



Circular

CIR/IMD/DF/1/2014

January 07, 2014

To:

All Stock Exchanges,
All Clearing Corporations,
All Mutual Funds, Asset Management Companies (AMCs),
All Foreign Institutional Investors/ sub-accounts/ Qualified Foreign Investors/
Foreign Portfolio Investors (through custodians),
All Alternative Investment Funds and Foreign Venture Capital Investors and All
Portfolio Managers

Dear Sir/Madam,

Sub: Reporting of Trades in Securitised Debt Instruments in Trade Reporting Platforms and Clearing and Settlement of trades in Securitised Debt Instruments through Clearing Corporations

1. SEBI vide circular dated January 24, 2013 has specified Guidelines for providing dedicated Debt Segments on Stock Exchanges. As per the said circular, the debt segment shall also offer separate trading, clearing, settlement and reporting facilities in Securitised Debt Instruments (as defined in SEBI (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008). BSE, NSE and MCX-SX have already set-up dedicated debt segment in accordance with the said circular.
2. For developing the Securitised Debt Instrument market and to improve transparency, it has now been decided that, all trades in Securitised Debt Instruments (listed or unlisted) by Mutual Funds, Foreign Institutional Investors/sub-accounts/Qualified Foreign Investors/ Foreign Portfolio Investors, Alternative Investment Funds, Foreign Venture Capital Investors and Portfolio Managers shall be reported on the trade reporting platform of either NSE, BSE or MCX-SX within fifteen minutes of the trade. To ensure that the data is not



duplicated, the trades shall only be reported on one of the trade reporting platform mentioned above. The reporting for a trade must be done by the buyer and the seller on the same platform to ensure matching of both sides of the trades.

3. To provide transparency and efficient pricing of Securitised Debt Instruments, the reporting platforms shall provide continuous data pertaining to Securitised Debt Instruments, comprising of issuer name, ISIN number, face value, maturity date, current coupon, last price reported, last amount reported, last yield (annualized) reported, weighted average yield/ price, total amount reported and rating of SDI. The Exchanges shall also provide on its website offer document/continuous disclosures, if any, relating to the Securitised Debt Instruments traded and such other additional information pertaining to the trade/reporting.
4. Further, it has also been decided that all trades in Securitised Debt Instruments (listed or unlisted) done between specified entities, namely, Mutual Funds, Foreign Institutional Investors/sub-accounts/Qualified Foreign Investors/Foreign Portfolio Investors, Alternative Investment Funds, Foreign Venture Capital Investors and Portfolio Managers and RBI regulated entities, as specified by RBI, shall necessarily be cleared and settled through the National Securities Clearing Corporation Limited (NSCCL) or the Indian Clearing Corporation Limited (ICCL) or MCX-SX Clearing Corporation Limited (MCX-SX CCL).
5. All transactions cleared and settled in terms of this circular will be subject to such norms as may be specified by NSCCL, ICCL and MCX-SX CCL.
6. NSE, BSE , MCX-SX and clearing corporations of the said exchanges are directed to:



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Securities and Exchange Board of India

(a) make amendments to the bye- laws, rules and regulations for the implementation of the above decision with effect from April 01, 2014 as may be applicable and necessary.

(b) make necessary arrangements for smooth implementation of this circular.

7. Specified entities are advised to gear up their systems and processes for implementation of the provisions of this circular within the time specified above.
8. All stock exchanges are advised to bring the provisions of this circular to the notice of all their members and to disseminate the same on their respective websites.
9. This circular is issued in exercise of powers conferred by sub-section (1) of section 11 and section 11A 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
10. This circular is available on SEBI website at www.sebi.gov.in.

Yours faithfully,

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