



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
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This circular has been superseded by [Repurchase Transactions \(Repo\) \(Reserve Bank\) Directions, 2018 dated July 24, 2018.](#)

RBI/2016-17/48

FMRD.DIRD. 5 /14.01.009/2016-17

August 25, 2016

To All Market Participants

Dear Sir/Madam,

### **Repo / Reverse repo in Corporate Debt Securities**

A reference is invited to our [circular FMRD.DIRD.04/14.03.002/2014-15 dated February 3, 2015](#) enclosing the Repo in Corporate Debt Securities (Reserve Bank) Directions, 2015.

2. It has now been decided to permit brokers registered with the Securities and Exchange Board of India (SEBI) and authorised as market makers in corporate bond market to undertake repo / reverse repo contracts in corporate debt securities subject to the Directions *ibid*.

3. The Repo in Corporate Debt Securities (Amendment) Directions 2016 issued in this regard vide FMRD.DIRD.4/14.01.009/2016-17 dated August 25, 2016 are enclosed.

Yours faithfully,

(R. Subramanian)  
Chief General Manager

**RESERVE BANK OF INDIA  
FINANCIAL MARKETS REGULATION DEPARTMENT  
CENTRAL OFFICE  
FORT MUMBAI 400 001**

**Mumbai, August 25, 2016**

**Repo in Corporate Debt Securities (Amendment) Directions, 2016**

In exercise of the powers conferred by Section 45 W of the Reserve Bank of India Act, 1934 and in partial modification of the [notification No FMRD.DIRD.03/14.03.002/2014-15 dated February 3, 2015](#), the Reserve Bank hereby makes the following amendments in the Repo in Corporate Debt Securities (Reserve Bank) Directions, 2015 dated February 3, 2015 (hereinafter referred to as the said Directions) namely:

2. In paragraph 4 of the said Directions, for item (g), the following shall be substituted, namely:

“i. Any mutual fund registered with the Securities and Exchange Board of India (SEBI);

ii. Any broker registered with SEBI and authorised as market maker in corporate bond market;

iii. Any housing finance company registered with the National Housing Bank; and

iv. Any insurance company registered with the Insurance Regulatory and Development Authority of India.”

3. These directions may be referred to as the Repo in Corporate Debt Securities (Amendment) Directions, 2016.

**(R. Subramanian)  
Chief General Manager**

Ref. FMRD.DIRD. 4/14.01.009/2016-17

Note: The principal [notification No. IDMD.DOD.04/11.08.38/2009-10 dated January 8, 2010](#) was amended vide following:

- i. [Notification No IDMD.PCD.21/11.08.38/2010-11 dated November 9, 2010.](#)
- ii. [Notification IDMD.PCD. 08 /14.03.02/2012-13 dated January 7, 2013](#)
- iii. [Notification FMRD.DIRD.03/14.03.002/2014-15 dated February 3, 2015](#)
- iv. [Notification FMRD.DIRD.07/14.03.002/2014-15 dated May 14, 2015](#)