

Corporate Governance Report

1) Name of the Company: - National Securities Depository Limited

2) Quarter Ending: - January 01, 2025 – March 31, 2025

| I. Composition of Board of Directors | | | | | | | | | | | | |
|--------------------------------------|----------------------------|---------------------------|---|--------------------------------|-----------------------------------|--------------------------|---------------------------|---------------|--|---|---|---|
| Title (Mr./ Ms.) | Name of the Director | PAN ^s & DIN | Category (Chairperson /Executive/Non- Executive/in dependent/ Nominee) & | Initial date of appointment | Date of re- appoint ment | Date of cessati on | Tenure* (in months) | Date of Birth | No. of directors hip in listed entities including this listed entity [with referenc e to Regulati on 17A] | No. of Independent Directorship in listed entities including this listed entity [with reference to proviso to regulation 17A(1)] & reg. 17A(2)] | No. of membe rships in Audit/ Stakeh older Commi tee(s) includi ng this listed entity (Refer Regulat ion 26(1) of the LODR Regulat ions) | No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of the LODR Regulations) |
| Mr. | Parveen Kumar Gupta | 02895343 | Chairperson, Non-Executive Independent Director | 06/09/2022 | NA | NA | 30.81 | 13/03/1960 | 2 | 2 | 5 | 2 |
| Dr. | Madhu Sudan Sahoo | 01968430 | Non-Executive Independent Director | 18/04/2023 | NA | NA | 23.44 | 02/05/1959 | 0 | 0 | 3 | 1 |
| Prof. | Rajat Moona | 09036263 | Non-Executive Independent Director | 09/01/2024 | NA | NA | 14.70 | 28/03/1965 | 0 | 0 | 0 | 0 |

| | | | | | | | | | | | | |
|-----|-----------------|----------|--|------------|----|----|-------|------------|---|---|---|---|
| Ms. | Sripriya Kumar | 03319979 | Non-Executive Independent Director | 23/05/2024 | NA | NA | 10.26 | 26/09/1973 | 1 | 1 | 3 | 1 |
| Mr. | Sanjay Panicker | 03531776 | Non-Executive Non-Independent Director | 01/01/2025 | NA | NA | NA | 06/12/1971 | 0 | 0 | 0 | 0 |
| Mr. | Sriram Krishnan | 07816879 | Non-Executive Non-Independent Director | 23/08/2023 | NA | NA | NA | 15/06/1972 | 0 | 0 | 2 | 0 |
| Mr. | Vijay Chandok | 01545262 | Managing Director and CEO | 28/11/2024 | NA | NA | NA | 23/02/1968 | 0 | 0 | 2 | 0 |

Whether regular chairperson appointed – **Yes**

Whether Chairperson is related to managing director or CEO – **No**

\$PAN number of any director would not be displayed on the website of Stock Exchange

&Category of directors means executive/non-executive/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen

** to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the listed entity in continuity without any cooling off period.*

II. Composition of Committees

| Name of the committee | Whether regular chairperson appointed | Name of committee members | Category (Chairperson/Executive/Non-Executive/independent/ Nominee)& | Date of Appointment | Date of Cessation |
|---------------------------------------|---------------------------------------|----------------------------|--|---------------------|-------------------|
| Audit Committee | Yes | 1. Ms. Sripriya Kumar | Chairperson | 23/05/2024 | NA |
| | | 2. Mr. Parveen Kumar Gupta | Non-Executive Independent Director | 09/09/2022 | NA |
| | | 3. Dr. Madhu Sudan Sahoo | Non-Executive Independent Director | 11/05/2023 | NA |
| | | 4. Mr. Sriram Krishnan | Non-Executive Non-Independent Director | 30/08/2023 | NA |
| Nomination and Remuneration Committee | Yes | 1. Ms. Sripriya Kumar | Chairperson | 23/05/2024 | NA |
| | | 2. Mr. Parveen Kumar Gupta | Non-Executive Independent Director | 09/09/2022 | NA |

| | | | | | |
|-------------------------------------|-----|-----------------------------|--|------------|------------|
| | | 3. Dr. Madhu Sudan Sahoo | Non-Executive Independent Director | 11/05/2023 | NA |
| | | 4. Mr. Sriram Krishnan | Non-Executive Non-Independent Director | 15/01/2025 | NA |
| Risk Management Committee | Yes | 1. Mr. Parveen Kumar Gupta | Chairperson | 31/01/2023 | NA |
| | | 2. Prof. Rajat Moona | Non-Executive Independent Director | 15/01/2024 | NA |
| | | 3. Mr. J Ranganayakulu | Independent External Person | 13/02/2025 | NA |
| | | 4. Mr. Sanjay Panicker | Non-Executive Non-Independent Director | 15/01/2025 | NA |
| | | 5. Ms. Sripriya Kumar | Non-Executive Independent Director | 13/02/2025 | NA |
| | | 6. Mr. Vijay Chandok | Managing Director and CEO | 05/12/2024 | NA |
| | | 7. Mr. Pazhamalai Jayaraman | Independent External Person | 14/02/2019 | 13/02/2025 |
| Stakeholders Relationship Committee | Yes | 1. Dr. Madhu Sudan Sahoo | Chairperson | 11/05/2023 | NA |
| | | 2. Ms. Sripriya Kumar | Non-Executive Independent Director | 23/05/2024 | NA |
| | | 3. Mr. Sriram Krishnan | Non-Executive Non-Independent Director | 30/08/2023 | NA |
| | | 4. Mr. Vijay Chandok | Managing Director and CEO | 05/12/2024 | NA |

&Category of directors means executive/non-executive/independent/Nominee. if a director fits into more than one category write all categories separating them with hyphen

III. Meetings of Board of Directors

| Date(s) of Meeting in the relevant quarter | Whether requirement of Quorum met* (Yes / No) | Number of Directors present* | Number of independent directors present* | Date(s) of Meeting in the previous quarter | Maximum gap between any two consecutive meetings (in number of days) |
|--|---|------------------------------|--|--|--|
| 31/01/2025 | Yes | 6 | 4 | 12/11/2024 | 79 |
| 14/02/2025 | Yes | 5 | 4 | - | - |
| | | | | | |

* to be filled in only for the current quarter meetings.

IV. Meeting of committees

| Name of the Committee | Date(s) of meeting of the committee in the relevant quarter | Whether requirement of Quorum met (details)* (Yes / No) | Number of Directors present* | Number of independent directors present* | Date(s) of meeting of the committee in the previous quarter | Maximum gap between any two consecutive meetings in number of days** |
|---|---|---|------------------------------|--|---|--|
| Audit Committee** | 31/01/2025 | Yes | 3 | 3 | 12/11/2024 | 79 |
| | 14/02/2025 | Yes | 3 | 3 | - | - |
| | | | | | | |
| Nomination and Remuneration Committee | 07/01/2025 | Yes | 3 | 3 | 11/11/2024 | 56 |
| | 14/02/2025 | Yes | 4 | 3 | - | - |
| | 13/03/2025 | Yes | 4 | 3 | - | - |
| | 21/03/2025 | Yes | 3 | 3 | - | - |
| | | | | | | |
| Risk Management Committee** | 15/01/2025 | Yes | 4 | 2 | NA | 190 |
| | | | | | | |
| | | | | | | |
| Stakeholders Relationship Committee | 25/03/2025 | Yes | 4 | 2 | NA | NA |
| | | | | | | |
| * to be filled in only for the current quarter meetings ** This information has to be mandatorily be given for Audit Committee and Risk Management Committee, for rest of the committees giving this information is optional | | | | | | |

V. Affirmations

1. The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
2. The composition of the following committees is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015
 - a. Audit Committee
 - b. Nomination & remuneration committee
 - c. Stakeholders relationship committee
 - d. Risk management committee
3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
5. This report shall be placed before Board of Directors. The report submitted in the previous quarter ended December 31, 2024, has been placed before Board of Directors at its meeting held on January 31, 2025 and there was no comment/observation/advice given by the Board of Directors on the same.

Sd/-
Alen Ferns
Company Secretary

| B. DETAILS OF CYBER SECURITY INCIDENTENCE | | | |
|---|----------------|----------------------------|----------------|
| Whether as per Regulation 27(2)(ba) of SEBI (LODR) Regulations, 2015 there has been cyber security incidents or breaches or loss of data or documents during the quarter. | | | No |
| Date of the event | Not Applicable | Brief details of the event | Not Applicable |

| C. INVESTOR GRIEVANCE REDRESSAL REPORT | |
|---|-----|
| No. of investor complaints pending at the beginning of Quarter | NIL |
| No. of investor complaints received during the Quarter | NIL |
| No. of investor complaints disposed off during the Quarter | NIL |
| No. of investor complaints those remaining unresolved at the end of the Quarter | NIL |

The details of acquisition of shares or voting rights in unlisted companies during the quarter in terms of sub-para 1 of para-A of Part A of Schedule III are given below:

| D. DISCLOSURE OF ACQUISITION OF SHARES OR VOTING RIGHTS IN UNLISTED COMPANIES | | | | | |
|--|--|---------------------|---|---|--|
| S. No. | Name of the unlisted company in which shares or voting rights have been acquired | Date of acquisition | Aggregate holding (% shares or voting rights) as at the end of the previous quarter | % shares or voting rights acquired during the quarter | Aggregate holding (% shares or voting rights) as at the end of the quarter |
| NIL | NIL | NIL | NIL | NIL | NIL |

The details of imposition of fine or penalty during the quarter in terms of sub-para 20 of para-A of Part A of Schedule III are given below:

| E. DISCLOSURE OF IMPOSITION OF FINE OR PENALTY | | | | | |
|---|-----------------------|--|--|--|--|
| S. No. | Name of the authority | Nature and details of the action(s) taken or order(s) passed | Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority | Details of the violation(s)/ contravention(s) committed or alleged to be committed | Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible |
| NIL | NIL | NIL | NIL | NIL | NIL |

The updates on tax litigations or disputes in terms of sub-para 8 of para-B of Part A of Schedule III read with corresponding provisions of Annexure 18 of the Master Circular are given below:

| F. DISCLOSURE OF UPDATES TO ONGOING TAX LITIGATIONS OR DISPUTES | | | | |
|---|---|--|---|--|
| S. No. | Name of the opposing party | Date of initiation of the litigation / dispute | Status of the litigation / dispute as per last disclosure | Current status of the litigation / dispute |
| 1 | Service tax Department | 12-06-2020 | Service Tax demand in respect of Depository Participant Service. Filled an appeal with Supreme Court against the order issued by the Central Excise and Service Tax Appellate Tribunal. | The appeal is admitted. |
| 2 | Goods and Service Tax - Maharashtra State | 28-11-2024 | GST Department of Maharashtra had passed a demand order for ₹ 1.51 Crore for FY 2019-20. | The Company has filed an appeal against the demand order on November 28, 2024. Personal hearing schedule on March 27, 2025 attended by tax consultant. |
| 3 | Income Tax Department | 24-01-2020 | Income Tax Department had preferred an appeal for AY 2017-18 with the High Court against the order pronounced by the ITAT in favour of the Company | Final High Court order has been passed in the favour of NSDL. |
| 4 | Income Tax Department | 03-04-2021 | Appeal filled in relation to order passed by the Income Tax Authority for AY 2018-19 at ITAT and CIT(A). | ITAT passed order in favour of the Company. Detailed ground wise submission shared against notice under section 250 of the Act. |
| 5 | Income Tax Department | 25-10-2022 | Appeal filled in relation to order passed by the Income Tax Authority for AY 2020-21 before the CIT(A) against the demand order. | Detailed ground wise submission shared against notice under section 250 of the Act |
| 6 | Income Tax Department | 12-12-2022 | Appeal filled in relation to order passed by the Income Tax Authority for AY 2021-22 before the CIT(A) against the Intimation order u/s 143(1) of the Act. | Detailed submission has been filed against the hearing notice. |
| 7 | Income Tax Department | 28-09-2024 | Appeal filled for AY 2023-24 in relation intimation order before CIT(A). Additionally, the company has filled rectification application. | Final CIT(A) Order u/s 250 has been passed and ruled in the favour of NSDL. |

| | | | | |
|----|---|------------|---|--|
| 8 | Income Tax Department | 09-12-2024 | Intimation order issued under 143(1) for AY 2024-25. Proposed adjustment of refund u/s 154 | <p>The Company is in process of filing rectification letter. The company had received refund adjustment notice for AY 2024-25, response filled with Jurisdictional Assessing Officer (AO) to cancel adjustment and allow refund.</p> <p>The Company had also received proposed adjustment of refund u/s 154. The Company have disagreed with the above adjustment.</p> |
| 9 | Goods and Service Tax - Maharashtra State | 28-03-2024 | GST department had passed an GST demand order for excess utilization of GST ITC related to FY 2017-18 to FY 2019-20. Appeal filed against the order on March 28, 2024. | Personal hearing was attended on January 15, 2025 by company official and request was made to drop the demand based on the evidence provided |
| 10 | Income Tax Department | 10-04-2023 | <p>A rectification order received on April 10, 2023 related to AY 2021-22.</p> <p>Since the Company had already filed an appeal with CIT against intimation, we have preferred to wait for CIT order and have not taken any action against e-mail / rectification order.</p> | Detailed ground wise submission has been filed on January 08, 2025. against a hearing notice issued under section 250 of the Act dated December 11, 2024 |
| 11 | Income Tax Department | 23-12-2024 | <p>Intimation order u/s 143(1) of the Act received on 23rd December 2024 related to for AY 2024-25. Company has filed a rectification application aggrieved by the Order on January 10, 2025.</p> <p>Additionally, the department served a notice u/s 154 on March 25, 2025, further reducing the TDS Credit consequently and the refund granted earlier by another ₹ 0.48 Lakhs.</p> | The Company has filed a response, well within time granted in the notice, on April 14, 2025 |

| | | | | |
|----|--|------------|--|---|
| 12 | Goods and Service Tax - Maharashtra State | 21-03-2022 | GST department had passed an GST demand order for excess utilization of GST ITC credit related to FY 2017-18. Appeal filed against the demand order related to Interest and penalty. | The bank had reversed GST ITC as mentioned in demand order issued by GST authority and made an application for withdrawal of said Appeal, further the bank are in process of filling an application under Amnesty scheme for waiver of interest and penalty |
|----|--|------------|--|---|