

CIRCULAR

SEBI/HO/MRD/MRD-PoD-1/P/CIR/2024/62

May 27, 2024

**The Managing Directors / Chief Executive Officers
All Recognised Stock Exchanges having Commodity Derivatives Segment**

Dear Sir / Madam,

Subject: Standard Operating Procedure for handling of Stock Exchange outage and extension of trading hours thereof in Commodity Derivatives segment

1. SEBI vide circular dated January 09, 2023 has prescribed standard operating procedure for handling stock exchange outage and extension of trading hours thereof in Cash Market and Equity Derivatives segment.
2. In continuation of the same, standard operating procedure for handling stock exchange outage and extension of trading hours thereof in Commodity Derivatives segment was deliberated by Commodity Derivatives Advisory Committee (CDAC) of SEBI. Accordingly, the framework for Commodity Derivatives segment has been prepared and placed as **Annexure** to the Circular.
3. The stock exchanges should ensure necessary changes in the systems to extending market hours as specified in this circular. Accordingly, the circular shall be effective from **July 01, 2024**.
4. The Stock Exchanges are advised to bring the provisions of this circular to the notice of their members and also to disseminate the same on their website.
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, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
6. The Circular is issued with the approval of the competent authority.

7. This circular is available on SEBI website www.sebi.gov.in under the category “Circulars” and “Info for Commodity Derivatives”.

Yours faithfully,

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Annexure

Standard Operating Procedure for handling of Stock Exchange outage and extension of trading hours thereof in Commodity Derivatives segment

1. **Definition:** Stock Exchange Outage shall mean stoppage of continuous trading, either suo moto by exchange or by virtue of reasons beyond control of stock exchange.
2. If outage occurs on one exchange, market hours shall remain unchanged on unaffected exchange/s.
3. The stock exchange that suffered the outage shall intimate about the outage to various stakeholders as mentioned below:

Sr. No.	Communication to	Reporting
1	Market participants / Trading Members	Immediate but not later than 15 minutes from occurrence of outage. Through broadcast message and/or by publishing on its website.
2	SEBI	Immediate after occurrence of outage. Through an email to dedicated email id: techglitch@sebi.gov.in

4. Further, the affected stock exchange shall update about the ongoing outage in the time intervals of 45 minutes from the initial intimation, until normalcy to operations is restored. Extension of trading hours, if applicable, shall be mentioned in the intimation by the affected stock exchange.
5. Affected stock exchange would restore operations to normalcy at the earliest including from the Disaster Recovery Site and carry out various activities, in terms of SEBI Circular dated March 22, 2021 on Business Continuity Planning (BCP) and Disaster Recovery (DR).
6. The provisions for handling exchange outage for commodity derivatives segment, are as follows:

A. For contracts/products traded up to 5 pm / 9 pm

7. If trading resumes to normalcy at least 30 minutes before scheduled market closure (excluding 15 minutes of prior intimation time), trading hours would remain unchanged on that exchange i.e., market participants will have to be intimated latest by 4:15 pm or 8:15 pm regarding resumption of trading by 4:30 pm or 8:30 pm.

8. The intimation to re-start trading can be sent latest till 4:45pm or 8:45pm, as the case may be. The intimation shall, inter-alia, inform that trading shall commence from 5 pm or 9 pm for a duration of 30 minutes i.e., extended trading hours would be till 5:30pm or 9:30pm. The intimation shall also include details as to when investors can / should login to modify their position.
9. If intimation is not sent to market participants by 4:45pm or 8:45pm, then there shall be no extension of trading hours.
10. The above conditions are illustrated as under:

Table 1: For contracts traded up to 5:00 PM

Intimation to market participants	Resumption of trading	Extended market hours
4:15PM	4:30PM - 5 PM	NA
4:45 PM	5:00 - 5:30 PM	30 mins
After 4:45 PM	NA	NA

Table 2: For contracts traded up to 9:00 PM

Intimation to market participants	Resumption of trading	Extended market hours
8:15PM	8:30PM - 9 PM	NA
8:45 PM	9:00 - 9:30 PM	30 mins
After 8:45 PM	NA	NA

B. For contracts/products traded up to 11:30pm / 11:55 p.m.

11. If trading resumes to normalcy at least 30 minutes before scheduled market closure (excluding 15 minutes of prior intimation time), trading hours would remain unchanged on that exchange, i.e., market participants will have to be intimated by 10:45pm or 11:10pm regarding resumption of trading by 11:00pm or 11:25pm.
12. The intimation to re-start trading can be sent latest until 11:10pm. The intimation shall, inter-alia, inform that trading shall commence from 11:25pm for a duration of 30 minutes i.e., extended trading hours would be till 11:55pm. The intimation shall also include details as to when investors can / should login to modify their position.
13. If intimation is not sent to market participants by 11:10pm, then there shall be no extension of trading hours.

14. The above conditions are illustrated as under:

Table 3: For contracts traded up to 11:30PM

Intimation to market participants	Resumption of trading	Extended market hours
10:45 PM	11:00 - 11:30 PM	NA
11:10PM	11:25 PM - 11:55 PM	30 mins
After 11:10PM	NA	NA

Table 4: For contracts traded up to 11:55 PM

Intimation to market participants	Resumption of trading	Extended market hours
11:10 PM	11:25 PM - 11:55 PM	NA
After 11:10PM	NA	NA
