



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

[www.rbi.org.in](http://www.rbi.org.in)

RBI/2025-26/90

A.P. (DIR Series) Circular No. 13

October 03, 2025

To,

All Authorised Dealer Category-I banks

Madam / Sir

**Investment in Corporate Debt Securities by Persons Resident Outside India through Special Rupee Vostro account**

Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to Schedule 1 to the Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified, vide [Notification No. FEMA. 396/2019-RB dated October 17, 2019](#), and the Foreign Exchange Management (Deposit) Regulations, 2016 notified, vide [Notification No. FEMA. 5\(R\)/2016-RB dated April 01, 2016](#) as amended from time to time and the relevant Directions issued thereunder. A reference is also invited to the [Master Direction - Reserve Bank of India \(Non-resident Investment in Debt Instruments\) Directions, 2025 dated January 07, 2025](#) (hereinafter "Master Direction").

2. Persons resident outside India that maintain a Special Rupee Vostro Account (SRVA) for international trade settlement in Indian Rupees in terms of [A.P. \(DIR Series\) Circular No. 10 dated July 11, 2022](#) were permitted to invest their rupee surplus balance in the aforesaid account in Central Government Securities (including Treasury Bills), vide [A.P.\(DIR Series\) Circular no. 9 dated August 12, 2025](#). It has now been decided to also permit investment of these balances in non-convertible debentures/bonds and commercial papers issued by an Indian company.

3. The Master Direction has been updated as under:

- (a) **In paragraph 3 (i) (e) of Part-1**, the words "Government Securities" shall be replaced by the words, namely: - "eligible instruments"

वित्तीय बाज़ार विनियमन विभाग, केंद्रीय कार्यालय भवन, नौवीं मंजिल, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई-400001, भारत

फोन: (91-22) 2260 1000, ई-मेल: [cgmfmrd@rbi.org.in](mailto:cgmfmrd@rbi.org.in)

Financial Markets Regulation Department, Central Office Building, 9<sup>th</sup> Floor, Shahid Bhagat Singh Marg, Fort, Mumbai – 400001. India  
Tel: (91-22) 2260 1000, e-mail- [cgmfmrd@rbi.org.in](mailto:cgmfmrd@rbi.org.in)

हिन्दी आसान है, इसका प्रयोग बढ़ाइए



- (b) In paragraph 4.2 of Part-2, under the section 'Note', after the existing paragraph (c), the following paragraph, shall be inserted, namely: -

“(d) Investments of rupee surplus balances in Special Rupee Vostro Account in non-convertible debentures/bonds and commercial papers issued by an Indian company shall be reckoned under the investment limit for corporate debt securities under the General Route.”

- (c) In paragraph 7A.2 of Part-5A, after the words “(including Treasury Bills)”, the following words shall be inserted, namely: -

“and non-convertible debentures/bonds and commercial papers issued by an Indian company”

- (d) In Part-5A, after the existing paragraph 7A.2, the following paragraph shall be inserted, namely: -

“Explanation: “non-convertible debentures/bonds issued by an Indian company” and “commercial papers issued by an Indian company” shall mean instruments as specified respectively at paragraph 1A(b) and paragraph 1A(c) of Schedule 1 to Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified, vide, [Notification No. FEMA. 396/2019-RB dated October 17, 2019.](#)”

- (e) In Part-5A, after the existing paragraph 7A.4, the following paragraph shall be inserted, namely: -

“7A.4.1 Investments in non-convertible debentures/bonds and commercial papers issued by an Indian company shall be in terms of the following:

- (i) The investments shall be subject to the investment limit and stipulations specified for FPI investments under the General Route as set out in paragraphs 4.2 and 4.4 of these Directions respectively.  
Provided that the minimum residual maturity requirement as set out in paragraph 4.4 (i) and the issue-wise limit as set out in paragraph 4.4 (iv) of these Directions shall not apply to investments made under the SRVA route.



- (ii) The primary responsibility of complying with all applicable limits for such investments shall lie with the SRVA holders and the AD Category – I banks where these accounts are maintained.
- (f) In paragraph 7A.5 of Part-5A, the words “Central Government securities (including Treasury Bills)” shall be replaced by the words, namely: - “eligible instruments”
- (g) In Part-5A, after the existing paragraph 7A.6.(i), the following paragraph shall be inserted, namely: -  
“(i-a) facilitate opening of separate demat accounts for SRVA holders for holding all their investments in non-convertible debentures/bonds and commercial papers issued by an Indian company”
- (h) In Part-5A, after the existing paragraph 7A.6.(iii), the following paragraph shall be inserted, namely: -  
“(iii-a) report the transactions by SRVA holders in non-convertible debentures/bonds and commercial papers issued by an Indian company to depository(ies) registered with SEBI, for reckoning them under the investment limits for corporate debt securities under the General Route”
- (i) In paragraph 7A.6 (v) of Part-5A, the words “Central Government securities (including Treasury Bills)” shall be replaced by the words, namely: - “eligible instruments”

4. These instructions shall be applicable with immediate effect.

5. AD Category – I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

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

Yours faithfully,

(Dimple Bhandia)  
Chief General Manager