



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
www.rbi.org.in

RBI/2013-14/127

A.P. (DIR Series) Circular No. 7

July 8, 2013

To,

All Authorised Dealer Category - I Banks

Madam / Sir,

**Risk Management and Inter Bank Dealings**

Attention of Authorized Dealers Category – I (AD Category – I) banks is invited to the [A.P.\(DIR Series\) Circular No.129 dated May 21, 2012](#) regarding participation in Currency Futures / Exchange Traded Currency Options markets.

2. On a review of the evolving market conditions, it has been decided that AD Category – I banks should not carry out any proprietary trading in the currency futures / exchange traded currency options markets. In other words, any transaction by the AD Category – I banks in these markets will have to be necessarily on behalf of their clients.

3. These instructions shall come in to effect immediately and shall be in force till further orders.

4. The directions contained in this circular have been issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act 1999 (42 of 1999) and are without prejudice to permissions/approvals, if any, required under any other law.

Yours faithfully,

(Rudra Narayan Kar)

Chief General Manager-in-Charge