

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:860
ANSWERED ON:12.11.2010
FOREIGN EXCHANGE DERIVATIVE CONTRACTS
Shekhar Shri Neeraj

Will the Minister of FINANCE be pleased to state:

- (a) whether forecasts relating to appreciation or depreciation of Indian Rupee is made by banks;
- (b) if so, the details thereof bank-wise during each of the last three years;
- (c) whether data relating to banks which have designed, marketed and sold forex derivative contracts to their customers is maintained; and
- (d) if so, the details thereof for each of the last three years?

Answer

The Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a): No, Sir.

(b): Does not arise.

(c) & (d): Reserve Bank of India does not separately maintain data on forex derivative contracts sold by banks / Scheduled commercial banks (SCBs) to their customers. However, data on total forex derivative exposure (comprising interbank exposures as well as exposures to customers) are given below:-

Forex Derivative Exposure of SCBs (Notional Amount Outstanding in Rs. Crore)

Item Mar-08 Mar-09 Mar-10 Sep-10

Foreign Exchange contracts 63,04,192 62,88,410 51,42,207 60,14,536

Forward forex contracts 47,35,959 44,66,899 32,94,019 43,13,724

Currency options purchased 7,69,717 6,01,463 5,30,742 4,62,866

Currency futures 0 3,867 5,817 13,654

Cross currency interest rate swaps 2,74,260 3,47,270 3,17,503 3,37,350

IRS (FC) 5,24,256 8,68,911 9,94,126 8,86,942

(Source; RBI: Off-site returns (Domestic Operations). Data for Sep.10 are unaudited and provisional)