



REPCO HOME FINANCE LIMITED

**TRANSCRIPT OF 21ST ANNUAL GENERAL MEETING
HELD ON THURSDAY, 23RD SEPTEMBER, 2021**

TRANSCRIPT OF THE 21ST ANNUAL GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, 23RD SEPTEMBER, 2021 AT 11 AM THROUGH VIDEO CONFERENCE (VC) OR OTHER AUDIO VISUAL MEANS (OAVM).

Chairman (Mr. T.S. Krishnamurthy): Very Good morning to all of you, I am T.S. Krishnamurthy. I am very happy to invite all of you to the 21st Annual General Meeting. I welcome the directors of the company for the meeting, I welcome the shareholders and other stakeholders in the meeting. Requisite quorum being present required by section 103 of the Companies Act, 2013, I would like to put the meeting in order. I would like to inform with all the directors except Mr. N. Balasubramanian, who is on official leave and not present for the meeting. The Chairman of the Audit Committee and the Chairman of the Nomination & Remuneration Committee and Stakeholders Relationship Committee are present in the meeting. Further, I would like to inform the representatives of the Statutory Auditors and Secretarial Auditors are also invited to be present at the meeting and are participating through video conferencing. I would like to inform that the meeting is being held through the **** *not audible*****.

Moderator: You're on mute Sir, Chairman Sir, you're on mute. Please unmute yourself.

Chairman: Did you hear all the earlier or should I repeat? Did you hear all my earlier remarks or should I repeat?

Moderator: It's not required, Sir. It's just you were just muted.

Chairman: Thank you. Okay, thank you very much. I would like to inform the shareholders that the registers as required under the Companies Act, 2013 is made available for inspection by the members during the AGM. Members may send the email to cs@repcohome.com in this regard, in case they want to have any information. I would also like to inform that the AGM is held through video conferencing, the facility for appointment of proxies by the members is not applicable and hence the proxy register for inspection is not available. I would like to inform the members that pursuant to the provisions of section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 and regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the company has extended the e-voting facility provided by M/s. Kfin Technologies Private Limited to all the members of the company who are holding equity shares as on the cut-off date of 16th September, 2021. In respect of business transacted at this Annual General Meeting, the e-voting commenced at 9:00 A.M. on 20th September, 2021 and ended at 5:00 P.M. on 22nd September, 2021. Mr. G. Ramachandran, Practicing Company Secretary has been appointed as the scrutinizer for the e-voting process. I would also like to inform the members that who have not cast their vote through remote e-voting may cast their vote after conclusion of the AGM and the e-voting platform provided by M/s. Kfin Technologies Private Limited will be open for 15 minutes. I would also like to inform since the AGM is being held through video conference and all the resolutions mentioned in the notice, convening the AGM have already been put to vote through remote e-voting there will be no proposing and seconding of the resolution. With the permission of the members, notice convening the Annual General Meeting audited

financial statements and director's report thereto are taken as read. I would also like to state that there are no qualifications, comments, or observations in the auditor's report and with the permission of the members, it may be taken as read. We are now open for question and answer session now. And clarification of the queries raised by the registered speakers will be done by the Chairman or Authorized Officer.

Moderator: Thank you, Chairman Sir. I request the speaker shareholder Mr. R.Varadarajan to unmute, switch on your Camera and ask your question sir. Thank you, Mr. R.Varadarajan Sir please speak.

Mr. R.Varadarajan: Am I audible?

Moderator: Yeah you are audible sir, go ahead. Thank you.

Mr. R.Varadarajan: I am Varadarajan. My DP ID is IN301313 and Client ID is 20425962. Respected Chairman, Respected Board Members, beloved MD and his team and fellow shareholders, Good morning to everybody. At the outset, I congratulate and offer my facilitations to Madam Jacintha, IAS, Mr. Karunakaran, Mr. Balasubramanian for the induction into the board during this year. The newly appointed Wholetime directors have a great role to play in bringing back this great company to its past glory. On the analysis of annual performance, with the permission of the chair, I would like to make some few observations, for a housing finance company like ours, lending and recovery are the only activity we do but when we analyze our performance during the year 20-21 rather disappointing to see that the loan growth has been neutral. Probably the percentage of growth for the year is the lowest in the history of the company. Further, the loan sanctions and disbursements are also showing the negative trend. So, the company has clocked a negative growth in that probably for the first time in the history of the company. As far as asset quality is concerned, it continues to cause concern, I agree that last year, major part of India we were having pandemic situation and that may be one of the reasons but we should not lose sight of that position that our peers under similar circumstances have done much better but our company has a great inner potential, we have a committed workforce, we have a very knowledgeable management team and a very responsive board, therefore, it should not be difficult if we take corrective measures, our company will bounce back in the coming years. I have a few suggestions to make in this regard, lending is risky, I agree but for the company like ours, we cannot escape we have to lend then only then we can grow but we should not be risk averse so we should enhance our risk appetite. We have a very robust risk management team and risk management system in the company. Therefore, nothing wrong and taking calculated risk we should think out of box and bring forward a new innovative products to suit our customers so that we grow very fast and we have a core strength in acquiring the customers through our internal loan camp system. We have a core strength in serving the customers such as non-salaried segment as well as customers from tier 2 to tier 3 cities so we should exploit the core strength and growth in the coming years. Another important factor is the workforce, the revision of compensation that is the salary revision for the employees is long overdue in our company. So, considering the industry standard, we should revise that compensation salary at the earliest, so that employees are highly motivated and produce and increase the productivity. Another area is our distribution system, branch expansion probably was very slow in the last few years but unless we expand both the existing geographies and as soon as the new geographies, will not be able to expand ****not clear*****, therefore, we should do it very fast. On

recovery point also, we should be bold enough I think we should be aggressive. Our decision making should be very quick. We should call the customers and discuss with them and negotiate with them across the table and ensure that the core NPA is recovered fast. These are the few observations I humbly request the management and to the board to consider whatever is possible and our company will grow very fast both in recovery as well as the loan growth. Thanks all for giving me this opportunity. I wish all the very best. Thank you.

Chairman: Thank you very much, Mr. Varadarajan. Thank you for your valuable advice. I have no hesitation in saying that we agree with all your observations, we have no difference of opinion on that but unfortunately, because of the COVID, as well as some kind of, you know, fearful attitude on the part of the senior officers, we have not really progressed as we ought to have been but we are quite confident that things are picking up now. And your expectations regarding the performance of the company, I'm sure will be fulfilled, not gradually, probably quickly, it will be done and we have taken certain steps also to encourage and motivate good officers to do their work and we are very confident that the performance will be better this year, we have no doubt that last year has not been very good but at the same time, we have to realize the difficulties of running a company like this, because of the competition from the nationalized banks, where the rate of interest is lower, that attraction is more for them but that is not an excuse I agree but there is a limitation which we have to take note of and I have no doubts that our officers will take quick and energetic steps, bold steps, to ensure that we do, did as well as we did earlier years, Thank you.

Moderator: I request the next speaker shareholder Mr. Abhishek J. to switch on your camera and speak Sir. Thank you.

Mr. Abhishek J.: Can you hear me Sir, am I Audible?

Moderator: Yeah, it is audible sir. Please go ahead. Thank you. Mr. Abhishek, you are on mute. Please unmute yourself and ask your question, sir. Thank you.

Mr. Abhishek J.: Yes, just a second sir. I'm sharing my webcam as well. So my name is Abhishek, shareholder of the company now you can hear me sir. Am I audible?

Moderator: Yeah, yes, sir. Yes, sir.

Mr. Abhishek J.: Sir, My name is Abhishek, shareholder of the company a DP ID is IN301637 and client ID is 459155. So first of all, congratulate the management on the eve of Annual General Body meeting. Sir trust all is well with you and your family. In this challenging situation, our company deserves much more respect than the current market cap after completing more than a decade of successful operations, profitability, and becoming one of the strongest bank in a strongest company in the respective segment. Sir we would like to appreciate the management on the eve of this 21st Annual General Body Meeting. Sir, we are growing and we are showing prosperity in this COVID time as well, we can see that the company is making good numbers and even during the pandemic time and rewarding the minority investors. Since we are in the 21st year, we hope that the in 25th year the company will achieve a huge

target and we'll be rewarding the minority shareholders in large numbers. We are the well-wishers of the company, all of my family fully voted in favor of the board, Sir, most of my questions I've sent through email also so I shall not repeat the same questions again, Sir. And what are the steps being taken by the management to reduce the other expenses, legal professional charges and audit fees? Sir, myself and my team are running a legal firm and the name and style of 7 Wells Associates in Chennai, I request to kindly enroll our firm in the empanelment of the company and we will be glad to extend our services, Sir, nothing much to ask Sir, I thank the Company Secretary and the entire team for conducting this Annual General Body Meeting virtually and making this 21st Annual General Body Meeting a grand success. I wish the board of directors and the company a great success and prosperity in the coming future. Thank you very much, Sir. Thank you for giving the opportunity.

Moderator: Chairman Sir, you are on mute, sir, please unmute.

Chairman: Yeah, thank you very much, Mr. Jain, for your very valuable observations. I have also gone through your questions. I appreciate your concern for improving the performance of the company. As far as some of the questions were raised. I would request Mr. Karunakaran, the director of the company to cover them if there are anything left out. I will cover later but let him broadly cover most of your question and the question of enrolling your company in the panel, we will certainly go by the rules. We will certainly include whoever is available for that purpose. Thank you very much. Mr. Karunakaran like to answer some of the points he has raised in the questions.

Moderator: Now I request our next speaker Mr. P.Jaichand.

Mr. Karunakaran: Mr. Abhishek, I express my sincere thanks for your word of appreciation. As your question about increase in legal expenditure, the increase in legal expenditure it comes with the files we sourced, the management have taken a lot of effective steps to reduce administrative costs during pandemic time, we have negotiated with our landlord to reduce the rent and rental expenditure as well as postpone the revision in rent. Because of effective steps taken by the management our administrative costs during the financial year 20-21 came down significantly compared with the previous financial year. If you look at our balance sheet and P&L, because of our continuous follow up with the bankers and lenders, our cost of fund which is the main financial ratios has come down drastically during the financial year. Despite of the, you know, we are under very difficult situations, despite of difficult situation we are able to our maintain our interest spread, return on assets, Nim all those things, the numbers are in line with the previous years, which are also best in the industry. Again the cost income ratio rightly pointed out about advocate fees, if you look at cost to income ratio, cost to income ratio has entered the financial year 2021 for say about close to 16% which is better than previous year as well as better number in the industry. We are taking efforts to reduce our costs further. I hope I have clarified your doubts.

Moderator: I request the next speaker shareholder Mr. P.Jaichand to unmute yourself and speak ask your question sir, thank you. Mr. P.Jaichand, please unmute yourself and ask the question sir, thank you. sir, there is no response from Mr. P. Jaichand speaker and with this, the speakers whoever is logged in, we given them time sir. The other speakers, Mr. Kirti Shah, Ms. Shyamsundari, and Ms. J.Archana are not

logged in. So we have we have done with this speaker question sir thank you. I'll give it to back to the Chairman Sir. Thank you.

Chairman: Okay, thank you very much. And first of all, I would like to thank every one of you for the shareholders for participating in this meeting. And as far as the points made by some of the members in the current meeting now, I would like to reassure all of them, that the performance during the current quarter as slowly picked up and it is bound to improve further, Mr. Varadarajan also mentioned about the workforce and the need to consider suitable remuneration review etc. We are at it now that the situation is improving, there is some proofs, some optimism in the performance of the country. I believe quorum required is 30. At the moment we have only 27 and we may adjourn it and wait till 11:30 to continue the proceeding. So, that the quorum is complete.

Moderator: Sir, the quorum is done.

Chairman: I have informed just now to the quorum is complete that we have got all the 30 members available with the required so we can continue with the proceedings. So, I would like to inform all the members that we have maintained the dividend, we have tried to substantially pull up our socks to improve the performance, I have no hesitation. Now, I would request the following orders resolutions set out in the notice of the AGM to be considered now. I think already they have been put to vote. These are the following resolutions I repeat them for information:

1. Adoption of accounts
2. Declaration of dividend
3. Re-appointment of Smt. R.S.Isabella (DIN 06871120)
4. Appointment of Statutory Auditors
5. Appointment of Smt. Jacintha Lazarus, I.A.S (DIN:08995944) as a Director liable to retire by rotation:
6. Appointment of Shri T.Karunakaran (DIN: 09280701) as Wholetime Director for a period of Five (5) Years from 1st September, 2021 to 31st August, 2026
7. Appointment of Shri N.Balasubramanian (DIN: 07832970) as Wholetime Director for a period of Two (2) Years from 1st September, 2021 to 31st August, 2023 who is on deputation from Repco Bank.
8. Offer or invite subscription for Non-Convertible Debentures (NCD) and Commercial Paper (CP) aggregating to Rs. 4000 Crore and Rs.1000 Crore respectively on private placement.

I take it these are considered. The following directors have not been able to attend because of either technical reason or for not being in India, Mr. G.R Sundaravadivel and Mr. Balasubramanian, please kindly be noted for our record purposes and if there is no other point to be made, we can certainly conclude the meeting. I'll give two or three minutes and thereafter we can close the meeting.

Moderator: Okay, sir, with your permission, we will start the Insta poll sir.

Chairman: Yes we can start that yes.

Moderator: So the investors not voted through remotely e-voting. They can participate in voting now. So with your permission, I'll activate that sir. Thank you.

Chairman: Thank you, May I thank all the directors. May I thank all the directors, all the supporting staff and the auditors and the Company secretary for participating in the AGM. Thank you very much.