



भारतीय प्रतिभूति और विनिमय बोर्ड Securities and Exchange Board of India

CIRCULAR

CIR/IMD/FIIC/4/2014

February 14, 2014

To
All Foreign Institutional Investors
through their designated Custodians of Securities

Dear Sir/Madam

FII/QFI investments in Commercial Papers

1. Vide circular CIR/IMD/FIIC/6/2013 dated April 01, 2013, SEBI had permitted FIIs and QFIs to invest upto US\$ 3.5 billion in Commercial Papers within the Corporate Debt limit of US\$ 51 billion.
2. The Reserve Bank of India has reduced the existing sub-limit for FII/QFI investment in Commercial Papers from USD 3.5 billion to USD 2 billion.
3. Accordingly, in partial modification of Para 4 of the SEBI circular CIR/IMD/FIIC/6/2013 dated April 01, 2013, eligible investors shall be permitted to invest upto US\$ 2 billion in Commercial Papers within the Corporate Debt limit of US\$ 51 billion. The table summarizing the Corporate debt limit category is as follows:

Type of Instrument	Cap (US\$ bn)	Cap (INR Crore)	Eligible Investors	Remarks
Corporate Debt	51	244,323	FIIs and QFIs	Eligible investors may invest in Commercial Papers only upto US\$ 2 billion and upto US\$5 billion in Credit Enhanced Bonds within the limit of US\$ 51 billion

This circular shall come into effect immediately. This circular is issued in exercise of powers conferred under SEBI Section 11 (1) of the Securities and Exchange Board of India Act, 1992.

A copy of this circular is available at the web page "Circulars" 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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