

Singapore Foreign Exchange Market Committee (“SFEMC”)
INR Indicative Survey Rate Methodology
Updated as of 1 April 2022

Capitalized terms not defined below are defined in the 1998 FX and Currency Option Definitions as published by the International Swaps and Derivatives Association, Inc., EMTA, Inc. and the Foreign Exchange Committee, or in the 2018 SFEMC & EMTA Template Terms for USD/INR Non-Deliverable FX Transaction.

I. The SFEMC INR Indicative Survey

- Commencing the INR Indicative Survey: SFEMC (itself or through a service provider SFEMC will select in its sole discretion) will conduct a survey of financial institutions for the purpose of determining the SFEMC INR Indicative Survey Rate, beginning on a Business Day (or a calendar day that would have been a Business Day but for an Unscheduled Holiday¹) in the onshore financial centre, following any 14 calendar day period during which valuation is deferred or postponed (or both). The survey will begin at 3:30 p.m. (Singapore time) or as soon thereafter as practicable, and accept responses for a period of one hour (“Contribution Time”).
- Polled Banks: For purposes of determining the INR Indicative Survey Rate for a Valuation Date, SFEMC (itself or through a service provider) will survey financial institutions that are active participants in the USD/INR market (each, a “Participating Bank”) and included in a current list of Participating Banks published on SFEMC’s website (www.sfemc.org). Only one office of each financial institution will be included as a Participating Bank in each INR Indicative Survey. SFEMC (itself or through a service provider) will notify Participating Banks of the possible commencement of the INR Indicative Survey at least 7 calendar days prior to its commencement.
- Survey Question: Each Participating Bank will be asked to provide its reasonable judgment of what is (or, in the case of an Unscheduled Holiday, would be) the bid-offer pair for the INR based on how much INR is equivalent to one (1) unit of USD at or around 3:30 p.m. (Singapore time) for same-day settlement in the Mumbai marketplace on the Valuation Date. In arriving at this indicative quotation, each Participating Bank will be directed to take such factors into consideration as it deems appropriate, which factors may (but need not) include any or all of the following:
 - (a) the spot rate(s) implied in the offshore non-deliverable foreign exchange market for USD/INR transactions;
 - (b) the spot rate implied by any other financial market transactions (to the extent that such other financial markets are open for business);
 - (c) the spot rate used in connection with any commercial transactions for goods or services from offshore suppliers or providers;
 - (d) any existing rate for trade finance transactions;
 - (e) any other existing unofficial rate for USD/INR transactions (commercial or otherwise); and
 - (f) any other factor it considers relevant.

Where available, Participating Banks should seek to make reference to actual and directly relevant arms-length transactions concluded by the Participating Bank or relevant executable quotes in these markets.

¹ “Unscheduled Holiday” means that a day is not a Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the Principal Financial Center(s) of the Reference Currency two Business Days prior to the Scheduled Valuation Date.

II. Use of Survey Results

- SFEMC (itself or through a service provider) will determine the mid-point of each bid-offer pair. The arithmetic mean of the mid-points will be used to determine the INR Indicative Survey Rate, rounded to the fourth decimal point as described below.
- If the INR Indicative Survey results in 21 or more responses, then the 4 highest and 4 lowest mid-points will be eliminated, and the arithmetic mean of the remaining midpoints will be computed and will constitute the INR Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 4 highest and 4 lowest mid-points, if more than 4 mid-points have the same highest value or lowest value, then only 4 such mid-points will be eliminated.
- If the INR Indicative Survey results in less than 21 but 11 or more responses, then the 2 highest and 2 lowest mid-points will be eliminated, and the arithmetic mean of the remaining mid-points will be computed and will constitute the INR Indicative Survey Rate for such Valuation Date. For purposes of eliminating the 2 highest and 2 lowest mid-points, if more than 2 mid-points have the same highest value or lowest value, then only 2 such mid-points will be eliminated.
- If the INR Indicative Survey results in less than 11 but 8 or more responses, then the highest and the lowest mid-points will be eliminated and the arithmetic mean of the remaining midpoints will be computed and will constitute the INR Indicative Survey Rate for such Valuation Date. For purposes of eliminating the highest and lowest mid-points, if more than 1 mid-point has the same highest value or lowest value, then only 1 such mid-point will be eliminated.
- If the INR Indicative Survey results in less than 8 but 5 or more responses, then no mid-points will be eliminated and the arithmetic mean of all midpoints will be computed and will constitute the INR Indicative Survey Rate for such Valuation Date.
- In line with the corresponding onshore fixing convention for decimal place, Participating Banks shall contribute the bid-offer pair up to the fourth decimal point (e.g., 76.9125).

III. Insufficient Responses

- If the INR Indicative Survey results in less than 5 responses from Participating Banks (“Insufficient Responses”), no INR Indicative Survey Rate will be available for the relevant Valuation Date. The next INR Indicative Survey will take place on the next succeeding Business Day in Mumbai (or calendar day that would have been a Business Day but for an Unscheduled Holiday), subject to Section V below.

IV. INR Indicative Survey Rate Publication

- The INR Indicative Survey Rate will be published on Refinitiv and/or Bloomberg platforms at 5:30 p.m. (Singapore time), or as soon thereafter as practicable.
- As soon as it is determined that the INR Indicative Survey will result in Insufficient Responses, a notice that no INR Indicative Survey Rate is available for the Valuation Date will be published on Refinitiv and/or Bloomberg platforms.

- The anonymised individual responses of Participating Banks to the INR Indicative Survey will be available on Refinitiv and Bloomberg platforms on the first Onshore Business Day following the publication of the INR Indicative Survey Rate, at 09:00hrs Singapore time, or as soon thereafter as practicable. The INR Indicative Survey Rate and anonymised contributions will be published on the SFEMC’s website on the next Business Day in Singapore, or as soon thereafter as practicable.

V. Discontinuing the INR Indicative Survey

- In relation to each price source disruption, SFEMC will publish the INR Indicative Survey Rate for a maximum period of 21 continuous calendar days (“Maximum Publication Period”).
- Notwithstanding the Maximum Publication Period, the INR Indicative Survey will be discontinued (i) on the calendar day first following the Business Day in Mumbai on which the INR FBIL is available for the determination of a Settlement Rate, or (ii) on the calendar day first following polling for the INR Indicative Survey that results in Insufficient Responses for three consecutive polling days. Notwithstanding the foregoing, nothing herein will be construed to prevent SFEMC from continuing or re-initiating the INR Indicative Survey at an appropriate time.
- A notice that the INR Indicative Survey has been discontinued will be published on SFEMC’s website.

VI. Amendments to the Methodology

- SFEMC may, in its discretion, from time to time, make such administrative, procedural or other modifications to this Methodology as are appropriate to ensure the continued operation and integrity of the INR Indicative Survey.

VII. Disclaimer

- SFEMC (and any service provider SFEMC may select) shall use all reasonable efforts to conduct the survey. However, Participating Banks are under no legal or contractual obligation to respond to the survey. As such, SFEMC provides no assurance whatsoever that the INR Indicative Survey Rate Methodology will result in an INR Indicative Survey Rate being determined.
- SFEMC, any service provider SFEMC may select, and any surveyed Participating Bank disclaim liability for the INR Indicative Survey Rate Methodology, and all rates, results or responses (if any) produced by the INR Indicative Survey Rate Methodology, and no representation or warranty, express or implied, is made concerning the INR Indicative Survey Rate (including, without limitation, the methodology for determining the INR Indicative Survey Rate) and its suitability for any particular use.
- SFEMC shall be entitled to amend, modify, update, terminate or supplement the INR Indicative Survey Rate Methodology (whether in whole or in part) (“Amendments”) without prior notification to market participants. However, SFEMC shall endeavour to provide reasonable notice of such Amendments to the relevant industry bodies in order to reduce any disruption in the market.