

231st Board Meeting held on May 02, 2026

To consider and approve the Environmental, Social and Governance (ESG) Policy.

AGENDA

ESG regulations call for companies to be more transparent and accountable in how they operate:

- a. Environmental requirements focus on reducing carbon emissions, managing resources responsibly, and promoting circular economy practices.
- b. Social criteria include how an organization values stakeholders including employees, consumers, and local communities.
- c. Governance criteria encompass a company's philosophy, practices, policies, internal controls, and shareholder rights related to leadership and management.

It was discussed and recommended that CDSL adopts a ESG Policy as a part of strengthening our governance practices and giving clearer direction to our sustainability efforts. The Policy will help bring together our commitments to responsible business by aligning ESG principles with our strategy, regulatory expectations, and the needs of our stakeholders.

The key elements of the Policy are as below:

- a. Environmental:
 - i. Compliance with all environmental regulations.
 - ii. Sustainability integrated into business decisions.
 - iii. Continuous improvement with best practices and training.
- b. Social
 - i. Employee well-being, development, and inclusion
 - ii. Human rights protection, health and safety
 - iii. Community development through CSR initiatives
- c. Governance:
 - i. Strong governance, oversight, and ethical accountability
 - ii. Regulatory compliance, risk management, and information security
 - iii. Stakeholder engagement and ESG capability building

The ESG Policy was placed before the Corporate Social Responsibility and Environment, Social & Governance Committee (CSR & ESG Committee) where the same was discussed and approved unanimously by the Committee and thereafter recommended to the Governing Board for its consideration and approval.

MINUTES

The Governing Board was apprised that CDSL to adopt a ESG Policy in order to comply with applicable ESG Regulations, strengthen governance practices and provide clearer

directions to our sustainability efforts. The Policy seeks to consolidate CDSL's commitments to responsible business by aligning CDSL's strategy with ESG principles, regulatory expectations and stakeholder interests.

The Governing Board was apprised of the key elements of the Policy which were as follows:

- a. Environmental:
 - i) Compliance with all environmental regulations.
 - ii) Sustainability integrated into business decisions.
 - iii) Continuous improvement with best practices and training.
- b. Social
 - i) Employee well-being, development, and inclusion
 - ii) Human rights protection, health and safety
 - iii) Community development through CSR initiatives
- c. Governance:
 - i) Strong governance, oversight, and ethical accountability
 - ii) Regulatory compliance, risk management, and information security
 - iii) Stakeholder engagement and ESG capability building

DECISION:

Basis the recommendation of the Corporate Social Responsibility and Environment, Social & Governance Committee (CSR & ESG Committee) at its Meeting , the Governing Board considered and approved the Environmental Social and Governance (ESG) Policy.

“RESOLVED THAT based on the recommendation of the Corporate Social Responsibility and Environment, Social & Governance Committee, consent of the Governing Board be and is hereby accorded to approve the Environmental, Social and Governance (ESG) Policy as per the circular note placed before the Governing Board for their approval.

To take note of Certificate by Chief Financial Officer under Rule 4 (5) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

AGENDA

Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013 requires that the Board of a company shall

satisfy itself that the funds so disbursed for CSR have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

Submitted for noting of the Board.

MINUTES

The Governing Board was informed that as per Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013 requires that the Board of Directors of a Company shall satisfy itself that the funds so disbursed for CSR have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

Accordingly, the Compliance certificate for financial year 2025-26 to that effect as duly signed by the Chief Financial Officer was placed before the Governing Board for its noting.

The Governing Board took note of the same.

To take note of Integrated Corporate Governance Report filed for the quarter and year ended March 31, 2026.

AGENDA

As per Regulation 27(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "The listed entity shall submit, to the recognised stock exchange(s), a quarterly compliance report on corporate governance in the format and within the timelines, as may be specified by the Board from time to time."

SEBI, vide Circular dated December 31, 2024, introduced Integrated filing for the following Governance related periodic filings:

Regulation	Periodic filing
13(3)	Statement on redressal of investor grievances
27(2)(a)	Compliance Report on Corporate Governance

Further, based on the data provided by the Registrar & Share Transfer Agent, M/s. MUFG Intime India Private Limited (formerly known as M/s. Link Intime India Private Limited), during the quarter ending March 31, 2026, all complaints were disposed off.

The Governing Board is requested to take note of the same.

MINUTES

The Governing Board was informed that as per Regulation 27(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), "The listed entity shall submit, to the recognized stock exchange(s), a quarterly compliance report on corporate governance in the format and within the timelines, as may be specified by the Board from time to time."

The Governing Board was further informed that SEBI Circular dated December 31, 2024, introduced Integrated filing for periodic filings under Regulation 13(3) of the SEBI Listing Regulations, 2015 - Statement on redressal of investor grievances and Regulation 27(2)(a) of the SEBI Listing Regulations, 2015 - Compliance Report on Corporate Governance.

Accordingly, the Governing Board took note of the Integrated Corporate Governance Report filed on April 23, 2026, with NSE for the quarter and year ended March 31, 2026.

Further, based on the data provided by the Registrar & Share Transfer Agent, M/s. MUFG Intime India Private Limited (formerly known as M/s. Link Intime India Private Limited), the Governing Board took note of the-all complaints were disposed off.

The Governing Board took note of the same.

To take note of updates on Shareholding Pattern for the quarter ended March 31, 2026.

AGENDA

Shareholding Pattern as on March 31, 2026:

Category of shareholder	No. of share holders	No. of fully paid-up equity shares held	% of total holdings
Promoter & Promoter Group (A)	1	3,13,50,000	15
Public Shareholding (B)	15,14,806	17,76,50,000	85
Mutual Funds	28	13859974	6.63
Alternate Investment Funds	5	18904	0.01
Foreign Portfolio Investors	193	23747919	11.36
Banks	3	229473	0.11
Insurance Companies	22	16019985	7.67
Resident Individual shareholders holding nominal share capital up to Rs. 2 lakhs	1474063	105594368	50.52
Resident Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	89	3771040	1.8
NBFCs registered with RBI	3	6770	0.00
Any Others	40400	14401567	6.90
Total (A+B)	1514807	20,90,00,000	100

The Governing Board is requested to take note of the same.

MINUTES

The Governing Board took note of the Shareholding Pattern filed as per Regulation 31 of the SEBI (LODR) Regulations, 2015 for the quarter ended March 31, 2026.

To consider and approve the updates in the Outsourcing Policy.

AGENDA

The Outsourcing Policy was reviewed.

The policy has been updated to permit outsourcing of Online Dispute Resolution (ODR) and to revise the cost threshold for obtaining two quotations for outsourcing in order to address operational requirements.

The updated Outsourcing Policy has been placed for approval in the Audit Committee Meeting.

Approval required:

Basis the recommendation of Audit Committee, the Governing Board is requested to consider and approve the updates in the Outsourcing Policy.

MINUTES

The Governing Board was informed that the key proposed amendments to the Policy are as mentioned hereunder:

- i. Online Dispute Resolution (ODR) mechanism is excluded from restricted/core activities and is permitted to be outsourced.
- ii. The cost threshold for obtaining a minimum of two quotations for outsourcing to be increased from Rs. 1 lakh to Rs. 2 lakhs.

The Outsourcing Policy has been approved by the Audit Committee.

The updated Outsourcing Policy along with the change report was placed before the Governing Board.

DECISION:

The Governing Board, based on the recommendation of Audit Committee, approved the updates in the Outsourcing Policy and passed the following resolution unanimously:

“RESOLVED THAT basis the recommendation of Audit Committee, the updates in the Outsourcing Policy be and is hereby approved, as per the note placed before the Governing Board.

BOARD AGENDA NOTE FOR CIRCULATION

To approve the amendments in the Nomination and Remuneration Policy.

AGENDA

The Governing Board may note that in compliance with the requirements set out under Section 178 of the Companies Act, 2013 (“the Act”), and Regulation 19(4) read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the SEBI (Depositories and Participants) Regulations, 2018, (“SEBI D & P Regulations”), the Nomination and Remuneration Committee (“NRC”) had formulated Nomination and Remuneration Policy (“NR Policy”) in order to set out principles, parameters and governance framework for the Appointment and Remuneration of Directors, Managing Director & CEO, Key Management Personnel and employees of the Company.

Pursuant to the SEBI (Depositories and Participants) (Third Amendment) Regulations, 2025 dated November 21, 2025 read with the SEBI Circular dated December 12, 2025 pertaining to provisions relating to the appointment of Executive Directors and the reporting structure of Executive Directors (“EDs”) and Key Managerial Personnel (“KMPs”), the Governing Board, based on the recommendation of the NRC, approved certain amendments to the NR Policy.

Further, SEBI vide its letter dated February 25, 2026 addressed to all Market Infrastructure Institutions (“MIIs”) issued clarifications in response to queries raised regarding the process for appointment of EDs. Among other matters, SEBI clarified the following:

“MD may be an invitee to the Nomination and Remuneration Committee (NRC) for the appointment process of EDs”

“Appointment of IEPs in NRC for the purpose of selection of EDs is optional. However, if IEPs are considered to be part of the NRC for the purpose of selection of ED, at least 2 names per IEP with their profile shall be forwarded to SEBI for approval.”

In view of the above clarifications and the approved process for the appointment of Executive Directors, it is proposed to amend the Nomination and Remuneration Policy of the Company. The key amendments to the Policy are mentioned below:

- **Appointment of IEPs in NRC:** Appointment of IEPs in NRC for the purpose of selection of Executive Directors is optional. However, if IEPs are considered to be part of the NRC for the purpose of selection of Executive Director, at least 2 names per IEP with their profiles shall be forwarded to SEBI for approval. Further, MD may be invitee to the NRC for the appointment process of Executive Director.
- **Constitution of Selection Committee:** As a part of appointment process for Executive Directors, the Governing Board may constitute a “Selection Committee”. The Governing Board shall determine the composition of the Selection Committee and define its terms of reference as it deems appropriate.

- **Role of Selection Committee:** The Selection Committee shall identify, evaluate, select and shortlist suitable candidates and conduct interviews for appointment as Executive Directors of the Company and recommend such candidate(s) to the Nomination and Remuneration Committee.

The NRC, vide resolution, approved the amendments to the Nomination and Remuneration Policy and recommended the same to the Governing Board for its approval.

Approval required:

Basis the recommendation of the NRC, the Governing Board is hereby requested to consider and approve the amendments in the “Nomination and Remuneration Policy” of the Company.

MINUTES

The Governing Board was apprised about the following resolutions passed by circulation:

40/2025-26 To approve the amendments in the Nomination and Remuneration Policy.

“RESOLVED THAT basis the recommendation of the Nomination and Remuneration Committee, the consent of the Governing Board be and is hereby accorded to approve the amendments in the “Nomination and Remuneration Policy” of the Company, as per the note placed before the Governing Board.

Key Decisions of SEBI Board Meeting dated March 23, 2026.

AGENDA

This note is to apprise the Governing Board about the key decisions taken by SEBI.

Based on an internal assessment of the decisions, certain regulatory developments particularly amendments to the “*Fit and Proper Person*” criteria under the SEBI (Intermediaries) Regulations, 2008 shall have implication for CDSL.

Key Regulatory Development Impacting CDSL

Amendments to “Fit and Proper Person” Criteria under SEBI (Intermediaries) Regulations, 2008)

SEBI has approved a comprehensive review of Schedule II of the SEBI (Intermediaries) Regulations, 2008, with the objective of balancing market integrity with ease of doing business. The key changes are as follows:

- Pendency of FIRs or criminal complaints shall not result in automatic disqualification; cases will be evaluated based on a principle-based approach.
- Disqualification criteria have been expanded to include conviction for any economic offence or violation of securities laws.
- Initiation of winding-up proceedings will no longer be a ground for disqualification. However, an actual winding-up order will continue to result in disqualification.
- Enhanced disclosure requirements have been introduced, including time-bound reporting to SEBI of adverse events involving intermediaries, Key Managerial Personnel (KMPs), or persons in control.
- A specific provision will be introduced to ensure that individuals are given a reasonable opportunity of being heard before being declared not 'fit and proper'.
- Disqualification due to pending proceedings will now be limited to internal SEBI proceedings under Sections 11B(1) and 11(4) of the SEBI Act.
- The period during which registration applications are not considered after issuance of an SCN is reduced from one year to six months.

The Governing Board is requested to take note of the same.

MINUTES

Updates shared with the Governing Board for Information	Date of Email
Key Decisions of SEBI Board Meeting dated March 23, 2026.	24.03.2026