



## MANAGING COMMITTEE'S REPORT FOR THE YEAR APRIL 2010 – MARCH 2011

To,  
The Members,

We have pleasure in presenting the report for the year 2010-2011.

### **1. Membership**

a. During the year the following member banks merged/amalgamated with other member banks as detailed below:

1. State Bank of Indore was merged with State Bank of India (August 2010)
2. The Bank of Rajasthan Limited amalgamated with ICICI Bank Limited (August 2010)

b. Following four new members have been admitted from April 2010 to March 2011:

1. United Overseas Bank Limited (August 2010)
2. Credit Suisse AG (December 2010)
3. SBERBANK (March 2011)
4. Australia and New Zealand Banking Group Limited (ANZ) (March 2011)

After this, the membership of the Association, as on 31<sup>st</sup> March 2011 stood at 93.

1. AB Bank Limited
2. Abhyudaya Co-operative Bank Limited
3. Abu Dhabi Commercial Bank Limited
4. Allahabad Bank
5. Andhra Bank
6. Antwerp Diamond Bank N V
7. AXIS Bank Limited
8. Australia and New Zealand Banking Group Limited (ANZ)
9. Bank of America NT & SA
10. Bank of Bahrain and Kuwait B.S.C.
11. Bank of Baroda
12. Bank of Ceylon
13. Bank of India
14. Bank of Maharashtra
15. Bank of Nova Scotia
16. The Bank of Tokyo-Mitsubishi UFJ Limited
17. Barclays Bank p.l.c.
18. The Bharat Co-operative Bank (Mumbai) Limited
19. BNP Paribas

20. Bombay Mercantile Co-op. Bank Limited
21. Canara Bank
22. The Catholic Syrian Bank Limited
23. Central Bank of India
24. Chinatrust Commercial Bank
25. Citibank N A
26. City Union Bank Limited
27. Commonwealth Bank of Australia
28. Corporation Bank
29. Credit Suisse AG
30. The Cosmos Co-operative Bank Limited
31. Credit Agricole Corporate and Investment Bank
32. DBS Bank Limited
33. Dena Bank
34. Deutsche Bank AG
35. Development Credit Bank Limited
36. The Dhanlaxmi Bank Limited
37. Export-Import Bank of India
38. The Federal Bank Limited
39. FirstRand Bank
40. HDFC Bank Limited
41. The Hongkong and Shanghai Banking Corporation Limited
42. ICICI Bank Limited
43. IDBI Bank Limited
44. IFCI Limited
45. Indian Bank
46. Indian Overseas Bank
47. IndusInd Bank Limited
48. ING Vysya Bank Limited
49. The Jammu & Kashmir Bank Limited
50. JPMorgan Chase Bank N.A.
51. JSC VTB Bank
52. The Kalupur Commercial Co-operative Bank Limited
53. The Karnataka Bank Limited
54. The Karur Vysya Bank Limited
55. Kotak Mahindra Bank Limited
56. Krung Thai Bank Public Company Limited
57. The Lakshmi Vilas Bank Limited
58. The Maharashtra State Co-operative Bank Limited
59. MashreqBank p s c
60. Mizuho Corporate Bank Limited
61. Oman International Bank S.A.O.G.
62. Oriental Bank of Commerce
63. Punjab National Bank
64. Punjab & Sind Bank
65. The Royal Bank of Scotland N.V.
66. The Saraswat Co-op Bank Limited
67. SBI Commercial & International Bank Limited
68. SBERBANK

69. The Shamrao Vithal Co-operative Bank Limited
70. Shinhan Bank
71. Small Industrial Development Bank of India
72. Societe Generale
73. Sonali Bank Limited
74. The South Indian Bank Limited
75. Standard Chartered Bank
76. State Bank of Bikaner & Jaipur
77. State Bank of Hyderabad
78. State Bank of India
79. State Bank of Mauritius Limited
80. State Bank of Mysore
81. State Bank of Patiala
82. State Bank of Travancore
83. Syndicate Bank
84. Tamilnad Mercantile Bank Limited
85. The Thane Janata Sahakari Bank Limited
86. Thomas Cook (I) Limited
87. UBS AG
88. UCO Bank
89. Union Bank of India
90. United Bank of India
91. United Overseas Bank Limited
92. Vijaya Bank
93. YES Bank Limited

## 2. Meetings

The Association has been holding Managing Committee and Technical Committee meetings periodically both on policy and operational matters. The number of meetings held during the year was as under:

|   | <b><u>No. of meetings held</u></b> |
|---|------------------------------------|
| Managing Committee  | 9                                  |
| a. Technical Committee – Forex Market   | 6                                  |
| b. Technical Committee – Trade & Remittances  | 4                                  |
| c. Guidance Committee   | 1                                  |
| d. Working Groups   | 15                                 |
| e. ICC India Task Force   | 2                                  |
| f. Revision in Service Tax Norms  | 3                                  |
| g. OTC Forex Derivatives  | 2                                  |
| Annual meeting of member banks on conducting One Week Orientation Workshops (OWOW) on Foreign Exchange areas. | 1                                  |

### **3. Reserve Bank of India (RBI)**

RBI from time to time held consultations with FEDAI on various issues relating to forex market, trade related transactions and remittances. Brief details of some of the major issues discussed are given below:

a) *Review of the Annual Policy Statement for the year 2010-2011*

The Chairman, Vice Chairman, Additional Vice Chairman and the Chief Executive participated, in the meetings convened by Reserve Bank of India on the eve of the announcement of Governor's Annual Policy Statement and subsequent reviews.

b) *Technical Advisory Committee (TAC) constituted by RBI*

The Chief Executive being a nominated member of the reconstituted Technical Advisory Committee (TAC) of RBI on Money, Foreign Exchange and Government Securities Markets attended the meeting on 8<sup>th</sup> April 2010.

c) *Pre-Policy Consultation Meeting convened by RBI*

Pre-Policy Consultation Meetings were convened by RBI in respect of Quarterly review in April 2010, July 2010, October 2010 and January 2011 which were attended by the Chairman, Vice Chairman, Additional Vice Chairman and Chief Executive. Representatives from FIMMDA and PDAI also participated in these meetings.

d) *Reserve Bank of India's "Comprehensive Guidelines on Foreign Exchange Derivatives and Hedging Commodity Price Risk and Freight Risk Overseas"*

The draft guidelines on "Foreign Exchange Derivatives and Hedging Commodity Price Risk and Freight Risk Overseas" received from Reserve Bank of India were discussed in detail by Technical Committee / Managing Committee and our suggestions were sent to Reserve Bank of India. Thereafter a meeting was held with the Chief General Manager In-charge and other senior officials of Reserve Bank of India. We thank RBI for their clarifications/approval of our recommendations.

e) *Meeting convened by Reserve Bank of India- Section 195 of The Income Tax Act, 1961*

Foreign Exchange Department, Central Office, Reserve Bank of India convened a meeting on Thursday the 15<sup>th</sup> April 2010 with representatives of IBA, a few member banks and FEDAI, to elicit the feed back with regard to the provisions of Section 195 of the Income Tax Act, 1961 relating to remittances to non-residents. Mr S G S Manian (Officer on Special Duty – Market) attended the meeting.

f) Reporting of information relating to exposures in foreign currency – Revised reporting format

The revised reporting format devised by RBI for quarterly submission of information relating to corporate-wise exposures in foreign currency by banks (separately in respect of underlying transactions and past performance basis) was received by us and our comments / observations were forwarded to RBI. Reserve Bank of India called a meeting on 16<sup>th</sup> August 2010 to discuss certain issues in connection with the above. The Deputy Chief Executive and a few member banks attended the meeting. RBI has since revised the format to impart more clarity.

g) Recovery of premium from buyers of FC/INR option

The Managing Committee at its meeting held on 22<sup>nd</sup> December 2009, agreed with the view of the Technical Committee that the question of recovery of the premium from the buyers of option contracts either in stages or at the maturity date may be left to discretion of member banks as per their internal policies instead of mandatory recovery upfront. The said views were then conveyed to RBI. In terms of letter dated 6<sup>th</sup> September 2010, RBI sought our clarification as to why banks would be interested in receiving the option premium amount at the time of maturity instead of receiving the same upfront. Particularly, whether it is intended to promote sale of option derivatives or the client does not have cash to pay the premium at the time of inception of the contract. We have conveyed to RBI that the facility of back ending of payment of option premium is not extended routinely or as a separate product. Only in certain circumstances, taking into account cash flow considerations and credit profile permitting, this is extended. Further advice / guidelines from RBI in this regard are awaited.

h) Unwinding of Option Contract

After a series of correspondence on the subject, RBI in November 2010, had advised us that in the event of unwinding of an option contract, the unwind value of the contract must necessarily be cash settled. At the request of a few members, we met the Chief General Manager – in – Charge, FED, RBI on 9<sup>th</sup> December 2010 with a request to revisit the issues. In the light of the discussions, as advised RBI we represented our case. The matter has been revisited by RBI and the issue is expected to be clarified/finalised shortly.

i) Internal Control Guidelines over Foreign Exchange Business (ICG)

Updated ICG has been issued by RBI in February 2011. The comments given by FEDAI, as a member of the Working Group for updation of ICG have been taken into account.

j) RBI Initiative - Interactive Session with users of Foreign Exchange – Exhibition and Interactive Session on “Foreign Exchange For You” at various centres

In April 2010, RBI initiated the concept of organizing “awareness seminars on the Foreign Exchange products available in the forex market” across the country for the benefit of corporates, mid corporates, users of foreign exchange from the

SME Sector, resident individuals including students and general users of foreign exchange. FEDAI and its members took active participation in this initiative. It was decided that at the venue of the Interactive Session, stalls may be set up by our member banks displaying their Foreign Exchange capabilities and their products in Foreign Exchange. As an incentive for active observation of the products by the visitors, quiz programmes were conducted and a few prizes were given at the concluding session of the meeting.

Accordingly, Reserve Bank of India, Regional Offices held the above Interactive Sessions at the following places where top ranking officials from RBI including the Deputy Governor, Executive Director, Chief General Manager – in – Charge, FED, the Chairman, FEDAI, the Deputy Chief Executive, Shri S G S Manian, Officer-on-Special Duty (Market), Shri.R.Krishnamurthy, Vice President, FEDAI participated:

1. 6<sup>th</sup> and 7<sup>th</sup> August 2010 at Hyderabad.
2. 12<sup>th</sup> and 13<sup>th</sup> November 2010 at Lucknow.
3. 6<sup>th</sup> and 7<sup>th</sup> December 2010 at Ahmedabad.

#### **4. Reserve Bank of India – Authorised Dealers’ Conference at Lonavala**

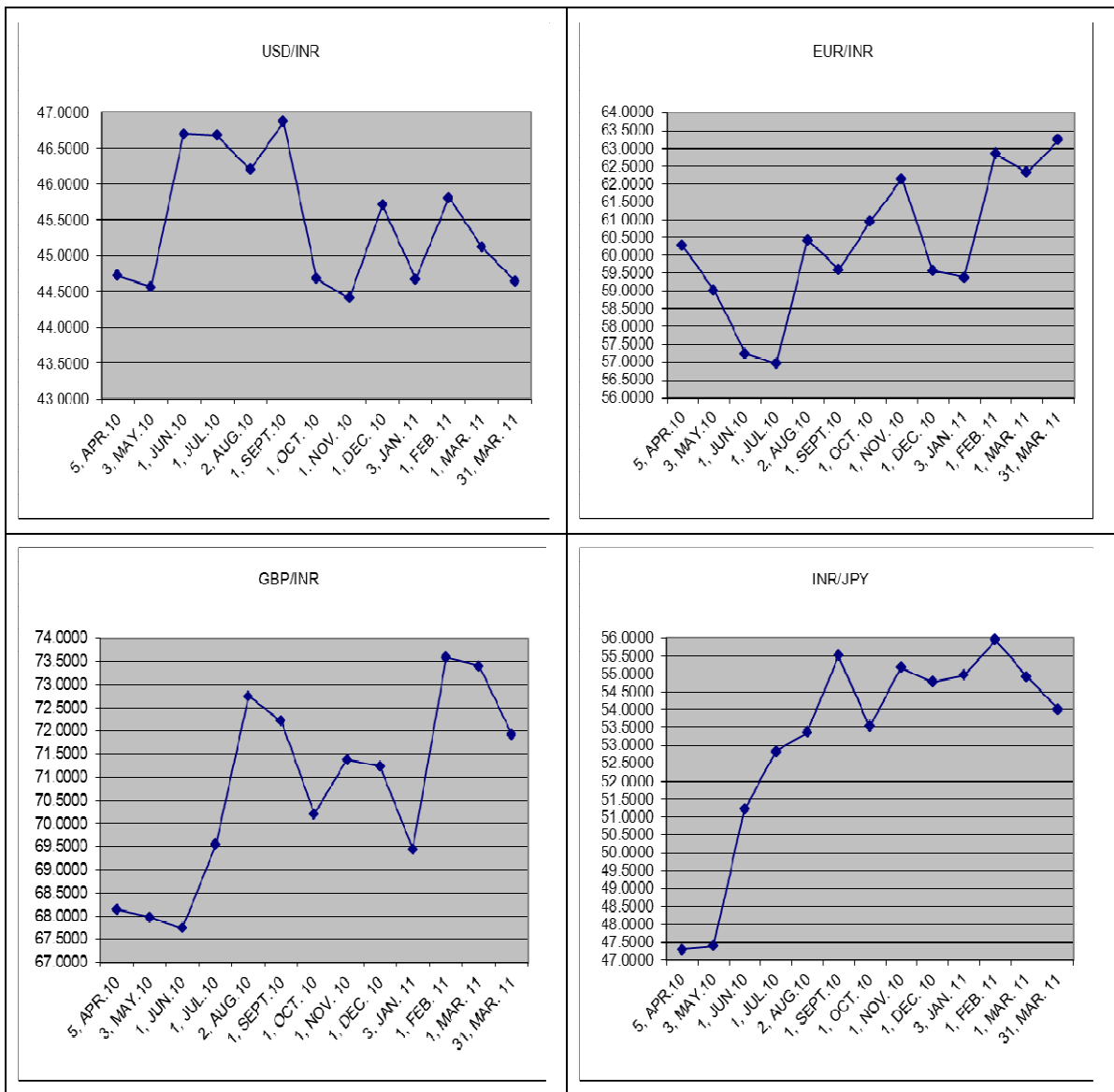
Reserve Bank of India had arranged an Authorised Dealers’ conference on Friday the 17<sup>th</sup> December 2010 at Lonavala. Our Chairman and the Deputy Chief Executive attended the Conference. During the Conference, it was proposed that RBI and FEDAI jointly review the extant guidelines on Current Account Transactions. Pursuant to this two meetings of Technical Committee – Trade and Remittances were held on 28<sup>th</sup> December 2010 and 12<sup>th</sup> January 2011 and our comments have been forwarded to RBI on 1<sup>st</sup> February 2011.

#### **5. Bilateral Netting**

A meeting of the FEDAI Technical Committee – Forex Market was held on Wednesday the 26<sup>th</sup> May 2010 on the above subject and an informal meeting was held with the Chief General Manager – in – Charge, FED, RBI also on 31<sup>st</sup> May 2010. We have since issued our circular to member banks advising that taking into account all relevant aspects, such as CCP system gaining favour across the world in recent times, availability of the services of CCP now in India, regulatory stance, benefits accruing to member banks in joining CCIL’s guaranteed settlement of forex forward contracts, including substantial reduction in capital charge, the Managing Committee observed that continuation of the existing FEDAI guidelines on Bilateral netting i.e. substitution of multiple deals maturing on a date with a single deal on a net cash-flow basis may not be necessary. Accordingly, as approved by the Managing Committee, the existing FEDAI guidelines (Circular No. SPL-67/IB Forward Deals/2001 dated 20<sup>th</sup> December 2001) for substitution of multiple deals maturing on a date with a single deal on a net cash-flow basis stands withdrawn w.e.f.1st October 2010.

## 6. Forex Market

### Movement of Rupee against major currencies – April 2010 to March 2011



## 7. Exchange Traded Currency Futures (ETCF)

The Bombay Stock Exchange (BSE) in their strategic alliance with 'United Stock Exchange of India' started the ETCF segment with effect from 20<sup>th</sup> September 2010. We have been receiving daily trading data from National Stock Exchange of India Limited, United Stock Exchange of India and MCX Stock Exchange. FEDAI submits the compiled data to Reserve Bank of India on a monthly basis.

## **8. Meeting of Sub-Committee of State Level Bankers Committee (SLBC) for Export Promotion at AHMEDABAD**

The above meeting of SLBC, convened by Dena Bank was held at Ahmedabad on 24<sup>th</sup> March 2011 which was presided over by Shri.A.K.Dutt, Executive Director, Dena Bank. Mr.S.G.S.Manian, Officer on Special Duty – Market, FEDAI attended the meeting. Representations/suggestions received from Industry Associations with regard to export transactions were discussed.

## **9. Banking Sub-Group (BSG) under Indo-Bangladesh Joint Business Council (IBJBC)**

9<sup>th</sup> meeting of the Banking Sub-Group (BSG) under Indo-Bangladesh Joint Business Council was held at Goa on 17<sup>th</sup> March 2011. Delegations both from India and Bangladesh attended the meeting. Mr S G S Manian, Officer on Special Duty – Market, FEDAI attended the meeting. Progress made in regard to settlement of outstanding claims was discussed. Problems related to delays/non-payment of outstanding claims and strategies for speedier settlement of issues were deliberated.

## **10. Orissa High Court judgement dated 24<sup>th</sup> December 2009 – Filing of Special Leave Petition by FIMMDA and IBA In the Supreme Court, challenging the judgement**

In connection with the above judgement of the Hon'ble Orissa High Court, FIMMDA, have filed a SLP in the Supreme Court in the matter. As approved by the Managing Committee at its meeting held on 3<sup>rd</sup> March 2010, FEDAI has also filed a SLP in the Supreme Court in the matter. The case came up for hearing on Monday the 15<sup>th</sup> March 2010, when the Hon'ble Judge has stayed the Orissa High Court judgement dated 24<sup>th</sup> December 2009. Working Group consisting of a few member banks to discuss on the progress of the case and appointment of legal counsel has been held on Friday the 14<sup>th</sup> May 2010. On 21<sup>st</sup> May 2010 the Chief Executive and Mr.R.Krishnamurthy, Vice President, FEDAI, met Mr Sanjay Kapur of M/s.R.P. Kapur & Co., at Mumbai. The latest communication received from our Advocates M/s.R.P.Kapur & Co., states as under:

“This is to record that the FIMMDA vs. P.Patra matter was mentioned on 6<sup>th</sup> May 2011 before Court No.4 of the Supreme Court consisting of Hon'ble Bhandari and Verma JJ. After hearing counsel for the parties, the Court was pleased to direct the above matter, alongwith FEDAI vs. P.Patra matter to be listed for final disposal on a non miscellaneous day. The matters have been directed to be listed for hearing on 27<sup>th</sup> September 2011.”

## **11. FEDAI Annual Conference – 18-20, February 2011 at Bhutan**

FEDAI Annual Conference was held at Bhutan during 18-20, February 2011. Smt.Shyamala Gopinath, Deputy Governor, Reserve Bank of India inaugurated the Conference and addressed the delegates on the opening day. The Theme of the address was “Approach to Capital Account Management - Shifting Contours”.

After the address of Deputy Governor, a Panel Discussion was held on “Ushering in the economic supercycle – Are our markets ready?”. The Conference was attended by 145 delegates.

## **12. Indian Banks’ Association (IBA)**

### **a) 63<sup>rd</sup> Annual General Meeting of IBA on 8<sup>th</sup> June 2010**

At the invitation of Indian Banks’ Association, the Chief Executive, FEDAI attended the 63<sup>rd</sup> Annual General Meeting of the Association on 8<sup>th</sup> June 2010. Shri Pranab Mukherjee, Hon’ble Finance Minister, Government of India addressed the participants.

### **b) Monetary Policy Meetings**

The Chief Executive, is a member of the Monetary Policy Group of Indian Banks’ Association (IBA).

The meeting of the Group held meetings on 30<sup>th</sup> December 2010 and 25<sup>th</sup> March 2011 which were attended by Deputy Chief Executive and Mr S G S Manian, Officer on Special Duty (Market) respectively. The key takeaways from the various economists who attended the meetings were: concerns on inflation / inflationary expectations, and on liquidity. There were some concerns expressed also on growth, which could moderate from the current robust numbers on account of inflation, effect of tsunami at Japan etc.

### **c) Remittances to non-residents under Section 195 of the Income Tax Act, 1961 – Submission of Form 15 CA / 15 CB**

As reported at the Managing Committee meeting held on 27<sup>th</sup> April 2010 views and comments received from a few member banks were conveyed to Indian Banks’ Association to enable them to make a consolidated presentation on the constraints faced / clarifications needed by our member banks with regard to Remittances to non-residents under Section 195 of the Income Tax Act, 1961. The comments received from member banks have been fine tuned by IBA and sent to RBI. The matter is being followed up through IBA/RBI.

### **d) 3<sup>rd</sup> Annual Payment Systems Summit - IBA**

At the invitation of Indian Banks’ Association, the Chief Executive, FEDAI attended the 3<sup>rd</sup> Annual Payment Systems Summit on 11th June 2010.

### **e) Service Tax on Foreign Exchange Transactions – Revision in Service Tax norms – Notification No.2/2011 – Service Tax dated 1<sup>st</sup> March 2011**

Meetings with a few of our member banks were held on 21<sup>st</sup> and 28<sup>th</sup> March 2011 to deliberate on issues relating to Government of India Notification on Service Tax on Foreign Exchange Transactions.

On 31<sup>st</sup> March 2011, Reserve Bank of India had also called an urgent meeting with FEDAI, a few member banks and IBA to discuss the above issue.

Government of India have since issued further Notifications on Service Tax on Foreign Exchange Transactions, clarifying certain important issues.

### **13. Fixed Income Money Market and Derivatives Association of India (FIMMDA)**

a) As in the past, we have been working closely with FIMMDA in areas of common interest. The 12<sup>th</sup> FIMMDA-PDAI Annual Conference was held at Udaipur between 7-9, January 2011, which was attended by the Deputy Chief Executive.

b) RBI Working Group on Valuation Adjustment & Treatment of Illiquid Positions

FIMMDA convened a meeting of the Working Group on Valuation Adjustment & Treatment of Illiquid Positions on 7<sup>th</sup> July 2010 to discuss on the suggestions/comments received from various sub-groups on the above subject.

### **14. Indian Institute of Banking and Finance (IIBF)**

The meeting held on 7<sup>th</sup> May 2010 to discuss and review the activities of IIBF was attended by Chief Executive by invitation.

### **15. The Clearing Corporation of India Limited (CCIL)**

a) A meeting of the FEDAI Technical Committee – Forex Market was held on Monday the 19<sup>th</sup> April 2010 at the office of CCIL when the CCIL made presentation on two proposals viz. (1) Platform for reporting of Currency Options and (2) To set up a repository for management of underlying exposures for banks. The Chief Executive, Deputy Chief Executive and Officer on Special Duty (Market) attended the meeting. As regards, item number (2), Working Group set up for this purpose examined the issue. While discussing the above matter, the Managing Committee at its meeting held on 9<sup>th</sup> June 2010 observed that seeking the views / responses from cross section of the customers, namely large corporates, medium and small enterprises on the proposal would be helpful.

b) Periodic Interactive Member Group Meeting convened by CCIL

CCIL held 'Interactive Member Group' meetings with banks, primary dealers and financial institution members on 30<sup>th</sup> April 2010, 27<sup>th</sup> August 2010 and 3<sup>rd</sup> September 2010 which were attended by Shri.S.G.S.Manian, OSD (Forex Market). During the last meeting, the activities and performance of CCIL in the government securities, Forex, Collateralised Borrowing and Lending Operations (CBLO) and other settlement services and recent initiatives taken by CCIL were presented. It was informed that an 'agreement in principle' has since been received from Reserve Bank of India for CCIL's proposal to act as repository for Foreign Currency – INR Option Contracts. CCIL is working on this. Several points raised by members were clarified during the meeting.

## **16. Foreign Exchange Brokers' Association of India (FEBAI)**

As in the past, FEDAI is in close co-ordination with FEBAI and has been discussing with their office bearers from time to time on forex market.

## **17. Forex Association of India (FAI)**

As in the past, Forex Association of India is extending support in FEDAI's activities/programmes.

## **18. Electronic Order Matching System and Multi Bank Portals**

A meeting of the FEDAI Technical Committee Forex Market was held on Tuesday the 20<sup>th</sup> April 2010 at 'The Bay View', Hotel Marine Plaza, Marine Drive, Mumbai. Prior to the meeting a demonstration on EOMS was organized by ICAP India Private Limited. The issues related to 'Code of Conduct for EOMS and Multi Bank Portals' were discussed in detail.

Code of Conduct (CoC) and Terms and Conditions for the Multi Bank Portals were approved by the Managing Committee at its meeting held on 27<sup>th</sup> April 2010.

At the meeting held on 27<sup>th</sup> January 2011, Managing Committee accorded in principle accreditation to (1) M/s. Flex Algo Systems Pvt. Ltd., (2) M/s. Threesixty Trading Networks (India) Pvt. Ltd., and (3) M/s. FXALL International (Mumbai) Pvt. Ltd., for providing MBPs Services to our member banks subject to their complying with the CoC and Terms and Conditions and other stipulations as prescribed by FEDAI from time to time.

## **19. National Institute of Bank Management (NIBM)**

As in the past FEDAI has been extending its faculty support to NIBM for their training programmes on International Banking and Trade Finance.

## **20. FEDAI Local Committee Meetings**

### ***a). FEDAI Local Committee at Chennai***

The Annual General Meeting of FEDAI Local Committee at Chennai was held on 17<sup>th</sup> April 2010. The Chief Executive attended the meeting and briefed the participants on the developments in the forex market. The election for the members of FEDAI Local Committee for Chennai was conducted. They also convened a meeting on 24<sup>th</sup> December 2010.

### ***b). FEDAI Local Committee at Bangalore***

The Annual General Meeting of FEDAI Local Committee at Bangalore was held on Saturday the 26<sup>th</sup> June 2010. The Chief Executive attended the meeting and briefed the participants on the developments in the forex market. The election for the members of FEDAI Local Committee for Bangalore was conducted.

c). FEDAI Local Committee Meeting at JAIPUR

The Annual General Meeting of FEDAI Local Committee at Jaipur was held on Saturday the 24th July 2010. Mr R Krishnamurthy, Vice President attended the meeting.

**21. International Chamber of Commerce (ICC) Paris**

a). URDG 758 – Subscription by Member Banks

At the Managing Committee meeting held on 18<sup>th</sup> November 2010, we had placed before the Committee the response received from RBI regarding the above. In view of certain practical difficulties that the clauses contained therein would entail, as suggested by Managing Committee further discussions in this regard were held with RBI on 9<sup>th</sup> December 2010 and on the basis of the discussions, we have since written to RBI, highlighting the conditions that were made applicable for subscription to URDG 458, the earlier protocol. On receiving the final response from RBI, a suitable circular has since been issued.

b). ICC India – Task Force on “ICC Commission on Banking Technique and Practice”

i). ICC India Task Force on ICC Commission on Banking Technique and Practice met on Wednesday 1<sup>st</sup> September 2010 to discuss the consolidated draft opinions received from ICC Paris. Based on the deliberations of the Task force, our comments, on behalf of ICC India on the draft opinions as well as on the draft of revised paragraphs of ISBP 681 were forwarded to ICC Commission on Banking Technique and Practice.

ii). Meeting of the ICC Commission on Banking Technique and Practice was held on 22<sup>nd</sup> and 23<sup>rd</sup> September 2010 at Orlando. Our Chairman and representatives of three banks attended the meeting.

iii). ICC India Task Force on ICC Commission on Banking Technique and Practice met at FEDAI conference room on 24<sup>th</sup> February 2011 and discussed the consolidated draft opinions received from ICC Paris which were to be discussed at the Banking Commission meeting on 21-23, March 2011. Based on the deliberations of the Task Force, our comments on behalf of ICC India on the draft opinions were forwarded to ICC Commission on Banking Technique and Practice.

iv). Meeting of the ICC Commission on Banking Technique and Practice was held on 21-23, March 2011 at Zurich. As approved by the Managing Committee, Mr Shivaji Sen, Chief Executive (Officiating) attended the meeting.

**22. ICC India, New Delhi**

ICC Workshops on ‘Best Practices in Risk Management in International Trade Finance’

ICC India, New Delhi conducted the above Workshops at New Delhi, Mumbai and Chennai in May 2010. Our member banks also participated in the

workshops. The Chief Executive and Shri S G S Manian, Officer on Special Duty, FEDAI attended the Workshop at Mumbai on 19<sup>th</sup> May 2010.

### **23. EXIM Bank Programme – ‘Indian Economy and Economic Survey’**

EXIM Bank conducted a programme on ‘Indian Economy and Economic Survey’ on 13<sup>th</sup> April 2010 at Mumbai. Shri Shivaji Sen, Deputy Chief Executive attended the programme by invitation.

### **24. FEDAI**

#### *a) Members of the Managing Committee – 2010 – 2011*

1. Allahabad Bank
2. AXIS Bank Limited (**Additional Vice Chairman**)
3. Bank of America N A
4. Bank of Baroda
5. Bank of India
6. Bank of Maharashtra
7. BNP Paribas (**Vice Chairman**)
8. Canara Bank
9. Central Bank of India
10. Citibank N A
11. Corporation Bank
12. Deutsche Bank AG
13. Export Import Bank of India
14. The Federal Bank Limited
15. HDFC Bank Limited
16. The Hongkong and Shanghai Banking Corporation Limited
17. ICICI Bank Limited
18. IndusInd Bank Limited
19. IDBI Bank Limited
20. Oriental Bank of Commerce
21. Punjab National Bank
22. Societe Generale
23. State Bank of India (**Chairman**)
24. Standard Chartered Bank
25. Syndicate Bank
26. Union Bank of India
27. Vijaya Bank

#### *b) Auditor for the year 2010-2011*

M/s Chaturvedi & Co.  
81, Mittal Chambers  
228, Nariman Point  
MUMBAI – 400 021.

c). Renovation of FEDAI Office Premises

FEDAI's office premises have been renovated during the period April 2010 to August 2010. The total expenses incurred for renovation amounted to Rs.48,07,180/-. The earlier furniture / fixtures were carted away by the contractor and relative balances in our books are written off.

d). Updation of Circulars on Website effective 1<sup>st</sup> October 2010

As approved by Managing Committee at its meeting held on 30<sup>th</sup> September 2010, we have been uploading, on our website Circulars issued viz. (1). AR Circulars, (2). Cautionary Circulars, (3). Circular Letters, (4). Details of Lost FIRC's – (NEW – as per Format prescribed by FEDAI), (5). Miscellaneous Circulars, and (6). Special Circulars. We have circulated hardcopies of these circulars till 31<sup>st</sup> October 2010 and have discontinued with effect from 1<sup>st</sup> November 2010.

Circulars incorporating month end Revaluation Rates, Interest Rates on FCNR(B) / NRE Deposit and Workshops / Special Programme are being circulated in hard copies, and are also available on our website. Managing Committee Circulars (Notice and Minutes) are being sent only by email.

## **25. Internal Audit**

There is a system in place for monitoring quarterly expenditure and any major variances in the expenditure are duly reported.

## **26. FEDAI Workshop – Annual Trainers' Meet**

Annual Trainers' Meet – Saturday the 20<sup>th</sup> November 2010  
FEDAI One-week Orientation Workshops – XXI Series

The Annual Trainers' Meet was held on the 20th November 2010 for reviewing and finalising the modalities for conducting the XXI series of FEDAI One-Week Orientation Workshops for the year 2010-2011. 22 officials from International Divisions as well as Training Centres from 16 nominated member banks attended. The Guidelines for conducting the XXI Series of FEDAI One-week Orientation Workshop were finalised. The fees for participation for the 6 day workshop was kept unchanged at Rs.8,000/-. Workshops under XXI Series commenced from January 2011. It is proposed to conduct 50 Workshops at 29 Centres by 25 Nominated Banks.

## **27. FEDAI's Training Activities**

a). Orientation Workshops on Foreign Exchange Business

During the year under review 38 workshops have been conducted by 20 nominated banks at 24 centres imparting training to 1304 bank officers. The nominated banks, as in the past, have conducted these programmes

enthusiastically and with professional expertise. The list of banks who conducted FEDAI Workshops during the year is given below:

**List of Nominated Banks who conducted FEDAI One-Week Orientation Workshops on FOREX during the period 1<sup>st</sup> April 2010 – 31<sup>st</sup> March 2011**

| <b>Nos.</b> | <b>NOMINATED BANKS</b>         | <b>CENTRES</b>   |
|-------------|--------------------------------|--|
| 1           | Allahabad Bank                 | Kolkata  |
| 2           | Bank of Baroda                 | Pune, Mumbai, Ahmedabad, Chennai, Bhopal, Baroda         |
| 3           | Bank of India                  | Noida  |
| 4           | Bank of Maharashtra            | Nagpur   |
| 5           | Central Bank of India          | Mumbai, Kolkata  |
| 6           | Corporation Bank               | Mangalore  |
| 7           | Dena Bank                      | Mumbai   |
| 8           | The Federal Bank Limited       | Ernakulam (Kochi)  |
| 9           | Indian Bank                    | Chandigarh, Mumbai, Trivandrum, Chennai, Madurai, Mumbai |
| 10          | Indian Overseas Bank           | Coimbatore, Chennai, Tiruppur                            |
| 11          | State Bank of Bikaner & Jaipur | Jaipur   |
| 12          | State Bank of Hyderabad        | Secunderabad, Visakhapatnam                              |
| 13          | State Bank of India            | Varanasi   |
| 14          | State Bank of Mysore           | Bangalore  |
| 15          | State Bank of Patiala          | Gurgaon  |
| 16          | Syndicate Bank                 | Bangalore, Mumbai, Delhi                                 |
| 17          | UCO Bank                       | Ahmedabad, Kolkata, Guwahati                             |
| 18          | Union Bank of India            | Mumbai   |
| 19          | United Bank of India           | Kolkata  |
| 20          | Vijaya Bank                    | Bangalore  |

*b. Specialised Courses conducted by FEDAI*

**LIST OF SPECIALISED COURSES (April 2010 – March 2011)**

| <b>Sr. No.</b> | <b>Courses</b>  | <b>Duration</b> | <b>Dates</b>                  | <b>No. of Participants</b> |
|----------------|---|-----------------|-------------------------------|----------------------------|
| 1              | Workshop on “Understanding SWIFT Operations relevant to Forex Transactions”.    | 1 day           | 15 <sup>th</sup> October 2010 | 33                         |
| 2              | Workshop on “Forex Remittance and Accounts Facilities to Resident Individuals”. | 1 day           | 22 <sup>nd</sup> October 2010 | 32                         |
| 3              | Workshop on “Inspection of Forex Business at ‘B’ Category Branches”.            | 2 days          | 23-24, December 2010          | 46                         |

## **28. Acknowledgement**

We place on record our sincere thanks to the Governor, Deputy Governors, Executive Directors, Chief General Managers-in-Charge and senior officials of Foreign Exchange Department, Forex Market Division, Department of Banking Operations and Development, Department of Payments Settlement System, Department of External Investments and Operations, Department of Banking Supervision and Urban Banking Department of Reserve Bank of India for their valuable support. We are thankful to all our members for their unstinted co-operation. We greatly appreciate the valuable contributions made by the representatives of member banks of the various Committees, Working Groups. We place on record our sincere thanks to the member banks who were nominated to conduct the Orientation Workshops and to all those who provided faculty support for conducting the Workshops successfully. We also thank our member banks and our well-wishers in providing their Conference Rooms for conducting our Managing Committee meetings during the period our office was under renovation. We thank Forex Association of India, FIMMDA, Foreign Exchange Brokers' Association of India, Indian Banks' Association, The Clearing Corporation of India Limited and Indian Institute of Banking and Finance, for their valuable support.

We place on record our sincere appreciation of the services rendered by the Chief Executive, the Deputy Chief Executive, the Officers and the staff of FEDAI for their contribution and commitment in furthering the objectives of FEDAI.

**For and on behalf of the Managing Committee**

**(A N APPAIAH)  
CHAIRMAN**

Date: 27th July, 2011