



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

RBI/2013-14/400

FMD.MSRG.No. 94 /02.05.002/2013-14

December 4, 2013

All Category-I Authorised Dealer Banks and Primary Dealers

Madam/Sir,

### **Reporting Platform for OTC Foreign Exchange and Interest Rate Derivatives**

Please refer to our [circular FMD.MSRG.No.67/02.05.002/2011-12 dated March 9, 2012](#) on the captioned subject, wherein we had advised, inter alia, that all/selective trades in OTC foreign exchange and interest rate derivatives between the Category-I AD banks/market makers (banks/PDs) and their clients shall be reported on the CCIL platform subject to a mutually agreed upon confidentiality protocol. Accordingly, in a phased manner, reporting arrangement was put in place for reporting of OTC derivatives trades between market makers and between market makers and their clients.

2. The CCIL has now completed development of the platform for reporting of the following transactions in OTC derivatives:

- Inter-bank and client transactions in Currency Swaps
- Inter-bank and client transactions in FCY FRA/IRS
- Client transactions in INR FRA/IRS

The CCIL has also put in place a confidentiality protocol in consultation with the market representative bodies.

3. It has been decided to operationalise the platform with effect from December 30, 2013 for the above OTC derivative instruments. The salient features of the reporting requirement are as under.

- i) All interbank transactions and transactions with clients in OTC Currency Swap and FCY FRA/IRS and transactions with clients in INR FRA/IRS executed on

and after the commencement of reporting, i.e. December 30, 2013 shall be reported to CCIL.

- ii) All interbank transactions in Currency Swap and FCY FRA/IRS shall be reported on the date of transaction before closure of CCIL's reporting platform for the day. The transactions in Currency Swap (not involving INR) and FCY FRA/IRS executed with overseas counterparties including their own branches/parent body after 5 pm may be reported by 10 am on the following business day.
- iii) All transactions with clients in Currency Swap, FCY FRA/IRS and INR FRA/IRS shall be reported before 12 noon of the following business day.
- iv) The threshold for reporting the transactions with clients in Currency Swap and FCY FRA/IRS shall be USD 1 million and equivalent thereof in other currencies. The transactions with the value equal to or exceeding the threshold shall be reported to CCIL. To determine eligibility for reporting, the threshold shall be applied to the base currency of the transactions at the time of origination. Currency matrix provided by CCIL is to be used for base and term currency. The threshold shall, however, not apply to post-trade events relating to the concerned transactions.
- v) The FEDAI Revaluation rates published on its website every month shall be used for computation of threshold and rates shall be valid till the next rates are published by FEDAI.
- vi) All the transactions by banks/PDs with their clients in INR FRA/IRS shall be reported to CCIL without any threshold. The existing reporting arrangement for the client INR FRA/IRS transactions by banks/PDs to RBI shall be dispensed with after stabilisation of the reporting arrangement with CCIL.
- vii) Banks/PDs shall be required to report the transactions in respect of the following clients:
  - a. All categories of Resident Entities (including individuals)
  - b. All categories of Non-Resident Entities namely NRI, FDI and FII and Non-Resident Exporters/ Importers eligible for undertaking transactions in the named derivative instruments.
- viii) The reporting shall be on a prospective basis for transactions with clients in Currency Swap and FCY FRA/IRS and banks are not required to report the

details of the outstanding transactions, i.e. transactions entered into prior to December 30, 2013.

- ix) All the outstanding interbank transactions in Currency Swap and FCY FRA/IRS and outstanding transactions with clients in INR FRA/IRS, as on the date of commencement of the reporting, i.e. December 30, 2013, shall be reported to CCIL by January 31, 2014.
- x) There shall be no matching of transactions with overseas counterparties and client transactions in the CCIL platform as the overseas counterparties and clients are not required to report/confirm the transaction details. Banks/PDs shall be responsible for ensuring the accuracy in respect of transactions reported.
- xi) Currently the reporting arrangement will cover transactions involving 14 currencies namely USD, EUR, GBP, JPY, AUD, CAD, CHF, HKD, DKK, NOK, NZD, SGD, SEK and ZAR. The reporting will be extended to other currencies in due course and shall be communicated by CCIL.
- xii) Members shall ensure completion of documentation and other pre-reporting formalities with CCIL before commencement of reporting.
- xiii) Detailed operational guidelines in this regard would be made available by CCIL.

Banks/PDs may take steps to familiarise their personnel with technical and other aspects of reporting which will be facilitated by CCIL.

Yours sincerely

(G. Mahalingam)  
Principal Chief General Manager