

**RBI/2007-2008/57
IDMD.PDRS.02/03.64.00/2007-08**

July 02, 2007

**All Scheduled Commercial Banks
(Excluding RRBs)**

Dear Sir,

Master Circular: Operational guidelines for banks undertaking/ proposing to undertake Primary Dealer Business in Government Securities Market

As you are aware, the Reserve Bank of India has, from time to time, issued a number of guidelines/instructions/circulars to the Primary Dealers (PDs) in regard to their operations in the Government Securities Market. Subsequent to the expansion of the Primary Dealership system permitting banks, which fulfill certain minimum eligibility criteria, to undertake Primary Dealer activity operational guidelines were issued vide circular IDMD.PDRS.1431 /03.64.00/2006-2007 dated October 5, 2006. With a view to incorporate the changes and consolidated the instructions issued by the Reserve Bank of India, this updated Master Circular is being issued. The list of circulars consolidated is given in Appendix IV.

Please acknowledge receipt.

Yours faithfully

**(G. Mahalingam)
Chief General Manager**