

TRANSCRIPT OF 8th ANNUAL GENERAL MEETING OF NATIONAL E-GOVERNANCE SERVICES LIMITED (NeSL) HELD ON THURSDAY, 26th DECEMBER, 2024, AT 11.00 AM THROUGH VIDEO CONFERENCING

- **Smt. S. Padmavathy, Company Secretary**, welcomed all the members and participants to the 8th Annual General Meeting of National E-Governance Services Limited.
- **Shri. NS Vishwanathan, Chairman**, welcomed all the members and participants to the 8th Annual General Meeting of the company. The Company Secretary requested the roll call from all the authorised representatives of the shareholders of the company.
- All the representatives of the shareholders introduced themselves.
- The requisite quorum for the meeting was present. The Chairman then, called the meeting to order.
- **The Company Secretary** informed that the Notice convening the 7th Annual General Meeting was circulated to all the members. It consisted of 5 (Five (1to5)) ordinary businesses and 5 (Five (6to10)) special business for approval of members.
- **Shri. Debajyoti Ray Chaudhuri, MD & CEO** was invited to present the performance of the company for the financial year 2023-24. He stated that the total revenues of the company were Rs 117.52 Crores in the FY 2024, against Rs 89.45 Crore in the previous year. The total expenses for the year were Rs. 53.32 crores as against Rs 30.17 Crores in the previous year. In FY 2024, NeSL, for the first time, paid an annual fee of Rs 8 crores to IBBI, in the previous years this was a flat amount, and this was the single largest item under the expenditure head. This fee was paid this year in April 2024 and will be there in the financial statements in the future as well. The PBT for FY 2023- 24 stood at Rs. 64.20 as compared to Rs. 59.33 Crores in previous year and PAT was Rs 48.07 Crores for FY 2024 as against Rs 44.64 Crores in the previous FY. The MD also briefed the participants about the operational performance of the Company including performance in the DDE segment, which achieved 6 million transactions on 31st March, 2024. He stated that the number of DDE transactions have since touched the landmark figure of 10 million transactions as on 9th Oct, 2024. He further stated that DDE which started with Banks and NBFCs is now being used by two Stock Broking Companies and even in the Operational Creditor segment. He also spoke about how the e-BG segment is getting more banks on board with increasing number of transactions and the new initiatives such as the launch of NeAS by the company. Further MD & CEO apprised the members about the important events in which the company participated during the year including engagement with the other pillars of the IBC like the Insolvency Professionals, the Adjudicating Authority (AA) and IBBI. The company received many awards as recognition for its good work. Finally, keeping in view the importance of Human Resources in an IT Company, the company had many employee engagement activities during the year.
- **The Company Secretary** thanked the MD & CEO for the update on the performance of the company. Further, the Company Secretary informed the members that the Statutory Auditors were present at the meeting and invited them to give their comments on the standalone Financial Statements of the company for the year ended on 31st March, 2024. Shri. Rishav Saraf, representing M/s BSD & Co., Statutory Auditors, informed that he had no comments on the financial statements of the company.

- The Company Secretary further informed that the report of the C&AG does not have any comments or observations on the standalone financial statements for the financial year ended 31st March, 2024. Accordingly, with the permission of the members and the Chairman, the Auditor's Report on the standalone financial statements were taken as read.
- With the permission of the chair, the Company Secretary took up the resolution no. 1: To consider and adopt the audited standalone financial statement(s) of the Company for the financial year ended 31st March, 2024, along with the reports of the Board of Directors, Statutory Auditors and C&AG thereon; by passing the resolution as an ordinary resolution. It was proposed by Shri. Balu, representing Life Insurance Corporation of India and seconded by Shri. Deepak GM, representing Karnataka Bank. The members approved the resolution by show of hands and the chairman declared the resolution as unanimously passed as an ordinary resolution.
- With the permission of the chair, the Company Secretary took up resolution no. 2: To consider and adopt, the audited consolidated financial statement(s) of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and Auditors thereon; by passing the resolution as an Ordinary resolution. The resolution in favour of the proposal was proposed by Shri. Atul Arora, representing ICICI Bank Ltd. and seconded by Shri. Sunny Kumar Sharma, representing Canara Bank. The members approved the resolution by show of hands and the Chairman declared the resolution as unanimously passed as an Ordinary resolution.
- With the permission of the chair, the Company Secretary took up resolution no. 3: To consider and approve the appointment and fixation of remuneration of Statutory Auditors: The Statutory Auditors for the Financial Year 2024-25 were recommended by the C&AG and accordingly, M/s. K N Prabhaskar & Co, Chartered Accountants was proposed as the statutory auditors for the FY 2024-25. It was also proposed to authorise the Board of Directors, on the recommendation of the Audit Committee to fix their remuneration upon intimation to C&AG. Further, the resolution was proposed by Shri. Ashutosh Jat, representing New India Assurance Co. Ltd and seconded by Shri. Bino Joseph representing Indian Bank. The members approved the resolution by show of hands and the chairman declared the resolution as unanimously passed as an ordinary resolution.
- With the permission of the chair, the Company Secretary took up resolution no. 4: To declare final dividend of 10%, i.e. Re.1/- on each fully paid-up equity share of Rs.10/- aggregating to Rs. 7.50 crores, as recommended by the Board of Directors of the Company for the financial year ended March 31, 2024, to be paid out of the profits of the Company for the financial year 2023-24. Further, the resolution was proposed by Shri. Swaroopkumar Gothi, representing CDSL and seconded by Shri. Aravind Kumar Sharma, representing Bank of Baroda. The members approved the resolution by show of hands and the chairman declared the resolution as unanimously passed as an Ordinary resolution.
- With the permission of the Chair, the Company Secretary took up resolution no. 5: To appoint a director in place of Shri. JS Tolia Nominee Director, representing Life Insurance Corporation of India, who retires by rotation pursuant to Section 152 (6) of the Companies Act, 2013, and, being eligible, offers himself for re-appointment. The resolution was proposed by Shri. Balu, representing Life Insurance Corporation of India and seconded by Shri. Aravind Kumar Sharma, representing Bank of Baroda. The members approved the resolution by show of hands and the Chairman declared the resolution as unanimously passed as an Ordinary resolution.
- The Company informed that since the Chairman Shri. NS Vishwanathan was interested in the next item, Shri. PN Prasad was requested to Chair the meeting.

- With the permission of the chair, the Company Secretary took up resolution no. 6, to appoint Shri. Subramanian Nurani Vishwanathan as an Independent Director for a term of three years upto 27th March, 2027 by passing an ordinary resolution. The explanatory statement for the same was attached to the notice. The resolution was proposed by Shri. Balu, representing Life Insurance Corporation of India and seconded by Shri. Atul Arora, representing ICICI Bank Ltd. The members approved the resolution by show of hands and the chairman declared the resolution as unanimously passed as an Ordinary resolution.
- The Company Secretary requested Shri. NS Vishwanathan to resume the Chair, following which Shri. PN Prasad stepped down as Chairman of the meeting. The Company Secretary thanked Shri. PN Prasad.
- With the permission of the chair, the Company Secretary took up resolution no. 7, to re-appoint Shri. PN Prasad as an independent director for second term up to 13th February, 2028, by passing a special resolution. The explanatory statement for the same was attached to the notice. The resolution was proposed by Shri. Atul Arora, representing ICICI Bank Ltd. and seconded by Shri. Swaroopkumar Gothi, representing CDSL. The members approved the resolution by show of hands and the chairman declared the resolution was passed as special resolution unanimously.
- With the permission of the chair, the Company Secretary took up resolution no. 8, to re-appoint Smt. Sudha Krishnan as an independent director for second term up to 13th February, 2028, by passing a special resolution. The explanatory statement for the same was attached to the notice. The resolution was proposed by Shri. Rajesh Chandra, representing SIDBI and seconded by Shri. Balu, representing Life Insurance Corporation of India. The members approved the resolution by show of hands and the chairman declared the resolution was passed as special resolution unanimously.
- With the permission of the chair, the Company Secretary took up resolution no. 9, to re-appoint Shri. Rajesh Rasiklal Doshi as an independent director for second term up to 5th May, 2028, by passing a special resolution. The explanatory statement for the same was attached to the notice. The resolution was proposed by Shri. Ashutosh Jat, representing New India Assurance Company Ltd. and seconded by Shri. Rajesh Chandra, representing SIDBI. The members approved the resolution by show of hands and the chairman declared the resolution was passed as special resolution unanimously.
- With the permission of the chair, the Company Secretary took up resolution no. 10, to approve the ratification of the health club membership provided to the MD & CEO and the tax thereon being borne by the company for the FY 2022-23 and FY 2023-24 and approval of extension of such facility till his tenure in the company and to apply the entitled benefits as per the HR policy of the company to the MD & CEO till his tenure by passing an ordinary resolution. The explanatory statement for the same was attached to the notice. The resolution was proposed by Shri. Atul Arora, representing ICICI Bank Ltd. and seconded by Shri. Deepak GM, representing Karnataka Bank. The members approved the resolution by show of hands and the chairman declared the resolution was passed as an Ordinary resolution unanimously.
- **The Company Secretary** informed that all the items for discussion as per the notice has been taken up and the forum was open for questions & answers session by the members.

- Shri. Swaroopkumar Gothi, representing CDSL queried whether the dividend pay-out ratio would be revised in the future and, with the permission of the Chair, the MD responded that dividend pay-out ratio is based on Dividend policy of the company, and while the endeavour would be to retain Dividend pay-out at the same ratio, it would depend on how circumstances evolve. Mr Gothi also enquired if the company would be entering into new revenue streams in the near future and the MD informed that the DDE was all-encompassing solution, which could be adapted for new use cases which would lead to new revenue streams for the company. The company was also currently implementing a Balance Confirmation project in association with ICAI, IBA and Public Sector Banks' Association Limited. This was expected to go live early next month and the company is expected to earn revenues during the current financial year from this new initiative.
- As there were no further queries raised, the meeting concluded at 11.50 a.m. by the Chairman with a vote of thanks to the members, Board of Directors, management and all the stakeholders of NeSL.