

NOTIFICATION

Date: 20th December, 2012

Notification No.: CCIL/FX/USD-INR/12/27

**Member Banks
Forex Settlement Segment**

Dear Sir/Madam,

Re: Changes to the Modified Business day logic in Forex Settlement Segment.

Currently, trades reported to the Forex Settlement segment of the Clearing Corporation stand rejected if the value date is declared as a holiday under the Negotiable Instruments Act in terms of Chapter IV (A) (6) of the Regulations of the Forex Settlement segment. Member banks seeking settlement of their trades through Clearing Corporation are required to report the trades again after amending the value date.

For holidays falling due from 20th January 2013 onwards, value dates of all forward '**Matched**' trades in the Forex settlement segment shall be altered by Clearing Corporation in accordance with the modified business day logic. This will be in adherence to the prevalent FEDAI guidelines in this regard which are as follows:

- i. For trades which have settlement date as holiday, the settlement date shall be shifted to the next business date.
- ii. Provided the holiday is known more than 3 business dates in advance and is a month-end, the settlement date shall be shifted to the preceding business date.

Members may, however, please note that deals with status as '**Pending Match**' will be rejected on holiday declaration and banks have to report the trade again after duly amending the value date.

Yours faithfully,
for Clearing Corporation of India Ltd,

sd/-
Indirani Rao
Chief Forex Officer