To All Market Participants

Dear Sir/Madam,

Repo / Reverse repo in Corporate Debt Securities


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.


Yours faithfully,

(R. Subramanian)
Chief General Manager
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