

PRESS RELEASE



RESERVE BANK OF INDIA

RBI on Internet: <http://www.rbi.org.in>

<http://www.rbi.org.in/hindi>

Email: helpprd@rbi.org.in

PRESS RELATIONS DIVISION, Central Office, Post Box 406, Mumbai 400001
Phone: 2266 0502 Fax: 2266 0358, 2270 3279

October 10, 2007

**RBI places on Website revised Draft Circular on Forward Contracts for
SMEs/Resident Individuals for Comments**

The Reserve Bank of India has today placed on its website (www.rbi.org.in) the revised draft circular on liberalisation of booking of forward contracts for small and medium enterprises (SMEs) and resident individuals. Users of this facility are requested to send their views/suggestions to the Chief General Manager, Foreign Exchange Department, 11th floor, Central Office Building, Reserve Bank of India, Mumbai 400001 or fax them at 022-2261 0623 or e-mail within 7 days.

In the Annual Policy Statement for the year 2007-08, the Reserve Bank of India announced certain measures for hedging of foreign currency exposures of Small and Medium Enterprises and resident individuals with the objective of simplifying documentation requirements as well as dynamic hedging of exposures. A draft circular on the proposed measures was placed on the website on June 01, 2007 and the Reserve Bank requested users of this facility to send their views/suggestions for refining the proposed facility. Based on the feedback, the operational guidelines on the proposed measures have been modified.

The Reserve Bank will finalise the circular after examining the views/suggestions.

G.Raghuraj
Deputy General Manager

Press Release : 2007- 08/500