

Explanation & Methodology for *Dissemination of USD-INR Client FX- Option Trades*

(Only gross trade data based on Client Buy/Sell of USD Call/USD Put for various maturity wise (Tenor) buckets is being disseminated. In each tenor, No. of Trades and Volume (in USD million) is disseminated.

1) RBI has mandated reporting of OTC Fx-Option Transaction by Market Maker (Category -1 Authorized Dealer Banks) with trades executed with their Clients (as defined in Point 2) to CCIL's Trade Repository before 12:00 noon of the following working day.

2) The 'Client' referred are as follows:

- a. All categories of Resident Entities (including individuals)
- b. All categories of Non-Resident Entities namely NRI, FDI and FII and Non- Resident Exporters/ Importers.
- c. A trade done by Non-Resident exporter/importer to hedge its exposure in Rupees directly through the AD located in India.

3) All Trades (including trades that are part of the Option Structure) in USD/INR currency pair are considered for data dissemination.

4) Only the New contracts **reported unilaterally by Market Makers** that pass the basic validation checks at CCIL-TR are considered for dissemination. The subsequent Reversal (i.e. Unwind partial /full) is not considered for dissemination.

5) Considering the confidentiality and sensitivity of Client Trades, the data is disseminated after a lag of **seven** business days. *(May undergo regulatory review)*

6) The trades reported are bifurcated based on Option Side (i.e.Buy/ Sell) for USD (base currency) in various maturity wise (Tenor) buckets from **Clients Perspective**. In each tenor bucket, No. of Trades and Volume (in USD million) based on Option Side (i.e.Call/Put) are disseminated.
