



# भारतीय प्रतिभूति और विनियम बोर्ड Securities and Exchange Board of India

## CIRCULAR

IMD/FPIC/CIR/P/2017/30  
April 03, 2017

**To**  
**All Foreign Portfolio Investors**  
through their designated Custodians of Securities

**The Depositories (NSDL and CDSL)**

**Sir / Madam,**

**Sub: Investments by FPIs in Government Securities**

1. RBI in its Fourth Bi-monthly Policy Statement for the year 2015-16, dated September 29, 2015 had announced a Medium Term Framework (MTF) for FPI limits in Government securities in consultation with the Government of India. Accordingly, SEBI had issued circulars CIR/IMD/FPIC/8/2015 dated October 06, 2015, IMD/FPIC/CIR/P/2016/45 dated March 29, 2016 and IMD/FPIC/CIR/P/2016/107 dated October 03, 2016 regarding the allocation and monitoring of FPI debt investment limits in Government securities.
2. As indicated in the A.P.(DIR Series) Circular No. 43 dated March 31, 2017 of RBI, it has been decided to revise the limit for investment by FPIs in Government Securities, for the April – June 2017 quarter, as follows:
  - a. Limit for FPIs in Central Government securities shall be enhanced to INR 184,901 cr.
  - b. Limit for Long Term FPIs (Sovereign Wealth Funds (SWFs), Multilateral Agencies, Endowment Funds, Insurance Funds, Pension Funds and Foreign Central Banks) in Central Government securities shall be revised to INR 46,099 cr.
  - c. The limit for investment by all FPIs in State Development Loans (SDL) shall be enhanced to INR 27,000 cr.



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3. Accordingly, the revised FPI debt limits would be as follows:

Type of Instrument	Upper Cap as on March 31, 2017 (INR cr)	Revised Upper Cap with effect from April 03, 2017 (INR cr)
Government Debt	152,000	184,901
Government Debt – Long Term	68,000	46,099
State Development Loans	21,000	27,000
<b>Total</b>	<b>241,000</b>	<b>258,000</b>

4. All other existing terms and conditions, including the security-wise limits, investment of coupons being permitted outside the limits and investments being restricted to securities with a minimum residual maturity of three years, shall continue to apply.

This circular shall come into effect immediately. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992.

A copy of this circular is available at the web page “Circulars” on our website [www.sebi.gov.in](http://www.sebi.gov.in). Custodians are requested to bring the contents of this circular to the notice of their FPI clients.

Yours faithfully,

**YOGITA JADHAV**  
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