

## **PC JEWELLER LIMITED - TRANSCRIPTION OF 20<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON SEPTEMBER 30, 2025**

**Shri Vijay Panwar:** Respected Directors and dear members. A very good morning to all of you and welcome to the 20<sup>th</sup> Annual General Meeting of the Company.

With me present here are Shri Balram Garg, Managing Director, next to him Shri Ramesh Kumar Sharma, Executive Director, to my left Shri Vishan Deo, Executive Director (Finance) & Chief Financial Officer and myself Vijay Panwar, Company Secretary of the Company. We are attending this meeting from the office of the Company at Delhi. Now, I would like to introduce the other Directors, who are attending this meeting through Video Conferencing / Other Audio Visual Means, from their respective locations. Smt. Sannovanda Machaiah Swathi, Independent Director and Chairperson of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee

**Smt. Sannovanda Machaiah Swathi:** Good morning to all of you. I am attending this AGM from my residence from Kurg.

**Shri Vijay Panwar:** Thank you. Next is Shri Mahesh Agarwal, Independent Director

**Shri Mahesh Agarwal:** Good morning to everybody.

**Shri Vijay Panwar:** Thank you, Shri Farangi Lal Kansal, Independent Director

**Shri Farangi Lal Kansal:** Good morning everybody. I am meeting from my house in Panchkula, Haryana.

**Shri Vijay Panwar:** Thank you Sir. In accordance with Article 66 of Articles of Association of the Company, with the consent of the Directors attending the meeting, Shri Balram Garg will chair the meeting.

Ministry of Corporate Affairs vide General Circular No. 09/2024 dated September 19, 2024 in continuation to the earlier circulars issued in this regard permitted holding of the annual general meeting through video conferencing or other audio visual means up to September 30, 2025, without the physical presence of members at a common venue. Further, Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CFD-POD-2/P/CIR/2024/133 dated October 03, 2024 in continuation to the earlier circulars issued in this regard has also extended the relaxations to the listed entities in respect of holding general meetings through video conferencing / other audio visual means till September 30, 2025. Accordingly, in compliance with the provisions of the Companies Act, 2013, the Sebi (Listing Obligations and Disclosure Requirements) Regulations, 2015 and aforesaid SEBI and MCA circulars, this annual general meeting of the Company is being held through Video Conferencing / Other Audio Visual Means. The deemed venue of this meeting is the registered office of the Company.

In accordance with aforesaid MCA circulars, facility of joining annual general meeting through VC / OAVM is made available for 1,000 members on first come first serve basis. However, the participation of members holding 2% or more shares, promoters, institutional investors, directors, key managerial personnel, Chairpersons of Audit Committee, Stakeholders Relationship Committee as well as Nomination and Remuneration Committee and auditors are not restricted on first come first serve basis. Since this meeting is being held through VC / OAVM, hence, requirement of appointing proxies is not applicable.

All members who have joined the meeting have been kept by default on mute mode to avoid any disturbances caused by the external noises to ensure smooth conduct of the meeting. Once the question answer session starts, the moderator will announce one by one the names of members, who have registered themselves as a speaker for this meeting. Speaker member will then be unmuted by the moderator. It may kindly be noted that the Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time and to ensure the smooth conduct of the meeting.

For any technical assistance members can contact KFin Technologies Limited / National Securities Depository Limited / Central Depository Services (India) Limited at the numbers mentioned in the notice of

the 20<sup>th</sup> Annual General Meeting. Now, I handover the proceedings of the meeting to Shri Balram Garg, Chairman of the meeting.

**Shri Balram Garg:** Good morning all the Board members and dear shareholders, I welcome you all at the 20<sup>th</sup> Annual General Meeting of the Company.

The requisite quorum is present, hence, I call the meeting to order. Statutory and Secretarial Auditors have joined the meeting. The certificate from Secretarial Auditor in terms of the Sebi (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and requisite statutory registers are open for inspection during the meeting and are available on the website of the Company.

Dear members, First of all, I would like to wish all of you a very happy Navratri and a prosperous festival season for you and your families. As you are aware that the previous financial year 2023-24 had been very challenging for the Company. But now, the Company has overcome all its challenges and is back on the growth path.

Since execution of the settlement agreement with the consortium lenders on September 30, 2024, the Company has been fulfilling and discharging its debt repayment obligations as per the relevant timelines of the agreement. I am pleased to inform you all that during the current quarter itself i.e. July to September 2025, the Company has reduced its outstanding debts that was payable to its banks by another approx. 23%. This is in addition to the approx. 9% reduction that was done by the Company in the first quarter of this financial year and by more than 50% reduction that was already done by the Company in the previous financial year. This continuous reduction of debt by the Company is in the line with the Company's objective of becoming debt free by the end of the current financial year. Once the Company achieves its target of becoming debt free, it will not be incurring any further finance costs on account of bank borrowings, which will further improve its working capital cycle and will have a positive impact on its bottom line in future.

The Company's preferential issues of securities during the financial year 2024-25 as well as current financial year, for raising funds for repayment of the banks outstanding debts, working capital got overwhelming responses from the investors and the Company has successfully completed its fund raising.

During the financial year 2024-25, with a view to enhance the liquidity of the Company's equity shares and to encourage participation of the retail investors by making equity shares of the Company more affordable, the face value of the equity shares of the Company was sub-divided / splitted from ₹ 10/- to ₹ 1/-. As a result, the number of shareholders of the Company has increased by approximate 125% since the split, which clearly showcases the growing investor's confidence in the Company.

Also, as you are aware, almost all the Indian industries and sectors including the gems and jewellery sector, have been under pressure off late due to various tariff related decisions taken by USA recently. But, since our Company does not have any export exposure in USA, these decisions shall not have an impact on our Company.

The above efforts of the Company as well as its balanced approach towards changing customer preferences and keeping the products in harmony with the same, had a robust impact on its business operations as well, which is clearly visible in the financials of the Company. The Company has already started working on revamping of its showrooms and has also opened a new showroom in Delhi during the ongoing auspicious occasion of Navratri, which further strengthens its wide network of showrooms across India. Also, due to its core strengths in the form of manufacturing & designing capabilities, skilled staff, soft skills in the form of systems and procedures and customer oriented policies, etc., the Company is poised for a bright future and is confident of attaining higher business levels in the years to come.

I am thankful to all our employees, management, vendors, lenders as well as my Board colleagues and most importantly, all the shareholders of the Company for their continued support and commitment towards the Company.

Now, I request the Company Secretary to kindly continue with the proceedings of the meeting.

**Shri Vijay Panwar:** In compliance with the requirements of the Companies Act, 2013, rules made thereunder and the Sebi (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has provided to its members the facility to exercise their right to vote by electronic means. The Company has engaged the services of KFin Technologies Limited, as the Agency, for participation of members in the 20<sup>th</sup> Annual General Meeting through VC / OAVM, facility for remote e-voting and e-voting at the 20<sup>th</sup> AGM. Remote e-voting commenced at 9:00 A.M. on September 27, 2025 and ended at 5:00 P.M. on September 29, 2025.

The Company has also provided e-voting facility at this meeting and those members who have not casted their votes through remote e-voting and joined the meeting, may cast their votes through e-voting at this meeting. The voting rights of members are in proportion to their share in the paid-up equity share capital of the Company as on the Cut-Off date i.e. September 23, 2025.

Shri Randhir Singh Sharma, Practicing Company Secretary has been appointed as the scrutinizer to scrutinize remote e-voting and e-voting at the 20<sup>th</sup> AGM in a fair and transparent manner.

The dispatch of Annual Report 2024-25 comprising of notice of the 20<sup>th</sup> Annual General Meeting, Directors' Report, Statutory Auditor's Reports and financial statements etc., to members of the Company was completed through e-mail on September 08, 2025. Since Annual Report 2024-25 comprising of notice of the 20<sup>th</sup> Annual General Meeting, Directors' Report, etc. is already circulated to members, hence, the same is taken as read. Statutory as well as Secretarial Auditors reports are also taken as read except for the qualifications, reservations, observations etc. made in their reports and the Board's explanations or comments on them.

Now, I am reading out the qualifications, reservations etc. made in Statutory Auditor's report as well as the Board's explanations or comments on them as provided in the Director's Report:

1) Para 4 (i) of independent auditors' report regarding providing of discounts of ₹ 513.65 crore to export customers during the financial year ended March 31, 2019

The Company had extended the discounts as on March 31, 2019 to its export customers in view of the genuine business problems and operational issues being faced by them. The discount extended amounted to one-time discount of 25% of the export value of outstanding receivables as on March 31, 2019. The discount extended was in accordance with the Fed Master Direction No. 16/2015-16 dated January 01, 2016 issued by the Reserve Bank of India. Subsequently, the Company had obtained approvals from authorized dealer banks for reduction in the receivables corresponding to discounts amounting to ₹ 330.49 crore and approval for the balance amount i.e. ₹ 183.16 crore is under process. The discount extended was in accordance with the aforesaid master direction and the management does not expect any material penalty to be levied and therefore no provision for the same has been recognized in the financial statements.

2) Para 4 (ii) of independent auditors' report regarding adequacy of the provision of expected credit loss relating to overdue overseas trade receivables and its consequential impact and adjustments on the standalone financial statements

The Company has computed and applied cumulative expected credit loss on the outstanding export receivables of ₹ 265.10 crore as on March 31, 2025 and the same is in accordance with the laid down accounting norms. The Company is exploring various options for recovery of its overseas trade receivables and is confident of the recovery of the same.

3) Para 4 (iii) of independent auditors' report regarding inventory value and its consequential impact and adjustments on the standalone financial statements

Pursuant to acceptance of its one time settlement proposal by the consortium lenders, the Company entered into a joint settlement agreement on September 30, 2024 with them. In terms of the Agreement, the inventory lying at few locations of the Company is still under the custody of debt recovery appellate tribunal. Hence, the physical verification / inspection of the inventory at these locations could not be conducted and the inventory valuation is based on determination of estimated net realizable value or cost whichever is lower in accordance with the Indian Accounting Standards. The Company is meeting its

obligations as per the terms of the Agreement and the management expect that the release of the relevant inventory will take place soon.

4) Para ii (a) of Annexure - A to independent auditors' report regarding physical verification of inventory lying at certain locations

The auditor's observation is a statement of fact and the management does not have anything further to comment on the same.

5) Para iii (c), (d) and (e) of Annexure - A to independent auditors' report regarding loans / advances granted by the Company

During the year, the Company has not granted any fresh inter corporate loans. The loans extended by the Company to its subsidiary and body corporates are old ones. Although there are no specific schedule of repayment, but the loans are to be repaid within specified time period and also carries interest at agreed rates. The Company has also made provision for impairment of loan in accordance with the laid down accounting norms.

The staff advances have been extended to permanent employees of the Company in the normal course for their personal requirements.

6) Para xx (b) of Annexure - A to independent auditors' report regarding unspent CSR amount pursuant to ongoing project not yet transferred to special account

The Company will do the needful in due course of time.

Now, I am reading out the observations made in Secretarial Auditor's report as well as the Board's explanations or comments on them as provided in the Director's Report:

1) Regarding the composition of the Board did not have sufficient number of directors liable to retire by rotation

The composition of the Board of the Company did not have sufficient number of directors liable to retire by rotation till September 29, 2024, as the Company could not find a suitable candidate for appointment as a director (liable to retire by rotation) on its Board. However, the Company had complied with the requirement of section 152(6) of the Act after appointment of Shri Vishan Deo as an additional director and Whole-time Director (liable to retire by rotation) with effect from September 30, 2024. His appointment was also approved by members of the Company through postal ballot on November 21, 2024.

2) Regarding the unspent Corporate Social Responsibility amounts for the financial years 2020-21 and 2021-22 were not transferred to special account

The Company will do the needful in due course of time.

3) Regarding the composition of Audit Committee and Nomination and Remuneration Committee not in compliance with sections 177 and 178 respectively of the Act

The non-compliance occurred post completion of tenure of 3 independent directors of the Company on September 12, 2024 as those 3 independent directors were also members of Audit Committee and 2 of them were also members of Nomination and Remuneration Committee. However, both the Committees were duly reconstituted in compliance with applicable laws w.e.f. September 30, 2024 after appointment of new independent directors on the Board of the Company.

4) Regarding non-compliance of Regulations 17(1) & (1a) of LODR Regulations for part of the year pertaining to the Board composition and appointment of an independent director, who has attained the age of 75 years

The non-compliance occurred post completion of tenure of 3 independent directors of the Company during the quarter ended September 30, 2024. However, the Company has already complied with the applicable requirements and paid the fines imposed by the stock exchanges within the prescribed time.

5) Regarding non-compliance of Regulation 44 of LODR Regulations pertaining to submission of voting results after the prescribed time

The delay in submission of voting results of postal ballot notice dated December 11, 2024 was unintentional and due to the circumstances beyond the control of the Company. The Company paid the fines imposed by the stock exchanges within the prescribed time.

6) Regarding non-compliance of Sebi circular dated June 21, 2023 pertaining to submission of applications for trading approvals of stock exchanges after the prescribed time

The delay in submission of applications for the trading approvals of stock exchanges in relation to equity shares allotted upon conversion of fully convertible warrants on October 30, 2024 was unintentional and due to the circumstances beyond the control of the Company. The Company paid the fines imposed by the stock exchanges within the prescribed time.

Now, we come to the notice items:

Item No.1:

To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2025, the reports of the Board of Directors and Statutory Auditor thereon and the audited consolidated financial statements of the Company for the financial year ended March 31, 2025 and the report of Statutory Auditor thereon.

Item No.2:

To appoint a director in place of Shri Ramesh Kumar Sharma (DIN: 01980542), who retires by rotation and being eligible, offers himself for re-appointment.

Item No.3:

Appointment of M/s R S Sharma & Associates, Company Secretaries, as Secretarial Auditor

Now, I handover the proceedings of the meeting back to the Chairman.

**Shri Balram Garg:** Members who have not casted their votes through remote e-voting and joined the meeting may now please cast their votes through e-voting.

Members, who have registered as speakers, are now invited to express their views and raise queries, if any, on the notice items. We would like to request speaker members to kindly limit their views or queries to 2 minutes so that opportunity can be provided to maximum number of speakers. Moderator please remind the speaker, if he or she exceed the permitted time limit. To avoid repetition, response to all the queries will be provided in the end. Now, I request the moderator to announce the name of the speaker members one by one.

**Moderator:** Announced the names of speaker members one by one.

Out of total 17 members, who have registered as speaker for the 20<sup>th</sup> AGM, 11 speaker members namely Ms. Lily Pradhan, Shri Ajay Kumar Jain, Shri Ashok Kumar Jain, Shri Jasmeet Singh, Shri Sujan Modak, Shri Atanu Shaha, Smt. Celestine Elizabeth Mascarenhas, Shri Aloysius Peter Mascarenhas, Shri Pradeep Sood, Shri Gaurav Kumar Singh and Shri Raju spoke at the meeting. Some of the above said speaker members appreciated the Company's performance, reduction in debt, providing opportunity as speaker, etc. and also wished for the Company's better future. Some also raised queries / sought clarifications on miscellaneous issues like the Company's expansion plan / future prospects, women empowerment, impact of

tariff on US export as well as changes in GST, rights issue, capex requirement, legal cases against the Company and the steps to boost investors' confidence, etc.

**Shri Balram Garg:** Responded to the queries / clarifications of speaker members.

**Shri Vijay Panwar:** Thank you Sir. Members may note that the facility of voting on KFin Technologies Limited's platform will continue to be available for 15 minutes after conclusion of this meeting. Results of voting will be announced within 2 working days of conclusion of this meeting and will be placed on the Company's website as well as KFin Technologies Limited's website and shall also be submitted with BSE Limited and National Stock Exchange of India Limited, where the Company's shares are listed.

Now, I once again hand over the proceedings of the meeting to the Chairman for his concluding remarks.

**Shri Balram Garg:** Thank you all for attending the 20<sup>th</sup> Annual General Meeting of the Company and I hereby declare the proceedings of the meeting as closed. Thank you very much.