

MEMORANDUM OF INSTRUCTIONS GOVERNING MONEY CHANGING ACTIVITIES

A. P. (DIR SERIES 2011-12) CIRCULAR NO.71, DATED 30-1-2012

Attention of Authorised Persons is invited to the introduction given under Paragraph 2 and Paragraph 2 (iii) (i) of Part A of the Annex I to the Memorandum of Instructions governing money changing activities, issued *vide* A. P. (DIR Series) Circular No. 57 [A.P. (FL/RL Series) Circular No. 04] dated March 9, 2009.

2. In view of the recent measures adopted to provide more flexibility to the Authorised Persons in selecting the location for their branches, it has now been decided to remove the criteria relating to increase in outreach and locational advantage while considering the applications for issuance of fresh licenses for Full Fledged Money Changers (FFMC).

3. All the other instructions contained in the A.P.(DIR Series) Circular No.57 [A.P.(FL/RL Series) Circular No.4] dated March 9, 2009 shall remain unchanged.

4. Authorised Persons may bring the contents of this circular to the notice of their constituents concerned.

5. The directions contained in this circular have been issued under Sections 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.