भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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RBI/FMRD/2025-26/380
FMRD.DIRD.No.06/14.03.046/2025-26

December 08, 2025
(Updated as on September 22, 2026)

To

All participants in Rupee interest rate derivatives markets

Dear Sir/Madam,

Master Direction – Reserve Bank of India (Rupee Interest Rate Derivatives) Directions, 2025

Please refer to press release dated June 16, 2025, inviting stakeholder comments/feedback on the Draft Master Direction - Reserve Bank of India (Rupee Interest Rate Derivatives) Directions, 2025.

2. Based on the feedback received, the Directions have since been finalised and issued herewith.

3. These Directions have been issued by the Reserve Bank in exercise of the powers conferred under section 45W of the Reserve Bank of India Act, 1934, and of all the powers enabling it in this behalf.

4. These Directions shall be applicable from March 01, 2026.

Yours faithfully

(Dimple Bhandia)
Chief General Manager

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हिन्दी आसान है, इसका प्रयोग बढ़ाइए

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RESERVE BANK OF INDIA

FINANCIAL MARKETS REGULATION DEPARTMENT

9th FLOOR, CENTRAL OFFICE BUILDING, FORT

MUMBAI 400 001

Notification No. FMRD.DIRD.07/14.03.046/2025-26 dated December 08, 2025

Master Direction - Reserve Bank of India (Rupee Interest Rate Derivatives) Directions, 2025
(Updated as on September 22, 2026)

In exercise of the powers conferred under section 45W of the Reserve Bank of India Act, 1934 (hereinafter called the Act) read with section 45U of the Act and in supersession of the Directions indicated in Annex-I, the Reserve Bank of India (hereinafter called the Reserve Bank) hereby issues the following Directions. A reference is also invited to the Foreign Exchange Management (Permissible Capital Account Transactions) Regulations, 2000 (Notification No. FEMA 1/2000-RB dated May 03, 2000) and Foreign Exchange Management (Debt Instruments) Regulations, 2019 (Notification No. FEMA 396/2019-RB dated October 17, 2019), as amended from time to time.

1. Short title, scope and commencement of the Directions

1.1 These Directions shall be called the Master Direction - Reserve Bank of India (Rupee Interest Rate Derivatives) Directions, 2025 (hereinafter, the Directions).

1.2 These Directions shall be applicable to Rupee interest rate derivatives (IRD) transactions undertaken in the over-the-counter (OTC) market and on recognised stock exchanges in India.

Provided that Forward Contracts in Government Securities shall be undertaken in the OTC market in terms of the Reserve Bank of India (Forward Contracts in Government Securities) Directions, 2025, dated February 21, 2025.

1.3 These Directions shall come into force from March 01, 2026.

2. Definitions

2.1 In these Directions, unless the context otherwise requires:

(i) **'Back-to-back arrangement'** means an arrangement under which an overseas entity (including overseas branches, IFSC Banking Units (IBUs), wholly owned subsidiaries or joint ventures of market-makers) undertakes a transaction with a non-resident and immediately enters into an off-setting transaction with the

market-maker in India. In the case of foreign banks operating in India, the back-to-back arrangement may be through any branch of the parent bank.

(ii) **'Benchmark Interest Rate'** means an interest rate administered by a Financial Benchmark Administrator.

(iii) **'Company'** shall have the same meaning as assigned to it in section 2 (20) of the Companies Act, 2013 (18 of 2013).

(iv) **'Electronic Trading Platform (ETP)'** shall have the same meaning as assigned to it in paragraph 2(a)(ii) of the Master Direction – Reserve Bank of India (Electronic Trading Platforms) Directions, 2025, dated June 16, 2025, as amended from time to time.

(v) **'European Interest Rate Call / Put Option'** means an interest rate call / put option contract that can be exercised only on the expiration date.

(vi) **'Financial Benchmark Administrator' (FBA)** means a person who controls the creation, operation and administration of financial benchmark(s) authorised under Reserve Bank of India (Financial Benchmark Administrators) Directions, 2023, dated December 28, 2023, as amended from time to time.

(vii) **'Foreign Currency Settled Interest Rate Derivative (FCS-IRD)'** means a Rupee interest rate derivative contract whose settlement currency is a currency other than the Indian Rupee (INR).

(viii) **'Foreign Portfolio Investor (FPI)'** means a person registered in accordance with the provisions of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.

(ix) **'Forward Rate Agreement (FRA)'** means a cash-settled OTC derivative contract between two counterparties, in which a buyer will pay or receive, on the settlement date, the difference between a pre-determined fixed rate (FRA rate) and a predetermined floating interest rate / price / index, applied on a notional principal amount, for a specified forward period.

(x) **'Interest rate call / put option'** means an interest rate option that gives the buyer the right, but not the obligation, to buy / sell an interest rate instrument or receive / pay an interest rate on a notional principal at a pre-determined price/rate on or before a specified expiration date in the future.

(xi) '**Interest rate cap**' means a series of interest rate call options (called caplets) in which the buyer of the option receives a payment at the end of each period when the underlying interest rate is above a rate agreed in advance (strike rate).

(xii) **'Interest rate collar'** means a derivative contract where a market participant simultaneously purchases an interest rate cap and sells an interest rate floor on the same interest rate for the same maturity and notional principal amount.

(xiii) **'Interest rate floor'** means a series of interest rate put options in which the buyer of the option receives a payment at the end of each period when the underlying interest rate is below the strike rate.

(xiv) **'Interest rate futures'** means a standardised interest rate derivative contract, traded on a recognised stock exchange, to buy or sell a notional security or any other interest-bearing instrument or an index of such instruments or interest rates at a specified future date, at a price determined at the time of the contract. Interest Rate Futures include Money Market Futures.

(xv) **'Interest rate swap'** means a derivative contract that involves exchange of a stream of agreed interest payments on a `notional principal' amount during a specified period.

(xvi) **'Interest rate swaption'** means an option on an interest rate swap(s) which gives the buyer the right, but not the obligation, to enter into an interest rate swap.

(xvii) **'Government Securities'** shall have the same meaning as defined in section 2(f) of the Government Securities Act, 2006 (38 of 2006).

(xviii) **'Hedging'** means the activity of undertaking a derivative transaction to reduce Rupee interest rate risk at the balance sheet level or the portfolio level or at individual asset or liability level.

(xix) **'Interest Rate Derivative'** means a financial derivative contract whose value is derived from one or more Rupee interest rates, prices of Rupee interest rate instruments, or Rupee interest rate indices.

(xx) **'Leveraged derivative'** means an OTC derivative contract whose potential pay-out during the tenure of the contract can be more than the notional amount of the contract or whose pay-out calculation involves effective multiplication, by a factor of more than 1.0, of either the notional amount or the underlying interest rate / price / index.

(xxi) **'Market-maker'** means an entity which provides prices to users and other market-makers. Market-makers need not have an underlying risk.

(xxii) **'Money Market Futures'** means an interest rate future based on any rupee denominated money market interest rate or money market instrument.

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(xxiii) **'Net-worth'** shall have the same meaning assigned to it in section 2(57) of the Companies Act, 2013, as amended from time to time.

(xxiv) **'Non-resident'** means and includes a 'person resident outside India' as defined in section 2 (w) of Foreign Exchange Management Act, 1999 (42 of 1999).

(xxv) **'Over-the-counter (OTC) market'** refers to a market where derivative transactions are undertaken in any manner other than on exchanges and shall include those undertaken on electronic trading platforms (ETPs).

(xxvi) **'Recognised Stock Exchange'** shall have the same meaning as assigned to it in section 2(f) of the Securities Contract Regulation Act, 1956 (42 of 1956).

(xxvii) **'Related Party'** shall have the same meaning as assigned to it under Para-9 of Indian Accounting Standard (Ind AS) 24 – Related Party Disclosures or Para-9 of International Accounting Standard (IAS) 24 – Related Party Disclosures or any other equivalent accounting standards. Provided that the term 'related party' shall exclude associates, as specified in Ind AS 24 or IAS 24 or any other equivalent accounting standard.

(xxviii) **'Resident'** means and includes a 'person resident in India' as defined in section 2 (v) of Foreign Exchange Management Act, 1999 (42 of 1999).

(xxix) **'Reverse interest rate collar'** means a derivative contract which involves simultaneous purchase of an interest rate floor and sale of an interest rate cap on the same interest rate for the same maturity and notional principal amount.

(xxx) **'Turnover'** shall have the same meaning as assigned to it in section 2(91) of the Companies Act, 2013, as amended from time to time.

(xxxi) **'User'** refers to a person who undertakes derivative transactions other than as a market-maker.

(xxxii) **'Novation'** means the replacement of a market maker with another market maker in an OTC derivative contract between two counterparties (transferor, who steps out of the existing deal, and remaining party) to an OTC derivative transaction with a new contract between remaining party and a third party (transferee). The transferee becomes the new counterparty to the remaining party.

Provided that the instructions under these Directions shall not apply to the novation of an OTC derivative contract undertaken:

(a) by a central counterparty, for the purpose of effecting settlement; or

(b) in terms of RBI circular no. DBOD.No.BP.BC.76/21.04.157/2013-14 on 'Novation of an OTC contracts' dated December 09, 2013.

(xxxiii) **'Remaining Party'** in novation means the user or a market maker or a central counterparty that continues to be a counterparty in the new contract post novation.

2.2 Words and expressions, used but not defined in these Directions, shall have the same meaning as assigned to them in the Act or in Foreign Exchange Management Act (FEMA), 1999.

3. Eligible Participants

3.1 The following persons would be eligible to participate in IRD markets:

(i) A resident;

(ii) A non-resident, to the extent specified in these Directions.

3.2 A non-resident may undertake IRD transactions through its central treasury or its group entity, where applicable. In case of such transactions, the market-maker shall ensure that the central treasury / group entity is appropriately authorised by the user to deal for and on its behalf.

4. Interest Rate Derivatives on Recognised Stock Exchanges

4.1 A recognised stock exchange is permitted to offer any standardised IRD product and the product design, eligible participants and other details of the IRD product may be finalised by the exchange. The exchange shall obtain prior approval of the Reserve Bank before introducing any new IRD product or carrying out modifications to an existing product.

4.2 Any floating interest rate or price or index used in an exchange-traded IRD shall be a benchmark published by an FBA.

4.3 A non-resident may transact in exchange-traded IRDs for the purpose of hedging.

4.4 A Foreign Portfolio Investor (FPI) is permitted to purchase or sell Interest Rate Futures (IRFs) subject to the following conditions:

(i) The aggregate long position of all FPIs, each of whom has a net long position in any IRF instrument, shall not exceed ₹5,000 crore, aggregated across all IRF instruments; and

(ii) The total gross short (sold) position of any FPI shall not exceed its consolidated long position in Government securities and Interest Rate Futures, at any point in time.

4.5 Recognised stock exchanges shall ensure that users participating on the exchanges are made adequately aware of the risks associated with IRD products.

4.6 The market timings for undertaking an exchange-traded IRD transaction shall be as prescribed by the Securities and Exchange Board of India (SEBI), in consultation with the Reserve Bank.

4.7 Recognised stock exchanges shall furnish returns, documents and other information relating to IRD transactions to the Reserve Bank or any other agency as may be required by the Reserve Bank in the manner and format and within the time frame as may be specified by the Reserve Bank.

4.8 Any approval granted to a recognised stock exchange for introducing an IRD product prior to the issuance of these Directions shall be deemed to have been granted under these Directions.

5. Interest Rate Derivatives in the OTC Market

5.1 Market-makers

(i) The following entities shall be eligible to act as market-makers in IRDs:

(c) A Scheduled Bank;

(d) A Standalone Primary Dealer (SPD);

(e) An NBFC – Upper Layer (NBFC-UL);

(f) Export-Import Bank of India, National Bank for Agriculture and Rural Development, National Housing Bank, Small Industries Development Bank of India and National Bank for Financing Infrastructure and Development.

(ii) At least one of the parties to an interest rate derivative transaction shall be a market-maker or a central counterparty authorised by the Reserve Bank for the purpose.

5.2 User Classification Framework

(i) A User shall be classified by market-makers either as retail or non-retail for the purpose of offering interest rate derivative contracts.

(ii) The following shall be eligible to be classified as non-retail users:

(a) An entity who is otherwise eligible to be a market maker;

(b) An NBFC (including HFC), other than a market-maker;

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(c) An Insurance Company regulated by Insurance Regulatory and Development Authority of India (IRDAI);

(d) A Pension Fund regulated by Pension Fund Regulatory and Development Authority (PFRDA);

(e) A Mutual Fund regulated by SEBI;

(f) An Alternative Investment Fund regulated by SEBI;

(g) A resident with (a) minimum net worth of ₹500 crore; or (b) minimum turnover of ₹1,000 crore, as per the latest audited financial statements; and

(h) A non-resident, other than an individual.

(i) A user who is otherwise eligible to be classified as a retail user, subject to the condition that the user makes a request in this regard to the market-maker and the market-maker is satisfied that the user has the risk management capabilities suitable for classification as a non-retail user.

(iii) Any user who is not eligible to be classified as a non-retail user shall be classified as a retail user.

(iv) Any user who is otherwise eligible to be classified as a non-retail user shall have the option to request the market-maker to get classified as a retail user.

5.3 Products

(i) A Market-maker may offer the following IRD products to retail users:

(a) Forward rate agreement;

(b) Interest rate swap;

(c) European interest rate call and put option, subject to the condition that retail user shall only buy these products;

(d) Interest rate cap and interest rate floor, subject to the condition that retail user shall only buy these products; and

(e) Interest rate collar and reverse interest rate collar, subject to the condition that the retail user shall not be a net receiver of premium.

(ii) A Market-maker may offer the following IRD products to non-retail users including users classified as non-retail in terms of Para 5.2 (ii)(i) of these Directions:

(a) All products permitted to be offered to the retail users;

(b) Interest rate swaption; and

(c) Any other IRD product, including derivatives having cash instrument(s) and/or permitted derivative(s) as components but excluding leveraged derivatives and derivatives containing a derivative instrument as underlying.

(iii) A bank having an Authorised Dealer Category-I (AD Cat-I) license under FEMA, 1999, and an SPD authorized under section 10(1) of FEMA,1999, may offer FCS-IRD contracts to non-residents. These market-makers may also undertake transactions in FCS-IRD among themselves.

(iv) Scheduled Commercial Banks and SPDs authorised under section 10(1) of FEMA,1999, may offer transactions in IRDs based on the Modified Mumbai Interbank Forward Outright Rate (MMIFOR) to users. These market-makers may also undertake transactions in IRDs based on the MMIFOR among themselves.

(v) The IRD products that can be offered by a market-maker to a non-resident shall be subject to provisions specified in terms of para 5.4(iii) of these Directions.

5.4 Purpose

(i) A market-maker shall offer IRD products to a resident retail user (including a user who chooses to be classified as a retail user in terms of Para 5.2(iv) of these Directions) and to a resident user classified as non-retail user in terms of Para 5.2(ii)(i) of these Directions, only for the purpose of hedging.

(ii) A market-maker may offer IRD products to a resident non-retail user other than a user who is classified as a non-retail user in terms of Para 5.2(ii)(i) of these Directions without any restriction in terms of purpose.

(iii) A market-maker may, subject to the provisions specified under Para 5.5 of these Directions, offer IRD products, including FCS-IRD products to (a) non-resident individuals for the purpose of hedging and (b) non-residents, other than individuals, without any restriction in terms of purpose.

Provided that market-makers shall offer an IRD contract on Government Securities to a non-resident only for the purpose of hedging.

(iv) A market-maker shall offer IRD products based on MMIFOR to users only for the purpose of hedging.

5.5 Transactions with Non-residents

(a) A market-maker may undertake IRD transactions, including FCS-IRD transactions with a non-resident directly or by way of a back-to-back arrangement for the purpose of hedging interest rate risk or otherwise, subject to the following:

i. The back-to-back arrangement may be put in place through an overseas entity (including overseas branches, IFSC Banking Units (IBUs), wholly owned subsidiaries or joint ventures of market-makers) provided that the overseas entity is eligible to deal with derivatives in the capacity of a dealer / market-maker as per the host jurisdiction laws and regulations.

ii. The wholly owned subsidiary / joint venture of a market-maker incorporated in India may undertake such transactions provided the wholly owned subsidiary / joint venture is a banking entity;

iii. IRD transactions undertaken globally by the offshore related parties of the market-maker in India shall be reported individually by either the market-maker in India or its related party(ies) to the Trade Repository (TR) of Clearing Corporation of India Ltd. (CCIL) in terms of the Annex-II; and

iv. The market-maker shall provide information regarding IRD transactions, including FCS-IRD transactions, undertaken through the overseas entity (including overseas branches, IBUs, wholly owned subsidiaries and joint ventures of the market-makers), as may be required by the Reserve Bank in the prescribed manner and time.

(b) IRD transactions, including transactions in FCS-IRD, by non-residents with market-makers undertaken for purposes other than hedging, shall be subject to an overall limit, as specified below:

i. The Price Value of a Basis Point (PVBP) of all outstanding IRD positions, including FCS-IRD positions shall not exceed the amount of ₹1,000 crore (PVBP cap).

Explanation: The PVBP cap shall be calculated by making a gross addition, ignoring mathematical signs, of the PVBP of each non-resident.

ii. Market-makers shall not offer any IRD/ FCS-IRD to a non-resident for purposes other than hedging after the PVBP cap is reached.

iii. CCIL shall monitor and publish the utilisation of the PVBP limit on a daily basis. CCIL shall also publish the methodology for calculation of the PVBP limit.

(c) **Other Conditions**

i. All payments related to interest rate derivative transactions of a non-resident, excluding FCS-IRD transactions, may be routed through an INR account of the non-resident or, where the non-resident does not have an INR account in India, through a vostro account maintained with an Authorised Dealer bank in India. All payments related to FCS-IRD transactions may be routed through normal banking channels. The market-makers shall maintain complete details of such transactions.

ii. A non-resident shall ensure that its IRD transactions, including FCS-IRD transactions, conform to the applicable provisions of Foreign Exchange Management Act, 1999, and the rules, regulations and directions issued thereunder.

5.6 Other Guidelines for Transactions in OTC markets

(i) Any floating interest rate or price or index used in IRDs in OTC markets shall be a benchmark published by an FBA.

(ii) A market-maker undertaking an IRD transaction through a broker shall ensure that the broker has been accredited by the Fixed Income Money Market and Derivatives Association of India (FIMMDA) for the purpose.

(iii) An IRD transaction shall be settled bilaterally or through any clearing arrangement approved by the Reserve Bank for the purpose. An FCS-IRD transaction may also be settled as decided bilaterally by the counterparties.

(iv) A market participant may exit its position in IRDs by unwinding the position with the original counterparty. A market maker may also exit its position in IRDs by assigning the position to any other eligible market maker(s) through novation subject to the following:

(a) The novation shall be done at the prevailing market rates and with the prior consent of the remaining party, with the amount corresponding to the mark-to-market of the OTC derivative exchanged upfront between the transferor and the transferee.

(b) The parties to a novation shall enter into a tripartite agreement wherein the transferee steps in the contract to face the remaining party and the transferor steps out. The original contract shall stand extinguished and shall

be replaced by a new contract with identical terms/parameters to the original contract, except for the change in counterparty for the remaining party.

(c) The transferor and the transferee may agree on the charge/fee between them for the transfer of the trade. The fees and their settlement terms may not form part of the novation agreement.

(d) Market participants shall use any standard agreement devised or recommended by FIMMDA in consultation with market participants, or by a central counterparty for the purpose. Market participants may, alternatively, use a standard master agreement for novation transactions.[1]

(v) Settlement basis and other market conventions for IRD transactions may be specified by FIMMDA, where possible, in consultation with market participants.

(vi) Market hours for IRD transactions in OTC market shall be from 9:00 AM to 5:00 PM on each business day or as specified by the Reserve Bank from time to time. A market-maker may undertake FCS-IRD transactions beyond onshore market hours.

(vii) A market-maker shall comply with the Master Direction - Reserve Bank of India (Market-makers in OTC Derivatives) Directions, 2021 [Notification No. FMRD.FMD.08/02.03.247/2021-22 dated September 16, 2021], as amended from time to time.

(viii) A market participant shall comply with the Reserve Bank of India (Prevention of Market Abuse) Directions, 2019 issued vide RBI Circular No. FMRD.FMSD.11/11.01.012/2018-19 dated March 15, 2019, as amended from time to time.

(ix) A market-maker may call for such documents from users as it deems necessary for complying with the requirements of these Directions.

5.7 Reporting

(a) Reporting to the Trade Repository

[1] Clause (iv) of paragraph 5.6 substituted. Before the substitution the clause read as under:
"A market participant may exit its position in IRDs by unwinding the position with the original counterparty or assigning the position to any other eligible market participant(s) through novation subject to the provisions of the circular on Novation of OTC Derivative Contracts dated December 9, 2013, issued vide Notification No. DBOD.No.BP.BC.76/21.04.157/2013-14 and subject to the condition that at least one of the parties to the novated interest rate derivative transaction shall be a market-maker . However, provisions under Paragraph 2, Paragraph 5.1 and Paragraph 5.2 of the above circular shall not apply to IRD transactions undertaken in terms of these Directions."

(i) A market-maker shall report all OTC IRD transactions undertaken by it directly or through its overseas entities (including overseas branches, IBUs, wholly owned subsidiaries or joint ventures of market-makers) to the TR of CCIL as per the following timelines:

I. All IRD transactions (including client trades) undertaken by a market-maker, other than FCS-IRD transactions with non-residents and structured derivative transactions, shall be reported within 30 minutes of the transactions.

II. All FCS-IRD transactions undertaken by a market-maker with non-residents, either directly or by way of a back-to-back arrangement shall be reported before 12:00 noon of the following business day.

III. All structured derivative transactions undertaken by a market-maker during the day shall be reported before closure of the TR of CCIL for the day.

Note:

(a) The reporting requirement shall not apply to OTC derivative transactions undertaken on an anonymous order matching ETP and reported directly by the ETP to the TR of CCIL.

(b) For the purpose of 5.7 (a)(i)(I) and (III), structured derivative shall have the meaning as assigned in the Master Direction – Reserve Bank of India (Market-makers in OTC Derivatives) Directions, 2021 dated September 16, 2021, as amended from time to time.

(ii) A market-maker shall also ensure compliance to the reporting requirement, as specified in Para 5.5(a)(iii) of these Directions.

(iii) Market-makers shall ensure that the reporting details of a client OTC IRD trade also include the detail of whether the trade has been undertaken for hedging or other purposes.

(iv) Market-makers shall report all unwinding and novation details to the TR of CCIL.

(v) For transactions undertaken under a back-to-back arrangement, trade details, including particulars of the non–resident client shall be reported to the TR.

(vi) There shall be no requirement of matching transactions with non-residents and client transactions in the TR as the non-residents and clients are not required

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to report/confirm the transaction details. The market-makers shall be responsible for ensuring the accuracy in respect of the transactions reported.

(vii) Market-makers shall ensure that outstanding balances between their books and the TR are reconciled and subjected to concurrent audit on an ongoing basis.

(viii) The reporting formats shall be as indicated by CCIL with the prior approval of the Reserve Bank.

(b) Regulatory Reporting

Cross-border remittances arising out of transactions in IRD, including FCS-IRD, shall be reported by banks to the Reserve Bank for every month through the Centralised Information Management System (CIMS) by the 10th day of the following month in the format set out below:

	Inward remittance (In INR)	**Outward remittance (In INR)**
For hedging		
For purposes other than hedging		

6. Prudential Norms, Accounting and Capital Requirements

(i) Market participants shall follow the applicable prudential norms including those related to capital adequacy, exposure norms, related party transactions, KYC/AML requirements, etc., issued by their respective regulators for IRD transactions.

(ii) The accounting of IRD transactions by market participants shall be as per notified and applicable accounting standards read with regulatory guidelines/instructions issued by the respective regulators. In case the notified applicable accounting standards or the respective regulator have not prescribed the accounting treatment for IRD contracts, guidance, if any, issued by the Institute of Chartered Accountants of India shall be followed in this regard.

7. Obligation to provide information sought by the Reserve Bank: The Reserve Bank may call for information or statement or seek any clarification, which in the opinion of the Reserve Bank is necessary, from persons or agencies dealing in IRD transactions, including eligible participants, ETP operators and exchanges, and such persons/agencies shall furnish such information, statement or clarification within such time as specified by the Reserve Bank.

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8. Dissemination of data: The Reserve Bank or any other agency authorised by it, may, in public interest, publish any anonymized data related to transactions in the IRD market.

9. Violation of Directions: If a person violates any provision of these Directions, the Reserve Bank may, in addition to taking any penal or regulatory action in accordance with law, disallow that person from participating in the IRD markets for a period not exceeding one month at a time, after providing reasonable opportunity of hearing. Such action may be made public by the Reserve Bank.

10. These Directions shall apply to IRD transactions entered into from the date the Directions come into effect. Provisions of the extant Directions will continue to be applicable to IRD contracts undertaken in accordance with the said Directions till the maturity or cancellation of the IRD contract.

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Annex-I

List of circulars superseded

a. List of circulars superseded vide Master Direction - Reserve Bank of India (Rupee Interest Rate Derivatives) Directions, 2025

(i) FMRD.DIRD.05/14.03.046/2022-23 dated August 08, 2022

(ii) FMRD.DIRD.12/14.03.046/2021-22 dated February 10, 2022

(iii) FMRD.DIRD.19/14.03.046/2018-19 dated June 26, 2019

(iv) FMRD.DIRD.6/14.03.001/2017-18 dated March 01, 2018

(v) DBOD.No.BP.BC.82/21.04.157/2010-11 dated March 16, 2011

(vi) DBOD.BP.BC.No.34/21.04.157/2009-10 dated August 28, 2009

(vii) DBOD.No.BP.BC.91/21.04.157/2004-05 dated May 20, 2005

b. List of circulars superseded vide Rupee Interest Rate Derivatives (Reserve Bank) Directions, 2019

(i) FMRD.DIRD.13/14.03.041/2018-19 dated March 27, 2019

(ii) FMRD.DIRD.9/14.01.020/2017-18 dated June 14, 2018

(iii) FMRD.DIRD.12/14.01.011/2016-17 dated December 29, 2016

(iv) FMRD.DIRD.10/14.03.01/2016-17 dated October 28, 2016

(v) FMRD.DIRD.10/14.03.01/2014-15 dated June 12, 2015

(vi) IDMD.PCD.09/14.03.01/2013-14 dated December 19, 2013

(vii) IDMD.PCD.08/14.03.01/2013-14 dated December 5, 2013

(viii) IDMD.PCD.2191/14.03.01/2012-13 dated January 28, 2013

(ix) IDMD.PCD.16/14.03.01/2011-12 dated December 30, 2011

(x) IDMD.PCD.17/14.03.01/2011-12 dated December 30, 2011

(xi) IDMD.PCD.28/14.03.01/2010-11 dated March 7, 2011

(xii) IDMD.PDRD.No.1056/03.64.00/2009-10 dated September 1, 2009

(xiii) FMD.MSRG No.39/02.04.003/2009-10 dated August 28, 2009

(xiv) DBOD.BP.BC.No.56/21.04.157/2008-09 dated October 13, 2008

(xv) IDMD.PDRS.4802(A)/03.64.00/2002-03 dated June 11, 2003

(xvi) MPD.BC.187/07.01.279/1999-2000 dated July 7, 1999

Annex-II

Reporting of transactions undertaken by related parties of Market-Makers

Reporting by market-maker other than SPD

1. **Reporting entity:** The market-maker shall report the necessary details of the offshore Rupee IRD transactions undertaken by its offshore related parties to the Trade Repository (TR) of CCIL. The related entity of the market-maker may also choose to report the details of the Rupee IRD transactions undertaken by it independently to the TR of CCIL.
2. **Coverage of transactions:** All Rupee IRD transactions, undertaken globally by the related parties of the market-maker in India shall be reported to the TR.
3. **Reporting requirements:** A market-maker shall ensure that all transactions undertaken by its offshore related parties are reported. With a view to providing operational flexibility, such reporting shall be subject to the following requirements:
   (i) A market-maker is not required to report transactions under back-to-back arrangement and transactions undertaken by the related parties with other market-makers in India to the TR;
   (ii) A market-maker shall have the option of not reporting transactions where the gross notional of the contract does not exceed US $ 1 million or equivalent;
   (iii) A market-maker shall ensure that with effect from January 01, 2027, transactions reported by it constitute at least 80 per cent of the gross notional value of all IRD transactions, undertaken offshore by offshore related parties;
   (iv) A market-maker shall ensure that with effect from January 01, 2028, transactions reported by it constitute at least 90 per cent of the gross notional value of all IRD transactions, undertaken offshore by the market maker and its related parties;
   (v) For the purpose of computation of reporting requirement, financial transactions indicated at (i) and (ii) above may be excluded.
4. **Details of transactions to be reported:** A market-maker shall report all elements of covered transactions which are relevant to provide meaningful

information about the financial transaction. This will include, but not be limited to, the notional value, name of the counterparty, maturity date, interest rate specifications etc., as applicable to the transaction. The central counterparty may be reported as the counterparty only in cases where the financial transaction is undertaken on an anonymous trading platform and is cleared by the central counterparty. The reporting formats shall be as indicated by CCIL with the prior approval of the Reserve Bank.

5. **Cut-off time for reporting:** Transaction shall be reported preferably on the date of transaction, but in any case within two working days from the date of transaction.

Reporting by SPD

The reporting by related parties of SPDs to the TR shall be in terms of the Reserve Bank of India (Standalone Primary Dealers) Directions, 2025, dated November 28, 2025, issued by the Department of Regulation.

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