

RBI/2010-11/205

DNBS (PD) CC No. 199 / 03.10.001/ 2010-11

September 16, 2010

To,

All non-deposit taking NBFCs with asset size of Rs. 100 crore and above (NBFCs-ND-SI)

Dear Sirs,

Participation in Currency Options

Reserve Bank had issued guidelines to banks on trading in currency options in [recognised stock/new exchanges on July 30, 2010.](#)

2. Accordingly, it has been decided that NBFCs may participate in the designated currency options exchanges recognized by SEBI **as clients**, subject to RBI (Foreign Exchange Department) guidelines in the matter, **only for the purpose of hedging their underlying forex exposures.** Appropriate disclosures may be made regarding transactions undertaken in the Balance sheet.

Yours faithfully,

(Uma Subramaniam)
Chief General Manager-in-Charge