

Minutes of 20th Annual General Meeting of the shareholders of Central Depository Services (India) Limited held on Monday, 20th August, 2018 at 4.00 p.m at P. L. Deshpande Maharashtra Kala Academy, Ravindra Natya Mandir, near Shri Siddhivinayak Ganapati Mandir, Sayani Road, Prabhadevi, Mumbai– 400025.

The following Board members were present at the 20th AGM of the Company:

| S/ N | Directors Attendance | Category of Director |
|------|--------------------------|--|
| 1 | Shri T.S. Krishna Murthy | Chairman, Public Interest Director (Chairman of Audit Committee) |
| 2 | Shri P.S. Reddy | Managing Director and CEO |
| 3 | Shri A.Krishnakumar | Public Interest Director (Chairman of Nomination and Remuneration/ Compensation Committee and Stakeholders Relationship and Securities Transfer Committee) |
| 4 | Smt. Usha Narayanan | Public Interest Director |
| 5 | Shri Nayan Mehta | Shareholder Director |
| 6 | Shri Nehal Vora | Shareholder Director |
| 7 | Shri K.V. Subramanian | Shareholder Director |

Shri T.S. Krishna Murthy, the Chairman of the Board presided over the meeting and welcomed the Members to the 20th AGM. The representatives of statutory auditors and secretarial auditors were also present at the meeting. The Chairman introduced the directors and other senior officials on the dais to the Shareholders. Thereafter, the Chairman read out the number of shareholders present in the meeting either by themselves or through proxy or through authorised representatives. The details of the number of shareholders present in the meeting are as follows:

| S/ N | Category | Persons | Shares as on Record Date | Percentage |
|--------------|----------------------------|-----------|--------------------------|-------------|
| 1 | Members | 84 | 78,085 | 0.174881087 |
| 2 | Proxy | 2 | 7,508 | 0.016815102 |
| 3 | Authorised Representatives | 10 | 4,45,64,747 | 99.80830381 |
| Total | | 96 | 4,46,50,340 | 100 |

After ascertaining that the requisite quorum was present, the Chairman declared the meeting to be in order and commenced the proceedings of the meeting.

Notice and Auditor's Report:

With the permission of the members present, the Chairman, took the Notice of the meeting along with the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018 and the report of Board of Directors, being already circulated as read.

The Chairman further informed that the Auditor's report on the Financial Statement for the Financial year ended 31st March, 2018 and secretarial audit report does not contain any qualifications or comments or observation therefore the same is not required to be read.

The Chairman then touched upon the performance of the Company during the financial year 2017-18 in brief.

Further, the Chairman informed the Shareholders about change in the record date from 13th August, 2018 to 11th August, 2018 as circulated in Corrigendum.

Offering e-Voting facility to the Shareholders:

The Chairman also informed that pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company has provided the remote e-Voting Facility to the members of the Company whose name appeared as member in the register of members as on Monday, 13th August, 2018 to cast/exercise their vote(s) electronically in respect of business to be transacted at the AGM for which the remote e-voting period had commenced on Friday, 17th August, 2018 (9.00 am IST) and ended on Sunday, 19th August, 2018 (5.00 pm IST). The Shareholders were also informed that the facility for e-Voting at the venue of meeting for the members who had not cast their vote through remote e-voting. It was clarified that only those members holding shares of the Company as on Monday, 13th August, 2018 were eligible to participate in the remote e-voting as well as e-Voting at the meeting.

The Chairman then provided a fair opportunity to the Shareholders of the Company who wanted to express their views or seek clarifications on the items of the business and performance of the Company. Some Shareholders have asked few questions with regard to the

business of the Company. Shri P.S. Reddy, Managing Director and CEO adequately answered/ clarified the queries of the Shareholders.

Some Shareholders expressed certain grievances relating to venue & certain facilities. The Chairman assured that the venue for future meetings of such nature will be selected taking into account the points mentioned by the Shareholders.

Agenda:

The Chairman then proceeded to explain the format of the conduct of the meeting and Placed the following agenda items for proposal and secondment briefly explaining the objective and implications, wherever necessary.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the year ended as on 31st March, 2018 along with the reports of Board of Directors and Auditors.

Shri Bharat Shah proposed the Resolution which was seconded by Shri Sudhir Vartak

Resolution No. 1: The Chairman moved the resolution as an Ordinary Resolution-

“**RESOLVED THAT** (a) the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 including the Audited Balance Sheet as at 31st March, 2018 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon; and (b) the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2018 including the Audited consolidated Balance Sheet as at 31st March, 2018 and consolidated Statement of Profit & Loss for the Year ended on that date and the Report of the Auditors thereon along with all annexures as laid before this Annual General Meeting be and are hereby received, considered and adopted.”

2. To declare dividend on equity shares of the Company for FY 2017-18

Shri Mukesh Chandiramani proposed the resolution which was seconded by Shri Ashish Bansal.

Resolution No. 2: The Chairman moved the resolution as an Ordinary Resolution-

“**RESOLVED THAT** a dividend at the rate of Rs. 3.50 per share on the equity capital of the company for the year ended 31st March, 2018 be paid to those shareholders whose names appear on the register of members / register of beneficial owners, as the case may be, on the record date.”

3. To reappoint Shri C. Venkat Nageswar as Director liable to retire by rotation.

Shri Sudhir Vartak proposed the Resolution which was seconded by Shri Dinesh Kotecha.

Resolution No. 3: The Chairman moved the resolution as an Ordinary Resolution-

“**RESOLVED THAT** pursuant to provisions of section 152 and other applicable provisions of the Companies Act, 2018, the approval of members of the Company be and is hereby accorded to the reappointment of Shri C. Venkat Nageswar (DIN 07234179) as a director.”

4. To appoint Statutory Auditors and fix their remuneration.

Shri Ashish Bansal proposed the Resolution which was seconded by Shri Bharat Shah

Resolution No. 4: The Chairman moved the resolution as an Ordinary Resolution-

“**RESOLVED THAT** M/s. S. R. Batliboi & Co, LLP with Registration No. 301003E/E300005 who have offered themselves as eligible under section 139(1) and 141 of the Companies Act, 2013 for appointment as Statutory Auditors of the Company, be and are hereby appointed as statutory auditor, from the conclusion of the ensuing 20th Annual General Meeting till 24th Annual General Meeting, subject to ratification at every AGM, at remuneration of Rs. 16,00,000 as statutory audit fees and tax audit fees exclusive of applicable taxes and other out of pocket expenses, which shall be reimbursed at actuals with additional function of Reporting on Internal Financial Controls as required under section 143(3)(i) of the Companies Act, 2013.”

SPECIAL BUSINESS:

5. Appointment of Shareholder Director Shri K.V. Subramanian

Shri Narendra Shah proposed the Resolution which was seconded by Shri Rajesh Chheda

Resolution No. 5: The Chairman moved the resolution as an Ordinary Resolution-

“**RESOLVED THAT** Shri K.V. Subramanian, who was appointed as an Additional Director on 28th August, 2017 by the Board pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and whose appointment was approved by shareholders by way of Postal Ballot on 21st December, 2017 and by SEBI on 14th February, 2018 and whose term expires at the ensuing Annual General Meeting of the Company and for whose appointment the Company has received a notice under Section 160(1) of the said Act from a member proposing the candidature of Shri K.V. Subramanian for the office of a Director of the Company, be and is hereby appointed as a Director of the Company subject to retirement by rotation”.

6. Approval for Re-appointment and remuneration of Shri P.S. Reddy as MD & CEO for 1 year w.e.f. 1st April, 2018.

Shri Dinesh Kotecha proposed the Resolution which was seconded by Shri Bhavesh Kapashi

Resolution No. 6: The Chairman moved the resolution as an Ordinary Resolution-

"**RESOLVED THAT** upon recommendations of Nomination and Remuneration / Compensation Committee (“NRCC”) and approvals given by the Board of Directors of the Company and SEBI vide its letter dated 28th March, 2018 for reappointment and remuneration of Shri P.S. Reddy as MD & CEO, the approval of the shareholders be and is hereby given, subject to the provisions of section 196, 197, 198 and 2013 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, for the reappointment of Shri P. S. Reddy as the Managing Director and Chief Executive Officer of the Company for 1 year w.e.f. 1st April, 2018.

RESOLVED FURTHER THAT his reappointment be approved on the following remuneration and will be subject to the following brief terms and conditions.

Terms of Appointment:

- i. As the Managing Director & CEO, Shri P.S. Reddy shall, subject to the supervision, guidance and control of the Board of Directors, manage the business and affairs of the Company.

- ii. **Salary:** His remuneration including Basic Salary, HRA, medical allowance, LTA, employer's PF contribution and gratuity to be fixed at Rs.1,32,66,418/- as detailed below:

| Particulars | Amount (Rs.) |
|--------------------|---------------------|
| Basic | 6,02,555 |
| HRA | 3,01,278 |
| MA | 50,213 |
| Gross | 9,54,046 |
| PF | 72,307 |
| Monthly total | 10,26,353 |
| Yearly total | 1,23,16,235 |
| LTA | 6,02,555 |
| Gratuity | 3,47,628 |
| CTC | 1,32,66,418 |

- iii. **Performance Linked Bonus (PLB) / variable pay:** Performance Linked Bonus (PLB) / variable pay, if any, by whatever name called, as may be approved by the Board, be paid each year to Shri Reddy on the recommendation of Nomination and Remuneration/Compensation Committee which shall be exclusive of the annual compensation as given above. Provided that the Board or the Committee, as the case may be, may fix the actual Variable Pay in each year depending upon his performance level at such amount and at such proportion as may be decided by the Board/ or NRC subject to condition that the final Variable Pay shall not exceed one-third of final Total Pay for the respective year as stipulated by SEBI. 50% of the amount so decided shall be payable on deferred basis after three years.
- iv. **Perquisites:** In addition to the above, MD & CEO shall be entitled to the following perquisites:
- Shri Reddy will also be eligible to get benefits like chauffer driven car maintained at the expenses of the Company.
 - Company maintained landline at residence and mobile phone along with net connectivity as per the Company policy.
 - Premium for mediclaim and PA policies at actuals as available to the employees, as per the Company's rules.

v. **Other terms and conditions:**

- a) Contribution to Provident and Pension Fund(s) as per the Employees Provident Funds & Miscellaneous Provision Act, 1952 and Company policy

Explanation: Contribution to Provident and Pension Fund(s) will not be included in the computation of the ceiling on remuneration payable to MD & CEO to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

- b) Gratuity at a rate not exceeding half month's Basic Salary for each completed year of service or part thereof in excess of six months with the Company. However, gratuity payable at a rate not exceeding half a month's Basic Salary for each completed year of service shall not be included in the computation of the ceiling on remuneration payable to MD & CEO.
- c) Leave with full pay and allowances as per the Company's Service Rules. Such leave will be permitted to be accumulated in accordance with the Company's Service Rules in force from time to time.
- d) Leave Encashment as per the Leave Rules of the Company. However, encashment of accumulated leave at the end of his tenure shall not be included in the computation of the ceiling on remuneration payable to MD & CEO.
- e) Leave travel Allowance at the rate of one month's Basic Salary.
- f) Any other payments which the Board or NRCC may decide to pay to the employees including working Directors in such manner and for such purpose as may be decided by the Board or the NRCC provided that such other payments payable to MD & CEO together with salary and other emoluments or its structure shall not exceed the limits prescribed under the Act/or any amendment thereto or re-enactment thereof or under SEBI Regulations.
- g) MD & CEO shall not be entitled to any sitting fees for attending meetings of the Board or any of its Committees.
- h) The total remuneration including performance linked bonus, if any, will be subject to the monetary ceiling prescribed under Companies Act, 2013.
- i) Notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the tenure of the appointee, the Company has no profit or its profits are inadequate, the Company may pay him, remuneration by way of salary, allowances and perquisites not exceeding the ceiling laid down in Schedule V and as may be decided by the Board of Directors of the Company.

- j) The appointment may be terminated at any time by either party giving to the other party three months' notice in writing of such termination or as may be decided by the Board.

“RESOLVED FURTHER THAT the amount and manner of payment of variable pay will be subject to guidelines issued by SEBI from time to time.”

“RESOLVED FURTHER THAT the Chairman /Chief Financial Officer /Company Secretary jointly or severally be and is hereby authorised to do all such acts, deeds, matters and things as it may consider necessary, expedient or desirable in order to give effect to this Resolution.”

7. Approval for Investment in excess of limits stated in section 186 of the Companies Act, 2013.

Shri Bharat Shah proposed the resolution which was seconded by Shri Bimal Panchal

Resolution No. 7: The Chairman moved the resolution as Special Resolution-

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time (including any amendment thereto or re-enactment thereof for the time being in force), if any, the Memorandum of Association, Articles of Association, relevant provisions of such other Act as may be applicable, read with rules and regulations (to the extent applicable) the consent of the members of the Company be and is hereby accorded, to the Board of Directors of the Company (hereinafter referred to as the “Board”), to invest surplus funds of the Company in the securities of the Body corporate in excess of 60% of aggregate paid up capital and free reserves or 100% of free reserves, whichever is higher or such other limits as may be prescribed under Section 186 of Companies Act, 2013 read with relevant rules from time to time subject to maximum investments in securities at any point of time not exceeding Rs.1,200 crores.

RESOLVED FURTHER THAT, any Director of the Company or any person authorized by the Board or any Committee formed by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper,

expedient or incidental for giving effect to this resolution including filing of certified true copy of this resolution with the concerned Regulators and Authorities.”

Appointment of Scrutinizers:

The Chairman informed that the Board of Directors had appointed Mrs. Dipti Mehta (CP No. 3202) failing her Mr. Atul Mehta (CP No. 2486), Practicing Company Secretaries as the scrutinizer for conducting remote and venue e-Voting in a fair and transparent manner. The Scrutinizers were present at the meeting and would submit their report after the meeting. The e-Voting results along with the consolidated Scrutinizer’s report shall be informed to Stock exchange and also will be placed on the website of the Company www.cdslindia.com

Vote of Thanks:

The Chairman thanked all Shareholders for attending the meeting and their co-operation. The Chairman also thanked SEBI and Stock Exchanges, Board members, Auditors, Legal Advisors and employees of CDSL. The meeting and the venue e-Voting process was concluded by 6.30 p.m.

Declaration of Results:

After the completion of the AGM, the Scrutinizer submitted their report post verification of the votes. As per the Scrutinizers Report, all the resolutions as stated in the Notice of the 20th AGM were passed with requisite majority as under:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the year ended as on 31st March, 2018 along with the reports of Board of Directors and Auditors.

| Particulars | Remote e-Voting | | Venue e-Voting at AGM | | Consolidated Voting results | | |
|-------------------------------|--------------------------|------------------------------------|-----------------------------|---------------------------------------|-----------------------------------|---|---|
| | No. of members who voted | No. of shares for which votes cast | Number of members who voted | Number of shares for which votes cast | Total number of members who voted | Total number of shares for which votes cast | Percentage of votes to total number of valid votes cast |
| Votes in favour of resolution | 73 | 10018603 | 56 | 37871819 | 129 | 47890422 | 99.9993% |
| Votes against the resolution | 3 | 313 | 2 | 2 | 5 | 315 | 0.0007% |
| Invalid votes/ Abstained | 4 | 355 | 0 | 0 | 4 | 355 | - |

2. To declare dividend on equity shares of the Company for FY 2017-18

| Particulars | Remote e-Voting | | Venue e-Voting at AGM | | Consolidated Voting results | | |
|-------------------------------|--------------------------|------------------------------------|-----------------------------|---------------------------------------|-----------------------------------|---|---|
| | No. of members who voted | No. of shares for which votes cast | Number of members who voted | Number of shares for which votes cast | Total number of members who voted | Total number of shares for which votes cast | Percentage of votes to total number of valid votes cast |
| Votes in favour of resolution | 73 | 10018603 | 56 | 37871819 | 129 | 47890422 | 99.9993% |
| Votes against the resolution | 3 | 313 | 2 | 2 | 5 | 315 | 0.0007% |
| Invalid votes/ Abstained | 4 | 355 | 0 | 0 | 4 | 355 | - |

3. To reappoint Shri C. Venkat Nageswar as Director liable to retire by rotation.

| Particulars | Remote e-Voting | | Venue e-Voting at AGM | | Consolidated Voting results | | |
|-------------------------------|--------------------------|------------------------------------|-----------------------------|---------------------------------------|-----------------------------------|---|---|
| | No. of members who voted | No. of shares for which votes cast | Number of members who voted | Number of shares for which votes cast | Total number of members who voted | Total number of shares for which votes cast | Percentage of votes to total number of valid votes cast |
| Votes in favour of resolution | 58 | 9074997 | 56 | 37871819 | 114 | 46946816 | 98.4031% |
| Votes against the resolution | 15 | 761875 | 2 | 2 | 17 | 761877 | 1.5969% |
| Invalid votes/ Abstained | 7 | 182399 | 0 | 0 | 7 | 182399 | - |

4. To appoint Statutory Auditors and fix their remuneration.

| Particulars | Remote e-Voting | | Venue e-Voting at AGM | | Consolidated Voting results | | |
|-------------------------------|--------------------------|------------------------------------|-----------------------------|---------------------------------------|-----------------------------------|---|---|
| | No. of members who voted | No. of shares for which votes cast | Number of members who voted | Number of shares for which votes cast | Total number of members who voted | Total number of shares for which votes cast | Percentage of votes to total number of valid votes cast |
| Votes in favour of resolution | 71 | 7953979 | 56 | 37871819 | 127 | 45825798 | 95.6882% |
| Votes against the resolution | 5 | 2064937 | 2 | 2 | 7 | 2064939 | 4.3118% |
| Invalid votes/ Abstained | 4 | 355 | 0 | 0 | 4 | 355 | - |

5. Appointment of Shareholder Director Shri K.V. Subramanian

| Particulars | Remote e-Voting | | Venue e-Voting at AGM | | Consolidated Voting results | | |
|-------------------------------|--------------------------|------------------------------------|-----------------------------|---------------------------------------|-----------------------------------|---|---|
| | No. of members who voted | No. of shares for which votes cast | Number of members who voted | Number of shares for which votes cast | Total number of members who voted | Total number of shares for which votes cast | Percentage of votes to total number of valid votes cast |
| Votes in favour of resolution | 70 | 10018358 | 56 | 37871819 | 126 | 47890177 | 99.9991% |
| Votes against the resolution | 5 | 433 | 2 | 2 | 7 | 435 | 0.0009% |
| Invalid votes/ Abstained | 4 | 380 | 0 | 0 | 4 | 380 | - |

6. Approval for Re-appointment and remuneration of Shri P.S. Reddy as MD & CEO for 1 year w.e.f. 1st April, 2018.

| Particulars | Remote e-Voting | | Venue e-Voting at AGM | | Consolidated Voting results | | |
|-------------------------------|--------------------------|------------------------------------|-----------------------------|---------------------------------------|-----------------------------------|---|---|
| | No. of members who voted | No. of shares for which votes cast | Number of members who voted | Number of shares for which votes cast | Total number of members who voted | Total number of shares for which votes cast | Percentage of votes to total number of valid votes cast |
| Votes in favour of resolution | 71 | 10018378 | 56 | 37871819 | 127 | 47890197 | 99.9991% |
| Votes against the resolution | 4 | 413 | 2 | 2 | 6 | 415 | 0.0009% |
| Invalid votes/ Abstained | 4 | 380 | 0 | 0 | 4 | 380 | - |

7. Approval for Investment in excess of limits stated in section 186 of the Companies Act, 2013.

| Particulars | Remote e-Voting | | Venue e-Voting at AGM | | Consolidated Voting results | | |
|-------------------------------|--------------------------|------------------------------------|-----------------------------|---------------------------------------|-----------------------------------|---|---|
| | No. of members who voted | No. of shares for which votes cast | Number of members who voted | Number of shares for which votes cast | Total number of members who voted | Total number of shares for which votes cast | Percentage of votes to total number of valid votes cast |
| Votes in favour of resolution | 55 | 9156092 | 56 | 37871819 | 111 | 47027911 | 98.1986% |
| Votes against the resolution | 20 | 862699 | 2 | 2 | 22 | 862701 | 1.8014% |
| Invalid votes/ Abstained | 3 | 325 | 0 | 0 | 3 | 325 | - |