

**General Manager  
Division of Foreign Institutional Investors & Custodians  
INVESTMENT MANAGEMENT DEPARTMENT**

Cir No. IMD/FII & C/40/2009  
September 04, 2009

To  
All Foreign Institutional Investors  
through their designated Custodians of Securities

Dear Madam/Sir

**Sub: Allocation methodology of debt investment limits to FIIs**

**Allocation through bidding process**

1. Please refer to SEBI circular IMD/FII & C/ 37/2009 dated February 06, 2009 IMD/FII & C/39/2009 dated May 12, 2009 and providing the modalities for the allocation methodology for the debt investment limits.
2. It has been decided that the unutilised investment limits for government debt shall also be allocated in similar manner as specified in the circular mentioned above.
3. In partial amendment to clause 3 (h) of the aforesaid circular IMD/FII & C/ 37/2009, no single entity shall be allocated more than Rs.800 cr. of the government debt investment limit.
4. The bidding process shall be on September 08, 2009 on the National Stock Exchange.

**Allocation through first come first serve process**

5. The remaining limit for investment in Government debt shall be allocated among the FIIs/sub-accounts on a first come first served basis in terms of SEBI circular dated January 31, 2008, subject to a ceiling of Rs. 249 Cr. per registered entity.
6. The debt requests in this regard shall be forwarded to the dedicated email id [fii\\_debtrequests@sebi.gov.in](mailto:fii_debtrequests@sebi.gov.in). The window for first come first served process shall open at 23:59 PM IST, September 09, 2009. Time period for utilization of the allocated debt limit through first come first served basis shall be 11 working days from the date of the allocation.
7. A copy of this circular is available at the web page "F.I.I." on our website [www.sebi.gov.in](http://www.sebi.gov.in). The custodians are requested to bring the contents of this circular to the notice of their FII clients.

Yours faithfully,

**Jeevan Sonparote**