

GAZETTE OF INDIA
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SECURITIES AND EXCHANGE BOARD OF INDIA
NOTIFICATION
Mumbai, the 8th September, 2015

**SECURITIES CONTRACTS (REGULATION) (STOCK EXCHANGES AND
CLEARING CORPORATIONS) (AMENDMENT) REGULATIONS, 2015**

No. SEBI/LAD-NRO/GN/2015-16/016.-In exercise of the powers conferred by section 31 of the Securities Contracts (Regulation) Act, 1956 read with sections 11 and 30 of the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India hereby makes the following regulations to further amend the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, namely:—

1. These regulations may be called the Securities Contracts (Regulation)(Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2015.
2. They shall come into force on the 28th day of September, 2015.
3. In the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012—
 - i. in Regulation 2, in sub-regulation (1), -
 - (a) for clause (e), the following shall be substituted, namely:-

“(e) “clearing member” shall mean a clearing member as defined in clause (ae) of sub-regulation (1) of Regulation 2 of the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992;”

- (b) after clause (f) and before clause (g), the following shall be inserted, namely,-
"(fa) "commodity derivatives exchange" means a recognized stock exchange which assists, regulates or controls the business of buying, selling or dealing only in commodity derivatives."
- (c) after clause (i) and before clause (j), the following shall be inserted, namely,-
" (ia) "national commodity derivatives exchange" means a commodity derivatives exchange that is demutualized, has an electronic trading platform and is permitted to assist, regulate or control the business of buying, selling or dealing in derivatives on all commodities as notified by the Central Government from time to time."
- (d) after clause (o) and before clause (p) the following shall be inserted, namely,-
"(oa) "regional commodity derivatives exchange" means a commodity derivatives exchange which is not a national commodity derivatives exchange."

- ii. after Regulation 44B and before Regulation 45, the following shall be inserted, namely-

“**44C.** A recognized stock exchange, including a commodity derivatives exchange, shall not introduce any new segment without the prior approval of the Board.

44D. Provisions applicable to commodity derivatives exchanges.

(1) Every commodity derivatives exchange shall comply with the provisions for recognized stock exchanges in these regulations in the manner and within the timelines as specified by the Board:

Provided that-

- (a) a commodity derivatives exchange may continue with the existing arrangement for clearing and settlement of trades for a period not exceeding three years from the date of commencement of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2015, and till the functions of clearing and settlement are transferred to a separate clearing corporation, the provisions of sub-regulation (4) of Regulation 7 and Regulations 31, 39 and 44B shall continue to apply to

- a commodity derivatives exchange, as they apply to a recognized clearing corporation, to the extent that they are applicable;
- (b) clause (b) of sub-regulation (1) of Regulation 29 shall not be applicable to a commodity derivatives exchange;
 - (c) no commodity derivatives exchange shall engage in any activity other than that of assisting, regulating or controlling the business of buying, selling or dealing in commodity derivatives, except with the prior permission of the Board;
 - (d) every national commodity derivatives exchange shall credit the settlement related penalties to its Settlement Guarantee Fund and other penalties to its Investor Protection Fund and every regional commodity derivatives exchange shall credit all penalties to its Settlement Guarantee Fund till such time as may be specified by the Board.
- (2) Every commodity derivatives exchange shall ensure guarantee for settlement of trades including good delivery. "

U. K. SINHA
CHAIRMAN
SECURITIES AND EXCHANGE BOARD OF INDIA

Footnote:

1. The SC(R)(Stock Exchanges and Clearing Corporations) Regulations, 2012 were published in the Gazette of India on 20th June, 2012 vide F. No. LAD-NRO/GN/2012-13/07/13546.
2. The SC(R) (Stock Exchanges and Clearing Corporations) Regulations, 2012 were subsequently amended on 2nd September, 2013 by the SC(R)(Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2013 vide No. LAD-NRO/GN/2013/14/21/6463.