

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of members of NSDL Database Management Limited (the “Company”) will be held at a shorter notice on Thursday, March 10, 2022, at 11:30 a.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following businesses:

SPECIAL BUSINESS:

1. Amendment in the Main Object Clause of the Memorandum of Association of the Company

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of the shareholders of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, Mumbai, Maharashtra to add following sub-clause (12) after sub-clause (11) of clause III (A) of the Memorandum of Association of Company and further sub-clauses be renumbered accordingly:

Object clause to be inserted as III - A (12) in Memorandum of Association of the Company

'12. To facilitate, initiate and provide all such services of Business Correspondent (BC) in relation to banking products including but not limited to retail accounts, fixed deposits, payment instruments and domestic money transfer, lending products, secured and unsecured, including but not limited to personal and vehicle loans, loans against securities, insurance, mutual fund and pension products, value added services including but not limited to bulk payments, cash/ premium/ EMI collection, bill payments, recharge; and other financial products which are within the normal course of banking business as specified within the applicable law; and to provide such services as Business Correspondent, through Bharat Bill Payment System (BBPS), Aadhaar Enabled Payment System (AePS) or any other payment solution as prescribed by the statutory authority or regulatory body, including but not limited to payment solution through microATM/POS/mPOS/QR/Kiosk/Mobile/Tablet/Agent Assisted through web or mobile application or any other payment methods, Cash Deposit, Cash Withdrawal, Balance Enquiry, Mini Statement, Aadhaar to Aadhaar Fund Transfer, Authentication, BHIM Aadhaar

Pay, eKYC, Best Finger detection, Demo Auth Tokenization, Aadhaar Seeding Status and related services by facilitating AEPS and to designing, development, customization, implementation, maintenance, testing and benchmarking related hardware/software and technology; facilitating domestic money remittance/ money transfer services; appointing Distributors/BC/API Partners/Agent, On-boarding/enrolling agents, Nodal/ escrow/ current account opening and management, reconciliation and settlement of funds, providing customer support services, grievance redressal and other related services on own or through third-party services providers.'

RESOLVED FURTHER THAT any Director or Chief Financial Officer or Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary and incidental to give effect to the aforesaid resolution.”

2. To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“**RESOLVED THAT** in suppression of Special Resolution passed by the Members in its meeting held on September 27, 2017 and pursuant to the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modification or re-enactment thereof for the time being in force), and the rules framed thereunder the consent of the members on the Company be and is hereby accorded to the Board of Directors to, inter alia, (a) give any loan to any person(s) or other body corporate(s);(b)give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s); and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company however, that the aggregate of the loans and investments so far made, the amount for which guarantees or securities so far provided to or in all other body corporate along with the investments, loans, guarantees or securities proposed to be made or given by the Company, from time to time, shall not exceed, at any time ₹ 350,00,00,000 (Rupees Three Hundred and Fifty Crores Only) over and above the limit of sixty per cent of the paid-up share capital, free reserves and securities premium account of the Company or one hundred per cent of free reserves and securities premium account of the Company, whichever is more.

RESOLVED FURTHER THAT the Board or any Committee thereof (with further powers to delegate) is authorised to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution, and to settle any question or doubt that may arise in relation thereto.”

By Order of the Board of Directors
For **NSDL Database Management Limited**

Sd/-

Nikhil Arya

Company Secretary

Membership No. A42548

Registered Office:

4th Floor, 'A' Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel (West)
Mumbai- 400 013

Dated: January 31, 2022

Place : Mumbai

NOTES:

1. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated December 8, 2021 read together with circulars dated April 8, 2020, April 13, 2020, June 15, 2020, August 28, 2020 and June 23, 2021 (collectively referred to as “MCA Circulars”) permitting convening the Extraordinary General Meeting (“EGM”) through Video Conferencing (VC) or Other Audio Visual Means (OAVM). In accordance with the MCA circulars and provisions of the Companies Act, 2013 (“the Act”), the EGM of the Company is being held through VC/OAVM.
2. As the EGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. The proceedings of the EGM shall be deemed to be conducted at the Registered Office of the Company located at 4th Floor, “A” Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400 013, which shall be the deemed venue of the EGM.
3. Members (Institutional / Corporate Shareholders) are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorizing its representative(s) to attend the EGM through VC/ OAVM and to vote in its behalf, pursuant to Section 113 of the Act, at nikhila@nsdl.co.in

ELECTRONIC DISPATCH OF NOTICE AND PROCESS FOR REGISTRATION OF EMAIL FOR OBTAINING COPY OF NOTICE:

4. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants. In case of any queries/ difficulties in registering the e-mail address, Members may write to the Company Secretary at nikhila@nsdl.co.in
5. In accordance with, the aforesaid circulars issued by MCA, notice of the EGM is being sent only through electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
6. The Notice of EGM is also available on the website of the Company www.ndml.in

PROCEDURE FOR JOINING THE EGM THROUGH VC / OAVM:

7. Members will be able to attend the EGM through VC/OAVM Facility. For this purpose, please download BlueJeans app from Google Play Store/iOS App store or from this link <https://www.bluejeans.com/downloads>. Post installation of BlueJeans app on your device, please use this link <https://bluejeans.com/7863494611/4588> to join the said meeting.
8. For convenience of the Members and proper conduct of EGM, Members can login and join at least 30 (thirty) minutes before the time scheduled for the EGM and shall be kept open throughout the proceedings of EGM.
9. Members who need assistance with the use of technology for joining the EGM through VC/OAVM can contact the Company Secretary at the below mentioned details:
Mr. Nikhil Arya
Company Secretary
Mobile no.: +919766661056
Email id: nikhila@nsdl.co.in
10. Please note that the participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
11. Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS:

12. As the EGM is being conducted through VC / OAVM, for the smooth conduct of proceedings at the EGM, Members are encouraged to express their views / send their queries in advance mentioning their name, email ID, mobile number to the Company Secretary at nikhila@nsdl.co.in. Queries, if any received by the Company till 05.00 p.m. on March 08, 2022 shall only be considered and responded during the EGM.
13. Members who would like to express their views or ask questions during the EGM may raise their hands as per the functionality available on the BlueJeans VC application, however, the Company reserves the right to restrict the number of questions and number speakers, as appropriate for smooth conduct of the EGM.

GENERAL INFORMATION:

14. The voting rights shall be as per the number of equity shares held by the Member(s) as on EGM date, being the cut-off date.
15. All documents referred to this Notice shall be made available for inspection, on request.

By Order of the Board of Directors
For **NSDL Database Management Limited**

Sd/-
Nikhil Arya
Company Secretary
Membership No. A42548

Registered Office:

4th Floor, 'A' Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel (West)
Mumbai- 400 013

Dated: January 31, 2022

Place : Mumbai

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1:

Amendment in the Main Object Clause of the Memorandum of Association of the Company

NSDL Database Management Limited ('NDML') intends to act as a Business Correspondent ('BC') for NSDL Payments Bank Limited ('NPBL') or any other Sponsor Bank by performing various banking support functions for the sponsor bank, thereby facilitating initiation of a new business line within payments business function and expanding its capability in digital payments solutions.

NDML is in the process of implementing Aadhaar based payment collection at the service centres of Tamil Nadu eGovernance Agency (TNeGA). The objective is to replace the cash collection with Aadhaar Enabled Payment System. Post carrying out the diligence, it' been decided along with NSDL Payments Bank (Since NSDL Payments Bank is holding the authorization to carry out the Aadhaar Enabled Payment System and also has AUA/KUA license for biometric authentication with UIDAI) to position the AEPS based solution to TNeGA enabling the Cashless payment collection at service centers and also enable the cash withdrawal through AEPS from these service centers.

To formalize and complement the regulatory guidelines, NDML needs to act as Corporate BC and TNeGA as Distribution channel and technology partner having the service centres (as agents) to carry out and complement the financial inclusion guidelines. By getting into an engagement with NSDL Payments Bank or with any other bank in India as Corporate BC, NDML will open up a new business line within Payments Business and complement and expand it' capability in Digital Payments Solutions.

Object Clause inclusion in Memorandum of Association (MOA) primarily relevant to NDML becoming Corporate BC and providing technology and associated services through Aadhaar Enabled Payment System (AEPS) or any other digital payment solution being implemented by RBI/ NPCI/ Banking Institution.

In order to complement the regulatory guidelines of RBI for Aadhaar Enabled Payment System and providing technology and services by acting as Corporate BC, NDML necessarily needs to get on-boarded in the sponsor bank' eco-system. To complement the Sponsor Bank'

compliance requirement of on-boarding of Corporate BC, NDML needs to insert the object clause as requested in the MOA.

NPCI wide its operating procedure AEPS-OSG V 2.3 document and procedural guidelines for AEPS Version 2.0 and the requirement of the sponsor bank for the non-banking institutes to act as Corporate BC, NDML needs to include the activities in its memorandum of association considering NDML' aspiration to act as Corporate BC to further enhance & expand its Payments Solutions for the organization.

In view of the above, NDML will also have to fulfil the requirements as mentioned in the said NPCI guidelines and incorporate the Corporate BC related business provisions in its MOA. To act as Corporate BC, NDML needs to get on-boarded in any sponsor bank Aadhar Enabled Payment System (AEPS). The on-boarding procedure has the bank' compliance requirement on the coverage of the object clause of NDML acting as Corporate BC in banking eco-system and financial inclusion eco-system of India. Currently, the MOA of NDML doesn't have the specific coverage of business and hence there is a need for NDML to include the said activities and the business associated with Aadhar Enabled Payment System in the MOA. It is proposed to make a specific mention of the same in the object clause of the MOA by making an addition thereto.

As per Section 13(1) of the Companies Act, 2013, a Company may, by passing special resolution, alter the provisions of its MoA with respect to the objects of the Company so far as may be required to enable it to carry on some business which under existing circumstances may conveniently or advantageously be combined with the business of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in passing of resolution.

The Board of Directors of your Company recommends the same to the shareholders for passing of Special Resolution.

Item No. 2:

To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013

As per Section 186 of the Act read with the Rules framed thereunder, the Company is required to obtain the prior approval of the Members by way of a Special Resolution for acquisition by way of subscription, purchase or otherwise, the securities of any other body corporate

exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

The current loans and investments of the Company is although well within the limits specified under the law, it was thought expedient by the Board that as a measure of achieving greater financial flexibility and to enable optimal financial structuring and to keep sufficient safeguard, the said limits specified under Section 186 be increased to Rs. 350,00,00,000 (Rupees Three Hundred and Fifty Crores Only) with the approval of shareholders.

The approval of the members is being sought by way of a Special Resolution pursuant to Section 186 of the Act read with the Rules made thereunder, to enable the Company to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher. It is proposed that the investment activities of the Company shall be carried on in accordance with the Investment Policy of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in passing of resolution.

The Board of Directors of you Company recommends the same to the shareholders for passing of Special Resolution.

By Order of the Board of Directors,
For **NSDL Database Management Limited**
Sd/-
Nikhil Arya
Company Secretary
Membership No. A42548

Registered Office:

4th Floor, 'A' Wing, Trade World,
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