



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA

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RBI/2024-2025/125

A.P. (DIR Series) Circular No. 22

March 17, 2025

To

All Category-I Authorised Dealer Banks

Madam/ Sir

**Asian Clearing Union (ACU) Mechanism – Indo-Maldives trade**

Attention of Authorised Dealer Category – I (AD Category-I) banks is invited to Subclause (a)(ii) of Clause (I) of Sub regulation 2 of Regulations 3 of [Foreign Exchange Management \(Manner of Receipt and Payment\) Regulations, 2023](#) in terms of which trade transactions between ACU member countries are to be routed through the ACU mechanism or as per the directions issued by the Reserve Bank of India.

2. In the wake of signing of Memorandum of Understanding (MoU) between RBI and Maldives Monetary Authority in November 2024 for establishing a framework to promote the use of local currencies i.e., Indian Rupee (INR) and Maldivian Rufiyaa (MVR) for bilateral transactions, it has been decided that India's bilateral trade transactions with Maldives may also be settled in INR and/or MVR in addition to the ACU mechanism, as hitherto.

3. The above instructions shall come into force with immediate effect. AD Category-I banks may bring the contents of this circular to the notice of their constituents concerned.

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

Yours faithfully,

(N. Senthil Kumar)  
Chief General Manager