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### **Unified Distilled File Formats (UDiFF):**

**SEBI promotes standardised reporting; savings of over Rs. 200 crore over 5 years, 90% reduction in reporting requirements for Brokers/ Members, lower cost of entry for new Fintechs**

#### **1. Background**

Trading Members (TMs), Clearing Members (CMs), and Depository Participants (DPs) (collectively 'Members') operating in the Indian securities market are required to file multiple reports daily for processing various types of transactions, with their respective Market Infrastructure Institutions (MIIs), such as Exchanges, Clearing Corporations, and Depositories. Previously, these report formats were proprietary to each MII, resulting in more than 200 formats being filed by Members daily for processing various types of transactions.

#### **2. SEBI's Initiative**

In its ongoing endeavour to promote ease of doing business and to facilitate cost effective innovation, SEBI undertook an initiative on harmonization, rationalization, and standardization of these reports. As a result, the total formats have been reduced from over 200 to 23. The new standardized file formats, termed "Unified Distilled File Formats (UDiFF)", enhance efficiency, productivity, and interoperability at reduced costs.

#### **3. UDiFF Implementation**

UDiFF, which is in conformity with international ISO standards, has been implemented in a phased manner. To facilitate a smooth transition for members

and the markets, there was a parallel run of the existing system for nearly two quarters, and the old file formats were phased out in a staggered manner.

#### 4. Benefits of UDiFF

- a. **Ease of doing business:** Improved ease of doing business and operational efficiency through standardised reporting and reduction in reporting formats by over 90% for Brokers, DPs and CMs.
- b. **Lower Expenses:** Estimated savings of over INR 200 crore over the next five years to the market ecosystem owing to lower operational expenses.
- c. **Cost Effective Innovation:** Lower cost of integration with MIIs for new Fintechs.
- d. **Seamless Transition:** Interoperable MII-Member interface facilitates seamless transition with no additional development costs.
- e. **Simplified MII-to-MII information flow:** Standardised reporting formats have streamlined flow of information among MIIs.
- f. **Flexibility:** Flexible file formats to facilitate future readiness.
- g. **Enhanced Regulatory Oversight:** Rationalised and standardized file formats leading to improved efficiency in regulatory oversight and supervision.

#### 5. Additional Resources

- a. For further details, please refer to the [video](#).



- b. SEBI guidance document and the UDiFF catalog available on MIIs' websites may be referred to at the following [link](#).

**Mumbai**  
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