

TRANSCRIPT

Prima Plastics Limited

31st Annual General Meeting

August 12, 2025, 11:00 A.M. (IST)

Through Video Conferencing (“VC”) / Other

Audio Visual Means (“OAVM”)



Prachi M. Mankame (Company Secretary and Compliance Officer)

11:00 A.M. (IST):

Good morning dear shareholders,

The requisite quorum is present and therefore, with permission of chairman, I call the meeting to be in order.

At the outset, I Prachi Mankame, Company Secretary and Compliance Officer of the company extend my warm welcome to all shareholders who are present for the 31st Annual General Meeting of your company.

In accordance with various circulars issued by Ministry of Corporate Affairs and SEBI, this 31st Annual General meeting of the company is conveyed through video conferencing and other audio visual means in compliance with applicable provisions of companies after 2013 read with SEBI listing regulation 2015. Participation of members through video conference is being reckoned for the purpose of quorum as per section 103 of companies at 2013. Please note that as per statutory requirement, the proceedings of this AGM will be recorded.

The company has made necessary arrangements in order to enable members of the company to participate and vote for the items to be considered at this annual general meeting. I would like to take you through certain important aspects regarding the participation at this meeting and the facility of joining this AGM through Video conferencing or other audio visual means being made available for the members.

I would like to mention that in compliance with the provisions of companies at 2013 read with SEBI listing regulation requirements the company had provided to its member, the facility to cast their vote through remote e voting service provided by CDSL. The remote e voting commenced at 09:00 A.M. on August 9, 2025 and was open for voting up till 05:00 P.M. on August 11, 2025.

Facility for e voting is also available during AGM to the members who have not casted their votes through remote e voting. Members attending the AGM may go through the voting page or CDSL's e voting website and may cast their vote and the facility will be open up to 15 min from the conclusion of this meeting. In case members face any difficulty, they may reach out on helpline numbers.

Mr. Prashant Diwan, practicing Company Secretary has been appointed as scrutinizer to scrutinize the votes received through remotely voting and also through e-voting at the AGM. Members who have not voted earlier during e-voting arena through remote e-voting can cast their vote during the course of meeting through e-voting facility after conclusion of AGM.

Now that we are moving ahead towards initiating the proceedings of the meeting, I wish to introduce all the Directors & Panelists for today's meeting of the Company:

Mr. Bhaskar Parekh - Chairman of the Meeting and Whole-Time Director of the Company.

Mr. Dilip Parekh – Managing Director of the Company and the member of Audit Committee, Stakeholder Relationship Committee, CSR Committee and Management Committee.

Mrs. Hina Mehta – Non executive Director of the Company.

Mr. Snehal Muzoomdar – Independent Director of the Company, Chairperson of Nomination and Remuneration Committee and Stakeholders Relationship Committee and member of Management Committee.

Mr. Shailesh Shah - Independent Director of the Company and Chairperson of Audit Committee and member of Nomination and Remuneration Committee and CSR Committee.

Mrs. Daxa Baxi - Independent Director of the Company and member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

I would also like to welcome Mr. Dharmesh Sachade, Chief Financial Officer of our Company.

Our Statutory Auditors C N K & Associates LLP and Secretarial Auditor and the Scrutinizer for the today's AGM, Mr. Prashant Diwan are also attending this meeting through Video Conference.

Now, I would like to request Chairman Sir to please share a brief about the progress of the Company.

Bhaskar Parekh (Chairman)

11:04 A.M. (IST):

A very good morning to all of you. It's my pleasure to welcome you on behalf of the Board of directors to the 31st Annual General Meeting of the Prima Plastic Limited for the Financial Year 2024-2025 being held today, I thank you all for the support you've extended to the Company and appreciate the time you've made to join us today.

Our Company Secretary has confirmed the quorum required for the meeting, accordingly we can proceed with the meeting.

Today marks the 31st AGM of your company, a new start towards a decade and it is indeed an honour and privilege to address you all as the Chairman & Whole-time Director. In the world shaped by geopolitical shifts and dynamic nature of plastic industry, we remain focus on delivering the best to our stakeholders.

I would now like to highlight the progress we have made in FY25.

The Consolidated Revenue from operation was Rs. 19,367.45 Lakhs while the Standalone revenue from operation was Rs. 13,198.24 Lakhs for Financial Year 2024-2025. This Year, on a

consolidated basis, the Profit after tax amounted to Rs. 1,823.95 Lakhs while on standalone basis, the Profit after tax amounted to Rs. 419.32 Lakhs.

This year your Company has increased its installed production capacity at India, Cameroon and Guatemala with an expectation of meeting the market demands systematically.

While the growth this year was moderate, the structural foundation that your Company have built across product innovation, operational efficiency and market reach is expected to give long-lasting benefits in future.

Your Company also aims at increasing its digital presence.

You will be happy to know that the Board of Directors have recommended a final dividend of 2 rupees per equity share, for the financial year ended 31st March 2025, subject to your approval at this meeting.

I'd like to express our deep gratitude on behalf of the entire Board. To our dedicated employees, valued clients, visionary management, our vendors and all the stakeholders we operate – thank you for placing your trust in us and for your unwavering support. To our esteemed shareholders, your faith in our mission and your ongoing support motivate us to pursue excellence each and every day. We extend our gratitude to all of you for being integral to our ongoing success narrative.

Looking forward, I am assured that Prima will persist in enhancing this robust foundation, providing ongoing value through innovation, flexibility, and a profound dedication to excellence and lastly staying true to our moto of – Building to last, evolving to lead.

I now request Ms. Prachi, Company Secretary to take up the meeting ahead.

Alright. Thankyou.

Prachi M. Mankame (Company Secretary and Compliance Officer)

11:08 A.M. (IST):

Thankyou Sir.

The statutory registers required under the Companies Act, 2013 i.e. register of directors and key managerial personnel, the register of contracts or arrangements, and other documents which were mentioned in the AGM Notice have been made available electronically for inspection by the members during the continuance of this AGM at the Company's website and also on the CDSL platform.

The Notice of the meeting and the Annual Report of the Company for FY 2024-25 have already been sent to the Members through electronic mode, in accordance with the circulars issued by

the Ministry of Corporate Affairs and Securities Exchange Board of India. We, therefore, take the AGM notice as read.

I will brief the members about the agenda items as contained in the notice convening this AGM, there are 6 businesses items in the notice of the 31st Annual General Meeting of the company, I will now read the items.

Resolution No: 1	Adoption of financial statements - To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, the Statement of Profit & Loss and Cash Flow Statement, for the year ended on that date and reports of the Board of Directors ("Board") and Auditors thereon
Resolution No: 2	Declaration of dividend - To declare a final dividend on equity shares of the Company for the year ended March 31, 2025
Resolution No: 3	Appointment of Mr. Bhaskar Manharlal Parekh as a Director, liable to retire by rotation - To appoint a Director in place of Mr. Bhaskar Manharlal Parekh who retires by rotation and being eligible, offers himself for re-appointment.
Resolution No: 4	To Appoint M/s P. Diwan & Associates, Practising Company Secretaries as Secretarial Auditors of the Company for period of 5 consecutive financial years
Resolution No: 5	To Re-appoint Mr. Bhaskar M. Parekh as the Whole-time Director of the Company
Resolution No: 6	To Re-appoint Mr. Dilip M. Parekh as the Managing Director of the Company

As the Statutory Auditors' Report and the Secretarial Auditors' Report do not contain any qualification, observation or adverse comment, it is not required to read these Reports at the meeting.

The Voting instructions had been discussed previously and also provided at the beginning of the meeting. It shall be duly noted once the 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 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 also on the platform of CDSL.

Now we move to our next part of the Meeting i.e. to address our shareholders who have registered themselves as speaker shareholders.

Members are requested to keep the questions brief and specific. To avoid the 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.

Once the name of the shareholder is announced, he / she will be given access to speak. 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 any questions remain unanswered, you may please send in your queries via email to us and we shall revert appropriately.

Now we would like to invite our 1st speaker shareholder. Mr. Samarth Mohan Singh, a moderator. I request you to please unmute Samarth Mohan Singh.

Moderator

11:13 A.M. (IST):

Please unmute yourself.

Samarth Singh (Shareholder)

11:13 A.M. (IST):

Morning, Am I audible?

Prachi M. Mankame (Company Secretary and Compliance Officer)

11:13 A.M. (IST):

Yes, you are.

Samarth Singh (Shareholder)

11:13 A.M. (IST):

I have shared my questions, I sent them just this morning I'm not sure if you received them, otherwise I can repeat my questions.

Prachi M. Mankame (Company Secretary and Compliance Officer)

11:13 A.M. (IST):

You may still read out the questions, please?

Samarth Singh (Shareholder)

11:13 A.M. (IST):

Okay, thank you for the opportunity and good morning. I just, I have a few questions, I'll just go through them one by one.

1st set of questions are on our financial performance.

Why did the operating profit before joint venture income drop this year?

Second question is our consolidated revenues went up by 5 %, but manufacturing expenses, which is which come which comes under operating expenses increased by 29 % why this big difference? We had a consolidating, a consolidated profit of a tax of 18 grows.

Out of that eleven crows came from Cameroon JV and ten crows came from the subsidiary. So does that mean that domestic business had a loss? And if so, why? Standalone operating margins have historically been 7 %.

Is that considered average for the industry or are we on the lower side? And then what were our capacities in India, Guatemala and Cameron in FY 2025, and what was the utilization and what are our capacities today?

Then my next set of questions were on the demerger. What is the real rationale behind the demerger? The draft scheme talks about unlocking value, attracting new investors and operational efficiency. But are the growth and margin profiles of the router business?

Very different from the furniture business, that it requires a demerger. Also a demerger would lead to duplication of costs given the small size of our business. So how do you see benefits outweighing these? And what is the revenue?

And operating profit of the router business in FI 24 and FI 25. Next question is, what is your revenue and profit outlook for FY 26? Can we at least return to the profit levels we did in FI 24 where we did 23 carols of profit?

And lastly, I had a question on the annual report or on page 38, which is annexed one which shows statements and of subsidiaries and JVs. It shows we have a 50 % stake in the camera in JV.

But then we are consolidating the full eleven crores of profit in our PNL. So is this correct and how can we consolidate a hundred percent profit when we own only 50 % of the joint venture? This is page 38 and extra one in the annual report. Those are my questions, thank you.

Prachi M. Mankame (Company Secretary and Compliance Officer)

11:16 A.M. (IST):

Thank you so much, Samarth. We will answer the questions on mail as well as a managing director would be having some answers to that as well. I would like to invite the next speaker shareholder. Mr. Kesh of moderator. I request you to please unmute him.

Keshav Garg (Shareholder)

11:16 A.M. (IST):

Sure, thank you for the So thank you for the opportunity I've sent my list of questions. I'll just ask them for the benefit of others. So what is the outlook for FI 26 and FI 27 in terms of top line and bottom line? So what is the margin that we should expect on our consolidated as well as the standalone business going forward? Similarly, sir, what kind of margin improvement do we foresee over the coming two to three years?

So when can we expect to reach our previous high margins of 70 % in the domestic business? Answer can we grow to at least 10 % like our competitor Nilkamal? So why did the PBT margins for prima union plastics declined from 31 % in FY 24 to 22 % in FY 25?

And sir, what is the steady state margin that we should expect in this business going forward? So similarly, what are the prospects for rotational molding business over the next two to three years in terms of top line and bottom line? And so when do we expect the demerger to happen? So what were the revenue and margin profile for this segment of for the past three years?

So we have what are the government grants receivable for 27 and so received the 3.06 grant in our annual report as well as there is 7.5 coral grant as under current liability so so if you could explain regarding this.

So our current expenses have increased higher than our revenue in both the standalone business as well as consolidated business. So are you facing some margin pressure on our books? So when can we expect the BIS implementation norm on the plastic furniture and sir, whenever it does happen, so.

What kind of impact on margins can it have?

Also what progress do we make, did we made last year into entering new geographies or marketing our products answer what is the impact on our revenue or margins can we expect from the same? What is our current capacity post expansion? I think we have increased a primer delighted by 25 % Prima Union by 20 %.

As well as we have increased the capacity for our Daman plant by seven and a half percent, so if you could just help us understand what would be, the current capacity utilization and in volume terms and what would be the optimum revenue potential post these expansions are commercialized?

Sure, what are our plans for the next two to three years? Do we have any current order book or order type of execution on our hand currently? So what is the USP of our company? Sure, what is the important duty on our products?

And so how to how is our cost of production compared to our competitors and would we be, who would be the lowest cost producer? So what is the reduction in working capital days do we expect over the next two to three years?

I'm sure what kind of IRR or payback we expect before doing any CapEx or investments and so where do we see primer plastics going over the next three to five years in terms of top line and bottom line? So that would be very helpful if you could answer these to your shareholders as this is the only forum where we could interact with you. So thank you so much and all the best.

Prachi M. Mankame (Company Secretary and Compliance Officer)

11:19 A.M. (IST):

Hello. Thank you so much Keshav. Inviting the next speaker shareholder, Mr. Suhit Gohil. moderator request you to please unmute him.

Suhit Gohil (Shareholder)

11:20 A.M. (IST):

So I'm from Mumbai Mumbai. Thank you for selecting me as a speaker.

I can see the company is performing well on your your basis and I would like to know about the future geographical expression of the company or any new product introduction, yeah. Thank you. Thank you.

Prachi M. Mankame (Company Secretary and Compliance Officer)

11:21 A.M. (IST):

Thank you so much, thank you everybody that concludes the speaker. I now request our managing director, Mr. Dilip Parekh to answer and address the shareholder queries and brief about the company and future prospects and other queries would be given through on mail.

Dilip Parekh (Managing Director)

11:21 A.M. (IST):

Good morning to each and everybody. I welcome you all for the 31st Annual General Meeting of Prima Plastics Limited. Thank you for joining today. As a chairman has shared the brief performance of the company and new avenues of opportunity, I would like to add few points to it. Thank you shareholders giving us your questionnaires. We will definitely try to club in some and able to give you more answers to it and we welcome you all to our office for any or you can mail us and we'll reply those queries more regarding current scenario.

Yeah, I'd like to brief in despite current uncertainty, time I still sustaining well and has tried to deliver to stakeholders. None of our companies is being affected due to tariff war or imposed by on us. We are currently, the raw material is in a favor due to oil prices. The outlook for future is positive.

There is a steady growth and as well as in India and all our international businesses factories. During last year, a company has also done upgradation of machines, for power savings, as you have gone through this current year company has also received 900000 US dollars from our subsidiary company Guatemala.

Company has recently launched new innovative products to boost local demand. We are also focusing on optimization, digital marketing, which will broaden our market and to take care domestically, as we have seen, our standalone Ebitda has increased Rs. 1,434 Lakhs for the year of 24-25, which is 16 % higher than the previous year that was Rs. 1,233 Lakhs. Now some of the questions as you have asked, I'm trying to bring in few today to address the scheme of arrangement, it has brought to your attention by the company had filed an application to NCTTL on 29 April 2025, and the company has got an order from NCTL on 25 July, 2025 to convey any shareholder and unsecured creditors meet. I'm also happy that we have received many questions over email and I, we will try to answer some of them today and via email and please send us your email as Mr. send us today. So, briefly the company has as you have pointed out regarding Cameroon, it has been 50 % of our profits, so balanced 50 % is on. The other partners of us in Cameroon regarding overall scenario, as we are not being not effective we have been in local regions, so we are not really affected due to COVID due to or Tarriff wars. We see overall at this moment the oil being low and polymer, so we expect that going future should be better for us.

Company has increased its capacity all these avenue venues where. We find that there is still little potential, more potential for us to grow in those regions. So, and we'll, we, we intend to look more opportunity in future and as not. So maybe we could be able to answer you more over our emails, please do send us and I, I would request you to take over it further. Thank you so much. Thank you everybody.

Prachi M. Mankame (Company Secretary and Compliance Officer)

11:26 A.M. (IST):

Thank you so much sir.

Now with the permission of chairperson, I would like to proceed further with concluding remarks. Those members who have note may still go through CDS and e voting facility available in the same portal. The e voting shall close in another 15 min. Thank you all for attending the meeting and be here by declare the meeting as closed. Thank you so much.