



National Stock Exchange of India Limited
32nd ANNUAL GENERAL MEETING
HELD ON TUESDAY, 27th AUGUST 2024, AT 4:00 P.M. IST

Proceedings of the Annual General Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

Smt. Prajakta Powle - Company Secretary:

Dear Shareholders, Good Afternoon,

I, Prajakta Powle, Company Secretary, welcome you all to this 32nd Annual General Meeting of National Stock Exchange of India Limited. Presently, the Company does not have a Chairperson on this Governing Board. Pursuant to the provisions of the Articles of Association of the Company, a Chairperson needs to be elected among the Directors present at this meeting.

Smt. Prajakta Powle - Company Secretary:

Shri. Tablesh Pandey Sir

Shri. Tablesh Pandey - Non-Independent Director:

I, Tablesh Pandey, Non-Independent Director, Representative of LIC, propose the name of Shri S. Ravindran, Public Interest Director to act as the Chairman for the Meeting.

Smt. Prajakta Powle - Company Secretary:

Shri. Veneet Nayar Sir

Shri. Veneet Nayar - Non-Independent Director:

I, Veneet Nayar second to elect Shri S. Ravindran, Public Interest Director to act as the Chairman of this Meeting.

Smt. Prajakta Powle - Company Secretary:

Thank you Sir,

I request Shri S. Ravindran, Public Interest Director to occupy the chair and initiate the proceedings of this 32nd Annual General Meeting. Over to you, sir.

Shri. S Ravindran – Chairman:

Thank You Smt. Prajakta Powle

Dear Shareholders, Good afternoon, I welcome you all to this 32nd Annual General Meeting of the company. I have been informed by the Company Secretary that the requisite quorum for this meeting is present and accordingly I declare this meeting to be in order.

I am S. Ravindran, Public Interest Director of the company. I also chair the Audit Committee, Member Committee and Regulatory Oversight Committee. I am attending this meeting from Exchange Plaza, Mumbai. Along with me, all the other members of the governing board have joined this meeting through video conferencing. For the benefit of all, let me request each of my colleagues on the board to introduce themselves one by one. Let me start with Professor Sudarshan.

Shri. S Sudarshan - Public Interest Director:

Good afternoon. I am Professor Sudarshan, Public Interest Director of the company. I chair the Standing Committee on Technology. I am attending this AGM from Exchange Plaza, Mumbai. Thank you.

Shri. S Ravindran – Chairman:

Shri. Tablesh Pandey

Shri. Tablesh Pandey - Non-Independent Director:

Good afternoon. I am Tablesh Pandey, Non-Independent Director of the company. I chair the Stakeholders Relationship Committee. I am attending this AGM from LIC office, Mumbai. Thank you.

Shri. S Ravindran – Chairman:

Shri. Ashishkumar Chauhan.

Shri. Ashishkumar Chauhan – Managing Director & CEO:

Good afternoon. I am Ashishkumar Chauhan. Managing Director and CEO of the company. I am attending this AGM from Exchange Plaza, Mumbai. Thank you.

Shri. S Ravindran – Chairman:

Shri Rajesh Gopinathan

Shri Rajesh Gopinathan - Public Interest Director:

Good afternoon. I am Rajesh Gopinathan, Public Interest Director of the company. I chair the Risk Management Committee and the Investment Committee. I am attending this AGM from Exchange Plaza, Mumbai. Thank you.

Shri. S Ravindran – Chairman:

Justice (Retd.) Smt. Abhilasha Kumari

Justice (Retd.) Smt. Abhilasha Kumari - Public Interest Director

Good afternoon. I am Justice Abhilasha Kumari, Public Interest Director of NSE. I chair the Nomination and Remuneration Committee. I am attending this AGM from Exchange Plaza, Mumbai. Thank you.

Shri. S Ravindran – Chairman:

Shri. Veneet Nayar

Shri. Veneet Nayar - Non-Independent Director:

Good afternoon, I am Veneet Nayar, Non Independent Director of the company. I chair the Corporate Social Responsibility Committee. I am attending this AGM from my office in Noida.

Shri. S Ravindran – Chairman:

Prof. (Dr.) Mamata Biswal

Prof. (Dr.) Mamata Biswal- Public Interest Director

Good afternoon. I am Professor Mamta Biswal, Public Interest Director of the company. I am attending this meeting from the Exchange Program, Mumbai. Thank you.

Shri. S Ravindran – Chairman:

Apart from the Directors, the key managerial personnel attending this AGM are

Shri Ian Dsouza - Chief Financial Officer.

Smt. Prajakta Powle - Company Secretary.

The other members from the leadership team of the company who are attending this meeting are

Shri Piyush Chourasia - Chief Regulatory Officer - Member Compliance, Surveillance, Member Inspection and Investigation

Shri K.S. Somasundaram - Chief Enterprise Risk Officer and Head - Business Excellence.

Shri Sriram Krishnan - Chief Business Development Officer.

Shri Shharad Dhakkate - Chief Human Resource Officer.

Shri Mayur Sindhvad - Chief Technology Officers, Operations.

Shri Viral Modi - Chief Technology Officer, Applications and Development.

Shri Sampath Manickam - Chief Technology Officer, Technology Infrastructure.

Shri Rajesh Thapar - Chief Information Security Officer.

Shri Tirthankar Patnaik - Chief Economist.

Shri Ambar Gupta - Senior Vice President - Legal.

Shri Vikram Kothari - Managing Director, NSE Clearing Limited.

Shri Mukesh Agarwal - Managing Director, NSE Data & Analytics Limited and NSE Indices Limited.

Shri Balasubramanian Venkataramani - Managing Director, NSE IFSC Limited.

Shri Neeraj Kulshrestha - Managing Director, NSE IFSC Clearing Corporation Limited.

We also have other colleagues from the Finance, Investor Relations and Secretary Teams.

Shri Amit Borkar - Partner and authorised representative from Messrs Price Waterhouse & Co, Chartered Accountants LLP, the Statutory Auditor of the company has joined this AGM through Video Conference.

Shri Vaibhav Dandawate- Authorized representative from Messrs Makarand M. Joshi & Co., Company Secretaries, erstwhile Secretarial Auditor has joined this AGM through Video Conference.

Ms. Ashwini Inamdar - Authorize representative from Messrs Mehta & Mehta., Company Secretaries, Secretarial Auditor has joined this AGM through Video Conference.

Before I proceed further, I would request Smt. Prajakta Powle, Company Secretary to announce requisite instructions to the shareholders of the company.

Smt. Prajakta Powle - Company Secretary:

Thank you, sir. I would like to take you to certain key points in respect of conducting of this meeting, participation and e-voting at this meeting. In compliance with circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India, this meeting is being conducted through Video Conferencing / Other Audio-Visual means.

The company has taken adequate and feasible steps to enable shareholders to participate in the meeting through video conferencing / other audio-visual means, and to cast a vote through electronic means. The shareholders who face any technical issues for joining may connect to NSDL toll-free numbers mentioned in the notice of the Annual General Meeting.

All the shareholders attending this meeting have also been placed on mute by default to avoid any background noise and to ensure smooth conduct of this meeting.

The shareholders who have registered to speak at the meeting will be given an opportunity to speak and express their views, once all the resolutions as set out in the Notice of AGM have been moved.

The names of the speaker shareholders would be announced one by one and the shareholders whose name is announced shall unmute his or her microphone, turn on the video and speak.

In case you face any bandwidth issues, you may avoid putting on your video and use only audio mode to speak. To ensure better and clearer communication, the speaker shareholders are advised to use the headphone or ear-phone with a microphone, while speaking. For better experience, you may also ensure that no other device is connected to the wi-fi and no other applications are running on the device through which you are connected.

In case the shareholder who have registered to speak is not available at the time of his/her turn due to connectivity issues at his/her end, the next shareholder in the queue will be given a chance to speak. We shall come back to the shareholder, once all the other shareholders who have registered have spoken. The shareholders who speak are requested to express their views within a time limit of three minutes.

Shareholders who have not registered themselves as speakers but have any queries may write to the secretarial department and we shall suitably reply to them in due course. As per requirement of the SEBI Listing Regulations, 2015 and the Companies Act, 2013 remote e-voting facility was made available between Saturday, 24th August, 2024, from 9:00 A.M. and Monday, 26th August, 2024, till 5:00 P.M. to enable the shareholders to cast their votes on each of the resolution set out in the Notice for this Meeting. Facility for voting at the meeting is also provided here for the shareholders who have not voted during remote e-voting period. The said facility will be available till 15 minutes from the conclusion of this Meeting. The e-voting and video conferencing facility is provided by NSDL.

The Board has appointed Ms. Ashwini Inamdar, failing her, Ms Alifya Sapatwala, Partners of Messrs Mehta & Mehta, Practicing Company Secretaries, as a Scrutinizer for conducting the E-Voting process in a fair and transparent manner.

As the Meeting is being held through Video Conferencing / Other Audio Visual Means and the resolutions proposed in the Notice of the Meeting has already been put to vote through remote-evoting there will be no proposing or seconding for the said resolutions. With that, I now handover the proceedings of this meeting again to the Chairman of the Meeting, Shri S. Ravindran. Over to you Sir.

Shri. S Ravindran – Chairman:

Thank you Smt. Prajakta Powle

The notice of this meeting along with integrated annual report of the company for the financial year 2023-24 has already been emailed to the shareholders whose email IDs were available and with the permission of the shareholders present, I shall take them as well. As the meeting is held through video conferencing or other audiovisual means and as there is no physical attendance of shareholders, the facility for appointment of the access by the shareholders is not applicable.

All the books, registers and records required under the Companies Act, 2013 and other applicable laws and documents referred to in the notice of this 32nd Annual General Meeting are available for inspection electronically during the meeting. The auditor's report on the financial statements for the financial year ended 31st March 2024 does not contain any qualifications, observations, adverse remarks or disclaimers. Accordingly, the said report is not required to be read at this meeting.

As prescribed under the provisions of the Companies Act, 2013 and secretarial standard-2. I now request the company secretary to read out the observations made by the secretarial auditors, Makrand M. Joshi and company in their report for the financial year ended 31st March 2024.

Smt. Prajakta Powle - Company Secretary:

The observations made by the secretarial auditor in the report are:

- In two instances disclosure of change in Senior Management under Regulation 30 read with Schedule III of Listing Regulations were filed delayed.
- The Company has applied to SEBI to fill the vacancy which was caused due to expiry of term of office of three Public Interest Directors (PID) in which SEBI's approval is awaited and resulted in less than the required number of directors on the board from November 28, 2023, pursuant to provision of Regulation 17(1C) and 17(1E) of Listing Regulations. Further, the Company has received the approval from SEBI for appointment of two PID on April 23, 2024.
- Nomination and Remuneration Committee (NRC) could not be constituted with the end of tenure of Mr. Girish Chandra Chaturvedi (DIN: 00110996), Chairman and PID; Mr. K Narasimha Murthy (DIN: 00023046), PID; and Ms. Mona Bhide (DIN: 05203026), PID, effective November 27, 2023 (upon completion of period of three months from the date of expiry of coming into force of the SECC Amendment Regulations, 2023). SEBI circular no. SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/13 dated January 10, 2019 which is applicable to NSE, prescribes requirements for composition of NRC. According to the same NRC shall comprise of only PIDs.
- In few instances where subsidiary company has entered into the transactions with their related parties where Company is not a party, instead of prior approval of audit committee the Company has taken post facto approval.
- Woman Director position was vacant from November 28, 2023, and the Company received the SEBI approval for appointment of the same on April 23, 2024.

The relevant explanation to each of the above observation has been provided in the board's report forming part of the integrated annual report of the company.

Except the above, the said report does not contain any other qualifications, observations, adverse remarks or disclaimers.

The shareholders are requested to take note of the appointments of the Directors made on the board of the company since 1st April 2023 attached as an annexure to the AGM notice dated 1st August 2024. Over to you Chairman Sir.

Shri. S Ravindran – Chairman:

Now I move the resolutions set out in the Notice of the AGM:

Ordinary business

Item No. 1 to receive, consider and adopt the audited financial statements including the consolidation and lending statements of the company for the financial year ended March 31, 2024 together with the reports of the board of directors and the auditors thereon.

Item No. 2 to declare final dividend on equity shares for the financial year ended March 31, 2024 amounting to Rs. 90 per equity share.

Item No. 3 to appoint a director in place of Shri Tablesh Pandey DIN No. 10119561, who retires by rotation and being eligible, seeks reappointment, subject to approval of the Securities and Exchange Board of India.

All the above resolutions proposed are ordinary resolutions to be passed by simple majority. The e-voting window has already been activated for allowing the shareholders to vote during the AGM. Shareholders are requested to vote by clicking on the e-voting icon visible to your screen.

I would now like to invite shareholders who have registered themselves as speakers to ask questions. To avoid repetition, the answers to all the questions will be provided at the end of the question and answer session. I now request the moderator to announce the names of the speaker shareholders one by one.

Moderator

The first speaker shareholder Sunil Manikant Kothari has not joined in the meeting. So now I invite the next speaker shareholder, Mr. Pritesh Vora to ask the question. Sir, please unmute the mic and speak.

Pritesh Vora

This is Pritesh Vora. I hold NSE share in individual capacity as well as hold in my institution. First of all, Ashish bhai and management team, I like to really congratulate you and your teams for fantastic development work at NSE. Since you took over NSE, market cap has added roughly 1 lakh crore from 2800 to 3000 shares to present 5100 per share for a large lot size. Similar sort of value addition in market cap was achieved by previous management too.

Considering well-being of all management & stakeholders and the interests of shareholders, my question is as per following.

- We have recently learned from a newspaper report that SEBI has mentioned in the Supreme Court that NSE has not sought written approval for NSE for IPO.
- Is this statement truly reported in press? And if yes, are we proceeding ahead by asking written NOC to SEBI for IPO?
- We have seen, sir how a small one shop auto dealer with 8 employees can garner roughly 5000 crore bids in IPO. Then with due respect we shareholder really missed why this country's premium exchange denied being listed over last 8 to 9 years since NSE filed his previous DRHP in 2016. Thank you very much.

Moderator

Thank you sir. Now I invite the second speaker shareholder Saurabh Bansal. Please unmute the mic and start your video.

Saurabh Bansal

Good afternoon sir, thank you for the opportunity. I have three small questions. So my first question is on the possible stake sale in NSDL. By when is the same expected to commence and what are the reasons for it to be stuck presently? So my second question is that what is the expected record date for the bonus issue which has been proposed? And the third one relates to NSE IFSC as to why the talks between NSE IFSC and BSE INX fell through and what is the possible way forward and is there any further thoughts between the mergers of the two. Thank you so much.

Moderator

Thank you sir. Now I invite the last speaker shareholder Sourav Dhanani. Please unmute the mic and start your video.

Sourav Dhanani

Good afternoon everybody. Wish you all a very happy Janmashtami. I hope you all are doing fine. There are certain concerns and questions to ask. One is clarity on NOC request to SEBI for IPO. Secondly, in the last shareholder con-call it was communicated that there is no visibility regarding IPO and it gave a perception of meeting a dead end. Kindly please clarify.

Secondly, the size and the pace of loss of market share to BSE. Definitely the size of the cake has increased, but NSE share in the pie has shrunk. BSE is not only growing more with the market, but is also eating into our pie. The way NSDL gave away its dominant first position to CDSL, which was distant second by inaction and non-aggressive attitude. And today the positioning is absolutely opposite. CDSL is a dominant first.

So the fear is, are we seeing the same thing being played again in the case of NSE and BSE? I asked the management to take urgent corrective measures to address the loss of market share. And in the case of markets, volume begets volume. So once the volume is lost, it is very difficult to regain that.

It is also being felt that from being an active setter of late, we have become an additive follower. And regarding the SEBI consultation paper on F&O, what impact does the management see on volumes and profitability?

And fourthly and last, exploring the possibility of launching an interactive real-time app or portal for online submission and verification of transfer documents for all categories of prospective buyers and sellers. Upon verification and clearance from NSE, hard copies of submitted soft copies of documents can be couriered for further transfer process and taking depositors on board, the portal can dramatically ease, streamline and fasten the transfer process. Thank you sir.

Moderator

Now I invite Mr. Sunil Kothari is connected now. Please unmute the mic and start your video.

Sunil Kothari

Hi, thank you very much Sir. So already I have sent my question in well in advance two three point was there that was the major I think everybody has repeated was about this SEBI's statement in media that NSE hasn't applied for NOC. So that clarification will be really helpful and one more thing large as a long term investor, I would like to understand is what are the other opportunity other than this F&O related development and volume and everything what else our board and our CEO's are planning to add what type of opportunity we have for developing more opportunity and business. That was my question. I think all are awaiting SEBI's clearance and our efforts. So what efforts are we taking to lift the NSE's share? That's all.

Moderator

Thank you very much, sir. Thank you, sir. Over to you, Chairman Sir.

Shri. S Ravindran – Chairman:

I will request now Ashish Kumar Chauhan, MD to answer the questions.

Shri. Ashishkumar Chauhan – Managing Director & CEO:

Thank you sir. So I think there are several questions, I will take some of them in a combined way. One is on the IPO questions whether NSE has sought written approval for NOC from SEBI. Today there was a Board meeting before this AGM and the Board has decided to seek once again the No objection certificate from the sectoral regulator of NSE which is SEBI to file the DRHP later on after the NOC is received. So today the Board has approved that and management will send the letter to the SEBI asking for NOC once again.

There was a question on possible stake sale in NSDL and why it is stopped. NSDL was planning to do an IPO which currently is not there DRHP has not yet gone through. And so as and when the DRHP is approved and the IPO happens, at that time NSE plans to sell a stake in NSDL as required by the regulations of SEBI and till the time NSE's

shareholding will be capped in terms of its rights for that particular period till the time, we sell our shares in NSDL.

Then, there was a question on expected timeline for the bonus shares. So, the way the framework was that the notice for postal ballot was issued on May 3, 2024, which we have received and now we have asked for SEBI approval to increase our authorized capital because there is a very large increase in the authorized capital that is required. Once the approval from SEBI is received, a notification in that respect, will be published in the official gazette of the central and state.

And the date of publication in the official gazette, that is, the central or state of Maharashtra, whichever is later, shall be taken as the date when the increased authorized capital of the company becomes effective. Once the increase in authorized share capital becomes effective, an announcement will be made on the company's website under investor relations and announcements that the company would thereafter issue an advance notice in newspapers for announcing book closure for a period of 30 days.

There will be a gap of around 15 days between the date of sale announcement and commencement of book closure. The last day of the book closure, that is the 30th day of book closure, shall be the record date. All the shares at that point in time on our register and register of company will basically be eligible for those Bonus shares. So that is the process. It is still yet to receive the SEBI approval. Once the approval comes, we will be able to move as per what I say.

There is no visibility for IPO deadline based on last conference call, which remains true, but we will file for an NOC to SEBI and depending on the reactions, we will be able to move forward in case the approval is received.

There was a comment on the NSE management's performance for the last two years, which are compared to the previous five years, saying that similar amounts of value addition has been done by almost one lakh or more and depends on when you count and how much you count. But whatever the case, there has been an increase in the reputation of NSE over the last two years. You might have heard and seen probably, many times we forget two-year-old things. But what NSE was in news for in 2022 February and March and what NSE is in news for today are I think drastically different unless you have a different opinion.

Similarly, NSE's worldwide ranking has improved substantially. Today, NSE is now the third largest exchange in terms of the equities trading volume per day and after Shenzhen and Shanghai stock exchange and the first stock exchange in derivatives. Overall, total volume wise also, number of trades where NSE continues to be number one.

In terms of revenues and profits over the last two years, there has been tremendous improvement. Number of products introduced also has increased over the last two years.

There has been a large amount of updates and upgrades on clearing and settlement in terms of the number of transactions handled, the risk management and other things. The technological superiority is now NSE, pretty much the best in class in the world as it also handles the largest number of orders and number of trades in the world. On June 5, we entered almost a 20 billion that is 2,000 crore orders and 290 million that is 29 crore trades, which is a world record and the nearest exchange would be in the range of 20% of NSE sites, even if you give them a lot of great numbers.

In terms of the future preparedness, NSE is now the best in India, but also pretty much best in the world. In terms of cybersecurity also, you might have observed that NSE has not faced any sort of any downtime because of cybersecurity or otherwise in last two years.

In terms of the manpower over last two years, we have been able to get the best in class and today I'm proud to say that NSE's management team is pretty much the best in India in terms of the stock market area or the MII area is concerned. We must also keep in our mind that we are first line regulator first, and then profit-making company later.

So when there is a framework, we usually try to sort of not take control technic approach. We try to be very cooperative with everyone, and that will continue to happen and whenever there is a choice between being a regulator or being a profit-winning company, it will always be being a regulator. That is what basically separates the new philosophy of NSE and you have seen, somebody also mentioned about our aggression being less. I think you have observed it correctly, but it is for the right reason, because we have seen the damaging results of being very aggressive from 2015 onwards to 2022. So my suggestion is to not expect too much of aggression from NSE even in future by shareholders and I hope NSE will continue to be on the path of reconciliation and working with every stake holder rather than trying to be extremely aggressive. NSE cannot be doing anything on its own. NSE has to take approval because there is a question on what

are the other activities that NSE plans to take up and in that context also, the NSE cannot come out with any new activities without the express and written approval from its regulator SEBI and that's why NSE has many products planned. We are working on it including, say, electricity derivatives or bond index derivatives and others, but they all are in a way in only planning stage because only if and when the approval comes from SEBI, then only we can potentially start trading.

There was a question on the GIFT City that what is the reason why NSE International Exchange and BSE India international exchange both could not be merged. We are not aware of the reasons. The merger was called off by BSE and we will continue to work hard on making NSE IFSC or NSE IX as the prime exchange in not only in GIFT IFSC but across the world today as you might be aware through our annual report that it has become EBITDA positive for the year but also the net profit making company in the last quarter of 2024 and that is a very happening thing. July 3, 2023 is when the first trade on the NSE IX and SGX connect happened and since then there has been a huge increase in terms of the number of trades per day. Also, the open interest which is a good parameter of overall increase in the framework.

The last question is about the market Pie has reduced, but the total market has increased and that is bound to happen. Whenever a new competitor comes, you may think the total number, your market share has gone down, but if that was the case, our profits and revenues would not have gone up so much and so you are aware that whenever there are markets related activities, there are a lot of arbitrages that happen between various marketplaces across NSE, IFSC as well as NSE, and then other venues in India and that probably is the reason why NSE's trading volumes are also increasing.

At the same time, the last question is on the derivatives, SEBI's paper on derivatives and what its impact will be. Currently, we are not sure out of those suggestions which SEBI has given in their consecutive paper, how much of that will be implemented and when that will be implemented. But if all of them are implemented at the same time that will have significant impact not only on NSE's volumes or at least NSE's growth but also other values growth and that is what pretty much brings me to the end of all the questions.

I hope I have answered all the questions which you had but in case I have not answered, please write to us and we will be able to supply more detail to you. Thank you very much.

Shri. S Ravindran – Chairman:

If there are any more queries or questions, please do write to the Secretarial Department at the designated email id mentioned in the EGM notice. I authorize the Managing Director and CEO or the Company Secretary to receive the scrutinizer's report. As declared the results of e-voting as well as the electronic voting done at the AGM today along with the scrutinizer's report the results will be announced within two working days from the conclusion of the meeting and shall be made available on the website of the company as well as on the e-voting website of NSDL along with the scrutinizer's report. The same will also be put up on the notice board of the company at the registered office of the company.

I wish to place on record appreciation and gratitude to all our shareholders for their active participation in the proceedings and for their valuable suggestions. With that we can now conclude this 32nd Annual General Meeting of the Company. Thank you.

Smt. Prajakta Powle - Company Secretary:

The shareholders who have not cast their vote on the resolution set forth in the notice may do so as the e-voting platform is available for the next 15 minutes after the conclusion of this meeting.

I propose a vote of thanks to the chair and with the permission of the chair declare this meeting as concluded. Thank you all.