

Date: 27.11.2019

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

SCRIP CODE: 540404

Dear Sir/Madam,

Sub: Updated Investor Presentation – An insight to investors

With reference to the above mentioned subject, kindly find enclosed updated Investor Presentation for Prime Customer Services Limited.

Investor Presentation is brief profile of Prime Customer services Limited (PCSL) and the sector in which company operates. It includes about PCSL, Business models and strategies of PCSL, Management profile of PCSL and Financial statement of PCSL.

Kindly take the same on your record and oblige.

Thanking you,

Yours Truly,

For Prime Customer Services Limited



Riya Doshi
Company Secretary





PRIME CUSTOMER SERVICES LIMITED

**H1FY20
RESULT PRESENTATION
NOVEMBER 2019**

SAFE HARBOR

This presentation may contain certain forward looking statements concerning the company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statement.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, time and cost overruns on operations, our ability to manage our assets, government policies and actions with respect to the industry, fiscal deficits, regulations, etc., interest and other fiscal costs generally prevailing in the economy. Past performance may not be indicative of future performance.

The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

CONTENTS



ABOUT PCSL



BUSINESS MODEL
& STRATEGIES



MANAGEMENT
PROFILE



FINANCIAL
STATEMENTS



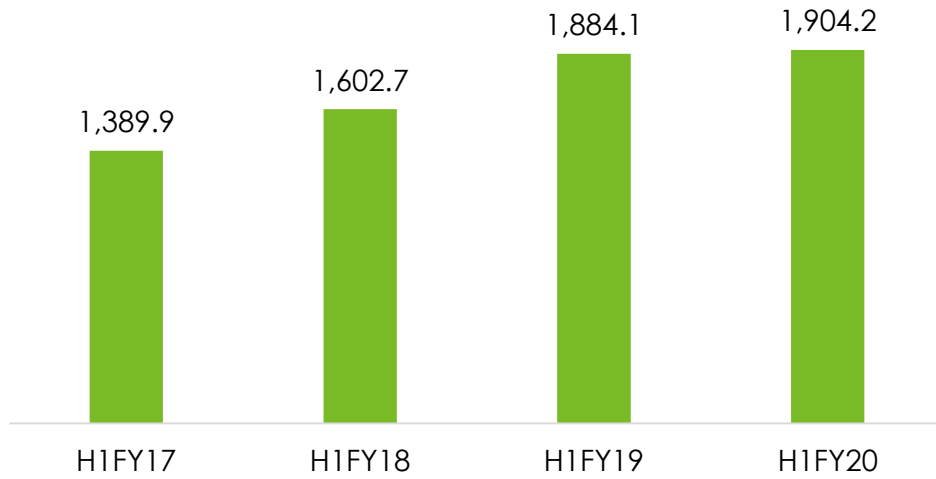
ANNEXURE

Result Highlights

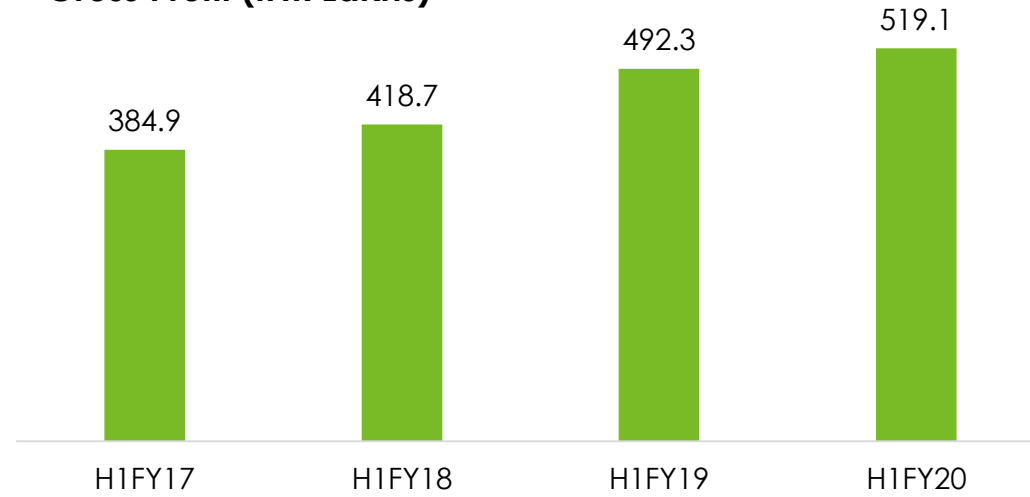


HALF YEARLY RESULT HIGHLIGHTS

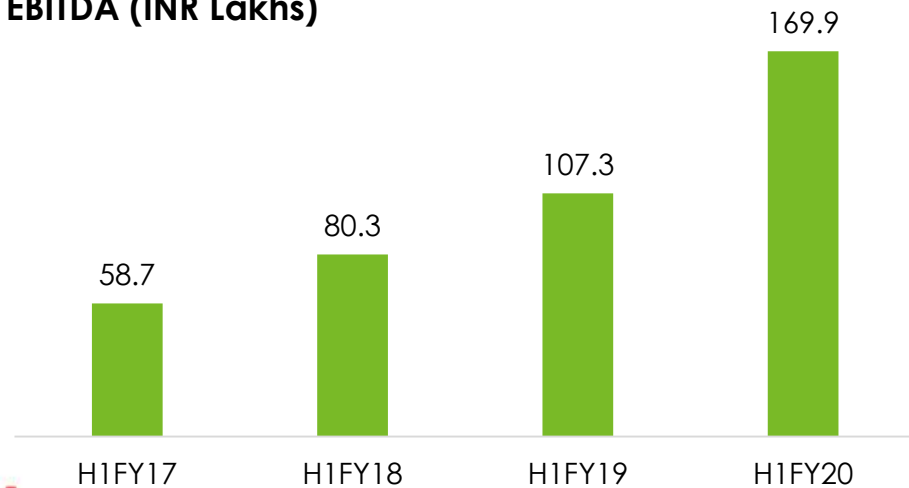
Net Sales (INR Lakhs)



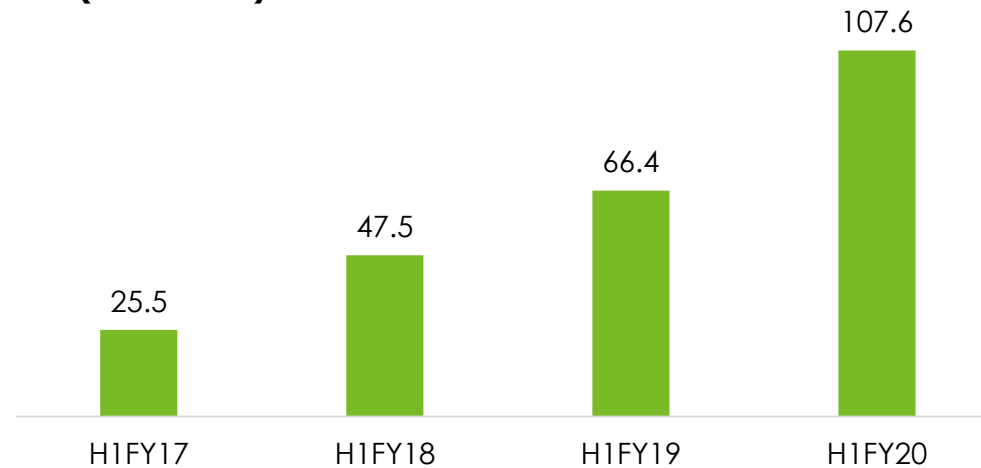
Gross Profit (INR Lakhs)



EBITDA (INR Lakhs)

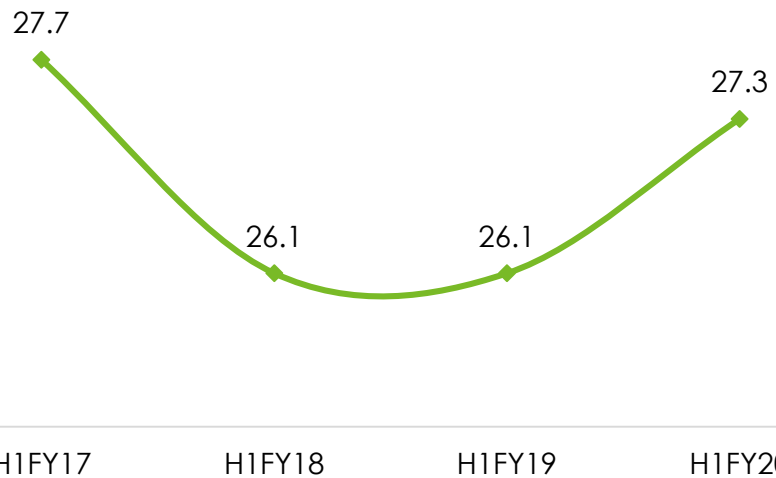


PAT (INR Lakhs)

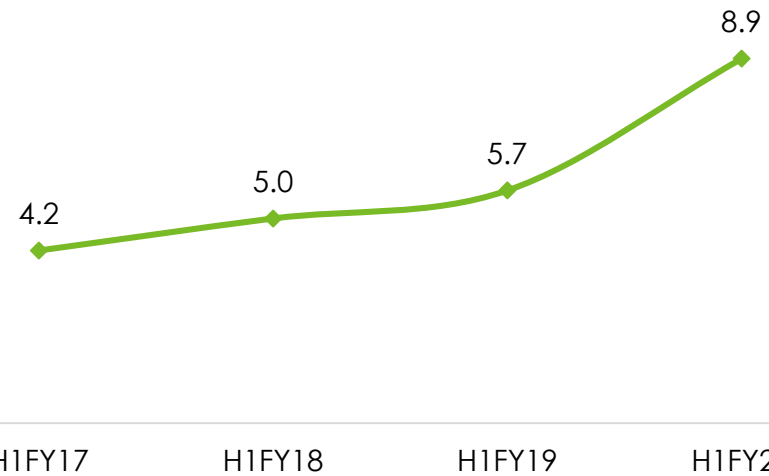


HALF YEARLY – IMPROVED MARGIN ACROSS ALL FRONTS

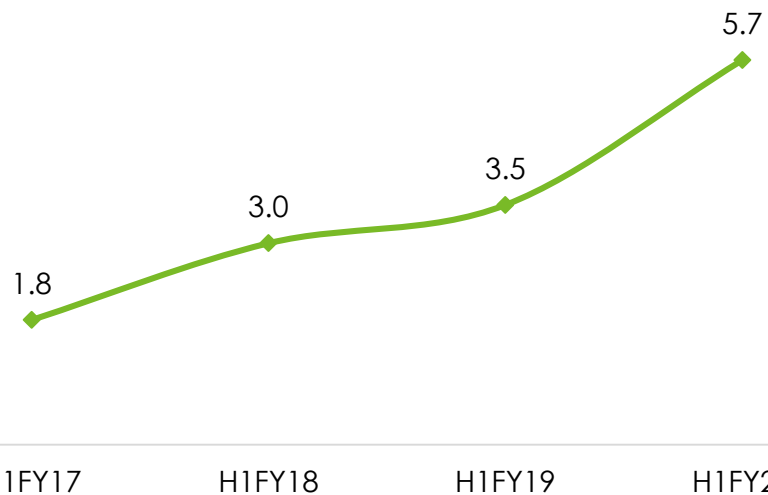
Gross Profit (%)



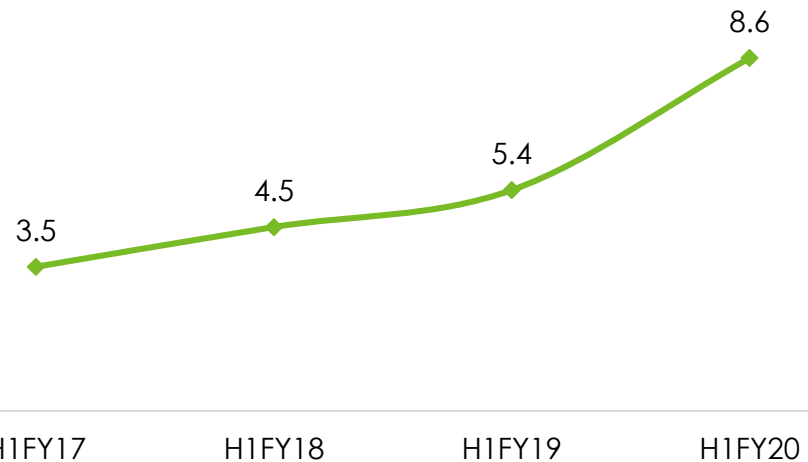
EBITDA (%)



PAT (%)

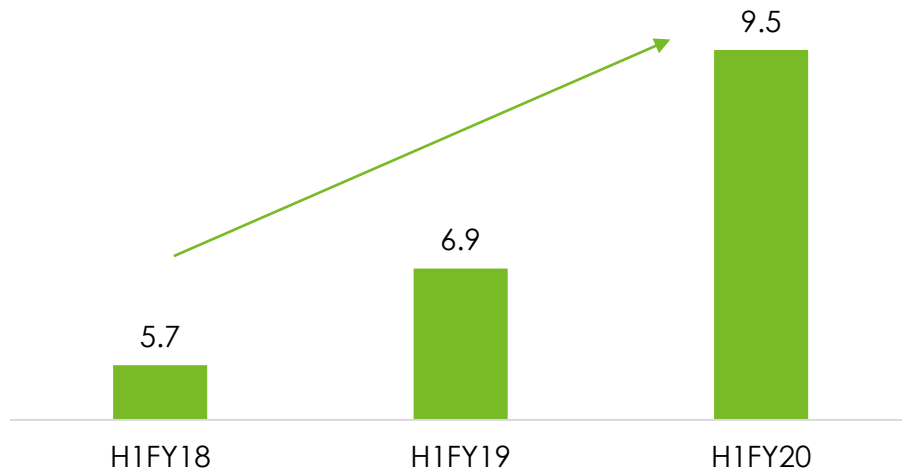


EBIT (%)

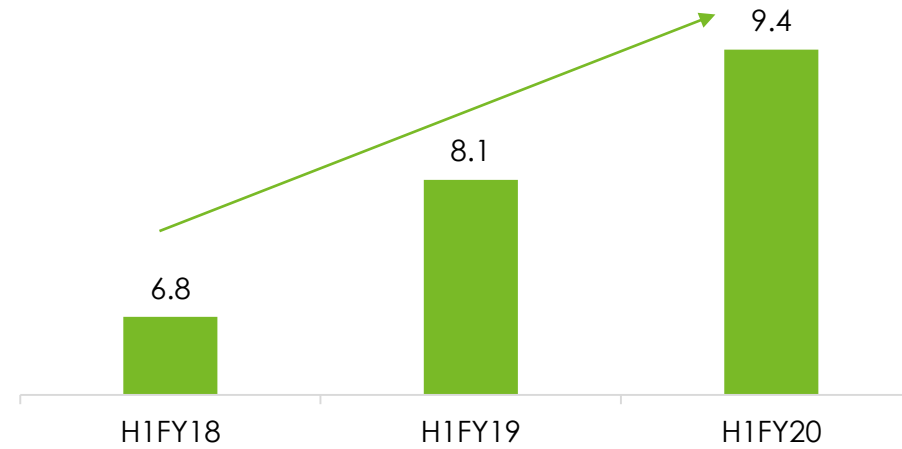


HALF YEARLY – CONSISTENT INCREASE IN RETURN RATIOS

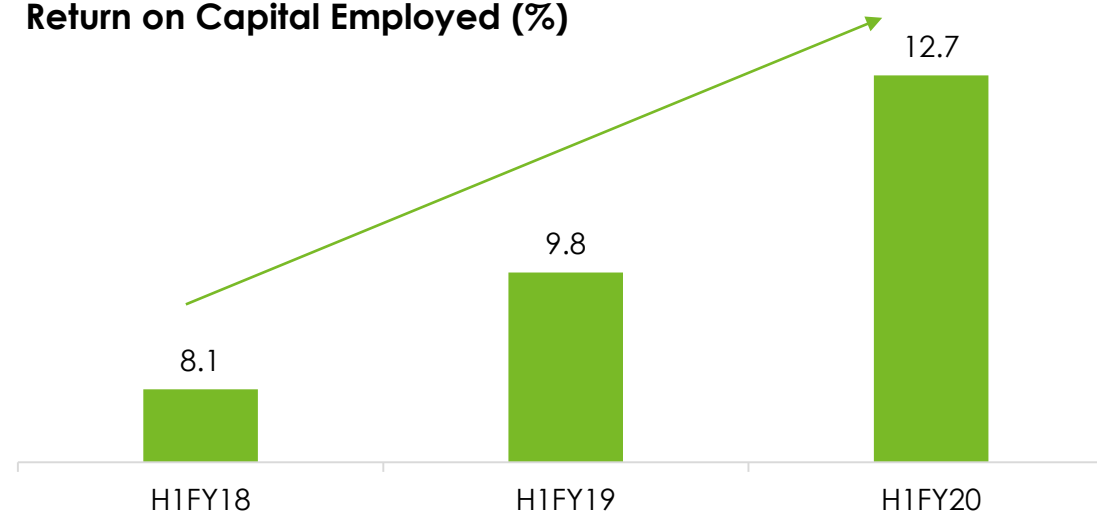
Return on Invested Capital (%)



Return on Equity (%)



Return on Capital Employed (%)



PROFIT & LOSS STATEMENT – HALF YEARLY

Particulars (Rs. Lakhs)	H1FY20	H1FY19	YoY %	H2FY19
Revenue	1,904.2	1,884.1	1.1	2,433.7
Expenditure	1,735.3	1,776.8	-2.3	2,320.7
EBITDA	168.9	107.3	57.4	112.9
Depreciation	5.3	5.4	-1.7	7.8
EBIT	163.6	101.9	60.5	105.1
Other Income	1.0	0.0		0.5
Interest expenses	22.6	14.1	60.4	20.5
PBT	142.0	87.8	61.7	85.1
Tax	34.3	21.4	60.5	25.3
Reported Net Income	107.6	66.4	62.1	59.8

UPDATE ON THE RESULTS



In H1FY20, sales was flat by 1.1% vs H1FY19, on the back of lower and seasonal volumes of fruits and vegetables



Highest EBITDA in H1FY20 at Rs 169.9 Lakhs a growth of 57.4% YoY and 8.9% Margins backed by better operational efficiencies and control of overheads



PAT grew robust 62.1% vs H1FY19 with lower depreciation at Rs 5.3 lakhs and lower exceptional expenses over H1FY19



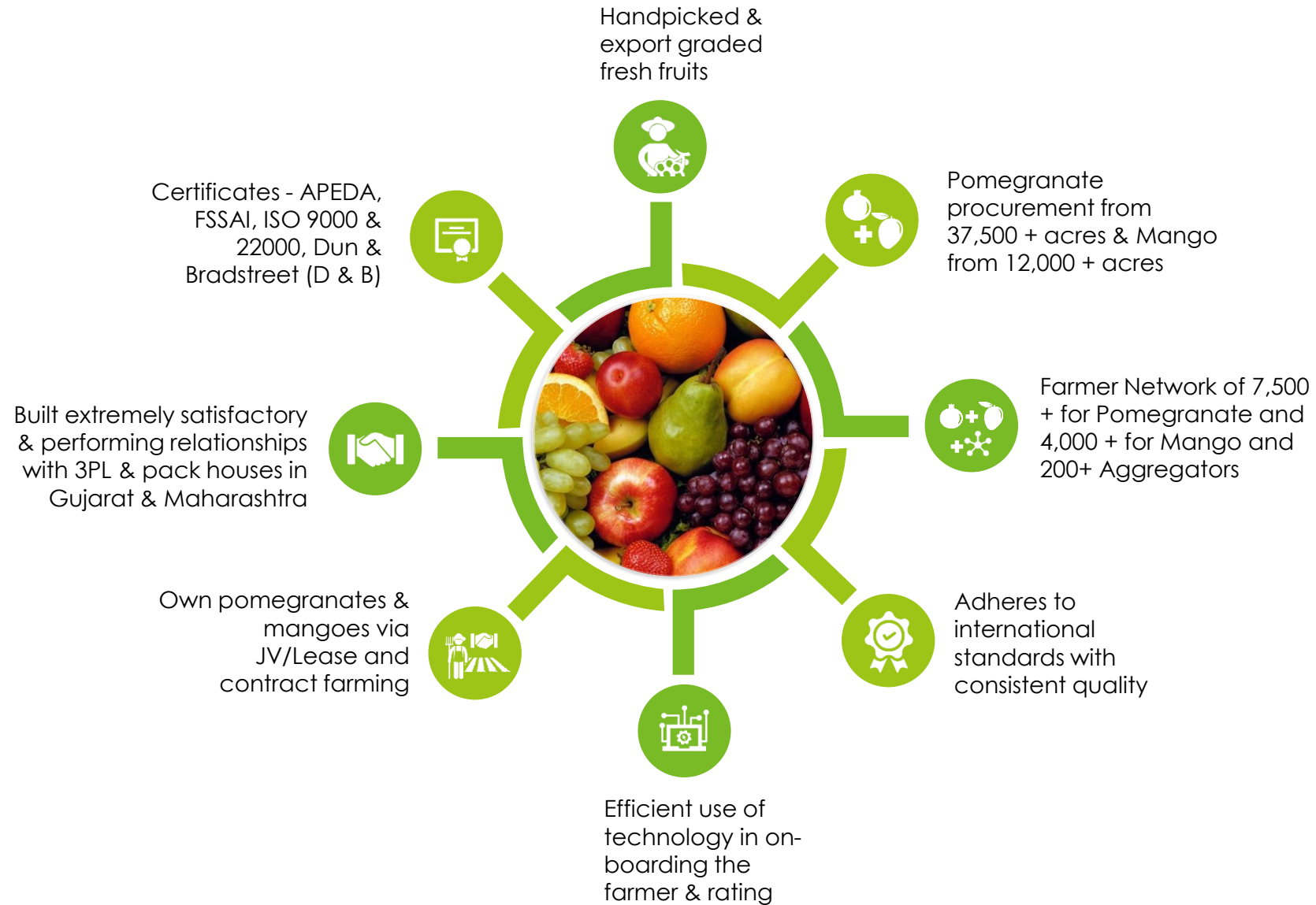
H1FY20 has shown a substantial performance on the EBITDA and PAT front and despite seasonality of the produce. Various cost initiatives have been carried out that have aided overall margin



PCSL's USP



VALUE PROPOSITION



TRANSACTIONS IN THE SECTOR



**Operating across
40 Districts across 5
states**



**25,000+ Farmer
Network aggregating
to procurement
bandwidth of 1,00,000
Tons**



**~130 Tons of fresh
produce handled
daily**



**70% of the time we
make either
advance / same
day payments to
farmers**

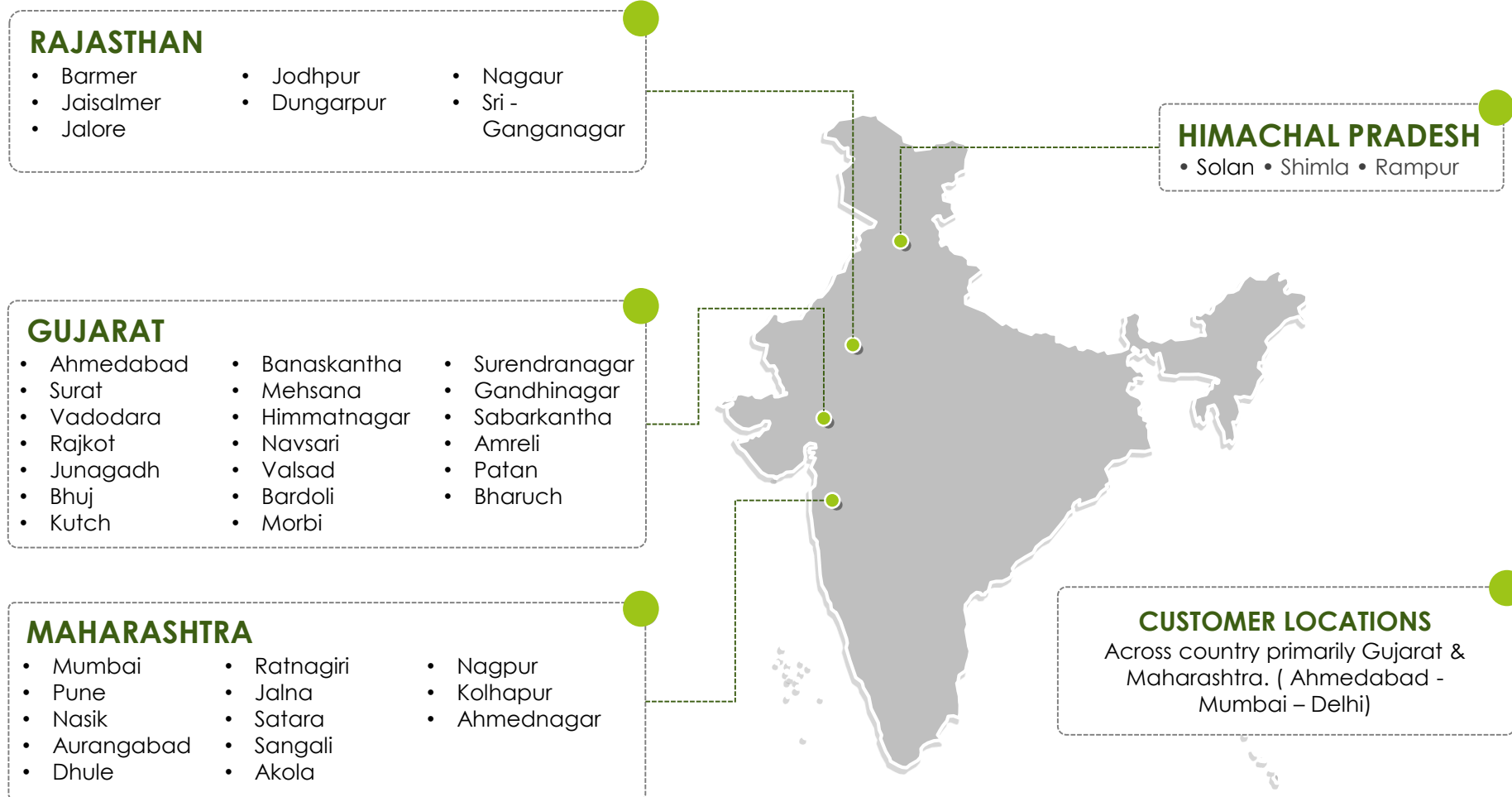


**500+ satisfied B2B
clients in India &
Abroad AND Orbit
of 40,000+ Retail
Customers**

- Walmart backs supply chain start-up Ninjacart with \$50Mn Funding
- Agritech start-up ninjacart secures \$89Mn from Tiger Global
- One year old agri tech start-up Fresh VnF raises \$2 million in maiden round
- WayCool Foods raises Rs 120 Cr in equity and debt from LGT Impact, others
- Praneesh Murthy - backed Farm Taaza raises \$8Mn in Series A funding
- CropIn Technology raises \$8 million from Chiratae Ventures, Gates Foundation

**PCSL working
with India's
largest retailer
since last 11
years handling 80
tons of Fresh
Produce every
day round the
year**

GEOGRAPHIC PRESENCE



CLIENTELE

Supply of Fresh Fruits & Vegetables



D J Exports



Mahindra AGRI SOLUTIONS

ninjacart

DESAI FRUITS & VEGETABLES

PATIDAR PUREAT

bigbasket
India's largest online supermarket



Warehousing Solutions & Services



Dairy Frozen

Re-pack & Packaging Facility



3 PL (Manpower Management)



CORONA Remedies Pvt. Ltd.

C & FA Services



Business Model & Strategies



SEASONALITY OF FRUITS

AVAILABILITY CYCLE

● PEAK SEASON ● LEAN SEASON ● THROUGHOUT YEAR



MANGO

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Andhra Pradesh		●	●	●	●	●	●					
Gujarat				●	●	●	●					
Karnataka			●	●	●	●	●					
Kerala			●	●	●	●	●					
Maharashtra			●	●	●	●	●					
Uttar Pradesh					●	●	●	●				



POMEGRANATE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Maharashtra	●	●	●	●	●	●	●	●	●	●	●	●
Karnataka	●	●	●	●	●	●	●	●	●	●	●	●
Gujarat	●	●	●	●	●	●	●	●	●	●	●	●
Rajasthan	●	●	●	●	●	●	●	●	●	●	●	●



BANANA

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Tamil Nadu	●	●	●	●	●	●	●	●	●	●	●	●
Maharashtra	●	●	●	●	●	●	●	●	●	●	●	●
Andhra Pradesh	●	●	●	●	●	●	●	●	●	●	●	●
Karnataka	●	●	●	●	●	●	●	●	●	●	●	●
Bihar	●	●	●	●	●	●	●	●	●	●	●	●
Assam	●	●	●	●	●	●	●	●	●	●	●	●
Gujarat	●	●	●	●	●	●	●	●	●	●	●	●
Madhya Pradesh	●	●	●	●	●	●	●	●	●	●	●	●
West Bengal	●	●	●	●	●	●	●	●	●	●	●	●



GRAPES

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Maharashtra	●	●	●	●	●							●
Karnataka	●	●	●	●	●							●
Andhra Pradesh	●	●	●	●	●							●
Tamil Nadu					●	●	●		●	●	●	●
Punjab					●	●	●					●
Haryana					●	●	●					●



PCSL'S PRESENCE AND NETWORK

Primes F&V Value Chain



Procurement Network



Distribution Network

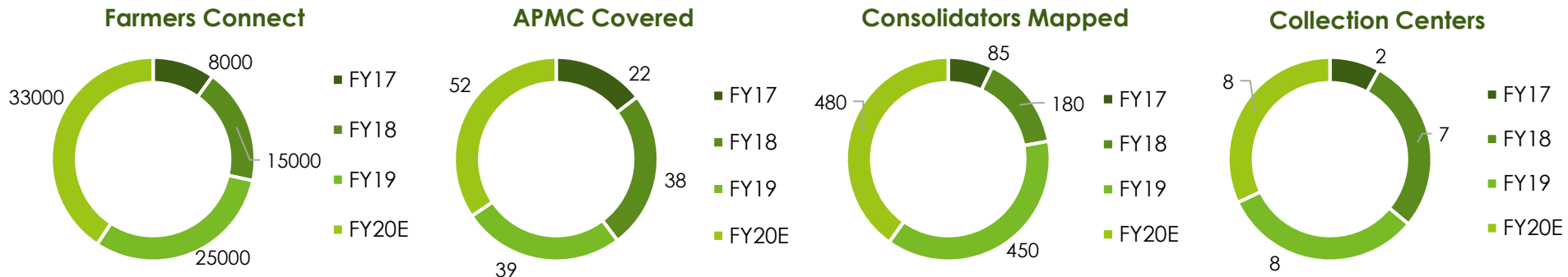


Massive farmers network & Huge experience in setting up, running & scaling up Collection Centre and Distribution Centre

PCSL GROWTH STRATEGY - IN EXECUTION

Three-pronged growth strategy for FY20E

1



2

Adding new F&V segments

Current: Mangoes, Pomegranate, Apple, Tomatoes, Onion, Imported Fruits and Mix Vegetables .
 Adding: Banana, Orange, Grapes

3

Adding new clients in new geographies

North India and South India



GROWTH CATALYST OVER THE NEXT 3 YEARS

1

PCSL currently operates in Western India and select North and North eastern region of the country for procurement of pomegranate, mangoes, onion and tomatoes and aspires to increase its footprints and F&V offerings

2

Increasing its footprints beyond the domestic boundaries tapping global markets, this entails building a right team in the value chain, thus capitalising on the opportunities present in F&V industry



3

Strengthening its Brand “ PRIME FRESH” by increasing its touch points through expansion for its F&V acquisition

4

Leveraging technology through social media and online platforms to tap different pockets for sales

5

Catered to 40,000 customer in Mumbai and Ahmedabad and aspire to address 1,00,000 customer by June 2020E



GROWTH CATALYST OVER THE NEXT 3 YEARS

GEOGRAPHIC EXPANSION ADVANTAGES:

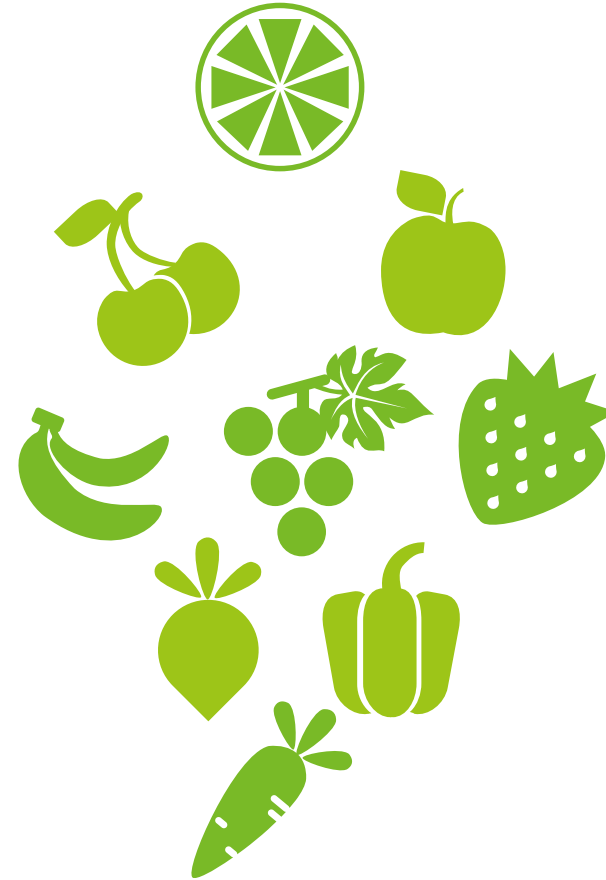
- Large chunk of revenues from APMC and General trade from North & north eastern region, adding newer states in North and North eastern part of India
- Limiting the dependence on buyer thus de-risking the business operations
- Grading, Sorting and Packaging will vary thus bringing further improvement resulting in customer satisfaction, retention and repeat business from clientele.

INCREASING THE F&V CATEGORIES ADVANTAGES:

- Company is going to add more F&V categories like Grapes, Banana, Orange and few other vegetables thus engaging with new clients both in the domestic and international markets
- Amassing further experience in the F&V segment and sourcing more F&V through its farmer network and strengthen its position in across 40 Districts in Maharashtra , Gujarat & Rajasthan.
- The above strategy will ensure better sales growth and increase in profitability over a period of time

SEASONED PLAYER IN THE F&V SEGMENT:

- More than a decade of experience PCSL has developed its competencies around building, owning , operating and transferring F&V DCs and CCs
- Developing and Maintaining deeper relations with farmer community and its customers which creates a barrier for new incumbents to the business
- The experience has enabled PCSL to setup 6 collection centres, 3 DCs and 2 integrated pack houses in next 18 months



GROWTH DRIVERS FOR THE SECTOR

FOOD AND AGRI



Legislature

- Introduction of new schemes by Government
- Investment by government in the sector
- Launch of incubators and funds to promote the companies in the sector



Supply Side

- Infrastructure Development
- Multi-channel marketing
- Easy credit availability
- Private labeling
- Disruption caused by startups
- Arrival and growth of logistic providers



Demand Side

- Sustainability
- Assurance Standards
- Traceability and Data management
- Increasing Urbanization
- Increasing disposable income
- Raising middle class population
- Young demographics
- Increasing working women
- Health consciousness
- Consumer awareness
- Changing preferences
- Increasing travelers
- International shows, food festivals, internet

The Food & Agri sector is witnessing a transition towards tech-driven growth across the value-chain, such as supply chain management, e-commerce based B2B and B2C models, processing technologies and equipment, storage and logistics, food safety, packaging, distribution and retail etc.

Financial Statements



PROFIT & LOSS STATEMENT – HALF YEARLY

Particulars (Rs. Lakhs)	H1FY17	H2FY17	H1FY18	H2FY18	H1FY19	H2FY19	H1FY20
Total revenue from operations	1,391.8	997.6	1,603.4	2,009.0	1,884.1	2,434.1	1,904.2
Total expenses	1,333.0	959.2	1,523.1	1,914.1	1,776.8	2,320.7	1,735.3
EBITDA	58.7	38.4	80.3	94.9	107.3	113.4	168.9
Depreciation	9.7	10.2	8.1	8.3	5.4	7.8	5.3
EBIT	49.0	28.2	72.2	86.6	101.9	105.6	163.6
Other income	1.8	0.7	0.8	0.1	0.0	0.5	1.0
Interest	13.6	16.3	7.9	11.1	14.1	20.5	22.6
EBT	35.4	11.9	64.2	75.5	87.8	85.1	142.0
Tax expense	10.0	5.0	16.8	22.8	21.4	25.3	34.3
Profit after tax	25.5	6.9	47.5	52.6	66.4	59.8	107.6

PROFIT & LOSS STATEMENT – ANNUALLY

Particulars (Rs. Lakhs)	FY15	FY16	FY17	FY18	FY19
Total revenue from operations	1,959.5	2,103.5	2,386.8	3,611.7	4,317.8
Total expenses	1,890.3	2,002.1	2,292.3	3,437.3	4,097.5
EBITDA	69.1	101.4	94.6	174.4	220.2
EBITDA margin (%)	3.65%	4.87%	4.07%	4.85%	5.11%
Depreciation and Amortization Expenses	29.7	31.8	19.9	16.4	13.2
EBIT	41.8	70.7	77.3	158.8	207.5
Other income	2.4	1.2	2.6	0.8	0.5
Interest	29.6	31.4	29.9	19.1	34.6
EBT	12.2	39.3	47.4	139.7	172.9
Tax expense	3.9	12.2	14.9	39.6	46.7
Profit after tax	8.3	27.1	32.4	100.1	126.2

BALANCE SHEET

Particulars (Rs. Lakhs)	FY15	FY16	FY17	FY18	FY19	H1FY19	H1FY20
Share capital	91.6	152.2	349.3	349.3	349.3	349.3	349.3
Reserves and Surplus	155.2	218.5	302.2	402.2	528.4	468.6	798.1
Non-current liabilities	205.7	53.1	5.1	282.1	179.9	223.1	141.9
Current liabilities	158.5	283.6	779.7	357.2	461.0	129.3	377.3
Total Equity and Liabilities	611.0	707.4	1,436.3	1,390.8	1,518.6	1,170.3	1,666.6
Non-current assets	149.4	123.9	127.9	112.1	98.6	110.4	94.9
Current assets	461.6	583.4	1,308.3	1,278.7	1,420.0	1,059.9	1,571.7
Total Assets	611.0	707.4	1,436.3	1,390.8	1,518.6	1,170.3	1,666.6

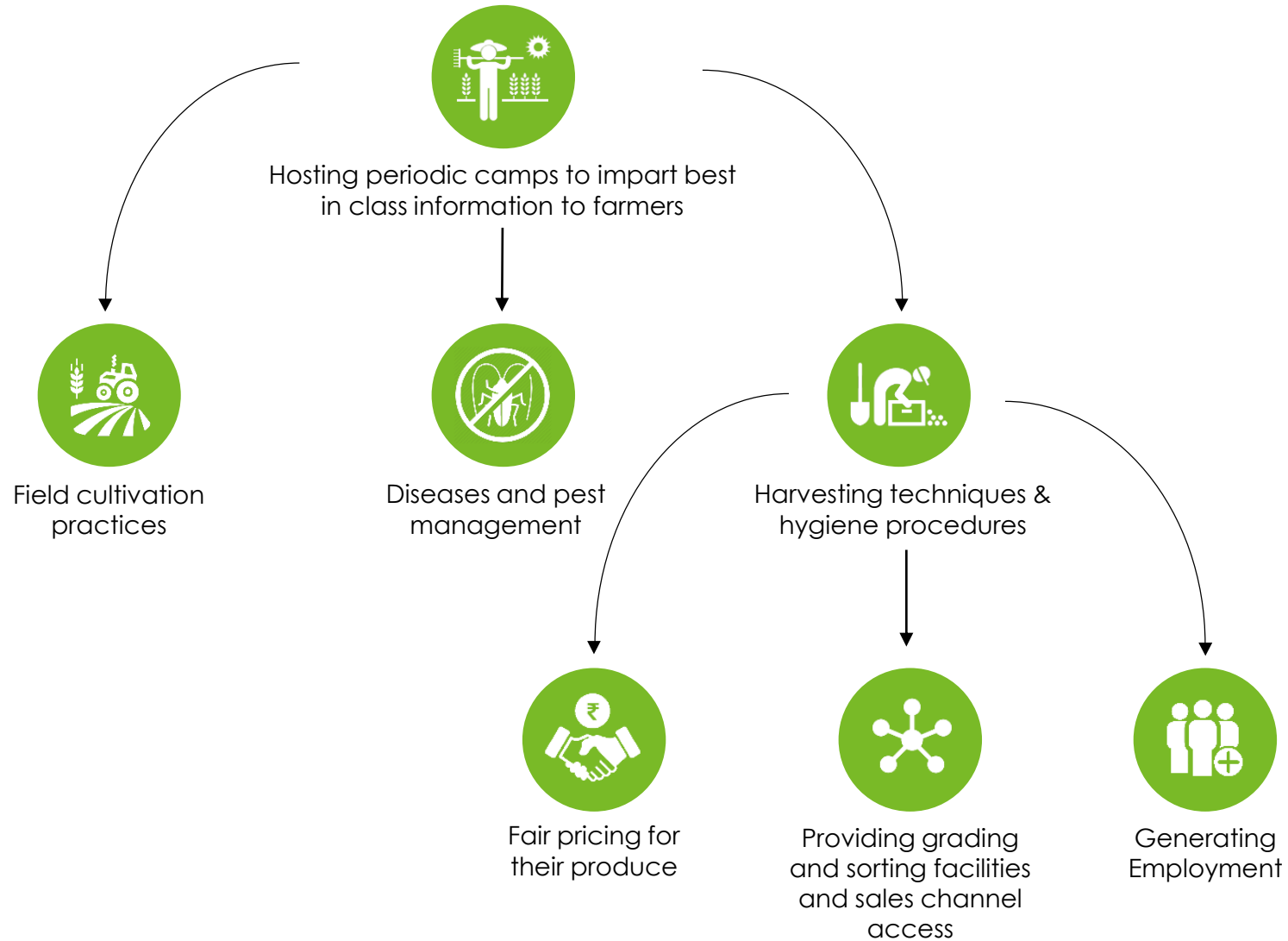
Annexure



PCSL Hosted at NSE Event



CSR INITIATIVES



STOCK INFORMATION

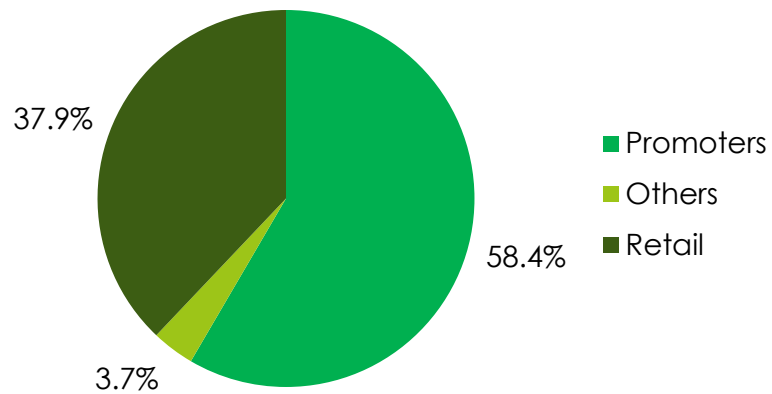
Market cap (INR)
4,717 lakhs

Shares outstanding
34.9 lakhs
(as on Sept 2019)

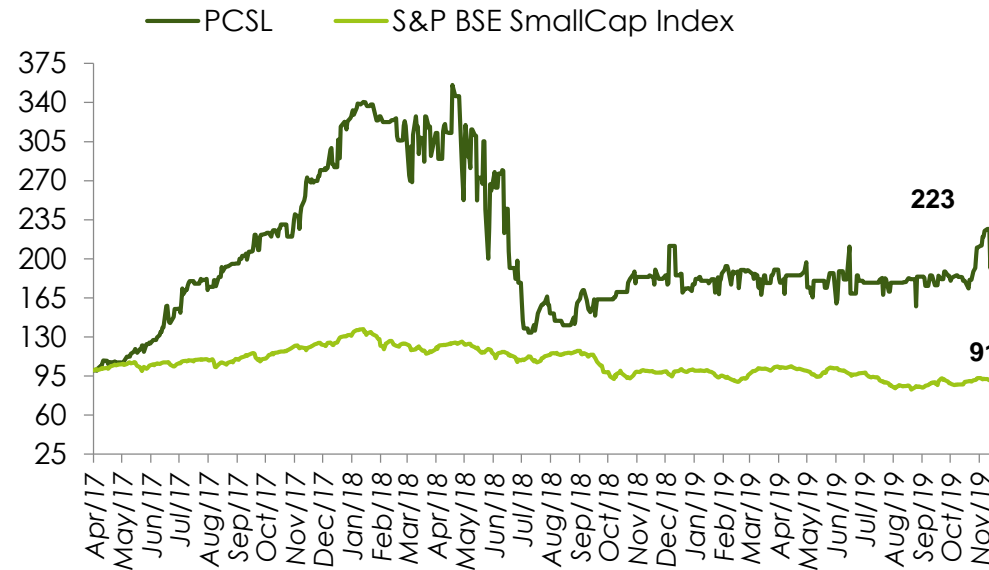
Exchange code
540404 (BSE)

Bloomberg code
PRIME:IN

Shareholding pattern (as on Sept 2019)



Relative stock price chart





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Phone: 022-6149 1638

THANK YOU