

EXTRACTS OF THE AGENDA OF THE 87TH MEETING OF THE BOARD OF DIRECTORS OF NATIONAL SECURITIES DEPOSITORY LIMITED HELD ON THURSDAY, JANUARY 04, 2024 AT 12:15 P.M. AT DYNASTY, HOTEL ITC MARATHA, ASHOK NAGAR, ANDHERI EAST, MUMBAI - 400059

Amendments to Byelaws and Business Rules regarding AIF units in demat form

With respect to Issuance / Credit of units of AIFs in dematerialised form ,the Depositories is required to put in place a system to facilitate that any transfer of units of AIF held in dematerialised form, which requires approval of the AIF/manager of AIF in terms of PPM or agreements entered between the AIF and the investors or any other fund documents, is carried out accordingly i.e. only after approval of AIF/manager of the AIF'

In view of aforesaid, the depositories are required to finalise the operational aspect/issue w.r.t dematerialisation of AIF units.

In order to carry out aforesaid activity w.r.t 'Issuance of AIF units in demat form and restricted transferability of AIF units', NSDL has done various system changes in consultation with other MIIs. Further, operational guidelines w.r.t conversion of existing units into demat form and processing the transfer requests of AIF units which are under restricted transferability has been communicated to the Participants.

Further, NSDL is required to make consequential amendments in its bye-laws and business rules regarding 'Conversion of AIF units into demat form, Issuance/credit of AIF units in demat form and restricted transferability of AIF units'. Accordingly, it is proposed to amend the Byelaws and NSDL Business Rules.

The Board is requested to approve the insertion of new Byelaw No. 9.19, insertion of new Business Rule No. 12.21, amendments to Business Rules 11.7 and Form 2 of Business Rules.