NOTICE

Notice No.	20260623-29
Notice Date	23 Jun 2026
Category	Compliance
Segment	General
Department	DOSS
Subject	Clarification to Rule 8(1)(f) and 8(3)(f) of Securities Contracts (Regulation) Rules, 1957
Attachments	Annexure_A

Department of Economic Affairs, Ministry of Finance has published the amendment of Securities Contracts (Regulation) Rules, 1957 in the Gazette of India on May 19, 2025. The following Proviso has been inserted to Rule 8 (1)(f) and 8 (3)(f) which is as under: -

In Rule 8 of the Securities Contracts (Regulation) Rules, 1957,

(i) in sub-rule(1), in clause (f), after the first proviso, the following proviso shall be inserted, namely:

"Provided further that investments made by a member shall not be construed as business except when such investments involve client funds or client securities or relate to arrangements which are in the nature of creating a financial liability on the broker."

(ii) in sub-rule(3), after clause (f), following proviso shall be inserted, namely:-

"Provided further that investments made by a member shall not be construed as business except when such investments involve client funds or client securities or relate to arrangements which are in the nature of creating a financial liability on the broker."

In view of the above amendment, Point No. 1 and 2 of illustrative list of activities issued vide Exchange Notice No. 20220107-45 dated January 07, 2022 which are construed as non-compliance to Rule 8(1)(f) and 8(3)(f) of SCRR, if undertaken by a member, are modified as below: --

1. Issuing Corporate Guarantees towards credit facilities availed by any entity, including group companies such as subsidiaries & associates etc. of the Member.

2. Deposit pledged with the bank for overdraft facilities availed by any entity, including the group companies such as subsidiaries & associates etc. of the Member.

Further, Point No. 3 to 12 of illustrative list of activities as prescribed in Exchange Notice No. 20220107-45 dated January 07, 2022 stand deleted.

FAQs on the illustrative list of activities that were construed as non-compliance to Rule 8(1)(f) and 8(3)(f) of SCRR, if undertaken by a member, are provided in **Annexure A.**

Members are advised to take note of the above and comply.

In case of any clarifications, members may contact us on details given as under:

Contact Nos	**Email Id**
022-69158540	Bse.inspection@bseindia.com
022-45720640	
022-45720440	

For and on behalf of BSE Ltd.

Hiteshkumar Desai	**Kaustubh Mundada**
Vice President	**Assistant Vice President**
Member Oversight	**Member Oversight**