



“26thAnnual General Meeting”

30th September, 2020

3.10 P.M. IST to 3.31 P.M.

Transcript of 26th Annual General Meeting of Asian Star Company Limited

Company Secretary: Good Afternoon Ladies and Gentlemen

I welcome all the members to this 26thAnnual General Meeting of Asian Star Company limited.

As we all are aware that there are restriction on travel and assembly of People, due to occurrence of Covid-19, The Ministry of Corporate Affairs (‘MCA’) and Securities and Exchange Board of India (‘SEBI’) has, vide their circulars, allowed companies to hold the Annual General Meeting through Video Conferencing (‘VC’)/Other Audio Visual Means(‘OAVM’) during this year without the physical presence of members at the common venue.

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 T. Shah, Chairman of the Board will not be able to attend the meeting and 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.

Mr. Apurva R. Shah: I propose Mr. Vipul Shah to be the Chairman of the meeting.

Mr. K. M. Pai: I second proposal of Mr. Apurva R. Shah for Mr. Vipul Shah to Chair the meeting.

Mr. Vipul P. Shah, CEO & Managing Director of the Company took the Chair

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

Good Afternoon Ladies and Gentlemen,

I welcome you all to the 26th Annual General Meeting of Asian Star Company Limited. Due to the outbreak of Covid-19 and consequent necessity to follow the social distancing norms, the 26th Annual General Meeting of the Company, is being held through VC in accordance with circular issued by the MCA and SEBI.

We have the requisite quorum present through Video Conference to conduct the proceedings of this meeting. Participation of members through Video Conference is being reckoned for the purpose of quorum as per the circulars issued by MCA and section 103 of the Companies act, 2013. The quorum being present, I call this meeting to order.

I now request Company Secretary, to provide general instructions to the members regarding participation in this meeting.

Company Secretary

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.

The Register of directors and key managerial personnel, the register of contracts or arrangements 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.

As the AGM is being held through Video Conference, the facility for appointment of proxies by the members was not applicable and hence the proxy register for inspection is not available.

The copies of the notice of Annual General Meeting along with Annual Report for the year ended 31st March, 2020 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 copies of the Annual Report for the year ended 31st March, 2020 may be with you & you may have spared some time out of your busy schedule to study the same.

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

It may be noted that the Company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM.

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. Members can click on “vote” tab on the video conference screen to avail this feature.

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

As the meeting is being held through VC/OAVM, all the resolutions have put for voting of members without requirement of proposer and seconder.

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. Now I request Chairman to take over the proceedings of the meeting. Thank you very much.

Chairman

The Company has taken all feasible efforts under the current circumstances to enable members to participate through Video Conference and vote at the AGM. I thank all the members, colleagues on the Board, Auditors and the management team for joining this meeting over Video Conference. I hope all of you are safe and are in good health.

Now I would like to introduce Directors 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 R. Shah, Independent Director will conduct rest of the proceedings.

1. Mr. Arvind T. Shah - Whole-time Director
2. Mr. Rahil V. Shah - Executive Director
3. Mr. Priyanshu A. Shah - Whole-time Director
4. Mr. Apurva R. Shah -Independent Director
5. Mr. K M. Pai -Independent Director
6. Mr. M.R Nayak - Independent Director
7. Mrs. Neha R. Gada - Independent Director
8. Mr. Milind H. Gandhi - Independent Director
9. Mr. Jayantilal D. Parmar - Independent Director

The representative of statutory auditors M/s. Mahendra Doshi & Associates, Chartered Accountants and Secretarial Auditors of the Company have 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 it is my privilege to share few thoughts on the performance of the company

Dear Shareholders

The year gone by was a challenging one with the added backdrop of heightened economic uncertainty. Continued anxiety emanating from US - China trade war, Brexit related concerns and overall geopolitical tensions led to subdued global economic growth with dampening investor confidence and sentiments. The outbreak of Covid-19 pandemic further aggravated an already difficult situation.

The Indian Gems and Jewellery Industry has been facing rough headwinds since the last few years. Banks reduced their exposure to the industry which affected the working capital management and regular operations. The Covid-19 pandemic further dimmed the prospects of gems and jewellery market, which was already under pressure with the slowdown in the global economy. The outbreak led to stalling of manufacturing and trading activities, cancellation of business events, deferment of committed orders, and reduced demand. Given the global crisis situation and restrictions on trade and travel, exports of gems and jewellery took a severe hit in the last quarter.

During the year, India's gross exports of gems and jewellery stood at USD 36 billion, as compared to USD 40 billion in the previous year. Exports of cut and polished diamonds declined 21.4% to USD 18.7 billion from USD 23.8 billion in the previous year. Gold jewellery exports stood at USD 11.99 billion as against USD 11.78 billion in 2018-19, registering a moderate growth of 1.8%.

These strong and severe macro headwinds, both in the economy as well as within the industry, impacted our performance too.

Our Consolidated Turnover for the year stood at Rs. 3,052.94 crore, as compared to Rs. 3,642.19 crore in the previous year. PBT for the year dropped to Rs. 77.61 crore as against Rs. 136.90 crore achieved in the previous year. Nevertheless, the performance of our jewellery division was the bright beacon on the horizon. Our efforts in strengthening the foundation of our jewellery business over the past few years have paid off well. In spite of a rough year, our jewellery business revenue has grown substantially; revenue stood at Rs. 653.32 crore as against Rs. 594.39 crore in 2018-19, registering a healthy growth of 9.9%. Our domestic sales are solid and jewellery exports to the US and Europe have been witnessing an upward trend. What gives us an edge is our market relevant designs and value additions, stringent adherence to quality, and customer-centric service teams.

While the weather was rough during the year, Asian Star has always endured rough weather and emerged stronger. At Asian Star, we have always stayed true to our values, integrity, and ethics, while focusing on our brand commitment of quality and reliability. Troughs and peaks are part of business cycles. Our focus on sustaining our unique business competencies, fiscal prudence, lasting relationships as well as our people policies give us an edge in the marketplace. It is this simple philosophy of purpose and principles that has enabled us to navigate through similar rough seas in the past.

Amidst these trying times, we continue to believe in the power of HOPE. We remain confident and hope that winds of change will soon usher in bright and cheerful days.

As the world gradually fights the Covid-19 pandemic and starts its determined march to recovery, we would like to pay our sincere tribute to all the frontline workers and medical staff for their dedicated service. Our deep condolences are also with the millions across the world who have lost their loved ones in the pandemic. As we gear up to embrace the opportunities and challenges in a post-Covid world, there is just one word that gives us the courage and conviction, faith and belief as well as strength and optimism – HOPE.

Thank you for your support and cooperation.

Notice, Directors Report and Auditors Report

With the consent of the members present, I propose the Notice convening the 26th Annual General Meeting, Directors' Report and Auditors' Report as circulated amongst members of the company may be taken as read.

As the AGM is being conducted through Video Conferencing, for the smooth conduct of proceedings of the AGM, members were asked to send their questions/queries in advance so that management could answer the same in this meeting.

After he invited the questions from the mentioned registered speaker.

1. Vasudha Dakwe

The Chairman replied to questions relating to the queries/comments raised by her. 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.

Mr. Apurva R. Shah read the agenda item of the meeting

Agenda Item 1: Is Adoption of The Audited Accounts for The Year Ended 31st March, 2020 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, 2020.

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

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

Agenda Item 5: To Approve Related Party Transactions.

Agenda Item 6: To Reappoint Mr. Vipul P. Shah as CEO & Managing Director.

Agenda Item 7: To Re-Appoint Mr. Arvind T. Shah as Whole-Time Director of the Company

Agenda Item 8: To Re-Appoint Mr. Priyanshu A. Shah as Whole-Time Director of The Company.

Agenda Item 9: To Appoint Mr. Jayantilal D. Parmar as an Independent Director

Agenda Item 10: To Approve for Continuation of Payment of Remuneration to Executive Directors Who Are Promoters in Excess of Threshold Limits as Per SEBI (LODR) Regulations, 2018

Chairman stated that the objectives and implications of all agendas has been set out in the additional information and explanatory statement annexed to the notice of the AGM and the annual report.

Members may note that the voting on the NSDL platform will continue to be available for the next 15 minutes. Therefore, members who have not cast their vote yet are requested to do so. The Board of Directors has appointed Yogesh D. Dabholkar & Co, 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 thank all of you for attending this meeting and announce that the meeting stands concluded.