



RESERVE BANK OF INDIA
Mumbai - 400 001

RBI/2015-16/441

A.P. (DIR Series) Circular No. 81

June 30, 2016

To

All Authorised Dealer Category-I Banks

Madam / Sir,

Settlement System under Asian Clearing Union (ACU)

Attention of Authorised Dealer Category-I Banks is invited to the [A.P. \(DIR Series\) Circular No. 43 dated December 26, 2008](#), giving participants in ACU mechanism the option to settle their transactions either in 'ACU Dollar' or in 'ACU Euro'. The 'ACU Dollar' and 'ACU Euro' is equivalent in value to one US Dollar and one Euro, respectively.

2. As the payment channel for processing 'ACU Euro' transactions is under review, it has become necessary to temporarily suspend operations in 'ACU Euro' with effect from July 01, 2016. Accordingly, all eligible current account transactions including trade transactions in 'Euro' are permitted to be settled outside the ACU mechanism until further notice.

3. AD Category-I Banks may bring the contents of this circular to the notice of their constituents concerned.

4. The directions contained in this circular have been issued under section 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions/approvals, if any, required under any other law.

Yours faithfully,

(Shekhar Bhatnagar)
Chief General Manager-in-charge