

Transcript of 16th Extra - Ordinary General Meeting of Utkarsh Small Finance Bank Limited held at 02:30 pm on Monday, August 23, 2021 at Shorter Notice (through Video Conferencing).

Corporate Participants:

Mr. Govind Singh	Managing Director and CEO (Attended through VC from H.O. Varanasi)
Mr. Kajal Ghose	Independent Director (Attended through VC from Navi Mumbai)
Ms. Kalpana Prakash Pandey	Independent Director (Attended through VC from Mumbai)
Mr. Nagesh Dinkar Pinge	Independent Director (Attended through VC from Mumbai)
Mr. Ajay Kumar Kapur	Independent Director (Attended through VC from New Delhi)
Mr. Mukund Barsagade	Chief Financial Officer (Attended through VC from H.O. Varanasi)
Mr. Sachin Patange	Chief Compliance Officer (Attended through VC from H.O. Varanasi)
Ms. Nutan Anand Rane	Company Secretary (Attended through VC from Chembur Office Mumbai)
Mr. Kartik Agrawal	Chief Manager - Company Secretary (Attended through VC from H.O. Varanasi)
Ms. Ankita Khetan	Assistant Manager II - Company Secretary (Attended through VC from H.O. Varanasi)
Ms. Varsha Hardasani	Chief Manager - Company Secretary (Attended through VC from Chembur Office, Mumbai)

Ms. Nutan Rane, Company Secretary

Good Afternoon everyone,

I welcome you all on behalf of Utkarsh Small Finance Bank Limited (“**the Bank**”) to the 16th Extra Ordinary General meeting (“**EGM**”) of the Utkarsh Small Finance Bank Limited which is being held today at 02:30 P.M. on shorter notice 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 Video Conferencing or other audio/video means (“**VC/OAVM**”). The registered office of the Bank is 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 in the notice and the explanatory statement by writing to the company at its email ID, i.e., secretarial.usfb@utkarsh.bank till the date of EGM.

I introduce the Board Members present. We have Mr. Kajal Ghose, Independent Director and Chairman of Nomination and Remuneration Committee, Mr. Nagesh Pingre, Independent Director and Chairman of Audit Committee, Ms. Kalpana Prakash Pandey, Independent Director and Chairperson of Customer Service Committee, Mr. Ajay Kumar Kapur, Independent Director and Chairman of Risk Management Committee, and Mr. Govind Singh, Managing Director & CEO.

Further from the management side, we have Mr. Mukund Barsagade, Chief Financial Officer, Mr. Sachin Patange, Chief Compliance Officer attending the EGM from H.O. Varanasi and my Team Members Mr. Kartik Agrawal and Ms. Ankita Khetan from H.O. Varanasi and Ms. Varsha Hardasani from Chembur Office, Mumbai.

A warm welcome to the Shareholders present and may I request them to confirm their presence and the place of attending the Meeting.

Now, may I request the Directors present to kindly elect one of them as Chairman for the present EGM in terms of Article 18 of the Articles of Association of the Bank.

With the permission of the Directors and Members present, Mr. Kajal Ghose, Independent Director, is elected as the Chairman for the meeting as proposed by Mr. Nagesh Dinkar Pingre and seconded by Mr. Ajay Kumar Kapur respectively.

Ms. Nutan Rane, Company Secretary and Compliance Officer

Chairman Sir, this is to confirm that the meeting is being attended by total 11 Members in person including 6 members represented by Authorised Representatives, as against the statutory requirement of 5 members. With this, I now request the Chairman of the meeting to address the meeting and give his opening remarks.

Mr. Kajal Ghose, Independent Director and Chairman of the EGM

Thank you, Nutan.

Good Afternoon to all the Shareholders and the Directors present.

I welcome you all to the 16th Extra-Ordinary General Meeting of your Bank. I would like to mention that this EGM is through VC/OAVM due to COVID-19 pandemic, lockdown and the social distancing norms, considering the health and safety of all our stakeholders and in particular, the shareholders and as per directions issued by Ministry of Corporate Affairs and with a view to avoid the physical presence of members at a common venue. The requisite quorum being present, I declare the meeting open. We shall now proceed with the business of EGM.

Ms. Nutan Rane, Company Secretary and Compliance Officer

Dear Members, Notice convening this EGM has already been circulated to Members of the Company electronically. With the permission of Members, I shall take the same as read.

In terms of the Notice of the 16th EGM, the following item of special business are to be considered and voted by the Members at this meeting:

SPECIAL BUSINESSES:

1. Approval for the issuance of equity shares by way of preferential issue on private placement basis:

The text of the resolutions along with explanatory statement is provided in the Notice circulated to the members.

Dear Members,

The Bank had filed DRHP with the SEBI on March 05, 2021 for IPO for an issue size of ₹13,50,00,00,000, which comprise of primary issue of Rs. 7,50,00,00,000/- (Seven Hundred and Fifty Crore Rupees) and offer for sale of Rs. 6,00,00,00,000 (Six Hundred Crore Rupees). The primary issuance of equity shares also includes an element of Pre-IPO to the extent of ₹2,50,00,00,000 (Two Hundred and Fifty Crore rupees). The Bank initiated the Pre-IPO process through its appointed BRLMs for the purpose of fund raising to enhance capital adequacy and also to achieve partial promoter shareholding dilution as required by the Reserve Bank of India ("RBI") in terms of the license granted to the Bank to operate as a Small Finance Bank.

Further the Bank proposes to raise up to INR 65,00,00,000 (Sixty Five Crores Rupees) for issue of equity shares of face value of INR 10/- each ("**Equity Shares**") by way of preferential issue through private placement ("**Proposed Issuance**") to: (a) Mr. Harish Hansubhai Engineer; (b) ICICI Prudential Life Insurance Company Limited; and (c) HDFC Life Insurance Company Limited; (collectively the "**Identified Investors**") in one or more tranches subject to the overall limit of 4.99% post issue paid-up equity share capital for each such Identified Investor at a price of Rs. 31.80 (including premium of Rs. 21.80), based on the valuation report dated July 16, 2021 issued by M/s Incwert Advisory Private Limited, Gurgaon as the registered valuer in accordance with Section 247(1) of the Act and the valuation report dated July 16, 2021 issued by M/s. SKP Securities Limited, Merchant Banker, Kolkata under the Income Tax, Act, 1961.

In this connection, it is proposed to take approval of members by way of Special Resolution to issue equity shares by way of preferential allotment on private placement basis to the above-mentioned identified investors.

In case the offer is declined, or no response is received from any of the prospective Identified investor, the above offer shall expire with respect to such identified investor. The Bank will take revised approval of the members for further offer, if any.

The Chairman put the motion to vote and declared that the resolution is approved unanimously.

2. Appointment of Mr. Parveen Kumar Gupta (DIN: 02895343) as an Independent Director and Part Time Non-Executive Chairman of the Bank:

The text of the resolutions along with explanatory statement is provided in the Notice circulated to the members.

Dear Members,

The Board of Directors at its Meeting held on August 21, 2021, based on the recommendation of the Nomination and Remuneration Committee (“NRC”) has recommended the appointment of Mr. Parveen Kumar Gupta as an Independent Director of the Bank for a period of five (5) years effective from September 1, 2021 to August 31, 2026 (both days inclusive) subject to the approval of shareholders. Further NRC had assessed the profile of Mr. Gupta and having found him to be 'Fit and Proper' in terms of the Reserve Bank of India's Circular on 'Fit and proper' criteria for directors of banks dated May 23, 2011, as amended by Reserve Bank of India (“RBI”).

Ms. Rane further informed that on recommendation of NRC and in view of retirement of Mr. P H Ravikumar as Independent Director and Part Time Non-Executive Chairman of the Bank on July 19, 2021, the Board approved the appointment of Mr. Parveen Kumar Gupta as Part Time Non-Executive Chairman of the Bank for a period of 3 years with the effective date being immediately post receipt of RBI approval.

Ms. Rane also informed that in the opinion of the Board and based on the declaration of independence submitted by Mr. Parveen Kumar Gupta, he is a person of integrity, has the necessary knowledge, experience, and expertise for being appointed as an Independent Director and fulfils the conditions specified in the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for appointment as an Independent Director of the Bank and that the appointment of Mr. Parveen Kumar Gupta as Part Time Non-Executive Chairman is in compliance with the provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder, the Banking Regulation Act, 1949 (including any modification(s) or re-enactment(s) thereof), and subject to the approval of the RBI.

The Bank has also received from Mr. Parveen Kumar Gupta:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and
- (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act.
- (iii) Declaration of Independence in terms of Section 149 of the Companies Act
- (iv) Other required Declaration and forms in terms of RBI and Other applicable statutory requirements.

The Company Secretary further informed that considering the vast expertise and knowledge, of Mr. Parveen Kumar Gupta, in the field of Banking, it would be in the interest of the Bank that Mr. Parveen Kumar Gupta be appointed as Independent Director and Part Time Non- Executive Chairman of the Bank.

A brief profile of Mr. Parveen Kumar Gupta was given to the members in the explanatory statement.

In this connection, it is proposed to take approval of members by way of Ordinary Resolution to appoint Mr. Parveen Kumar Gupta as an Independent Director and Part Time Non-Executive Chairman of the Bank.

The Chairman put the motion to vote and declared that the resolution is approved

unanimously.

All the items of business as per the Notice of the 16th EGM have been taken up. I request Chairman Sir to conclude the meeting by extending vote of thanks to all the Members.

Acknowledgement

Ms. Nutan Rane, Company Secretary and Compliance Officer

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

The Meeting concluded at 3.00 p.m.