

## **Annexure-1**

### **Operating Guidelines**

These operating guidelines (the “Operating Guidelines”) shall be applicable to all Participants including Trading Members who use/access the RFQ Platform for execution and settlement of trades (“RFQ Platform”) of National Stock Exchange of India Limited (“NSEIL”). The RFQ Platform will be hosted on the existing NSE CBRICS environment.

#### **➤ Features of RFQ Platform**

- The RFQ Platform using request for quote protocol shall provide a range of options to seek a quote and to respond to a quote, while keeping an audit trail of all the interactions i.e. quoted yield, mutually agreed price, deal terms etc. A Participant may request other Participants for a quote for eligible securities.
- The Participant who seeks a quote is termed an Initiator. The Participant who acts/responds to the quote request of the Initiator is termed as Responder on the RFQ Platform. The quotes will be bilaterally negotiated between counterparties based on the specified RFQ parameters. The acceptance of a quote by the Participant will be considered as mutual agreement for the given deal between the counterparties. There may not be any automated matching of the quotes in the system.
- All debt deals which are mutually agreed between two counterparties on the RFQ Platform would flow to the trade reporting platform once all the deal terms including total consideration is mutually confirmed by the Participants.
- The eligible deals on RFQ Platform will be settled by NSE Clearing Ltd. (NCL). However, in case of CPs/CDs, Participants will have to continue to follow the existing settlement mechanism once deals are executed on the RFQ Platform
- Participants can use the services of eligible Trading Members for executing deals on their behalf on RFQ Platform.

#### **➤ Eligible securities**

The list of eligible securities for RFQ Platform would include corporate bonds, securitized debt instruments, municipal debt securities, Government securities, State development loans, Treasury bills, Commercial papers and Certificates of deposit or any other security as specified by Exchange from time to time.

As per SEBI circular ref. no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/154 dated November 14, 2022, online bond platform providers can execute deals on behalf of clients in only listed debt securities as defined under SEBI - Issue and Listing of Non-Convertible Securities Regulations.

➤ **Eligible Participants to access RFQ Platform and Registration procedure:**

All regulated entities, listed corporates, Institutional Investors as defined under SEBI ICDR Regulations, 2018, All India Financial Institutions and any other entity as allowed by Exchange from time to time will be eligible to participate on the RFQ platform. These participants shall have RFQ Platform access directly and/or through Eligible Trading Members.

1. Registration procedure for existing registered Participants of CBRICS platform:
  - Using existing CBRICS log-in credentials from Admin user, participant shall need to accept the 'Terms and Conditions' of the platform through click wrap undertaking.
2. Registration procedure for New Participant:
  - New Participants shall need to complete the existing registration procedure of CBRICS
  - Using CBRICS log-in credentials from Admin user, participant shall need to accept the 'Terms and Conditions' of the platform through click wrap undertaking.
3. Other Participants include the ones who are not covered above, including retail investors. These participants shall have RFQ Platform access only through Eligible Trading Members and need to contact Eligible Trading Members for registration and further execution of transaction on RFQ Platform.

➤ **Eligible Trading Members to execute transactions on RFQ Platform on behalf of Participants and Registration procedure:**

Eligible Trading Members who can execute transaction on behalf of participants include the below:

1. SEBI stockbrokers registered under Debt Segment of NSE and registered as Online Bond Platform Providers
2. Other SEBI stockbrokers registered under Debt Segment of NSE

Registration procedure details:

- Applicant who is not registered with SEBI as Stockbroker or not registered with NSE can follow below link for registration process:  
[Enablement, Trade, New Membership - NSE India](#)
- Trading Member who are not registered in Debt segment and desirous to apply for Debt segment (additional Segment) can follow below link for registration process:  
<https://www.nseindia.com/trade/membership-formats>
- Trading Member who are registered in Debt segment and wish to act as an OBPP can follow below link for registration process:  
<https://www.nseindia.com/trade/membership-formats>

Enablement process on RFQ platform:

- SEBI Stockbrokers applying for first time enablement in Debt segment shall complete membership procedure and submit documentation as per formats available on the website on the following path: <https://www.nseindia.com/trade/membership-enablement>
- Eligible Trading Members who are now desirous to apply for Request for Quote (RFQ) Platform shall have to submit only application form available on the website on the following path: <https://www.nseindia.com/trade/membership-enablement> -> [Download New Debt Segment \(.doc\)](#) (Refer to point 8 for format of Application form)

➤ **Working Hours:**

The deals may take place on all days in line with the CBRICS holiday calendar. The G-sec, T-bills and SDLs will be available only with settlement mode of T+1.

The typical working hours are as under:

<b>Market Hours</b>	<b>Instruments</b>	<b>Business / Working Days</b>
09:00 am to 05:00 pm for T+0, T+1 settlement	CP / CD	Monday to Friday
09:00 am to 04:00 pm for T+0 settlement	Bonds*	Monday to Friday
09:00 am to 05:00 pm for T+1 settlement	Bonds, G-sec, SDL and T-bills	Monday to Friday

*\*Bonds (as defined under SEBI - Issue and Listing of Non-Convertible Securities Regulations)*

Exchange may revise the market timings after providing prior notification to the market Participants.

➤ **Actions in case of failure to settle a deal**

The penal actions are driven by the trade cancellation/modification policy available on the RFQ Platform. The penal actions include but are not limited to non-participation on the RFQ platform for 15 days. Any penal actions for non-participation on the RFQ Platform will be jointly coordinated amongst all operating RFQ Platforms in the market.