

NATIONAL STOCK EXCHANGE OF INDIA LIMITED**DEPARTMENT : DEBT SEGMENT**

Download Ref No : NSE/DS/28040

Date : November 12, 2014

Circular Ref. No : 73/2014

All members,

Trading in Central Government securities in Retail platform

In our endeavor to centralize trading in all debt instruments into a single platform, Exchange shall include Central Government securities (currently being available for trading in Capital Market segment under Retail Debt Market) for trading in Retail Platform of the Debt segment w.e.f. December 01, 2014. The details of Trading parameters and Clearing & Settlement are as provided below:

Particulars	Annexures	For further queries, please contact on Toll free number
Trading parameters for Central Government securities in Retail Platform	Annexure - 1	1800 2200 53
Clearing & Settlement for Central Government securities in Retail Platform	Annexure - 2	1800 2200 57

For and on behalf of
National Stock Exchange of India Limited

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Annexure-1

Trading of Central Government Securities in Retail Platform of Debt Segment:

Parameters	Description
Instrument Type	RDCGGS RD – Retail CG – Central Government GS – Government Security
Market lot	10 lot
Day count convention	30 / 360

All other parameters currently applicable to Retail platform shall be made applicable to Central Government securities.

Annexure - 2

In continuation and partial modification to NSCCL circular NSE/DS/24853 dated October 29, 2013 members are requested to note the below with regards to clearing and settlement of trades in Central Government Securities in Retail Platform of Debt Segment:

1. Accrued Interest Computation

a. Accrued interest for Government Securities shall be computed as below:

$$\text{Accrued Interest} = (\text{Settlement date} - \text{Last Interest Payment date}) * \text{face value} * \text{coupon rate} / 360$$

Difference between settlement date and Last IP/Next IP date shall be calculated using 30/360 days basis formulae

b. Accrued interest for other securities is computed as below:

i. For settlement dates greater than record date and less than next interest payment (Next IP) date:

$$\text{Accrued Interest} = (\text{Next IP date} - \text{Settlement date}) * \text{face value} * \text{coupon rate} / 365 \text{ or } 366$$

ii. For other settlement dates:

$$\text{Accrued Interest} = (\text{Settlement date} - \text{Last Interest Payment date}) * \text{face value} * \text{coupon rate} / 365 \text{ or } 366$$

For bonds trades in clean price adjusted to Rs 100 the “face value” in the above formulae shall be replaced by “100”.

2. Margins

Initial Margin applicable on Central Government Securities in Retail Platform shall be 5%.

There shall be no Extreme Loss Margin applicable on Central Government Securities in Retail Platform

The provisions of the circular NSE/DS/24853 dated October 29, 2013 with regards to securities on Retail Platform shall be applicable to Central Government Securities in Retail Platform. All other provisions of the circular NSE/DS/24853 dated October 29, 2013 shall remain unchanged.