



**The Bombay Burmah Trading Corporation, Limited**



# **“The Bombay Burmah Trading Corporation Limited 155th Annual General Meeting”**

**July 24, 2020**



**The Bombay Burmah Trading Corporation, Limited**



**MANAGEMENT: MR. NUSLI WADIA – CHAIRMAN  
MR. NESS WADIA – MANAGING DIRECTOR  
MR. N H DATANWALA – CFO  
MR. SANJAY KUMAR CHOWDHARY – COMPANY  
SECRETARY**

**Moderator:** Dear shareholders, good afternoon. And welcome to the 155th Annual General Meeting of The Bombay Burmah Trading Corporation Limited through video conference. We have with us on this meeting Mr. Nusli Wadia – Chairman, Mr. Ness Wadia – Managing Director, and other Directors of the corporation, Chief Financial Officer and Company Secretary. We also have with us representatives of the statute corporation.

For the smooth kind of the meeting, the members will be in the mute mode during the course of the meeting. Audio and video will be enabled for those who have pre-registered with the corporation to speak during the AGM. Please know that, as per the requirements, the proceedings of the Annual General Meeting will be recorded and made available on the website of the corporation.

I now hand over the proceedings to Mr. Nusli Wadia, Chairman of The Bombay Burmah Trading Corporation Limited. Over to you, sir.

**Nusli Wadia:** I welcome all the members to the 155th AGM of the corporation being conducted through video conference. I also welcome all the other Board Members to the AGM. Live streaming of this meeting is being broadcast on the NSDL website. The Company Secretary has informed with the quorum of the members, as required under law, is present. The corporation has taken requisite steps to enable members to participate and vote on the items specified in the Notice of the AGM. The statue registers required to be kept for inspection during AGM are available for inspection of members on the NSDL website. Notice in the 155th AGM and Annual Report for the financial year 2019-2020 was sent by email to the members whose email address is registered with the corporation or the repository participants. Since the Notice, Director's Report and Financial Statements have already been circulated to members, I take these documents as read. There are no comments or qualifications in the report of the statutory auditors for the financial year 19-20. The auditor's report is taken as read.

**Moderator:** Thank you, sir. May I request Mr. Nusli Wadia, Chairman of The Bombay Burmah Trading Corporation Limited to deliver his speech now.

**Nusli Wadia:** We are now meeting in the video conference in the wake of an unprecedented pandemic, which has been going on for the last several months. I will come to the accounts of the company. During the year under review, the corporation achieved a total revenue of Rs. 282.81 crores. This includes a dividend of Rs. 50.95 crores from the overseas subsidiary. The total revenue of Rs. 231 crores at operating level was lower compared to Rs. 261 crores for the previous year because of the underperformance of tea and coffee divisions, and subdued growth in the auto industry impacting the Electromags division.

The Tea production, in terms of leaf, was lower by 29%. And this led to a lower sales volume of almost 41.7 lakh kilos, as compared to 62.46 lakh kilos. The export sales were 26% of total sales, registering a small improvement of 2%. The tea plantations in Tamil Nadu were shut down in the last week of March due to the COVID pandemic. And the field factory works resumed in phases from April, with normal attendance commencing from May.

The Coffee in Karnataka experienced 49% higher precipitation than the previous fiscal. This was the off year of coffee's biennial cycle. As per estimates, the coffee in both regions suffered a 30% to 40% crop loss. Our coffee production was lower at 424 metric tonnes compared to 722 metric tonnes. For the previous year, and broad copy operations during the year produced 849 metric tonnes as against 1,028 metric tonnes. The cultivation activities are not affected by the pandemic. However, there were delays of shipments due to restriction of the movement of goods.

Domestic sales for the Auto Electric Component business dropped to Rs. 85 crores due to the marked slowdown in the automobile sector. Export sales dropped to Rs. 14 crores due to lower demand from the aftermarket. The division has developed and released new products. Even though these new products will bring in further growth in the turnover in the year 2021, their full revenue potential would not be realized in the year due to the pandemic. Due to the COVID-19 pandemic, the manufacturing facility were shut between April 20, and it resumed only partial operations on 4th of May 2020.

Dental products showed a marginal increase in turnover during the year. Our quarter one results are scheduled to be declared on the 29th of July. In quarter one, we have achieved a turnover of Rs. 37 crores as against Rs. 62 crores for the same period during the previous year due to the COVID impact.

Despite the pandemic, the Tea division has shown improvement over the last year during the same period on account of the rationalization of costs. And other divisions could not perform as expected due to the pandemic. Barring unforeseen circumstances, we expect our plantation division to show improve performance in the year 2021 on account of various strategic measures being taken, such as the increase in production of orthodoxies teas, upgradation of factories for quality improvement, and the increase in our export sales.

My sincere thanks to all our shareholders for their continued trust and belief in the corporation, and to my Board, colleagues, for their support and valuable contribution.

We received requests from eight members within the stipulated time to speak during the AGM. Out of these, four members had sent in their queries. These queries have been formally responded to by the corporation. I, therefore, request these speakers to ask any other queries that they may have and not repeat the ones that we have responded to. We will try and answer these additional queries, if possible during the AGM and if not, we will send out the replies to their registered email ids. Those members who have registered themselves and have not shared their queries will be given an opportunity to speak.

**Moderator:**

Thank you, sir. Please note, the speaker shareholder #1 has not joined in, hence we are moving forward with the next in queue. I now invite Mr. Bharat Shah and Ms. Smita Shah. May I request the participants to restrict your questions or comments to three minutes, please? Mr. Shah, you may go ahead with the question.

**Bharat Shah:**

Respected Chairman and other respected Board members, sir, I am Bharat Shah. Sir, I will just take one minute of yours. I do not have any such query, because even in such difficult times you have taken the company forward, sir, growth has been good, dividend is also adequate, so I am very thankful to you. I am thankful to you, Chairman, and the Board of Directors for the same.

Sir, in such times of COVID-19 the video conferencing that is being held, even in such difficult times our hard working Company Secretary, Sanjay Chowdhary, and his team have worked very hard for this meeting, I would also like to thank them.

Sir, every time we meet in the AGMs, but it has not been possible this time. So, if possible, once Corona comes under control, if you could keep a small type of a get together, that will be really helpful. Apart from this, I support all the resolutions and I only wish the company keeps moving forward. And I am thankful to the Company Secretary, Sanjay Chowdhary, and his team. Thank you very much.

**Smita Shah:**

Thank you. Respected Chairman, Shri Nusliji, and other respected Directors, I am Smita Shah. Sir, we received your Annual Report, and I had two, three queries, but those have been clarified by our Company Secretary, Shri. Sanjayji. So I do not have any more queries. Apart from this, ups and downs keep coming in life, but still you have not lost hope and even in such times you have controlled the company strongly, that is very appreciable. So sir, I just want to give you best wishes for the future, the way you are doing hard work, sir, you will definitely be successful one day and company will grow four-folds in the future, I just wish and pray to god for this. And secondly sir, the virtual AGM that's been conducted for the first time, so, sir, this is first experience for both of us, still our Secretarial team, Sanjayji and others, Levina madam, everyone has worked very hard and managed it properly, they have been constantly in touch with the shareholders and given a very good service, that's why this AGM is being conducted smoothly. I know our Company Secretary is very hard worker, the way in which the smooth conduct of the AGM has been managed well and for providing a very good balance sheet, and the good service that has been provided by them, I heartily thank them and appreciate you for your hard work. And sir, at last I would only say, best wishes for the future and the upcoming festive season. I have always been supporting you, so even today I am in full support of all the resolutions even today. Stay safe, stay healthy. Thank you.

**Moderator:**

I now invite Mr. Vinod Agarwal.

**Vinod Agarwal:**

Respected Chairman, Mr. Nusli Wadia, and other Directors and my fellow shareholders. Sir, the pathway has not been good for all the four divisions of the company. The Tea division had revenue of Rs. 59 crores against Rs. 80 crores in the previous year. Coffee divisions reported a production of 434 metric tonnes against 731 metric tonnes in the previous year. Auto part sales were down by 10.6% to Rs. 99.57 crores. Health care business was flat with negative bias. Sir, due to we have suffered losses in the previous year, sir, ours is a very old company, we are having our 155th AGM, we have seen lots of ups and downs, we have seen many droughts, we have seen many famines, we have seen many pandemics during the period and we have come

up. The resilience of our company has been to come up from the past disasters with a stronger will & solid growth and I am sure that we will pass through this COVID and last year's financial losses with much stronger resilience and much stronger you will come out with good profits in future years to come. Sir, tough times don't last, it is the tough people who last.

Sir, I have sent my queries via email for which I have received my answers mostly satisfactory, but one there still remains. The question pertains regarding Tanzania operation. The Tanzania operation has about 1,000 plus hectares of land, but the revenues from there is only about Rs. 3.13 crores. It means that we are not sweating our asset out there. I am just bringing to your notice that we should try to sweat our asset and have greater revenues from the 1,000 hectares of land out there.

And I would also like to appreciate the efforts put in by Sandesh Pokhriyal for contacting and making this easy for us novice senior citizen to attend an AGM via a video-audio conference. It is to be appreciated. I also appreciate that you have given a dividend of Rs. 1.20 paisa against a dividend of Rs. 1 last year, thank you sir.

**Nusli Wadia:** Thank you very much.

**Moderator:** I now invite Ms. Lekha Shah.

**Lekha Shah:** Respected Chairman, sir, Board of Directors and my fellow members, good afternoon to all of you, myself Lekha Shah. I am very thankful to our Company Secretarial team, especially Sandesh bhai and Levinaji for extending very good investor service, and also sending me the email well in time, which is full of knowledge and fact **and figures** in place. Due to pandemic COVID-19, we all are facing crises and how to stay home. In spite of difficult times, our company has done excellent in respect of CSR during COVID-19. Sir, I am confident that with your vision and determination, you will lead our company to greater heights. And also, I pray to God, our company should progress more and more under you and your team.

Sir, I have a few questions. What is the roadmap for next two years? Kindly explain what steps are you taking for all the outgrowth of our company? So I wish all the success and I support all the resolutions. Thank you, sir.

**Nusli Wadia:** Thank you.

**Moderator:** Thank you. Sir, that was the last question on the line. I would not request Mr. Wadia to comment on the queries raised by the shareholders.

**Nusli Wadia:** There were no queries that were raised, except for I think Lekha Shah asked and previous speaker asked about Tanzania. Tanzania, we have not had much control over it in the past, but Tanzania, I believe, has been improving. I don't know, I think what we will do is, Ness, will you send an answer on Tanzania please? Ness?

**Ness Wadia:** Yes, we will do that.

**Nusli Wadia:** Okay. And Lekha Shah asked for the next two years. Well, I think, in tea plantations there will be a considerable improvement, hopefully during the current year despite COVID, particularly in the next six months to nine months. I believe that the productivity in the plantations as also the thrust in exports will show some better results as in the past. On coffee, I have already covered that. last year was a weak year because it was the biennial year. But this year, we expect the coffee performance will be better. I think that covers all the points.

**Moderator:** Thank you, sir. The next item on the agenda is resolutions. I would request Mr. Nusli Wadia, Chairman of The Bombay Burmah Trading Corporation Limited to initiate the proceedings.

**Nusli Wadia:** As per the Notice, there are nine resolutions to be passed. I now authorize Mr. Sanjay Kumar Chowdhary, the Company Secretary, to conduct the e-voting and conclude the meeting. I would like to thank all the members and Directors who participated in the meeting. And with your consent, I, and the other Board Members, would like to take leave and wish all the members the best of health, safety in the year ahead and during these trying times.

**Moderator:** Thank you, sir. Sir, you may go ahead.

**Sanjay Kumar Chowdhary:** The business to be transacted by e-voting are, item #1, adoption of audited financial statement for FY 2019-2020, along with the code of the Board of Directors and auditors thereon.

Item #2 is declaration of dividend for FY 2019-2020.

Item #3 is reappointment of Mr. Nusli Wadia, who retires by rotation, and being eligible offers himself for reappointment.

Item #4 is appointment of statutory auditors and to fix their remuneration.

Item #5 is the appointment of branch auditors.

Item #6 is the ratification of remuneration payable to M/s GLS & Associates, Cost Accountants.

Item # 7 is to approve the borrowing of amount up to Rs. 1,000 crores over and above the paid-up capital, share capital and securities premium.

Item #8 is to approve the creation of mortgage charge, etc., up to Rs. 3,000 crores.

Item # 9 is to give loans or give guarantees or provide securities and allow subscription up to Rs. 1,000 crores as per the Section 186 of the Companies Act.

The remote e-voting facility was provided by the corporation between Tuesday, 21 July, 2020, 9am IST; and Thursday, 23rd July, 2020, 5pm IST. E-voting will be allowed to those members present at the AGM who have not cast their votes through remote e-voting. Members may click on e-voting tab to cast their votes. E-voting will be open for 30 minutes.

The corporation has appointed Mr. Tushar Shridharani, practicing Company Secretary, Mumbai, as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner. Results of the e-voting will be announced on or before 26th July 2020. And the same would be intimated to the stock exchanges and uploaded on the websites of the corporation and NSDL.

I would like to thank present Directors who have participated in the meeting and cooperated with the corporation in ensuring the smooth conducting of this virtual AGM.