

THE GAZETTE OF INDIA

EXTRAORDINARY

PART –III– SECTION 4

PUBLISHED BY AUTHORITY

NEW DELHI, MONDAY, DECEMBER 31, 2007

SECURITIES AND EXCHANGE BOARD OF INDIA

NOTIFICATION

Mumbai, the 31st December, 2007

SECURITIES AND EXCHANGE BOARD OF INDIA

(FOREIGN INSTITUTIONAL INVESTORS)

(SECOND AMENDMENT) REGULATIONS, 2007

F. No. 11/LC/GM/2007/31/12/2007. -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 further amend the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, namely :-

1. These Regulations may be called the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2007.
2. They shall come into force on such date as the Board may specify by notification in the Official Gazette.
3. In the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 –

(i) in regulation 15, -

(a) in sub-regulation (3), for clause (a) and the proviso thereto, the following shall be substituted, namely:-

“(a) a foreign institutional investor or sub-account shall transact in the Indian securities market only on the basis of taking and giving delivery of securities purchased or sold:

Provided that nothing contained in this clause shall apply to any transactions in derivatives on a recognised stock exchange:

Provided further that a foreign institutional investor or sub-account may enter into short selling transactions only in accordance with the framework specified by the Board in this regard;”

(b) for sub-regulation (8), the following sub-regulation shall be substituted, namely:-

“(8) A foreign institutional investor or sub-account may lend or borrow securities in accordance with the framework specified by the Board in this regard.”

USHA NARAYANAN

EXECUTIVE DIRECTOR

[ADVT III/IV/69-ZB/2007/Exty.]

Footnotes:

1. The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 was published in the Gazette of India on November 14, 1995 vide S.O. No. 918 (E).
2. The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 was subsequently amended –
 - a. on October 9, 1996 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1996 vide S.O. No.702(E).
 - b. on November 19, 1996 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1996 vide S.O. No.799(E).
 - c. on February 12, 1997 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1997 vide S.O. No.105(E).
 - d. on July 10, 1997 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1997 vide S.O. No.495(E).
 - e. on December 5, 1997 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Third Amendment) Regulations, 1997 vide S.O. No.823 (E).
 - f. on April 20,1998 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1998 vide S.O. No.333(E).
 - g. on May 18, 1998 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1998 vide S.O. No.417(E).
 - h. on June 30, 1998 by the Securities and Exchange Board of India (Foreign

Institutional Investors) (Third Amendment) Regulations, 1998 vide S.O. No.545 (E).

- i. on April 16, 1999 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1999 vide S.O. No.263(E).
- j. on August 26, 1999 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1999 vide S.O. No.688(E).
- k. on February 29, 2000 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2000 vide S.O. No.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 S.O. No.278(E).
- m. on October 20, 2000 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2000 vide S.O. No.946(E).
- n. on February 13, 2001 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2001 vide S.O. No.128(E).
- o. on May 29, 2001 by the Securities and Exchange Board of India (Investment Advice by Intermediaries) (Amendment) Regulations, 2001 vide S.O. No.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 S.O. No.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).
- t. on January 27, 2004 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2004 vide F. No. SEBI/LAD/DOP/19023/2004.
- u. on February 19, 2004 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2004 vide F. No. SEBI/LAD/DOP/3349/2004.
- v. on March 10, 2004 by the Securities and Exchange Board of India (Criteria for Fit and Proper Person) Regulations, 2004 vide S.O. No.398(E).
- w. on June 26, 2006 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2006 vide S.O. No.948(E).
- x. on August 21, 2006 by the Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2006 vide S.O. 1332 (E).
- y. on January 9, 2007 Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2007 vide No. SEBI/LAD/DOP/1446/2007.