

RBI/2007-2008/103
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July 31, 2007

To

All Commercial Banks (except RRBs & LABs)
and select All India Financial Institutions
(NHB, NABARD, EXIM Bank, SIDBI, TFCI Ltd., IFCI Ltd., IIBI Ltd.)

Dear Sirs,

FIMMDA Reporting Platform for Corporate Bond Transactions

As you are aware, the High Level Expert Committee on Corporate Bonds and Securitisation (Patil Committee) had recommended setting up of reporting platforms for corporate bonds with a view to enhance transparency and to further the development of corporate bond markets. Accordingly, BSE and NSE have set up reporting platforms.

2. FIMMDA has now informed us that SEBI has permitted FIMMDA to set up its reporting platform for corporate bonds. It has also been mandated to aggregate the trades reported on its platform as well as those reported on BSE and NSE with appropriate value addition. The FIMMDA has proposed to go live with its platform, which at present is under trial run, from September 1, 2007.

3. All Commercial Banks and select AIFIs would be required to report their secondary market transactions in corporate bonds in OTC market, on FIMMDA's reporting platform with effect from September 1, 2007. Detailed operational guidelines in this regard would be issued by FIMMDA. In the meanwhile, the banks/AIFIs may approach FIMMDA directly for participating in the mock reporting sessions.

Yours faithfully,

(Prashant Saran)
Chief General Manager-in-Charge