



CIRCULAR

Cir. /IMD/DF/8/2012

March 05, 2012

**All Intermediaries registered with SEBI under Section 12 of the SEBI Act.
(Through the stock exchanges for stock brokers, sub brokers, depositories for
depository participants, custodians for FIIs and FVCIs, AMFI for Asset
Management Companies.)**

Dear Sir/ Madam,

**Sub: Clearing and Settlement of OTC trades in Commercial Paper (CPs) &
Certificates of Deposit (CDs)**

1. SEBI vide circular No. CIR/IMD/DF/6/2010 dated July 30, 2010 made it mandatory for that all SEBI Regulated entities shall report their OTC transactions in CDs and CPs on the FIMMDA reporting platform within 15 minutes of the trade for online dissemination of market information with effect from August 16, 2010.
2. It has now been decided that all SEBI regulated entities shall settle their OTC trades in CDs and CPs on the lines of already existing process for settlement of OTC trades in corporate bonds, through National Securities Clearing Corporation Limited (NSCCL) and Indian Clearing Corporation Limited (ICCL) with effect from April 01, 2012.
3. All transactions cleared and settled in terms of this circular will be subject to such norms as may be specified by NSCCL and ICCL.
4. 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.
5. This circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework" and "Corp Debt Market".

Yours faithfully,

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