



भारतीय प्रतिभूति और विनियम बोर्ड Securities and Exchange Board of India

CIRCULAR

CIR/IMD/FIIC/6/2014
March 28, 2014

To,

1. All Custodians of Securities
2. All Foreign Institutional Investors through their designated Custodians of Securities
3. Depository Participants through Depositories
4. All Depositories
5. All Recognized Stock Exchanges

Dear Sir/ Madam,

Sub: Commencement of Foreign Portfolio Investor ("FPI") regime.

1. SEBI (Foreign Portfolio Investors) Regulations, 2014 ("the Regulations") have been notified on January 07, 2014. Subsequently, SEBI has issued Operational Guidelines for Designated Depository Participants ("DDPs") vide SEBI Circular No. CIR/IMD/FIIC/02/2014 dated January 8, 2014.
2. In terms of Regulation 47 (3) (c) of the Regulations, *"the Board may continue to grant certificate of registration as a foreign institutional investor or sub-account under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 till March 31, 2014 which may be extended upto June 30, 2014 by the Board"*.
3. In this regard, market participants have communicated to SEBI that they are still in process of putting in place necessary systems and procedures to discharge their assigned role effectively. Accordingly, they have sought an extension of time for implementation of the FPI regime.
4. Considering the representations of the market participants, it has now been decided as follows:
 - a. The FPI regime shall commence with effect from June 01, 2014.
 - b. SEBI shall continue to accept all applications for registration of FIIs and Sub Accounts till May 31, 2014 provided such applications are complete in all respects.

- c. SEBI shall continue to accept all applications for acknowledgment of fee till May 31, 2014, in respect of those FIIs and Sub Accounts whose fee validity is expiring on or before September 30, 2014 provided such applications are complete in all respects.
 - d. SEBI shall continue to accept all applications for miscellaneous requests till May 31, 2014 provided such applications are complete in all respects.
 - e. With effect from June 01, 2014, the DDPs shall accept all applications for registration, acknowledgment of fees, and miscellaneous requests.
 - f. Those Qualified Depository Participants (QDPs) who are deemed as DDPs under Regulation 11(1) of the Regulations may continue to open QFI accounts till May 31, 2014.
5. This circular is issued in exercise of powers conferred under Section 11(1) 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.
6. The circular is available on SEBI website at www.sebi.gov.in under the categories "Legal framework" and "information for - FII".

Yours faithfully,

S. Madhusudhanan
Deputy General Manager
+91-22-26449614
smadhu@sebi.gov.in