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### **Dhanlaxmi Bank Limited**

**Moderator:** Good morning, sir. Sir it's 11 o'clock you can proceed with the meeting sir. thank you.

**H. Venkatesh:** Thank you. Thank you. Thank you Raj shekhar. Chairman sir, May I commence the meeting.

**G. Rajagopalan Nair:** please.

**H. Venkatesh:** Yes, sir. Good morning to all. Good morning to all the shareholders. I welcome you all to the 95th annual general meeting of the shareholders of the Dhanlaxmi Bank Limited, which is being held today through videoconferencing. The bank has arranged facilities for the shareholders to join the meeting through VC in compliance with the guidelines issued by MCA and SEBI. Before I hand over the proceedings to the chairman of the meeting, Shri G. Rajagopalan Nair. I would like to highlight certain points regarding the conduct of the meeting through VC. shareholders may join the meeting through VC on first come first serve basis to a capacity of 1000 shareholders. You may join the meeting to your laptops and headphones for a better experience and use internet with a good speed to avoid any disturbance during the meeting. All the members joining the meeting have been placed on mute by default by the host to avoid any disturbances from the background and to ensure smooth and seamless conduct of the meeting. members who have registered as speakers will be given specific opportunities by the chairman to raise their queries at the meeting. I now request the chairman to introduce the board members, statutory auditors and Secretary auditors to the shareholders. Before that, I will I may inform the chairman that we have the requisite quorum for conduct of the meeting.

**G. Rajagopalan Nair:** Thank you, our company secretary. Thanks dear esteemed shareholders, my colleagues on the board and management of the bank. A warm Good morning to you all. Let me welcome you to this 95th annual general meeting of your bank am G. Rajagopalan Nair, chairman of this meeting and the independent director on the board of the bank attending the meeting from Thiruvandrum. First let me introduce the board members Shri Shivan J.K, who is the Managing Director and the CEO of the bank joining from banks corporate office at Thrissur. This is Secretary of the 70s actually available in screen kindly confirm.

**Moderator:** Mr. Shivan sir has not turned on the camera sir.

**G. Rajagopalan Nair:** Okay.

**Moderator:** He is available sir.

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**G. Rajagopalan Nair:** Let him turn on the camera please.

**Moderator:** Sure, sir. Mr. Shivan sir, we request you to turn on the camera sir, thank you.

**Shivan J.K:** Sir, there is some minor problem in MD's camera. So, we can just go you can introduce other board members.

**G. Rajagopalan Nair:** We will revisit later after introducing the other directors. Shri Gopinathan CK and the chairperson of the stakeholders our relationship committee joining from the bank's corporate office at Thrissur. Thank you sir. The K.N Madhusoodanan director and the chairperson of the nomination and remuneration committee joining through VC from Idukki. please order the camera to him or switch on the camera sorry, through him on the screen please. Moderator.

**Moderator:** Sure sir. Madhusoodanan sir is available sir.

**G. Rajagopalan Nair:** Yes.

**Moderator:** Yes sir.

**G. Rajagopalan Nair:** That also if time is taking then we can revisit Shri Sreesankar Radhakrishnan, director and chairperson of the audit committee. Joining through VC from Ernakulam. Can you make Shri Sreesankar sir visible, please.

**Moderator:** Yes sir.

**G. Rajagopalan Nair:** Sorry, if there is some glitch, we'll proceed.

**Moderator:** No sir. Radhakrishnan sir is on spot light sir. You can see.

**G. Rajagopalan Nair:** Okay. Thank you. Then Dr. Nirmala Padmanabhan director joining through VC from Karnataka. Thank you, madam. And Shri Sridhar Kalyana Sundaram director joining the Meet the bank's corporate office at Thrissur. Shridhar sir okay, we shall proceed and probably few directors are not visible for the time being we will make them available. So, yes. I welcome our statutory central auditor, Mr. Krishna Murthy, represented by shri Venu Gopal and KJ Narayanan and and our secretarial auditor, Mrs. V. Suresh Tropos. associates, represented by Shri V. Suresh. And Shri Uday Kumar attending the meeting through VC from their respective locations. The executives of the bank, including CFO are present on VC from different locations. The requisite quorum is present through VC. And now I call the meeting to order. At the outset, I thank you all on behalf of the bank and the board for taking time to attend the meeting. I think it is my duty to say a few words of of the challenges and how your bank is prepared to mitigate them. I sincerely hope that all of you and your families are keeping safe, having largely unscaped out of a ferocious second wave of the COVID pandemic. I take this opportunity to express my deepest condolences to those of you who have lost their near and dear ones. In financial year 21 was a challenging phrase in the annals of both financial and human welfare of the world. The financial year that followed was even more unpredictable and virulent. The brief respite the humanity got from a let down by the a led down COVID was soon overshadowed by war news in Europe, between Russia and Ukraine, which is still raining hot, and could lead in extreme, besides consequences to the economics and the human lives. It will be saying the obvious if I state that, we are now

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living in a very dynamic and volatile world with a extremely complex set of variables that is constantly changing, thus, making it very, very difficult to have a long term view with a respectable degree of accuracy. On the macro economic front, the Fagin of natural 22 saw a concerted move by major economies and their central bank's unwinding the ultra easy monetary policies and embarking on a course that resulted in sharp rate hikes and liquidity withdrawal. Developing and emerging economies followed suit and the monetary tightening of the different forms have been seen across the world, alongside the war between Russia and Ukraine in the mid February this year, to certain that in sharp increase in prices and accrued commodities, disruption disruption of false chains and therefore a multi decade high inflation in Develop economies. The monetary tried tightening cycle is still on, and financial markets have seamlessly adjusted to the cliched new normal. our bank continue to demonstrate its 96 year long legacy of sustainable and steady growth and witnessed a steady improvement in many financial parameters. They say when the going gets tough The Tough gets good. Unprecedented conditions require a response of equal measure. The bank has earnestly used the previous years crisis and experience to strengthen trading systems, risk management and credit underwrite and plan relocation of certain key branches to better terms. IT systems have been updated and compliance framework gets completely prioritised over business issues. Also take this opportunity to assure you that your bank will continue to lay emphasis on the core values of good corporate governance and optimally drive business growth with a continuously improving this culture. As seen in the years before. Government and regulator have come up with a myriad measure to support inclusive growth, and your bank has been in the forefront in taking forward these initiatives. I look ahead. The bank is determined to sustainably grow at a healthy pace with a wider branch network and products use that focuses on optimum utilisation of capital and improving returns address would not be complete. Without hailing the commitment and professionalism shown by the employees and executors of the bank. I assure you that will only improve in the years ahead. Thank you all for the patronage of this great institution. I trust to have your concern to take notice of the meeting the directors report and audit report of the independent auditors. Yes, I've been disposed to all your all of you by mail and other mails. We may now take up the queries of the shareholders. I request company secretary informed the procedures for this session, please.

**H. Venkatesh:** Yes sir. Thank you. Thank you, sir. Sir, the bank has received a request from four members for registration as Speaker shareholders. Further one member has registered certain queries. When the name of each speaker is announced the speaker will be unmuted by the host. To start speaking, the speaker is requested to click on the video as well as the audio icon appearing on the screen. In case of any connectivity issues for any speaker at any time, the next speaker may be asked to speak until the connectivity of the earliest speaker improves. During the meeting of the shareholder faces any technical issues, he may inform the officials of K fin for resolving the same. Only those members who have registered themselves as speaker before the meeting will be able to ask questions during the meeting. The chairman may now take up the queries of the shareholders.

**G. Rajagopalan Nair:** The company Secreatry, I think let's insert that there are people who have registered for the questions session. So we will take all the questions at a shot one by one and then the answers will be given for all of these four at the end of the question session. that's okay.

**H. Venkatesh:** Yes sir. Mr. moderator you can now take over.

**Moderator:** Yes sir. Sure sir. Our first speaker of the day Mr. Ramesh Sankar Golla. We request you to unmute your audio switch on your camera and proceed sir. Sir, Mr. Ramesh Sankar Golla has not joined the meeting. And now move on to our next speaker, Mr. K. Bharat Raj, Mr. K. Bharat Raj. We request you to unmute your audio switch on your camera and proceed sir. Sir even Mr. K Bharat Raj has not joined the meeting, sir. I now

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invite Mr. Balakrishna Pillai, Mr. Balakrishna Pillai Shashidharan we request you to unmute your audio switch on your camera and proceed sir. Mr. Balakrishna Pillai.

**Balakrishna Pillai:** Am I audible?

**Moderator:** Yes, sir. Your audible sir kindly proceed, sir. Thank you.

**Balakrishna Pillai:** Chairman of the meeting is Mr. Rajagopalan Nair. MD and CEO Mr. Shivan, the other directors on board my fellow shareholder and ladies and gentlemen, wish you a happy new year ahead. I have raised some queries. I hope that will be answered by the chairman later I have some concern about the performance of the bank. Sir we are having a carryover loss of 826 or 850 crores. I'm not sure whether when this amount can be wiped off, we are moving in this current pace of growth. The highest profit that we have recorded in the history maybe in and around 62 63 crores. And if you're continuing this type of growth for three 30 years to wipe off the loss that means as per the existing law, we are unable to declare any shareholder. My request is what best the bank can do to reward the existing shareholders. Second is sir, I am not sure whether the bank has a specific document that plan to reach the 1927 milestone of 100 year. I'm not sure if it is available, please just inform that you have a documented business plan to cross the 1927 milestone with preferably with the dividend and I look into the performance of the bank. Frankly speaking, we are even below the breakeven level or at the breakeven level. A minor interest rate hike of point two five percentage or point five zero percentage will erode your profitability by way of depreciation to the tune of around 25 to 30 Crores and our profitability as of now our net profits as of now being less than 30 or 35 Crores and say still you are at break even level that means this current business levels will not help us to come out of the current state of affairs. So, normally, I have also read somewhere that the capital funds is standing as an objection in way of in the back of you bringing in substantial business. My understanding of the capital adequacy is that the bank is having only 50 or 53 percentage of risk asset that is the risk asset is only 50 or 53 percentage of the total assets of the bank. I think there are still scope for business growth even without going in for additional capital funds. Our capital sorry, our CDR our credit deposit ratio recently in the March 2022 has increased slightly because of the corporate loans. But otherwise, we are far below than that of our peers. If you look at that of the Catholic Assyrian or that of the federal bank or of the city Union Bank, it is in the level of 85 to 87 percentage. So there is a need for increasing that. Similarly, if you look at the investment portfolio, we are very weak in that portfolio because they have recorded a negative growth in the year 2022. And they're an ample scope of building up assets or sorry, investment assets with the zero risk. So with the zero risk and giving you a marginal return of two or 2.25 percentage, I don't know why the bank has not looked into. So I don't want it to continue further. My only thing requested to the bank directors is that please don't go for any rights issue as of now in the near future because it will still deteriorate the return on its own The EPS under market valuations will go down further. So my request to the board of directors is that please don't go for rights issue. Now. You have already gone for a non convertible debenture of 300 Crores. But that is the simplest of it. There are other ways I hope so many experts are there in the board now. I hope there are many other ambled scopes can be explored to mop up the capital funds. So am, I hope with the induction of the new directors and the pitches now, already hope and look forward for very good business growth in the coming years and, and hope to get rewarded by the bank. Thank you.

**Moderator:** Thank you sir. We now move on to our last speaker of the day, Manak Devi, Mrs. Manak Devi. We request you to unmute your audio switch on your camera and proceed ma'am. Mrs. Manak Devi has not joined the meeting. With this we have completed the inviting all the available speaker shareholders to post a query. So now we hand over back to you, sir. Thank you.

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**G. Rajagopalan Nair:** Thank you. I think actually, Mr. Shasidharan made some relevant questions. I hope actually our MD will be the best person to answer these questions. Mainly he made five points. Mr. Shivan sir, would you kindly answer these questions?

**Shivan J.K:** Good morning sir. Good morning to the board. Good morning to the shareholders. Good morning Mr. Shasidharan. I have had a chance to interact with shashidharan in location also, where some of these queries have been raised by shashidharan and I'm very happy that he has taken pains to like, you know, point out where we are not fulfilling and where we are not achieving. And what are the strategies that is needed to take the bank forward? Thank you Mr. Shasidharan. I think Shasidharan himself raise some questions also, if I'm correct. Venkatesh.

**G. Rajagopalan Nair:** Sir three questions have been raised, should I

**H. Venkatesh:** It is by another shareholder. Sir Rajesh.

**Shivan J.K:** Okay okay. Then we'll wait for them. We'll wait. I'll try to answer at best what issues Mr. Shasidharan has raised. I will start with the first one regarding to carry forward losses. As you're aware, two or three of the public sector banks and IDBI have taken special permission to write the amount line in the share premium account and then squared it off with the carry forward losses. So that like you know for once and for all it can be wiped out. So there is a better that we have they have taken. So, we have been exploring here see we come under the Companies Act PSU banks don't come under Companies Act. So they have that special permission they can take and then go ahead. So this part I will be like you know separately checking up, whether it is possible as a special dispensation with the company, it is like you know, it's a difficult thing as of now, but I will be since the same thing IDBI bank has done. So, that like you know, once and for all there is amount line, premium account which model same case with us also more or less takes care of the accumulated losses, unless we remove the accumulated losses as the session itself as pointed out, we cannot start paying dividend. So, so I think like, you know, this is an endeavour that we'll be trying to do. So, while take it forward, let me see like what best we can do on this. I have a full board now. Like I can also like you know, take the experiences of others in the board to like guide me through on this. Then there was a mention about 1927 2027 We'll be having our centenary year. So, do we have a plan a strategy plan to take the bank forward strategy plan if I may mention has a lot of aspects it needs first capital, it needs personnel and then it needs expenditure also. 123 We have a business plan within this is done with us. A strategy plan normally banks take with the help of shareholders with the with the help of the other advisors on this is difficult to like steer the bank separately on a sudden course without the guidance from People or advisors who are that we have been in touch with advisors about three four advisors, we have in touch with this, what is restricting us 123 Is it like the first time we have a full board where we can actually discuss the strategy plan. Second, we have the issue with capital and expenses, capital expenses are very much a part to take up any plan. Then third issue we have on personal, Now personal like if I can get a little that, you know, we have a cap on personal. RBI had when we were in PCA for about five years, in 2019 February, when we came out of PCA, there is a restriction on us on what number of staff total number of staff we can do. Last three, four months, we have been what we call taking up with the Reserve Bank of India, we have not, you know, very very appreciative and, you know, accommodative sort of responses. So, probably I think like maybe in the next month or two, we may get some good news, it also depends on the the report of the annual report of the bank, we are just concluded RBI inspection. So, it will depend on the inspection report also on whether like, you know, we finally get it or not. So this is what you're restricting us on a strategy plan. In the previous board meeting, when a full board met, this was discussed in detail. And some of the directors have also mentioned that it is high time that we have a plan and we discuss it. See, we have a specific business plans for the next few years, we have goals and where we'll be there. But what limits us is like for any growth, as

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you know, capital is the number one, then we have a high cost structure. So, like we have to lower the cost, it can only come through income. So, first I'm restricted by growth because I don't have capital, then like, you know, expenditure. I can't expend more, because the last few years has happened to have the best results what erode 60 crores per annum. I'll come to the performance also. Now, and the third thing is good personal. So personal. So I mentioned like there was reserve bank of india, what is it? What is it that restricts us and allowing us not to grow, but probably I think the signs that we get after most of the major issues with the bank are over. So I think we are getting positive signals, I hope that regulators will remove that, for your information, even branches, we cannot open like any other bank in India can open branches at their building pressure, as they keep 4:1 that ratio of rural rural to urban branches, they can relocate as much as they want. Now, relocation is allowed for us within the same person, but it is not opening new branches subject to permission. So we have got a permission from Reserve Bank and in principle permission to open quote, I will come to that once again, because one of the questions are also on. Now, the third part that you raised about performance. And here you mentioned about the Treasury house. Now 18% plus 4.5% banks have to statutorily keep in the SLR, and in this year, so 22.5% banks have to keep, you are touched on the low credit deposit ratio. This is something which has been plaguing the brand for quite some time. Two years, at one and a half, two years back, we were at a level of 58%. As on today, we are at 72%. Credit concentration lifted, Credit Concerntration ratio increases, we can you know, the income growth can increase. Everybody knows it's a no brainer on that, that we know that it with the credit, picking up but credit picking up needs capital. So we have reached a stage where like at 72%, I'm okay now, if I go further and grow further, I need more capital, which then I'll be in the point of breaching which I don't want to do the bank no bank would want to breach any company we are not breaching any of the capital conditions reserve bank. So, we are waiting much safer on that. But as of now, we are not that. Now. I will come out that, you know treasury. See, three years before the rate of increase started that previous three years if you see the market had been very benign, you'd have eight lakh crores of liquidity in the market. We had 4.8% 4.6% was the one year fixed deposit rate we were giving around 5%. And what did we do with the money that we got? We were keeping it under reverse repo earning 3.35%. Now, there was a conscious call, see credit is not growing, the moment you increase credit, like we need capital. So why not move something into some dated securities, you move something into dated securities, where you earn at least one and a half 2%. So the goal of last year we have earned one and a half 2% Extra on that income. It's not that the money has gone anywhere or anything. We have earned one and a half 2% on this Treasury, which has been there. Conscious call taken by the bank. Now beginning of this year 2000 From February onwards, after the Ukraine which Kevin had mentioned in his opening address also the Ukraine USSR conflict which nobody even imagined it will happen, we were all coming out of COVID everything was looking rosy and suddenly you know, there is a huge commodity increase price increase, which started after the Ukraine USSR conflict. Now 225 basis points interest rate has been increased across in about every other economy has increased interest rate to combat inflation. Now, when we increase the rates increase the last four or five years, we have been encashing dated securities and making income for the bank. Now, it's the reverse of the cycle in dated securities we have so like, what do I do, if I sell I make a loss? If I keep it, it's a mark to market loss, I would rather have a mark to market loss which has hit its peak in June 2022. And then now it's tapering down. So, I will go right back to this quarter also, just tapering down it is not completely gone. So I have already taken the every other bank in India has taken this is not that just us alone, why other banks are able to lose like I'll come to that also on profitability parameters. Now, why other banks are able to do is like, you know, credit costs in India has been coming down like anything, the gross level of NPS coming down. Today's paper also, if you read there's an RBI report yesterday and today, it has been extensively covered in all the financial newspapers, on what RBI is, you know, reading of is a bit how the credit cost has come down how gross NPS come down across the system. So, when you when credit costs come down this lower portion or there is a reversal approached. So that helps the other banks to like, you know, at least the Treasury income by what we get from sale of securities, which is not there, okay, that we will you know, they can make it up by the lower credit cost that is what is

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happening in the market. Now, in our bank, see, I have already we already have taken in June, and slowly it is tapering down. And these are all in the medium term, like for three years for us that kind of data. So I can have two chances hold on to it till maturity. And right back the brochures that we have made, or in between if there is like you know, slight movement, take a smaller dip and then come out at the table, I don't have any liquidity purchase assets. But those 60% is more liquidity coverage ratio, we have no issue at all. There's no bills that we have not paid. And there's no interest the bank has not paid. On top of it RBI windows always available to us, we can push these securities and get fined five 6% 6.25% that we are continuing to do. And it is illegal access every bank does. And we have also been doing that. And further point two, five. Now, you know, every paper today says that there is no further increase expected. Every every newspaper every analyst says there is no perfect I can't predict anything. The headwinds can come out of nowhere. But today, if you read every analysis that next year will have a lower windrates and even the western economies which have increased the rate are also thinking whether we can stop it and then make it more dovish, you know and covered like let us end of the day everybody wants growth. You can't that you want growth. You want control inflation. This is like you know, this is a common thing, common theme for every country. And we are also following that. And probably you know, like last time I was in the MPC, one or two members didn't agree with the further increase and increase was much lower than we expected at 35 basis points, maybe another 25 basis points maximum energy usage has been around 730 732% 7.32. So there is right back this quarter. If you hold on we'll get right back again this is all part of the market and everybody does this there is no point to 5% increase further is not going to make any difference to the bank as on today that assurance I can give to the shareholder now on capital funds raising. Let us make these things in perspective. I don't really aware there is a I caught rolling which had top conducting AGM. Any other ethical bracing issue, it's an AGM permission. So we wanted to raise capital and rights issues the easiest way and what was preventing us was like our board was not compliant. Now we have a board which has complied and rights issue. This is like probably the easiest way to raise money as of now. So in our own collective wisdom, we are saying we will go ahead with your rights issue. I don't think there is any harm like you know, your concern sound like the increasing your equity base which will further reduce the vertical earning capacity. Now, it will be there for everything. Whatever measure you take, there is no method increasing. And fortunately at least, when we know original idea came our share price was around 11 or 12 rupees, now coating over 12 or 20 rupees, even at a deep discount that we give much more share premium than we expected, we will be getting the call which has to be taken by the board. I am not going getting into that. So, I'll give you the genesis of the rights that is why you have made an appeal not to go for it. So, I just thought I'll clarify this for in this forum one shareholder what is the best way. Now, we are also requesting for 300 crores to do once this, like you know, it's the easiest way for a bank to raise money, which is akin to equity. You have this tier one and tier two and tier two capital, they can do tier two. So this is like the easiest way. Banks are like, you know, just opening on Monday and closing on Wednesday or closing on Monday floor closing on Tuesday. So some of the public sector banks, eight and a half 9% They are raising money and that to 5000 crore 10000 crore and that's the kind of thing so we are just coming to shareholders for a enabler, this is for the next year. Once we have an enabler from you, we can oppose the market and things are looking better we can take to two one is the easiest way because it doesn't dilute equity we have to earn more, but it doesn't dilute equity. So that is why like we are come with it 3000 crore bound ratio also and rights issue I clarified this question this is the time taken by the bank. And we could go and then you know we have a we are not breaching any of the vertical prescriptions for maintenance of the tire 1 or tire 2 capital but there is a chance of us for breaching if we grow further, or if something happens, catastrophic happens that's very likely to be on the safe side bank has to go for rights issue, most of our capital, and this will be an continuous access. So next year probably like what you want it we'll be looking at I got the idea that probably you wanted to follow on like probably are like, you know, institutional investors coming in all those ideas will be taken up in the next month. Thanks for pointing that out. Like we have noted your concerns on that. Now, credit deposit ratio, I already touched on it, which you had mentioned that at 58%, I knew that we are nowhere. So at 72%, at least we have the

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comfort of meeting the bank's bills by operating income, this is the best that we could do. So at 72% CD ratio, all bills we are making by end of this quarter, I think we will be much better, there is a 10 to 15 crore equation of income every month, which is taking care of all the expenses. So that way like you know 72%, but then 85 90% is a dream. Any public any private sector bank should have 80% plus, that's why I agree with you 100. A private sector bank, we are in the business of lending, we should have 80% plus, but then there's an investor will put 1200 crores in Catholics again, bank at 85% credit deposit ratio still there, see, you know their capital adequacy ratios over 20%. So that's a very sweet spot in which they're three years back, they were not that sweet. Somebody has already invested 1200 crores, that's the reason why capital is there. So you can do see and then lending also, in lending, you touched on the risk weighted assets, it's not 50% this weighted assets continuously we our our strategy is to bring the risk weighted assets, we have brought it around 60%, not 50 as we had mentioned 60 60 Plus and below 60%. Now as of today, it's difficult for us to bring it further because our growth is now in retail in MSME. And in agri. Corporate is negative growth as soon as today maybe ended up this month probably I'll touch a little one or two of the corporates may draw some funds, which already they have function if they draw inflow some positive in the corporate side, but there is around 600 700 crores of growth in in this ramp what you call the detail every MSME so we have grown there. So then they said you know that's the path which we work as corporate the worst part we see is at the moment interest rates are not suiting them they prepay whereas we don't expect the same kind of prepayment in the RAM portfolio in the retail agree LT MSME. So, like you know corporate, we there is no concern on corporate and whatever corporate we have is like last year we are taken 450 crores it is AAA corporate. The bank never had AAA corporate in its books we have 450 crore of AAA corporate that is 5 crore to the bill programme which we had. So, now I think I have touched most of the things you had mentioned on the rights issue. You have mentioned on the investment causing negative growth. So I've told you what it is and it is all embeded problem if I can tell, these are likely no profits which will likely to make next year two years down the line we will be writing back these profits and mark the market is a part of the game sometimes mark the market works against you last three four years we have been encashing and our major source of income was like actually selling security and making money in the market both and now we are shifted at least towards operating income, the emphasis will also be on opportunity going forward also, we want to make operating income that we are doing right the possible issue has increased the only article where we have not done is like fee basic fee base income grows when you have unsecured portfolio in your so we are unsecured portfolio you cannot go as of now when capital constraints are there, the moment capitalists little more better I can venture into a little more unsecured where the the earnings are also better the previous income is also better every bank does that is part of their portfolio. it will be into the high yielding high growth assets which has to be supported by capital. so i think to an extent I think I have answered all the queries and you have been corresponding to me also separately, so I'll be more than happy to like share things with you I think probably I think your work with our bank also so you know things better. So I would be most happy to like any any other discussions out there. Pardon me if I can't share certain things which No, it's been a listed company like I cannot share all plans and you know, what are the what will be the future and other things and it's not done? The law prohibits me from doing but on a strategy and on ideas, no bouncing ideas with me you constantly do that most happy with that. I will be like if I had like 10 People like you will be like showing us the path forward I think the greatest day for me. I will try to answer more and more whatever queries you are any further queries are probably after this meeting maybe later on you can write to me whatever is possible from my side which I can disclose I will disclose. And it is for everybody's good. And thank you so much for sharing your thoughts.

**Moderator:** Sir Thank you. Sir. We'll see the other speakers who have not joined earlier have joined we'll give them one more chance sir. We request our speaker Mr. Ramesh Shankar Golla. Mr. Ramesh Shankar Golla, we request you to unmute your audio switch on your camera and proceed sir. Sorry sir Mr. RameshShankar Golla has not joined sir. Then I want our next speaker, Mr. K. Bharat Raj, Mr. K. Bharat Raj,

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I request you to unmute your audio switch on your camera proceed sir. Sir Mr. K. Bharat Raj has not joined and last speaker Mrs. Manak Devi, Mrs. Manak Devi has not joined the meeting sir. So with this we have given a second chance but all the speakers who have not joined earlier also sir. Thank you. Handover back to you Sir.

**H. Venkatesh:** Sir. MD sir. You can just reply to the queries, registered queries also.

**Shivan J.K:** Okay, this is Mr. Rajesh was raised these questions.

**H. Venkatesh:** Yes, sir. Yes.

**Shivan J.K:** Okay. Okay, I'd be most happy to answer these questions. These are quite okay. For me to answer. The first is asked how many new branches were open since 1-1-21 till 30-12-22 and details thereof, we have permission to open 20 branches in principle approval from the Reserve Bank of India and one regional office. The first we have opened our regional office in Hyderabad. Now, the procedure is like the see it's an invincible offer. We scout around go to the place get the proper thing and in the process, we correct all these facilities that we currently there's negotiation with the landlord. And finally, when we zeroed in on a place then we write to Reserve Bank of India saying that these are the this is the place where we want to then they will check whether it is in the same vessel in which you have asked whether it is as per the approval or that they will check and then they give us separate permission for opening the branches. That's when we can actually launch the branch activity, we can start the process only after that. So I just want to clarify all that till date 4 branches which have been opened. These are at mananthavady in wayanad district district northern Kerala, Thanjavur in Tamil Nadu, Thirnalveni in Tamil Nadu and Karimnagar in Telangana. These are the four branches we are open. We are still date. Now the second question that asked they asked us how many persons were recruited during the above period and details there are for the posts wise. Including me, MD DGM, three DGMs, one chief manager, one senior manager, one manager, four Assistant managers, 47 senior officers and 119 junior officers a grand total of 177 people were recruited during this period. I can I just come to take a pyramid, the base we have 119 junior officers and 47 senior officers as as disclosed to the board, we have stopped recruitment of clerical staff. This is the practice in every private sector bank Now, there is no more like most of the corporate sector banks, at least a new generation from central banks do not have clerical staff now, being recruited into that. So, we are also taking the same stand, we are recruiting people in the junior of that is doing more scale in which we are now recruiting and the entire 177 People who have been recruited are on cost to company basis, including me, we are on CTC basis. And all it's not a it's a definite end, they are all in the NPS. So, we have to definite we have to pay the NPS every year all of them are insured insurance also we take no other expenditure. So this I just thought like a 14 person is now the NPS right on which we have to take on CTC employees, then insurance we are taking for everybody, there's no other expenses. And separately, there's no increment structure assets for employees who have been taken every year we evaluate and then we take the key take it forward. Now, out of total branches which brands are running on the third parry of the total branches, how many branches are running on loss as on 31-3-22, 14 branches out of 249 branches as on date were running on loss as soon as that day they were only 4 less so like to have 4 to 45 branches. Now, if you I can give an update also as on date it is eleven today our aim is to bring it down to seven by 31st march or even try to bring it further down. The issue that we face in our calculation of the profit of brands is that if there is a big NPA which is parked there is a cost of funds. So that cost of funds will be there to the brands but at the same time there is no earning from that account put in one crore two crore smaller amounts branches are able to take it but there is a bigger NPA Park. And if that portfolio of the banks itself is not that big, it's difficult for that branch to come out of out of that notional

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calculation of profit and loss. Now some bigger banks what they're doing is that they're transferring the accounts to one place. So that like you know not all units are affected by this NPA being parked in a particular branch. We are thought about that strategy. Even previous year also we thought well whether we Why don't we do this it is still a work in progress like you know we could not do because see the branch is particularly concerned and then for us like we are then designate one branch centrally move certain people all requests and most cities in Mumbai, Delhi and Calcutta region where we face this kind of issues. Now, totally in the last meeting benches are either in the west or in the north and in the east. In the south total of south India, we only have one branch which is last meeting that will now come out of last meeting this year. I think I have answered all the three queries which are raised in this I think Venkatesh, I think there is no other query on this.

**H. Venkatesh:** Yes, sir. Yes. All the queries have been answered sir. Sir over to chairman, sir. Thank you.

**G. Rajagopalan Nair:** Thank you for the answers and Mr. Secretary, is there any more queries or anything of that sort to be handled with can next

**H. Venkatesh:** No sir. No sir. You can continue sir.

**G. Rajagopalan Nair:** Thank you. So the following items of business are set out in the notice of the meeting that require approval of the shareholders. The first one is adoption of banks, audited balance sheet as March 31 2022. And the profit and loss account for the year and on that date. Together with the directors report and the auditors. Second is reappointment of Shri Gopinathan C.K. as a director. Third is appointment of statutory central auditors and authorising the board to fix their remuneration. four authorising the board of directors to appoint and fix the remuneration of grants. five It is appointment of K.N Madhusoodanan has independent director. Six appointment of Shri Shri Sreesankar Radhakrishnan as independent director. Seven is the appointment of Dr. Nirmala Padmanabhanan as independent director. Eight one is appoint of Shri Sreedhar Kalyana Sundaram as independent Director and the last one is authorising the board of directors to issue non convertible debentures, that's what we call NCDs. So these nine resolutions are there. The company secretary may inform the procedure for casting vote on the table items, please.

**H. Venkatesh:** Thank you, sir. As the meeting is conveyed to VC in line with their regulatory guidelines, the requirements of proposing a secondary resolution and show of hands are not applicable. Further, there is no provision to appoint proxies and there is no proxy registrar. So, consequently, the bank has provided a facility for voting by electronic means to all members to cast their votes on the above businesses, as stated by Chairman to be transacted at the AGM. The remote E-voting facility was provided from December 27 to December 29. And by K- fin technologies, and the voting was open to all the members who are members as on December 24. Being the cutoff date for voting on the resolutions, the bank has appointed practising and beneficiary Shri V. suresh. As a scrutinising to scrutinise the voting and provide the voting results. Those members who have not voted by remote e-voting may now vote by Instant poll using their user ID and password sent to the registered email address by K-fin. The window for to voting will now be open for the next 15 minutes, after which it will be disabled. Shareholders are now requested to cast their votes.

**G. Rajagopalan Nair:** Sorry, please go. Yes.

**H. Venkatesh:** Yes, sir. with the permission of the chair I think we can open the Instant poll window.

**G. Rajagopalan Nair:** Please, I think we have got the 15 minutes window. So the window will be open for the 15 minutes and from now onwards for 15 minutes those are not exercise their voting can do that. So

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meanwhile this 15 minutes period is there. I think actually we can only go to the next programme. As we wait for voting to go on. I would request our director Shri Gopinathan C.K to deliver the vote of times. Over to Gopinathan sir. alright. Moderator will you switch on mic of Gopinathan sir

**Moderator:** Gopinathan sir, you need to unmute and speak sir.

**Gopinathan C.K:** Respected chairmen and respected directors **53:09 other language.**

**G. Rajagopalan Nair:** Thank you, Gopinathan sir, for your inspiring words. I thank all of the shareholders of the meeting for your dignified conduct in today's proceedings and declare the annual general meeting of the bank as concluded. I also thank the officials of K- fin technologies for providing the platform for conducting the AGM. The results of the voting would be announced by the bank within the regulatory timelines and the same would be made available on the website of the bank. talkers change and K-fin Thank you all and wish you Happy New Year. 2023 Thank you.

**H. Venkatesh:** So the instant poll for the information of the shareholder. The instant poll will be going on for the next 15 minutes sir.

**G. Rajagopalan Nair:** Okay, I think actually, the meeting can be adjourned for the time being

**H. Venkatesh:** Yes sir concluded. Meeting can be concluded and instant poll

**G. Rajagopalan Nair:** We can forward. Meeting can be concluded yes.

**H. Venkatesh:** The instant poll will be going on.

**G. Rajagopalan Nair:** Let it go on. Thank you all.