

Transcript of the 31st Annual General Meeting of Nuvama Wealth Management Limited

Birendra Kumar, Chairperson: Good Morning ladies and gentlemen. I welcome all the Members to the 31st Annual General Meeting of the Company. The requisite quorum being present, I call the Meeting in order. I would request Ms. Sneha Patwardhan, Company Secretary to take the proceedings forward.

Sneha Patwardhan, Company Secretary: Thank you, Sir. Good Morning, everyone. It is our pleasure to welcome you all to the 31st Annual General Meeting of Nuvama Wealth Management Limited, held through video conferencing. The facility to join the Meeting through video conferencing and other audio-visual means is made available to the Members in accordance with the circulars issued by the Ministry of Corporate Affairs. The Company has taken requisite steps to enable the Members to participate and vote on the items being considered in this AGM. All the Members who have joined this Meeting are by default placed on mute mode to avoid any disturbance arising from the background noise and ensure smooth and seamless conduct of this Meeting.

Once the question-answer session starts, we will announce the name of Members who have registered as speaker shareholders. The speaker shareholder will thereafter be unmuted by the host to start the question answer and Members are requested to click on the video on button. If the Member is not able to do so for any reason, the Member can speak through audio mode only. While speaking, we would request the speaker to do the following:-

- i. Use earphones so that the Member is clearly audible.
- ii. Ensure that Wi-Fi is not connected to any other device.
- iii. Minimize any noise in the background.
- iv. Ensure that no other background applications are running.
- v. There is proper lighting, to have a good audio-video experience.

If there are any connectivity problems at the speaker's end, we will ask the next speaker to join.

Once the connectivity improves, the speaker shareholder who had connectivity issues will be asked again to speak once the other speaker shareholders complete their turn. During the AGM, if the Member faces any technical issue, they may contact the helpline number mentioned in the notice of the AGM. If at any time during the AGM, you lose connectivity, do check your internet connection and log in once again by following the same process. Members may note that since the AGM is being held through video conferencing,

the facility to appoint a proxy, to attend and cast a vote on behalf of the Member is not available. Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, shareholders have been provided e-voting facility to enable them to cast their votes electronically. In accordance with this, your Company has provided a remote e-voting facility through the platform provided by Link Intime to the Members and also the facility to vote during the Meeting for the Members who are present in the meeting through VC and have not casted their vote by remote e-voting. The instructions for e-voting are provided in the notice of the AGM. The remote e-voting period commenced on Wednesday, 31st July at 9.00 a.m. and concluded on Sunday, 4th August at 5.00 p.m. The representatives of the Statutory Auditor and Secretarial Auditor are present at the meeting through video conferencing. The Company has appointed Nilesh & Associates, Practising Company Secretaries, as Scrutinizers for remote e-voting as well as for the votes cast by the Members during the AGM by e-voting system under Section 108 of the Companies Act, to scrutinize the e-voting process in a fair and transparent manner. The representatives of the Scrutinizers are also present at this Meeting. Pursuant to the MCA circulars, as mentioned in the notice, the attendance of the Members attending the AGM through VC shall be counted for the purpose of ascertaining a quorum under Section 103 of the Companies Act. All requisite statutory registers, including register of Directors, register of contracts or arrangements in which Directors are interested, register of Members and other relevant documents as referred in the notice and explanatory statement are available for inspection electronically.

The certificate from the Secretarial Auditor confirming that the ESOP scheme is in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulation, is also available for inspection. I now request Birendra Kumar, Chairman and Independent Director, to take the proceedings forward. SirSir you're on mute.

Birendra Kumar, Chairperson:

Thank you, Sneha.

Let me introduce the Directors

- Ashish Kehair – Managing Director & CEO
- Shiv Sehgal – Executive Director, Authorised by Stakeholders Relationships Committee’s chairperson to attend the meeting and represent the chairperson of the Stakeholders Relationship Committee ;
- Mr Kamlesh Vikamsey, Independent Director and Chairperson of the Audit Committee.
- Mrs. Anisha Motwani, Independent Director and Chairperson of the NRC Committee.

- Mr. Nikhil Kumar Srivastava, Non-executive Director and Chairperson of the Stakeholder Relationship Committee.
- Sameer Kaji, Independent Director and Chairperson of the ESG and CSR Committees.
- Mr. Aswin Vikram, Mr. Anthony Miller and Navtej S. Nandra are unable to attend the Meeting due to pre-occupation.

In order to maintain continuity of this Meeting, in the event of any technical disruptions faced at my end and with the consent of all the Directors present, I hereby propose the name of Mr. Kamlesh Vikamsey, Independent Director, to act as alternate Chairperson for this Meeting.

Apart from the Directors, we also have Mr. Bharat Kalsi, CFO and Mrs. Sneha Patwardhan, Company Secretary of the Company joining this Meeting through video conferencing.

Now, notice convening the 31st AGM along with the Annual Report for the Financial Year 2023-24 of the Company has already been circulated to the Members and therefore I take the same as read. Now I'll start with my message for the shareholders.

Dear Shareholders, it gives me immense pleasure to welcome you all as part of the Nuvama family. As I present the Annual Report for Nuvama Wealth Management Limited for the financial year 2023-24, I am filled with pride and gratitude for the remarkable progress we have made.

The last financial year was a transformation year for Nuvama that saw completion of a demerger from Edelweiss Group to become an Independent entity and consequent listing of its shares on stock exchanges on September 26th, 2023. The process also marked the culmination of a multi-stage process of transfer of wealth and capital market businesses curated by Edelweiss Group into the Nuvama fold through which PAG, a leading private equity group, acquired majority interest in Nuvama. The year also marked the successful transition to the new brand "Nuvama" well received by our clientele, reorganization of the Board and governance structure, independent credit rating for the Group and technology and establishment infrastructure.

Fiscal 2024 was a difficult year for many countries. The global backdrop was not constructive characterised by slow growth, inflation, high interest rates, geopolitical tensions and shifting supply chains. In the midst of this upheaval, India remains an inevitable haven. The economy delivered significant resilience and growth, despite the global headwinds. We saw strong domestic demand, robust private investment and spending on infrastructure. As per the initial estimates, the Indian economy's growth in

Financial Year 2023-24 surged to 8.2%, largely on the back of growth in manufacturing and service sectors supported by prudent fiscal and monetary policies.

This growth in real economy reflected in the performance of the Indian financial and capital markets last year. As at financial year 2023 year-end, headline index Nifty 50 closed at 22,324,26 points and reported a growth of about 29% over the financial year 2022-23 year end level.

Nuvama, your Company fired on all cylinders and took advantage of the tailwinds prevalent in India. Through resilience and strategic focus, Nuvama has achieved commendable performance across its product lines, strengthened relationships with clients and partners and laid the groundwork for future growth. At Nuvama, we witnessed significant growth in business volumes, revenues and profitability across all our businesses, which in turn reflected the strengths of each of our businesses to leverage opportunities provided by the buoyancy in the markets.

While we feel proud of our accomplishments in Fiscal 2024, we know that our focus must remain on staying competitive for tomorrow. We believe India will continue to offer tremendous opportunities, with world leading GDP growth and wealth creation: - strong domestic consumption, government reforms and a favourable young demographic profile

Continued adoption of digital payments and e-commerce, investments in infrastructure including transportation, energy and urban development, flourishing start-up ecosystem, with increased funding and support for innovation.

All of these play to Nuvama's strengths. As savings and wealth increase, customers and companies will need increasing support for wealth management, asset management and capital markets. Our focus is to continue to thoughtfully grow to meet the increasing demand from our expanding customer base:-

- Wealth management, addressing our select segments of the market, with increased presence at strategic locations and strong advisory force.
- Asset management, delivering exemplary performance and offering solutions across both public and private markets.
- Capital markets, with leading institutional equity capabilities, coupled with advisory services.

As we move forward, we will continue to focus on enhancing our franchise proposition by investing in capacity enhancement by way of augmenting our relationship managers, client-facing business teams, products and investment teams across the businesses, adding new locations in India and overseas and technology platforms.

We will continue to deepen our client engagement proposition by broad-basing and customizing our product offerings and platform with emphasis on quality and diversification of our revenue streams.

While focusing on growth and scale is critical, we are also mindful of our role as responsible stewards. Our priorities include Risk management, Expense management, Regulatory compliance, Information security, Strong governance, governance in ESG and CSR efforts, in particular, supporting financial literacy.

It should be underscored that meeting customer needs and enabling Nuvama's success is possible, only because of the team. It is the commitment of our colleagues to provide industry-leading product and services to our customers that ensures we can grow with confidence. Our people are at the core of our businesses and operations. We are proud of the human talent and leadership breadth available with us. We continuously strive to create an environment of employee empowerment, reward and recognition programmes and learning and development initiatives by adopting the best practices in these areas. The Human Resources Team at Nuvama has streamlined processes and launched initiatives to enhance our national efficiency and support business goals. Overall, HR has fostered a culture of One Nuvama, aligned with strategic goals and focussed on values, vision, meritocracy and talent growth.

We have used technology at all stages of client engagement to deliver seamless client experience, operations, risk management and back office. We will continue to enhance our technology and digital capabilities in all aspects of our businesses and operations to drive business growth and operational efficiencies.

At the Board, our focus has been on governance and stability, underpinning the conduct of our organization and businesses has built around the guardrails of compliance, risk management and governance framework through the quality of information shared, periodical reviews of relevant policies and oversight over assurance practices. Further, we firmly believe in our responsibility to the society. As a good corporate citizen, we continue to evaluate our CSR framework and initiatives through the lens of the impact on society.

In closing, I would like to thank our customers and stakeholders for the trust they place in Nuvama and look forward to their continued support. On our part, we promise to do, promise to continuously strive to meet their expectation. Thank you very much. Thank you.

Now, I would request Ashish Kehair, Managing Director and CEO of the Company to address the Members.

Ashish Kehair, Managing Director and CEO: Thank you, Chairman.

I welcome all the Members to the 31st AGM of Nuvama Wealth Management Limited. Nuvama is one of the leading wealth management companies in India today. It's built on a client-first foundation and it presents a fresh perspective on wealth management. We are a fully integrated platform that meets the personalized needs of our client segments which basically comprises of salaried individuals, small business owners, entrepreneurs, Promoters, corporate and institutional investors. Over the past four years from fiscal 21 to 24, our journey has been really fulfilling and we have scaled meaningfully. We grew our client base and client assets by 30% CAGR, reaching about 3,50,000 crores at the end of fiscal 24. Our revenues grew by 27% CAGR and profitability by 44% led by operating leverage.

During 24, our focus was on execution and with support from markets, it enabled us to continue this growth momentum, further improving our operating margins and returns to our shareholders. We achieved a 31% increase in total revenues, reaching about 2,063 crores and delivered an operating PAT of about 597crores, a 62% increase over the last year.

Our cost-income ratio improved by about 7% from to fall to about 62% and our ROE went up to 23.6%. We were able to achieve a well-rounded result by leveraging the platform's full potential and all our business segments, which is Wealth Management, Asset Management and Capital Markets, performed exceptionally well.

As pointed out by the Chairman, Wealth Management in India offers a significant growth opportunity on account of several factors, growth in wealth creation across client categories, shifting preferences towards financial assets and significant under-penetration of Wealth Management vis-a-vis the mature markets. In the Wealth Management business, we have established presence across both Ultra-High Net Worth and High-Net-Worth client segments.

The choices we made towards, this multi-client segment, a comprehensive product-platform, open architecture and a hybrid delivery-channel model combined with the structural tailwinds have helped us significantly scale this practice. Our wealth assets now equal to about 2,50,000 crores, increasing by 36% over last year. During the year, we expanded our wealth sales capacity by about 20% and now we have 1,200 plus relationship managers.

We also welcomed 500 new Ultra-High-Net-Worth families in the Nuvama Private family and over 20,000 High-Net-Worth families in the Nuvama wealth segment.

Our second business, Asset Management, the youngest of the lot, operates in alternative asset space and also complements our Wealth Management business. Since starting in 2021, we have launched several products under Private and Public Markets and we closed the year with about 7,000 crores of assets, a 25% year-on-year increase. During the year, we also launched a new segment, which is a commercial real estate fund through a 50:50 JV with a global entity called Cushman & Wakefield as a partner.

Our Capital Markets business comprising investment banking, Institutional Equities and asset services offers a comprehensive bouquet of products in their respective domain. Fiscal 24 marked one of the best years for the Capital Markets business with a significant increase in the number and value of deals closed, transaction volumes and market share. This led to a robust increase in revenues and profits over the year. Our multi-product franchise has provided us the benefits of diversification at an aggregate level and gives us tremendous capability in adding value across the client wallet, both at a business level and a personal level.

This fiscal, we have also strengthened our foundation around sustainability. As we look towards the future, we will continue our commitment across vectors - Environment, Social and Governance by embracing emerging trends and adopting the best practices to ensure our impact resonates positively with the communities and beyond. We have also published our first BRSR report, which highlights our achievements and plans.

I would like to thank all our clients for their continued trust and helping us become the leading integrated platform. A big thank you to our 3,000 plus employees for their relentless commitment and contributions in making our clients successful and last but not the least to our Board for their valuable contributions and guidance on our strategic priorities.

As we enter 25, we will continue to invest across our verticals to grow scale and scope.

Wealth Management: We will add capacity, add more annuity-based products, build an offshore and NRI practice, invest in technology solutions to sustain leadership across Nuvama Wealth and Nuvama Private.

Asset Management: We will scale the existing strategies. We are looking at newer strategies and distribution partners across all our categories of products.

Capital Markets: Continue to grow asset services and improve the market share of Institutional Equities and Investment Banking and we shall continue the journey of efficiency, both on the cost efficiency side and improved usage of capital.

As we scale, building strong guardrails would remain an equal priority. We will continue to strengthen our corporate governance practices and become a better workplace. Looking

ahead, I remain optimistic about the secular growth of the industry and how Nuvama can make a positive impact on the community and our clients.

I would thank you all for joining us for this AGM and back to you Chairman.

Birendra Kumar, Chairperson: Thank you, Ashish. The Auditor's Report on the financial statements of the Company for the financial year ended March 31, 2024, does not contain any qualification, reservation, adverse remarks or disclaimer. The Notes to the Accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further explanation.

Since the AGM is being held through VC, video conferencing and the resolutions mentioned in the Notice have already been put to vote through e-voting, no proposing or seconding of resolutions is required. With this, I now proceed with the agenda as per the Notice.

As an Ordinary Business:

Resolution 1: To consider and adopt audited standalone and consolidated financial statements of the Company along with audited consolidated financial statements for the year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditor thereon by passing an ordinary resolution.

Resolution 2: To appoint a Director, in place of Mr. Ashish Kehair, (DIN: 07789972), who retires by rotation and being eligible, offers himself for re-appointment by passing an ordinary resolution.

Resolution 3: To appoint a Director, in place of Mr. Aswin Vikram, (DIN: 08895013), who retires by rotation and being eligible, offer himself for re-appointment by passing an ordinary resolution.

As a Special Business:

Resolution 4: To re-appoint Mr. Ashish Kehair, (DIN 07789972), as the Managing Director and Chief Executive Officer of the Company.

Resolution 5: To re-appoint Mr. Shiv Sehgal, (DIN 07112524), as an Executive Director of the Company.

Before proceeding with the e-voting in the AGM, I would like to invite the Members who had registered themselves as the speakers, if they need any clarifications or have any questions or have any observations with respect to the items mentioned in the AGM Notice.

I request Members to restrict their speech/queries only to the above-listed items and also request other speakers to remain muted till, I call out for their names.

Now, I would name the speakers one by one.

The first speaker is Mr. Vinod Motilal Agarwal.

Moderator: Sir, currently, Mr. Vinod Agarwal is not present in the panel. We can move to the next speaker.

Birendra Kumar, Chairperson: Okay, Mr. Tushar Sodha.

Moderator: Mr. Tushar, you are in the panel. Kindly enable your video and you may speak now. Hello, Mr. Tushar.

Birendra Kumar, Chairperson: Hello, Yes, Mr. Sodha.

Moderator: Mr. Tushar you may speak now.

Birendra Kumar, Chairperson: He's there.

Moderator: Yes, sir, he is in the panel. I think there is some audio connectivity issue.

Mr. Tushar. Hello. It seems some connectivity issue.

Hello, Mr. Tushar.

Sir, it seems some connectivity issue so, we may move to the next speaker.

Birendra Kumar, Chairperson: Yeah. Mr. Dilip Kumar Jain.

Moderator: Mr. Dilip Jain is currently not present in the panel. We may move to the next speaker.

Birendra Kumar, Chairperson: Okay. Mr. Dnyaneshwar K. Bhagwat.

Moderator: Mr. Bhagwat, you are in the panel. Kindly enable your video and you may speak now.

Dnyaneshwar K. Bhagwat: Hello. So, can you hear? Am I audible, Sir?

Moderator: You are audible, Sir.

Birendra Kumar, Chairperson: Yeah, you are audible.

Dnyaneshwar K. Bhagwat: Yeah. Thank you very much, Sir. Thank you. First of all, good morning to all Board Members. Myself, D.K. Bhagwat from Mumbai. Respected Chairman, Board of Director, D.K. Bhagwat from Mumbai. First of all, I'm thankful to our Company Secretary, Sneha Patwardhan, for sending me the soft copy of the AGM well in

advance, which is full of information, fact figures are in place, which is easy to follow. So, thanks to you and your team for it. Sir, again, thanks to Sneha ma'am for drafting such an excellent AGM copy, which contains firstly the cover page that gives information about seizing India's wealth.

Then next page gives information about a corporate overview. Nuvama, let's do it right. Again, building Nuvama the right way and so on, sir. So, I actually, thanks to ma'am again, because she had done a lot of efforts to draft such a beautiful, excellent Annual Report copy and even I said thanks to you also. Thirdly, as I'm aware of the Company, no more questions about the financial part. Sir, I support all the resolutions.

Sir, I would like to know how much staffs are working in our Company. This is only one question. Rest, for the coming festival, I wish good luck. Thank you very much for your patient hearing. Thank you, sir. D.K. Bhagwat from Mumbai. Thank you, sir.

Birendra Kumar, Chairperson: Okay, thank you. Next one, Ramesh Shankar.... Mr. Ramesh Shankar Golla.

Moderator: Sir, currently, Mr. Ramesh Golla is not present in the panel. We will move to the next speaker.

Birendra Kumar, Chairperson: Mr. Hiranand Kotwani.

Moderator: Mr. Kotwani, you are in the panel. Kindly enable your video and you may speak now.

Hiranand Kotwani: I'm audible?

Moderator: You are audible, Sir?

Birendra Kumar, Chairperson: Yes, you are audible.

Hiranand Kotwani: Namaste, I'm Hiranand Kotwani from Kalyan. It's a great pleasure to join you at the first meeting. Certainly, Good Morning to everybody. Mr. Chairman and other daily attending, this is a very nice balance sheet I come across. I used to read 38 years, the Balance Sheet attending the AGM. But it's a well-drafted AGM, well-drafted, Balance Sheet and Annual Report.

Your Secretary Department has done remarkably good job. No room to criticize. I used to find criticism, where a Company is not improved, but certainly, it's a new Company. Are we managing the foreign national assets in India? The first question. We are managing liquid asset, Wealth Management for Indian residents and non-resident Indian also. But are we doing work for the Non-Indian nationals in India, Wealth Management for them? How you are paying and gaining in dealing with the Institutional brokerage? Institutional, how is the pain and gain if you can elaborate? The last question. I have,

particularly the Director Report, the remuneration part, there is a major increase. I didn't increase, I assume. Please direct that there is a Manager and CEO, 30, 53, 30-43% remuneration increase. Otherwise, some 21, some 17. So, I failed to understand the percentage of increase. Will you elaborate on this? Thank you and good luck ahead. It is very nice to meet you. Particularly, good luck ahead to all the people who are here. Thank you.

Birendra Kumar, Chairperson: Thank you. Then we have Mr. Aspi Bhesania.

Moderator: Mr. Aspi, you are in the panel. Kindly enable your video and you may speak now. Mr. Aspi.

Aspi Bhesania: Can you see me and hear me?

Moderator: Sir, you are audible.

Aspi Bhesania: I'm visible also.

Moderator: Yeah, you are visible.

Aspi Bhesania: I am Aspi from Mumbai. Sir, thanks for giving me an opportunity to speak. Sir, why no physical AGM? Please hold physical AGMs, Sir, we can meet the people also. Then I thank the Company Secretary for giving me an opportunity to speak over here. Sir, I congratulate the Management on the excellent results. Profit for the year is almost double and you're in the first quarter, profit is double year on year. Can I expect the whole year also to double this year? Sir, in your margins in capital market business are very good, almost 40%. So, I hope you can maintain those margins and Sir, you have so many analysts meet and all. So, if I want to attend which meet I can attend. Please put my E-mail ID on the mailing list so that I also get an invite. For phone calls or physical meets. Thank you very much and all the best for the future.

Birendra Kumar, Chairperson: Thank you. Now Mr. Vinod Motilal Agrawal has probably joined, so I request you.

Moderator: Mr. Vinod, you are in the panel. Kindly enabled your video and you may speak now.

Vinod Motilal Agrawal: Hello, can you hear me?

Moderator: You are audible

Vinod Motilal Agrawal: Yeah, respected Chairperson Mr. Birendra Kumar ji, MD and CEO Ashish Kehair ji, CFO Mr. Mihir Nanavati and our CS Sneha Patwardhan, Good Morning and regards to everyone. Sir, the results have been very good. The total revenues have increased 31% and even the PAT was 62% higher. Very good results, Sir and even

the segments that we are operating in, Wealth Management, Asset Management and Capital Markets, all have done very good. The revenues and the assets under management in all of the segments are very good, sir.

My only one query which I have got is that the Bank Balance shown is 122 trillion and now 122.466 trillion is the asset Bank Balance shown. So now I would like to know how much of this is our own fund and how much of this is a client-owned fund. That would be the differentiation between a client-owned fund with that and how much would be our fund? And I welcome PAG as the majority shareholder of our Company. This is our first meeting post the demerger of the Company from Edelweiss and I was thankful to Sneha Patwardhan madam to help me join this Meeting today, sir.

Thank you. Signing off, Vinod Aggarwal from Mumbai. Thank you, Sir.

Birendra Kumar, Chairperson: Thank you. I think we do not have any other speakers.

Moderator: Chairman Sir, with your permission, can we allow Mr. Tushar Sodha again to speak?

Birendra Kumar, Chairperson: Okay. Okay, please.

Moderator: Mr. Tushar, you are in the panel. Kindly enable your video and you may speak now. Mr. Tushar.

Tushar Sodha: A very good morning to all. Am I clearly audible and visible?

Moderator: You are audible, Sir.

Tushar Sodha: Thank you so very much for the confirmation.

Very respected Chairman Sir, stalwart Board of Directors and fellow Shareholders. My name is Tushar Sodha and I have joined our Company's virtual AGM from Mumbai. I acknowledge the receipt of the Annual Report as well as the Notice for today's AGM through email and thank our efficient Secretarial Department for the timely sending of the financial statements.

Both the secretarial and finance departments deserve appreciation for the sublime presentation of a 400-page hefty Annual Report. They have covered every aspect in great detail, especially the theme, the art of compounding is catchy and generates good interest. India's Wealth Management industry is on the cusp of a remarkable transformation, thereby presenting immense opportunities. India is expected to lead percentage growth of fortunes in terms of financial wealth in coming years and Nuvama Wealth Management at the forefront is well positioned to seize these exciting opportunities. Nuvama Wealth has indeed achieved commendable performance. Our Company reported significant

growth in business volumes, revenues as well as profitability, across all business verticals to leverage opportunities provided by the buoyant equity markets.

Many congratulations for the highest-ever revenues of 3,158 crores with a compounded annual growth rate of 27% with a considerable increase in revenues, net profits and return on equity, which truly reflected in the market price of Nuvama Wealth Management. The share price registered a lifetime record high of 6,700 just before 4 days, on 1st August from the lows of 2,100 reported in October 2023. We have witnessed our investment value gaining a whopping 320% in just 10 months. I am confident that Team Nuvama will continue raising the bar in the coming years. I thank the entire Board of Directors for the very generous interim dividend of Rs. 81.5 per share. I urge you to continue with such liberal return of capital initiatives. Once again, hearty congratulations to the entire team Nuvama, for the highest ever Aggregate Alliance Asset Under Management of an enormous 3,50,000 crores with a healthy CAGR of 30%. Kindly inform what are our aspirations and targets for the year 2027.

Of our three business verticals, Wealth Management, Asset Management and Capital Markets, which one is the most profitable? In his extensive communication to stakeholders, Managing Director and CEO Sir has expressed optimism about the secular growth of the Wealth Management industry. He has also mentioned about launching of a commercial real estate fund through a 50-50 joint venture with Cushman and Wakefield as a partner. I am pretty sure, that this joint venture will shift Nuvama Wealth to the next level.

Request you to inform details about our Managed Products and Investment Solutions i.e. MPIS. Our Company has a very decent and healthy cash flow. What are the plans for effective utilization of the same? Chairman Sir, I request you to kindly share with us our Company's initiatives to drive future growth. Also inform us the propositions to grow and consolidate market position via differentiated product offerings. Sir, I refer to the consolidated accounts on page 177 and page 238 of the Annual Report. Impairment on financial instruments has multiplied over 5 times to 40 crores from only 8 crores of last year on account of provisions for expected credit loss. I request our finance department to please give some colour on the same. I take this opportunity to appreciate employees at all levels and the entire senior management team for their leadership and very valuable guidance. I also admire and cherish the very vital role of torchbearer mentors along with the entire secretarial team at Nuvama for ensuring comprehensive compliances with complex guidelines of regulatory authorities from time to time.

Link Intime Instameet deserves noteworthy mention for excellent investor services as well as superlative and seamless connectivity for today's virtual meeting platform. I can see

that all participants are very clearly visible and audible. Nuvama Wealth is firing on all the cylinders.

The name Nuvama signifies a fresh perspective on Wealth as well as Financial Services. I am pretty sure and confident that Nuvama will conquer your financial heights in coming years by capitalizing on emerging opportunities. Thank you, Chairperson Sir, for giving me this opportunity to put forth my queries and express my views. Thank you so very much, Sir.

Birendra Kumar, Chairperson: Thank you so much. I don't think we have any more speakers.

Moderator: No, Sir. With this, we complete with the speaker shareholder queries.

Birendra Kumar, Chairperson: Okay. Thank you.

Moderator: Now we can proceed with the agenda.

Birendra Kumar, Chairperson: I will request Ashish and Bharat to respond to these queries and give some information.

Bharat Kalsi, Chief Financial Officer: So, Sneha, how do you want to go? Do you want to take the question first and we should answer among between me and Ashish or we should go in the free flow?

Sneha Patwardhan, Company Secretary: We can do free flow. You can start.

Bharat Kalsi, Chief Financial Officer: Okay. So, Ashish, should I take first on the questions on the financials and then you can take on the business questions? Will that be okay?

Ashish Kehair, Managing Director and CEO: - Yeah.

Bharat Kalsi, Chief Financial Officer: So, thank you, first of all. Thank you. Thank you, everyone on the call and the first question was around the, I just go the backwards. The first question was on the increase in the impairment, which is around 40 crore in the books for the financial year FY 24. So, basically, there are three components in the impairment section. The one is the usual ECL provision, which is in terms of trade receivable as well as on the loans, which is driven by Ind AS 109, which is roughly 8 crore rupees. Then there is a one-time charge of, there has been a case going on since pandemic days with the Pratham investment, which was in 2020, March 20 and the Company got the Gujarat High Court case wherein that was in April 24, just closer to the financial year, which is where we have provided the Pratham case, which is worth 21 crore rupees. That is one item which is reflecting there and the other item is that the Company is also holding preference share of India Nivesh around 20.7 crore. You can see the details on the page number 214.

But that is also on a conservative basis. So, there is a conservative and the Company has followed and we have provided for another 45% of impairment on preference share. So, that is the number which is where it is reflecting as 40 crore. Just to summarize, one is the usual ECL provision as per IND AS 109. The second is one time Pratham, which is 21 crore and a conservative impairment on India Nivesh preference shares of around 45% that is leading to 40 crore.

That was the first question. The second question was around the capital deployment as to where is the Company generating, your Company is generating a healthy cash flow. What is the management view in terms of the deployment of that cash? So, if you look at our recent investor call also and as you have appreciated the Company declaring Rs 81.50 per share, our endeavour will be to declare around 40 to 60% of our annual profit as dividends to the shareholders.

The balance capital will actually be utilised back in the business to drive the business growth. So, if you ask broadly, the two deployment strategies would be to create dividends as well as to put the money in the retainer needed to drive the business. That was the question on the cash deployment.

Sneha, anything on the financials more? One was on the bank account the bank account balance increase, which has increased multiple to 12,500 crores. So, the question was around what is the cash in terms of Company cash as well as towards the client cash. So, the broad breakup is now 2,900 crore is the Company cash and the balance is the client money and if you look at the same page, which is page 176, you will see that there has been an increase in the client liabilities also. So, it is just the client money, which is there with us and a corresponding increase in the liabilities, but shareholder funds are around 3,000 crore give and take.

Sneha Patwardhan, Company Secretary: Yeah, I think that is it, Bharat. Over to you, Ashish.

Ashish Kehair, Managing Director and CEO: - Yeah. So, I think the first question was on employee count. On 31st March 2024, we were about 3,100 people. We have added around 400 people broadly over the last year, approximately out of which about 350 will be the front-end RMs. The second was around Wealth Management for Non-Indians. Right now, our focus is domestic, largely domestic, because I think this is a big and underpenetrated market with significant runway ahead, years of growth being there.

The second focus is helping the domestic people to invest or set up overseas and the third would be non-resident Indians investing in India. Maybe after that, once we have exhausted these possibilities and opportunities, then we can start looking at non-Indians, because for them, Indian allocation will still remain small, and they can basically access

that through India-dedicated ETFs and all. Institutional investors anyways invest in India, and they have different service providers and we give them service through our institutional equities business, which we offer. But wealth management to individuals, it will be a, I think, foreign institutions are better place to offer that service today.

The third question was on institutional brokerage business, pain and gain. I think it's like our Indian markets, it goes up and comes down. If you ask me from a 5-10-year perspective, I think the allocation to Indian equities and now even on Indian fixed income, will continuously increase and so from a secular long-term trend perspective, you will see volumes and participation go up. But that business is always marginally volatile in the very short term because flows keep moving up and down. But long term, the trend will be, I think, intact.

Why no physical AGM? I think it's far more efficient and respecting time of people, costs for the Company, time of shareholders, to now connect I think COVID has given and taught us this huge power of the virtual world, where people can be where they are and yet be together. I think today, even 3-4 of us who had to physically come at a particular location, we spent an enormous amount of time in traffic. I don't want our fellow shareholders to go through the same pain. Maybe when the infrastructure improves, and we have a larger number of shareholders, we can look at doing a physical AGM.

Can we expect the profits to double? The answer is no, we cannot. I think in a decade, you get two or three years when there is an orbit shift, which happens in the operations of any Company. Yes, we will see a secular growth in the underlying businesses and maybe doubling over two, three years, four years, but not year-on-year doubling of profits. Yeah, I think that's pretty much it on the list of questions which I have.

Sneha Patwardhan, Company Secretary: Yes. Over to you, Sir.

Birendra Kumar, Chairperson: I now request Members who have not voted through remote e-voting to vote via the e-voting system provided by Link Intime. The instruction for the same is given in the notice of the AGM, whereby the Members can vote during the AGM in terms of Section 108 of the Companies Act 2013 on all the business as set out in the notice of AGM.

Members are requested to note, that those Members who have already voted electronically through remote e-voting are not eligible to vote in the AGM. The scrutinizer shall submit his report in the prescribed manner to me within two working days of the conclusion of the Meeting. The results of the e-voting will be informed not later than two working days after the conclusion of the AGM to the Stock Exchanges, i.e. NSE and BSE and will also be uploaded on the Company's website.

The scrutinizer has verified the process for remote e-voting and e-voting during the AGM. Members, please note that the e-voting facility during the AGM is open for next 15 minutes and the Members are requested to vote on the proposed resolution, number 1 to 5, as set out in the Notice of the AGM. I believe that all the Members have voted on all the resolutions.

I authorize the Company Secretary to accept, acknowledge and countersign the scrutinizer's report in connection with the Meeting and declare the results for the voting in accordance with the requirements prescribed under the applicable laws. Voting results on each resolution will be an aggregation of remote e-voting and votes casted through e-voting during the AGM in favour or against. All resolutions contained in the Notice, if carried with the requisite majority, shall be deemed to be passed on the date of the AGM.

I declare the Meeting as concluded. I would like to thank all Members for their valuable time and taking the initiative to attend the AGM through VC. Thank you very much.

END OF TRANSCRIPTION