



**PRIME FRESH LIMITED**  
(FORMERLY KNOWN AS PRIME CUSTOMER SERVICES LIMITED)

Date: 07.08.2020

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 Fresh Limited (Formerly Known as Prime Customer Services Limited.)

Investor Presentation is brief profile of Prime fresh Limited [Formerly Known as Prime Customer services Limited (PCSL)] and the sector in which company operates. It includes history of India's horticulture, About Prime Fresh, Business models and strategies of Prime fresh, Management profile of Prime fresh and financial statement PFL.

Kindly take the same on your record and oblige.

Thanking you,

Yours Truly,

**For Prime Fresh Limited**  
(Formerly Known as Prime Customer Services Limited)

**Riya Doshi**  
Company Secretary





# **PRIME FRESH LIMITED**

(formerly known as Prime Customer Services Limited)

## **H2 & FY20**

### **RESULT PRESENTATION**

**JULY 2020**

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



Result Snapshot



Prime Fresh's USP



Business Outlook



Financial Statements



Annexure



# ABOUT PRIME FRESH LTD (formerly known as Prime Customer Services Limited)



Founded in the year 2007, Prime Fresh Ltd (formerly known as Prime Customer Services limited) is listed on Bombay stock exchange (BSE) and is a part of the industry named under "other agricultural products".

The Company is headquartered in Gujarat and having sales drawn from the domestic and export business. Through its sourcing, procuring, sorting grading and packaging functions, It employs nearly 100 plus professionals across its business operations

It operates in Western India and select North and North eastern region of the country in F&V categories like pomegranate, mangoes, onion and tomatoes.



The company is expanding its reach beyond domestic boundaries catering to select countries with its F&V offerings

The Company has a proven 5 year track record of high Revenue growth and Profitability with a strong balance sheet and increased return ratios

A strong and long standing relationships with a client base spread across Hotel, Restaurants, cafes and APMC's



(formerly known as Prime Customer Services Limited)

# Result Highlights



# HALF YEARLY RESULT SNAPSHOT

Standalone Profit & Loss (Rs Lakhs)	H2FY20	H2FY19	%Var	H1FY20	%Var
<b>Revenues from operations</b>	<b>2,820.1</b>	<b>2,433.7</b>	<b>15.9</b>	<b>1,904.2</b>	<b>48.1</b>
COGS	2,224.2	1,909.8	16.5	1,385.1	60.6
<b>Gross Profit</b>	<b>595.9</b>	<b>523.9</b>	<b>13.7</b>	<b>519.1</b>	<b>14.8</b>
Operating exp	479.5	411.0	16.7	350.2	36.9
Operating Profits	116.5	112.9	3.1	168.9	-31.1
Other income	0.1	0.5	-89.4	1.0	-95.0
Depreciation	5.4	7.8	-31.1	5.3	1.4
<b>EBIT</b>	<b>111.1</b>	<b>105.6</b>	<b>5.3</b>	<b>164.6</b>	<b>-32.5</b>
Interest expenses	35.3	20.5	72.4	22.6	55.9
<b>EBT</b>	<b>75.9</b>	<b>85.1</b>	<b>-10.9</b>	<b>142.0</b>	<b>-46.6</b>
Taxes	21.0	25.3	-17.0	34.3	-38.8
<b>PAT</b>	<b>54.9</b>	<b>59.8</b>	<b>-8.3</b>	<b>107.6</b>	<b>-49.0</b>
EPS (Diluted)	<b>1.4</b>	<b>1.7</b>		<b>3.1</b>	
GP % Sales	21.1	21.5	-40 Bps	27.3	-613 Bps
Opex % Sales	17.0	16.9	-11 Bps	18.4	-139 Bps
NP % Sales	1.9	2.5	-51 Bps	5.7	-371 Bps



In H2FY20, sales was higher 16% vs H2FY19, with higher sales volume of fruits and vegetables



EBIT at Rs 111 lakhs with margins at 4% in H2FY20 a tad lower than H2FY19



PAT dipped 8% vs H2FY19 with higher interest cost expenses which grew 72% over H2FY19



The second half witnessed a few days of loss owing to the Covid lockdown in the month of march. However as the ease in lockdown began business operations have begun to pick up albeit gradually

Many cost rationalization measures have been undertaken during the pandemic which will bode well and business will witness operational efficiencies

# GROWTH ACROSS EVERY P&L METRIC







**PRIME**  
**Fresh**

*We deliver fresh*

(formerly known as Prime Customer Services Limited)

## **Prime Fresh's USP**

## WHY CHOOSE PRIME FRESH LTD (formerly known as Prime Customer Services Limited)



Experienced management of being in the business for the last 2 decades, thus enabling them to know the nuances of the operations and navigating the company in slow business uptake

A trusted partner with farmers and long standing relation has helped the company expand its business thus achieving pan India presence

Present across the value chain of the business strengthening the learning curve and aiding the margin profile of the operations

Increasing fruits and vegetable offering with the farmer and geographic expansion. Currently Prime Fresh Ltd caters to over 1Lakh farmers across 40+ districts

Highest quality of fruits and vegetables supplies there by opening the doors for export market of F&V

Tie Ups with e-com portals to make available F&V in untapped regions thus creating nascent opportunities and trusted brand name among the end customers

# VALUE BUILDING STRATEGIES BY PRIME FRESH



Forging new relationships with farmers thus increasing the F&V touch points and ensuring a pan India presence

Addition of new categories of F&V like Grapes, Banana, Orange and vegetables thus diversifying its offerings and mix accordingly

Increasing the number of customers like food processing companies, HORECA, exporters, Direct consumers, APMCs in new regions and deeper engagement with Modern Trades & exporters from India

Expansion of new collection centres and Distribution centres will support the procurement and Distribution strategies going forward. It is also building and utilizing its own "PRIMEFRESH" brand to penetrate deeper with farmers, customers, aggregators and **B TO C segment**

Innovative packing, consumer packs, use of technology, reach through social media and other online platforms will drive further growth of new categories, geographies, global destinations and other multiple avenues of sales expansion

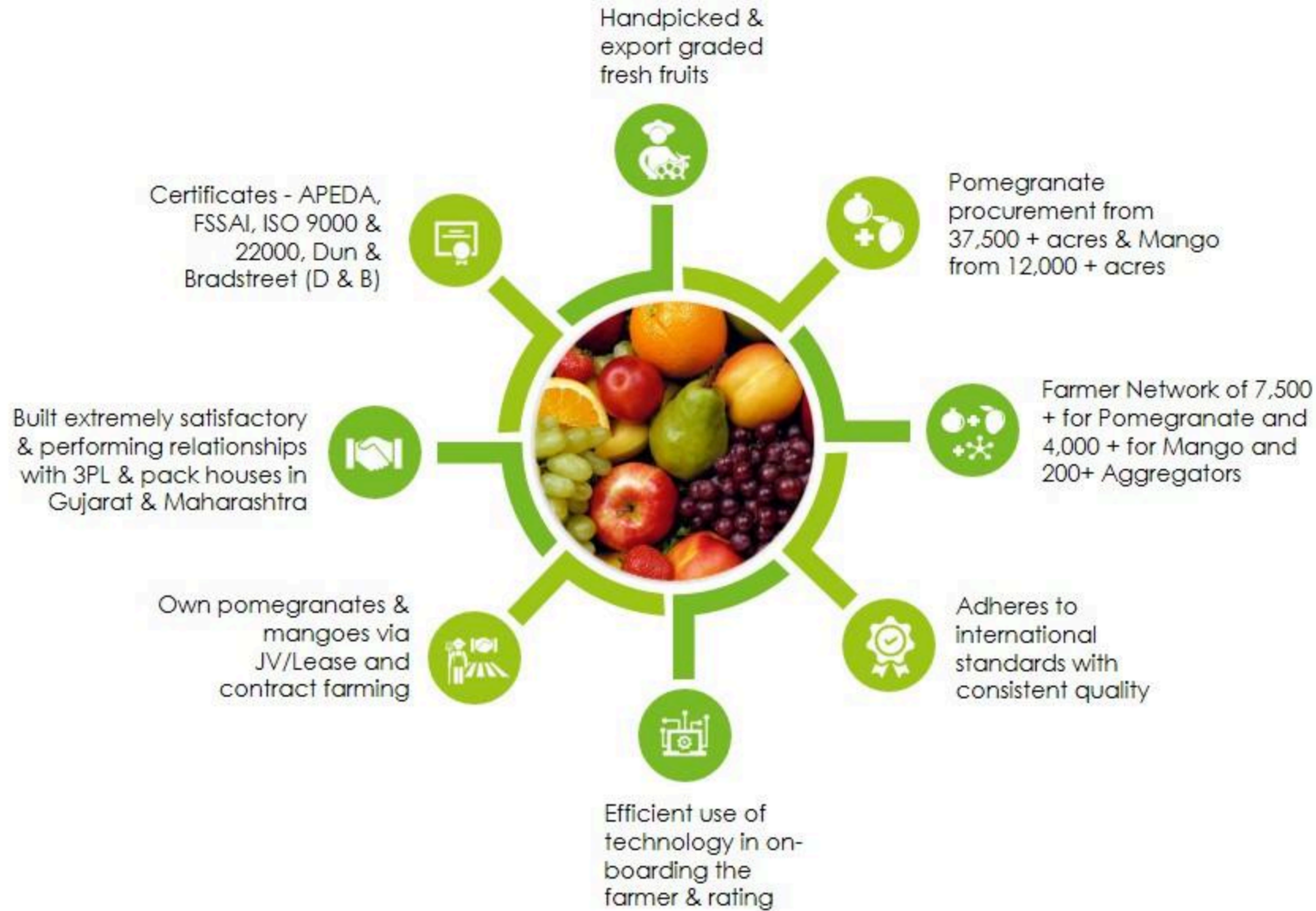
## PROBLEMS FACED BY FARMERS



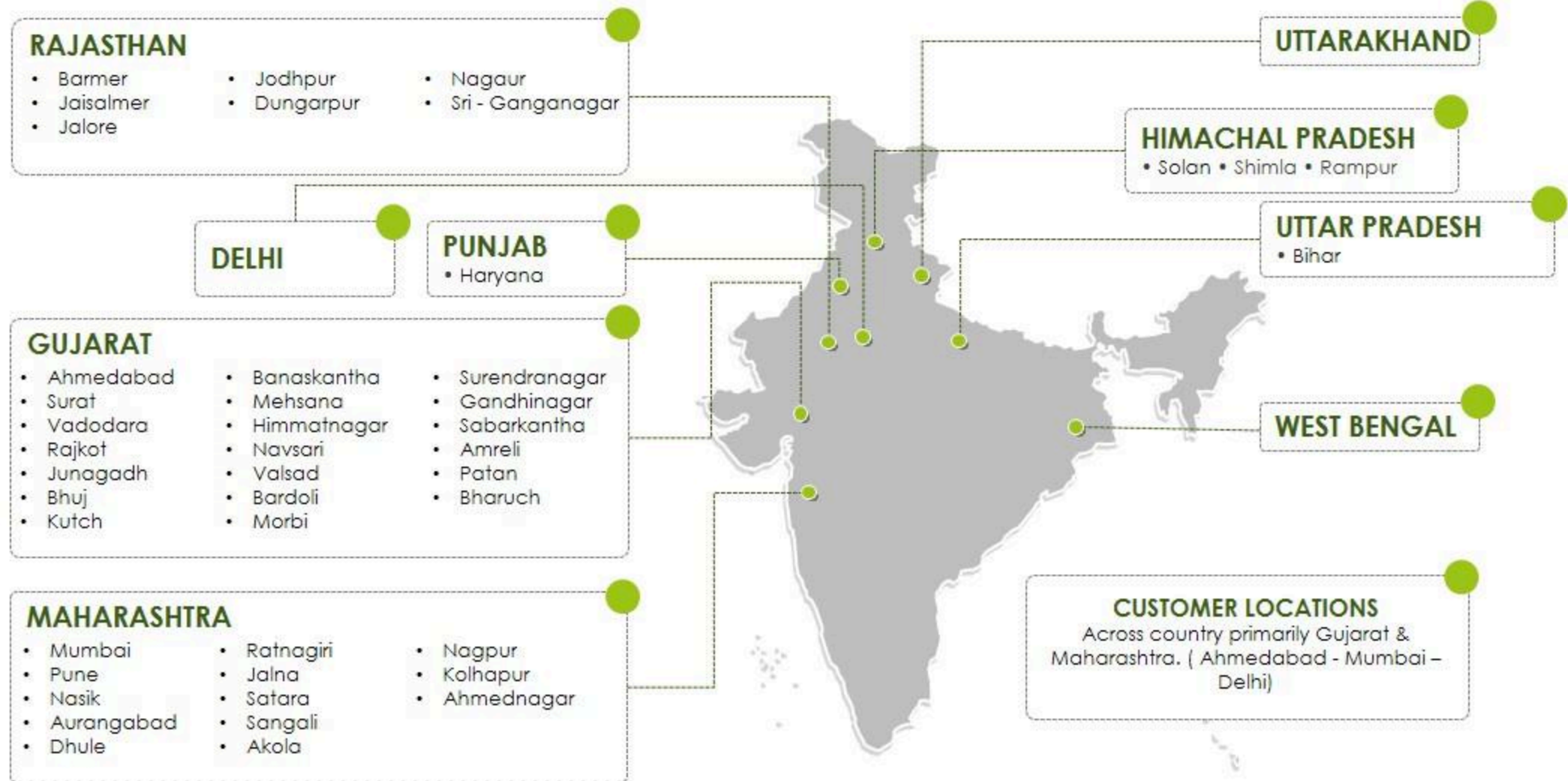
## PROBLEMS FACED BY CONSUMERS



# VALUE PROPOSITION



# GEOGRAPHIC PRESENCE





(formerly known as Prime Customer Services Limited)

# Business Outlook



# GROWTH CATALYST OVER THE NEXT 3 YEARS

1

Prime Fresh Ltd 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

6

As number of farmers increase their tie up with Prime fresh, it enables us to supply variety of fruits and vegetables thus expanding its offerings



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 customers in Mumbai and Ahmedabad and aspire to address 1,00,000 customers in a short span of time



# 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 Prime Fresh Ltd (formerly known as Prime Customer Services Limited) 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 Prime Fresh Ltd to setup 6 collection centres, 3 DCs and 2 integrated pack houses in next 18 months



# GROWTH STRATEGY – BRIDGING THE DEMAND-SUPPLY GAP



### Total Farmer Connects



### Consolidators Mapped



### APMCs Covered\*



### Collection Centres



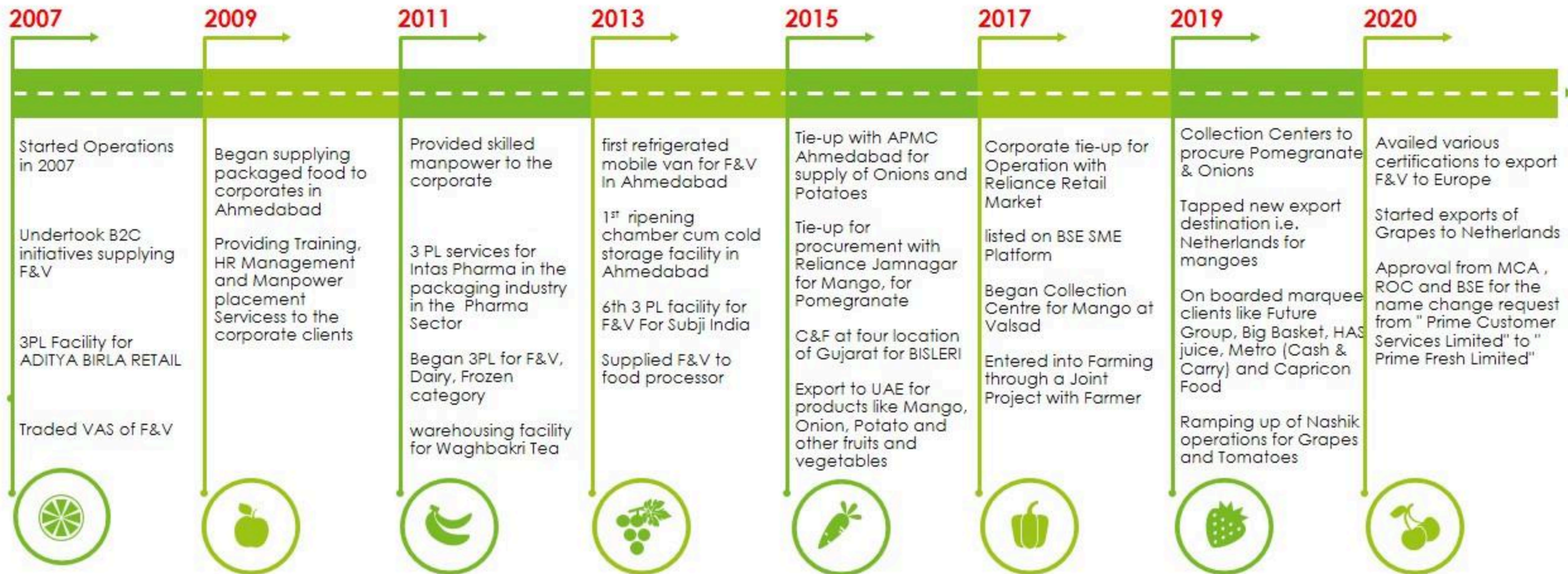
### B2B clients



### B2C reach



# Journey – Prime Fresh Key Milestones (formerly known as Prime Customer Services Limited)





(formerly known as Prime Customer Services Limited)

# Result Highlights



# PROFIT & LOSS STATEMENT - HALF YEARLY

Standalone P&L (Rs lakhs)	H1FY17	H2FY17	H1FY18	H2FY18	H1FY19	H2FY19	H1FY20
Revenues from operations	1,389.9	996.9	1,602.7	2,008.9	1,884.1	2,433.7	1,904.2
COGS	1,005.0	600.2	1,183.9	1,512.7	1,391.9	1,909.8	1,385.1
<b>Gross Profit</b>	<b>384.9</b>	<b>396.7</b>	<b>418.7</b>	<b>496.3</b>	<b>492.3</b>	<b>523.9</b>	<b>519.1</b>
Opex	328.0	359.0	339.2	401.5	384.9	411.0	350.2
Operating Profits	56.9	37.7	79.6	94.8	107.3	112.9	168.9
Other income	1.8	0.7	0.8	0.1	0.0	0.5	1.0
Depreciation	9.7	10.2	8.1	8.3	5.4	7.8	5.3
<b>EBIT</b>	<b>49.1</b>	<b>28.2</b>	<b>72.2</b>	<b>86.6</b>	<b>101.9</b>	<b>105.6</b>	<b>164.6</b>
Interest expenses	13.6	16.3	7.9	11.1	14.1	20.5	22.6
<b>EBT</b>	<b>35.5</b>	<b>11.9</b>	<b>64.2</b>	<b>75.5</b>	<b>87.8</b>	<b>85.1</b>	<b>142.0</b>
Taxes	10.0	5.0	16.8	22.8	21.4	25.3	34.3
<b>Profit after taxes (PAT)</b>	<b>25.5</b>	<b>6.9</b>	<b>47.5</b>	<b>52.6</b>	<b>66.4</b>	<b>59.8</b>	<b>107.6</b>
GP % Sales	27.7	39.8	26.1	24.7	26.1	21.5	27.3
Opex % GP	85.2	90.5	81.0	80.9	78.2	78.4	67.5

# PROFIT & LOSS STATEMENT – FULL YEAR

Standalone P&L (Rs lakhs)	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Revenues from operations	1,746.2	1,959.5	2,103.5	2,386.8	3,611.7	4,317.8	4,724.3
COGS	1,130.9	1,326.6	1,292.1	1,605.2	2,696.6	3,301.6	3,609.3
<b>Gross Profit</b>	<b>615.3</b>	<b>632.9</b>	<b>811.4</b>	<b>781.6</b>	<b>915.1</b>	<b>1,016.1</b>	<b>1,115.0</b>
Operating expenses	554.7	563.7	710.1	687.0	740.7	795.9	829.6
Operating Profits	60.6	69.1	101.4	94.6	174.4	220.2	285.4
Other income	1.5	2.4	1.2	2.6	0.8	0.5	1.0
Depreciation	24.8	29.7	31.8	19.9	16.4	13.2	10.7
<b>EBIT</b>	<b>37.3</b>	<b>41.8</b>	<b>70.7</b>	<b>77.3</b>	<b>158.8</b>	<b>207.5</b>	<b>275.7</b>
Interest expenses	22.9	29.6	31.4	29.9	19.1	34.6	57.9
<b>EBT</b>	<b>14.4</b>	<b>12.2</b>	<b>39.3</b>	<b>47.4</b>	<b>139.7</b>	<b>172.9</b>	<b>217.9</b>
Taxes	4.5	3.9	12.2	14.9	39.6	46.7	55.3
<b>Profit after taxes (PAT)</b>	<b>9.9</b>	<b>8.3</b>	<b>27.1</b>	<b>32.4</b>	<b>100.1</b>	<b>126.2</b>	<b>162.5</b>
GP % Sales	35.2	32.3	38.6	32.7	25.3	23.5	23.6
Opex % GP	90.2	89.1	87.5	87.9	80.9	78.3	74.4

# BALANCE SHEET

Particulars (Rs lakhs)	FY14	FY15	FY16	FY17	FY18	FY19	FY20
<b>LONG TERM SOURCES</b>	<b>269.2</b>	<b>310.7</b>	<b>426.4</b>	<b>656.6</b>	<b>753.9</b>	<b>1031.3</b>	<b>1288.3</b>
Share Capital	54.7	91.6	152.2	349.3	349.3	349.3	349.3
Reserves and Surplus	139.3	155.2	218.5	302.2	402.2	528.4	853.0
Long Term Borrowings	59.6	53.0	47.4	1.6	0.6	153.5	86.1
Deferred Tax	15.6	11.0	5.7	3.5	1.8	0.05	0.0
Long term provisions	0	0	2.6	0	0	0	0
<b>SHORT TERM SOURCES</b>	<b>294.7</b>	<b>300.3</b>	<b>281.0</b>	<b>779.8</b>	<b>636.9</b>	<b>487.3</b>	<b>977.0</b>
Short term borrowing	118.7	152.8	157.5	222.7	281.5	26.3	194.1
Trades payables	78.4	63.6	74.5	66.9	293.7	338.0	629.2
Other current liabilities	84.4	68.8	31.4	461.9	17.9	71.2	110.1
Short term provisions	13.2	15.1	17.5	28.4	43.8	51.7	43.6
<b>TOTAL SOURCE OF FUNDS</b>	<b>563.8</b>	<b>611.0</b>	<b>707.4</b>	<b>1436.4</b>	<b>1390.8</b>	<b>1518.6</b>	<b>2265.3</b>

Particulars (Rs Lakhs)	FY14	FY15	FY16	FY17	FY18	FY19	FY20
<b>LONG TERM USES</b>	<b>177.2</b>	<b>149.4</b>	<b>123.9</b>	<b>127.9</b>	<b>112.1</b>	<b>98.6</b>	<b>90.4</b>
Fixed assets	146.3	121.5	97.4	84.2	68.3	54.6	44.7
CWIP	0.0	0.0	0.0	0.0	0.0	0.9	1.3
Non current Assets	30.9	28.0	26.5	43.8	43.9	43.1	44.5
<b>SHORT TERM USES</b>	<b>386.6</b>	<b>461.6</b>	<b>583.4</b>	<b>1308.3</b>	<b>1278.7</b>	<b>1420.0</b>	<b>2174.9</b>
Inventories	67.6	130.9	168.2	169.8	258.3	182.1	359.0
Trade receivables	178.2	182.5	257.4	237.6	649.8	962.9	1356.7
Cash & bank	73.0	79.2	72.3	721.0	46.4	55.6	34.7
Short term loans	67.9	68.9	85.5	179.9	324.1	219.5	424.5
<b>TOTAL USES OF FUNDS</b>	<b>563.8</b>	<b>611.0</b>	<b>707.4</b>	<b>1436.3</b>	<b>1390.8</b>	<b>1518.6</b>	<b>2265.3</b>

Key Ratios	FY14	FY15	FY16	FY17	FY18	FY19	FY20
RoCE (%)	6.89	6.32	8.46	6.04	11.01	14.32	13.88
RoE (%)	5.09	3.38	7.31	4.98	13.32	14.38	13.52
Net debt to equity (x)	0.54	0.51	0.36	-0.76	0.31	0.14	0.20
Interest coverage (x)	1.63	1.41	2.25	2.58	8.32	6.00	4.76
Inventory days	21.8	36.0	47.5	38.6	35.0	20.1	36.3
Receivable days	37.2	34.0	44.7	36.3	65.7	81.4	104.8
Payable days	25.3	17.5	21.1	15.2	39.8	37.4	63.6



**PRIME**  
**Fresh**

*We deliver fresh*

(formerly known as Prime Customer Services Limited)

# Annexure



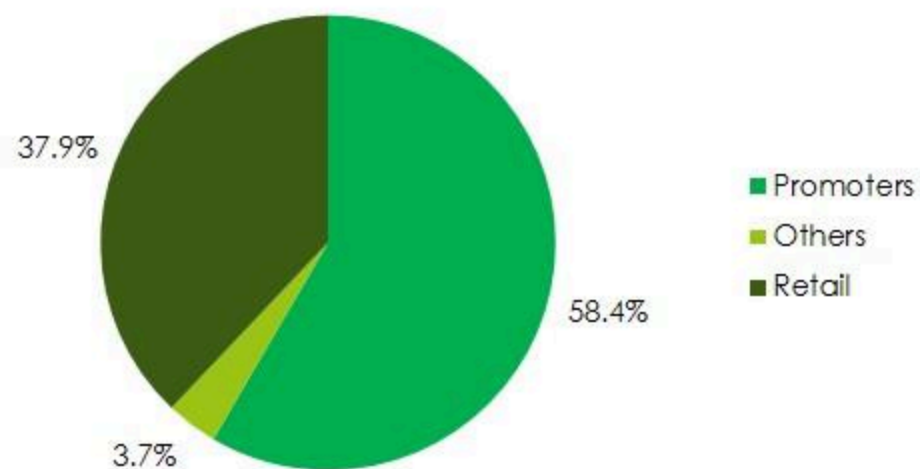
Market cap (INR)  
3,276lakhs

Shares outstanding  
34.9 lakhs  
(March 2020)

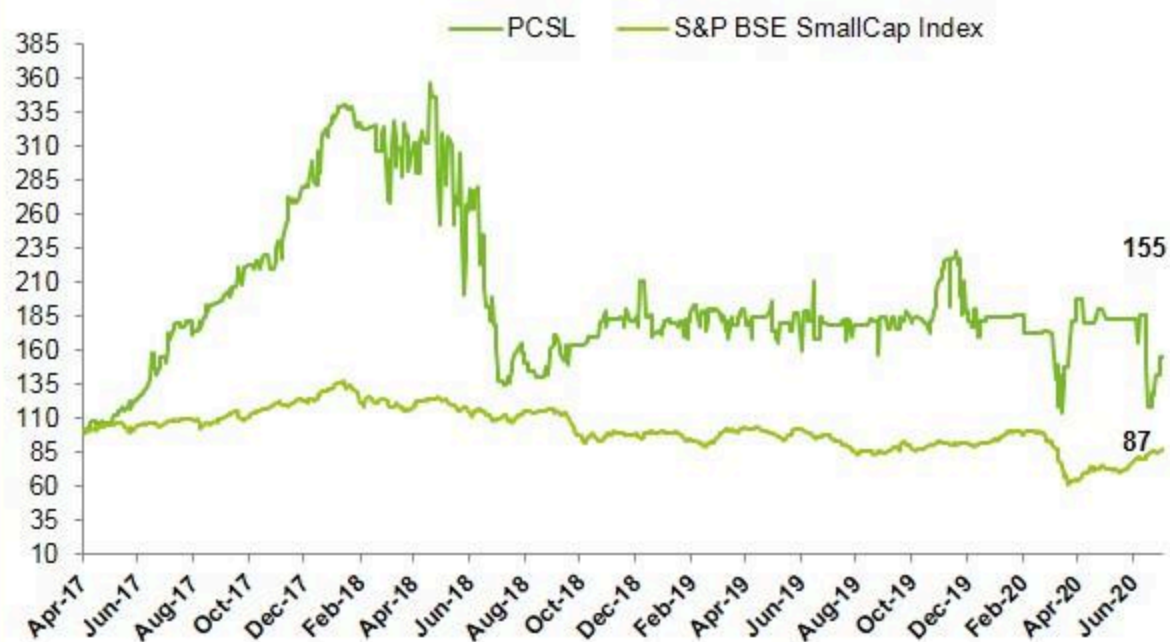
Exchange code 540404  
(BSE)

Bloomberg code PRIME:IN

## Shareholding pattern (as on March 2020)



## Relative stock price chart





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# THANK YOU