



**RESERVE BANK OF INDIA
Mumbai - 400 001**

RBI/2017-18/65

A.P. (DIR Series) Circular No. 06

September 22, 2017

To
All Category - I Authorised Dealer Banks

Madam / Sir,

Issuance of Rupee Denominated Bonds (RDBs) Overseas

Attention of Authorized Dealer Category - I (AD Category - I) banks is invited to the provisions contained in paragraphs 2 and 8 of [A.P. \(DIR Series\) Circular No.60 dated April 13, 2016](#) on issuance of Rupee denominated bonds overseas and [paragraphs 3.2](#) and [3.3.9](#) of Master Direction No.5 dated January 1, 2016 on “External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorised Dealers and Persons other than Authorised Dealers”, as amended from time to time.

2. It has been decided, in consultation with the Government of India, to exclude issuances of RDBs from the limit for investments by FPIs in corporate bonds with effect from October 3, 2017 vide [A. P. \(DIR Series\) Circular No. 05 dated September 22, 2017](#).

3. Consequently, reporting requirement in terms of paragraph 8 (additional email reporting of RDB transactions for onward reporting to depositories) of [A.P. \(DIR Series\) Circular No. 60 dated April 13, 2016](#) has been dispensed with. However, it should be noted that the reporting of RDBs will continue as per the extant ECB norms.

4. All other aspects of the ECB policy remain unchanged. AD Category - I banks may bring the contents of this circular to the notice of their constituents and customers.

5. The aforesaid [Master Direction No. 5 dated January 01, 2016](#) will be updated to reflect the changes.

6. The directions contained in this circular have been issued under section 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully

(Shekhar Bhatnagar)

Chief General Manager-in- Charge