



**CIRCULAR**

**SEBI/HO/CDMRD/DMP/CIR/P/2016/76**

**August 30, 2016**

To,

**The Managing Directors / Chief Executive Officers  
National Commodity Derivatives Exchanges**

Dear Sir / Madam,

**Sub: Price Dissemination through SMS/Electronic Communication Facility**

1. As per Section 131(4) of Finance Act, 2015 all rules, directions, guidelines, instructions, circulars, or any like instruments, made by the erstwhile FMC or the Central Government applicable to recognised associations under the FCRA would continue to remain in force for a period of one year from the date on which FCRA was repealed (September 29, 2015), or till such time as notified by SEBI, whichever is earlier.
2. In the past the erstwhile FMC had issued directives regarding price dissemination through SMS in the commodity derivatives. This circular is being issued to consolidate and update such norms.
3. Exchanges shall make efforts for registration of subscribers of Price Dissemination services and disseminate derivatives prices to them on a daily basis. Such direct price dissemination service would provide information to subscribers instantly in an efficient and transparent manner and thus shall be of great benefit to market participants.
4. The Exchanges may provide price dissemination through SMS or any other electronic communication facility (instant messengers, email etc.) for all commodities.
5. The service is to be provided free of cost to the subscribers. However, the expenditure incurred for such price dissemination may be reimbursed from the interest accrued on the Investor Protection Fund (IPF).
6. The provisions of this circular shall come into effect from September 29, 2016 in supersession of all earlier directives issued by erstwhile FMC with regard to matters related to 'Price Dissemination through SMS'.
7. This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act 1992 to protect the



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**Securities and Exchange Board of India**

interests of investors in securities and to promote the development of, and to regulate the securities market.

8. The Exchanges are advised to:
  - i. to make necessary amendments to the relevant bye-laws, rules and regulations.
  - ii. bring the provisions of this circular to the notice of the stock brokers of the Exchange and also to disseminate the same on their website.
  - iii. communicate to SEBI, the status of the implementation of the provisions of this circular.
  
9. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the category "Circulars" and "Info for Commodity Derivatives".

Yours faithfully,

**Vikas Sukhwai**  
**Deputy General Manager**  
**Division of Market Policy**  
**Commodity Derivatives Market Regulation Department**  
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