

Twenty Fifth Annual general Meeting of Mentor Home Loans India Limited through Video Conferencing”

September 04, 2020

Rohit Jain: Dear Shareholders, good afternoon and warm welcome to you all at the 25th Annual General Meeting of Mentor Home Loans India Limited through video conferencing facility.

All the directors of the Company have joined this meeting including Mr. Pawan Kumar Goyal, Chairman of Audit Committee and Mr. Ram Ratan Agarwal, Chairman of Nomination cum Remuneration Committee.

As the Chairman of the Company, Mr. Girdhari Lal Goyal is not able to attend this meeting. So, with the permission of the majority directors, the name of Mr. Pawan Kumar Goyal is hereby proposed for the Chairman of this 25th Annual General Meeting.

For this purpose, the pop-up link will be displayed now on your screens and you can cast your vote for the appointment of the Chairman of the Meeting.

Please cast your vote in the favor or against.

On the basis of your voting casted in regards to appointment of chairman, Mr. Pawan Kumar Goyal is elected as the chairman of this 25th Annual General Meeting.

Now, I hereby request to the chairman, please confirm the quorum.

Pawan Kumar: I confirm that based on the members already joined, the requisite
Goyal quorum for the meeting is present.

Rohit Jain:

Dear all, once the Q&A session starts, we will announce the names of the shareholders as speaker shareholders one by one. While speaking, Speaker shareholders are requested to click the video ON button.

While speaking we request the speakers to use the earphone so that they are clearly audible. To minimize any noise in the background, ensure that Wi-Fi is not connected to any devices and that no other applications in the background are running.

We would like to request the speaker shareholder to kindly limit their speech to 2 minutes.

I would like to inform the members that Registers and Document referred to in the Notice are available for inspection during the meeting through link appearing on CDSL website. You may access the same using your login ID.

Since there is no physical presence of members, the facility of appointment of Proxy is not applicable.

The Notice of AGM was sent to all the shareholder. I understand that you all must have received it and read it by now. Accordingly, with the permission of the Chairman, notice of the meeting is taken as read.

I would also like to inform that there is no qualification or adverse remark in the Audit Report issued by Statutory Auditors over financial statements. I also confirm that the Statutory Auditor is participating this AGM in virtual mode.

As mentioned in the notice of AGM, option for casting vote through remote e-voting facility was given to all the persons who were members of the Company as on 28th August, 2020 i.e. Cut-off date.

The remote e-voting facility was opened from 01st September, 2020 to 03rd September, 2020. Those members, who did not cast their vote through remote e-voting facility, can cast their vote by e-voting during this meeting.

Mr. Pradeep Pincha, Partner of Pinchaa & Co. has been appointed as Scrutinizer for the entire voting process (i.e. remote e-voting and e-voting during the AGM). He will present his report to the Chairman and after approval of the Chairman, the results of voting will be declared as per the statutory time limits. Intimation to that effect shall be posted on the website of the Company.

Rohit Jain: I would now request Hon'ble Chairman to kindly address the members.

Pawan Kumar: Dear Shareholders,
Goyal

Welcome to the 25th Annual General Meeting of Mentor Home Loans India Limited.

On behalf of Mentor Board of Directors, I thank you for joining us today. It is a pleasure to connect with all of you again, although this time we meet virtually. Your presence is indeed a true demonstration to your involvement with the Company, even in uncertain times like these, and your confidence and support drive us to look for more ways to create greater value for the Company.

It's been a landmark year for all of us, as the Company completes 25 years of its incorporation. Company's growth and performance is a true reflection of the hard work and perseverance of many dedicated employees across our company working relentlessly for the company's success. We have been developing our divisions and take great interest in the interests of our customers and understanding their problems.

During the Financial Year 2019-20, new customer journeys were created for home loans to provide a fast and frictionless customer experience. Housing is a primary necessity in every economy and is a basic indicator of growth and social well-being. The year 2019-20 brought along its share of challenges and the fluctuating business cycles. However, the Company is cautiously optimistic to regain growth momentum. The Company registered a Revenue of Rs. 97.74 Crores this year as compared to Rs. 98.94 Crores during the previous year and Profit before Tax of Rs. 31.60 Crores this year as compared to Rs. 35.26 Crores during the previous year. The Profit after Tax (PAT) this year is Rs. 23.68 Crores as compared to Rs. 25.27 Crores during the previous year. The Asset Under management (AUM) was Rs. 471.83 Crores in the Financial Year 2019-20 as compared to Rs. 479.82 Crores in the Financial Year 2018-19. The Balance sheet size stood at Rs. 508.55 Crores in the Financial Year 2019-20 as compared to Rs. 508.78 Crores in the Financial Year 2018-19.

The outbreak of COVID-19 pandemic is unprecedented. It has impacted the world and every country, business and individual. The impact of Coronavirus pandemic on the economy has been largely disruptive. The COVID-19 pandemic induced market instability, sharp rise in unemployment, stress on supply chains, decrease in income level, reduced consumer activity, collapse of tourism and hospitality industry. The country's growth is downgraded with lowest figures in GDP seen in three decades.

The Company's management team is proactively managing changes in the environment that is impacting our business. I am glad to share with you that even with the uncertain and unstable conditions, our overall financial and business performance in the financial year that passed by was quite strong and healthy. The Board of Directors has



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great confidence in the Company's outlook. Despite new challenges that may lie ahead, we are gearing up to seize growth opportunities.

We are preparing to cement our position further by ensuring good asset quality and making a positive difference in our customer's lives. The Company is continuously working towards upholding the highest standards of integrity in all its actions.

The Company has expanded its operations and currently working in 38 branches across Rajasthan, Madhya Pradesh, Gujarat and Maharashtra. The Board's principal focus during the year continued to be on the execution of our strategic objectives, which are mainly focus on value, improve efficiency, investment in the business, customer satisfaction etc.

As part of its sustainability and Corporate Social Responsibility Initiatives Mentor Home Loans India Limited continued it's comprehensive and need based support to the communities with its establishment of hospital, donations to the trusts and preservation of animals. The company is also continuously engaged to have an impactful social development.

Dear Members, the Management and the Board commit to you to further accelerate our efforts to navigate the Company through the intimidate changes and deliver performance, worthy of its proud heritage.

I take this opportunity to thank our Board of Directors, customers, rating agencies, employees, Banks & Financial Institutions, Auditors and stakeholders for their guidance, advice and support. It's their goodwill that renews our belief in ourselves and our potential to be more.

Stay Safe, Stay Healthy. Thank you.

Rohit Jain: Now I request, the speaker shareholders to raise their questions.

Host is requested to connect with speaker shareholders one by one.

Javed Akhtar: I wanted to ask about the appointment of new employee and steps taken by the company for its shareholders, in the annual general meeting of the company.

Puneet Saxena: I wanted to ask about annual report and launching of new product of the Company?

Satish Gautam: Kindly give me reply during the AGM about the issuance of Bonus Shares and ESOP?

Also I want to know that when the Company will declare dividend?

Suraj Sharma: I wanted to ask question related to COVID-19 and issuance of ESOP?
When the Shares of the company get listed on NSE/BSE?

Rohit Jain: Now, I request Mr. Pawan Kumar Goyal, Chairman of the Meeting to reply all the questions.

Mr. Pawan Kumar Goyal, Chairman of the Meeting, answered all the questions one by one.

Pawan Kumar

Goyal: **Answer to the questions of Mr. Basant Kumar Goyal asked in advance.**

This has reference to your Communication dated 25.08.2020 and on the issues sought to be clarified/replied.

Without prejudice to rights and privileges available to the Chairman of the proposed meeting, inter-alia, under SS-2 - Secretarial Standards on General Meetings issued by The Institute of Company

Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013 as well as contents of Notice dated 11.7.2020 about convening of 25th AGM on 4.9.2020, please be advised as under:-

Consequent upon accounting of the amount paid to Mr. Basant Kumar Goyal during the Financial Year 2020-21, the anomaly occurred due to clerical mishap in TDS Return has been dealt with and consequential revision in the Returns.

In connection with the contents of the issue under Points No. 2,5,7,8, it is stated that “the Financial Statements” are approved by Board of Directors and subsequently audited by Statutory Auditor of the Company with furnishing of the relevant Report under the Statutory Provisions.

The Audited “Financial Statements” are prepared as per “Generally Accepted Accounting Principles” in India including the “Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013, National Housing Bank Act, 1987 and Housing Finance Companies, (NHB) Directions, 2010 as amended from time to time and various guidelines issued by NHB to the applicable extent.

The correct factual and legal position in connection with the Company Petition No. 231/241-242/JPR/2019 titled as Basant Kumar Goyal & Ors. V/s. Mentor Home Loans India Ltd. & Ors. in view of the same along with related interlocutory proceedings being in seseine of the Hon’ble National Company Law Tribunal, Jaipur Bench, Jaipur and being conducted, inter-alia, in your presence through your Counsel stands stated and hence the same does not require any further elucidation.

At present, state of Non-Banking Financial Companies (NBFCs) including Housing Financing Companies, are confronted with strained liquidity concerns and hence to deal this issue with requisite commercial prudence and pragmatism requisite liquidity, the balances are being maintained by investment in Fixed Deposit with the Banks.

Your expressions relating to appraisal of performance of “Chairman” of the Company being beyond your scope of comprehension and hence is quite alien and non-contextual and hence does not require any further response.

The disclosure about the payment of fee to Auditor finds requisite mention in the “Financial Statements” prepared in consonance with the applicable statutory provisions.

The Financial Statements are duly approved by Board of Directors and audited by the Statutory Auditor of the Company.

The appointment of M/s. Agarwal, Jain & Gupta, Chartered Accountants, Jaipur as internal auditor of the Company was approved by Board of Directors of the Company, at its meeting held on 27.05.2020 which in this context, inter-alia, scope of work in backdrop of the dynamic business environment, experience and competence of the auditors to meet with the same as effective internal control tool was, considered.

Incidentally it is stated that you by Email communication dated 08.06.2020 without informing the Company did directly interact with Mr. Nitesh Agarwal of M/s Agarwal, Jain & Gupta, Chartered Accountants, who were appointed as internal auditors of the Company about there being ‘technical error’ in their appointment and in view of the same by an act affront to the normal functioning of the

Company, the communication dated 17.06.2020 was sent by the Company to you.

The contents relate to raising the aspersions in a dubious and dejecting manner about physical, mental and health related issues of Mr. Girdhari Lal Goyal, Chairman of the Company are beyond your scope and authority to be judgmental on the same and hence the same lacks the edifice for any further comments in the matter. The Company reiterates that the requisite NHB directives and guidelines embedded with statutory provisions contained in Companies Act, 2013 and Rules made there under, with relation to, inter-alia, corporate governance about role, responsibility and discharge of functions by “Chairman” are being complied with.

The Company being the HFC engaged in housing finance activity is to have requisite engagement in augmenting its resources, thus “Agenda” the issue of “Debt Securities” on Private Placement Basis and delegation of powers in that context to a specific committee has been made. Thus cooked up apprehensions are misdirected and bereft of any genesis and hence the same be taken as expressions being replete with foundation and are responded accordingly.

The auditor’s fee is as per the industry trend and is justified considering the nature and scope of work.

The immoveable property situate at Babulal Compounder ka Rasta, Sikar, has been taken on rent by Mr. Sahil Goyal, S/o. Shri Pawan Kumar Goyal, Managing Director of the Company was back in the year 2012, at the time you happened in the whole time employment as “Executive Director” in the Company.

This premises is being used for business operations of the Company.

The issue about monetized approximation of the profit/revenue being generated from rented/leased premises per-se has the inbuilt ridiculousness and hence does not merit any comment.

The materialization of construction of “New Company Building” at upheave led market conditions present is contingent on accentuated by COVID-19 Pandemic induced circumstances, nevertheless, the Company being undeterred by the prevalent circumstances, is poised with requisite planning, vision, strategic growth and development of the Company and its diverse stakeholders.

The communication dated 24.8.2020 of Mr. Sandeep Pathak stated to have been sent with the reference mentioned as “Legal Notice under the Contempt of Courts Act, 1971 read with Section 425 of the Companies Act, 2013 for violation of orders dated 10.10.2019 and 06.12.2019 passed by the Hon’ble National Company Law Tribunal in Company Petition No. 231/241-242/JPR/2019 titled as “Basant Kumar Goyal v Mentor Home Loans India Ltd.” and further for violation of undertaking recorded by the Hon’ble NCLT in its order dated 17.09.2019 stands replied by their respective Counsels.

The present response on the issues raised by you is to construed accordingly in backdrop of above too.

Reply to Mr. Javed Akhtar.

The pandemic has slowed the momentum of economic activities and many institutions have laid off their employees or resorted to pay cuts. However, to maintain its quality staff, MHLIL has laid off some staff to cut down the cost of the Company. The company is committed to ensure the safety and wellness of its employees by incorporating enhanced sanitation of facilities, setting up screenings and implementing visitor guidelines for those coming to our locations. All these efforts of the company are certainly to improve its employee attrition rate.

Reply to Mr. Puneet Saxena.

The annual report of the Company is available on the website of the Company at www.mentorloans.co.in

The Company is into the business of providing Housing Loans since 2014 and the Company will continue to retain its focus on this segment only.

The necessity of Housing will never slow down and so the need of Housing Loans also.

Reply to Mr. Satish Gautam.

The Company, for the time being is not planning for any Bonus Shares or ESOP. However, the same will be considered in the near future.

The Company is a growing Company and the same is evident from its financial statements. So, the profits of the company are accumulated for the growth of the company.

Reply to Mr. Suraj Sharma.

The Company has provided relief to its customers in terms of extending moratorium for instalments falling due between March 1, 2020 to August 31, 2020 and communicated to them via various channels.

The pace of recovery is comparatively higher in rural and semi-urban area which has provided the company a competitive advantage in times of severity and ruthless pandemic.

The Company, for the time being is not planning for any ESOP. However, the same will be considered in the near future.

The Company will plan to list its shares and Securities on NSE/BSE in the next coming years.

The Question and Answer session concluded.

Rohit Jain: All the members who have joined the meeting and have not cast their vote through remote e-voting or through e-voting during the proceedings of this AGM, can cast their vote now. The voting will be closed after 15 minutes from the conclusion of this AGM.

I request the Hon'ble Chairman to conclude the meeting.

Pawan Kumar Goyal: I thank all the shareholders and other participants for joining this AGM. Now I announce closure of this 25th meeting.

Rohit Jain: Dear Members, as advised by the Scrutinizers, the time for e voting has elapsed and they are of the view that all members who are participating in the Annual General Meeting have been given adequate time and opportunity to vote at the AGM and this concludes the proceedings of AGM.

Thank you all for participating in the AGM and e voting.