



SEBI/HO/CDMRD\_DOP/P/CIR/2021/592

July 08, 2021

**The Managing Directors / Chief Executive Officers**

**All Recognized Stock Exchanges having Commodity Derivatives Segment**

Dear Sir / Madam,

**Sub: Review of Advance Intimation timelines for modifications in the contract specifications of commodity derivatives contracts**

1. SEBI has specified the procedure for carrying out modifications in the contract specifications of commodity derivatives contracts vide circular no. [SEBI/HO/CDMRD/CIR/P/2019/135](#) dated November 14, 2019. Based on their materiality, the contract modifications are categorized into Category A, Category B and Category C. As per the aforesaid circular, the permission to modify contract specifications is subject to the condition that before introduction of any modification, the Stock Exchanges shall inform SEBI and market participants along with reasons for the modifications. The advance intimation timelines mentioned in the aforesaid circular are 10 days for Category A and 30 days for Category B and Category C contract modifications.
2. In order to bring in uniformity while giving effect to the contract modifications so that they have the desired impact and the modified contract represents a healthy replica of the physical market, it has been decided, in consultation with the Stock Exchanges, to reduce the number of days of advance intimation for all the three categories i.e. Category A, Category B and Category C, to 10 days.
3. The other provisions of circular no. [SEBI/HO/CDMRD/CIR/P/2019/135](#) dated November 14, 2019 shall continue to remain the same.
4. The provisions of this circular shall be effective from the date of this circular.
5. The Circular is issued in exercise of powers conferred under Section 11 (1) of Securities and Exchange Board of India Act, 1992, read with Section 10 of the Securities Contracts (Regulation) Act, 1956 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.



**भारतीय प्रतिभूति और विनिमय बोर्ड**  
**Securities and Exchange Board of India**

6. This circular is available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the Category "Circulars" and "Info for Commodity Derivatives".

Yours faithfully,

**Priyanka Mahapatra**  
**Deputy General Manager**  
**Division of Products**  
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