



भारतीय प्रतिभूति और विनिमय बोर्ड

Securities and Exchange Board of India

CIRCULAR

CIR/MRD/DP/04/2014

February 06, 2014

To

All Stock Exchanges.

Dear Sir/Madam,

Sub: Individual scrip wise price bands on non-F&O eligible scrip's in Index Derivatives

1. Vide circular no. SMDRPD/Policy/Cir-37/2001 dated June 28, 2001, stock exchanges had been advised to implement appropriate individual scrip wise price bands in either direction, for all scrips in the compulsory rolling settlement except for the scrips on which derivatives products are available or scrips included in indices on which derivatives products are available.
2. Subsequent to the recommendation of SMAC, as a measure to protect against excessive price movements, with respect to those scrips on which no derivatives products are available but which are part of Index Derivatives, it has been decided to implement appropriate individual scrip wise price bands upto 20% on such scrips.
3. Stock Exchanges are directed to:
 - a) implement provisions of this circular with effect from February 17, 2014.
 - b) take necessary steps to put in place systems for implementation of the circular, including necessary amendments to the relevant byelaws, rules and regulations.
 - c) bring the provisions of this circular to the notice of the trading members/clearing members and also disseminate the same on its website.
4. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

Maninder Cheema
Deputy General Manager
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