

NOTIFICATION

This has been superseded by Notification No. CCIL/FXS/04/10 dated 06-March-2004 Inside / Outside Swap on Cash and Tom basis

CCI/FXS/1203/NOT-5

18th December,2003

To

Member Banks

Re: Inside/Outside Swap.

Dear Sir,

We refer to our letter no.CCI/FXS/0903/595 dated 24th September,2003, on the Inside/Outside FX Swap. We are pleased to advise that the swap will now be offered on a regular basis to the members for their exposure management for settlement through CCIL.

Initially, this facility will be offered on a *spot basis*. CCIL will act as a facilitator, purely on a voluntary basis and on specific request of the over-exposed bank.

Banks who wish to participate in the arrangement should give a clear mandate to CCIL in terms of which CCIL would reveal their names to other members with Over sold/Over bought position.

The I/O Swap transaction will be treated like any other Interbank forex transaction and hence should be undertaken within the RBI's regulatory guidelines as well as bank's own internal procedures.

CCIL will not be responsible in any way for settling the outside leg.

Only the names of the banks with Over sold/Over bought position will be revealed and not their positions.

Thanking you,

Yours faithfully,
for **Clearing Corporation of India Ltd,**

sd/-

Indirani Rao
Vice President – Forex settlement