

TRANSCRIPT

Prima Plastics Limited

28th Annual General Meeting

August 17, 2022 at 11:00 A.M. (IST)

**Through Video Conferencing (“VC”) /
Other Audio Visual Means (“OAVM”)**

Vandana S. Ahuja (Company Secretary & Compliance Officer):

Our Ex-Independent Director Late Shri Mulchand Chheda expired last year and on behalf of Prima family we pay a tribute to him.

Good Morning, Dear Shareholders, I Vandana Ahuja, Company Secretary and Compliance Officer of Prima Plastics Limited welcome all the members to the 28th Annual General Meeting of our Company. I hope you and your family members are healthy and staying safe. The meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India. Participation of members through video conference is being reckoned for the purpose of quorum as per Section 103 of the Companies Act, 2013. Please note that as per the statutory requirements, the proceedings of this AGM will be recorded.

I would like to thank you all for sparing the time to join us today from wherever you are and for the continue faith in the Company and its Management.

Now I like to welcome our Board Members who are attending this meeting through the video conference.

Shri Bhaskar Parekh, Executive Chairman and Whole-time Director

Shri Dilip Parekh, Managing Director

Shri Rasiklal Doshi, Independent Director

Shri K. V. Chitalia, Independent Director, He is also the Chairperson of Stakeholders Relationship Committee, Nomination and Remuneration Committee and CSR Committee

Shri Snehal Muzoomdar, Independent Director

Shri Shailesh Shah, Independent Director and also Chairperson of our Audit Committee

Smt. Hina V. Mehta, Non-Executive Director and

Shri Dharmesh R. Sachade, Chief Financial Officer

Apart from them, we also have key executives and senior management joining us today from their respective locations.

I also welcome, representatives of M/s. KKC & Associates LLP (Formerly known as M/s. Khimji Kunverji & Co LLP) our existing Statutory Auditors, the Secretarial Auditor and the Scrutinizer for our today's Annual General Meeting Shri Prashant Diwan, and Shri Sadashiv Shet, Secretarial Auditor for the financial year 2021-22 who are attending this meeting through Video Conference.

We also welcome representative of our proposed Statutory Auditors M/s. C N K & Associates LLP.

Now I request our Chairman Shri Bhaskar Parekh to address the shareholders. Thank you. Bhaskar Sir...

Bhaskar M. Parekh (Chairman):

Yes

My dear shareholders, it is my pleasure to welcome all of you to the 28th Annual General Meeting of Prima Plastics Limited.

I hope all of you are safe and in good health.

Our Company Secretary, Vandana Ahuja, has informed that we have sufficient quorum, the quorum is being present and we declare this 28th Annual General Meeting open.

Let me share some highlights on the financial performance of your Company for the year ended March 31, 2022.

On a consolidated basis, the revenue from operations for FY 2021-22, increased to Rs. 147.60 Crores which is higher than that of the previous year i.e. Rs. 119.04 Crores. However, the consolidated EBITDA decreased to Rs. 18.18 Crores for FY 2021-22 which is lower than that of the previous year i.e. Rs. 24.37 Crores.

On a standalone basis, revenue from operations for FY 2021-22, increased to Rs. 110.70 Crores which is higher than that of the previous year i.e. Rs. 91.52 Crores. The standalone EBITDA decreased to Rs. 3.81 Crores for FY 2021-22 which is lower than that of the previous year i.e. Rs. 9.86 Crores.

This year has been an eventful year with the impacts of COVID- 19 restrictions during the initial period of the year, sharp increase of raw material prices and simultaneous hike of freight charges for the exports, which created an uphill struggle, but the Company maintained its position both in the Indian market and internationally.

To expand the operations, your Company started its commercial production at its new unit at Pithampur, Madhya Pradesh and is expected to experience glorious results in the coming years.

Along with the offline success, the Company has built its online presence at various e-commerce platforms with its own Standalone brand store pages with the immense variety for the customers to choose from.

The Company is actively engaged in coming up with new products in innovative designs to explore the new opportunities and is currently involved in B2C and B2B models of the business.

We excitedly look forward to the next financial year in this new phase of our company.

At the last, I would like to thank all the employees of our Company for continued association with the Company with full dedication. Leadership of our Company is well managed through best management, Key Managerial Personnel and highly motivated employees.

We also like to thanks all the other stakeholders like Business Partners, Customers & Vendors, Bankers, and other stakeholders which are continuously engaged with the organization.

We thank you, fellow shareholders for having the faith in the Company and hope to have your unrelenting support through the next financial year as well.

Now request Ms. Vandana Ahuja, Company Secretary to take up the meeting ahead and Thanking you.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Thank you Sir.

Before the start of the main business, we would like to take everyone through the virtual tour of our new unit at Pithampur, Madhya Pradesh.

Video Played

Now we will commence the main business of the meeting.

The register of directors and key managerial personnel and all the statutory documents mentioned in the Annual General Meeting Notice have been made available electronically for inspection by the members during the continuance of this AGM at the Company's website and on the CDSL platform.

In accordance with the Ministry of Corporate Affairs and SEBI circulars and ongoing Covid - 19 pandemic, the annual report of the company for the financial year 21-22, including the Notice of the AGM has been sent through electronic mode to the members on July 25th whose e-mail addresses were registered with the company and their respective Depositories.

Accordingly, we take the notice as read.

The statutory auditors, M/s. KKC & Associates LLP and the secretarial auditor for the financial year 21-22 Shri Sadashiv Shet, have expressed unqualified opinion in their respective audit reports. There being no qualifications in the Statutory Auditors' report and Secretarial Audit report, we with the consent of the members consider the reports to be read.

Pursuant to the notice of the AGM, there are three resolutions under Ordinary Business and two resolutions under special business on the agenda for this meeting.

Resolution 1. Adoption of Standalone and Consolidated Financial Statements for the financial year ended on March 31, 2022;

Resolution 2. Re-appointment of Shri Bhaskar M. Parekh, liable to retire by rotation and being eligible offers himself for re-appointment;

3. Appointment of M/s. C N K & Associates LLP, Chartered Accountants as Statutory Auditors and fix their Remuneration;

M/s. KKC & Associates LLP, our existing Statutory Auditors will be completing their term of 5 years at the conclusion of this AGM, on behalf of all the Prima Members, we would like to place our sincere gratitude for their service over the last five years.

Resolution 4. Re-appointment of Shri Bhaskar M. Parekh as the Whole-time Director and the Executive Chairman of the Company and last

Resolution 5. Re-appointment of Shri Dilip M. Parekh as the Managing Director of the Company.

The detailed procedure and instructions for casting the votes by the members through electronic means were prescribed in the Notice.

Members have already voted on these resolutions through remote e-voting facility provided by the Company from August 13 till yesterday. Any Member, who has not voted earlier and wishes to do so now, can vote during this meeting and the facility will be open up to 15 minutes from the conclusion of this AGM. In case members face any difficulty, they may reach out on the helpline numbers of the CDSL.

The Members who have exercised their voting rights through remote e-voting are once again requested not to cast their votes during this meeting. If any such member exercises his voting right through e-voting during this meeting, his e-voting will not be considered for counting the number of votes as his / her votes are already considered in remote e-voting.

Once a report of the Scrutinizer is received, the Chairperson will declare the decision of the members on each business transacted by the members through e-voting during the AGM, adding thereto the votes cast by the members through remote e-voting. The results of the voting together with Scrutinizer's Report will be placed on the Company's website, BSE where the shares of the Company are listed and platform of CDSL.

Let me now turn on to the Question and Answer Session.

The Company has received requests from few members to register them as speakers at the meeting.

Members are requested to keep the questions brief and specific. To avoid repetition, the answers to all the questions will be provided towards the end by our Managing Director, Shri Dilip Parekh. Members may also note that the Company reserves the right to limit the number of members asking questions depending on the availability of time for the smooth conduct of the AGM.

Once the name of the shareholder is announced, his audio will be unmuted. Each speaker shareholder will have 3 minutes for their questions. Shareholders who have e-mailed their questions in advance are requested not to repeat the same. We would make every effort to answer all your queries, but if you have any questions which remains unanswered, you may please send in your queries via email to us and we shall revert appropriately. We request you to kindly restrict questions pertaining to Company only.

Now, we would like to invite our 1st speaker shareholder, Mr. Vaibhav Bajatyra

I request our Moderator to kindly unmute him.

Vaibhav Bajatyra (Speaker):

Hello, good morning. Am I audible?

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Yes sir, you are audible.

Vaibhav Bajatyra (Speaker):

Good Morning Everyone, Thank you very much for providing me the opportunity to speak to you. I had already sent in my questions via e-mail. If it's there in front of you then I won't repeat it otherwise, if you want to I can go through it again. So do let me know.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Sir we have received your question through e-mail in advance. The same will be answered at the end.

Vaibhav Bajatyra (Speaker):

Just a request, that I would request Management to answer those questions point by point, so that it's easier for me to refer. Thanks in advance. Thank you very much.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Thank you sir.

Inviting the next speaker shareholder, Mrs. Lekha Satish Shah.

Lekha S. Shah (Speaker):

Can you hear me Vandana ma'am?

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Yes, ma'am we can hear you.

Lekha S. Shah (Speaker):

Thank you so much. Respected Chairman sir, Board of Directors and my fellow members, good morning to all of you. Myself Lekha Shah from Mumbai. Chairman Sir, mein kabi apne office mein aati hu, mujhe Company Secretary ke side se koi reponse nahi mil raha hai sir , to madam k obol dena as a juna shareholder, humlog ka care karne ke liye bol dena.

Thank you Vandana Madam, itna request hai, aur aaj jo resolution rakha hai , usmein mera full support hai.

Thank you Sir, Thank you.

Vandana Ahuja (Company Secretary and Compliance Officer):

Thank you ma'am.

Inviting the next speaker shareholder, Mr. Satish Shah.

Moderator:

Not available.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Ok. Since the speaker shareholder is not available, we move to the next speaker shareholder. Inviting the next speaker shareholder, Mr. Prabhjot Singh Sahni.

Moderator:

Not available.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Ok. Inviting the next speaker shareholder, Mr. Sanjeev Kumar Damani.

Sanjeev K. Damani (Speaker):

Thank you for the opportunity. My greetings to all the Directors and my respect for all the founders and the present management of the Company for creating such a good enterprise. My questions are already with you. I would only request you to please answer them. Thank you.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Thank you sir.

Next speaker shareholder, Rekha Chandiramani.

Moderator:

Not available.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Moving to the next speaker shareholder, Rajat Setiya.

Rajat Setiya (Speaker):

Hello. Are you able to hear me?

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Yes sir, we can hear you.

Rajat Setiya (Speaker):

Thank you for giving me this opportunity. Ma'am I have already sent my questions so if you could please answer that point by point. I don't have any further queries. Thank you very much and best of luck.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Thank you Sir.

Thank you everybody, that concludes the speaker shareholders. Now, I request our Managing Director, Shri Dilip Parekh, to address the shareholder queries and brief about the Company and future prospects. Dilip Sir.

Dilip M. Parekh (Managing Director):

Yes, Can you hear?

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Yes, sir we can hear you.

Dilip M. Parekh (Managing Director):

Respected Chairman and the Directors and dear shareholders, it gives me really great pleasure today to see you all and meet you over virtual meeting and.

Shareholder:

Hello? Hello.. Hello

Dilip M. Parekh (Managing Director):

Bhushan, can you mute?

Shareholder:

Hello.. Hello.. Hello

Dilip M. Parekh (Managing Director):

Can you hear?

Moderator:

Yes Sir, Yes, we can

Dilip M. Parekh (Managing Director):

So I am happy and as you have seen..

Shareholder:

Hello? Vandana, please allow me to speak.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Your good name? Hello?

Dilip sir, please continue.

Dilip M. Parekh (Managing Director):

As we were seeing our results have gone through, we are quite happy with our previous year, but at the same time we have also seen this situation around the world which has impacted the Company.

Our major issues were raw material price increase which was almost 20-25% over last year indirectly over the span of increase and I'm quite happy today to say that the prices have really started dropping and good fruits we will see in the coming future.

As our Chairman has also said about the Pithampur plant, which is in operational now and we are very happy. It's a huge plant what we have set up and our top line will definitely will change and in some of the questions which mentioned that why our top lines haven't increased but this has been a big CAPEX about 20 Crores of CAPEX we have done at Pithampur and it's almost to completion.

We have seen good opportunity; the markets are well accepted for PRIMA Brand. You might have seen we have done many things like ice box, pallets, road barricades and many more things in our business in Pithampur and you will be seeing in Mumbai as well as many other markets also. In Moulded furniture front, we are facing some small challenges of unorganized sector and we are trying to bring in new models, new varieties, new launch and we are seeing again, some hope because of price coming down and have a better prospect in it.

Same time PRIMA has also ventured into government businesses. Going forward also, we are expecting good orders as well in coming days.

At our international front, we are doing well. At our Guatemala plant, which is already shown in our results. Even Africa venture, we are doing quite well. But overall, plastic had been a big hit, raw material price all over are overall, in entire section had drastically increased and that is the reason Company could not announce dividend, which has been unfortunate this year but we have been doing it for many many years. So we are hopeful that we will come back next year with a strong market which is been at present for us till 15th of August, if I have to just compare Indian business and we have grown in that and we see that we'll do much better in the coming days. As we know that season's started, so business overall will perform better in the coming days. I'm hopeful that our Indian operations will do excellent in same way we will try to utilize. As a lot of people have said about our capacity, which we don't generally discuss, but we see that at our utilization front, we're working better and now we have expected over next few years or current year that we'll do much better utilization front because lot of new investment which is gone and moulds which we have brought in and we'll see growth over there. So I'm expecting a great top line increase in the coming days. Overall, what else can I say now.

Some of the questions correlates and lot of them have asked similar ones, so we see great opportunity and basically, of course due to raw materials our margins have gone down and we are expecting that will increase better in the coming days. Our JVs will do wonders for us, that is our expectation, the demand over there is also fine. Our online business is also growing; you can see Pepperfry, Amazon and the other places and we feel that is the way even in future we are expecting to grow more in our businesses.

I hope that's okay, any more details if you need, you can surely get in touch with us, me or Dharmesh, our CFO, we'll be happy to answer more to you. Just wanted to keep little short over here today and we will definitely entertain anybody. Vaibhav bhai has sent several questions, we will definitely answer those over of time in the coming days if you like so. Thank you very much, thank you for being part of this AGM and Vandana, if you have anything more to take, please take it forward.

Vandana S. Ahuja (Company Secretary and Compliance Officer):

Yes, Sir.

Thank you Dilip Sir. I hope we have been able to answer all the queries raised by the shareholders. Now with the permission of the Chairperson, I would like to proceed further with the concluding remarks. Those members who have still not cast their votes may do so through the CDSL e-voting facility available on the same portal. The e-voting shall close in another 15 minutes.

Thank you all for attending the meeting and we hereby declare the meeting as closed.

Please note: This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.