



SCOOBEE DAY GARMENTS (INDIA) LIMITED

TRANSCRIPT

**29TH ANNUAL GENERAL MEETING OF
SCOOBEE DAY GARMENTS (INDIA) LIMITED
(FORMERLY VICTORY PAPER AND BOARDS (INDIA) LIMITED)**

Thursday, September 28, 2023

11:00 A.M. IST

Through Video Conferencing (VC)/ Other Audio Video Means (OAVM)

Moderator

Good Morning, Ladies and Gentlemen, I welcome you all to the 29th Annual General Meeting of Scoobee Day Garments (India) Limited. Now I handover the proceeding to the Company Secretary. Over to you, Madam.

Mrs. Alphonsa Jose, Company Secretary

Good Morning all

I am Alphonsa Jose, Company Secretary and Compliance Officer of Scoobee Day Garments (India) Limited. I welcome you all to the 29th Annual General Meeting of the company held through video conferencing. I hope you and your family members are safe and in good health. Before the official commencement of the AGM by the Chairman, I would like to brief you on certain points regarding the participation in this meeting.

The shareholders have been provided with the facility to join the meeting through video conferencing on first come first serve basis. Your company has tied up with CDSL to avail the facility of e-voting and for participating in this AGM through video conferencing. Members who have not yet cast their votes through remote e-voting and who are now participating in this meeting will have an opportunity to cast their votes during the meeting through e-voting system provided by CDSL

The company has received request from few members to register them as a speaker at the meeting. Accordingly, the floor will be open for those members to ask questions and express their views. Company Secretary will announce their names one by one. The speaker on his or her turn will be unmuted by the moderator. The concerned speaker will then be requested to click on audio and video mode buttons on their system. Even if speaker are not able to switch on video mode, they can switch by using audio mode. If there is any connectivity problem at speaker's end, we will ask the next speaker to join. Once the connectivity improves, the speaker member will be reconnected to speak after other speaker complete their time. Once allowed to speak, speaker is requested to mention their name, Folio number and the place from where they are joining this meeting.

We would like to inform you that as our Managing Director, Mr. K L V Narayanan is unable to attend the 29th Annual General Meeting of our company due to health issues, Mr. Dony Dominic, Director will be chairing the meeting.

I will now request Mr. Dony Dominic on behalf of the Board to chair the meeting and to officially commence the proceeding of 29th Annual General Meeting of Scoobee Day Garments (India) Limited. Thank you. Over to you, Sir.

Chairman – Dony Dominic

Thank You, Alphonsa.

Good morning, ladies and gentlemen. I am Dony Dominic, Director of the company, participating in this AGM from the Registered Office of the company, extend a very warm welcome to you at the 29th Annual General Meeting of your company.

As the requisite quorum is present, I now call the meeting to order. I would now request my colleagues to introduce themselves by stating their full name and location from where they are attending the meeting.

To start with Mr. Jeff Jacob

Good morning all I am Jeff Jacob, Director, I am attending this meeting through VC from Karur, Tamil Nadu.

CS: Thank You sir, Now. Mr. Satish Gopakumar

Good morning all I am Satish Gopakumar, Independent Director, I am attending this meeting through VC from my residence at Bangalore.

CS: Thank You, now. Mr. Augustine Antony

Good morning all, I am Augustine Antony, independent director and chairman of audit and NRC committee, attending this meeting from my residence at Cochin

CS: Thank You, now. Mrs. Elsamma Titus

Good morning all, I am Elsamma Titus, independent women director and attending this meeting from my residence at Bangalore.

CS: Thank You Ma'am

CS Continuing

Smt, Zaphia Fareed, Chief Financial Officer has joined the meeting from registered office of the company.

Shri Anil K Nayar, Statutory Auditor and Shri. Nikhil George Pinto, Secretarial Auditor of the Company and Scrutinizer for this AGM are present in the meeting from their respective office at Cochin.

Representatives of Registrar and Transfer Agents has also joined the meeting from their respective location.

CS: Let me now call upon Mr. Jeff Jacob, Director of the company to give highlight of the performance of our company.

Mr. Jeff Jacob

Dear Shareholders, Ladies & Gentlemen

A warm welcome to the 29th Annual General Meeting of Scoobee Day Garments (India) Limited to all attendees – online and in person

We have uploaded our Annual Report (with Notice of AGM) for FY23 on the stock exchange and Company's website and it has been circulated to the Shareholders as well. I hope everybody had an opportunity to go through the same. We have tried to lay out the business performance and outlook of the Company with an aim to help you to gain insights on the future strategies and way forward of your Company.

As we re-branded ourselves to Scoobee Day Garments we could achieve business plans of our company. Our board of Directors focused on long term planning, business strategy development and maximizes the wealth of shareholders as well.

I would also like to update you that all the maintenance works and electrical works are completed regarding our Roofing Sheet Manufacturing Unit and the production will commence at the earliest.

We see great opportunity for our products in the foreign markets and we have identified few foreign buyers from European and US Markets. The discussions have started to initiate business with them. We will be able to increase our export sales in the coming years as we foresee a good scope for expansion of our customer base outside India.

With immense pleasure I would like to inform you that your company has generated total income of 527.94 Million as against 434.49 Million in the previous year. The net profit after tax amounted to 78.38 Million as against 35.28 Million in the previous year.

I wish to place on record my sincere gratitude towards our Board Members for their constant guidance and support in our pursuit of maximizing long-term shareholder value. I would also like to thank all our shareholders and customers for believing in us and supporting us throughout our journey. Last but not the least, I would like to acknowledge the passion, dedication and commitment of our employees.

As I close, I would like to take this opportunity to thank you all for your continuous support and faith in the Company and its management. We shall endeavour to scale newer heights as we continue on our journey ahead.

Thank you for your attention!

CS: Thank You Sir

Since the meeting is held virtually, requirement of appointing proxies is not applicable this time.

Registers as required under Companies Act, 2013 is now open for inspection. Members seeking to inspect Registers can send an email to info@scoobeedaygarments.com, during the course of AGM.

As the Independent Auditor's Report doesn't contain any qualifications, observations or comments, it is not required to read these reports at the meeting.

There are 4 resolutions placed before today's meeting seeking member's approval as set out in the Notice of 29th AGM dated September 28, 2023.

The first two resolutions in the notice pertain to Ordinary Business which are as follows:

Item No. 1:- Adoption of Audited Financial Statements of the Company for the year ended March 31, 2023 together with the Report of the Board of Directors and Independent Auditors report thereon.

Item No. 2: To appoint a Director in place of Shri. Jeff Jacob (DIN: 08652962), Director, who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.

Other two resolutions in the notice pertain to special businesses which are as follows:

Item no. 3. To approve the sale and exchange of land at Palakkad.

Item No. 4. To approve transactions under Section 185 of the Companies Act, 2013.

Most shareholders have already voted on these resolutions through the remote e-voting facility which closed yesterday. However, any shareholder, who has not voted yet, can vote during this meeting till 15 minutes after the conclusion of this meeting.

The results of e-voting shall be intimated to the Stock Exchanges within 2 working days of conclusion of this Annual General Meeting and the same will be posted on the Company's website and the website of CDSL. The same shall also be sent to the stock exchange namely, BSE Limited.

Let's proceed to the Question and Answer Session.

We have received requests from a **shareholder to speak at the AGM,**

Mr. Abhishek J

DP ID & CLIENT ID - IN301637/41359155

and;

Mr. Rohit Potti

DP ID /Client ID -IN301549 30158886

CS: I request Mr. Rohit Potti, shareholder to unmute and speak.

Shareholder Qns

1. In the 2019 AGM, the following plan was shared for our company's revenue from Karur -

March 2021 - 1000 sewing machines

March 2022 - 2000 machines = 600 crore turnover potential

March 2023 - 3000 machines = 1000 crore turnover potential

What is the status of the same at present? When can we see material growth in revenues from the Karur plant?

2. It was mentioned that operations in Karur have begun and we would be getting direct orders from major customers like Carrefour, Next Uk, Gerber, Mothercare. It was mentioned that their audit was going on and they will begin buying clothes from us. What is the progress on this and when can we see major revenue increase here?

3. What is the total revenue that can be generated from the current capacity in our textile plant at Karur? .

4. When do you think we can hit 250 cr revenues? Can our current textile unit in Karur help us reach that target?

5. It was mentioned that the company intends to set up an automated solar manufacturing plant in the Palakkad land. Any updates here?
6. What can be the turnover of the company in 3-5 years?
7. What can be the profit margins of the company?
8. What is the long term vision for the company as per the management?

CS: I request Director, Mr. Dony Dominic, to answer investor queries.

Dony Sir to speak:

Mr. Rohit Potti asked questions mainly with regard to the growth plan of the company. To this, we would like to elaborate that:

- We normally have a five year growth plan with a review every year. Our growth plan is focused more on Sustainability, Financial Discipline, Corporate Values and Stability. We always ensure that our fundamentals are right and have a strong foundation.
- In 2019 also we had this five year plan. But immediately after the Pandemic, we had an internal discussion and we decided to redo all our future plans. All the additional investment we planned during that period were postponed and we decided to move forward after closely watching the Socio-Economic and Market conditions across the world.
- When the Pandemic issues receded, the world encountered another issue in the form of Ukraine /Russia war. This has again lead to a slowdown in the US & European market which has impacted the world economy severely. This adversely impacted the Indian Textile & Garment Industry market the most.
- Even during this Turbulent Economic conditions, we were able to remain stable due to our strong base and the Experience, Expertise and Involvement of the top Management. We expect the Market to turnaround by the last Quarter of this financial year. Any further decision on Growth, Investment will be done after evaluating the Economic & Market conditions.
- We have already started Exporting Directly. Our Factory is already approved by few Buyers, but due to the Pandemic and slowdown in European market, they have not started giving orders directly. We expect the same to change once the Economic situation improves in US & Europe.
- Regarding Renewable energy, we had already submitted the Project plan along with bid to the Govt. of Kerala and is pending for approval.

CS: I request Mr. Abhishek J, shareholder to unmute and speak.

Shareholder Qns:

1. What's the REAL impact of Covid-19? In % terms how your supply chain has affected?
2. Where you see the light in the end of the tunnel? What will be the growth triggers in first half and second half?
3. Please give the production capacity utilization figures in % for the month April, May and June 2022? What was capacity utilization of last year? And Last 5 years on moving average basis?
4. (a) How many employees we have sacked, hired and salary cut in % if any ?
- 4(b) What are the management efforts to improve Working Capital to Sales ratio, ROCE, Net debt to EBITDA multiple, OPM, Debtor days and Interest coverage ratio ?
- 5 .Please provide the details of parties in Other Current and Non-current Liabilities. Please let me know the details of our Contingent liabilities?
6. What are the credentials that the New & EXISTING directors are bringing on the table to take the company to next phase of growth or to guide the new generation? Is the appointment being done after checking all the new amendments under clause 49.
7. What is the policy related to dividend in our company as most of the senior citizens only depend on that ?

CS: I request Director, Mr. Dony Dominic, to answer shareholder queries.

Dony Sir to speak:

Regarding the queries by Shareholder, Mr. Abhishek, most of these were answered in the last AGM, but to re-instate , we would like to emphasize that:

- Regarding the capacity utilization, as on the date, our capacity is utilized to a large extend for meeting the orders of our sister concern. We had already started direct Export and I had already mentioned how we plan to approach the future business.
- With respect to financial ratios and details of Liability figures, the details are properly disclosed in the Financial Statements and additional notes and ratios attached with the Financial Statements. Requesting the shareholder to refer the Detailed Financial Statements and notes.

- Details of the Directors are mentioned in the Notice of Explanatory statement annexed to the AGM notice at every time a new person is appointed. All appointments are made as per the applicable provisions and regulations.

Company Secretary to inform - Vote of thanks

We are now at the conclusion of this meeting.

I thank all the shareholders for attending the 29th Annual General Meeting of the Company.

On behalf of chairman I declare the meeting is closed.

Take good care of yourself

Thank you very much.

Please take note that the voting facility for the shareholders who have not yet cast their votes, will be open for the next 15 minutes. Thank you.