

ASIAN STAR COMPANY LIMITED

TRANSCRIPT OF THE 27TH ANNUAL GENERAL MEETING OF ASIAN STAR COMPANY LIMITED HELD ON WEDNESDAY, 22ND SEPTEMBER, 2021 AT 3.15 P.M THROUGH VIDEO CONFERENCING

Corporate Participant:

Vipul P. Shah

CEO and Managing Director

Arvind T. Shah

Whole-time Director

Priyanshu A. Shah

Non-Executive Non- Independent Director

Dharmesh D. Shah

Non-Executive Non-Independent Director

Rahil V. Shah

Executive Director

K. M. Pai

Independent Director

M. R. Nayak

Independent Director

Apurva R. Shah

Independent Director

Neha R. Gada

Independent Director

Jayantilal D. Parmar

Independent Director

Milind H. Gandhi

Independent Director

Sujata D. Nadgouda

Company Secretary

Other Representative in Attendance:

Statutory Auditors- Mr. Mahendra Doshi, Mahendra Doshi & Associates, Chartered Accountants

Secretarial Auditor- Yogesh D. Dabholkar & Co, Practicing Company Secretaries

Scrutinizer for AGM- Yogesh D. Dabholkar & Co., Company Secretaries

Shareholders

Sujata D. Nadgouda:

Good Afternoon, Ladies and Gentlemen. I am Sujata D. Nadgouda, Company Secretary, Asian Star Company Limited would like to inform members that I am on maternity leave and therefore I would request Ms. Gurpreet Kaur Minhas my colleague to continue today's meeting on my behalf.

Ms. Gurpreet Kaur Minhas:

I welcome all the members to this 27th Annual General Meeting of the Company. As we all are aware about ongoing Covid-19 Pandemic and Consequence to which the Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI'), Vide their Circulars, allowed Companies to Hold The Annual General Meeting Through Video Conferencing ('VC') without the Physical presence of Members at the Common Venue. In Accordance with the MCA Circulars, SEBI Regulations, the AGM of the Company is being conducted through VC. The facility to join the meeting through VC/OAVM has been made available on platform set up by National Securities Depository Limited on first come first serve basis. During the AGM if any member faces any technical issues, he/she may contact to the helpline numbers provided in the AGM Notice.

As Mr. Dinesh Shah, Chairman of the Board is unwell and is not able to act as chairman for this Annual General Meeting, therefore by provisions of Article 103 of Articles of Association of the Company, now may I request the Directors to elect one among them as the Chairperson for this meeting.

DIRECTOR 1: I am Mr. Apurva R. Shah, Independent Director of the Company, I propose name of Mr. Vipul Shah as a Chairperson for this AGM

DIRECTOR 2: I am Mrs. Neha R. Gada, Independent Director, propose and second the recommendation of Director 1 for Mr. Vipul Shah to Chair the meeting of this AGM

Thank You.

Ms. Gurpreet Kaur Minhas:

Now I request Mr. Vipul P. Shah to kindly occupy the Chair and commence the proceedings of this meeting.

Vipul P. Shah:

Thank you, Directors on the panel for electing me as Chairman of this meeting.

Good Afternoon, Ladies and Gentlemen,

I Welcome the Members to the 27th annual General Meeting of The Company. Hope all of You are Safe and in Good Health. Chairman- Mr. Dinesh T. Shah won't be able to attend Today's Meeting Hence With the permission of Members & Directors Present, I Proceed the Meeting Further as Chairman of the Annual General Meeting.

This Meeting is held Through Video Conferencing Because Of The ongoing pandemic of Covid-19, This is in Compliance with the Circulars issued by the Ministry of Corporate Affairs ('MCA') And Securities and Exchange Board of India ('SEBI').

The Requisite Quorum is Present and therefore, I Called the Meeting to Order.

I, Now Request Ms. Gurpreet Kaur Minhas to Provide General Instructions to The Members Regarding Participation in This Meeting.

Ms. Gurpreet Kaur Minhas:

Members may note that this Annual General Meeting is being held through Video Conference in accordance with the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. Without the Physical Presence of Members at The Common Venue, The Facility of The Appointment of Proxy by the Member is Not Applicable.

The register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements and minutes of last AGM, are open for inspection for members electronically during the AGM. The members may send request for the inspection by sending mail at secretarial@asianstargroup.com.

The copies of the notice of Annual General Meeting along with annual report for the year ended 31st March, 2021 were dispatched to the members through email and the same are also available on the website of the company and stock exchanges i.e.BSE limited and NSDL.

The Company has received requests from a member to register her as speaker at the meeting. Accordingly, the floor will be open for these members to ask questions or express their views. The moderator will facilitate this session once the chairman opens the floor for questions and answers.

The Company had provided the facility to cast the votes electronically, on all resolutions set forth in the notice. Members who have not cast their votes yet electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL and such e-voting facility will continue to be available for 15 minutes post conclusion of the AGM.

For the purpose of passing of the resolutions, only the votes casted through remote e-voting and through e-voting at AGM will be considered.

Members are requested to refer to the instructions provided in the notice or appearing on the Video Conference page, for a seamless participation through Video Conference. In case members face any difficulty, they may reach out on the helpline numbers.

Thank you very much.

Ms. Gurpreet Kaur Minhas:

Now I Request Mr. Vipul Shah to Continue the Proceedings.

Vipul P. Shah:

Now I would like to introduce directors and key executives present to this meeting. In case there is any connectivity problem for me at any point, as per decision of our board of directors Mr. Apurva Shah, Independent Director will conduct rest of the proceedings.

(Introduction of board members, by chairman attending this meeting)

Mr. Arvind T. Shah	- Whole-Time Director
Mr. Rahil Shah	- Executive Director
Mr. Priyanshu A. Shah	- Non-Executive Director
Mr. Dharmesh D. Shah	- Non-Executive Director
Mr. Apurva R. Shah	- Independent Director
Mr. K M Pai	- Independent Director
Mr. M.R Nayak	- Independent Director
Mrs. Neha Gada	- Independent Director
Mr. Milind Gandhi	- Independent Director
Mr. Jayantilal D. Parmar	- Independent Director

The representative of statutory auditors M/s. Mahendra Doshi & Associates, Chartered Accountant and Mr. Yogesh D. Dabholkar, Secretarial Auditor of the Company has also joined this meeting.

M/s. Yogesh D. Dabholkar &Co., Practicing Company Secretary, has been appointed as the scrutinizer for providing facility to the members of the company of scrutinizing the voting during the AGM including remote e-voting process in a fair and transparent manner.

Chairman Speech

Now I would like to share performance review of the Company

Dear Shareholders,

2020-21 has been one of the most challenging and difficult times for all of us as the Covid-19 pandemic ravaged the globe. At the outset, my sympathies are with those whose lives have been impacted by this menace. In the same breath, on behalf of everyone at Asian Star, I would also like to express my sincere gratitude to the medical fraternity, the frontline staff as well as the essential and emergency workers who risked their lives to fight the pandemic every day. The way everyone has come together and displayed tremendous grit and resilience, fills me with a sense of optimism and confidence that we will be able to overcome this crisis soon.

As we continue to fight our battle with Covid-19, I am happy to share with you that 2021 marks a significant milestone in the Asian Star journey – we have completed 50 years. For all of us at Asian Star, this milestone is both memorable and momentous. It is a time to look back at our achievements with pride, and to look ahead to the future with purpose. For us, the journey continues with the same passion and pace, the same conviction and commitment and the same determination and dedication. Because, at Asian Star, we have always believed that Every Milestone is a Stepping Stone.

These incredible 50 years would not have been possible without the contribution of all our partners – our investors, our bankers, our shareholders, our customers, our suppliers and our employees. I thank all our stakeholders for ‘Growing Together’ as a family with us, which I firmly believe, is at the heart of sustained growth and enduring success of Asian Star.

Let me now take you through the performance of the Company during the year. The rough headwinds unleashed by Covid-19 severely affected the industry. The first quarter of the year was literally washed out and there was an almost complete global shutdown. However, there was a gradual revival from the second quarter onwards. China, which is a significant market for diamonds, opened up fast. In the West, online sales in the US and Europe actually picked up in the second quarter. With the Company having a strong foothold and footprint in the global markets, this led to a notable acceleration in business. It is also pertinent to mention here the support of the mining companies who acted responsibly and allowed deferred offtakes. This ensured there was no pile-up of goods at midstream level that would choke the value chain. From the upstream to the downstream, players worked cohesively to prepare for the busy third quarter – by far the most important quarter. During the third quarter, business bounced back to near-normal levels in most western countries on the back of phased unlocking. As retail stores and outdoor activity was selectively opened, customers could return to experiential shopping.

Against this backdrop, our consolidated total income from operations for the year was Rs. 2,544.39 crore compared to Rs. 3,052.94 crore in the previous year. Our Profit After

Tax was Rs. 63.93 crore against a Profit After Tax of Rs. 63.40 crore in the earlier year (on a consolidated basis). These annual numbers reflect the challenging business environment during the year. But what definitely stands out is the Company's unprecedented performance in the last six months - our consolidated income from operations was over 32% higher compared to the last six months of the earlier year (pre-Covid-19). This exceptional performance is a testimony to the sincere efforts and team-work that everyone at Asian Star put in as a remarkable show of strength and resilience. I am proud of the team at Asian Star, and personally congratulate and thank each one of them.

As I look ahead, I am cautiously optimistic about the near-term future. The widespread succession of the vaccination drives proves that we will soon overcome this crisis. Like all crisis, this crisis too has taught us important lessons. And it is these lessons - agility, resilience, upskilling, digital acceleration - that will make us stronger as we emerge from this crisis, ready to leverage the learnings for further growth and expansion in a post-Covid world.

With that prayer and hope, I thank you for your trust in Asian Star, and urge you to please stay safe.

Thank You for your continuous Support and Cooperation.

As the Notice is already circulated to all the members, I take the Notice convening the meeting as read. Now we take up the resolutions as set forth in the Notice. We will open the floor for any questions by members after all the resolutions are tabled.

As custom, I would like to call up the agenda item of the meeting as follows:

Agenda Item 1: Is Adoption of The Audited Accounts for The Year Ended 31st March, 2021 and Reports of Directors and Auditors Thereon.

Agenda Item 2: Is Declaration of Dividend of Rs. 1.50 Per Equity Shares for Year Ended March 31, 2021.

Gurpreet:

Mr. Vipul P. Shah is stepping down as chairman since he is interested in the rest of items to the agenda and with the consent of the members present, Mr. Apurva R. Shah will occupy chair.

Apurva R. Shah:

Agenda Item 3: Re-Appointment of Mr. Arvind T. Shah, Who Retire by Rotation and is Eligible for Re-Appointment as A Director.

Agenda Item 4: Re-Appointment of Mr. Priyanshu A. Shah, Who Retire by Rotation and is Eligible for Re-Appointment as A Director

Agenda Item 5: To Approve Related Party Transactions.

The text of the resolutions, along with explanatory statement, is provided in the Notice circulated to the members, If any member desires to ask any question pertaining to any item in the notice, he/she may do so now. Members are requested to keep the questions brief and specific.

Before we go live with the Q&A, here are some points to note for your convenience. Kindly unmute yourself and proceed to ask the question when you are projected on the broadcast screen. Please mention your name, folio number and the location from where you are joining. Each shareholder will have two minutes for their questions. To avoid repetition, the Board will respond to all questions at the end. Once you have asked you question, you can switch to watch the proceedings.

After he invited the questions from the mentioned registered speaker.

Apurva R. Shah:

Can we have Ms. Lekha Shah on screen for her questions. Please

Gurpreet Kaur Minhas:

Sir. Ms. Lekha Shah is not present for the meeting.

Apurva R. Shah:

Ok. He then announced that shareholders may also reach out to the company by writing to us on secretarial@asianstargroup.com. The management shall respond to all the questions and queries.

Members may note that the e-voting on the NSDL platform will continue to be available for the next 15 minutes. Therefore, I request members who have not cast their vote yet to do so within next 15 minutes. The Board of Directors has appointed Yogesh D. Dabholkar, Practicing Company Secretary, as the scrutinizer to supervise the e-voting process. Further, I hereby authorize, the Company Secretary, to declare the result of the voting and place the results on the website of the Company at the earliest. The resolutions, as set forth in the Notice, shall be deemed to be passed today subject to receipt of requisite number of votes.

I hereby declare the proceedings of 27th Annual General Meeting concluded. On behalf of the Board of Directors, I thank each one of you. We will see you at the next AGM. Stay safe and see you next year.