



**Reserve Bank of India
(Department of Government and Bank Accounts)
(Central Office)**

Notification No.135 dated May 22, 2012

(Published in The Gazette of India – Extraordinary – Part III – Section 4)

Amendment to Constituents' Subsidiary General Ledger Account: Eligibility Criteria and Operational Guidelines (Guidelines) Notification No. 183 dated Sept 05, 2011

1. In exercise of the powers conferred by Section 4 of the Government Securities Act, 2006 (38 of 2006) and of all the powers enabling it in this behalf, the Reserve Bank of India (Bank) hereby amends the conditions specified in clause II of the **Constituents' Subsidiary General Ledger Account: Eligibility Criteria and Operational Guidelines** (Guidelines) notified vide Notification No. 183 dated September 05, 2011 published in the Gazette of India – Extraordinary – Part III – Section 4.

2. In clause II of the Guidelines,

(a) the following paragraphs shall be inserted after the existing paragraph 4 :

“4A. No constituent shall be entitled to open more than one gilt account without the prior written permission of the Bank.

4B. The Bank may grant such permission for opening the additional gilt account, subject to such conditions and restrictions as the Bank may deem fit to impose and such permission shall not be granted except upon –

- (i) an application in writing made by the constituent to the Bank setting forth the grounds for opening such additional gilt account;
- (ii) furnishing a Certificate from the CSGL account holder with whom the constituent is maintaining a gilt account and that of the CSGL account holder with whom the constituent proposes to open such additional gilt account, which shall contain a no-objection of the said CSGL account holders for opening such additional gilt account as also details of any other gilt account or accounts maintained by the constituent to the knowledge of the said CSGL account holders or a declaration by them to the effect that to their knowledge the constituent does not have any other gilt account; and
- (iii) being satisfied of the reasonableness of the grounds mentioned for opening the additional gilt account.

4C. The CSGL account holder with whom the constituent proposes to open such additional gilt account, shall not open the same unless the constituent submits a copy of the permission granted by the Bank in that regard.”



(b) the existing paragraph 14 (vii) shall be replaced with the following paragraph:

“Ensuring the eligibility of the constituent, as per latest guidelines issued by the Bank to put through the deal / transaction.”

(c) the existing paragraph 16 shall be replaced with the following paragraph:

“The CSGL account holders shall submit an electronic statement, as per Annex-I, mentioning details of transactions effected between its constituents, as also between the CSGL account holders and the constituent, to the Chief General Manager, Reserve Bank of India, Financial Markets Department, Central Office Building, 23rd Floor, Fort, Mumbai - 400001 by email on a weekly basis. In addition, if so required by the Bank, the CSGL account holder shall also submit an ‘exception report’ (based on criteria specified by the Bank) incorporating all transactions involving constituent accounts. The Bank may call for any transaction level information at a frequency and through a mode as may be decided from time to time.”

(d) These amendments shall come into force from the date of their publication in the official gazette.

Sd/-
(B Mahapatra)
Executive Director