



NOTIFICATION

FOREX SETTLEMENT SEGMENT

**This has been Superseded by Notification No. CCIL/CFM-FX/15/29
dated 16-Mar-2015 on SGF Workflow Procedure**

Date : 11th August, 2014

Notification No.: CCIL/CFM-FX/14/32

**Work-Flow Procedure for Settlement Guarantee Fund (SGF)
with effect from 19th August 2014**

We invite your attention to Chapter III "Settlement Guarantee Fund" (SGF) of Forex Settlement Segment Regulations amended in June 2014. In terms of the above Chapter, the captioned process flow is given below. This notification replaces the earlier notifications issued in this regard.

I. General :

1. In terms of its Bye-Laws, Rules and Regulations, CCIL has instituted a Settlement Guarantee Fund (SGF) for its Forex Settlement Segment comprising of fund contributions from its members in US Dollars;
2. 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;
3. This Notification, issued in terms of provisions contained in CCIL's Bye-Laws, Rules and Regulations, sets out the work flow process relating to deposits and withdrawals of US Dollars in respect of the SGF for its Forex Settlement Segment;
4. All SGF Transactions shall be undertaken through CCIL's USD Nostro Account as provided below and respective member's USD Nostro Account recorded with CCIL;
5. CCIL's Account particulars are :

Account maintained with : **Deutsche Bank Trust Company Americas**
60 Wall Street, New York 10005, USA
(DBTCA,NY)

USD Current Account Number : **04451722**

SWIFT Code of the Bank : **BKTRUS33XXX**

CCIL's BIC Code : **CCILINBBXXX**



6. All Members shall intimate CCIL about their intention to deposit and/or withdraw funds to/from their SGF via eNotice System or in the physical formats prescribed by CCIL for the purpose;
7. All Notices of Deposits/Withdrawals shall be sent by members via eNotice System or shall be telefaxed by Members to CCIL's Collateral & Funds Management Segment on 022- 61546499 (Marked to the attention – Collateral & Funds Management Segment) to be followed up with physical intimation as per prescribed format (enclosed herewith for ready reference) in case of non-availability/non-functioning of the eNotice System;
8. CCIL shall not be responsible for non-receipt and/or distortions in receipts of Member notices as per para I (7) above;
9. All Collateral Notices shall be accepted on days when CCIL is open for business in Forex Settlement Segment in terms of its Bye-Laws, Rules and Regulations.

II. SGF Deposit Procedure :

1. Members shall be required to contribute to SGF in relation to their respective margin obligations, as individually advised by CCIL;
2. Members desirous of making SGF Contributions shall intimate CCIL via eNotice System or by means of their 'Notice of Deposit' to CCIL in the prescribed format prior to actual deposit of funds. CCIL shall not afford credit in respect of funds deposits without proper receipt of requisite 'Notice of Deposit' from the concerned Member(s);
3. Member shall remit the funds directly to CCIL's USD Nostro Account with **Deutsche Bank Trust Company Americas, New York, 60 Wall Street, New York 10005, USA Account No. 04451722;**
4. While effecting remittance, Members shall ensure that their CCIL Membership ID is indicated together with keywords 'FXSGFDEP' in the relative remittance transmitted to the correspondent bank with instructions to incorporate the same in their (correspondent bank's) transaction reference details transmitted to CCIL;
5. CCIL shall account for and update individual member contributions to SGF after receipt of necessary confirmation from its correspondent bank about actual receipt of funds;
6. The SGF balances of members would be updated in CCIL system on next business day i.e. on the day following credit into CCIL's account and the status of the notice in the eNotice System will be updated as 'Confirmed'. However, such credit will be



afforded to the member for the same value date as date of credit to CCIL's USD Nostro Account (Please refer to **Annexure III** for details);

7. Member Transaction and Holding Statement shall be available to member on the relative date of confirmation of funds deposit in CCIL's Systems.

III. Withdrawals Procedure :

1. Members desirous of seeking fund withdrawals from their SGF contribution shall intimate CCIL via eNotice System or send physical 'Notice of Withdrawal' to CCIL, in format prescribed for the purpose;
2. Members shall submit the request for withdrawal of funds via eNotice System or give advance written notice of at least THREE business days (both in India and USA) when they desire to make withdrawals of funds from their SGF contribution;
3. Member requests for withdrawal of SGF contributions shall be processed by CCIL in terms of its Bye-Laws, Rules and Regulations. Mere putting the request on eNotice System or lodgment of Notice of Withdrawal by a Member shall not confer an obligation on CCIL to pay the requisite amount;
4. In case the notice of withdrawal is honoured by CCIL, the status of the same will be updated as 'Confirmed' in eNotice System;
5. The withdrawals would be confirmed by CCIL in its systems and concerned member(s)'s SGF contribution shall be appropriately reduced on a day before the value date of payment;
6. The amount of withdrawal shall be credited on value date of payment to the concerned member's USD Nostro Account recorded with CCIL;
7. Member Transaction and Holding Statement shall be available to member on relative value date of payment.

IV. SGF Interest Payment

1. In terms of provisions of CCIL's Bye-Laws, Rules and Regulations, interest shall be paid to members on their contribution to the SGF on a Semi Annual basis i.e. during the first week of April and October every year for their SGF contributions during the previous six months;



2. The interest amount shall be credited to the USD Nostro Accounts of members 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.)



(Forms Integral Part of Notification No. CCIL/CFM-FX/14/32 dated 11th August, 2014 relating to Forex Settlement Segment –Work Flow Process for SGF)

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

{Format of Notice of Deposit to be given by a member while effecting contribution to its SGF}

Business Segment – Forex Settlement

Notice of Deposit

As on XXXXXXXXXX (Date)

Reference (if any) _____

CCIL Member ID : XXXXXXXXXXXXX

Member Name : XXXXXXXXXXXXX

Funds Deposit

| Value Date of Deposit | Currency Code | Amount of Contribution | |
|-----------------------|---------------|------------------------|------------|
| | | (In figures) | (In Words) |
| | USD | | |
| | 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 **Deutsche Bank Trust Company Americas, New York, Swift Code BKTRUS33XXX, Account Number 04451722, The Clearing Corporation of India Limited.**

We further confirm that our CCIL Membership ID as also the keywords “FXSGFDEP” have been mentioned while effecting payment to CCIL’s correspondent with instructions to indicate the same in their Account Transaction Statement to you.

<For (Member Name)>

Authorised Signatory/ies
(as applicable)



ANNEXURE II

{Format of Notice of Withdrawal for physical submission}

(Forms Integral Part of Notification No. CCIL/CFM-FX/14/32 dated 11th August, 2014 relating to Forex Settlement Segment –Work Flow Process for SGF)

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

{Format of Notice of Withdrawal to be given by a member while effecting withdrawal from SGF}

Business Segment – Forex Settlement

Notice of Withdrawal

As on XXXXXXXXXX (Date)

Reference (if any) _____

CCIL Member ID : XXXXXXXXXXXXX

Member Name : XXXXXXXXXXXXX

Funds Withdrawal

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

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

- a) our SGF balance;
- b) the amount of SGF 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)



(Forms Integral Part of Notification No. CCIL/CFM-FX/14/32 dated 11th August, 2014 relating to Forex Settlement Segment –Work Flow Process for SGF)

Illustration of SGF Deposit and Withdrawals Activity Schedule for CCIL's Forex Settlement Segment

| Day | Abbreviation |
|-----------|--------------|
| Monday | X |
| Tuesday | X + 1 |
| Wednesday | X + 2 |
| Thursday | X + 3 |
| Friday | X + 4 |

I. Deposits : Notice of Deposit received on value Spot Basis

| Sr. No. | Activity | To be performed on |
|---------|--|--------------------|
| 1 | Receipt of Advice of Deposit | X |
| 2 | Receipt of USD in CCIL's USD Nostro Account with its Correspondent | X + 2 |
| 3 | Receipt of confirmation by CCIL | X + 3 |
| 4 | Confirmation for Value Date | X + 2 |
| 5 | Amount of deposit eligible for interest | X + 2 |

II. Withdrawals : Notice of Deposit received 3 business days in advance of relative value date of withdrawal

| Sr. No. | Activity | To be performed on |
|---------|---|--------------------|
| 1 | Receipt of Notice of Withdrawal | X |
| 2 | Confirmation in CCIL Module, subject to provisions of Bye-Laws, Rules and Regulations | X + 2 |
| 3 | Value Date of credit in Member's USD Nostro Account | X + 3 |
| 4 | Date from which amount of withdrawal would be ineligible for interest | X + 3 |