

**Transcript of 12<sup>th</sup> Extra Ordinary General Meeting of Utkarsh Small Finance Bank Limited**  
**Held at 05.00 pm on December 28, 2020 (at shorter notice)**

**Corporate Participants:**

Mr. Kajal Ghose	Independent Director & Chairman of Nomination & Remuneration Committee (Attended through VC from Navi Mumbai)
Ms. Kalpana Prakash Pandey	Independent Director & Chairperson of Stakeholder Relationship Committee (Attended through VC from Mumbai)
Mr. Puranam Hayagreeva Ravikumar	Independent Director & Chairman of the Board (Attended through VC from Mumbai)
Mr. Hitain Sharma	Chief Human Resource Officer (Attended through VC from Mumbai)
Mr. Mukund Barsagade	Chief Financial Officer (Attended through VC from Mumbai)
Mr. Sachin Shamkant Patange	Chief Compliance Officer (Attended Through VC from Mumbai)
Ms. Nutan Anand Rane	Company Secretary (Attended Through VC from Mumbai)

**Ms. Nutan Rane, Company Secretary**

Good evening, to all the Shareholders and Directors present.

I welcome you all on behalf of Utkarsh Small Finance Bank Limited to the 12th Extra Ordinary General meeting which is being held today through video conferencing. We have kept the VC connection open half an hour before the scheduled time of EGM which is 5.00 pm. Members are encouraged to join the meeting through their laptops and headphones for a better experience and use internet with a good speed to avoid any disturbance during the meeting.

This Extra Ordinary General Meeting is being held through video conferencing in accordance with the circulars and guidelines issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. Subsequent to the MCA circular of April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, the body corporate is entitled to appoint authorized representatives to attend the EGM through VC, other audio/video means. The registered office of the Bank situated at Varanasi, Uttar Pradesh, shall be deemed as the venue for this EGM. To transact the businesses as mentioned in the notice, the Members were provided an opportunity to inspect all documents referred to in the notice and the explanatory statement by writing to the company at its email ID, i.e., [secretarial.usfb@utkarsh](mailto:secretarial.usfb@utkarsh) till the date of EGM.

Ms. Nutan Rane further informed that as per Article of Association of Bank, if Chairman of Board is absent in Meeting then Directors may elect any person present as Chairman of the Meeting.

The Members present then in the meeting unanimously elected Mr. Puranam Hayagreeva Ravikumar, the Independent Director and Chairman of Board to act as Chairman of the Meeting.

**Mr. Puranam Hayagreeva Ravikumar, Independent Director**

Good Evening to the Shareholders and the Directors present. I welcome you all to the 12<sup>th</sup> Extra-ordinary General Meeting of your Bank. I would like to mention that in view of the massive outbreak of the Covid-19 pandemic, social distancing is a norm to be followed, and therefore, this EGM today has been convened through video conferencing or other audio/visual means in compliance with the companies act 2013, read with specific circulars thereto. The quorum being present, I declare the meeting open.

The notice convening this meeting had already been emailed to all shareholders and are taken as read. Further the Board of Directors present in the meeting are:

1. **Mr. Puranam Hayagreeva Ravikumar**, Independent Director & Chairman of the Board joining this EGM from his residence Mumbai.
2. **Mr. Kajal Ghose**, Independent Director and Chairman of the Nomination & Remuneration Committee joining this EGM from his residence Kharghar, Navi Mumbai.
3. **Ms. Kalpana Prakash Pandey**, Independent Director & Chairperson of Stakeholders Relationship Committee joining this EGM from her residence Mumbai.

Further, from Management side, Mr. Mukund Barsagade, Chief Financial Officer, Mr. Sachin Shamkant Patange, Chief Compliance Officer and Mr. Hitain Sharma, Chief Human Resources Officers have also joined the EGM.

The Register of Director and Key Managerial Personnel and their Shareholding and Register of Contracts in which Directors are interested, are available and will remain accessible to the Members for inspection electronically, if they so desire.

**Special Businesses:**

**To consider and accord approval for introduction and implementation of "Utkarsh Small Finance Bank Limited (USFBL) - Employee Stock Option Plan 2020", to determine the detailed terms and conditions of the Plan and to create, grant, offer, issue and allot/transfer at any time, to or for the benefit of the eligible employees, exercisable into not more than 6,07,41,778 equity shares of Rs. 10/- each**

By Mr. Hitain Sharma, Chief Human Resource Officer

Dear Members,

The Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives. Your Bank believes that equity based compensation plans are an effective tool to reward talent within the Bank. With a view to motivate the key work force and seeking their contribution to the Bank's growth, to attract new talent, to retain them for ensuring sustained growth, and to ensure their participation in future decision making, your Bank intends to formulate "Utkarsh Small Finance Bank Limited (USFBL) - Employee Stock

Option Plan 2020" ("Plan") for 6,07,41,778 Equity Shares of Rs. 10/- each. Additionally, the Bank has also adopted and implemented the Notified Scheme (as defined under the Plan), being the "USFBL Employee Stock Option 2020 Scheme 1" ("Scheme-1").

The Nomination and Remuneration Committee and the Board of Directors of the Bank have approved the Plan and recommended to the Members of the Bank.

Accordingly, the Members are requested to consider and accord approval for introduction and implementation of "Utkarsh Small Finance Bank Limited (USFBL) - Employee Stock Option Plan 2020", to determine the detailed terms and conditions of the Plan and to create, grant, offer, issue and allot/transfer at any time, to or for the benefit of the eligible employees, exercisable into not more than 6,07,41,778 equity shares of Rs. 10/- each by way of passing Special Resolution.

The Chairman put the motion to vote on show of hands and declared the resolution was approved unanimously.

**2. Grant of Employee Stock Options to the employees of Utkarsh CoreInvest Limited (the "Holding Company"), of the Bank under "Utkarsh Small Finance Bank Limited (USFBL) - Employee Stock Option Plan 2020" ("Plan") and "USFBL Employee Stock Option 2020 Scheme 1" ("Scheme-1")**

By Mr. Hitain Sharma, Chief Human Resource Officer

Dear Members,

It is proposed to extend the ESOP Plan of the Bank i.e. **"Utkarsh Small Finance Bank Limited (USFBL) - Employee Stock Option Plan 2020" ("Plan")** for 6,07,41,778 Equity Shares of Rs. 10/- each and the Notified Scheme (as defined under the Plan), including the **"USFBL Employee Stock Option 2020 Scheme 1" ("Scheme-1")** to Eligible Employees of the Holding Company.

The Nomination and Remuneration Committee and the Board of Directors of the Bank have approved the said proposal and recommended the same to the Members of the Bank.

Accordingly, the Members are requested to consider and approve the Grant of Employee Stock Options to the employees of Utkarsh CoreInvest Limited (the "Holding Company"), of the Bank under "Utkarsh Small Finance Bank Limited (USFBL) - Employee Stock Option Plan 2020" ("Plan") and "USFBL Employee Stock Option 2020 Scheme 1" ("Scheme-1") by way of passing Special Resolution.

The Chairman put the motion to vote on show of hands and declared the resolution was approved unanimously.

**3. To consider and approve the revision in terms of appointment of Mr. Govind Singh, Managing Director & CEO, Utkarsh Small Finance Bank Limited (USFBL) with respect to remuneration - fixed pay and variable pay (cash and non cash component) for FY 2020-21 & variable pay (cash and non cash component) for FY 2019-20**

By Ms. Nutan Rane, Company Secretary

Dear members,

Mr. Govind Singh was re-appointed as Managing Director & CEO of the Bank in the Annual General Meeting of Bank held in financial year 2018-19 after having taken charge as MD & CEO once again on September 21, 2018 post RBI approval for his re-appointment. Further, considering the contribution of Mr. Singh and the progress made by the Bank under his leadership and guidance and as per recommendation of Nomination and Remuneration Committee at its meeting held on October 28, 2020, the Board, at its meeting held on November 9, 2020 (extension of Board Meeting held on November 6, 2020) approved the revision in remuneration of Fixed pay for FY 2020-21 and variable pay (cash and noncash component) for FY 2019-20 and other terms and conditions enumerated in the resolution.

Pursuant to the section 197 read with schedule V of the Companies Act, 2013, the revised remuneration along with variable pay of Mr. Govind Singh as decided by the Board is required to be approved by the Members at their Meeting.

Accordingly, the Members are requested to consider and approve the revision in terms of appointment of Mr. Govind Singh, Managing Director & CEO, Utkarsh Small Finance Bank Limited (USFBL) with respect to remuneration - fixed pay and variable pay (cash and non cash component) for FY 2020-21 & variable pay (cash and non cash component) for FY 2019-20 by way of passing Special Resolution.

The Chairman put the motion to vote on show of hands and declared the resolution was approved unanimously.

Acknowledgements

Ms. Nutan Rane, Company Secretary

Finally, on behalf of the Board of Directors and management of Utkarsh Small Finance Bank Limited, I convey our sincere thanks to all the Members and the Directors present, for attending and participating at this meeting. Please stay healthy and stay safe and take care of yourselves. Thank you very much, have a good day.