



NSDL e-GOVERNANCE INFRASTRUCTURE LIMITED

NOTICE OF 25TH
ANNUAL GENERAL
MEETING (AGM)
2019-20



Celebrating 25 Years of Redefining
e-Governance Solutions





NSDL e-Governance Infrastructure Limited

(CIN U72900MH1995PLC095642)

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

Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

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Email: cs@nsdl.co.in; Website: www.egov-nsdl.co.in

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of NSDL e-Governance Infrastructure Limited will be held on **Friday, September 18, 2020 at 10.00 a.m.** IST 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 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in compliance with the provisions of the Companies Act, 2013 and the Rules made thereunder read with General Circular No. 14/ 2020 dated 8th April 2020, General Circular No. 17/2020 dated 13th April 2020 and General Circular 20/2020 dated 5th May 2020 issued by the Ministry of Corporate Affairs to transact the following business:

AS ORDINARY BUSINESS:

- To receive, consider and adopt:
 - the audited standalone financial statements of the Company for the financial year ended March 31, 2020, together with the reports of the Board of Directors' and Auditors' thereon; and
 - the audited consolidated financial statements of the Company for the financial year ended March 31, 2020, together with the reports of the Auditors' thereon;
- To declare dividend on Equity Shares, for the financial year ended March 31, 2020.
- To appoint a Director in place of Mr. Jayesh Sule (DIN: 07432517), who retires by rotation, and being eligible, offers himself for re-appointment and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr Jayesh Sule (DIN-07432517), Whole Time Director & COO who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT Mr. Jayesh Sule, Whole Time Director & COO on re-appointment as a director liable to retirement by rotation, shall continue to hold his office of Whole Time Director, and the re-appointment as such director shall not be deemed to constitute a break in his service"

"RESOLVED FURTHER THAT the Company Secretary be and is hereby authorised to complete all the formalities as prescribed under the Companies Act 2013 and rules thereunder as may be applicable to give effect to the said appointment."

AS SPECIAL BUSINESS:

- To appoint Mr. A. P. Hota (DIN: 02593219) as an Independent Director of the Company.**

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

"RESOLVED THAT pursuant to provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, Mr. A. P. Hota (DIN 02593219) who was

appointed as Additional Director in the category of Independent Director with effect from September 16, 2019 by the Board of Directors of the Company pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office till the date of this Annual General Meeting and has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and has submitted a consent to act as Director and that the Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member signifying intention to propose the candidature of Mr. A. P. Hota (DIN 02593219) for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a period of three years w.e.f. September 16, 2019 and whose office shall not be liable to retire by rotation.”

“RESOLVED FURTHER THAT the Company Secretary be and is hereby authorised to complete all the formalities as prescribed under the Companies Act 2013 and rules thereunder as may be applicable to give effect to the said appointment.”

5. To appoint Mr. Suresh Sethi (DIN: 06426040) as a Director of the Company w.e.f. February 18, 2021.

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

“RESOLVED THAT as per the recommendation of the Nomination and Remuneration Committee and the Board and in pursuance of the provisions of the Articles of Association of the Company and pursuant to the provisions of Sections 152 and other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Suresh Sethi (DIN 06426040), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying intention to propose his candidature for the office of a Director be appointed as a Director not liable to retire by rotation, for a term of three (3) years with effect from February 18, 2021”.

“RESOLVED FURTHER THAT the Company Secretary be and is hereby authorised to complete all the formalities as prescribed under the Companies Act 2013 and rules thereunder as may be applicable to give effect to the said appointment.”

6. To appoint Mr. Suresh Sethi (DIN: 06426040) as the Managing Director & CEO (MD & CEO) of the Company with effect from February 18, 2021 for a term of 3 years and approval of minimum managerial remuneration to Mr. Suresh Sethi (DIN: 06426040), MD & CEO during the currency of his tenure including the current F.Y. 2020-21 in case of no profit or inadequate profit under Section 197 read with Schedule V of the Companies Act, 2013.

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

“RESOLVED THAT as per the recommendation of the Nomination and Remuneration Committee and the Board in its meeting held on June 18, 2020 and August 17, 2020 and in pursuance of the provisions of the Articles of Association of the Company and pursuant to the provisions of Sections 196, 197, 198 and 203 and other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule-V of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Mr. Suresh Sethi (DIN 06426040) is hereby appointed as the Managing Director & CEO (MD & CEO) of the Company with effect from February 18, 2021 for a period of three years and whose office shall not be liable to retire by rotation in terms of the provisions of Article 119 of the Articles of Association of the Company on terms and conditions of remuneration payable as contained in the Explanatory Statement at item number 6 annexed to this notice including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure and with liberty to the Board of Directors / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment including remuneration in such manner as may be agreed between the Board of Directors and Mr Suresh Sethi and to enter into such agreement(s), deed(s) as the Board may, in its absolute discretion, consider necessary, expedient or desirable and to do all acts, deeds and things to give effect to the resolution.”

“RESOLVED FURTHER THAT the Company Secretary be and is hereby authorised to complete all the formalities as prescribed under the Companies Act 2013 and rules thereunder as may be applicable to give effect to the said appointment.”

7. Approval of minimum managerial remuneration to Mr. Gagan Rai (DIN:00059632), MD & CEO during the currency of his tenure for the F.Y. 2020-21 in case of no profit or inadequate profit under Section 197 read with Schedule V of the Companies Act, 2013.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196,197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company; and pursuant to recommendation of the Nomination and Remuneration Committee (NRC) and approval by the Board of Directors at their meeting held on August 17, 2020, the consent of the Members be and is hereby accorded that Mr. Gagan Rai (DIN:00059632), MD & CEO of the Company be paid remuneration by way of Salary, Perquisites and Allowances as already approved by the Members at Extra-ordinary General Meeting held on December 4, 2017 and subsequently on March 6, 2020 as minimum remuneration for the Financial Year 2020-21 till his tenure ends on February 17, 2021, in case of no profits or inadequate profit during the financial year ending 31st March 2021 with liberty to the Board of Directors / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment including remuneration in such manner as may be agreed between the Board of Directors and Mr. Gagan Rai and to enter into such agreement(s), deed(s) as the Board may, in its absolute discretion, consider necessary, expedient or desirable and to do all acts, deeds and things to give effect to the resolution.”

“**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to complete all the formalities as prescribed under the Companies Act 2013 and rules thereunder as may be applicable to give effect to the said appointment.”

8. Approval of minimum managerial remuneration to Mr. Jayesh Sule (DIN: 07432517), Whole Time Director & Chief Operating Officer during the currency of his tenure including the current F.Y. 2020-21 in case of no profit or inadequate profit under Section 197 read with Schedule V of the Companies Act, 2013.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company; and pursuant to due recommendation of the Nomination and Remuneration Committee (NRC) and approval by the Board of Directors in their meeting held on August 17, 2020, the consent of the Members be and is hereby accorded that Mr. Jayesh Sule (DIN:07432517), WTD & COO of the Company be paid remuneration by way of Salary, Perquisites and Allowances as already approved by the Members at the 23rd Annual General Meeting held on August 10, 2018 as minimum remuneration till his tenure ends on March 31, 2022 including the current Financial Year 2020-21, in case of no profits or inadequate profits in any financial year during his tenure with liberty to the Board of Directors / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment including remuneration in such manner as may be agreed between the Board of Directors and Mr. Jayesh Sule and to enter into such agreement(s), deed(s) as the Board may, in its absolute discretion, consider necessary, expedient or desirable and to do all acts, deeds and things to give effect to the resolution.”

“**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to complete all the formalities as prescribed under the Companies Act 2013 and rules thereunder as may be applicable to give effect to the said appointment.”

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

Dated: August 17, 2020

Place: Mumbai

Registered Office:

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

**Sd/-
Maulesh Kantharia
Company Secretary**

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 Central/State 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 Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said Circulars, the 25th 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 25th 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 31st March, 2020 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 ids 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 25th AGM for the Financial Year 2019-20 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 pursuant to MCA circulars, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies to attend and vote by the Members will not be available for this 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- 2499 4489 / 98193 27279 (Mr. Maulesh Kantharia) / 99677 59503 (Ms. Ashwini Phenany).
7. Members can, prior to the Meeting, seek technical assistance on the abovementioned numbers between 11 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 scheduled time of the AGM i.e. 10.15 am on September 18, 2020. 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 scheduled 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. In Light of the MCA circular No.14/2020 dated, April 8, 2020 the meeting shall be conducted by a voting through show of hands. However, 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 authorised representative to attend the Meeting are requested to send a certified true copy of the Board Resolution/copy of Power of Attorney authorising 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. Ministry of Corporate Affairs ("MCA"), vide a Notification dated May 7, 2018 has notified Section 40 of the Companies (Amendment) Act, 2017 pursuant to which ratification of Statutory Auditors is no longer required hence, not considered in this Notice. M/s BSR & Associates, LLP [ICAI Registration Number 116231W/W-100024] Statutory Auditors of the Company continue to hold office until the conclusion of the Annual General Meeting of the Company to be held in the year 2021.
 16. The consolidated financial statements of the Company forms a part of this Annual Report.
 17. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Business Item Nos. 4, 5, 6, 7 and 8 as set out above is annexed hereto and forms part of this Notice.
 18. 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. 4, 5

and 6 of the Notice, is annexed hereto as **Annexure E**.

19. 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
20. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail IDs are registered with the Company.
21. All the documents referred in the Notice are available for inspection electronically from the date of dispatch of Notice till Friday, September 18, 2020. Members seeking to inspect such documents are requested to write to the Company at mauleshk@nsdl.co.in
22. 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 PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE DATED AUGUST 17, 2020

The following Explanatory Statement relating to the accompanying Notice sets out all material facts in respect of the resolutions:

ITEM NO. 4:

Mr. A. P. Hota (DIN 02593219) was appointed as an Additional Director, in the category of Independent Director w.e.f. September 16, 2019 and holds office till the date of this Annual General Meeting in terms of the provisions of Section 161 (1) of the Companies Act, 2013 read with Article 121 of the Articles of Association of the Company.

The Board considers that having regard to his wide sphere of knowledge and experience, it will be in the interest of the Company to appoint Mr. A. P. Hota as an Independent Director on the Board of the Company who has given consent to act as such. Considering his integrity, expertise and experience, the Board has approved the recommendation of the Nomination and Remuneration Committee and recommended the same for approval of the Members. In the opinion of the Board, Mr. A.P. Hota fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of the above mentioned person as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of the above candidate shall be open for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day during normal business hours, excluding Saturday. A brief profile of Mr. A.P. Hota, the Independent Director to be appointed is given below:

Mr. A. P. Hota, aged 64 years is MA and CAIIB and Fellow, Indian Institute of Banking & Finance has more than 35 years of regulator experience and business experience in regulatory, technical and Project Management. He was the founder Managing Director & CEO of National Payments Corporation of India – the national level retail payments infrastructure managing whole range of payments from traditional cheque clearing system to Faster Payments, Card payment, Electronic benefit transfer, Mobile Payments, Contactless Payments and ACH. Prior to that he has worked in Reserve Bank of India for 27 years mostly in the areas of operating payments system platforms and payments system policy.

His area of expertise is in Building national level payments infrastructure – particularly Faster Payments and Card Payments, Financial Inclusion Projects, Payments Strategy & Regulations, Banking Technology and Regulatory Compliance. Further, he has earned various awards and recognitions from Government and other institutions. He is serving on various Board.

The Board considers that having regard to his wide sphere of knowledge and experience, it will be in the interest of the Company to appoint Mr. A.P.Hota as Independent Director on the Board of the Company who has given consent to act as a Director.

Subject to the provisions of Sections 197 and 198 of the Companies Act, 2013 he will be entitled to sitting fees, reimbursement of expenses for participation in the Board and / or other committee meetings and commission as may be approved by the shareholders.

He does not have any relationship with other Directors and Key Managerial Personnel of the Company and doesn't have any shareholding in the Company. During his tenure two Board Meetings took place and he attended both the meetings. The Company has received necessary disclosures from Mr. A. P. Hota disclosing his Independence, Directorships, Membership/ Chairmanship of Committees of other Boards.

None of the Directors or Key Managerial Personnel of the Company except Mr. A.P.Hota (being an appointee) are concerned or interested in the resolution either personally or through their relatives.

Nomination and Remuneration Committee has recommended his appointment as Director for a period of three years under the Companies Act, 2013. The Board has approved the recommendation of the Nomination and Remuneration Committee and recommended the same for approval of the Members. The Board recommends the passing of the Item no. 4 as an Ordinary Resolution for your approval.

ITEM NOS. 5 and 6:

The term of Mr. Gagan Rai, present Management Director & Chief Executive Officer (MD & CEO) ends on February 17, 2021. The Nomination and Remuneration Committee of the Board has identified Mr. Suresh Sethi (DIN 06426040) to succeed Mr. Gagan Rai as MD & CEO with effect from February 18, 2021 for a period of 3 years and the Board of Directors have approved the recommendation. On recommendation of the Nomination and Remuneration Committee and approval of the Board, at its meeting held on June 18, 2020 Mr.Suresh Sethi has been appointed as an Officer on Special Duty (OSD) to acclimatize himself with the working of the Company. He has joined on July 15, 2020.

Your Directors have recommended appointment of Mr. Suresh Sethi as a Director of the Company not liable to retire by rotation and also as the Managing Director & Chief Executive Officer of the Company with effect from February 18, 2021 for a period of 3 years. The Board has approved the recommendation of the Nomination and Remuneration Committee and recommended the same for approval of the Members as per the Resolution placed before the Members for approval.

The brief profile and the terms of appointment and remuneration details of Mr. Suresh Sethi, is provided in **Annexure A**. Details of Directors seeking appointment/re-appointment as per secretarial standard are mentioned in **Annexure E**.

Pursuant to Section 196 and other applicable provisions of the Companies Act, 2013, the said appointment is now being placed before the members for their approval.

None of the Directors or Key Managerial Personnel of the Company except Mr. Suresh Sethi (being an appointee) are concerned or interested in the resolution either personally or through their relatives as per Item Nos. 5 and 6 of the Notice. The Board recommends the **Ordinary Resolution** as set out at Item No. 5 and **Special Resolution** as set out at Item No. 6 for approval of the Members.

In the opinion of the Board Mr. Suresh Sethi fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as the Managing Director & CEO of the Company.

He does not have any relationship with other Directors and Key Managerial Personnel of the Company and doesn't have any shareholding in the Company. The Company has received necessary disclosures from Mr.Suresh Sethi disclosing his Directorships, Membership/ Chairmanship of Committees of other Boards.

ITEM NOS. 7 and 8:

Item No. 7

Considering the vast experience, knowledge and gestation of various new projects undertaken by the Company and on the recommendation of Nomination and Remuneration Committee and the Board, the shareholders have approved the re-appointment of Mr. Gagan Rai as Managing Director & CEO (MD & CEO) for a period of 3 years w.e.f. February 18, 2018 at Extra-ordinary General meeting held on December 4, 2017 at a remuneration of Rs. 18 lacs per month and other allowances and perquisites as per the notice and explanatory statement placed. Further, shareholders in their meeting held on March 6, 2020 have also approved his annual increment upto 15% of last drawn salary (YoY) w.e.f. February 1, 2020 instead of Rs. 1,00,000 p.m. earlier approved, on the recommendation of NRC and the Board, other terms and conditions remaining the same. As per the earlier EGM notice (meeting held on December 4, 2017) and its explanatory statements it was mentioned that notwithstanding anything to the contrary therein contained, where in any financial year during the currency of the tenure of Mr. Gagan Rai as MD & CEO, in case no profits or inadequate profit, the Company will pay remuneration by way of salary, perquisites and allowances as specified in the said notice **(As per Annexure B)**. Mr. Gagan Rai's term as MD & CEO is ending on February 17, 2021.

Item No. 8

Considering the vast experience, knowledge and gestation of various new projects undertaken by the Company and on the recommendation of Nomination and Remuneration Committee and the Board, the shareholders have approved the re-appointment of Mr. Jayesh Sule as WTD & COO) for a period of 3 years w.e.f. April 1, 2019 at the 23rd Annual General Meeting held on August 10, 2018 at a remuneration of Rs. 11 lacs per month and other allowances and perquisites as per the notice and explanatory statement placed. As per the 23rd AGM notice (meeting held on August 10, 2018) and its explanatory statements it was mentioned that notwithstanding anything to the contrary therein contained, where in any financial year during the currency of the tenure of Mr. Jayesh Sule as WTD & COO, in case no profits or inadequate profit, the Company will pay remuneration by way of salary, perquisites and allowances as specified in the said notice **(As per Annexure C)**. Mr. Jayesh Sule's term as WTD & COO is till March 31, 2022.

The Company has been making consistent profit and expanding its business in different geographies over the years. However, during the current year because of the pandemic all over the world it has impacted the economy and business of various sectors. The impact of the pandemic would last for a substantial part of the current Financial Year 2020-21 because of which there could be an impact on our revenue and profits.

It is therefore, possible that there could be a situation of inadequacy of profit computed in the manner prescribed under Section 198 read with 197 of the Companies Act, 2013 in the current Financial Year 2020-21 and the managerial remuneration payable during FY 2020-21 may exceed the limits prescribed under Sections 196 to 198 of the Companies Act, 2013.

Pursuant to Section 197 as amended by the Companies (Amendment) Act, 2017, read with Schedule V of the Act, the Company is required to obtain the approval of the members by way of a Special Resolution for payment of remuneration to Managerial Personnel in case of no profits or inadequacy of profits in any financial year. Accordingly, on the basis of recommendation of the Nomination and Remuneration Committee (NRC) and as approved by the Board at its meeting held on August 17, 2020 it was proposed to seek approval of members by passing a Special Resolution for continuing to pay the existing remuneration to Mr. Gagan Rai (MD & CEO), Mr. Jayesh Sule (WTD & COO) and also the proposed remuneration to be payable to Mr. Suresh Sethi (MD & CEO w.e.f. February 18, 2021).

The remuneration details of Mr Gagan Rai, Managing Director & CEO is provided in **Annexure B**

The remuneration details of Mr. Jayesh Sule, Whole-time Director & COO is provided in **Annexure C**

The information as required under Schedule V to the Companies Act, 2013 is annexed as **Annexure D**.

None of the Directors or Key Managerial Personnel of the Company except Mr. Gagan Rai and Mr Jayesh Sule are concerned or interested in the respective Special Resolution(s) either personally or through their relatives as per Item No. 7 and 8 of the Notice. The Board recommends the **Special Resolution** as set out at Item No. 7 and 8 for approval of the Members.

Annexure A (Mr. Suresh Sethi)

The brief profile of Mr. Suresh Sethi is mentioned below:

Mr Suresh Sethi, aged 55 years is a B.E. from Punjab Engineering College, Chandigarh and an MBA from Faculty of Management Studies, Delhi University, Delhi. Mr. Suresh Sethi has over three decades of diversified global experience in the financial services industry. In his last role as the Founder CEO & MD of India Post Payments Bank, he is credited with creating the largest inter-operable banking infrastructure for public good at scale. With over 190,000 Postal employees providing Doorstep Banking Services to customers of ANY BANK, India Post Payments Bank has scaled up the rural banking network by almost 2.5 times across India. This assisted last mile network, built on the pillars of Aadhaar and India Stack, can potentially bring customers, who do not even possess a mobile phone, into the fold of formal financial economy by the simple use of their fingerprints.

Prior to India Post Payments Bank, he has worked with some of the world's and India's leading financial services companies such as Citigroup, YES Bank and Vodafone M-Pesa across India, Kenya, UK, Argentina and US. He has held senior CXO and Managing Director level positions at Regional & Global levels across Business Strategy, Product Development, Sales & Client Management and Operations. Suresh has been a key industry spokesperson and is closely engaged with the government and regulatory institutions in policy formulation in a rapidly evolving industry.

Mr. Suresh Sethi has domain expertise across all facets of Transaction Banking viz., Working Capital Cycle Management, Supply Chain Management, Structured Trade and Capital Markets, Financial and Payments Technologies viz. API/ digital banking and virtual/ neobanking technologies. He has extensively worked in the Financial Inclusion space, leveraging Fintech and digital led innovation, to make a difference.

For his contribution to the financial services sector, Mr. Suresh Sethi has been recognized by the **ASIAN BANKER** and is a part of **THE ASIAN BANKER'S "LIST OF LEADING PRACTITIONERS"**. He was also recognized as the CEO of the Year (India Post Payments Bank) at the India Banking Summit & Awards, 2019.

Terms of Appointment of Mr. Suresh Sethi

A) Tenure

Three years w.e.f. February 18, 2021

B) Salary

(I) The MD & CEO shall be entitled to a salary of Rs. 13,00,000 per month, inclusive of all allowances.

Annual increments to be decided by the Nomination & Remuneration Committee, subject to a ceiling of Rs. 1,00,000 per month.

Annual Performance Linked Incentive (PLI) as may be determined by the Nomination & Remuneration Committee, subject to a maximum of 50% of annual salary.

(II) In addition to the above, the MD & CEO shall be entitled to the following:

- a. Medical benefits equal to one month's salary every year for self, spouse and dependent children;
- b. Leave Travel Allowance equal to one month's salary every year for travel by the MD & CEO and his family;
- c. Personal Accident Insurance cover for the MD & CEO as for the other staff of the Company.
- d. A Company car with driver;
- e. Telephone facility at the residence;
- f. Contribution to Provident Fund, Superannuation, Gratuity and Leave Encashment as per Staff Rules of NSDL e-Gov; for all these purposes, his appointment as MD & CEO will be taken as continuation of service, and
- g. The company will reimburse entertainment expenses actually and properly incurred by the MD & CEO for the purpose of the Company's business.

- C) The MD & CEO shall also be entitled to such other benefits including ex-gratia as are made available by the Company to members of the staff from time to time.
- D) Mr.Suresh Sethi shall be eligible for 60,000 Employee Stock Options at fair market value, as per the NSDL e-Governance Infrastructure Limited – Employee Stock Option Plan 2017 (“ESOP 2017”) from the date of joining i.e. July 15, 2020.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Suresh Sethi as MD & CEO, the Company has no profits or has inadequate profits, the Company will pay remuneration by way of salary, perquisites and allowances as specified above.”

Annexure B (Mr. Gagan Rai)

A. Tenure

3years w.e.f. February 18, 2018

B. Salary:

(I) The MD & CEO shall be entitled to a salary of Rs. 18,00,000 per month, inclusive of all allowances (current salary Rs. 21,85,000 per month, inclusive of all allowances).

Annual increments upto 15% of last drawn salary (YoY) with effect from February 1, 2020 to be decided by the Nomination & Remuneration Committee. (earlier it was subject to a ceiling of Rs.1,00,000 per month w.e.f . February 1 every year).

Annual Performance Linked Incentive (PLI) as may be determined by the Nomination & Remuneration Committee, subject to a maximum of 75% of annual salary.

(II) In addition to the above, the MD & CEO shall be entitled to the following:

- a. Unfurnished housing accommodation;
- b. Medical benefits equal to one month’s salary every year for self, spouse and dependent children;
- c. Leave Travel Allowance equal to one month’s salary every year for travel by the MD & CEO and his family;
- d. Personal Accident Insurance cover for the MD & CEO as for the other staff of the Company.
- e. A Company car with driver;
- f. Telephone facility at the residence;
- g. Contribution to Provident Fund, Superannuation, Gratuity and Leave Encashment as per Staff Rules of NSDL e-Gov; for all these purposes, his appointment as MD & CEO will be taken as continuation of service.
- h. The company will pay fees of clubs, subject to a maximum of two clubs; life membership fee will not be allowed; and
- i. The company will reimburse entertainment expenses actually and properly incurred by the MD & CEO for the purpose of the Company’s business.

(III) The MD & CEO shall also be entitled to such other benefits including ex-gratia as are made available by the Company to members of the staff from time to time.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Gagan Rai as MD & CEO, the Company has no profits or inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above.

Annexure C (Mr. Jayesh Sule)

A. Tenure

Three years w.e.f April 1, 2019

B. Remuneration

(I) Salary:

The WTD & COO shall be entitled to a salary of Rs.11,00,000 per month, inclusive of all allowances (current salary Rs. 12,00,000

per month, inclusive of all allowances).

Annual increments to be decided by the Nomination & Remuneration Committee, subject to a ceiling of Rs.1,00,000 per annum. Annual Performance Linked Incentive (PLI) as may be determined by the Nomination & Remuneration Committee subject to a maximum of 50% of annual salary.

- (II) In addition to the above, the WTD & COO shall be entitled to the following:
- a. Unfurnished housing accommodation;
 - b. Medical benefits equal to one month's salary every year for self, spouse and dependent children;
 - c. Leave Travel Allowance equal to one month's salary every year for travel by the WTD & COO and his family;
 - d. Personal Accident Insurance cover for the WTD & COO as for other staff;
 - e. A Company car with driver;
 - f. Telephone facility at the residence;
 - g. Contribution to Provident Fund, Superannuation, Gratuity and Leave Encashment as per Staff Rules of NSDL e-Gov. For this purpose, his appointment as WTD & COO will be taken as continuation of service.
- (III) The WTD & COO shall also be entitled to such other benefits as are made available by the company to members of the staff from time to time including ex-gratia & Employee Stock Options.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Jayesh Sule as WTD & COO, the Company has no profits or the profits of the Company are inadequate, the Company shall pay remuneration by way of salary, perquisites and allowances as specified above.

Annexure - D

DISCLOSURE AS REQUIRED UNDER SCHEDULE V, PART II, SECTION II OF THE COMPANIES ACT, 2013 IN REFERENCE TO ITEM NOS. 6, 7 AND 8 AS MENTIONED ABOVE IS GIVEN HERE UNDER:

	General Information	
(1)	Nature of industry	IT & ITes
(2)	Date or expected date of commencement of commercial production	N.A.
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.

(4) Financial Performance:

Particulars	March 31, 2020	March 31, 2019
Total Income	7,546	7,911
Depreciation	275	199
Total Expenditure	5,698	5,894
Profit Before Tax	1,573	1,818
Tax Expense	360	573
Profit After Tax	1,212	1,245
Paid-up Capital	400.01	400.01
Earning Per Share		
- Basic	30.30	31.12
- Dilute	30.02	31.03
Dividend Paid / Proposed (%) (Face Value – Rs. 10 per equity share)	100%	65%

(5) Foreign investments or collaborations, if any- The Company has one subsidiary namely NSDL e-Governance (Malaysia) Sdn. Bhd. With 51% holding in the same. There is no foreign collaboration in the Company.

II. Information about the appointees:

	Mr. Gagan Rai	Mr. Jayesh Sule	Mr. Suresh Sethi
(1) Background details	<p>Mr. Gagan Rai is B.Com.(Hons), M.A. (Eco), I.C.W.A., C.A.I.I.B, D.P.P.E.C the Managing Director and CEO of NSDL e-Governance (NSDL e-Gov). He has been a part of NSDL e-Gov since its inception in 1996.</p> <p>Under Mr. Rai's leadership, the company has spawned several successful offerings in the Capital Market and e-governance space. Several Government Departments, Ministries and State Governments in the country have joined hands with NSDL e-Gov. Having more than 42 years of experience, Mr. Rai is a charismatic leader and brings extensive industry expertise to the table. He understands the importance of a customer centric business and works with his team to put forward the best strategy that will be suitable to fulfil needs of the customers.</p>	<p>Mr. Jayesh Sule, is B. Com, C.A. and CISA (USA) . He is the Whole Time Director and Chief Operating Officer of NSDL e- Governance Infrastructure Ltd. He has around 34 years of Experience and has been associated with the Company since inception. Before his appointment as a Whole Time Director on the Board w.e.f April 1, 2016, he was acting as Chief Operating Officer of the company.</p>	<p>Suresh Sethi, is a B.E. and MBA from Delhi University former founder CEO & MD of India Post Payments Bank, is currently MD & CEO designate of NSDL e-Governance Infrastructure Ltd.</p> <p>Mr.Sethi played an important role in building up India Post Payments Bank at scale with providing doorstep banking services through 190,000 postal employees. Build on the pillars of Aadhar & IndiaStack the rural banking network was scaled up almost 2.5 times across India.</p> <p>Prior to India Post Payments Bank, he was associated with Citigroup, Yes Bank, Vodafone M-Pesa (across India, Kenya, UK, Argentina and USA). He led various roles across business strategy, product development, sales & client management and operations at CXO & MD level(Detailed profile as per Annexure A).</p>
(2) Past remuneration	Rs. 511 lacs p.a.	Rs. 260 lacs p.a.	Proposed to be appointed in this AGM
(3) Recognition or awards	The Company has received awards during his tenure as MD & CEO of the Company.	The Company has received awards during his tenure as WTD & COO of the Company.	He was recognized as the CEO of the Year (India Post Payments Bank) at the India Banking Summit & Awards, 2019.
(4) Job profile and his suitability	He is highly experienced and is responsible for overall supervision and control of affairs of the Company. He apart from his duty as MD & CEO of the Company also discharge duties and responsibilities entrusted to him by the Board.	He has over three decades of experience and is associated with the Company since inception. He apart from his duty as WTD & COO of the Company also discharge duties and responsibilities entrusted to him by the Board.	He is having over three decades diversified global experience in the financial services industry. He was founder MD & CEO of India Post Payments Bank. His appointment as MD & CEO of the Company is sought from the Member during this AGM.
(5) Remuneration proposed	As mentioned in the respective Explanatory Statement(s)		
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration of the size and growth of the Company, the responsibilities shouldered on them and the industry benchmark, the proposed remuneration is reasonable, justified and commensurate with remuneration packages paid in the Comparable Companies.		
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Apart from receiving managerial remuneration and options under ESOP Scheme of the Company, they do not have any other pecuniary relationship with the Company.		

III. Other information:

- (1) Reasons of loss or inadequate profits: In the current year because of the COVID -2019 pandemic all over the world it has impacted the economy and business of various sectors. The impact of the pandemic would last for a substantial part of the current Financial Year 2020-21 because of which there could be an impact on our revenue and profits.
- (2) Steps taken or proposed to be taken for improvement: The Company is always looking forward to take all such steps and measures including expansion in e-Governance area, opportunities abroad, diversification etc. in the best interest of the Company. With our rising customer base, continuous efforts are on for improving our products and steps for consistent improvement in service is continuously monitored.
- (3) Expected increase in productivity and profits in measurable terms: It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects the strong growth and the improved Financial performance in coming years.

IV. Disclosures:

1. The remuneration package of all the managerial persons are given in the respective resolutions.
2. Additional information is given in Corporate Governance report which forms part of the Directors' Report.

The Company, as on date, is not in default in payment of dues to any bank or public financial institutions or to non-convertible debenture holders or to any other secured creditor, and accordingly, their prior approval is not required, for approval of the proposed special resolutions.



ANNEXURE E

Details of Directors seeking appointment / re-appointment at the 25th Annual General Meeting scheduled to be held on September 18, 2020:

Name of the Director	Mr. A. P. Hota	Mr. Suresh Sethi
Designation	Independent Director	Managing Director & CEO
Age	64 years	55 years
Date of First Appointment on the Board	16/09/2019	Not Applicable - Appointment proposed in ensuing AGM
Qualifications	MA, CAIIB and Fellow, Indian Institute of Banking & Finance	B.E. Electronics; MBA, Delhi University
Experience	As per the Explanatory Statement of Item No. 4	As per the Explanatory Statement of Item No. 5 and 6 (Annexure A)
No. of Board Meeting attended during their tenure	2/2	Not Applicable
List of Directorship held in other Companies	1. IDBI Intech Limited 2. Motilal Oswal Asset Management Company 3. Federal Bank Ltd.	-
Particulars of Committee Chairmanship/ Membership held in other Companies	Federal Bank Ltd.- Investor Grievance, Share Transfer and Stakeholder Relationship Committee – Chairman Information Technology and Operations Committee - Chairman Audit Committee – Member Corporate Social Responsibility Committee (CSR) – Member Motilal Oswal Asset Management Company- Audit Committee – Member and Corporate Social Responsibility Committee (CSR) – Member IDBI Intech Ltd.- Audit 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	Director not liable to retire by rotation and others as per Explanatory Statement of Item No. 4	Director not liable to retire by rotation and others as per Explanatory Statement of Item No. 5 and 6
Remuneration sought to be paid	Sitting fees, reimbursement of expenses for participation in the meeting of Board or Committee thereof or such other fees/ commission as may be fixed by the Board from time to time within the limit prescribed under the Companies Act, 2013	As mentioned in the explanatory statement
Remuneration Last drawn during FY 2019-20	Rs. 1,50,000 (Sitting Fees)	Not Applicable



NOTICE OF 25TH
ANNUAL GENERAL
MEETING (AGM)
2019-20

NSDL e-GOVERNANCE INFRASTRUCTURE LIMITED



REGISTERED OFFICE

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