

## **Review of Coverage of Settlement Guarantee Fund- SEBI has revised the norms related to Core Settlement Guarantee Fund (Core SGF) in the commodity derivatives segment**

The Securities and Exchange Board of India (SEBI) vide its Circular No: HO/47/16/14(1)2026-MRD-POD1/1/7115/2026 dated March 16, 2026, has revised the norms related to Core Settlement Guarantee Fund (Core SGF) in the commodity derivatives segment. Under the revised framework, clearing corporations must calculate credit exposure assuming the simultaneous default of at least three clearing members (and their associates) causing the highest credit exposure.

Earlier, the framework required credit exposure assuming simultaneous default of at least 2 clearing members. The change has been introduced following stakeholder representations and recommendations of the Risk Management Review Committee, with the objective of facilitating ease of doing business. The circular also empowers SEBI to grant case-by-case exemptions or relaxations from SGF provisions considering market conditions and investor protection. The circular has come into force with immediate effect.

[Click here to read/ download the original circular](#)