

**THE GAZETTE OF INDIA**

**EXTRAORDINARY**

**PART – II – SECTION 4**

**PUBLISHED BY AUTHORITY**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

**NOTIFICATION**

**Mumbai, the \_\_\_\_ day of January 2004**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

**(FOREIGN INSTITUTIONAL INVESTORS) (AMENDMENT) REGULATIONS, 2004**

F.No SEBI\LAD\DOP\19023\2004 In exercise of the powers conferred by section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations to amend the Securities and Exchange Board of India (Foreign Institutional Investors ) Regulations, 1995, namely: -

1. (i) These regulations may be called the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2004

(ii) They shall come into force on 3<sup>rd</sup> February 2004

2. (i) In the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995,

(a) after regulation 15, a new regulation shall be inserted, namely: -

"15A. (1) A Foreign Institutional Investor or sub account may issue, deal in or hold, off-shore derivative instruments such as Participatory Notes, Equity Linked Notes or any other similar instruments against underlying securities, listed or proposed to be listed on any stock exchange in India, only in favour of those entities which are regulated by any relevant regulatory authority in the countries of their incorporation or establishment, subject to compliance of "know your client" requirement:

Provided that if any such instrument has already been issued, prior to 3<sup>rd</sup> February 2004, to a person other than a regulated entity, contract for such transaction shall expire on maturity of the instrument or within a period of five years from 3<sup>rd</sup> February, 2004, whichever is earlier.

(2) A Foreign Institutional Investor or sub account shall ensure that no further down stream issue or transfer of any instrument referred to in sub-regulation (1) is made to any person other than a regulated entity."

**G.N. BAJPAI**

**CHAIRMAN**

[Advt. III/IV/69 ZB/2003/Exty.]

**Foot notes:**

1. The SEBI (Foreign Institutional Investors) Regulations, 1995 were published in the Gazette of India, Part II, Section 3(ii) on November 14, 1995 vide No. S.O. 918(E).

2. The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 were subsequently amended –

(a) on October 9, 1996 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1996 vide No. S.O. 702(E).

(b) on November 19, 1996 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1996 vide No. S.O. 799(E).

(c) on February 12, 1997 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1997 vide No. S.O.105(E).

(d) on July 10, 1997 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1997 vide No. S.O. 495(E).

(e) on December 5, 1997 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Third Amendment) Regulations, 1997 vide No. S.O. 823(E).

(f) on April 20, 1998 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1998 vide No. S.O. 333(E).

(g) on May 18, 1998 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1998 vide No. S.O. 417(E).

(h) on June 30, 1998 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Third Amendment) Regulations, 1998 vide No. S.O. 545(E).

(i) on April 16, 1999 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1999 vide No. S.O. 263(E).

(j) on August 26, 1999 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1999 vide No. S.O.688(E).

(k) on February 29, 2000 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2000 vide No. S.O.180(E).

(l) on March 28, 2000 by the Securities and Exchange Board of India (Appeal to the Securities Appellate Tribunal) (Amendment) Regulations, 2000 vide No. S.O. 278(E).

(m) on October 20, 2000 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2000 vide No. S.O. 946(E).

(n) on February 13, 2001 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2001 vide No. S.O. 128(E).

(o) on May 29, 2001 by the Securities and Exchange Board of India (Investment Advice by Intermediaries) (Amendment) Regulations, 2001 vide No. S.O. 476(E).

(p) on September 27, 2002 by the Securities and Exchange Board of India (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 vide No. S.O. 1045(E).

(q) on December 10, 2002 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2002 vide No. S.O. 1292 (E).

r. on May 14, 2003 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2003 vide No. S.O. 548 (E).

s. on August 28, 2003 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second) (Amendment) Regulations, 2003 vide No S.O. 990 (E).

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