

Transcription of the 29th Annual General Meeting of PNB Gilts Limited Held on 17.09.2025.

Moderator: A very good morning to all of you. I am Priyanka Thapar, Vice president, PNB Gilts Limited, and I will be taking up the moderation of this meeting. For now, I will request Ms Monika Kochar, Company Secretary, to take over the proceedings of the meeting.

Monika Kochar (Company Secretary): Thank you, Priyanka.

Good Morning to all of you.

I welcome you all on behalf of your company PNB Gilts Limited to its 29th Annual General Meeting, which is being held today through video conferencing. Before I hand over the proceedings to the Chairman to declare the meeting open, I would like to highlight certain points here. The joining to this meeting opened 30 minutes before the scheduled time of the commencement of the meeting, which is 11:00 a.m. and it will remain open for another 30 minutes hereafter for joining. Members are encouraged to join the meeting through their laptops and headphones for a better experience and use internet with a good speed to avoid any disturbance during the meeting. Participants connecting through mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use a stable wi-fi or LAN connection to mitigate any kind of afore said glitches. As mentioned in the notice, the facility of participation at the AGM through video conferencing has been made available for 1000 members on first come first serve basis, except for large shareholders, promoter, institutional investors, directors, key managerial personnel, the chairperson of the audit committee, nomination and remuneration committee, and stakeholders relationship committee as well as the auditors who are allowed to attend the AGM without any restrictions on account of first come first serve basis.

Pursuant to various circulars issued by MCA and SEBI, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, a body corporate is entitled to appoint authorized representatives to attend the AGM through VC and cast their votes through e-voting. To transact the businesses as mentioned in the notice, the members were provided an opportunity to inspect all documents referred to in the AGM notice in the manner prescribed therein.

The Annual Report for the FY 2024-25, including the Notice of the 29th AGM, was emailed on August 22, 2025, to those members whose email addresses were registered with the Company, Share Transfer Agent, Depository Participant(s), or Depository(ies). For members whose email addresses were not registered, a physical letter containing the web link and exact path to access the complete Annual Report and AGM Notice was sent.

We have received requests from 22 members for registration as a speaker shareholder in the AGM today. All those shareholders have been provided specific

links to log in to the meeting and we shall be allowing them to speak once the Chairman directs the same. We request speakers to limit their speeches to 3 minutes for the benefit of other shareholders. At the end of 2 minutes, you will hear a prompt in the form of bell sound. You may start concluding your remarks at this sound. After 3 minutes, another prompt in the form of bell sound will be released and moderator will take up the next question then. I would also like to highlight to the speakers that when the Moderator will take your name, your mike will be opened by the moderator of this meeting. You will also have to unmute mike from your end and start your views/opinions and comments.

Non-registered shareholder speakers who are attending this meeting through VC today can also express their views and raise questions, if they have any, in the communication box provided.

The Chairman would be responding to the queries at the end of question answer session. If some query is left unanswered due to paucity of time, then the member can post it again or can also email the same at monika.kochar@pnbgilts.com for reply afterwards.

I may now inform you that in terms of Article 98(2) of the Articles of Association of the Company, Sh. Kalyan Kumar is the Chairman of the Company.

With this, I hand over the proceedings to the Chairman. Over to you sir.

Kalyan Kumar (Chairman): Chairman:

Thank you Monika.

Dear Members,

On my personal behalf and on behalf of the Board of Directors of the Company, I extend a warm welcome to all the shareholders and authorized representatives in this 29th Annual General Meeting of your Company, which is being held through video conferencing. Your Company has made all required efforts to enable the members to participate at the meeting through the video conferencing facility and vote electronically.

The requisite quorum being present, I call the meeting to order.

Before I proceed further, I would like to introduce to you my colleagues on the dais and also those who are attending the meeting through VC. I would request the directors and company secretary to acknowledge when I introduce him / her.

- Dr. T. M. Bhasin, Independent Director and Chairman of Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Special Committee of Board for Monitoring and Follow up of cases of Frauds.

- Mr. Gopal Singh Gusain, Independent Director and Chairman of Audit Committee and Risk Management Committee
- Sh. Raj Kamal Verma, Independent Director and Chairman of Stakeholders' Relationship Committee of Company
- Dr. Rekha Jain, Independent Director and Chairperson of IT Strategy Committee
- Sh. Amit Kumar Srivastava, Non-Executive & Non-Independent Director. He is CGM and Group Chief Risk Officer of Punjab National Bank
- Mr. Pareed Sunil, Managing Director & CEO of the Company. He is Deputy General Manager in Punjab National Bank.
- Ms. Monika Kochar, Company Secretary and Chief Compliance Officer.

Apart from them, we also have Mr. Vijay Sharma, SEVP, Mr. Chandra Prakash, CFO, Mr. Neeraj Aggarwal, Head of Internal Audit and other staff members, present here.

Representatives of Statutory Auditor - Batra Deepak & Associates and Secretarial Auditor - AKP & Associates have also joined this meeting through VC.

Chairman:

Before we take up the items as per the Notice, I would like to share with you the general outlook for the Indian Economy and performance of the Company during the FY25.

The Notice calling the 29th Annual General Meeting of the Company and the Audited Annual Financial Statements for the year ended 31st March, 2025 together with Auditors' and Directors' reports thereon have been with you for quite some time now. There were no qualifications or observations or adverse comments or remarks in the reports of Statutory Auditor, and Secretarial Auditor, which have any material bearing on the functioning of the Company. With your permission, both of these are being taken as read.

Further, based on the supplementary audit of the financial statements for the year 2024-25 conducted by the CAG under Section 143(6)(a) of the Companies Act, 2013, CAG vide their letter dtd. 17.06.2025 has issued two comments. As required under SS-2 read with Section 134 and 143 of the Companies Act, 2013, I would request Mr. Chandra Prakash, CFO of the Company to read out these comments and the explanations thereon given in the Board's Report.

Over to the CFO.

Chandra Prakash (CFO): Thank you, Sir Before reading the comments and explanations thereon, I may inform that these Comments i.e. Comment No. A and Comment No. B, both are given at page numbers 27 and 28 of the Annual Report.

Comment No. A –

**A.1 Balance Sheet as at 31 March 2025 Liabilities - Non - Financial Liabilities
Provisions ₹ 1.98 crore (Note 18)**

The above does not include a provision of ₹ 4.66 crore towards payment of royalty fee by PNB Gilts Ltd. (Company) for usage of brand name/logo of Punjab National Bank (PNB). The Company entered (18 March 2025) into a Trademark license agreement (agreement) with PNB. As per clause 5.2 of the agreement, the Company agreed to pay PNB based on the formula specified in the agreement. Audit, however, noticed that the Company has not provided for the royalty fee amounting to ₹ 4.66 crore in its books of accounts for the financial year 2024-25. Since, there was a legal obligation to pay the royalty fee, necessary provision for the same should have been made in the books of accounts as per the provisions of Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) and as per the accrual principle of accounting. Non-provision of the royalty fee has resulted in understatement of provision and overstatement of profit by ₹ 4.66 crore each.

Explanation to above given by the Board of Directors in their Report is-
As per the agreement signed with PNB, royalty is to be paid on the higher of: 0.20% of revenue on the basis of last standalone audited financial statements or 2% of PAT on the basis of last standalone audited financial statements. Subject to a cap on Royalty i.e. cap on royalty fee shall be lower of the following: 3% of PAT on the basis of last standalone audited financial statements or Rs. 30 crores. As approved by the Board and as per agreement with PNB, the calculation of royalty is on the basis of last standalone audited financial statements, therefore provision of royalty pertaining to FY 2024-25 will be accrued in the next financial year only.

Comment No. B -

**B.1 Summary of material accounting policies information (Note 2) Summary of Other Accounting policies Information
IV. Employee Benefit Expenses**

The above accounting policy, inter-alia, stipulates that Post-Retirement Medical Benefit expense is borne by the company for all the superannuated employees who have served the company for a minimum of ten years and their spouses. The aforesaid policy is deficient as the Company has group medical insurance policy for both in service and superannuated employees, whereas the accounting policy is silent regarding the in service employees and their spouses.

Explanation to above given by the Board of Directors in their Report is-

With regards to Point B it includes both current employees and superannuated employees who have served for at least 10 years as part of our interpretation. Furthermore, the phrase “in-service employees and their spouses” will be explicitly incorporated into the accounting policy in next year's Financial Statements.

Please take note that the comments made by CAG as discussed, doesn't have any material impact on the financial position of the Company.

Now, I request Chairman Sir to take proceedings further.

Kalyan Kumar (Chairman): My dear shareholders, it is with immense pride and gratitude that I address you today, as we reflect on FY25's achievements, take stock of FY26's first half, and look ahead to the opportunities and challenges that lie ahead.

FY25 unfolded in a volatile global environment marked by persistent inflation, uneven recoveries across economies, and intensifying geopolitical tensions. Central banks, particularly the U.S. Federal Reserve, prolonged their higher-for-longer stance, pushing global bond yields upward and unsettling capital flows. Domestically, while India remained resilient, the bond market experienced sharp fluctuations, shaped by oil price swings, shifting monetary expectations, and active liquidity management by the Reserve Bank of India (RBI). Against this backdrop, your Company delivered a marked improvement in performance, despite an environment of considerable market volatility. Total revenue increased by 6.3% year-on-year to ₹1,676 crore, while net profit rose sharply by 235% to ₹233 crore, reflecting the strength of our trading strategy and disciplined risk management. Operating profit grew significantly, with margins improving from 9% in the previous year to over 20% in FY25, underscoring our ability to translate market opportunities into sustainable returns. Earnings per share also increased more than threefold to ₹12.95. In line with our long-term capital strategy, and with a view to balancing shareholder rewards with future growth requirements, the Board recommended a dividend of ₹1 per share, representing a prudent payout ratio of 7.7%. This approach ensures that we continue to reward shareholders while retaining sufficient capital to support new initiatives, expand into adjacent markets, and maintain the Company's financial resilience.

As we progressed into FY26, the first half of the year has been characterised by supportive domestic conditions alongside rising external pressures. Inflation eased to multi-year lows by mid-2025, enabling the RBI to cut the repo rate by 50 basis points and the Cash Reserve Ratio by 100 basis points in September. These measures stabilised liquidity and anchored short-term market rates.

On the fiscal side, the GST Council introduced landmark reforms, rationalising the structure into a simplified two-slab system, while also easing compliance and expediting refunds. While there were concerns that such measures could significantly erode government revenues, the Council has indicated that the expected loss will be contained at around ₹48,000 crore, which is far lower than market expectations. Coupled with buoyant collections, this has reassured markets that fiscal stability remains intact even as consumers and businesses benefit from reduced tax burdens. This rare alignment of growth support with fiscal prudence has further reinforced confidence in the bond market.

At the same time, external challenges have intensified. The United States recently imposed steep tariffs on Indian exports, an action expected to shave up to half a percentage point from GDP growth and place pressure on sectors such as textiles, jewellery, and seafood. These tariffs, together with ongoing geopolitical tensions and commodity price volatility, have added fresh uncertainty to global markets. India has responded proactively through relief packages for exporters and diversification of trade partnerships, but global risks remain. For PNB Gilts, this type of volatility presents chances in the bond market, a sector where our knowledge and adaptability continually distinguish us.

The RBI's most recent Monetary Policy Committee meeting highlighted this delicate balance. While inflation moderated significantly in FY26 so far, the RBI now projects a gradual rise, with CPI expected to approach 4.9% in Q1 FY27. This forward guidance has already led to a modest firming in yields, a reminder that vigilance will be essential as we move forward.

Looking ahead, the outlook for FY26 remains constructive. India's GDP is projected to grow between 6.4 and 6.5%, supported by robust consumption, continued government capital expenditures, and prudent monetary management. With inflation presently contained, GST collections are strong, and liquidity conditions stable, the domestic environment is favourable for bond markets.

PNB Gilts is well-positioned to take advantage of this environment. Our strategy for FY26 is anchored on four pillars. First, we will continue to harness volatility in government securities, where our role as a primary dealer enables us to capture value across the yield curve. Second, we are expanding beyond core fixed-income operations by scaling our forex business and engaging with foreign portfolio investors, thereby diversifying revenues. Third, we are investing in technology, analytics, and risk governance to ensure agility and resilience in an increasingly dynamic market environment. Finally, we are embedding sustainability and responsible governance into the heart of our operations, ensuring that our growth remains both profitable and inclusive.

Dear Shareholders, FY25 demonstrated our ability to deliver growth amid uncertainty. The first half of FY26 has shown India's resilience at home even as external shocks persist. The second half of the year will present new challenges, but PNB Gilts enters this phase with confidence and conviction. Where others may see risk, we see opportunity. Where others hesitate, we act decisively.

On behalf of the Board, I extend my deepest gratitude to the Reserve Bank of India, our parent Punjab National Bank, our regulators, our clients, our employees, and most importantly, you, our shareholders, for your unwavering trust and support. Together, we will not merely navigate FY26; we will define it.

Thank You

Before proceeding further, I may inform you that as required under the Companies Act 2013 and SEBI guidelines, the company has provided you the facility to cast your vote electronically on all resolutions set forth in the notice. Members who have not cast their vote electronically and who are participating in this meeting will have an opportunity to cast their votes through the e-voting system provided by NSDL. Members may please note that there will be no voting by a show of hands.

We now 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 given. Now, the following are the items as set out in the notice convening the meeting. The objective and rationale of the same are explained in the explanatory statement attached to the notice.

Item number 1: To receive, consider and adopt the financial statements of the company for the year ended March 31, 2025, and the reports of the auditors and the board of directors thereon. These have already been provided to the members.

Item number 2: To declare a final dividend of Rs 1 per equity share of Rs. 10 each for the year ended March 31, 2025.

Item number three relates to my appointment. Therefore, I request Dr. T.M. Bhasin to take up this item.

Dr. T. M. Bhasin: Good morning.

Item number 3: To appoint a director in place of Shri Kalyan Kumar, who retires by rotation and being eligible, to seek the appointment.

Now, I request Shri Kalyan Kumar, Chairman to take up the remaining agenda items.

Kalyan Kumar (Chairman): Thank you, Sir.

Item number 4: To authorize the board of directors to fix the remuneration of statutory auditors/ joint statutory auditors of the company as appointed by the Comptroller and Auditor General of India for the financial year 25-26.

I may inform that in terms of Section 139(5) of the Companies Act, 2013, the CAG of India vide letter dated 10.09.2025 has appointed M/s Raj Har Gopal & Co. and M/s K Venkatachalam Aiyer & Co. as the Joint Statutory Auditors of the Company for FY 2025-26.

As such, the shareholders may authorize the Board of Directors to fix the remuneration of Joint Statutory Auditors, appointed by the Comptroller & Auditor General of India.

Item number 5: To appoint a secretarial auditor for a period of five years.

In terms of section 204 and other applicable provisions of the Companies Act 2013 and rules made there under read with the regulation 24 (A) of the SEBI LODR regulations 2015, your board based on the recommendation of audit committee has recommended for appointment of Mrs. Pranav Kumar and Associates, practicing company secretaries, a peer reviewed firm as secretarial auditor of the company for a tenure of five consecutive years from financial year 25-26 to financial year 29-30.

A brief profile of the firm is provided in the explanatory statement in page number 226 and 227 of the notice.

Item number 6: To appoint Shri Pareed Sunil as the Managing Director and CEO of the company and fix his remuneration for a period of three years.

Since the next items relate to related party transactions, I would again request Dr. T.M. Bhasin to take this up.

Dr. T.M. Bhasin: Good morning.

Item number 7: To approve existing as well as new material related party transactions with the promoter or associates of the promoter. Now, I hand over the proceedings back to Shri Kalyan.

Kalyan Kumar (Chairman): Thank you, Sir. Now, the Company Secretary will brief you on e-voting and the question-and-answer session. Over to the Company Secretary.

Monika Kochar (Company Secretary):

The e-voting facility at AGM at NSDL platform has already been activated for those Members who are participating in this meeting and have not voted through remote e-voting. This e-voting facility will remain active till 30 minutes after the meeting.

Now before we commence the Question Answer session, I may again inform you that we will begin with those members who have pre-registered as speaker for the meeting. If any member desires to ask any question pertaining to any item on the Notice, he/she may do so now on the communication box.

Please note that the Company reserves the right to limit the number of members asking questions depending on the availability of time. Members are once again requested to keep their questions brief and specific.

I now request the moderator to commence the Question and Answer session. Thank you.

Moderator: We have the first question from the line of Huttokshi Sam Patel.

Moderator: Hello. Hello. Am I audible?

Moderator: We have the next question from the line of Mitra Bakshi and Jaideep Bakshi. Mr Jaideep Bakshi.

Jaideep Bakshi: Good morning. Am I audible?

Kalyan Kumar (Chairman): Yes, you are audible. Please go ahead.

Jaideep Bakshi: Yes. Very good morning, Chairman and Board of Directors. Myself, Jaideep Bakshi, connecting from the city of Kolkata. I am a joint shareholder with Mitra Bakshi.

Sir, the initial speech was very much informative, shared about our company's affairs. So, I don't want to repeat any questions regarding that. All my queries have been answered.

Sir, just want to know what is our future outlook is and how we plan to, because of this market scenario and all these fluctuations, how do we plan to move forward? And regarding any risk factors are we forcing in our nature of business? And what steps are we taking for the data security?

That's all from my side and continue with this VC so that we can easily get connected. And happy Vishwakarma Puja. This is an auspicious day we are holding our AGM. And festive greetings to all present in today's video conference.

Kalyan Kumar (Chairman): thank you for this very nice question. And also, thanks for your patronage to your company. You must have seen the current geopolitical condition and also, even at domestic position, a lot of volatility is witnessed in the market. But I'm very happy to share with the kind of expertise this company and its leadership have gained in these years. Certainly, we are actually in a position to actually really maximize the value of all the stakeholders. In that way, I can give you confidence that PNB Gilts Limited is really diversifying its operation, not only limited to the one trading segment and all, but we are also diversifying. And also, there are several steps we have taken towards cost optimization and improvement on the efficiency side. That is one aspect.

Another aspect towards the capability building of our own employees. Number of steps we have taken so that our employees are in a position to take all the challenges very, very effectively.

Third, regarding one, you asked about the data security. Actually, it was not stipulated by any regulator, but we have implemented a market security operations centre to safeguard your interests. And that is one step which voluntarily our top management has taken care. In that way, and in risk management side also, we have implemented the risk management policy based upon our experience in these areas. In that way, I can assure you in the coming years, despite all these volatilities, you will trust your company and leadership that is going to maximize your actual evaluation and returns, whatever you have invested in this company. Thank you.

Jaideep Bakshi: Thank you, Sir.

Moderator: We have the next question from the line of Mr. Anil Babubhai Mehta.

Chairman: Mehta ji, are we audible to you?

Moderator: One minute, Sir.

I am unable to make it

Monika Kochar (Company Secretary): We can take him later.

Moderator: Next question. We have the next question from Santosh Chopra. Santosh Chopra. Am I audible? Santosh Chopra. Santosh Chopra, do you have a question, please?

Santosh Chopra: Hello.

Kalyan Kumar (Chairman): Yes, please go ahead. You are audible. Chopra Ji, you may go ahead. We are able to hear you.

Santosh Chopra: Thank you very much, Sir. Am I audible?

Kalyan Kumar (Chairman): Yes, yes, you are audible.

Santosh Chopra: Sir mein Santosh Chopra Ghaziabad se bol rha hoon. Maine beesiyon companies mein PNB ke saare group mein apne paise lagaye hain maine. Mujhe aaj accha laabhansh milta hai. Mein company secretary Ji ka aur management team ka dhanyawad karta hoon ki is mauke par aapne mujhe bolne ka awas diya. Sir, kyunki mere prashno ka uttar aapne apni speech mein aur previous speakers mein cover kar hi diya hai, isiliye mein apne prashno ko 2-3 tak hi seemit rakhunga.

Sir mera pehla hai ki aapke peers group mein aapki kya sthiti hai? What is in your peer group? Doosra Sir aapka next plan 2-3 saal ka kya hai? How many women employees are there in the company and what steps has the company taken to empower them? Sir, aapka jo CSR activities hain ismein natural calamities sufferers, aapne dekha na Uttaranchal mein kal Dehradun mein kitni deaths hui hain aur kitne ghar toot gye hain. Usmein aapki koi scheme hai? Iske baare mein batayein.

Last but not the least, I pray to God for all the prosperity in the company PNB Group and management and my co-speaker shareholders. Thank you very much, Sir. God bless you. Ram Ram.

Kalyan Kumar (Chairman): Thank you, Mr. Chopra, for your patronage and the questions you have asked. Regarding peers group comparison, your company is the only company which is listed one and complies with all the guidelines of the

regulators in RBI and SEBI. Performance wise also I will request MD to give you in detail peer wise comparison.

Regarding your second question regarding plan for 2-3 years, we conducted a strategy meet and also, we have planned that though market is very volatile and challenging, in that way how we are going to operate, how we can diversify our revenue streams. There we have also prepared plan for next 3 years. Regarding CSR activities also we are having board driven committees and also, we play an active role in this part also.

I will request MD and CEO to give the competitive analysis about our performance vis-a-vis peers performance and also CSR.

Pareed Sunil (MD and CEO): Chopra Sahab, Namaskar. Regarding I will address the rest of the question as my Chairman has written.

The rest of the two peer comparisons, CSR, and what are the plans for the next 2-3 years, I will definitely address on that. As Chairman sir has clearly stated that we are the only company which is listed and if I try to take a peer comparison of standalone, we have around 7 standalone primary dealers in India along with 14 other bank PDs. So, we have a total of 21 PDs but our comparison mainly lies with 7 standalone PDs on that.

In the last 10 years, if you can see, we stayed in between the mid-segment either on 3 or 4. So our endeavour is always to remain in the best 3 on that and we are more or less on that stage and platform only. On the plan for the next 2-3 years, as we have seen we have already taken shareholders' approval for increasing our borrowing limit from Rs 25,000 to Rs 30,000 crores. This itself gives a clear direction to the state that we will be deepening our market presence at the same time, given the kind of products as we are highly regulated by the Reserve Bank of India. The options for entering into multiple products are limited. We have defined products by the Reserve Bank of India to enter into. We will be deepening our presence in the bond market, and the rest of the thing is that we are entering, as the Chairman said. In his opening speech, he has clearly stated that we will be entering the new avenues, which will be in terms of forex. We have already got the approvals in line. We are in the mid-segment implementation stage of forex pipelines, actually. So we will be dealing in forex products. At the same time, we will be dealing in other retailing of products, also in fixed income markets. For the last 3 years, we have seen from Rs 15,000 crores the balance sheet has increased to Rs 25,000 crores. We have plans to increase up to borrowing limit. Which has been increased to Rs 30,000 crores so we will be expanding our fixed income presence across within the market itself, so that we can have more revenue sources, increase, and create more shareholders value.

On the CSR front, our main focus has been on the ESGs. Natural calamities are definitely a very sad thing to happen, and the kind of thing which is happening in our country is definitely deepening and saddening of the fact. But definitely we are into social upliftment, and we have got the recent two initiatives which the company has

taken. One was the women's cervical cancers. We have vaccinated nearly 4,500 girls in the age of 9 to 14 years for cervical cancer. Then we have nearly 4000 to 5,000 units of amputated leg replacement from Jaipur Foots. So, we are into community building. Another thing is that we are trying to build a more green environment by plantation and all that. So we are into societal development by our CSR activities.

And the third one was what is the number of women employees. As of March, we have out of the total 53 employees, as we have PAN India across, we have 14 women employees. Actually, the ratios we are trying to improve and in the coming days, the gender ratio will improve substantially on that.

So hopefully that I have addressed all those questions. If anything remains, do let us know. Further, I can address that.

Santosh Chopra: Thank you very much, Sir. God bless you.

Kalyan Kumar (Chairman): Thank you. Thanks, Chopra Sir.

Moderator: The Next question we have is from Narender Singh Chauhan. Mr. Narender Singh Chauhan.

Narender Singh Chauhan: Hello. Hello. Hello. *Haan, meri aawaz aa rhi hai?*

Kalyan Kumar (Chairman): *Aa rhi hai.*

Narender Singh Chauhan: Hello. Hello. Hello. Good morning, Chairman Sahab, Board of Directors, and my co-shareholders. Sir, sabse pehle mein company secretary Madam ka dhanyawad karna chahunga jinhone mujhe is platform par bolne ka mauka diya. Sir, hamari kisi bhi tarah ki koi query hoti hai to company secretary madam unka turant reply kiya jata hai, Sir. Sir, aapki leadership mein hamein poora bharosa hai. Poora vishwas hai ki jaisa aap kaam kar rhe ho, Sir. Acche dividend diye hain, Sir. Acche results aaye hain aur bhavishya mein bhi yehi ummeed karte hain, Sir ki hamare acche results milenge, jis se shareholders ko benefit hoga. Aur company secretary madam ki bhi jitni tareef ki jaye utni kam hai. Meri single request pe inse annual report ki hard copy maangi thi. Inhone mujhe turant provide kara di, Sir. Sir mein jyada na kehte hue aapki chairman speech ne jyadatat lagbhag saare questions solve kar diye hain. Aur Sir, mein aaj ke saare resolutions ka samarthan karta hoon. Aur aane wale tyohaaron ki aapko shubhkamnayein deta hoon. Thank you so much, Sir. Thank you so much.

Kalyan Kumar (Chairman): Thank you. Aapko bhi aane wale tyohaaron ki shubhkamnayein.

Narender Singh Chauhan: Thank you, Chairman.

Moderator: Next question from Ankur Chanda. Mr Ankur Chanda.

Ankur Chanda. Ankur Chanda.

The next question is from Mr J. Abhishek.

Monika Kochar (Company Secretary): Abhishek Ji, you are not audible. Please speak a little bit louder.

Kalyan Kumar (Chairman): Abhishek Ji, are we audible?

J. Abhishek: Can you hear me, Sir? Am I audible? Sir first of all, I congratulate the management on the eve of Annual General Body Meeting. Sir, trust all is well with you and your family in this challenging situation. Our company deserves much more respect than the current market cap after completing more than a decade of successful operations, profitability and dividend history and becoming one of the strongest brands in the respective segment.

Sir, I just want to ask the steps being taken by the management to reduce the other expenses, legal, professional charges, and the audit fee. Then, what steps has the management taken to conduct con-calls, quarterly presentations, and meetings with global investors on a regular basis? What are the steps being taken by the management to improve the EPS, PE Ratio, and return on equity? Then, I would also request you to kindly consider hybrid AGMs for the shareholders who are not able to join because of the digital challenges of this virtual platform. So, Sir, kindly consider a hybrid so that more number of shareholders can join the meeting and share their valuable points, suggestions, and ideas and be helpful to the management for their future. Sir, our EPS is excellent. PE ratio is excellent. Return on equity is also very good. But the company's stock is not accelerating as the market really is moving but the company has an outstanding performance, and we are really thankful to the entire Board of Directors for their sincere efforts in bringing the company to this particular extent and rewarding the minority shareholders in large numbers.

In the NSDL platform, where we exercise e-voting and where we get access to the annual general body meeting as well, if we can update the link for inspection of documents like the register of members, the register of KMPs, register of contracts, so that shareholders can very well inspect these documents online itself and they may not reach out to you at a later stage seeking all these documents. So, kindly do the needful.

Nothing much to ask, Sir. I wish your company and the Board of Directors a great success and prosperity in the coming future. And thank you for giving me the opportunity, Sir. Hope to see you at the hybrid AGM next year. Thank you very much.

Kalyan Kumar (Chairman): Thanks, Abhishek. Your patronage to this company and the good words you have spoken about the company. I request the MD and CEO to take up his questions on the financial part.

Pareed Sunil (MD and CEO): Abhishek Ji, good morning. Thank you very much for your comments on the company's performance. As a persistent and continuous shareholder, we appreciate your value, and we want to create more value for all your shareholders, because it is your company, actually. Regarding your operating cost regarding expenses part, I can see that in the last year, our expenses has come down by 7 percentage as compared to the previous year. At the same time, if you see that the operational efficiency as we envisage on that, all other cost, our administration cost and all other costs have been stagnant since 2023-24. The same has been there. So, there has been no increase in expenditure as such. The second is that, if you can see our operational efficiency also, you can see that our operational efficiency, in terms of as return on average cost of interest, both have improved on that. But, as per your suggestion, we are trying to build upon creating more operational efficiencies by taking all the digital enhancements that we have so that the efficiency increases, and the operational costs come down on that.

At the same time, the second question is about the global initiatives that we have taken. Our Chairman has clearly stated that we are venturing into the business of forex business. So, this will always add value to us to increase how to reach our global investors, actually. So, if you see the kind of global index inclusion which we have, the FPIs are coming down. It will create more opportunities for us and address your issues of how to reach our global clients users so that they can also participate in all our business models.

The third on the EPS front, it has definitely improved as you can see that the EPS has grown up from Rs 3.8 to around Rs 12.95. So, our endeavour will be to increase it more and keep it at an elevated level. But definitely, as you already know that we function in an interest rate-sensitive market, which is very much so, and the future guidance can not be given. It is impacted by a lot of factors globally as well as domestically. So, we will try to chart a way out to create more value for our shareholders.

On the hybrid AGMs, definitely, we will look into that. If anything is there, we will come back on that. Whatever the regulatory provisions are, they are on that. Hope we have addressed everything. If anything remains, do let me know.

Kalyan Kumar (Chairman): One thing I would like to add that I want to say that foreign institutions also showing interest in our company from 31st March 2025, now it has increased in June 2025 end to 0.53% from 0.35%. We are also attracting foreign institutions in terms of investment. Hope we have answered your questions.

Moderator: We are trying to connect with Geeta Mehta, but.

Kalyan Kumar (Chairman): Are there no more questions?

Monika Kochar (Company Secretary): *Nahi, Sir. Speaker nahi hai.*

Kalyan Kumar (Chairman): If there are any questions, we can answer them.

Moderator: Sir, we have received a few questions through the chat box, and I think the paper must have reached MD and you, Sir. Please address the answers.

Kalyan Kumar (Chairman): So, I think one is Mr R. K. Dubey.

Moderator: Yes. He has shared it via chatbox.

Pareed Sunil (MD & CEO) : So, Mr R. K. Dubey. Again, good afternoon. We welcome you on that. Regarding your questions on bonus shares to be issued in near future by the company, the company right now as and when there is some kind of these things comes under deliberation, we will definitely let you know by through transparent and efficient mechanism through stock exchanges as per SEBI guidelines and RBI guidelines, we will definitely look into, if at all if it is there, we will definitely let you know, through the mechanism which is available, regulatory as well as prescriptions available.

And the second question is Praveen Kumar. So, Praveen ji, I can see there are four or five questions on that. So, reducing cost, I have just replied to that, how we have reduced our cost, our operational efficiency has improved, which you can see from the return on net worth net on point actually, at the same time our interest cost has come down, so these are all efficiency parameters, but our endeavour will be to continue these aspects, so that our profitability increases.

What is the value creation, this is a related aligned with the value creation roadmap for the next two years, as we are as again for the sake of repetition, I am repeating it, we have taken shareholders' approval for increasing our balance sheet size from Rs 25,000 to Rs 30,000 crores, so we are improving, increasing our balance sheet size, this will definitely add our penetration into debt market segment, so this will create more value for that. So, in the next two years, we are entering into different products that are allowed by the Reserve Bank of India, and we will be venturing into that or increasing our portfolio in those segments. We are keeping all the risk matrices without compromising risk controls, actually, so we will be doing that.

Asset quality and capital improvement, the 90 percent on those fronts, I would like to assure you that as we are in primary dealership the major components of the total, if you see the total asset allocation, more than 90 percent of our assets into Government securities, these are actually sovereign securities, this is the highest quality of asset any country can build upon. The risk, 10 percentage size in non-SLR market, in that segment also, we are very much conservative in terms of risk, we do not go anything below AA plus rating in our books, so that in the non-SLR front; these are high-rated companies, and continuous evaluation of this portfolio is done through early warning systems. At the same time, we have got decent risk controls matrix in that, so your portfolio health and asset quality is at the top most, it has been reiterated by our ratings of our company by Crisil and India rating, reaffirming their ratings of A plus 1 in the recent credit rating, this clearly states the kind of asset quality at the same time, the kind of risk control matrix we have and the kind of network we are creating within the company itself and the balance sheet strength reaffirms that.

And the fourth question is, what measures will be taken to improve asset quality and capital improvement in the coming time? As you can see that our capital adequacy ratio is around 40 plus, it itself sees that how much strong the company's balance sheet as well as the capital strength is, this capital has been maintained so as to make sure that with the increase in the balance sheet size, whatever products we will be entering into, this capital will take care of all the risks and shocks also, thereby meeting all our regulatory guidelines.

On the capital asset quality, we are almost at the sovereign as well as AAA and AA + rating assets we have, so there is no cause for worry. We will be riding very high on the enhanced risk matrix at the same time, trying to create value and revenues for the company. I think everything is answered.

Moderator: Yeah, I think all the questions have been answered.

I think all the questions have now been answered, so if any of you feel that your question is unanswered, then you can email the same to the company secretary at monika.kochar@pnbgilts.com, and you will get a reply after the AGM.

With this, we conclude the question-answer session. Now I hand over the proceedings to the company section.

Monika Kochar (Company Secretary): Thank you so much, Priyanka. Members may please note that the voting on the NSDL platform will remain available for the next 30 minutes; Therefore, those who haven't yet cast their vote are requested to vote. The board of directors have appointed Mr Nitesh Latwal, practising company secretary bearing CP number 16276, as a scrutiniser to supervise the entire e-voting process. The results of the voting will be declared within prescribed timelines, and they will also be posted on the company's website and on the websites of NSDL, NSE and BSE.

The resolutions as set forth in the AGM notice shall be deemed to be passed today, subject to the receipt of the requisite number of votes. Now I request the Chairman to declare the meeting closed.

Kalyan Kumar (Chairman): Thank you, Monika. I once again thank all the shareholders for attending this meeting and giving their valuable suggestions to the company for improvement. I also thank my board colleagues and the staff members for making this meeting successful. I now declare the proceedings as closed. Thank you very much.

Monika Kochar (Company Secretary): Thank You.