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PROMULGATION OF THE SECURITIES LAWS (AMENDMENT) SECOND ORDINANCE 2013

New Delhi: September 20, 2013
Bhadrapada 29, 1935

The President was pleased to promulgate the Securities Laws (Amendment) Second Ordinance, 2013 (No. of 2013) under clause (1) of the Article 123 of the Constitution on September 16, 2013. This was consequent to the approval of the Cabinet, which met on September 12, 2013, to keep in force the amendments to the Securities and Exchange Board of India (SEBI) Act and related Acts that came into effect by the promulgation of the Securities Laws (Amendment) Ordinance, 2013 (No 8 of 2013) on July 18, 2013.

The Securities Laws (Amendment) Bill 2013 was introduced in Lok Sabha on the August 12, 2013 during the Monsoon session to replace Securities Laws (Amendment) Ordinance 2013. Since the Monsoon session of Parliament concluded without the consideration and passing of the aforesaid Bill, the Ordinance would have lapsed after the expiry of six weeks, i.e. on September 16, 2013 as per clause (1) of Article 123 of the Constitution.

In order to keep in force the amendments that gave the legal backing to the Securities and Exchange Board of India to tackle critical issues including powers to respond to the growing menace of illegal deposit taking and Ponzi schemes, the Securities Laws (Amendment) Second Ordinance 2013, prepared on the lines of the Securities Laws (Amendment) Bill 2013 pending in Lok Sabha, was promulgated by the President.

The promulgation of this Ordinance would ensure the continuance of the actions already initiated by the Securities and Exchange Board of India, including framing of regulations; appointment of Recovery Officers; organizing capacity building programmes; and taking action against irregularities and frauds in the securities market.

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