

**Vaibhav Global Limited**

**33<sup>rd</sup> AGM Script on 2<sup>nd</sup> August, 2022**

<b>Person</b>	<b>Speech</b>
<b>Moderator</b>	<b>Play a video at 9.00 AM.</b>
<b>Sushil Sharma</b>	<p>Good Morning, Dear Shareholders.</p> <p>We hope you all are staying safe and healthy.</p> <p>I welcome to all on behalf of your company to 33rd annual general meeting being held through videoconference and other audio visual means in compliance with the circulars issued by the Ministry of corporate affairs and SEBI through the platform provided by K-fin technologies, the corporate office of the company situated at Jaipur shall be deemed as the venue of this AGM and proceeding of the AGM shall be deemed to be made here at.</p> <p>Before I hand over the proceeding to the chairman, to declare the meeting open, I would like to highlight that members are encouraged to join the meeting through their laptops and headphones for a better experience and use internet with good bandwidth to avoid any disturbance during the meeting.</p> <p>All the members joining this meeting have been kept on mute by default to avoid any disturbance that could be caused by the background noise and to cause smooth and seamless conduct of the meeting.</p> <p>Members are requested to refer the instructions provided in the notice for a seamless participation through video conference, in case member face any difficulty they may reach out on the helpline number given in the notice. I now hand over the proceedings to the Chairman. Thank you.</p>
<b>Harsh Bahadur</b>	<p>Thank you Sushil, Good morning, everybody and good evening to those that are joining us from the west. I welcome you all to the 33rd annual general meeting of your company. I am joining the meeting from Delhi, India and my name is Harsh Bahadur.</p>

	Before we start the main Proceedings of the meeting, I request the board members and key management personnel who are joined the meeting to introduce themselves.
	<b>*introduction of Directors (by themselves) mentioning name, place of joining*</b>
<b>Pulak Chandan Prashad</b>	Hi I am Pulak Chandan, non-executive director of Vaibhav, I am speaking from my hotel room in Mumbai.
<b>Sunil Agarwal</b>	Hi, Good morning, everybody. I'm Sunil Agarwal, managing director of the company, attending AGM from Bangkok, Thailand. I'm also chairman of CSR committee. Thank you.
<b>Sheela Agarwal</b>	Good morning, everyone. I am Sheela Agarwal, non-executive director of the company, attending AGM from Jaipur. Thank you.
<b>Sanjeev Agarwal</b>	Good morning, everyone, I'm Sanjeev Agarwal, non-executive director of the company. I'm attending AGM from Jaipur. Thank you.
<b>Harsh Bahadur</b>	Sunil Ji
<b>Sunil Goyal</b>	Good morning all, I am Sunil Goyal and I am an independent director in the company, I am attending this meeting from Jaipur, I am chairman of audit committee, nomination remuneration and compensation committee, shareholder's relationship committee and risk management committee. I wish well to all of you, Thank you.
<b>James Patrick Clarke</b>	Good morning, everyone. I'm James Clark an independent director and I'm attending from Bangkok, Thailand.
<b>Stephanie Renee Spong</b>	Good morning, everyone. I am Stephanie Spong and I'm joining the meeting from Bangkok and I'm an independent director serving also in the nomination and compensation committees and the social responsibility committee. Thank you.
<b>Vineet Ganeriwala</b>	Good morning, everyone I'm Veenit Ganeriwala, Chief Financial Officer of the company and attending the AGM from a Bangkok, Thailand.
<b>Harsh Bahadur</b>	Thank you, ladies and gentlemen, apart from those that have introduced themselves, we also have some key executives and senior management joining us from their respective locations. The representatives of our statutory

	<p>auditors BSR &amp; company LLP and our secretarial auditor Vinod Kothari &amp; company, have also joined the meetings.</p> <p>Participation of members through video conference is being reckoned for the purpose of quorum under Section 103 of the Companies Act. We have the requisite quorum present through video conference to conduct the proceedings of this meeting and therefore I will call the meeting to order. I now request to Sushil Sharma, company secretary to provide general instructions to the members regarding participation in this meeting. Sushil</p>
<p><b>Sushil Sharma</b></p>	<p>Thank you Sir,</p> <ol style="list-style-type: none"> <li>1. As mentioned in the notice, the facility for participation at the AGM through video conferencing have been made available on first come first serve basis.</li> <li>2. The register of director and KMP, the register of contracts and arrangements, have been made available for inspection electronically by the members during this AGM.</li> <li>3. As the AGM is being held through videoconference, the facility for appointment of proxy by the members was not applicable, and hence the proxy register is not available for inspection.</li> <li>4. The company has provided facilities to member for posting their queries through this platform and also provided a facility for “Speaker’s Registration” who would like to express the views and question during the AGM.</li> <li>5. Registered speaker shareholders can express their views or ask question. However, provision has also been provided for non-registered speaker shareholder attending the AGM to express their views and raise question through the icon available on the screen.</li> <li>6. Once the question answer session starts, we will announce the name of speaker shareholder one by one speaker shareholder they unmuted by the host before speaking, the speaker shareholder is requested to ON his video. If shareholder is unable to join through video for any reason, can speak through audio mode</li> </ol>

	<p>7. If connectivity problems arise to any speaker, then we may ask next speaker to join. Once the connectivity improves, the shareholder can speak after completion of all shareholder's turn</p> <p>8. We requested shareholders to limit his speech for two minutes</p> <p>9. The company reserves the right to restate the number of question and number of speakers depending upon availability of time as appropriate for smooth conduct of the meeting.</p> <p>With this, I now hand over the proceeding to the chairman and request him to address the shareholder, over to you sir.</p>
<p><b>Harsh Bahadur</b></p>	<p>Thank you again Sushil</p> <p>Dear Shareholders,</p> <p>I am happy to present to you the first integrated report and the 33<sup>rd</sup> annual report of Vaibhav global limited for the financial year 2021- 2022, year was characterized by a global macro challenges of volatility, cost inflation and pandemic led aberrations. Our commitment to grow responsibly and our strategy of maintaining a diversified portfolio enabled us to deliver stable performance and emerge quite resilient this year. We remain focused on investing in future capabilities. I am confident that our business model underpinned by a robust strategic approach can adapt to any environment.</p> <p>We are an electronics retailer of fashion jewellery, gemstones, lifestyle products and accessories in the US, UK and Germany. With access to approximately 124 million households, through our TV home shopping networks and our digital platforms, the group has demonstrated a track record of consistent growth in distance retailing over the last few years</p> <p>We take pride in being a value player by offering compelling prices to customers. This is enabled by our direct sourcing and an asset - light business model. Our focus on expanding our channel footprint along with widening the product portfolio has broad based market share gains across the US and UK over the last few years and we are confident of continuing this momentum.</p> <p>A fully integrated supply chain is our moat, and we manufacture a large majority of our jewellery products which allows bulk sourcing and better price negotiations. We have also ventured into the manufacture of apparels. Apart</p>

from China, India, Thailand and Indonesia, we have a strong sourcing arrangement from several other countries. This strong supply chain mechanism allows a great value proposition to the customers and sustains gross margins above 60%. Even during the recent period when the freight cost went up sharply and this was coupled with both sea and air freight capacity constraints, we were able to tide over these challenges with relatively reduced impact. Besides our cost, our vertical model also helps reduce delivery time and better control over quality of products.

We understand the potential of being an Omni Channel retailer with a cost category selling approach, with the intent of deepening our customer engagement, we continue to introduce new non jewellery products regularly, TJC beauty our dedicated beauty products channel expanded its reach in the UK by launching on Sky which is the UK is largest pay TV broadcaster, non-jewellery products now provide synergistic adjacencies to TJC is fashion jewellery portfolio. At similar price points, allowing us to target a larger wallet share of customers. This also helps us improve retention and repeat purchase by customers.

Our key focus of the year has been to consolidate our branded products to enhance customer trust and loyalty. Today, our in house brands contribute between 25 and 30% of group revenue. Further, during the year, we acquired the global online brand rights of “Rachel galley”, a UK based jewellery designer brand. This is the multiple award winning brand which focuses on the principles of exceptional jewellery at affordable prices. Also, we launched 10 new female fashion apparel brand targeting customers above 40 years of age. We believe that the wider brand presence across multiple sales channels allows higher recall and better customer retention, and of course, repeat sales opportunities.

At Vaibhav Global Limited, we constantly nurture a culture of innovation across products as well as processes. In product innovation, we have created multiple programmes such as ‘Innov8’ for our employees and their family members, a program called “Draw and Design” for college students, ‘SPARK’ for entrepreneurs, ‘Idea Labs’ for customers, ‘Catapult’ for outside Innovators.

We are proud to share the fact that sales from our innovative products contribute about 5% to our global revenue last year. Similarly, on the process front, we encourage our employees to share their process ideas. During the year we received more than 2000 ideas from our employees. 246 of these ideas have already been implemented. Processing innovation is expected to provide operational synergies and cost optimization across the organization.

Vaibhav Global has also consistently believed that value creation and sustainable business practices are complementary goals. Renewable energy is a key focus area and VGL's strategy for mitigating climate change risks. We have set a target to become carbon neutral in scope one and two emissions by 2031. Solar power capacity of 3.23 megawatts address is 100% of our energy requirement in Jaipur. Our two office buildings in the US are also using 100% renewable energy. During the year, we develop to Miyawaki forests in India across two acres of land and planted approximately 26,000 saplings there. We compost all our biodegradable waste and safely dispose of our plastic and E waste in our India units. Efforts are already underway to follow the process at all group units also, under our flagship one for one meals initiative called your purchase seeds, we serve 13 million meals to schoolchildren in India, the US and the UK during FY 22. We have now served 63 million meals since the start of this program

Our differentiated value proposition through the deep discounting model, presents an opportunity to grow faster organically in the US and the UK and new foray into Germany. We are on the right course and the company will continue with its efforts to improve returns to its shareholders deliver quality products and take customer centricity to the next level. we are also proud to be a company with the highest level of corporate governance and transparency. As we look ahead to continued success. On behalf of the Board of Directors, I take this opportunity to express my sincere appreciation to our customers, partners, employees, and shareholders. for your continued support and trust. I seek your continued support for the company to grow and progress to greater heights.

	<p>I thank you all for your attention and I now hand over again to Sunil Agarwal, our Managing Director.</p>
<p><b>Sunil Agrawal</b></p>	<p>Thank you, Harsh. It is a pleasure to connect with all of you today. Thank you for joining us and I hope you and your families are keeping safe and healthy. I'm happy to take you through our journey in FY-22 its quite a challenging year for the digital retail industry and a year of investments for us where we created future growth levers.</p> <p><b>SLIDE 2: GUIDING PILLARS THAT DEFINES VGL</b></p> <p>Our vision and mission statements serve as a guiding principles for us enabling long term value creation for all our stakeholders. our vision to become value leader in electronic retailing of jewellery and lifestyle products, inspire us to deliver market leading growth.</p> <p>Our five core values govern, conduct and actions right from senior management to every individual in organization.</p> <p><b>SLIDE 3: VGL TRANSCENDS 2 POOLS OF PRODUCT VERTICALS</b></p> <p>VGL has a wide portfolio of fashion, jewellery and lifestyle products. The size of immediate addressable markets VGL caters to is quite large at approximately \$20 billion. We constantly test and expand product portfolio in available wide spaces.</p> <p><b>SLIDE 4: KEY PILLARS</b></p> <p>VGL's moat lies in its business model, which is an efficient interplay of key components.</p> <p>Our ever- widening product portfolio enables us to grab larger wallet share of our customers.</p> <p>Our vertically integrated supply chain across 30 plus countries is the backbone of our business, resulting in industry leading highest gross margins.</p> <p>Our Omni channel model facilitates high lifetime value for our customers.</p> <p>In addition to our umbrella brands, shoppers and TJC, our in house product brands help us gain customer loyalty and additional margins.</p>

All these key pillars have resulted in delivering sustainable value creation for all our stakeholders over the years.

#### **SLIDE 5: TRULY GLOBAL PRESENCE**

Our end to end business model gives us unique positions an advantage in our addressable markets. During FY -22 We launched our operations in Germany. The initial response has been increasing and today we have coverage in approximately 27 million households there, our learning in the US and UK will benefit immensely in Germany and Austria.

#### **SLIDE 6: 4R's OF CUSTOMER ENGAGEMENT**

Our **4R** strategy covers Customer **Reach**, **Registrations**, **Retention** and **Repeat** purchases.

During the year we expanded our **reach** through more OTA homes acquisition. As on March-22, our reach has increased to 124 million households. In UK, we are getting positive new customer acquisition with our free view channel shifting to 22 from erstwhile position of 50.

To improve customer **Registrations**, we made investments in our tech-infrastructure -website & mobile apps and OTT apps. This has resulted in new **registrations** at 3.2 lakhs on trailing 12-month basis, which is slightly lower YoY but higher by 79% over FY20.

Our customer **retention rates** stood at 40% on TTM basis as on March-22. The retention ratio is lower YoY as last year had a wider base of customer who bought essential items.

To improve customer **Repeat** purchases on our various shopping interfaces we recently invested in Sales Force marketing and Service clouds. Both are in process of implementation. We sold on an average of 27 pieces per customer.

#### **SLIDE 7: COMPLETING 25 YEARS OF PUBLIC LISTING**

In May-2022, VGL completed 25 years of public listing in India. We take this opportunity to thank our shareholders who shared this journey with us, their continued trust, confidence and support during all the years. This has been a great journey with consistent healthy returns.

#### **SLIDE 8: EXPANDING RETAIL BUSINESS: 5 YEARS JOURNEY**

Moving on to revenue performance, in FY22, revenue grew by 8.4% to Rs. 2,752 crores. Retail revenues increased by 6.8% to Rs. 2,685 crores. When we compare this number against FY- 22 growth rate has a significantly higher at 38.6%. In constant currency, shop LC he grew by 4.8% YOY, but it was 28.1% higher over FY-22 in local currency, while UK was flat YOY against FY- 2020 grew by strong 32.3% in constant currency terms.

During first year of the year, during the first half of the year, US and UK economies opened and people moved towards in person shopping or phenomenon called Revenge outing and buy, in last quarter inflation led economic headwinds, muted consumer sentiments, which led to lower the expected performance by whole digital retail industry. Leave that this is a temporary aberration in the ever increasing digital transition.

Amidst all this our five year CAGR remains health plus business parameters, we remain confident to continue our strong growth journey in mid to long term in coming years.

#### **SLIDE 9: PROFITABLE GROWTH**

Our performance over the past many years have remained consistent with healthy double digit growth across business parameters. Our gross margins continue to remain above 60% attributable to our vertically integrated supply chain and efficient product mix. Dropping EBITDA and PAT Margin reflects our plan OPEX on digital marketing, increased airtime for OTA platforms and initial setup costs of Germany.

#### **SLIDE 10: BUSINESS TRANSITION DASHBOARD**

This slide will give you a breakdown of our business transition, how it is transitioning from sales channels, product mix, geographies and budget pay. We are delivered consistently across all these parameters by growing presence across platforms, product portfolios and offering budget pay schemes without risking our profitability. This is reflected in the numbers on your screen. We expect to further improve these mattresses in future, which will discuss in a slide 13.

### **SLIDE 11: FY22: A YEAR OF INVESTMENTS**

FY-22 was the year of investments for us building our digital capabilities. We continue with plant investments in new OTA homes, elevated digital marketing spends on OTTs, social media, and third party marketplaces.

We also invested in upgrading technology infrastructure, namely website, Salesforce commerce cloud, our website our mobile and OTT apps, implementation, implementation of robotics automation at our warehouses have started to yield positive results with more benefits to accrue in future.

In UK, our TV channel upgrade to number 22 from erstwhile position number 50 is resulting in improved viewership and new customer acquisitions. Some other key developments over the years. Over the year were launch of our new apparel brand Dempsey and affordable women's centric apparel brand and acquisition of global digital retail rights of Rachel galley, a UK based contemporary digital brand.

During the year, shop LC acquired new land for its new headquarters in Austin, whose completion is expected in FY 24. This move is likely to provide cost optimization and functional integration, integration benefits in the future. We also completed acquisition of encase packaging, which will strengthen our supply chain provide requisite flexibility, cost arbitrage and sustainable packaging opportunities.

### **SLIDE 12: ESG**

We at VGL are committed to sequester the carbon emission through a number of initiatives like solar energy, forestation, and E-vehicles. I'm happy to share that in FY 22 approximately almost 100% power requirements of manufacturing units in Jaipur are fulfilled through our solar power.

Towards our forestation, we have planted 26,000 saplings on two acres of land for two Miyawaki forests. Additionally, till date we have planted 5600 saplings in other locations. Under our flagship meal program- '**Your Purchase Feeds...**', we have crossed a milestone of 67 million meals with a run rate of 59,000 meals donated every single school day. The program offers more than just a meal. It also helps to feed the hearts, minds and future of children.

At VGL, we are committed to high standards of corporate governance with 50% of board members being independent. We regularly pay dividends to maximise shareholders' wealth. Last year we paid 41% of our earnings as dividends. Our India, US and UK units are **Great Place to Work** certified.

### **SLIDE 13: WAY FORWARD**

**Expanding Lifestyle Category:** We are leveraging our Omni channel network and procurement base to offer more varieties under lifestyle category and expect to reach 50-50 jewellery and lifestyle product ratio by FY 25.

**Accelerating Digital:** We invested considerably in building our digital capabilities, like website and apps upgradation, salesforce marketing cloud. With these building blocks in place with target to reach 50-50, TV and digital sales mix by FY 25.

**Guidance:** Our outlook for medium and long term remains unchanged and we are confident to deliver our guidance of mid teams of revenue growth. We remain cautious of current economic environment and therefore expect to have mid-single digit revenue growth for FY 22-23. We also keep our focus on profitability with prudent Capital Management.

**Market share:** We're continuously gaining market share in US and UK and recently increased our geographical presence by venture German market. Today we can take advantage of market dynamics through our diversified portfolio and does remain confident of further improving our market share.

**Sustainability:** As I mentioned last slide, we are conscious of our responsibilities towards communities and environment. Our mid-day meal program continues to expand with the increasing number of pieces sold. With our close attention to environment, we are also making every possible effort to reduce our carbon footprint.

Towards the end, I would like to say that the recent macro challenges are transient. With our focused strategic pillars in place, we expect continued and sustainable growth in the medium and long term.

I would also like to thank our shareholders for continued support board members for guidance and community partners who give us a meaning to what we do every day.

Back to you, Harsh.

<b>Moderator</b>	Charmian sir you are on mute please.
<b>Mr. Harsh Bahadur</b>	<p>Thank you Sunil,</p> <p>The notice of the 33rd Annual General Meeting and directors report have already been circulated electronically to the members and I shall take them as read, the audit report on standalone and consolidated financial statements. The secretarial report of the company for the financial year 2021-22 do not contain any qualification reservation and adverse remarks or disclaimer with your permission I shall also take them as read</p> <p>The company had provided remote E- voting facility to members to cast the votes on all resolutions set forth in the notice. Members who could not cast their vote through remote E-voting and who are participating in this meeting can cast their vote through e- voting system provided by K-fin technologies. The procedure for casting the vote is provided in the notice of the meeting. As the meeting is convened through video conferencing today, resolutions have already been put to vote through remote and E-voting and the requirement to propose and second is not applicable.</p> <p>Over to you Sunil, Sushil.</p>
<b>Sushil Sharma</b>	<p>Thank you, Sir</p> <p>Dear shareholders,</p> <p>The moderator will announce the name of the shareholder one by one, who have registered themselves as Speaker Shareholder, to express their view and ask questions. I am now handing over the proceeding to moderator for Q &amp; A session.</p> <p>Moderator, over to you please</p>
<b>Moderator</b>	<p>Thank you Sushil sir, now I take upon the speaker shareholders, I request the first speaker shareholder, Mr. Kirthi shah to unmute the audio switch on the camera and ask the question please. Mr. Kirthi shah, I'm sorry sir Mr. Kirthi shah has now joined the meeting, I move on to the next speaker shareholder envision capital services Private Limited. Can you please unmute the audio switch on the camera and ask the question please? Envision capital services, can you please unmute and speak? We can see that envision capital services has joined the meeting and they have unmuted as well. But we are not able to hear their voice.</p>

<b>Nilesh Shah</b>	Hi, this is Nilesh Shah here from Envision capital.
<b>Moderator</b>	Yes, your voice is loud and clear. You can speak sir.
<b>Nilesh Shah</b>	<p>It's an honour to be here part of the AGM.</p> <p>I have been a long term shareholder of Vaibhav Global and I must say that it has been a fascinating journey for me as an investor and to see Vaibhav Global growth.</p> <p>Congratulations to Sunil and the entire team at Vaibhav global for having built this company to this scale over the last 25 years and I must say that the 25-year track record, I think has been phenomenal and I must congratulate again Sunil and the team for building a world class company and competing in the most developed economies of the world.</p> <p>I have very passionately and very diligently observed all the important steps taken by Vaibhav global over the last so many years, from moving from TV to web and from just moving from jewellery to other lifestyle products moving from US to UK and now Germany.</p> <p>So I think the company has essentially taken very timely, prudent steps, which I think are going to help in the long term growth trajectory and look forward to essentially being able to participate in the long term growth of Vaibhav global.</p> <p>I think just a few more suggestions or not just suggestions but I think we need to essentially try and ensure that we make the most of this current downturn, which is there in the US and UK, we have been growing a market share clearly the opportunity is so large and the fact that we are so vertically integrated.</p> <p>Clearly there's a value proposition for the customers and therefore that should help us to grow at even a faster pace than the current single digit that we are growing at. I would also wish that our medium term aspirations should probably not just be in mid teams but probably should be a lot higher given the kind of size of the market and the scale of the opportunities.</p> <p>So that's what I would really want to add, its because I think we have done a lot. We have solid foundation and we can achieve a lot more especially we can achieve what we in the last 25 years, what we have achieved.</p>

	<p>I think it's quite possible for us to sustain those growth rates in context of the size of the opportunity and whatever we have done as a company over these years.</p> <p>So that's my only kind of suggestion or thoughts but otherwise, it's been an incredible journey and congratulations once again to the team at Vaibhav global and especially Sunil for leading the team and best wishes for the future and look forward to being a long term partner.</p> <p>Thank you so much.</p>
<b>Moderator</b>	<p>Thank you. I move on to the next speaker shareholder Mr. Dinesh Gupaldas Bhatiya, yeah, Mr. Bhatiya, can you please unmute the audio switch on the camera and ask your question please Mr. Bhatiya, can you please unmute and speak.</p>
<b>Mr. Dinesh Gupaldas Bhatiya</b>	<p>सुनाई दे रहा है ma'am?</p>
<b>Moderator</b>	<p>सुनाई दे रहा है सर बात करिए Thank you.</p>
<b>Mr. Dinesh Gupaldas Bhatiya</b>	<p>Hello Chairman जी मैं आपको और आपकी entire team को Congratulation कहूंगा कि बहुत बढ़िया result, आप और आपकी टीम मेहनत कर रही है, हम देखते हैं कि इतना pandemic period में भी हमारी कंपनी ने मुनाफा किया है और वह भी जैसा तैसा नहीं 2 रुपए के share के सामने हमारा earnings per share जो है standalone में 7 rupees .89paise यह एक आप लोगों की मेहनत और आपकी टीम की बढ़िया चीज दिखा रही है हमें उसके लिए खुशी होती है और मैं उसके लिए आपको और आपकी पूरी टीम को congratulations कहूंगा और भी मैं congratulations सर उसके लिए कहूंगा जो हमारा 43 पेज पर जो दिया है, Awards दिए गए हैं, काफी awards है उसके लिए भी आपको और आपकी टीम को बधाई देना चाहता हूं आप लोग बहुत बढ़िया काम कर रहे हैं, बहुत अच्छी चीज है इसमें सुनील जी अग्रवाल को तो इंडिया का एक अलग से अवार्ड मिला है उसके लिए उनको को भी खास खास में congratulate करता हूं उन्होंने जो अभी प्रेजेंटेशन में काफी mahiti dedi, तो हमें कुछ पूछने की आवश्यकता ही नहीं है बहुत बढ़िया प्रेजेंटेशन दिया और काफी mahiti hume dedi और आपका secretarial team भी बहुत अच्छा काम कर रही है, जो रिपोर्ट बनाया है वह बहुत ही excellent बनाया है काफी mahiti हमें uss me se मिल गई है तो मैं हर एक resolution में support देता हु,</p>

	<p>मेरा एक ही चीज का आपको छोड़ा था वह भी खाली समझने में लिए, मेरा ऐसा कुछ नहीं है जो हमारा foreign exchange investment कितना है? हमारा इनकम कितना है foreign exchange में और outgoing कितना है? क्योंकि हम जो देख रहे हैं promoter holding जो 57.96% है बढ़िया holding है, और दूसरा हमारा जो foreign portfolio investor है 79 foreign portfolio investor है जिसका 10.71% shareholding है, वह एक खुशी की बात है कि जो सब अपनी कंपनी के ऊपर भरोसा करते हैं और इतना बढ़िया इन्वेस्टमेंट आया है तो हम sure हैं, पात्री है कि हमारी कंपनी आगे ही आगे तरक्की करती रहेगी, मेरा खाली एक ही सुझाव है कि अगर हमारे 33rd AGM है तो क्यों ना आप हमार share को split करे, आपने पैसे भी तो ₹2 का share split किया है, हमारा जो कंपनी का जो भाव है आप स्टॉक एक्सचेंज में देखेंगे तो lowest भाव 288 or highest भाव 858 हुआ है, तो यह जो हमारे कंपनी के ऊपर investor की भावना जो दिखा रही है और विश्वास दिखा रही है हमारे कंपनी प्रगति में ही है, आगे ही आगे प्रगति करेंगे बस यह split अगर आप ₹1 का शेयर करेंगे तो हमें मिनी बोनस जैसा हो जाएगा और हमें लगेगा कि अपना जो capital structure जो accounting जो है उसमें किसी में भी कोई फर्क नहीं पड़ेगा खाली हमें खुशी होगी कि हमारा ₹1 share 2 share हो गया, बाकी तो मैं हर एक resolution में support देता हूं,</p> <p>All the best thank you.</p>
<b>Moderator</b>	Thank you, Mr. Bhatiya. Now I move on to the next speaker shareholder, Mr. Praveen Kumar, Mr. Praveen Kumar can you please switch on the camera and ask your question?
<b>Praveen Kumar</b>	Hello.
<b>Moderator</b>	प्रवीण जी आपकी voice break हो रही है।
<b>Praveen Kumar</b>	I'm audible ma'am?
<b>Moderator</b>	Yes, yes. You are audible.
<b>Praveen Kumar</b>	Very very Good morning to my respected chairman, shareholders and MD my decorated esteemed Board of Director myself Praveen Kumar joining this meeting from new Delhi. First of all, I love to express my views. A, I love to thank the entire management for, you know, before the meeting the start, the presentation is excellent and for a retail investor like us, it is very, very eye

	<p>opener. I'm part of this company for more than a decade and over the period sir, first of all, I love to thank our chairman and MD for detailed in depth speech. I think you've covered almost everything sir and I put my hundred Percent accent to the resolution which is set up for the notice and I have great faith in your ability to take the company to the greater heights as you mentioned in your speech sir. We are you know, conquering the world and I have best wishes for the management. We are now entering Germany and you know, we received great welcome from them, accepted our product portfolio which we expand and it really shows that our product is world class and the sky's the limit for us, right sir, sir for a retail investor, for a investor like me, the barometer of the company is also decided by the government governor sir, in this regard, I love to thank our secretary Mr. Sushil Sharma and his entire team for you know, carried out excellent corporate governance, the highest standard maintain and I request him in the future also under your able direction, he will maintain those standards and I don't have any suggestion, I have only compliments that bless you so that you will take to the newer height in the future on a sustainable basis to bring our grew organs, just a request from next year also, the COVID is behind us. It's a simple request, I don't have any suggestions, just a simple request, please conduct the meeting through VC only so that it will be a great pleasure to us, so that we will see you, see the benefit of you know, COVID taught us lots of thing and, you know, our business model is such that it's on TV now web series, you know, our respected MD sir are sitting in Bangkok and our foreign independent director also sitting in Bangkok and we are, you know, say hello to them and listening to them and that is the power of internet, So I wish a normal request to the management if you consider this. I'm very, very thankful to them, for giving this opportunity, a platform, I express my view from the last 10 years and I wish all the very-very best to the management's.</p> <p>Thank you very much.</p>
<b>Moderator</b>	Sunil sir, you want to answer the questions first before I move on to the next speaker shareholder?
<b>Sunil Agarwal</b>	Yeah, sure. Thank you so much moderator, so Nilesh Bhai, thank you very much for your continued confidence, your support, you've been a long time

shareholder and I appreciate your continuous suggestions. Your point about faster growth is well noted. It will be our endeavour to give the best growth possible. Given we have a guardrail of 60% gross margin. EBITDA leverage we've not been able to give last year and we also given guidance for this year, we will give a leverage by the end of the year but given the current economic environment, we will be more prudent into not taking undue risks but preserve shareholders value all across all parameters but we continue, as I mentioned earlier in my speech, we continue to gain market share, whether the economy is good or economy stuff, we are confident of continuing to gain that and we will gain that for many- many years to come because our business model is very robust and very- very unique and very difficult to replicate. So that confidence is there for, for me and for our team, We'll continue to do that. Mr. Dinesh Gopaldas Bhatiya so thank you for your support and all your comments. I really appreciate your question about forex investment, forex incoming, Forex outgoing. So investment, our businesses very low capex model. So we don't have a lot of capex investments in our business. Our investment in US, UK, Germany are largely inventory and some receivables. In US, we've just bought land for our headquarters. Currently three buildings here which were rented. So instead of renting, we wanted to have our own integrated building where we could have better efficiencies and better communication and lower cost. So that will be the only major investment in real estate there. Your next question was income and outgoing, all our income 98% of our income is in foreign exchange and our outgo, when we buy the product is in Asia mostly when we most of our workers are in Asia. So our outgoing is largely in Asian currencies in rupees and other Asian currencies. So there is a benefit. There is an actually model of the company. The income is in the western currencies and the expenses are mostly in rupees or Asian currencies, from Forex exposure point of view, where there's a lot of natural hedge and we do some Forex hedging as well but very-very minimal and we don't take any Forex risks in the company. Mr. Praveen Kumar, thank you for your 10 years of investment and confidence in the company. I really appreciate that and thanks, thanks for suggestions about continuing VC to long term future AGM through VC. So we'll keep that in mind definitely and I appreciate your comments about good

	<p>governance and our secretarial practices, I really appreciate that. So much appreciated everybody support and guidance.</p> <p>Moderator back to you.</p>
<b>Moderator</b>	<p>Thank you Sunil sir, I move on to the next speaker shareholder Mr. Shreepal Singh Manohar Can you please unmute the audio switch on the camera and ask the questions.</p>
<b>Mr. Shreepal Singh Monohar</b>	<p>मेरी आवाज आ रही है सर?</p>
<b>Moderator</b>	<p>आ रही है सर बात करिए, thank you</p>
<b>Mr. Shreepal Singh Monohar</b>	<p>मैं श्रीपाल सिंह मनोहर, गुरुग्राम हरियाणा से बोल रहा हूं, चेयरमैन साहब आपको और आपके पूरे बोर्ड को सादर प्रणाम और सादर नमस्कार करता हूं, चेयरमैन साहब आप के direction में कंपनी ने अमूल्य 35 सालों में बहुत अच्छी तरक्की की है इसके लिए मैं आपको और आपके पूरे बोर्ड को बहुत-बहुत बधाई देता हूं, आप के शासन और प्रशासन में कंपनी प्रगति के पथ पर अग्रसर है, covid का हमारे कामकाज पर कितना असर पड़ा है? आने वाले सालों में कितनी विस्तार की योजना है? और इसके लिए फंड की व्यवस्था कैसे करेंगे विस्तार से बताइएगा, एक्सपोर्ट के लिए क्या vision है और बोनस पर विचार जरूर कीजिएगा, आपसे निवेदन है कि भविष्य में भी आप AGM, EGM और board meeting वीडियो कॉन्फ्रेंसिंग के द्वारा ही कीजिएगा इससे तन, मन, धन की बचत होती है जो कंपनी की प्रगति में बहुत बड़ा योगदान होगा, आपका सेक्टर डिपार्टमेंट बहुत अच्छा काम कर रहा है समय पर बैलेंस शीट और नोटिस मिल गया है और कंपनी सेक्रेटरी साहब ने अपना अमूल्य समय निकाल कर के हमारा मार्गदर्शन किया है, इसके लिए हम उन सब का आभार व्यक्त करता हूं, धन्यवाद जय जिनेंद्र जय हिंद।</p>
<b>Moderator</b>	<p>Sunil sir over to you for answering.</p>
<b>Sunil Agarwal</b>	<p>Thank you shripal Singh Ji, I appreciate your questions, Your question about funds management and also your point about capex needs. So we have a satellite model and cash generating business model. So we don't need capital from outside, we don't need to raise capital for our business. In fact, we are giving out dividends to a large portion of our earnings</p>

	<p>because we have confidence of generating cash in coming quarters and years, मैं हिंदी में भी बोल देता हूँ, आपका question था की पैसे को capital को कैसे मैनेज करेंगे तो हमारे module के अंदर हमें बाहर की capital नहीं चाहिए हम लोगों का model cash generative है और हम लोगों dividend भी payout करते हैं अपने case generation का काफी बड़ा portion जो हम लोग आने वाले समय में ऐसा ही देखते हैं कि हम लोग payout करते जाएंगे। I appreciate your confidence in the team, our secretary department so thank you very much for your confidence. For your next point about coming to continuing AGM through VC in future. We'll definitely keep that suggestion in mind and we'll have either hybrid or have only VC. We'll keep that in mind.</p> <p>Thank you very much.</p>
<b>Moderator</b>	<p>Thank you, sir. Now I move on to the next speaker, shareholder Mr. Aspi Berman Bisaniya, Mr. Aspi Bisaniya Can you please unmute and speak?</p>
<b>Mr. Aspi Berman Bhisana</b>	<p>Sir can you see me and hear me?</p>
<b>Moderator</b>	<p>Yes, sir. We can see you as well as hear you. Thank you</p>
<b>Mr. Aspi Berman Bhisana</b>	<p>chairman sir I am aspi from Bombay. I welcome all the directors and fellow shareholders, I'm also a shareholder from many- many years but I couldn't attend a meeting in absence of hybrid meeting. Sir congrats on 25 years of listing, how do you propose to celebrate that, not many companies celebrate 25 years. I also welcome Miss Stephanie Spong, thank the company secretary for allowing me to speak, he also informed a Speaker Number. I would like you to display your apparel and lifestyle products in the annual report. Thanks for the dividend but I prefer you becoming a debt free company and then also you can go for a buyback because buyback is tax efficient for the shareholders, sir I congratulate the management on very good increase in top line and I hope you continue to increase it that way. Sir inventory and receivables have increased quite a lot year on year, what are your plans to reduce your same, sir please explain the term asset light because inventory and receivables are quite high. So which SSI referring to, sir our company secretary mentioned that</p>

	<p>a membership join using good bandwidth. You have to use a bandwidth given by our internet service provider, we don't have opportunity to change also since there are only two providers. sir I pleased to read that .....(voice interruption)..... subsidies loan of 33 crores as shows our government also learns from that, the entire top management is in Bangkok. You can hold our AGM in Bangkok and invite shareholders to Bangkok at our expense at the shareholder's expense. Do you have any proposals to give discount to shareholders and do you have any retail showrooms in Bombay then I would also like you to continue with hybrid AGM in future. Thank you very much and all the best for the future. I appreciate your answering immediately, which is a very good sign. You cannot skip any questions in that case, whereas many management skip questions, and I hope I'm not muted. Till you reply.</p>
<p><b>Sunil Agrawal</b></p>	<p>Mr. Aspi berman Bisaniya Thank you very much. A lot of questions, so I'll try to answer as many as I can. So thank you for your compliment about 25 years of our celebration, 25 years of our listing. So the celebration is continued growth of your company, and continued sharing of the growth and the cash flow that we have. So we celebrate with that. Stephanie is an amazing addition to our boards and I speak to her very regularly every month and she has tremendous amount of value, your point about LSP product or their apparels on our annual report. So we are we already add a lot of products on our annual report but we'll take your suggestion to add more and more of them. The suggestion about buyback, we'll keep that in mind at the opportune time, we'll definitely look at that as an option as well. Although there is a tax incidence on buyback, which dividend does not so there is a little bit little bit of friction there but we'll definitely keep that in mind. Your next point was about inventory receivables so inventory and receivables are there was a bit of an increase last financial year. A part of this was due to the logistics delays in shipping, because the shipment was taking about 75 to 90 days compared to regular 35 to 40 days by sea and more goods in transit during that time and also some tastes change during that happened and also we bought more and we expected to sell more but sell as much as we expected. So you're right that we did build up inventory in the last financial year, but expect to normalize it in current periods, your question was asset light, by that we mean that our Capex requirements in</p>

	<p>machine plant, real estate, hundreds of shops and 1000s of shops that is that requirement is not there so we broadcast from single location all over US, single location UK and London to all over UK and single location in Dusseldorf to all over Germany. So that really helps in our manufacturing our Capex requirement is very low because of the nature of the product so that's why we say we are much asset like business model. About the bandwidth, I respect your limitation only two internet providers so you're perfect so there's no issue with your bandwidth, 33 crore loan, there was a US government, they came up during the onset of pandemic and we are thankful for that and during the initial period, there were a lot of .....(voice interruption)..... in the business. That's why we applied and we got the waiver of that loan, Bangkok AGM so we combining the AGM and board meeting, as well as our twice year management meeting so we're 40 of our team members across the globe so every year we do twice a year meetings of all our top leaders somewhere in the world where we operate so Bangkok is a place that we operate as well so every two four years of Bangkok turns come and we all gather here otherwise, sometimes we gather in Jaipur sometimes in China, sometimes US, UK and sometimes in Bali. There wherever our operations are and the opportunity is for us to get to know each other, meet each other, meet face to face and exchange ideas yes and your point was about retail stores so I'm not sure I got that point fully but we have no plan right now of retail stores anywhere in India or anywhere else. Our idea, our current business models to stay in electronic retail through TV, through our own websites, mobile apps, marketplaces and social retail that our business currently, not to say that we'll never go in retail maybe at some point of time, if that becomes our customer request that has good ROI. We may look at it but at this time, there is no such plan.</p>
<p><b>Aspi Barman Bhisana</b></p>	<p>Thank you very much.</p>
<p><b>Sunil Agarwal</b></p>	<p>Thank you Mr. Aspi. Appreciate.</p>
<p><b>Moderator</b></p>	<p>Thank you MD sir. The other speaker shareholders Mr. Keshav Garg, Mr. Ravi Kumar Reddy, Robin V. Jain, Mr. Rajesh Kumar Jain and Mr. Kirthi Shah have not joined the meeting and with this we have completed with the speaker shareholders. I hand over back to the board.</p>

	Thank you.
<b>Sunil Agarwal</b>	There was one question that I see here.
<b>Sushil Sharma</b>	Sunil, we also apart from the speaker shareholder, we also received one question through our you can say in writing from the shareholder, since we have major operation in US, how the see's inflation search and economic challenges in the US market? This the question we received from the shareholder.
<b>Sunil Agarwal</b>	Yeah, I'll be happy to answer that so the inflation is constraining our customers, they are having to spend more on the petrol there because called gas in US and they're having to pay more on the rent and the food so the customers are currently a constraint but we believe that every challenge is an opportunity, even the current economic challenge is an opportunity for us to identify new market, identify new products, to identify new opportunities to connect the customer with a product that they need more at this time so we are constantly identifying those products and those products to them. Just an example, At this time, the plain gold, we never sold plane gold chains that we sold in recent time because gold is seen inflation hedge and a lot of people bought those gold chains and we would see that from our increased average selling price because this time people didn't buy the regular jewellery or regular handbags or regular accessories that we regularly sale but they bought a lot of gold chains and another thing we noticed is that after opening up started, people bought not a beauty product because they're going out beauty product and apparel and during pandemic, they bought a lot of sleep wear or pyjama's and after opening up the bought dresses or sports clothes, and beauty products and that is sold quite a lot and with every change of environment, we are finding opportunities, how to sell what to sell and the inflation and the fear of recession does cause consumer to clamp up and not watch their regular cadence even if they have money. So, that does impact some quarters, some months that does impact but in the medium to long run, we are confident of our business model of constantly gaining market share and gaining leverage of mid teams to long term so we are confident of that some years will accelerated much beyond that some is even a little bit slower but all owing to the macro economic environment, we do not have a period or do not

	foresee any internal challenge to our company operation or to our business model. We are confident of that. Operator, back to you.
<b>Sushil Sharma</b>	Thankyou sir speakers are over to you Sunil sir.
<b>Sunil Agarwal</b>	Some questions out of those posted by the shareholders through chat during the meeting have already been answered. However, in case if any question had been left unanswered, the proper reply would be given by company via separate medium. Over to you Harsh.
<b>Moderator</b>	Chairman sir you are on mute please.
<b>Harsh Bahadur</b>	Thanks Sunil, Sorry about the unmuting. Members attending the AGM today who have not cast their votes by remote E-Voting may cast their votes by pressing the vote icon available on your screen. The E- voting facility shall remain open for the next 15 minutes after the conclusion of the meeting. Mr.B.K. Sharma practicing company secretary has been appointed by the board as the scrutinizer for remote voting and E-voting during the AGM and to provide the consolidated report. I authorize Mr. Sushil Sharma company secretary to announce the results at the earliest the results shall be disseminated at the website of the company and shall be communicated to the stock exchanges. Resolutions shall be deemed to be passed in the AGM subject to receipt of requisite votes. I once again thank all of you for participating in the AGM. I declare the meeting now closed and with your permission, I and the other board members will leave the meeting. Stay safe and stay healthy.
<b>Moderator</b>	<b>Start of Intra-poll for next 15 Minutes</b>

**Note:** This is a transcription and may contain transcription errors. The transcript has been edited for clarity. The Company takes no responsibility of such errors, although an effort has been made to ensure high level of accuracy.