



# INDIAMART INTERMESH LIMITED

TRANSCRIPT OF 24<sup>TH</sup> ANNUAL GENERAL MEETING  
HELD ON TUESDAY, JUNE 13, 2023, AT 11:00 A.M. (IST)

**Manoj Bhargava, Group General Counsel, Company Secretary & Compliance Officer:**

Good Morning Members!

I am delighted to welcome you all to the 24<sup>th</sup> Annual General Meeting of IndiaMART InterMESH Limited. I trust and hope that all of you and your families are in good health. This meeting is being held through Video Conferencing/Other Audio-Video Visual Means, in compliance with the circulars issued by MCA and SEBI from time to time in this regard. The Registered Office of the Company, situated at New Delhi, shall be deemed as the venue for this meeting and the proceedings of the 24<sup>th</sup> Annual General Meeting shall be deemed to be made thereat, to transact the businesses, as mentioned in the Notice of the AGM.

The Notice of the AGM along with the Annual Report for FY 2022-23 have been sent through electronic mode to those members whose email ids are registered with the Company/ RTA and Depository Participants in compliance with the MCA General circulars and SEBI circulars issued from time to time.

Please note that in terms of statutory requirement, the proceedings of the AGM are being recorded and transcript of the proceedings shall be made available on the Company's website and shall be uploaded on the Stock Exchanges.

Before starting the proceedings of the meeting, I would like to inform the members about the modalities for participation/process to be followed while attending this meeting:

- The facility of participation at the AGM through VC/OAVM have been made available for 1000 members on first come first serve basis.
- Members participating in the meeting, can ask question(s) and/or seek clarification(s), if any, through chat box option facility, these questions may be taken up towards the end of the Meeting. The unanswered questions/clarifications, if any, shall be replied within seven (7) working days from the date of AGM by the Company suitably.
- As this meeting is held through VC/OAVM, the provision relating to appointment of proxy is not applicable. However, the body corporates were entitled to appoint authorized representatives to attend the meeting through VC and cast their votes electronically.
- Requisite arrangements have been made through the e-voting services provided by NSDL, to enable the members to exercise their right to vote on the resolutions set forth in the AGM notice.
- Mr. Devesh Kumar Vasisht, Practising Company Secretary (Membership No. F8488), Managing Partner of M/s DPV & Associates LLP, Company Secretaries has been appointed as the Scrutinizer for remote e-voting process and e-voting during the AGM.

Now, I would like to introduce the Board Members and Senior Management Personnel of the Company who have joined this meeting through VC/OAVM. We have with us:

- Mr. Dinesh Chandra Agarwal, Managing Director & CEO;
- Mr. Brijesh Kumar Agrawal, Whole-time Director;
- Mr. Vivek Narayan Gour, Independent Director and Chairman of the Audit Committee, Nomination and Remuneration Committee & Stakeholders Relationship Committee;
- Ms. Pallavi Dinodia Gupta, Lead Independent Director;
- Mr. Dhruv Prakash, Non-Executive Director; and
- Mr. Prateek Chandra, Chief Financial Officer of the Company.

Apart from the above, we have Ms. Kanika Kohli and Mr. Ankit Gaba, representatives of B S R & Co. LLP, Chartered Accountants, Statutory Auditors, Mr. Rupesh Agarwal, Managing Partner of Chandrasekaran Associates, Company Secretaries, Secretarial Auditors, are also present through Video Conferencing.

As there is no designated Chairman of the Board, I would like to request the members of Board of Directors who are present in the meeting to elect the Chairman of this AGM among themselves, in terms of Article 89 of Articles of Association of the Company. So, may I request the directors to elect the Chairperson.

**Dhruv Prakash, Non-Executive Director:**

I nominate Ms. Pallavi Dinodia Gupta for the Chair.

**Vivek Narayan Gour, Independent Director:**

I second it. I second Pallavi as Chairperson.

**Manoj Bhargava, Group General Counsel, Company Secretary & Compliance Officer:**

Dinesh Sir!

**Brijesh Kumar Agrawal, Whole-time Director:**

I second it.

**Manoj Bhargava, Group General Counsel, Company Secretary & Compliance Officer:**

Sir, you are on mute sir.

**Dinesh Chandra Agarwal, Managing Director & CEO:**

I also second Pallavi as the Chairperson.

**Manoj Bhargava, Group General Counsel, Company Secretary & Compliance Officer:**

*Thank You, Sir!*



Ms. Pallavi Dinodia Gupta, Independent Director, nominated by the other Directors present at the meeting, is elected as Chairperson of this Meeting.

The Statutory Registers and relevant documents as referred to in the AGM Notice have been made available and kept open during the Meeting for inspection of members electronically, any member who wants to inspect the same can send their request to the e-mail id as mentioned in the AGM notice.

Now, I would request the Chairperson to preside over and carry out the proceedings of this meeting.

**Pallavi Dinodia Gupta, Chairperson of the AGM:**

*Thank you!*

Dear Members,

With utmost gratitude and immense pleasure, I extend a warm welcome to all of you at the 24th Annual General Meeting ('AGM') of IndiaMART InterMESH Limited. I, on behalf of the Company, express our deep appreciation for your presence and for taking out your valuable time today to attend this AGM which is being convened through Video Conferencing. The Company has made necessary arrangements to enable the members to participate in the meeting through video conferencing and voting electronically. The requisite quorum being present, I call the meeting to order.

The year of 2022-23 witnessed IndiaMART sustain its growth by leveraging emerging opportunities in India's B2B segment. We are pleased to report during the year, IndiaMART has delivered a consolidated revenue from operations of Rs. 985 crores representing a year-on-year growth of 31%. Collections from customers for the entire year grew from Rs. 934 crores to Rs. 1,219 crores on the consolidated basis. Deferred revenue as on 31st March 2023 stood at Rs. 1,162 crores, an increase of 28% year-on-year. On a full-year basis, the consolidated EBITDA was Rs. 268 crores, representing a margin of 27%, while net profit of Rs. 284 crores represent a margin of 24% and cash flow from operations was Rs. 476 crores. IndiaMART registered a total traffic of 1021 million and Unique business enquiries of 88 million this year. As of March 31, 2023, the company has 170 million registered buyers, Supplier Storefronts grew to 7.5 million, an increase of 6% YoY and paying subscription suppliers grew to 202,690 a net addition of 33K subscribers during the year. Total headcount increased by 911 to 4,583 at the end of the year.

In order to cater to the growing business opportunity, we made investments in our key resources, including people, technology, sales, and services. Resultantly, we added 911 people to our workforce as well as expanded our channel partners' networks thereby, improving acquisition rate of customers with diverse needs throughout India. In addition, we continued to invest in product innovation to serve evolving needs and improve matchmaking and its relevancy on the platform.



During the year, we forayed in the accounting software space through acquisition of Busy Accounting Software and Livekeeping – a Tally on Mobile application. These acquisitions, coupled with our investments in Vyapar and Realbooks, have helped us build a presence across all customer segments requiring accounting software. In the first year itself, Busy Accounting Software reported Rs. 43 crores in revenue which reflects that the Accounting Software vertical is emerging as a diversified revenue stream for the Company, from here on.

In line with our belief of returning surplus cash to the shareholders, the Company has recommended for your consideration, a final dividend of Rs. 20 per equity share of the face value of Rs. 10 per equity share for Financial Year 2022-23. The Board of Directors have also recommended a bonus issue of 1:1 i.e., one equity share for every one existing share, subject to shareholders approval.

While driving our business growth, we remained committed to supporting the small businesses. We provided free online visibility to 7.3 million small and medium businesses on our platform, enabling them to drive to thrive in the digital landscape. Moreover, we offer 100% free services to our buyers, especially transparency in price discovery of products listed on IndiaMART irrespective of their locations, whether they are based in metro cities or remote rural areas.

Driven by our dedication towards being socially responsible, we have implemented policies that prioritize environmental protection, corporate social responsibility (CSR), and governance frameworks. Through our CSR endeavours, we focused on strengthening education and creating skill development facilities to uplift weaker and underserved sections of society. I am delighted to share that our CSR initiatives have yielded significant results by positively impacting the lives of more than 1.1 million individuals through our various programs. By empowering students, teachers, and parents alike, we strive to create a nurturing environment that fosters growth and opens the doors to abundant opportunities.

In conclusion, I would like to take this opportunity to thank each one of you for your continued trust in IndiaMART in taking forward the Company's goal of fostering digital inclusion of businesses to steer India's growth story. I, on behalf of the Company, am also grateful to our stakeholders, whose continued support and commitment has made it possible for us to make doing business easy and stay firmly on the course of our long-term goal. I am confident that our partnership approach, supported by our collective efforts, will help us push the bar of inclusive and sustainable long-term growth for all of us.

We shall now take up the formal agenda of the meeting.

The Notice of the AGM along with the Audited Standalone and Consolidated Financial Statements of the Company and the reports of the Board of Directors and Auditors thereon, including annexures thereof, for the financial year ended March 31, 2022-23,

has already been circulated to members through email and the same is also available on the Company's website.

I now take the Notice of the AGM along with the Explanatory statement and reports of the Board of Directors as read.

As the Auditors have not made any qualifications, observations, or comments in their Audit Report for the financial year ended March 31, 2022-23, I now take that as read. In compliance with the provisions of the Companies Act, 2013 and Listing Regulations, the Company had provided remote e-voting facility to the members from 09:00 a.m. IST on Friday, June 09, 2023 to 05:00 p.m. IST till Monday, June 12, 2023 to cast their vote electronically on all the business items as set out in the Notice of the AGM.

All Members of the Company present at the AGM, who were eligible but could not exercise their right to vote during the remote e-voting period, can exercise their vote now through the e-voting platform of NSDL. The window for e-voting is open now and the same would close at 12 noon. Thereafter, the proceedings of the meeting shall stand concluded.

Members need to follow the instructions mentioned in the notice of the AGM and in case of any difficulties, kindly connect on the helpline numbers given therein.

The following resolutions are proposed to be passed in this meeting:

***Item No. 1.:*** *To receive, consider and adopt the Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon.*

***Item No. 2.:*** *To declare dividend of Rs. 20/- per equity share for the financial year ended March 31, 2023.*

***Item No. 3.:*** *To appoint a Director in place of Mr. Dhruv Prakash (DIN: 05124958), who retires by rotation and being eligible, offers himself for re-appointment.*

***Item No. 4.:*** *To approve issue of bonus equity shares*

The resolution along with the explanatory statement pertaining to this item is provided in the AGM Notice already circulated to the members.

The Company has made available the option to raise any questions or seek clarifications using the Chat Box facility provided during the AGM to all members attending the AGM through Video Conferencing. I now request Mr. Prateek Chandra, to take up the questions received from the members through chat box facility.

**Prateek Chandra, Chief Financial Officer:**

*Thank You, Pallavi Ma'am.*

So, the first question is from Mr. Neeraj

**How much dividend is declared for this year and who is entitled to Dividend and by when will we receive it?**

So, the Board of Directors have proposed a dividend of Rs. 20/- per equity share. It is subject to the approval of the shareholders in the AGM and all the shareholders whose name appear as Beneficial Owner as on May 11, 2023, which is being the record date for the dividend would be entitled to receive this dividend. Once approved by the Shareholders, it will be paid within 30 days.

Moving to the second question from Mr. Ankit:

**How much Bonus is declared in FY 2023? Who is entitled to it and by when will we receive it?**

The Board of Directors have recommended a bonus issue of 1:1 that is one new share for every one existing share, it is subject to the approval by the shareholders in this AGM and the record date for bonus issue is June 21, 2023. It means that all the members whose name appear as beneficial owners as on June 21, 2023 as provided by NSDL and CDSL would be entitled to receive the bonus issue.

Moving on to the third question from Mr. Mukesh:

**The Company has spent Rs 500 Cr in acquiring Busy Accounting Software? What is the thought process and how is this acquisition shaping up?**

I request our Whole-Time Director, Mr. Brijesh to take on this question.

**Brijesh Kumar Agrawal, Whole-Time Director:**

*Thanks Prateek!*

Accounting is a strategic space for IndiaMART to realize our vision of make doing business easy. This is because accounting is the core need of all small and mid-sized businesses and it is a very sticky subscription business.

During the year, we acquired Busy Infotech Private Limited which is one of the largest accounting software companies in India having sold almost ~330 K licenses so far.

The acquisition has been shaping up very well as in the first year, we sold about ~30K licenses and did revenue of Rs. 433 Mn and Deferred revenue of 273 Mn, representing a profitable growth of 22% and 23% respectively.



Our growth strategy for this business is to invest behind product as well as sales and distribution this will help us improve our reach our awareness across regions, where we can improve our penetration significantly.

Over the next year or so, we would want to continue to focus on expanding the team, strengthening the channel partner network and improve our penetration and accelerate the revenue growth.

**Prateek Chandra, Chief Financial Officer:**

*Thank You, Brijesh.*

Moving on to the next question from Avijit:

**Indiamart Standalone Revenues have grown by 25% this year. Do we expect similar growth in the next few years and what is the outlook for IndiaMART?**

I request our Managing Director, Mr. Dinesh Chandra Agarwal to take this question.

**Dinesh Chandra Agarwal, Managing Director and CEO:**

*Thank You, Prateek.*

See, IndiaMART has registered a modest growth this year. Also, as you may be aware, our paying suppliers have grown by ~20% to ~203K which has been a primary driver for growth in the Revenue.

Overall, we believe increasing adoption of internet in India along with a positive business environment has accelerated businesses looking for a web presence as well as to buy products online and search products online. Businesses have realized the need for digital transformation for improving their reach and closer customer connect. IndiaMART is well-positioned to capitalize on this growth and growing demand. We have invested in building a strong product, its recognition and market presence as well as technology infrastructure, which lays down a strong foundation for growth in future as well.

While it may be difficult to qualify or quantify numbers, we are confident to maintain business growth momentum in the near future also.

Thank You Prateek.

**Prateek Chandra, Chief Financial Officer:**

*Thank You, Dinesh.*





With this we don't have any other question showing up in the panel at this point time of time. However, if there are any other questions please feel free to write to us and we will respond within 7 days from this AGM. With this, I will pass it back to Pallavi Ma'am for continuing the proceedings.

**Pallavi Dinodia Gupta, Chairperson of the AGM:**

*Thank You, Prateek!*

So, like Prateek has said if there are any other unanswered questions or you need clarifications, please write to us and we will respond within 7 working days from this meeting.

The consolidated results of the e-voting on the resolutions set forth in the AGM notice, along with the report of the Scrutinizer, shall be made available on the website of the Company and disseminated on the websites of NSDL, NSE and BSE.

Members, there being no other business to transact, I hereby conclude AGM of the Company and thank you all for your participation and dignified presence. The e-voting shall be open till 12 noon and thereafter the proceedings of the meeting shall be closed.

*Thank you.*

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