



**CIRCULAR**

CIR/MRD/DSA/41/2016

March 17, 2016

To

**All recognised Stock Exchanges/Clearing Corporations/Depositories**

Dear Sir / Madam,

**Sub: Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 (IFSC Guidelines) - Inclusion of Commodity Derivatives**

1. SEBI (International Financial Services Centres) Guidelines, 2015 were issued on March 27, 2015.
2. Pursuant to Section 131 of the Finance Act, 2015 and Central Government notification S.O. 2362 (E) dated August 28, 2015, all recognized associations (commodity derivatives exchanges) under the Forward Contracts (Regulation) Act, 1952 ('FCRA') are deemed to be recognized stock exchanges under the Securities Contracts (Regulation) Act, 1956 ('SCRA').
3. Section 133 of the Finance Act, 2015 had amended Securities Contracts (Regulation) Act, 1956 to include "Commodity Derivatives" as securities. Further, the sub-clause (vi) of Clause 7 of IFSC Guidelines, 2015 provides that "Such other securities as may be specified by the Board". Accordingly, it is hereby specified that the "Commodity Derivatives" shall be eligible as securities for trading and the stock exchanges operating in IFSC may permit dealing in Commodity Derivatives.
4. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

**Bithin Mahanta**  
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