

## NOTICE OF EXTRA-ORDINARY GENERAL MEETING

**NOTICE** is hereby given that the **02/2023-24 Extra-Ordinary General Meeting** (the 'Meeting') of the members of **NSE Clearing Limited (NCL)** will be held at short notice on Thursday, November 16, 2023 at 11:00 A.M. through **Video Conference/ Other Audio Visual Means**, to transact the following **Special Business**:

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- 1. To consider and approve / ratify the re-appointment of Mr. Vikram Kothari (DIN: 07898773), as Director in the capacity of Managing Director & Chief Executive Officer (MD & CEO) of the Company and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152, Section 160 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 25 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (The SECC Regulations, 2018), (including any modification(s) or re-enactment(s) thereof for the time being in force), Article 116 and 119 of the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee, the approval of the Board of Directors of the Company, approval of SEBI vide its letter dated November 06, 2023 and a notice in writing from shareholder under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director the approval of members be and is hereby accorded to appoint Mr. Vikram Kothari (DIN: 07898773) as a Director on the Governing Board of the Company, to be effective from the date of assumption of his office as Managing Director and Chief Executive Officer (MD & CEO) of the Company.

**RESOLVED FURTHER THAT** in accordance with the provisions contained in Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereto), the Company hereby approves the re-appointment and remuneration payable to Mr. Vikram Kothari as MD & CEO of the Company, for a period of 4 (four) years effective from the date he assumed office as MD and CEO, on the terms as set out in the Explanatory Statement annexed to the Notice convening this Extra-Ordinary General Meeting.

**RESOLVED FURTHER THAT** where in any financial year during the currency of tenure of Mr. Vikram Kothari as MD & CEO, the Company has no profits or its profits are inadequate, the monthly remuneration payable to him, shall not exceed the limits specified under Schedule V of the Companies Act, 2013 or any amendment thereto or re-enactment thereof.



**RESOLVED FURTHER THAT** Mr. Vikram Kothari in the capacity of Managing Director & CEO will be entrusted with the powers, authorities, functions, duties, responsibilities, etc. by Board of Directors of the Company, from time to time.

**RESOLVED FURTHER THAT** Mr. Vikram Kothari shall not be liable to retire by rotation during his tenure as MD and CEO of the Company.

**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution."

By order of the Board of Directors  
For **NSE Clearing Limited**



**Ravin Tank**  
**Company Secretary**  
**ACS-25673**

Place: Mumbai

Date: November 11, 2023

Registered Office:

**NSE Clearing Limited**

Exchange Plaza, C-1,

Block 'G', Bandra-Kurla Complex,

Bandra East, Mumbai - 400051



1. The Government of India, Ministry of Corporate Affairs has allowed conducting Extraordinary General Meeting (EGM / Meeting) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed personal presence of the members at the meeting. The Ministry of Corporate Affairs (MCA) issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and General Circular No. 02/2021 dated January 13, 2021, General Circular No. 20/2021 dated December 08,2021, General Circular No. 2/2022 dated May 05, 2022 and General Circular No. 09/2023 dated September 25, 2023, prescribing the procedures and manner of conducting the EGM through VC / OAVM. In terms of the said Circulars, the EGM of the members is held through VC / OAVM. Hence, Members can attend and participate in the EGM through VC / OAVM only.
2. The deemed venue for the EGM shall be the registered office of the Company i.e. Exchange Plaza, Plot C-1, Block 'G', Bandra Kurla Complex, Bandra (East), Mumbai 400051.
3. The meeting is being convened at shorter notice, after obtaining the consent, in writing, by majority in number of members entitled to vote and who represent not less than ninety-five per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, pursuant to the provisions of Section 101 of the Companies Act, 2013.
4. NSE Clearing Limited (NCL) shall conduct the Meeting through video conferencing by using **'Microsoft Teams application'** and the members are requested to follow the below-mentioned instructions for participating in the Meeting through 'Microsoft Teams application':
  - (i) The Company Secretary shall send a meeting invite at the registered email addresses of the persons entitled to attend the Meeting, for joining the Meeting through Microsoft Teams application.
  - (ii) **For joining through laptop/ desktops, the instructions are as follows:**
    - (a) Select **'Join Microsoft Teams Meeting'** in the meeting invite sent to you on your email address/calendar. Thereafter, a page will be displayed where you can choose to either join on the web or download the desktop app. If you already have the Microsoft Teams app, the meeting will open on the app automatically.
    - (b) If you do not have a Teams account, select **'Join as a guest'** and enter your name to join the meeting as a guest. If you have a Teams account, select **'Sign in and join'**.
  - (iii) **For joining through mobile phone/iPads, the instructions are as follows:**
    - (a) For easy and efficient access to the Microsoft Teams meetings (including audio, video, and content sharing) on mobile, it would be advisable to download and install the Microsoft Teams mobile app.
    - (b) If you have the app, select the **'Join Microsoft Teams Meeting'** in the meeting invite sent on your registered email address to open the app and join the meeting. If you do not have the app, you will be taken to the app store where you can download the same.
    - (c) If you do not have a Microsoft Teams account, select **'Join as a guest'** and enter your name to join the meeting as a guest. If you have a Teams account, select 'Sign in and join'.





- (i) It would be advisable to download and install the app before the meeting starts. It might take a minute or two, depending on your internet connection.
  - (ii) Members who need any assistance or clarification while using the video conferencing facility can send an email at [secretarialdept@nse.co.in](mailto:secretarialdept@nse.co.in) or can call at the helpline number: 022-2659 8100.
  - (iv) It would be advisable to download and install the app before the meeting starts. It might take a few minutes, depending on your internet connection.
  - (v) Members who need any assistance or clarification while using the video conferencing facility can send an email at [rtank@nsccl.co.in](mailto:rtank@nsccl.co.in) or can call at the helpline number: 022- 2659 8100.
5. Members can, prior to the Meeting, seek technical assistance on the abovementioned helpline number between 11 A.M. to 1:30 P.M.
  6. Members are requested to participate on a first come first serve basis, as participation through video conferencing is limited and will be closed on expiry of 15 minutes from the scheduled time of the EGM i.e. Thursday on October 16, 2023. However, the participation of members holding 2% or more is not restricted on a first come first serve basis. Members can login and join 15 (fifteen) minutes prior to the scheduled time of the meeting and 15 (fifteen) minutes after the scheduled time.
  7. Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
  8. It is requested to raise the queries precisely and in short at the time of the meeting to enable us to answer the same. Members are also requested to send their queries, if any, to [rtank@nsccl.co.in](mailto:rtank@nsccl.co.in).
  9. If a poll is ordered to be taken by the Chairman or demanded in accordance with Section 109 of the Companies Act, 2013, members can cast their votes during the Meeting by sending an email to [rtank@nsccl.co.in](mailto:rtank@nsccl.co.in) from their email addresses registered with the Company.
  10. The video conferencing facility allows two-way conferencing and members can post questions concurrently during the Meeting.
  11. A statement pursuant to Section 102(1) of the Act, relating to the Special Businesses to be transacted at the EGM, is annexed hereto.
  12. A member entitled to attend and vote at the Meeting is not entitled to appoint a proxy to attend and vote instead of himself. Since the MCA Circular permits the holding of the Meeting through video conferencing and dispenses the physical attendance of the members at the Meeting, there is no requirement for appointment of proxies by the members. Accordingly, the facility of appointment of proxies by the members will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
  13. Corporate members intending to send their authorised representatives to attend the Meeting





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through video conference are requested to send to the Company a scanned copy of the certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

14. The Notice of EGM is being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s).
15. Members who have not registered their email address are requested to register the same in respect of shares held with their depository participant(s).
16. Members may also note that the Notice of EGM will be made available on the Company's website at [www.nscclindia.com](http://www.nscclindia.com).
17. Voting would be done by Show of hands at the Meeting.
18. All the documents referred to in this Notice and the Statutory Registers, will be made available for inspection by the Company and as such the Members are requested to send an email to [rtank@nsccl.co.in](mailto:rtank@nsccl.co.in).
19. Since the EGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

By order of the Board of Directors  
For **NSE Clearing Limited**



  
**Ravin Tank**  
Company Secretary  
ACS: 25673

Place: Mumbai

Date: November 11, 2023

Registered Office:

**NSE Clearing Limited**

Exchange Plaza, C-1,

Block 'G', Bandra-Kurla Complex,

Bandra East, Mumbai - 400051

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**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013****Item No. 1**

SEBI vide its approval dated September 27, 2017, had approved the appointment of Mr. Vikram Kothari as the Managing Director of NSE Clearing Limited for a period of three years. Accordingly, Mr. Vikram Kothari assumed office as the Managing Director w.e.f. November 07, 2017. Further, SEBI, vide its letter dated October 19, 2020, approved the re-appointment of Mr. Vikram Kothari as the Managing Director of NSE Clearing Limited for a further period of 3 years, with effect from November 7, 2020. Accordingly, the term of Mr. Vikram Kothari as MD would expire on November 06, 2023. The SECC Regulations, 2018, including amendments, circulars, letters, notifications issued thereunder has prescribed a certain process to be followed for the appointment / re-appointment of MD including providing two names for the post to SEBI for seeking its approval. Regulation 25 (1) of the SECC Regulations, 2018 provides that the appointment, renewal of appointment & termination of service of the MD of a Recognised Clearing Corporation shall be subject to the prior approval of SEBI. Further, pursuant to regulation 25 (3) of SECC Regulations, 2018, a person can be re-appointed as Managing Director by the Clearing Corporation for a maximum period of 10 Years.

Accordingly, the Nomination & Remuneration Committee (NRC) and the Governing Board initiated steps for appointment of Managing Director & Chief Executive Officer (MD&CEO) of NCL.

Dr. Ajit Ranade was inducted as Independent External Person to the NRC for the Limited purpose of selection of MD and CEO after approval from SEBI. The NRC after due process recommended two names and compensation payable to the Governing Board for their consideration.

The Governing Board of the Company discussed the recommendation of the NRC and approved the two shortlisted names of candidates (without any order of preference) and the compensation payable to them subject to approval of SEBI and ratification by shareholders. An application was made to SEBI on September 04, 2023, for seeking its approval on the final name. SEBI vide its letter dated November 06, 2023, has approved the appointment of Mr. Vikram Kothari as the Managing Director of NCL for a period of four years from the date of his joining and the compensation payable to him as proposed by NCL. As per the email communication from SEBI dated November 11, 2020, his appointment is required to be ratified by shareholders after approval from SEBI.

**1) Brief of the Candidate: -**

Mr. Vikram Kothari has 28 years of experience in the capital markets industry across diverse functions. He possesses very sound knowledge of MII operations as he is associated with NSE Clearing Limited for about 6 years now and has the required expertise in leading and handling all critical and non-critical functions of the Clearing Corporation. He has been working very closely with the regulators on various product innovations and has played a stellar role in the introduction of interoperability as well as T+1 settlement. He has gained international





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exposure in participating at global forums and playing an important role in Global CCP forum. Mr. Kothari has an excellent understanding of the functioning of clearing corporations in the securities market worldwide and has successfully played leadership roles in various editions during his career in the securities industry. He has been exposed to regulators as well as peers in global MIs and is a regular speaker at many global events. He also has a very strong understanding of IOSCO framework and PFMI guidelines as well as ESMA framework. Mr. Kothari's understanding of the Indian Capital Market and umbrella regulations thereof was excellent. Also, his understanding of technology was found to be excellent, and he also has initiated the modernization program. He could explain and define the strategic path he would like to take NCL to be the global best in all parameters in addition to the parameter of volume of transactions which has already been achieved. He has been a member of many SEBI committees and participates in many committees, task force and working groups as Invitee to contribute to its deliberations. His continuing in the position will be seamless to carry out the outlined NCL strategy for the near future.

**2) Terms of Appointment:**

- a) Tenure 4 (Four) years to be effective from the date he assumes office as Managing Director & CEO after receipt of approval from Board, SEBI and Members
- b) Salary as under:

Designation: Managing Director & CEO

- a) He shall be entitled to a basic salary of Rs. 5,54,050/- (Rupees five lakhs fifty-four thousand and fifty only) per month.
- b) A Special Allowance of Rs. 7,56,585/- (Rupees seven lakhs fifty-six thousand five hundred and eighty-five only) per month.
- c) A Vehicle Allowance of Rs. 1,39,584 /- (Rupees one lakh thirty-nine thousand five hundred and eighty-four only) per month.
- d) Annual Performance Based Variable Pay, as may be decided by the Board or the Nomination & Remuneration Committee, of Rs. 73,87,275/\*-(Rupees seventy three lakhs eight seven thousand two hundred and seventy five only) per annum [\*applicable to median performance level i.e. (A-)]. The Board or the Nomination & Remuneration Committee, as the case may be, may fix the variable pay in each year depending upon his performance level at such amount and at such percentage in comparison to the median performance level subject to the condition that the final variable pay shall be within a range of 25% to 50% of total pay for the respective year as stipulated by SEBI. 50% of the amount so decided shall be payable on a deferred basis after three years.

**Perquisites:**

In addition to the above, he shall be entitled to the following perquisites:-

**PART – A**

- (a) House Rent Allowance at the rate of 50% of the basic salary i.e. Rs. 2,77,025/- (Rupees two lakhs seventy-seven thousand and twenty-five only) per month
- (b) Leave Travel Allowance of Rs. 65,000/- (Rupees sixty-five Thousand) per annum.
- (c) Petrol Reimbursement of Rs. 21,200/- (Rupees twenty-one thousand two hundred only) per month





- (d) Club Membership, (fees of a club. Life membership fees not to be allowed).
- (e) Corporate credit card only for business expenses.
- (f) Company provided SIM card along with an option for a handset reimbursement up to a limit of INR 1,25,000/- (Rupees one lakh twenty-five thousand only)

**PART – B**

- (a) Contribution to Provident and Pension Fund(s) at the rate of 12% of the basic salary.

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

- (b) Gratuity at a rate not exceeding one 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 him. For the computation of Gratuity, the third tenure will be treated as continuity of service.

- (c) Leave Encashment, as per the Leave Rules of the Company. However, the encashment of accumulated leave at the end of his tenure shall not be included in the computation of the ceiling on remuneration payable to the Managing Director & CEO.

**Other Benefits**

- (a) Leave

Privilege leaves with full pay and allowances as per the Rules of the Company. Such leave will be permitted to be accumulated in accordance with the Company's Rules and Procedures in force from time to time. Casual leave, Sick leave, Bereavement Leave and Paternity Leave will be admissible as per the Rules of the Company.

- (b) Any other payments which the Board or Nomination & Remuneration Committee 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 Nomination & Remuneration Committee provided that such other payments payable to him together with salary and other emoluments or its structure shall not exceed the limits prescribed under Companies Act, 2013 or any amendment thereto or re-enactment thereof or under SEBI Regulations.

- (c) General

Such other benefits (which includes medical insurance, Group Personal Accident Insurance, Group Term Life Insurance & lunch subsidy) as per the Company's policy as are made available by the Company to other members of the staff from time to time. Further, the Board or Nomination & Remuneration Committee may restructure the compensation payable to Managing Director & CEO from time to time in accordance with prevailing SEBI Regulations subject to the overall total compensation provided above.

No sitting fee shall be payable to Mr. Vikram Kothari during his tenure as Managing Director & CEO.





Where in any financial year during the currency of tenure of Managing Director & CEO, the Company has no profits or its profits are inadequate, the monthly remuneration payable to Managing Director & CEO, shall not exceed the limits specified under Schedule V of the Companies Act, 2013 or any amendment thereto or re-enactment thereof.

Mr. Vikram Kothari shall not be liable to retire by rotation during the currency of his tenure as Managing Director & CEO. It may be noted that the service of the candidate as Managing Director & CEO may be terminated by either the Company or the candidate by giving 3 months' notice to the other party (or equivalent monthly compensation in lieu thereof). Further, there will be no probation period as the position is for a fixed term. The gratuity payable to him after completion of four years will be considered as the continuation of services to the Company.

The Board or the Nomination & Remuneration Committee, as the case may be, may at its discretion, fix the annual increase in the Total Pay every year not exceeding 15% of the Total Pay of the previous year. The Board or the Nomination & Remuneration Committee, as the case may be, may also vary, at any time, the percentage increase in the variable pay for each performance level applicable to Managing Director & CEO in comparison to median performance level (i.e. A-) subject to the condition that the variable pay component in the compensation shall be within a range of 25% to 50% of total pay.

The compensation package of Mr. Vikram Kothari, shall also be subject to following since he would be a Key Managerial Personnel as per the requirements of SEBI -

A. The Variable Pay component in the compensation shall be within a range of 25% to 50% of total pay.

B. 50% of the Variable Pay will be paid on a deferred basis after 3 years.

C. ESOPs and other equity linked instruments will not be offered or provided as part of his compensation.

D. The terms of compensation shall have malus and claw back arrangements.

It may be noted that the total compensation payable will be as under in terms of fixed and variable pay ratio, subject to increments as stated above –

(Amount in Rupees)

Fixed Pay* (per annum)	**Variable Pay (per annum)	Total Pay (per annum)	% of Fixed Pay to Total Pay	% of Variable Pay to Total Pay
2,21,61,825	73,87,275	2,95,49,100	75%	25%

\*Fixed Pay includes Basic Salary, House Rent Allowance, Vehicle Allowance, Special Allowance, Leave Travel Allowance, and Lunch subsidy, contribution to Provident Fund and Gratuity and Pension Schemes but excludes certain perquisites like mobile bill, leave encashment, petrol, Mediclaim and Group Term Life Insurance and Group Personal Accident Insurance cover as applicable.





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Continuation Sheet

**\*\*As per the Compensation Policy applicable to NCL employees, the variable pay component of 25% is in respect of median performance level i.e. (A-). There are five grades of performance level namely A+, A, A-, B+ and B. At the end of every financial year, the performance of every employee is assessed and one of the above performance grades is assigned and if any employee's performance is rated above the median performance level (i.e. either A+ or A), the variable pay will range from 120% to 111% or 110% to 101% respectively of variable pay at median performance level A- @ 100%. In case an employee's performance is rated at the median performance level A-, the variable pay at median performance will range from 100% to 90%. Similarly, if any employee's performance is rated below the median performance level (i.e. either B+ or B), the variable pay will range from 75% to 60% or 0% respectively of variable pay at the median level (i.e. A-@ 100%), as the case may be.**

Accordingly, the actual variable pay of Mr. Vikram Kothari for each year will be fixed (subject to the discretion of the Board or the NRC, as the case may be, to vary the percentage increase in the variable pay for each performance level in comparison to median performance level) depending upon his performance in each year subject to the condition that the final Variable Pay shall be within a range of 25% to 50% of total pay for the respective year as stipulated by SEBI.

The Board considers that it will be in the interest of the Company to re-appoint Mr. Vikram Kothari as a Director and as MD & CEO of the Company.

This may be treated as a written memorandum setting out the terms of appointment of, and the remuneration payable to, Mr. Vikram Kothari as MD & CEO of the Company pursuant to provisions of the Companies Act, 2013.

Except Mr. Vikram Kothari none of the Directors, Key Managerial personnel of the Company and their relatives are in any way concerned or interested in the passing of the Ordinary resolution at item No.1.

By order of the Board of Directors  
For **NSE Clearing Limited**



  
**Ravin Tank**  
Company Secretary  
ACS: 25673

Place: Mumbai

Date: November 11, 2023

Registered Office:

**NSE Clearing Limited**

Exchange Plaza, C-1,

Block 'G', Bandra-Kurla Complex,

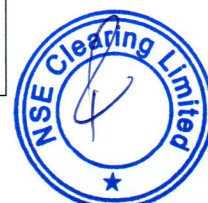
Bandra East, Mumbai - 400051



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**Disclosure relating to Directors pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting:**

Name of Director	Mr. Vikram Kothari
Category	Managing Director & CEO
Date of Birth/ Age	October 12, 1970 (53 years)
DIN	07898773
Qualifications	B. Com from Sydenham College, University of Mumbai, 1991, Associate Member of Institute of Chartered Accountants of India and ICWA.
Brief Resume /Expertise / Experience	<p>Mr. Vikram Kothari has 28 years of experience in the capital markets industry across diverse functions. He possesses very sound knowledge of MII operations as he is associated with NSE Clearing Limited for about 6 years now and has the required expertise in leading and handling all critical and non-critical functions of the Clearing Corporation. He has been working very closely with the regulators on various product innovations and has played a stellar role in the introduction of interoperability as well as T+1 settlement. He has gained international exposure in participating at global forums and playing an important role in Global CCP forum. Mr. Kothari has an excellent understanding of the functioning of clearing corporations in the securities market worldwide and has successfully played leadership roles in various editions during his career in the securities industry. He has been exposed to regulators as well as peers in global MIIs and is a regular speaker at many global events. He also has a very strong understanding of IOSCO framework and PFMI guidelines as well as ESMA framework. Mr. Kothari's understanding of the Indian Capital Market and umbrella regulations thereof was excellent. Also, his understanding of technology was found to be excellent, and he also has initiated the modernization program. He could explain and define the strategic path he would like to take NCL to be the global best in all parameters in addition to the parameter of volume of transactions which has already been achieved. He has been a member of many SEBI</p>



	committees and participates in many committees, task force and working groups as Invitee to contribute to its deliberations. His continuing in the position will be seamless to carry out the outlined NCL strategy for the near future.
The terms and conditions relating to his appointment/ re-appointment	Appointment is for a period of Four years to be effective from the date he assumes office as MD & CEO.
Date of first appointment on the Board	November 07, 2017
Remuneration drawn, if any	Provided in detail in the explanatory Statement annexed to the Notice
Shareholding in the Company	NIL
Relationship with other Directors, Managers & KMP	None
The number of Meetings of the Board attended (2022-23)	Mr. Vikram Kothari has attended all the 10 Board meetings.
List of other Directorships held	None
Memberships/Chairmanships of committees of Board of other companies	None

By order of the Board of Directors  
 For **NSE Clearing Limited**



  
**Ravin Tank**  
 Company Secretary  
 ACS: 25673

Place: Mumbai

Date: November 11, 2023

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