**CERTIFICATE IN TREASURY PROFESSIONAL**

|  |  |
| --- | --- |
| **Sr. No.** | **Important Notifications** |
| 1 | Master Direction – Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year) Directions, 2024 |
| 2 | Risk Management and Inter-Bank Dealings – Hedging of foreign exchange risk |
| 3 | Investments in Alternative Investment Funds (AIFs) |
| 4 | Master Circular – Basel III Capital Regulations |
| 5 | Hedging of Gold Price Risk in Overseas Markets |
| 6 | Dealing in Rupee Interest Rate Derivative products - Small Finance Banks |
| 7 | Master Direction – Risk Management and Inter-Bank Dealings: Amendments |
| 8 | Master Direction – Reserve Bank of India (Margining for Non-Centrally Cleared OTC Derivatives) Directions, 2024 |
| 9 | Margin for Derivative Contracts |

**Master Direction – Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year) Directions, 2024**

RBI/FMRD/2023-24/109  
FMRD.DIRD.09/14.02.001/2023-24

January 03, 2024

To

All Eligible Market Participants

Madam/Sir

**Master Direction – Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year) Directions, 2024**

Please refer to paragraph 6 of the [Statement on Developmental and Regulatory Policies](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=47226), announced as a part of the [second Bi-monthly Monetary Policy Statement for 2019-20 dated June 06, 2019](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=47225) regarding Comprehensive Review of Money Market Directions. Accordingly, the draft Directions on Call, Notice and Term Money, Certificate of Deposit and the Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year markets were released for market feedback on [December 04, 2020](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50761). The [Master Direction - Reserve Bank of India (Call, Notice and Term Money Markets) Directions, 2021](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12061) and the [Master Direction – Reserve Bank of India (Certificate of Deposit) Directions, 2021](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12108) were issued on April 01, 2021 and June 04, 2021 respectively.

2. [The Directions](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12592&Mode=0#ANN1) on Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year have been reviewed based on market feedback and the Master Direction - Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year) Directions, 2024 are being issued herewith.

3. These Directions have been issued in exercise of the powers conferred under section 45J, 45K, 45L and 45W of the Reserve Bank of India Act, 1934 read with section 45U of the Act and of all the powers enabling it in this behalf.

Yours faithfully,

(Dimple Bhandia)  
Chief General Manager

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12592&Mode=0>

**Risk Management and Inter-Bank Dealings – Hedging of foreign exchange risk**

RBI/2023-24/108  
A. P. (DIR Series) Circular No. 13

January 5, 2024

Authorised Persons

Madam / Sir,

**Risk Management and Inter-Bank Dealings – Hedging of foreign exchange risk**

Please refer to paragraph 1 of the [Statement on Developmental and Regulatory Policies](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56889), issued as a part of the [Bi-monthly Monetary Policy Statement for 2023-24 dated December 08, 2023](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56888) on review of the regulatory framework for hedging of foreign exchange risks. Attention of Authorised Persons is invited to the Foreign Exchange Management (Foreign Exchange Derivative Contracts) Regulations, 2000 dated May 03, 2000 ([Notification No. FEMA.25/RB-2000 dated May 03, 2000](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12100&Mode=0)), as amended from time to time and [Master Direction – Risk Management and Inter-Bank Dealings dated July 05, 2016](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10485), as amended from time to time.

2. The Foreign Exchange Management (Foreign Exchange Derivative Contracts) (First Amendment) Regulations, 2020 ([Notification no. FEMA.398/RB-2020 dated February 18, 2020](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=11861&Mode=0#A_3)) and [A. P. (DIR Series) circular no. 29 dated April 07, 2020](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11861&Mode=0) (which came into effect from September 01, 2020) were issued after a comprehensive review and public consultation. The foreign exchange risk management facilities have been further reviewed based on the feedback received from market participants and experience gained since the revised framework came into force. Also, the Directions in respect of all types of foreign exchange transactions (including cash, tom and spot) have been consolidated. Further, the Directions contained in the Currency Futures (Reserve Bank) Directions, 2008 ([Notification No. FED.1/DG(SG)-2008 dated August 06, 2008](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=4410&Mode=0#fed1)), as amended from time to time, and Exchange Traded Currency Options (Reserve Bank) Directions, 2010 ([Notification No. FED.01/ED(HRK)-2010 dated July 30, 2010](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=5913&Mode=0)), as amended from time to time, are now being incorporated in the [Master Direction – Risk Management and Inter-Bank Dealings](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10485).

3. The revised Directions are provided at [Annex-I](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12594&Mode=0#ANI) to this circular. **These Directions shall come into effect from April 05, 2024,** replacing the existing Directions in Part A (Section I) of the [Master Direction – Risk Management and Interbank Dealings dated July 5, 2016](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10485), as amended from time to time, and in supersession of the notifications listed in the [Annex-II](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12594&Mode=0#ANII).

4. Authorised Persons shall mean Authorised Dealer Category - I banks and for the purpose of exchange traded currency derivatives, Recognised Stock Exchanges and Recognised Clearing Corporations, authorised under Section 10 (1) of the Foreign Exchange Management Act, 1999 (42 of 1999).

5. The Directions contained in this circular have been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and Section 45W of the Reserve Bank of India, 1934 (02 of 1934) and are without prejudice to permissions/ approvals, if any, required under any other law.

Yours faithfully,

(Dimple Bhandia)  
Chief General Manager

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12594&Mode=0>

**Investments in Alternative Investment Funds (AIFs)**

RBI/2023-24/140  
DOR.STR.REC.85/21.04.048/2023-24

March 27, 2024

All Commercial Banks (including Small Finance Banks, Local Area Banks and Regional Rural Banks)  
All Primary (Urban) Co-operative Banks/State Co-operative Banks/ Central Co-operative Banks  
All All-India Financial Institutions  
All Non-Banking Financial Companies (including Housing Finance Companies)

**Investments in Alternative Investment Funds (AIFs)**

Please refer to the [circular DOR.STR.REC.58/21.04.048/2023-24 dated December 19, 2023](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12572&Mode=0) (‘Circular’) on the captioned subject, in terms of which instructions were issued to address certain regulatory concerns relating to investment by regulated entities (REs) in the AIFs.

2. With a view to ensuring uniformity in implementation among the REs, and to address the concerns flagged in various representations received from stakeholders, it is advised as under:

(i) Downstream investments referred to in paragraph 2 (i) of the Circular shall exclude investments in equity shares of the debtor company of the RE, but shall include all other investments, including investment in hybrid instruments.

(ii) Provisioning in terms of paragraph 2(iii) of the Circular shall be required only to the extent of investment by the RE in the AIF scheme which is further invested by the AIF in the debtor company, and not on the entire investment of the RE in the AIF scheme.

(iii) Paragraph 3 of the Circular shall only be applicable in cases where the AIF does not have any downstream investment in a debtor company of the RE. If the RE has investment in subordinated units of an AIF scheme, which also has downstream exposure to the debtor company, then the RE shall be required to comply with paragraph 2 of the Circular.

(iv) Further with regard to paragraph 3 of the Circular:

* proposed deduction from capital shall take place equally from both Tier-1 and Tier-2 capital.
* reference to investment in subordinated units of AIF Scheme includes all forms of subordinated exposures, including investment in the nature of sponsor units.

(v) Investments by REs in AIFs through intermediaries such as fund of funds or mutual funds are not included in the scope of the Circular.

3. The above instructions have been issued in exercise of the powers conferred by Sections 21 and 35A of the Banking Regulation Act, 1949 read with Section 56 of the Act ibid; Chapter IIIB of the Reserve Bank of India Act, 1934 and Sections 30A, 32 and 33 of the National Housing Bank Act, 1987.

Yours faithfully,

(Vaibhav Chaturvedi)  
Chief General Manager

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12639&Mode=0>

**Master Circular – Basel III Capital Regulations**

RBI/2024-25/08  
DOR.CAP.REC.4/21.06.201/2024-25

April 01, 2024

All Scheduled Commercial Banks  
(Excluding Small Finance Banks, Payments Banks  
and Regional Rural Banks)

Madam / Dear Sir,

**Master Circular – Basel III Capital Regulations**

Please refer to the [Master Circular No. DOR.CAP.REC.15/21.06.201/2023-24 dated May 12, 2023](https://www.rbi.org.in/Scripts/BS_ViewMasCirculardetails.aspx?id=12504), consolidating therein the prudential guidelines on Basel III capital adequacy issued to banks till that date.

2. The instructions contained in the aforesaid [Master Circular](https://rbidocs.rbi.org.in/rdocs/content/pdfs/08MC01042024_A.pdf) have been suitably updated / amended by incorporating relevant guidelines, issued as on date. A list of circulars consolidated in this Master Circular is contained in Annex 26.

3. Small Finance Banks and Payments Banks may refer to their respective licensing guidelines and operating guidelines issued by Reserve Bank, for prudential guidelines on capital adequacy.

Yours faithfully,

(Usha Janakiraman)  
Chief General Manager

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12652&Mode=0>

**Hedging of Gold Price Risk in Overseas Markets**

RBI/2024-25/17  
A. P. (DIR Series) Circular No. 01

April 15, 2024

All Authorised Dealer Category – I Banks

Madam / Sir,

**Hedging of Gold Price Risk in Overseas Markets**

Please refer to Paragraph 2 of the [Statement on Developmental and Regulatory Policies](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57276) announced as a part of the [Bi-monthly Monetary Policy Statement for 2023-24 dated February 08, 2024](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57275), regarding hedging of price risk of gold in overseas markets. Attention is also invited to the [Master Direction – Foreign Exchange Management (Hedging of Commodity Price Risk and Freight Risk in Overseas Markets) Directions, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12427).

2. Resident entities were permitted to hedge their exposure to price risk of gold on exchanges in the International Financial Services Centre (IFSC) recognised by the International Financial Services Centres Authority (IFSCA) vide [A. P. (DIR Series) Circular No. 19 dated December 12, 2022](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12423&Mode=0). To provide further flexibility to resident entities to hedge their exposures to price risk of gold, it has now been decided to permit resident entities to hedge their exposures to price risk of gold using OTC derivatives in the IFSC in addition to the derivatives on the exchanges in the IFSC, subject to the stipulations set out in the [Master Direction – Foreign Exchange Management (Hedging of Commodity Price Risk and Freight Risk in Overseas Markets) Directions, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12427), as amended from time to time.

3. These instructions shall be applicable with immediate effect. The [Master Direction – Foreign Exchange Management (Hedging of Commodity Price Risk and Freight Risk in Overseas Markets) Directions, 2022](https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12427) has been updated accordingly.

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

Yours faithfully,

(Dimple Bhandia)  
Chief General Manager

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12662&Mode=0>

**Dealing in Rupee Interest Rate Derivative products - Small Finance Banks**

RBI/2024-25/23  
DOR.MRG.REC.15/00.00.018/2024-25

April 23, 2024

**Dealing in Rupee Interest Rate Derivative products - Small Finance Banks**

Please refer to paragraph 4 of [Statement on Developmental and Regulatory Policies](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57639) issued as a part of the [Bi-monthly Monetary Policy Statement for 2024-25 dated April 05, 2024](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57637) read with Paragraph 1.10 of the ['Operating Guidelines for Small Finance Banks' dated October 6, 2016](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10636&Mode=0).

2. Extant guidelines permit Small Finance Banks (SFBs) to use only Interest Rate Futures (IRFs) for the purpose of proprietary hedging. In order to expand the avenues available to the SFBs for hedging interest rate risk in their balance sheet and commercial operations more effectively as well as with a view to provide them with greater flexibility, it has now been decided to allow them to deal in permissible rupee interest rate derivative products for hedging interest rate risk in terms of the [Rupee Interest Rate Derivatives (Reserve Bank) Directions, 2019 dated June 26, 2019](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=47412), as amended from time to time.

**Applicability**

3. This circular is applicable to all Small Finance Banks.

4. These instructions shall come into force with immediate effect.

Yours faithfully,

(Usha Janakiraman)  
Chief General Manager

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12668&Mode=0>

**Master Direction – Risk Management and Inter-Bank Dealings: Amendments**

RBI/2024-25/32  
A. P. (DIR Series) Circular No. 04

May 03, 2024

To,

All Authorised Persons

Madam/Sir,

**Master Direction – Risk Management and Inter-Bank Dealings: Amendments**

Attention of Authorised Persons is invited to the Foreign Exchange Management (Foreign Exchange Derivative Contracts) Regulations, 2000 dated May 03, 2000 [[Notification no. FEMA.25/RB-2000 dated May 03, 2000](https://rbidocs.rbi.org.in/rdocs/notification/PDFs/FEDCR2000F1FAB9DD90724BB6AFC423AC418B1DBE.PDF)], as amended from time to time and [Master Direction - Risk Management and Inter-Bank Dealings dated July 05, 2016](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=10485), as amended from time to time (hereinafter referred as ‘Master Direction’).

2. Standalone Primary Dealers (SPDs) have been granted authorisation under Section 10(1) of the Foreign Exchange Management Act (FEMA), 1999 pursuant to [notification no. DNBR (PD) CC.No.094/03.10.001/2018-19 July 27, 2018](https://rbi.org.in/Scripts/NotificationUser.aspx?Id=11347&Mode=0). Accordingly, amendments are being made in the Master Direction to reflect the applicability of the provisions to SPDs. These amendments are placed at [Annex I](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12680&Mode=0#ANN1) herewith. SPDs shall continue to comply with all applicable Directions issued by the Reserve Bank of India.

3. Additionally, directions on reporting of OTC foreign exchange derivative contracts and foreign currency interest rate derivative contracts to the Trade Repository of Clearing Corporation of India Ltd. have been updated and incorporated in Part E of the Master Direction. Certain directions on reporting relating to format, mode, timelines, etc., have also been updated and the amendments being made to the Master Direction are placed at [Annex II](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12680&Mode=0#ANN2) herewith.

4. These Directions will come into force with immediate effect and in supersession of the circulars listed at Appendix III of the Master Direction.

5. For the purpose of this circular, Authorised Persons shall mean Authorised Dealer Category-I banks and Standalone Primary Dealers authorised as Authorised Dealer Category-III under Section 10 (1) of the FEMA, 1999.

6. The directions contained in this circular have been issued under Section 45W of the Reserve Bank of India Act, 1934 and Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully,

(Dimple Bhandia)  
Chief General Manager

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12680&Mode=0>

**Master Direction – Reserve Bank of India (Margining for Non-Centrally Cleared OTC Derivatives) Directions, 2024**

RBI/FMRD/2024-25/117  
FMRD.DIRD.01/14.01.023/2024-25

May 08, 2024

To

All eligible market participants

Madam/Sir

**Master Direction – Reserve Bank of India (Margining for Non-Centrally Cleared OTC Derivatives) Directions, 2024**

Please refer to Paragraph 10 of the [Statement on Developmental and Regulatory Policies](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=49343) announced as a part of the [Bi-monthly Monetary Policy Statement for 2019-20 dated February 06, 2020](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=49342), on issuance of the Directions regarding exchange of variation margin (VM) and initial margin (IM) for non-centrally cleared derivatives (NCCDs).

2. The [Master Direction – Reserve Bank of India (Variation Margin) Directions, 2022 was issued on June 01, 2022](https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12328) and the [draft Directions prescribing guidelines for exchange of initial margin for NCCDs were issued on June 16, 2022](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53875). Based on the feedback received from the market participants, the draft Directions have since been finalised. The Master Direction – Reserve Bank of India (Margining for Non-Centrally Cleared OTC Derivatives) Directions, 2024 is [enclosed](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12682&Mode=0#MD) herewith.

3. These Directions have been issued in exercise of the powers conferred under Section 45W of the Reserve Bank of India Act, 1934 and Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and of all the powers enabling it in this behalf.

Yours faithfully,

(Dimple Bhandia)  
Chief General Manager

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12682&Mode=0>

**Margin for Derivative Contracts**

RBI/2024-25/34  
A. P. (DIR Series) Circular No.05

May 08, 2024

To,  
  
The Authorised Dealers  
  
Madam/Sir,  
  
**Margin for Derivative Contracts**

Attention of Authorised Dealers is invited to the Foreign Exchange Management (Margin for Derivative Contracts) Regulations, 2020 notified in the Gazette of India vide [notification no. FEMA.399/RB-2020 dated October 23, 2020](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12097&Mode=0), the amendment to the Foreign Exchange Management (Margin for Derivative Contracts) Regulations, 2020 notified in the Gazette of India vide [notification no. FEMA.399(1)/2024-RB dated April 30, 2024](https://rbidocs.rbi.org.in/rdocs/content/pdfs/AmendmenttoFEMA399_08052024.pdf) and the [A. P. (DIR Series) Circular No. 10 dated February 15, 2021](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12028&Mode=0) on Margin for Derivative Contracts.

2. The [A. P. (DIR Series) Circular No.10 dated February 15, 2021](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12028&Mode=0) on Margin for Derivative Contracts were issued to allow posting and collection of margin for permitted derivative contracts between a person resident in India and a person resident outside India. The instructions have been reviewed based on market feedback and the [Reserve Bank of India (Margin for Derivative Contracts) Directions, 2024](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12683&Mode=0#DerivativeContracts) are being issued herewith.

3. These Directions shall come into force with immediate effect and shall supersede the [A. P. (DIR Series) Circular No. 10 dated February 15, 2021](https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12028&Mode=0).

4. For the purpose of these Directions, Authorised Dealers shall mean Authorised Dealer Category-I (AD Cat-I) banks and Authorised Dealer Category – III Standalone Primary Dealers (AD Cat-III SPDs).

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

Yours faithfully,

(Dimple Bhandia)  
Chief General Manager

For more details, kindly refer:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12683&Mode=0>