



PRANAVADITYA

PRANAVADITYA SPINNING MILLS LIMITED
TRANSCRIPT OF THE 32ND ANNUAL GENERAL MEETING

Day : Wednesday
Date/ Time : August 10, 2022/ 12:30 P.M. (IST)
Venue : Through Video-conferencing facility

12.30 P.M. – Mrs. Amruta Avasare – Company Secretary

Good Afternoon to all shareholders and directors. I, welcome you all to this 32nd Annual General Meeting of the Company. I, Mrs. Amruta Avasare, Company Secretary, attending this AGM from Mumbai. I now request Mr. Sushilkumar Agrawal Sir, Chairman to start with the welcome address and the meeting. Over to Chairman Sir.

Mr. Sushilkumar Agrawal – Chairman

Good Afternoon to all shareholders. It is a pleasure to connect with all of you again on this 32nd Annual General Meeting of the Company. I welcome you all to this 32nd AGM of the Company.

Myself, Mr. Sushilkumar Agrawal, Chairman of Board, Audit Committee & Stakeholders Relationship Committee, attending this AGM from Mumbai.

It is 12.30 p.m. and the requisite quorum for the meeting is present. I call the meeting to order.

This AGM is being held through Video Conferencing in accordance with the circular dated May 5, 2022 issued by MCA. Participation of members through video conferencing is being reckoned for the purpose of the quorum.

Before we start with the main proceedings of the Meeting, I also welcome all the Directors present for this AGM. I now request Directors to introduce themselves.

I request Mr. Anil Kumar Jain to introduce themselves –

Mr. Anil Kumar Jain – Good Afternoon everyone, I am Anil Kumar Jain; I am attending this meeting of Pranavadiya Spinning Mills Limited from Office in Mumbai. Thank You.

Mr. Sushilkumar Agrawal – Dr. Ashok Desai

Dr. Ashok Desai – Good Afternoon everybody. I am Dr. Ashok Desai, Independent Director and Chairperson of Nomination and Remuneration Committee. I am attending this Meeting from my residence at Thane. Thank You.

Mr. Sushilkumar Agrawal – Mrs. Kala Agarwal

Ms. Kala Agarwal – Good Afternoon All. I am Independent Director. I am attending from Mumbai. Thank you.



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Mr. Sushilkumar Agrawal – L. Viswanathan

Mr. L. Viswanathan - I am Mr. L. Viswanathan. I am attending this Meeting from my residence. I am Independent Director on the Board of Pranavaditya Spinning Mills Limited. Thank you.

Mr. Sushilkumar Agrawal – Kamal Mitra

Mr. Kamal Mitra - This is Mr. Kamal Mitra. Good Morning Sir, I am attending this meeting from Kolhapur, Gokul Shirgaon Factory office. So I am Director of Pranavaditya Spinning Mills Limited. Thank you everyone.

Mr. Sushilkumar Agrawal - I would also like to inform you that Mr. K. Muralidharan, CFO and Mr. Neeraj Kalaskar, CEO, are also attending this AGM. I would request Mr. K. Muralidharan to introduce themselves.

K. Muralidharan – Good Afternoon to all the members and shareholders participating in this AGM. I am Mr. K Muralidharan, Chief Financial Officer of Pranavaditya Spinning Mills Limited. I am attending this meeting from office in Mumbai. Thank you.

Mr. Sushilkumar Agrawal – Mr. Neeraj Kalaskar

Mr. Neeraj Kalaskar - Good Afternoon Ladies and Gentlemen. I am Mr. Neeraj Kalaskar, Chief Executive Officer. I am attending this meeting from Kolhapur.

Mr. Sushilkumar Agrawal – The partner of M/s. Suresh Kumar Mittal & Co., Statutory Auditors and Mr. Vikas Chomal, Scrutinizer are also attending this AGM.

I now hand over to the Company Secretary to provide general guidance to the members regarding participation and voting in this meeting. Over to Mrs. Amruta.

Mrs. Amruta Avasare – **Company Secretary**

Thank you Sir. Members may note that this AGM is being held through VC in accordance with the circular no. 02/2022 dated May 5, 2022 issued by MCA. The Company has complied with all provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable circulars of MCA & SEBI in holding this AGM through VC. The AGM is being conducted through the platform provided by NSDL. The facility of joining this meeting through VC is available to the members on first come first serve basis. All members who have joined this meeting are placed on mute by Host to avoid background disturbances and for seamless participation. The Company had given facility to members to send their questions/queries in advance on the email id as given in the notice. The Members can also ask the questions concurrently through the chat box during the AGM. Any shareholder who wish to ask questions can post the same under the tab "Ask Questions" on the right hand side of the screen.

Members may please note that the company had provided remote e-voting facility to all members through NSDL platform. The e-voting facility was available from Sunday, 7th August, 2022 at 9.00 a.m. (IST) to Tuesday, 9th August, 2022 at 5.00 p.m. (IST). Members who have not casted their vote and who are participating in this meeting have an opportunity to cast their vote during this meeting through the e-voting system provided by NSDL. I request members to refer to the Notice of AGM for e-voting procedure during AGM.



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Mr. Vikas R. Chomal, Proprietor of M/s. Vikas R. Chomal & Associates, Practicing Company Secretaries is the scrutinizer for the remote e-voting process and e-voting at AGM. The combined result of remote e-voting & e-voting at the AGM along with the scrutinizers report will be uploaded on the website of the company as well as on the website of NSDL and Stock Exchange within 2 working days from the conclusion of this AGM.

I now request Mr. Agrawal Sir, Chairman to start with the next process.

Mr. Sushilkumar Agrawal - Chairman

The notice dated July 16, 2022 convening the 32nd Annual General Meeting of the Company is already circulated to all the members. I take the Notice convening the meeting as read.

I wish to inform you that the Statutory Auditors and Secretarial Auditors have not made any qualifications, reservations, adverse remarks and disclaimer in the Audit Reports for year ended 31st March, 2022, therefore, with your permission, I, take the Statutory Auditors' Reports and Secretarial Audit Report as read.

Dear Shareholders,

During FY 2021-22, your Company has earned total Income amounted to Rs. 396.34 lakhs and Company achieved Net profit of Rs. 72.24 lakhs as compared to loss of Rs. 590.86 lakhs in the previous year. The total income mainly comprised of lease rentals received from Indo Count Industries Limited, Holding Company and third parties for lease of land and machineries. Your Company continues to be a debt-free Company.

During FY 2021-22, an application was filed with Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") for the amalgamation of the Company with Indo Count Industries Limited, Holding Company under sections 230-232 of the Companies Act, 2013. Pursuant to the directions given by Hon'ble National Company Law Tribunal (NCLT) vide its order dated 18th August, 2021, a meeting of the equity shareholders of the Company was held on November 15, 2021 for consideration and approval of the scheme of amalgamation and the resolution for the scheme of amalgamation of the Company was passed with requisite majority. Thereafter, a petition was filed with Hon'ble NCLT and petition is fixed for final hearing and disposal today.

Upon the Scheme becoming effective, the Business (along with all assets and liabilities thereof) of the Company will be transferred and vested with the holding Company on a going concern basis. As a consideration for the amalgamation, the Holding Company will issue its equity shares to the shareholders of the Company as on the record date in a share exchange ratio of 2:15 i.e. 2 (Two) fully paid up equity shares of Indo Count Industries Limited (ICIL) would be issued to the Equity Shareholders of the company, for every 15 (Fifteen) equity shares held by them.

I would like to extend my sincere thanks to all the employees, central and state government, stakeholders, shareholders, for their support to the Company. I also thank all fellow directors on the Board for their guidance during the year.

I now request Company Secretary to read the resolutions.



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Mrs. Amruta Avasare – Thank you Sir.

ITEM NO. 1 – Ordinary Resolution

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon;

ITEM NO. 2 – Ordinary Resolution

To appoint a Director in place of Mr. Anil Kumar Jain (DIN: 00086106), who retires by rotation and being eligible, offers himself for re-appointment.

ITEM NO. 3 – Ordinary Resolution

Appointment of M/s. JLN US & Co., Chartered Accountants as the Statutory Auditors of the Company.

“RESOLVED THAT pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), M/s. JLN US & Co., Chartered Accountants (Firm Registration No. 101543W), be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s. Suresh Kumar Mittal & Co., existing retiring auditors, to hold office for a first term of five consecutive years from the conclusion of 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company to be held in the calendar year 2027, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors;

RESOLVED FURTHER THAT the Board of Directors of the Company or Audit Committee, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

The resolutions as set forth in the meeting shall be deemed to have been passed at the meeting subject to receipt of requisite number of votes.

I will now take up the questions if any, in the chat box. I would request moderator to provide the questions in chat box. Moderator, if you can just read the questions in the chat box.

Mr. Jay Bhansali (Moderator): Good Afternoon everyone. The first question is of Mr. Bimal Kumar Agarwal, question is: what is the impact of rising rupees and interest rate on our company and what is our capex plan?

Mr. Sushilkumar Agrawal - Chairman

Mr. K. Muralidharan can you take the questions.



Mr. K. Muralidharan:

Are we having more questions, if you can tell all the questions so I will answer one by one.

Mr. Jay Bhansali (Moderator):

Okay sir. The second question is from the shareholder named Mr. Jehangir Batiwala, the question is: Why are we merging both the companies?

And the Third question is from Mr. Rohinton Batiwala, the question is: After this merger what effect will it have on our balance sheet and also on our top line and bottom line?

These are the three questions.

Mr. K. Muralidharan:

Thank you. So I will answer the questions raised in chat box by the members.

First question is from Mr. Bimal Kumar Agarwal, what is impact of rising rupees and interest rate on our company and what is our capex plan. Pranavadiya Spinning Mills Limited has no borrowings as Chairman has made in his address. It is a debt free company so impact of rising rupees has no impact on the rupees and interest rates. So rising interest rate is not going to affect the Company and second question is what is our capex plan? Pranavadiya Spinning Mills Limited has no capex plan as of now. All the members know that there is an amalgamation in process and it is the parent Company, which is intending to invest in the assets of this Company, once the amalgamation is complete. So these details are in the public domain, this is the answer to the first question, I hope we have answered to your query adequately.

The second question is of from Mr. Jehangir Batiwala, why are we merging both the companies?

The scheme has been laid out and is informed to the shareholders, it is in the justification and rational for merging both the Companies. It is in the public domain already. As members know that the after Covid the unit had stopped and most of the workers had accepted voluntary retirement scheme and thereafter the Company's manufacturing operations was non-functional. This unit had out dated technology and on standalone basis, could not raise any monies, the Board of Directors at that point of time decided that it is in good interest of the both the Companies to merge Pranavadiya Spinning Mills Limited with the parent Company. The details of this scheme is in public domain as I mentioned and the amalgamation process is also undergoing at this point of time. So details can be accessed through the exchange as it is filed with the exchange and adequate information can be accessed from the BSE website.

Third question is from Mr. Rohinton Batiwala, after this merger what effect will it have on our balance sheet and also on our top line and bottom line?

As Chairman, Mr. Agrawal explained, the assets and liabilities of this Company along with the business will get transferred to parent Company i.e. Indo Count Industries Limited and there will be no balance sheet after that so all the business will be done in the name of Indo Count Industries Limited from the date of amalgamation.

I hope I have replied to all the questions adequately.



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Mr. Sushilkumar Agrawal - Chairman

Any more questions Mrs. Amruta?

Mrs. Amruta Avasare:

Moderator any more questions are there in the chat box.

Mr. Jay Bhansali (Moderator):

Yes, there is one more question from Mr. Rohinton Batiwala, asking for kindly consider the swap ratio.

Mr. K. Muralidharan:

SEBI has laid down the guidelines as to how the swap ratio has to be computed and this has been done by the independent valuers and agencies so the sufficient weightage has been given to the liquidity of the shares trading of both the Companies as well as the assets of the Companies. The business strength etc.

This scheme has a valuation report also. This was discussed with the Board and accepted by the Board and the scheme of arrangement was then put to the shareholders for approval who have also approved this scheme, so then only scheme was presented to the NCLT. This swap ratio has gone through a proper judicious assessment by the independent agencies as required by the SEBI guidelines. Since all the agencies, the Board and other agencies including shareholders have approved this. I think this stands the test.

Mrs. Amruta Avasare

Any further questions?

Mr. Jay Bhansali (Moderator):

There are no further questions from shareholder, except Mr. Jehangir Batiwala has complimented the Company Secretary and her team for bringing out a very simple knowledgeable and adhering to all the norms of corporate governance. There are no other questions.

Mr. Sushilkumar Agrawal - Chairman

I thank the shareholders for joining this meeting.

There being no other item, I close the proceedings of meeting. The e-voting facility will remain open for next 15 minutes from close of meeting. I authorize Company Secretary and scrutinizer to complete necessary formalities in that regard.

STAY SAFE, HEALTHY AND TAKE CARE. THANK YOU

Mrs. Amruta Avasare – There are no questions, E voting to be started.

12.49 p.m. (IST) - Time clock started for e-voting for 15 minutes.



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After 15 minutes at 1.04 p.m. (IST) the proceedings of the meeting including e-voting were concluded.

Thank you.

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