

# TRANSCRIPT

26<sup>th</sup> Annual General Meeting of

Prima Plastics Limited

September 28, 2020, 4.00 PM IST

**Dharmesh Sachade (Chief Financial Officer):**

Dear all, Good Afternoon, Dear Shareholders, I Dharmesh Sachade, CFO welcome all the members to the 26<sup>th</sup> Annual General Meeting of our Company, Prima Plastics Limited. We are holding this meeting over the virtue platform due to prevailing unprecedented circumstances. This is in compliance with the circulars issued by the MCA & the SEBI. Participation of members through video conference is being reckoned for the purpose of quorum as per the circular and 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 for sparing the time to join us today from wherever you are and for the continue faith in the Company and its management. I hope you and your family members are remaining healthy and staying safe. Now I welcome our Board Members who are present through VC, Shri Bhaskar M. Parekh, Chairman, Shri Dilip M. Parekh, Managing Director, Shri Rasiklal M. Doshi, Independent Director, Shri K V Chitalia Independent Director, Smt Hina V. Mehta, Non-Executive Director and our new Independent Directors, Shri Snehal Muzoomdar and Shri Shailesh Shah who are Practising Chartered Accountants and Ms. Ankita Agarwal, Company Secretary. Further during the year Shri Mulchand S. Chheda resigned as Independent Director due to his health reasons. On behalf of the Board of Directors, I place on record our appreciation for the service rendered by him since past 25 years. I also welcome our statutory auditors Khimji Kunverji & Co. LLP and our secretarial auditor Shri Sadashiv Shet who are present in this meeting. Now I request our chairman Mr. Bhaskar Parekh to address the shareholders. Thank you.

**Bhaskar M. Parekh (Chairman):**

Good evening Ladies & Gentleman. Welcome you all on this 26<sup>th</sup> AGM of Prima through this virtual meet.

Requisite quorum being present, I call the meeting to order.

Now, with your permission, I will begin my formal address to the shareholders.

Dear Shareholders,

Your confidence and support in us, even in uncertain times like these, forced us to look for more ways to do more and to create greater value. We are blessed to have your trust in the Company in the midst of national and worldwide financial, natural & social difficulties. I assure you that we at Prima are & will consistently stay firm & focused on our promise to create value for all.

During the year 2019-2020, the Company has done reasonably well and achieved standalone revenue of Rs. 98.72 Crores and consolidated revenue of Rs.127.05 Crores The profit before tax for the Standalone at the year end is 2.32 Crores and is marginally lower as compared to last year due to non-declaration of dividend by the joint venture company and at Consolidation profit before tax is Rs. 11.87 Crores which is slightly higher than previous year. The Company had already declared interim dividend of Re. 1 per equity share for the financial year ended March 31, 2020 in the month March 2020.

During the previous year, we have made huge investments in our JV Company to the tune of Rs. 11 Crores in the new machineries. Along with that, in our subsidiary company also, we are planning to expand in current year and we have achieved full capacity utilisation during the year. We are seeing good potential in the overseas market.

We are well positioned to take advantage of the opportunities that may come up post pandemic. We have used this time period to quickly adapt our business. And We are now on Digital Platform with the increase in demand in online e-commerce. Our products are available on online marketplaces such as FirstCry and PepperFry. We are also planning to expand our reach to newer markets and customers around the country through e-commerce.

On behalf of the Board of Directors of Prima, I want to thank you for your continued trust confidence and support. Thank you!!

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

**Ankita Agarwal (Company Secretary):**

Thank you Sir.

Good evening everyone and will now commence the business of the meeting.

In accordance with the MCA and SEBI circulars and ongoing Covid-19 pandemic the notice of this AGM along with the annual report of the company has been emailed to all members whose email-id were registered with the company and to all others who are entitled to receive the same and unless you wish to be read it at this meeting, I propose notice to be taken as read. As there are no qualifications, observations or comments in the Auditor's Report, the Audit Report is not required to be read at the meeting as provided in section 145 of the Companies Act, 2013. The detailed procedure and instructions for casting votes by the members through electronic means were prescribed in the Notice. The Company had fixed September 21, 2020 as the Cut-Off Date for deciding the names of the members entitled to cast their votes through remote e-voting as well as during this meeting. I request the members, who have cast their votes through remote e-voting, not to cast their votes again through e-voting during the AGM. The e-voting facility is available through the AGM proceedings through the same login. The resolutions prescribed in the Notice of AGM, both ordinary business and special business, shall be passed at this AGM through e-voting and the resolutions shall be declared passed after adding the votes cast by the members through remote e-voting. Pursuant to provisions of section 109 of the Companies Act, 2013, Shri Sadashiv V Shet, Practicing Company Secretary has been appointed as the Scrutinizer to conduct the e-voting process in a fair and transparent manner and submit his report to the Chairman. Shri Sadashiv V Shet is also appointed as the Scrutinizer for remote e-voting.

We now take up the resolutions as set forth in the Notice. As per the Notice of the meeting, there are total 4 businesses to be transacted at this meeting. The businesses to be transacted are:

1. Adoption of Standalone and Consolidated Financial Statements for the financial year ended on March 31, 2020;
2. Confirmation of interim dividend declared for the financial year 2019-2020 as the final dividend;
3. Re-appointment of Shri Dilip M Parekh, as a Director liable to retire by rotation; and last one

#### 4. Appointment of Shri Shailesh S Shah, as an Independent Director.

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 votes are already considered in remote e-voting.

Once a report of the Scrutinizer is received, the Chairman 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 [www.primaplastics.com](http://www.primaplastics.com). and on the BSE where the shares of the Company are listed.

I now invite the speaker shareholders who have pre-registered to pose their questions, if any. I request you all not to repeat the same questions as raised by fellow members. Each shareholder will have 3 minutes for their questions. 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 I request moderator to unmute the 1<sup>st</sup> speaker and ask his questions.

Our 1<sup>st</sup> speaker shareholder is Mr. Prabjot Singh Shani Si, you are requested to please ask your question.

**Moderator:**

Just a second, Mr. Prabjot is not present in the meeting.

**Ankita Agarwal (Company Secretary):**

So we will proceed with our next speaker, our next speaker is Mr. Vaibhav Badjatya.

Ma'am can you please unmute.

**Vaibhav Badjatya:**

Hello, can you hear me?

**Moderator:**

Yes, we can hear you.

**Vaibhav Badjatya:**

So, thanks, I would like to congratulate management for the revolution of the company till date and it is really interesting to see your successful ventures not in India but also abroad, so I have already submitted my list of questions. Sir do you have access to those questions right now which are submitted through email?

**Ankita Agarwal (Company Secretary):**

Yes, Sir

**Vaibhav Badjatya:**

It will be great if you can respond to those questions rather than you know grouping it or merging with question with some other shareholders, great if you can respond to those point by point and I really apologize my list of questions is really long and primary reason is this is the only time we have where we can interact with the management so it will be great if you respond to those questions and it would be very grateful of you. That's it from my side.

**Ankita Agarwal (Company Secretary):**

Sir it will be addressed along with other questions, separately.

**Vaibhav Badjatya:**

Yes, sure, but you know I classified my questions so if anything is left, it will be great if management can respond to me through email.

**Ankita Agarwal (Company Secretary):**

Definitely we will reply you by email Sir.

**Vaibhav Badjatya:**

Okay, thank you that's it from my side.

**Ankita Agarwal (Company Secretary):**

So, we now request our third speaker shareholder Mr. Rajat Shetty.

**Moderator:**

Yes, Mr. Rajat can you please unmute

**Rajat Shetty:**

Am I audible?

**Moderator:**

Yes you are audible

**Rajat Shetty:**

My first is question about the sales growth, over the last 3-4 years our sales our top line and the control level has not really gone up, so I am comparing FY 16 to FY 19, so I want to know what are the plans to grow out top line, what are we going to do, what are the things we are achieving over the next 3 to 4 years and also at the same time our margins have fallen to 19 percent would like to know what is the reason and what are we doing to increase our margin. Any commentary on the subsidiaries and joint venture that we have outside India in terms of demand any impact of Covid-19 on those two businesses would be really appreciated. Other question is the JV we have the Prima Dee-Lite, why done we consolidate given it is 50-50 venture, what is reason we are not consolidating it, then the other question is on Prima Dee-Lite P&L what kind of revenue and top line the JV withheld, we know the share of JV In our P&L but would like to understand the revenues and EBITA or PBIT of Prima Dee-Lite for the FY 20 then the other question is profitability of standalone operation is

very very low what is the reason for this, will we see a change going forward or not. That's it. Thank you.

**Ankita Agarwal (Company Secretary):**

Now we move on to next speaker, Mr. Tanhil Khanna

**Moderator:**

Mr. Tanhil Khanna is not present in the meeting.

**Ankita Agarwal (Company Secretary):**

We move to final speaker, Mr. Dheeraj Kumar Lohia

**Moderator:**

Mr. Dheeraj you can speak now.

**Dheeraj Kumar Lohia**

Hello, am I audible?

**Moderator:**

Yes, Sir.

**Dheeraj Kumar Lohia**

Good Afternoon Chairman Sir and MD Sir and all other my fellow shareholders, thanks for giving the opportunity, my question I have already emailed to you, I think you can answer them, more or less my question are been covered by previous speakers also, I just want to add one or two question, our Cameron JV has skipped dividend this year in spite of good results, any particular reasons for this and capex plans company is taking for next 2 years. That's it for myside. Thanks.

**Ankita Agarwal (Company Secretary):**

That's all we don't have any other questions, I request our Managing Director Mr. Dilip M Parekh to answer to the questions raised by the shareholders and brief about the Company and future Prospects.

**Dilip Parekh (Managing Director):**

Respected Directors and Dear Shareholders, I would like to welcome you all to this virtual to 26<sup>th</sup> Annual General Meeting and I hope everyone is fine at home and at their work place. As I have gone through your questions over the email and personally right now, yes Company over last year had sales were subdued more effective during early march, so we had lost some of our sales during that time, even our first quarter we could manage to do 55% of our sales, but this is at going through current quarter, second quarter for us which has been really turn around story demand has come back and we have almost achieved 95% in our Indian operations right now, despite of our trouble time we plan to grow and expand in India

as well we have already working for the new project to intent to come up which we will shortly we will let you know soon.

Going forward during as I we have 2 factories right now, one is Central America, the similar impact was been seen over there, our Guatemala factory was shut down from mid-march and then whole first quarter which is April to June we could not function over there at all, but we have started our production from July till date till today and we have almost achieved 100% of turnover in that company right now. Should we see that going forward in that particular company also we are going to expand some decision were already taken during lock time over here and which will be reflected during by this year end, we forward to our African JV as our Chairman informed you that last year also and ongoing right now Prima Dee-Lite has made further expansion plans, we have already invested in few machineries over there and few more on its way right now which will be completed in this year end. Going forward yes Prima is going to expand in its current business, the numbers the expansion plans is not only in India or Africa or Central America throughout our subsidiaries also.

One of the gentleman ask why the dividend was not been, I myself was in the early march in Cameroon when we could be able to see the pandemic coming, so we decided to skip the dividend purely because of our expansion plan as well as to keep reserve our fund. We hardly have any working facility over there, so whatever is Company numbers capital is being invested.

Going forward, as somebody asked what is our turnover, we are doing almost hundred and twenty-thirty crores in our JV company in Cameroon, so one of our portion we are only 50% stakeholders so we cannot club with our accounts so it's not reflecting, our Guatemala balance sheet been already in the balance sheets, so you can see through. Well right now Indian business looks right to us, festival season are expected, right now we don't see any hindrance to our future business and we see growth opportunity from here onwards and we have seen the bad time se we feel fine. I hope I have some of more questions we will try to email you the answers you can and surely get in touch with us anytime and we will satisfy all your answers.

Thank you. And Ankita.

**Ankita Agarwal (Company Secretary):**

I hope we have been able to answer all the queries raised by the shareholders.

Now with the permission of the chairman, 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 I hereby declare the meeting as closed.

**Dilip Parekh (Managing Director):**

Thank you.