Transcript of 65th AGM dated 05.08.2026

Mr. Sharad Taparia, Managing Director

Good Afternoon.

I, Sharad Taparia, joining you virtually for this meeting from our Corporate Office in Mumbai. It is my privilege to welcome you all to the 65th Annual General Meeting of Permanent Magnets Limited. I sincerely hope that you and your families are doing well and are in good health.

Pursuant to the circulars from the Ministry of Corporate Affairs, this meeting is being facilitated via video conferencing.

Before we commence the proceedings of this Annual General Meeting, I would like to introduce the esteemed members of the Board of Directors, the Key Managerial Personnel, and the Auditors of the Company who are joining us virtually.

- Mr. Nirmal Kumar Jain – Independent Director, Chairman of the Company, and Chairman of the Audit Committee
- Mr. Kamal Binani – Independent Director and Chairman of the Nomination and Remuneration Committee
- Mr. Girish Desai – Non-Executive Director
- Mr. Mukul Taparia – Non-Executive Director
- Mrs. Sunaina Taparia – Non-Executive Director
- Mr. Sukhmal Jain – Chief Financial Officer
- Mr. Ayush Jain – General Manager Finance
- Mr. Hemant Agrawal – Statutory Auditor
- Mr. Arun Dash – Secretarial Auditor and Scrutinizer

I now request Rachana, our Company Secretary, to explain the administrative arrangements established for the seamless conduct of this meeting.

Rachana, please take over.

Rachana Sawant, Company Secretary

Thank you, Sir.

Good Afternoon Board Members, Auditors, and Shareholders.

I Rachana Sawant, Company Secretary, joining you virtually from our Corporate Office in Mumbai.

Welcome to the 65th Annual General Meeting of Permanent Magnets Limited, being conducted through Video Conferencing ("VC") in compliance with the applicable provisions.

The Statutory Registers and other applicable documents were made available for electronic inspection during the meeting and were accessible to the Members upon logging into the e-voting portal.

Before we proceed, I would like to inform the Members that, in compliance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Company has provided the facility to cast votes electronically on all the resolutions set out in the Notice convening this Annual General Meeting.

Members who have not exercised their vote through remote e-voting may cast their vote during the course of the meeting through the e-voting facility provided by CDSL.

The Company has also received requests from a few Members who have registered themselves as speakers. They will be invited to express their views or raise queries during the Q &A session. The moderator will facilitate and coordinate the proceedings.

With this, I now invite our Chairman, Mr. Nirmal Kumar Jain, to address the Members.

Thank you.

Over to you, Chairman Sir.

Mr. Nirmal Kumar Jain, Chairman

Good afternoon, my dear shareholders.

I am Nirmal Kumar Jain, chairman of your company, attending this annual meeting of your company from my home virtually.

Dear shareholders, good afternoon and a warm welcome to the 65th Annual Meeting of Permanent Magnets Limited.

Thank you for joining us today.

Our Company Secretary has confirmed that the requisite quorum is present. Accordingly, I hereby call the 65th Annual General Meeting of the Company to order.

The Annual Report for the financial year ended March 31, 2026, having already been circulated electronically to the Members within the prescribed timelines, was taken as read with the consent of the Members present.

FY26 was a year of recovery and growth for your Company, after consolidation in FY25. The first half was subdued, but momentum recovered in the second half, led by our Alloys division and supported by improving exports and steady demand in electricity meter and automotive applications.

On a standalone basis, Revenue from Operations grew 13% to 225 crores, with the recovery concentrated in the second half, led by the Alloys scale-up and capacity commissioning. The first half was held back by lower US exports amid interim tariff uncertainty and by weaker domestic energy meter demand on client-specific factors, both of which improved through the year.

Profitability improved alongside Standalone EBITDA margin rose to 17% from 14%, helped by a better product mix and the second-half scale-up. Standalone net profit grew 36%, after absorbing a one-time provision relating to the new labour codes of 1.74 Crores.

On a consolidated basis, the Company reported Revenue from Operations of ₹226 crore and a Profit After Tax of ₹14.77 crore, reflecting resilient operational performance during the year. Our consolidated results reflect the early investment phase at our subsidiary, Quantum Magnetics.

Let me now turn to our business verticals.

Our automotive and EV business was broadly stable. We supply mainly to Western EV manufacturers, where demand held at similar levels as Chinese OEMs continued to gain global share. We are widening our customer base, particularly in India, and targeting a broader automotive product range, including products already supplied to electric two-wheeler OEMs.

Our current transformer business grew well through the year. Domestic energy meter demand was softer in the first half and recovered thereafter. The larger metering opportunity lies in Latching Relays, which we will manufacture under a licensing agreement with REL Developments of the UK. Relays carry up to five times the value of our existing shunts and current transformers, opening a much larger addressable market. Only 65 million of the targeted 250 million smart meters under RDSS were installed as of April 2026, so the runway is long.

Alloys has become one of our most important growth verticals. The new furnace was installed in January 2026, commercialized in the fourth quarter, and operated close to optimum capacity thereafter. We are scaling up commercial production through FY27 and engaging with customers across oil and gas, aerospace and other sectors. The facility's AS9100D certification supports our entry into Aerospace and Defence, a high value-addition area.

On Relays, we are behind our original timelines, and commercial ramp-up is now expected from the second half of the current financial year. Customer testing and approvals have taken longer, as customers require extended endurance testing before adopting a new supplier. We remain engaged with several customers and see relays as a meaningful driver of metering.

Our subsidiary, Quantum Magnetics, is pursuing a longer-term opportunity in rare earth permanent magnets, with the joint venture aiming to build a neodymium magnet value chain localized in India. Restrictions on rare earth magnets meant no revenue from the assemblies business this year, though they strengthen the case for an Indian supply chain. The next phase of investment, covering block cutting, machining and surface treatment, is expected in the third quarter of FY27.

We have also acquired land to bring our manufacturing operations together into a single, more efficient facility over time.

On the outlook, FY26 has been a year of recovery and renewed momentum. Some initiatives, Relays in particular, have taken longer to commercialize than planned, and our focus now is on converting this groundwork into commercial results across our three growth pillars of Alloys, Relays and Quantum Magnetics.

On behalf of the Board of Directors and the management team, I thank you for your continued trust and support. We remain committed to building a resilient organization and to creating sustainable long-term value for all our stakeholders.

Now I hand over the mic to person who will take care of the proceedings further.

Thank you.

Rachana Sawant, Company Secretary

Thank you Sir.

There are eight items of business requiring the approval of the Members. I will briefly explain each of the resolutions.

Three items of Ordinary Business to be passed as ORDINARY RESOLUTIONS which are:

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon.

2. To declare a final dividend of Rs. 2.20/- per equity shares, for the financial year ended March 31, 2026.

3. To appoint a director in place of Sunaina Taparia (DIN: 07139610), who retires by rotation and being eligible, offers herself for re-appointment.

Four items of SPECIAL BUSINESS to be passed as SPECIAL RESOLUTION which are :

4. Alteration of the Object Clause of the Memorandum of Association of the Company.

5. Approval for the Increase in Limits of Borrowings under Section 180(1)(c) of the Companies Act, 2013.

6. Approval for Increase in the limits for creation of charge, mortgage, hypothecation on or otherwise encumbering the movable and immovable properties of the Company.

7. Consent of Members for Increase in Limits under Section 186 of the Companies Act, 2013

One item of SPECIAL BUSINESS to be passed as ORDINARY RESOLUTION which is:

8. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2027

The text of the resolutions, along with the explanatory statement, was included in the Notice circulated to all members. With this, we have covered all the Agenda Items.

We will now proceed with the Registered Speakers. I kindly request that members keep their questions brief and specific. Responses to all questions will be provided after the speakers have finished their remarks.

So now I invite our first registered speaker, Mr Anil Mehta.

OK, so our next speaker is Mr Manjeet Singh.

Okay, so our next speaker is Mr.Keshav Garg.

Mr. Sukhmal Jain, CFO

So we generally answered some question.

Something briefly, just some briefly, some question we have received in written form.

Mr. Nirmal Kumar Jain, Chairman

You can go to the next speaker first.

Let us first finish all the speakers first they wanted to speak and then general questions you can answer.

Mr. Sukhmal Jain, CFO

These are the only 3 speakers register.

Mr. Nirmal Kumar Jain, Chairman

Only 3 speakers.

Yeah, OK, then carry on.

Mr. Sharad Taparia, Managing Director

So I think broadly we have received a few questions in written form in which I can answer.

Which was mainly what is the outlook for year '27, '28 in terms of top line, bottom line.

So we see a good growth in terms of 20%, 25% in '27 and also in '28 and maybe it can increase based on the execution and the demand for alloys and relays in particular.

This is for permanent magnets for our subsidiary Quantum We expect that our first demo of block cutting onwards will happen in the 3rd quarter, somewhere between September to December.

We will have a proof of concept from block cutting onwards to finished magnets.

And the next phase we will decide based on the successful supplies out of this implementation.

So broadly these are the 2 areas which I can answer overall.

The overall outlook for the company is very good.

We are optimistic about business regarding the recent geopolitical situation about the war and the American tariffs.It has not impacted us much.

We had some delay of orders initially, but those orders have now come back again because we are in a B2 B business space with customised products.

So it is not easier for the customer to change the supplier very quickly unless a lot of testing work is done.So broadly this is the overall outlook for the company.

We remain quite optimistic about the business scenario in the coming future.

Thank you all.

Rachana Sawant, Company Secretary

M/s. Arun Dash & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to oversee the e-voting process with fairness and transparency.

The results of the voting will be declared within two working days from the conclusion of this meeting. The Scrutinizer's report will be available on the Company's website, as well as on the websites of CDSL and the stock exchange where the Company's shares are listed.

Please note that the voting on the CDSL platform will remain open for an additional 15 minutes after the conclusion of this meeting. Members who have not yet cast their votes are encouraged to do so. Resolutions, as outlined in the Notice, will be deemed passed today, subject to receiving the requisite number of votes.

We appreciate the participation of all our shareholders who joined us via video conference.

With the permission of the Chairman, I now declare the proceedings of the 65th Annual General Meeting as concluded.

Thank you to all Board Members, Auditors, and Shareholders for your presence and contribution. We look forward to your continued participation next year.

Thank you and have a great day.

Mr. Nirmal Kumar Jain, Chairman

Thanks everybody.

Mr. Sharad Taparia, Managing Director

Thank you all.

Meeting is concluded.