



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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RBI/2017-18/68
A.P.(DIR Series) Circular No. 7

September 28, 2017

To,

All Authorized Persons

Madam / Sir

**Investment by Foreign Portfolio Investors (FPI) in Government Securities
Medium Term Framework**

Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to Schedule 5 to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 notified vide [Notification No. FEMA.20/2000-RB dated May 3, 2000](#), as amended from time to time. Attention is also drawn to [RBI/2017-18/12 A.P.\(Dir Series\) Circular No.1 dated July 3, 2017](#).

Revision of Limits for the next quarter Oct-Dec 2017

2. The limits for investment by FPIs for the quarter October-December 2017 is increased by INR 80 billion in Central Government Securities and INR 62 billion in State Development Loans. The revised limits are allocated as per the modified framework prescribed in the [RBI/2017-18/12 A.P.\(Dir Series\) Circular No.1 dated July 3, 2017](#), and given as under.

वित्तीय बाज़ार विनियमन विभाग, मुख्य भवन, दूसरी मंज़िल, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400001.
फोन: (91-22) 22603000, फैक्स: (91-22) 22702290 ई-मेल: cgmfmrd@rbi.org.in

Financial Markets Regulation Department, Main Building, 1st Floor, Shahid Bhagat Singh Road, Fort, Mumbai – 400001.
Tel: (91-22) 22603000, Fax: (91-22) 22702290 e-mail- cgmfmrd@rbi.org.in

Limits for FPI investment in Government Securities							₹ Billion
Quarter Ending	Central Government securities			State Development Loans			Aggregate
	General	Long Term	Total	General	Long Term	Total	
Existing Limits	1877	543	2420	285	46	331	2751
December 31, 2017	1897	603	2500	300	93	393	2893

3. The revised limits will be effective from October 3, 2017.
4. The operational guidelines relating to allocation and monitoring of limits will be issued by the Securities and Exchange Board of India (SEBI).
5. AD Category – I banks may bring the contents of this circular to the notice of their constituents and customers concerned.
6. The directions contained in this circular have been issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions/approval, if any, required under any other law.

Yours faithfully

(T. Rabi Sankar)
Chief General Manager