



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2009-10/135

DBOD.BP.BC. No.34 /21.04.157/2009-10

August 28, 2009

The Chairmen/ Chief Executive Officers
All Commercial Banks
(excluding RRBs and LABs)

Dear Sir,

Guidelines on Exchange Traded Interest Rate Derivatives

Please refer to our circular [DBOD.BP.BC.No.56/21.04.157/2008-09](#) dated October 13, 2008 permitting banks to take trading positions also in Interest Rate Futures (IRFs).

2. In this connection, it is clarified that banks are not allowed to undertake transactions in IRFs on behalf of clients. These guidelines will also be applicable to overseas branches of Indian banks.

3. Banks are advised to ensure adherence to our circular No. [DBOD.BP.BC.53/21.04.157/2005-06](#) dated December 28, 2005 as regards setting of limits for non-option derivative contracts.

Yours faithfully

(B. Mahapatra)
Chief General Manager