



# Foreign Exchange Dealers' Association of India

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SPL-04/COVID19 Relaxations/2020  
15th April 2020

To  
All Member Banks

## **Novel Coronavirus COVID-19 – Temporary Relaxations in forex regulations**

Dear Sir/ Madam,

We request reference to our Special Circular No.SPL-02/BV/2020 dated 19<sup>th</sup> March 2020.

In this regard, due to the continued stress and extension in the lockdown by Government of India, till 3<sup>rd</sup> May 2020, based on FEDAI's request, Reserve Bank of India has permitted extension in the relaxations as under:

### **1) Submission of underlying documents**

**Relaxation** – Considering the difficulty faced by corporate AD Banks may allow time of upto 60 days or date of maturity of contract whichever is earlier, for production of underlying documents by corporates. This would be applicable for the contracts booked between February 15, 2020 to **May 15, 2020**. This period may be reviewed/extended based on evolving situation.

Online submission of documents evidencing exposure instead of physical production of documents, subject to due diligence by AD Banks on the authenticity of underlying documents, is permitted. This would be applicable for the contracts booked between February 15, 2020 to **May 15, 2020**. AD Banks shall ensure that all documents are obtained once normalcy is restored.

### **2) FEDAI Rule No.6.4 (iv)**

**Relaxation** –The FEDAI Rule No. 6.4 (iv) is being put in abeyance, AD Banks may permit the corporate to take delivery of the overdue contract or cancel the contract and pass the gains if any, during the period (upto3 days post maturity). This relaxation would be applicable to all the live contracts (as on date) and the prospective contracts maturing **till May 15, 2020**.

### **3) Submission of Documents** - Submission of all monthly/ quarterly returns related to forex hedging is also being **kept in abeyance till May 30, 2020** and the same may be submitted with delay thereafter.

Member banks are requested to be guided accordingly.

Thanking you,  
Yours faithfully,

Chief Executive