



THE CLEARING CORPORATION OF INDIA LIMITED

NOTIFICATION

FOREX SETTLEMENT SEGMENT

Date: May 7, 2007

Notification No: CCIL/FX/07/12

**To,
All Members**

Dear Sir,

Changes to the Forex Settlement Segment Regulations

It has been decided that the USD payout due to a member in the USD-INR segment may be used to settle a member's settlement obligation in USD in the CLS Segment upon a request being received from the member and subject to confirmation from the Reserve Bank of India about the successful completion of the INR settlement. Accordingly paragraph IV (K) (a) of the Forex Settlement Segment Regulations stand suitably modified to read as under:

“K) MODES OF PAYMENT

Clearing Corporation may from time to time prescribe different modes of payments and the conditions which such payments may be subject to. Without prejudice to the generality of the above, the modes of payments for all Trades are specified under:

- a) *USD payments shall be effected through the nostro account maintained by the Member with its correspondent bank.*

Members shall designate a single nostro account for the purpose; Members shall notify any change in settlement instructions at least 7 days before such changes take effect;

However, a member, who is also a member of CLS Segment of Clearing Corporation, may instruct Clearing Corporation to transfer the USD pay-out due to the member to the CLS Segment (in part or full) instead of crediting the same in its nostro account maintained by it with the Correspondent Bank to meet its USD pay-in obligation and such transfer shall be treated as settlement of such obligation by Clearing Corporation of USD pay-out to the Member in the Forex Settlement Segment. Balance if any, due to such member in the Forex Settlement Segment (USD-INR Segment) shall be effected through the nostro account maintained by the member with its correspondent bank”.

Thanking you,

Yours faithfully,
for The Clearing Corporation of India Ltd.

Managing Director