

<b>Department: Compliance</b>	<b>Segment: All</b>
<b>Circular No: MSE/COMP/11758/2022</b>	<b>Date : April 26, 2022</b>

**Subject: Amendments to Bye-Laws and Rules of MSE**

To the Trading Members of applicable segment,

The Byelaws of the Metropolitan Stock Exchange of India Limited ("MSE") are amended as under w.e.f. April 09, 2022:

- 1) The first page of Byelaw, the words, ("Formerly known as MCX Stock Exchange Ltd.") is deleted.
- 2) The first page of Byelaw, the existing address of MSE is substituted with the following new address, as under:-

"205(A), 2<sup>nd</sup> Floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai – 400 070."
- 3) In the whole Byelaw, for the word, "MSEI" wherever they occurs, the word "MSE" is substituted.
- 4) In the whole Byelaw, for the words, "IGRC" or "Investor Grievance Redressal Committee" or "Defaulters' Committee" wherever they occur, the words "Relevant Committee" are substituted.
- 5) Following amendments are made to the Chapter I – "Definitions" of the Byelaw as under,-
  - (i) The existing Byelaw 4 of Chapter I with respect to the definition of "Executive Committee" is deleted.
  - (ii) After existing Byelaw 11 of Chapter I , the following new Byelaw 11A is inserted, as under :-

"(11A) "Relevant Committee" means such committees constituted for specific purposes by the Relevant Authority as specified under Companies Act, 2013, SEBI Regulations/ Act or any other applicable Act/ Regulations issued from time to time."
  - (iii) The existing Byelaw 15 of Chapter 1 is amended as under:-

"(15) "Security(ies)" shall have the meaning assigned to it in the Securities Contracts (Regulation) Act, 1956 (as amended from time to time) and shall also include such other class of monetary transactions or instruments, scripless or otherwise, as may be admitted to dealings on Stock Exchange."
- 6) Following amendments are made to the Chapter II – "Trading Segments" of the Byelaw as under,-
  - (i) The existing Byelaw 6 of Chapter II is substituted with following clause:

"(6) Derivatives contracts based on currency or any other underlying approved by SEBI may be admitted to dealings on the Currency Derivatives Segment."

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- (ii) After the existing Byelaw 6A (iv) of Chapter II the following new sub-clause 6A (v) is inserted, as under:-  

“6A(v) Such other debt securities as may be specified by the Relevant Authority from time to time with prior approval of SEBI.”
- (iii) After the existing Sub-Byelaw 6A of Chapter II, the following new Sub-Byelaw 6(B) is inserted, as under:-  

“(6B) SME Trading Segment  
The specified securities issued by the Small & Medium Enterprises in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 may be admitted to the dealings on the SME Trading segment.”
- 7) The existing Chapter III of the Byelaw pertaining to “Executive Committee” is deleted.
- 8) Following amendments are made to the Chapter V- “Dealings in Securities” of the Byelaw as under,-
  - (i) The existing Sub-Byelaw 2(b) of Chapter V is substituted with following clause;  

“(2)(b) Admission of securities to listing on the Stock Exchange shall be in accordance with provisions prescribed in these Bye Laws and Regulations in that behalf and the applicable SEBI regulations and the amendments / clarifications issued from time to time.”
  - (ii) The existing Byelaw 8 of Chapter V is renumbered as sub-clause (a) of Byelaw 8 thereof, and after sub-clause (a), the following new Sub-Clause (b) is inserted, as under:-  

“(8) (b) Every issuer shall comply with the conditions of the listing agreement as prescribed by Exchange and/ or SEBI from time to time and shall be liable to pay such fine(s) as may be prescribed by the Exchange and/ or SEBI from time to time for non-compliance of provisions of the listing agreement or any of the SEBI Regulations dealing with listing as may be applicable to Issuers listed on Exchange.”
  - (iii) The existing Byelaw 13 of Chapter V is renumbered as Sub-Clause (a) of Byelaw 13 thereof, and after Sub-Clause (a), the following new Sub-Clause (b) is inserted, as under:-  

“(13) (b) The manner of suspension and revocation of suspension of admission to dealings on the Exchange shall be in accordance with standard operating procedure prescribed by Exchange and/ or SEBI from time to time.”
- 9) Following amendments are made to the Chapter VI – “Trading Members” of the Byelaw as under,-
  - (i) After the existing sub-clause (e) of Byelaw 1 of Chapter VI the following new sub-clause (f), is inserted, as under:-  

“ (1) (f) Any bank included in the Second Schedule of the Reserve Bank of India Act, 1934, and specifically authorized by Reserve Bank of India for this purpose:

    - (i) is eligible to become a Trading Member of the Currency Derivatives Segment of the Exchange, on the recommendation of the Relevant Authority.
    - (ii) such bank can act as a Trading Member for its proprietary dealings, to act on its own account, in the Currency Derivatives Segment of the Exchange.

- (iii) such bank can also act as a Trading Member for its clients or constituents in the Currency Derivatives Segment of the Exchange.
  - (iv) such bank shall also abide by the circulars and directions issued by RBI and SEBI in respect of dealings of such bank on the Exchange besides Rules, Byelaws and Regulations of the Exchange.”
- (ii) The existing sub-clause (i) of Byelaw 2 of Chapter VI is substituted with following clause as under:-

“(2) (i) A Trading Member shall not allow operation of its trading terminal at any office other than its registered office, branch offices and the offices of its registered Authorised Person.”
- 10) Following amendments are made to the Chapter VIII – “Dealings by trading Members” of the Byelaw as under,-
  - (i) The existing sub-clause (a) of Byelaw 5 of Chapter VIII is amended as under:-

“The words, “and following the procedures prescribed by SEBI from time to time” are inserted in sub-clause (a) of Byelaw 5 after the words, “However, the Stock Exchange may by notice” and before words, “annul the deal(s) on application by a Trading Member.”
- 11) Following amendments are made to the Chapter IX – “Trading System and Market Makers” of the Byelaw as under,-
  - (i) The existing sub-clause (d) of Byelaw 2 of Chapter IX is amended as under:-

“The words, “Stock Exchange” appearing after the words, “A registered market maker in any” are deleted.”
- 12) Following amendments are made to the Chapter X – “Margins” of the Byelaw as under,-
  - (i) The existing sub-clause (1) of Byelaw 1 of Chapter X, the words, “of the Stock Exchange” are deleted.
- 13) The entire Chapter XII of the Byelaw pertaining to “Clearing And Settlement of Deals” is deleted.
- 14) Following amendments are made to the Chapter XIII – “Rights And Liabilities of Trading Members And Constituents” of the Byelaw as under,-
  - (i) After the existing Byelaw (11) of Chapter XIII, the following new Byelaw (12) is inserted, as under:-

“(12) The Relevant Authority shall constitute a Relevant Committee to supervise the working of the Investor Services Cell of the Exchange and in suitable cases attend to grievances of the Investors personally. The composition of Relevant Committee shall be such as may be prescribed by SEBI.”
- 15) Following amendments are made to the Chapter XIII-A – “Investor Grievance Redressal Mechanism” of the Byelaw as under,-
  - (i) The existing sub-clause (b) of Byelaw (1) of Chapter XIII-A is substituted with following clause, as under:-

“(b) ‘Investor’ or ‘constituent’ or ‘complainant’ shall mean a person who has traded on the Exchange and is constituent of a Member.”

- (ii) After the existing sub-clause (e) of Byelaw (1) of Chapter XIII-A, the following new sub-clause (f), is inserted, as under:-

“(f) ‘Admissible claim value’ shall mean the claim value admissible to the Constituent as ascertained by the Relevant Committee or Panel and recorded in the directions or order.”

- (iii) The existing sub-clause (1) of Byelaw 3 of Chapter XIII-A is substituted as under:-

“(1) The Relevant Authority may specify the different centers of RISC and the same shall be communicated from time to time.”

- (iv) The existing Byelaw 7 of Chapter XIII-A is substituted with following clause as under:-

“(7)) Implementation of Decision or Direction of the Relevant Committee

The Relevant Authority may from time to time specify the procedure and method for implementation of the decision/ order with respect to admissible claim or direction of the Relevant Committee.”

- (v) After the existing Byelaw (7) of Chapter XIII-A following new Byelaws 7A, 7B and 7C are inserted, as under:-

**“7A. Timeline**

The Exchange shall ensure that the investor complaints shall be resolved within timeline prescribed by the Relevant Authority from the date of receipt of the complaint. Additional information, if any, required from the complainant, shall be sought within the time frames from the date of receipt of the complaint. The period of time line shall be counted from the date of receipt of additional information sought.

**7B. Complaints to be referred to Relevant Committee**

For Complaints related to trade, settlement and ‘deficiency in services’, resulting into any financial loss, the stock exchange shall resolve the complaint on its own as per the time lines prescribed. However, if complaint is not resolved amicably, the same shall be referred to the Relevant Committee, after recording the reasons in writing by the Chief Regulatory Officer of the Exchange or any other officer of the Exchange authorized in this behalf by the Managing Director.

**7C. Arbitration**

For any dispute between the member and the client relating to or arising out of the transactions in Exchange, which is of civil nature, the complainant/ member shall first refer the complaint to the Relevant Committee and/ or to arbitration mechanism provided by the Exchange before resorting to other remedies available under any other law

A complainant/member, who is not satisfied with the recommendation of the Relevant Committee, shall avail the arbitration mechanism of the Exchange for settlement of complaints within six months from the date of Relevant Committee recommendation.”

- 16) Following amendments are made to the Chapter XIV – “Arbitration” of the Byelaw as under,-

- (i) The existing sub-clause (2) of Byelaw 2 of the Chapter XIV is amended as under:-  
  

“The words, “and Sub brokers and between Sub Brokers”, “of Sub brokers” and Explanation occurring in sub clause 2 of Byelaw 2 are deleted.”
- (ii) The existing Byelaw 4 of Chapter XIV is amended as under:-  
  

“The words, “as per the Regulatory Authority and” are inserted after the words, “within the period prescribed” and before the words, “under the Limitation Act, 1963.” in Byelaw 4 of Chapter XIV.”
- (iii) In the existing Byelaw (6) of Chapter XIV the words “In case the Relevant Committee admissible claim award amount is more than Rs. 50 lakh (Rs. Fifty lakh), the next level of proceedings i.e. arbitration may take place at the nearest metro city, if desired by any of the party involved. The additional cost for arbitration, if any, to be borne by party desirous of shifting the place of arbitration.” are inserted after the words “ \* “TM” stands for “Trading Member” and “C” stands for “Constituent.”
- (iv) After the existing sub-clause (x) of Clause (1) of Byelaw 9 of Chapter XIV the following new sub-clause (xi) is inserted, as under:-  
  

“(xi) No person appointed on the panel of Relevant Committee shall be eligible to be appointed on the panel of arbitrators or panel of Appellate arbitrators, maintained by the Exchange.”
- (v) The existing sub-clause (1) of Byelaw 19 of Chapter XIV is amended as under:-  
  

“The words, “of the arbitration fee” is inserted after the words, “parties to arbitration shall make a deposit” and before the words, “with the Stock Exchange” in sub-clause (1) of the Byelaw 19 of Chapter XIV.”
- (vi) The existing sub-clause 2 of Byelaw 19 of Chapter XIV is amended as under:-  
  

“(2) In order to have faster implementation of award and to discourage delayed filling of arbitrations by members, the fee structure (exclusive of statutory dues - stamp duty, applicable taxes, etc.) for filling arbitration, the amount of deposit i.e arbitration fee, which has to be deposited shall be determined by the amount of the claim initially and thereafter determined based on a higher counter claim, if any, as specified by the Relevant Authority from time to time.”
- (vii) The existing Clause (4) of Byelaw (19) of Chapter XIV the words, “Excess of filing fee, over fee payable to the arbitrator, if any, to be deposited in the Investor Protection Fund of the Stock Exchange.” are inserted after the words, “In case where claim was filed after 6 months, one third of the deposit collected from the party shall be appropriated towards arbitration fees of the Stock Exchange and balance two-third amount shall be credited to the Investor Protection Fund of the Stock Exchange.”
- (viii) The existing Clause (2) of Byelaw 30 of Chapter XIV is substituted with following clause as under:-  
  

“(2) A sum directed to be paid by an award shall, unless the award otherwise directs, carry rate of interest in compliance with Arbitration and Conciliation (Amendment) Act, 2015.”
- (ix) In Byelaw 35, 36 and 37 of Chapter XIV of Byelaw, the words, “and/or its sub brokers”, “Sub Broker” or “or sub broker” wherever they occur, are deleted.
- 17) Following amendments are made to the Chapter XIV-A – “Appellate Arbitration” of the Byelaw as under,-

- (i) In Byelaw 2 of Chapter XIV-A, the words, “In case the award amount is more than Rs. 50 lakh (Rs. Fifty lakh), the next level of proceedings may take place at the nearest metro city, if desired by any of the party involved. The additional statutory cost for arbitration, if any, to be borne by party desirous of shifting the place of arbitration.” are inserted after the words, “unless otherwise specified by relevant authority.

- (ii) The existing sub-clause 1 of Byelaw 4 of the Chapter XIV-A is amended as under:-

“In the existing sub-clause 1 of Byelaw 4 of the Chapter XIV-A, the words, “the Stock Exchange shall be as provided for herein, identify the person who shall act as the arbitrators” are deleted, and after the words, “Upon receiving the prescribed form, from the Appellant as well as the Respondent” following words are inserted, “the arbitrator(s) shall be appointed through an automatic process or any other process as may be specified by SEBI or the Exchange, from time to time.”

- (iii) The existing clause (2) of Byelaw (12) of Chapter XIV-A is substituted with following clause, as under:-

“(2) A sum directed to be paid by an award shall, unless the award otherwise directs, carry rate of interest in compliance with Arbitration and Conciliation (Amendment) Act, 2015.”

- 18) Following amendments are made to the Chapter XV – “Default” of Byelaw as under,-

- (i) In the existing clause (d) of Byelaw 1 of Chapter XV of the words, “clearing forms and other” are deleted

- (ii) After the sub clause (g) of Byelaw (1) of Chapter XV the following new sub-clause (h) is inserted, as under:-

“(h) they fall in the criteria specified by SEBI from time to time or as per the conditions specified in the SOP prescribed by SEBI related to cases leading to default as amended from time to time.”

- (iii) The existing Byelaw (2) of Chapter XV of the Byelaw is substituted with following clause, as under:-

“Expulsion in Certain Cases

(2) Without prejudice to the foregoing, if a Trading Member is expelled by any other recognised stock exchange on which he is a Trading Member or if the registration certificate is cancelled by SEBI, the said Trading Member would automatically stand expelled from membership of the Stock Exchange

The trading facility of the Trading Member shall be withdrawn immediately after the receipt of information of expulsion by any other stock exchange or cancellation of registration certificate by SEBI.”

- (iv) The existing Byelaw 2(A) of Chapter XV is substituted with following clause as under:-

“Declaration of Default in all Segments

(2A) Where the Trading Member is declared defaulter on any trading segment of the Stock Exchange, he shall also be immediately declared defaulter on all other trading segments of the Stock Exchange in which he may hold membership and the trading facility of the Trading Member shall be withdrawn immediately.”

- (v) The existing Byelaw 2(C) of Chapter XV is substituted with following clause as under-

“Action against Associate in cases Leading to Default / Declaration of Default

(2C) Actions to be initiated against Associates of Trading members if they fall in the criteria specified by SEBI from time to time or as per the conditions specified in the SOP prescribed by SEBI related to cases leading to default as amended from time to time.”

- (vi) After the existing Byelaw 3 of Chapter XV the following new Byelaw (3)(A) is inserted, as under:-

“(3A) Actions by Exchange against members likely to Default and their associates

The Exchange may initiate actions against Trading Members likely to default and / or their associates as per the criteria specified by SEBI from time to time or as per the conditions specified in the SOP prescribed by SEBI as amended from time to time.”

- (vii) In existing Byelaw 12 of Chapter XV of Byelaw, the following words, “The Relevant Committee shall initiate suitable actions for liquidating the assets (movable and immovable) of defaulter member including that of debit balance clients (to the extent of debit balance), as per the Guidelines prescribed by SEBI and as per the relevant SOP defined by the Stock Exchange in this regard from time to time.” are inserted at the end of byelaw 12 after the words, “and other recognised stock exchanges”

- (viii) After the existing Byelaw 13 of Chapter XV the following new Byelaw 13(A) is inserted, as under:-

“13 (A) Admissibility of claim for making payment out of IPF:

In the event of default by the member, all transactions executed on exchange platform shall be eligible for settlement from IPF (subject to maximum limit), subject to the appropriate norms laid down by the Relevant Committee.”

- (ix) The existing Byelaws 16,17,18 & 19 of Chapter XV are deleted.

- (x) The existing Byelaw 23 of Chapter XV is substituted with following clause as under:-

“Scale of Charges

(23) The charges to be paid to the Stock Exchange on the amounts transferred to the account of the Relevant Committee shall be such sum as the relevant authority may from time to time prescribe.”

- (xi) The existing clause (b) of Byelaw 24 of Chapter XV is substituted with following clause as under:-

“(b) Dues to other Trading Members and to Constituents of the defaulter

The payments as may be admitted by the Relevant Committee, as being due to other Trading Members and Constituents of the defaulter member regarding debts, liabilities, obligations and claims arising out of any trading done by the other trading member and constituents through respective defaulter member shall be subject to the Rules, Bye-laws and Regulations of the Stock Exchange, provided that if the amount is insufficient then the amounts shall be distributed pro rata amongst other Trading Members and all the Constituents of the defaulter member. Further, the other Trading Members shall in turn share the amounts so received with their Constituents on pro rata basis.”

- (xii) The existing Byelaw 24 of Chapter XV with the heading, "Certain claims not to be entertained", is inadvertently numbered as Byelaw 24 and hence the same is renumbered as Byelaw 25.
- (xiii) The existing Byelaw 31 of Chapter XV is substituted with following clause as under:-  
 "The Relevant Committee for the purpose of this Chapter shall be a Committee as may be constituted by the Board of Directors from time to time. The composition of the Relevant Committee shall be such as may be prescribed by SEBI."
- 19) Following amendments are made to the Chapter – XVI- "Investor Protection Fund" of the Byelaw,-
  - (i) In the existing Byelaw 1 of Chapter XVI the words, "MCX Stock Exchange Investor Protection Fund Trust" is substituted with words, "Metropolitan Stock Exchange Investor Protection Fund Trust"
  - (ii) The existing Byelaw 3 of Chapter XVI is substituted with following clause as under-  
 "(3) The amount that may be paid under this Part to a claimant shall not exceed such amount as may be decided by the Trust from time to time. The Trust shall disburse the compensation to the claimants immediately as and when claims are sent to the trust as determined and ratified by Relevant Committee however, such compensation shall not be more than the maximum amount fixed for a single claim."
  - (iii) The existing Byelaw 4 of Chapter XVI of the Byelaw is substituted with following clause as under:-  
 "(4) Notwithstanding anything contained in any other Byelaw, the Trust shall have the power to utilise the interest income earned on the investments made out of IPF, for educating investors, creating awareness among the investor community at large and for any research connected therewith or incidental thereto as prescribed by SEBI from time to time."
  - (iv) After the existing sub-clause (g) of Byelaw (11) of Chapter XVI the following new sub clause (h) and (i) are inserted, as under:-  
 "(h) Excess of filing fee over fee payable to the arbitrator, if any, to be deposited in the IPF.  
 (i) Penalties/ fines realized from the listed entities by the Exchange owing to their default under the applicable SEBI standard operating procedure as specified by SEBI from time to time."
  - (v) The existing Byelaw 13 of Chapter XVI is substituted with the following clause as under:-  
 "(13) The Stock Exchange, in consultation with the Trust, shall periodically review the sources of the fund and progressively increase the amount of compensation available against a single claim from an investor every three years. The Stock Exchange shall disseminate the compensation limit fixed and any change thereof, to the public through a Press Release and also through web site of the Stock Exchange."
  - (vi) After Byelaw (17) of Chapter XVI the following new Byelaw 18 is inserted, as under:-  
 "(18) Investor Service Fund

The Exchange shall set up an Investor Services Fund in accordance with the terms and conditions and shall use the funds as clarified and prescribed by SEBI from time to time."



**The Rules of MSE are amended as under w.e.f. April 09, 2022:**

- 1) The first page of Rules, the words, ("Formerly known as MCX Stock Exchange Ltd.") is deleted.
- 2) The first page of Rules, the existing address of the Exchange is substituted with the following new address, as under:-

"205(A), 2nd Floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai-400 070."
- 3) In the whole Rules, for the word, "MSEI" wherever they occur, the word "MSE" is substituted.
- 4) Following amendments are made to the Chapter - I "Board" of the Rules as under, -
  - (i) The existing Rule 2 of Chapter I is substituted with following clause as under:-

"(2) Directors of the Metropolitan Stock Exchange of India Limited shall be appointed in accordance with the provisions of the Articles of Association of the Company as amended from time to time and the provisions contained in this Chapter. The appointment of the Directors on the governing board shall be subject to rules and regulations specified by SEBI from time to time."
  - (ii) The existing Rule 2(D) of Chapter I is substituted with following clause as under:-

"2D) The Managing Director shall be an ex-officio director on the governing board and shall be included in the category of Shareholder Directors."
  - (iii) The existing Rule (2N) of Chapter I is substituted as under:-

"2(N) Public Interest Directors shall be paid only sitting fees as specified in the Companies Act, 2013 for Independent Directors."
  - (iv) The existing Sub-Rule (b) of Rule 2P of Chapter I the following clause is substituted as under:-

"(b) The appointment, as well as re-appointment, of the Managing Director shall be for a term as specified in SEBI and other applicable regulations."
  - (v) The existing Rule 2 of Chapter 1 occurring after of Rule 2P is inadvertently numbered as Rule 2 and hence the same is renumbered as Rule 3
  - (vi) The existing Rule 3 of Chapter 1 is renumbered as Rule 4
  - (vii) The existing Rule 4 of Chapter I is renumbered as Rule 5 and the words, "to the Executive Committee(s) or" occurring after the words, "from time to time" is deleted.
  - (viii) After the renumbered Rule 5 the following new Rule 6 is inserted as under:-

"6) The conducting of business of the Board (including meetings) shall be as per the provisions of Companies Act, 2013 and Rules and Regulations specified by SEBI from time to time."
  - (ix) The existing Rule 5 of Chapter I is renumbered as Rule 7 and is substituted with following clause as under:-

"7) The Board may, from time to time, constitute one or more committees comprising of members of the Board or such others as the Board may in its discretion deem fit or necessary and delegate to such

committees such powers as the Board may deem fit and the Board may from time to time revoke such delegation. The Committees constituted by the Board may inter alia include the committees specified under SEBI Regulations, Companies Act, 2013 or any other Regulations, Acts and circulars.”

- (x) The existing Rule 6 of Chapter I is renumbered as Rule 8 and is substituted with following clause as under:-

“8) The Board shall have the authority to issue directives from time to time to any Committees or any other person or persons to whom any powers have been delegated by the Board. Such directives issued in exercise of this power, which may be of policy nature or may include directives to dispose off a particular matter or issue, shall be binding on the concerned Committee(s) or person(s).”

- (xi) The existing Rule 7 of Chapter I is renumbered as Rule 9.

- (xii) The existing Rule 8 of Chapter I is renumbered as Rule 10 and is substituted with following clause as under:-

“10) The Members of the Board and of such committees shall adhere to the Code of Conduct as may be prescribed by the Board from time to time.”

- (xiii) The existing Rule 9(A), 9 (B), 9(C) and 9(D) of Chapter I are renumbered as Rule 11(A), 11(B), 11(C) and 11 (D) respectively, and the words, “Public Representative” wherever they occur are substituted with the words, “Public Interest” and the words, “SEBI Nominee” wherever they occur are deleted.

- 5) The whole Chapter II of the Rules pertaining to “Executive Committee” is deleted.

- 6) Following amendments are made to the Chapter III – “Trading Membership” of the Rules as under, \_

- (i) In the existing Sub-Rule (b) of Rule 4 of Chapter III the word, “/commodities” is inserted after the words, “that of securities”

- (ii) In the existing Rule 17 of Chapter III the words, “in the prescribed form” is inserted after the words, “Securities and Exchange Board of India”.

- (iii) After the existing Rule 17 of Chapter III the following new Rule 17A is inserted as under:-

“17(A) If an entity is already registered with Securities and Exchange Board of India as a stock broker with any recognized stock exchange or as a clearing member in any recognized clearing corporation, then for operating on the Stock Exchange the entity can directly apply to the Stock Exchange as per the procedure prescribed. The Stock Exchange shall report such grant of approval to Securities and Exchange Board of India in the prescribed form.”

- 7) The whole Chapter IV of the Rules pertaining to “Clearing Membership” is deleted.

- 8) Following amendment is made to the Chapter V - “Disciplinary Proceedings, Penalties, Suspension and Expulsion” of the Rules as under,-

- (i) The existing Rule 13A (c) & (d) of Chapter V the following are substituted with the following clause as under:-

“13A (c) Wherever such temporary suspension is on account of similar actions initiated by any other stock Exchange, no notice to show cause is required.

13 A (d) Any such temporary suspension may be revoked at the discretion of the Managing Director, for reasons to be recorded in writing, if the Managing Director is satisfied that the circumstances leading to

the formations of opinion of the Managing Director to effect temporary suspension, have ceased to exist or are satisfactorily resolved or where such action is initiated by any other exchange, the temporary suspension has been revoked by the initiating Exchange.”

(ii) The existing Rule 13(A) (d) of Chapter V is renumbered as Rule 13(A) (e).

(iii) The existing Rule 24 of Chapter V is substituted with following clause as under:-

“(24) The Relevant authority for the purpose of this Chapter shall be the Member Committee as may be constituted by the Board of Directors from time to time or the Committee formed under the Member Committee. The composition of Member Committee shall be such as may be prescribed by SEBI.”

(iv) In the existing Rule 25 and 26 of Chapter V, for the words, “Disciplinary Action Committee” wherever they occur are substituted with the words, “Member Committee”.

For any clarifications, contact Customer Service on 022-61129010 or send an email to [customerservice@msei.in](mailto:customerservice@msei.in).

**For and on behalf of  
Metropolitan Stock Exchange of India Limited**

**Praveenkumar Acharya  
Assistant Vice President  
Compliance & Internal Control**