

Transcript for the 36th Annual General Meeting of the Commercial Syn Bags Limited held on 29th September, 2020 through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”)

Good afternoon, everyone.

I Sandeep Patel Company secretary and Compliance officer of the Company welcome you all to the 36th Annual General Meeting of Commercial Syn Bags Limited

It gives me great pleasure to extend to you all a very warm welcome in this 36th AGM on behalf of the Commercial Syn Bags Limited.

In view of the continuing Covid-19 pandemic, The Annual General Meeting of the Company is held through Video Conferencing/Other Audio visual means as per General circular No. 20/2020 dated 5th May, 2020 read with circulars dated April 8, 2020 and April 13, 2020, issued by Ministry of Corporate Affairs permitted for holding of the AGM through VC/OAVM, without the physical presence of the Members

The facility to join the AGM through Video Conferencing/Other Audio Visual Means is been made available for members on first come first serve basis.

All members who have join this meeting are by default placed on mute mode by the host to avoid any disturbance arising by background noise and ensure smooth and seamless conduct of meeting.

Members who have not casted there vote earlier through remote e-voting facility provided by company through CDSL platform from 26th September 2020 Saturday and ends on 28th September, 2020 Monday.

Can cast their vote in the course of the meeting till the 15 minutes after the conclusion of this meeting as per the instructions given in the notice of AGM.

Since the notice is already circulated to all members I take the notice conveying the meeting as read.

Once the question answer Session start chairman will annnounce the names of shareholder who have register themselves as a speaker shareholder one by one.

The speaker shareholder will thereafter be unmuted by the host, to start speaking shareholders are requested to click the video on button if the shareholder is not able to join through video due to any reason the shareholder can speak through the audio mode.

We would like to request to shareholder to kindly limit the speech to three minutes.

During the AGM if any member facing technical issue he may contact the helpline number mentioned in the notice of AGM.

As on the cut off date i.e. 22nd September, 2020 there were only 581 members in the Company and there is requirement to have 5 members present at the meeting under Section 103 of the Companies Act, 2013.

As per shareholders attending through Video Conferencing/Other Audio visual means we have count Attendance more than 5 members therefore adequate quorum as per requirement of law is present and the Chairman may proceed to call the meeting in order and commence the proceedings of the AGM

I, call the meeting in order.

Now, I would like to take roll call.

All good I will start from chairman sir

Shri Anil Choudhary chairman managing director of the company and chairman of the company and member of audit committee, member of shareholder relationship Committee and member of the CSR committee

Shri Virendra Singh Pamecha, Whole Time Director of the Company and Member of Audit Committee and member of Stakeholder Relationship Committee.

Smt. Ranjana Choudhary, Whole Time Director of the Company and member of CSR Committee.

Shri Milind Mahajan Independent Director Chairman of Stakeholder Relationship Committee and member of Audit Committee; Nomination and Remuneration Committee. Independent Director's Committee who joining meeting from video conference from other place.

Shri Ravindra Choudhary, Chief Executive Officer of the Company.

Shri Abhishek Jain, Chief Financial Officer of the Company.

Shri Pramal Choudhary, Chief Operating Officer of the Company.

I would like to draw your kind attention that, Mr. Hitesh Mehta, and Mr. Chintan Pushpraj Singhvi, Independent Director's are not available in the meeting due to their other assignments.

Other dignitaries available in this Annual General Meeting through VC from other places are

CA Avinash Agrawal, Partner of M/s Avinash Agrawal & Co. Chartered Accountant, Indore, Statutory Auditors of the Company

CS Ishan Jain, Proprietor, Ishan Jain & Co. Practicing Company Secretaries, Indore, Secretarial Auditors of the company and also appointed as Scrutinizer, to scrutinize the process of remote e-voting and e-voting at this AGM,

Now I would request Mr. Anil Choudhary (Chairman & Managing Director) to proceed the meeting.

Chairman Sir:

A very warm good afternoon to each and every one of you. It gives me great pleasure to welcome you to the 36th Annual General Meeting of Commercial Syn Bags Limited through Video Conferencing or Other Audio Visual Means.

Since, more than the requisite members are present for the purpose of quorum of the meeting, therefore the meeting may be commenced.

On behalf of the Board of Directors, I thank you for joining us today.

Financial Review and future outlook

During the current financial year, total revenue is Rs. 19283.70 Lakhs against Rs. 20776.28 Lakhs in the previous year. Profit before tax is Rs. 1443.92 Lakhs against Rs. 1501.25 Lakhs in the previous year.

Total revenue and revenue from operation is lower due to disruption caused in the last week of March, 2020 during this period, the performance of your company tracked the defined plans. Your company has registered a marginal growth in net profit in this financial year and the net profit for current year is Rs. 1142.26 Lakhs as compared to Rs. 1129.37 Lakhs in the previous year.

The export sales continue to contribute more than 70% of total sales from manufacturing segment and company's customer base is spread in all the continents except Antarctica.

The outbreak of novel Coronavirus (Covid – 19) has impacted the business operations of the company by way of interruption in production activities, supply chain and availability of manpower. The nation wide lockdown was effective from midnight of 24th March, 2020.

This lockdown was preceded by imposition of Janta Curfew on 22nd March, 2020. The company continue to operate its manufacturing facilities and distribute its products which are covered under the essential commodities category and resumed partial operation w.e.f. 28th March, 2020 after getting requisite permission from the MPIDC, Regional Office, Indore after adhering to the guideline issued by Government/Local authority. Your company had made contribution to CM Relief Fund, PM-CARES and also distributed food and essential items to migrant workers.

We are also taking all the precautions at our workplace to combat this pandemic. I take this opportunity to thank all the corona warriors and we should always follow the instructions provided by the authorities.

The announced expansion of existing manufacturing facilities with the capacity additions of 3540 MT is expected to be operational in April, 2020.

The installation of plant and machines were complete, but due to covid pandemic the trial run and commercial production could not be completed within that period. It's my pleasure to announce that the commercial production of this expansion commenced w.e.f. 27th September, 2020.

In addition to this we have also installed a Melt Blown Non-Woven Fabric Production Line with an annual capacity of 90 MT per annum in this expansion project. T

his product is having its application in face masks, PPE personal protective equipment and other medical and hygiene applications. In this way we have taken a small but significant step to pave our way towards the innovation and new development and also contributing to highly motivating vision of Atmanirbhar Bharat by our visionary prime minister.

The financial statements for this financial year are prepared under Ind AS and detailed explanation on how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows are given in the notes to financial statement.

Your directors are pleased to recommend a Final Dividend of 15% i.e. RS. 1.50 per equity share of face value of Rs. 10 each for financial year 2019-2020.

The net dividend payout will be Rs. 177.26 Lakhs, subject to approval of members in this Annual General Meeting.

Your company always focuses on operational efficiency and reduction in cost for which it has also taken some initiatives in previous years. During the year under review 18.03 Lakhs units of Electricity were generated through 1.0 MW (1.2 MW peak (p) Solar Power Generating System at Ujaas Solar Park, Sitamau (MP) and used as captive consumption at company's manufacturing units at Pithampur.

Further that during the year under review your Company has achieved turnover of 48066.98 MT vis a vis 22,755 MT in financial year 2017-2018 under trading operations as DCA cum CS of ONGC Petro additions Limited (OPaL), and strengthened its presence in domestic market.

I would like to inform the members that the company has incorporated a wholly owned subsidiary in the name and style of Comsyn India Private Limited which will enhance the working capacity of the company.

I would like to convey my sincere appreciation to the Board of Directors for their continued guidance. I would also like to acknowledge the trust, respect and support of our Bankers and authorities of the BSE, SEBI, NSDL, CDSL and RTA.

I would like to extend my gratitude towards all our Shareholders for their continuing faith and confidence in the management of the Company; we look forward to create more milestones going ahead.

It is equally important to acknowledge the resolute faith and support of our clients, business associates, suppliers and all other stakeholders who have been a constant source of inspiration in providing value-added products.

Their continued support has helped us to consistently improve our financial performance over the years.

I would like to extend my deepest appreciation for COMSYN team and their valuable contribution in bringing sustainable track record and reputation to the Company. Powered by the talent of our people and vesting reaffirmed faith in the resilience of our business model,

we look forward to overcoming any challenges that may lie ahead.

I conclude my words with the following lines

There are no secrets to success. It is the result of preparation, hard work, and learning from failure. Thank you so much.

Thank you, sir.

Now I'm taking the agenda items of the meeting

Agenda No 1 Ordinary Business

To receive, consider, approve and adopt the Audited Financial Statements containing the Balance Sheet as at 31st March 2020, the statement of Profit & Loss, Cash Flow, Changes in Equity and notes thereto of the company for the financial year ended 31st March 2020 and the Report of the Board's and Auditors thereon as on that date.

Agenda No 2 Ordinary Business

To declare dividend on the 1,18,17,400 equity shares of Rs. 10/- each of the Company for the financial year ended 31st March, 2020.

Agenda No 3 Ordinary Business

To appoint a director in place of Shri Anil Choudhary (DIN: 00017913) Chairman and Managing Director, who is liable to retire by rotation and being eligible offers himself for re-appointment.

Agenda No 4 Special Business

To consider and approve re-appointment of Shri Virendra Singh Pamecha DIN:07456367 as Whole-time Director & KMP for a further period of 5 (Five) Years w.e.f. 26th March, 2021

Agenda No 5 Special Business

To approve re-appointment of Shri Anil Choudhary DIN:00017913 as the Chairman and Managing Director & Chairman for a further period of 5 (Five) Years w.e.f. 20th February, 2021

Agenda No 5 Special Business

To approve re-appointment of Shri Chintan Pushpraj Singhvi DIN:07334755 as the Independent Director for a further period of 5 (Five) w.e.f. 30th November, 2020

Moving towards the question and answer session

I request Chairman Sir and Board of Directors to provide answers of the members that we have received during the proceedings of this meeting.

Since there is no question received from the shareholders should we proceed?

No, no, we can wait

Ask here, if any of the shareholder want to have any question, we can offer a chat box. Chat box is open right now. So if any shareholders wants, we can take the questions right now.

If there is no question so that we can proceed the meetings.

Mr. Paras Chheda wrote that can I just talk.

He want to talk okay. Okay.

Mr. Paras you speak now?

My deep regard to your entire team I am actually speak to you last time via mail.

My question is only that the land taken on lease. We thinking about some business opportunity or decided something about. What is the new proposed business out for that line piece that we are required?

I request to Chairman Sir for the reply.

No, yet we have not decided which product we have to bring on that land. We are thinking.

For the new product, which will be beneficial to the company but meanwhile, we have introduced, we have incorporated. It is small machine Melbourne Fabric, so this will definitely do some extent to the company. And this is a new product in the basket of commercial Syn Bags.

Okay, I'll send it last query that as a investor I think that its 4 year of listing but the stock valuation with industrial valuation is under performance?

Company is performing well it depend on investor to relay on company we not think so that company stock price is under performance.

Next question, no, since there is no question in the chat box.

Okay. Okay

Now I request Mr. Ravindra Choudhary, CEO of the company to extend Vote of thanks to the Chair.

A very good afternoon to all of you. I extend my sincere thanks to the Chair. I am also thankful to all the Shareholders, Promoters, Board of Directors, Auditors, Bankers and Scrutinizers who have given their valuable time to attend the 36th Annual General Meeting of Company.

I would also like to thank all the Stakeholders for their continuous support, trust and confidence, which they have reposed in us. We look forward for your continuous support, trust and best wishes. Thank You.

I request chairman, sir, to kindly conclude the meeting.

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The 36th annual general meeting of the company is declared as concluded and lastly I would like to request the members to stay safe and stay healthy.

Thank you so much. Once again. Thank you. Everybody.
