GAZETTE OF INDIA

EXTRAORDINARY

PART – III – SECTION 4

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SECURITIES AND EXCHANGE BOARD OF INDIA

NOTIFICATION

Mumbai, the 7th March, 2016

SECURITIES CONTRACTS (REGULATION) (STOCK EXCHANGES AND CLEARING CORPORATIONS) (SECOND AMENDMENT) REGULATIONS, 2016

No. SEBI/LAD-NRO/GN/2015-16/037 - 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) (Second Amendment) Regulations, 2016.

2. They shall come into force on the date of their publication in the Official Gazette.

3. In the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, –

    i. in Regulation 17, in sub- regulation (4), –

        (a) before the words “The combined holding”, the words and symbol “Subject to the limits as otherwise prescribed by the Central Government from time to time,” shall be inserted;

(b) for the word “The” appearing before the words “combined holding of all persons”, the word “the” shall be substituted;

(c) for the words and symbols “, subject to the following:-”, the symbol “:” shall be substituted;

(d) sub- clauses (a), (b) and (c) shall be omitted;

(e) the following proviso shall be inserted, namely: –

“Provided that no foreign portfolio investor shall acquire shares of a recognised stock exchange otherwise than through the secondary market.”

(f) in Explanation –

(1) for the words “clause (c)”, the words “sub-regulation (4)” shall be substituted;

(2) the word “institutional” wherever appearing shall be substituted with the word “portfolio”.

ii. in Regulation 18, in sub- regulation (4), –

(a) before the words “The combined holding”, the words and symbol “Subject to the limits as otherwise prescribed by the Central Government from time to time,” shall be inserted;

(b) for the word “The” appearing before the words “combined holding of all persons”, the word “the” shall be substituted;

(c) for the words and symbols “, subject to the following: –”, the symbol “:” shall be substituted;

(d) sub- clauses (a), (b) and (c) shall be omitted;

(e) the following proviso shall be inserted, namely: –

"Provided that no foreign portfolio investor shall acquire shares of a recognised clearing corporation otherwise than through the secondary market."

iii. in Regulation 23, in sub- regulation (9), for the word "institutional", the word "portfolio" shall be substituted.

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 –

   (a) 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.

   (b) on 8th September, 2015 by the SC(R)(Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2015 vide No. LAD-NRO/GN/2015-16/016.

   (c) on 11th January, 2016 by the SC(R)(Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2016 vide No. LAD-NRO/GN/2015-16/29.