

11 February 2026

To: The Chief General Manager
Reserve Bank of India
Financial Markets Regulation Department
9th Floor, Central Office Building
Shahid Bhagat Singh Marg, Fort
Mumbai – 400 001

**Master Direction – Reserve Bank of India (Rupee Interest Rate Derivatives)
Directions, 2025 (FMRD.DIRD.No.06/14.03.046/2025-26) – Request for
clarifications.**

Dear Smt. Dimple Bhandia,

The International Swaps and Derivatives Association, Inc. ([ISDA](#)) and the Asia Securities Industry & Financial Markets Association ([ASIFMA](#)) are keen to support their members efforts to implement the Reserve Bank of India (Rupee Interest Rate Derivatives) Master Direction, 2025 (FMRD.DIRD.No.06/14.03.046/2025-26) that was published on 8 December 2025 (hereinafter the “Master Direction”).

We recognise the Reserve Bank of India’s objective to enhance transparency and supervision of the Rupee Interest Rate derivatives (IRD) market and take note that the RBI requires India-based market-makers to report details of offshore IRD transactions entered into by their offshore related entities to the CCIL Trade Repository (TR), as outlined in Para 5.5 a)iii) and Annex II of the Master Direction.

The reporting of offshore transactions has raised questions from our members, and we would like to share thoughts and seek clarifications.

Reporting duties and supervisory/ enforcement implications

ISDA and ASIFMA understand that the accountability for reporting offshore transactions falls upon the India-based market maker. Annex II point 3 (reporting requirements). states that:
“A market-maker shall ensure that all transactions undertaken by its offshore related parties are reported.”

We would like to highlight that the operational burden and necessary systems and IT adaptations lie upon the overseas related parties as only they have all information about the trades. The India-based market maker will not be in a position to be accountable for the overseas related parties

since the market maker does not have any ‘supervisory authority’ or ‘hierarchy’ over the overseas related parties¹, who are in turn subject to their home jurisdictions compliance requirements. Therefore, noting the potential difficulties and limited influence that the onshore Indian entity may have over its overseas entities, we respectfully request the RBI take a proportionate and pragmatic approach in relation to the Indian entity, at least in the early stages of the reporting obligation, which will require group-wide international implementation for many international banks.

Reporting, Scope and Formats

ASIFMA and ISDA would like to confirm the timeline of implementation of the reporting requirement under the Master Direction. We note that point 4 of the cover letter states that “*These Directions shall be applicable from March 01, 2026*”. We also note that Annex II.3.iii) states that: “*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*”.

Our understanding is that 1st March 2026 is the effective date of the Master Direction, while the reporting obligations of 80% of the gross notional value will commence on 1st January 2027 (Annex II.3.iii). Reporting before the 1st of January 2027 is on a reasonable effort basis and the reporting requirements of 80% of the gross notional value will apply to IRD transactions undertaken offshore by related parties of India-based market-makers on or after the 1st of January 2027. Should offshore related parties start to report transactions before 1st January 2027, they would only report transactions entered into from the date they start reporting.

Members would also appreciate clarity over the 80% and 90% gross notional reporting coverage, and specifically how this is expected to be measured i.e. gross notional exposures within a certain window on average, or at a point in time. They would also be grateful for the RBI to clarify the T+2 reporting obligation (especially in the ramp-up phase towards 90%) in Annex II.5. In our understanding, the T+2 reporting timeline should become effective as soon as the reporting requirements come into effect.

We also note, regarding the details of transactions to be reported, that Annex II point 4 states that: “*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.*”

ISDA and ASIFMA members are awaiting the format of the reporting from CCIL for the reporting of IRDs under the Master Direction. It is possible that the format may be the same as

¹ Usually, the related party is either another branch of the same legal entity or the head office of this legal entity. In both cases, the Indian-based market maker has no authority over them.

already used for the reporting of OTC derivatives as defined in the CCIL Trade Repository Services Rules for OTC Derivatives², or that it is a new format specifically prepared by CCIL for the purpose of reporting of overseas transactions.

In either case, the format will be entirely new to the overseas parties related to the India-based market makers with little overlap with the reporting formats used in overseas jurisdictions. Once the format and connectivity methods are confirmed / issued by the CCIL, the overseas related entities will need sufficient time to review, set up systems and run all IT adaptation and operational internal processes. We request the RBI and CCIL to issue / confirm the formats and connectivity specifications at the earliest for the entities to start working on putting in place their systems. This will be a significant process for which we will review our members' reporting readiness (for go-live on 1st January 2027) around September 2026 and engage with the CCIL and the RBI if necessary. If the RBI and CCIL decide to issue a new reporting format, we respectfully request that the RBI and CCIL look to the data fields used in existing reporting regimes³, as we expect our members will be able to provide higher quality reporting to the RBI the more that existing data sources can be used and reducing new data-collection procedures.

We respectfully request that if new data fields are implemented, that the RBI / CCIL do not require to include data fields capturing information that could constitute personal data. This is to avoid triggering additional legal complications under foreign law relating to cross-border transfer of personal data.

Based on previous experience of transaction reporting go-lives, we would also strongly encourage CCIL to hold briefing sessions and readiness checks, including testing for the offshore related parties and the relevant teams / staff of the India-based market makers to streamline communication and information sharing.

Confidentiality/ Privacy Issues:

The requirement to report the *name of the counterparty* or other identifying information (e.g. LEI), may not always be achievable because of banking secrecy/ data privacy rules existing in the home jurisdictions of related parties of the market maker. Such reporting may require regulators' approval, client's consent or both. The RBI requires that the market maker assures that *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* with effect from the 1st of January 2027. In light of the above-mentioned banking secrecy and data privacy rules, this objective may not be achievable for related parties or clients located in certain jurisdictions.

In respect of jurisdictions that are subject to such restrictions, we would like to request that masking relief be provided and the market makers are considered compliant when the reporting

² <https://www.ccilindia.com/documents/43866/44500/TR+Rules+for+OTC+Derivatives.pdf>

³ For example, see the data fields used in the EMIR technical standards under Commission Delegated Regulation (EU) 2022/1855 and Commission Implementing Regulation (EU) 2022/1860.

is undertaken with appropriate masking, provided that such masking is supported by a legal analysis or legal opinion demonstrating that disclosure of certain information is not legally permissible under the applicable overseas laws of the home jurisdiction of the related parties to the market maker. Owing to the requirements of the Directions, the absence of such masking might disincentivize market makers' offshore related parties to engage in reportable transactions.

The industry would welcome RBI and/or CCIL publishing an FAQ document with sufficient lead time considering the compliance date, to complement the text of the Master Direction which would provide our members with the clarity during implementation and after go-live.

We look forward to continued engagement with the RBI on your future prudential regulations' implementation roadmap. We are more than willing to discuss this in further detail if required and if you have any questions, please do not hesitate to reach out to us.

Yours faithfully,

For the **International Swaps
and Derivatives Association, Inc.**



Benoit Gourisse
Head of Asia Pacific Public Policy
Tel: +852 2200 5900
Email: bgourisse@isda.org

For the **Asia Securities Industry
& Financial Markets Association**



Philippe Dirckx
Managing Director – Fixed Income Division
Tel: +852 2531 6521
Email: pdirckx@asifma.org