

EXTRACTS OF THE MINUTES OF THE 88TH MEETING OF THE BOARD OF DIRECTORS OF NATIONAL SECURITIES DEPOSITORY LIMITED HELD ON WEDNESDAY, FEBRUARY 07, 2024 AT 02.45 P.M. AT BOARD ROOM, 5TH FLOOR, TRADE WORLD, 'A' WING, KAMALA MILLS COMPOUND, SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI - 400013

➤ **Amendments to Business Rules regarding 'Allowing Security certificates in the old name of the issuer for dematerialisation'**

The Board was apprised that the SEBI vide its email dated December 01, 2023 had advised depositories to amend the Business Rules w.r.t 'allowing old share certificates for dematerialisation' for the benefit of the investors without requiring them to submit further documents evidencing change of name of the Company. A copy of the said email was placed before the Board.

In view of the above SEBI communication, NSDL was required to make consequential amendments in its Business Rules regarding 'Allowing Security certificates in the old name of the issuer for dematerialisation'. In this regard, proposed amendments to NSDL Business Rules 11.1 were placed before the Board for its approval.

The aforesaid matter was considered by the Regulatory Oversight Committee at its meeting held on February 06, 2024 and the views of the Committee were shared.

The Board, after deliberations, approved the amendments to NSDL Business Rules 11.1.

➤ **Risk Management Framework (Policy), Risk and Control Self-Assessment (RCSA) Framework and Incident Reporting Framework for Non-IT Incidents**

The Board was apprised that the Risk Management Committee at its meeting held on July 26, 2023, advised to review and analyse the existing risk management process of the Company and to review the entire process of Risk Registers and the way forward to move from Risk Register to Risk and Control Self-Assessment (RCSA).

Accordingly, the Risk Management Framework, RCSA Framework and Incident Reporting Framework for Non-IT Incidents were drafted and placed before the Board. It was mentioned that as these policies and framework were being introduced for the first time, it might take some time to implement the same in entirety. Accordingly, it was

proposed to grant time till Q2 of FY 2024-25 (i.e. by September 30, 2024) for the implementation of these policies.

The Board was also informed that the risk management policy was reviewed by Mr. Milind Mungale – IT Consultant.

The aforesaid matter was considered by the Risk Management Committee at its meeting held on January 17, 2024 and the views of the Committee were shared.

The Board, after detailed deliberations, approved the Risk Management Framework, and the RCSA Framework and Incident Reporting Framework for Non-IT Incidents.

➤ **Status of investor grievances received by NSDL**

The Board was apprised on the details of grievances received directly by NSDL and from SEBI (other than CAS) during September to December quarter. Further, the summary of pending grievances as of December 31, 2023 and quarter wise count of grievances received directly by NSDL & from SEBI (other than CAS) was placed before the Board.

The Board was informed that there was 12% reduction in the number of grievances received against Depository Participants (DP's) in Q3 of F.Y. 2023-24 as compared to Q2 of F.Y. 2023-24. The reduction was observed mainly in the charges related grievances and closure of accounts related grievances. However, there was a minor rise of 2% which was observed in Q3 of F.Y. 2023-24 as compared to Q2 of F.Y. 2023-24 against Issuers/Registrar & Transfer Agents (RTAs).

The quarter-wise counts of CAS grievances and the statistics of CAS grievances corresponding to CAS dispatched in Q3 of F.Y. 2023-24 and the summary of grievances related to allegations of unauthorized transfer of securities for Q3 of F.Y. 2023-24 were also placed before the Board. The Board was also informed that grievances were mainly related to securities debited based on POA and shares transferred to IEPF.

The aforesaid item was also considered by the Regulatory Oversight Committee at its meeting held on February 06, 2024 and the views of the Committee were shared.

The Board, after deliberations, reviewed the above.