

Securities Laws (Amendment) Act, 2004

Section 16 - Insertion of New Section 31

After section 30 of the principal Act, the following section shall be inserted, namely:--

"31. Power of Securities and Exchange Board of India to make Regulations: (1) Without prejudice to the provisions contained in section 30 of the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India, may, by notification in the Official Gazette, make regulations consistent with the provisions of this Act and the rules made thereunder to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for the manner, in which at least fifty-one per cent. of equity share capital of a recognised stock exchange is held, within twelve months from the date of publication of the order under sub-section (7), of section 4B by the public other than shareholders having trading rights under sub-section (5) of that section.

(3) Every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the regulation or both Houses agree that the regulation should not be made, the regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that regulation."
