भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

**CIRCULAR**

**SEBI/HO/IMD/DF1/CIR/P/2017/110** **September 29, 2017**

**To**
**All Registered Category III Alternative Investment Funds**
**All Custodian(s) of Securities**

Dear Sir / Madam,

**Sub: Change in reporting norms for Category III Alternative Investment Funds ("AIFs") regarding investment in commodity derivatives market.**

1. In terms of circular no. SEBI/HO/CDMRD/DMP/CIR/P/2017/61 dated June 21, 2017, the Category III Alternative Investment Funds (AIFs) are allowed to participate in the commodity derivatives market, subject to certain conditions which *inter-alia* include the following:
   i. Category III AIFs shall invest not more than ten percent of the investable funds in one underlying commodity.
   ii. Category III AIF shall be subject to the reporting requirements as may be specified by SEBI.

2. In view of the above, it is decided to revise the reporting formats for Category III AIFs so as to capture the information pertaining to investment in commodity derivatives as per enclosed Annexure. Accordingly, circular no.CIR/IMD/DF/10/2013 dated July 29, 2013 issued for operational, prudential and reporting requirements for AIFs stands modified.

3. All Category III AIFs are advised to submit the monthly/quarterly report in the revised format for the period ended September 30, 2017 onwards.

4. 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.

5. This circular is available on SEBI website at www.sebi.gov.in under the categories “Circulars” and “Info for - Alternative Investment Funds”.

Yours faithfully,

**Naveen Sharma**
**Deputy General Manager**
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**Annexure:**

i. **<u>Reporting format for Category III AIFs which do not undertake leverage:</u>**

**Table 2- Cumulative net investments by the AIF as at the end of quarter (in Rs. Crore) (Scheme-wise)**

| Name of the scheme | In Unlisted equity shares/ equity linked instruments/LLP interest | In listed equity (excluding in listed/to be listed on SME exchange) | In Debt/ securitised debt instruments | In units of other AIFs | In liquid funds | In listed/ to be listed securities on SME exchange | In commodity derivatives | Others | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |

**Table 8- Maximum Investment made in a single underlying commodity (Scheme-wise)**

| Name of the Scheme | Name of the underlying commodity | Amount invested (in Rs. Crore) | Amount of investment as a % of total investible funds |
|---|---|---|---|
| | | | |

ii. **<u>Reporting format for Category III AIFs which undertake leverage:</u>**

**Table 2- Exposure by the AIF as at the end of month (in Rs. Crore) (Scheme-wise)**

| Name of the scheme | In listed equity and ETFs | Long Futures | | | Short futures | | | Long calls | | | Short calls | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Equity | Commodity | Others* | Equity | Commodity | Others* | Equity | Commodity | Others* | Equity | Commodity | Others* |
| | | | | | | | | | | | | | |

| Long puts | | | Short puts | | | Cash & cash equivalents | Others* | Gross Total (Sum of all exposures) |
|---|---|---|---|---|---|---|---|---|
| Equity | Commodity | Others* | Equity | Commodity | Others* | | | |
| | | | | | | | | |

* Specific details to be provided.

**Table 8- Maximum Investment made in a single underlying commodity (Scheme-wise)**

| Name of the Scheme | Name of the underlying commodity | Amount invested (in Rs. Crore) | Amount of investment as a % of total investible funds |
|---|---|---|---|
| | | | |