



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2011-12/157

IDMD.PCD. 08/14.03.03/2011-12

August 23, 2011

All Market Participants

Dear Sirs,

Issuance of Non-Convertible Debentures (NCDs)-Minimum Rating of NCDs

A reference is invited to the Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010 dated [June 23, 2010 issued vide circular IDMD.DOD.10/11.01.01\(A\)/2009-10](#) of same date and the amendment Directions issued on [December 06, 2010 vide circular IDMD.PCD.24/14.03.03./2010-11](#) of same date covering the regulation of NCDs of maturity up to one year.

2. In view of the standardisation of rating symbols and definitions for credit rating agencies by Securities Exchange Board of India (SEBI), the Reserve Bank of India has issued an amendment Direction, i.e., Issuance of Non-Convertible Debentures (Reserve Bank) (Amendment) Directions, 2011, inter alia, revising the symbol of minimum rating required for issuing NCDs of maturity up to one year.

3. The amendment Directions comes into immediate effect. A copy of the Directions is enclosed.

Yours faithfully,

(K.K. Vohra)

Chief General Manager

**RESERVE BANK OF INDIA
INTERNAL DEBT MANAGEMENT DEPARTMENT
CENTRAL OFFICE
MUMBAI**

**Issuance of Non-Convertible Debentures (Reserve Bank)
(Amendment) Directions, 2011**

IDMD.PCD.07/ED (RG) - 2011 dated August 23, 2011

In exercise of its powers conferred under sections 45K, 45L and 45W of the Reserve Bank of India Act, 1934 and of all the powers enabling it in this behalf, and in partial modification of the Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010 dated June 23, 2010, the Reserve Bank hereby notifies as follows: -

1. That the paragraph 4.2 of the Non-Convertible Debentures (Reserve Bank) Directions 2010 dated June 23, 2010 (hereinafter referred to as the 'said Directions') is hereby amended as under:

4.2 The minimum credit rating shall be 'A2' [As per rating symbol and definition prescribed by Securities and Exchange Board of India (SEBI)].

2. These Directions may be referred to as the Issuance of Non-Convertible Debentures (Reserve Bank) (Amendment) Directions, 2011 and shall be effective from today, i.e., August 23, 2011.

**(R. Gandhi)
Executive Director**