

**General Manager**  
**Derivatives and New Products Department**

SEBI/DNPD/Cir-45/2009

March 24, 2009

To  
The Managing Director / Executive Director  
of Currency Derivative Segment of Stock Exchanges  
and their Clearing Houses / Corporations.

Dear Sir,

**Sub: Revised Position Limits for Exchange Traded Currency**  
**Derivatives**

This is in partial modification of SEBI Circular No. SEBI/DNPD/Cir-38/2008 dated August 6, 2008 which, inter-alia, specified the position limit applicable for Client and Trading Member for Exchange Traded Currency Derivatives.

The position limits were reviewed by the RBI-SEBI Standing Technical Committee and based on its recommendations, the client level and non-bank trading member level position limits for Exchange Traded Currency Derivatives stand modified as under:

- a. **Client level:** The gross open position of a client across all contracts shall not exceed 6% of the total open interest or 10 million USD, whichever is higher, instead of 6% of the total open interest or 5 million USD, as prescribed earlier.

- b. **Non-bank Trading Member level:** The gross open position of a Trading Member, who is not a bank, across all contracts shall not exceed 15% of the total open interest or 50 million USD whichever is higher, instead of 15% of the total open interest or 25 million USD, as prescribed earlier.

However, the position limits for bank trading member would remain as specified in SEBI Circular No. SEBI/DNPD/Cir-38/2008 dated August 6, 2008.

It is clarified that the position limits shall be specific to an Exchange and not to the Exchange Traded Currency Derivatives market as a whole.

This Circular is being issued in exercise of the powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act 1992, read with Section 10 of the Securities Contracts (Regulation) Act, 1956 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

This Circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in)., under the category “Derivatives- Circulars”.

Yours faithfully,

**SUJIT PRASAD**