

TRANSCRIPT OF THE 33RD ANNUAL GENERAL MEETING ('AGM') OF UTKARSH COREINVEST LIMITED ('UCL' OR THE 'COMPANY') HELD AT 03:00 PM ON SEPTEMBER 30, 2023, IN-PERSON AND THROUGH VIDEO CONFERENCE ('VC') (IN TERMS OF MINISTRY OF CORPORATE AFFAIRS' GENERAL CIRCULAR NO.20/2020 F.NO.2/4/2020-CL-V DATED MAY 05, 2020, GENERAL CIRCULAR NO. 2/2022, F.NO.17/57/2021-CL-MCA DATED MAY 05, 2022 AND THE RECENT CIRCULAR ISSUED ON SEPTEMBER 25, 2023 (MICROSOFT TEAMS ID: 195995482@TEAMS.BJN.VC - VC ID NO. 1333587112) INITIATED FROM AND CONDUCTED AT THE REGISTERED OFFICE - S-24/1-2, FOURTH FLOOR, MAHAVIR NAGAR, ORDERLY BAZAR, NEAR MAHAVIR MANDIR, VARANASI, UTTAR PRADESH, INDIA – 221002

At the outset, Mr. Ashwani Kumar, Managing Director & CEO of the Company, warmly welcomed the Members to the 33rd Annual General Meeting of the Company, held through Video Conferencing as per the guidelines issued by the Ministry of Corporate Affairs, Government of India, dated April 08, 2020, April 13, 2020, May 05, 2020, May 05, 2022 and recently issued on **September 25, 2023** and also held in-person at the venue of the AGM. He wished to the members and their family members for doing fine and keeping good health.

Mr. Ashwani Kumar, then welcomed Mr. Atul, Chairperson of the Nomination & Remuneration Committee ('NRC') of the Board.

Thereafter, he welcomed Mr. Manish Kankani, authorised representative from M/s. DMKH & Co., the Statutory Auditors of the Company, Ms. Ashwini Vartak, authorised representative from M/s. S. N. Ananthasubramanian & Co., the Secretarial Auditors of the Company and Mr. Sumit Kumar Singh, Scrutinizer from M/s. Sumit Singh & Associates, Scrutinizer for the E-voting, attending the meeting alongwith the Company Secretary of the Company.

He requested to all the members and other attendees to put their audio on mute for clarity of the meeting audio and to unmute one by one only when required or mandated to speak.

Details of the members and the attendees present were as under:

MEMBERS PRESENT

In aggregate, twenty-five (25) Members were present through Video Conferencing and in-person at the venue of the AGM.

DIRECTORS PRESENT

Mr. Atul	Independent Director Chairperson – NRC	VC from Lucknow
Mr. Ashwani Kumar	Managing Director & CEO	Varanasi

INVITEES

Mr. Manish Kankani	Authorised Representative of M/s. DMKH & Co., Statutory Auditors	VC from Mumbai
Ms. Ashwini Rahul Vartak	Authorised Representative of M/s. S. N. Ananthasubramanian & Co., Secretarial Auditors	VC from Thane

Mr. Sumit Kumar Singh	M/s Sumit Singh & Associates, Practicing Company Secretary (Appointed as Scrutinizer of the E- voting)	VC from Varanasi
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MANAGEMENT REPRESENTATIVE PRESENT

Mr. Suman Saurabh	Chief Operating Officer	Varanasi
Mr. Harshit Agrawal	Chief Financial Officer	Varanasi

IN ATTENDANCE

Mr. Neeraj Kumar Tiwari	Company Secretary	Varanasi
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Mr. Ashwani, then read the basic instructions for conducting the AGM and the E-voting to all the members and attendees covering the following:

1. As the meeting was conducted through Video Conferencing, hence, SHOW OF HAND and/or PROPOSING and then SECONDING mode of voting in the AGM was not to be observed or exercised during the meeting.
2. All the Voting was to be done through E-voting only. The E-voting was enabled from 10 AM of Wednesday September 27, 2023 till 5 PM of Friday September 29, 2023. For those members who could not vote, the e-voting has been again enabled during the proceedings of this AGM until 4:30 PM today.
3. For any technical concerns while doing the E-voting, Mr. Ashwani requested the members to call on the toll free numbers of the E-voting Service Provider, as mentioned in the AGM Notice.
4. With regards to the queries, the members were advised that since the meeting is being conducted through VC, the members who wished to speak, were requested to mention their Name and Location in the CHAT BOX as a request to speak, so that the same would be noted and then accordingly, in the order of the request received, after presenting all the businesses to be transacted, would be requested to speak one by one.
5. In the interest of time, members who wished to speak individually, were requested to ideally utilise a slot of 2-3 minutes each.
6. It was submitted that all the points / queries raised by the members, would be noted, collated and responded accordingly. Queries left unanswered or unattended, if any, were proposed to be responded to the members on priority after the Meeting.

Moving on to the Agenda items, he further informed that Mr. Neeraj Kumar Tiwari, Company Secretary had confirmed that the requisite quorum of the meeting was present, therefore, the meeting was recommended to be good to proceed.

CHAIRPERSON'S ADDRESS

Mr. Atul, the Chairperson, welcomed the members, Directors, invitees and the management representatives present in the Annual General Meeting of the Company and set the meeting to order.

Mr. Ashwani Kumar, Managing Director & CEO, extended thanks to the Chairperson for his address and highlighted the following before moving to the businesses to be transacted:

1. The Notice for convening this 33rd AGM of the Company had been e-mailed (basis the email-ids available as per the records of the service provider, i.e. NSDL) to the Members of the Company on Sep 08, 2023, as per the directions issued by the Ministry of Corporate Affairs, Government of India; which also dispenses the requirement of sending physical copy of the Notice.
2. The Company had appointed M/s. Sumit Singh & Associates, the Independent Practicing Company Secretary, as the Scrutinizer for the E-Voting.
3. The Company had engaged the services of NSDL (National Securities Depository Limited) as the E-voting Service Provider to provide the e-voting facility.

Following were the three (03) Businesses to be transacted under the Ordinary Business Category and three (03) Businesses under the Special Business Category, the resolutions for all of which, were reiterated, to be passed through e-voting only:

ORDINARY BUSINESS:

- 1. To Receive, Consider and Adopt the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon.**

Mr. Harshit Agrawal, Chief Financial Officer of the Company, presented the key highlights of Financials of the Company for FY 2022-23 with respect to this Agenda Item.

- 2. To ratify the appointment of M/s DMKH & Co., Chartered Accountants, having Registration No. 116886W / 066580, as Statutory Auditors of the Company, for one-year FY 2023-24 i.e. from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.**

It was apprised to the Members that pursuant to Section 139 and 141 of the Companies Act, 2013 'M/s. DMKH & Co.', Chartered Accountants were appointed as the Statutory Auditors of the Company, by the members in its meeting held on September 30, 2021, for a period of five years (05) from FY 2021-22 to FY 2025-26, subject to ratification in each year's Annual General Meeting.

Pursuant to the same, the Members of the Company were proposed to consider the ratification of the appointment of M/s. DMKH & Co., as the Statutory Auditors of the Company and to hold office for one-year, i.e. for FY 2023-24, i.e. from the conclusion of this Annual General Meeting ('AGM') till the conclusion of the next Annual General Meeting of the

Company.

3. To Determine Director liable to Retire by Rotation in the AGM

It was apprised to the members that as on March 31, 2023, the Board of Utkarsh CoreInvest Limited had five (05) Directors with a mix of two (02) Independent Directors, two (02) Nominee Directors and one (01) Managing Director & CEO.

Pursuant to Section 152 of the Companies Act, 2013, out of the existing two (02) Nominee Directors on the Board of the Company, Mr. Aditya Deepak Parekh (DIN - 02848538) had been longest in the office and hence was proposed to retire by rotation in this meeting.

It was further apprised that, post this retirement by rotation that date i.e. September 30, 2023 Mr. Aditya Deepak Parekh consented to be re-appointed as a Nominee Director on the Board of the Company.

The text of the resolutions along with explanatory statements were provided in the Notice circulated to the members.

SPECIAL BUSINESSES:

4. To Re-Appoint Mr. G. S. Sundararajan (DIN: 00361030) as an Independent Director for a second term of five (05) consecutive years

It was apprised to the Members that as per the provisions of Section 149(10) of the Companies Act, 2013 Independent Directors shall be appointed for a fixed term, not exceeding a maximum term of five (05) years at a time and shall be eligible for re-appointment on passing of a Special resolution by the Company in its Annual General Meeting and subsequent disclosure of such re-appointment in the Board's Report.

Further, as per section 149(11) of the Companies Act, 2013, an Independent Director can be appointed only for two consecutive terms of five (05) years each. After two consecutive terms, s/he can be re-appointed only after a cooling off period of three (03) years.

Pursuant to the recommendation of the Nomination and Remuneration Committee of the Board, the Board of Directors, in its meeting held on May 08, 2023 accorded its approval for the re-appointment of Mr. G. S. Sundararajan (DIN: 00361030) as an Independent Director at the Board of the Company for a second term of five (05) consecutive years, w.e.f. February 22, 2023 and placing the same before the Members of the Company for their approval.

5. To Approve the Annual Commission payable to the Chairperson for FY 2022-23

It was apprised to the Members that the Company had posted, post making provisions for this commission, a Profit After Tax of ₹1.33 crore for FY 2022-23 and therefore, the Chairperson of the Board would be eligible for an Annual Commission amounting to ₹9,00,000/-, out of profits for FY 2022-23.

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on same day of May 08, 2023 had recommended for approval

of the Members to make payment of ₹9,00,000/- (Rupees Nine Lakh Only) as the annual commission, out of the profits of the Company to the Chairperson of the Board.

Now for the next Agenda No. 6 being under the Special Business category, I shall recuse myself, being an interested party and request Mr. Neeraj Kumar Tiwari, Company Secretary of the Company to take the proceedings further.

6. To Approve the Remuneration of Managing Director & CEO of the Company for the FY 2023-24

As this Agenda pertained to Mr. Ashwani Kumar, he recused himself from the discussions of this Agenda, being the interested party. Mr. Neeraj Kumar Tiwari, Company Secretary presented this Agenda to the members.

The Company Secretary apprised to the Members that the Nomination and Remuneration Committee (NRC) of the Board and the Board of Directors of the Company discussed and proposed, to effect revisions / increments in the remuneration of all employees, basis the Board approved performance metrics with effect from April 01, 2023. Accordingly, it was proposed and placed before the Nomination and Remuneration Committee (NRC) of the Board in their meeting dated May 08, 2023 to effect the revision in the gross fixed monthly remuneration of Mr. Ashwani Kumar, Managing Director & CEO (DIN 07030311) of the Company, to be at ₹4,93,562 per month w.e.f. April 01, 2023. The other benefits would be as approved by the Board for the employees of the company.

Pursuant to the relevant provisions of the Articles of Association of the Company, Mr. Ashwani Kumar shall not be liable to retire by rotation in terms of the provisions of Section 152 of the Act, during his tenure and Mr. Ashwani Kumar is not disqualified from being reappointed as a Managing Director & CEO in terms of Section 164(2) of the Act and has given his consent to continue to act as the Managing Director & CEO of the Company.

Afterwards, Mr. Neeraj Kumar Tiwari, Company Secretary, requested Mr. Ashwani Kumar to join the meeting.

QUESTION ANSWER SESSION

The Company Secretary informed that the queries from the Members had been received through their e-mails. The replies to the e-mails as were received, were informed / reiterated question-wise during the meeting as below:

Question 1. What is the approach and thought process of the management with regards to the Reverse Merger with Utkarsh SFB? What are the specific factors that would affect the timeline for the same? I am interested in knowing the challenges and risks involved. What are the plans for Reverse Merger in future to unlock value for us? What are the new geographies being targeted for expansion?

Reply: We will mainly operate in the same geography as there is enough opportunity for lending and for deposits to grow. However, we may expand contiguous to our existing locations/geographies Pan India.

The Bank has expanded its geographical presence significantly over the last few years; as on June 30, 2023, the Bank is present across 26 States & UT through 851 branches. During the last two financial years (FY22 & FY23), the Bank has opened more than 270 branches. While the near term focus is on scaling up of the branches which we have opened in last two financial years, the Bank will continue to explore expansion into new promising / potential geographies.

Question 2. How do you foresee competition evolving with other financial players growing like Equitas, Ujjivan, Five-star business finance and so on.

Reply: We have the advantage of early moving in since we started our microfinance business 14 years ago. We have significant penetration in rural and semi-urban areas. So, we have the early mover advantage and we are mindful of competition but not concerned.

On the liability side, we face competition not only from SFBs but from large commercial banks, both private & public. Nevertheless, given the customer centric product profile and our increasing franchise is providing us adequate platform for deposits build-up.

On microfinance lending side, we compete with SFBs like Ujjivan, Fincare, commercial banks Bandhan and other PSBs / private banks through BCs, and NBFC-MFIs as well. Considering our strong understanding of the microfinance sector, our deep rooted presence, we believe that we are fairly well placed to grow our business. Nonetheless, considering the relatively lower penetration of credit in our core geographies we have adequate opportunities as well.

On other lending businesses like MSME, HL, Wheels, we compete with mid-size private banks and NBFCs / HFCs; there is stiff competition in these segments on interest rates, on turn around time and on service quality. Our banking platform provides us edge over NBFCs in terms of cost of funds / diversity of offerings / benefits of cross sell which should favourably impact our competitive positioning. We are also strengthening our product profile and technology to improve on TAT and servicing as well.

Question 3. Will the high interest rate dent margins in the next 2-3 years?

Reply: If the interest rate goes further up, we may be able to pass on interest cost to lending portfolio by operating at higher yields. We expect incremental deposits at higher rates and to protect margins we might resort to lending at higher interest rates. Interest rates have been buoyed for some time now because of which our cost of funds have increased over last few quarters and may increase somewhat over next 2-3 quarters as well. At the same time, we are making all the efforts to pass on the increased cost of funds to our lending portfolio and to that extent are not expecting any material negative impact on our NIMs from the current levels.

Further, the Company Secretary informed that there was no query received from any of the members, through the 'Chat Box'. The Managing Director & CEO of the Company opened the forum for members to ask their queries, if any.

VOTE OF THANKS:

With no query raised by the members, Mr. Ashwani Kumar expressed sincere thanks on behalf of the Company to all the members for their continued support and patronage. He also expressed thanks to the Board members and all the partners and the stakeholders of the group entities, for their association in the exciting Utkarsh journey.

He reiterated that the E-voting facility has been opened and would stay open till 4.30 PM on September 30, 2023 for those members who had not cast their vote earlier.

There being no other business, with the permission of the Chairperson, the Meeting was concluded with a vote of thanks to the Chair at 3:30 P.M.