

TRANSCRIPT

Prima Plastics Limited

29th Annual General Meeting

August 11, 2023, 11:30 A.M. (IST)

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



Vandana Ahuja (Company Secretary and Compliance Officer)

11:30 A.M. (IST):

Good Morning, Dear Shareholders.

The quorum is still joining, we will be back shortly.

Thank you.

11:58 A.M. (IST):

I Vandana Ahuja, Company Secretary and Compliance Officer of Prima Plastics Limited welcome all the members to the 29th Annual General Meeting of our Company. It is great pleasure to welcome you all.

I hope you and your family members are safe and in good health. We are again meeting virtually this year 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 would like to welcome and introduce our Board Members who are attending this meeting with us today from Mumbai.

Shri Bhaskar Parekh, Whole-time Director and Executive Chairman and member of the Company.

He is the member of the Stakeholders Relationship and CSR Committees.

Shri Dilip Parekh, Managing Director and member of the Company. He is the member of the Audit, Stakeholders Relationship and CSR Committees.

Shri Rasiklal Doshi is joining with us through video conferencing. He is the Non-Executive and Independent Director and member of the Company. He is the member of the Nomination and Remuneration and CSR Committees.

Smt. Daxa Baxi, Additional Independent Director.

Shri Shailesh Shah, Non-Executive Independent Director. He is the Chairperson of Audit Committee and member of the Nomination and Remuneration Committee.

Shri Snehal Muzoomdar, Non-Executive Independent Director. He is the member of the Audit, Nomination and Remuneration and Stakeholder Relationship Committees.

Shri Krishnakant Chitalia, Non-Executive, Independent Director and Chairperson of Stakeholder Relationship, Nomination and Remuneration and CSR Committees and member of the Audit Committee.

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

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

Our Senior Management Team is also joining us from their respective locations.

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

Now I request our Chairperson Shri Bhaskar Parekh to address the shareholders.

Thank you.

Sir...

Bhaskar Parekh (Chairman):

My dear shareholders, it is my pleasure to welcome all of you to the 29th Annual General Meeting of Prima Plastics Limited. As we gather again virtually to discuss the progress made in the previous year, it is a pleasure to host you.

Our Company Secretary, Vandana Ahuja has confirmed the quorum required for the meeting, accordingly we declare the meeting to be open.

Let me share some highlights on the financial performance of your Company for the year ended March 31, 2023.

Fiscal year 2023 has been a year of strong overall growth. On a consolidated basis, the revenue from operations is Rs. 191.73 Crores which is higher than that of the previous year of 147.60 Crores rupees.

The consolidated EBITDA increased to Rs. 31.60 Crores for FY 2022-23 which is higher than that of the previous year i.e. Rs. 18.18 Crores.

On a standalone basis, revenue from operations for FY 2022-23, increased to Rs. 138.81 Crores which is higher than that of the previous year i.e. Rs. 110.70 Crores. The standalone EBITDA is Rs. 14.37 Crores for FY 2022-23 which is higher than that of the previous year i.e. Rs. 3.81 Crores.

This year we were happy that things were getting normal after the continuous effects of Covid for the past 2 years and normalisation in the prices of plastic raw materials after the impacts of war at the beginning of the year.

The commercial production at your new plant at Pithampur, Madhya Pradesh started in the month of April 2022. We are yet to achieve substantial utilisation from the said plant. However, we are highly positive that we will achieve the same in coming year.

Along with its existing presence at Amazon and Pepperfry, the Company made its launch on JioMart the widely used shopping platform by the consumers and Gem Government e-Marketplace portal.

As you have seen, the Company has grown during the year and accordingly, the Board of your Company has proposed to reward the shareholders of the Company by way of dividend of 15% i.e. Rs. 1.50 per share for their continuous support and belief in the Company.

On behalf of the Board, I want to assure you that Prima is geared in every way – with its good track record, dedicated workforce, strong capabilities, premium brand and a clear strategy – to provide exceptional service and value to all our stakeholders.

At the last, I would like to thank you 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 our organisation.

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.

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

Thanking you.

Vandana Ahuja (Company Secretary and Compliance Officer)

Thank you 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.

In accordance with the relevant circulars issued, the annual report for the financial year 2022-23, including the Notice of the AGM has been sent through electronic mode on July 18th to all members whose e-mail addresses were registered with the company and their respective Depositories.

Accordingly, we take the notice as read.

The statutory auditors and the secretarial auditor have expressed unqualified opinion in their respective audit reports for the financial year 2022-23. 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 four resolutions under Special Business on the agenda for this meeting.

Being the meeting held virtually, there is no option of proposing and seconding.

1. Adoption of Standalone and Consolidated Financial Statements for the financial year ended on March 31, 2023;

2. Declaration of dividend for financial year March 31, 2023;

3. Appointment of Shri Dilip M. Parekh as a Director, liable to retire by rotation;

4. Appointment of Smt. Daxa J. Baxi as an Independent Director of the Company;

5. Re-appointment of Shri Snehal N. Muzoomdar as an Independent Director;

6. Increase the Remuneration of Shri Pratik B. Parekh, Related Party Transaction and

7. Increase the Remuneration of Shri Paras B. Parekh, Related Party Transaction

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

Few members have already voted on these resolutions through remote e-voting facility from August 8 till yesterday 5:00 P.M. 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 meeting. In case members face any difficulty, they may reach out on the helpline numbers.

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 / her 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 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. We request you to kindly restrict questions pertaining to Company.

Now We would like to invite our 1st speaker shareholder, Mr. Pravin Udugade

Moderator Please Unmute, Mr. Pravin Udugade

Mr. Pravin Udugade:
(Speaker Shareholder)

I am Pravin from Mumbai, Good Afternoon everybody, I appreciate that the Company is doing well and the dividend declared, I have only one question regarding the future plans of the Company.

Thank you.

Vandana Ahuja (Company Secretary and Compliance Officer)

Thank you Sir.

Inviting the next speaker shareholder, Mrs. Prakashini Ganesh Shenoy, moderator please unmute her.

Moderator:

Not available

Vandana Ahuja (Company Secretary and Compliance Officer)

Inviting the next speaker shareholder, Mr. Brijesh Kumar Mathur, Moderator.

Moderator:

Not available

Vandana Ahuja (Company Secretary and Compliance Officer)

Inviting the next speaker shareholder, Mr. Hardik Indramal Jain, Moderator.

Moderator:

Not available

Vandana Ahuja (Company Secretary and Compliance Officer)

Thank you everybody. That concludes the speakers.

We have also received the questions in advance through emails, who have requested to be directly addressed during the AGM.

I request our Managing Director, Shri Dilip Parekh to answer and address the shareholders queries and brief about the Company and future Prospects.
Dilip Sir.

Dilip Parekh (Managing Director)

Good afternoon, Dear shareholders.

Thank you all for joining us today. As our chairman has shared the brief performance of the company and new avenues of opportunity, I would like to add few points to it.

Your Company has a very good growth in Indian operations and global business during the previous year, in terms of turnover as well as Margin terms and we continue to thrive for more. Dil Mange More.

We have done expansions in our Indian business along with new machineries installed in our facilities at Subsidiary as well as Joint venture Companies in mid of the previous year, which will give additional production capacity approx. 30% & 15% respectively in Subsidiary and JV Company. We are seeing that there are more opportunities in international market in plastic segments and we continue to expand in coming years by introducing different types of products. In India also, there is growth in demand in the warehousing sector and this will help our company to grow our Pallets business.

Now to answer some specific questions, I would like to say that in your company's major component of cost is Raw Materials and we have seen that prices have reduce in last year to some extent and we have passed on the benefit to our consumers as well. Also, we keep eye on market volatility and accordingly buy the raw material.

On capacity utilisation front, we can say that we can increase our utilisation capacity in coming years by introducing new distributors network in new geographic locations which are currently untouched or less spread. Currently, we have almost 450 distributors and 5500 dealers across India, and we are looking forward to expanding this network.

Working Capital Management:

Prudent working capital management and control on cash flows resulted in your Company's overall performance. During the year, your Company has repaid the long term debt amounting to Rs. 4.60 Crores and also short-term loans were paid as per due dates. Overall, Debt has been decreased to some extent during the year.

These were done through operating cash flows generated, despite the challenging circumstances and severe impact in margin during first quarter of previous year. All of these resulted in improved Net Debt: Equity ratio and Net Debt / EBITDA ratio.

Also, on our online front business, we have adapted and Covid has showed us that we can transform every manner of life and business rapidly with digital technologies that are faster, safer, scalable and more effective, creating significant advantages over ways of the past. As you have seen we are growing on digital platforms and increasing our brand awareness on social media.

I was happy to see that we have received many questions from our Shareholders, and I hope I have addressed the questions. If any shareholders queries or questions remain unanswered due to lack of time, such shareholders may write their queries at the designated e-mail ID, we will surely send our response via e-mail and we will be happy to answer you.

Finally, I would like to say that we will continue to be persistent in our vision, and nimble in our approach to meet the business and social responsibility goals we have set forth. Our business practices will be sustainable, and our growth will continue to be inclusive and diverse.

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 Ahuja (Company Secretary and Compliance Officer)

Thank you Sir.

I hope we have been able to answer all the queries raised by the shareholders and fellow members. 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 in 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.

Thank you.