



FIMCIR/2025-26/38

December 18, 2025

All Members / Stakeholders,

**Sub: Government Securities Lending (GSL)
Bilateral Deals-Standard Documentation
GMSLA 2010 and FIMMDA India Addendum**

RBI had issued Reserve bank of India (Government Securities Lending) Directions, 2023 Vide Circular No [RBI/2023-24/97 FMRD.DIRD.No.05/14.03.061/2023-2024](#) dt. December 27, 2023.

The above RBI Directions provide that in respect of GSL transactions (Non ETP) counterparties shall enter into a standard bilateral GSL agreement, as per the documentation finalized by FIMMDA. In case of GSL transactions traded on ETPs participants shall be governed by the applicable RBI Directions and rules and regulations of the platform where it is traded.

In accordance with RBI GSL Directions, it has been decided after consultation with Market Participants to prescribe, the following standard documentation to be entered into by counterparties in respect of bilateral trades in GSL transactions.

1. The Global Master Securities Lending Agreement (GMSLA) 2010 version, published by the International Securities Lending Association (ISLA). The same can be accessed via the link below:
https://fimmda.org/linkfiles/Global_Master_Securities_Lending_Agreement_GMSLA_2010.pdf.
It can also be accessed on ISLA Website (<https://www.islaemea.org>)

2. FIMMDA India Addendum
The execution version of the FIMMDA India Addendum (pdf) is placed in the **Annexure**. Word format of the same can be accessed via the link below:
http://fimmda.org/linkfiles/India_Addendum.docx

Members / Stakeholders are advised to note the contents as above.

Sd/-

G. Ravindranath
Chief Executive Officer

(Annexure)

This FIMMDA India Addendum (“**Addendum**”) to the Global Master Securities Lending Agreement (2010 version)

SCOPE

This addendum is applicable only to bilateral transactions in Government Securities Lending (GSL) as per extant RBI Guidelines.

The Reserve Bank of India defines Government Securities Lending Transactions under Regulation 2. (1)(f), of the [Reserve Bank of India \(Government Securities Lending\) Directions, 2023](#) as follows:

“Government Securities Lending (GSL) transaction” *refers to dealing in Government securities involving lending of eligible Government securities, for a fee, by the owner of those securities (the lender) to a borrower, on the collateral of other Government securities, for a specified period of time, with an agreement that the borrower shall return to the lender the security borrowed and the latter shall return the security received as collateral to the former at the end of the agreed period.*

This Addendum, is indicative. Parties are free to negotiate alter and amend the provisions as they deem fit (including election of non-Indian law and courts if appropriate). Further, the GMSLA typically also includes a Schedule. Parties are free to move suggested clauses / provision below to the Schedule if they deem fit.

FIMMDA INDIA ADDENDUM

Addendum for Government Securities Lending (GSL) transaction in India

This FIMMDA India Addendum (“**Addendum**”) to the Global Master Securities Lending Agreement (2010 version) dated as of _____, 20[•] between [] (“**Lender**”) and [] (“**Borrower**”) as amended or supplemented from time to time, (the “**Agreement**”) is entered into on [START DATE]. The Addendum applies to the Loans of Eligible Indian Government Securities Loan (as defined below).

1. Interpretation:

- (a) Capitalized terms used without definition herein shall have the meanings ascribed to them in the Agreement or under the GSL Directions.
- (b) All headings appear for convenience only and shall not affect the interpretation of this Addendum.
- (c) Any reference in this Addendum to an act, regulation, or other legislation hereunder shall include a reference to any statutory modification or re-enactment thereof for the time being in force.
- (d) Any reference in this Addendum to a paragraph means a term of the Agreement, and any reference to a Section means a term of this Addendum.

2. Definitions:

Terms not otherwise defined in this Addendum shall have the meaning given to them in the Agreement or under the GSL Directions. The following terms where used in this Addendum shall have the following meanings:

- (a) “**Eligible India Government Securities**” means such securities which are eligible for the purpose of Eligible Indian Government Securities Loan under the GSL Directions;
- (b) “**Eligible Indian Government Securities Loan**” means loans of Eligible Indian Government Securities for a fee, by the owner of those securities (the lender) to a borrower, on the collateral of other Indian Government Securities, for a specified period of time, with an agreement that the Borrower shall return to the lender the security borrowed and the latter shall return the security received as collateral to the former at the end of the agreed period or such other transaction as may be defined as GSL transaction under the GSL Directions;
- (c) “**FIMMDA**” means the Fixed Income Money Market and Derivatives Association of India;
- (d) “**GSL Directions**” means the Reserve Bank of India (Government Securities Lending) Directions, 2023 (as amended from time to time) and would include any additional directions, norms etc issued by RBI;
- (e) “**Indian Government Securities**” means the Government Securities as defined under section 2(f) of the Government Securities Act, 2006;
- (f) “**INR**” shall mean Indian Rupees;
- (g) “**ISIN**” shall mean International Securities Identification Number;

- (h) **“Market Conventions”** shall mean the conventions relating to market practices as contained in the Handbook of Market Conventions and any circulars or guidance note issued by FIMMDA from time to time and any amendments thereto;
- (i) **“MIBOR”** shall mean the overnight Mumbai Interbank Outright Rate administered by Financial Benchmarks India Pvt Limited (or any successor administrator);
- (j) **“RBI”** means the Reserve Bank of India as constituted under Section 3 of the Reserve Bank of India Act, 1934; and
- (k) **“Securities Account”** means the subsidiary general ledger or the constituent subsidiary general ledger or the gilt account as the case may be.

3. Scope:

- (a) This Addendum will apply in addition to the terms of the Agreement.
- (b) Each Eligible Indian Government Securities Loan will be a Loan for the purposes of the Agreement, as supplemented by this Addendum.
- (c) In the event of any inconsistency between:
 - (i) the terms of the Agreement and this Addendum with respect to an Eligible Indian Government Securities Loan, this Addendum shall prevail for the purposes of the Eligible Indian Government Securities Loan; and
 - (ii) this Addendum and the terms of the GSL Directions (including other applicable local laws and regulations) shall prevail.
- (d) If the GSL Directions in relation to the Eligible Indian Government Securities Loan is amended, this Addendum shall be deemed to be varied, to the extent necessary, to comply with the amended GSL Directions without the need for any supplemental agreement to reflect the changes unless such changes are materially prejudicial to the rights of the Parties.

4. Eligible Indian Government Securities Loan:

- (a) Securities that are eligible for Eligible Indian Government Securities Loan under this Addendum shall be as provided under the GSL Directions.
- (b) Collateral that are eligible for Eligible Indian Government Securities Loan under this Addendum shall be the type of collateral permitted under the GSL Directions.

5. Settlement of Eligible Indian Government Securities Loan:

Each Party agrees that the settlement of Eligible Indian Government Securities Loan shall be completed using the relevant settlement systems in accordance with the GSL Directions and the rules, bye-laws and regulations issued by such relevant settlement system. The Parties shall take all reasonable measures to ensure that an Eligible Indian Government Securities Loan is settled promptly through the relevant settlement system, in accordance with its applicable rules, bye-laws, and regulations.

6. Warranties:

Each Party warrants to the other that:

- (a) it will ensure that the securities to be borrowed are as per the GSL Directions;
- (b) its borrowing of Eligible Indian Government Securities complies with one of the approved purposes as prescribed under the GSL Directions;
- (c) for so long as any Eligible Indian Government Securities Loan remains outstanding, it shall not close, or it shall use reasonable efforts to ensure no closure of, its Securities Account; and
- (d) it is fully aware of, and in compliance with, the terms of the GSL Directions and the rules and regulations of the settlement system.

7. Amendments to the Agreement:

- (a) Paragraph 2.1 (*Act of Insolvency*), sub-paragraph (f) of the Agreement is modified by:
 - (i) inserting the words “*or members*” immediately after the word “*creditors*” in line 1;
 - (ii) deleting the words “*a voluntary*” appearing immediately after the words “*purposes of considering*” and inserting the words “*or approving an arrangement with its creditors or class of creditors or a voluntary winding up*” in lieu thereof;
 - (iii) deleting the words “*as referred to*” appearing immediately after the word “*arrangement*” in line 2 thereof and inserting the words “*provided for*” in lieu thereof; and
 - (iv) deleting the phrase “*section 3 of the Insolvency Act 1986*” appearing immediately after the word “*in*” in line 2 and inserting the phrase “*the Companies Act, 2013, the Insolvency and Bankruptcy Code, 2016 the Banking Regulation Act, 1949, any other statutory or regulatory provision applicable to it or any provisions notified or issued by a Regulator*” in lieu thereof.
- (b) Paragraph 2.1 (*Act of Insolvency*), of the Agreement is hereby modified by adding at the end thereof the following sub-paragraphs (g) and (h)
 - “(g) *the Government of India or any other authority pursuant to any power vested in them, makes or issues an order of moratorium in relation to such party, staying the commencement or continuance of all or any actions and proceedings against such party (“Moratorium”) or, the Reserve Bank of India or any other authority makes or issues under any powers vested in them, any direction or communication in relation to such party having an analogous effect to that of placing such party under a Moratorium and/or preventing such party from entering into any agreement or honouring its obligations under any agreement (including this Agreement) or Eligible Indian Government Securities Loan; or*
 - (h) *being subject to any event with respect to it which, under the Applicable Laws, has an analogous effect to any of the events specified in paragraphs (a) to (g) (both inclusive) above; or*

- (c) Paragraph 2.1- (*Business Day*) is hereby amended by:
- (i) deleting the words “*in euro*” appearing after the words “*in the case of a payment*” in line 6 of sub-paragraph (b) thereof and inserting the words “*in INR*” in lieu thereof;
 - (ii) deleting the word “*TARGET*” in line 6 of sub-paragraph (b) thereof and inserting the words “*the banks are open in Mumbai*” in lieu thereof; and
 - (iii) adding at the end thereof the following proviso “*Provided that in the event of any dispute between the Lender and Borrower as to whether a particular day was a Business Day the same shall be resolved with reference to the applicable Market Conventions.*”
- (d) Paragraph 2.1 - (*Equivalent or Equivalent to*) is hereby amended by adding the word “*ISIN*” after the “*identical type*” and before the words “*nominal value*”.
- (e) Paragraph 2.4 is deleted in its entirety.
- (f) Paragraph 6.2 is hereby amended by adding at the end thereof the following proviso: “*Provided that as regards Eligible Indian Government Securities Loan required to be settled through, a settlement system the provisions of this paragraph shall not apply if the bye-laws, rules or regulations of such settlement system (as the case may be) stipulates the obligations of the parties as regards such Income;*”
- (g) Paragraph 10.1(h) of the Agreement is hereby modified by inserting the words
“*or settlement system*” immediately after the phrase “*any securities exchange*”.
- (h) Paragraph 10.1 of the Agreement is hereby modified by adding at the end thereof the following sub-paragraphs (j) and (k):
- “(j) *such party (voluntarily or otherwise) consolidating or amalgamating with, or merging with or into, or transferring all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer the resulting, surviving or transferee entity fails in assuming all the obligations of such party under this Agreement or to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other party to this Agreement; or*
 - “(k) *due to the adoption of, or any change in, any applicable law after the date on which an Eligible Indian Government Securities Loan is entered into, or due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulator of any applicable law after such date, it becomes unlawful or is otherwise not possible for such party to perform any absolute or contingent obligation, to make a payment or delivery or to receive a payment or delivery in respect of such Eligible Indian Government Securities Loan or to comply with any other material provision of this Agreement relating to such Eligible Indian Government Securities Loan or a Eligible Indian Government Securities Loan whether in particular or generically, is recharacterised or clarified as more than one or as a divisible Eligible Indian Government Securities Loan.*”
- (i) Paragraph 14(b) of the Agreement is amended by inserting the words “*, any law, charter, bye-laws, guidelines, regulation or rule applicable to it,*” immediately after the word “*constitution,*” in line 1 thereof.

- (j) Paragraph 17 of the Agreement is hereby amended by inserting the following new subparagraph 17(c) immediately after Paragraph 17(b):

“(c) The parties agree that the Eligible Indian Government Securities Loan executed pursuant to this Agreement and effected or settled through the settlement system shall be effected and settled in accordance with the bye-laws, rules or regulations prescribed by such settlement system”

- (k) Paragraph 18 of the Agreement is renumbered as Paragraph 18(a) and is hereby amended by inserting the following new Paragraph 18(b):

“(b) In the event of any inconsistency between the terms of this Agreement and the bye-laws, rules and regulations of the settlement system the latter shall prevail as regards such Eligible Indian Government Securities Loan between the parties being effected or settled through, the settlement system in accordance with its bye-laws, rules and regulations.”

- (l) Paragraph 23.1 and 23.2.

[Option 1- Arbitration (and Jurisdiction of Mumbai Courts subject to Arbitration)]

- (i) Paragraph 23.1 and 23.2 of the Agreement is hereby deleted in its entirety and is replaced by the following

“(a) This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by and interpreted in accordance with the [laws of India]¹.

(b) Arbitration / Dispute Resolution:

- (i) *Subject to the provisions of Paragraph 23(c) below, all claims, complaints, differences and disputes including counter-claims between the parties arising out of or in relation to any Eligible Indian Government Securities Loan or with reference to anything incidental thereto or anything to be done in pursuance thereof including any question or dispute as to whether such Eligible Indian Government Securities Loan have been entered into or not or are valid or not, shall be referred to and settled by arbitration. The seat of arbitration shall be Mumbai and the arbitration shall be conducted in accordance with the [Rules of Arbitration (the “Rules”) of Mumbai Centre of International Arbitration (the “Institution”)]², which Rules, as modified from time to time, are deemed to be incorporated by reference into this Section (provided that, in the event of any conflict between the Rules and the provisions of this Part, the latter shall prevail).*

- (ii) *The Tribunal shall consist of [one/ three]³ arbitrators. [Both the parties shall mutually appoint the sole arbitrator.]⁴ [Each party shall individually*

¹ You may opt non-Indian law in case of multibranch GSL transactions.

² You may opt non-Indian arbitration in case of multibranch GSL transactions.

³ Parties to choose the number of arbitrators.

⁴ To be retained when there is a sole arbitrator.

*nominate one arbitrator. The third arbitrator (who shall be Chairman of the Tribunal) shall be appointed by the Institution]*⁵.

- (iii) *The language of the arbitration shall be English and all the arbitrators shall be fluent in English.*
- (iv) *The Tribunal shall state the reason for its decisions in writing and shall not make such decisions on the basis of the principle of ex aequo et bono or as amiable compositeur.*

(c) ***Jurisdiction***

- (i) *With respect to any action or proceedings in India relating to this Agreement including arbitration ("**Proceedings**"), subject to the provisions of sub-clause (b) above, the courts and tribunals of competent jurisdiction at [Mumbai] shall have exclusive jurisdiction,*
 - (A) *as regards the Proceedings including any challenge, direct or indirect, to the arbitration; and*
 - (B) *for the purpose of enforcement of the arbitral award or any orders passed by the arbitral tribunal including any emergency arbitrator.*
- (ii) *Each party irrevocably waives any objection which it may have at any time to the laying of venue of any proceedings brought in any such tribunal or court, waives any claim that such proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such proceedings, that such tribunal or court does not have any jurisdiction over such party."*

OR

Paragraph 23.1 and 23.2 [Option 2 – Jurisdiction of Mumbai Courts]

Paragraph 23.1 and 23.2 of the Agreement is hereby modified by:

- “(a) This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by and interpreted in accordance with the [laws of India]*⁶.
- (b) *With respect to any suit, action or proceedings relating to any dispute arising out of or in connection with this Agreement ("**Proceedings**"), each party irrevocably:*
 - (i) *submits to the exclusive jurisdiction of tribunals and courts of competent jurisdiction in [Mumbai]*⁷;
 - (ii) *waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such*

⁵ To be retained when there are three arbitrators.

⁶ You may opt non-Indian law in case of multibranch GSL transactions.

⁷ You may opt non-Indian jurisdiction in case of multibranch GSL transactions.

Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such Proceedings does not have any jurisdiction over such party; and

(iii) *agrees, to the extent permitted by applicable law, that the bringing of Proceedings in anyone or more jurisdictions will not preclude the bringing of Proceedings in any other jurisdiction.*”

- (m) For the purposes of paragraph 23.4 of this Agreement Party A and Party B do not appoint any Process Agent.
- (n) Paragraph 25 is hereby deleted in its entirety and replaced with the following: *“The parties agree that each (i) may electronically or otherwise record all telephone conversations in connection with this Agreement or any Eligible Indian Government Securities Loans or potential Eligible Indian Government Securities Loan, (ii) consents to the submission of and reliance upon such recordings in evidence in any proceedings, and (iii) agrees to obtain any necessary consent of, and give notice of such recording to the concerned personnel.”*
- (o) Paragraph 26 is hereby amended by deleting the phrase *“in the Courts of England or of any other country or jurisdiction,”* appearing in line 3 thereof and inserting the phrase *“before any court or tribunal”* in lieu thereof.
- (p) Paragraph 27.10 is deleted in its entirety.
- (q) The following clauses shall be added at the end of the Agreement.

“27.10 Consent to Disclosure of Information.

Each party hereby consents to the communication and disclosure by the other party of any information in respect of or relating to this Agreement and the Eligible Indian Government Securities Loan, to the other party’s head or home office, branches and to the extent required by law, to any government or regulatory authority, any trade repositories and also to any affiliate provided any disclosure to an affiliate is strictly made on a need to know basis and on such affiliate agreeing in writing to maintain confidentiality of the disclosures made to it and further provided that the party so making disclosures to its affiliate shall be liable to the other party for any breach committed by the affiliate of its obligation to maintain confidentiality.

Notwithstanding the above, where any applicable government or regulatory authority directs, encourages or otherwise recommends the disclosure or exchange of credit information between banks or otherwise, each party consents to the communication and disclosure of information relating to this Agreement and the Eligible Indian Government Securities Loan to such person as the applicable government or regulatory authority may direct, encourage or recommend.”

- (r) All the references to **“LIBOR”** under the Agreement will be replaced with **“MIBOR or such other benchmark as may be agreed between the parties from time to time subject to Applicable laws”**.

8. Termination:

- (a) Subject to all Eligible Indian Government Securities Loan being closed out and without prejudice to Section 11(b) below, either Party may give at least fifteen (15) Business Days’

notice in writing to the other Party to terminate this Addendum (which notice shall specify the date of termination).

- (b) Termination of this Addendum shall not terminate the Agreement unless otherwise specified and effected in accordance with the terms of the Agreement.

9. Counterparts:

This Addendum may be executed in any number of counterparts, each of which will be deemed to be an original and all of which shall, when taken together, constitute one and the same document.

10. Governing Law⁸:

- (a) This Addendum and any non-contractual obligations arising out of or in relation to this Addendum shall be governed by, and construed in accordance with Indian law.
- (b) Each party irrevocably agrees for the benefit of the other that the courts of Mumbai shall have exclusive jurisdiction to settle any disputes which may arise in connection with this Addendum and, for such purposes, irrevocably submits to the jurisdiction of such courts.

Accepted and agreed:

<Borrower>

< Lender >

By:

By:.....

Name:

Name:

Title:

Title:

Date:

Date:

Place:

Place:

⁸ The governing law clause should be aligned with the governing law of the Agreement.