

**SEBI/CBM/BOND/1/2007/01/03**  
**March 01, 2007**

**The Managing Director / Executive Director / Administrator  
Of All Stock Exchanges**

Dear Sirs,

**Sub: Corporate Bond Market – Reporting Platform to also be set up by NSE**

- I. In order to implement the Union budget proposal on creation of a unified platform for trading of Corporate Bonds, SEBI vide circular No. SEBI/CFD/DIL/BOND/1/2006/12/12 dated December 12, 2006 authorized Bombay Stock Exchange Limited (BSE) to set up and maintain a corporate bond reporting platform to capture all information related to trading in corporate bonds as accurately and as close to execution as possible.
- II. It has now been decided that the National Stock Exchange of India Limited (NSE) may also set up and maintain a similar reporting platform for corporate bonds with immediate effect on terms and conditions laid out in the aforesaid SEBI circular.
- III. For the purpose, the following shall be implemented with immediate effect:
  1. Trades executed by the members of BSE or NSE shall be reported on the reporting platforms of their respective stock exchanges who would host such information on their websites. As regards Over the Counter (OTC) trades, the parties concerned shall have the freedom to report the deals on the platform of either BSE or NSE.
  2. BSE and NSE shall co-ordinate among themselves to ensure that the information reported with BSE and NSE is aggregated, checked for redundancy and disseminated on their websites in a homogenous manner.
  3. Information disseminated on the websites of BSE and NSE shall display the following essential data: Issuer Name, Maturity Date, Current Coupon, Last Price Traded, Last Amount Traded, Last Yield (annualized) Traded, Weighted Average Yield Price, Total Amount Traded and the Rating of the Bond and any other additional information as the stock exchanges think fit.
  4. Further, the following additional details shall be made available through a hyperlink: Ratings including the last change where possible, Call/ Put

Option Dates, Record Date, Next Coupon Date, Step up Coupons, Day Count Convention, Floating Benchmark if applicable and the spread over the Benchmark and any other instrument specific material information.

5. The Fixed Income Money Market and Derivatives Association of India (FIMMDA) which at present is bringing out a daily valuation report of all Central Government Securities, had proposed setting up of a reporting platform for corporate bonds and also to provide similar value added dissemination on Corporate Bonds. Till such time that FIMMDA sets up such a platform, it shall disseminate information made available on bond trading by the two exchanges with appropriate value addition. In this regard, BSE and NSE are directed to extend their co-operation to FIMMDA.

#### **IV. Applicability**

1. The reporting shall be made for all trades in listed debt securities issued by all institutions such as Banks, Public Sector Undertakings, Municipal Corporations, bodies corporate and companies.
2. The reporting of trades in Corporate Bonds shall be made by all person(s) dealing in such corporate bonds irrespective of whether they are SEBI registered intermediaries or otherwise.
3. Pursuant to the launch of the corporate bond reporting platform at NSE, reporting may be made to either platform of BSE or NSE but not to both for the same transaction. Although, reporting may be done at either of the exchange platforms, BSE and NSE shall ensure that all the relevant details are disseminated by both the stock exchanges on their websites and shall ensure that there is no segregation of data between the exchanges on the basis of its reporting origin.

#### **V. Direction to Stock Exchanges**

All Stock Exchanges are directed to:

- a. Make necessary amendments to the listing agreement, bye- laws, rules and regulations for the implementation of the above decision immediately, as may be applicable and necessary.
- b. Bring the provisions of this circular to the notice of the entities in both equity and debt segments, member brokers, clearing members of the Exchange and also to disseminate the same on the website for easy access to the investors; and

c. Communicate to SEBI, the status of implementation of the provisions of this circular in the Monthly Development Report from the month of April, 2007.

**VI.** This circular is issued in exercise of powers conferred by sub-section (1) of Section 11 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. The provisions of the earlier circulars No.SEBI/MRD/SE/AT/36/2003/30/09 dated September 30, 2003, Circular No.SEBI/MRD/SE/AT/46/2003 dated December 22, 2003 and circular No. SEBI/CFD/DIL/BOND/1/2006/12/12 dated December 12, 2006 in so far as they are inconsistent with the provisions of the instant circular shall stand superceded.

**VII.** This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in).

Yours faithfully,

**Satya Ranjan Prasad**