Circular No.: NSDL/POLICY/2022/067 May 10, 2022

Subject*:* Amendments to Bye Laws and Business Rules of NSDL.

Participants are hereby informed that the amendments have been made in the Bye Laws and Business Rules of NSDL w.r.t. below:

1. As per the SEBI Circular SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/13 dated January 10, 2019, the powers in the depository shall be exercised by various new Committees and the Governing Board. Accordingly, reference of the terms "Executive Committee" and the "Disciplinary Action Committee" have been removed from the Bye Laws and Business Rules of NSDL.
2. In the Bye Laws and Business Rules, wherever reference is made to SEBI (Depositories and Participants) Regulations, 1996, the reference to SEBI (Depositories and Participants) Regulations, 2018 has been made. In addition, wherever reference is made of the Companies Act, 1956, the reference to Companies Act, 2013 has been made.
3. The time period for the records to be maintained by the Participants is increased from five years to eight years.

The amended NSDL Bye Laws and Business Rules are enclosed as **Annexure A** and **Annexure B** respectively.

Participants are requested to take note of the above.

For and on behalf of
National Securities Depository Limited

Arockiaraj
Manager

Enclosed: Two

FORTHCOMING COMPLIANCE			
Particulars	**Deadline**	**Manner of sending**	**Reference**
Investor Grievance Report (Monthly)	By 10th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Internal/ Concurrent Audit Report (October - March)	May 15th every year	Through e-PASS	Circular No.: NSDL/POLICY/2022/049 dated April 01, 2022

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Name : AROCKIARAJ
Date : 10-05-2022 20:08:49
Reason : Authentication

Annexure A

1. Amendment in the Bye Laws clauses

2.1.10. Words and expressions used but not defined in the Bye Laws but defined under The Depositories Act, 1996, The Companies Act, ~~1956~~2013, The Securities Contracts (Regulation) Act, 1956, The Securities and Exchange Board of India Act, 1992 and The Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~ 2018 shall have the same meaning respectively assigned to them under the aforesaid Acts and Regulations.

3.1.1. The Board of Directors of National Securities Depository Limited, constituted in accordance with the provisions of the Articles of Association of the Company, may organise, maintain, control, manage, regulate and facilitate the operations of the Depository and of securities transactions by the Participants of the Depository, subject to the provisions of The Depositories Act, 1996, The Securities and Exchange Board of India Act, 1992, The Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~ 2018 and any directives issued thereunder.

3.1.2. The Board of Directors may delegate, from time to time, to ~~an Executive Committee or~~ Committee(s) formed in conformity with the SEBI guidelines or to the Managing Director or to any person or persons, such of the powers vested in it and upon such terms and conditions as it may think fit, and cancel, withdraw, alter or vary all or any of such powers so delegated.

3.1.3. The Board of Directors shall have the authority to issue directives from time to time to ~~the Executive Committee or such other~~ Committees or Managing Director or any other person or persons to whom any powers have been delegated by the Board of Directors, and such directives shall be binding on ~~the Executive Committee,~~ Committees, Managing Director and~~,~~ such other person/ persons.

5.1 The Board of Directors ~~or Executive Committee~~ shall formulate Business Rules for the functioning and operations of the Depository and to regulate the functioning and operations of the Participants of the Depository with powers to amend and / or alter such Business Rules.
Provided however that, no Business Rules shall come into operation unless, seven working days prior thereto, a copy of the same has been submitted to the Securities and Exchange Board of India.

5.2. Without prejudice to the generality of Bye Law 5 above, the Board of Directors ~~or Executive Committee~~ may formulate Business Rules inter alia, with respect to :-

i) determination from time to time, as to the fees, system usage charges, deposits, margins and other monies payable to the Depository by the Participants and by the Issuers of eligible securities or its Registrar & Transfer Agent whose securities have been admitted to dealings on the Depository;
.....
.....

xii) any other matter as may be decided by the Board of Directors.

5.3. The ~~Executive Committee~~Depository may, from time to time, specify additional requirements in the Business Rules in the interest of the investors.

6.1.3 (iv) Payment of registration fees as prescribed in the SEBI (Depositories and Participants) Regulations, ~~1996~~2018.

6.1.4. An application which is not complete in all respects and does not conform to the instructions specified shall be rejected. The Depository may, before rejecting any application, give to the applicant in writing, an opportunity to remove within such time as specified by the ~~Executive Committee~~Depository, the objection indicated by the Depository.

6.1.6. The ~~Managing Director of the~~ Depository may approve or reject any application as ~~he may~~ deem~~ed~~ fit in ~~his~~ its absolute discretion. ~~The applicant may appeal to the Executive Committee against the decision of the Managing Director and the decision of the Executive Committee in this regard shall be final.~~

6.1.7. The ~~Executive Committee~~Depository shall have the right to call upon the applicant to make additional contributions towards funds, and to pay such fees, deposits, such additional security deposit in cash or kind, to furnish any additional guarantee or to require the deposit of any monies in respect of contribution to funds including building fund, computerisation fund, indemnity fund, insurance fund or such other funds as the Depository may specify from time to time.

6.2.1. The applicant(s) shall be eligible to become Participant(s) in the Depository, provided they meet the minimum criteria laid down under the Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018, and the eligibility criteria specified below :-

……

……

x) the applicant shall be eligible to become a Participant with effect from the date on which it is registered with the Securities and Exchange Board of India under The Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018.

6.3.11. The Depository ~~Executive Committee~~ may at any time require a Participant to provide on demand, collateral or additional collateral in such form, extent and manner as is determined by the ~~Executive Committee~~ Depository to be appropriate with reference to, inter alia, the level of unreconciled balance in case of transfer of its account to other Depository or excess credit balance of securities due to any fraud, error or omission on the part of its officers, agents and employees. The collateral shall be in addition to and independent of any security which the Depository may at any time hold for the obligations and liabilities of such Participant.

6.3.21. Without prejudice to any other right the Depository may have, if as a result of rectification by the Depository of any erroneous credit entries to the accounts of a Participant pursuant to these Bye Laws, a negative balance arises, the Depository may:

i. require the Participant to replace the relevant eligible securities in this connection;
ii. require the Participant to pay to it forthwith a cash sum of such amount as the Depository considers appropriate as collateral and the only obligation of the Depository in respect of such sum so paid by the Participant shall be to pay such Participant an amount equal to the balance remaining after satisfaction of all obligations & liabilities (actual or contingent) of such Participant to the Depository. The Depository may itself at any time purchase as replacement, eligible securities on behalf of the Participant, at such price as may be determined by the ~~Executive Committee~~ Depository to be the best prevailing market price and terms, if any, or in other cases at its discretion on the terms available. The cost and other expenses in connection with purchase shall be borne by the Participant.

6.3.23. No Participant shall assign its business as a Participant to any other person except with the prior approval of the ~~Executive Committee~~Depository which may notify from time to time the terms and conditions subject to which it may assign its business as a Participant to any other person.

6.3.24 (c) the Transferor Participant and the Transferee Participant publishing a joint advertisement of the notice of the proposed transfer in such form as may be prescribed by the ~~Executive Committee~~Depository in one English national daily, one Hindi national daily with wide circulation and a regional language daily with wide circulation.

6.5.1. TERMINATION BY NOTICE BY THE DEPOSITORY

The ~~Executive Committee~~ Depository may at any time and on such conditions as it thinks fit, by giving not less than thirty working days notice in writing, terminate the participation of a Participant under the following circumstances:-

i) the Participant no longer meets the eligibility criteria to be a Participant;

.....

iii) in the event of a Participant being a body corporate when it is wound up or an official liquidator or provisional liquidator is appointed under The Companies Act, ~~1956~~2013;

.....

vii) in the event of bankruptcy, liquidation or winding up of a Participant or the initiation of any proceedings in relation thereto (including but not limited to the bankruptcy or an analogous act by a Participant) or if the ~~Executive Committee~~Depository considers in its absolute discretion that the occurrence of such events are imminent or likely;

viii) in the event of the appointment of a receiver or administrator over the assets of a Participant or if a Participant suffers a composition with its creditors or if a scheme of arrangement is approved by the court (other than for the purposes of reconstruction or amalgamation) or if the ~~Executive Committee~~ Depository considers in its absolute discretion that the occurrence of such events are imminent or likely;

6.5.4. CONSEQUENCES OF TERMINATION

i) On termination of participation, the ~~Executive Committee~~Depository shall, unless as otherwise provided in the Bye Laws, cause to be returned to or make available for collection by the Participant, all collateral held by the Depository from the Participant.

Provided that the Depository shall have the right (without affecting any other rights it may have) to set off amounts due or which may become due to the Depository and Clients from the Participant, if applicable.

Provided further that the Depository shall refund such amount or amounts to the Participant after a period of three years from the date of cancellation of the certificate of registration issued by the Securities and Exchange Board of India or after resolving pending investor grievances, if any against the Participant, to the satisfaction of the Depository, whichever is later.

.....

iv) In the event of the termination of participation by the Participant or the receipt of notification to terminate, the ~~Executive Committee~~ Depository shall, as soon as practicable, notify the other Participants and initiate suitable steps for protection of the interests of Client account holders with such Participant.

8.1. All securities which are eligible for dematerialisation under Regulation ~~28~~ 42 of Securities and Exchange Board of India (Depositories & Pariticipants) Regulations, ~~1996~~ 2018 shall be eligible for being held in dematerialised form in NSDL.

8.2. The ~~Executive Committee~~Depository shall determine from time to time the securities which are eligible for dematerialisation through the Depository. Before dematerialisation commences, the Issuer or its Registrar and Transfer Agent, if any, shall comply with the following :-

i) The Issuer and/or its Registrar and Transfer Agent undertakes to co-operate at all times to redress the grievances of the Client and the Participant;

ii) The Issuer and/or its Registrar and Transfer Agent shall have adequate hardware and software systems to interact with Depository as specified from time to time in the Business Rules.

iii) The Issuer and its Registrar & Transfer Agent if any, have signed an agreement as per Annexure D of these Bye Laws.

Provided however that, no such agreement shall be required to be entered into, with the Depository, if a State or the Central Government is the Issuer.

8.4. Without prejudice to any other rights, the Depository ~~Executive Committee~~ may refuse to accept the admission of securities of an issue as an eligible security or may remove the same from the list of eligible securities if:-

i) in the opinion of the Depository, the Issuer or its Registrar & Transfer Agent does not have or cease to have the operational capability to provide services referred to herein in respect of an issue of securities;
ii) the Issuer or its Registrar & Transfer Agent commits any breach to any terms and/ or conditions of the agreement entered into with the Depository;
iii) the Board of Directors in its absolute discretion is satisfied that circumstances exist which render it necessary in the interest of the investors to do so.

8.5.2. Every Issuer in respect of securities admitted on the Depository shall decide in consultation with the Depository and accordingly provide timely information to the Depository about book closure, record dates, dates for payment of interest or dividend, dates for the annual general meeting, dates of redemption of securities, dates of conversion, dates of exercising warrants and such other information as may be specified by the ~~Executive Committee~~Depository from time to time.

9.1.6 Upon such application by the Client and its acceptance by the Participant by opening the account as per Bye Law 9.1.3 to 9.1.5, the Participant and the Client shall be deemed to have entered into an agreement under the provisions of the Depositories Act, SEBI (Depositories and Participants) Regulations, ~~1996~~2018, these Byelaws and the Business Rules.

9.3.4. The Depository shall, on its own freeze the Participant's own account and/ or the ISIN and/or specific number of securities to the extent of the securities held in the Participant's name, or advise the Participant to do so, under the following circumstances:-

i) on the basis of the orders received from the Central or State Government or the Securities and Exchange Board of India or any court or tribunal or any other statutory authority in this regard; or
ii) on the basis of the orders passed by the Depository ~~Disciplinary Action Committee~~ as set out in Chapter 11 of the Bye Laws; or
iii) the Participant has become insolvent, bankrupt or in case the Participant is a body corporate, it being wound up.

10.2.6. Every Participant shall submit periodic returns to the Depository in the format specified by the ~~Executive Committee or the Bye Laws of~~ the Depository, ~~as the case may be~~.

10.2.9. Subject to the provisions of any other law, the Participant shall preserve records and documents for a minimum period of ~~five~~ eight years.

10.3.2. The scope of such audit shall cover the existence, scope and efficiency of the internal control system, compliance with the provisions of the Act, Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018, Bye Laws, Business Rules, agreement and systems security in the office of the Participant in respect of the operations of the Depository.

10.4.1. INSPECTION AUTHORITY

i) Where the ~~Executive Committee~~Depository deems it necessary, it may appoint one or more persons as inspecting authority to undertake inspection of the books of accounts, other records and documents of the Participants to the extent they pertain to the Depository operations for any of the purposes specified below:-

……..

b) as to whether the provisions of the Depositories Act, 1996, the Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018, made thereunder are being complied with;

……..

ii) The inspecting authority appointed by the ~~Executive Committee~~ Depository under Bye Law 10.4.1 (i) above may either be its own officials or outside professionals.

iii) When the ~~Executive Committee~~ Depository appoints outside professionals as an inspecting authority, it shall notify to the Participants the names and addresses of the professionals or firms so appointed as an inspecting authority at the time of inspection.

10.4.2. NOTICE

i) Before undertaking any inspection under Bye Law 10.4.1 above, the ~~Executive Committee~~Depository shall give a reasonable notice to the Participant for that purpose;

ii) Notwithstanding anything contained in Clause (i) above, where the ~~Executive Committee~~ Depository is of the opinion that no such notice should be given, it may direct in writing that the inspection of the affairs of the Participant be taken up without such notice;

iii) The Depository officials or the inspecting authority who is directed ~~by the Executive Committee~~ to undertake the inspection, shall undertake the inspection and the Participant against whom an inspection is being carried out shall be bound to discharge his obligations as provided under Bye Law 10.4.3.

10.4.4. SUBMISSION OF REPORT

i) The inspecting authority shall, as soon as possible, submit an inspection report ~~to the Executive Committee~~.

ii) The inspecting authority shall maintain complete confidentiality and shall not disclose any information contained in the documents submitted to it or inspected by it to any person, firm, company or authority unless required by any law for the time being in force.

iii) The ~~Executive Committee~~Depository shall after consideration of the inspection report, communicate the findings to the Participant to give him an opportunity of being heard before any action is taken ~~by the Executive Committee~~ on the findings of the inspecting authority.

iv) On receipt of the explanation, if any, from the Participant the ~~Executive Committee~~ Depository may call upon the Participant to take such measures as ~~the Executive Committee~~ it may deem fit in the interest of the investors.

v) In case the report of the Inspection Authority indicates the existence of any grounds for taking disciplinary action against a Participant, the ~~Executive Committee~~Depository if so satisfied ~~shall cause a copy of the inspection report to be handed over to the Disciplinary Action Committee~~ may take ~~for~~ further action in this regard.

11.~~2~~1. ~~POWERS OF THE~~ DISCIPLINARY ACTION ~~COMMITTEE~~

11.~~2~~1.1. Without prejudice to any other right the Depository may have, the Depository may take following ~~The Disciplinary A~~action ~~Committee shall have such responsibilities and powers as may be delegated to it by the Board, from time to time, which may inter-alia include the following responsibilities and powers to be discharged~~ in accordance with the provisions of these Bye Laws:

i) suspension of a Participant;

ii) expulsion of a Participant;

iii) declaring a security as is 'ineligible' on the Depository;

iv) freezing the account of the Participant;

v) ~~powers to~~ conduct inspection;

vi) ~~power to~~ conduct an investigation/inquiry, call for records, to issue show cause notice to Participants for suspension/expulsion.

11.~~3~~2. PARTICIPANT'S RESPONSIBILITY FOR PARTNERS, AGENTS AND EMPLOYEES

A Participant shall be fully responsible for the acts and omissions of its authorised officials, authorised representatives and employees and if any such act or omission be held by the ~~Executive Committee~~ Depository to be one which, if committed or omitted by the Participant would subject it to any of the penalties as provided in the Bye Laws of the Depository, then such Participant shall be liable therefor to the same penalty to the same extent as if such act or omission had been done or omitted by itself.

11.~~4~~3. SUSPENSION OF A PARTICIPANT

11.~~4~~3.1. The ~~Disciplinary Action Committee~~ Depository shall require a Participant to suspend its business when it fails to meet the continuing requirements for fulfilling criteria of admission as provided in these Bye Laws thereunder and the suspension of business shall continue until Participant furnishes satisfactory evidence of meeting with the requirements.

11.~~4~~3.2. The ~~Disciplinary Action Committee~~Depository may require a Participant to suspend its business in part or in whole inter alia where :-

i) in the opinion of the ~~Disciplinary Action Committee~~Depository, the Participant's financial condition is such that it has gone below the networth norms or the Participant fails to maintain it as specified in the Regulations and Bye Laws of the Depository;

ii) the Participant violates the provisions of the Bye Laws and the Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018;

iii) The Participant does not comply with the instructions of the Client and is required to do so under the provisions of The Depositories Act, 1996, The Securities and Exchange Board of India Act, 1992 and any directives thereunder, The Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018, the Bye Laws and Business Rules.

11.~~5~~4. EXPULSION OF A PARTICIPANT

11.~~5~~4.1. The ~~Disciplinary Action Committee~~Depository shall expel a Participant from the Depository under the following circumstances:-

i) in case the Participant commits repeated breach of the provisions of the Bye Laws and the Business Rules, in spite of repeated reminders from the Depository in this regard;

ii) in case the Participant consistently exposes himself to risks which in the opinion of the ~~Disciplinary Action Committee~~ Depository is not commensurate with Participant's net worth;

iii) if the quality of services rendered by the Participant is not satisfactory in the opinion of the ~~Disciplinary Action Committee~~Depository as evidenced by the complaints of their Client(s);

iv) if the Participant carries on the activities in a manner which is detrimental to the interests and continued existence of the Depository as well as the interests of the investors in general.

11.~~6~~5. REVOCATION OF SUSPENSION

11.~~6~~5.1. The suspension of business under the Bye Laws as stated above shall continue until the Participant has been allowed by the ~~Disciplinary Action Committee~~ Depository to resume business on its paying such deposit or on its doing such act or providing such evidence as the ~~Disciplinary Action Committee~~ Depostiory may require.

11.~~7~~6. PROCEDURE FOR EXPULSION/SUSPENSION OR OTHER DISCIPLINARY ACTION

11.~~7~~6.1. A Participant shall appear and testify before and cause its partners, authorised representatives and employees to appear before the ~~Disciplinary Action Committee~~ Depository or before such other Committee(s) or such members of ~~Disciplinary Action~~ Committee authorised in this behalf by ~~Disciplinary Action~~ Committee, officer(s) of the Depository authorised in that behalf by the ~~Disciplinary Action~~ Committee and shall produce before the ~~Disciplinary Action Committee~~ Depository or

Committee(s) or officer of the Depository authorised in that behalf, such books, correspondence, documents, papers and records or any part thereof which may be in its possession and which may be deemed relevant or material to any matter under inquiry or investigation.

11.~~7~~6.2. The ~~Disciplinary Action Committee~~ Depository shall issue show cause notice to the concerned Participant who shall be required to reply within such time as may be specified in the show cause notice or within such extended time as may be granted by the ~~Disciplinary Action Committee~~ Depository on an application made to it.

11.~~7~~6.3. The concerned Participant shall be entitled to a personal hearing. The Participant may appear himself or through a professional counsel, attorney, advocate or other representative at any hearing given by the ~~Disciplinary Action Committee~~Depository.

11.~~7~~6.4. The ~~Disciplinary Action Committee~~ Depository shall after taking into account the pleadings written and oral explanation and arguments, shall pass reasoned order. The ~~Disciplinary Action Committee~~ Depository shall send a copy of its final order to Participants~~, Executive Committee~~ and the Securities and Exchange Board of India.

11.~~7~~6.5. The Participant shall have the right to appeal to ~~Executive Committee~~ Board of Directors against final order of ~~Disciplinary Action Committee~~Depository.

11.~~8~~7. IMPOSITION OF PENALTIES

11.8.1. The ~~Disciplinary Action Committee~~ Depository may pass an order suspending/expelling a Participant for such period or on such terms and conditions as ~~the Disciplinary Action Committee~~ it deems fit.

11.~~9~~8. CONSEQUENCE OF SUSPENSION

11.~~9~~8.1. The suspension of a Participant shall have the following consequences namely~~-~~:

i) Suspension of Participant rights: The suspended Participant shall during the terms of its suspension be deprived of and excluded from all the rights and privileges of a Participant on the Depository;

ii) Rights of Clients unimpaired: The suspension shall not affect the rights of the Clients of the suspended Participant;

iii) Rights of creditors unimpaired: The suspension shall not affect the rights of the Participants who are creditors of the suspended Participant;

iv) Fulfillment of obligations: The suspended Participant shall be bound to fulfill obligations outstanding at the time of its suspension as directed by ~~Disciplinary Action Committee~~the Depository. The Depository shall have the power to fulfill all obligations towards its Clients of the suspended Participant outstanding at the time of suspension of such Participant;

v) Further business prohibited : The suspended Participant shall not during the terms of its suspension transact any Depository business with or through a Participant;

vi) Participants not to deal: No Participant shall transact business for or with the suspended Participant during the terms of its suspension except with the previous permission of the ~~Disciplinary Action Committee~~Depository.

11.~~9~~8.2. In case of suspension of Participant, the Client shall have the option of either getting the securities held with the Participant transferred to another Participant or getting the securities rematerialised.

11.~~10~~9. CONSEQUENCES OF EXPULSION

11.~~10~~9.1. The expulsion of a Participant shall have the following consequences namely:-

i) Participants rights forfeited : The expelled Participant shall forfeit to the Depository, its rights as a Participant and all rights and privileges as a Participant of the Depository including any right to the use of or any claim upon or any interest in any property or funds of the Depository; but any liability of any such Participant to the Depository or to any Participant of the Depository shall continue and remain unaffected by its expulsion;

ii) Office vacated : The expulsion shall create a vacancy in any office or position held by the expelled Participant in the Depository;

iii) Rights of Clients unimpaired : The expulsion shall not affect the rights of the Clients who are Clients of the expelled Participant;

iv) Rights of Creditors unimpaired : The expulsion shall not affect the rights of the Participants who are creditors of the expelled Participants;

v) Fulfillment of obligations: The expelled Participant shall be bound to fulfill transactions outstanding at the time of his expulsion and it may with the permission of the ~~Disciplinary Action Committee~~ Depository close such outstanding transactions with or through a Participant. The Depository shall have the power to fulfill all obligations towards its Clients of the expelled Participant outstanding at the time of expulsion of such Participant;

vi) Participants not to deal: No Participant shall transact business for or with expelled Participant except with the previous permission of the ~~Disciplinary Action Committee~~Depository.

In case of expulsion of Participant, the Client shall have the option of either getting the securities held with the Participant transferred to another Participant or getting the securities rematerialised.

11.~~11~~10. EXPULSION RULES TO APPLY

When a Participant ceases to carry on business otherwise than on death, the Participant shall be deemed to be expelled and in that event all provisions relating to expulsion contained in these Bye Laws shall apply to such concerned Participants in all respects.

11.~~12~~11. NOTICE OF SUSPENSION OF BUSINESS

Notice shall be given to all other Participants by a notice on the system of the Depository of the expulsion or suspension of business in relation to the operations of the Depository by a Participant or of any other charges imposed on it, on its partners, authorised representatives or other employees. The ~~Disciplinary Action Committee~~ Depository may, in its absolute discretion and in such manner as it thinks fit, notify or cause to be notified to the Participants of the Depository or to the Clients and to public, that any person who is named in such notification has been expelled, suspended or has suspended its business or ceased to be a Participant. No action or other proceedings shall, in any circumstances, be maintainable by such suspended/ expelled Participant against the Depository ~~or the Disciplinary Action Committee~~, or any member of ~~the Disciplinary Action~~ Committee(s) or any employee of the Depository for the publication or circulation of such notification.

11.~~13~~12. PROCEDURE FOR CANCELLATION OF AGREEMENT BETWEEN PARTICIPANT AND DEPOSITORY

11.~~13~~12.1. The agreement entered into between the Participant and the Depository shall be cancelled under the following cases:-

i) on the expulsion of the Participant by the ~~Disciplinary Action Committee~~Depository; or,

12.1. RIGHT OF APPEAL

12.1.1. Any Participant aggrieved by the order passed by the ~~Disciplinary Action Committee~~ Depository shall have the right of appeal to the ~~Executive Committee~~ Board of Directors against the said order of the ~~Disciplinary Action Committee~~Depository.

12.2. PROCEDURE FOR APPEAL

12.2.1. An Appeal may be filed by a Participant within thirty days of receipt of the order of the ~~Disciplinary Action Committee~~Depository. The Appeal may be filed by filing with the ~~Executive Committee~~ Board of Directors a note and memorandum of appeal stating the reasons and grounds of

the appeal against the decision/order of the ~~Disciplinary Action Committee~~ Depository and must also state the relief sought, if any.

12.2.2. The ~~Executive Committee~~ Board of Directors shall have the power to stay the operation of the final order passed by ~~Disciplinary Action Committee~~ the Depository for such period and on such terms and conditions as ~~Executive Committee or sub-committee of Executive Committee~~ Board of Directors deems fit.

12.3. CONSIDERATION OF APPEAL

12.3.1. The Appeal will be heard by the Board of Directors or a ~~Executive~~ Committee or ~~sub-committee of Executive Committee~~ to whom the power of hearing is delegated. At such hearing, the appellant shall be entitled to be represented by advocates, counsel, attorneys and other representatives.

12.3.2. The time limit for the disposal of an appeal preferred to the ~~Executive Committee~~ Board of Directors shall be two months from the date of making such appeal or such other extended time as may be decided by the ~~Executive Committee~~Board of Directors.

12.4. RECORD

12.4.1. A copy of the record ~~of the Disciplinary Action Committee and the Executive Committee,~~ relating to the appeals, shall be furnished to the Securities and Exchange Board of India upon a request being received from the Securities and Exchange Board of India.

14.1.3. In all claims, differences and disputes between Participants inter se and between Participants and Clients, a sole arbitrator shall be appointed by ~~the Executive Committee of~~ the Depository from a panel of arbitrators ~~constituted from time to time by the Executive Committee~~. The panel of arbitrators shall consist of such persons as the ~~Executive Committee~~Depository may in its discretion determine from time to time. The procedure to be followed in such an arbitration shall be as provided for in The Arbitration and Conciliation Act, 1996 and Chapter 19 of the Business Rules.

2. Amendment in Clause of Agreement between NSDL and DP – Annexure A

1) The Participant shall abide by the provisions of The Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018, Bye Laws & Business Rules and procedures of NSDL wherever applicable and comply with any orders, directions or notices which may be issued or prescribed by ~~the Executive Committee of~~ NSDL from time to time in respect of its services and facilities of the Depository system whether of a temporary or permanent nature.

6) The Participant shall pay such fees and charges that may be payable to NSDL in accordance with the schedule specified under the Business Rules and any deposits or other amounts payable in accordance with the Bye Laws and Business Rules.

a) In case of any default on the part of the Participant to pay any of the amounts specified above within a period of 30 days from the date of demand, without prejudice to the rights of the Depository to take disciplinary action under Chapter 11 of the Bye Laws, the Participant will be liable to pay interest at such rate at the rate of not more than 24 % or such other rate as may be specified by the ~~Executive Committee~~NSDL from time to time on the amount from the due date of payment of such amount.

b) However, the ~~Executive Committee~~ NSDL may permit the payment of such amount even without interest after such due date, provided it is satisfied that there exist sufficient grounds for such delayed payment.

10) The Participant shall comply with the requests received from the clients, for dematerialisation and rematerialisation within such time and in such manner as may be specified in the Business Rules, and

shall be required to keep records of the same as laid down by The Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018.

11) The Participant shall keep computerised records in such manner as may be prescribed in The Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018, Bye Laws and Business Rules in respect of its use of any of the services and facilities of NSDL and allow any person duly authorised by NSDL to enter its premises, within the regular business hours on any business day where such records are kept and inspect and take copies of such records. The Participant shall provide on demand any information to NSDL relating to the contracts and transactions that the Participant may have under the depository system.

18) The Participant shall pay NSDL such amount as may be specified by the ~~Executive Committee~~NSDL in this regard to compensate for any loss incurred by the Client due to any act of omission, commission, negligence, misfeasance, fraud, willful misconduct, errors or default on its part as a Participant or any of its employees in relation to the operations of the Depository.

19) The Participant shall indemnify NSDL, in respect of securities credited in its own account towards:

a) losses, liabilities and expenses arising from claims of third parties and from taxes and other governmental charges; and,

b) any other related expenses in respect of such securities as determined by the ~~Executive Committee~~NSDL.

24) The Participant shall resolve any investor grievance which has been received against the Participant or NSDL and submit a report of the grievances resolved to NSDL and Securities and Exchange Board of India in accordance with the period stipulated in The Securities and Exchange Board of India (Depositories & Participants) Regulations, ~~1996~~2018.

3. Deletion in the Bye Laws – Chapter 4

~~**4. EXECUTIVE COMMITTEE**~~

~~**4.1. CONSTITUTION**~~

~~4.1.1. An Executive Committee shall be appointed by the Board of Directors for the purpose of managing the day to day affairs of the Depository.~~

~~4.1.2. The Executive Committee shall consist of not more than fifteen members.~~

~~4.1.3. The Executive Committee appointed by the Board of Directors shall consist of :-~~

~~i. the Managing Director of the Depository;~~
~~ii. not more than five persons nominated in that behalf by the Board of Directors from the Users to be known as User Representatives;~~
~~iii. not more than five individual persons of eminence in the field of finance, accounting, law or any other discipline or amongst the investors as may be nominated by the Board of Directors;~~
~~iv. four persons nominated in that behalf by the Board of Directors as 'Other Nominees'.~~

4.2. POWERS OF THE EXECUTIVE COMMITTEE

4.2.1. The Executive Committee may exercise such of the powers that may be delegated by the Board of Directors in accordance with the provisions of Bye Law 3.1.2.

4.2.2. Subject to the provisions of The Depositories Act, 1996, The Securities and Exchange Board of India Act, 1992 and any directives thereunder, The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and such other directives or regulations as may be specified by the Securities and Exchange Board of India from time to time, the Executive Committee may modify, amend, add or repeal any of the provisions of the Business Rules framed by it.

4.2.3. The Executive Committee may from time to time, constitute sub-committees consisting of two or more of its members which shall report to it on such matters as it may deem fit. The constitution, quorum, and responsibilities of such sub-committees will be determined by the Executive Committee.

4.3. USER REPRESENTATIVES

4.3.1. Subject to the provisions of Bye Laws 4.4.1 & 4.7.1, the Board of Directors shall nominate on the Executive Committee from time to time, not more than five persons from amongst the User Representatives. The persons from amongst the User Representatives so nominated by the Board of Directors shall hold office for a period of two years and shall be eligible for re-nomination subject to Bye Law 4.4.2.

4.3.2. Any vacancy caused by the resignation, removal, death, insolvency or otherwise of such a nominated person shall be filled in by the Board of Directors by a suitable nomination.

4.4. ELIGIBILITY OF USER REPRESENTATIVES TO BECOME EXECUTIVE COMMITTEE MEMBERS

4.4.1. No User Representative shall be eligible to be nominated as a member of the Executive Committee:

i. unless the Participant satisfies the requirement, if any, specified in that behalf by The Securities Contracts (Regulation) Act, 1956 or the rules framed thereunder, The Securities and Exchange Board of India Act, 1992 and any directives thereunder, The Depositories Act, 1996, The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and such other directives or Regulations as may be specified by the Securities and Exchange Board of India from time to time;
ii. unless he is a User Representative and has adequate experience as a market intermediary;
iii. if he is a partner of a User Representative, who is already a member of the Executive Committee;
iv. if he has at any point of time been declared as defaulter or failed to meet his liabilities in the ordinary course of business or compounded with his creditors;
v. if he has been expelled or suspended by the Disciplinary Action Committee of the Depository.

4.4.2. A User Representative nominated for two consecutive terms as a member on the Executive Committee shall not be eligible to be re-nominated to the Executive Committee unless a period of two years has elapsed since his last nomination.

4.5. NOMINATION OF PERSONS OF EMINENCE

4.5.1. Subject to the provisions of Bye Law 4.4.1, the Board of Directors shall nominate on the Executive Committee from time to time such individual persons of eminence in the field of finance, accounting, law or any other discipline, or amongst investors, as decided by the Board of Directors. The persons from amongst them so nominated by the Board of Directors shall hold office for a period of two years and shall be eligible for re-nomination.

4.5.2. Any vacancy caused from amongst the nominated User Representatives shall be filled in by the Board of Directors by a suitable nomination.

4.6. OTHER NOMINEES

4.6.1. The Board of Directors shall nominate on the Executive Committee from time to time not more than four persons to be known as 'Other Nominees', who shall hold office for a period of two years and shall be eligible for re-nomination. Such other nominees may include two senior officers of the Depository.

4.6.2. Any vacancy caused from amongst them shall be filled in by the Board of Directors by a suitable nomination.

4.7. VACATION OF OFFICE OF NOMINEES OF THE BOARD OF DIRECTORS

4.7.1. The office of any nominee of the Board of Directors, including that of the User Representatives, persons of eminence and other nominees on the Executive Committee, shall ipso facto be vacated, if :-

i. he, by notice in writing addressed to the Chairman of the Executive Committee, resigns his office;
ii. he is adjudicated insolvent;
iii. he applies to be adjudicated insolvent;
iv. he is convicted by any court in India, of any offence, and sentenced in respect thereof to imprisonment for not less than thirty days;
v. he absents himself from three consecutive meetings of the Executive Committee or from all meetings of the Executive Committee for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Executive Committee;
vi. in the case of a Participant, if it ceases to be a Participant of the Depository, or if it is suspended, or expelled, or if its Participantship is terminated by the Depository in accordance with these Bye Laws;
vii. in the case of a User, if the User's registration has been suspended or cancelled by the Securities and Exchange Board of India;
viii. in the case of an employee of the Depository, if he ceases to be an employee of the Depository.

Provided further that, if at any time the Board of Directors, in its absolute discretion is satisfied that circumstances exist which render it necessary in the interest of the investor to do so, the Board of Directors may cancel the nomination of any person nominated to the Executive Committee.

4.8. OFFICE BEARERS OF EXECUTIVE COMMITTEE

4.8.1. The Executive Committee shall, from time to time, have the following office bearers namely, a Chairman and a Vice-Chairman

4.8.2. The Managing Director of the Depository shall be the Chairman of the Executive Committee.

4.8.3. The Executive Committee may elect one among themselves as the Vice Chairman.

4.8.4. The Vice Chairman so elected shall hold office for a period of one year and shall be eligible for re-election.

4.8.5. In the event of any casual vacancy arising in the office of the Chairman, the Vice Chairman shall act as the Chairman to fill the casual vacancy, and the Executive Committee shall nominate, from amongst the members, an acting Vice Chairman to fill in the casual vacancy so caused in the post of the Vice Chairman.

4.8.6. In the event of any casual vacancy arising in the office of the Vice Chairman, the Executive Committee may nominate any person to act as the acting Vice Chairman during the period of such casual vacancy. Such acting Vice Chairman shall hold office for the same period as the office bearer in whose place he holds office.

4.9. MEETINGS OF THE EXECUTIVE COMMITTEE

4.9.1. The Chairman of the Executive Committee may, at any time, convene a meeting of the Executive Committee.

4.9.2. The Executive Committee shall meet at least once in every two months for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings, as it thinks fit.

4.9.3. The quorum for a meeting of the Executive Committee shall be five.

4.9.4. Provided that where at any time, the number of interested members exceeds two thirds of the total strength, then the number of remaining members, i.e., the number of members not interested shall be the quorum for the meeting. An interested member means any member who is directly or indirectly concerned or interested in the issue or matter to be dealt with at the meeting of the Executive Committee and whose presence shall not count for the purpose of forming the quorum of such meeting.

4.9.5. Questions arising at any meeting of the Executive Committee shall be decided by a majority of the votes cast by members present and voting. In the case of equality of votes, the Chairman of the Executive Committee shall have a second or casting vote.

4.9.6. At all meetings of the Executive Committee, the Chairman shall ordinarily preside and in his absence, the Vice-Chairman shall preside. If the Vice-Chairman is also not present at the meeting, the members of the Executive Committee present shall choose one from among themselves to be the Chairman of such meeting.

4.10. POWERS OF THE CHAIRMAN

4.10.1. The Chairman shall be entitled to exercise any or all of the powers, exercisable by the Executive Committee whenever he is of the opinion that immediate action is necessary, subject to such action being ratified by the Executive Committee within the time stipulated by the Executive Committee.

4. Deletion in the Bye Law 11.1

~~**11.1. DISCIPLINARY ACTION COMMITTEE**~~

~~11.1.1. A Disciplinary Action Committee shall be appointed by the Board of Directors to deal with any disciplinary matters relating to the Participants, Clients, Issuer or its Registrar and Transfer Agent and other users.~~

~~11.1.2. The maximum strength of the Disciplinary Action Committee shall be five.~~

~~11.1.3. The Disciplinary Action Committee appointed by the Board of Directors shall consist of :-~~

~~i) an officer of the Depository nominated by the Board of Directors who shall be the Chairman of such Committee;~~
~~ii) two persons nominated in that behalf by the Board of Directors from amongst the Participants, Issuers, Registrars & Transfer Agents, Banks or other entities or intermediaries interfacing with the Depository, to be known as 'User Representatives';~~
~~iii) two persons of eminence in the field of finance, accounting, law or any other discipline and amongst Clients as decided by the Board.~~

Annexure B

1. INTRODUCTION

These Business Rules framed hereunder shall be known as National Securities Depository Limited Business Rules, 1996. These Business Rules shall be in addition to the provisions of The Depositories Act, 1996, Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~ 2018 and the Bye Laws of the Depository, as may be applicable to the Participants and other Users of the Depository. These Business Rules shall come into effect from October 23, 1996.

3.1.19. Words and expressions used but not defined in the Business Rules but defined under The Depositories Act, 1996, Companies Act, 2013~~1956~~, Securities Contract (Regulation) Act, 1956, Securities and Exchange Board of India Act 1992, Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~ 2018 and the Bye Laws of the Depository shall have the same meaning respectively assigned to them under the aforesaid Acts and Regulations.

4.5.1. The forms laid down under these Business Rules shall be adhered to by the Participants at the time of operating the accounts of its Clients and giving effect to the transactions laid down under Chapter 9 of the Bye Laws and Chapter 11, 12 and 13 of this Business Rules.

Provided however that to effect such transactions as may be specified by the Depository based on electronic instructions received from the Client, the Participant shall obtain the prior approval of the Depository. The Depository may grant such an approval to the Participant if;

i) the Participant has adequate systems and security features in place to authenticate the Client and the Client to authenticate the Participant;
ii) the Participant is able to conclusively prove the origin, destination, date and time of receipt or despatch of such electronic instructions received by it;
iii) the Participant retains such electronic instructions in the format in which it was originally received or sent or in a format which can be demonstrated to represent accurately the information which was originally received or sent;
iv) the instructions received remain accessible and usable for subsequent reference; and
v) the Participant fulfills such other conditions as may be specified by the Depository.

Provided further that the Participant may operate such accounts or effect such transactions by using any other form or manner of authorisation from the Client provided the same has been approved by the ~~Executive Committee~~Depository.

5.3. Fees and Charges

The Participant shall have the discretion to charge any fees to its Clients. Further, the Participant may charge different types of fees to its various Clients. In the event of the Client committing a default in the payment of any of the charges within a period of thirty days from the date of demand, without prejudice to the right of the Participant to close the account of the Client, the Participant may charge interest @ not more than 24% p.a. or such other rate as may be specified by the ~~Executive Committee~~ Depository from time to time for the period of such default.

Provided further that the Participant shall file the charge structure every year, latest by 30th April, with the Depository and also inform the depository the changes in their charge structure as and when they are effected.

7.3. GENERAL GUIDELINES

No Participant shall shield or assist or omit to report about any Participant whom it has known to have committed a breach or evasion of any Rules, Bye Laws, or Regulations of the Depository or of any resolution, order, notice or direction thereunder of the ~~Executive Committee~~ Depository or the Managing Director or any committee or officer of the Depository authorised in that behalf.

8.1. The applicant shall submit FORM '~~E~~F' specified under The Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~ 2018 and the Annexures specified thereunder along with the following documents:

i) Business history of the applicant for the last three years;
ii) Net worth as certified by a Chartered Accountant as per the latest audited accounts in the manner specified in Annexure A of these Business Rules;
iii) Copies of the annual reports of the last three years

12.7.1.5. The Depository shall, on its own through the Depository Module, freeze the Participant's own account and/or the ISIN and/or specific number of securities, to the extent of the securities held in the Participant's name or advise the Participant to do so through its DPM (DP) under the following circumstances:

a) on the basis of the orders received from the Central or State Government or the Securities and Exchange Board of India or any court or tribunal or any other statutory authority in this regard; or
b) on the basis of the orders passed by the ~~Disciplinary Action Committee~~ Depository as set out in Chapter 11 of the Bye Laws; or
c) the Participant has become insolvent, bankrupt or in case the Participant is a body corporate, it being wound up.

16.1.1. Every Participant of the Depository shall maintain the following records relating to its business for a period of ~~five~~ eight years:-

…..

16.2.1. Every Issuer or its Registrar and Transfer Agent who is a User of the Depository shall maintain the following records relating to its business for a period of ~~five~~ eight years:-

16.3.1. The Depository shall maintain the following records with respect to the Government Securities for a period of ~~five~~ eight years:-

18.2

18.2.1 The Depository may impose a penalty on the Issuer/R & T Agent to the extent indicated for non-compliance as described below:

18	Internal Audit Report not submitted in the prescribed format within the stipulated time period.	₹ 1000 per occasion plus additional ₹500 for any delay per fortnight. ₹ 2000 per occasion plus additional ₹1000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to ~~Disciplinary Action Committee~~ Member Committee.
20	Data submitted in Internal Audit Report and investor grievance report is found to be false/ incorrect.	₹500 per occasion. ₹1000 per occasion, if same deviation is observed for consecutive period. If same deviation is observed for three consecutive periods, matter would be referred to ~~Disciplinary Action Committee~~ Member Committee.
21	Quarterly Investor Grievance report not submitted in the prescribed format within the stipulated time period.	₹ 500 per month or part of the month. ₹ 1000 per month if repeated delay found in consecutive quarter. If delay in submission is observed for three consecutive quarters, matter would be referred to ~~Disciplinary Action Committee~~ Member Committee.

ANNEXURE E of Business Rules

AGREEMENT BETWEEN THE CLEARING CORPORATION AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Agreement made and entered into at Mumbai on this _____day of _____ between _____, a company registered under the Companies Act, ~~1956~~ 2013 and having its Registered Office at _____ herein after called the "Clearing Corporation"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the ONE PART and the National Securities Depository Limited a company registered under the Companies Act, ~~1956~~2013 and having its Registered Office at 4th Floor 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013 hereinafter called the "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the OTHER PART

2. The Clearing Corporation agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~ 2018 Bye Laws and Business Rules of NSDL and any orders, notices or directions issued thereunder to the extent applicable.

15. The Clearing Corporation shall maintain suitable internal control measures in order to maintain the integrity of the data transmitted to NSDL and shall preserve the records for a minimum period of ~~five~~ eight years.
16. NSDL shall maintain suitable internal control measures in order to maintain the integrity of the data transmitted to Clearing Corporation and shall preserve the records for a minimum period of ~~five~~ eight years.

ANNEXURE F of Business Rules

TRIPARTITE AGREEMENT BETWEEN THE CLEARING HOUSE, THE EXCHANGE AND NATIONAL SECURITIES DEPOSITORY LIMITED

NOW THEREFORE in consideration of the Clearing House, the Exchange and NSDL having agreed to establish interface and give mutually agreed services, all the parties to this Agreement hereby covenant and agree as follows :

This Tripartite Agreement made and entered into at Mumbai on this _____ day of _____

BETWEEN

_____ , having its registered office at hereinafter called "the Clearing House"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the FIRST PART ;

AND

_____ , a stock exchange recognized under the provisions of the Securities Contracts (Regulation) Act, 1956, having its registered office at _____ hereinafter called "the Exchange"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the SECOND PART ;

AND

The National Securities Depository Limited, a company registered under the Companies Act, ~~1956~~ 2013 and having its registered office at 4th Floor 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 hereinafter called "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the THIRD PART

2. The Clearing House agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations,~~1996~~2018, Bye-laws and Business Rules of NSDL and any orders, notices or directions issued thereunder to the extent applicable.

18. The Clearing House and NSDL shall preserve the records of all data for a period of ~~five~~ eight years.

ANNEXURE G of Business Rules

TRIPARTITE AGREEMENT BETWEEN THE CLEARING HOUSE, THE EXCHANGE AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Tripartite Agreement made and entered into at Mumbai on this _____day of _____ .

BETWEEN

_____ , having its registered office at _____ _____ hereinafter called "the Clearing House" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the FIRST PART;

AND

_____ , a stock exchange recognised under the provisions of the Securities Contracts (Regulation) Act, 1956, having its registered office at hereinafter called "the Exchange" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the SECOND PART;

AND

National Securities Depository Limited, a company registered under the Companies Act, ~~1956~~ 2013 and having its registered office at Trade World, 4th Floor, 'A' Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 hereinafter called "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the THIRD PART

NOW THEREFORE in consideration of the Clearing House, the Exchange and NSDL having agreed to establish interface and give mutually agreed services, all the parties to this Agreement hereby covenant and agree as follows:

2. The Clearing House and the Exchange agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations,~~1996~~2018, Bye-laws and Business Rules of NSDL and any orders, notices or directions issued thereunder to the extent applicable.

18. The Clearing House and the Exchange and NSDL shall preserve the records of all data for a period of ~~five~~ eight years.

ANNEXURE H of Business Rules

AGREEMENT BETWEEN THE EXCHANGE AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Agreement made and entered into at Mumbai on this _____ day of_____

BETWEEN

_____ , a stock exchange recognised under the provisions of the Securities Contracts (Regulation) Act, 1956, having its registered office at hereinafter called "the Exchange"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the PART ONE;

AND

National Securities Depository Limited, a company registered under the Companies Act, ~~1956~~ 2013 and having its registered office at 4th Floor 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 hereinafter called "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the OTHER PART

NOW THEREFORE in consideration of the Exchange and NSDL having agreed to establish interface and give mutually agreed services, both the parties to this Agreement hereby covenant and agree as follows:

1. The Exchange not being an agent of NSDL, NSDL shall not be responsible for any act of omission or commission of the Exchange, save and except the obligations of NSDL to the Exchange under this agreement.
2. The Exchange agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, ~~1996~~2018, Bye-laws and Business Rules of NSDL and any orders, notices or directions issued thereunder to the extent applicable.

18. The Exchange and NSDL shall preserve the records of all data for a period of ~~five~~ eight years.

Annexure K of Business Rules

Rights and Obligations of the Beneficial Owner and Depository Participant General Clause

General Clause

1. The Beneficial Owner and the Depository participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 2018~~1996~~, Rules and Regulations of Securities and Exchange Board of India (SEBI), Circulars/Notifications/Guidelines issued there under, Bye Laws and Business Rules/Operating Instructions issued by the Depositories and relevant notifications of Government Authorities as may be in force from time to time.

Separate Accounts

10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and /or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in demat account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, ~~1996~~ 2018 and Bye-Laws/Operating Instructions/Business Rules of the Depositories**.**