

## **FEMA**

**CA. Manoj Shah, CA. Sudha G. Bhushan,  
CA. Mitesh Majithia**

**Hedging of Commodity Price Risk and Freight Risk in Overseas Markets (Reserve Bank) Directions, 2018**

**A.P. (DIR Series) Circular No. 16 dated January 15, 2020**

Hitherto in terms of Hedging of Commodity Price Risk and Freight Risk in Overseas Markets (Reserve Bank) Directions, 2018, banks were required to submit a quarterly report to the Chief General Manager, Financial Markets Regulation Department, RBI, in the format provided in the said directions in the form of an excel file through email.

RBI has now directed banks to submit such quarterly report through Extensible Business Reporting Language (XBRL) accessible at <https://xbrl.rbi.org.in/orfsxbrl/> in the format provided by RBI.

## **Rupee derivatives at International Financial Services Centres (IFSC)**

### **A.P. (DIR Series) Circular No. 17 dated January 20, 2020**

RBI has decided to allow Rupee derivatives (with settlement in foreign currency) to be traded in International Financial Services Centres (IFSCs), starting with Exchange Traded Currency Derivatives(ETCD).

Currency futures contracts may be listed on recognised stock exchanges at IFSCs subject to the Currency Futures in International Financial Services Centre (Reserve Bank) Directions, 2020 (Notification No.FMRD.FMD.01/ED(TRS)-2020 dated January 20, 2020), issued by the RBI.

Currency options contracts may be listed on recognised stock exchanges at IFSCs subject to the Currency Options in International Financial Services Centre (Reserve Bank) Directions, 2020 (Notification No.FMRD.FMD.02/ED(TRS)-2020 dated January 20, 2020), issued by the RBI.

Necessary amendments to the Foreign Exchange Management (International Financial Services Centre) Regulations, 2015 (Notification No. FEMA. 339/2015-RB dated March 2, 2015) have been notified vide Foreign Exchange Management (International Financial Services Centre) (Amendment) Regulations, 2020 (Notification No. FEMA.397/RB-2020) - Gazette Id no.CG-DL-E-17012020-215530 dated January 16, 2020

Currency Futures (Reserve Bank) Directions, 2008 (Notification No.FED.1/DG(SG) - 2008 dated August 6, 2008) is amended vide Currency Futures (Reserve Bank) (Amendment) Directions, 2020 (Notification No. FMRD.FMD.03/ED(TRS)-2020 dated January 20, 2020) and Exchange Traded Currency Options (Reserve Bank) Directions, 2010 (Notification No. FED.01/ED(HRK) - 2010 dated July 30, 2010) is amended vide Exchange Traded Currency Options (Reserve Bank) (Amendment) Directions, 2020 (Notification No FMRD.FMD.04/ED(TRS)-2020 dated January 20, 2020)