FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION OF INDIA
Self-Regulatory Organisation (SRO) in Financial Markets Regulated by RBI

FIMMDA
Nurturing Markets, Widening Horizons

Regd. Office: Unit No 12 A-10, 13th floor
Parinee Crescenzo Plot C-38 & 39, G Block,
Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
Tel: 022-35219216, 35221560, 35221764, 35235700
Email: fimmda@fimmda.org
Web: www.fimmda.org

FIMCIR/2026-27/16

July 08, 2026

All Members / Stakeholders,

Background:
The Reserve Bank of India, Notification No. FMRD.DIRD.07/14.03.046/2025-26 dated December 08, 2025 (Master Direction – Reserve Bank of India (Rupee Interest Rate Derivatives) Directions, 2025), provide as under:

Quote:

Para 2.1 (vii):

'Foreign Currency Settled Interest Rate Derivative (FCS-IRD)' means a Rupee interest rate derivative contract whose settlement currency is a currency other than the Indian Rupee (INR).

Para 5.3 (iii)

A bank having an Authorised Dealer Category-I (AD Cat-I) license under FEMA, 1999, and an SPD authorized under section 10(1) of FEMA,1999, may offer FCS-IRD contracts to non-residents. These market-makers may also undertake transactions in FCS-IRD among themselves.

Para 5.6 (v)

Settlement basis and other market conventions for IRD transactions may be specified by FIMMDA, where possible, in consultation with market participants.

Unquote:

Current Proposal:

It is observed that under the permitted category of FCS-IRD products, market players are actively trading Foreign Currency Settled-Overnight Indexed Swap (FCS_OIS).

FIMMDA had constituted a Sub-Group comprising of Market Participants to propose Settlement Basis and other standard market conventions applicable for **Foreign Currency Settled-Overnight Indexed Swap (FCS_OIS)** as per RBI directions cited above. The Sub-Group has submitted their recommendations on standard market conventions applicable in respect of FCS-OIS.

The proposed standard market conventions applicable in respect of FCS-OIS are placed at **Annexure**

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Market Consultation:

FIMMDA invites comments from all members, market participants, and other interested stakeholders on the proposed **Standard Market Conventions for FCS-OIS**. Comments, suggestions or observations, if any, may be sent by e-mail to fimmda@fimmda.org latest by **July 29, 2026.**

The proposed Standard Market Conventions for FCS-OIS can also be accessed on FIMMDA website.

Members / Stakeholders are advised to note the contents as above.

Sd/-

Ravindranath Gandrakota
Chief Executive Officer

Annexure

<u>Foreign Currency Settled Overnight Indexed Swaps (FCS-OIS)</u>
<u>Standard Market Conventions</u>

These Standard Market Conventions shall apply to **Foreign Currency Settled Overnight Indexed Swaps (FCS-OIS)**.
Foreign Currency Settled Overnight Indexed Swaps (FCS-OIS are Rupee Interest Rate Derivative contracts, whose settlement currency is a currency other than the Indian Rupee (INR), as defined under the Reserve Bank of India (Rupee Interest Rate Derivatives) Directions, 2025, as amended from time to time.

Standard Terms for FCS-OIS:

Parameter	**Standard Market Convention**
Product	Foreign Currency Settled Overnight Indexed Swap (FCS-OIS)
Settlement Frequency (Tenor <= 1y)	Annual
Settlement Frequency (Tenor > 1y)	Semi-annual
Effective Date	T + 1
FX Settlement Fixing Lag	2 Business Day(s)
FX Fixing Calendar	Mumbai
Fixed Leg Day Count Convention	Actual/365 (Fixed)
Floating Leg Day Count Convention	Actual/365 (Fixed)
Business Day Convention	Modified Following
Adjustment	Accrual Period and Payment Dates
Payment Calendar	New York and Mumbai (unless otherwise agreed)
Payment Delay	Not Applicable
Floating Rate Index	FBIL MIBOR OIS Compound
Floating Rate Reset Frequency	Daily
Floating Rate Fixing Calendar	Mumbai
Floating Rate Compounding	Yes
Reset Fixing Lag	0 Business Day
Rate Cutoff	1 Business Day
Trading Hours	Transactions may be undertaken beyond the prescribed onshore market hours, subject to applicable RBI directions.
Documentation	Standard ISDA Document
Valuation	As per Banks internal policy Compliant with Regulatory Guidelines

Reporting	All Trades to be reported to CCIL Trade Repository as per extant RBI Guidelines

The above conventions represent the **standard market conventions** recommended by FIMMDA.
Note: Counterparties may mutually agree to customise the commercial terms of an FCS-OIS transaction, provided such customisation is consistent with the applicable regulatory framework and documented under the relevant bilateral agreement / deal confirmations. A standard term sheet (sample) is appended.

Standardized Document / Term Sheet for FCS – OIS (5 year) (Sample)

FIXED AMOUNT			
Fixed Amount Payer:	**Party A**		
Notional Amount:	**INR 100 cr**		
Payment Frequency:	**Semi-Annually**		
Effective Date:	**T+1**	**Effective Date Adjustment:**	**None**
Termination Date:	**5yrs**	**Termination Date Adjustment:**	**Modified Following**
		Termination Date Business Calendar:	**Mumbai, New York (or as specified as per settlement currency)**
Fixed Rate:	**6.74500000%**		
Fixed Rate Day Count Fraction:	**ACT/365.FIXED**		
Calculation Period End Dates/Payment Dates Adjustment:	**Modified Following**		
Calendar	**Mumbai, New York (or as specified as per settlement currency)**		

FLOATING AMOUNT			
Floating Amount Payer:	**Party B**		
Notional Amount:	**INR 100 crs**		
Payment Frequency:	**Semi-Annually**		
Effective Date:	**T+1**	**Effective Date Adjustment:**	**None**
Termination Date:	**5y**	**Termination Date Adjustment:**	**Modified Following**

	Termination Date Business Calendar	**Mumbai, New York (or as specified as per settlement currency)**
Reset Frequency:	**Daily**	
Floating Rate Index:	**INR-FBIL-MIBOR-OIS-COMPOUND**	
Spread:	**None**	
Floating Rate Day Count Fraction:	**ACT/365.FIXED**	
Calculation Period End Dates/Payment Dates Adjustment:	**Modified Following**	
Calendar	**Mumbai, New York (or as specified as per settlement currency)**	
Fixing Dates:	**0 Mumbai Business Day prior to each Business Date**	

NON-DELIVERABLE SETTLEMENT:	
Settlement Rate:	**FBIL Reference Rate**
Reference Currency:	**INR**
Settlement Currency:	**USD (or any other FCY)**

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