

TRANSCRIPT OF THE PROCEEDINGS OF THE 37TH ANNUAL GENERAL MEETING OF PMC FINCORP LIMITED HELD THROUGH VIDEO CONFERENCING ON SATURDAY, SEPTEMBER 17, 2022 AT 11.16 A.M

PARTICIPANTS

- 1) Shri. Rekha Modi**
Non-Executive Director
- 2) Mr. Raj Kumar Modi**
Managing Director
- 3) Mr. Prabhat Modi**
Non-Executive Director-Chairman for this AGM
- 4) Mr. Yogesh Kumar Garg**
Independent Director
- 5) Mr. Mahavir Prasad Garg**
Independent Director
- 6) Mr. Abhay Kumar**
Independent Director
- 7) Mr. Chandresh Kumar Sharma**
Chief Financial Officer
- 8) Mr. Mahesh Chandra Agarwal**
Partner of M/s. Sunil K. Gupta & Associates, Statutory Auditor
- 9) Ms. Ashu Gupta**
Partner of M/s Ashu Gupta & Co., Secretarial Auditor & Scrutinizer

Mr. Kailash

Dear Members.... Good morning! The time is 11:15 AM now.

On behalf of The PMC Fincorp Limited, I Kailash, Company Secretary, welcome you all to the 37th Annual General Meeting i.e. AGM of your Company.

Due to technical issues of all NSDL web portals, quorum was not completed, consequently we adjourned for 15 minutes for the quorum to be present, and after completion of quorum we started AGM at 11.16 a.m.

In view of relevant circulars issued by the Ministry of Corporate Affairs and SEBI, the 37th Annual General Meeting of the Company is being conducted through Video Conferencing facility on WebEx platform (VC). The Venue of AGM shall be deemed to be the Registered Office of the Company.

Before we start the proceedings of this AGM, I would like to take you through certain points regarding the process to participate at this meeting through Video Conference i.e. VC. The facility to join this AGM through VC has been made available for members on first come first served basis.

- The members who have joined this meeting by default are kept on mute mode, to avoid any disturbances arising from background noise and enjoy seamless conduct of this meeting. We have some shareholders who are registered themselves as Speakers, which we will take up in later part of this meeting. A part from that, if any shareholder would like to ask any question, please write the same in your chat box, which will be answered in the question & answer session in the best possible manner.
- The proceedings of this meeting are being recorded. During the meeting, the participants would be on mute.
- The Company has availed the facility of web casting of this AGM through NSDL.

- The facility of remote e-voting prior to the AGM as well as the e- voting during the AGM is also being provided by NSDL.
- The meeting has opened 30 minutes prior to its scheduled time and will remain so open for 30 minutes after the meeting is over.
- Members are advised to join the meeting by using their laptops and headphones with an internet connection having a better speed to avoid any interruption or disturbance during the Meeting.
- As mentioned in the notice, the facility of participation at the AGM through VC has been made available.
- As you all know, this Meeting is held through the VC, the provisions pertaining to Proxies are not applicable.
- We had given an opportunity to the shareholders to register themselves as Speakers and ask any questions till **September 12, 2022**, by sending email at Company's dedicated email id i.e. investorrelations@pmcfincorp.com
- We have thus received requests from 5 (no. of shareholders) and accordingly plan to give them an opportunity to speak. The names of such shareholders will be called during the course of the Meeting.
- The facility to inspect the documents by the Members is also available during the Meeting, on logging on to the website of the NSDL viz., <https://www.evoting.nsdl.com/>
- The Company had provided members the opportunity to cast their vote(s) on the resolutions contained in the AGM Notice, by means of remote e-voting.
- The remote e-voting commenced on **Wednesday, 14th September, 2022 at 09.00 a.m.** and closed on **Friday, 16th September 2022 at 5.00 p. m.**
- Members present at the Annual General Meeting today may cast their votes through voting on e-voting platform of NSDL.
- The e-voting platform is open now for voting and will close after 30 minutes from the time of closure of this meeting.

- During the AGM, if any member faces any issue or requires any assistance relating to e-voting or VC, he or she may contact the helpline number as mentioned in the AGM Notice.
- The Company have appointed Ms. Ashu Gupta, Partner of M/s Ashu Gupta & Co., Practicing Company Secretaries, as the Scrutinizer to scrutinize the votes cast through remote e-voting and e-voting during this AGM.
- The Scrutinizer will scrutinize the voting results and submit the report within two working days. The results of the voting will be announced by posting it on the website of the Company at www.pmcfincorp.com, website of stock exchanges i.e. BSE on www.bseindia.com and on the website of NSDL.

The Company has made all efforts feasible to enable the members to participate at the meeting through the VC and vote electronically.

I now request Chairman Sir for the AGM to formally commence the proceedings.

Mr. Prabhat Modi-Chairman

I confirm that the requisite quorum is present, hence, I now declare the Meeting to be in order and open.

Mr. Kailash-Company Secretary

I take pleasure in introducing the Board of Directors of the Company and other respected dignitaries:

- 1) Shri. Rekha Modi
Non-Executive Director
- 2) Mr. Raj Kumar Modi
Managing Director
- 3) Mr. Prabhat Modi
Non-Executive Director-Chairman for this AGM
- 4) Mr. Yogesh Kumar Garg
Independent Director
- 5) Mr. Mahavir Prasad Garg
Independent Director

- 6) Mr. Abhay Kumar
Independent Director
- 7) Mr. Chandresh Kumar Sharma
Chief Financial Officer
- 8) Mr. Mahesh Chandra Agarwal
Partner of M/s. Sunil K. Gupta & Associates, Statutory Auditor
- 9) Ms. Ashu gupta
Partner of M/s Ashu Gupta & Co., Secretarial Auditor & Scrutinizer

Notice of this AGM along with the Annual Report for the financial year 2021-22 containing the audited standalone financial statements for the year ended March 31, 2022 along with the reports of the Board of Directors and Auditors thereon have been emailed within the statutory period to all the shareholders whose email IDs are registered with their respective depository participants or the Company or with the Registrar and Transfer Agent, Indus Portfolio Private Limited.

I now request our honourable Director, Mr. Prabhat Modi, to address the members.

Mr. Prabhat Modi :-Dear Shareholders, Ladies & Gentlemen,

Very Good Morning to all of you!

I warmly welcome each one of you to the Thirty Seventh Annual General Meeting of your Company. It is always a pleasure to connect with you all, and although virtual it is a privilege to host you today. But I really miss the personal interactions and hoping that to see you all personally in the coming years.

I hope that all of you and your close ones have been able to get vaccinated and continue to protect yourself from Covid-19. Considering the infection rate in Rampur-Utter Pradesh and emerging COVID-19 variants it was thought prudent to avoid physical meeting.

I am sure that, all of you have gone through the Annual Report for FY 2021-22. In this Annual Report, we have tried to lay out our performance, its phases and outlook of the Company.

The Directors' Report and the Audited Accounts for the Financial Year ended March 31, 2022 have been with you and, with your consent, I shall take the Notice of this 37th AGM (On page no. 4) and the Board's report (on page no. 19) which has been circulated to all shareholders, as read.

The secretarial auditor's report is enclosed as Annexure II to the Board's report on page number 31 of the Annual Report. I shall take them as read.

The Statutory Auditor's report on the Standalone financial statements are available on page numbers 61 of the Annual Report. The Statutory Auditor's report on the financial statements of the Company for the financial year ended March 31, 2022 do not contain any qualifications, observation, comments or other remarks. These are also being taken as read.

Before I speak to you about the performance of your company, let me briefly touch upon the current trends prevailing in the economic scenario.

Economic Scenario

In the year 2022, the Global economy seems recovering on the back of mass vaccination programmes, which I consider a major driving factor and fiscal measures adopted by the RBI and as well various policy measures by the Government and its satisfying to see that the world is resuming to normalcy.

However, there is uncertainty again owing to heightened geopolitical tensions and global risks, and many economies have experienced a sharp surge in inflation recently, particularly in food and fuel prices, but on the positive note, Indian Economy has made a good recovery in achieving a pre-pandemic level.

Let me now briefly update you on your Company's performance during the financial year gone by.

The last year was exceedingly challenging for everyone, including our employees, business partners, customers, and local communities. However, it was the sheer tenacity and positive spirit of all our stakeholders that enabled us to deliver a robust performance in an otherwise challenging environment characterised by emerging COVID-19 variants, geopolitical concerns, supply chain disruptions, and unprecedented inflation.

Financial Performance

The Company recorded a strong growth in revenues, as it increased from Rs. 543.26 Lakhs in FY21 to Rs. 738.19 Laksh in FY22, charting a growth of 27.62% Year-on-Year. The Company's EBITDA too grew from Rs. 243.39 Laksh in FY21 to Rs. 255.02 Laksh in FY22, recording a 4.56% Year-on-Year growth.

Outlook

The fundamentals of India's economy remain robust, and the service sector is catching up. This is further backed by the corporate sector's improved performance, as evidenced by the uptrend witnessed in the quarterly results. India is expected to witness a GDP growth of 7.2% in FY 2022-23.

Going forward, NBFCs would begin FY 2022-23 with enough capital buffers, consistent profitability, and considerable on Balance Sheet provisioning, as well as sufficient system liquidity to protect against additional Covid-19 outbreaks and geo-political risks. These impacts would remain to be seen once the Financial Stability Report is released by the RBI for the full year. The NBFC sector's AUM is predicted to increase by 6% to 7% in FY 2021-22 and by 9% to 10% in FY 2022-23. The impacts of the pandemic are fading and Covid-19 limitations being relaxed internationally, putting NBFCs on a growth path. Furthermore, as the world's fastest growing economy, India's rise across all sectors would create a large demand for loans. (Source: CRISIL NBFC Report 2021, Ind-Ra Research)

ACKNOWLEDGEMENT

I thank you to all my shareholders, for their continued trust, encouragement and unequivocal support to the Company and its Management, thanks for staying invested in PMC Fincorp limited.

Also, I would like to express my gratitude towards our Board Members for their constant guidance and support in our pursuit of maximizing long-term shareholder value. I must acknowledge the significant contribution of our employees, customers, and all stakeholders for their laudable efforts to maintain business continuity in this tough and uncertain environment.

Thank you All.....Stay Healthy Stay Blessed.

Mr. Kailash-Company Secretary

In terms of the provision of the Companies Act, 2013, and SEBI's listing regulations, members holding shares as on **September 9, 2022**, are entitled to exercise voting on the resolutions contained in the notice dated August 10, 2022. Shareholders holding shares as on the cut-off date were provided option to cast their votes remotely from September 14, 2022 from 9 a.m. to September 16, 2022 upto 5 p.m, by logging into the e-voting platform of NSDL.

In view of remote e-voting and as per standard 7.1 of the Secretarial Standard on General Meetings, proposing and seconding the following resolutions is not required.

There are total 4 resolutions to vote. Before putting the resolution to vote, I would like to brief you on the resolutions.

Ordinary Business:

- 1. Resolution No. 1:** To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.
- 2 Resolution No. 2:** To appoint a director in place of Mrs. Rekha Modi (DIN: 01274200), Director of Company who retires by rotation and being eligible offers herself for re-appointment.
- 3. Resolution No. 3:** To appointment of M/s Pankaj Gupta & Co., Chartered Accountants (Firm Registration No. 019302N) as the Auditors of the Company and to fix their Remuneration.

Special Business

- 4. Resolution No. 4:** Change in Designation of Mr. Prabhat Modi (DIN: 08193181) from Non-Executive Director to Whole Time Director of the Company.

E-voting is now open and Members may please go to the page of Evoting NSDL and cast their vote and at the same time watch proceedings of the meeting. The e-voting facility will remain open up to 30 minutes after the conclusion of this meeting to enable Members to cast their vote. Instructions for casting vote

electronically during the Annual General Meeting forms part of the Annual General Meeting Notice.

Chairman:-

I would like to invite queries from the members on the above business items. I request the Company Secretary to moderate the queries from the members.

Company Secretary:-

Thank you, Chairman Sir.

We will now unmute the members who have registered themselves as speakers. Members are requested to ask their queries when called for. Members are requested to keep their queries short to provide equal opportunities to other members.

To avoid repetition, the answers to all the questions will be provided towards the end. Members may also note that the Company reserves the right to limit the number of members asking questions depending on the availability of time.

Now I request the first speaker to put forth the question.

1 So First I would like to start with **Mr. Krishan lal Chadha/Chetan Chadha:** My Name is Chetan Chadha and I am joining this AGM from my home new Delhi, I had joined AGM but you didn't unmute me so thanks to you allow me in the AGM and allow me as a speaker in AGM but sir NSDL Portal is not working from early morning but thanks to you providing me link for the joining this AGM. Sir we are organizing 37th AGM this year after came out from COVID Pandemic last two years and although during the covid we have achieved a good growth in the company then so we want to know what we have future road map of the company of coming two years in future so that we can maintain our Growth rate as same and sir you know that all the market has opened now and hope you have make a future plan so that we can get dividend from your company in future. Thank you

Mr. Kailash: Thank You so much Sir!

2 **Next speaker is Mr. Ajay kumar jain:**

	<p>Mr. Ajay Kumar Jain sir are you here? Yes, I am Ajay Kumar Jain speaking from Delhi thanks to you for allowing me as a speaker in the AGM, I was hearing Chairman Speech of Mr. Prabhat Sir as a younger Chairman for this AGM. Due to technical problem voice of Mr. Ajay Kumar Jain was not audible during the AGM but after some time voice was audible and he appreciated to the Company Secretary for the best working for the company and resolving the queries of the shareholders within the stipulated time period. Mr. Kailash: Thank You so much Sir!</p>
3	<p>Next speaker is Mr. Ushadevi V : I am Ushadevi V, I am from Andhra, good morning PMC Fincorp Team, first of all Congratulation to Mr. Prabhat Modi ji for becoming Whole Time Director, I am happy to see the performance of the company last two year was very good, now first question is that company issued three times warrant in FY 2014 & 2022 but express of business is not showing very high, second question is company purchased recently NCL research shares but intimation not looking on BSE portal, Third question is company has good reserves around 50 Cr. and profit so we can purchase shares of penny stock because penny stock shares increasing day by day and maximum investor are purchasing of this shares. Your company portfolio was very good in FY 2014 so as same we can make this year. Fourth question is Dividend already I have asked about dividend in last two AGM, Company has good profit so company can give dividend in future so that shareholders confidence will be increase in the company. Next question is NSE listing we want our company involve and get registration in NSE. Last final question is income tax penalty please sir tell on there about income tax penalty why they have imposed. If you will give answer so investor confidence will increase. Mr. Kailash: Thank You so much Sir!</p>
4	<p>Next speaker is Mr. Praveen Kumar: Mr. Praveen Kumar sir are you here? Mr. Praveen Sir was present but he did not ask any question in the AGM.</p>
5	<p>Next speaker is J.Abhishek: Sir my name is Abhishek DP ID no. is IN301637 and clint id no is 41359155, first of all congratulation to management for the 37th Annual General Meeting, before 2014 company performance was good and company has given dividend, company has given Bonus in 2015 and split the shares but after 2015 don't know what happened company was out of performance, its worry for the company that price of the shares very low up to 3 rupees, don't know how management is taking the call for the business. And during the COVID Pandemic everyone was facing challenges in the business</p>

and employee salary was reduced by 25 % in the corporate sectors, what is your planning for reducing the other expenses, cost of legal charges and audit fees, I have legal firm so that you can empanel my firm for the legal opinion so that we have serve a better service to your company. Now I have inspected all documents in NSDL portal, Sir NSDL portal was not working and company allowed speakers in the AGM for the speaking and asking the questions and some other Shareholders can see AGM through NSDL Portal but NSDL Portal was not working, unfortunate NSDL under maintenance from last 12 Hr. your company adjourned the AGM due to quorum so kindly tell how many shareholders joined in your Company AGM and how many shareholders required for the quorum in the AGM. Sir my question is page no 50 we can see remuneration paid to Directors and sitting fee drawn by Independent Directors, and we can see all the resolution, you have changed the auditor so please tell how much audit fee you have fixed for the new auditor. And we welcome the new whole time director Mr. Prabhat Modi he is drawing the salaries when company is struggling and not in position to give rewards to the minority shareholders, under these circumstances I think the management should take necessary steps and compromise, so that shareholders can get rewards, page no 52 non compliances regarding not constitute a proper composition as per SEBI LODR, Company has paid all the penalty for this and same company has appeal against this penalty. Next question is company has more than one lakh seventy thousand shareholders so tell me what is the reason that company not completed the quorum in the AGM, next is company has converted 2.50 cr. Number of warrants into equity so where you have utilized this amount, please brief thanks to company secretary and all team members for the 37th AGM.

Mr. Kailash: Thank You so much Sir!

That's all with the speakers, we can move ahead with the proceedings of the meeting. May I now request Shri Prabhat Modi ji, Whole Time Director to reply to queries of the members.

Chairman replied all the queries

First reply to shareholder Mr. Krishan Lal Chadha/ Chetan Lal Chadha: thanks for your comments, all the shareholders are part of the family, as per the road map of coming two years, we raised funds through issue of preferential warrants and all the disclosures we have given on BSE portal on how these have been fund utilized for the loans and investments business of the company. And road map would be to identify the opportunities in the lending and investment space for future growth. As

for shareholders reward, the share price of the company increased from Rs one to eleven in last one year, giving good capital appreciation, further, if company reaches its goal and certain level of cash flow and business stability then we shall draft a dividend policy for the dividend paying so I would request to all shareholders to keep patience and we will strive to further increase our shareholders wealth.

Now 2nd Shareholders Mr. Ajay Kumar Jain, thank you for your words I will always strive to bring strength to the PMC Brand and company and future shall be good, we always count our minority Shareholders as part of the PMC family.

Now 3rd Mr. Usadevi ji, let me first comment on the income tax penalty, we have disclosed the income tax penalty in the Balance sheet and annual Report and same is under appeal. Regarding NSE Listing, first we shall check the criteria for NSE Listing and we will inform our shareholders of our decision post due consideration. Further, the company will always strive to make investments for maximum returns, however, sometimes expected returns are not earned due to changing market conditions. At such times, it becomes critical to safeguard the capital of the company. But we learn from our mistakes. I believe, the rest of your queries regarding future plans and dividends are answered collectively with other shareholder queries.

Now last speaker Mr. Abhishek ji: all the penalty imposed by income tax department or SEBI or any other authority we have mentioned in the Annual Report and we have filed appeal against them. As for income tax penalty we have not deposited any amount and we have filed appeal against it before CIT. As for minority shareholders rewards, I have already answered it previously. We always strive to optimise our expenses. Regarding salary during the covid, we implemented no salary reduction for our employees. Regarding the number of shareholders of our company, we have more than one lakh fifty thousand shareholders and company required only 30 shareholders for the fulfilment of the quorum, we acknowledge that NSDL site was not working from today morning so we postponed our AGM for 15 Minutes due to incomplete quorum, only after having achieved a complete quorum we have started the AGM. For your further clarification kindly drop us a mail and I will be happy to address you.

Further if any shareholders have any queries, they can write a mail to us and we will resolve the same.

Thank you and I request to Company Secretary to continue the meeting.

Company Secretary Kailash: thanks sir thanks so much as all the queries have been responded and clarified and the business of the meeting is now complete.

This brings us to the end of this meeting. Before I announce conclusion of this meeting, Members who have still not voted on resolutions are requested cast their votes on NSDL e-voting system. The detailed process of voting is already mentioned in the AGM notice. Let me remind you that voting will close after 30 minutes from the time of closure of this meeting now.

The Board of Directors has appointed Ms. Ashu Gupta., Practicing Company Secretaries, as a scrutinizer to supervise the e-voting process.

The resolutions as set forth in the notice shall be deemed to be passed today subject to the receipt of the requisite number of votes.

I express my sincere thanks for your support and co-operation. I would also like to thank all our esteemed Board Members and also to my fellow colleagues. Now I request Chairman to formally declare meeting as Concluded.

The timer for enabling the e-voting will start now.

Commencement of E-voting - will flash on the screen.

End of E-voting - will flash on the screen.