



*Nurturing Markets,
Widening Horizons*

Regd. Office: 2nd floor, The International
16, Maharshi Karve Road,
Churchgate, Mumbai - 400 020
Tel : (91-22) 22017089 / 91 / 94
Fax : (91-22) 22017095
E-mail: fimmda@fimmda.org

FIMCIR/2012-13/07

17th July, 2012

To,

All FIMMDA Members and Users of NDS-OM / PDO -NDS

Dear All,

**FIMMDA's Code of Conduct for Usage of NDS-OM / PDO-NDS
Change in the Trading Band for Oil Bonds.**

We invite your attention to our Circular FIMCIR/2012-13/03 dated 27th April, 2012.

Hitherto Oil bonds were equated with SDL securities for the purpose of trading bands.

On the basis of discussions with Oil Marketing Companies, the Price Band for "Oil Bonds" has been revised as under **with effect from today**:

- (i) On any trading day if an oil bond is traded for a minimum of 5 trades and for a total of not less than Rs 25 Crores (all trades between the trading band), the trading band for the particular bond **for the following day** will be +/- 25bps of the Closing Yield.
- (ii) If the above conditions are not met, the trading band for an Oil Bond on any day will be +/- 25bps of the FIMMDA Closing Valuation of the previous day.

Please note that there is no change in the valuation methodology of Oil Bonds.

Please also note that there is no change in the trading band methodology of other Special Securities like fertilizer bonds, FCI bonds, and SBI bonds etc, i.e. the instructions contained in the Circular dated 27th April, 2012 will continue to apply for those categories of bonds.

The above instructions will become a part of the FIMMDA Code of Conduct for Usage of NDS-OM/ PDO -NDS.

With regards,

Yours truly,

C.E.S. Azariah
Chief Executive Officer