



THE CLEARING CORPORATION OF INDIA LIMITED

**This has been Superseded by Notification No. CCIL/OPS/CLS/2023-24/47 dated 27-Oct-23 on Collateral Workflow Procedure for CLS Segment**

## **NOTIFICATION**

### **Continuous Linked Settlement Segment**

**Date : 22<sup>nd</sup> August, 2023**

**Notification No.: CCIL/OPS/CLS/2023-24/21**

### **Collateral Work-Flow Procedure for Continuous Linked Settlement (CLS Segment) with effect from 25<sup>th</sup> September, 2023**

We invite your attention to Chapter IV “Collateral” of Continuous Linked Settlement Segment Regulations 2009 (as amended in February 2023) and Notification No. CCIL/FXS-CLS/23/08 dated 28th February 2023.

In terms of the above Chapter, the collateral work flow process is given below. The collaterals accepted for CLS Segment shall be as provided in the CLS segment Regulations from time to time.

#### **I. General**

1. In terms of CCIL’s Bye-Laws, Rules and Regulations all members of CLS Segment are required to contribute collaterals to cover their risk exposure limits in CCIL’s CLS Segment;
2. The Rules and Regulations governing members’ Collateral and Limits have been spelt out in CCIL’s Bye-Laws, Rules and Regulations and all members shall be governed by the relative provisions as applicable;
3. This Notification, issued in terms of provisions contained in CCIL’s Bye- Laws, Rules and Regulations, sets out the workflow process relating to deposit(s) and withdrawal(s) of all types of collaterals to be maintained with CCIL for CLS Segment;
4. The work-flow processes in respect of each form of eligible Collateral towards CLS Segment have been spelt out in Sections II, III and IV respectively of this Notification;
5. All contributions/Withdrawals of collaterals shall be captured, stored and maintained by CCIL on a Value Date basis;



**II. CLS Collateral Contributions from unutilised portion of Securities Segment Settlement Guarantee Fund (SGF)**

1. Unutilised Settlement Guarantee Fund (SGF) contribution of a member in Securities Segment SGF can be applied towards collateral/Limit obligation of the member in CLS Segment, subject to provisions of CCIL's Bye-laws, Rules and Regulations;
2. In terms of Securities Segment Regulations, members are required to maintain at least 10% of their margin requirements in the form of INR fund contributions to Securities Segment SGF. However, Members may kindly note that their CLS collateral limit requirements met from Securities Segment SGF will be excluded from the scope of cash : securities composition monitoring;
3. The work-flow process for deposit(s) and withdrawals(s) of Funds (INR) and Government of India Securities as spelt out in the Notification(s) for Securities Segment SGF revised from time to time shall be applicable.

**III. CLS Collateral Contributions in the form of US Dollar Funds**

1. Members can contribute CLS collateral in the form of US Dollars in terms of CLS segment Regulations.
2. The work-flow process for deposit(s) and withdrawals(s) of Funds (USD) shall be as per Forex Settlement Segment Regulations and Notifications issued from time to time shall be applicable.

**IV. Interest Payment on USD Funds**

1. In terms of provisions of CCIL's Bye-Laws, Rules and Regulations, interest shall be paid to members on their USD Fund collateral contribution towards CLS Segment on a Semi Annual basis i.e. during the first week of April and October every year for their USD contributions during the previous six months;
2. CCIL shall pay interest on US Dollar cash contribution of members at 25 basis points below the weighted average rate earned during the relevant period out of the investment(s) in US Dollar Deposits / Treasury Bills. The above change shall be effective from 01st October, 2023 i.e. for payment of interest for the half year 01st April, 2023 to 30th September, 2023 and every half year thereon;



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3. The interest amount shall be credited to the Member's USD Nostro Accounts as recorded with CCIL, with separate electronic intimation to member giving details of interest computation and entitlement.

Sd/-

Authorised Signatory

**(The Clearing Corporation of India Ltd.)**



**ANNEXURE I**

**{Format of Notice of USD Funds Deposit for physical submission}**

(Forms Integral Part of Notification No. CCIL/OPS/CLS/2023-24/21 dated 22nd August 2023)

(To be issued by Member on its letter head in case of physical submission of Notice)

**Business Segment -  
Continuous Linked Settlement Segment**

**Notice of Funds Deposit**

As on XXXXXXXXXX (Date)

Reference (if any) \_\_\_\_\_

CCIL Member ID : XXXXXXXXXXXXXXXX

Member Name : XXXXXXXXXXXXXXXX

**Funds Deposit**

Value Date of Deposit	Currency Code	Amount of Contribution	
		In Figure	In Words
	USD		
	USD		

We confirm that this Notice of Deposit has been sent in advance of Value Date of actual receipt of funds by CCIL in its accounts.

We confirm that the remittance has been effected to CCIL’s account with **Wells Fargo Bank N.A.**, New York Swift Code **PNBPUS3NNYC** for credit to Account Number **2000293935605** of The Clearing Corporation of India Limited.

We further confirm that our CCIL Membership ID as also the keywords “CLSUSDDEP” have been mentioned while effecting payment to **Wells Fargo Bank N.A.**, New York with instructions to indicate the same in their Account Transaction Statement to you.

<For (Member Name)>

Authorised Signatory/ies  
(as applicable)



**{Format of Notice of USD Funds Withdrawal for physical submission}**

*(Forms Integral Part of Notification No. CCIL/OPS/CLS/2023-24/21 dated 22nd August 2023)*

**(To be Issued by Member on its letter head in case of physical submission of Notice)**

**Business Segment -**  
**Continuous Linked Settlement Segment**

**Notice of Funds Withdrawal**

**As on XXXXXXXXXX (Date)**

Reference (if any) \_\_\_\_\_

CCIL Member ID : XXXXXXXXXXXXXXX

Member Name : XXXXXXXXXXXXXXX

**Funds Withdrawal**

Value Date of Withdrawal	Currency Code	Amount of Withdrawal	
		(In figures)	(In Words)
	USD		
	USD		

We confirm that at the time of making our above request for withdrawal of our Collateral, we have taken into account the following:

- a) our USD Collateral balance;
- b) the amount of Collateral required to be maintained by us in relation to our trades due for settlement;
- c) the requirement of advance notice of three business days' (both in US and India).

<For (Member Name)>

Authorised Signatory/ies  
(as applicable)