

Circular No.: NSDL/POLICY/DDP/2019/0001

March 22, 2019

Subject: Review of Investment by Foreign Portfolio Investors (FPI) in Debt Securities.

Attention of Participants who are registered with SEBI as Custodian of securities (Custodians) is invited to SEBI Circular No. IMD/FPIC/CIR/P/2019/37 dated March 12, 2019 (copy enclosed) regarding review of Investment by Foreign Portfolio Investors (FPI) in Debt Securities.

In this regard, it is stated at point no. 2, 3 & 4 of aforesaid SEBI circular dated March 12, 2019 as under :

“2. Now, in order to encourage a wider spectrum of investors to access the Indian corporate debt market, RBI vide A.P. (DIR Series) Circular No. 19 dated February 15, 2019 has withdrawn with immediate effect the above provision w.r.t. exposure of more than 20% of FPI's corporate bond portfolio to a single corporate.

3. To give effect to the same in SEBI Circular dated June 15, 2018, the said provision in SEBI Circular dated June 15, 2018 stands withdrawn with immediate effect.

4. Further, in accordance with Regulation 21(5) of SEBI (FPI) Regulations, 2014, in respect of investments in the debt securities, the FPI shall also comply with terms, conditions or directions, specified or issued by the Board or RBI, from time to time, in addition to other conditions specified in these regulations. Thus, it is clarified that all the circulars and directions issued hereinafter by RBI w.r.t investment conditions for FPI Investment in corporate debt securities shall be complied with as per the timelines specified in the RBI circular(s). No separate circular(s) shall be issued by SEBI. All the intermediaries may take steps required to operationalize the RBI Circular(s)”.

Custodians are advised to take note of the same and ensure compliance.

For and on behalf of
National Securities Depository Limited

Chirag Shah
Senior Manager

Enclosed: One

FORTHCOMING COMPLIANCE			
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10 th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Charge Structure	April 30 th every year.	By email at dpfees@nsdl.co.in	1. Circular No. NSDL/POLICY/2006/0064 dated December 26, 2006. 2. Circular No. NSDL/POLICY/2007/0003 dated January 8, 2007.