

April 22, 2008

All registered Securitisation Companies/Reconstruction Companies

Regulation of SCs/RCs-disclosure while issuing Security Receipts(SRs)

Please refer to paragraph 8 of the Securitisation Companies/ Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003 vide Notification No. DNBS. 2/CGM(CSM)-2003 dated April 23,2003(the Directions) and paragraph 7 of circular DNBS (PD) CC. No. 6/SCRC/10.30.049/2006-07 dated May 28, 2007 (the circular) containing Guidelines on declaration of Net Asset Value of Security Receipts issued by Securitisation Companies/Reconstruction Companies vide which Securitisation Companies/Reconstruction Companies are required to make certain disclosures in the offer documents of Security Receipts as per the annexure to notification dated April 23, 2003.

2. It is clarified that to enable the investors to make informed investment decision in the SRs, the disclosure in respect of underlying basket of assets required to be made by SCs/RCs in the offer documents as above, include disclosure in respect of the date of acquisition of the assets, valuation of the assets and the interest of SCs/RCs in such assets at the time of issue of SRs.

Yours faithfully,

(P.Krishnamurthy)
Chief General Manager-in-Charge