

CONSULTATION PAPER

Transaction Charges / Fees Invoicing and Collection Process - CCIL

Consultation Paper on Transaction charges / Fees Invoicing & Collection Process

1. Introduction: -

CCIL provides settlement and other services to its customers (members). Invoices for these services are generated and raised in the first week of the next month / annually (as applicable) and sent to the customers.

The due date for payment of above-mentioned invoices is 10th of every next month, but generally members make payments as per their convenience. Payments are received throughout the month. In order to address the difficulties in accounting of receipts due to insufficient information from the remitter, deduction of TDS and/or GST TDS deductions, a Virtual Account Number (VAN) system was introduced wherein each member is assigned a particular account number for making payment. Most of the members have migrated to the VAN System but there are still some members making payment to the other Bank account of CCIL for fees and charges payments. Because of this, the problem related to identification of remitter is not yet solved.

Furthermore, members use to deduct Income Tax and GST TDS from the invoice amount. The information about these deductions is received only after a considerable time and until then amount appears in our books as short paid/outstanding.

To solve above mention issue, Bill Payment Intimation System (BPIS) was introduced vide CCIL notification ref CCIL/MEM/24-25/03 dated 22nd January, 2025. Under the BPIS, members need to intimate payments and TDS details on the BPIS portal. But it is found that only 20% of members are reporting on portal. Thus, to overcome invoicing & collection issues it is proposed to introduce a new process of Invoicing & Collection as explained in this paper.

This Process shall be known as Transaction Charges / Fees Invoicing & Collection Process (TCICP) and shall relate to following activities:

- i Raising Invoices by CCIL for various services provided by it to the Members
- ii Collection process to be followed by CCIL for above mentioned Invoices.

2. Applicability:-

This Process shall be applicable to invoices raised by CCIL for settlement, reporting and other services provided towards following transaction charges / fees namely,

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- i Security Settlement Charges
- ii Treps Settlement Charges
- iii Forex Settlement Charges
- iv Derivative Settlement Charges
- v TRFX - Trade Repository Charges - Interbank
- vi TRFX - Trade Repository Charges - Client
- vii Sarvam Fees & Charges
- viii FX option Settlement Charges
- ix CCIL's Trade Repository for Commercial Papers (CP), Certificates of Deposit (CDs) and Non-Convertible Debentures (NCD)

Both Transaction charges and Annual Maintenance fees and charges are proposed to be included for revised invoicing and collection process including for the below:

- i CLS segment
- ii Portfolio Compression
- iii IRIS
- iv TRFX Annual Maintenance charges & Membership Fees
- v FTRAC Annual Maintenance charges
- vi SARVAM Annual Maintenance charges
- vii Membership Fees

3. Process of Invoicing for Services charges: -

Present Process:

At present each member of CCIL is being charged for settlement services provided for each segment in which member is active. A separate invoice is being raised towards each segment so the Member active in multiple segments gets multiple invoices from CCIL.

Proposed Process:

CCIL will raise a single consolidated Invoice to each member towards services for multiple segments. including monthly transaction charges and annual fees and charges.

4. Process for Collection: -

Present Process:

At present member receives multiple invoices for services charges of multiple segments. Some members make separate payments for each invoice. Some members make consolidate payment for all invoices. There are two methods for payment of services charges:

1. Payments are initiated by member via NEFT/RTGS using VAN ID to CCIL's current account.
2. Direct Debit by CCIL in members current account maintained with Designated Settlement Banks (DSB's). This is done by instructing DSB to debit the member's account and credit respective CCIL accounts at the DSB. Reconciliation with multiple DSB is done on monthly basis by CCIL
3. For reconciliation purposes, after making payment all members intimate CCIL by updating remittance details on Bill Payment Intimation System (BPIS)

Proposed Process:

A National Automated Clearing House (NACH) mandate shall be provided by all the members authorising CCIL to recover the payment of services charges by directly debiting the members account maintained at various settlement banks.

NACH debit mandate will contain members

- **Bank account** details from where charges are to be recovered by direct debit,
- **Maximum amount** that can be debited and
- the mode of presentation of mandate will be **as and when presented**.

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On due date for payment, CCIL will instruct its bank for collection of service charges by directly debiting the Bank Account of the members using NACH mandate. Where amount of service charges is higher than maximum amount of NACH mandate in those cases, NACH mandate will be presented for multiple time for collection of service charges.

TDS compliance:

CCIL will collect service charges at gross basis without deduction of TDS. Members intending to deduct TDS will make payment of TDS to Income Tax department. And upon presenting TDS certificate (Form 16A), CCIL will refund the TDS amounts to member.

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Participants are requested to send their comments and feedback on the Transaction charges / Fees Invoicing & Collection Process latest by February 28, 2026 at collection@ccilindia.co.in with Subject line as "Consultation Paper on Service charges Invoicing & Collection Process".