



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

RBI/2011-12/108

IDMD.PCD.06/14.03.07/2011-12

July 06, 2011

All market participants

Dear Sir/Madam,

Transactions in Government Securities–Extension of DvP III facility to Gilt Account Holders

The settlement of trades in Government securities through CCIL was shifted from DvP II to DvP III with effect from April 02, 2004 vide circular IDMD.PDRD.05/10.02.01/2003-04 dated March 29, 2004. It was however clarified vide circular IDMD.PDRS.01/10.02.01/2004-05 dated July 23, 2004 that the DvP III facility will not be available to transactions undertaken by the Gilt Account Holders.

2. On a review, it has been decided to extend the DvP III facility to all transactions undertaken by the Gilt Account Holders except transactions undertaken between Gilt Account Holders of the same custodian.

3. In this regard, the custodian shall ensure that the transactions put through on behalf of the Gilt Account Holders are in adherence with the extant guidelines issued by the Reserve Bank of India from time to time. It may please be noted that under no circumstances the custodian shall put through sale transactions, on behalf of its Gilt Account Holder, without prior buy transactions or clear balances of securities.

Yours faithfully,

(K K Vohra)
Chief General Manager