**SEBI**

**BULLETIN**

**OCTOBER 2020 VOL. 18 NUMBER 10**

**(LOGO)**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

**EDITORIAL COMMITTEE**

**Shri Amarjeet Singh**

**Dr. Prabhakar R. Patil**

**Shri Prabhas Rath**

**Ms. Deepthi L.S.**

**Dr. Deepali Dixit**

**Shri Jitendra Kumar**

The Securities and Exchange Board of India Bulletin is issued by the Department of Economic and Policy Analysis, Securities and Exchange Board of India under the direction of an Editorial Committee. SEBI is not responsible for accuracy of data/information/interpretations and opinions expressed in the case of signed articles/speeches as authors are responsible for their personal views. SEBI has no objection to the material published herein being reproduced, provided an acknowledgement of the same is made. A readable version of SEBI Bulletin is available at <http://www.sebi.gov.in>. Further, soft copy of SEBI Bulletin is available free of cost to the subscribers/readers, who register at bulletin@sebi.gov.in along with their complete address. Any comments and suggestions on any of the features/sections may be sent to [bulletin@sebi.gov.in](mailto:bulletin@sebi.gov.in)

**CONTENTS**

**CHAIRMAN’S SPEECH ON THE OCCASION OF 25TH AGM OF AMFI**

**CAPITAL MARKET REVIEW**

**REVIEW OF GLOBAL FINANCIAL MARKETS**

**HIGHLIGHTS OF DEVELOPMENTS IN INTERNATIONAL SECURITIES MARKET**

**POLICY DEVELOPMENTS AT SEBI**

**REGULATORY ACTIONS TAKEN BY SEBI**

**TABLES**

**PUBLICATIONS**

**SEBI CHAIRMAN’S ADDRESS AT 25th AGM OF AMFI**

**September 22, 2020; Mumbai**

1. Ladies and Gentlemen, a very good morning to all of you. I would like to thank AMFI for giving me this opportunity to address their 25th AGM. Leaving aside the limitations of a virtual mode of address, I will try to share my thoughts with you on the Mutual Fund industry at this crucial time.

2. But before that, let me begin with complimenting AMFI for the good job it is doing. One of the most challenging tasks that a regulator faces while adopting a consultative approach to policy making, is building consensus amongst various stakeholders. Not only is AMFI effectively providing a two-way communication between the regulator and the mutual fund industry, it is also taking various initiatives including efforts to bring in standardization within the industry, especially with regards to processes.

3. This being an annual event which I am addressing for some time now, in today’s address, I would like to briefly cover the status of the markets as a whole, the performance of the Mutual Fund industry and the major policy initiatives taken by SEBI during the last one year, before moving on to the present issues and challenges faced by the industry along with the possible ways to address them.

**A. Introductory Remarks:**

4. The world today is passing through a phase of unprecedented uncertainty which none of us witnessed in our lifetime. Financial markets across the globe have been severely affected ever since the declaration of COVID 19 as a pandemic around mid – Mar’ 20. The worst part is that the uncertainty continues and no one knows for how long it would last.

5. The Volatility Index (VIX) in Indian stock market went up significantly to 84 in Mar ’20 from average of 15 in previous 3 months i.e. Dec ’19 - Feb ’20. For the first time in the history of Indian stock market, lower circuit breaker got triggered on two occasions within a short time span of two weeks during Mar ’20.

6. To curb volatility and to ensure orderly functioning of the market, SEBI took several surveillance measures in Mar’20 which are still in force. This, along with various measures taken by the Government and RBI brought calmness in the market. The VIX has now come down to around 20.

7. The good news is that, despite uncertain times, the overall fund raising through the capital markets during this financial year has been quite encouraging. The overall funds raised up till 18th September 2020 were INR 5.0 lakh crore (INR 1.46 lakh crore in equity and INR 3.54 lakh crore in debt securities). As for a comparison with the last year, till end August, total funds raised this year were about INR 4.5 lakh crore as compared to INR 4 lakh crore last year. This is particularly important since corporate India needed to build a cushion of capital to absorb the COVID shock and the markets have lent full support to help them do that.

8. As far as the performance of mutual fund industry is concerned, overall, the industry has weathered the storm well which demonstrates the robustness of the regulatory framework as well as the maturity of the industry.

9. The Mutual Fund industry, however, also went through several patches of challenges, especially on the debt mutual fund side. Some of the issues that arose during the period are now addressed and some are in the process of being addressed. The contemplated policy measures inter-alia include stress testing, minimum asset allocation in liquid assets and a swing pricing like mechanism.

10. Such events also force us to think if there is a need for some structural changes in the system. In this context, I would like touch upon the two recent initiatives taken by SEBI – for setting up a special purpose clearing corporation for repo in corporate bonds; and for setting up a back-stop facility for improving liquidity in the secondary market for corporate bonds particularly during periods when liquidity tends to dry up. You being a critical part of this industry and the eco system have been giving many constructive suggestions on the same and we look forward to your playing a central role in making these initiatives take root and become successful.

**B. Industry performance:**

11. If one takes a look at the track record of the mutual fund industry’s growth during the last five years, one can easily say that the industry has shown robust growth.

12. From March 2015 to August 2020, the asset under management (AUM) of the industry has grown by 154% from INR 10.83 lakh crore to INR 27.49 lakh crore. During this period, while the AUM of debt schemes increased from INR 6.94 lakh crore to INR 13.89 lakh crore, AUM of non-debt schemes increased from INR 3.89 lakh crore to INR 13.60 lakh crore. The number of mutual fund folios increased by 122% from 4.17 crore to 9.26 crore during the same period.

13. At an industry level, there has been net positive inflow of funds in mutual funds during each of the previous five financial years averaging at INR 1.89 lakh crore each year. The figure for this financial year till August 2020 is INR 1.99 lakh crore.

14. To increase penetration of mutual funds beyond the top cities, SEBI started incentivizing mutual fund investments from beyond top 15 cities and later from beyond top 30 cities. However, the share of B-15/B-30 cities in the total industry AUM has hovered around just15-17% over the last four years. We need to strive more to make mutual funds popular in areas beyond top 30 cities.

15. In terms of scheme performance, SEBI had introduced the concept of benchmarking to Total Return Indices to bring greater transparency in respect of how well various schemes have performed. We look forward to the Industry working hard to outperform relative to these benchmarks to deliver value to its investors.

**C. Policy initiatives:**

16. Liquid Schemes of mutual funds account for a very large proportion of all debt-oriented schemes. To enhance the risk management framework for Liquid Schemes, they were mandated to hold at least 20% of their AUM in liquid assets such as Cash, Government Securities, T-bills and Repo on Government Securities. The valuation of debt and money market instruments is now done fully on mark to market basis instead of amortization. Further, Liquid and overnight schemes are not permitted to invest in short term deposits, debt or money market instruments having structured obligations or credit enhancements.

17. Prudential norms governing investments in debt and money market instruments were also changed. Mutual Fund schemes have been mandated to invest primarily in listed debt securities (including CPs), which is being implemented in a phased manner. All investments in equity shares by Mutual Fund schemes shall only be made in listed or to be listed equity shares. The cap on sectoral limit of 25% has been reduced to 20%. Prudential limit on total investment by a Mutual Fund scheme in debt and money market instruments having credit enhancements is prescribed at 10% and investment by a Mutual Fund scheme in such debt securities of a particular group, has been capped at 5%. Investment in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares.

18. AMCs have been mandated to undertake Internal Credit Risk Assessment on a continuous basis and also need to be well equipped to generate early warning signals on deterioration of credit profile of the issuer. All AMCs shall publish on their respective website a list of their group companies and those of their sponsor(s).

19. Valuation of money market and debt securities being an important aspect, SEBI has advised the industry to align with best practices. Some of these alignments include updating the definition of non-traded money market and debt securities and modifying the provision for valuation of money market and debt securities with both put and call options.

Further, in order to bring uniformity and consistency in valuation, a waterfall approach for valuation of money market and debt securities has been adopted by the industry through valuation agencies appointed by it. Considering that as per the Principles of Fair Valuation, AMCs are responsible for ensuring fairness of valuation and correct NAV, AMCs are permitted to deviate from the valuation price given by the valuation agencies, subject to appropriate documentation of rationale and disclosures.

20. For facilitating price discovery in a transparent manner and improving liquidity in Corporate Bonds market, SEBI has mandated that at least 10% of Mutual Fund’s total secondary market trades in Corporate Bonds need to be done by placing quotes through one-to-many mode on the Request for Quote (RFQ) platform of stock exchanges. Further, all transactions in Corporate Bonds and Commercial Papers where in Mutual Funds are on both sides of the trade shall be executed through RFQ platform of stock exchanges in one-to-one / one-to-many mode.

**D. Issues faced by debt mutual funds:**

21. Let me now dwell upon the challenges faced by the industry on debt mutual funds side and how those challenges are being addressed.

22. In March-April 2020, significant risk aversion and subsequent illiquidity was observed in the bond market especially in AA and below rated papers. This created significant challenges in the form of redemption pressures being faced by debt Mutual Funds, on account of not only normal year end redemptions, but COVID related redemption pressures. That experience brought to fore not only the structural issues related to the corporate bond markets but also revealed some areas of improvement in respect of the practices followed in the mutual fund industry.

23. SEBI has followed a multi-pronged approach to address these issues. On one side, while SEBI has made, and is deliberating, policy changes to address the areas of improvement in the mutual fund industry, on the other side, it has initiated structural reforms to alleviate the problem of illiquidity in corporate bond market especially in non-AAA rated papers.

24. One of the areas for improvement is to enhance the liquidity of the portfolio of open-ended debt mutual fund schemes. While portfolios of equity-oriented schemes are fairly liquid, same may not be the case with all debt-oriented schemes. While overnight schemes are primarily invested in liquid assets such as G-Secs, T-bills, repo in G-Sec and cash, and there is a provision for Liquid schemes to hold minimum 20% in liquid assets, the other debt-oriented schemes currently have no such requirement and can invest in various categories of corporate bonds, CPs, CDs, whose secondary markets may not have enough liquidity.

25. Recently, during the period of increased illiquidity in the corporate bond market, there were requests from the debt mutual funds to permit them to include G-Secs and T-Bills in the core asset allocation of Credit Risk Funds, Corporate Debt Funds and Banking and PSU Debt Funds to meet the heightened redemption requests. While the same was allowed as a temporary measure, SEBI is facilitating the setting up of an expert committee:

* to frame a stress testing methodology, encompassing liquidity, credit and market risks, for all open-ended debt oriented mutual fund schemes; and
* to design a framework to determine the minimum asset allocation required in liquid assets, taking into account the nature of scheme’s assets, type of investors, outcome of stress testing, minimum redemption requirement during gating, etc.

In the interim, taking into account the recommendations made by the Mutual Fund Advisory Committee, SEBI would be stipulating a minimum holding of liquid assets by all debt-oriented schemes.

26. Another issue that got highlighted was the possible impact of large redemptions on remaining unit holders of a scheme. In case of any scheme witnessing large redemption requests, and with not so liquid instruments as assets, there are high chances that more liquid assets get liquidated first and the scheme is then progressively left with a relatively more illiquid portfolio. This benefits exiting investors at the cost of those who continue to stay particularly in case of stressed situations.

27. The proposed expert committee will also examine liquidity risk management tools such as “Swing pricing / Anti-dilution levy” for passing on transaction costs to the transacting investors. The tools will apply to both the incoming and outgoing investors, thereby protecting the interest of existing investors.

**E. Tackling illiquidity in corporate bond markets:**

28. Mutual funds as institutional investors are one of the largest holders of corporate bonds. Mutual Funds constantly see inflows and outflows to/from schemes. Therefore, Mutual Funds also contribute a significant share in the secondary market trading in corporate bonds and CPs. But under many scenarios when there are industry-wide trends of subscriptions or redemptions, it becomes difficult for Mutual Funds to get a sizeable counterparty to cater to their buying/selling needs. Thus, there is a pressing need to increase liquidity in the corporate bond market to ensure smooth functioning of the debt mutual funds.

29. Apart from mandating mutual funds to do a minimum percentage of their secondary market trades in corporate bonds on the RFQ platform of stock exchanges, SEBI is pursuing a multitude of measures to not only increase liquidity in secondary markets but also to enable greater issuances of paper rated below AAA. Some of the measures include –

30. Repo in corporate bonds – A liquid repo market using corporate bond collateral has the potential to greatly enhance demand for corporate bonds, as well as secondary market liquidity in corporate bonds, as many investors who do not consider corporate bonds due to their illiquidity could have access to low cost funds collateralized by their corporate bond holdings. Market makers in corporate bonds needing access to low cost capital as well as securities to cover their short sales would also be able to carry out their market-making operations more cost efficiently in the presence of a liquid repo market in corporate bonds. As per the latest European Repo Market Survey of International Capital Market Association, in December 2019 corporate bonds as collateral had a 17.3% share in the total Euro 8.3 trillion outstanding repo contracts in the books of 58 participating institutions.

31. In India, the repo market on corporate bonds has unfortunately not taken off till now. SEBI is deliberating on having a limited purpose central clearing corporation for guaranteed settlement of tri-party repo trades in all investment grade corporate bonds, including those below AAA rated, to boost repo trading in corporate bonds. As major holders of corporate bonds, the mutual funds, who regularly have buying/selling needs, would be one of the biggest beneficiaries of a liquid market. Issuers will also be significant beneficiaries of a liquid and stable market in terms of lower borrowing costs.

32. Back-stop facility – An entity which can trade in relatively illiquid investment grade corporate bonds and be readily available in times of stress to buy such bonds from various market participants in the secondary market, may instill greater confidence of market participants in corporate bonds, especially in below AAA investment grade bonds. SEBI is examining the setting up of such a backstop facility in consultation with various stakeholders. Of course, as a broad general guiding principle, for any such entity to be set up, the market participants should have ‘skin in the game’ and the ‘moral hazard’ problem ought to be satisfactorily addressed.

**F. In the end, some advice**

33. Though the industry has grown at an outstanding pace over the last few years reflecting the confidence of investors in mutual funds, there is a need to continue upholding this confidence for the mutual benefit of the industry and the investors it serves.

34. Protecting the interest of investors is the primary duty of mutual funds, and thus all decisions that funds take on behalf of investors should be taken keeping in mind the best interest of the investors. The debt mutual funds must remember at all times that there is a difference between ‘Investing’ and ‘Lending’. Mutual funds are not banks and shouldn’t attempt to behave like one. Unlike banks there are neither capital adequacy requirements for mutual funds nor do they have the ‘lender of last resort’ comfort as banks have from RBI. The true reflection of their portfolio in its NAV on daily basis is the cornerstone of transparency and investors’ trust.

35. I have been told that 46 mutual funds have over 1700 schemes. SEBI, in consultation with the industry, had done a mammoth exercise in 2017 and come out with categorization of schemes in 36 categories. Improper categorization of schemes will only lead to confusion amongst the investors apart from the possibilities of mis-selling. Scheme category and its performance vis-à-vis benchmark are major inputs based on which investors decide whether to invest in a scheme or not. If a scheme portfolio is not true to its label, it might be giving very different risk return exposure to the unit holders of the scheme than what they have signed up for. SEBI norms for categorization of mutual fund schemes have two objectives – that the scheme portfolio should reflect the name of the scheme; and that the scheme performance can then be compared against an appropriate benchmark. The funds need to keep their scheme portfolios true to their label.

36. While various policy measures have been, and are being taken to facilitate continuous improvement, the recent experiences have once again shown that there is no alternative to prudent risk management. I hope the industry is able to live up to the expectations of the investors in carrying out its fiduciary responsibility towards them. This is in the interest of the growth of the industry too.

37. I wish AMFI and the mutual fund industry all the best in these challenging times.

Thank you.

**CAPITAL MARKET REVIEW**

1. **Trends in Resource Mobilisation by Corporates**

**Table 1: Fund Mobilisation by Corporates (₹ crore)**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **Aug-20** | **Sept-20** |
| ***A. Fund Mobilisation through Public Issues (I+II)*** | **6,107.8** | **1,821.3** |
| ***I. Equity Public Issues*** | **6,107.8** | **1,671.6** |
| a. IPOs (i+ii) | 11.5 | 1,308.9 |
| i. Main Board | - | 1,302.0 |
| ii. SME Platform | 11.5 | 6.9 |
| b. FPOs | - | - |
| c. Equity Rights Issues | 6,096.3 | 362.7 |
| ***II. Debt Public Issues*** | **-** | 149.7 |
| ***B. Fund Mobilisation through Private Placement*** | **1,03,890.2** | **73,410.5** |
| 1. QIP/IPP | 42,725.0\* | 1,337.9 |
| 2. Preferential Allotment | 2,746.0 | 7,684.0 |
| 3. Private Placement of Debt | 58,419.2 | 64,388.7 |
| **Total Fund Mobilised (A+B)** | **1,09,997.9** | **75,231.8** |

Note : \*Includes warrants of HDFC Ltd of ₹3,999.99 crore

**Source: SEBI, NSE, BSE and MSEI**

* During September 2020, equity capital was raised through IPO and Rights Issue routes. There were two Main Board IPO issuances and one SME issuance, mobilising ₹1,302 crore and ₹6.9 crore, respectively. The two Rights Issues during the period mobilised ₹362.7 crore.
* There was one public issue of corporate bond, amounting to ₹149.7 crore during September 2020.
* The amount raised through private placement of equity (i.e., preferential allotment and QIP route) dipped to ₹9,021.9 crore during September 2020, against ₹45,471 crore during August 2020.
* Private placement of corporate debt reported on BSE and NSE stood at ₹64,388.7 crore during September 2020, compared to ₹58,419.2 crore in August 2020.

1. **Trends in the Secondary Market**

* At the end of September 2020, Nifty 50 closed at 11,248, registering a decline of 1.2 per cent as compared to the 11,388 level at the end of August 2020.
* S&P BSE Sensex closed at 38,068 at the end of September 2020, registering a decline of 1.5 per cent as compared to the 38,628 level at the end of August 2020.
* Both, Nifty 50 and S&P BSE Sensex reached their intraday high for the month, on September 16, 2020 with closing values of 11,605 and 39,303, respectively and their intraday low for the month, on September 24, 2020 with closing values of at 10,806 and 36,554, respectively.
* The P/E ratios of S&P BSE Sensex and Nifty 50 were 28.1 and 31.6, respectively, at the end of September 2020 compared to 29.3 and 32.6, respectively, a month ago.

**Table 2: Snapshot of Indian Capital Market**

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Aug-20** | **Sept-20** | **Percentage Change Over Month** |
| **Index in Equity Market** |  |  |  |
| Sensex | 38,628 | 38,068 | -1.45 |
| Nifty 50 | 11,388 | 11,248 | -1.23 |
| Nifty 500 | 9,372 | 9,342 | -0.32 |
| BSE 500 | 14,890 | 14,851 | -0.26 |
| Nifty Bank | 23,754 | 21,452 | -9.69 |
| Nifty IT | 17,929 | 19,951 | 11.28 |
| BSE Healthcare | 18,388 | 19,799 | 7.68 |
| BSE FMCG | 11,348 | 11,051 | -2.62 |
| **Market Capitalisation (₹ crore)** | |  |  |
| BSE | 1,53,76,303 | 1,55,24,267 | 0.96 |
| NSE | 1,52,34,207 | 1,53,04,722 | 0.46 |
| **P/E Ratio** |  |  |  |
| Sensex | 28.09 | 29.30 | 4.31 |
| Nifty 50 | 31.59 | 32.55 | 3.02 |
| **No. of Listed Companies** |  |  |  |
| BSE | 5,413 | 5,428 | 0.28 |
| NSE | 1,943 | 1,946 | 0.15 |
| **Gross Turnover in Equity Segment (₹ crore)** | | |  |
| BSE | 93,080 | 70,025 | -24.77 |
| NSE | 12,82,557 | 12,23,329 | -4.62 |
| **Gross Turnover in Equity Derivatives Segment (₹ crore)** | | | |
| BSE | 18,48,117 | 27,26,567 | 47.53 |
| NSE | 3,94,29,369 | 4,74,54,518 | 20.35 |
| **Gross Turnover in Currency Derivatives Segment (₹ crore)** | | | |
| BSE | 4,51,790 | 4,29,477 | -4.94 |
| NSE | 9,76,864 | 11,20,074 | 14.66 |
| MSEI | 5,291 | 6,889 | 30.19 |
| **Gross Turnover in Interest Rate Derivatives Segment (₹ crore)** | | | |
| BSE | 1,339 | 619 | -53.80 |
| NSE | 8,836 | 7,968 | -9.82 |
| Note : \* Monthly P/E is calculated as average of daily P/Es of respective months.  **Source: NSE, BSE and MSEI** | | | |

**Figure 1: Movement of S&P BSE Sensex and Nifty 50 during September 2020**

Note: The closing values of Nifty 50 and Sensex have been rebased with respective closing values of first day of the month.

* The market capitalisation of BSE and NSE registered an increase of 0.96 per cent and 0.46 per cent, respectively, over the level at the end of last month.

**Figure 2: Trends in Average Daily Values of Nifty 50 and NSE Equity Cash Segment Turnover**

* During September 2020, the gross turnover in the equity cash segments, both at BSE and NSE, declined by 24.8 per cent and 4.6 per cent, respectively.

**Figure 3: Trends in Average Daily Values of S&P BSE Sensex and BSE Equity Cash Segment Turnover**

* During September 2020, majority of the BSE indices posted negative returns, of which S&P BSE Bankex and S&P BSE PSU contracted by 9.7 per cent and 11.8 percent respectively. S&P BSE Healthcare gained the most during the month with 7.7 per cent rise in the index value. The average daily volatility and monthly returns of BSE sectoral indices for August 2020 are illustrated in Figure 4.

**Figure 4: Performance of BSE Indices during September 2020 (per cent)**

* Similarly, more than half of the NSE Indices also posted negative returns, of which Nifty Bank and Nifty PSU Bank lost 9.7 per cent and 16.3 per cent, respectively, over August 2020. Nifty IT posted the best return during the month with 11.3 per cent increase in the index value. The average daily volatility and monthly returns of NSE sectoral indices for August 2020 are illustrated in Figure 5.

**Figure 5: Performance of NSE Indices during September 2020 (per cent)**

1. **Trends in Depository Accounts**

* At the end of September 2020, there were 205 lakh demat accounts at NSDL and 261 lakh demat accounts at CDSL. Further, till the end of September 2020, 5,633 listed companies were signed up with NSDL and 5,718 listed companies were signed up with CDSL to make their equity holdings available in dematerialised form.

1. **Trends in Derivatives Segment**
2. **Equity Derivatives**

**Table 3: Trends in Equity Derivatives Market**

| **Description** | **NSE** | | | **BSE** | | |
| --- | --- | --- | --- | --- | --- | --- |
| **Aug-20** | **Sept-20** | **Percentage Change Over Month** | **Aug-20** | **Sept-20** | **Percentage Change M-o-M** |
| **A. Turnover (₹ crore)** | | | | | | |
| (i) Index Futures | 6,21,182.6 | 7,40,669.3 | 19.2 | 536.5 | 786.6 | 46.6 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 1,67,24,302.9 | 2,01,83,965.6 | 20.7 | 8,00,072.4 | 7,32,822.9 | (8.4) |
| *Call* | 1,86,50,461.9 | 2,27,65,319.6 | 22.1 | 10,47,508.0 | 19,92,957.1 | 90.3 |
| (iii) Stock Futures | 14,78,176.0 | 15,35,447.6 | 3.9 | 0.0 | 0.0 | 0.0 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 5,84,505.2 | 6,52,074.1 | 11.6 | 0.0 | 0.0 | 0.0 |
| *Call* | 13,70,741.0 | 15,77,042.2 | 15.1 | 0.0 | 0.0 | 0.0 |
| **Total** | **3,94,29,369.5** | **4,74,54,518.4** | **20.4** | **18,48,116.9** | **27,26,566.6** | **47.5** |
| **B. No. of Contracts** | | | | | | |
| (i) Index Futures | 92,11,071 | 1,11,61,701 | 21.2 | 6,025 | 8,832 | 46.6 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 24,87,76,124 | 30,64,27,676 | 23.2 | 1,03,61,093 | 89,75,662 | (13.4) |
| *Call* | 27,29,55,256 | 33,56,41,868 | 23.0 | 1,10,23,986 | 2,08,20,481 | 88.9 |
| (iii) Stock Futures | 2,05,82,172 | 2,06,22,408 | 0.2 | 0.0 | 0.0 | 0.0 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 81,10,037 | 84,57,379 | 4.3 | - | - | - |
| *Call* | 1,75,35,138 | 1,85,81,654 | 6.0 | - | - | - |
| **Total** | **57,71,69,798** | **70,08,92,686** | **21.4** | **2,13,91,104** | **2,98,04,975** | **39.3** |
| **C. Open Interest in Terms of Value ( ₹ crore)** | | | | | | |
| (i) Index Futures | 17,072.7 | 14,865.3 | -12.9 | 10.2 | 10.4 | 1.7 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 90,472.0 | 1,19,407.9 | 32.0 | 358.2 | 49.9 | -86.1 |
| *Call* | 87,794.2 | 96,299.6 | 9.7 | 366.7 | 257.9 | -29.7 |
| (iii) Stock Futures | 1,02,148.3 | 98,206.5 | -3.9 | 0.0 | 0.0 | 0.0 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 15,317.4 | 15,405.0 | 0.6 | 0.0 | 0.0 | 0.0 |
| *Call* | 27,759.7 | 26,249.2 | -5.4 | 0.0 | 0.0 | 0.0 |
| **Total** | **3,40,564.4** | **3,70,433.5** | **8.8** | **735.1** | **318.2** | **-56.7** |
| **D. Open Interest in Terms of No. of Contracts** | | | | | | |
| (i) Index Futures | 2,18,651 | 2,02,468 | -7.4 | 114.0 | 117.0 | 2.6 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 11,63,121 | 16,03,310 | 37.8 | 4,004.0 | 563.0 | -85.9 |
| *Call* | 11,71,102 | 13,29,753 | 13.5 | 4,099.0 | 2,909.0 | -29.0 |
| (iii) Stock Futures | 14,33,181 | 14,22,240 | -0.8 | 0.0 | 0.0 | 0.0 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 2,14,136 | 2,16,322 | 1.0 | 0.0 | 0.0 | 0.0 |
| *Call* | 3,89,010 | 3,61,684 | -7.0 | 0.0 | 0.0 | 0.0 |
| **Total** | **45,89,201** | **51,35,777** | **11.9** | **8,217** | **3,589** | **-56.3** |

**Source: NSE and BSE**

**BSE**

* During September 2020, turnover of the equity derivatives segment of BSE increased by 47.5 per cent to ₹27,26,566.6 crore compared to ₹18,48,116.9 crore in August 2020.
* As on September 30, 2020, the open interest at BSE stood at ₹318.2 crore as compared to ₹735.1 crore as on August 31, 2020 registering a decrease of 56.7 per cent.

**NSE**

* The monthly turnover in the equity derivatives segment of NSE increased by 20.4 per cent to ₹474.4 lakh crore in September 2020 from ₹394.3 lakh crore in August 2020.
* The notional turnover in index options increased to ₹429.5 lakh crore in September 2020 from ₹353.7 lakh crore in August 2020, and accounted for 90.5 per cent of the total equity derivatives turnover of NSE.
* During September 2020, the percentage share of weekly options to the total index options notional turnover stood at 72.6 per cent compared to 73.4 per cent in August 2020. The percentage share of monthly options in total index options notional turnover increased to 26.7 per cent in September 2020, from 25.8 per cent in August 2020.

**Figure 6: Maturity-wise percentage Share of Total Index Options Turnover at NSE (per cent)**

* The turnover of index futures increased by 19.2 per cent to ₹7.4 lakh crore in September 2020 from ₹6.2 lakh crore in August 2020.
* The turnover of stock futures increased by 3.9 per cent to ₹15.4 lakh crore in September 2020 from ₹14.8 lakh crore in August 2020.
* The notional turnover in stock options (call and put together) increased by 14 per cent to ₹22.3 lakh crore from ₹19.6 lakh crore during the same period.
* As on September 30, 2020, the open interest in equity derivatives at NSE stood at ₹3,70,433.5 crore, an increase of 8.8 per cent from ₹3,40,564.4 crore as on August 31, 2020.

**Figure 7: Trends of Equity Derivatives Segment at NSE**

1. **Currency Derivatives at NSE, BSE and MSEI**

* During September 2020, the monthly turnover of currency derivatives in India (NSE, BSE and MSEI together) stood at ₹15,56,440 crore as compared to ₹14,33,946 crore in August 2020, registering an increase of 8.5 per cent during the period under consideration.

**Figure 8: Trends of Currency Derivatives at NSE, MSEI and BSE**

1. **Interest Rate Futures at NSE and BSE**

* During September 2020, the monthly turnover of interest rate derivatives (futures and options) at NSE decreased by 9.8 per cent to ₹7,968.2 crore from ₹8,836 crore in August 2020. NSE had launched interest rate options during December 2019. There has been on a steep decline in turnover of this product since April 2020 when the notional turnover was ₹311.2 crore and at the end of September 2020, it stood at ₹2.1 crore. The highest notional turnover, since launch, was in March 2020 with ₹4,003.4 crore.
* The monthly turnover of interest rate futures at BSE decreased by 53.8 per cent from ₹1,339 crore to ₹618.8 crore during the same period.

**Figure 9: Trends of Interest Rate Futures at NSE and BSE**

1. **Trading in Corporate Debt Market**

* During September 2020, BSE registered 5695 trades of corporate debt with traded value of ₹50,694 crore, as compared to 4,946 trades of corporate debt with a traded value of ₹53,916 crore in the previous month.
* At NSE, 5,864 trades were recorded with a traded value of ₹90,783 crore in September 2020 as compared to 5,200 trades with a traded value of ₹89,136 crore in August 2020.

**Figure 10: Trends in Reported Turnover of Corporate Bonds**

1. **Trends in Institutional Investments**
2. **Trends in Fund Mobilisation/Transactions by Mutual Funds**

* As on September 30, 2020, there were a total of 1,753 mutual fund schemes in the market, of which 981 were open-ended schemes, 749 were close-ended schemes and 23 were interval schemes.
* The mutual fund industry saw a net outflow of ₹52,091.2 crore in September 2020; the net outflow during August 2020 was ₹14,552.8 crore.
* The funds mobilised by open-ended schemes during September 2020 was ₹6,66,358.6 crore against redemption/repurchase of ₹7,17,172.2 crore, resulting in a net outflow of ₹50,813.7 crore from open-ended schemes. Of the total funds mobilised by the open-ended schemes during the month under consideration, ₹6,32,021.3 crore was mobilised through income/debt oriented schemes, ₹16,951.8 crore through growth/equity oriented schemes, ₹6,734.7 crore through hybrid schemes, ₹255.6 crore through solution oriented schemes and ₹10,395.2 crore through other schemes.
* During September 2020, close-ended schemes worth ₹1,271.8 crore were matured/repurchased[[1]](#footnote-1).  Also, interval schemes worth ₹5.8 crore were matured/redeemed during the period.
* The net assets under management of mutual funds[[2]](#footnote-2) stood at ₹26.8 lakh crore at the end of September 2020, down from ₹27.5 lakh crore at the end of August 2020.
* In the secondary market transactions, during September 2020, mutual funds liquidated ₹4,134 crore from equity schemes and deployed ₹17,005 crore in debt schemes.

**Figure 11: Trends in Mutual Funds Transactions in Secondary Market**

1. **Trends in Investments by the Foreign Portfolio Investors (FPIs)**

* During September 2020, FPIs withdrew ₹7,783 crore from the equity segment, as compared to net investment of ₹47,080 crore during August 2020. The net investment by FPIs in hybrid securities also declined during September 2020 to ₹2,222 crore from ₹3,347 crore during August 2020. There was an investment of ₹4,364 crore in debt securities during September 2020 against withdrawal of ₹548 crore during the previous month. Thus, September 2020 witnessed a net withdrawal of ₹1,197 crore by the FPIs, against net investment of ₹49,879 crore during August 2020.
* The assets of the FPIs in India, as reported by the custodians, at the end of September 2020 were ₹33,22,393 crore, out of which the notional value of offshore derivative instruments (ODIs) (including ODIs on derivatives) was ₹69,821 crore which is 2.1 per cent of total assets of FPIs.

**Figure 12: Trends in FPIs’ Investments**

1. **Trends in Portfolio Management Services (PMS)**

* As on August 31, 2020, AUM of the portfolio management industry stood at ₹19.1 lakh crore. Of the total AUM, funds from EPFO/PFs account for ₹14.3 lakh crore.
* As for number of clients in PMS industry at the end of August 2020, discretionary services category had 1,47,166 clients, followed by non-discretionary category with 9,080 clients and advisory category with 3,162 clients.
* In light of the prevailing business and market conditions due to COVID-19 pandemic, vide Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/111 dated June 29, 2020, SEBI has extended, inter alia, the timeline for monthly reporting of portfolio management activity, to be applicable with effect from October 01, 2020. Thus, the PMS data from September 2020 is not available.

1. **Trends in Substantial Acquisition of Shares and Takeovers**

* During September 2020, six open offers with offer value of ₹3,010.4 crore were made to shareholders under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 (SAST Regulations). Nine offers with offer value of ₹3,861.7 crore were made in the month of August 2020.

**Figure 13: Details of Open Offers made under the SEBI (SAST) Regulations**

1. **Commodities Derivatives Markets**
2. **Market Trends**

* During September 2020, MCX iCOMDEX composite index, witnessed a fall of 5.0 per cent (M-o-M) driven by decrease in futures prices of base metals, energy, bullion segments and agri. contracts of cardamom and mentha oil of agri. segment. On Y-o-Y basis, MCX iCOMDEX composite index decreased by 5.4 per cent.
* During the month, MCX iCOMDEX crude oil index decreased by 7.7 per cent on account of decrease in futures price of crude oil by 6.7 per cent. MCX iCOMDEX base metal index decreased by 2.3 per cent due to decrease in futures price of all the base metals. MCX iCOMDEX bullion index decreased by 5.8 per cent due to decrease in futures prices of gold and silver by 2.5 per cent and 11.0 per cent respectively. In the agri. segment, futures prices of cardamom and mentha oil contracts decreased by 11.4 per cent and 3.4 per cent respectively which were partially offset by increase in futures prices of cotton by 5.6 per cent and crude palm oil contracts by 1.2 per cent during the month.
* NKrishi index increased by 0.9 per cent (M-o-M) as futures prices of three out of 10 constituent commodities of the index viz. chana, RM seed and castorseed witnessed uptrend. On Y-o-Y basis NKrishi index increased by 5.4 per cent. On account of rebalancing, soybean is replaced by refined soy oil in NKrishi index.
* Monthly trends in MCX iCOMDEX composite Index and NKrishi Index are provided in Table 64.

**Figure 14: Movement of Commodity Derivatives Market Indices during September 2020**

Source: MCX and NCDEX

**Table 4: Snapshot of Indian Commodity Derivative Markets**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Items** | **2019-20** | **Aug- 2020** | **Sep -2020** | **Percentage variation**  **M-o-M** |
| 1. **Indices** | | | | |
| Nkrishi | 3,180 | 3,583 | 3,615 | 0.9 |
| MCX iCOMDEX | 8,256 | 10,227 | 9,714 | -5.0 |
| 1. **Turnover (₹crore)** | | | | |
| **All-India** | **92,24,839** | **10,37,849** | **8,67,747** | **-16.4** |
| **MCX, of which** | **86,89,518** | **9,39,619** | **7,78,831** | **-17.1** |
| *Futures* | 83,97,775 | 9,10,621 | 7,52,804 | -17.3 |
| *Options* | 2,91,743 | 28,998 | 26,027 | -10.2 |
| **NCDEX, of which** | **4,42,009** | **23,930** | **28,599** | **19.5** |
| *Futures* | 4,41,967 | 23,930 | 28,598 | 19.5 |
| *Options* | 42.2 | 0.0 | 1.1 | - |
| **ICEX (Futures)** | **40,511** | **2.3** | **0.2** | **-93.2** |
| **BSE, of which** | **46,439** | **71,825** | **58,517** | **-18.5** |
| *Futures* | 46,439 | 154 | 185 | 20.4 |
| *Options* | **-** | 71,671 | 58,331 | -18.6 |
| **NSE, of which** | **6,362** | **2,474** | **1,800** | **-27.2** |
| *Futures* | 6,362 | 92 | 66 | -28.8 |
| *Options* | **-** | 2,382 | 1,734 | -27.2 |

Source: NCDEX, MCX, ICEX, BSE and NSE.

1. **Turnover**

* During September 2020, pan- India turnover of the commodity derivatives decreased by 16.4 per cent to ₹8,67,747 crore driven by fall in turnover at MCX, ICEX, BSE and NSE except NCDEX. The agricultural segment contributed 4.1 per cent to the total turnover, while non-agricultural segment accounted for 95.9 per cent.
* The total turnover (futures & options) at MCX decreased by 17.1 per cent to ₹7,78,831 crore during September 2020 due to fall in traded value of bullion and metal futures by 32.6 per cent and 3.8 per cent respectively. However, turnover in energy and agri. futures increased by 39.4 per cent and 17.4 per cent respectively. The notional turnover of options segment at MCX decreased by 10.2 per cent during the month, as turnover in bullion, metal and energy segments decreased by 8.8 per cent, 63.6 per cent and 22.2 per cent respectively. The options contracts contributed 3.3 per cent to the total turnover at MCX. The total turnover in iCOMDEX bullion futures indices increased by 144.5% per cent to ₹ 5,183 crore during the month.
* During the month, the total turnover at NCDEX increased by 19.5 per cent to ₹28,599 crore, due to increase in traded volume and value of eight out of total 16 traded commodities. Turnover in Agridex futures indices declined by 51.8% to ₹12 crore during September 2020.
* In September 2020, turnover at ICEX decreased by 93.2 per cent to ₹0.2 crore as traded value of agri. contracts declined by 98.2 per cent. While steel long contracts was not traded, gems and stone contracts recorded a total turnover of ₹0.1 crore during the month.
* The total turnover at BSE decreased by 18.5 per cent to ₹ 58,517 crore driven by the decline in turnover in bullion options. In the futures segment bullion and agri. contracts were traded and recorded a total turnover of ₹4 crore and ₹ 181 crore respectively.
* The total turnover at NSE decreased by 27.2 per cent to ₹1,800 crore during the month on account of decrease in turnover of bullion options by 27.2 per cent and bullion futures by 28.8 per cent.
* The turnover of agricultural and non-agricultural commodities at exchanges is shown in Figures 15, 16 and 17 and the details are given in Tables 65 to 69.

**Figure 15: Trends in Turnover of Agricultural Commodity Derivatives**

**Source: MCX, NCDEX, BSE & ICEX**

**Figure 16: Trends in Turnover of Non-Agricultural Futures Commodity Derivatives contracts**

Source: MCX, ICEX, BSE & NSE.

**Figure 17: Trends in Turnover of Non-Agricultural Options Commodity Derivatives contracts**

**Source: MCX, BSE & NSE.**

**OVERVIEW OF THE GLOBAL FINANCIAL MARKETS**

* The ongoing coronavirus outbreak continued to cause human and economic distress around the globe even in September 2020. The month of September saw further rise in fresh COVID-19 infections in India (2.6 million compared to 2 million in previous month), while that in USA (1.3 million compared to 1.5 million in previous month) and Brazil (0.9 million compared to 1.2 million in previous month) moderated, according to data published by *worldometer.info*.

**Figure 1: World Growth Projections by IMF**

Source: World Economic Outlook, October 2020 issue.

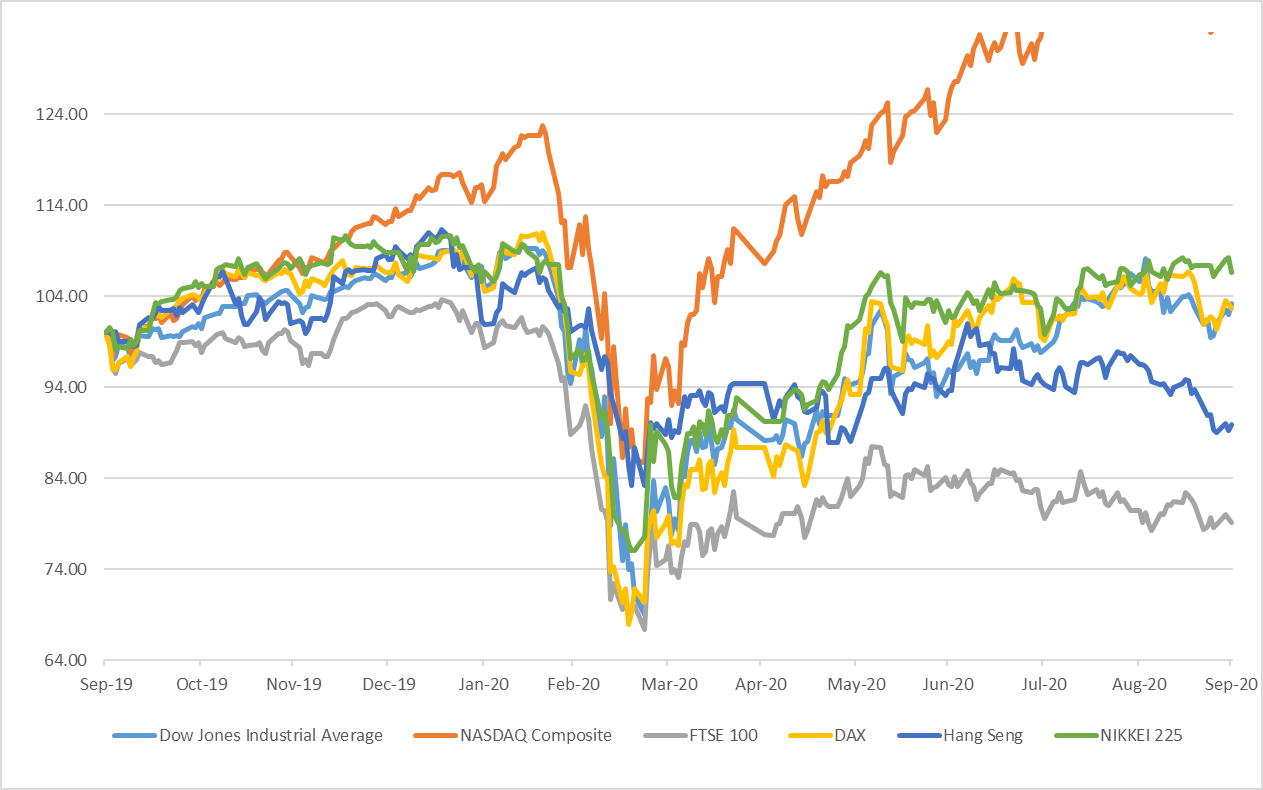
* The world economic activity in month of September moderated after a good recovery in the past few months. The JPMorgan Global Composite Purchasing Managers’ Index (PMI), compiled by IHS Markit, declined a little to 52.10 in September 2020 from 52.40 in October 2020. A reading of PMI above 50 means growth or expansion in economic activity.
* Meanwhile, most of the global equity markets registered negative returns for the Month of September, after five successive months with positive returns. The Dow Jones Industrial Average of USA declined by 2.3 per cent in September 2020 over previous month. The S&P 500 index decreased by 3.9 per cent, and the tech heavy NASDAQ Composite declined by 5.2 per cent in September 2020 over previous month.
* The advanced markets underperformed emerging markets in September 2020. MSCI Emerging Market (EM) index decreased by 1.8 per cent in September 2020 over the previous month, while MSCI World index was down by 3.6 per cent during same period.
* The volatility returned to the equity markets during mid-September 2020, however subsided significantly towards the end of the month. The CBOE VIX index remained unchanged at 26.4 by the end of September 2020
* The yields in the bond markets softened during September 2020. The US 10-year government bond yield decreased by 2 bps to 0.68 per cent, while the 10 year Eurobond yield declined by 6 bps to 0.12 per cent.
* The crude oil prices increased by USD 2.5 per barrel (or by 5.6 per cent) to USD 40.2 per barrel in September 2020 on hope of rising demand globally. Gold prices too decreased by USD 92.8 per ounce (or by 4.2 per cent) to USD 1,885.8, after touching high of USD 2,089.2 during the month amid overall risk averseness.
* The US economy contracted by 9.0 per cent Q-o-Q (31.4 per cent Q-o-Q in annualised terms) in the Q2 of 2020, compared to contraction of 5.0 per cent in the Q1 of 2020. It is the biggest contraction ever, pushing the economy into a recession as the coronavirus pandemic forced many businesses to stay shut and people to stay at home during Q2 of 2020. The US unemployment rate fell to 7.9 per cent in September of 2020 from 8.4 per cent in the previous month, as gradual re-opening of economy continues. The US PMI data indicate the moderation in the economic activity in September 2020. The IHS Market’s US Composite PMI moderated up to 54.4 in September 2020 from 54.6 in August 2020.
* The UK economy contracted by 19.8 per cent Q-o-Q in Q2 of 2020, largest-ever contraction on record, as the coronavirus lockdown impacted the economic activity in the country. In the previous quarter GDP had contracted by 2.2 per cent Q-o-Q. The flash UK composite PMI for September 2020 dropped to 55.7, compared to 59.1 in previous month.
* The Eurozone economy contracted by 11.8 per cent Q-o-Q in Q2 of 2020, after a contraction of 3.3 per cent in Q1 of 2020. Among the Member States, Spain (-18.5 per cent Q-o-Q) recorded the highest decline compared to the previous quarter, followed by Portugal (-14.1 per cent), France (-13.8 per cent), Italy (-12.4 per cent), and Germany (-10.1 per cent). The economic activity in the Eurozone declined in August 2020. The flash Eurozone composite PMI for September 2020 fell to 53.7, compared to 51.9 in August 2020. The IMF expects Eurozone output to contract by 10.2 per cent in 2020.
* The state-run Brazilian Institute of Geography and Statistics (IBGE) announced on September 02, 2020 that Brazil's economy entered a technical recession after contracting 9.7 percent in the second quarter of the year compared to the first.
* [Bureau of Statistics](https://en.wikipedia.org/wiki/Australian_Bureau_of_Statistics), Australia reports a 7 per cent decline in [GDP](https://en.wikipedia.org/wiki/Gross_domestic_product) in June quarter.
* In a widely anticipated move, the Federal Open Market Committee (FOMC), in its September meeting, left the interest rate unchanged at zero to 0.25 per cent to support the U.S. economy as it recovers from the deep impact of the COVID-19 lockdowns. The US federal reserve (Fed) also signaled that interest rates would remain near zero at least through 2023. In more dovish commentary, the Fed expressed its commitment in using its full range of tools to support the US economy in this challenging time, thereby promoting its maximum employment and price stability goals. According to Fed chair, Jerome Powell, the economic recovery in US has progressed more quickly than generally expected, however overall activity still remained below the level before start of the pandemic. The IMF upwardly revised USA growth expectations for 2020 to -4.3 per cent from earlier forecast of -8.0 per cent.
* The European Central Bank (ECB) decided to keep its interest rates and emergency coronavirus stimulus program unchanged, while it monitors the economic strength of the Euro zone. The core inflation in the Eurozone dropped unexpectedly to 0.4 per cent in August 2020 from 1.2 per cent in July 2020, which may cause ECB to introduce more monetary stimulus. In April 2020, the ECB started Pandemic Emergency Purchase Program (PEPP), a more flexible program of government bond purchases. This was further expanded by 600 billion Euros in June 2020, bringing the size of the stimulus program to 1.35 trillion Euros ($1.54 trillion) to be deployed until June 2021, or until the bank believes the crisis is over.
* GDP growth of China rebounded strongly by 3.2 per cent year-on-year in Q2 of 2020, after contracting by 6.8 per cent in Q1 of 2020. According to IMF projections, the Chinese economy is expected to slow down to 1.9 per cent in 2020 before recovering to strong growth of 8.2 per cent in 2021.
* India’s GDP growth contracted sharply by 23.9 per cent Y-o-Y in Q1 of 2020-21, the biggest contraction on record, compared to 3.1 per cent in Q4 of 2019-20. The business activity in construction (-50.3 per cent), hotels and transportation (-47.0 per cent) and manufacturing (-39.3 per cent) sectors recorded the biggest falls. Meanwhile, India GDP forecast by IMF for 2020-21 was revised sharply downwards to -10.3 per cent, compared to its earlier forecast of growth of -4.5. According to IMF projections, the Indian economy is expected to grow by 8.8 per cent in 2021.
* Retail inflation (CPI Inflation) in India spiked to 7.3 per cent in September 2020 from 6.7 per cent in previous month. Index of Industrial Production (IIP) contracted at slower pace (-8.0 per cent Y-o-Y) in August 2020, compared to 10.4 per cent contraction in July 2020. India’s PMI data indicated strong pick up in the economic activity in the month of September 2020. India’s composite PMI expanded for the first time in six months rising from 46.0 in August to 54.6 in September. The manufacturing PMI for September improved remarkably to 56.8 in September from 52.0 in August, the highest reading for the indicator since January 2012. The services PMI too improved to 49.8 in September from 41.8 in August.
* The International Monetary Fund (IMF), in its World Economic Outlook, October 2020 issue, revised upward the world economic growth for 2020 to -4.4 per cent from -4.9 per cent forecast made in June 2020, due to better than expected growth in advanced economies and China during the second quarter of the year and signs of a more rapid recovery in the third quarter. The IMF’s projection assumes that social distancing due to the coronavirus pandemic will continue into 2021, and that local transmission will fall everywhere by the end of 2022.
* The IMF chief economist, Gita Gopinath, on October 13, warned that although the global economy is coming back, the ascent will likely be long, uneven, and uncertain. The growth prospects have worsened significantly in some emerging market and developing economies. Emerging market and developing economies are seen contracting by 3.3 per cent this year, but in places like India, GDP is seen falling by more than 10 per cent.

**Market Trends[[3]](#footnote-3) –**

**Equity Markets (Figures 2-3, Table A1)-**

* In the month of September 2020, highest annualized monthly volatility amongst the BRICS countries was observed in Shanghai Composite (37.8 per cent) followed by Nifty 50 Index (36.3 per cent) and S&P BSE SENSEX (35.5 per cent). The lowest annualized volatility among BRICS was observed in South Africa FTSE (20.5 per cent) and Brazil IBOVESPA (28.8 per cent). Among the developed markets, highest annualized volatility was observed in US Nasdaq composite (74.8 per cent) and the lowest was observed at Singapore STI (14.5 per cent)).
* In most of the analyzed markets, monthly decline was observed in indices during September 2020. In BRICS nations the lowest decline was observed in India (Nifty 50 (1.2 per cent) and S&P BSE SENSEX (1.5 per cent)) followed by South Africa FTSE (2.2 per cent). The highest monthly decline was observed in Russia Traded (8.0 per cent) followed by Shanghai Composite (5.2 per cent). Among the developed economies, in the month of September 2020, highest growth was observed for Japan Nikkei (0.2 per cent) followed by South Korea Kospi (0.1 per cent). Monthly decline in growth was observed in Hong Kong Hang Seng (-6.8 per cent) followed by US Nasdaq Composite (-5.2 per cent) and France CAC 40 (2.9 per cent). Growth for Germany DAX, UK FTSE and Dow Jones was -1.4, -1.6 and -2.3 per cent respectively.

**Figure 2: Stock Market Trends in Selected Developed Markets**



Note: All indices have been normalised to 100 on 30 September 2019.

Source: Bloomberg

**Figure 3: Stock Market Trends in Selected Emerging Markets**



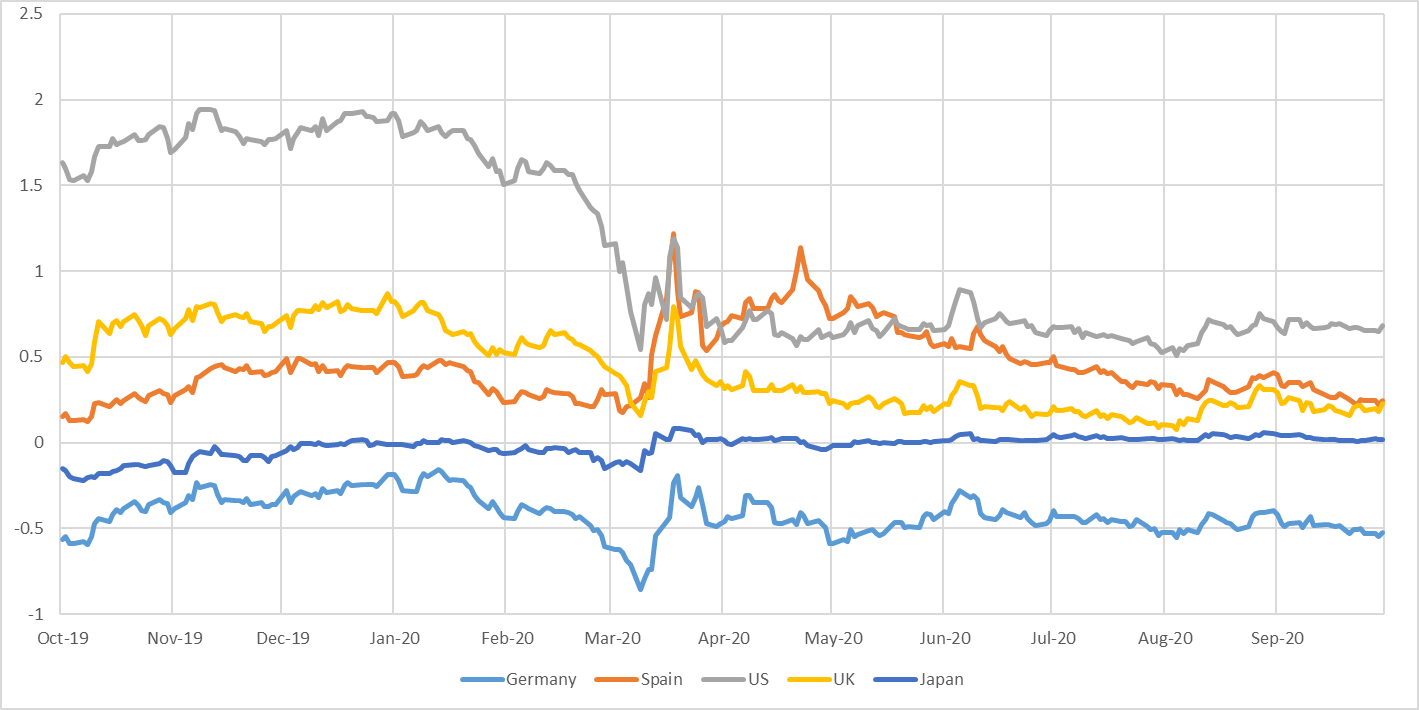
Note: All indices have been normalised to 100 on 30 September 2019.

Source: Bloomberg

**BOND Market (Figures 4-5)**

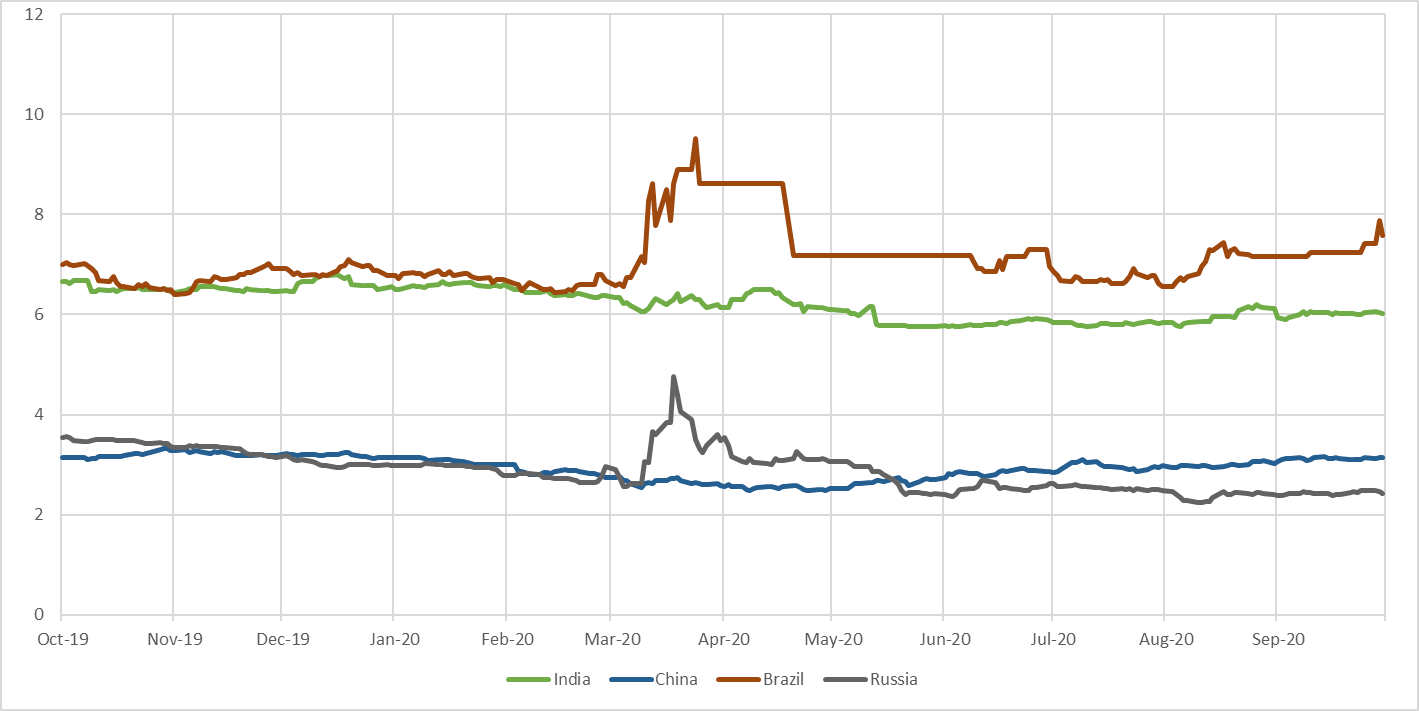
* Among the countries analysed for bond yield[[4]](#footnote-4), 10-year bond yield showed a negative change for most developed and developing economies (Chart 3 & 4) except for Germany, Brazil, China and Russia in September 2020.

**Figure 4: Movement of 10-year Government Bond Yields in Developed Nations**



Source: Bloomberg

**Figure 5: Movement of 10-year Government Bond Yields in BRIC Nations**



Source: Bloomberg

**Fund Mobilisation by Issuance of Equity and Bonds (Table A2) –**

* There was a 15.8 per cent decrease in the fund mobilization at the selected analyzed exchanges world-wide during August 2020 (at 3,76,973 million USD) against previous month (at 4,47,550 million USD). Only 15.5 per cent of the total fund mobilization in August 2020 was in equity and remaining was in debt.
* As per the data available on World Federation of Exchanges (WFE)[[5]](#footnote-5), highest amount mobilized through equities and bonds in August 2020 was at LSE Group (63,609 million USD) followed by NSE (61,964 million USD) and Korea Exchange (51,808 million USD).
* In August 2020, at LSE Group, 277 million USD were raised through equity and the remaining amount was raised through bonds whereas at NSE 6,617 million USD were raised through equity and the remaining amount was raised through bonds. At Korea Exchange entire amount mobilized was though bonds.
* Maximum fund mobilization through equities in August 2020 was at Shanghai Stock Exchange (13,796 million USD) followed by Shenzhen Stock Exchange (12,478 million USD).

**Market Capitalisation of Major Exchanges (Table A3) –**

* Most of the analysed markets including developed markets[[6]](#footnote-6), reflected a decrease in market capitalization in the month of September 2020 as compared to previous month.
* Among the developed markets highest increase in market capitalization was observed for South Korea (2.4 per cent) followed by Japan (1.5 per cent). Remaining analyzed developed markets reflected a decrease in the market capitilaization in September as compared to the previous month. Highest decline in market capitalization among the developed markets was in UK (-4.5 per cent) followed by USA (-3.9 per cent) and Singapore (-3.8 per cent).
* Among BRICS nations the increase in market cap over the previous month was observed only for India (0.4 per cent). Rest of the BRICS economies reflected a decline in market capitalization. Highest decline was observed in Brazil (-9.8 per cent) followed by Russia (-7.3 per cent).

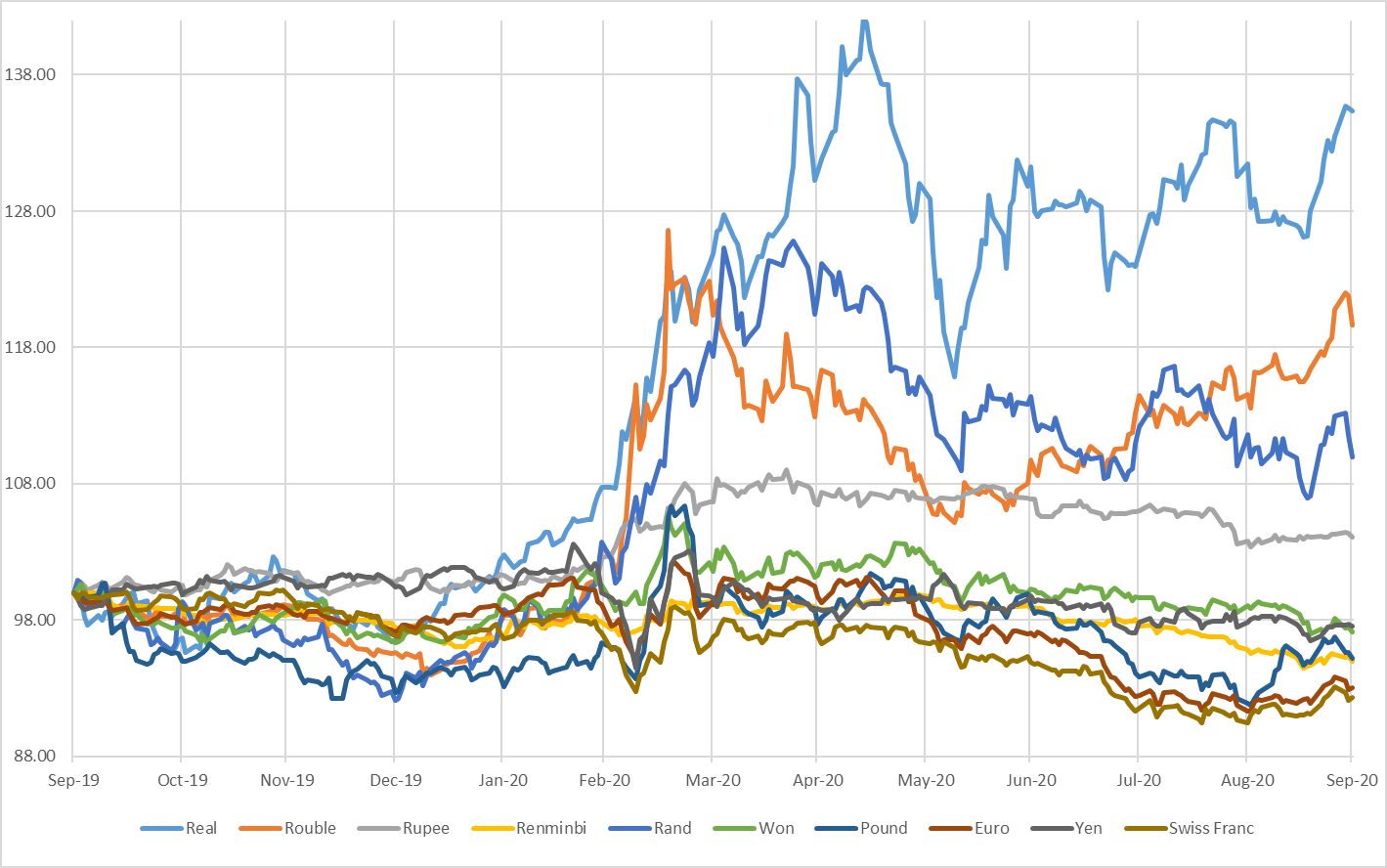
**Derivatives (Figures 6-7, Table A4–A8) –**

* During August 2020 the highest number of Single Stock Futures contracts traded was at Borsa Istanbul (11,58,75,595) followed by Korea Exchange (10,50,61,166). The highest number of single stock options were traded at B3 - Brasil Bolsa Balcão (16,46,45,220) followed by Nasdaq - US (15,31,60,868).
* In the same period, highest number of contracts of Index Futures were traded at B3 - Brasil Bolsa Balcão (26,42,45,759) followed by CME Group (7,47,90,977). Among the Stock Index Options, the highest number of contacts were traded at NSE (52,17,31,380) followed by Cboe Global Markets (2,90,28,798).
* Highest number of Currency Futures contracts were traded at B3 - Brasil Bolsa Balcão (7,45,81,672) followed by Moscow Exchange (6,97,36,655). The highest number of Currency Options were traded at NSE (7,08,21,217) followed by BSE India Limited (3,79,15,729).
* In August 2020, the highest number of Interest Rate (IR) Futures were traded at CME Group (13,01,35,014) followed by B3 - Brasil Bolsa Balcão (4,59,87,974) whereas the highest number of Interest Rate Options contracts were traded at CME Group (2,04,29,004) followed by B3 - Brasil Bolsa Balcão (1,06,52,056).
* The highest number of Commodity Futures contracts were traded at Shanghai Futures Exchange (21,20,83,407) followed by Dalian Commodity Exchange (16,55,08,944) in August 2020. Among the Commodity Options the highest number of contracts were traded at CME Group (1,08,15,383) followed by Dalian Commodity Exchange (38,23,600) during the same period.
* In September 2020, Won and Rand were most appreciating currencies against dollar among the analysed currencies. Ruble and Pound were most depreciating currencies.

**US Treasury Securities (Table A9)**

* At the end of July 2020, Japan was the biggest foreign holder of US Treasury Securities with 18.2 per cent followed by China with 15.1 per cent. The total major foreign holding of US Treasury Securities was USD 7,087.2 billion. The holdings of US Treasury Securities by India slightly increased to 2.7 per cent at the end of July 2020 from 2.6 per cent a month earlier.

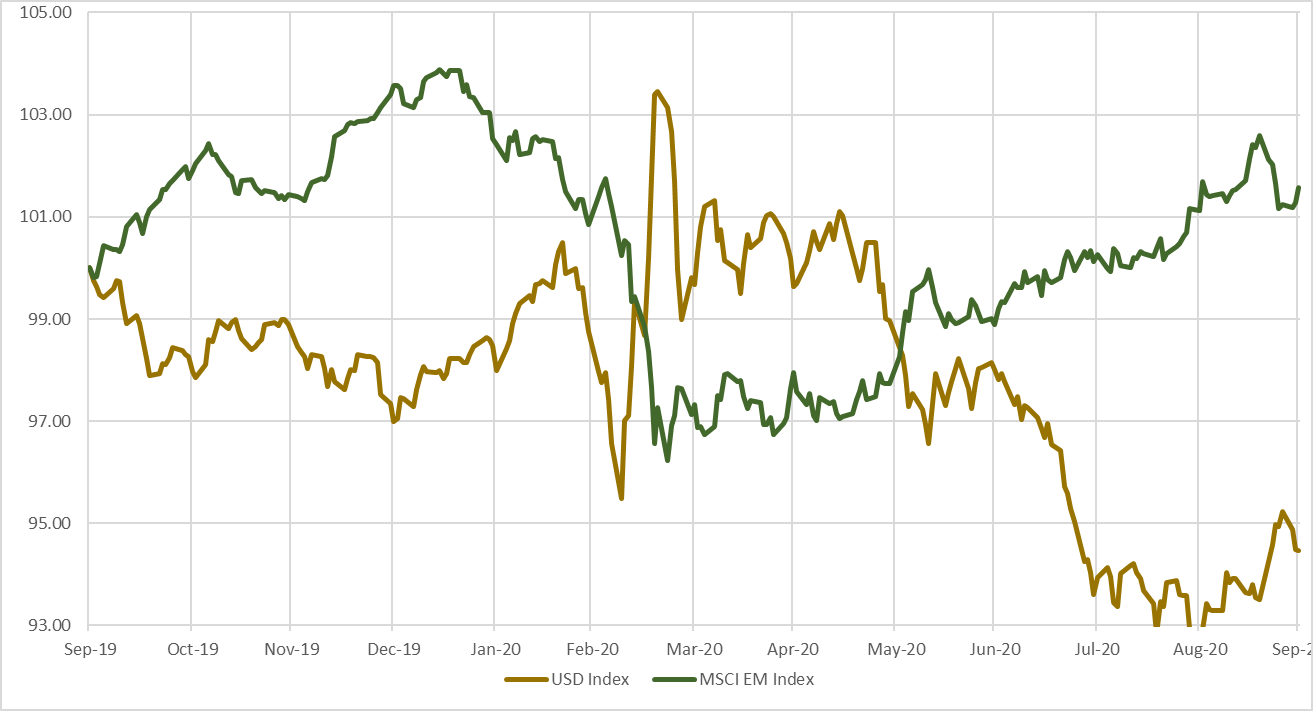
**Figure 6: Movement of the Major Currencies against USD**



Note: All indices have been normalised to 100 on 30 September 2019.

Source: Bloomberg

**Figure 7: Movement of the US Dollar Index and MSCI EM Currency Index**



Note:

1. All indices have been normalised to 100 on 30 September 2019.
2. The U.S. Dollar Index is an index of the value of the United States dollar relative to a basket of foreign currencies. The Index goes up when the U.S. dollar gains value compared to other currencies. The index is maintained and published by Intercontinental Exchange. It is a weighted geometric mean of the dollar's value relative to following select currencies: Euro, Japanese yen, Pound sterling, Canadian dollar, Swedish krona, Swiss franc.
3. The MSCI Emerging Markets (EM) Currency Index tracks the performance of twenty-five emerging-market currencies relative to the US Dollar.

Source: Bloomberg

**Table A1: Performance of Stock Indices**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Country** | **Name of the Index** | **Closing Value as on** | **Closing Value before** | | | | **Monthly Volatility (Annualised)** | **P/E Ratio** |
| **30-Sep-2020** | **1-Month** | **3-Month** | **6-Month** | **1-Year** |
| **BRICS Nations** | | | | | | | | |
| Brazil | BRAZIL IBOVESPA | 94603.4 | 99369.2 | 95055.8 | 73019.8 | 104745.3 | 28.8 | 74.0 |
| Russia | RUSSIAN TRADED | 1488.1 | 1617.5 | 1628.3 | 1383.6 | 1949.7 | 31.5 | 7.0 |
| India | Nifty 50 | 11247.6 | 11387.5 | 10302.1 | 8597.8 | 11474.5 | 36.3 | 32.7 |
| India | S&P BSE SENSEX | 38067.9 | 38628.3 | 34915.8 | 29468.5 | 38667.3 | 35.5 | 27.9 |
| China | SHANGHAI SE COMPOSITE | 3218.1 | 3395.7 | 2984.7 | 2750.3 | 2905.2 | 37.8 | 17.4 |
| South Africa | FTSE/JSE AFRICA ALL SHR | 54265.0 | 55476.1 | 54362.4 | 44490.3 | 54825.0 | 20.5 | 22.2 |
| **Developed Markets** | | | | | | | | |
| USA | NASDAQ COMPOSITE | 11167.5 | 11775.5 | 10058.8 | 7700.1 | 7999.3 | 74.8 | 65.7 |
| USA | DOW JONES INDUS. AVG | 27781.7 | 28430.1 | 25812.9 | 21917.2 | 26916.8 | 52.1 | 23.9 |
| France | CAC 40 | 4803.4 | 4947.2 | 4936.0 | 4396.1 | 5677.8 | 20.3 | 42.7 |
| Germany | DAX | 12760.7 | 12945.4 | 12310.9 | 9935.8 | 12428.1 | 32.3 | 39.3 |
| UK | FTSE 100 | 5866.1 | 5963.6 | 6169.7 | 5672.0 | 7408.2 | 25.6 | 105.3 |
| Hong Kong | HANG SENG | 23459.1 | 25177.1 | 24427.2 | 23603.5 | 26092.3 | 15.2 | 12.5 |
| South Korea | KOSPI | 2327.9 | 2326.2 | 2108.3 | 1754.6 | 2063.1 | 39.4 | 36.6 |
| Japan | NIKKEI 225 | 23185.1 | 23139.8 | 22288.1 | 18917.0 | 21755.8 | 22.7 | 34.1 |
| Singapore | STRAITS TIMES STI | 2466.6 | 2532.5 | 2589.9 | 2481.2 | 3120.0 | 14.5 | 18.6 |
| Taiwan | TAIWAN TAIEX | 12515.6 | 12591.5 | 11621.2 | 9708.1 | 10829.7 | 28.1 | 20.7 |

Note: P/E Ratios as on the last trading day.

Source: Bloomberg, BSE and National Stock Exchange

**Table A2: Fund Mobilisation by Issuance of Equity and Bond in Major Exchanges (USD million)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Month** | **Jul-20** | | | **Aug-20** | | |
| **Exchange Name** | **Bond** | **Equity** | **Total** | **Bond** | **Equity** | **Total** |
| B3 - Brasil Bolsa Balcão | NA | 0 | 0 | 0 | 0 | 0 |
| Nasdaq - US | NA | NA | NA | NA | NA | NA |
| NYSE | NA | NA | NA | NA | NA | NA |
| ASX Australian Securities Exchange | NA | 2,688 | 2,688 | NA | 3,342 | 3,342 |
| Hong Kong Exchanges and Clearing | 16,773 | 10,583 | 27,356 | 17,311 | 7,666 | 24,976 |
| Japan Exchange Group | 21,077 | 1,541 | 22,618 | NA | 3,571 | 3,571 |
| Korea Exchange | 46,787 | NA | 46,787 | 51,808 | NA | 51,808 |
| National Stock Exchange of India | 56,643 | 534 | 57,176 | 55,347 | 6,617 | 61,964 |
| Shanghai Stock Exchange | NA | 20,076 | 20,076 | NA | 13,796 | 13,796 |
| Shenzhen Stock Exchange | 15,273 | 6,703 | 21,976 | 28,672 | 12,478 | 41,150 |
| Singapore Exchange | 25,799 | 9 | 25,807 | 16,068 | 37 | 16,105 |
| BME Spanish Exchanges | 48,359 | 1,868 | 50,227 | 21,298 | 8,044 | 29,343 |
| Deutsche Boerse AG | 44,144 | 118 | 44,261 | 38,735 | 0 | 38,735 |
| Euronext | NA | 4,760 | 4,760 | 776 | 2,134 | 2,909 |
| Johannesburg Stock Exchange | 4,423 | 1 | 4,424 | 3,811 | 385 | 4,197 |
| LSE Group | 93,977 | 3,182 | 97,159 | 63,332 | 277 | 63,609 |
| Moscow Exchange | 22,233 | NA | 22,233 | 21,467 | NA | 21,467 |
| **Grand Total** | **3,95,489** | **52,061** | **4,47,550** | **3,18,625** | **58,348** | **3,76,973** |

Note: For Funds mobilised through issuance of bonds, data may differ due to different reporting rules & calculation methods. Fund mobilisation data for equities are (i) excluding investment funds and (ii) including Alternative and SME Markets except the following exceptions:

1. Australian Securities Exchange: including investment funds
2. BME: Including investment companies listed (open-end investment companies).
3. Euronext: includes Belgium, England, France, Netherlands and Portugal
4. Korea Exchange: including Kosdaq market data
5. LSE Group: includes London Stock Exchange and BorsaItaliana
6. Nasdaq Nordic Exchanges include Copenhagen, Helsinki, Iceland, Stockholm, Tallinn, Riga and Vilnius Stock Exchanges
7. NSE India: including “Emerge” market data

NA = Not Available

Source: World Federation of Exchanges

**Table A3: Domestic Market Capitalisation of Major Exchanges (USD million)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Markets** | **Country** | **Aug-20** | **Sep-20** | **% Change MoM** |
| **Developed Markets** | USA | 37,934 | 36,458 | -3.9 |
| UK | 2,839 | 2,711 | -4.5 |
| Germany | 2,344 | 2,288 | -2.4 |
| France | 603 | 565 | -6.4 |
| Japan | 6,062 | 6,151 | 1.5 |
| Singapore | 382 | 368 | -3.8 |
| Hong Kong | 5,777 | 5,616 | -2.8 |
| South Korea | 1,549 | 1,587 | 2.4 |
| Australia | 1,393 | 1,306 | -6.2 |
| **BRICS** | Brazil | 732 | 660 | -9.8 |
| Russia | 580 | 537 | -7.3 |
| India | 2,052 | 2,060 | 0.4 |
| China | 9,898 | 9,439 | -4.6 |
| South Africa | 329 | 323 | -2.0 |

Source: Bloomberg

**Table A4: Stock Futures and Stock Options Traded in Major Exchanges**

Notional Turnover in (USD million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Aug-20** | | | | | |
| **Single Stock Futures** | | | **Single Stock Options** | | |
| **Number of** | **Notional** | **Open** | **Number of** | **Notional** | **Open** |
| **Contracts Traded** | **Turnover** | **Interest** | **Contracts Traded** | **Turnover** | **Interest** |
| B3 - Brasil Bolsa Balcão | 3,94,86,305 | 187.28 | 2,22,07,274 | 16,46,45,220 | 58,498 | 4,38,47,456 |
| Bolsa de Valores de Colombia | 7,543 | 7.76 | 7,991 | 0 | 0 | 0 |
| Bolsa Mexicana de Valores | 350 | 0.09 | 950 | 43,002 | 8 | 53,000 |
| Bolsa y Mercados Argentinos | 0 | 0 | 0 | 74,34,472 | 46 | 10,88,256 |
| Cboe Global Markets | NA | NA | NA | 11,00,52,216 | NA | 20,33,86,242 |
| Nasdaq - US | NA | NA | NA | 15,31,60,868 | NA | NA |
| MIAX Exchange Group | NA | NA | NA | 4,63,39,332 | 12,67,251 | NA |
| ASX Australian Securities Exchange | 22,914 | 32.64 | 4,68,801 | 48,45,691 | 9,371 | 60,98,311 |
| Hong Kong Exchanges and Clearing | 1,11,057 | 789.16 | 21,185 | 1,01,36,750 | 51,499 | 1,03,57,975 |
| Japan Exchange Group | NA | NA | NA | 1,798 | NA | 40,962 |
| Korea Exchange | 10,50,61,166 | 73286.46 | 55,40,555 | 1,04,569 | NA | 21,367 |
| National Stock Exchange of India | 2,05,82,172 | 201782.24 | 14,33,181 | 2,56,45,175 | 2,66,906 | 6,03,146 |
| Singapore Exchange | 1,20,040 | NA | 29,274 | NA | NA | NA |
| Taiwan Futures Exchange | 21,85,563 | 21433.49 | 1,80,912 | 10,157 | 73 | 4,031 |
| Thailand Futures Exchange | 20,61,861 | NA | 12,77,511 | NA | NA | NA |
| Athens Stock Exchange | 3,60,779 | 56.05 | 2,76,658 | 374 | 0 | 912 |
| BME Spanish Exchanges | 4,881 | 3.58 | 12,47,635 | 7,28,048 | 951 | 86,65,602 |
| Borsa Istanbul | 11,58,75,595 | 9132.73 | 63,40,027 | 63,203 | 8 | 2,41,487 |
| Budapest Stock Exchange | 6,895 | 43.43 | 4,529 | 0 | 0 | 0 |
| Deutsche Boerse AG | 16,29,153 | 9350.95 | 55,37,866 | 1,02,04,996 | 45,265 | 6,28,22,193 |
| Euronext | NA | NA | NA | NA | NA | NA |
| Moscow Exchange | 1,28,63,399 | 3615.84 | 15,24,784 | 1,05,160 | 28 | 1,48,778 |
| Nasdaq Nordic and Baltics | 1,47,194 | 413.84 | 1,16,906 | 10,22,529 | 1,936 | 30,19,579 |
| Tehran Stock Exchange | 1 | 0 | NA | 6,55,798 | 109 | NA |
| Tel-Aviv Stock Exchange | NA | NA | NA | 6,970 | 41 | 25,852 |
| Warsaw Stock Exchange | 1,08,876 | 249.68 | 37,687 | NA | NA | NA |
| Dubai Gold and Commodities Exchange | 9,362 | 20.54 | 770 | NA | NA | NA |
| **Grand Total** | **30,06,45,106** | **3,20,406** | **4,62,54,496** | **53,52,06,328** | **17,01,989** | **34,04,25,149** |

NA: Not Available

Source: World Federation of Exchanges

**Table A5: Index Futures and Index Options Traded in Major Exchanges**

Notional Turnover in (USD million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Aug-20** | | | | | |
| **Stock Index Futures** | | | **Stock Index Options** | | |
| **Number of Contracts Traded** | **Notional Turnover** | **Open Interest** | **Number of Contracts Traded** | **Notional Turnover** | **Open Interest** |
| B3 - Brasil Bolsa Balcão | 26,42,45,759 | 10,32,945 | 11,05,746 | 48,36,128 | 27,836 | 5,24,027 |
| Bolsa de Valores de Colombia | 3,148 | 2 | 4,898 | NA | NA | NA |
| Bolsa Mexicana de Valores | 21,954 | 382 | 23,697 | 558 | 10 | 446 |
| Bolsa y Mercados Argentinos | 4,819 | 3 | 3,683 | 0 | 0 | 0 |
| Cboe Global Markets | NA | NA | NA | 2,90,28,798 | NA | 2,23,00,588 |
| Nasdaq - US | NA | NA | NA | 3,58,474 | NA | NA |
| MIAX Exchange Group | NA | NA | NA | 0 | 0 | NA |
| Matba Rofex | 1,91,553 | 185 | 21,129 | 469 | 0 | 103 |
| CME Group | 7,47,90,977 | 81,95,456 | 47,65,296 | 1,19,01,163 | 21,86,190 | 35,46,793 |
| Cboe Futures Exchange | 37,23,267 | NA | 3,05,192 | NA | NA | NA |
| ASX Australian Securities Exchange | 8,84,850 | 98,013 | 3,31,394 | 4,68,833 | 20,839 | 7,23,359 |
| Hong Kong Exchanges and Clearing | 86,90,367 | 7,87,992 | 6,10,088 | 23,73,594 | 1,65,333 | 29,39,286 |
| Japan Exchange Group | 2,33,45,306 | 9,12,474 | 20,18,382 | 2,85,575 | NA | 67,789 |
| Korea Exchange | 1,07,99,123 | 4,56,071 | 7,51,926 | 19,70,378 | 26,152 | 23,63,941 |
| National Stock Exchange of India | 92,11,071 | 84,796 | 2,18,651 | 52,17,31,380 | 48,28,924 | 23,34,223 |
| Singapore Exchange | 1,49,05,430 | NA | 17,46,885 | 5,04,305 | NA | 19,78,361 |
| Taiwan Futures Exchange | 86,08,491 | 4,23,447 | 1,63,116 | 1,55,13,230 | 3,36,158 | 5,32,925 |
| Thailand Futures Exchange | 35,61,665 | NA | 3,92,260 | 1,06,511 | NA | 60,755 |
| Bursa Malaysia Derivatives | 2,57,763 | 4,830 | 28,014 | 627 | 0 | 168 |
| China Financial Futures Exchange | 76,07,643 | 14,42,807 | 4,71,572 | 19,85,134 | 2,513 | 1,24,610 |
| Athens Stock Exchange | 18,753 | 68 | 3,389 | 2,066 | 8 | 1,150 |
| BME Spanish Exchanges | 4,84,078 | 33,951 | 1,11,516 | 47,137 | 394 | 6,23,387 |
| Borsa Istanbul | 95,54,572 | 16,091 | 4,47,820 | 31,003 | 53 | 25,503 |
| Budapest Stock Exchange | 30,493 | 36 | 18,540 | 0 | 0 | 0 |
| Deutsche Boerse AG | 2,46,43,513 | 13,70,962 | 1,08,74,272 | 2,03,15,532 | 7,54,906 | 5,42,43,289 |
| Euronext | NA | NA | NA | NA | NA | NA |
| Moscow Exchange | 1,14,25,265 | 28,677 | 6,69,596 | 12,13,170 | 3,069 | 4,13,232 |
| Nasdaq Nordic and Baltics | 28,18,093 | 56,852 | 4,61,011 | 3,93,967 | 8,013 | 6,06,317 |
| Tel-Aviv Stock Exchange | NA | NA | NA | 18,85,441 | 79,337 | 1,56,094 |
| Warsaw Stock Exchange | 2,79,128 | 2,770 | 38,002 | 21,871 | 108 | 19,468 |
| **Grand Total** | **48,01,07,081** | **1,49,48,811** | **2,55,86,075** | **61,49,75,344** | **84,39,841** | **9,35,85,814** |

NA: Not Available.

Source: World Federation of Exchanges

**Table A6: Currency Futures and Options Traded in Major Exchanges**

Notional Turnover in (USD million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Aug-20** | | | | | |
| **Currency Futures** | | | **Currency Options** | | |
| **Number of Contracts Traded** | **Notional Turnover** | **Open Interest** | **Number of Contracts Traded** | **Notional Turnover** | **Open Interest** |
| B3 - Brasil Bolsa Balcão | 7,45,81,672 | 9,76,430 | 99,95,560 | 4,65,205 | 418 | 7,67,252 |
| Bolsa de Valores de Colombia | 19,034 | 906 | 10,794 | 0 | 0 | 23 |
| Bolsa Mexicana de Valores | 75,863 | 776 | 4,93,242 | 300 | 3 | 8,000 |
| Bolsa y Mercados Argentinos | 15,36,568 | 1,591 | 1,58,190 | 0 | 0 | 0 |
| Matba Rofex | 1,21,05,064 | 12,770 | 42,72,578 | 1,056 | 0 | 8 |
| CME Group | 1,46,85,468 | 14,11,499 | 17,48,307 | 6,21,527 | 74,169 | 6,14,760 |
| BSE India Limited | 2,24,89,598 | 22,948 | 6,48,211 | 3,79,15,729 | 38,724 | 1,58,287 |
| Hong Kong Exchanges and Clearing | 1,59,626 | 15,110 | 24,579 | 687 | 69 | 3,726 |
| Korea Exchange | 70,63,771 | 70,625 | 8,12,868 | NA | NA | NA |
| National Stock Exchange of India | 5,70,90,417 | 61,046 | 23,06,654 | 7,08,21,217 | 72,304 | 28,77,476 |
| Singapore Exchange | 17,85,598 | NA | 1,27,480 | 280 | NA | 350 |
| Taiwan Futures Exchange | 31,271 | 925 | 3,386 | 3,163 | 78 | 1,056 |
| Thailand Futures Exchange | 2,56,168 | NA | 51,543 | NA | NA | NA |
| Borsa Istanbul | 76,77,790 | 7,880 | 24,41,837 | 46,294 | 45 | 29,313 |
| Budapest Stock Exchange | 4,08,736 | 453 | 5,11,447 | NA | NA | NA |
| Moscow Exchange | 6,97,36,655 | 71,632 | 37,12,510 | 15,80,980 | 1,611 | 13,13,558 |
| Tel-Aviv Stock Exchange | NA | NA | NA | 9,76,043 | 9,910 | 4,93,417 |
| Dubai Gold and Commodities Exchange | 8,30,415 | 5,399 | 1,33,004 | 0 | 0 | 0 |
| **Grand Total** | **27,05,33,714** | **26,59,991** | **2,74,52,190** | **11,24,32,481** | **1,97,332** | **62,67,226** |

NA: Not Available

Source: World Federation of Exchanges

**Table A7: Interest Rate Futures and Options Traded in Major Exchanges**

Notional Turnover in (USD million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Aug-20** | | | | | |
| **Interest Rate Futures** | | | **Interest Rate Options** | | |
| **Number of Contracts Traded** | **Notional Turnover** | **Open Interest** | **Number of Contracts Traded** | **Notional Turnover** | **Open Interest** |
| B3 - Brasil Bolsa Balcão | 4,59,87,974 | 9,79,358 | 2,68,16,288 | 1,06,52,056 | 500 | 3,36,03,347 |
| Bolsa de Valores de Colombia | NA | NA | NA | NA | NA | NA |
| Bolsa Mexicana de Valores | 2,150 | 11 | 6,400 | NA | NA | NA |
| CME Group | 13,01,35,014 | 5,24,01,005 | 2,42,29,529 | 2,04,29,004 | 95,37,642 | 4,19,39,493 |
| ASX Australian Securities Exchange | 89,34,637 | 12,76,455 | 39,41,803 | 17,650 | 1,302 | 3,900 |
| BSE India Limited | 61,785 | 172 | 5,447 | NA | NA | NA |
| Japan Exchange Group | 5,23,250 | NA | 83,361 | 7,40,815 | NA | 6,19,167 |
| Korea Exchange | 29,94,567 | 3,05,463 | 5,89,892 | NA | NA | NA |
| National Stock Exchange of India | 4,34,184 | 1,206 | 65,722 | 3 | 0 | 0 |
| Singapore Exchange | 33,547 | NA | 12,744 | NA | NA | NA |
| China Financial Futures Exchange | 22,03,920 | 3,44,544 | 1,45,974 | NA | NA | NA |
| Deutsche Boerse AG | 3,37,74,884 | 61,04,903 | 50,15,785 | 23,95,831 | 4,50,388 | 7,95,992 |
| Moscow Exchange | 9,718 | 2 | 31,956 | NA | NA | NA |
| Nasdaq Nordic and Baltics | 7,82,941 | 90,577 | 10,72,375 | 2,90,557 | 33,614 | 0 |
| **Grand Total** | **22,58,78,571** | **6,15,03,696** | **6,20,17,276** | **3,45,25,916** | **1,00,23,446** | **7,69,61,899** |

NA: Not Available

Source: World Federation of Exchanges

**Table A8: Commodity Futures and Options Traded in Major Exchanges**

Notional Turnover in (USD million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Aug-20** | | | | | |
| **Commodities Futures** | | | **Commodities Options** | | |
| **Number of Contracts Traded** | **Notional Turnover** | **Open Interest** | **Number of Contracts Traded** | **Notional Turnover** | **Open Interest** |
| B3 - Brasil Bolsa Balcão | 2,82,987 | 2,073 | 90,119 | 94,572 | 17 | 1,36,119 |
| Matba Rofex | 1,07,000 | 790 | 60,297 | 11,702 | 5 | 19,268 |
| CME Group | 7,99,68,909 | 44,96,377 | 1,37,25,719 | 1,08,15,383 | 5,41,737 | 1,01,26,648 |
| ASX Australian Securities Exchange | 57,513 | 1,393 | 1,18,795 | 9,293 | 1,380 | 51,532 |
| Hong Kong Exchanges and Clearing | 27,588 | 494 | 3,194 | NA | NA | NA |
| National Stock Exchange of India | 1,748 | 13 | 7 | 44,081 | 325 | 547 |
| NZX Limited | 20,422 | 64 | 62,912 | 3,680 | 11 | 19,607 |
| Singapore Exchange | 18,53,656 | NA | 10,24,413 | 4,76,523 | NA | 11,25,758 |
| Taiwan Futures Exchange | 27,145 | 582 | 1,533 | 5,513 | 65 | 517 |
| Thailand Futures Exchange | 14,12,561 | NA | 37,013 | NA | NA | NA |
| Bursa Malaysia Derivatives | 9,95,029 | 15,946 | 1,84,790 | 600 | 0 | 19,150 |
| Zhengzhou Commodity Exchange | 15,46,03,857 | 8,82,666 | 69,82,109 | 26,95,247 | 195 | 5,21,847 |
| Dalian Commodity Exchange | 16,55,08,944 | 12,28,395 | 84,55,042 | 38,23,600 | 492 | 8,19,331 |
| Multi Commodity Exchange of India | 2,11,73,998 | 1,24,307 | 1,64,840 | 1,69,089 | 3,958 | 9,062 |
| Shanghai Futures Exchange | 21,20,83,407 | 28,10,275 | 70,59,332 | NA | NA | NA |
| Indian Commodity Exchange | NA | NA | NA | NA | NA | NA |
| Borsa Istanbul | 2,40,07,824 | 6,654 | 21,76,356 | NA | NA | NA |
| Deutsche Boerse AG | 3,54,929 | 13,835 | 19,92,929 | 2,87,609 | 1,371 | 10,62,207 |
| Euronext | 11,43,477 | 14,086 | 4,80,715 | 65,254 | 797 | 2,23,454 |
| LSE Group | 20 | 1 | 115 | NA | NA | NA |
| Moscow Exchange | 4,73,53,069 | 25,084 | 10,47,844 | 5,35,134 | 244 | 1,66,880 |
| Dubai Gold and Commodities Exchange | 22,809 | 354 | 1,436 | NA | NA | NA |
| London Metal Exchange | 1,14,25,113 | 12,41,508 | 20,96,897 | 3,57,383 | 41,214 | 3,82,919 |
| The Saint-Petersburg International Mercantile Exchange | 10,327 | 1,42,21,027 | 4,679 | NA | NA | NA |
| **Grand Total** | **72,24,42,332** | **2,50,85,922** | **4,57,71,086** | **1,93,94,663** | **5,91,811** | **1,46,84,846** |

NA: Not Available, data for Indian Commodity Exchange was not updated till the time of finalization of this report.

Source: World Federation of Exchanges

**Table A9: Major Foreign Holders of US Treasury Securities (USD billion)**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Country/ Month** |  | **2019** |  |  |  |  |  | **2020** |  |  |  |
| **Sep** | **Oct** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** |
| Japan | 1146.2 | 1168.5 | 1160.6 | 1155.2 | 1211.8 | 1268.6 | 1272.6 | 1266.5 | 1260.4 | 1261.5 | 1293 |
| China, Mainland | 1102.4 | 1101.5 | 1089.1 | 1069.9 | 1078.6 | 1092.3 | 1081.6 | 1072.8 | 1083.7 | 1074.4 | 1073.4 |
| United Kingdom | 412.7 | 412.7 | 400.5 | 392.1 | 450.3 | 477.1 | 469.7 | 429.2 | 445.8 | 445.6 | 424.6 |
| Ireland | 274.1 | 285.4 | 289.7 | 281.9 | 271.7 | 282.8 | 271.6 | 301.3 | 324.2 | 330.4 | 330.8 |
| Hong Kong | 242.5 | 243.6 | 249.7 | 249.7 | 253 | 268.4 | 256 | 259.4 | 269 | 266.4 | 267.1 |
| Brazil | 303 | 298.5 | 293.3 | 281.8 | 283.3 | 285.9 | 264.4 | 259.5 | 264.4 | 264.1 | 265.7 |
| Luxembourg | 252.3 | 263 | 261.9 | 254.6 | 255.2 | 260.8 | 246.1 | 265.5 | 262.7 | 267.6 | 264.7 |
| Switzerland | 231.1 | 233.2 | 233.4 | 237.5 | 238.1 | 243.7 | 244.6 | 241.3 | 243.1 | 247.4 | 250.7 |
| Cayman Islands | 250.9 | 236.8 | 234.2 | 238.2 | 225.1 | 228.2 | 209.4 | 213.1 | 216.7 | 222 | 212.9 |
| Belgium | 215.5 | 205.6 | 202.4 | 207.4 | 206.5 | 218 | 206.1 | 210.2 | 212.1 | 218.7 | 211.9 |
| Taiwan | 189 | 191.2 | 188.6 | 193.1 | 199.2 | 201.9 | 205 | 201.7 | 199.2 | 204.6 | 209.7 |
| **India** | **160.7** | **161.4** | **159.2** | **162** | **164.3** | **177.5** | **156.5** | **157.4** | **169.9** | **182.7** | **194.6** |
| Singapore | 141.8 | 138.8 | 150.6 | 147.9 | 160.7 | 165.4 | 151.5 | 146.1 | 142.1 | 150.5 | 158.6 |
| Canada | 153.4 | 157.1 | 155.2 | 143.3 | 157.9 | 148.3 | 131.5 | 136.3 | 129.9 | 127.5 | 133.9 |
| France | 132.2 | 133.4 | 123 | 127.7 | 134 | 147.6 | 156 | 137.7 | 130.5 | 144.2 | 130.3 |
| Saudi Arabia | 181.5 | 178.9 | 179.7 | 179.8 | 182.9 | 184.4 | 159.1 | 125.3 | 123.5 | 124.9 | 124.6 |
| Korea | 118.5 | 117.1 | 117.2 | 121.9 | 121.1 | 116.1 | 110.8 | 120 | 117.3 | 122.7 | 123.1 |
| Norway | 99.2 | 100.3 | 96 | 90.1 | 97.7 | 103.3 | 98 | 93.2 | 87.6 | 89.5 | 90.6 |
| Thailand | 93.5 | 95.2 | 91.2 | 90.5 | 96 | 91.3 | 81.8 | 80.5 | 85.8 | 85.5 | 87.9 |
| Germany | 84.9 | 84 | 79.9 | 78.3 | 83.7 | 86 | 77.3 | 77.7 | 80.6 | 79.5 | 78.3 |
| Netherlands | 62.1 | 61.7 | 62.2 | 65.1 | 67.7 | 70.9 | 69.1 | 66.2 | 67.9 | 69.4 | 71.2 |
| Bermuda | 69.6 | 65.4 | 68.2 | 71.3 | 64.8 | 65.9 | 64.2 | 65.5 | 63.9 | 66.8 | 66.6 |
| Israel | 46 | 45.4 | 45.6 | 43.1 | 45.6 | 45.1 | 41.1 | 43.2 | 46.8 | 47.6 | 48.4 |
| Kuwait | 44.1 | 43.8 | 43 | 43.3 | 41.9 | 43.6 | 40.1 | 44.5 | 43.6 | 44.9 | 47.9 |
| Mexico | 51.5 | 49.1 | 49.1 | 45.3 | 45.8 | 47.5 | 40.9 | 45.4 | 47.4 | 47 | 47.6 |
| Philippines | 34 | 34.6 | 37.4 | 34.8 | 40.4 | 41.8 | 43.1 | 42.7 | 42.7 | 44.2 | 43.8 |
| Australia | 39.6 | 45.4 | 44.6 | 41.8 | 45.1 | 43.7 | 46.3 | 44.8 | 43.5 | 41.9 | 42.8 |
| Italy | 47.2 | 47.1 | 45.7 | 45.3 | 44.6 | 46.8 | 44.8 | 41.5 | 41.4 | 42.4 | 42.6 |
| Poland | 36.8 | 35.7 | 38.5 | 38.8 | 37.7 | 38.8 | 35.6 | 34.4 | 38 | 39.7 | 42.5 |
| Spain | 43.1 | 45.6 | 44.4 | 50.4 | 43.9 | 46.2 | 43.8 | 44 | 47.3 | 44 | 41.9 |
| Sweden | 47.3 | 46.9 | 49.5 | 48.7 | 45 | 45.4 | 39.5 | 36.5 | 37.1 | 39.1 | 40 |
| Chile | 30.5 | 29.8 | 29.4 | 30.8 | 32.5 | 32 | 30.1 | 29.8 | 30.1 | 29.8 | 30.1 |
| All Other | 586.3 | 589.6 | 589.1 | 582.7 | 601 | 611 | 561 | 570.2 | 580 | 572.5 | 595.2 |
| Grand Total | 6923.5 | 6946.4 | 6902.1 | 6844.2 | 7027.3 | 7226.2 | 6949.5 | 6903.4 | 6978 | 7039 | 7087.2 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Of which: |  |  |  |  |  |  |  |  |  |  |  |
| For. Official | 4150.9 | 4122.9 | 4101.2 | 4076.9 | 4169.9 | 4264.9 | 4117.9 | 4047.4 | 4105.9 | 4142.3 | 4191.9 |
| Treasury Bills | 290.8 | 288.1 | 273.6 | 268.6 | 294.8 | 306.1 | 283.2 | 331 | 355.7 | 382.5 | 393.6 |
| T-Bonds & Notes | 3860.1 | 3834.8 | 3827.6 | 3808.3 | 3875.1 | 3958.8 | 3834.6 | 3716.4 | 3750.2 | 3759.8 | 3798.4 |

Note:

1. Data available as on 13 October 2020
2. The data in this table are collected primarily from U.S.-based custodians and broker-dealers. Since U.S. securities held in overseas custody accounts may not be attributed to the actual owners, the data may not provide a precise accounting of individual country ownership of Treasury securities (see TIC FAQ #7 at: http://www.treasury.gov/resource-center/data-chart-center/tic/Pages/ticfaq1.aspx)
3. Estimated foreign holdings of U.S. Treasury marketable and non-marketable bills, bonds, and notes reported under the Treasury International Capital (TIC) reporting system are based on monthly data on holdings of Treasury bonds and notes as reported on TIC Form SLT, Aggregate Holdings of Long-Term Securities by U.S. and Foreign Residents and on TIC Form BL2, Report of Customers' U.S. Dollar Liabilities to Foreign Residents.

Source: Department of the Treasury/Federal Reserve Board

**HIGHLIGHTS OF DEVELOPMENTS IN**

**INTERNATIONAL SECURITIES MARKET**

**1) SEC adopts Amendments to Enhance Retail Investor Protections and Modernize the Rule Governing Quotations for Over-the-Counter Securities**

The Securities and Exchange Commission (SEC) adopted amendments to Exchange Act Rule, an important component of the over-the-counter (OTC) market regulatory structure. The amendments are designed to modernize the rule, which was last substantively amended nearly thirty years ago, including to recognize advances in communications technologies. The amended rule enhances disclosure and investor protection in the OTC market by ensuring that broker-dealers, in their role as professional gatekeepers to this market, do not publish quotations for an issuer’s security when current issuer information is not publicly available, subject to certain exceptions.

Source: https://www.sec.gov/news/press-release/2020-212

**2) SEC adopts Amendments to Modernize Shareholder Proposal Rule**

SEC voted to adopt amendments to modernize its shareholder proposal rule, which governs the process for a shareholder to have its proposal included in a company’s proxy statement for consideration by all of the company’s shareholders. The principal requirements for:

(1) initial inclusion in the proxy statement — the amount and length of ownership of the proposing shareholder — and

(2) for subsequent resubmission if the proposal is not approved — the amount of support from other shareholders — have not been substantively amended since 1998 and 1954, respectively.

Source: <https://www.sec.gov/news/press-release/2020-220>

**3) SEC Proposes Rules to Extend Regulations ATS and SCI to Treasuries and other Government Securities Markets**

SEC announced a proposal to enhance the operational transparency, system integrity, and regulatory oversight for alternative trading systems (ATSs) that trade government securities as well as repurchase and reverse repurchase agreements on government securities (Government Securities ATSs) and issued a concept release soliciting public comment on the regulatory framework for electronic platforms that trade corporate debt and municipal securities.

Source:<https://www.sec.gov/news/press-release/2020-2>27

**4) IOSCO issues measures to reduce conflict of interests in debt capital raising**

The Board of the International Organization of Securities Commissions (IOSCO) published final guidance to help its members address potential conflicts of interest and associated conduct risks market intermediaries may face during the debt capital raising process. The guidance also seeks to address some specific concerns observed by certain regulators during the COVID-19 crisis that may affect the integrity of the capital raising process.

**Source:** [**https://www.iosco.org/news/pdf/IOSCONEWS576.pdf**](https://www.iosco.org/news/pdf/IOSCONEWS576.pdf)

**POLICY DEVELOPMENTS AT SEBI**

**1. Review of Debt and Money Market Securities Transactions Disclosure**

A format was prescribed to Mutual Funds to disclose all details of debt and money market securities transacted (including inter scheme transfers) in its schemes portfolio on daily basis with a time lag of 30 days The new framework will come into effect from October 01, 2020.

**Source: SEBI/HO/IMD/DF4/CIR/P/2020/163 dated September 01, 2020**

**2. Disclosures on Margin obligations given by way of Pledge Re-pledge in the Depository System**

Disclosures specified under Regulation 29(4) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 (‘Takeover Regulations’), in relation to shares encumbered with TM/CM as a collateral from clients for margin obligation in the ordinary course of stock broking business are dispensed with

**Source: SEBI/HO/CFD/DCR-2/CIR/P/2020/164 dated September 02, 2020**

**3. Review of Provision Regarding Segregation of Portfolio due to the COVID19 Pandemic**

The date of proposal for restructuring of debt received by asset management companies is decided to be treated as the trigger date for segregated portfolio.

**Source: SEBI/HO/IMD/DF4/CIR/P/2020/165 dated September 02, 2020**

**4. Re-lodgement of Transfer Requests Shares**

For re-lodgement of share transfer requests, the cut-off date has been fixed as March 31, 2021. Further, the shares that are re-lodged for transfer (including those request that are pending with the listed company / RTA, as on date) shall henceforth be issued only in demat mode.

**Source: SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 07, 2020**

**5. Entities permitted to undertake e-KYC Aadhaar Authentication Service of UIDAI in Securities Market – Addition of NSE to the list**

Pursuant to Gazatte Notification by Government of India dated August 20, 2020, National Stock Exchange of India Ltd. was included to the list of entities that can undertake e-KYC Aadhaar authentication subject to compliance of the conditions as laid down in this regard. In May, 2020, SEBI had come out with a list of eight entities permitted to use e-KYC (Electronic-Know Your Customer) Aadhaar authentication.

**Source: SEBI/HO/MIRSD/DOP/CIR/P/2020 dated September 08, 2020**

**6. Operating Guidelines for Portfolio Managers in International Financial Services Centre**

Operating guidelines issued to provide portfolio management services at the International Financial Services Centre

**Source: SEBI/HO/IMD/DF1/CIR/P/2020/169 dated September 09, 2020**

**7. Automation of Continual Disclosures under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 - System driven disclosures**

Pursuant to the amendments dated July 17, 2020 in the SEBI (Prohibition of Insider Trading) Regulations, 2015 and discussion held with stock exchanges and depositories, the system driven disclosures are implemented for member(s) of promoter group and designated persons of a listed company in addition to the promoter(s) and director(s) of the company under Regulation 7(2) of the PIT Regulations. To begin with, disclosures will pertain to trading in equity shares and equity derivative instruments i.e. futures and options of the listed company by these entities.

**Source: SEBI/HO/ISD/ISD/CIR/P/202 dated September 09, 2020**

**8. Asset Allocation of Multi Cap Funds**

In order to diversify the underlying investments of multi-cap funds across the large, mid and small cap companies and be true to label, the scheme characteristics of Multi Cap Funds were partially modified asking such funds to have a minimum corpus of 75 per cent invested in equity and equity related instruments in the prescribed manner. All existing multi-cap funds are required to ensure the compliance with these provisions within one month from the date of publishing the next list of stocks by AMFI i.e. January 2021.

**Source: SEBI/HO/IMD/DF3/CIR/P/2020/172 dated September 11, 2020**

**9. Collection and Reporting of Margins by Trading Member (TM) / Clearing Member (CM) in Cash Segment - Clarification**

Clarification were issued with regard to levy of penalty for non-collection of ‘other margining’ on or before T+2 days from clients.

**Source: SEBI/HO/MIRSD/DOP/CIR/P/2020/173 dated September 15, 2020**

**10. Listing and Trading of Units of Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs) on Recognized Stock Exchanges in International Financial Services Centres**

REITs and InvITs by whatever name called in the Permissible Jurisdictions meeting the prescribed conditions were permitted to list on stock exchanges operating in the International Financial Services Centre (IFSC). Besides, stock exchanges in IFSC were directed to evolve a detailed framework prescribing the initial and continuous listing requirements for REITs and InvITs whose units are proposed to be listed on stock exchanges in IFSC.

**Source: SEBI/HO/DDHS/DDHS/CIR/P/2020/174 dated September 16, 2020**

**11. Circular on Mutual Funds**

In partial modifications to the earlier directions, it was decided that in respect of purchase of units of mutual fund schemes (except liquid and overnight schemes), closing NAV of the day shall be applicable on which the funds are available for utilization irrespective of the size and time of receipt of such application. AMCs are required to put in place a written down policy which inter-alia detail the specific activities, role and responsibilities of various teams engages in fund management, dealing, compliance etc. with regard to order placement, execution and trade allocation amongst various schemes and other related matters.

For orders pertaining to equity and equity related instruments, AMCs are required to use an automated order management system. Requirements with respect to investments in all instruments are also specified along with directions regarding monitoring of compliance. The circular will be applicable with effect from January 01, 2021.

**Source: SEBI/HO/IMD/DF2/CIR/P/2020/175 dated September 17, 2020**

**12. Alternate Risk Management Framework Applicable in case of Near Zero and Negative Prices**

On the basis of recommendations of Task Force of Clearing Corporations (CCs) and market participants to review the risk management framework in a scenario of ’near zero’ and negative prices. certain modifications in Alternate Risk Management Framework for commodity derivatives segment.

**Source: SEBI/HO/CDMRD/DRMP/CIR/P/2020/176 dated 21 September 2020**

**13. Write-off of Shares held by FPIs**

Foreign Portfolio Investors (FPIs) are permitted to write-off shares of all companies which they are unable to sell. Under the existing norms, write-off securities held by FPIs who wish to surrender their registration have been permitted only in respect of shares of companies that are unlisted or illiquid or suspended or delisted.

**Source: SEBI/HO/IMD/FPI&C/CIR/P/2020/177 dated 21 September 2020**

**14. Resources for Trustees of Mutual Funds**

Time extended till January 1, 2021 for mutual funds for compliance with directions pertaining to resources for trustees of asset management companies. Earlier, trustees were required to appoint a dedicated officer by October 1, 2020 to assist them.

**Source: SEBI/HO/IMD/DF4/CIR/P/2020/178 dated 23 September 2020**

**15. System-Driven Disclosures (SDD) under SEBI (SAST) Regulations, 2011**

In order to align the practices, depositories and exchanges were asked to use the new procedure of capturing the PAN of the promoters from listed companies for disclosures under the takeover norms also

**Source: SEBI/CIR/CFD/DCR1/CIR/P/2020/181 dated 23 September 2020**

**16. Guidelines for Investment Advisers**

Operating guideline for Investment Advisers in IFSC were amended. The said amendments pertain to client level segregation of advisory and distribution activities, agreement between investment advisor and the client, fees etc.

These amendments shall come into force on September 30, 2020.

**Source: SEBI/HO/IMD/DF1/CIR/P/2020/182 dated 23 September 2020**

**17. Operating Guidelines for Investment Advisers in International Financial Services Centre (IFSC) – Amendments**

Operating guideline for Investment Advisers in IFSC were amended.

**Source: SEBI/HO/IMD/DF1/CIR/P/2020/185 dated September 28, 2020**

**18. Recovery of Assets of Defaulter Member and Recovery of Funds from Debit Balance Clients of Defaulter Member for Meeting the Obligations of Clients / Stock Exchange / Clearing Corporation**

Exchanges and clearing corporations were advised to initiate measures for liquidating assets of defaulter members including that of liquidating the assets (movable and immovable) of defaulter members including that of debit clients (to the extent of debit balance) within six months of declaring the entities concerned as defaulters. This is for the recovery of the assets not in possession of the stock exchange and clearing corporations, before the appropriate court of law. The recovery of assets would help in meeting the obligations of clients, stock exchanges and clearing corporations.

**Source: SEBI/HO/MIRSD/DPIEA/CIR/P/2020/186 dated September 28, 2020**

**19. Amendments to Guidelines for Preferential Issue and Institutional Placement of Units by a Listed REIT**

SEBI has provided certain relaxations to listed REITs for preferential and institutional placement of their units.

**Source: SEBI/HO/DDHS/DDHS/CIR/P/2020/184 dated September 28, 2020**

**20. Amendments to Guidelines for Preferential Issue and Institutional Placement of Units by a Listed InvIT**

SEBI has provided certain relaxations to listed InvITs for preferential and institutional placement of their respective units.

**Source: SEBI/HO/DDHS/DDHS/CIR/P/2020/183 dated September 28, 2020**

**21. Relaxation with respect to Validity of SEBI Observations and Revision in Issue Size**

The special dispensations given to companies wanting to go public were further extended. It was also informed that the validity of SEBI observations for IPOs expiring between October 1, 2020 and March 31, 2021 will be extended till March 31, 2021 subject to undertaking from the lead manager to the issue confirming compliance with schedule XVI of the SEBI (ICDR) reg.

**Source: SEBI/HO/CFD/DIL1/CIR/P/2020/188 dated September 29, 2020**

**REGULATORY ACTIONS TAKEN BY SEBI**

**Orders passed by Whole Time Members:**

* Vide order dated September 02, 2020, Accurate Securities and Registry Private Limited was directed to be careful and cautious as regards the conduct of its business and to adhere to and comply with all the applicable statutory provisions while carrying out its activities in the securities market. Any future lapse on its part in complying with the legal provisions shall invite stringent action, in the matter of Accurate Securities and Registry Pvt. Ltd.
* Vide order dated September 03, 2020, Subodh Agarwal and others were restrained from accessing the securities market and also prohibited them from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for 7 years from the date of this order. SEBI further prohibited Raj Kumar Agarwal and others for 5 years, and Manish Kumar Garg and others for 1 year from the date of this order, in the matter of Sulabh Engineers & Services Limited.
* Vide order dated September 07, 2020, Yash Chawla, sole proprietor of Khelo MCX Research Services was directed to cease and desist from acting as an investment advisor including the activity of acting and representing through any media (physical or digital)as an investment advisor, directly or indirectly, and cease to solicit or undertake such activity or any other activities in the securities market, directly or indirectly, in any matter whatsoever, and also not to divert any funds raised from investors, kept in bank account(s) and/ or in their custody and not to dispose of or alienate any assets, whether movable or immovable, or any interest or investment or charge on any of such assets held in their name, including money lying in bank accounts except with the prior permission of SEBI.
* Vide order dated September 08, 2020, Global Securities Ltd. and Mr. Devesh Upadhyay were restrained for a period of one (1) year, Arvind Goyal Babulal, Mr. Mahadev Zilu Gawade, Mr. Sorab Wadia, Mr. Sagar Kadam, Mr. Sorab Wadia, Mr. Pendyala Vinay Bhushan, Ms. Falguniben Mahavirbhai Gohil, M/s. Jesse Trading Pvt Ltd, Mr. Abhay Dattatray Javlekar, Mr. Jay Mahavir Gohil for a period of six (6) months, and Pankaj Jayantilal Dave and Dharmendra Harilal Bhojak restrained for a period of three (3) months, from accessing the securities market in any manner whatsoever and further prohibited them from buying, selling or otherwise dealing in securities, either directly or indirectly, or being associated with the securities market for the specified period, in the matter of Global Securities Ltd.
* Vide order dated September 08, 2020, Aradhana Realties Limited was granted relaxation from the requirement of providing exit offer under Regulation 6(b) and incidental / consequential requirements thereof and to proceed with delisting subject to the following conditions:

(a) Aaradhana Realties Limited was directed to issue a public announcement in at least one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language newspaper of the region where the concerned recognised stock exchange, i.e. BSE, is located, disclosing, inter-alia, that the company is 100 per cent promoter held and is seeking delisting from BSE, pursuant to this order, within a period of one month, in the matter of delisting of equity shares of Aaradhana Realties Limited.

(b) Aaradhana Realties Limited was further directed to approach the stock exchange for guidance and the exchange should do the needful to allow the company to get delisted and the exercise of delisting should be completed within a period of six (6) months from the date of the order.

* Vide order dated September 09, 2020, the directions issued vide ex-parte ad interim order dated February 07, 2020 that directed Smart Investment Services and its Proprietor Ms. Rinkee Prajapati to cease and desist from acting as an investment advisor including the activity of acting and representing through any media and be associated with the securities market were confirmed.
* Vide order dated September 07, 2020, Krishnamurthy G. was directed to cease and desist from acting as an investment advisor including the activity of acting and representing through any media (physical or digital) as an investment advisor, directly or indirectly, and cease to solicit or undertake such activity or any other activities in the securities market, directly or indirectly, in any matter whatsoever, and also not to divert any funds raised from investors, kept in bank account(s) and/or in their custody, and not to dispose of or alienate any assets, whether movable or immovable, or any interest or investment or charge on any of such assets held in their name, including money lying in bank accounts except with the prior permission of SEBI.
* Vide order dated September 11, 2020, the directions issued in the interim order dated April 30,2020 that restrained Modex International Securities Limited, Dharmendra Kumar Arora, and Pawan Kumar Sachdeva from accessing the securities market and further prohibiting them from buying, selling or otherwise dealing in securities, either directly or indirectly, or being associated with the securities market in any manner whatsoever, till further directions, in the matter of Modex International Securities Limitedwere confirmed.
* Vide order dated September 14, 2020, exemption was granted to the proposed acquirer Saravan Global Holding Limited from complying with the requirement of Regulation 3 and 4 of SAST Regulations with respect to proposed acquisition of the target company (Indo Asia Finance Limited) , in the matter of Indo Asia Finance Limited.
* Vide order dated September 15, 2020, Kalyani and Kalyani Developers (India) Ltd. and Baman Charana Das were directed to jointly and severally refund money collected through the offer and allotment of equity shares and cumulative redeemable preference shares, including the application money collected from investors, pending allotment of securities, if any, with an interest of 15 per cent per annum within a period of 180 days from the date of this order, supported by a certificate of an independent chartered accountant. Kalyani and Kalyani Developers (India) Ltd. and its directors were further prohibited from accessing the securities market by issue of prospectus/ offer document/ advertisement or advertisement soliciting money from the public and buying, selling or otherwise dealing in securities in any manner whatsoever, directly or indirectly, and also restrained from associating themselves with any listed public company and any public company which intends to raise money from the public, or any intermediary registered with SEBI from the date of order till the expiry of a period of three years, in the matter of Kalyani and Kalyani Developers ( India) Ltd.
* Vide order dated September 25, 2020, Ms. Toshniwal was allowed to transfer the securities held in the joint demat account with Mr. Toshniwal to a demat account in her individual name within a period of three months from the date of this order.
* Vide order dated September 25, 2020, Nand LalKoiree, Ashok Saw, Mukesh Singh and Ganesh Thakur were directed to refund money jointly and severally collected by Rainbow Industries and Constructions Ltd. from the public through the offer and allotment of redeemable preference shares without complying with the prescribed public issue norms, with an interest of 15 per cent per annum. These entities were also directed to provide within a period of one month, a full inventory of all their assets and properties and details of all their bank accounts, demat accounts and holdings of mutual funds/shares/securities, held in physical form and demat form. They are further prevented from selling their assets, properties and holding of mutual funds/shares/securities held by them in demat and physical form except for the sole purpose of making the refunds as directed above and deposit such sale proceeds in an Escrow Account opened with a nationalized bank. Nand LalKoiree and five others are also restrained from accessing the securities market by issue of prospectus/offer document/advertisement or otherwise in any manner whatsoever, and are refrained/prohibited from buying, selling or otherwise dealing in securities in any manner whatsoever, directly or indirectly, for a period of four years from the date of thes order or till the completion of refund to the investors of Rainbow, in the matter of Rainbow Industries and Constructions Ltd.
* Vide order dated September 25, 2020, Resurgere Mines and Minerals India Ltd. was debarred from accessing the securities market, directly or indirectly, by issuing prospectus, offer document or advertisement soliciting money from the public and further prohibiting it from buying, selling or otherwise dealing in the securities market, directly or indirectly in whatsoever manner, for a period of three years. These directions were to be commenced from the cessation of moratorium declared by NCLT in the pending CIRP proceedings against the company. Noticees Subhash Sharma and Amit Sharma were restrained from holding or occupying position as director or any key managerial personnel or associating themselves directly or indirectly with any public listed company and/or any public company or any intermediary registered with SEBI for a period of three years, and Harish Khetan for a period of six months from the date of this order, in the matter of IPO of Resurgere Mines and Minerals India Ltd.
* Vide order dated September 29, 2020, Pinky Kelva, proprietor of Future Investment was restrained from buying, selling or dealing in the securities market or associating themselves with securities market, either directly or indirectly, in any manner whatsoever or on behalf of any of her clients through their accounts, and also directed to cease and desist from undertaking any activity in the securities market including the activity of acting and representing through any media (physical or digital) as an investment advisor, directly or indirectly. Pinky Kelva was further directed to provide a full inventory of all assets held in her name or her proprietary firm’s name i.e., Future Investment, whether movable or immovable, or any interest or investment or charge on any of such assets, including details of all bank accounts, demat accounts and mutual fund investments, immediately but not later than five (5) working days from the date of receipt of this order, in the matter of Pinky Kelva, Proprietor of Future Investment.
* Vide order dated September 29, 2020, P.V.R Murthy (for a period of three (3) years), Yashovardhan Birla (for a period of two (2) years), Y.P. Trivedi and Mohandas Adige (for a period of one (1) year) were restrained from buying, selling or dealing in securities including units of mutual funds, directly or indirectly, in any manner whatsoever or being associated with the securities market in any manner, whatsoever, in the matter of GDR issue of Birla Cotsyn (India) Ltd.
* Vide order dated September 30, 2020, CRA Family Trust was granted exemption from complying with the requirements of Regulations 3(2), 4 and 5 of the Takeover Regulations 2011 with respect to the proposed indirect acquisition in the Target Company, viz. Paushak Limited, by way of proposed transaction as mentioned in the Application made to SEBI and subject to certain conditions as mentioned in the order, in the matter of Paushak Limited.
* Vide order dated September 30, 2020, CRA Family Trust was granted exemption from complying with the requirements of Regulations 3(2), 4 and 5 of the Takeover Regulations 2011 with respect to the proposed indirect acquisition in the Target Company, viz. Alembic Pharmaceuticals Ltd., by way of proposed transaction as mentioned in the Application made to SEBI and subject to certain conditions as mentioned in the order, in the matter of Alembic Pharmaceuticals Ltd.
* Vide order dated September 30, 2020, CRA Family Trust was granted exemption from complying with the requirements of Regulations 3(2), 4 and 5 of the Takeover Regulations 2011 with respect to the proposed indirect acquisition in the Target Company, viz. Alembic Limited, by way of proposed transaction as mentioned in the Application made to SEBI and subject to certain conditions as mentioned in the order, in the matter of Alembic Limited.
* Vide order dated September 30, 2020, the certificate of registration of Sharepro Services (I) Pvt. Ltd. was cancelled as a registrar to an issue and share transfer agent, with immediate effect, for indulging in fraudulent activities involving large scale misappropriation of funds and securities belonging to its clients and also falsification of records and documents.

**Orders passed by Adjudication Officers:**

* Vide order dated September 01, 2020, a penalty of Rs.1,00,000/- (Rupees One Lakh Only) was imposed on Whitefeathers Realty Pvt. Ltd. in the matter of Mapro Industries Ltd., for the violations of the provisions of Regulation 29(1) read with 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(“SAST Regulations”).
* Vide order dated September 03, 2020, a total penalty of Rs. 20,00,000/- (Rupees Twenty lakhs only) was imposed on Sagar Kadam and 41 others in the matter of Finalysis Credit and Gurantee Company Ltd. for the violation of Regulations 3(a), 3(b), 3(c), 3(d), 4(1), 4(2) (a) and (g) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations , 2003 (PFUTP Regulations) and Regulations 13 (1) and 13 (3) r/w 13 (5) of SEBI (Prohibition of Insider Trading) Regulations, 1992 (PIT Regulations) r/w regulation 12 (2) of PIT Regulations, 2015 and regulations 29 (1) and 29 (2) r/w 29 (3) of SAST Regulations, 2011.

Vide order dated September 09, 2020 a total penalty of Rs. 7,00,000/-(Rupees Seven Lakhs Only) was imposed on BDS Share brokers Pvt. Ltd. in the matter of Nagpur Power and Industries Ltd. for the violation of provisions of regulations 3 (a), (b), (c), (d), regulation 4(1), 4(2), (a), (e) and (g) of the PFUTP Regulations.

* Vide order dated September 09, 2020, a total penalty of Rs. 2,00,000/- (Rupees Two Lakh only) was imposed on Rekha Jain in the matter of SRK industries limited for the violation of Regulation 13(4A) read with regulation 13(5) of PIT Regulations.
* Vide order dated September 09, 2020, a total penalty of Rs. 2,00,000/- (Rupees Two Lakh Only)was imposed on Sanket Rakesh Jain in the matter of SRK Industries Limited for the violation of Regulation 13(2A) and Regulation 13(4A) read with regulation 13(5) of PIT Regulations.
* Vide order dated September 15, 2020, a total penalty of ₹14,00,000/- (Rupees Fourteen Lakh Only) was imposed on Vivekshil Dealers Private Limited and others in the matter of Genus Prime Infra Limited for the violation of Regulation 8(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and Regulation 30(1) and 30(2) of SAST Regulations, 2011 .
* Vide order dated September 16, 2020, a penalty of ₹1,00,000/- (Rupees One Lakh only) was imposed on Shubhal Goel in the matter of Justride Enterprises Limited for the violation of Regulation 29(2) read with Regulation 29(3) of SAST Regulations.
* Vide order dated September 16, 2020, a penalty of ₹5,00,000/- (Rupees Five Lakh only) was imposed on Coastal Fertilisers Ltd., in the matter of Steel Exchange India Ltd, for failing to comply with the summons dated October 23, 2019 for production of documents and appear in person for recording of statements, resulting in the violation of provisions of sections 11 C(3) and 11C(5) of the SEBI Act, 1992.
* Vide order dated September 18, 2020, a penalty of ₹8,00,000/- (Rupees Eight lakhs only) was imposed on Narendra Kumar Rathore in the matter of Malabar Trading Company Limited for the violation of the provisions of Regulations 3 (a), (b), (c), (d), 4 (1), (2) (a) and (e) of PFUTP Regulations.
* Vide order dated September 18, 2020, a penalty of ₹10,00,000/- (Rupees Ten Lakh only) was imposed on Anumita Infrastructure Pvt. Ltd, in the matter of Veronica Productions Ltd, for failing to comply with the summons dated December 10, 2019 and December 27, 2019 for production of documents, resulting in violation of provisions of sections 11 C (2) and 11 C (3) of the SEBI Act.
* Vide order dated September 18, 2020, a penalty of ₹1,00,000/- (Rupees One Lakh only) was imposed on Malvica Engineering Limited for the violation of provisions of the SEBI Circulars No. CIR/OIAE/2/2011 dated June 03, 2011, CIR/OIAE/1/2012 dated August 13, 2012 and CIR/OIAE/1/2013 dated April 17, 2013, in the matter of non-redressal of investor grievances.
* Vide order dated September 22, 2020, a total penalty of Rs. 6,00,000/- (Rupees Six Lakh only) was imposed on Advent Stock Broking Pvt. Ltd, in the matter of NSE Co-Location for the violation of Point 2(a) of Chapter V of NSE bye-laws read with Clause A(5) of the Code of Conduct specified under Schedule II read with regulation 9(f) of the Stock Broker Regulations, Clause A(2) of the Code of Conduct specified under Schedule II read with regulation 9(f) of the Stock Broker Regulations, and Regulation 4(1) of the PFUTP Regulations.
* Vide order dated September 22, 2020, a total penalty of Rs. 42,00,000/- (Rupees FortyTwo Lakhs Only) was imposed on Pradeep Kumar Jindal and 15 others in the matter of Focus Industrial Resources Limited for the violation of section 3(2) of SAST Regulations and regulation 13(5) of PIT Regulations, 1992.
* Vide order dated September 22, 2020, a penalty of Rs. 15,00,000/- (Rupees Fifteen Lakh only) was imposed on Chandra Prakash in the matter of Beckons Industries Limited for the violation of provisions of Section 12 A (a), (b), (c) of SEBI Act, 1992 read with Regulation 3(a), (b), (c), (d) and 4 (1) of PFUTP Regulations.
* Vide order dated September 23, 2020, a total penalty of Rs. 9,00,000/- (Rupees Nine lakhs only) was imposed on Monarch Networth Capital Limited for the violations of (a) Section 23D of SCRA read with Clause 1 and 2 of SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993, (b) SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016, (c) SEBI Circular SEBI/MIRSD/SE/Cir-19/2009 dated December 03, 2009, (d) SEBI Circular CIR/MIRSD/15/2011 dated August 02, 2011, (e) SEBI Circular No. CIR/MIRSD/16/2011 dated August 22, 2011, (f) SEBI Circular No. MIRSD/Cir-26/2011 dated December 23, 2011, (g) Chapter No. 6.5.4.9 of CDSL Operating Instructions.
* Vide order dated September 23, 2020, a total penalty of Rs. 9,00,000/- (Rupees Nine lakhs only) was imposed on Jaisukh Dealers Limited and others for violation of Regulation 13(6), 13(4A) and 13(5), of PIT Regulations 1992read with Regulation 12, and Regulation 7(2)(a) of PIT Regulations 2015.
* Vide order dated September 23, 2020, a penalty of Rs. 8,00,000/- (Rupees Eight Lakh only) was imposed on Nine Star Broking Pvt. Ltd. for the violation of SEBI Circular CIR/MIRSD/120/2016 dated November 10, 2016 read with SEBI Circular CIR/MIRSD/66/2016 dated July 21, 2016, SEBI Circular No. MIRSD/Cir-26/2011 dated December 23, 2011 read with SEBI circular no. MIRSD/Cir-23/2011 dated December 2, 2011 and SEBI circular MIRSD/Cir-5/2012 dated April 13, 2012 and CDSL Communiqué no. CDSL/OPS/DP/694 dated May 05, 2006.
* Vide order dated September 24, 2020, a penalty of Rs. 2,00,000/- (Rupees Two Lakh Only) was imposed on Saral Mining Ltd, in the matter of Sun and Shine Worldwide Limited, for the violation of the provisions of Regulation 29 (2) read with Regulation 29 (3) of the SAST Regulations and Regulation 13 (3) read with Regulation 13 (5) of the PIT Regulations 1992 read with Regulation 12 of the PIT Regulations 2015.
* Vide order dated September 24, 2020, a penalty of Rs. 5,00,000/- (Rupees Five Lakh Only) was imposed on Girija Kelath, in the matter of Biocon Limited, for the violation of the provisions of Clause 4 of Code of Conduct under Schedule B of Regulation 9(1) and (2) of the PIT Regulations 2015.
* Vide order dated September 24, 2020, a total penalty of Rs. 2,00,000/- (Rupees Two Lakh) was imposed on Samarth International Finlease Limited, in the matter of Non-Redressal of investor complaints on SCORES, for the violation of SEBI circulars dated June 03, 2011, August 13, 2012, and April 17, 2013.
* Vide order dated September 25, 2020, a total penalty of Rs. 20,00,000/- (Rupees Twenty Lakh Only) was imposed on Bonanza Portfolio Ltd. for the violation of Regulation 17 of SEBI (Stock Broker) Regulations 1992, and various SEBI circulars.
* Vide order dated September 25, 2020, a penalty of Rs. 1,00,00,000/- (Rupees One Crore Only)was imposed on Rana Kapoor in the matter of Yes Bank Limited for the violations of Regulations 4(2) (f) (i) (1) and 4 (2) (f) (i) (2) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (“LODR Regulations”).
* Vide order dated September 25, 2020, a total penalty of Rs. 45,00,000/- (Rupees FortyFive lakh only)was imposed on Accurate Buildwell Pvt. Ltd. and eight others in the matter of Eco Friendly Food Processing Park Ltd. for violation of the provisions of Regulations 3 (a), (b), (c), (d), 4 (1), (2) (a) and (e) of PFUTP Regulations.
* Vide order dated September 25, 2020, a penalty of Rs. 10,00,000/- (Rupees Ten Lakh Only) was imposed on Vishvjyoti Trading Limited for the violation of the provisions of section 11 C (3) of the SEBI Act, 1992.
* Vide order dated September 25, 2020, a total penalty of Rs. 40,00,000/- (Rupees Forty Lakh Only)was imposed on Accurate Buildwell Pvt. Ltd. and others in the matter of Esteem Bio Organic Food Processing Ltd. for violation of the provisions of Regulations 3 (a), (b), (c), (d), 4 (1), (2) (a) and (e) of PFUTP Regulations.
* Vide order dated September 25, 2020, a penalty of Rs. 2,00,000/-(Rupees Two Lakh only) was imposed on Rosita Rabindra, in the matter of NIIT Technologies Ltd. for the violation of the provisions of Regulation 13(4) read with Regulation 13(5) of the PIT Regulations 1992 and Regulation 12 of PIT Regulations 2015.
* Vide order dated September 22, 2020, restrained Kapil Wadhawan and nine (9) other promoters of Dewan Housing Finance Corporation Limited (DHFL) during the period from April 01, 2006 to March 31, 2019 from buying, selling or otherwise dealing in securities in any manner whatsoever, either directly or indirectly and also restrained them from associating themselves with any listed public company and any public company as directors/ promoters which intends to raise money from the public or any intermediary registered with SEBI. This action was taken for violations of a) Section 12A (a), (b) and (c) of the SEBI Act, 1992 (b) Regulation 3 (b), (c), (d) , Regulation 4(1) and Regulation 4(2) (f), (k) and (r) of the PFUTP Regulations, and (c) Regulation 4(1) and other related provisions of the LODR Regulations, in the matter of Dewan Housing Finance Corporation Limited.
* Vide three separate orders dating September 22, 2020, enhanced the penalty was imposed upon ICRA Limited, Care Ratings Limited, and India Ratings and Research Private Limited to Rs. 1,00,00,000/-(Rupees One Crore Only) each, from Rs.25,00,000 each imposed vide Adjudicating Officer(“AO”) orders dated December 26, 2019. This action was for their failure to exercise proper skill, care and due diligence while discharging its responsibilities as a credit rating agency (CRA) and thereby violating the provisions of Regulation 24(7) and Clauses 4 and 8 of Code of Conduct of the CRAs read with Regulation 13 of SEBI (Credit Rating Agencies) Regulations, 1999 (CRA Regulations), in rating the securities of IL&FS and IL&FS Financial Service Limited (IFIN) causing real and severe financial loss to investors and shaking up the investors’ faith in the reliability of credit ratings in the context of the corporate debt market. The enhancement in the penalty, amongst other things, is due to the failure of Adjudicating Officer to give due weightage to the magnitude of the loss caused to the investors.
* Vide order dated September 22, 2020, the total penalty of Rs. 52,00,000/- (Rupees Fifty Two Lakhs only) was imposed on Mangalam Drugs and Organics Ltd. and eight others, for violation of Regulation 77(2) and 77(3) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“ICDR Regulations 2009”) read with Regulation 169(2) of ICDR Regulations 2018 and Sections 12A(a) of SEBI Act read with Regulations 3(b) & 4(1) of PFUTP regulations, 2003, and also restrained them from accessing the securities market through issue of securities or subscription to securities, directly or indirectly, for a period of 6 months.
* Vide order dated September 28, 2019, a penalty of ₹ 1,00,000/- (Rupees One Lakh only) was imposed on Gilani Infra Private Limited, in the matter of Empower Industries Ltd. for the violation of the provisions of Regulation 29(1) read with 29(3) of the SAST Regulations, 2011.
* Vide order dated September 28, 2020, a penalty of ₹ 1,00,000/- (Rupees One Lakh only), was imposed on Mindvision Capital Limited, for violation of the provisions of Section 21 of Securities Contracts Regulations Act, 1956 (“SCRA”), read with Clause 35 of the Listing Agreement.
* Vide order dated September 28, 2020, a penalty of ₹ 10,00,000/- (Rupees Ten Lakh only) was imposed on Lyka Labs Ltd., in the matter of disclosures by Lyka Labs Ltd. in its GDR issue, for the violation of provisions of section 21 of the SCRA, read with clause 50 of the Listing Agreement.
* Vide order dated September 29, 2020, a total penalty of ₹ 2,00,000/- (Two Lakhs Only) was imposed on Dilip Sheth and others, in the matter of Alang Industrial Gases Ltd, for the violation of Regulation 13(4) and 13(6) of PIT Regulations, 1992 and Regulation 29(1) r/w Regulation 29(2) of SAST Regulations 2011.
* Vide order dated September 29, 2020, a penalty of ₹ 1,00,00,000/- (Rupees One Crore only) was imposed on Brickwork Ratings India Pvt. Limited, for the violation of (a). Clause 8 of Code of Conduct for CRAs read with Regulation 13, Regulation 15(1),16(1) and 24(2), 24(7) of CRA Regulations (b). Clause 1 A and B of SEBI Circular no. SEBI/HO/MIRSD/MIRSD4/CIR/P/2017/71 dated June 30, 2017. (“SEBI Circular dated June 30, 2017”) (c). Clause 3 read with Annexure A points 2. A. I. a), D. I and D. II, 4. B. and 5.C.IV of SEBI Circular SEBI/HO/MIRSD/MIRSD4/CIR/P/2016/119 dated November 1, 2016. (“SEBI Circular dated November 1, 2016”) (d). Clause 2 and 3 of SEBI/HO/MIRSD/DOP2/CIR/P/2018/95 dated June 06, 2018. (“SEBI Circular dated June 06, 2018”) (e). Clause 3 and 4 of SEBI Circular CIR/MIRSD/3/2012 dated March 01, 2012 (“SEBI Circular dated March 01, 2012”).
* Vide order dated September 29, 2020, a penalty of ₹ 5,00,000/- (Rupees Five Lakhs only) was imposed on Composite Investments Pvt. Ltd., a stock broker and depository participant, for the violation of Section 23D of SCRA, Section 15HB of SEBI Act and Section 19G of Depositories Act, in the matter of inspection of Composite Investments Pvt. Ltd.
* Vide order dated September 29, 2020, a penalty of ₹ 5,00,000/- (Rupees Five Lakh Only) was imposed on Dakshin Mercantile Private Limited, in the matter of LKP Finance Limited, for the violation of the provisions of Regulation 22 (3) of SAST Regulations.
* Vide order dated September 29, 2020, a total penalty of ₹ 40,00,000/- (Rupees Forty Lakhs only)was imposed on Rajesh G. Uchil and others in the matter of GDR issue by Aqua Logistics Limited, for violation of the provisions of Section 12A (a), (b), (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c), (d) and 4(1) of PFUTP Regulations, 2003.
* Vide order dated September 29, 2020, a penalty of ₹ 1,00,000/- (Rupees One Lakh only) was imposed on Subramanian, in the matter of Seshasayee Paper and Boards Limited for the violation of regulation 13 (4A) read with regulation 13(5) of PIT Regulations, 1992, read with regulation 12 of PIT Regulations, 2015.
* Vide order dated September 29, 2020, imposed a total penalty of ₹ 102,500,000/- (Rupees Ten Crore and Twenty Five Lakhs only) was imposed on Sanjay Agarwal and others, in the matter of GDR Issue by Aqua Logistics Limited for violation of the provisions of Section 12A (a), (b), (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c), (d) and 4(1) of PFUTP Regulations.
* Vide order dated September 29, 2020, a penalty of ₹ 10,00,00,000/- (Rupees Ten Crore) was imposed on Aqua Logistics Limited, in the matter of its issue of GDR, for the violation of Section 12A(a), (b), (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c), (d) and 4(1), 4(2) (f), (k), (r)of PFUTP Regulations and Section 21 of the SCRA read with Clauses 32, 36(7) and 50of the Listing Agreement.
* Vide order dated September 29, 2020, a penalty of ₹ 2,00,000/- (Rupees Two Lakh only) was imposed on Subash Menon and Kivar Holdings Private Ltd., in the matter of Subex Limited for violations of regulation 7 (2) (a) of PIT Regulations, 2015 and provisions of clause 6 of the code of the conduct under Schedule B of regulation 9 (1) of PIT Regulations, 2015.
* Vide order dated September 29, 2020, a total penalty of ₹ 35,00,000/- (Rupees Thirty Five Lakhs only) was imposed on DCB Plus N Holdings LLP and others, in the matter of Sunrise Asian Ltd., for the violation of Regulation 13(2A) and 13(4A) read with Regulation 13(5) of PIT Regulations 1992 read with Regulation 12 of the PIT Regulations 2015 and Regulation 29(2) read with Regulation 29(3) of the SAST Regulations and Section 21 of the SCRA read with Clause 35 of the Listing Agreement and Regulation 103 (1) of the LODR Regulations, 2015.
* Vide order dated September 29, 2020, a penalty of ₹ 30,00,000/-(Rupees Thirty Lakhs only) was imposed on Utsav Securities Pvt Ltd and others, in the matter of Sital Leasing and Finance Limited for the violation of Section 12A (a), (b), (c) of SEBI Act read with Regulation 3 (a), (b), (c), (d), 4 (1) and 4 (2) (a), (e) of PFUTP Regulations.
* Vide order dated September 29, 2020, a penalty of ₹ 2,00,000/- (Two Lakhs Only) was imposed on Dilip Sheth and others in the matter of Alang Industrial Gases Ltd. for the violation of Regulation 13(4) and 13(6) of PIT Regulations 1992 and Regulation 29(1) r/w Regulation 29(2) of SAST Regulations.
* Vide order dated September 30, 2020, a total penalty of ₹ 12,00,000/- (Rupees Twelve Lakh only) was imposed on Ganganagar Commodity Limited for violation of

1. Section 23D of SCRA read with Clause 1 of Annexure of SEBI Circular SMD/SED/CIR/93/23321 dated November 18,1993 and Clause 3 of Annexure of SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016
2. Clause 12 of Annexure A of SEBI Circular SEBI/MIRSD/SE/Cir-19/2009 dated December 03, 2009.
3. Clause A (5) of Schedule II read with Regulation 9 (f) of SEBI (Stock Brokers) Regulations, 1992 (‘Brokers Regulations’) read with NSE circular NSE/CMPT/03167 dated Feb 01, 2002 read with NSE circular NSE/CMPT/13061 dated September 10, 2009 and NSE circular NSE/INSP/19583 dated December 14, 2011.
4. SEBI Circular CIR/MIRSD/16/2011 dated August 22, 2011, Clause 3 of SEBI Circular No. MIRSD/Cir-26/2011 dated December 23, 2011and SEBI circular SMDRP/Policy/CIR-39/2001 dated July 18, 2001 read with NSE circular NSE/INVG/2005/015 dated July 29, 2005.
5. Clause 2(b) of SEBI Circular CIR/MIRSD/15/2011 dated August 02, 2011.
6. Clause III of SEBI Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/54, dated March 22, 2018.
7. Clause 1,6.1.1(g),6.1.1 (j)and6.1.1(k) of Annexure of SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016.
8. Clause 1 of SEBI Circular SMD/MDP/CIR/043/96 dated August 5, 1996 and Ref SE/February 4, 1991.

* Vide order dated September 30, 2020, a total penalty of ₹ 7,00,000/- (Rupees Seven Lakhs only)was imposed on Sanchay Fincom Limited for the violation of

1. SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993 and Clause 3.3.1 of Annexure of SEBI Circular Ref no. SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016.
2. Clause 12 of Annexure of SEBI circular SEBI/MIRSD/SE/Cir-19/2009 dated December 03, 2009 and Clause 8.1 of Annexure of the 2016 Circular.
3. Clause 2.6 of Annexure to the 2016 Circular read with Clause 2(d) of SEBI Circular Ref no. CIR/HO/MIRSD/MIRSD2/CIR/P/2017/64 dated June 22, 2017.
4. Cause 6.1.1.j of the 2016 Circular to be read with Exchange Notice nos. 20160927-41, dated September 27, 2016.

* Vide order dated September 30, 2020, a penalty of ₹ 2,00,000/- (Rupees Two Lakh only) was imposed on Devendra Gupta in the matter of NIIT Technologies Ltd., for the violation of the provisions of Clause 3.3 under Schedule I – Part A of Model Code of Conduct for Prevention of Insider Trading for Listed Companies read with Regulation 12(1) of the PIT Regulations.
* Vide order dated September 30, 2020, a penalty of ₹ 5,00,000/- (Rupees Five Lakh only) was imposed on Praveen Chand Mohnot in the matter of KLG Capital Services Ltd., for violation of the provisions of regulations 3(i) and 3(ii) of PIT Regulations.
* Vide order dated September 30, 2020, a penalty of ₹ 3,00,000/- (Rupees Three Lakh only) was imposed on Krishan Kumar Khadaria in the matter of Nouveau Global Ventures Ltd., for violations of regulations 13(1) of PIT Regulations, 1992 and regulations 13(3),13(4) & 13(4A) r/w 13(5) of PIT Regulations, 1992 read along with regulation 12(2) of PIT Regulations, 2015 and regulations 29(1) and 29(2) r/w 29(3) of the SAST Regulations.
* Vide order dated September 30, 2020, a penalty of ₹ 5,00,000/- (Rupees Five Lakh only) was imposed on N Ravichandran in the matter of KLG Capital Services Ltd., for violation of the provisions of regulation regulations 3(i) and 3(ii) of PIT Regulations, 2015.
* Vide order dated September 30, 2020, a penalty of ₹ 3,00,000/- (Rupees Three Lakh only) was imposed on Asha Khadaria in the matter of Nouveau Global Ventures Ltd., for violations of regulations 13(4) & 13(4A) r/w 13(5) of PIT Regulations, 1992 r/w regulation 12(2) of PIT Regulations, 2015.
* Vide order dated September 30, 2020, a penalty of ₹ 4,00,000/- (Rupees Four Lakh only) was imposed on Nouveau Global Ventures Limited for violations of regulations 13(6) of PIT Regulations, 1992 r/w regulation 12(2) of PIT Regulations, 2015.
* Vide order dated September 30, 2020, a penalty of ₹ 12,36,000/- (Rupees Twelve Lakh Thirty Six Thousand only) was imposed on Anita Ravichandran in the matter of KLG Capital Services Ltd., for violation of the provisions of regulations 3(i) and 3(ii) of PIT Regulations.
* Vide order dated September 30, 2020, a penalty of ₹ 13,12,650/- (Rupees Thirteen Lakh Twelve Thousand Six Hundred Fifty only)was imposed on Priyanka Singhvi in the matter of KLG Capital Services Ltd., for violation of the provisions of regulations 3(i) and 3(ii) of PIT Regulations, 2015.

*Disclaimer: The summary has been prepared for the convenience of readers. In case of any ambiguity, please refer to the original order.*

1. *In case of close ended schemes, at the time of maturity, AMC repurchases it units.* [↑](#footnote-ref-1)
2. *Excluding Fund of Funds (Domestic).* [↑](#footnote-ref-2)
3. Based on data available on World Federation of Exchanges as on 13 October, 2020. [↑](#footnote-ref-3)
4. Germany, Spain, USA, UK, Japan, India, China, Brazil and Russia. [↑](#footnote-ref-4)
5. Data available on WFE as submitted by exchanges which are members of WFE, [↑](#footnote-ref-5)
6. USA, UK, Germany, France, Japan, Singapore, Hong Kong, S. Korea and Australia. [↑](#footnote-ref-6)