

EXTRACT OF MINUTES OF THE 219TH MEETING OF THE BOARD OF DIRECTORS OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED HELD ON TUESDAY, NOVEMBER 4, 2025, FROM 2.00 P.M. TO 5.30 P.M. AT THE GROUND FLOOR, CONFERENCE ROOM, 'A' WING, EXCHANGE PLAZA, BANDRA-KURLA COMPLEX, BANDRA (EAST), MUMBAI 400 051

Approval for modification in Rule 17 and Rule 24 of Chapter IV of NSE Rules:

The Board was apprised that in accordance with SEBI Circular SEBI/HO/MRD/MRD-PoD-3/2024/088 dated June 25, 2024, review requests submitted by trading members against penal actions imposed by the Member Committee ('MC'), as well as those imposed by the Exchange under a pre-approved policy or circular ratified by the MC, were being placed before the MC for approval. The Board was informed that based on feedback received from MIs and deliberations in the Secondary Market Advisory Committee (SMAC), SEBI, in order to further streamline the mechanism for handling the requests received for review, appeal and waiver of penalty, modified the mechanism for handling such requests vide its Circular no. SEBI/HO/MRD/PODIII/CIR/P/2025/112 dated August 5, 2025.

The Board was further informed that in accordance with the modified provisions, all requests for review, appeal or waiver of penalty filed against actions taken by the Exchange as per pre-approved policy and circulars on regulatory action shall continue to be placed before the MC.

Further, aforesaid SEBI Circular dated August 05, 2025, required the Governing Board of the Exchange to issue the Standard Operating Procedure (SOP) for processing such review, appeal or waiver of penalty requests, emanating out of actions taken by the MC. Accordingly, a draft SOP was approved by the Member Committee at its meeting held on September 18, 2025.

The Board was further informed that the Exchange has the power to reconsider and review its decision under Rule 17 of Chapter IV of the Exchange Rules ('Rule 17'). Accordingly, following amendments were proposed in the Exchange rules:

Rule no.	Existing Rule	Proposed Rule
Chapter IV, Rule 17	17. <u>Reconsideration/Review</u> Subject to the provisions of the Securities Contracts	17. <u>Reconsideration/Review</u> Subject to the provisions of SEBI Act/Rules/Regulations/Circulars, a trading member who is aggrieved by the

Rule no.	Existing Rule	Proposed Rule
	(Regulation) Rules, 1957 the relevant authority may of its own motion within 90 days from the date of communication of decision of the relevant authority to the member reconsider and may rescind, revoke or modify its resolution withdrawing all or any of the membership rights or fining, censuring or warning any trading member. In a like manner the relevant authority may rescind, revoke or modify its resolution expelling or suspending any trading member	action of the Exchange/relevant authority of the Exchange may, within such timelines as may be prescribed by the Exchange from time to time, apply in writing to the relevant authority for a review of the said action. The relevant authority may also of its own motion reconsider and may rescind, revoke or modify its action/decision. Upon receipt of such application, the relevant authority may after such inquiry as it deems fit, confirm, rescind, revoke, or modify the earlier action. The process and procedure to be followed for filing review will be as prescribed by the Exchange from time to time.
Chapter IV, Rule 24	24. The Relevant authority for the purpose of this Chapter shall be the Member and Core Settlement Guarantee Fund Committee as may be constituted by the Board of Directors from time to time. The Composition of Member and Core Settlement Guarantee Fund Committee shall be such as may be prescribed by SEBI.	24. The relevant authority for the purpose of this Chapter shall be a committee/panel constituted by the Board of Directors, as may be prescribed by SEBI from time to time.

The Board was informed that Regulatory Oversight Committee at its meeting held on October 14, 2025 recommended that this matter be placed before the Governing Board for approval.

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The Board thereafter considered and approved the modification in Rule 17 and Rule 24 of Chapter IV of NSE Rules.