Transcript of the 49th Annual General meeting of the Company
Held on 3rd September, 2020 at 12:00 Noon through Video Conferencing

Introduction by the Company Secretary of the Company Mr. Ankur Srivastava

Dear Shareholders, Good afternoon ! my Name is Ankur Srivastava and i am the Company Secretary of your Company. I warmly welcome all of you to this 49th Annual General meeting of Kanpur Plastipack Limited. Hope you all are safe and healthy. Before proceeding with the Meeting i would like to share with you some key information regarding the meeting and the voting process.

In view of Spread of Covid-19 pandemic Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI) have permitted to conduct the Annual General Meetings through Video Conferencing / other Audio Visual Means. In compliance to the circulars of MCA and SEBI the 49th AGM of your Company is being conducted through Video Conferencing.

Please take note that the proceedings of the meetings are being recorded and to ensure seamless proceedings and to avoid any kind of background sound all of you are kept on mute by the Host. Only those shareholders who have registered themselves as speakers will be allowed to speak in the meeting and they will be unmuted for their time slot by host. Other Shareholders may also raise questions, if any, the Company will reply through email. The questions of the shareholders which are already registered will be answered during the meeting.

The Company has provided facility of e-voting in this meeting and the Shareholders who have not already casted their vote through remote e-voting may cast their vote after the proceedings of the meeting.

The voting result and recorded transcript of this meeting will be available on the website of the Company and also on the website of the Stock Exchange after scrutinizer submits their report.

Now i request Chairman Emeritus of the Company Shri Mahesh Swarup Agarwal ji to address to the shareholders.

Opening Address by the Chairman Emeritus Mr. Mahesh Swarup Agarwal:

Good Afternoon Ladies and Gentlemen it is 12:15 now and time to start the proceedings of 49th Annual General Meeting of Kanpur Plastipack Limited. I welcome all of you in this virtual AGM for the first time. Hope you all are safe, healthy and maintaining the social distancing norms as advised by the Government. I am extremely elated to inform you all that we are approaching towards our Golden Jubilee year in the next year which is a rare achievement in the industry, it gives me enormous pleasure to present before you this 49th Annual Report.

I express my gratitude to all the Shareholders of the Company for their continued support and confidence with the Company. I also thank my colleagues on the Board for their valuable guidance and support.

As the requisite quorum is present i call the meeting to Order and now i would request Shri Manoj Agarwal, Managing Director of your Company to proceed with the meeting.

With Best wishes to all of You.

Hari Om.

Managing Director Shri Manoj Agarwal:

Good Afternoon dear Shareholders, i welcome all of you in this first ever virtual Annual General Meeting that too at this 49th year of the Company.

To begin the proceedings Let me first introduce my Colleagues on the Board

1. Mr. Mahesh Swarup Agarwal is the Chairman Emeritus of the Company whom you have already interacted with
2. Myself Manoj Agarwal i am the Managing Director of the Company
3. Mr. Shashank Agarwal, Deputy Managing Director
4. Mr. Sunil Mehta, Executive Director
5. Mrs. Usha Agarwal, first woman director of the Company
6. Dr. R. G. Bagla Independent Director and Chairman of the Audit and Stakeholders Relationship Committee
7. Mr. Prem Singh Khamesra Independent Director and Chairman of the CSR and Nomination Committee
8. Mr. Subodh Kumar Independent Director
9. Mr. Akshay Kumar Gupta Independent Director
10. Mr. Dharam Bir Prasad Independent Director

Mr. Sunil Mehta did not join the meeting. Due to some technical reasons Mr. Akshay Kumar Gupta was not connected at the time of introduction, however, he was connected later-on. All the connected directors reciprocated in the token of their participation.

Managing Director also informed that the team of Statutory Auditors M/s Rajiv Mehrotra and Associates, the team of Secretarial Auditors M/s Adesh Tandon & Associates who are also the scrutinizers for the e-voting and CFO of the Company Mr. Vishal Jain also joined the meeting from their respective offices. You have already interacted with the Company Secretary of the Company Mr. Ankur Srivastava.

Managing Director Shri Manoj Agarwal delivered his speech:

With the permission of the members, notice convening the Annual General Meeting, Directors' Report and the Financial Statements for the year ended 31st March, 2020 are taken as read. Please take note that there is no adverse remark in the Auditors Report, hence, may be taken as read.

The members may raise the questions on the Financial Statements and the same will be replied through email.

I now share some thoughts about your company and its performance:

The FY 2019-20 was a challenging year indeed. While the global economy was seeing a slow down various socio economic factors affected growth in India as well bringing down its GDP growth rate to only 4.2%. The Turnover for the financial year 19-20 was Rs 322 Cr. and the net profit was Rs. 4.93 Cr. showing a significant drop from the previous year. Factors beyond the control of the management were largely responsible for this adverse result and explained in more detailed in the annual report in your hands. I am glad to report, however, that this has only been a temporary blip in the operations of the company. Your company was able to leverage itself as an early starter to resume operations on the 3rd of April during the lockdown period. The first quarter results showed the inherent strength of the company when it showed a Turnover of Rs 78 Cr. The PBT during Q1 of 2020-21 was Rs. 6.46 Cr. which recorded almost 217% jump in the same period of FY 19-20. As we enter the third month of the second quarter of the year, I am happy to report a robust growth in your company. Sales and Production both have been at record figures.

The past year saw the stabilization of the new capacity that had been created in the previous year. Getting over the teething problems of plant commissioning and venturing out into the market with this increased capacity in a globally competitive period was sobering. It took much longer than anticipated and affected the performance of the company. Today however the company is at the threshold of fulfilling what it set out to do. All constraints in operations and marketing have been ironed out as we spread our geographical footprint and basket of products.

Your company has always invested in technology and human resources. During the year the company set up a UV Master batch plant as a measure of vertical integration and improve its product offerings for our customers. Our unique location in Kanpur allowed us to ride the "migration labour crises" unscathed. The management decided not to downsize its staff strength and neither reduce salaries during the covid crises. It led to an unprecedented sense of ownership and loyalty in the entire workforce of the company which will hopefully lead to a more committed team and better productivity in the future.

The management of the company is committed to bring its legacy spread over three generations in the business and a journey now nearing five decades next year and carry on its success in the future.

With this brief overview we move on to the next part of the AGM.

Company Secretary Mr. Ankur Srivastava conducted the Question Answer Session:

Shareholders who have send their questions and registered themselves as Speaker Shareholders will be called one by one and they are requested to raise their questions:

Shareholder no. 1 : Mr. Vaibhav Jain Client Id: IN30281412442059

1. The last financial year was very bad for the company but you have shown good results in the first quarter. What can we expect in the rest of the year ?

2. How did the Covid crises impact the company and as an exporter how will the slowdown in Europe and USA affect the company?

3. With USA and other western countries reluctant to do business with China, has the company seen a shift in orders from China, or is it only for Short Term?

Shareholder no. 2 : Mr. Atul Kanodia Client Id: 1306130000014636

1. Can you please elaborate on the sharp increase on Profit Before Tax as compared to last year / quarters?
2. In view of Covid 19 what is the expectation on revenue and margin in coming quarters?

Company Secretary Mr. Ankur Srivastava

We have noted the questions from both the shareholders and appreciate the concerns raised by both of the shareholders. The Answers will follow after the presentation of a short video clip about the activities of the Company.

Then the Video Clip was played.

Answers by Managing Director Mr. Manoj Agarwal:

Basically the questions are based upon the reasons of previous year affected performance and the outlook of the current financial year and also the impact of the Covid crisis and its resulting slowdown.

So I will like to give a consolidate reply to all the concerns. The year 2019-20 was a challenging one indeed even without the Covid Crises and your company was impacted by the volatility in the global market, increased competition from within the country and an affected geopolitical environment A sudden withdrawal of the MEIS scheme and allocations for a onetime MTM loss of foreign currency loans were some of the other reasons. We however saw an improvement in a number of operational parameters during the year which will now help us in driving the performance in the current financial year. Of course like we also know the lockdown towards the end of the year meant an additional burden on the company. :

Covid Impact : As we have informed earlier the company resumed its operations w.e.f. 3rd of April, 2020 and since then the operations have gradually stabilized to achieve a record production in the month of August. Demand has been robust as the company sits on an all time high order book position. Our customers in the EU, USA and South America are coming back to normalcy and have shown their confidence in the ability of your company to tackle the unprecedented situation that arose out of the COVID pandemic. This period has been a great learning for the management and we can be thankful to the entire workforce for their resilience and superb show of commitment in ensuring a quick and timely normalizing of operations. We believe that the world and indeed all of us in India as well are learning to live with the disease. Yes COVID will not go away soon. What is important is to be prepared and have systems in place. WE continue to monitor the impact closely with adequate protocols in place.

There is a question about the China impact. Well we no longer treat China as a competitor. India has become the Number one exporter of FIBCs to USA and the EU two years ago and our global market share continues to rise. The shift to India started long ago and the recent geopolitical developments has merely accelerated the process. Your company is well placed to take advantage of this situation. As a quality and reliable supplier, we are confident of holding our own in this race

The First Quarter: Members would have seen that the company had an exceptional first quarter. That was despite the enormous challenges thrown up by the COVID crises. Production in April was almost half of normal levels going upto 70-80% thereafter. Significantly, despite that Production and sales recorded a 13 to 15% increase over the previous year for the same period helping in improved profitability. Subdued raw material prices due to the Oil price crash also helped the process.

So what should we expect in this year? It's a good question. We at Kanpur Plastipack Ltd are confident of delivering the best to our valuable shareholders. Our operations are fully stabilized, capacities are full and the customers are happy. The company is on track to achieve new milestones backed by the investment made so far.

I hope this brief answers most of your queries. We now move to the next part of the proceedings.

Managing Director's Closing address:

I trust you must have received the Annual Report and Notice of the AGM and noted the agendas for which you have to vote. Let me remind you that voting will close after 30 minutes from the time of closure of this meeting.

I express my sincere thanks to all of you for sparing your time to attend this meeting and for your kind cooperation during the meeting. Your continued support is invaluable to us.

In addition, I would take this opportunity to express our thanks to various Government Authorities and Bankers for their continued support in course of Company's operations.

There being no other matter to be carried, i declare this meeting to be concluded.

Stay safe and take good care of your health.

Meeting concluded at 12:30 PM.