

**EXTRACT OF MINUTES OF THE 206<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED HELD ON WEDNESDAY, AUGUST 07, 2024, FROM 09.30 AM TO 3.05 PM AT THE GROUND FLOOR CONFERENCE ROOM, 'A' WING, EXCHANGE PLAZA, BANDRA-KURLA COMPLEX, BANDRA (EAST), MUMBAI 400 051**

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**Consideration and approval of the amendment in the Byelaws and Regulations of NSEIL:**

The Board was informed that SEBI had issued a Master Circular on Online Dispute Resolution (ODR) Mechanism wherein the existing dispute resolution mechanism in the Indian Securities Market was revamped under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common Online Dispute Resolution Portal ("SMARTODR") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market.

The Board was further informed that SEBI has directed the Market Infrastructure Institutions (MIIs) to make necessary amendments to the relevant byelaws, rules, and regulations for the implementation of the Master Circular.

In view of the above, it was proposed to incorporate necessary changes with respect to online dispute resolution as per the Master Circular in the NSE Byelaws and NSE Regulations as enumerated below:

- **Chapter XIA** - Dispute Resolution in the NSE Byelaws and
- **Chapter 5A** - Dispute Resolution in the NSE Regulations for all segments.

The Board was thereafter informed that the said inclusions have been placed before the ROC at its meeting held on August 05, 2024, and the Committee took note of the same. The Board members were requested to consider and approve the same.

The Board approved the proposed inclusion of the "Chapter XIA: Dispute Resolution" in the NSE Byelaws and "Chapter 5A: Dispute Resolution" in NSE Regulations for all segments i.e. Capital Markets Regulations, Futures & Options Segment Regulations, Commodity Derivative Segment Regulations, Currency & Interest Rate Derivatives Segment Regulations and Wholesale Debt Market Segment, as mentioned in Annexure 1 and Annexure 2 of the agenda item.

**Noting of the increase in ceiling on amounts payable out of IPF:**

The Board was informed that pursuant to SEBI vide its circular MRD/DoP/SE/Cir-38/2004 dated October 28, 2004, stock exchange(s), in consultation with the IPF/CPF Trust, shall review and progressively increase the amount of compensation available against a single claim from an investor, at least every three years.

Further, the compensation for a single claim was capped to Rs.25 lakhs which was decided in the meeting held on January 6, 2017. The said limit was reviewed in 2019 and 2023 and was maintained at Rs. 25 Lakh.

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Accordingly, in the IPFT meeting held on July 19,2024, the Committee reviewed the limit and increased the said limit to Rs.35 lakhs per investor per claim for all future defaults.

The Board was further informed that the matter was placed before the ROC at its meeting held on August 05, 2024.

The Board was updated that insurance for the IPF was being explored.

The Board suggested to review IPF and Risk Capital methodology and align the same. It was also advised to update ROC and Board about IPF utilization every quarter.

The Board took note of the same.