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BUSINESS GROWTH
STRATEGY





NSDL e-Governance Infrastructure Limited

(CIN U72900MH1995PLC095642)

Regd office: 1st Floor, Times Tower, Kamala Mills Compound,

Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

Tel : +91 22 2499 4200

Fax : +91 22 2491 5217

Email: cs@nsdl.co.in; Website: <https://egov-nsdl.co.in>

NOTICE

NOTICE is hereby given that the Twenty Sixth (26th) Annual General Meeting (“AGM”) of **NSDL e-Governance Infrastructure Limited** will be held on **Thursday, September 23, 2021 at 10 a.m.** IST through Video Conferencing (“VC”) / Other Audio Visual Means (OAVM) at the Board Room, at the Registered Office of the Company, 1st Floor, Times Tower, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2021, together with the reports of the Board of Directors’ (“the Board”) and Auditors’ thereon; and
 - (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2021, together with the report of the Auditors’ thereon; and
2. To declare dividend on equity shares for the financial year ended March 31, 2021
3. To appoint a Director in place of Mr. Karan Bhagat (DIN: 03247753) who retires by rotation and being eligible, offers himself for re-appointment and if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof) as amended from time to time, Mr. Karan Bhagat (DIN: 03247753), who retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director (Non-Executive) of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any of the Director of the Company and/or the Company Secretary be and is hereby severally authorized to complete all the formalities as prescribed under the Companies Act, 2013 and rules made thereunder and to do all such acts, deeds and things as may be deemed appropriate to give effect to this resolution”.

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

Re-appointment of Statutory Auditors of the Company:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and on the consent of the Board of Directors at its meeting held on March 23, 2021, based on the recommendation of the Audit Committee, M/s. BSR & Associates LLP, Chartered Accountants, [ICAI Registration Number 116231W/W-100024] be and are hereby re-appointed as Statutory Auditors of the Company for second term of five (5) years to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 31st AGM of the Company to be held in the year 2026 at such the terms and conditions including the remuneration as may be mutually decided between the Board and the Statutory Auditors.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary, be and is hereby severally authorized do all such acts, deeds, matters and things as may be required to give effect to this resolution.”

AS SPECIAL BUSINESS:

5. **Regularization of the appointment of Mr. Mukesh Agarwal (DIN: 03054853) as the Director of the Company (Non-Executive)**

To consider and if thought fit to pass with or without modification(s), following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), read with Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time (including any statutory or regulatory enactments or re-enactments incidental thereto) and pursuant to the provisions of the Articles of Association of the Company, Mr. Mukesh Agarwal (DIN: 03054853) who was appointed as an Additional Director with effect from May 7, 2021 and who holds office up to the date of this Annual General Meeting (AGM) and in respect of whom a notice has been received from the member in writing under Section 160 of the Companies Act, 2013 and the rules thereunder proposing his candidature for the office of a Director, be and is hereby appointed as the Director (Non-Executive) of the Company, liable to retirement by rotation.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary, be and is hereby severally authorized do all such acts, deeds, matters and things as may be required to give effect to this resolution.”

6. **To adopt new set of Articles of Association (AoA) of the Company**

To consider, and if thought fit, to pass with or without modification(s), following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory or regulatory enactments or re-enactments incidental thereto), as amended from time to time and in order to align the Articles of Association (AoA) with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time and in compliance with the requirements of filing of the Draft Red Herring Prospectus (“DRHP”) with the SEBI and relevant stock exchanges and pursuant to the consent of the Board of Directors accorded at the meeting held on August 17, 2021, approval of the shareholders of the Company be and is hereby accorded for substituting the existing set of Articles of Association of the Company with the new set of Articles of Association of the Company, as placed before the shareholders and the same be adopted as new Articles of Association of the Company.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby severally authorized to make application, file forms, etc., for adoption of the new Articles of Association, and to do all such acts, deeds, matters and things as may be required or deemed expedient to give effect to the above resolution.”

7. **a) To consider amendments to the existing Employee Stock Option Plan, 2017 (“ESOP Scheme”), to approve increase in ESOP Pool of the Company and amendment to the exercise period specified in the ESOP Scheme**

To consider, and if thought fit, to pass with or without modification(s), following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and read with Rule 12(5) of the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB & SE Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other rules, regulations, circulars and guidelines as may be applicable and subject to such approvals, consents, permissions and approvals as may be necessary and subject to such conditions and modifications as may be prescribed therein as may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall deemed to include the Nomination and Remuneration Committee and any Committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution) and pursuant to the consent of the Board of Directors of the Company, approval of the members be and is hereby accorded to (i) the amendments to the NSDL e-Governance Infrastructure Limited Employee Stock Option Plan- 2017 (‘ESOP Scheme’) as described in the Explanatory Statement; (ii) to increase the existing ESOP Pool under the ESOP Scheme to 26,00,000 options and (iii) amendment to the exercise period specified in the ESOP Scheme.

RESOLVED FURTHER THAT with a view to give effect to the aforesaid amendment, contents of Clause 3.1 of the Plan shall be amended and total pool of employees stock options stands increased to 26,00,000 (Twenty Six lakhs) options.

RESOLVED FURTHER THAT it is hereby noted that the amendments to the ESOP Scheme are not prejudicial to the interests of the current option grantees of the Company and are being carried out to meet the regulatory requirement in terms of the SBEB & SE Regulations once the Company is listed, to increase the existing ESOP pool as approved by the Board of Directors in its meeting held on August 17, 2021 and to amend the exercise period specified in the ESOP Scheme.

RESOLVED FURTHER THAT the Board is authorized to create, offer and grant Employee Stock Options to the eligible employees of the Company, as determined in terms of ESOP Scheme, in one or more tranches, exercisable into equity shares of face value of Rs. 10/- each fully paid up, and on such terms and conditions as may be fixed or determined and that such equity shares shall rank *pari passu* in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to make and carry out any modifications, changes, variations, alterations or revisions in the ESOP Scheme or to suspend, withdraw or revive the ESOP Scheme, in accordance with applicable laws prevailing from time to time, as it may deem fit and to do all such acts, deeds and things as may be deemed appropriate in the best interest of the Company to give effect to this resolution.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary, be and is hereby severally authorized do all such acts, deeds, matters and things as may be required to give effect to this resolution.”

b) Grant of Employee Stock Options under the NSDL e-Governance Infrastructure Limited Employee Stock Option Plan- 2017 to employees of group companies and associate companies

To consider, and if thought fit, to pass with or without modification(s), following resolution as **Special Resolution:**

“RESOLVED THAT pursuant to Section 62(1)(b) of the Companies Act, 2013 (the “Act”) and other applicable provisions, if any, of the Act, and the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB & SE Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other rules, regulations, circulars and guidelines as may be applicable and subject to such approvals, consents, permissions and approvals as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (‘the Board’, which term shall include its duly empowered Committee(s) constituted/ to be constituted by it to exercise its powers including the powers conferred by this resolution) and pursuant to the consent of the Board of Directors of the Company, approval of the members be and is hereby accorded to grant Employee Stock Options under the NSDL e-Governance Infrastructure Limited Employee Stock Option Plan- 2017 (“ESOP Scheme”) to the employees of the ‘group Companies’ and ‘associate companies’ (existing and future), as defined under the SBEB & SE Regulations, upon listing of Company’s shares on the recognized stock exchanges.

RESOLVED FURTHER THAT for the purpose of bringing into effect this resolution and generally for giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the above and to settle any question or difficulty that may arise in this regard in the best interest of the Company.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary, be and is hereby severally authorized do all such acts, deeds, matters and things as may be required to give effect to this resolution.”

By Order of the Board of Directors
For NSDL e-Governance Infrastructure Limited

Registered Office:
Times Tower, 1st Floor, Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013

Dated: September 4, 2021

Place: Mumbai

Sd/-
Maulesh Kantharia
Company Secretary
FCS - 9637

NOTES:

1. The Statement as required under Section 102 of the Companies Act, 2013 (“the Act”) is annexed to the Notice.
2. In view of the current circumstances prevailing in the country, due to massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and adherence to various measure for control of pandemic issued by the Government. The Ministry of Corporate Affairs allowed conducting Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed personal presence of the members at the meeting. The Ministry of Corporate Affairs (MCA) issued General Circulars 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 32/2020 dated September 28, 2020, 02/2021 dated January 13, 2021 and 10/2021 dated June 23, 2021, prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said Circulars, the 26th AGM of the members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue for the 26th AGM will be the Registered Office of the Company, 1st Floor, Times Tower, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.
3. In light of the MCA Circulars, the notice along with the annual report for the financial year ended March 31, 2021 consisting of board’s report, auditors’ report, financial statements and other documents required to be attached therewith (collectively referred to as notice) have been sent through electronic means on e –mail addresses registered with the company and no physical copy of the notice has been sent by the company to any member. Members may also note that the Notice of 26th AGM for the Financial Year 2020-21 has also been uploaded on the Company’s website at [www. https://egov-nsdl.co.in](https://egov-nsdl.co.in)
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since the AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. The Proxy Form as well as the Attendance Slip and the Route Map of the Registered office are therefore, not annexed to this Notice.
5. The procedure for joining the AGM through VC/OAVM is mentioned in this Notice.
6. NSDL e-Governance Infrastructure Limited shall conduct the Meeting through video conferencing by using ‘Microsoft Teams application’ and the members are requested to follow the below mentioned instructions for participating in the Meeting through ‘Microsoft Teams application’:
 - (i) The members will get a meeting invite at the registered email addresses of the persons entitled to attend the Meeting, for joining the Meeting through Microsoft Teams application. Link for joining the meeting will be communicated to members separately by email.
 - (ii) For joining through laptop/desktops, the instructions are as follows:
 - (a) Select ‘Join Microsoft Teams Meeting’ in the meeting invite sent to you on your email address/calendar. Thereafter, a page will be displayed where you can choose to either join on the web or download the desktop app. If you already have the Microsoft Teams app, the meeting will open on the app automatically.
 - (b) If you do not have a Teams account, select ‘Join as a guest’ and enter your name to join the meeting as a guest. If you have a Teams account, select ‘Sign in and join’.
 - (iii) For joining through mobile phone/iPads, the instructions are as follows:
 - (a) For easy and efficient access of the Microsoft Teams meetings (including audio, video, and content sharing) on mobile, it would be advisable to download and install the Microsoft Teams mobile app.
 - (b) If you have the app, select ‘Join Microsoft Teams Meeting’ in the meeting invite sent on your registered email address to open the app and join the meeting. If you do not have the app, you will be taken to the app store where you can download the same.

- (c) If you do not have a Microsoft Teams account, select 'Join as a guest' and enter your name to join the meeting as a guest. If you have a Teams account, select 'Sign in and join'.
- (iv) It would be advisable to download and install the app before the meeting starts. It might take a minute or two, depending on your internet connection.
- (v) Members who need any assistance or clarification while using the video conferencing facility can send an email at mauleshk@nsdl.co.in or can call at the number: 022-24994489/9819327279 (Mr. Maulesh Kantharia)/9967759503 (Ms. Ashwini Phenany).
7. Members can, prior to the Meeting, seek technical assistance on the abovementioned number between 10 a.m. to 1.30 p.m. from Monday to Friday till the date of the Meeting.
8. Members are requested to participate on first come first serve basis, as participation through video conferencing is limited and will be closed on expiry of 15 minutes from the schedule time of the AGM i.e. 10.15 am on September 23, 2021. However, the participation of members holding 2% or more is not restricted on first come first serve basis. Members can login and join 15 (fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.
9. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
10. Members can raise questions during the meeting. It is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same. Members are also requested to send their queries, if any, on Annual Report, to the Company Secretary, not less than 7 days before the date of Meeting, so that the requisite information/explanations can be provided in time.
11. If a poll is ordered to be taken by the Chairman or demanded in accordance with Section 109 of the Companies Act, 2013, members can cast their vote during the Meeting by sending an email to mauleshk@nsdl.co.in ("Designated E-mail Address") from their e-mail addresses registered with the Company.
12. The video conferencing facility allows two-way conferencing and members can pose questions concurrently during the Meeting. The video/audio experience will be dependent of the Internet bandwidth/connectivity for the user
13. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a certified true copy of the Board Resolution/copy of Power of Attorney authorizing their representative to attend and vote on their behalf at the Meeting.
14. Members are requested to update with their respective Depository Participants ("DP"), their bank account details (account number, 9 digit MICR and 11 digit IFSC), e-mail IDs and mobile number.
15. The consolidated financial statements of the Company forms a part of this Annual Report.
16. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Business Item Nos. 5, 6, and 7 as set out above is annexed hereto and forms part of this Notice.
17. The details as required under the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI"), in respect of the Directors seeking appointment/re-appointment at this Annual General Meeting under Item Nos. 3 and 5 of the Notice, is annexed hereto.

18. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of contracts or arrangements in which the Directors are interested will be available for inspection by the members in electronic mode. Members can inspect the same by sending an email to mauleshk@nsdl.co.in
19. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail IDs are registered with the Company.
20. All the documents referred in the Notice are available for inspection electronically from the date of dispatch of Notice till Thursday, September 23, 2021. Members seeking to inspect such documents are requested to write to the Company at mauleshk@nsdl.co.in
21. All documents referred to in the accompanying Notice and the Explanatory Statement have been sent along with this Notice to the registered email addresses of the persons entitled to attend the Meeting and shall also be available electronically on request by sending an email to mauleshk@nsdl.co.in

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 forming part of the notice dated September 4, 2021

ITEM NO. 5:

Mr. Mukesh Agarwal (DIN: 03054853) was appointed as an Additional Director (Non-Executive) with effect from May 7, 2021 and holds office upto the date of this Annual General Meeting in terms of the provisions of Section 161 (1) of the Companies Act, 2013 and the rules made thereunder ("Act") read with the Articles of Association of the Company.

The Board considers that having regard to his wide sphere of knowledge and experience, it would be in the interest of the Company to appoint Mr. Mukesh Agarwal as a Director (Non-Executive) on the Board of the Company subject to approval of the members at the ensuing AGM. In the opinion of the Board, Mr. Agarwal fulfils the conditions specified in the Act for being appointed as the Director (Non-Executive) of the Company and has submitted his consent for the same. The Board approved the said appointment based on the recommendation of the Nomination and Remuneration Committee and has recommended the same to the Members for approval.

None of the Directors or Key Managerial Personnel of the Company except Mr. Mukesh Agarwal are concerned or interested in the resolution either personally or through their relatives.

A brief profile of Mr. Mukesh Agarwal is given below:

Mr. Mukesh Agarwal is a business leader with about three decades of experience in financial services industry. Mukesh is presently the Managing Director— NSE Data & Analytics Limited & NSE Indices Limited. Previously, Mr. Mukesh Agarwal was President at CRISIL Limited ("CRISIL"), a Standard & Poor's company, and was leading their India Research business with full P&L responsibility. He worked with CRISIL for 20 years. Prior to that, he was associated with Asian Paints (India) Limited for a couple of years. Mr. Mukesh Agarwal holds a Master's Degree in Management studies from S.P. Jain Institute of Management & Research, Mumbai, India and Bachelor's Degree in Electrical & Electronics Engineering from Birla Institute of Technology & Science (BITS), Pilani, Rajasthan, India.

Further, the details of Directors seeking appointment/reappointment as per Secretarial Standard-2 are mentioned in Annexure – A.

ITEM NO. 6:

The Company is proposing to undertake an Offer for Sale ("OFS")/Initial Public Offer ("IPO")("IPO Activity") of the equity shares of face value of Rs. 10 each (the "Equity Shares") (the "Offer") and subsequently listing its Equity Shares on one or more of recognized stock exchanges in India. For the purpose of filing the Draft Red Herring Prospectus ("DRHP") with SEBI and relevant stock exchanges and based on the advice of the Legal Counsels of the Company the existing set of Articles of Association (AoA) is altered for aligning the same with the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), each as amended from time to time and in compliance with the requirements prescribed by the relevant stock exchanges and contain such other articles as required by a public limited company under applicable laws (including the Companies Act, 2013).

The Board in its meeting held on August 17, 2021 approved the aforesaid proposal for adoption of new set of Articles of Association subject to the approval of shareholders in the AGM. Copy of revised Articles of Association will be made available for inspection physically and/or electronically at the registered office of the Company during the business hours on all working days between 2.00 p.m. to 4.00 p.m. upto the date of this Annual General Meeting and will be kept available during the meeting. Key clauses of the new set of Articles of Association are set out as below:



Sr. No	Key Clauses	Description
1	SHARES AT THE DISPOSAL OF THE DIRECTORS	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with Section 52 and 53 and other provisions of the Act) and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit.
2	FURTHER ISSUE OF SHARES	<p>(1) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:</p> <p>(A) (i) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;</p> <p>(ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.</p> <p><i>Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;</i></p> <p>(iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;</p> <p>(iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;</p> <p>(B) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or</p> <p>(C) to any person(s), if it is authorized by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to compliance with the applicable conditions of Chapter III of the Act and any other conditions as may be prescribed under the Act and the rules made thereunder;</p> <p>(2) Nothing in sub-clause (iii) of Clause (1)(A) shall be deemed:</p> <p>(i) To extend the time within which the offer should be accepted; or</p> <p>(ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.</p> <p>(3) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:</p> <p><i>Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by the Company in a General Meeting.</i></p> <p>(4) Notwithstanding anything contained in Article 11(3) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:</p> <p><i>Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.</i></p> <p>A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.</p>

3	SHARE CERTIFICATES: ISSUE OF CERTIFICATE	<p>Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.</p> <p>Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two Directors or by a Director and the company secretary, wherever the Company has appointed a company secretary, and the common seal shall be affixed in the presence of the persons required to sign the certificate.</p>
4	ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued upon payment of such fees for each certificate as may be specified by the Board (which fees shall not exceed the maximum amount permitted under the applicable law). Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p><i>Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall mutatis mutandis apply to debentures of the Company</i></p>
5	LIEN: COMPANY'S LIEN ON SHARES / DEBENTURES	<p>The Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.</p> <p><i>Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.</i></p> <p>The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.</p>
6	PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST	<p>The Board –</p> <p>(a) may, subject to provisions of the Act, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and</p> <p>(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him. The Directors may at any times repay the amount so advanced.</p>

7	RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law
8	REGISTER OF TRANSFERS	The Company shall keep a “Register of Transfers” and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.
9	INSTRUMENT OF TRANSFER	<p>(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.</p> <p>(c) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.</p>
10	DIRECTORS MAY REFUSE TO REGISTER TRANSFER	Subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares/debentures in whatever lot shall not be refused.
11	BORROWING POWERS	(d) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.
12	RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND	<p>(a) Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.</p> <p>(b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called “Unpaid Dividend Account of NSDL e-Governance Infrastructure Limited”.</p> <p>(c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act.</p> <p>(d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.</p> <p>(e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.</p>

None of the Directors, Key Managerial Personnel and/or their relatives, is/are interested or concerned, financially or otherwise in the said resolution except to the extent of their shareholding in the Company.

The Board recommends the resolutions set out at Item No. 6 of the accompanying Notice for approval of the shareholders as special resolution.

ITEM NO. 7(a) and (b):

The Company had implemented 'NSDL e-Governance Infrastructure Limited - Employee Stock Option Plan 2017' ("ESOP Scheme"), with a view to attract and retain key talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The plan was originally approved vide members' resolution dated December 4, 2017 in due compliance of the provisions of the Companies Act and the Rules thereunder. The existing plan provided for granting of 5,00,000 (Five lakhs) employee stock options to eligible employees of the Company, in one or more tranches, from time to time under the ESOP Scheme. Considering future expansion plan of the Company and to cover existing and new employees as may be identified by the NRC, options pool needs to be increased. Hence, it is proposed to increase the number of employee stock options to 26,00,000 (Twenty Six lakhs) exercisable as may be recommended by the Nomination and Remuneration Committee (NRC) and approved by the Board of Directors in this regard. Also, it is proposed to amend the exercise period in the revised ESOP Scheme as "upto 5 years" in place of "shall be 5 years".

Further, the Company amended the existing ESOP Scheme by causing variation in terms of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and read with Rule 12(5) of the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB & SE Regulations"). The proposed amendments to the ESOP Scheme are not prejudicial to the interest of the option holders. The amended ESOP Scheme shall be applicable from the date of passing of special resolution by the shareholders in the ensuing AGM.

Further, pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 17, 2021 approved to increase the existing ESOP Pool of 5,00,000 Options to 26,00,000 Options, subject to approval of Members. Also, pursuant to the recommendation of NRC, the Board has approved the proposal of granting employee stock options under the NSDL e-Governance Infrastructure Limited Employee Stock Option Plan- 2017 to employees of group companies and associate companies (existing and future), as defined under the SBEB & SE Regulations, upon listing of Company's shares on the recognized stock exchanges.

Based on the approval of the Nomination & Remuneration Committee (NRC) on September 3, 2021 and of the Board of Directors on September 4, 2021, approval of Members is sought by way of a Special Resolution for Item Nos. 7(a) and 7(b) of the accompanying Notice, for authorizing the Board to amend the existing ESOP Scheme, to increase the ESOP Pool as mentioned above, to amend the Exercise period in the said scheme and to grant Employee Stock Options to the employees of Group Companies and Associate Companies (existing & future) and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to the amendment of the ESOP Scheme.

A summary of the key variations in the ESOP Scheme which are proposed to be amended is given below for the perusal and consideration of the Members:

Details of the key variations of the ESOP Scheme are provided below:

1. Key Variations in the ESOP Scheme:

It is proposed to include the following variations in the ESOP Scheme:

No.	Clause No.	Position under the ESOP Scheme	Variations Proposed
1.	3.1	<p>Pool size for the Options</p> <p>The ESOP Scheme presently provides for the grant of only [5,00,000 (Five lakhs)] Employee Stock Options.</p>	<p>The Company is proposing to increase the employee stock option pool size to 26,00,000 (Twenty-Six lakhs), to give Company the flexibility to grant employee stock options to more number of employees.</p>
2.	2.1(g); and Clause 5.2	<p>Definition of employee and the scope of the ESOP Scheme</p> <p>Under the ESOP Scheme “Employee” means:</p> <p>(i) a permanent employee of the Company working in or out of India; or</p> <p>(ii) a Director of the Company, whether a whole-time or not, but excluding an independent director within the meaning of the Companies Act and under Securities and Exchange Board of India (Listing Obligations and Disclosure Regulations) Regulations, 2015 as and when it is applicable to the Company, or</p> <p>(iii) an employee defined in Sub-clauses (i) and (ii) hereof of one or more Subsidiaries, present or future, or of the Holding Company of the Company, but does not include:</p> <p>(a) an employee who is a Promoter or a person belonging to the Promoter Group;</p> <p>(b) a Director who either by himself /herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the issued and subscribed Shares of the Company.</p> <p>Further, the Plan under Clause 5.5 was applicable only on Company, its subsidiary and holding Company.</p>	<p>The definition of an employee, except in relation to sweat equity, has been revised under SBEB & SE Regulations to include an employee as designated by the company, who is exclusively working in India or outside India. Further, the ambit of an employee has been expanded to include employees of group companies, including associate companies. The definition of employee is being revised in the ESOP Scheme to reflect the above regulatory change, to be applicable on the Company after listing, as the Company would have to comply with the SEBI SBEB & SE Regulations upon listing. Further, the Company is being given the authorization to allot shares to the employees of the ‘group companies’ and ‘associate companies’ (as defined under the SEBI SBEB & SE Regulations) after listing.</p>
3.	4.	<p>Power of the compensation committee</p> <p>The compensation committee has been provided the authority to undertake various action in relation to the grant and exercise of options. Presently, the scope of authority provided is in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014.</p>	<p>Under Schedule 1, Part B of the SBEB & SE Regulations, the compensation committee is also required to lay down:</p> <p>(a) the procedure for funding the exercise of options; and</p> <p>(b) the procedure for buy-back of specified securities issued under SBEB & SE regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:</p> <p>(i) permissible sources of financing for buy-back; (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and</p> <p>(iii) limits upon quantum of specified securities that the company may buy-back in a financial year.</p> <p>The ESOP Scheme is being revised to incorporate the above in the ambit of authority of Nomination and Remuneration Committee.</p>
4.	8.1	<p>Exercise Price</p> <p>The exercise price under the ESOP Scheme is required to be “such price as determined by the Board being not less than the face value of an Share of the Company as on date of Grant of Options.”</p>	<p>While a company is free to determine the exercise price, the exercise price is required to be in compliance with the accounting standards provided under Regulation 15 of the SBEB & SE Regulations. Clause 8.1 of the Scheme is being amended to reflect the above position.</p>

5.	8.2	Exercise Period Presently the exercise period is specified as a fixed period of 5 years.	For the grant of options going forward, the Company intends to have the flexibility to determine the exercise period. Consequently, it has been proposed that the exercise period shall be “upto 5 years”.
6.	7.1 and 8.2(b)	Policy for vesting in case of death or permanent incapacity The ESOP Scheme presently provides for immediate vesting of all the options granted in case of death or permanent incapacity.	A company implementing an employee stock option scheme is required to frame an appropriate policy with respect to the death or permanent incapacity of an employee, subject to applicable laws under the SBEB & SE Regulations. Further, the cliff period of 1 year is not applicable in case of death or permanent incapacity. The ESOP Scheme is being amended to include the above clarification to be applicable on the Company after Listing.
7.	8.2(b)	Treatment of options in case of retirement on superannuation Under the ESOP Scheme, all the Unvested Options as on date of Retirement shall stand cancelled as on the date of such Retirement unless otherwise determined by the Nomination and Remuneration Committee.	In the event of retirement or superannuation, the options granted to an employee which have not vested, will not expire, and continue to vest in accordance with their respective vesting schedules as per company’s policies after the Listing, per the amendment being proposed in the ESOP Scheme.
8.	10	Cash settlement of options The ESOP Scheme provided for cash settlement to the Option Grantee(s) against any number of Vested Options, any time as determined by the Nomination and Remuneration Committee.	The SBEB & SE Regulations has clarified the ambit of cashless exercise to include only sell to cover method, where such number of shares will be sold to enable to cover – the payment of the exercise price, the amount necessary to meet the option holder’s tax obligations and other related expenses pursuant to exercise of the options. The ESOP Scheme is proposed to be amended to clarify the scope of cashless exercise.
9.	21	Modification of the plan Presently, the construct is that any amendment to the ESOP Scheme would require both board and shareholders’ approval.	Companies can vary the terms of the scheme to meet any regulatory requirement without seeking shareholders’ approval under the SBEB & SE Regulations. Per the proposed amendment, post the listing, the Board or the Nomination and Remuneration Committee may revise any of the terms and conditions of ESOP Scheme to meet any regulatory requirement without seeking shareholders’ approval

A copy of the existing scheme, would be available for inspection, by the Members without any fee, at the registered office of the Company during normal business hours on any working day (except Saturday and Sunday) till the date of the Annual General Meeting

None of the Directors, Key Managerial Personnel and/or their relatives, is/are interested or concerned, financially or otherwise in the said resolution except to the extent of their shareholding in the Company.

The Board recommends the resolutions set out at Item No. 7(a) and (b) of the accompanying Notice for approval of the shareholders as special resolution.

ANNEXURE A

Details of Directors seeking appointment/reappointment at the 26th Annual General Meeting scheduled to be held on Thursday, September 23, 2021

Name of the Director	Mr. Karan Bhagat	Mr. Mukesh Agarwal
Designation	Director (Non-Executive)	Director (Non-Executive)
Age	44 years	54 years
Date of first appointment on the Board	November 30, 2018	May 7, 2021
Qualifications	MBA (Finance)	B.E., M.B.A.
Experience	Over 20 years' experience in financial sector	Refer Explanatory Statement of Item No.5
No. of Board Meetings attended during their tenure	6	Not Applicable (appointed w.e.f. May 7, 2021)
List of Directorship held in other companies	1. IIFL Wealth Management Limited 2. IIFL Wealth Prime Limited 3. Young Presidents Organization(Mumbai Chapter) 4. Kyrush Trading & Investments Private Limited	1. NSE Indices Limited 2. NSE Data & Analytics Limited 3. NSE Infotech Services Limited 4. Cogencis Information Services Limited 5. Receivables Exchange of India Limited 6. NSE IFSC Limited 7. NSE IFSC Clearing Corporation Limited
Particulars of Committee Chairmanship/Membership held in other Companies	IIFL Wealth Management Limited i. Corporate Social Responsibility Committee – Member ii. Risk Management Committee – Member IIFL Wealth Prime Limited Nomination and Remuneration Committee – Member	Receivables Exchange of India Limited i. Audit Committee – Member ii. Nomination and Remuneration Committee – Member NSE Indices Limited i. Corporate Social Responsibility Committee – Member NSE Data & Analytics Limited i. Corporate Social Responsibility Committee – Member Cogencis Information Services Limited i. Corporate Social Responsibility Committee – Member
Shares held in the Company	NIL	NIL
Relationship with other Directors/ KMP of the Company	None	None
Terms and Conditions of appointment/ reappointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Karan Bhagat who was originally appointed as Additional Director (Non-Executive) at the Board Meeting held on November 30, 2018 and regularized in the 24 th AGM held on September 16, 2019, is liable to retire by rotation	As per the resolution at Item No. 5 of the Notice convening this Meeting read with explanatory statement thereto, Mr. Mukesh Agarwal is proposed to be appointed as Director (Non-Executive), liable to retire by rotation
Remuneration sought to be Paid	As per existing approved terms of appointment	As per existing approved terms of appointment
Remuneration Last drawn during FY 2020-21	Rs.20,20,665/- (paid to IIFL Special Opportunities Fund & its various series) - Commission	Not Applicable (appointed w.e.f. May 7, 2021)



NSDL e-GOVERNANCE
INFRASTRUCTURE LIMITED

Notice of 26th
Annual General
Meeting (AGM)
2020-21

REGISTERED OFFICE

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