

CHAIRMAN'S SPEECH

Good Morning Ladies and Gentlemen, I, Bharat Patel, Director & Chief Financial Officer of the Company welcome you all to the 33rd Annual General Meeting of Classic Filaments Limited which is being held through video conferencing and other audio visual means in compliance with the circulars issued by the Ministry of Corporate Affairs, Government of India and the Securities and Exchange Board of India.

It is 11.00 a.m. and as the required quorum for conducting the business is present, I call the meeting to order. I hope all of you and your loved ones are safe and keeping well.

The members who have joined this meeting, by default are kept on mute mode to avoid any disturbances arising from background noise and to enjoy smooth and seamless conduct of this meeting. Further, if any Shareholder wishes to speak then arrangements has been made for him to express his views or alternatively, he or she may write to the Company at the email ID as provided in the notice of the AGM and the same would be addressed appropriately.

During the AGM, if any shareholder faces any technical issue, he or she may contact the helpline number mentioned in the AGM Notice.

The Company has taken all the reasonable steps to ensure that the Shareholders are provided an opportunity to participate in the Annual General Meeting and vote.

I would like to inform that all the Members of the Board and Key Managerial Personnel have joined this meeting from the Registered Office of the Company.

Now, I would like to introduce, for the benefit of the Members, my colleagues on the Board of the Company:

1. Mr. Jayanti Gaudani, Managing Director
2. Mr. Bhavesh Dholia, Independent Director
3. Ms. Arunaben Kachchhi, Woman Independent Director

All the Directors of the Company are present at this meeting.

Further, I would like to inform you that Mr. Jayanti Gaudani, Managing Director, holds shares of the Company in his individual capacity and Mr. Bhavesh Dholiya, Independent Director holds shares in his individual capacity as well as Karta of Bhavesh Lakhabhai Dholiya (HUF) and will be counted for ascertaining quorum.

Apart from the Directors, Ms. Ankita Shroff, Company Secretary and Compliance Officer and Mr. Sonesh Jain, Secretarial Auditor is also present at this meeting. Further I would like to inform you that Mr. Vikas Chordia, Statutory Auditor of

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the Company has expressed his inability to join this meeting due to some personal reasons and accordingly he has been granted leave of absence.

M/s. JKPA & Associates, Practicing Company Secretaries, has been appointed as Scrutinizer to scrutinize the e-voting at the meeting and remote e-voting process in a fair and transparent manner. He is also present at the meeting through Video Conference.

I thank all of you for joining this meeting.

Since, there is no physical attendance of the shareholders, the requirement of appointing proxy is not applicable.

The Statutory Registers as required to be kept under the Companies Act, 2013 are available for Inspection electronically during the meeting.

Dear Members, the Notice of this meeting together with Annual Report for the year 2022-23 have already been circulated to all the members electronically.

With your permission, I take the Notice of the 33rd AGM and the Board's Report as read.

The Auditors' Report on the Financial Statements does not contain any qualification, adverse remark, reservation or any disclaimer. However, Secretarial Audit Report contains adverse remark mentioned by Mr. Sonesh Jain which are being read as

i. There is non-compliance of the provisions Regulation 31 of SEBI (LODR) Regulations, 2015 as Shareholding of the promoters of the Company is not in dematerialised mode and as per the explanation given to us, the promoters are in the process of dematerialising their securities.

In this regard I would like to inform all of you that the promoters have dematerialised their shares in the month of August, 2023 and now, shares of the promoters are in demat mode.

Apart from this, there is no other remark which is required to be read out at the meeting as per the Companies Act, 2013.

Now with your permission, I will begin my formal address to the Shareholders.

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Dear Shareholders,

Before I begin with my formal address to the Shareholders about the overall performance of the Company, I wish to inform all the Shareholders that I along with Mr. Jayanti Gaudani, Managing Director of the Company, Mr. Amit Patel, my brother and Mr. Ajay Gaudani, Jayantibhai's brother together have issued Public Announcement pursuant to the Open Offer in compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 on September 05, 2023 to acquire the majority stake in the Target Company. We together share the same vision and that is to take this Company to its new heights from its current position.

Now, let me get back to my address about the performance of the Company. The year gone by continued to be impacted by the multi-dimensional economic hurdles. The strain on the global supply chain networks led to runaway inflation and the situation has only worsened with the on-going geo-political conflict further fracturing the supply chain stability. Through this uncertainty, what has stood out is the resilience of mankind, to look for opportunities in adversities, to innovate and address the challenges. Your Company is making every effort too to show the same resilience to overcome all the challenges and continues to forge ahead in its journey. Throughout its journey, your Company has relentlessly looked at innovation to provide newer and better value propositions for customers, to cater to their said and unsaid needs and thus increase our relevance to them. However, in past few years, the Company is facing the situation which will take some time to overcome and get back to its full. This testing time is a learning curve for us. This is our forth virtual meeting. Couple of years, back we used to meet physically. We miss the physical meetings. However, the virtual meeting allows more shareholders to join from all parts of India and even the world. We all are experiencing the power of internet of connecting people worldwide.

Global economic activity faced several challenges during the financial year 2022-23. As we can evaluate from the current situation, Company is facing a huge burden and continues to suffer the beating of the global slowdown and soaring inflation. However, the Management is taking all the possible steps to revive the Company and make it competitive in a global market. The phase which Company is going through is temporary and our management is confident to get back in the business soon.

We have to reassess our strategies and working environment so as to make it compatible with the current situation and withstand our identity.

Further, we are analysing the market situation closely and trying to plan for the future accordingly. In the times to come, we will definitely overcome this

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challenge. We are planning our strategies in a way that helps us to mitigate the risk and secure the higher margin.

Now, let me get back to the AGM proceedings. The Company has made necessary arrangements for remote e-voting in accordance with the applicable provisions of the Companies Act, 2013 to enable the shareholders to vote on the items to be considered at the AGM.

The remote e-voting commenced from 11th September, 2023 (9:00 a.m. IST) and concluded on 13th September, 2023 (5:00 p.m. IST) as mentioned in the notice of the AGM.

The facility of e-voting is also provided at the meeting for those members who have not yet casted their vote. Members may visit the link for e-voting page and cast their vote while viewing the proceedings of the meeting once the Chairman declares voting to commence.

I now move each of the Resolutions to be transacted at the meeting.

RESOLUTION NO 1:

I now move the first resolution:

To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2023 including Audited Balance Sheet, the Statement of Profit & Loss, Statement of changes in Equity and Cash Flow Statement for the year ended on that date and the Reports of the Directors and the Auditors thereon.

Now, may I request any Shareholder to raise their query, if any?

As no query received, we shall be moving to the next Resolution.

RESOLUTION NO 2:

As I, Bharat Patel is considered as interested in the 2nd Resolution, I will vacate the chair as a chairman and request Mr. Bhavesh Dholiya to chair the meeting for this Agenda.

Good Morning dear Shareholders,

As requested by Mr. Bharat Patel, I now move the 2nd Resolution:

To appoint a Director in place of Mr. Bharat Patel (DIN-00249234), who retires by rotation and being eligible, offers himself for re-appointment.

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Now, may I request any Shareholder to raise their query, if any?

As no query received, we shall be moving to the next Resolution.

I now request Mr. Bharat Patel to take the Chair for the rest of the Agenda items.

RESOLUTION NO 3:

I now move the third resolution:

Re-appointment of M/s B. Chordia & Co, Chartered Accountants, Surat (Firm Registration No.: 121083W) as Statutory Auditors of the Company

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Audit Committee, M/s B. Chordia & Co, Chartered Accountants, Surat having Firm Registration No. 121083W be and are hereby reappointed as the Statutory Auditors of the Company for the second consecutive term of five years, from the conclusion of this 33rd Annual General Meeting till the conclusion of the 38th Annual General Meeting to be held in the year 2028, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the aforesaid resolution."

RESOLUTION NO 4:

I now move the forth resolution:

Approval for keeping of Register of Members, copies of Annual Return and other documents at a place other than the Registered Office of the Company:

"RESOLVED THAT pursuant to the provisions of Section 94(1) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder [including any statutory modifications or re-enactments thereof for the time being in force], consent of the shareholders be and is hereby accorded to keep the Register of members, transfer register and other statutory

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documents and the copies of all annual returns and copies of certificates and documents required to be annexed thereto at the office of Company's Registrar and Share Transfer Agent, viz. **M/s. Skyline Financial Services Private Limited**, D-153/ A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 or any other places as may be decided from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the aforesaid resolution."

As mentioned earlier, as none of the Shareholders have registered themselves as Speaker Shareholders for the Meeting, I would like to continue with the remaining proceedings.

As per the provisions of the Companies Act, 2013, I hereby order that e-voting at AGM is provided for all the four resolutions as set out in item number 1, 2, 3 and 4 of the Notice of 33rd AGM. I hereby request Mr. Prashant Kulshrestha, Partner of M/s. JKPA & Associates, Practicing Company Secretaries, being scrutinizer, to scrutinize the e-voting at the AGM and to provide their report in the manner as prescribed under the Companies Act, 2013 after conclusion of the AGM. The result will be displayed on the website of the Company at www.classicfilamentsltd.com and will be submitted to the Stock Exchange i.e. BSE Limited (www.bseindia.com) and to the e-voting providing Agency i.e. NSDL. Members are requested to cast their votes in proportion to their shareholding as on cut-off date of 7th September, 2023. The e-voting process will continue for 15 minutes and will be disabled thereafter by the NSDL.

Since there is no other business to transact, I declare the meeting as concluded. To sum up, I on behalf of the Board of Directors of your Company would like to convey my deepest gratitude to the Shareholders. I also take this opportunity to express gratitude to the valued customers, business associates and all the stakeholders for sharing a profound relationship with the Company and constantly supporting and strengthening the developmental efforts of your Company.

Thank You.