

**Transcript of the proceedings of 01/2022-23 Extra-Ordinary General Meeting of National Payments Corporation of India held on Wednesday 18<sup>th</sup> January 2023 through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')**

**Dr. Amitha Sehgal, Chairperson:**

**Welcome address**

Good Morning, Ladies & Gentlemen.

I am, Amitha Sehgal, Independent Director of the Board of NPCI and Chairperson of the Nomination and Remuneration Committee of the Board.

Since the agenda item of the Extraordinary General Meeting pertains to re-appointment of Mr. Biswamohan Mahapatra as Independent Director and Non - Executive Chairman, Mr. Mahapatra being interested in the said item, has recused himself from the meeting.

In view of the provisions of the Companies Act, 2013 and the Secretarial Standards on General Meetings, in case of absence of Chairman in the General Meeting, the Directors present shall elect one of themselves to be the Chairman of the meeting.

In view of the above provisions and the provisions of the Articles of Association of the Company read with clause No. 5 of the Secretarial Standards 2 on General Meetings, I am going to take the chair for this meeting with the consent of the other directors present.

EGM is being held through video conferencing/other audio-visual means, without the physical presence of members at a common venue in accordance with the applicable circulars issued by the Ministry of Corporate Affairs (MCA), Government of India.

**Introduction of Board Members**

Dear Members,

I have great pleasure in welcoming you at the Extra - Ordinary General Meeting of National Payments Corporation of India. On behalf of the NPCI Board, I thank all the members for joining us today.

Before we initiate the EGM proceedings, let me introduce my colleagues on the Board who have joined us through video conferencing/other audio visual means:

1. Mr. Dilip Asbe, Managing Director and CEO;
2. Mr. Shailendra Trivedi, RBI Nominee Director;
3. Mr. Venkatraman Srinivasan, Independent Director and Chairman of Board's Audit Committee;
4. Prof. Umesh Bellur, Independent Director
5. Prof. Rishiksha T. Krishnan, Independent Director and Chairman of Board's Business Strategy Committee and Innovation Council;
6. Mr. Rana Ashutosh Kumar Singh, Nominee of State Bank of India and Chairman of Board's Risk Management Committee;
7. Mr. Ajay K. Khurana, Nominee of Bank of Baroda and Chairman of Board's Management Committee;
8. Mr. Nitesh Ranjan, Nominee of Union Bank of India, and Chairman of Board's Corporate Social Responsibility Committee;
9. Mr. Hemant Verma, Nominee of Punjab National Bank; and
10. Mr. Ajay Kumar Kapoor, Nominee of HDFC Bank and Chairman of Board's Technology and Project Management Committee;
11. Mr. Bijith Bhaskar, Nominee of ICICI Bank Limited;
12. Mr. Siddharth Rungta, Nominee of HSBC;
13. Mrs. Arti Ajit Patil, Nominee of Saraswat Co-operative Bank Limited.

Following Directors of the Company could not attend the meeting due to certain exigencies and had requested for leave of absence:

1. Mr. Biswamohan Mahapatra (being interested in the agenda item had recused himself from the meeting)
2. Mr. Sumit Bali
3. Mr. Imran Amin Siddiqui

Accordingly, leave of absence was granted to abovementioned Directors from attending the meeting. From the Management side we have the presence of:

1. Ms. Priyanka Agrawal, Company Secretary, attending the meeting from the registered office in Mumbai.

Mr. Dhrumil M Shah, representative of M/s. Dhrumil M. Shah and Company, Secretarial Auditors, appointed for the financial year 2022-23, have also joined this meeting.

Participation of members through video conferencing/other audio visual means is being reckoned for the purpose of quorum as per the circular issued by the MCA and Section 103 of the Companies Act, 2013.

The Company has complied with provisions of the Companies Act, 2013 and Rules made thereunder read with circulars issued by the Ministry of Corporate Affairs.

As the requisite quorum is present for the Extra-Ordinary General Meeting, I call this Meeting to order.

I now call upon Ms. Priyanka Agrawal, Company Secretary, to provide general instructions to the members regarding participation in this meeting and on casting of votes.

**Ms. Priyanka Agrawal, Company Secretary:**

Thank you, Ma'am.

Good Morning to you Ma'am, to the Directors present, to all the invitees and to our valuable shareholders.

I welcome you all to the Extra-Ordinary General Meeting of the Company.

Before initiating the proceedings of the EGM, I would request members to take note of the following:

The Members may note that this meeting is being held through video conferencing and other audio-visual means in compliance with the provisions of the Companies Act, 2013 read with applicable circulars issued by the Ministry of Corporate Affairs.

We would like to inform that all the Members have been kept on mute to enable seamless conduct of the meeting. Members who have registered themselves as speakers will get the opportunity to express their views and/or ask queries during the EGM. Members are requested to use earphone/headphone and attend the meeting from a place which has good lighting in order to ensure good audio and video quality. We shall be allowing them to speak once the Chairperson directs the same. We request the speakers to limit their speech to two-three minutes for the benefit of other shareholders. If you have any queries, please post the same in the chat box option available on the platform through which members have joined today's meeting.

Subsequent to the General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 3/2022 dated 5<sup>th</sup> May, 2022 and 11/2022 dated 28<sup>th</sup> December, 2022 issued by the Ministry

of Corporate Affairs (MCA), the facility to appoint proxy to attend and cast vote for the members, is not available for this EGM and hence the Proxy register for inspection is not available.

Further, to transact the business as mentioned in the notice, the members were provided an opportunity to inspect all documents referred to in the notice and statement issued pursuant to Section 102 of the Companies Act, 2013 (The Act), forming part of the notice.

This is to confirm that the proceedings of the EGM will be deemed to be conducted at the registered office of the Company which shall be the deemed venue of the EGM.

It may be noted that the Company reserves the right to restrict the number of members asking questions, depending on the availability of time during the course of the meeting.

The Company has received 30 valid Authorised Representations, from 30 members, who were entitled to vote, as per register of members, provided by the Depositories, i.e., CDSL and NSDL, representing 81.33 %, of the paid up share capital of the Company.

The Register of Directors and Key Managerial Personnel and their shareholding and Register of contracts or arrangements in which directors are interested are available for inspection during the meeting in case of any specific request came from any member.

Notice of the Extra-Ordinary General Meeting have been already circulated to the members as per requirement of Law.

The text of the resolution along with statement pursuant to Section 102 of the Companies Act, 2013, is provided in the Notice circulated to the members.

With your permission, I shall take them as read.

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**Dr. Amitha Sehgal, Chairperson:**

**Agenda Item No. 1**

Before transacting the agenda contained in the Notice, let me briefly inform you about the item of business which form part of the Notice i.e. Re- appointment of Mr. Biswamohan Mahapatra as a Non-Executive Chairman and Independent Director for a further period of one (1) year.

Mr. Biswamohan Mahapatra was appointed as a Non-Executive Chairman and Independent Director (ID) of the Company, effective 8<sup>th</sup> February 2018 for a period of 2 (two) years upto 7<sup>th</sup> February 2020, pursuant to the RBI approval. Further, on the request of the Company, RBI vide letter dated 3<sup>rd</sup> January 2020 accorded its approval for extension of the tenure of Mr. Biswamohan

Mahapatra as the Non- Executive Chairman of the Board and Independent Director for a further period of 3 (three) years upto 7<sup>th</sup> February 2023. Accordingly, the Shareholders, at their Extraordinary General Meeting held on 27<sup>th</sup> January 2020 approved his re-appointment as Non-Executive Chairman of the Board and as an Independent Director (ID) for a further period of 3 (three) years upto 7<sup>th</sup> February 2023.

Under his guidance, the Company has taken on NPCI 2.0 journey successfully and the strategic and organizational transition to NPCI 3.0 is well on track and is at a very critical stage. During his tenure, he has aligned the Board towards fulfilling RBI's vision and is committed to upholding high standards of corporate governance for NPCI group as a whole. Mr. B. Mahapatra has made a very significant impact not only in NPCI but also on the NPCI group. NPCI has well diversified its International Business (NPCI International Payments Limited) and BillPay Business (NPCI Bharat BillPay Limited). The stability and the initial success of both the subsidiaries can be attributed to his able leadership. Keeping in mind, the challenging and dynamic environment, continuation of the tenure of the Chairman would ensure that NPCI consolidates and reaps the benefits in coming years.

Based on the recommendation of the Nomination and Remuneration Committee and on the basis of the outcome of the report of performance evaluation, the Board approved the re-appointment of Mr. B. Mahapatra as a Non-Executive Chairman and Independent Director for a further period of two (2) consecutive years from 8<sup>th</sup> February 2023 to 7<sup>th</sup> February 2025 or for such other period as may be specified in the approval by RBI, subject to the approval of RBI towards the 'fit and proper' criteria and granting a special exemption towards eligibility for re-appointment beyond 5 years and the maximum permissible age of 65 years (pursuant to RBI's directions dated 12<sup>th</sup> October 2017, relating to Governance in NPCI), and subsequently subject to approval of shareholders of the Company.

Reserve Bank of India vide its letter no.CO.DPSS.OVRST.No.51590/06.07.012/2022-2023 dated December 21, 2022 communicated that recommendation of Nomination and Remuneration Committee and the Board have been examined and keeping in view his continuing contribution to the Board and also the age profile, approved the re-appointment of Mr. B. Mahapatra as a Non-Executive Chairman of the Board for a period of one (1) year i.e. upto 7<sup>th</sup> February 2024.

NPCI being at a critical juncture of transformation cannot afford a gestation period at the top leadership level. Given the present and future opportunities such as expansion of UPI and RuPay in the international market through regulatory collaboration, RBI's digital currency, Decentralized

Finance (DeFi) initiatives etc and based on the RBI approval, it is proposed to re-appoint Mr. B. Mahapatra as a Non- Executive Chairman of the Board and Independent Director of the Company for a further period of one (1) year i.e. upto 7<sup>th</sup> February 2024.

The Board of Directors recommend passing of Special Resolution as set out in the Item No. 1 for approval of the Shareholders.

In respect of item covered under Resolution No. 1 necessary explanation(s) have been provided in the Explanatory Statement forming part of the Notice of the Extra-Ordinary General Meeting (EGM).

Before moving ahead with the proceedings of EGM, I invite the shareholders to offer comments and seek clarifications on the resolution contained in the notice

With your permission, I now take up Item no. 1 for Re-appointment of Mr. Biswamohan Mahapatra as a Non-Executive Chairman and Independent Director for a further period of one (1) year i.e. upto 7<sup>th</sup> February 2024.

I now move the resolution for approval as a Special Resolution.

With your permission we may take the resolution as read

**I now request someone to propose and second the resolution**

**Proposed by:** Ajay Kumar Kapoor, HDFC Bank Limited

**Seconded by:** Mr. Narayan Rao, Suryoday Small Finance Bank Limited

I now put the resolution to vote –

Those who are in favour, please raise your hands.

Those who are not in favour, please raise your hands.

We have 26 number of members participating today in this EGM.

The resolution set forth in the notice are deemed to be passed today, subject to requisite votes.

**VOTE OF THANKS**

I would like to thank all the shareholders, Directors, Management Team and other invitees for attending the Extra- Ordinary General Meeting.

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