

**VOITH PAPER FABRICS INDIA LIMITED**  
**TRANSCRIPT OF THE 54<sup>th</sup> ANNUAL GENERAL MEETING**

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Day : Friday

Date/Time : 09<sup>th</sup> August, 2024 / 3:30 p.m. (IST)

Venue : Through video-conferencing

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**Benno Edmund Morlock** - Namaste and good afternoon to ladies and gentlemen present to the meeting.

I am Benno Edmund Morlock, Chairman of the Board of Directors, as well as the Chairman of Corporate Social Responsibility Committee, of your Company and I am participating in this meeting from my office in Germany.

I welcome you all to the 54<sup>th</sup> Annual General Meeting of your Company. Now it is 3:30 p.m. according to Indian Standard Time and it is time to start the proceedings.

Before we start the proceedings of the meeting, I wish to introduce my other colleagues on the Board, Key Managerial Persons & Auditors to the Company:

- Mr. Krishna Kumar
- Mr. Ravinder Nath
- Mr. S. K. Nagpal
- Dr. Deepti Gupta
- Mrs. Pallavi Dinodia Gupta
- Mr. Kalyan Dasgupta
- Mr. C.S. Gugliani
- Mr. Ankush Goel
- Mr. P.C. Jain

I now request my colleagues participating in this meeting, to introduce themselves.  
Mr. Krishna Kumar.

**R. Krishna Kumar** - Thank you Mr. Morlock. Good afternoon everyone. I hope all of you are doing well. Welcome to the 54<sup>th</sup> Annual General Meeting of your Company. I am R. Krishna Kumar, Managing Director of your Company and I'm attending this meeting from the registered office of the Company in Faridabad.

*Over to Chairman.*

**Benno Edmund Morlock** - Mr. S.K. Nagpal

**Benno Edmund Morlock** - I think you are muted. Mr. Nagpal, I think you are muted.

**C.S. Gugliani** - Mr. Nagpal, you are muted please.

**S.K. Nagpal** - Can you hear me?

**C.S. Gugliani** - Yes, Now we hear you.

**Benno Edmund Morlock** - Yes, we hear you now.

**Benno Edmund Morlock** - Again, you are muted.

**S.K. Nagpal** - Good afternoon everyone. I am S.K. Nagpal, an Independent Director of your Company and also the Chairman of Audit Committee as well as Nomination & Remuneration Committee of the Board of the Company. I'm attending the meeting from my home in Gurgaon. Thank you.

**Benno Edmund Morlock** - Dr. Deepti Gupta

**Dr. Deepti Gupta** - Namaskar, good afternoon. I am Dr. Deepti Gupta, and an Independent Director of the Company. I am attending this meeting from my office in New Delhi. Thank you.

**Benno Edmund Morlock** - Mr. Kalyan Dasgupta

**Kalyan Dasgupta** - Good afternoon everyone. I am Kalyan Dasgupta, CFO. I am attending this meeting from the Company's registered office. Thank you Chairman.

**Benno Edmund Morlock** - Mrs. Pallavi Dinodia Gupta

**Pallavi Dinodia Gupta** - Good afternoon everyone. I am Pallavi Dinodia Gupta. I am attending this meeting from my office in New Delhi. I am an Independent Director on the Board, a Chartered Accountant by profession and also a part of the Audit Committee. Thank you.

**Ravinder Nath** - May I also introduce myself. Good afternoon everyone. I am Ravinder Nath and I am a Non-Executive and Non-Independent Director on your Company and I am also the Chairman of the Shareholder's Relationship Committee of the Company and I am a practicing Lawyer in New Delhi and I am attending this meeting from my office in New Delhi.

**Benno Edmund Morlock** - Welcome Mr. Nath.

**Benno Edmund Morlock** - Mr. C.S. Gugliani

**C.S. Gugliani** - Good afternoon everyone. I am C.S Gugliani, Company Secretary. I am also attending this meeting from the Company's registered office at Faridabad. Thank you.  
*Over to Chairman.*

**Benno Edmund Morlock** - Representative of Statutory Auditor, Mr. Ankush Goel.

**Ankush Goel** - Good afternoon everyone. My name is Ankush Goel, partner in B S R & Co. Company. I am attending this meeting from my office in Gurgaon.

**Benno Edmund Morlock** - Representative of Secretarial Auditors and Scrutinizer, Mr. P.C. Jain.

**P.C. Jain** - Good afternoon everyone. I am P.C. Jain, partner of P.C. Jain & Company. I am the Scrutinizer for this meeting as well as Secretarial Auditor. I am attending this meeting from my office from Faridabad. Thank you very much.  
*Over to Chairman.*

**Benno Edmund Morlock** - We have the requisite quorum present to conduct the proceedings of this meeting and, I call this meeting to order.  
Now I request the Company Secretary, Mr. C.S. Gugliani, to provide general instructions to the members regarding participation in this meeting.

**C.S. Gugliani** - Thank you sir.

Good afternoon to all of you once again. Please note that in compliance with the guidelines issued by the Ministry of Corporate Affairs, applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the 54<sup>th</sup> Annual General Meeting is also being convened through video conferencing. Before we proceed further, I would like to mention certain points for your information and effective participation in this virtual meeting.

In accordance with the provisions of the Companies Act and the SEBI Listing Regulations, the members have been provided with the facility to exercise their right to vote by electronic means both through Remote E-voting facility and E-voting at the Annual General Meeting. The members who have not yet casted their vote through Remote E-voting, on the business items mentioned in the Notice of this AGM, and who are attending this meeting, the facility to cast the E-vote is available during the meeting and would remain available for 15 minutes after the conclusion of this meeting. The Remote E-voting for members began at 9.00 a.m. on Tuesday, 6<sup>th</sup> August, 2024 and ended at 5.00 p.m. on Thursday, 8<sup>th</sup> August, 2024. Members may please note that there will be no voting by show of hands and the proceedings of this meeting are being recorded for compliance purpose.

The relevant statutory registers of the company are also available for inspection by the members electronically, through the link on the CDSL E-voting portal.

Members are encouraged to join the meeting through their laptops and use headphones for a better experience. Use of internet with a good speed is also recommended to avoid any disturbance during the meeting. Participants connecting from mobile devices or tablets or through laptops connecting via a mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use a stable Wi-Fi Connection or LAN connection to mitigate any kind of aforesaid glitches.

As mentioned in the Notice, the facility of participation at the AGM through video conferencing or other audio/visual means has been made available for at least 1000 members on first come first serve basis, except for large shareholders, promoters, institutional investors, directors, key managerial personnel, the chairperson of the audit committee, nomination committee, and stakeholders relationship committee as well as the auditors, who are allowed to attend the meeting without any restrictions on account of first come first serve basis.

As the AGM is being held through video conferencing, the facility for appointment of proxies was not applicable, and hence the proxy register for inspection is not available. However, a body corporate is entitled to appoint authorized representatives to attend the AGM through video conferencing or other audio-visual means and participate and cast the vote. The registered office of the company situated at 113/114-A, Sector- 24 Faridabad-121005 (Haryana) shall be deemed as the venue for this AGM and proceedings of the AGM shall be deemed to be made here at.

We have received requests from some members for registration as 'speaker shareholders' at the meeting. All such shareholders who are present today shall be allowed to speak sequentially once the Chairman directs for the same. We request speakers to limit their speech to about 5 minutes only. The queries from shareholders, if any, would be responded towards the end of the meeting.

With this, I now request Mr. Benno Morlock, Chairman, to continue with the proceedings of the meeting. Thank you.

**Benno Edmund Morlock** - Good Afternoon, Ladies & Gentlemen once again,

I extend a warm welcome to all of you to the 54<sup>th</sup> Annual General Meeting of your Company and thank you for sparing your time to participate in this AGM. This year's AGM is also being convened through virtual mode to facilitate wider participation from shareholders, ensuring collaborative interactions with them even from remote areas.

During the year under review, World Trade remained affected and uncertain because of the prevailing geopolitical conditions across different parts of the globe and the industries are having a tough time in carrying out their operations in a profitable manner. Yet, India has performed better than other economies due to the effective implementation of government policies and large customer base was available in the country. We hope that the country will continue to grow due to the continued economic reforms and developments.

The global pulp and paper market is expected to grow in times to come. Also, in line with the overall economic conditions of India, the Indian paper industry has shown the signs of improvement and growth during financial year 2023-24, particularly due to factors like China's ban on paper waste and supply disruptions from ongoing conflict in Russia-Ukraine region. Looking forward, we can expect operating margins to improve further as the industry is anticipated to grow in the near future.

Sustainability is the main concern for the future that we expect to overcome successfully through the implementation of our Sustainability program 'Papermaking for Life'. This would help in using as few resources as possible in paper production process.

India has already implemented regulations to ban single-use plastic, which will provide opportunities to the paper industry for packaging demands. Good governance and Sustainability are on-going endeavours at Voith. We follow an effective system of Corporate Governance which helps in gaining trusts of customers, suppliers, and partners. Compliance at Voith is a key element of doing business sustainably and it is the cornerstone of all business relationships.

Your Company is also committed to be a socially responsible citizen. It gives me significant pleasure to share that your Company is contributing towards the society taking it as a responsibility towards the community development and helping underprivileged people by making its CSR contributions in areas like, promoting hygiene, healthcare and empowerment of women, etc.

In January 2024, I had the privilege of visiting your Company together with a team of other senior members of Voith Paper Group Division across the globe. It gives me immense satisfaction to share with you once again, that they were all delighted to see the performance and operations of your Company.

In Financial Year 2024, your Company has achieved about 9% growth on its total revenue over previous year. Your Company remains in the focus of the Voith Group due to its performance and gets local research and technical support from the Group.

Before concluding, I would like to take a moment to express my sincere appreciation to the employees at all levels for their hard-work and dedication. I am confident that together we will achieve even greater milestones.

Your Company remains the 'First-choice supplier of paper machine clothing' in the market as the products and related after-sales services provided by the company meet the expectations across all parameters of the customers.

The future holds many opportunities for Voith, and your Company is well positioned to grab these. We must be consistently profitable to make sure that Company remains resilient and is able to safeguard our liquidity and continue to have funds to invest in our future. Your faith in Company's Management will make us strive hard to achieve more in the future.

I extend my gratitude to all the stakeholders for their continued trust, encouragement, and support to the Company.

Thank you!

**Benno Edmund Morlock** - The Notice convening this AGM and the Audited Financial Statements together with the Board's Report and Auditors' Report thereon, have already been circulated to the members electronically and I take the same as read.

However, I request the Company Secretary, Mr. C.S. Gugliani to provide a summary of the Auditors' Report.

**C.S. Gugliani** - Thank you Sir.

The Statutory Auditors, B S R & Co. LLP and the Secretarial Auditors, P.C. Jain & Co., have expressed unqualified opinion in their respective audit reports for the financial year 2023/2024. There was no qualifications, observations or adverse comments on the financial statements and allied matters, which have any material bearing on the functioning of the Company.

The Statutory Auditors Report on the financial statements are available on page numbers 32 to 39 of the 54<sup>th</sup> Annual Report. The Secretarial Auditors Report is available as Annexure IV to the Board's Report on page numbers 14 and 15 of the 54<sup>th</sup> Annual Report. Thank you.

*Over to Chairman.*

**Benno Edmund Morlock** - Thank you, Mr. Gugliani.

We shall now take up the business items as set forth in the Notice. I am pleased to bring to your notice that, as required under the Companies Act, 2013, the Company has provided you all, the facility to cast your vote electronically, on all resolutions set forth in the Notice.

We will open the floor for questions by members after the business items are taken up and I request the Company Secretary to brief the same to everyone and also to invite the registered members to express their views.

**C.S. Gugliani** - Thank you, Sir.

Members may please take note that the following business items to be transacted at this AGM:

**Item No. 1 of the Notice - Adoption of Financial Statements.**

The Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2024, together with the reports of Board of Directors and Auditors thereon.

**Item No. 2 of the Notice - Declaration of Dividend.**

The Board has recommended a final dividend @ 80%, i.e. Rs.8/- per equity share of Rs.10/- each fully paid-up, for the year ended 31<sup>st</sup> March, 2024.

**Item No. 3 of the Notice - To appoint the Director who retires by rotation.**

Mr. R. Krishna Kumar, who retires by rotation and, being eligible, seeks re-appointment.

**Item No. 4 of the Notice - Approval for continuation of Mr. Benno Edmund Morlock as Non-executive Director.**

Approval is required to approve the continuation of Mr. Benno Edmund Morlock as a Non-executive Director.

**Item No. 5 of the Notice - Approval for continuation of Mr. R. Krishna Kumar as the Managing Director.**

Approval is required to approve the continuation of Mr. R. Krishna Kumar as Managing Director for another term of 5 years and to approve his remuneration, by way of a **Special Resolution**.

**Item No. 6 to the Notice - Approval of Material Related Party Transactions**

Approval is required to approve the Material Related Party contracts or arrangements during the financial year 2024/25.

In accordance with the provisions of Companies Act, 2013 and SEBI Regulations, the Holding Company is ineligible to vote on this item, being a related party.

The text of the resolutions on respective items is available on the E-voting platform of CDSL.

Now, we would invite the 'speaker shareholders' to ask questions or present their views at the meeting.

Members are requested to keep their questions brief and specific. The moderator will facilitate their participation. To avoid repetition, the answers of all the questions will be provided at the end.

Now I would call up the name of persons who have pre-registered themselves as 'Speaker' for speaking at this AGM and would request the moderator to unmute them one-by-one.

**C.S. Gugliani** - Mr. Ankur Chanda

**C.S. Gugliani** - Moderator, please unmute them.

**Moderator** - Sir, Mr. Ankur Chanda has not joined.

**C.S. Gugliani** - Okay.

**C.S. Gugliani** - Mr. Praveen Kumar.

**Praveen Kumar** - Hello, am I audible sir?

**C.S. Gugliani** - Now you are audible please.  
Please carry on, Mr. Praveen Kumar.

**Praveen Kumar** - Very good afternoon to my respected Chairperson, dignitaries on dias, my fellow shareholders. Myself, Praveen Kumar joining this meeting from New Delhi. I have few observations which I love to share with the entire house. But, before that in this financial year, this is our first interaction with the management, so I wish the entire management team and each and every employee of our company a happy, healthy and prosperous future.

Coming down to my observations, Sir, I'm in the company for years now and I waited for this day. This is our AGM and I love to hear the annual report, the annual paper, to the shareholder. I think it is very, very informative for a retail perspective and that was very, very informative, very, very knowledgeable to a retail investor because we put hard earn money into the company and I have great respect for our esteemed Board of Directors, respected Chairperson to bring sustainable growth on a long-term basis. Sir, the CSR activities is concerned, our company is doing fantabulous job as far as to build India in a very, very unique way. So, I'm very very thankful to the entire management team. I'm very lucky to be part of such a very interesting company Sir. And I'm very very thankful to my respected CFO, CS, Mr. Maheshwari, the entire team is fantabulous as far as the corporate governance is concerned, even though during the course of the time, if you have any queries, I'm very, very thankful to our respective

Gugliani ji to address that update or queries promptly during the year also. My question to the management is, what will be the key growth driver for the next year in our Company? With this, I just pray to the God that he will bless you so that you will keep the momentum in the future. I'm very thankful to the entire management team to give me this opportunity to share my views and accept my observation, wish you all the luck and All the Best. Thank you sir. Thank you very much.

**C.S. Gugliani** - Thank you, Mr. Praveen Kumar.

**C.S. Gugliani** - Mr. Chetan Chadha.

**Moderator** - Mr. Chetan Chadha has not joined, Sir.

**C.S. Gugliani** - Okay.

**C.S. Gugliani** - Mr. Vaibhav Badjatya

**Vaibhav Badjatya** - Hello, good afternoon, everyone. Am I audible?

**C.S. Gugliani** - Yes, Mr. Badjatya please carry on.

**Vaibhav Badjatya** - Yes, first of all, thank you very much for providing me the opportunity to speak at this platform. I had few questions which I had already sent through email. I'll just go through over them once again for the benefit of other shareholders.

**C.S. Gugliani** - Please.

**Vaibhav Badjatya** -

1. Company's sales to Europe seems to have declined while sales to US seems to have improved. Can you please explain the reasons behind this trend?
2. For sales to Europe and USA, which other Voith group plant compete with our India plants?
3. Are we producing SSB under formic fabric line? If not, what are the plans to enter into SSB fabric?
4. Out of forming, pressing and drying fabric, which product have highest contribution in exports of the Company?
5. Can you please provide insights into the steps taken for improvement in after sales service capabilities of the Company?
6. How much of the sales of the Company is from Non-Paper Industries like construction etc.?
7. Like press felt, do formic fabrics also have high level of customization or they are relatively more standardized?
8. Which is the largest contributor to revenue growth of the Company, is it volume, realization or the product mix change?

If you could answer these questions point by point, it will be highly appreciated sir. Thank you very much for listening out. Thank you.

**C.S. Gugliani** - Thank you, Mr. Badjatya.

**C.S. Gugliani** - Mr. Manjit Singh

**Moderator** - Mr. Manjit Singh has not joined.

**C.S. Gugliani** - Mr. Sarvjeet Singh

**Moderator** - Also not joined, Sir.

**C.S. Gugliani** - Mr. R P Tulsian.

**R.P. Tulsian** - Hello.

**CS. Gugliani** - Good afternoon, Sir. We can hear you, please carry on.

**R.P. Tulsian** - Yeh hamare Chairman sahab Germany se hain?

**C.S. Gugliani** - Hanji, Sir.

**R.P. Tulsian** - Toh zara mein 2 lines unke liye bolu?

**C.S. Gugliani** - Please, Sir.

**R.P. Tulsian** - Hello, Benno Morlock.

Mr. Tulsian addressed and welcomed the Chairman to the AGM in German language, and then translated it as below:

Namaste, mein R.P. Tulsian bol raha hoon or apka iss Shareholder's Meeting apka swagat karta hoon.

**R.P. Tulsian** - Anyhow, mujhe ek bat zarur samajh aa rahi hai ke iss Shareholder's Meeting ko apne balle-balle kar diya hai, jab dividend 80% kar diya hai. What more you want? Agar Company ke Board iss bat ko dhyan me rakhte hain ki Shareholder's ko kuch extra diya jaye, zyada diya jay, halanki Dil Mange More, 80% aaj ki duniya me kuch cheez hai nahi bhai. Aaj kal toh 100% ko nahi mante log. Toh mein kahunga, ki bhai agli bar aap iss bat ka dhyan rakhen ki yeh 100% se bhi upar ho. Why not 1000%, Sky is the limit, think big. Lekin yeh next year ke liye bol raha hoon.

Next important baat yeh hai ki apne bohot World economy ko bhi maat kar diya hai. Indian economy ke sath-sath hamari Company ne yeh kam kiya hai. Result bhi ache diye, dividend bhi acha diya, lekin yeh toh apki tariff wali baat ho gayi lekin kuch baten aisi hain jo thodi si namkeen aur kadvi bhi hoti hain. Toh, uske liye tayyar rahen. Iske liye maine pehle bhumika bandh di hai ki aap uske liye ready rahen.

Abhi ek Director aye the jo kehte hain, mein Stakeholder's Meeting ka Chairman hoon. Mera unse nivedan hai ki aap Board ko recommend karen ki vo bonus dein, split karen, koi right issue niakle. Doosra vo bhi yeh bhi dekhe ki jo paisa hamara cash aur bank mein pada hua hai uska better utilisation kaise ho sakta hai. Yeh mein Board ki wisdom par chodta hun lekin aj ka jo zamana hai log multiply kar rahe hain paisa, mutual fund mein dalen aap ya kahin bhi dale, vahan multiply ho raha hai paisa, log ek saal mein double kar rahe hain, aap 25% hi kamalo. Main toh apse keh raha hoon something you should do, jo without risk bhi ho. Because I agree with you, ki risk nahi lena hai, lekin kuch aisa karen ki humko lage ki aap really Stakeholder's Meeting ke Chairman hain aur unke liye kuch kar bhi rahe hain.

Next baat yeh, ki Faridabad mein hamare pass bohot zameen hai. Factory choti hai, dil bada hai lekin kaam bada nahi hai. Kya vo din aa sakta hai jab sari Board Meeting ke log yeh kahen ki Tulsian Sir humne capacity bhi double kardi hai, income bhi dugni kardi hai, or dividend humne 5000% kar diya hai. Will you accept it? Main kahunga bhaisahab aaj ke baad meeting mein kuch kahunga hi nahin mein. Namaste karke chala jaunga. Lekin iske liye poore Board ko unanimously kaam karna hoga ki vo iss zameen ka fayda uthaye, kya expansion hum kar sakte hain, humari parent Company se hum request kar sakte hain ki vo humen order place karen, cheez India se banvakar export karaye, kyuki aap agree karenge ki hum sab log jo yahan baithe hain, chahe as a director, shareholder, auditor ya MD hain, sabka ek hi maksad hai - to maximise the interest of the Company, in turn, the interest of the Stakeholders including Shareholders. Mera yeh request hai ki aap iss baat par dhyan bhi denge or guidance bhi denge.



Aur abhi time ho gya hai. Koi bat nahin mein adha minute loonga sirf yeh kehne ke liye ki hamen apse koi sawal nahin poochna, kyuki aap kaam lajawab karte hain toh aapkey jawab bhi lajawaab honge. Mein kahunga ki mere sawalo se badhkar hai teri khamoshi, jo mere sawalon ki aabru rakhli. Jawab apke lajawab honge jab itna bdiya kar rhi hai Company, Debt-Free Company hai. Mera ek hi request hai ki kaise aap is zameen pr nayi building khadi karke, naye instrument lgake, plant lgake, humein next AGM mein ye convey kar sake ki humne har chiz double kr di hai.

Thank you very much. Ek bar fir aap sabko bohot bohot badhayi.

**C.S. Gugliani** - Thank you, Sir.

**C.S. Gugliani** - Mr. Sandeep Jain, from Kolkata.

**Moderator** - Sir, Mr. Sandeep Jain is not available in the meeting.

**C.S. Gugliani** - Okay.

**C.S. Gugliani** - Mr. Subodh Mody.

**Subodh Mody** - Good afternoon.

**C.S. Gugliani** - Good afternoon, Sir.

**Subodh Mody** - I would not repeat the congratulatory messages that you have received already from various other fellow shareholders, but needless to state that congratulations to you all for the excellent work that is going on.

A decade and a half ago here we started with being partners to the paper industry followed up with the life being a life cycle partner of the paper industry and then we continued further, we welcome the 150 years to come, and we set up various projects. As I understand right now, we have got about 18 projects running under implementation, few of them I believe have been completed and the congratulatory part is that none of the projects have been suspended till date, as I understand from the report and that speaks volumes about the guidance that the board is giving and especially the efforts that have been put in by the Managing Director, Mr. Krishna Kumar and the other team members.

Sir, the only thing is that we welcomed two things, one is the 150 years that are going to be set out in the next 150 years and we also welcome the 50th Golden Jubilee, which our Company is going through but there were no gold coins distributed. So that's where it pinches us to some extent or there is nothing like a remembrance of that. But however, I would like to congratulate on one part that our Company, I believe in India has been the first one to accept a fact that the paper can be recycled nearly six to seven times and that is the most encouraging part for the company to progress in future. Of course, the full line of whatever supports that is required for the paper industry has been implemented and it's yet to be completed, I understand from the 18 projects that are going on and ongoing.

But sir, what would be the element of income generation in the next few years to come and how are we going to penetrate the international market for supplying this full line of projects including the one which was earlier just completed few years ago. That would help us to know better how we are going to progress further. Again, once again congratulations to you all and excellent cash management that is, that has been undertaken by the various committee members under the leadership of Mr. Dasgupta and let's hope that we meet in person and especially not to forget that when we meet in person, we meet with platinum coins after the next 24 years or so, All the Best.

**C.S. Gugliani** - Thank you, Sir. Thank you very much.

**C.S. Gugliani** - Mr. Nand Kishore Sharma

**Nand Kishore Sharma** - Thank you. Am I audible?

**C.S. Gugliani** - Yes, please.

**Nand Kishore Sharma** - Thank you for this opportunity and congratulations for a good performance. I have sent my questions but I'm just reiterating those.

1. Our order book as of 31st March, 2024 was lower than previous year's same date by 8%. Does this in any way indicate a trend for revenue trajectory in FY 25?
2. What is the general order book to sales conversion timeline?
3. We have mentioned in the annual report that we are exploring an opportunity to address the global demand through our products. We've also, talked about investor approval or shareholder approval. Could you please outline the size of this global opportunity and our readiness for the same? If you were to take advantage, what is the minimum timeline it will take for it to materialize?
4. In terms of our market positioning in the domestic market, what has been our market share currently and how that has evolved in the past five years?

I'll appreciate if you could reply to these questions, and I thank you for this opportunity. Thank you.

**C.S. Gugliani** - Thank you, Mr. Sharma. That's all are the speaker shareholders who have registered.

**R. Krishna Kumar** - Chairman, May I have your consent to respond to some of these queries?

**Benno Edmund Morlock** - Absolutely.

**R. Krishna Kumar** - Thank you.

Thank you all the speaker shareholders for your queries and we take all the appreciation as well as the suggestions for improvement seriously and we will proceed in that direction within our framework.

Mr. Vaibhav Badjatya asked certain queries as per email which he repeated. The first question was, why the European sales declined compared to prior year.

So, as we have explained in the past, that within our market we have direct access to our customers, which is the India region, South Asia region. Whereas Europe, North America, South America etc., are managed by other Voith entities. But if they need a product we can sell to those customers, but in the Indian parlance, it is called as Related Party Transaction. So, whatever we sell to other markets come under the purview of related party transaction and the prior year, we had the consent from the shareholders to do this related party transactions beyond 10%. Last year also we had put in the resolution, but unfortunately we didn't get the consent from the shareholders for this transaction beyond 10%. So we had to restrict the sales to other regions through our sister organizations so that we are not violating any law of the land. So, in this year also we are approaching our shareholders to consent for this related party transaction beyond the limit of 10%.

With your consent, we can proceed without any limit but we have set a certain limit and then only we are accessing so that year on year we can grow this segment. So if we are getting this approval this time, next year you can see again we are growing. If not, it will be again restricted sadly. So we have an opportunity, but we need to get your consent. That is the response to the first question.

Regarding the other plants which are competing, we are not competing; we are collaborating with our other units. In all the major regions, Voith has their own plants to serve those markets. But if, some of the products they are not manufacturing or if their capacity is fully utilized, they access us and we can

supply through the sales network in those regions. That is the only thing we are not competing with them. We have our designated territory which we are serving.

The third question was SSB under forming fabric?

Yes, definitely. We are making SSB under the forming fabric line and it's a growing market.

Out of forming, pressing and dry fabric, which products have the highest contribution?

In the exports, as of now it is the forming, but other segment will also grow, provided we have the approval from shareholders.

In the after sales service, what are the capability? I can only tell that we have built up the capabilities which are being appreciated by our customers. That is how our products have a real preferred status because of this after sales service and further details I cannot share because these are business sensitive in nature.

Non-paper industries, what is our share? It is a growing segment, but of course it is a different market, not of paper industry. But, with concerted efforts, around 10% we right now share our business in non-paper. This can grow.

Then, like press felts, do forming fabric also a high level of customization? Yes, this is also a customized product.

And what is the largest contributor to revenue? Growth of the company, is it volume? Is it realization or product-mix? Everything has a definite contribution, but product-mix is the one which is very critical, which we need to have because of our capacity utilization, which products and which has a better revenue generation. Accordingly, the product-mix is the largest contributor.

Then, next was Mr. Tulsian. Thank you for your appreciation, your recommendations for better utilization of cash. Board is continuously reviewing our opportunities and we'll take a timely decision as and when the opportunity comes our way. Faridabad land is utilized and yes, depending on the market demand, we will grow further.

Next question or the comments were from Mr. Subodh Mody. Thank you for your suggestions and appreciation. Yes, no projects are suspended. Our team is diligently working on all those and whatever plans we had, it is materializing in the right manner. And no comments on the platinum coins, but we are really looking forward to meeting you all in person, maybe in the next years.

International market, how to access, we already have an established network to access our customers internationally. So, if a product has a demand in those markets, our colleagues in those regions will access our capabilities and serve our customers. As I am repeating myself, this 10 % limit, if you are consenting to go beyond, we will grow in this.

The last speaker from the shareholder was Mr. Nand Kishore Sharma. Thank you for your questions. Your question of 31st March, 2024 order entries versus 31st March 2023, the decline.

I have already answered it's only because of the related party transaction restriction. We had to take a conscious decision not to book orders because these orders come with a very strict delivery period. So, if we cross within the March timeframe more than the 10%, we would run into trouble and once we take the order, we have to definitely deliver to customer. We cannot decline them. So that is why we have consciously reduced the order intake from other regions, not to violate this law. I again urge all of you, please consent this time for this resolution then we will proceed with a higher order entry next year.

And the typical order to sales conversion depends on the product and the customization and our inventory position; if it is a standard product or customized, but typically I can comment, 12 to 16 weeks, is a healthy lead time our customers accept.

We are exploring an opportunity to address the global demand through our products. This is your comment. Could you please outline the size of global opportunity?

Global opportunity, India produced around 20 million tons of paper. Globally it is around 400 million. So you can understand that it's a large market out there, but Voith is already present in those markets. Within the Voith Group Division FRS, we are not even 5% of their revenue. That means 95% of the opportunities are still there but first the relevant units in those markets will serve the customers, the surplus demand will be catered out of other regions. So we will grow as and when it is necessary.

In terms of our market share, what has been the change in market share for domestic market in the past five years? I can only comment that we are having a very healthy market share in our relevant markets and it is consistently growing or being stable, despite competition.

Further details will be business sensitive, which I am not commenting. So, mostly point wise I answered all your queries. So, if someone has any further queries or if I missed some of the queries to be answered, we will be happy to address them in due course, if you approach Company Secretary for any details.

Now I propose a 'Vote of Thanks' to the Chair and request the Chairman to formally close the meeting. Thank you.

**Benno Edmund Morlock** - Thank you, Krishna. Thank you, everyone for your participation in this virtual AGM.

Members attending the AGM today, who have not already casted their vote by Remote E-voting may cast their vote on the E-voting platform now. The platform for E-voting shall remain open for further period of 15 minutes after conclusion of this AGM. The Board of Directors has appointed M/s P.C. Jain & Co., Practicing Company Secretaries, as the Scrutinizer, to compile the results of votes cast by Remote E-voting as well as votes cast by E-voting during this AGM.

Further, I hereby individually authorize the Managing Director, Mr. Krishna Kumar and the Company Secretary, Mr. C. S. Gugliani, to receive the Scrutinizer's Report and declare the result of voting in accordance with the requirements of applicable statutory provisions in this regard.

On behalf of the Board of Directors, I convey our sincere thanks to all the Members for attending and participating in this meeting. Stay healthy and stay safe. I hereby declare the Proceedings as closed.

Thank you.

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