



CIRCULAR

CIR/CDMRD/DCE/CIR/P/2018/48

March 14, 2018

To,

**The Managing Directors / Chief Executive Officers
All National Commodity Derivatives Exchanges**

Sir/Madam,

Subject: Clarification to Circular pertaining to Investor Grievance Redressal System and Arbitration Mechanism

1. SEBI vide circular no. CIR/CDMRD/DEICE/CIR/P/2017/77 dated July 11, 2017, has issued guidelines covering broad areas of Investor Grievance Redressal System and Arbitration Mechanism.
2. Subsequently, SEBI has received representations from the national commodity derivatives exchanges (NCDEs) with respect to some of the clauses of the said circular which have been considered. Accordingly, the following clarifications are being issued.
 - i. The NCDEs shall provide training of at least one day to every arbitrator each year.
 - ii. With regard to para 2A(x) of the aforesaid circular pertaining to speeding up grievance redressal mechanism, it is clarified that in order to discourage delayed filing by members, the additional fees payable by members who file their claim beyond the prescribed time-lines shall be non-refundable even if the arbitration award goes in favor of the member.
3. The provisions of this circular shall come into effect immediately.
4. The exchanges are advised to:-
 - make necessary amendments to relevant bye-laws, rules and regulations for the implementation of this circular.
 - bring the provisions of this circular to the notice of the members of the exchange and also to disseminate the same on their website.



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

- communicate to SEBI, the status of implementation of the provisions of this circular.
5. This circular is issued in exercise of the powers conferred under Section 11(1) of the 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.
6. The circular is available on SEBI website at www.sebi.gov.in.

Yours faithfully,

Prasad Jagadale
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