



INDIAMART INTERMESH LIMITED

TRANSCRIPT OF 23RD ANNUAL GENERAL MEETING
HELD ON TUESDAY, SEPTEMBER 20, 2022, 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 23rd Annual General Meeting of IndiaMART InterMESH Limited. I trust and hope that all of you and your families are safe and in good health. This meeting is being held through Video Conferencing/Other Audio Visual Means, in compliance with the circulars issued by Ministry of Corporate Affairs and SEBI from time to time in this regard.

The Registered Office of the Company, situated at New Delhi, shall be deemed to be the venue for this meeting and the proceedings of the 23rd AGM shall be deemed to be made thereat, to transact the businesses, as mentioned in the Notice of AGM.

The Notice of the AGM along with the Annual Report for the Financial Year 2021-22 have been sent through electronic mode to those members whose email ids are registered with the Company/Registrar and Transfer Agent and Depository Participants in compliance with the MCA General circulars and SEBI circulars issued from time to time.

Before starting the proceedings of the meeting, I would like to inform the members about the modalities for participation or 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 or clarifications 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 Video Conferencing 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 election of Chairman of the AGM and resolutions set forth in the AGM notice.
- Mr. Shreyansh Pratap Jain, Practicing Company Secretary (Membership No. F8621 & C.P. No. 9515) has been appointed as the Scrutinizer for remote e-voting process and e-voting during the AGM.

Now, I would like you to introduce to 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 & Stakeholders Relationship Committee;

- Ms. Elizabeth Lucy Chapman, Independent Director & Chairperson of the Nomination & Remuneration Committee;
- Mr. Dhruv Prakash, Non-Executive Director;
- Mr. Rajesh Sawhney, Independent Director *and*
- Mr. Prateek Chandra, Chief Financial Officer of the Company.

Apart from the above, Ms. Kanika Kohli and Mr. Ankit Gaba, representatives of B S R & Co. LLP, Chartered Accountants, Statutory Auditors, Mr. Devesh Vasisht, representative of Sanjay Grover & Associates, Company Secretaries, Secretarial Auditor for the Financial Year 2021-22 and Mr. Sidheshwar Bhalla along with his colleague Mr. Mohit Gupta, representative of Baker Tilly Business Advisory Services Private Limited, Internal Auditors, are also present through Video Conferencing.

As there is no designated Chairman of the Board, the members present are required to elect the Chairman of the AGM, from amongst the nominated Directors, through e-voting in compliance with the requirements of the circular issued by MCA from time to time.

Mr. Dhruv Prakash and Mr. Vivek Narayan Gour are nominated, by the other Directors present, to be elected as the Chairman of the Meeting.

The instructions for election the Chairman of the meeting through e-voting shall be shared on the screen, Members are requested to follow the instructions, and cast their votes. The window for e-voting on the election of the Chairman is open now and the same would be closed at 11:15 a.m.

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

Now, the meeting is adjourned for enabling the members to cast their vote for the election of Chairman of this meeting and shall be resumed at 11:20 a.m.

Meeting resumes at 11:20 a.m.

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

I once again extend a warm welcome to all the members attending the meeting.

As per the poll results, Mr. Dhruv Prakash has been elected as the Chairman of this meeting. Now, I request Chairman to preside over and carry out the proceedings of the meeting.

Dhruv Sir!

Dhruv Prakash, Chairman of the AGM:

Good Morning

Dear Members,

With gratitude and immense pleasure, I welcome you all to the 23rd Annual General Meeting ('AGM') of IndiaMART InterMESH . I trust and hope that you and your families are

safe and well. I, on behalf of the Company, highly appreciate your taking out the time today to attend this AGM which is being convened through the 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 2021-22 began on a challenging note due to the second wave of the pandemic severely and significantly impacting the businesses as well as the market sentiments. The year witnessed major transformation in the Indian Economy from being impacted by COVID-19 Wave 2 in Q1 to smart recovery by Q4. The transformation journey on which we, at IndiaMART, embarked more than two decades ago, scaled new heights during Fiscal Year 2022. IndiaMART strived to move with agility to cater to the changing external dynamics and the evolving needs of the varied stakeholders during the year.

Moving on to the developments during the Fiscal 2022. During the year, our collections from customers grew to Rs. 934 crores which is a Year on Year growth of 31%. Deferred revenue for the year was Rs. 907 crores a Year on Year growth of 25%. The consolidated cash flow from operations of Rs. 402 crores was 24.7% higher than the previous year. Our consolidated revenue from operations stood at Rs. 754 crores, registering a Year on Year growth of 13%. The Company has recorded consolidated EBITDA of Rs. 308 crores. Net subscription paying suppliers for the fiscal grew to 1,69,324, registering a Year on Year growth of 11.1%. As of March 31, 2022, the company has approximately 149 million registered buyers, 7.1 million Indian supplier storefronts and has reached to 1000+ cities and towns in India. Further, during the year ended March 31, 2022, the Company has generated 97 million daily unique business enquiries leading to 550 million business enquiries being delivered to our suppliers.

As we saw the encouraging pace of economic recovery, we also moved to invest in people and technology to strengthen our product, sales and service to meet the additional demand and leverage growth opportunities. We remain committed to making significant investments in our current business to meet customer expectations and improve the product experience.

The Company has always believed in building a larger eco-system to nurture businesses and enable digital commerce. In line with this long-term goal, the Company made a few strategic investments during the year. The companies we invested in are 'M1xchange', 'EasyEcom', 'Busy', 'Fleetcx', 'IB Monotaro', 'RealBooks', 'Zimyo', 'Shipway', 'SuperProcure', 'Aerchain' and 'Livekeeping'. The significant part of these investments has been made in accounting software as we saw that this as a universal need and an area of major gaps. The investments in the accounting space will provide us access to a wider client base and expand our service offerings such as facilitation of invoice discounting/ transaction financing, order & inventory management among a host of other services.

In line with our policy of distributing returns to the shareholders, we completed a buyback of 160,000 equity shares amounting to Rs 100 crores at a price of Rs 6,250 per equity share. The Company has also recommended for your consideration, a final dividend of Rs. 2 per equity share.

In addition to creating long-term value for our stakeholders, we are committed to growing sustainably by aligning our mission and business strategy to help create economic impact through entrepreneurship. With the increased focus on ESG, the Company takes a holistic approach encompassing societal development, responsible business, environmental sustainability, as well as digital inclusion of businesses. This has been highlighted and detailed in our annual report.

On this note, I would like to take the opportunity to thank each one of you for your sustained trust in IndiaMART that helps us to grow and to continue build a brighter and more sustainable tomorrow. 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 course of our long-term goal. I am confident that together, we shall further empower small and medium businesses, who have emerged as a formidable force in steering India's growth which we are committed to partnering.

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, 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, I now take it as read.

In compliance with the provisions of the Companies Act, 2013 and Listing Regulations, the Company has provided remote e-voting facility to the members from 9:00 a.m. IST on September 16, 2022 to 5:00 pm IST until September 19, 2022 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 are eligible and 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 will 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, please 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, 2022, together with the Reports of the Board of Directors and Auditors thereon.*

Item No. 2.: *To declare dividend of Rs. 2/- per equity share for the financial year ended March 31, 2022.*

Item No. 3.: *To appoint a Director in place of Mr. Brijesh Kumar Agrawal (DIN: 00191760), who retires by rotation and being eligible, offers himself for re-appointment.*

Item No. 4.: *To consider and approve increase in the pool of Equity Shares and consequent amendment in Indiamart Employee Stock Benefit Scheme 2018*

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. Now, I would request Mr. Prateek Chandra, CFO of the Company to take up the questions received from the members through chat box facility.

Over to you Prateek!

Prateek Chandra, Chief Financial Officer:

Thank you Dhruv Sir.

The first question that we can see on our panel is:

How much dividend is declared for Financial Year 2022? Who is entitled to Dividend and by when will we receive it?

So, as Dhruv Sir just said that the Board of Directors have recommended a dividend of Rs. 2/- per equity share for FY 2022, as subject to the approval of shareholders in the AGM.

The record date for this dividend was 02nd September 2022 and all the equity shareholders of the Company whose names appear as Beneficial Owners on September 02, 2022 as furnished by NSDL and CDSL will be entitled to the dividend.

Once this dividend is approved by the Shareholders, it will be paid in next 30 days.

Moving to the second question, we can see on our panel is:

The Company has spent Rs 500 crores in acquiring Busy Accounting Software? So, what is the thought process behind it and how is it shaping up.

I request our Whole-Time Director, Mr. Brijesh Agrawal to take this question and answer this.

Brijesh over to you.

Brijesh Kumar Agrawal, Whole-Time Director:

Thanks Prateek!

As you all know accounting is a key strategic space for IndiaMART it helps us realize our vision of make doing business easy. It is also a core need of businesses and hence a very sticky subscription business.

We completed the acquisition of Busy in April 2022. It is an on premise accounting software which has been in existence for 20+ years now with over 3 lakh licenses that have been sold till date.

Our growth strategy for this business is to invest behind the product as well as the sales and distribution so that we can improve the overall reach, awareness and especially in the areas which are highly under penetrated.

So, over the next couple of years, we would continue to focus on expanding the team, expanding the partner network and improve our market share while accelerating the revenue growth in this business.

Prateek Chandra, Chief Financial Officer:

Thank you Brijesh.

Moving to the third question in line is from Deepika:

Govt has announced ONDC...How will this help IndiaMART and what is our Growth strategy?

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

Dinesh Chandra Agarwal, Managing Director and CEO:

Thank you Prateek.

See, B2B is a large opportunity in India which is expected to touch a trillion dollars in next few years.

IndiaMART is focused on solving the discovery and matchmaking problems between buyer and seller different kind of orders, different kinds of services from different kind of geographies and generate business leads for sellers.

Over the years we have been able to build a sizable organic traffic with more than 7.2 million suppliers including 86 million products on our platform.

We have been able to develop matchmaking algorithm based on behavioural data which is very proprietary to IndiaMART.

All these have resulted into a strong network effects on the platform, which provides a strong representation to us differentiation to us vis a vis any of the platforms that are existing in the market currently.

We tell you that there are many more organs to be fraud in the big company as well as in the industry. I believe ONDC can solve so many problems and it will also help create a larger ecosystem and it will further help IndiaMART in its growth strategy. As many more players joined the B2B industry and SME industry with all different kind of problems, different kind of industries and different kind of segments, IndiaMART will also find many more opportunities in time to come, and I would continue to act to grow the Company, industry as well as the financial growth of IndiaMART.

Thank You.

Prateek Chandra, Chief Financial Officer:

Thank you Dinesh.

We will conclude the Q&A session, rest of the questions we will take it up and response one on one individually.

Over to you Dhruv Sir.

Dhruv Prakash, Chairman of the AGM:

As there are few more questions being received, we would respond to the unanswered questions clarifications individually within 7 working days.

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 to the on the website NSDL, NSE and BSE.

Members, there being no other business to transact, I hereby conclude the AGM of the Company and thank you all for your participation and dignified presence.

The E-voting though shall remain open until 12:00 p.m. and thereafter the proceedings of the meeting shall be closed.

Thank you very much.
