



This Notification is not applicable upon revision in Risk methodology Buy Side Limit provision was withdrawn

Date: 25TH October, 2011

Notification No: CCIL/CFM-FX/11/17

**Revised Work Flow Procedure for Settlement Guarantee Fund (SGF)
Contributions towards Additional Limit on USD Buy Position**

Please refer to CCIL Notification no CCIL/FX/07/23 dated 08th August, 2007 regarding introduction of Limits on Buy Position in Forex Settlement Segment and Notification No. CCIL/MCM-FX/07/28 dated 30th August, 2007 prescribing the collateral work flow procedure for USD SGF contribution by members for enhancement in Buy Side Limit.

The Notification Number CCIL/MCM-FX/07/28 dated 30th August, 2007 is revised since members can now submit the collateral notices for the above purpose using the ~~eNotice~~ System. The modified contents of the above Notification are reproduced below :

I. General

- a) In terms of its Bye-Laws, Rules and Regulations, CCIL shall institute a Settlement Guarantee Fund (SGF) for its Forex Segment comprising of fund contributions from its members in US Dollars;
- b) The Rules and Regulations governing the SGF have been spelt out in CCIL's Bye-Laws, Rules and Regulations and all members shall be governed by the relative provisions;
- c) CCIL has appointed **CITIBANK N.A.**, New York as its Custodian for receiving USD SGF contributions towards additional limit for Buy Position in Forex Segment;
- d) CCIL's Account particulars with its above Custodian are as under :

USD Current Account Number	: 36208452
SWIFT Code of the Bank	: CITIUS33XXX
CCIL's BIC Code	: CCILINBBXXX

- e) CCIL has introduced a web based interface to facilitate electronic delivery of SGF related notices by members and CCIL's response thereto. The said interface known as '**eNotice System**' has been in operation for Forex (USD/INR) SGF related collateral notices since 4th September 2006.
- f) Members can now use the requisite functionality made available on the ~~eNotice~~ System for submission of collateral related notices for USD contribution towards enhancement in Buy Side Limit.



- g) All users of eNotice system having privilege(s) for submission of collateral related notice(es) for Forex (USD/INR) segment can now make use of the new functionality.
- h) All members shall intimate CCIL about their intention to deposit and/or withdraw US Dollars SGF contribution towards Buy Side Limit using the 'eNotice System' with effect from 31st October 2011.
- i) In case of non availability / disfunctionality of the eNotice System the notices shall be telefaxed my members to CCIL's Collateral and Funds Management Department on 25044099 / 25044081.

II. SGF Deposit Procedure

- a) Members shall be required to contribute USD funds to SGF in relation to their respective USD Buy Position additional margin obligations ;
- b) Members desirous of making SGF Contributions shall intimate CCIL by means of eNotice using the relative functionality within the cut-off timings prescribed in Annexure-I ;
- c) Member shall remit the funds directly to CCIL's USD Current Account with our Custodian viz., **CITIBANK N.A.**, New York within the cut-off timings prescribed in Annexure-I ;
- d) While effecting remittance, Members shall ensure that their CCIL Membership ID is indicated together with keywords 'FXSGFDEP' in the relative remittance transmitted to the custodian with instructions to incorporate the same in their (Custodian's) transaction reference details transmitted to CCIL;
- e) CCIL shall account for and update individual member contributions to SGF after receipt of necessary confirmation from its custodian about actual receipt of funds.
- f) The SGF balances of members would be updated with CCIL on value date basis i.e. credit will be afforded to member for same value date as date of credit to CCIL's Account with Custodian ;

III. Withdrawals Procedure

- a) Members desirous of making SGF withdrawals shall intimate CCIL via eNotice System using the relative functionality within the cut-off timing for submission of the Withdrawal Notices prescribed in Annexure - I;
- b) Members desirous of making SGF withdrawals on the same day i.e. date of deposit shall intimate CCIL via eNotice System or by marking requisite option provided in the 'Notice of Deposit' itself;



- c) USD contributions towards enhancement in Bye Side Limit can be withdrawn on the day of Deposit itself (Notice Period :- Notice Date + Zero days);
- d) Member requests for withdrawal of SGF contributions shall be processed by CCIL in terms of its Bye Laws, Rules and Regulations. Mere lodgement of Notice of Withdrawal by a Member shall not confer an obligation on CCIL to pay the requisite amount;
- e) On acceptance and processing of the Withdrawal requests by CCIL, the concerned member(s)'s relevant SGF contribution shall be appropriately reduced before affecting the funds repayment on the value date;
- f) The amount of withdrawal shall be credited to the concerned member's USD Nostro Account on respective value date intimated by the Member via eNotice System or in Physical Notice of Withdrawal;

IV. SGF Interest Payment

- a) In terms of provisions of CCIL's Bye Laws, Rules and Regulations, interest shall be paid to members towards their contribution to the SGF on a monthly basis in the beginning of the next calendar month e.g. interest towards contributions maintained with us in the month of July shall be paid in the month of August ;
- b) The interest amount shall be credited to the USD Nostro Account of members based on amount of contributions and tenor of holding.

for The Clearing Corporation of India Limited,

**Sd/-
p.Managing Director**



ANNEXURE I

(Forms Integral Part of Notification No. CCIL/CFM-FX/11/17 dated 25th October, 2011 relating to Forex Segment Collateral work-flow procedure - SGF Contributions towards Additional Limit on USD Buy Positions)

SGF Contributions towards Additional Limit for USD Buy Positions

Cut -Off Timings:

A. Deposits:

Receipt of Notice of Deposit: 12:00 hrs (IST) on value date

Receipt of USD
Credit in our Nostro
Account with
the Custodian:

15:00 hrs (IST) on value date

B. Withdrawals:

Receipt of Notice of Withdrawal: 15:00 hrs (IST) on value date