



CIRCULAR

CIR/IMD/FIIC/3/2011

March 08, 2011

To

All Foreign Institutional Investors
through their designated Custodians of Securities

Dear Sir/Madam

Sub: Allocation of Government debt long term & corporate debt - old investment limits to FIIs

1. Based on the assessment of the allocation and the utilization of the limits to FIIs for investments in debt, it has been decided to allocate the unutilized limits in Government debt long term & corporate debt – old category in the following manner:-
2. **Allocation through bidding process:** The bidding for these limits shall be done on the NSE from 15:30 hrs to 17:30 hrs, on March 15, 2011, in terms of SEBI circular IMD/FII&C/37/2009 dated February 06, 2009, subject to the modifications stated below:-

2.1. Government debt long term:

2.1.1. In partial amendment to clause 3 (h) of the aforesaid circular IMD/FII & C/37/2009, no single entity shall be allocated more than Rs.750 cr. of the investment limit. Where a single entity bids on behalf of multiple entities, in terms of para 7 of SEBI circular CIR/IMD/FIIC/18 /2010 dated November 26, 2010, then such bid would be limited to INR 750 cr. for every such single entity.

2.1.2. In partial amendment to clause 3 (c) and 3(d) of the aforesaid circular IMD/FII & C/ 37/2009, the minimum amount which can be bid for shall be Rs.100 cr. and the minimum tick size shall be Rs.50 cr.

2.2. Corporate Debt – Old limit:

2.2.1. In partial amendment to clause 3 (h) of the aforesaid circular IMD/FII & C/37/2009, no single entity shall be allocated more than Rs.300 cr. of the investment limit. Where a single entity bids on behalf of multiple entities, in



terms of para 7 of SEBI circular CIR/IMD/FIIC/18 /2010 dated November 26, 2010, then such bid would be limited to INR 300 cr. for every such single entity.

2.2.2. In partial amendment to clause 3 (c) and 3(d) of the aforesaid circular IMD/FII &C/ 37/2009, the minimum amount which can be bid for shall be Rs.100 cr. and the minimum tick size shall be Rs.50 cr.

3. **Allocation through first come first serve process (FCFS):** In terms of SEBI circular dated January 31, 2008, the Government debt long term & corporate debt -old limits shall be allocated in the FCFS basis subject to the following conditions:-

3.1. The remaining amount in Government debt long term & corporate debt -old limits other than bidding process shall be allocated among the FIIs/sub-accounts on a FCFS basis.

3.2. The debt requests in this regard shall be forwarded to the dedicated email id fii_debtrequests@sebi.gov.in. The window for FCFS process shall open at 08:30 AM IST, March 15, 2011.

3.3. Maximum limit per request under this process shall be INR 50 cr.

3.4. A non-utilisation charge would be levied at average successful bid premium (in respective bidding process) for non-utilized part from the allocation in first come first serve.

A copy of this circular is available at the web page "F.I.I." on our website www.sebi.gov.in. The custodians are requested to bring the contents of this circular to the notice of their FII clients.

Yours faithfully,

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