

Securities Laws (Amendment) Act, 2004

Section 4 - Amendment of Section 5

Section 5 of the principal Act shall be numbered as sub-Section (1) thereof and after sub-Section (1) as so numbered, the following sub-Section shall be inserted, namely:-

"(2) Where the recognised stock exchange has not been corporatised or demutualised or it fails to submit the scheme referred to in sub-Section (1) of Section 4B within the specified time therefor or the scheme has been rejected by the Securities and Exchange Board of India under sub-Section (5) of Section 4B, the recognition granted to such stock exchange under Section 4, shall, notwithstanding anything to the contrary contained in this Act, stand withdrawn and the Central Government shall publish, by notification in the Official Gazette, such withdrawal of recognition:

Provided that no such withdrawal shall affect the validity of any contract entered into or made before the date of the notification, and the Securities and Exchange Board of India may, after consultation with the stock exchange, make such provisions as it deems fit in the order rejecting the scheme published in the Official Gazette under sub-Section (5) of Section 4B." .
