

NSE Clearing Limited

(Formerly known as National Securities Clearing Corporation Limited)

Department : CURRENCY DERIVATIVE SEGMENT

Download Ref No : NCL/CD/45518

Date: August 31, 2020

Circular Ref. No : 045/2020

All NSE Members,

Sub: Mechanism for Reporting --- Currency derivative contracts involving INR

This is further to Circular No. 001/2020 (NCL/CD/43082) consolidated circular dated January 01, 2020 and in reference to Clause 3 of RBI circular RBI/2019-20/210 AP (Dir Series) Circular 29 dated April 07, 2020

Quote:

"3. i. Users may take positions (long or short), without having to establish existence of underlying exposure, upto a single limit of USD 100 million equivalent across all currency pairs involving INR, put together, and combined across all exchanges. ii. Exchanges authorised by RBI to offer currency derivatives shall provide facility to users, intending to take position beyond USD 100 million (or equivalent) in contracts involving INR in all exchanges put together, to designate an Authorised Dealer/Custodian. iii. For users referred to in the previous para, the exchanges shall provide information on day-end open positions as well as intra-day highest position of the user to the designated Authorised Dealer/Custodian. iv. The onus of complying with the directions shall rest with the user. In case of any contravention, the user shall render itself liable to any action under the Foreign Exchange Management Act (FEMA), 1999

Unquote

In order to facilitate the same, all Clearing members of the Currency derivative segment are required to report to the Clearing Corporation vide a file, the details of Clients who wish to take positions beyond USD 100 Million (or equivalent) in contracts involving INR in all exchanges put together, to designate an Authorised Dealer/Custodian. The Clearing member is also required to submit a confirmation from Authorised Dealer/Custodian. The file formats for the same is attached as Annexure 1.

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The same needs to be complied with if the Client wishes to take positions beyond USD 100 Million (or equivalent) in contracts involving INR.

The requisite files shall be mailed to the email id cds_clearing_ops@nsccl.co.in .

**For and on behalf of
NSE Clearing Limited**

**Nisha Pillai
Associate Vice President.**

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