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## **ZODIAC CLOTHING COMPANY LIMITED**

**A. Y. Noorani:** Good afternoon. I have great pleasure in welcoming you 40<sup>th</sup> Annual General Meeting of your company convened electronically through video conferencing mode. I hope you and your family members are safe and in good health. The Ministry of Corporate Affairs has permitted companies to continue to hold its AGM through video conferencing and other visual audio means. This 40th Annual General Meeting of the company is accordingly being conducted through video conferencing to ensure wider participation from all members of the company. A soft copy of the annual report has been emailed to all members holding shares in DMAT mode or in physical mode and whose email addresses are registered with the company or with the registrar and transfer agent depository participant. As the requisite quorum is present, I now call the meeting to order. The Register of Directors and Key Management Personnel and their shareholding, the register of contracts of arrangements in which the directors are interested and such of the documents as mentioned in the notice convening this meeting will be available for inspection by the members. Members seeking to inspect such documents may write to the company secretary at [cosecy@zodiacmtc.com](mailto:cosecy@zodiacmtc.com) as mentioned in the notice conducting the AGM. As the meeting is being held electronically, the proxy related procedures have been dispensed with which is in line with the regulatory requirements. Let me now introduce the directors, auditors and key management personnel of the company attending the meeting through video conference from their respective locations. We have Mr. S.R. Iyer, our Audit Committee Chairman. We have Mr. Dilip Thakkar, Independent Director and Chairman of the Incoming Audit Committee. We have Mr. Vaman Madhav Apte again Independent Director and Chairman of the CSR committee. We have Dr. Naushad Forbes, Independent Director and the Chairman of the Nomination and Remuneration Committee who is joining us from Europe. Ambassador Javed Ahmad, Independent Director, joining us from Bombay, Mr. Salman Noorani, Vice Chairman and Managing Director joining us from Bombay, we also have Mr. Awais Noorani, Executive Director Exports joining us from Bombay, Mr. Adnan Salman Noorani, Executive Director Digital joining us from Bombay. The KMPs, we have Mr. Mahabala Bealthur, CFO from Bombay and Mr. Kumar Iyer, Company Secretary. Our statutory auditors, M/s MSK and Associates are represented by the partner, Mr. Ankush Agarwal and Associate Director Ms. Supriya Gupta who have joined us from Bombay as well. Miss Prerna Pawar of M/s. Robert Pavrey & Associates Secretarial Auditor has joined the meeting from Bombay. Mr. Narasimhan of VN Associates, the scrutinizer for the e voting process, has also joined the meeting from Bombay. The company, being a listed company, is required to provide e-voting facility to its shareholders. The company has engaged the services of KFin Technologies to provide the facility of remote e-voting to all its members to cast their votes on all business contained in the notice. Voting will be in proportion to the shares held by the members along the cutoff date. In line with the regulatory requirements remote e-voting facility on K-Fin's e-voting platform has been provided to the members of the company for four days starting from Monday 23 September at 09:00 a.m. and ended on Thursday, September 26 at 05:00 p.m. This module has been disabled for voting by KFin

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thereafter. As mentioned in the notice convening the meeting for those members who did not could not avail of the remote voting facility the company is pleased to provide the facility to pass their votes electronically during the AGM on all the proposed resolutions through KFin's insta poll mechanism. The insta poll facility will be activated and made available from the commencement to the close of the meeting. Members can avail this facility and cast their votes on all resolutions proposed with the notice. This facility is available on the left hand corner of the video conferencing screen in the form of a thumb sign. Members can click on the same to take them to the insta poll page and vote. Let me reiterate that this facility is available only to those members who have not already cast their votes through the remote voting facility. If a member has already voted in the remote e-voting, he or she will not be able to cast their vote again through insta poll. The board has appointed Mr. B. Narasimhan of BN and Associates Company Secretary for failing him Mr. Venkat Raman K. Practicing Company Secretary as scrutinizers for scrutinizing legal voting process in a fair and transparent manner. Once all of you have cast your votes, the vote will be counted by the scrutinizer. He will then unblock the results of the remote e-voting. It will then be consolidated with the results of the voting done during today's meeting. The voting results, along with the scrutinizers report will also be communicated to the stock exchanges and the same will be placed on the website of the company as well and on the evoting platform of KFin. To sum up, following is the schedule for today's meeting. As the chairman's statement has been with you for some time now. May I, with your kind permission, take the same as read. Thank you. Kindly note that those of you who have registered as a speaker at the meeting will be invited by the moderator. Considering the time of all those attending the meeting, we request that every speaker shareholder finally be brief and restrict their comments to matters relevant to the business contained in the AGM notice. After this, the questions raised by the speaker's shareholders shall be answered. After all the queries questions have been answered, the meeting will conclude. You are kindly requested to ensure that those of you who have not yet cast your votes may vote any time from the commencement to the close of this meeting. I shall now proceed with the business of the meeting. The notice dated 8th August 2024 convening this meeting, along with the copy of the annual report for the financial year ended March 2024, has already been circulated electronically and with your permission, I shall take the same as read. The auditor's report on the financial statements of the company does not have any qualifications or observations or comments on the financial transactions or matters as having any adverse effect on the functioning of the company. Accordingly, the auditor's report is not required to be read out at the meeting. Similarly, as there are no adverse comments in the secretarial report, the same is also not required to be read out at this meeting. The ordinary business set out in the AGM notice pertain to receive, consider and adopt the audited financial statements, including the audited consolidated financial statements for the financial year ended March 2024 and the reports of the board and auditors thereon. To appoint a director in place of Mr. Anees Noorani, who retires by rotation and being eligible, offers himself for reappointment. To appoint a director in the place of Mr. Salman Noorani, who retires by rotation and being eligible, offers himself for

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reappointment. The special business set out in the AGM pertaining to appointment of Mr. Dilip Jayantilal Thakkar as Independent Director of the company. Appointment of Ambassador Ahmad Javed as an Independent Director of the company and reappointment of Mr. Vaman Madhav Apte as an Independent Director of the company. Appointment of Mr. Subramaniam Ramachandran Iyer as a Non Independent, Non Executive Director. The resolutions and the explanatory statement in respect of the above proposals, wherever applicable, have been provided in the notice. A few registered shareholders have registered themselves as a speaker for raising queries or questions at this meeting. I now request the moderator to facilitate shareholders to speak raise clarifications regarding the accounts and operations **(voice not clear)** ended March 2024 in the interest of time and with a view to give adequate opportunity to all. I request members once again to be judicious in time and restrict the same for two minutes. We will hear all the queries first, after which we will be pleased to give our response in a consolidating manner.

**Moderator:** Thank you chairman sir. May I request our first speaker, Mr. Ayush Gupta from Delhi, to kindly unmute himself, switch on his webcam if he desires to do so and put forth his perspective. Mr. Ayush Gupta from Delhi is not available. Our next speaker, Mr. Dinesh Gopaldas Bhatia from Mumbai is also not available at this point in time in the meeting. So we will move on to our next speaker, Mr. Abhishek J. from Chennai. Mr. Abhishek J. from Chennai, you are requesting to kindly unmute yourself switch on your webcam if you desire to do so, put forth your question.

**Abhishek:** First of all I congratulate the management on the eve of Annual General Body Meeting. I trust all is well with you and your family. Our company deserves much more response than the current market cap after completing more than **(voice not clear)** profitability **(voice not clear)** whatever steps we have taken **(voice not clear)** and the audit team. Myself and my team are running a legal firm in the name and style of seven months associate in Chennai. So I would request the management kindly enroll the firm in the employment of the company and we will be glad to extend our services. But then I would request the management to finally consider hybrid AGMs in the years to come as most of the senior citizens are not able to join because of the digital challenges in this virtual platform. So if you can consider hybrid AGMs in the years to come, you can have more number of shareholders joining in the meeting. You can get the valuable points, suggestion and ideas that will be helpful for the management to empower in the coming future. And I would read K Fin platform where we exercise re voting and where we get access to Annual General Body Meeting as well. You update a link for the documents like register of members, register of KMPs, register of contracts with the name. Sir the link is updated. The shareholders can, when you inspect the document online itself and when he not reach out to you at a later stage seeking for all these documents and I would request the management to kindly arrange for a planned visit for the shareholders sir. And I would also request you to kindly send your product samples like we are manufacturing shirts, zodiac shirts and also give discount coupons to the shareholders who are purchasing from Zodiac clothing, Zodiac showrooms. So if you can provide a discount coupon and voucher to shareholders that will

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be really helpful to the investor fraternity who can make use of it. And this will in fact give a boom to the business as well as the stock price in the stock market also will empower. So kindly look into and give discount coupons to the shareholders. That will give business to the company and nothing much to ask sir. We are really thankful to the entire board of directors for the sincere efforts in bringing the company to this particular extent and rewarding the minority shareholders in large numbers. I wish the company and the board of directors a great success and prosperity in the coming future. And thank you for giving the opportunity, sir. Hope to see you in the hybrid AGM next year. Thank you very much, sir. Kindly give us an opportunity to meet you and greet you, sir, whenever you come down to our city. Thank you very much, sir.

**Moderator:** Thank you. Mr. Abhishek. Just as an FYI, I have muted the boardroom in case there is a required to speak. Kindly unmute the boardroom. As and when needed, we will move on to our next speaker. Mr. Kapil Chopra from Ghaziabad. Mr. Kapil Chopra, you are requested to kindly unmute yourself. Switch on your webcam if you desire to do so and put forth your perspective. Sir, Mr. Kapil Chopra from Ghaziabad. Well, we have not received any input from Mr. Kapil Chopra. So we will move on to our next speaker, Mr. Manjit Singh. Mr. Manji Singh is currently not available. Neither is Mr. Ramesh Shankar Gola from Hyderabad. We will move on to our next speaker. Mr. Manoj Bhagadiya from Mumbai. Mr. Manoj Bhagadiya from Mumbai. You are requested to kindly unmute yourself. Switch on your webcam if you desire to do so and put forth your perspective, please. We have not received any inputs from Mr. Manoj Bhagadiya. So we will move on to our next speaker. Mr. Rishikesh Chopra from Delhi. Mr. Rishikesh Chopra from Delhi. You are requested to kindly unmute yourself. Switch on your webcam if you desire to do so and put forth your perspective. Well, we have not received any inputs from Mr. Rishikesh Chopra. We will move on to our next speaker. Mr. Manoj Kumar Gupta from Calcutta. Mr. Manoj Kumar Gupta, you are requested to kindly unmute yourself. Switch on your webcam if you desire to do so and put forth your question.

**Manoj Kumar Gupta:** Hello. Good afternoon, respected chairman, board of directors, fellow shareholders. My name is Manoj Kumar Gupta. I have joined the meeting from Calcutta. We feel proud to be a shareholder of Zodiac Clothing Company Limited. And we feel proud that you are our chairman. Thanks to the company secretary and his team to help us to joined this meeting through VC. Thanks to specially Mr. Gore. I have called him today morning that I have not got the link. He has sent the link today and I have joined the meeting and convey our best wishes to Mr. Y P Trivedi and sir, how you face the competition. Your fabric is so excellent. Brand is very excellent. Try to launch some showrooms at the airports that people go outside they can buy your products at the airports or railway stations fast. Try to open two or three showrooms in the different airports that passengers can buy the products. Now the government has allowed to open the showroom at railway stations also. So you should consider more showrooms entire one, two, three cities to consider to open more showroom and take the brand globally. And sir consider to give 30% to 40% discount coupon to the investors that they can also buy. Thank you, sir.

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**Moderator:** Thank you, Mr. Manoj Kumar Guptaji. We will move on to our next speaker. Mr. K. Bharat Raj from Hyderabad. Mr. K. Bharat Raj from Hyderabad. Currently he is not available at this point in time. So we'll move on to our next speaker. Ms. Lekha Satisha from Mumbai. Ms. Lekha Satisha from Mumbai. Well, we have not received any inputs from Ms. Lekha Satisha. So we will move on to our next speaker. Mr. Anil Babubhai Mehta from Mumbai. Mr. Anil Babubhai Mehta from Mumbai. You are requested to kindly unmute yourself. Well, we have not received any input from Mr. Anil Babubhai Mehta. So we'll move on to our next speaker. Mr. Hiranand Parsharam Kotwani from Kalyan. We have not received any input from Mr. Hiranand. Mr. Yusuf Yunus Rangawala from Mumbai. Mr. Yusuf Yunus Rangawala from Mumbai. Unfortunately, he is not available at this point in time. Ms. Hutokshi Sam Patel from Mumbai. Ms. Hutokshi Sam Patel from Mumbai. You are requested to kindly unmute yourself ma'am. We have not received any input from Ms. Hutokshi Sam Patel. So we'll move on to our next speaker. Ms. Celestine Elizabeth Mascarenhas from Mumbai. Ms. Celestine Elizabeth Mascarenhas from Mumbai. We have not received any input from Ms. Celestine Elizabeth Mascarenhas. So we will move on to Mr. Anil S. Gabria from Mumbai. Mr. Anil S. Gabria from Mumbai. We have not received any input from Mr. Anil S. Gabria. So we will move on to Mr. Jaydeep Bakshi from Kolkata. Mr. Jaydeep Bakshi from Kolkata. You are requested to kindly unmute yourself sir. Mr. Jaydeep Bakshi from Kolkata is not available at this point in time. So we will move on to Mr. Vinay Vishnu Bide from Mumbai. Mr. Vinay Vishnu Bide from Mumbai. We have not received any input. Our last speaker is Mr. Rajesh Kewalram Chenani. Mr. Rajesh Kewalram Chenani. Unfortunately, he is also not available at this point in time. Chairman sir, we have given an opportunity to every individual who has registered themselves as a speaker. There are no further speakers available. Therefore, the board to continue with the rest of the meeting. Thank you. Sir. Kindly note that the boardroom is on mute currently. Please unmute. Thank you.

**A. Y. Noorani:** Thank you very much members for your queries and the interest in the operations of the company. Ladies and gentlemen, this concludes the business part of the meeting.

**S. Y. Noorani:** I think that it is important that one looks at the clothing business specifically. There is a very big difference between the textile business and the clothing business. Since the pandemic all clothing businesses in the world have gone through a very rough patch. Consumer demand has been erratic. It goes up, it goes down. Companies like ourselves are very conservative and we have been very careful to not allow our stock to bloat. We unfortunately have been facing a situation where property prices are at their peaks just now and therefore rentals are also at their peaks. For us to sign stores at high rentals would be hurricane. That being said, I would like to point out that it is not that we have gone from 120s Giza cotton to 70 Giza cotton. The 120s and the 70s refers to the count that is the thick or thinness of the yarn and not to the quality of cotton. As far as quality of cotton is concerned, we have actually gone from regular mixing of Giza to Giza 86 and 94, which are extra long staple cottons of Giza. And our quality of products that we have been manufacturing has gone up substantially. This is also borne out in the fact that the sales of

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these products has been excellent. Besides that, we have launched several new products, including most recently, five pocket jeans and all of which have met with consumer successes. In order for the company to improve its performance further, it is essential that we increase our distribution points, for which we do have to wait until we can get stores at sensible rentals. We are not going to commit long term hierarchy just to gain something in the short term. This comes from 70 years of our being in this business. And between my brother and me, if you had our years of experience together, it comes to more than 100 years of experience. The company has undoubtedly gone through a difficult patch, but we are confident that, you know, with the steps that we have taken, we will see the performance improve quite substantially going forward. Anything to add?

**A. Y. Noorani:** I think that says it all. There have been other shareholders who have only spoken in superlatives about the company. Despite the difficulty with the profitability for the last few years, which have not been unaffected by demonetization, by the introduction of GST, by the COVID, by the global financial crisis, by the European financial crisis, the Ukraine Russia war and the Middle East crisis with Israel and Gaza. All these events have had an impact on both our branded business in India and our international business. The promoters have shown their commitment by company, pumping in funds into the company consistently and they continue to do so.

**S. Y. Noorani:** So that's enough said.

**A. Y. Noorani:** Thank you very much members for your queries and interest and operations in the company. Ladies and gentlemen, this concludes the business part of the meeting. The insta poll facility will now be deactivated. The scrutinizer will submit a report to the company after consolidating the remote e voting and voting at the AGM. I thank all of you for participating in the meeting and for your cooperation in the smooth conduct of the meeting. As all the items of business of the meeting have been transacted, I hereby declare the meeting closed.