



NOTIFICATION

This Notification is not applicable upon revision in Risk methodology Buy Side Limit provision was withdrawn

Date: January 13, 2010

Notification No.: CCIL/FX/USD-INR/10/01

**To,
Member Banks
Forex Segment**

Dear Sir/Madam,

INR Prefunding for additional Buy Position Limit in USD-INR Segment

In terms of Ch. VII (B) (5) of the Regulations, banks may avail limits in addition to the limits set by Clearing Corporation for USD Buy positions. The margins for such additional limits on USD buy positions are currently payable in US dollar funds, as advised vide notification no. CCIL/FX/07/23 dated 8th August, 2007.

Banks seeking additional limits for USD buy positions shall, effective **14th January, 2010**, be permitted to pre-fund INR amounts equivalent to the additional limits sought.

Banks desirous of availing the above option would be required to deposit the INR funds (equivalent to the additional limit required) in CCIL's proprietary account with RBI. The INR equivalent will be calculated using the relevant RBI Reference Rate. The prefunded amount will be **reduced from** the bank's final net INR settlement obligation.

Banks opting for INR prefunding may:

- Furnish a Request Letter / Notice (*enclosed*) to CCIL indicating the amount of INR prefunding.
- Credit the INR funds in **CCIL's Proprietary Account No. 8698977** (IFSC-RBIS0RBI PI0) with RBI through RTGS by 12:30 p.m.

The debit authorization sent by CCIL towards INR payment obligation shall be for an amount **net** of funds already received.

Banks may note that if the funds undertaken to be deposited have not been received to the credit of CCIL's account before the stipulated cut-off time, CCIL shall have the right to debit member's account with RBI with the amount of INR settlement obligation in full. Banks that exceed their buy limits and have failed to contribute requisite margins or pre-fund the excess amount shall be liable for penalty as per provisions of notification no. CCIL/FX/USD-INR/09/12 dated August 18, 2009.



THE CLEARING CORPORATION OF INDIA LTD.

In terms of Ch. VI (D)(2)(c) of the Regulations, CCIL shall continue to exercise the right to with-hold the dollar amount payable to a member that defaults on its INR obligation.

Thanking You,

Yours faithfully,
for Clearing Corporation of India Limited,

sd/-
p.Managing Director



THE CLEARING CORPORATION OF INDIA LTD.

NOTICE FOR INR PREFUNDING TOWARDS BREACH OF BUY SIDE

"We hereby agree to transfer INR _____ value _____ to Clearing Corporation of India Ltd by 12:30 p.m. IST to CCIL's Proprietary account and we understand that the prefunded amount will be reduced by CCIL from the bank's net INR settlement obligation.

We also agree that in case of non-receipt of INR _____ due from us by such time, the INR prefunding towards breach of Buy Position Limit shall not be considered for the settlement date and CCIL shall have the right to debit member's account with RBI with the amount of INR settlement obligation in full.

Authorised Signatory