



PRANAVADITYA

PRANAVADITYA SPINNING MILLS LIMITED

TRANSCRIPT OF THE 30TH ANNUAL GENERAL MEETING

Day : **Wednesday**
Date/ Time : **29th July, 2020/ 12:30 PM (IST)**
Venue : **Through Video-conferencing facility**

12.30 PM – Mrs. Amruta Avasare – Company Secretary

Good Afternoon to all. I, Mrs. Amruta Avasare, Company Secretary, attending from Mumbai office, request Chairman to start with welcome address. Over to you Sir Chairman.

Mr. Sushilkumar Agrawal – Chairman

Good Afternoon to all shareholders. Trust all of you are safe and taking care of yourself and your family. It is a pleasure to connect with all of you again, although this time we meet virtually.

Myself, Mr. Sushilkumar Agrawal, Chairman of Board, Audit Committee & Stakeholders Relationship Committee, attending meeting from my residence at Mumbai.

I welcome all of you to the 30th Annual General Meeting of the Company. It is 12.30 and the requisite quorum for the meeting is present. I call the meeting to order.

Due to continuing COVID-19 Pandemic and adhering to the social distancing norms, this AGM is being held first time through Video Conferencing in accordance with the circulars issued by MCA and SEBI. Participation of members through video conferencing is being counted for the purpose of the quorum as per the applicable circulars issued by MCA & SEBI.

Before we start the main proceedings of the Meeting, I also welcome all Directors present for this AGM.

I now request directors to introduce themselves, I will call up one by one. Each director will have to introduce themselves.

I start with Mr. Anil Kumar Jain please –

Mr. Anil Kumar Jain - I am Anil Kumar Jain, I am Non-Executive Non-Independent Director of Pranavadiya Spinning Mills Limited attending meeting from my house.



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Dr. Ashok Desai – I am Dr. Ashok Desai, Independent Director and Chairman of Nomination and Remuneration Committee. I am attending from my residence at Thane.

Mr. Sushilkumar Agrawal – Thank you.

Ms. Kala Agarwal – Good Afternoon all, I am Kala Agarwal, Independent Director of the Company attending the meeting from my house Mumbai.

Mr. Sushilkumar Agrawal – Thank you.

Mr. Kamal Mitra - I am Kamal Mitra attending 30th AGM from Kolhapur, Gokul Shirgaon, Spinning Division, Factory office.

Mr. Sushilkumar Agrawal - I would also like to inform you that Mr. K. Muralidharan, CFO and Mrs. Amruta Avasare, Company Secretary is also attending the meeting.

K. Muralidharan - I, K. Muralidharan - CFO of the Company attending the meeting from my residence.

Amruta Avasare – Sir, Mr. L. Viswanathan

Mr. Sushilkumar Agrawal – Sorry, I missed. Mr L. Viswanathan

Mr. L. Viswanathan - I am L. Viswanathan, Independent Director attending from home at Mumbai.

Mr. Sushilkumar Agrawal – The representative of M/s. Suresh Kumar Mittal & Co., Statutory Auditors and Mr. Vikas Chomal, Scrutinizer are also attending the meeting.

I now request the Company Secretary to provide general guidance to the members regarding participation and voting in this meeting. Over to you Company Secretary.

Mrs. Amruta Avasare – Company Secretary

Thank you Sir, before I start with guidance also want to tell Mr. Ashok Halasangi, CEO is also attending the meeting.

Members may note that this AGM is being held through video conferencing in accordance with the applicable circulars issued by MCA and SEBI. The Company has complied with all provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable circulars of MCA & SEBI with regard to holding this AGM through VC. The AGM is being conducted through the platform provided by NSDL. The facility of joining this meeting through video conferencing is available to the members on first come first serve basis. All members who have joined this meeting are placed on mute by Host to avoid background disturbances and for seamless participation. The company had given facility to members to send



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their questions & queries in advance on the email id as given in the notice. The Members can also ask the questions concurrently through the chat box in this AGM.

Members may please note that the company had provided remote e-voting facility to all members through NSDL platform. The e-voting facility was available from Sunday, 26th July, 2020 at 9.00 a.m. (IST) to Tuesday, July 28, 2020 at 5.00 p.m. (IST). Members who have not casted their vote electronically and who are participating in this meeting have an opportunity to cast their vote during this meeting through the e-voting system provided by NSDL. Please refer to the Notice of AGM for e-voting during this AGM.

Mr. Vikas Chomal, Practicing Company Secretary is the scrutinizer for the e-voting process and e-voting at AGM. The combined result of remote e-voting & e-voting at AGM along with the scrutinizers report will be uploaded on the website of the company as well as on the website of NSDL, BSE Limited within 48 hours from the conclusion of the AGM.

Over to you Sir, Chairman

Mr. Sushilkumar Agrawal - Chairman

The notice dated 9th June, 2020 convening the 30th Annual General Meeting of the Company is already circulated to all the members and I take the Notice as read.

I wish to inform you that the Statutory Auditors and Secretarial Auditors have not made any qualifications, reservations, adverse remarks and disclaimer in the Audit Reports for year ended 31st March, 2020, therefore, with your permission, I, take the Statutory Auditors' Reports and Secretarial Audit Report as read.

I would now like to brief you on the operations of the Company during the year 2019-20

FY 2019-20 was yet another year of major challenges for spinning industry and the Company. Many cotton spinning companies could not sustain due to multiple headwinds over the years and were shut down. During the year 2019-20, the demand for cotton yarn in domestic and export markets was sluggish and there was sharp decline in cotton yarn exports from India. The cotton prices, though lower as compared to FY 2018-19, were still higher and volatile as compared to yarn prices. A weak demand, declining cost competitiveness and huge disparity between cotton and yarn prices impacted the business of the Company. In March 2020, the outbreak of COVID-19 Pandemic aggravated the problems of spinning industry.

Due to abovementioned external factors, the operational and financial performance of your Company was adversely affected during the year 2019-20. Revenue from operations declined by around 15% from Rs. 82 crores in FY 2018-19 to Rs. 69 crores in FY 2019-20. Fall in revenue, disparity between cotton and yarn prices and weak demand for cotton yarn led to a higher net



loss of Rs. 2.68 crores for the year ended 31st March 2020 as compared to net loss of Rs. 65 lakhs in previous year.

However, your Company continues to be a debt-free Company.

With expectations of a slow paced and elongated recovery, sluggish end-consumer demand and liquidity constraints, post lockdown, there will be severe pressures on the overall performance & margins of the domestic spinning units. Going forward, the overall spinning industry scenario will depend on how the situation evolves in the domestic and international markets and faster return to normalcy will enable the industry to reduce the impact.

The Company has also signed Voluntary Retirement/Separation Agreement with the workers Union.

I would like to extend my sincere thanks to all the employees, central and state government, shareholders, stakeholders, for their support to the Company. I also thank all fellow directors on the Board for their guidance during the year.

As I conclude, I would like to place on record appreciation to all the efforts taken by the COVID warriors for fighting the pandemic.

I now request Company Secretary to the resolutions. Over to you.

Amruta Avasare – Thank you Sir, I now take up the resolutions included in the notice of AGM

ITEM NO. 1

To receive, consider and adopt:

the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Board of Directors and the Auditors thereon

ITEM NO. 2

To appoint a Director in place of Mr. Anil Kumar Jain (DIN: 00086106), who retires by rotation and being eligible, offers himself for re-appointment.

The resolutions as set forth in the meeting shall be deemed to have been passed at the meeting subject to receipt of requisite number of votes.

Over to your Sir Chairman.



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Mr. Sushilkumar Agrawal - Chairman

I thank the shareholders who have joined this meeting.

There being no other item, I close the proceedings of meeting. The e-voting facility will remain open for next 15 minutes from close of meeting. I authorize Company Secretary to complete necessary formalities in this regard.

STAY SAFE, HEALTHY AND TAKE CARE.

THANK YOU EVERYBODY.

Amruta Avasare – There are no questions on chat; we can have meeting sir, as closed.

K. Muralidharan – Thanks to the Chairman and all the directors attending the meeting.

12.45 p.m. (IST) Time clock started for e-voting for 15 minutes.

After 15 minutes at 1.00 p.m. (IST) - **Amruta Avasare** – The e-voting during the AGM is over and the meeting stands concluded.

Thank you.

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