Annexure A

Index

Part A: Liquid Net worth

Deals executed on the India International Exchange (IFSC) Limited (India INX) are eligible to be cleared and settled through India International Clearing Corporation (IFSC) Limited (India ICC) unless specifically deferred or not allowed to or rejected from admission by the relevant authority.

A. Collateral Composition

Clearing Members can deposit cash and cash equivalents (in US Dollars, Bank Fixed Deposit Receipts and Bank Guarantees issued by an IFSC banking unit), and AAA rated international sovereign securities.

1. Composition of Liquid Assets

Eligible Collateral	Hair Cut	Concentration Limits
Cash Component: Cash & Cash Equivalent		
Cash (in USD)	NIL	No Limit
Bank Fixed Deposits Receipts (FDRs) in USD*	NIL	No Limit
Bank Guarantee in USD*	NIL	No Limit
AAA rated international sovereign securities	10%	10% of Cash & Cash Equivalent

*issued by bank branches located at IFSC

2. Criteria for acceptance of liquid assets: -

- Minimum Liquid Net worth (MLN) would be accepted in the form of Cash only.
- Additional Liquid Assets can be deposited by the member either in the form of Cash, FDRs, Bank Guarantees or AAA rated international sovereign securities.

Limit on the clearing corporation's exposure for bank guarantee to a single bank would be as stipulated by SEBI vide circular no. MRD/DoP/SE/Cir-07/2005 dated February 23, 2005.

3. Minimum Liquid Assets

The Clearing Member shall meet with the minimum liquid assets requirements prescribed by India ICC at all points of time.

The Clearing Member's liquid net worth after adjusting for the initial margin and exposure margin requirements must be at least USD 75,000 at all points in time.

Accordingly, every Clearing Member would be required to maintain Minimum Liquid Net worth (MLN) of USD 75,000 with India ICC.

4. Additional Liquid Assets

Clearing Members may deposit additional liquid assets at any point of time based on the composition of Liquid Assets as detailed above.

B. Procedure for submission of deposits towards Liquid Assets

1. Cash Deposits

For depositing cash towards liquid assets, the Clearing Members need to send their online instruction through Collateral Module to their respective Clearing Banks who would confirm such request for enhancement of cash collateral to India ICC.

India ICC has provided an on-line facility (Collateral Module) to members for sending instructions to Clearing Banks for enhancement of cash collateral. Through the said facility, members can place their on-line requests to their designated Clearing Bank during the specified timings for enhancement of cash collateral. The concerned Clearing Banks have also been provided the on-line web-based facility for confirmation of such cash collateral enhancement requests. Based on the request forwarded by the member, the respective Clearing Banks may confirm or reject the enhancement of cash collateral request received by them.

2. Procedure for submission of FDRs

Clearing Members can deposit FDR(s) issued by a clearing bank, whose branch is located in IFSC, towards liquid assets. The FDRs deposited by the Clearing Members should be issued in favour of "India International Clearing Corporation (IFSC) Ltd. A/c – Trade Name of the Clearing Member" and the FDR needs to be deposited along with a covering letter of the Clearing Member in the format given in Annexure 1 and also with a letter from the concerned bank addressed to India ICC in the format given in Annexure 2. Also note that India ICC would accept FDRs for a minimum period of 90 days towards Liquid Assets (collateral requirement).

3. Renewal of FDRs

Clearing Members may renew the FDRs deposited towards liquid assets by submitting a renewal letter from the concerned bank in the prescribed format given in Annexure 3. The renewal letter should be submitted along with a covering letter by the Clearing Member in the prescribed format given in Annexure 4.

4. Procedure for release of collateral deposited towards Liquid Assets

Clearing Members can place their on-line requests for release of Liquid Assets deposited by them with India ICC to the extent of available collateral which is not utilised/blocked towards margins and/or other obligations of the member through the collateral module provided to them. Such requests may be considered by India ICC, inter alia, subject to availability of un-utilised collateral of the member after due adjustments for the fulfilment of all obligations and liabilities of the member towards India ICC/INX as per the Bye Laws, Rules and Regulations of India ICC/INX or anything done in pursuance thereof.

Clearing Members can log-in to the web-based collateral module of India ICC and submit their requests for release of available collaterals. No separate letter would be required to be submitted for the same.

5. Procedure for submission of Bank Guarantees

Clearing Members can deposit Bank Guarantees (BGs) issued by bank branches located at IFSC towards Liquid Assets in the prescribed format as given in Annexure 5. The BG may be deposited along with a covering letter of the Clearing Member in the format as given in Annexure 6. Clearing Members can deposit bank guarantee(s) with/without the claim period. In cases where bank guarantee(s) are submitted without a claim period, the amount of the bank guarantee(s) would be removed from the liquid assets of the member at least seven days before the expiry date of the bank guarantee(s) or such other period as may be decided by India ICC from time to time.

Clearing Members are required to ensure the following at the time of deposit of BGs:

- The bank guarantee is strictly as per the formats prescribed by the Clearing Corporation.
- No relevant portion in the bank guarantee is left blank.
- All irrelevant portions struck off on the printed format should also be authenticated by the bank by affixing the bank seal / stamp duly authorised.
- All handwritten corrections and blanks are attested by the bank by affixing the bank seal / stamp duly authorized.
- Each page of the bank guarantee should bear the bank guarantee number, issue date and should be signed by at least two authorised signatories of the bank.

- That the bank guarantee is free from any discrepancy before the same is submitted to India ICC.

6. Procedure for renewal/withdrawal of BGs

Clearing Members may renew the BGs deposited towards Liquid Assets by submitting a renewal letter from the concerned bank in the prescribed format given in Annexure 7. The renewal letter should be submitted along with a covering letter by the Clearing Member in the prescribed format given in Annexure 8. The clearing members shall furnish the renewal document strictly in the prescribed format before the date of expiry / maturity date of the bank guarantee. The members may also opt to give a fresh bank guarantee in favour of India ICC instead of renewing the expired bank guarantees.

India ICC shall not accept Fixed Deposit Receipts (FDRs) and Bank Guarantees from members as collateral, which are issued by the member themselves or banks who are associates of member. Explanation - for this purpose, 'associate' shall have the same meaning as defined under Regulation 2 (b) of SECC Regulations 2012.

C. Multi Banking Collateral Facility

India ICC has introduced Multi Banking Collateral Facility for Clearing Members. Under this, Clearing Members can deposit as well as withdraw cash collaterals, from one or more Clearing Banks of India ICC at IFSC, GIFT City, Gandhinagar, provided the Clearing Member has accounts with the banks. For availing Multi Banking Collateral Facility, Clearing Members are requested to send an email to India ICC, at the emails ids of operations team at icc.cs@indiaicc.com, giving details of their account numbers and bank names. Once the details are confirmed by India ICC through return mail, the Clearing Member can start using the Multi Banking Collateral Facility. They can deposit as well as withdraw cash collateral from Clearing Banks which have been informed to India ICC. Clearing Members can withdraw cash collateral, from a particular Clearing Bank, only up to the amount of cash collateral deposited through the particular bank.

Part B: Membership

A. Types of Membership[1]

Sr. No.	Type	Description
1	Self-Clearing Member (SCM)	A member of the Exchange and the Clearing Corporation who executes trades and clears and settles the trades executed on his own account as well as on account of his clients.
2	Trading Cum Clearing Member (TCM)	A member of the Exchange and the Clearing Corporation who executes trades on his own account as well as on account of his clients and clears and settles trades executed by himself as well as by other trading members who choose to use clearing services of the Member.
3	Professional Clearing Member (PCM)	A member of the Clearing Corporation who does not trade either for themselves or on behalf of their clients but only clears and settles trades of such trading members of the Exchange who choose to clear and settle their trades through the Member.

The following fees / security deposit are applicable to the clearing members as IFSC entities: -

Particulars	SCM	TCM	PCM
Net-worth	INR 50,000,000	INR 100,000,000	INR 100,000,000
Application processing charge	US $500	US $500	US $500
Interest Free Deposit (refundable)	US $75,000	US $75,000	US $75,000
Registration Fees to IFSCA*	US $1,000	US $1,000	US $1,000
Annual Clearing Membership Fees to IFSCA**	US $1,000	US $1,000	US $1,000

** Needs to be paid one time while applying for registration.*

*** Needs to be paid within thirty days of conclusion of relevant financial year*

Further, IFSCA issued circular F. No.865/IFSCA/Banking/Fee Revision/2022-23 dated May 17, 2023 as amended upto February 6, 2024, which contains various fees to be paid by all the Regulated Entities in IFSC and all applicants to the International Financial Services Centres Authority (IFSCA).

B. Membership by Foreign Entities[1]

Any entity from a foreign jurisdiction, desirous of operating in IFSC as a clearing member of the Clearing Corporation, may set up a branch office in IFSC to provide clearing services.

The following fees / security deposit are applicable to such clearing members:-

Particulars	SCM	TCM	PCM
Networth	US $6,75,000	US $1,350,000	US $1,350,000
Application processing charge	US $500	US $500	US $500
Interest Free Deposit (refundable)	US $75,000	US $75,000	US $75,000
IFSCA Registration fees*	US $1,000	US $1,000	US $1,000
Annual Clearing Membership fees**	US $1,000	US $1,000	US $1,000

** Needs to be paid one time while applying for registration*

*** Needs to be paid within thirty days of conclusion of relevant financial year*

Further, IFSCA issued circular F. No.865/IFSCA/Banking/Fee Revision/2022-23 dated May 17, 2023 as amended upto February 6, 2024, which contains various fees to be paid by all the Regulated Entities in IFSC and all applicants to the International Financial Services Centres Authority (IFSCA).

C. Membership by non-bank custodians[2]

Any non-bank entity recognised as custodian of assets/securities by IFSCA through the branch structure, shall be permitted to become a Clearing Member of a Clearing Corporation in GIFT-IFSC.

Clearing Members are required to comply with the requirements as provided in the circulars, rules, bye laws, regulations, guidelines, issued from time to time by IFSCA, the exchange, clearing corporation, other governing authorities.

---

[1] For more information, kindly refer to circular no. 20201211-1 dated December 11,2020, 20230518-1 dated May 18, 2023, 20230726-1 dated July 26, 2023 & 20230711-2 dated July 11, 2023, regarding membership of stock exchanges and clearing corporations in IFSC along with the fulfilling of various compliance requirements and fee structure for the entities undertaking or intending to undertake permissible activities in IFSC.

[2] For more information, kindly refer to India ICC's circular no. 20210915-1dated September 15,2021.

D. Net worth Computation and Submission[3]

- The members of the clearing corporation are required to submit the Net worth Certificate & Computation of Net worth as per the clearing corporation/IFSCA requirement from time to time.
- The submission of net worth certificate must be in accordance with IFSCA (Capital Market Intermediaries) Regulations, 2021.

E. Internal audit reports (IAR)[4]

- The members of the clearing corporation are required to carry out complete internal audit by independent qualified Chartered Accountants or Company Secretaries or Cost and Management Accountants who are in practice and who do not have any conflict of interest.
- All members are required to submit the IAR on a half yearly basis on or before the submission date prescribed by the clearing corporation/IFSCA from time to time.
- The purpose of the audit is to examine that the processes, procedures followed and the operations carried out by the clearing member are as per the applicable Acts, Rules, Regulations, Bye-laws and Circulars prescribed by IFSCA and clearing corporation.

For application form for new membership with India ICC, kindly refer Annexure 9. Clearing Members are required to adhere to the requirements mentioned under Clearing Member Compliance in the membership registration form.

For model Trading Member (TM) Clearing Member (CM) Agreement format, kindly refer Annexure 10.

F. Due diligence

- The membership team of India ICC are required to carry out due diligence at the time of onboarding a member and it is also an ongoing process.
- Further, India ICC complies with the IFSCA (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022 issued on May 26, 2023, and various circulars/notifications issued thereunder, as mentioned below:

[3] Kindly refer to circular nos. 20240416-5 dated April 16, 2024 and no. 20231013-1 dated October 13, 2023 regarding submission of half yearly networth certificate as on March 31, 2024 and September 30, 2023 respectively.
[4] Kindly refer to circular no. 20230927-1 dated September 27,2023 regarding submission of networth certificate, Auditor's Report & Annual Accounts for the financial year ended on March 31, 2023.

- Additional AML measures under the International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022, dated September 1, 2023.
- Guidance to the International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022 dated, September 11, 2023.
- Modifications under the International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022 for specifying additional AML/CFT/KYC measures and clarifications dated October 13, 2023.
- Modifications under the International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022, dated October 26, 2023.
- Registration on FIU-IND FINNET 2.0 portal for compliance with International Financial Service Centres Authority (Anti Money Laundering, Counter - Terrorist and Know Your Customer) guidelines, 2022, dated March 14, 2024.

G. Operations through Disaster Recovery (DR) Site of the Broker Dealers and Clearing Members registered with IFSCA

IFSCA issued circular no. IFSCA/CMD-DMIIT/BCP-DR/2023-24/001, dated May 9, 2023, specifying that operations carried out by the Broker Dealers and Clearing Members, from their respective DR sites located outside GIFT-IFSC and within India, shall be deemed to have been carried out at GIFT-IFSC.

Part C: Margins

India ICC has evolved a margining framework based on globally prevalent best practices. The margining framework is compliant with the CPMI - IOSCO Principles of Financial Market Infrastructures (PFMI).

The margins levied to members shall be levied and collected in USD.

A. Initial Margin

The initial margin shall be deducted upfront on an on-line real-time basis from the available liquid assets deposited by the clearing member. India ICC has adopted SPAN® (Standard Portfolio Analysis of Risk) methodology or any other system for the purpose of real time initial margin computation. The SPAN methodology helps to provide an integrated view of the risk involved in the portfolio of each individual client.

Initial margin requirement is based on a worst scenario loss of a portfolio of an individual client comprising his positions in options and futures contracts across different underlying and maturities for various scenarios of price and volatility changes. The initial margin requirements shall be set to provide coverage of at least a 99% single-tailed confidence interval of the estimated distribution of future exposure at least over a one day time horizon.

The initial margin requirement is netted at the client level and calculated on gross basis at the trading/clearing member level. The initial margin requirement for the proprietary position of trading/clearing member would also be on net basis.

B. Computation of Initial Margin - Overall Portfolio Margin Requirement

The computation of worst scenario loss would have two components. The first is the valuation of the portfolio under the various scenarios of price changes. At the second stage, these scenario contract values would be applied to the actual portfolio positions to compute the portfolio values and the initial margin. The scenario contract values shall be updated at the start of the business day, then approximately every 1.5 hours and finally at the end of the business day. The latest available scenario contract values would be applied to member/client portfolios on a real time basis.

The total margin requirements for a member for a portfolio of futures and options contract are computed as follows:

i. SPAN will add up the Scanning Risk Charges and the Intra commodity Spread Charges.
ii. SPAN will compare this figure (as per i above) to the Short Option Minimum charges.
iii. It will select the larger of the two values between (i) and (ii)

iv. Total SPAN Margin requirement is equal to SPAN Risk Requirement (as per iii above), less the 'net option value', which is mark to market value of difference in long option positions and short option positions.

Risk parameters files are generated based on the updated details. The details of risk parameters files and indicative margins on all products cleared and settled by India ICC is available on website in .xml and .spn formats. The weblinks for the same is as below:

Sr. No.	File Name	Path
1	Risk Parameter File	http://www.indiainx.com/markets/RiskParameter.aspx
2	Indicative Margins	https://www.indiainx.com/download/indiacativemargin/ICC_IM_202101_01.pdf

C. Price Scan Range

Price Scan Range (PSR) is a type of SPAN parameters used for calculating margin requirement in SPAN® framework. PSR amount shows the minimum margin requirement when you hold 1 short/long position of Futures contract, provided, however, when you hold positions across multiple contract months, and/or combinations of Futures and Option contracts, minimum margin requirement can be increased/decreased. The price scan range is the probable price change over a look ahead period and is referred as standard deviation sigma.

The volatility estimate shall be computed using the Exponentially Weighted Moving Average Method (EWMA). The price scan range (sigma value) and volatility scan range are specified. The estimate at the end of time period t (σt) shall be estimated using the volatility estimate at the end of the previous time period i.e. as at the end of t-1 time period (σt-1), and the return (rt) observed in the futures market during the time period t.

The volatility estimated at the end of the day's trading would be used in calculating the initial margin calls at the end of the same day.

The formula shall be as under:

$$\sigma_t^2 = \lambda(\sigma_{t-1})^2 + (1-\lambda)(r_t)^2$$

Where

- λ is a parameter which determines how rapidly volatility estimates changes. The value of λ is currently fixed at 0.94.
- σ (sigma) means the standard deviation of daily returns in the futures market.
- The "return" is defined as the logarithmic return: rt = ln (St/St-1) where St is the price at time t.

D. Volatility Scan Range

The Volatility Scan is the amount by which the implied volatility is changed in each risk array scenario. Just as there is a set price scan range, there is a set volatility scan range.

SPAN calculates the probable premium value at each price scan point for volatility up and volatility down scenario. It then compares this probable premium value to the theoretical premium value (based on last closing value of the underlying) to determine profit or loss. The sigma σ would be the standard deviation σ of daily logarithmic (ln) returns of futures price.

The price scan range and volatility scan range ("VSR") for generating the scenarios would be as below or such other percentage as may be specified by India ICC from time to time.

The current PSR & VSR values for the various product types are given as below:

Product Type	Price Scan Range	Volatility Scan Range
Index Futures and Options	Three standard deviation (3 sigma) or such other price scan range for the underlying as may be specified from time to time.	4% or such other percentage as may be specified from time to time
Single Stock Futures and Options	Three and a half standard deviation (3.5 sigma) or such other price scan range for the underlying as may be specified from time to time.	10% or such other percentage as may be specified from time to time
Commodity Futures and Options	Three standard deviation (3 sigma) or such other price scan range for the underlying as may be specified from time to time.	4% or such other percentage as may be specified from time to time
Currency Futures and Options	Three and a half standard deviation (3.5 sigma) or such other price scan range for the underlying as may be specified from time to time.	3% or such other percentage as may be specified from time to time

E. Calendar Spread Margins

As SPAN scans futures prices within a single underlying instrument, it assumes that price moves correlate perfectly across contract months. Since price moves across contract months do not generally exhibit perfect correlation, SPAN adds a Calendar Spread Charge (also called the Inter-month Spread Charge) to the Scanning Risk Charge associated with each futures and options contract. To put it in a different way, the Calendar Spread Charge covers the calendar (inter-month etc.) basis risk that may exist for portfolios containing futures and options with different expirations.

A futures position at one expiry month which is hedged by an offsetting position at a different maturity would be treated as a calendar spread. The benefit for a calendar spread would continue till expiry of the near month contract. The calendar spread margin shall be deducted from the liquid net worth of the clearing member on an online, real time basis.

For each futures and options contract, SPAN identifies the delta associated with each futures and option position, for a contract month. It then forms spreads using these deltas across contract months. For each spread formed, SPAN assesses a specific charge per spread which constitutes the Calendar Spread Charge.

The margin for options calendar spread would be the same as specified for futures calendar spread. The margin would be calculated on the basis of delta Δ of the portfolio in each month. A portfolio consisting of a near month option with a delta Δ of 100 and a far month option with a delta Δ of –100 would bear a spread charge equal to the spread charge for a portfolio which is long 100 near month futures and short 100 far month futures.

The calendar spread margins for various product types are given as below:

Product Type	Calendar Spread Charge
Index Futures & Options	0.50 % (number of spread months) subject to a minimum margin of 1% and a maximum margin of 2%
Single Stock Futures & Options	0.50 % (number of spread months) subject to a minimum margin 1% and a maximum margin of 3%
Commodity Futures & Options	0.50 % (number of spread months) subject to a minimum margin of 1% and a maximum margin of 2%
Currency Futures & Options	0.25 % (number of spread months) subject to a minimum margin 1% and a maximum margin of 2%

F. Inter – Commodity Spread Margin benefits

The inter – commodity spread margin benefits which would be applicable to contracts traded on the India International Exchange (IFSC) Limited:

Leg Delta A	Leg A's Contract	Leg A Underlying	Leg Delta B	Leg B's Contract	Leg B Underlying	Credit Rate
1	Sensex	BSE Sensex	3	India 50	BSE Sensex 50	75.00%
1	Gold	Gold Futures	2	Silver	Silver Futures	55.00%

Leg Delta A	Leg A's Contract	Leg A Underlying	Leg Delta B	Leg B's Contract	Leg B Underlying	Credit Rate
4	INRUSD	INRUSD	7	USDINR	USDINR	90.00%

G. Short Option Margin

Deep-out-of-the-money short options may show zero or minimal Scan Risk given the price and volatility moves in the 16 market scenarios, yet still present risk in the event that these options move closer-to-the-money or in-the-money, thereby generating potentially large losses. Hence a Short Option Minimum Margin is applied to each product to account for this potential exposure. The Short Option Minimum Margin is calculated on the Notional Value of all short options.

SPAN assesses a minimum margin for each short option position in the portfolio called the Short Option Minimum charge, which is set by the India ICC. The Short Option Minimum charge serves as a minimum charge towards margin requirements for each short position in an option contract.

For example, suppose that the Short Option Minimum charge is 50 dollar per short position. A portfolio containing 20 short options will have a margin requirement of at least 1,000 dollars, even if the scanning risk charge plus the inter month spread charge on the position is 500 dollars only.

H. Exposure Margin

Exposure margin covers the expected loss in situations that go beyond those envisaged in the 99% value at risk estimates used in the VaR margin. It is on the mark to market value of the gross open positions or as may be specified from time to time and shall be deducted upfront from the available liquid assets of the clearing and trading members on an online, real time basis.

For details on exposure margins please refer on India ICC website. https://www.indiainx.com/download/indiacativemargin/ICC_IM_ICC_IM_202406_01_03062024.pdf

I. Crystallised Loss Margin

India ICC blocks real time margin for open positions arising out of trades in all the products. India ICC shall collect the intra-day crystallised loss margin (CLM) from the free collateral on an online real-time basis only for those transactions which are subject to upfront margining. CLM shall be calculated and collected only when a member takes an offsetting position. An offsetting position requires assuming an opposite position in regards to the original outstanding position. For the purpose of calculating Crystallised loss/ profit, such offset trades would be only to the extent of the existing open positions.

The CLM will be released at the end of the day when Mark to Market ("MTM") Margin obligation is levied. The crystallised gain may be used to offset subsequent crystallised losses at the client level, to the extent of such client level crystallised losses. If the crystallised gains exceed the crystallised losses, no benefit shall be accrued towards the available collateral. The Crystallised Loss will be set off against Crystallised profit only on the Client Level. On the Clearing Member/ Trading Member Level, the Crystallised Profit shall be ignored. The crystallised loss margin will be added in total margin requirements and in case the total margin requirements exceeds the threshold of margin percentage applicable for risk reduction mode (RRM) then the member shall be put in RRM. crystallised loss margin shall be computed only for futures contracts.

J. Mark to Market (MTM)

The Mark To Market (MTM) is collected in cash on T + 1 for all futures contracts. To derive the cumulative MTM nett settlement of portfolio, the closing price of each product is used for computation of mark to market gains\losses. The margins are levied on future products, which is deducted from the available liquid assets on a real times basis.

The premium for options is to be paid by the buyer in cash and paid out to the seller in cash on T + 1 day. Until the buyer completes the pay-in of the premium, the premium due is deducted from the available liquid assets on a real time basis. Since the options are premium style, there is no MTM settlement of profit or loss.

K. Net Option Value

The Net option Value (NOV) is calculated as the current market value of the option times the number of option contracts (positive for long options and negative for short options) in the portfolio. The Net Option Value is added to the Liquid Net worth of the Clearing member i.e. the value of short options will be deducted from the liquid net worth and the value of long options will be added thereto.

Thus, MTM gains and losses on options are adjusted against the available liquid net worth of the Clearing Member. The net option value is computed using the closing price of the option and are applied the next day.

L. Assignment Margin

Assignment Margin shall be levied on assigned positions of the clearing members towards exercise settlement obligations for option contracts. For option positions exercised, the seller shall be levied assignment margins which shall be 100% of the net exercise settlement value payable by a clearing member, till the completion of pay-in towards exercise settlement. Assignment margins shall be computed as net of assignment settlement and futures final settlement.

M. Enforcement and Collection of Margins

Aforesaid margins are computed at a client level portfolio and grossed across all clients (including proprietary positions of member) at the member level margins are collected/adjusted upfront from the liquid assets of the Clearing/Trading Members on an on-line real time basis.

Members are required to collect initial margins, exposure margins, net buy premium, and mark to market losses (inclusive of final settlement) or any other margin as prescribed by the Exchange/Clearing Corporation from their client/constituents on an upfront basis. It is mandatory for all members to report details of such margins collected to India ICC/India INX. The procedure for reporting of margins is detailed separately.

N. Client Margin Reporting

Trading Members shall report margin collected from their Clients and Clearing Members shall report margin collected from their Trading Members (for proprietary account positions of Trading Members) and from their Custodial Participant (CP) Clients respectively through GUI based margin file upload utility.

Pursuant to SEBI circular no. SEBI/HO/MRD/DRMNP/CIR/P/2018/75, dated May 02, 2018, regarding additional risk management measures for derivatives segment, members are hereby informed that margins which are to be compulsorily collected and reported to the Clearing Corporation by the Clearing members will also include mark to market settlements besides the Initial margin, Exposure margin/Extreme loss margin and net buying premium margin.

- Accordingly, clearing members will be required to collect Initial margins (inclusive of calendar spread margin), Exposure margin/Extreme loss margins, net buying premium margin, and mark to market losses (inclusive of final settlement) from their respective trading members as the case may be.
- Members are required to report the above margins viz., Initial margin, Exposure margin/Extreme loss margin, net buying premium margin, and mark to market losses collected from their trading members as on end of each business day (session II) by the current timeline of T+5 day (by 23:50 hours).
- The penalty for short/non reporting by clearing/trading member shall be as currently applicable and will include any MTM loss which is short/non reported.

The mark to market loss to be collected and reported by members shall be computed as under "Mark to market losses in futures contracts + Assignment of options (cash settled) – Exercise of options (cash settled) – net premium receivable".

The collateral utilization/trading limits (assigned by Clearing Members) at clearing member/trading member level will be computed post deduction of Initial/Span margin

+ Exposure margin/Extreme loss margin + Buy premium margin from the liquid assets/trading limits of the clearing member/trading members + Crystallised losses

For this purpose, Members need to download below files from Extranet:

INX_MGTM_ <Member Code >_<YYYYMMDD>_2.CSV
INX_MGCM_< Member Code >_<YYYYMMDD>_2.CSV

Open file in notepad and fill the amount of margin (Initial Margin, Other Margin, Net Buy Premium, MTM losses etc.)

INX_MGTM<Member Code >_2.Mnn
INX_MGCM<Member Code >_2.Mnn
(To be uploaded in CSV Format)

Upload the same through extranet.

The reporting of margin will be end of business day (session II) and will be collected on or before 11:50 p.m. on T+5 (i.e. 5th working day from T day).

Members may further note that non-reporting/short collection/non-collection of margins will attract fines/penalties as prescribed by India ICC from time to time.

O. Imposition of Additional Margins

As a risk containment measure, India ICC may require clearing members to make payment of additional margins as may be decided from time to time. This shall be in addition to the initial margin and exposure margin, which are or may have been imposed from time to time.

P. Mode of payment of Margin

Clearing members shall provide for margin in any one or more of the eligible collateral modes as specified by the India ICC. The margins shall be collected/adjusted from the liquid assets of the member on a real time basis.

Q. Payment of Margins

The initial margins, exposure margins, net buy premium and MTM losses shall be payable upfront by the clearing/trading members and collected by the member from the client/ constituent on an upfront basis. It is mandatory for all clearing/ trading members to report details of such margins collected to India ICC.

R. Collateral Limit for Trading Members

Clearing members clearing and settling for other trading members shall specify the maximum collateral limit permitted for each trading member. Such limits may be set up by the clearing member, up to the time specified by India INX/ India ICC through the facility as may be provided by India INX/ India ICC from time to time. The aggregate limit set up across all trading members, clearing and settling through such clearing member, shall at no point of time exceed the effective deposit of the clearing member with India ICC less minimum liquid net worth.

S. Risk Reduction Mode

All Trading Members are put in Risk Reduction Mode (RRM), when collateral / trading limit utilization of member reaches 90%. Following features shall be applicable during Risk Reduction Mode:

- All unexecuted orders shall be cancelled.
- Fresh orders which reduce open position shall be accepted
- Fresh orders which increase open position shall be checked for margin sufficiency
- If sufficient margin is not available, such orders shall be rejected
- Fresh orders can be placed for immediate or cancel (IOC) only.

The Clearing Members are moved back to normal mode when utilisation goes below 85%.

Part D: Settlement

A. Settlement Process

The Clearing & Settlement of trades executed on India INX shall be cleared and settled through India ICC as per the guidelines issued by International Financial Services Centres Authority (IFSCA) and as per the provisions of Rules, Bye-Laws and Regulations of India ICC and India INX as well as any other circulars/guidelines that may be issued in respect of the same from time to time.

The Clearing and Settlement shall be done on a multilateral netting basis as per the settlement obligations of the respective clearing members. The Clearing Members shall be responsible for all obligations, inter alia, including the payment of margins, penalties, any other levies and settlement of obligations of the trades entered by them as trading members and also of those trading members and custodial participants, if any, for whom they have undertaken to settle as a Clearing Member.

As a set process all obligations in respect of trades entered by trading members will be transferred to the respective Clearing Members who have undertaken to act as Clearing Members for them.

B. Settlement Schedule

The pay-in and pay-out of daily mark to market settlements and final settlement of futures contracts would be effected in accordance with the settlement schedule issued by India ICC periodically. The Clearing Members should maintain clear balance of funds in their settlement account with their designated Clearing Bank/Settlement bank towards their funds pay-in obligation at the scheduled pay-in time on the settlement day.

The pay-out of funds will be credited to the receiving Clearing member’s settlement account with their designated Clearing Bank/Settlement bank.

- The settlement of all the contracts traded under India INX would be settled in cash in USD.
- The daily mark-to-market settlement and premium settlement of India INX derivatives contracts would be settled in cash as per the settlement schedule prescribed for each session from time to time by India ICC as per the timelines specified by India ICC.
- India ICC will process two settlement cycles daily, for computation of daily mark-to-market settlement of all the contracts as per the timelines specified by India ICC.
- The trading / settlement schedule at India ICC is as follows (example) :-

Trading			Download of files	Funds Settlement	
Business Date (example)	Session No.	Trading session Timeline	Download of settlement files to members / Banks	Pay-in Timings	Pay-out timings
14/4/2020	1	4:30:00 Hours to 17:00:00 Hours (14/4/2020)	By 18:00:00 Hours (14/4/2020)	8:00:00 hrs (15/4/2020)	8:15:00 hrs (approx.) (15/4/2020)
14/4/2020	2	17:00:01 Hours (14/4/2020) to 2:30:00 Hours (15/4/2020)	By 3:30:00 Hours (15/4/2020)	16:30:00 hrs (15/4/2020)	16:45:00 hrs (approx.) (15/4/2020)

- *As mentioned in the above table, the trading for 'Business Date' of 14-Apr-2020 shall be conducted over two trading sessions and span across two calendar days viz. 14-Apr-2020 and 15-Apr-2020.*
- *The first trading session shall start at 4:30:00 hours in the morning and shall end at 17:00:00 in the evening of 14-Apr-2020.*
- *The second session shall start at 17:00:01 on 14-Apr-2020and end at 2:30:00 am of 15-Apr-2020.*
- *The 'Business Date' shall be provided to the members through the file name of the contract master file.*

  - At each clearing cycle (end of session 1 & 2), mark-to-market will be calculated on the new positions taken in the current trading session and on the brought forward positions from the previous session.
  - The final settlement of future and option contracts traded under India INX shall be effected as per the timelines specified by India ICC.
  - Contracts traded on India INX, shall be cleared on a netted basis.
  - The pay-in and pay-out of daily mark to market/premium settlements and final settlement would be effected in accordance with the settlement schedule issued by India ICC on monthly basis.

C. Settlement Price

Daily Settlement Price [5]

The Daily settlement price shall be the closing price of such contracts on the trading day. The closing price for a futures contract shall be calculated on the basis of the last half an hour Volume weighted average price of such contract or such other price as may be decided by the relevant authority from time to time.

In the absence of last half an hour trading, Volume Weighted Average Futures Price of trades in the entire day, subject to a minimum of 5 trades in the day will be taken for the computation.

[5] Kindly refer to circular no. 20190607 - 3 dated June 7, 2019, regarding computation of daily settlement price of index futures and options contracts.

In the absence of the minimum 5 trades in the day, the Daily Settlement price will be as determined by the exchange from time to time.

Final Settlement Price

Final Settlement price will be based on the reference price of the underlying market.

D. Give-up/Take-up facility

Auto Give-up/Take-up facility would be available for members to transfer their obligations to other Clearing Members for settlement subject to confirmation of such trades positions by the concerned members.

The trades which have been confirmed by Clearing Members shall form part of the obligations of concerned Clearing Members and such Clearing Members shall be responsible for all obligations arising out of such trades including the payment of margins, penalties, any other levies and settlement of obligations. In case of trades which have not been confirmed by Clearing Members of the Custodial Participants, shall be considered as trades pertaining to the Trading Members entering such trades and shall form a part of the obligations of Clearing Members, who clear and settle for such Trading Members. The trades of CP Code in auto confirmation mode would automatically get transferred under the concerned CP-Clearing Member in RTRMS module.

E. Clearing & Settlement for Debt securities[6]

1. Global Securities Market platform of India INX (OTC trades)

i. The clearing and settlement for OTC trades would be conducted by India ICC.
ii. All the Participants who report trades and Custodians (entity settling the trade in case the participant themselves are not settling it), on the Global Securities Market platform of India INX, will need to fill up annexures (Annexure 11 and Annexure 12) and forward them to India ICC.
iii. Only Participants registered with India ICC will be able report trades on India INX and they or their Custodians will be able to settle trades through India ICC.
iv. Participant can report trades only after receiving confirmation of registration by India ICC.
v. All participants of the Global Securities Market platform or their custodians shall have a securities account with either Clearstream Banking SA (Clearstream) or Euroclear Bank (Euroclear) to be able to report and settle the trades.
vi. The settlement of securities / funds would be only through the Participants / Custodians who have a securities account with Clearstream / Euroclear and have provided their securities account / bank account details along with their undertakings.

[6] Kindly refer to circular nos. 20180118-4, dated January 18,2018, no. 20180216-4, dated February 16,2018, no. 20180222-1, dated February 22,2018, no. 20181024-4, dated October 24,2018, no. 20181126-1, dated November 26,2018, no. 20190205-1, dated February 5, 2019

vii. Participants would have to bear a fee of USD 50 for their side of the trade reported.

- **The salient features of the clearing & settlement process for OTC trades report on Global Securities Market platform of India INX would be as follows:**

i. Once a trade has been reported on the Global Securities Market platform, the buyer will need to transfer the necessary funds (value of the trade plus fees of USD 50) to India ICC's Clearing Bank account (details will be provided at the time of registration) and the seller will need to transfer securities to India ICC's account (details will be provided at the time of registration) with Clearstream.
ii. Funds pay in for session I should be credited to correspondent bank of settlement bank of India ICC by EOD of nostro on same day.
iii. Funds pay in for session II should be credited to correspondent bank of settlement bank of India ICC by 12:00 noon Indian Standard Time (IST) on the next day.
iv. Funds pay in should be confirmed over email to India ICC by buyer by sending copy of remittance message (MT 103/ MT 202) within 30 minutes of such payment. The email id to which this message should be sent is icc.cs@indiaicc.com.
v. India ICC will instruct Clearing Bank to transfer funds (value of the trade less fees of USD 50) to seller's bank account (as per details mentioned in Annexure 9)
vi. India ICC will instruct Clearstream to transfer securities to buyer's account (as per details mentioned Annexure 9).
vii. In case any of the legs, whether securities or funds remains undelivered by any of the parties, the settlement would stand annulled and the securities / funds returned to the respective party.
viii. Trades would be settled on a gross basis on T+1 day.

- **Settlement Guarantee:**

No settlement guarantee

Timings for Clearing & Settlement of trades reported on Global Securities Market platform of India INX in Indian Standard Time (IST)* :

Trading			**Settlement Type**	**Settlement type / Securities Settlement timing**		**Settlement type / Funds Settlement timing**	
Business Date (example)	Session No.	Trading session Timeline		Pay-in Timings	Pay-out timings	Pay-in Timings	Pay-out timings
13-02-2020	1	4:30 Hrs. to 17:00 Hrs. (13/2/2020)	T + 1	By 9:00 Hrs. (14/2/2020)	By 9:45 Hrs. (14/2/2020)	By 9:00 Hrs. (14/2/2020)	By 9:45 Hrs. (14/2/2020)
13-02-2020	2	After 17:00 Hrs. (13/2/2020)	T + 1	By 16:00 Hrs. (14/2/2020)	16:45 Hrs. (14/2/2020)	By 16:00 Hrs. (14/2/2020)	16:45 Hrs. (14/2/2020)

Trading			Settlement Type	Settlement type / Securities Settlement timing		Settlement type / Funds Settlement timing	
Business Date (example)	Session No.	Trading session Timeline		Pay-in Timings	Pay-out timings	Pay-in Timings	Pay-out timings
		to 02:30 Hrs. (14/2/2020)					

- Participant / Custodian / Clearing member details: All participants (investors), clearing members / custodians (entity settling the reported trade of the participants in case the participant themselves are not settling it) are required to register themselves for clearing & settlement. Registration form and undertaking which Participant / Custodians need to forward to the India ICC are enclosed as Annexure 11 and Annexure 12. Participants / Custodians are required to mention all the details in the form / undertaking and email a scanned copy to: icc.cs@indiaicc.com and send the original by courier at the following address:

  Head – Operations,
  India International Clearing Corporation (IFSC) Ltd. (India ICC)
  1st Floor, Unit No. 102, The Signature,
  Building no. 13B, Road 1C, Zone 1, GIFT SEZ
  GIFT City, Gandhinagar, Gujarat – 383255, India

F. Clearing & Settlement and risk management for Negotiated Large Trade ("NLT") facility

1. Clearing & settlement mechanism

India ICC would conduct clearing and settlement of the trades executed on India INX. India ICC would process the clearing member obligation files for both the normal markets and NLT and the settlement would be conducted on a netted basis across all trades under a clearing member. There would be two settlements on a netted basis for a business day at specified timings, as is currently applicable for normal trades.

2. Risk Management

The salient features for risk management are listed as below:
a. Settlement guarantee will be provided for the trades executed as NLT.
b. Considering the pre-trade risk control, the minimum initial margins will be blocked separately for orders executed for NLTs.
c. On orders being transformed to NLTs, the blocked amount on such orders will be released and such trades will be accountable for all kind of margins as applicable on normal trades for post trade risk controls.

d. The positions acquired under NLT will also be considered for computation of applicable position limits on derivatives.
e. As the positions resulted from such NLTs are futures/options positions of the relevant derivatives contracts, so the daily mark to market (MTM) will be collected based on daily settlement price and final settlement prices as applicable to the normal derivatives products.
f. Further to the above submissions, the NLTs may be rejected if:
i. Collaterals are inadequate to cover the NLT transaction.
ii. The member breaches risk reduction mode threshold.
iii. The position limits are breached.

There will be no additional margin reporting for NLT. All other norms/guidelines shall remain unchanged.

2. Clearing & Settlement of exchange traded debt securities

The clearing and settlement for exchange traded debt securities would be conducted through the clearing members / custodians. All members / custodians are required to register themselves for clearing & settling debt securities traded on the debt market platform of India INX. Registration form and undertaking which members/ custodians need to forward to the India ICC are enclosed as Annexure 11 and Annexure 12 respectively. Members / custodians are required to mention all the details in the form / undertaking and email a scanned copy to : icc.cs@indiaicc.com and send the original to India International Clearing Corporation (IFSC) Limited, Clearing & Settlement department, 1st Floor, Unit No. 102, The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382355, India.

All participants of the exchange traded platform or their custodians shall have securities account with either Clearstream or Euroclear to be able to participate.

The details of trading & settlement timings, funds settlement and securities settlement are mentioned below:-

	Trading		Download of files	Securities Settlement		Funds Settlement	
Business Date (example)	**Session No.**	**Trading session Timeline**	**Download of settlement files to members / Banks**	**Pay-in) Timings**	**Pay-out Timings**	**Pay-in Timings**	**Pay-out) Timings**
15/9/2020	1	4:30:00 Hrs. to 17:00:00 Hrs. (15/9/2020)	By 18:00 Hrs. (15/9/2020)	By 9:00 Hrs. (16/9/2020)	By 10:30 Hrs. (16/9/2020)	By 9:00 Hrs. (16/9/2020)	By 10:30 Hrs. (16/9/2020)

15/9/2020	2	17:00:01 Hrs. (15/9/2020) to 2:30:00 Hrs. (16/9/2020)	By 3:30 Hrs. (16/9/2020)	By 16:00 Hrs. (16/9/2020)	By 17:30 Hrs. (16/9/2020)	By 16:00 Hrs. (16/9/2020)	By 17:30 Hrs. (16/9/2020)

- **Funds Settlement**

  - The pay-in and pay-out of funds would be conducted through designated clearing banks based on the funds obligations of the clearing members/custodians. (List of designated clearing banks is attached as Annexure 15)
  - The obligations of the clearing members/custodians would be generated by India ICC on T day and downloaded to the clearing members/custodians.
  - The funds settlement would be on a gross basis for the clearing member/custodian.
  - Clearing members/custodians are required to maintain and operate a settlement account with any one of the designated clearing banks. The said settlement account is to be used exclusively for clearing & settlement operations viz, for settlement of funds obligation, payment of margins etc. to India ICC. Clearing members/custodians shall maintain clear balance of funds in their settlement accounts with their designated clearing banks towards their funds obligations to India ICC.
  - The clearing banks shall debit/credit the settlement accounts of clearing members/custodians as per instructions received by them from India ICC from time to time.
  - India ICC would match the payments received in the bank account of India ICC with the securities received in the Clearstream account of India ICC, before instructing the clearing bank to release payment to a clearing member who has a funds receivable position.
  - Clearing members/custodian are informed of their funds obligations for various settlements through the daily clearing data download. Clearing members are also provided daily funds statement, which gives date-wise details of each debit/credit transaction in the clearing member's/custodian's settlement account. The summary statement provided to members will summarize the debit/credit information for a quick reference. Members can refer to these statements and provide for funds accordingly.

For any shortfall in funds pay-in, clearing member / custodian will report such shortage, by 9:10 hours for 1st session and by 16:10 hours in 2nd session.

Clearing members / custodians will receive the files as below:

File Nomenclature	For Session
INX_FPIOBCM_<CM ID>_<YYYYMMDD>_1.csv	1
INX_FPIOBCM_<CM ID>_<YYYYMMDD>_2.csv	2

The response files needs to be uploaded by placing the files in extranet folder. The details are as below:

File Nomenclature	For Session
INX_FPIOBCMCMID_1.Mnn	1
INX_FPIOBCMCMID_2.Mnn	2

For trades executed on the Exchange platform, failure to complete the pay-in settlement shall be treated as a violation of funds pay-in and India ICC will levy penalty of 0.07% of the value of the trade on the defaulting clearing member/ custodian.

- **Securities Settlement**

  - In order to settle trades, a clearing member[7] or its custodian would need to have an account with Clearstream / Euroclear, and will provide account detail before execution of trade on India INX trading platform by filling up required Annexure 13 and Annexure 14.
  - The obligations of the clearing members/custodian would be generated by India ICC on T day and downloaded by the clearing members.
  - The clearing member or its custodian's account at Clearstream / Euroclear would be used by the clearing member / custodian to receive / deliver all securities. The trading member / investor would be required to ensure timely delivery of securities to the ICSD's account of the clearing Member/custodian well in advance of pay-in day.
  - The clearing Member / custodian will ensure timely transfer of all securities for pay-in into India ICC's account with Clearstream from their account in Clearstream / Euroclear. (Account Details of India ICC for security transfer is attached in Annexure 16).
  - The securities pay-out will be initiated by India ICC by instructing Clearstream to credit the ICSD account of the clearing members / custodians who are to receive the securities, upon receipt of funds and securities pay-in obligation in full.
  - Securities settlement would be on a gross basis.

For any shortfall in securities pay-in, clearing member / custodian will report such shortage, by 9:10 hours for 1st session and by 16:10 hours in 2nd session.

[7] Includes Custodian Clearing Members

Clearing members / custodians will receive the files as below:

File Nomenclature	For Session
INX_SPIOBCM_<CM ID>_<YYYYMMDD>_1.csv	1
INX_SPIOBCM_<CM ID>_<YYYYMMDD>_2.csv	2

The response files needs to be uploaded by placing the files in extranet folder. The details are as below:

File Nomenclature	For Session
INX_SPIOBCMCMID _1.Mnn	1
INX_SPIOBCMCMID _2.Mnn	2

For trades executed on the Exchange platform, failure to complete pay-in settlement shall be treated as a violation of securities pay-in and India ICC will levy penalty of 0.07% of the value of trade on the defaulting clearing member/ custodian.

- **Settlement Guarantee**

No settlement Guarantee.

In case any of the legs, whether securities or funds remain undelivered by any of the parties, the settlement would stand annulled and the securities / funds returned to the respective clearing member/custodian.

3. Additional feature for settlement of debt securities reported / executed on the GSM platform of India INX

- **Appointment of Custodians**

Participant or trading member desirous of transacting in the debt securities listed on the India INX shall be required to enter into necessary arrangements and maintain accounts with custodians registered in India or global custodians registered in a Financial Action Task Force (FATF) member jurisdiction for the purpose of holding debt securities.

A trading member, who is transacting or reporting in its proprietary account, or a participant of reporting platform in the debt securities listed on India INX, shall be required to submit following documents to India ICC :

a) Request letter from trading member or Participant, authorizing Custodian to settle deals executed on India INX. Format of the letter is attached as Annexure 17.

b) Letter from Custodian confirming clearing and settlement of debt securities. Format of the letter is attached as Annexure 18.

A trading member, who is transacting or reporting on behalf of its clients, in the debt securities listed on India INX, shall be required to request for a custodial participant code by submitting the following documents:

a) Request letter from trading member for issuance of Participant Code. Format of the letter is attached as Annexure 19.
b) Request letter from client, authorizing Custodian to settle deals executed on India INX. Format of the letter is attached as Annexure 17.

Letter from Custodian confirming clearing and settlement of debt securities. Format of the letter is attached as Annexure 18.

- **Clearing and Settlement of deals**

The trades shall be settled on a trade-for-trade basis. The information relating to obligations arising out of each trade shall be communicated to the custodians of the respective market participant / trading member by India ICC.

India ICC shall provide the settlement details to custodian as per Annexure 20.

- **Settlement mechanism**

The settlement of the trades shall require to be performed by the custodians on a T+1 basis. For carrying out the settlements, the custodians shall use the delivery-versus-payment mechanism provided by the ICSDs with whom the issuer of the debt securities has entered into necessary arrangement. The custodians shall be required to report the status of settlement to the Clearing Corporation on T+1 by IST 21.00 Hrs. Format for confirmation of settlement is attached as Annexure 21. There shall be no settlement guarantee and margin requirement for the deals reported or trades executed on Exchange platform.

In case of trades executed on Exchange platform, failure to complete settlement shall be treated as a violation and India ICC will levy penalty of 0.07% of value of reported deal.

G. Clearing Banks

- Every clearing member of India ICC shall maintain a settlement account with any one of the designated Clearing Banks. The settlement account shall be used exclusively for clearing and Settlement operations i.e., for settling funds obligations, payment of margins, penal charges, etc. as may be specified by India ICC from time to time. The list of Clearing Banks currently available for settlement is provided in Annexure 15.

- Clearing Members shall maintain clear balance of funds in their settlement account with their designated clearing bank towards their funds obligation/s to India ICC.

- Clearing members shall not seek to close or de-activate the settlement accounts without the prior written consent of India ICC.

- **Procedure for change in designated Clearing Bank**

In case a Clearing Member wishes to shift their settlement account from one designated Clearing Bank to another, the following procedure shall be followed:

- The Clearing Member shall submit their request letters (on their letterhead) of their intent to shift their settlement account from one designated Clearing Bank to another, to India ICC as per the format enclosed as Annexure 22. Additionally, CM also needs to obtain and submit the NOC (No Objection Certificate) from the old clearing bank on bank letterhead and letter from the new clearing bank confirming the account details of the clearing member.

- As soon as the formalities are completed, India ICC will inform the member in writing about the date from which they can start their clearing and settlement operations from new designated Clearing Bank. However, till such time, India ICC will continue to debit /credit the member's existing clearing bank account.

Part E: Settlement Guarantee Fund

India ICC has created a dedicated "**Settlement Guarantee Fund**", which would be readily and unconditionally available to meet settlement obligations of India ICC in case of Clearing / Custodian member(s) ("CMs") failing to honour settlement obligation.

A. Corpus of Settlement Guarantee Fund The corpus of the fund may be utilised to meet out, inter-alia, the contingencies arising on account of failure of any member(s). The risk or liability to the fund would depend on various factors such as trade volume, open positions, maximum settlement liability of the members, the history of defaults, capital adequacy of the members, the degree of safety measures employed by the India ICC, etc. In order to assess the fair quantum of the corpus of **Settlement Guarantee Fund**, India ICC would consider the following factors:

- Risk management system in force.
- Track record of defaults of members (number of defaults, amount in default).

However, Minimum Required Corpus ("MRC") size would be at least the minimum required corpus as arrived at from the monthly stress test value or USD 1 million, whichever is higher subject to the following:

(i) The MRC shall be fixed for a month.

(ii) By 15th of every month, India ICC shall review and determine the MRC for next month based on the results of daily stress tests of the preceding month. (For example, by 15th February, India ICC shall determine MRC for March based on results of various stress tests conducted in January). India ICC shall also review and determine by 15th of every month, the adequacy of contributions made by various contributors and any further contributions to the Settlement Guarantee Fund required to be made by various contributors for the next month.

(iii) For every day of the preceding month (i.e., January as per example in (ii) above), uncovered loss numbers shall be estimated by the various stress test scenarios (with or without weightages) for credit risk conducted by the India ICC to arrive at the worst case loss number for the day.

(iv) Average of all the daily worst case loss numbers determined in (iii) above shall be calculated.

(v) The MRC for next month (i.e., March as per example in (ii) above) shall be highest of MRCs for the preceding months.

Part F: Penalty Structure

A. Reporting of Short-collection/Non-collection of margins

1. India ICC shall levy penalty specified hereunder on Clearing Members / Trading Members for short-collection/non-collection of margins from Trading Members/ Clients of Trading Members /Custodial Participants herein referred to as "Clients":-

For each member	
'a'	Per day penalty as %age of 'a'
(< USD 15000) And (< 10% of applicable margin)	0.5
(≥ USD 15000) Or (≥ 10% of applicable margin)	1.0

Where a = short collection/non-collection of margins per client per day

2. If short/non-collection of margins for a client is for more than 3 consecutive days, then penalty of 5% of the shortfall amount shall be levied for each day of continued shortfall beyond the 3rd day of shortfall.
3. If short/non-collection of margins for a client takes place for more than 5 days in a month, then penalty of 5% of the shortfall amount shall be levied for each day, during the month, beyond the 5th day of shortfall.
4. Notwithstanding the above, if short collection of margin from clients is caused due to movement of 3% or more in the index derivatives and in the underlying assets (close to close settlement price of futures) on a given day, (day T), then, the penalty for short collection shall be imposed only if the shortfall continues to T+2 day.
5. All instances of non-reporting shall amount to 100% short collection and the penalty as applicable shall be charged on these instances in respect of short collection.
6. If during inspection it is found that a member has reported falsely the margin collected from clients, the member shall be penalized.[8]
7. The penalty shall be collected by the India ICC within five days of the last working day of the trading month and credited to its Settlement Guarantee Fund.

B. Non – fulfilment of settlement obligations

Non fulfilment of settlement obligation towards settlement of contracts traded on the India International Exchange (IFSC) Limited within the scheduled time for the business day shall be treated as a violation.

In case where a settlement shortage is of USD 8000 or more, the Clearing Corporation may advise the Exchange to withdraw the trading facilities of all trading members clearing through such clearing member. In case of settlement shortage of less than USD 8000, the amount of shortage will be blocked from the effective collateral deposits of

[8] Kindly refer to circular no. 20191224 - 3 dated December 24, 2019, regarding rationalization of imposition of fines for false reporting by Clearing Members.

the clearing member to the extent of fund shortage and also may result in withdrawal of the trading facility of the clearing member and its associated trading members.

In case if the clearing member is short for an amount of USD 3000 or more in six or more occasions in the preceding three months, the Clearing Corporation may advise the Exchange to withdraw trading facilities of all trading members clearing through such clearing member. The trading facility shall be restored on the buying clearing member making good the shortage amount in all the above cases.

Further, in case of any over-night settlement shortages penal charges of 0.07% per day of shortage shall be levied.

C. Penalty norms for limit violations

Sr. No.	Instances of Disablement (for breaching 100% trading limits)	Penalty to be levied
1.	1st instance	0.07% per day for the amount breached
2.	2nd to 5th instance of disablement	0.07% per day + $ 100 per instance from 2nd to 5th instance
3.	6th to 10th instance of disablement	0.07% per day + $ 400 (for 2nd to 5th instance) + $ 250per instance from 6th to 10th instance
4.	11th instance onwards	0.07% per day + $ 1650 (for 2nd to 10th instance) + $ 500 per instance from 11th instance onwards. Additionally, the member will be referred to the Board for suitable action.

Instances as mentioned above shall refer to all disablements during market hours in a calendar month. The penal charges of 0.07% per day shall be applicable on all disablements due to margin violation anytime during the day.

Further, following measures will be applicable with respect to members who exceed 90% trading limits, i.e. members who enter into the Risk Reduction Mode (RRM).

i. At the end of each calendar month, members who have exceeded 90% of utilization of capital during the day for more than 7 days in the current month would be identified.
ii. The utilisation is monitored after considering all applicable margins.
iii. The capital requirement to bring the utilisation to a level of 85% at the time of violating the trigger point of 90% on each of those occasions would be noted for the members. The highest of such amounts for the identified members during the month would be called for as additional capital.

iv. The requirement would be communicated to the members on the first day of the subsequent month.
v. The members would be provided a time limit of three working days to provide the amount of additional capital in the form of Cash, FDRs or Bank Guarantees only.
vi. The additional capital so collected would be retained with the Clearing Corporation for a period of one calendar month.
vii. No benefit including exposure, margin etc. would be available to the Member on the amount of additional capital so collected.
viii. In case a Member is liable to provide additional capital in the subsequent month, the amount of additional capital shall be recomputed and the excess /deficit shall be refunded /called for.
ix. In case, a member fails to provide the amount of additional capital within a limit of three working days, the same will be blocked from the collaterals available with the clearing corporation of the member. Penal charges of 0.07% per day shall be applicable in case of non-payment / shortage of additional capital within the stipulated time limit.

D. Penalty norms for position limit violations

- **Penalty for position limit violation at Trading Member level**

When the open position of any Trading Member, exceeds the specified limit at any time, including during trading hours, it shall be treated as a violation. In case of violation, the Clearing corporation may place them in the Risk Reduction Mode (RRM) mode and shall disallow them from putting any additional orders other than square off orders or withdraw trading facilities of the Trading Member.

Additionally, penalty as mentioned below shall be levied for trading Member position limit violation:

Sr. No.	Instances of Position Limit violations in a calendar month	Penalty to be levied
1.	1st instance	0.07% for an instance
2.	2nd to 5th instance of disablement	0.07% per day + $ 10 per instance from 2nd to 5th instance
3.	6th to 15th instance of disablement	0.07% per day + $ 40 (for 2nd to 5th instance) + $ 20per instance from 6th to 15th instance
4.	16th instance onwards	0.07% per day + $ 240 (for 2nd to 15th instance) + $ 40 per instance from 16th instance onwards.

- **Penalty for position limit violation at Client level:**

When the open position of any client, exceeds the specified limit at the end of the day the same shall be treated as a violation and a penalty of US $ 50/- per violation / per client shall be levied to the Trading Members for every day of violation. The penalty for limit violation shall be levied on a monthly basis based on slabs as mentioned above or such other amount as specified from time to time.

E. Penalty norms for non-compliance on submission of Net Worth Certificate

Clearing Members of the Clearing Corporations are required to submit the Net Worth certificate (audited/unaudited) & computation (audited/unaudited) of Net Worth certificate along with Audited Annual accounts as notified by clearing corporation from time to time failing which below penalty will be applicable after due date.

Penalty levied after due date:
• USD 2 per day for first month from the due date.
• USD 3 per day after the first month for next one month.
• USD 4 till the date of submission or date of de-activation, whichever is earlier.

Additionally, member/s will be deactivated from next day before the last date of submission with penalty.

Part G: File Formats

Members may refer to the URL link given below for files formats of India International Exchange (IFSC) Limited & India International Clearing Corporation (IFSC) Ltd.

The file formats pertaining to trading, clearing & settlement, margins, penalty, settlement calendar, configurations for simulation environment are as per the link below:

Web Link: http://www.indiainx.com/nta.aspx

Note: For the OTD file configuration, the member needs to communicate with the Exchange trading operations team, with dedicated IP address so that the setting file can be created.

Part H : Segregated Nominee Account Structure

A. Unique Client Identifier (CLCODE) for Clients of Segregated Nominee Account Providers (Providers)

a) Providers registered with India International Exchange (IFSC) Limited (hereinafter referred to as "India INX") shall request for a CLCODE for each of their clients by submitting the completed Application Form provided in Annexure 23 enclosed with this circular.
b) Provider may also request India ICC for deactivation of CLCODE or modification in the end-client details (in case of change in the name, address or contact details of the Client) by providing the required details as per format attached as Annexure 23.
c) Legal Entity Identifier (LEI) Code of the Provider's Client shall be mandatory for issuance of CLCODE and shall be used to ensure that the same end client does not open accounts with multiple Providers.
d) The CLCODE shall be unique across all Providers and shall be intimated to the applicant Provider and their respective Clearing Member.
e) Client of a Provider shall be required to clear and settle its transactions through any one Clearing Member of India ICC. However, Providers may seek services of multiple Clearing Members, provided that each individual end Client clears and settles transactions through any one Clearing Member.
f) Each Clearing Member associated with the Provider shall be required to submit an undertaking to India ICC in the format enclosed as Annexure 24.[9]

B. Clearing and Settlement of Transactions

a) The Clearing Member undertaking regarding the clearing and settlement of a Segregated Nominee Account shall confirm trades entered for the CLCODE.
b) Such trades shall be confirmed by the Clearing Members using the confirmation facility as provided by Exchange/Clearing Corporation to clearing members from time to time.
c) All such trades which have been confirmed by Clearing Members shall form part of the obligations of Clearing Member concerned and such Clearing Member shall be responsible for all obligations arising out of such trades.
d) Unconfirmed trades, i.e. the trades that are not confirmed by the Clearing Member shall be considered as trades pertaining to the Trading Member executing such

[9] Kindly refer to circular no. 20180611-2 dated June 11,2018 regarding Operating Guidelines for Segregated Nominee Account Structure.

trades and shall form a part of the obligations of the Clearing Member who clears and settles trades for such Trading Members and such Clearing Member shall be responsible for all the obligations arising out of such trades.

C. Margin computation and client margin reporting

a) Margins shall be computed and levied by India ICC at end-client (CLCODE) level
b) All margins applicable to the end-clients of each Provider clearing through a Clearing Member shall be grossed up at Provider level. The Clearing Member shall be required to collect all applicable margins from Provider as per the current applicable provisions.
c) Clearing Member shall be required to report details of margin collected at Provider level using the Client Margin Reporting facility within such timelines as applicable.
d) Short / non-reporting of client margin by clearing members shall be considered as violation. Relevant provisions of actions in case of short/ non-reporting of client margin shall be applicable.
e) India ICC shall levy margins on the Clearing Member of the Trading Member, who has executed trades using the CLCODE of the Client of the Provider, till it has not been confirmed by the respective Clearing Member of the Provider's Client (i.e. Clearing Member which is mapped to the CLCODE).
f) Once the Clearing Member of the CLCODE confirms the trade, the margin obligation of such trades shall shift from Clearing Member linked to the Trading Member to the Clearing Member linked to CLCODE.

D. End of session reports

a) End-of-session Margin Report for Clearing Members will also contain the margin of end-Clients of each Provider clearing through the Clearing Member, which shall be grossed up at Provider level and shall be shown in margin report for Clearing Member.
b) Other end-of-session reports for Clearing Members such as Trade Report, Position file, margin file etc. shall contain information at the CLCODE level.

Part I: Custodian Participant (CP) Code

India ICC, provides a facility to entities (constituents) like FPIs etc., to execute trades through any Trading Member (TM), which will be auto cleared and settled by their Custodian / Clearing Member. To avail this facility the entities are required to make an application to India ICC for allotment of Custodian Participant (CP) Code and provide details of TM with Clearing Number and Client Code for mapping.

Thereafter, all trades executed by such CP through any TM are required to have the CP code in the relevant field in the trading system at the time of order entry. Such trades executed on behalf of a CP will be auto confirmed by the Custodian / Clearing Member (CM) (and not the CM of the TM through whom the trade was executed), based on the limit set by the Custodian / Clearing Member during the trading hours i.e. 04.30:00 hours till 17.00:00 hours (session 1) and 17.00:01 hours to 02.30:00 hours (session 2), within which trades shall be confirmed/modified.

A. Confirmation of trades

Members are requested to take note of the timings for confirmation of trades executed through CP Code facility in the RTRMS:

Sr. No.	Trading Session and Timings	Confirmation Timings
1	Session 1 (04:30:00 hours to 17:00:00 hours)	Session 1 (04:30:00 hours to 17:30:00 hours)
2	Session 2 (17:00:01 hours to 02:30:00 hours)	Session 2 (17:00:01 hours to 02:45:00 hours)

Further, the constituent and the Custodian / Clearing Member are required to enter into an agreement as per specified format (enclosed as Annexure - 25).

B. Procedure for procurement of Custodian Participant (CP) code:

To obtain CP code for their constituents, the Custodian /Clearing Member shall furnish the details of the constituent to India ICC as per Annexure 26 along with the confirmation of the constituent and send the details provided in the given format for necessary mapping. On receipt of the same, India ICC shall allot a CP code and map the details, which can be used for auto give-up / confirmation of trades.

In case, the constituent wishes to shift from one Custodian / Clearing Member to another Custodian / Clearing Member, along with an application from the new Clearing Member as per Annexure 27, a no objection, shall be submitted by the old Custodian / Clearing Member as per Annexure 28.

Part J: Position Limits

As per SEBI Circular No. SEBI/HO/MRD/DRMNP/CIR/P/2017/31, the "Market Wide Position Limit (MWPL)" for 'derivatives on equity shares' shall be equal to ten percent of the number of shares held by non-promoters in the relevant underlying security (i.e. free-float holding). Further, the MWPL for 'derivatives on equity shares' in recognized Clearing Corporation in IFSC shall be reckoned separately from that in recognized Clearing Corporation in domestic market and the MWPL (in value terms), in no circumstances, shall exceed the fifty percent of the MWPL (in value terms) in recognized Clearing Corporation in domestic market.

The Clearing Corporation shall specify the market wide position limits on the last trading day of the month which shall be reckoned for this purpose during the next month. Any change in MWPL for corporate actions would be carried out on the last day on which a security is traded on a cum basis after the close of trading hours. There is no Market Wide Position Limits specified for Index Derivatives, Commodity Derivatives & Currency Derivatives Contracts.

A. Trading Member-wide Position Limit

- **Index Futures / Options:** The Trading Member position limits in index futures/options contracts shall not exceed 5,000,000 contracts. This limit would be applicable on open positions in all futures/ Options contracts on a particular underlying index.

- **Single Stock Future / Options:** As per SEBI Circular No. SEBI/HO/MRD-/DRMNP/CIR/P/2017/31, The Position limit on Futures /Options contracts on single stocks is related to the market-wide position limit for the individual stocks. The combined Futures /Options position limit shall be 10% of the applicable Market Wide Position Limit (MWPL).

- **Currency Futures / Options:** The position limits on currency futures / options contracts is as below.

Product	**Position Limits for Members**
EUR-USD	• Gross open position across all contracts shall not exceed 15% of the total open interest or • USD 1 billion equivalent whichever is higher.

Product	Position Limits for Members
GBP-USD	• Gross open position across all contracts shall not exceed 15% of the total open interest or • USD 1 billion equivalent whichever is higher.
JPY-USD	• Gross open position across all contracts shall not exceed 15% of the total open interest or • USD 1 billion equivalent whichever is higher.
Rupee based derivatives (INR-USD/USD-INR)	• Gross open position across all contracts shall not exceed 15% of the total open interest or • USD 1 billion equivalent whichever is higher.

- **Commodity Futures / Options:** The position limits on commodity futures / options contracts is as below:

Product	Position Limits for Members
ALUMINUM	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 5 lakhs contracts whichever is higher.
BRENT CRUDE OIL	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 4 lakhs contracts whichever is higher
COPPER	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 7 lakhs contracts whichever is higher.
GOLD	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 5 lakhs contracts whichever is higher.
GOLD KG	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 5 lakhs contracts whichever is higher.
GOLDQ	• Gross open position across all contracts shall not exceed 30% of the total open interest or

	• 500,000 contracts whichever is higher.
LEAD	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 1.40 lakhs contracts whichever is higher.
NICKEL	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 4 lakhs contracts whichever is higher.
SILVER	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 3.30 lakhs contracts whichever is higher.
SILVERQ	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 330,000 contracts whichever is higher.
ZINC	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 1.40 lakhs contracts whichever is higher.

B. Client-wide Position Limit

- **Index Futures / Options:** Client-wide position limits in index Futures / Options contracts shall not exceed 3,000,000 contracts. This limit would be applicable on open positions in all Futures / Options contracts on a particular underlying index.

- **Single Stock Future / Options:** As per SEBI Circular No. CMDRP/DC/CIR-10/01, The Gross open position across all Futures / Options contracts on a particular underlying security, of each specific client should not exceed the higher of 1% of the free float market capitalization (in terms of number of shares) or 5% of the open interest in all derivative contracts in the same underlying stock (in terms of number of shares) whichever is higher.

- **Currency Futures / Options:** The Position limits on currency futures / options contracts is as below.

Product	Position Limits for Clients
EUR-USD	• Gross open position across all contracts shall not exceed 6% of the total open interest or • USD 100 million equivalent whichever is higher.
GBP-USD	• Gross open position across all contracts shall not exceed 6% of the total open interest or • USD 100 million equivalent whichever is higher.
JPY-USD	• Gross open position across all contracts shall not exceed 6% of the total open interest or • USD 100 million equivalent whichever is higher.
Rupee based derivatives (INR-USD/USD-INR)	• Gross open position across all contracts shall not exceed 6% of the total open interest or • USD 100 million equivalent whichever is higher.

- **Commodity Futures / Options:** The Position limits on commodity futures / options contracts is as below.

Product	Position Limits for Members
ALUMINUM	• Gross open position across all contracts shall not exceed 10% of the total open interest or • 50,000 contracts whichever is higher.
BRENT CRUDE OIL	• Gross open position across all contracts shall not exceed 10% of the total open interest or • 40,000 contracts whichever is higher
COPPER	• Gross open position across all contracts shall not exceed 10% of the total open interest or • 70,000 contracts whichever is higher.
GOLD	• Gross open position across all contracts shall not exceed 10% of the total open interest or • 50,000 contracts whichever is higher.
GOLD KG	• Gross open position across all contracts shall not exceed 10% of the total open interest or • 50,000 contracts whichever is higher.

Product	Position Limits for Members
GOLDQ	• Gross open position across all contracts shall not exceed 10% of the total open interest or • 50,000 contracts whichever is higher.
LEAD	• Gross open position across all contracts shall not exceed 10% of the total open interest or • 14,000 contracts whichever is higher.
NICKEL	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 40,000 contracts whichever is higher.
SILVER	• Gross open position across all contracts shall not exceed 10% of the total open interest or • 33,000 contracts whichever is higher.
SILVERQ	• Gross open position across all contracts shall not exceed 10% of the total open interest or • 33,000 contracts whichever is higher.
ZINC	• Gross open position across all contracts shall not exceed 30% of the total open interest or • 14,000 contracts whichever is higher.

C. Monitoring of positions based on Unique Client Codes

The clearing corporation shall specify the market wide position limits on the last trading day of the month which shall be reckoned for this purpose during the next month. The client level positions limits shall be monitored at the unique client code level based on the client details uploaded by the member to the clearing corporation. The client level position limits shall be applicable on the combined positions for the same clients trading through different members, as well.

In all the above cases, members shall ensure that client-level position limits are kept within the permissible limits. In the event of a violation, the member shall be required to ensure that –

- The client does not take fresh positions and
- The position of such clients are reduced so as to be within permissible limits.

These position limits shall be applicable on the combined position in all futures and options contracts on an underlying security.

D. Clubbing of open positions

The criteria for clubbing open positions and to calculate the open positions for the purpose of position limits are provided by SEBI[10]/IFSCA from time to time. The clearing corporation shall take suitable measures for clubbing of open positions of clients/members who may be acting in concert to circumvent the norms of position limits. Members are required to take note of the above and put in place adequate processes to ensure that the position limits are also monitored by them considering attached guidelines on clubbing of open positions.

[10] Kindly refer to SEBI circular no. SEBI/HO/CDMRD/DMP/CIR/P/2016/96 dated September 27,2016 regarding Position Limits for Commodity Derivatives, clubbing of open positions, penalties for violations of position limits.

Part K: Stamp Duty

No stamp duty is applicable on the transactions executed on the Exchange. The following amendment were made in The Indian Stamp Act, 1899 in The Finance Act, 2020 notified on March 27, 2020.[11]

"142. The provisions of this Part shall come into the force on the 1st day of April, 2020.

143. In section 9A of the Indian Stamp Act, 1899 (hereinafter in this Part referred to as the Stamp Act), in sub-section (2), the following proviso shall be inserted, namely: -

'Provided that no such duty shall be chargeable in respect of the instruments of transaction in stock exchanges and depositories established in any International Financial Services Centre set up under section 18 of the Special Economic Zones Act, 2005.

[11] Kindly refer to circular no. 2020331-2 dated March 31,2020 regarding Stamp duty on transaction on the Exchange.

Part L: Remote Trading Participants (RTPs)

This is with reference to IFSCA's circular ref. no. IFSCA/CMD-MIIT/RTP/2023-24/001, dated April 03, 2024, and India INX's circular ref. no: 20240611-3, dated June 11, 2024, regarding "Remote Trading Participants on Stock Exchanges in the IFSC", wherein India INX has prescribed the operational guidelines regarding Remote Trading Participants.

As per the guidelines:

1. The RTPs are required to enter into an agreement with an IFSCA registered Clearing Member for clearing and settlement of its transactions executed on the Stock Exchanges.

2. The RTPs shall be liable to pay all the applicable fees, charges, any other dues / levies to their respective clearing members.

With regards to the above, members are requested to refer to **Annexure 29** for the model Clearing Member – RTP agreement and **Annexure 30** for the Undertaking to be provided by Clearing Member for each of its RTPs.

Part M: Annexures

Annexure 1 - Format of letter for Deposit of Fixed Deposit Receipts (FDRs) by Clearing Member

Date:

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255. India

Dear Sir,

Please find enclosed the following Fixed Deposit Receipt/s (FDRs) issued in your favour towards the collateral deposits:-

Sr. No	Bank Name	FDR No.	FDR Date	Maturity Date	Amount (USD)

Yours faithfully,

Authorised Signatory

(Clearing No. ___________)

Annexure 2 - Format of letter to be submitted by bank with the Fixed Deposit Receipt(s)

Date:

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

We refer to deposit receipt (FDR) no. ……………….. Issued in the name of "India International Clearing Corporation Ltd. A/c. …. *(member's name)* ……."

Sr. No.	FDR Number Issue Date	Principal Amount (USD)	Maturity Date

With respect to the aforesaid Deposit, we hereby confirm the following:

i. The aforesaid Deposit has been created for the purpose of margin maintenance with India ICC.
ii. The lien on the said Deposit has been created in favour of India ICC only at the request of Depositor.
iii. In the event of shortfall in margin requirement by the member, the Bank shall pay the shortfall amount by pre-maturely withdrawing the Deposit basis on the receipt of a written claim from India ICC, duly signed by designated authorized signatories.
iv. The amount under the said Deposit would be paid to India ICC on written demand (subject to aforementioned condition), without any demure and / or any further reference/ clearance from the Depositor.
v. The Deposit is payable at IBU branch of.................................. Bank Limited situated at GIFT City SEZ, Gandhinagar.
vi. We agree that on encashment of Deposit by India ICC, the interest accrued will also be released to you.
vii. We undertake that at the time of encashment of aforesaid Deposit No. ______________ by Depositor or any other authority/person as may be authorized by the Depositor, will be done only if the aforesaid Deposit No. _____________ is accompanied with the release of lien letter issued by India ICC.
viii. We undertake that the aforesaid Deposit No. _____________ would stand automatically renewed by the Bank on the respective maturity dates.

Yours faithfully,

For …… *(Bank name)*

Authorised Signatory (with Bank's stamp)

Annexure 3 – Format of letter from Bank regarding renewal of Fixed Deposit Receipts

(On Bank's Letter Head)

Date:

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

We refer to deposit receipt (FDR) No. ……………….. Issued in the name of "India International Clearing Corporation (IFSC) Ltd. A/c. …. *(member's name)* ……."

Sr. No.	FDR Number Issue Date	Principal Amount (USD)	Maturity Date

The above FDR has been renewed for a further period of …… months/ years under the auto renewal facility on the request of the member. The details are as follows:-

Sr. No.	FDR Number Issue Date	Principal Amount (USD)	Maturity Date

We hereby confirm that,

i) The lien on the said FDR has been created in favour of India International Clearing Corporation (IFSC) Ltd. (India ICC) only.
ii) There is a minimum original maturity period of 1 year and 1 day on the said FDR.
iii) The amount under the said FDR would be paid to India ICC on maturity of the said FDR without any reference to M/s. ….. *(Member's name)*
iv) Old instrument will remain valid and no new instrument with new FDR no. is issued.
v) The FDR is payable at GIFT City, Gandhinagar – 383255
vi) Encashment by India ICC, on maturity would not require any clearance from M/s. (Member's name) or any other authority /person
vii) We agree that on encashment of FDR by India ICC, the interest accrued will

also be released to you.

viii) We undertake that at the time of encashment of aforesaid FDR No.______________ by M/s. (member name) or any other authority /person, will be done only if the aforesaid FDR No. _____________ is accompanied with the release of lien letter issued by India ICC.

ix) We undertake that the aforesaid FDR no. _____________ would stand automatically renewed by the Bank on the respective maturity dates.

x) We shall adhere to the IFSCA guidelines for opening FCY deposits at IBU, as guided by circular number F.No.110/IFSCA/Banking Regulation/2020-21/3, dated December 4, 2020, as may be amended from time to time."

Yours faithfully,
For …… *(Bank name)* …….

Authorised Signatory (with Bank's stamp)

Annexure 4 - Format of letter from Clearing Member for renewal of Fixed Deposit Receipts

Date:

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

We refer to following Fixed Deposit Receipt issued on our behalf in your favour towards the margin deposit:-

Sr. No.	FDR No.	Issue Date	Amount USD	Maturity Date

The above Fixed Deposit Receipt(S) has been renewed for further period, the details of which are as follows:-

Sr. No.	FDR No.	Issue Date	Amount USD	Maturity Date

Yours faithfully,

Authorised Signatory

(Clearing No. ___________)

Annexure 5 - Submission of Bank Guarantee

(On letter head of the bank)

Date:

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

Subject: Submission of Bank Guarantee

We confirm having issued the following bank guarantee/s favouring yourself on behalf of (*clearing member's name and address*)

Bank Guarantee No.	Expiry Date	Amount (USD)

We confirm that the persons who have signed the above guarantee(s) are authorised signatories of the bank.

Yours faithfully,

For *(bank name)*

Authorised Signatory (Signature)
Authorised Signatory (Name & Designation)

Format of Bank Guarantee

From: **BG No. :**
BG Date:

Name of Bank:

Address of the Bank:

(Hereinafter referred to as **Bank"**)

To,

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India
(Hereinafter referred to as **"India ICC"**)

WHEREAS:

(i) M/s. ____
a body corporate, incorporated under the Companies Act, 2013, having its Registered Office at …………………………………………………………………………… is a Clearing Member of India ICC, having Clearing No. ……………, hereinafter referred to as **"Clearing Member"** (which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include his / her / its successors, administrators and permitted assigns);

As per the Rules, Bye-laws and Regulations of the India International Clearing Corporation (IFSC) Ltd. (India ICC) and in pursuance of various notices/circulars issued by the International Financial Services Centres Authority ("IFSCA") / Reserve Bank of India / India ICC, all its Clearing Members are required to maintain with India ICC, collateral towards Additional Capital in the form of Cash or Fixed Deposit of Banks or Bank Guarantees after applying suitable haircut/margins, as prescribed by India ICC from time to time.

Clearing Members of the India ICC are also required to keep a certain amount as additional liquid asset with India ICC for availing of the trading limits and / or adjustment against margins prescribed by India ICC from time to time.

(iii) Clearing Members are also required to pay to India ICC, various types of margins (comprising, inter alia, mark to market margin, Initial margin, Value at Risk margin, Special margins, Extreme Loss margins, additional volatility margins etc.) or any other margins in cash for their exposure and volume of the business done by them on the India International Exchange (IFSC) Ltd. (India INX) from time to time.

BG No. :
BG Date:

(iv) Clearing Members are also required to fulfil their engagements, commitments, obligations arising out of trading, clearing & settlement system of India INX / India ICC

(v) India ICC requires that the maintenance of additional capital (Liquid Assets) / payment of various margins and fulfilment of all requirements/liabilities/obligations arising under the Rules, Bye-laws and Regulations of India ICC and/or instructions/directions issued by India ICC from time to time in relation to India INX may be secured by the Clearing Members, inter alia, by executing a Bank Guarantee, in favour of India ICC.

(vi) At the request of the Clearing Member, India ICC has agreed to accept a Bank Guarantee issued in its favour from ________________________________ (name of the Clearing Bank at IFSC, GIFT City), IFSC, GIFT City, Gandhinagar for an amount of USD ______________________________, (USD ________________________________only) in lieu of equivalent, additional capital (liquid assets) requirement, various margin payments and to meet his/ its requirements, obligations and commitments as aforesaid.

(vii) The Clearing Member has requested the Bank to furnish to India ICC a guarantee of USD____ (USD ____ only).

IT IS HEREBY AGREED BY THE BANK AS UNDER:-

1. We, the above mentioned Bank at the request and desire of the Clearing Member of India ICC do hereby irrevocably and unconditionally guarantee to pay USD____(USD__________________________ ____________________ only) to India ICC as a security for, additional capital (liquid assets), various margin requirements and due performance and fulfilment by the Clearing Member of his / its requirements, engagements, commitments, operations, obligations or liabilities arising under the Rules, Bye-laws and Regulations and/or pursuant to instruction /direction issued by India ICC in relation to trading on India INX. The Bank agrees and confirms that the said guarantee shall be available as a security for meeting, satisfying, discharging or fulfilling all or any obligations or liabilities of the Clearing Member.
2. The Bank hereby agrees that if in the opinion of India ICC, the Clearing Member has been or may become unable to meet, satisfy, discharge or fulfil any requirements, obligations, liabilities or commitments or any part thereof to India ICC as aforesaid, then without prejudice to the rights of India ICC under its Rules, Bye-laws and Regulations or otherwise, India ICC, may at any time thereafter and without giving any notice to the Clearing Member invoke this guarantee to meet the obligations, liabilities or commitments of the Clearing Member.

3. The Bank undertakes that it shall on first demand of the India ICC, without any demur, protest or contest and without any reference to the Clearing Member and notwithstanding any contest by the Clearing Member, pay to India ICC sums not exceeding

BG No. :
BG Date:

USD____ (USD ____ only) as may be demanded by

India ICC. The decision of the India ICC from time to time as to the requirements or obligations or liabilities or commitments of the Clearing Member and the amount claimed shall be final and binding on the Bank.

4. This guarantee shall not be prejudiced by the failure of the Clearing Member to comply with the Rules, Bye-laws or Regulations of India ICC / India INX. India ICC / India INX shall be at liberty to vary, amend, change or alter any terms or conditions or its Rules or Bye-laws or Regulations relating to membership of India ICC in general or as applicable to the Clearing Member in particular without thereby affecting its rights against the Clearing Member or the Bank or any security belonging to the Clearing Member now or hereafter held or taken by India ICC, at any time. The discretion to make demands under this guarantee shall exclusively be that of India ICC and India ICC is entitled to demand hereunder notwithstanding being in possession of any deposits or other securities of the Clearing Member.

5. The validity of this guarantee shall not be affected in any manner whatsoever if India ICC takes any action against the Clearing Member including default, suspension or expulsion of the Clearing Member from India ICC.

6. This guarantee shall not be affected by any change in the constitution of India ICC or the Clearing Member or the Bank and it shall remain in force notwithstanding any forbearance or indulgence that may be shown by India ICC to its Clearing Member.

7. The Bank undertakes to pay to India ICC, the amount hereby guaranteed within Twenty Four hours (excluding any IFSC Banking Unit and Nostro holidays) of being served with a written notice requiring the payment of the amount to the Branch Manager of the Bank's office address stated hereinabove or to such other address as India ICC may be aware of either by hand delivery or by Registered Post or by Speed Post or by Courier Service.

8. The Bank hereby consents to India ICC for:

(i) Making any variance, change or modification of any agreement with the Clearing Member and/ or others as India ICC thinks fit; and

(ii) Giving time to the Clearing Member for payment of any sums due from the Clearing Member; and

(iii) Making any composition with the Clearing Member; and

(iv) Releasing or parting with any security and/ or

BG No. :
BG Date:

(v) Agreeing not to sue the Clearing Member. The Bank irrevocably agrees that this guarantee shall not be avoided, released or prejudicially affected and the Bank shall not be discharged from its liability hereunder to India ICC by reason of the aforesaid or by reason of any act or omission by India ICC, the legal consequence whereof may be to discharge the Clearing Member and/ or the Bank or by any act or omission by India ICC which would, but for this provision, be inconsistent with the Bank's right as a surety. The Bank agrees that this guarantee shall remain valid and enforceable notwithstanding any forbearance or delay in the enforcement of the terms of the contract between the Bank and Clearing Member or of India ICC's Rules, Bye-laws and Regulations. The Bank waives all the rights available to the Bank as surety under Section 133,134,135,139 and 141 of the Indian Contract Act, 1872 or any amendment thereof. The Bank also agrees that the Bank shall not be entitled to the benefit of subrogation to any security held by India ICC.

9. The Bank agrees that in the event of India ICC now or at any time hereafter holding any security, the Bank shall not be entitled to the benefit of such security or to receive such security notwithstanding that the Bank may have made payment under this guarantee.

10. The Bank undertakes not to revoke this guarantee during its currency except with the previous consent of India ICC in writing and this guarantee shall be continuous and irrevocable.

11. The Bank hereby states that this guarantee is not issued on the basis of any arrangement with or counter guarantee of any other Bank.

12. Notwithstanding anything mentioned hereinbefore, the aggregate liability of the Bank under this guarantee is restricted to USD____ (USD ____ ___only) and it will remain in force for a period of ___ months i.e. upto ___________ day of __________.

13. Unless a claim/demand in writing is made against the Bank under this guarantee before the expiry of three months from the aforesaid date i.e. on or before ______day of _________, all rights of India ICC under this guarantee shall cease and the Bank shall be relieved and discharged from all liabilities thereunder.

14. No charges whatsoever, in any form, will be charged by the Bank, to India ICC, in the event of a claim against the Bank Guarantee.

BG No. :
BG Date:

15. Board resolution or power of attorney provided to signatory(ies) for signing the bank guarantee is enclosed.

Executed at IFSC, GIFT City, Gandhinagar, this _____day of _______,

For _____________________________ (Bank)

__________________________ (Name of the Branch)

Sd. /-

Authorised Signatory(ies)

Seal of the Bank

Annexure 6 - Format of letter from Clearing Member regarding deposit of Bank Guarantee

(On the letter head of Clearing Member)

Date

To,
India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

Subject: Submission of Bank Guarantee

Please find enclosed the following bank guarantee/s (BG) issued on our behalf in your favour towards the margin deposit of the India ICC.

Sr. No.	Bank Name	BG No.	BG Date	Maturity Date	Claim Date	Amount (USD)

Yours faithfully,

Authorised Signatory

(Clearing No. ___________).

Annexure 7 - Format of letter from Bank regarding renewal of Bank Guarantee

(On stamp paper of appropriate amount)

Date **BG. No. :**

BG Date:

To,

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

We *(bank name),* a body corporate constituted under the Companies Act 2013, having our Office at (*Bank's address*), refer to the Bank Guarantee Bearing No. *(Original BG No.*) executed by us on the (*original BG date*) at IFSC, GIFT City, Gandhinagar (hereinafter referred to said bank guarantee) on account of (*Clearing Member's Name*) (hereinafter referred to as clearing member) for a sum of USD____ (USD ____ only) in your favour.

We now at the request of the Clearing Member further extend the period of the said guarantee by months, i.e. from to and unless a demand under this guarantee is made on us in writing by you *within three months after the date of expiry of this guarantee, i.e.,* on or before ______day of, all your rights under this guarantee shall cease and the bank shall be relieved and discharged from all liabilities hereunder.

We hereby affirm and confirm that save and except to the extent as provided for hereinabove, the said guarantee together with all other terms and conditions therein shall remain operational and in full force and effect till _____________ .

"Now withstanding anything contained herein our liability under this Bank Guarantee shall not exceed USD____ (USD ____ only). This Bank Guarantee shall be valid upto and we are liable to pay the guarantee amount or pay part thereof under this Bank Guarantee only and only if you serve upon us a written claim on or before." (Date of expiry of the claim period).

Sign for and on behalf of (*bank name)* on this the ______ day of ______ at the IFSC, GIFT City, and Gandhinagar.

Yours truly,

For (*bank name*)

Authorised Signatory(ies)

Annexure 8 - Format of letter from Clearing Member for renewal of bank guarantee

From:
Name of Bank:
Address of the Bank:

To,

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

Subject: Submission of renewed Bank Guarantee

We refer to following Bank Guarantees issued on our behalf in your favour towards the Additional Capital deposit of the India ICC:

Sr. No.	BG No.	Issue Date	Amount (USD)	New Maturity Date	New Claim Date

The above bank guarantee(s) has / have been renewed for a further period as detailed below:

Sr. No.	New BG No.	Issue Date	Amount (USD)	New Maturity Date	New Claim Date

Yours faithfully,

Authorised Signatory

(Clearing No. ___________)

Annexure 9 - Application form for membership registration

Part A – Application form for Clearing Member (Non IBUs)

INDIA INERNATIONAL CLEARING CORPORATION (IFSC) LIMITED

1. The application form should be filled in block letters
2. Please do not use abbreviations while filling the application form and annexures
3. Kindly ensure that all the details are provided except for those marked as optional
4. Please provide supporting documents wherever mentioned
5. All the supporting documents should be certified by any Director of the Company

Please contact Membership Department of India International Clearing Corporation (IFSC) Limited at the following

address and contact details:

Membership Department

India International Clearing Corporation (IFSC) Limited

102 First Level, Signature
Tower, Zone 1, GIFT City,
Dist. Gandhinagar - 382355
Gujarat, India.
Phone: +91-79-61993175

Email Id: membership@indiaicc.com

Website: www.indiaicc.com

Membership Deposits, fees, Net Liquid Collaterals and Networth requirement

Details	Amount (in USD)
Application Processing Fees to India ICC	500
Interest Free Deposit (refundable) to India ICC	75,000
Registration Fees to IFSCA*	1,000
Annual Clearing Membership Fees to IFSCA	1,000

*One time Registration fee of USD 1,000 to **International Financial Services Centres Authority (IFSCA)** at the time of application

Account details for payment of fees to IFSCA:

Account Name: International Financial Services Centres Authority

Account Number: 970105000174

Type of Account: USD Current Account

Bank Name: ICICI Bank Limited

SWIFT Code: ICICINAAXXX

NOSTRO Details: CHASUS33XXX, JP MORGAN CHASE Bank NA, New York Branch, A/c no: 833999532

Net Worth requirement (as per IFSCA (Capital Market Intermediaries) Regulations, 2021

Particulars	Self-Clearing Member	Professional Clearing Member/ Trading cum clearing Member
Foreign entities*	USD 675,000	USD 1,350,000
Others	INR 50,000,000	INR 100,000,000

*Kindly refer to IFSCA circular no. F. No. 113/IFSCA/CMD-TMCM/2020-21 dated December 11, 2020.

https://ifsca.gov.in/Document/Legal/ifsca-circular-tm-branch11122020090334.pdf

Checklist of documents to be submitted:

Sr. No.	List of Documents	Annexure
1.	Clearing member application form	-
2.	Infrastructure & Ownership details of office premises	1
3.	Designated officer details with contact nos. and email id's	2
4.	PAN copy of the Applicant	-
5.	Undertakings	3
6.	Short history of the applicant and its activities on letter head signed by directors.	-
7.	If an associate Person/ entity of the applicant is a member of any other stock Exchange/Clearing Corporation then the NOC / Status report of that particular exchange/ Clearing Corporation is to be submitted	-
8.	Capital Structure (Authorised & Paid up Capital) of the company, Shareholding Pattern & Promoter Details	4
9.	Board resolution for obtaining the Membership, appointment of designated directors and authorization for signing documents	5
10.	Latest Financials i) Net Worth Certificate & Computation of Net Worth (as per IFSCA (Capital Market Intermediaries) Regulations, 2021 or the sectoral regulator as applicable) ii) Profit & Loss account iii) Balance sheet (Including all schedules)	-
11.	Certified copy of MOA & AOA	
12.	Details of Directors (in C-3 Format)	6
13.	Documents pertaining the Designated Directors: i. Bio-data ii. Education Proof iii. PAN card iv. Securities Market Experience Certificate v. Passport (In case of foreign directors)	7

Sr. No.	List of Documents	Annexure
14.	Names and PAN of the entities / persons along with certified copies of the PAN Cards such as Promoters, Associate(s)/ Group Companies, Principal Officer(s)/ Key Management Person(s), All entities / persons falling within the verticals of applicant both from bottom to top (e. g. holding company) and top to bottom (e.g. subsidiary company), irrespective of whether they are registered with IFSCA or any other regulatory authority	8
15.	Copy of PAN Card and DIN nos. of all directors, Copy of Form No. DIR 12 filed with ROC.	-
16	GST registration certificate	-
17	GST declaration	9

(To be filled by entity who is promoted by Indian Company)
(On the letter head of the applicant, signed and stamped by designated director/s on every page)

Clearing Membership application form

India International Clearing Corporation (IFSC) Limited

1. **Name of the Applicant Company:**
   ____

2. **In case of applicant company is wholly owned subsidiary of member of any Indian Exchange/clearing Corporation.**

Name of the Entity	Registration Number	PAN

3. **Details of the Applicant**

   a. Date of incorporation (dd/mm/yyyy) : ________________________________
   b. Place of incorporation : ________________________________
   c. Corporate Incorporation number (CIN):________________________________
   d. PAN: ____________________
      If applied, please indicate: Yes ☐ No ☐
   e. TAN: _____________________

      If applied, please indicate: Yes ☐ No
   f. Registered Office Address: ____
      ____
      ____
      ____

   g. Contact Details:

      STD Code: __________ Telephone Number : ____________________________

      Email address: ____

      Website Address (optional) :____

h. Details of Contact person:

Name: ____

Designation : ________________ Contact Number : ________________________

4. **Declaration**

We hereby apply for Clearing Membership of India International Clearing Corporation (IFSC) Limited. We agree to be bound by Securities and Exchange Board of India (international Financial Services Centres) Guidelines, 2015 as amended from time to time and circulars issued and to pay fees as provided for by India International Clearing Corporation (IFSC) Limited.

We acknowledge that any misstatement or misrepresentations or withholding of facts in connection with this application for membership or breach of any undertaking or condition of admission to membership may result in rejection of our application or termination of our membership. We hereby state that the above mentioned particulars are correct and complete to the best of our knowledge.

Signature/s: 1. ______________________ 2. ___________________________________

Name/s of the Authorized signatories (Name of Designated Director/s)

1.____________________________ 2. ________________________________

Date: ___________________ Place: __________________________________

5. Please provide the payment details of the bank through which the SWIFT transfer has been made and attach proof of payment scanned copy

Amount paid : ____

Name of the Bank : ____

Branch Name : ____

Wire Transfer Number: ____

Date : ____

Annexure 1

(On letter head, signed and stamped by designated director/s)

Infrastructure Details

a) Office Premises

b) Computers

c) Telephone/Telex/Fax

d) Employees

e) Affiliates and Associates including foreign collaborations

f) Any other aspect considered relevant

For___________________

Stamp and signature of Designated Directors

Annexure 2

(On letter head, signed and stamped by designated director/s and compliance officer)

Format for Appointment of Compliance Officer

Date:

To,
Membership Department
India International Clearing Corporation (IFSC) Limited
102 First Level, Signature
Tower, Zone 1, GIFT
City, Dist. Gandhinagar -
382355 Gujarat, India.

Sub: Appointment of Compliance Officer

Dear Sir/ Madam

I/We have appointed Mr../Ms ___________________________________ as our compliance officer in keeping with the IFSCA (Capital Market Intermediaries) Regulations, 2021.

Information on the designated Officer is as below:

Name of the new Compliance Officer	
PAN details	
Educational Qualification	
Telephone and mobile number	
Office Address	
Email Address	
Name of Father/ Relative	
Residential address	
Previous Employment/ Name of the Organization	

I/We hereby undertake that we will keep the Clearing Corporation informed of any future change in the compliance officer.

Yours faithfully

For _________ (name of the applicant) Counter signed by

Signature of Designated Directors Signature of the Compliance Officer

Annexure 3

Undertakings

(On letterhead of the applicant, signed and stamped by designated director/s on every page)

Date:

To,

Membership Department,
India International Clearing Corporation (IFSC) Limited
102 First Level, Signature
Tower, Zone 1, GIFT
City, Dist. Gandhinagar -
382355 Gujarat, India.

Dear Sir,

Clearing Corporation Undertaking

We hereby undertake that as long as the company is engaged in stockbroking as a member of any recognized Clearing Corporation in GIFT IFSC, it will engage itself in only such business as a member of a recognized Clearing Corporation is permitted to engage in under the IFSCA (Capital Market Intermediaries) Regulations, 2021, and the Rules, Bye - laws & regulations of the Clearing Corporation.

We are aware and acknowledge that if we engage in any other business the Clearing Corporation will be entitled to take disciplinary action (including fine, suspension &/or expulsion) against us.

Regulator Undertaking

We hereby declare that neither our company nor any of the directors of our company are in anyway associated / connected with any of the defaulting members of any stock Exchange/clearing corporation. We further declare that no investigation / inquiry by any stock Exchange/clearing corporation is pending against our company or any of the directors of our company.

Declaration cum undertaking from the applicant company & / or its holding company.

We hereby declare that the director/designated directors of the company were/ are not debarred and/or no actions were/ are initiated against them by the Securities and Exchange Board of India from associating from the capital market AND the company undertakes that it will not appoint any such person/s, in future as director(s) of the company.

Two Point Undertaking

i) There are no enquiry/ adjudication/ action/ prosecution is/was pending/completed against ____<**name of the Applicant** > or any of its following directors (and if yes details thereto).

<Names of All Directors >

a. ____<**Name of the applicant**>has never been declared defaulter or is associated with any person/entity/broker who has been declared defaulter by any stock exchange/clearing corporation in India

b. There are no enquiry/investigation has been initiated/ pending against ____<**name of the applicant** >by any stock exchange/clearing corporation in India.

Undertaking for Fit and Proper Person

I/ We, M/s. ____<name of the applicant> hereby declare that I/ We, our directors, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021, Key Management Personnel and Principal Officer are 'fit and proper person' as per IFSCA (Capital Market Intermediaries) Regulations, 2021. I/ We confirm the following in this regard:

a) I/ We, or our directors, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021/ Key Management Persons and Principal Officer have not been convicted by a Court for any offence involving moral turpitude, economic offence, securities laws or fraud;

b) no order for winding up has been passed against me/ us;

c) Neither I/ We our directors, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021/
Key Management Persons and Principal Officer have been declared insolvent and have been discharged;

d) no order, restraining, prohibiting or debarring me/ us or our directors, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021/ Key Management Persons and Principal Officer from dealing in securities in the capital market or from accessing the capital market has been passed by IFSCA or any other regulatory authority;

e) no order cancelling our certificate of registration has been passed by IFSCA on the ground of my/ our indulging in insider trading, fraudulent and unfair trade practices or market manipulation;

f) no order withdrawing or refusing to grant any license / approval to me/ us or our directors, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021/ Key Management Persons and Principal Officer which has a bearing on the capital market, has been passed by IFSCA or any other regulatory authority;

g) I/ We are financially sound.

Undertaking

a. None of the ____**<Name of the applicant>** and their directors are associated in the following two categories as per Reserve Bank of India data as on the even date (www.cibil.com <http://www.cibil.com>)

o Suit Filed Accounts of INR 100 Lakhs and above

o Suit Filed Accounts (Willful Defaulters) of
25 Lakhs and above

b. None of the ____**<Name of the applicant>** and their directors are associated in the following four categories as per SEBI data as on the even date (www.sebi.gov.in <http://www.sebi.gov.in>)

- List of Companies & Directors debarred from associating with Capital Market for a period of five years - Companies (http://www.sebi.gov.in/pmd/debarredco1.html)
- List of Companies & Directors debarred from associating with Capital Market for a period of five years - Directors (http://www.sebi.gov.in/pmd/debardirector1.html)
- Database of Prosecution cases launched against CIS Entities across the country (http://www.sebi.gov.in/cis/cis_prosecution_data.html)
- Database of the Prosecution cases launched other than Collective Investment Schemes (CIS) across the country (http://www.sebi.gov.in/cis/ noncisdata.html)
- Database for any adverse action taken against person/entity across the country (http://www.watchoutinvestors.com)

There are no adverse comments against the ____**<Name of the applicant>** any of its directors/associates/wholetime directors as per the Vanishing Companies Database (Data available in Vanishing Companies on http://www.mca.gov.in/Ministry/vanishing.html as per the link which has been provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1315458767512.pdf) in the following categories as per SEBI data as on even date

- List of Companies against which orders have been passed U/s 11B of SEBI Act
- List of Companies where orders issued U/s 11B were revoked
- List of Directors where orders issued U/s 11B were revoked
- List of Promoters/Directors against whom orders have been passed U/s 11B of SEBI Act

Submission Required by regulator to Verify Fit and Proper Person Criteria

Whether there are any instances of violation or non-adherence to any securities market related regulations by the applicant or its associate(s) / group companies in India or abroad and any action has been taken by a regulatory agency in this regard. If yes, the applicant may be advised to provide the following additional information:

Instances :	**Yes**		**No**	

a. Top 10 monetary penalties in case of foreign entities and all monetary penalties in case of Indian entities, imposed against the applicant or any associate of the applicant (for irregularities/ violations in the financial services sector or for defaults in respect of shareholders / debenture holders and depositors, by any financial regulatory body or government authority or settlement arrived with any financial regulatory body during the last five years and details thereof). Penalties awarded for economic offences may be disclosed only in case of the applicant.

Applicable		**Not Applicable**		

b. Details of all cases of suspensions and cancellation of certificate of registration (for irregularities / violations in financial services sector or for defaults in respect of shareholders, debenture holders and depositors) of the applicant or any associate of the applicant shall be disclosed for the last 10 years.

Applicable		**Not Applicable**	

All disclosures on penalties and action taken as per (a) and (b) above against foreign entities may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the applicant / associate companies are carried out or where the headquarters is situated

Regulator undertaking in respect of Infrastructure

This is to certify that ____<name of the applicant > as per IFSCA (Capital Market Intermediaries) Regulations,2021 has the necessary infrastructure like adequate office space, equipment and man power to effectively discharge the broking activities.

Stamp and Signatures of the Designated Directors

Date:

Annexure 4

(*On letterhead of the applicant,* duly signed & stamped by designated directors and chartered accountant)

Capital Structure (Authorised & Paid up Capital) of the company

	Statement of Details of Capital Structure As On ___________		
	Present Capital Structure		
	Authorised Capital	**No. of Shares**	**Amount**
	Equity		
	Preference		
	Other Classified Shares		
	Issued , Subscribed & Paid Up Capital		
	Equity		
	Preference		
	Other Classified Shares		

CERTIFICATE FORMAT

This is to certify that the Capital Structure in ------------------------------------(name of the company) as given above, based on my /our Scrutiny of the book of accounts, records and documents is true and correct to the best of my /our knowledge and as per information provided to my/our satisfaction.

Date/Place

Signature & seal with Chartered Accountant registration number

(*On letterhead of the applicant,* duly signed & stamped by designated directors and chartered accountant)

Shareholding Pattern of the company as on

Name of Applicant:							
		Present Shareholding					
Sr. No.	**Category/ Name of Share Holders**	**No. of Equity Shares**	**% of Total Capital**	**Paid Up Equity Capital (In US$)**	**No. of Preference Shares**	**% of Total Capital**	**Paid Up Preference Capital (In US$)**
1	**Names of Individual Promoter/s**						
	1.Resident Indians						
	2.NRI's						
	3.Foreigners						
	Names of Corporate Promoter/s						
	1.Co.'s/ Entities Incorporated abroad						
	2.Co's/Entities Incorporated in India						
2	**Names of Non-Promoter Individual/s**						
	1.Resident Indians						
	2.NRI's						
	3.Foreigners						
	Names of Non-Promoter Corporate/s						
	1. Co.'s/ Entities Incorporated abroad						

	2.Co's/Entities Incorporated in India						
3	**Others**						
Total							

Please note that all the shareholders name should be mentioned in the statement and the statement should be signed & stamped by designated directors and chartered accountant

Certificate Format

This is to certify that the Shareholding pattern in ---------------------------------(name of the company) as given above, based on my /our Scrutiny of the book of accounts, records and documents is true and correct to the best of my /our knowledge and as per information provided to my/our satisfaction.

Date:

Place:

Signature & Seal with Chartered Accountant’s registration number.

(On letterhead of the Applicant duly signed & stamped by designated directors*)*

Promoters Details of the member with Address

Sr. No.	Name of the Promoter	PAN	Residential Address (in case of individual Promoters) & Corporate Address (in case of Corporate Promoter)
1			
2			
3			
4			

Signature of Designated Directors:

Date:

Annexure 5
Specimen Board Resolution

(On letterhead of the Applicant duly signed & stamped by designated directors)

Copy of the Board Resolution passed by the Board of Directors of the Company in the meeting held on date _________________

RESOLVED THAT the proposal of the Company to submit its application to India International Clearing Corporation (IFSC) Limited, for obtaining registration as **clearing member** (SCM/ TCM/ PCM) is hereby approved:

Resolved Further That Mr./Ms. ____ and Mr./Ms ___________________________________ (Name of Designated Directors), Directors of the Company be and are hereby appointed and authorized to act as Designated Directors on behalf of the Company for all matters related to membership of India International Clearing Corporation (IFSC) Limited.

Further resolved that Mr. / Ms. ___________________________ <<Name with designation of authorized signatories>> And Mr. / Ms. _______________________________ <<Name with designation authorized signatories >> of the Company be and are authorized to execute individually/**jointly <<strike whichever is not applicable>>** all documents/ agreements on behalf of the Company/ Bank for acquiring the membership of segments of India International Clearing Corporation (IFSC) Limited., as indicated above.

For and on behalf of The Board of Directors

Company Seal

Date

Place

(The original Networth certificate issued by the Chartered Accountant/ Company Secretary / *(or their equivalent in Foreign Jurisdiction* **on their letter head to be furnished)**

NETWORTH CERTIFICATE

This is to certify that the Networth of M/s__________________ (Membership No._____) as on _____________, as per statement of computation of even date annexed to this report is USD _________/- (USD__________________________ only).

We further certify that ____ is not engaged in any fund based activities or business other than that of securities. Existing fund-based activities, if any, have been divested from the books of accounts and have not been included for the purpose of calculation of Networth.

The computation of Networth is in accordance with the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021.

The computation of Networth, based on my / our scrutiny of the books of accounts, records and documents is true and correct to the best of my / our knowledge and as per information provided to my / our satisfaction.

For (Name of Certifying Firm):

Signature & Seal of Certifying Firm:

Name of Partner / Proprietor:

Membership Number & Firm Registration Number:

Date:

Place:

1 USD = _____ is considered for calculation of Networth as on ___________

[On letterhead of Chartered Accountant (CA)/Company Secretary (CS) (or their equivalent in Foreign Jurisdiction)]

COMPUTATION OF NETWORTH AS ON __________

Name of Member:					
Sr. No.	**Particulars**	**USD**	**USD**	**INR**	**INR**
A.	Paid-up share capital	**xx**		**xx**	
B.	Reserves created out of profits*	**xx**		**xx**	
C.	Securities Premium Account	**xx**		**xx**	
D.	Debit or Credit balance of profit & loss account	**xx**		**xx**	
E.	**Total (A+B+C+D)**		**xxx**		**xxx**
F.	**Less:**				
	1. Aggregate value of accumulated losses	**xx**		**xx**	
	2. Deferred expenditure	**xx**		**xx**	
	3. Miscellaneous expenditure not written off 4. Minimum net worth requirements applicable for other activities outside IFSC	**xx**		**xx**	
	Total items to be deducted (1 to 3)		**xxx**		**xxx**
G.	Total Net worth as on _______ (E-F)		**xxxx**		**xxxx**

*Reserves created out of revaluation of assets, write-back of depreciation and amalgamation shall not be included.

For (Name of Certifying Firm):

Signature & Seal of Certifying Firm:

Name of Partner / Proprietor:

Membership Number & Firm Registration Number:

Date:

Place:

1 USD = ____ is considered for calculation of Networth as on _____.

Annexure 6

(On letterhead of the applicant duly signed & stamped by designated directors*)*

Form C-3

Details of Directors as on ______________													
Sr No	**Name**	**Father's name**	**Designation**	**Date of Birth**	**Education**	**Experience (No. of years)**	**PAN/ Passport number**	**Director Identification number**	**Residential Address and Telephone Numbers**	**Designated Directors (Yes / No)**	**Shareholding/percentage of**		
											No	Amount	% of total

Stamp and signature of Designated Directors:

Date

Annexure 7 Bio-data of Designated Directors

Full Name:	
Designation: (Wholetime/Executive/Non-Executive/Managing Director)	
Date of birth: (dd/mm/yyyy)	
`Full Address: Office Residence	
Tel. No.: (With country & area code) Office Residence	
Email id :	
Mobile No.: (With country & area code)	
Fax No.: (With country & area code)	
Educational Qualification(s):	
Work Experience (in detail):	
Details of other directorships held (if any)	
Membership of Professional Bodies: (if any)	
Nationality:	
PAN details:	
Passport Details*: Number : Date of Issue : Date of Expiry :	

I hereby solemnly declare and affirm that the above information is true and correct to the best of my knowledge. Place:

Date :	Signature:

Note:

1) Its mandatory to provide all the required information
2) * Please enclose a certified true copy of the PAN card/passport

Annexure 8

(On letterhead of the applicant duly signed & stamped by designated directors*)*

Names and PAN of the following entities / persons along with certified copies of the PAN Cards:

Sr. No.	Category	PAN Card Nos
A	Promoters	
	1 2 3 4	
B	Associate(s)/ Group Companies	
	1 2 3 4	
C	Principal Officer(s)/ Key Management Person(s)	
	1 2 3 4	
D	All entities / persons falling within the verticals of applicant both from bottom to top (eg holding company) and top to bottom (eg subsidiary company), irrespective of whether they are registered with IFSCA or any other regulatory authority.	
	1 2 3 4	

Date

Stamp and signature of Designated Director

Annexure 9

GST Declaration letter from member

To,

India International Clearing Corporation (IFSC) Limited

1st Floor, Unit No. 102,

The Signature, Building no. 13B,

Road 1C, Zone 1, GIFT SEZ, GIFT City,

Gandhinagar, Gujarat – 382355, India

Sub: Undertaking on Supply to SEZ unit for authorised operations without charging Integrated Goods and Services Tax (Zero rated supply)

Respected Sir/ Madam,

I / We XYZ Limited located in … (Address)…. are registered as special economic zone and carrying out our business operations in special economic zone. We have been granted approval as Special Economic Zone Unit by government authorities vide letter of approval number ____________ dated _______________ and further extended vide letter no. _____________ dated ____________. (Copy of letter of approval and extension letter is attached as Annexure 1). Further, as per provisions of GST Law, Special Economic Zone Unit needs to be separately registered. Accordingly, we have obtained separate registration for Special Economic Zone Unit located in <<<<<<<< State Name >>>>> vide GST No ________________________. Copy of GST registration certificate of Special Economic Zone Unit is attached as Annexure 2.

Since we are Special Economic Zone Unit, thus, India International Clearing Corporation (IFSC) Limited may supply services to us without payment of IGST. We certify that services of India International Clearing Corporation (IFSC) Limited are received by us for the authorised operations of our SEZ and not for any other operations and are eligible for exemption from GST.

We undertake to intimate India International Clearing Corporation (IFSC) Limited immediately, if there is any change in any of the facts or details mentioned afore said. We undertake to give India International Clearing Corporation (IFSC) Limited any certificate, declaration or other documentary evidence to substantiate that India International Clearing Corporation (IFSC) Limited has provided the services to us. We also undertake to procure relevant declarations, certifications and other documentary proof as certified by the SEZ officer to substantiate that the services have been received by us for the authorised operations. Further, we will compensate to India International Clearing Corporation (IFSC) Limited for any tax, interest or penalty arises due to furnishing wrong information relating to status as SEZ unit. Trust this declaration would enable you to comply with the provisions of the Goods and Services Tax Law.

Date:
Place:

For __________

(Authorized signatory)
Enclosure: As attached

****

Part B: Application form for IFSCA registered IBU

Submissions by IBUs of Banks, which are already registered with domestic Exchanges/ Clearing Corporations

1. **List of submissions:**

Sr. No.	Particulars	Format as per
1	Application cum undertaking Form*	Annexure-1
2	Applicant details Form for IBUs*	Annexure-2
3	Board Resolution Specimen*	Annexure-3
4	SEZ related Declaration*	Annexure-4
5	Auto-debit authorization letter*	Annexure-5
6	Networth certificate as of last financial year-end	Enclose a copy duly signed & stamped by designated official
7	PAN copies of Bank and designated Directors/ designated Officials	
8	SEBI/IFSCA registration certificate/s	
9	GST Rrgistration proof	

(*) Annexure 1 to annexure 5 to be submitted on letter head

2. **Membership Deposits, Fees and Net Liquid Collaterals details:**

Details of Fees / Deposits	Payable to	Amount
Application Processing Fees	INDIA INX	USD 500
Application Processing Fees	INDIA ICC	USD 500
Annual Membership Fees	INDIA INX	USD 3,000
Interest Free Deposit (refundable)	INDIA INX	USD 10,000
Interest Free Deposit (refundable)	INDIA ICC	USD 75,000
IFSCA Annual Clearing Membership Fees*	IFSCA	USD 1,000

(*) DD favoring "International Financial Services Centres Authority" along with the application.

3. **Base Minimum Capital in the form of deposits*:**

Categories	Amount (in USD)
Only Proprietary trading without Algorithmic trading (Algo)	15,000
Trading only on behalf of Client (without proprietary trading) and without Algo	25,000
Proprietary trading and trading on behalf of Client without Algo	40,000
All Trading Members/Brokers with Algo	75,000

(*) BMC can be provided in cash/ FDR form

4. **Bank details for payment of Trading Membership Fees to the Exchange:**

Name of Account Holder: India International Exchange (IFSC) Ltd.
Account Type: Current Account **Currency:** US Dollars **(USD)**

Sr. No	Bank Name	Account No.
1	Axis Bank Limited	935020200000259
2	HDFC Bank	3010913000000050
3	ICICI Bank	970105000048
4	IndusInd Bank	201000958072
5	Kotak Mahindra Bank	712645018
6	State Bank of India	1200028020002
7	Yes Bank	80163900000124

5. Bank details for payment of Clearing Membership Fees to the Clearing Corporation:

Name of Account Holder: India International Clearing Corporation (IFSC) Ltd.
Account Type: Current Account **Currency:** US Dollars **(USD)**

Sr. No	Bank Name	Account No.
1	Axis Bank Limited	935020200000152
2	HDFC Bank	3010913000000038
3	ICICI Bank	970105000024
4	IndusInd Bank	201000929706
5	Kotak Mahindra Bank	0611934848
6	State Bank of India	01200026620001
7	Yes Bank	080163900000077
8	RBL Bank	409001587686

6. Minimum Net Worth requirements:

Particulars	Trading Member (TM) (in INR) *	Self-Clearing Member (SCM) (in INR) *	Trading and Clearing Member (TCM) (in INR) *	Professional Clearing Member (PCM) (in INR) *
Net Worth requirement	1 crore	5 crores	10 crores	10 crores

(*) In equivalent USD

Annexure 1
Application cum undertaking Form
(On letterhead of the Bank)

To, **Date:**
INDIA INTERNATIONAL EXCHANGE (IFSC) LTD
Membership Department
1st Floor, Unit No. 101, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ,
GIFT City, Gandhinagar, Gujarat – 382355, India

Subject: Application for Membership for Currency Derivatives and Interest Rate Products of the Exchange/ Clearing Corporation

Dear Sir/Madam,

1. We, <M/s. Name> are an existing trading member/ clearing member of <Name of Stock Exchange / Clearing Corporation> of the Indian capital markets. I/We hereby request you to register us as a trading member/ clearing member of the Exchange/ Clearing Corporation. Details, as required, are enclosed in point 2 to 9 to this application for membership of the Exchange/ Clearing Corporation.

2. I/We have read and understood the Rules, Byelaws and Regulations of the Exchange/ Clearing Corporation and agree to abide by them (as amended from time to time), as well as all circulars/directives that the Exchange/ Clearing Corporation or IFSCA may issue from time to time.

3. I/We and our Directors/ partners/ proprietor undertake to comply with such requirements and norms as may be specified by the IFSCA for continued registration as a trading member/ clearing member of the Exchange/ Clearing Corporation.

4. I/We/are aware and agree that the Exchange/ Clearing Corporation may in its absolute discretion reject any application for registration and or commencement of operations as a trading Member/ clearing member on such grounds as it considers fit and proper, without assigning any reason whatsoever.

5. I/We, our directors/partners/proprietor, confirm that all the information furnished herein and along with this application is true to the best of our knowledge and belief and we further undertake to keep you informed, at the earliest, regarding any changes therein.

6. Further, I/We, M/s. <Name> hereby declare that I/We, our directors/ partners, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021, Key Management Personnel and Principal Officer are 'fit and proper person' as per Schedule II of IFSCA (Capital Market Intermediaries) Regulations, 2021. I/ We confirm the following in this regard and undertake to submit details of the same, if applicable, along with this application and on any such occurrence in future.

   a. I/We, or our directors/partners, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021/ Key Management Persons and Principal Officer have not been convicted at any time by a Court for any offence involving moral turpitude, economic offence, securities laws or fraud;
   b. No order for winding up has been passed against me/ us;
   c. Neither I/We our directors/ partners, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021/ Key Management Persons and Principal Officer have been declared insolvent / bankrupt or declared defaulter by any exchange/ clearing corporation
   d. No order, restraining, prohibiting or debarring me/ us or our directors/partners, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021/ Key Management Persons and Principal Officer from dealing in securities in the capital market or from accessing the capital market has been passed by IFSCA or any other regulatory authority;

e. No order canceling our certificate of registration has been passed by IFSCA / SEBI on the grounds of my/our indulging in insider trading, fraudulent and unfair trade practices or market manipulation;
f. No order withdrawing or refusing to grant any license / approval to me/ us or our directors/ partners, our associates (as defined in IFSCA (Capital Market Intermediaries) Regulations, 2021/ Key Management Persons and Principal Officer which has a bearing on the capital market, has been passed by IFSCA / SEBI or any other regulatory authority;
g. No disciplinary action has been initiated/taken or subjected to any proceedings or penalty imposed by IFSCA / SEBI under the SEBI Act / Stock Exchange(s) / Clearing Corporations(s) or any other regulatory authority against me/us or our directors or partners at any time.
h. No IFSCA / Exchange / Clearing Corporation fees / dues are pending for payment.
i. I/We are financially sound.

7. I/We also certify that as per IFSCA (Capital Market Intermediaries) Regulations, 2021, we have the necessary infrastructure like adequate office space, equipment's and man power to effectively discharge the broking activities.

8. We hereby undertake that the approved users and sales personnel engaged or employed by the Bank shall obtain the relevant capital markets related certifications within one year from the date of being employed or engaged for operating in the Exchange operations at the IBU at IFSC.

9. I declare that the information given in this form is true and in the event of any information furnished is false, misleading or suppression of facts, my / our registration is liable to be cancelled by INDIA INX, without assigning any reasons whatsoever.

Thanking you

Yours faithfully

Signature with Stamp
(To be signed by Designated Directors/ Designated Officials)

CC: India International Clearing Corporation (IFSC) Limited
1st Floor, Unit No. 102, The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382355, India

Annexure 2

(On letterhead of the Bank)

Applicant Details Form for IBUs for registration with the Exchange/ Clearing Corporation

1. **Name of the applicant Bank:** ______________________________
2. **Registered Office Address:**
   ____
3. **IBU Office Address:**
   ____
4. **Contact Nos:** ______________________________
5. **(a) CIN / LEI no:** ____________________ **(b) PAN:** ____________________

6. **Details of Designated Directors:**

Sr. No.	Name	Designation	DIN (for directors)	Age (yrs)	PAN	Educational Qualification
1						
2						

7. **Details of Compliance Officer:**

Sr. No.	Name	Designation	Age (yrs)	PAN	Educational Qualification	Contact No.	Email id
1							

8. **Details of memberships in other Stock Exchanges**

Sr. No.	Name	Stock Exchange Name and Membership code	IFSCA / SEBI Registration No.
1			

9. **Details of memberships in Clearing Corporations**

Sr. No.	Name	Clearing Corporation Name and Membership code	IFSCA / SEBI Registration No.
1			

10. **Settlement Account Details**

Sr. No.	Account description	Details
1	Settlement Account No.	

11. **Details of Approved Users and Sales Personnel who have passed below certifications**
    (Please √ the relevant box below)

☐ **Approved Users and Sales Personnel who have passed below certification**

NISM Series – I*	NISM Series – 13*	NISM Series IIIA**	NISM Series VII**
<Name of personnel>			

Note: (*) Either of NISM Series – I or 13 certification is required to be submitted.
(**) NISM Series IIIA <u>and</u> NISM Series VII certifications both need to be submitted.

☐ **Above certifications are presently awaited.**

We hereby undertake to submit the certifications within one year from the date of the staff being employed or engaged for operating in the Exchange operations in the IBU at GIFT IFSC. We also undertake to keep the Exchange informed of any change in the designated / compliance officer.

Signature of Designated Director / Official with Stamp **Date:** __________

Annexure 3

Board Resolution Specimen
(On letterhead of the Applicant duly signed & stamped by Designated Directors)

Board Resolution passed by the Board of Directors of the Company in the meeting held on date ___________________.

RESOLVED THAT the proposal of the Company to submit its application to India International Exchange (IFSC) Limited/ India International Clearing Corporation (IFSC) Limited for obtaining registration as _______ (TM/SCM/TCM/PCM)* <strike out whichever is not applicable>is hereby approved:

Resolved Further That Mr./Ms. ____________________________________ and Mr./Ms _______________________________ <Name of Designated Directors/ Designated officials>, Directors of the Company be and are hereby appointed and authorized to act as Designated Directors/ Designated Officials on behalf of the Company for all matters related to membership of India International Exchange (IFSC) Limited/ India International Clearing Corporation (IFSC) Limited .

Further resolved that Mr. / Ms. ________________________ <Name with designation of Authorized Signatories> And Mr. / Ms. ____________________________ <Name with designation Authorized Signatories> of the Company be and are authorized to execute individually/jointly <strike out whichever is not applicable> all documents/ agreements on behalf of the Bank for acquiring the membership of the India International Exchange (IFSC) Limited as indicated above/ India International Clearing Corporation (IFSC) Limited.

For and on behalf of The Board of Directors

Company Seal
Date
Place

(*) TM: Trading Member, SCM: Self Clearing Member, TCM: Trading cum Clearing Member, PCM: Professional Clearing Member

CC: India International Clearing Corporation (IFSC) Limited
1st Floor, Unit No. 102, The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382355, India

Annexure 4
SEZ related Declaration
(On letterhead of the applicant)

To,
India International Exchange (IFSC) Limited
1st Floor, Unit No. 101,
The Signature, Building no. 13B,
Road 1C, Zone 1, GIFT SEZ, GIFT City,
Gandhinagar, Gujarat – 382355, India

Sub: Undertaking on Supply to SEZ unit for authorised operations without charging Integrated Goods and Services Tax (Zero rated supply)

Respected Sir/ Madam,

I / We ABC Limited located in <Address> are registered as special economic zone and carrying out our business operations in special economic zone. We have been granted approval as Special Economic Zone Unit by government authorities vide letter of approval number ____________ dated _______________ and further extended vide letter no. _____________ dated ____________. (Copy of letter of approval and extension letter is attached as **Annexure 4-a**). Further, as per provisions of GST Law, Special Economic Zone Unit needs to be separately registered. Accordingly, we have obtained separate registration for Special Economic Zone Unit located in <State Nam> vide GST No ________________________. Copy of GST registration certificate of Special Economic Zone Unit is attached as **Annexure 4-b**.

Since we are Special Economic Zone Unit, thus, India International Exchange (IFSC) Limited/ India International Clearing Corporation (IFSC) Limited Limited may supply services to us without payment of IGST. We certify that services of India International Exchange (IFSC) Limited/ India International Clearing Corporation (IFSC) Limited are received by us for the authorized operations of our SEZ and not for any other operations and are eligible for exemption from GST. We undertake to intimate India International Exchange (IFSC) Limited/ India International Clearing Corporation (IFSC) Limited immediately, if there is any change in any of the facts or details mentioned afore said.

We undertake to give India International Exchange (IFSC) Limited/ India International Clearing Corporation (IFSC) Limited any certificate, declaration or other documentary evidence to substantiate that India International Exchange (IFSC) Limited/ India International Clearing Corporation (IFSC) Limited has provided the services to us. We also undertake to procure relevant declarations, certifications and other documentary proof as certified by the SEZ officer to substantiate that the services have been received by us for the authorized operations. Further, we will compensate to India International Exchange (IFSC) Limited/ India International Clearing Corporation (IFSC) Limited for any tax, interest or penalty arises due to above exemption of zero rated benefit of GST or due to furnishing wrong information relating to status as SEZ unit.
Trust this declaration would enable you to comply with the provisions of the Goods and Services Tax Law.

For __________ **Date:**__________
(Authorized signatory) **Place:** __________

Enclosure:
CC: India International Clearing Corporation (IFSC) Limited
1st Floor, Unit No. 102, The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382355, India

Annexure 5

Auto debit letter
(On letterhead of the applicant)

To,
India International Exchange IFSC Limited
1st Floor, Unit No. 101, The Signature, Building No. 13B,
Road 1C, Zone - 1, GIFT SEZ, GIFT City,
Gandhinagar, Gujarat – 382355, India

Dear Sir,

Subject: Authorization to debit bank account

This letter is to acknowledge that India International Exchange IFSC Limited/ India International Clearing Corporation (IFSC) Limited is hereby authorized to debit the Bank Account: _________________<Account no.> towards IFSCA turnover fees, Exchange dues, penalties and fines which are / may be due to India International Exchange IFSC Limited/ India International Clearing Corporation (IFSC) Limited from us.

We confirm that _____________ <Bank name> has acknowledged execution of debit instruction of mentioned bank account by the Exchange/ Clearing Corporation.

We further agree and confirm that such a debit by the Exchange/ Clearing Corporation, would not require any further clearance from us or any other authority/person.

Details of our Bank account are as follows:
Name of Bank / Member:
Bank Account Number:
Name and Address of Bank:
Currency – USD

Credit account details

Bank Name	
Account Number	
Account Name	India International Exchange (IFSC) Limited/ India International Clearing Corporation (IFSC) Limited

Thanking You
Yours faithfully

For..............................
(Authorised Signatory)

CC: India International Clearing Corporation (IFSC) Limited
1st Floor, Unit No. 102, The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382355, India

Annexure 10 - Format of model TM-CM agreement

[12]MODEL BROKER DEALER-CLEARING MEMBER AGREEMENT FORMAT

[ON STAMP PAPER OF RS. 600]

(To be signed and stamped on all pages by designated directors)

*[**THE CLEARING MEMBER SHALL ENTER INTO A SEPARATE AGREEMENT WITH EACH OF THE BROKER DEALER ON WHOSE BEHALF HE WILL BE CLEARING TRADES**.]*

Agreement between BROKER DEALER AND CLEARING MEMBER

This agreement is made and executed at ………… this …….. day of ……… 20… between:

M/s.___________________________, a company registered under the provisions of the Companies Act, 2013 (including any modification or re-enactment thereof), being a Broker Dealer of the India International Exchange (IFSC) Limited, having Broker Dealer Code ____________ and registered as a Broker Dealer with IFSCA under Registration No. _____________, having its registered office at ____ (hereinafter called "the Broker Dealer") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns of the **Other Part**

And

M/s.___________________________, a company registered under the provisions of the Companies Act, 2013 (including any modification or re-enactment thereof), being a Clearing Member of India International Clearing Corporation (IFSC) Limited, having Clearing Member Code ___________ and registered as a Clearing Member with International Financial Services Centres Authority (''IFSCA'') under Registration No. ____________, having its registered office at _____________________________________ (hereinafter called "the Clearing Member") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns of the **One Part** .

WHEREAS

I. The Broker Dealer has requested the Clearing Member to clear and settle the Broker Dealer's deals executed on the trading system of the India International Exchange (IFSC) Limited (" Exchange"), and the Clearing Member has agreed to do so in accordance with the Rules, Bye-laws and Regulations of the Exchange/ India International Clearing Corporation (IFSC) Limited (''Clearing Corporation"), regulatory framework laid down by IFSCA and the terms and conditions contained in this Agreement;

II. For the purpose of the arrangement as specified in clause (I) above, the Clearing Member and the Broker Dealer are required to enter into an agreement which clearly state the nature of the relationship between the two and also should specify the duties, responsibilities, obligations and code of conduct of the concerned parties; and

III. The Clearing Member and Broker Dealer are accordingly executing this Agreement.

[12] The Clearing Member and Broker Dealer may vary the terms and conditions of the Model Broker Dealer-Clearing member Agreement without diluting the principles enshrined in the Model Agreement.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AND THE CLEARING MEMBER AND THE BROKER DEALER AGREE AS FOLLOWS:

(1) Deposit from Broker Dealer:

(i) The Broker Dealer shall deposit and maintain on a continuing basis a minimum amount of Rs.
_________ as an interest-free deposit with the Clearing Member. *(**IF THE PARTIES AGREE TO AN INTEREST BEARING DEPOSIT THEN APPROPRIATE PROVISIONS SHOULD BE INSERTED FOR RATE OF INTEREST, INTEREST PAYMENT DATE, ETC.**)*

(ii) The Broker Dealer shall from time to time deposit with the Clearing Member such further amounts as may be required by the Clearing Member from time to time. *(**PARTIES MAY INSERT TERMS OF SUCH FURTHER AMOUNTS. IF THE PARTIES AGREE TO AN INTEREST BEARING DEPOSIT THEN APPROPRIATE PROVISIONS SHOULD BE INSERTED FOR RATE OF INTEREST, INTEREST PAYMENT DATE, ETC. ELSE IT SHOULD BE STATED THAT THE DEPOSIT WOULD BE INTEREST FREE.**)*

(iii) In case of any failure or delay on the part of the Broker Dealer in payment of any deposit or if the Broker Dealer fails to maintain the minimum deposit mentioned above with the Clearing Member or in case of any shortfall in deposit, then the Clearing Member may prohibit/restrain the Broker Dealer from trading or creating any further positions till the failure has been rectified or may close-out all or any of the Broker Dealer 's positions to the extent deemed necessary by the Clearing Member or may exercise any other right or power which the Clearing Member may have under this Agreement or the Rules, Bye-laws and Regulations of the Exchange/Clearing Corporation.

(iv) The Broker Dealer shall pay to the Clearing Member such deposits in such form as the Clearing Member may specify from time to time in order to ensure compliance with the Rules, Bye-laws and Regulations of the Exchange/ Clearing Corporation.

(2) Exposure limit:

(i) The Broker Dealer shall have the following exposure limits:
*(**VARIOUS EXPOSURE LIMITS TO BE INSERTED**)*

(ii) The Clearing Member may from time to time in its discretion unilaterally increase or decrease the Broker Dealer 's exposure limits, subject to the requirements prescribed by the IFSCA/Exchange/Clearing Corporation ("Relevant Authority") from time to time.

(iii) In case the Broker Dealer exceeds his prescribed exposure limit, the Clearing Member may, at the Clearing Member's option and discretion, require the Broker Dealer to forthwith deposit additional amounts with the Clearing member and/or reduce the Broker Dealer's exposure to limits acceptable to the Clearing Member by closing out the Broker Dealer's open positions and/or may restrict, withdraw or disable the clearing and settlement facility provided to the Broker Dealer under prior intimation of at least 24 hours to the Exchange/Clearing Corporation and/or exercise any other right or power which the Clearing Member may have under this Agreement or the Rules, Bye-laws and Regulations of the Clearing Corporation/the Exchange.

(3) Fees:

(i) The rate of fee to be charged by the Clearing Member to the Broker Dealer in respect of various services provided by the Clearing Member shall be as mutually agreed between the parties or as provided below:

Sr. No.	Nature of Service	% of Fees
1.		
2.		
3.		

The above mentioned rates shall not be varied save and except with the mutual consent of the Broker Dealer and the Clearing Member recorded in writing.

(ii) The Clearing Member shall be entitled to receive such fees, charges, brokerage or commission in respect of various services which it /he renders or agrees to render to the Broker Dealer, from the Broker Dealer at such intervals as may be mutually agreed upon.

(4) Types of Services offered:

The Clearing Member shall provide the following services to the Broker Dealer:
*[**TO BE INSERTED BY MEMBERS. e.g. clearing and settlement service, advisory services, portfolio management services, etc.**]*

a. ___________________
b ___________________
c. ___________________

(5) Payment of margins:

(i) Subject to the requirements prescribed by the Relevant Authority, the Clearing Member shall collect margins from the Broker Dealer. However, if the Clearing Member finds it necessary, he shall be entitled to levy and collect additional margins from the Broker Dealer over and above those imposed by the Relevant Authority and the Broker Dealer shall be liable to pay the additional margins within the time stipulated by the Clearing Member.

(ii) Clearing Member shall be entitled to collect from Broker Dealer margin(s) of such amounts in such manner, as it may deem necessary, which at any point of time shall not be less than the amount stipulated by Clearing Corporation from time to time.

(iii) The Broker Dealer shall be entitle to collect margins from his Clients on a gross basis. The Broker Dealer hereby agrees to accurately and promptly report to the Clearing Member of all margins collected by the Broker Dealer and the identities of the Clients who have paid such margins. Any loss or damage caused to the Clearing Member on account of any misrepresentation or omission relating to the reporting of any margin or client identity by the Broker Dealer shall be reimbursed by the Broker Dealer to the Clearing Member. The Clearing Member shall ensure that the Broker Dealer collects the margins from it / his constituents on such basis as may be prescribed by Relevant Authority from time to time.

Liquidation/close-out of positions:

The Clearing Member shall be entitled to liquidate/close-out positions of the Broker Dealer for non-payment of margins, outstanding dues, exposure beyond limit specified or any other default on the part of the Broker Dealer.

Liability to reimburse losses:

The Broker Dealer shall be liable to forthwith reimburse to the Clearing Member any losses or financial charges arising from liquidation/close-out of positions, incurred by the Clearing Member.

Client Registration by the Broker Dealer:

The Broker Dealer shall comply with the provisions of the Rules, Bye-laws and Regulations of the Exchange and circulars/notices issued by IFSCA/the Exchange relating to Know Your Client / registration of Clients and Risk Disclosure Document. The Broker Dealer shall promptly provide to the Clearing Member such details and documents as the Clearing Member may from time to time require to satisfy itself that the Broker Dealer is in compliance with this clause.

Segregation of Client's money:

The Broker Dealer shall keep the money deposited by his Clients in a separate account, distinct from his own account and he shall provide the details and supporting evidence of the segregated accounts to the Clearing Member forthwith upon demand by the Clearing Member.

Client Identification:

The Broker Dealer shall allot each Client a distinct constituent code as required by the IFSCA/the Exchange from time to time. For the purpose of shifting of positions and safeguarding the money of Clients, the Broker Dealer agrees and undertakes to structure his Client's codes in such manner as the Clearing Member may from time to time require.

Default by Broker Dealer/Client:

In the event of a default of the Broker Dealer on his own account, the Client money shall remain safe and shall not be utilised to meet the Broker Dealer's liabilities. In such cases, the Client's positions shall be transferred by the Clearing Member to another Broker Dealer or closed out. In the event of a default due to failure of a specific Client to fulfil his obligation, the money of other Clients shall remain safe and shall not be utilised to meet the obligation of the defaulting Client as set out in the Rules, Bye-laws and Regulations of the Clearing Corporation/the Exchange. The Broker Dealer hereby agrees and undertakes to do all things, which may be necessary in order to transfer his Client's positions to the Clearing Member or another Broker Dealer in the event of his default.

Default by Clearing Member:

In the event of default by the Clearing Member on his own account, the money of Broker Dealers except to the extent of liability due to the Clearing Member and Broker Dealers' Clients shall remain safe and shall not be utilised to meet the Clearing Member's liabilities. In such cases, the positions of the Clients and the Broker Dealers shall be transferable to some other Clearing Member or be closed out in accordance with the provisions of the Rules, Bye-laws and Regulations of Clearing Corporation/the Exchange. The Clearing Member hereby agrees and undertakes to do all things, which may be necessary in order to transfer his Broker Dealer's or Client's positions to another Clearing Member in the event of his default.

Loss on account of close out:

Any and all loss on account of close out of Client positions because of failure of the Clearing Member or the Broker Dealer shall be recovered from the Clearing or Broker Dealer respectively.

Intimation to Exchange and Clearing Corporation in cases of default of the Broker Dealer:

The Clearing Member shall immediately inform the Exchange and Clearing Corporation in case the Broker Dealer defaults in his payments or other obligations.

Arbitration:

In case of claims, difference or disputes between the Clearing Member and Broker Dealer, the Clearing Member or the Broker Dealer shall avail the arbitration, mediation and other dispute resolution mechanism offered by International Arbitration Centre situated in International Financial Service Centre, Gujarat, India / arbitration facility provided by the Exchange / Clearing Corporation.

Termination:

Subject to the Rules, Bye-laws and Regulations, this agreement may be terminated by either party by giving one month's notice to the other party. However such termination shall not affect the rights and obligations of a party hereunder in respect of any deals entered into prior to such termination and the parties shall enjoy the same rights and shall have same obligations in respect of such deals.

Force Majeure

No liability shall result to either party for delay in performance or non-performance of the obligations under the agreement caused or contributed to by any event of force majeure. For purposes of this Clause, "Force Majeure" means and includes wars, insurrections, revolution, fires, floods, epidemic, quarantine restrictions, declared general strikes in relevant industries, act of God, act of governmental, statutory, regulatory or legal authority and such other acts or events beyond the control of the non-performing party.

Jurisdiction:

The agreement shall be subject to the exclusive jurisdiction of the courts which exercise jurisdiction over the International Financial Services Centre, Gujarat, India.

In addition to the specific rights set out in this Agreement, the parties hereto shall be entitled to exercise any other rights which they may have under the Rules, Bye-laws and Regulations of the Exchange/Clearing Corporation or circulars/notices issued by relevant authority.

Words and expressions which are used in this Agreement, but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations of Exchange/Clearing Corporation.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the date first above mentioned.

Signature: **Signature:**
Clearing Member **Broker**
Dealer Signed before: ` **Signed**
before:

Name of the Witness: __________________ Name of the Witness: __________

Note:

1. **All references to the specific quantity/rate/fee mentioned in this agreement are from time to time subject to change, as so agreed to in writing between parties.**

2. **All references to deposit in this agreement shall be deemed to mean cash and deposit other than cash. In the event, deposit other than cash is taken, both parties are required to record the same in writing.**

3. **The Clearing Member shall enter into an Agreement with each of the Broker Dealer on whose behalf he will be clearing and settling the trades.**

Annexure 11 - Registration form for Clearing & Settlement of debt securities

To be filled in by Participant on the Participant's letterhead

Participant

- Participant name :
- Participant address :
- Participant contact person:
- Participant contact person's designation :
- Participant contact person's email id :
- Participant contact person's mobile number / tel. number :
- Participant securities settlement details (please indicate who will settle the trade) – a) Self b) Custodian (Participant can only settle by self if having securities account with Clearstream / Euroclear)

If settlement is done by the Participant themselves (both security and fund), following details are required:-

Participant's Bank Detail for transfer of funds (USD):

- Participant Name with the Bank:
- Participant Bank Name:
- Participant Bank Address:
- Participant Account Number with Bank:
- Participant Bank's SWIFT BIC:
- Participant Bank's Correspondent Bank Name & Country:
- Participant Bank's Account Number with Correspondent Bank:
- Participant Bank's Correspondent Bank's SWIFT BIC:

Participant's Depository detail for transfer of securities (Clearstream / Euroclear account details)

- Participant's Depository (Clearstream / Euroclear) :
- Participant's Name with Depository :
- Participant's Account No. with Depository :
- Participant's Depository's SWIFT BIC :

If Participant settles trades (both security and fund) through a Custodian, the following details required:-

Custodian Bank Detail for transfer of funds (USD):

- Custodian's Name with Bank:
- Custodian's Bank Name:
- Custodian's Bank Address:
- Custodian's Account Number with bank:
- Custodian's Bank SWIFT BIC:
- Custodian Bank's Correspondent Bank Name & Country:
- Custodian Bank's Account Number with Correspondent Bank:
- Custodian Bank's Correspondent Bank Swift BIC:
- Name of contact person at the at the Custodian :
- Contact person's designation :
- Contact person's email id :
- Contact person's mobile number / tel. number :

Custodian's Depository detail for transfer of securities (Clearstream / Euroclear account details)

- Custodian's Depository Name :
- Custodian's SWIFT BIC :
- Custodian's Name :
- Custodian's Depository Account No. :
- Custodian's DP's SWIFT BIC :

If Participant settles securities through a Custodian and funds by self, the following details required:-

Participant's Bank Detail for transfer of funds (USD)

- Participant Name with the Bank:
- Participant Bank Name:
- Participant Bank Address:
- Participant Account Number with Bank:
- Participant Bank's SWIFT BIC:
- Participant Bank's Correspondent Bank Name & Country:
- Participant Bank's Account Number with Correspondent Bank:
- Participant Bank's Correspondent Bank's SWIFT BIC:

Custodian's Depository detail for transfer of securities (Clearstream / Euroclear account details)

- Custodian's Depository Name :
- Custodian's SWIFT BIC :
- Custodian's Name :
- Custodian's Depository Account No. :
- Custodian's DP's SWIFT BIC :

Signed By Participant
Name and designation of Signatory
Seal of the Participant

Signed by Custodian
Name and designation of Signatory
Seal of the Custodian

Mandatory documents for LEI:

- Proof of incorporation (certificate of incorporation or any other document of the company indicating incorporation)
- Proof of address (bank statement or any other document as proof of resident of the company)
- Identity & address proof of (individual or authorized signatory) residing country issued by local authority.
- Legal Entity Identifier (LEI) number of Participant

Other documents:

- International Financial Services Centres Authority (IFSCA) registration certificate, if registered with IFSCA.
- Securities and Exchange Board of India (SEBI) registration certificate, if registered with SEBI.

Annexure 12 - Undertaking

To be submitted by Participant / Custodian
For reporting and settlement of self-trades, to be signed by Participant

For settlement of any leg of the trade (funds or securities) by Custodian, to be signed by both Participant and Custodian

UNDERTAKING

This undertaking is signed at ______________________ on this ………day of…... 20…..

By:

…………………………………………………, an individual/the proprietor/Designated Director/ authorized signatory of M/s…………………………………………..a participant/custodian our office/registered office at…………………………………………, and registered with India International Clearing Corporation (IFSC) Limited ("India ICC") under registration No…………. .(Hereinafter referred to as "Participant/custodian).

In favor of:

India ICC is a company incorporated under the Companies Act, 1956, with the principal object of carrying on the business of clearing and settlement of funds and securities. The Securities and Exchange Board of India ("SEBI") vide its circular No. SEBI/HO/MRD/DRMNP/CIR/P/2017/96 dated August 13, 2017, has inter-alia decided to permit exchange traded / over the counter trading of debt securities in International Financial Services Center (IFSC), subject to clearing and settlement through clearing corporation in IFSC. India ICC is providing clearing & settlement services for the securities traded on the India International Exchange (IFSC) Ltd. (INDIAINX), a wholly owned subsidiary of the BSE LTD. and situated at the 1st Floor, Unit No. 101, The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382355, India.

IN CONSIDERATION OF India ICC having agreed to allow the Participant to avail the said Service, the Participant undertakes unconditionally and irrevocably to comply with the following terms and conditions:-

India ICC shall provide the said Service as per the directions/orders/circulars/notices issued by the IFSCA/SEBI/Reserve Bank of India ("RBI") or any other Regulatory Authority and as per the circulars/notices issued by India ICC from time to time.

Participant agrees to abide by the directions/orders/circulars/notices issued by IFSCA, SEBI, RBI, any other Regulatory Authority and India ICC, from time to time for the purpose of availing the said Service.

Participant undertakes to pay to India ICC such consideration for the said Service rendered by India ICC as specified by India ICC from time to time.

India ICC/ India INX shall not provide any of its funds/securities for settlement of the transactions executed by Participant. Participant agrees that performance of the transactions shall be sole responsibility of the participant/respective parties and India ICC/ India INX is not a counter party to any transaction settled by it.

India ICC shall hold the securities or funds deposited by the Participant as a trustee.

India ICC/ India INX shall not be responsible for any mistake or error in the transaction settled by India ICC or failure of the systems of any depository or regulatory authority or due to factors comprising force majeure.

Neither India INX nor India ICC guarantee the functioning of the said Services. India INX, India ICC and their directors, managers, officers, employees and agents shall not be liable in any way to Participant or to any other person, for any non-performance, cancellation of settlement or costs, losses etc. incurred by the parties due to such cancellation, error or interruption of the said Services or for any damages, consequential or otherwise arising therefrom or occasioned thereby. No legal proceedings shall be adopted by Participant against India INX or India ICC for any act/omission done by India INX or India ICC.

Participant shall indemnify and keep indemnified India INX and India ICC, their directors, managers, officers, employees and agents harmless against every and all claims, demands, actions, proceedings, damages, liabilities, losses, costs and expenses suffered or incurred by them by reason of the provision of the said Services.

Participant represents and warrants that he/they have the authority to provide this undertaking to India CC for availing the said Services.

Participant shall execute, sign and subscribe to such other documents, papers, agreements, covenants, bonds and/or undertaking as may be prescribed or required by India ICC, from time to time.

Participant agrees that this undertaking shall be governed by the laws of India and Courts at Gandhinagar, Gujarat, India shall have exclusive jurisdiction in all such matters arising out of this undertaking.

Participant agrees to pay any charges / fees intimated to the participants by India ICC from time to time.

IN WITNESS WHEREOF this Undertaking is executed by me/us on the day and the year hereinabove.

SIGNED on behalf of Participant

…………………………..

Name of Signatory:-
Designation of Signatory:-

SIGNED on behalf of Custodian ________________________

…………………………..

Name of Signatory:-
Designation of Signatory:-

Annexure 13 - Format of letter from Member / Participant for Appointment of Custodian

(To be given on the letter head of Trading Member)

Date:

India International Clearing Corporation (IFSC) Limited

1st Floor, Unit No. 102, The Signature,

Building no. 13B, Road 1C, Zone 1, GIFT SEZ,

GIFT City, Gandhinagar, Gujarat – 382355, India

Dear Sir,

We wish to inform you that we have appointed M/s. _______________ as Custodian for clearing and settlement of trades executed in debt securities, at India INX, on behalf of us.

Details are as follows:

S. No	Particulars	Details
1	Member / Participant name	
2	Member Code	
3	IFSCA / SEBI registration no. of member	
4	Registered Office of member	
5	Name of the contact person & signatory	
6	Contact details of member	
6	International Central Securities Depository (ICSD)	Euroclear / Clearstream
7	Account no. of custodian with ICSD	
8	IFSCA / SEBI registration number of custodian (if available)	
9	Swift BIC of custodian	
10	LEI Number of custodian	
11	Address of custodian	
12	Name and designation of contact person of custodian	
13	Telephone .no. of custodian	
14	Email ID of the contact person	

Thanking you,

Yours Sincerely,

(Name, designation, seal of the company)

Annexure 14 Format for confirmation of clearing & settlement of bonds by Custodian

(To be given by the custodian on the letter head)

Date:

India International Clearing Corporation (IFSC) Limited

1st Floor, Unit No. 102, The Signature,

Building no. 13B, Road 1C, Zone 1, GIFT SEZ,

GIFT City, Gandhinagar, Gujarat – 382355, India

Dear Sir,

Sub: Clearing and Settlement of Bonds Listed on India INX

We refer to a request received from our client to provide confirmation for clearing and settlement for bonds traded at India INX.

We confirm, under the present market structure for trading of bonds at India INX that clearing and settlement of bonds shall be done by us for the following member / participant:

Name	
Type of entity	
IFSCA / SEBI Registration No. (If applicable)	
Registered Office Address	
CUSTODIAN DETAILS:	
Custodian Name	
Name of the contact person & designation	
Telephone No.	
LEI Number of Custodian	
Email ID of the contact person	
International Central Securities Depository (ICSD)	Euroclear / Clearstream
Custodian's Account No. with ICSD	
SWIFT BIC of Custodian	

In the event the client defaults on pay-in obligation of either funds or securities, we agree to pay India ICC any applicable penalty for such default.

Thanking you,
Yours Sincerely,

(Name, designation, seal of the custodian) (Name, designation, seal of the member)

Annexure 15 - List of Designated Clearing Banks

Sr. No	Name of the Bank	Address	Contact Person
1	ICICI Bank Ltd.	ICICI Bank Ltd. IFSC Banking Unit (IBU) Unit no. 408, 4th Floor, Brigade International Financial Centre (BIFC), GIFT SEZ, GIFT City, Gandhinagar – 382355, Gujarat, India.	Mr. Anupam Verma Head - IBU Mobile: 9930366650 Email: anupam.verma@icicibank.com Mr. Chinmay Naralkar Mobile: 8879769395 Email: chinmay.naralkar@icicibank.com Mr. Amul Agarwal Mobile: 8879770620 Email: amul.agarwal@icicibank.com
2	YES Bank Ltd.	YES Bank Ltd IFSC Banking Unit (IBU) Unit no. 901, 9th Floor, The Signature Building no. 13B, Zone-1, GIFT SEZ, GIFT City, Gandhinagar – 382355, Gujarat, India.	Mr. Deepak Raj. K Branch Head Mobile: 9727796080 Email: deepak.kundoor@yesbank.in Mr. Saurabh Desai Sr. Manager Mobile: 9893277400 Email: saurabh.desai@yesbank.in
3	Kotak Mahindra Bank Ltd.	Kotak Mahindra Bank Ltd. IFSC Banking Unit (IBU) Unit no. 1002, 10th Floor, The Signature Building no. 13B, Zone-1, GIFT SEZ, GIFT City, Gandhinagar – 382355, Gujarat, India.	Mr. Hrishikesh Parmar Associate Vice President Mobile: 9769009293 Email: hrishikesh.parmar@kotak.com Mr. Ajay Bhargava Vice President Mobile: 9899246151 Email: ajay.bhargava@kotak.com
4	Indusind Bank Ltd.	Indusind Bank Ltd. IFSC Banking Unit (IBU) Unit no. 408, 4th Floor, The Signature Building no. 13B, Zone-1, GIFT SEZ, GIFT City, Gandhinagar – 382355, Gujarat, India.	Mr. Kaushik Chatterjee Head - Exchange Clearing Cell Mobile: 9920209335 Email: chatterjee.kaushik@indusind.com Mr. Vaidyanathan Iyer Head – GIFT City - IBU Mobile: 8980025425 Email: iyer.vaidyanathan@indusind.com
5	Axis Bank Limited	Axis Bank Limited IFSC Banking Unit (IBU) Unit no. 403, 4th Floor, The Signature Building no. 13B, Zone-1, GIFT SEZ, GIFT City, Gandhinagar – 382355, Gujarat, India.	Mr. K. C. Harichandan Head – Operations, GIFT City IBU Mobile: 9833206658 Email: kahnu.harichandan@axisbank.com Mr. Deepak Gokhe Mobile: 9820825867 Email: Deepak.gokhe@axisbank.com
6	State Bank of India	State Bank of India IFSC Banking Unit (IBU) Unit no. 1401,14th Floor, The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City,	Mr. Prashant Kumar Manager – Operations, SBI – IBU Mobile: 7600044953 Email: rnr.ibu@statebank.com

		Gandhinagar – 382355, Gujarat, India.	
7	RBL Bank Limited	RBL Bank Limited IFSC Banking Unit – Gift City, Unit no. 705, 7th Floor, Signature Building, Block no. 13-B, Zone-1, GIFT Multiservice SEZ, Gandhinagar – 382355, Gujarat, India.	Mr. Namit Dua Head IFSC Banking Unit Mobile: 9833661576 Email: Namit.Dua@rblbank.com Mr. Ambuj Gautam Operations Incharge Mobile: 7265880165 Email: Ambuj.Gautam@rblbank.com

Annexure 16 – Account details of India ICC for security transfer

S. No.	Particulars	Details
1	Name of the institution	India International Clearing Corporation (IFSC) Ltd. (India ICC)
2	Name of the ICSD holding account of India ICC	Clearstream Banking S. A. (Clearstream)
3	ICSD ID	CEDELULL
4	Account no. of India ICC to which securities are to be transferred by the Clearing member / custodian	28526
5	SWIFT Code of India ICC for confirmation of security transfered via Swift message to India ICC	IICCINBB

Annexure 17 - Format of letter from Trading Member / Client authorising Custodians for clearing and settlement of debt securities trades

(To be given on the letter head)

Date:

India International Clearing Corporation (IFSC) Limited
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ,
GIFT City, Gandhinagar, Gujarat – 382355, India

Dear Sir,

Sub: Appointment of M/s. (Name of the Custodian) as Custodian in India ICC

We wish to inform you that we have appointed M/s. ______________ as Custodian for clearing and settlement of trades executed in Debt Securities, at India INX, on behalf of us.

In view of this we request you to allot Custodial Participant code for India INX.

Details are as follows:

S. No	Particulars	Details
1	Trading Member / Client Name	
2	IFSCA / SEBI Registration No. (if applicable)	
3	Registered Office	
4	Name of the contact person & designation	
5	Depository	Euroclear / Clearstream
6	Account No.	
7	Telephone No.	
8	Fax No.	
9	Email ID of the contact person	

Thanking you,

Yours faithfully,

Authorised Signatories

Annexure 18 – Format for confirmation of clearing and settlement of debt securities by custodian

(To be given by the custodian on the letter head)

Date :
India International Clearing Corporation (IFSC) Limited
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ,
GIFT City, Gandhinagar, Gujarat – 382355, India

Dear Sir,

Sub: Clearing and Settlement of debt securities

We refer to a request received from our client to provide confirmation for clearing and settlement for trading of debt securities at India INX.

We confirm, under the present market structure for trading in debt securities at India INX that clearing and settlement of debt securities shall be done by us for the following client:

Name	
Type of entity	
IFSCA / SEBI Registration No. (if applicable)	
Registered Office Address	
CUSTODIAN DETAILS:	
Custodian Name	
Name of the contact person & designation	
Telephone No.	
Fax No.	
Email ID of the contact person	
Depository	Euroclear / Clearstream
Account No.	

Thanking you,

Yours Sincerely

Authorised Signatories

INDIA ICC
INDIA INTERNATIONAL CLEARING CORPORATION

Annexure 19 - Application format for activation / deactivation / modification / change in Custodian of Custodial Participant Code at India ICC

(To be given by the Trading Member on the letter head)

India International Clearing Corporation (IFSC) Limited

1st Floor, Unit number 102, The Signature,

Building No. 13 B, Road 1 C, Zone 1,

GIFT IFSC, Gandhinagar

Gujarat –382355, India

Dear Sir,

Type : 1. Activation 2. Deactivation 3. Modification (Name)		
Particulars	**Applicable to "Type"**	**Details**
Category (for eg. FPI)	1,2,3	
FPI Category, if FPI (I, or II) Corporate bodies=Y Individuals=Y Family offices=Y Other=N	1	(Y / N / NA)
Client Name (Please mention new name and old name in case of name change)	1,2,3	
IFSCA / SEBI Reg. No.	1,2,3	
Permanent Account Number (PAN)	1,2,3	
Activation/ Deactivation/ Modification (Name) Effective Date:	1,2,3	

The information furnished above is true to the best of my/our knowledge and belief and I/we undertake to inform that all KYC checks have been performed by us.

I/we undertake that I/we shall settle all the transactions done by the above client until deactivation and comply with such requirements as stipulated by the Exchange/Clearing Corporation from time to time.

TM Code:

Thanking You,

Yours faithfully

Authorised Signatories

Annexure 20 – Format for settlement details to custodians

ISIN	ISSUER NAME	SECURITY DESCRIPTION	FACE VALUE	BOND/NCD SERIES	COUPON RATE:- ZERO COUPON / FIXED COUPON RATE/ FLOATING RATE (%)	LISTING AT STOCK EXCHANGE(s)	MATURITY DATE	TRADED / REPORTED QUANTITY	TRADED / REPORTED RATE	TRADED / REPORTED AMOUNT	TRANSFEROR CUSTODIAN NAME	CLIENT NAME	DEPOSITORY (EUROCLEAR / CLEARSTREAM)	ACCOUNT NO.	TRANSFEREE CUSTODIAN NAME	CLIENT NAME	DEPOSITORY (EUROCLEAR / CLEARSTREAM)	ACCOUNT NO.

Annexure 21 – Format for confirmation of settlement details by custodians

ISIN	ISSUER NAME	SECURITY DESCRIPTION	FACE VALUE	BOND/NCD SERIES	COUPON RATE:- ZERO COUPON / FIXED COUPON RATE/ FLOATING RATE (%)	LISTING AT STOCK EXCHANGE(s)	MATURITY DATE	SETTLED QUANTITY	SETTLED RATE	SETTLED AMOUNT	TRANSFEROR CUSTODIAN NAME	CLIENT NAME	DEPOSITORY (EUROCLEAR / CLEARSTREAM)	ACCOUNT NO.	TRANSFEREE CUSTODIAN NAME	CLIENT NAME	DEPOSITORY (EUROCLEAR / CLEARSTREAM)	ACCOUNT NO.	CONFIRMATION / STATUS OF SETTLEMENT

Annexure 22 - Format of member's request letter for change of designated Clearing Bank

Date:

Manager
Clearing & Settlement Dept.
India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

Re: Change of Designated Bank for Clearing & Settlement Purpose

I/We __________________________ Clearing No. _________ is/ are having A/c. No. ___________ With ____________________ Bank for margins /clearing & settlement obligations. I/We wish to shift my / our designated bank from _________________________ to _____________________________ bank.

Our Account No. with _______________________ bank is _________________________ and we wish to designate the same for clearing & settlement purpose including margin payments.

I/We agree that the operations in the abovementioned account would start only after receiving intimation regarding the same from India International Clearing Corporation (IFSC) Ltd.

You are requested to please do the needful.

Signature & Stamp of the Member(s) / Director(s)

Annexure 23– Request for allotment and activation / deactivation / modification of CLCODE for Client of Provider

(To be given by Provider on their Letterhead)

Date:
India International Clearing Corporation (IFSC) Limited
#102, First Level, Hiranandani Signature Tower,
Building no. 13B, Road 1C, Zone 1, GIFT City,
Gandhinagar, Gujarat – 382355, India

Email : risk@indiaicc.com and icc.cs@indiaicc.com

Dear Sir,

Subject: Request for allotment and activation/deactivation/modification of CLCODE

Particulars	**Details**
Provider Code (PCODE)	
Activation / Deactivation / Modification (As applicable)	
Name of Client	
Legal Entity Identifier (LEI) Code of Client (Mandatory)	
PAN (If available)	
Existing CLCODE (In case of Deactivation / Modification)	
Trading Member Code (s)	
Trading Member Name (s)	
Clearing Member Code	
Clearing Member Name	

The information furnished above is true to the best of my/our knowledge and belief. I/we undertake to inform that we have adhered to the requirements of KYC, AML compliance and have conducted due diligence of end clients as per global standards and CLCODE related requirements of IFSCA / SEBI, India INX and other relevant regulators.

Thanking you,
Yours sincerely,

Authorised Signatories

Annexure 24 – Undertaking from the Clearing Member of Provider

(To be given by the Clearing Member on their letter head)

Date:

India International Clearing Corporation (IFSC) Limited
#102, First Level, Hiranandani Signature Tower,
Building no. 13B, Road 1C, Zone 1, GIFT City,
Gandhinagar, Gujarat – 382355, India

Email : risk@indiaicc.com and icc.cs@indiaicc.com

Dear Sir,

Subject: Clearing and Settlement for Segregated Nominee Account

We, M/s ____, Clearing member code

_______________________, undertake that we shall clear and settle all the transactions done for CLCODES issued to M/s __________________________________ (name of the Provider) with PCODE ___________ and all obligations arising thereof including the payment of margins, penalties, any other levies and settlement of obligations and such other obligations applicable as on date and as specified from time to time until deactivation and shall comply with such requirements as stipulated by the Exchange/Clearing Corporation from time to time.

Thanking you,

Yours sincerely,

Authorised Signatories

Annexure 25 - Clearing member – Custodian Participant (CP) Agreement

(To be executed on stamp paper)

Clearing Member – Client (Custodial Participant) Agreement

This agreement is made on this ___________ day of ______, between ______________, having its registered office/ office/ residence at ___________________ registered as a Clearing Member (hereinafter called the Clearing Member) with India International Clearing Corporation (IFSC) Limited (hereinafter called "India ICC") which expression shall unless repugnant to the context or meaning thereof include its successors, legal representatives and permitted assigns).

AND

__________________________, having its registered office/ residence at ____________________ (hereinafter called "the Client") which expression shall unless repugnant to the context or meaning thereof include its successors, legal representatives and permitted assigns).

WITH

__________________________, having its registered office/ residence at __________________ (hereinafter referred to as "Confirming Party"), which expression shall unless repugnant to the context or meaning thereof include its successors, legal representatives and permitted assigns as a Confirming Party.

WHEREAS

1. The Client M/s ___________________________ desires to effect purchase or sale of securities at India International Exchange (IFSC) Limited (hereinafter referred to as " India INX"), as may be mutually agreed between the Client and India INX through more than one trading members of India INX and clear and settle such trades through the Clearing Member (who, in turn, agrees to clear and settle the trades executed by the client which may have done through one or more trading members, subject to the Clearing Member confirming the trades so executed) and subject to the provisions contained in the Rules, Bye Laws and Regulations of India INX / India ICC.

2. _______ is a Clearing Member of India ICC and is, inter alia, authorized to carry on the activities of clearing and settlement of deals, which are executed on India INX by the Client through a trading member or on behalf of Clients, who have appointed the Clearing Member to clear and settle their deals, subject to the trades being confirmed by the Clearing Member..

3. The Client has approached the Clearing Member to undertake clearing & settlement of deals subject to confirmation of such deals by the Clearing Member and availability of sufficient margin requirement, and to discharge its duties and

obligations towards India ICC on its behalf and the Clearing Member, in turn, agreed to clear & settle the trades done by the Client through a trading member or trading members subject to the trades being confirmed by the Clearing Member and other provisions contained in the Rules, Bye Laws and Regulations of India INX / India ICC and the terms and conditions contained herein.

4. Subject to the Rules, Bye-laws and Regulations of India INX / India ICC and requirements prescribed by IFSCA / India ICC/ India INX from time to time, the parties to this agreement are desirous of reducing the terms and conditions agreed, in writing, as contained herein :

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. At the request of the Client and in consideration of the Client agreeing to pay certain fees and charges mentioned herein and abide by the terms and conditions contained in this agreement, Rules, Bye-Laws and Regulations of India INX / India ICC, the Clearing Member hereby undertakes upon himself the obligations of clearing and settlement of the deals of the Client executed/done, through one or more trading members subject to the trades being confirmed by the Clearing Member, on India INX and to do all the acts, deeds and activities arising from and/ or incidental to the clearing and settlement of such deals.

2. Rights of the Clearing Member

(1) The Clearing Member shall be entitled to demand/ receive from the Client such deposits in such form as he may specify from time to time.

(2) Without prejudice to the generality of the above, the Client shall place with the Clearing Member an amount of USD____ as deposit which shall be maintained at any point of time. Subject to the provisions of Rules, Bye Laws and Regulations of India INX / India ICC, in case of any shortfall in such deposit, the Clearing Member shall be entitled to initiate any action necessary to protect its interests in this regard against the Client.

(3) The Clearing Member shall be entitled to receive such fees, charges, or commission, in respect of various services which it renders or agrees to render to the Client, from the Client at such intervals as may be mutually agreed upon.

(4) The Clearing Member shall specify, subject to any requirements, which India ICC may have prescribed from time to time, the exposure limits upto which open positions can be taken by the Client. Such limits may be increased or

reduced by the Clearing Member from time to time. The Clearing Member shall have the authority to initiate any action necessary to protect its interests in this regard, which may, inter alia, include restriction on further trading and closeout of open positions of the Client.

(5) The Clearing Member shall be entitled to collect from the Client, margin(s) of such amounts of such kinds, as it may deem necessary, which at any point of time shall not be less than the amount stipulated by India ICC from time to time. The Clearing Member shall have authority to collect such additional margin(s) as the Clearing Member may deem necessary or as per the requirement of India ICC.

(6) The Clearing Member shall be entitled to receive from the Client such amounts as may be required to be paid towards daily mark to market settlement of futures contracts, final settlement of futures contracts, premium settlement of option contracts, exercise settlement of option contracts or such other settlement, as the Clearing Member may deem necessary or per the requirement of India ICC.

(7) The Clearing Member shall have authority to close out/ liquidate the open positions of the Client in accordance with the Rules, Byelaws and Regulations of India INX / India ICC, in the case of non-payment of dues by the Client towards margins, additional margins, daily mark to market settlement of futures contracts, final settlement of futures contract, premium settlement of option contracts, exercise settlement of option contracts or such other settlement, fees, commission and/ or charges, by making necessary requests to India ICC / India INX for initiating such action. Any loss arising due to the closing out of open positions of the Client shall be payable by the Client and will be recovered from the Client by the Clearing Member.

(8)(a) For the purpose of close out of the open positions of the Clients under clause (7) above, the Clearing Member has entered into an arrangement with the Confirming Party who is admitted as a Trading Member of India INX in order to execute the trades to offset the open positions of the Client. The Client agrees to comply with the Know Your Client requirements and enter into a Trading Member-Client relationship with the Confirming Party in accordance with the conditions prescribed by India INX and subject to the Rules Bye laws and Regulations of India INX. The Client has authorized the Confirming Party to act upon the instructions received from the Clearing Member to execute trades on India INX in order to close out open positions on behalf of the Client. The Client agrees to be bound by such instructions issued by the Clearing Members to the Confirming Party.

(8)(b) The Client has authorized the Confirming Party to act upon the instructions of the Clearing Member to close out its open positions vide its letter dated ____________ and the Clearing Member acknowledges the receipt of the same.

(8)(c) The Confirming Party agrees to execute the trades on behalf of the Client upon instructions from the Clearing Member for the purpose of sub- clause (a) and (b) above and has been joined as a confirming party to this Agreement only for the purpose of confirming the arrangement in clause 8 for closing out open positions of the Client.

(9) The Clearing Member shall only be held responsible for all such trades which the Clearing Member has confirmed. The Trading Member shall solely be responsible and liable for such trades which are not confirmed by the Clearing Member and the Clearing Member shall not held responsible or liable for any trade settled, which are not confirmed by the Clearing Member.

3. Obligations of the Clearing Member

(1) The money deposited by each Client shall be kept in a separate account by the Clearing Member, distinct from his own account and shall provide the details of margins collected for the trades executed by the Client, to India ICC as per the requirements of India ICC.

(2) The Clearing Member shall inform the Client about the exposure limits (including any increase or reduction in such limits) upto which open positions can be taken by the Client.

(3) The Clearing Member shall be liable to pay to the Client any amount becoming due and receivable by the Client towards daily mark to market settlement of futures contracts, final settlement of futures contracts, premium settlement of option contracts, exercise settlement of option contracts and such other settlement as per the Rules, Bye-laws and Regulations of India INX/ India ICC.

(4) The Clearing Member shall be required to refund any excess margin money to the Client as per mutual agreement.

(5) The Clearing Member may settle the accounts on a periodical basis, if mutually agreed between the Clearing Member and the Client, which should be in accordance with the Rules, Byelaws & Regulations of India INX/ India ICC.

(6) In the event of default by the Clearing Member or his being declared a defaulter by India INX/ India ICC, the amount paid by the Client and got

deposited with India ICC shall remain safe and shall not be utilized to meet the Clearing Member's own liabilities and/ or the liabilities of his other clients. In such cases, the Clearing Member shall render all assistance to the Client for transfer of Client's positions to some other Clearing Member, if such event occurs.

(7) In the event of failure due to wilful default by the Clearing Member in the payment of any dues to the India ICC as well as the Client, the Client shall, with the prior approval of India ICC, have the right to transfer his own open positions immediately to another Clearing Member. The Clearing Member shall be obliged to pay to the Client for any costs incurred for transfer of the open positions, if such event occurs.

(8) In case the Clearing Member is declared a defaulter by India ICC / India INX and the Client transfers his open positions to some other Clearing Member, the Clearing Member shall be obliged to pay for any costs incurred for transfer of the open positions.

(9) The Clearing Member (including officers, employees, agents, representatives, consultants and professional advisors) shall treat the information pertaining to the Client as confidential. The Clearing Member shall not disclose the same to any other person except to the governmental, statutory, regulatory or legal authorities, governmental order, decree, regulation or rule to regulatory or other statutory authorities. The Client agrees and acknowledges that the information set in hereunder shall not amount to Confidential Information (a) on the date of its disclosure is public knowledge or subsequently becomes public knowledge other than by reason of any act carried out in violation of this Agreement (b) already known to or comes to knowledge of the Clearing Member after the date hereof from a source other than the Client; (c) independently acquired or developed by the Clearing Member without the use of any Confidential Information; (d) received information from the Client as a non-confidential basis; (e) approved for release by written authorization of the Client; (f) any information received by the Clearing Member which is not marked confidential.

(10) If due to the wilful default of the Clearing Member, the open positions of the Clients are closed-out and any loss is incurred due to such close-out, the Clearing Member shall reimburse such loss to all the Clients except to the Clients because of whom the Clearing Member has defaulted.

(11) The Clearing Member shall be required to provide reports/ statements including those related to mark to market settlement of futures contracts, final settlement of futures contracts, premium settlement of options contracts,

exercise settlement of option contracts or such other settlement, margin amounts and open positions to the Client, for such period as may be mutually agreed.

4. Rights of the Client

(1) The Client shall be entitled to have all the deals, executed through any Trading Member or Trading Members on India INX, cleared and settled through the Clearing Member subject to trades being confirmed by the Clearing Member and availability of sufficient margin requirement.

(2) The Client shall be entitled to receive intimation from the Clearing Member about the exposure limits (including any increase or reduction in such limits) upto which open positions can be taken by the Client.

(3) The Client shall be entitled to receive reports/ statements of mark to market settlement of futures contracts, final settlement of futures contracts, premium settlement of option contracts, exercise settlement of option contracts or such other settlement, margin amounts and open positions from the Clearing Member, for such period as may be mutually agreed.

(4) The Client shall be entitled to receive from the Clearing Member such amounts towards daily mark to market settlement of futures contracts, final settlement of futures contracts, premium settlement of option contracts, exercise settlement of option contracts and such other settlement.

(5) In the event of the Clearing Member being declared a defaulter by India ICC, the Client, except the Client because of whom the Clearing Member has defaulted, shall be entitled to transfer his open positions to some other Clearing Member and recover any costs incurred for such transfers from the Clearing Member.

(6) In the event of failure due to wilful default by the Clearing Member in the payment of any dues to India ICC as well as the Client, the Client shall, with the prior approval of India ICC/India INX have the right to transfer his own open positions immediately to another Clearing Member. The Client shall also have the right to recover from Clearing Member any costs incurred for transfer of the open positions, unless default of the Clearing member is because of the Client herein.

(7) In case the open positions of the Clients are closed-out due to the wilful default of the Clearing Member, the Client, except the Clients because of whom the

Clearing Member has defaulted, shall be entitled to recover such loss from the Clearing Member.

5. Obligations of the Client

(1) The Client shall pay to the Clearing Member such deposits in such form as the Clearing Member may specify from time to time.

(2) Without prejudice to the generality of the above, the Client shall place with the Clearing Member an amount of USD____ as deposit which shall be maintained at any point of time. Subject to the provisions of Bye Laws, Rules and Regulations of the India INX/ India ICC, the Clearing Member shall be entitled to initiate any action necessary to protect his interest in this regard against the Client.

(3) The Client shall pay to the Clearing Member such fees, charges, or commission in respect of various services which he renders or agrees to render to the Client at such intervals as may be mutually agreed upon by them.

(4) The Client shall pay to the Clearing Member margins of such amounts as may be prescribed by India ICC from time to time including additional margins, if any or such higher amount of margins as may be mutually agreed with the Clearing Member. The margins shall be deposited by the Client within such time and in such form as may be specified by the Clearing Member.

(5) The Client shall be liable to pay to the Clearing Member such amounts towards daily mark to market settlement of futures contracts, final settlement of futures contracts, premium settlement of option contracts, exercise settlement of option contracts and such other settlement as per the requirement of India ICC.

(6) The accounts shall be settled on a periodical basis as may be mutually agreed between the Clearing Member and the Client.

(7) The Client shall be obliged to reimburse to the Clearing Members any loss caused due to the closing out / liquidation of his open positions initiated by the Clearing Member, on account of non-payment of dues by the Client towards margins, additional margins, daily mark to market settlement of futures contracts, final settlement of futures contracts, premium settlement of option contracts, exercise settlement of option contracts or such other settlement, fees, charges, commission, penalties and expenses, including any other sum as per the requirement of India ICC.

(8) The Client shall do all such acts, deeds and activities that are necessary for the purpose of strict compliance with the Rules, Bye Laws & Regulations of India INX/ India ICC by the Clearing Member.

(9) If due to the default of the Client, the open position of the Client is closed-out and any loss is incurred due to such closeout, the Client shall be liable to reimburse such loss to the Clearing Member.

6. Termination of the Agreement

This Agreement entered into between the Clearing Member and the Client may be terminated by giving at least one month written notice to the other party. The termination of this Agreement shall be binding on India INX and India ICC as well. The Clearing Member shall request India ICC and/or India INX for cancellation of the CP Code allotted to the Client, with effect from the date and time at which this Agreement is terminated. Such cancellation or termination shall not have any effect on transactions executed before the time and date of termination and the parties shall enjoy the same rights and shall have same obligations in respect of such executed transactions.

7. Abiding by provisions prescribed by IFSCA / SEBI, India ICC and India INX

The Clearing Member and the Client agrees to abide by Rules, Bye-laws and Regulations of India ICC, India INX and requirements prescribed by IFSCA / SEBI, India ICC and India INX.

8. Notice

Any communication between the Clearing Member and the Client shall be made in any one or more of the following ways:

(a) an electronic mail

(b) delivering it by post

(c) sending it by registered post

(d) sending it under certificate of posting

(e) sending it by express delivery post / courier services.

(f) affixing it on the door at the last known business or residential address

(g) advertising it at least once in any prominent daily newspaper

8. Force Majeure

No liability shall result to either party for delay in performance or non-performance of the obligations under the agreement caused and/or contributed to by any event of force majeure, provided however that the Clearing Member shall be entitled to receive all monies/funds from the other Parties hereto even if the events causing force majeure continues and such parties shall make good the payments upon immediate demand by the Clearing Member. For purposes of this Clause, "Force Majeure" means and includes wars, insurrections, revolution, fires, floods, epidemic, quarantine restrictions, declared general strikes in relevant industries, act of God, act of governmental, statutory, regulatory or legal authority, breakdown, failure or malfunction of any telecommunication and information technology systems and such other acts or events beyond the control of the non-performing party.

9. No assignment

Neither party shall be entitled to assign or otherwise transfer this agreement or any benefits, rights, obligations or interests herein whether in whole or in part to any other agency without the prior written consent of the other party.

10. Non-waiver

No forbearance, delay or indulgence by either party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of that party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no rights, powers, remedies herein conferred upon or reserved for either party is exclusive of any other right, power or remedy available to that party and each right, power or remedy shall be cumulative.

11. Arbitration

(1) All disputes, differences or questions arising out of or in relation to the agreement including the interpretation of the terms contained herein with regard to the obligations, failure or breach thereof by any of the parties and/or of any matter whatsoever arising out of the Agreement, shall in the first instance be resolved mutually by the parties.
(2) If the parties fail to resolve the same mutually, they shall avail the arbitration, mediation and other dispute resolution mechanisms offered by International Arbitration Centre in IFSC to resolve securities market-related dispute.

12. Jurisdiction

This agreement shall be subject to the exclusive jurisdiction of the courts in Gujarat.

IN WITNESS THEREOF, the parties to this agreement have caused these presents to be executed as of the day and year first above written.

Signed for and on behalf of

CLEARING MEMBER :

By :

Signature :

Title :

Witness :

Signed for and on behalf of

CLIENT :

By :

Signature :

Title :

Witness :

CONFIRMING PARTY

By :

Signature :

Title :

Witness :

Witness :

Annexure 26 - Application for allotment of CP code

(ON LETTER HEAD OF CLEARING MEMBER)

Date: Clearing No. _________

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

Subject: Application for allotment and mapping of Custodian Participant (CP) Code in India ICC

We wish to inform that M/s. (Name of the constituent) has appointed us as Custodian / Clearing Member in India ICC. The details of the said constituent are given below:

Name	
Legal Status	
Address proof /Utility Bills / Lease Agreement	
Relevant copies of Passport of Directors / Shareholders	
Registered Office/Office/ Residential	
Address	
IFSCA / SEBI Registration Number	
CP(Code)*	
Contact Person Name & Designation	
Contact Details :	
Contact number(s)	
Email ids:	

* Will be provided by India ICC

We undertake the responsibility for the Clearing & Settlement of trades done for the above mentioned constituent. We also undertake to comply with the Rules, Bye-laws and Regulations of the Exchange/Clearing Corporation and also the circulars issued by the Exchange/Clearing Corporation from time to time.

In view of the aforesaid, we request you to allot a CP code and map the same as per details provided in the given format.

Thanking You, I/We confirm the above mentioned details

Authorised Signature Signature of Constituent

Details for mapping the CP Code is given below:

Sr. No.	Name of Clearing Member (with India ICC)	Clearing Code	Name of Client / Constituent	CP Code*	Trading Member Name (with India INX)	Trading Code No.	Trading Member Client Code

* Provided by India ICC

Annexure 27 - Format of shifting CP Code to new clearing member

(To be given by the letter head of the New Clearing Member)

Date: Clearing No. _______

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

Subject: Shifting of CP Code of M/s ...…………………… (Name of constituent)

We wish to inform you that our client / constituent M/s. ………………………………….. , has appointed us as Clearing Member for Clearing and Settlement of their trades done in India INX. No objection for shifting the CP Code from M/s. ___________________ (old clearing member) to M/s ______________ is attached for ready reference.

The details of the said client / constituent are given below:

Name	
Legal Status	
Address proof /Utility Bills / Lease Agreement	
Relevant copies of Passport of Directors / Shareholders	
Registered Office/Office/ Residential	
Address	
IFSCA/ SEBI Registration Number	
CP(Code)*	
Contact Person Name & Designation	
Contact Details :	
Contact number(s)	
Email ids:	

* Will be provided by India ICC

Kindly map the aforesaid details as provided in the given format.

We undertake the responsibility for the Clearing & Settlement of trades done for the above mentioned constituent. We also undertake to comply with the Rules, Bye-laws and Regulations of the Exchange/Clearing Corporation and also the circulars issued by the Exchange/Clearing Corporation from time to time.

Yours Sincerely, I/We confirm the abovementioned details.

Authorised Signatories Signature of Constituent.

Details of CP Code is as given below:

No.	Name of Old Clearing Member (with India ICC)	Clearing Code No. of Old CM	Name of New Clearing Member (with India ICC)	Clearing Code No. of New CM	Name of Client / Constituent	CP Code*	Trading Member Name (with India INX)	Trading Code No.	Trading Member Client Code

* Provided by India ICC

Annexure 28 - Format of letter of no objection from old clearing member for new clearing member to clear trades of the constituent

(To be given by the Custodian / Clearing Member on their letter head)

Date: Clearing No. _______

India International Clearing Corporation (IFSC) Ltd. (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ
GIFT City, Gandhinagar, Gujarat – 383255, India

Dear Sir,

Subject: No objection for shifting CP Code of M/s ……………………… (Name of constituent)

We wish to inform you that our client / constituent M/s. …………………………………... , intends to shift the clearing account from ourselves to M/s……………………………………………….

Based on a request from the aforesaid client / constituent, to provide a No Objection, for appointment of M/s ……………………………………………, as the Clearing Member for Clearing and Settlement of its trades done in India INX, we confirm, under the present market structure for dealing, clearing and settlement, we do not have any objection to the appointment of M/s……………………………………………… for the following client**.**

Name	
Legal Status	
Address proof /Utility Bills / Lease Agreement	
Relevant copies of Passport of Directors / Shareholders	
Registered Office/Office/ Residential	
Address	
IFSCA / SEBI Registration Number	
CP(Code)*	
Contact Person Name & Designation	
Contact Details :	
Contact number(s)	
Email ids:	

* Will be provided by India ICC

Yours Sincerely,

Authorised Signatory
(Name Designation and Stamp)

Annexure 29 - Format of Clearing Member - Remote Trading Participants Agreement

THE CLEARING MEMBER SHALL ENTER INTO A SEPARATE AGREEMENT WITH EACH OF THE REMOTE TRADING PARTICIPANTS ON WHOSE BEHALF IT WILL BE CLEARING TRADES

Agreement between CLEARING MEMBER and REMOTE TRADING PARTICIPANT

This agreement is made and executed at …………on this ……... day of ……… 20… between:

___________________________, a company having its registered office at _______ and having International Financial Services Centres Authority (IFSCA) / SEBI Registration No.________ (hereinafter called the Clearing Member) which expression shall unless repugnant to the context or meaning thereof include its successors, legal representatives and permitted assigns of the ONE PART)

AND

___________________________, a company having its registered office at _______________________ and having India International Exchange (IFSC) Limited ([hereinafter referred to as "INDIA INX"]) Registration No. __________________ (hereinafter called the Remote Trading Participant) which expression shall unless repugnant to the context or meaning thereof include its successors, legal representatives and permitted assigns OTHER PART).

WHEREAS

I. The Remote Trading Participant has requested the Clearing Member to clear and settle the Remote Trading Participant's deals executed on the trading system of the India International Exchange (IFSC) Limited (" Exchange"), and the Clearing Member has agreed to do so in accordance with the Rules, Bye-laws and Regulations of the Exchange/ India International Clearing Corporation (IFSC) Limited (''India ICC / Clearing Corporation"), regulatory framework laid down by IFSCA and the terms and conditions contained in this Agreement;

II. For the purpose of the arrangement as specified in clause (I) above, the Clearing Member and the Remote Trading Participant are required to enter into an agreement which clearly state the nature of the relationship between the two and also should specify the duties, responsibilities, obligations and code of conduct of the concerned parties; and.

III. The Clearing Member and Remote Trading Participant are accordingly executing this Agreement.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AND THE CLEARING MEMBER AND THE REMOTE TRADING PARTICIPANT AGREE AS FOLLOWS:

In consideration of Remote Trading Participant agreeing to pay certain fees and charges mentioned herein and abide by the terms and conditions contained in this agreement, Rules, Bye Laws and Regulations of INDIA ICC and INDIA INX, the Clearing Member undertakes upon itself /himself, the obligation to clear and settle the deals of the Remote Trading Participant executed/done on INDIA INX and to do all the acts, deeds and activities incidental to the clearing and settlement of the deals.

Deposit from Remote Trading Participant

(i) The Remote Trading Participant shall deposit and maintain on a continuing basis, a minimum amount of USD _________ as an interest-free deposit with the Clearing Member, as per mutual understanding.

(**IF THE PARTIES AGREE TO AN INTEREST BEARING DEPOSIT THEN APPROPRIATE PROVISIONS SHOULD BE INSERTED FOR RATE OF INTEREST, INTEREST PAYMENT DATE, ETC.**)

(ii) The Remote Trading Participant shall from time to time deposit with the Clearing Member such further amounts as may be required by the Clearing Member from time to time.

(**PARTIES MAY INSERT TERMS OF SUCH FURTHER AMOUNTS. IF THE PARTIES AGREE TO AN INTEREST BEARING DEPOSIT THEN APPROPRIATE PROVISIONS SHOULD BE INSERTED FOR RATE OF INTEREST, INTEREST PAYMENT DATE, ETC. ELSE IT SHOULD BE STATED THAT THE DEPOSIT WOULD BE INTEREST FREE.**)

(iii) In case of any failure or delay on the part of the Remote Trading Participant in payment of any deposit or if the Remote Trading Participant fails to maintain the minimum deposit mentioned above with the Clearing Member or in case of any shortfall in deposit, then the Clearing Member may prohibit/restrain the Remote Trading Participant from trading or creating any further positions till the failure has been rectified or may close-out all or any of the Remote Trading Participant's positions to the extent deemed necessary by the Clearing Member or may exercise any other right or power which the Clearing Member may have under this Agreement or the Rules, Bye-laws and Regulations of the Exchange/Clearing Corporation.

(iv) The Remote Trading Participant shall pay to the Clearing Member such deposits in such form as the Clearing Member may specify from time to time in order to ensure compliance with the Rules, Bye-laws and Regulations of the Exchange/ Clearing Corporation.

Exposure limit

(i) The Remote Trading Participant shall have the following exposure limits: (**VARIOUS EXPOSURE LIMITS MAY BE INSERTED**)

(ii) The Clearing Member may from time to time in its discretion unilaterally increase or decrease the Remote Trading Participant's exposure limits, subject to the requirements prescribed by the IFSCA / Exchange / Clearing Corporation ("Relevant Authority") from time to time.

(iii) In case the Remote Trading Participant exceeds his prescribed exposure limit, the Clearing Member may, at the Clearing Member's option and discretion, require the Remote Trading Participant to forthwith deposit additional amounts with the Clearing member and/or reduce the Remote Trading Participant's exposure to limits acceptable to the Clearing Member by closing out the Remote Trading Participant's open positions and/or may restrict, withdraw or disable the clearing and settlement facility provided to the Remote Trading Participant under prior intimation of at least 24 hours to the Exchange/Clearing Corporation and/or exercise any other right or power which the Clearing Member may have under this Agreement or the Rules, Bye-laws and Regulations of the Clearing Corporation/the Exchange.

Fees

(i) The rate of fee to be charged by the Clearing Member to the Remote Trading Participant in respect of various services provided by the Clearing Member shall be as mutually agreed between the parties or as provided below:

Sr. No.	Nature of Service	Fees
1.		
2.		
3.		

The above-mentioned rates shall not be varied save and except with the mutual consent of the Remote Trading Participant and the Clearing Member recorded in writing.

(ii) The Clearing Member shall be entitled to receive such fees, charges, brokerage or commission in respect of various services which it /he renders or agrees to render to the Remote Trading Participant, from the Remote Trading Participant at such intervals as may be mutually agreed upon.

Payment of margins

(i) Subject to the requirements prescribed by the Relevant Authority, the Clearing Member shall collect margins from the Remote Trading Participant. However, if the Clearing Member finds it necessary, it shall be entitled to levy and collect additional margins from the Remote Trading Participant over and above those imposed by the Relevant Authority and the Remote Trading Participant shall be liable to pay the additional margins within the time stipulated by the Clearing Member.

(ii) Clearing Member shall be entitled to collect from the Remote Trading Participant margin(s) of such amounts, in such manner, as it may deem necessary, which at any point of time shall not be less than the amount stipulated by Clearing Corporation from time to time.

(iii) The Clearing Member shall be entitled to receive from the Remote Trading Participant such amounts as may be required to be paid towards daily mark to market settlement, final settlement or such other settlement as per the requirement of India ICC at such intervals as may be mutually agreed upon by them.

Liquidation/close-out of positions

The Clearing Member shall be entitled to liquidate/close-out positions of the Remote Trading Participant for non-payment of margins, outstanding dues, exposure beyond limit specified or any other default on the part of the Remote Trading Participant.

Liability to reimburse losses

The Remote Trading Participant shall be liable to forthwith reimburse to the Clearing Member any losses or financial charges arising from liquidation/close-out of positions, incurred by the Clearing Member.

Obligations of the Clearing Member

(1) The money deposited by each Remote Trading Participant shall be kept in a separate account by the Clearing Member, distinct from his own account and shall provide the details to India ICC in case required.
(2) The Clearing Member shall inform the Remote Trading Participant about the exposure limits (including any increase or reduction in such limits) upto which open positions can be taken by the Remote Trading Participant.
(3) The Clearing Member shall be required to refund any excess margin money to the Remote Trading Participant as per mutual agreement.
(4) The Clearing Member shall settle the accounts on a periodical basis as may be mutually agreed between the Clearing Member and the Remote Trading Participant which should be in accordance with the Byelaws, Rules & Regulations of India ICC.
(5) In the event of default by Clearing Member and it being declared a defaulter by India ICC, the money of the clearing member's constituents, Remote Trading Participant own account shall remain safe and shall not be utilised to meet the Clearing Members

liabilities. In such cases, the positions of the constituents and the Remote Trading Participants except the Remote Trading Participant because of whom the Clearing Member has defaulted shall be transferable to some other Clearing Member. (6) In the event of failure by the Clearing Member in the payment of any dues to the Clearing Corporation as well as Remote Trading Participant, the Remote Trading Participant shall, with the prior approval of the Clearing Corporation, have the right to transfer his own open positions immediately to another Clearing Member. The Clearing Member shall be obliged to pay to the Remote Trading Participant for any costs incurred for transfer of the open positions.

(7) The Clearing Member shall inform India ICC/India INX in case the Remote Trading Participant has defaulted in his payments.

(8) In case the Clearing Member is declared a defaulter by India ICC and the Remote Trading Participant transfers his open positions to some other Clearing Member, the Clearing Member shall be obliged to pay for any costs incurred for transfer of the open positions.

(9) If due to the default of the Clearing Member, the open position of the Remote Trading Participant is closed-out and any loss is incurred due to such close-out, the Clearing Member shall reimburse such loss to the Remote Trading Participant except to the Remote Trading Participant because of whom the Clearing Member has defaulted.

(10) The Clearing Member shall treat the information pertaining to the Remote Trading Participant with complete confidentiality. The Clearing Member shall not disclose the same to other Remote Trading Participant(s) / trading member(s) or any other person except to the governmental, statutory, regulatory or legal authorities on a request made by these authorities in writing.

(11) The Clearing Member shall give a reasonable notice to the Remote Trading Participant before undertaking any inspection of books of accounts, records, and documents of the Remote Trading Participant.

(12) The Clearing Member shall be required to provide reports/statements of mark to market settlement, final settlement or such other settlement, margin amounts and open positions to the Remote Trading Participant.

Obligations of the Remote Trading Participant

(1) The Remote Trading Participant shall pay to the Clearing Member such deposits in such form as the Clearing Member may specify from time to time.

(2) Without prejudice to the generality of the above, the Remote Trading Participant shall place with the Clearing Member an amount of USD ________ as deposit which shall be maintained at any point of time. Subject to the provisions of Bye Laws, Rules and Regulations of the India ICC/India INX, the Clearing Member can initiate any action necessary to protect it / his interest in this regard against the Remote Trading Participant which may include restriction on further trading and close-out of open positions.

(3) The Remote Trading Participant shall pay to the Clearing Member such fees, charges, brokerage or commission in respect of various services which he renders or agrees to

render to the Remote Trading Participant at such intervals as may be mutually agreed upon by them.

(4) The Remote Trading Participant shall pay to the Clearing Member margins of such amounts as may be prescribed by INDIA ICC from time to time including additional margins, if any, or such higher amount of margins as may be mutually agreed with the Clearing Member. The margins shall be deposited by the Remote Trading Participant within such time and in such form as may be specified by the Clearing Member.

(5) The accounts shall be settled on a periodical basis as may be mutually agreed between the Clearing Member and the Remote Trading Participant which should be in accordance with the Byelaws, Rules & Regulations of INDIA ICC.

(6) The Remote Trading Participant shall do all such acts, deeds and activities which are necessary for the purpose of complying with the Rules, Bye Laws & Regulations of India ICC by the Clearing Member.

(7) The Remote Trading Participant shall allow the Clearing Member to have free access to the premises occupied by him or by any other person on his behalf and also extend reasonable facilities for examining any books, records, documents and computerised data in his possession.

Notice

Any communication between the Clearing Member and Remote Trading Participant shall be made in any one or more of the following ways: a. delivering it by post

b. sending it by registered post
c. sending it under certificate of posting
d. sending it by express delivery post / courier services.
e. sending it by telegram
f. affixing it on the door at the last known business or residential address
g. advertising it at least once in any prominent daily newspaper
h. sending a message through the Trading System
i. an electronic mail or fax

No assignment

Neither party shall be entitled to assign or otherwise transfer this agreement or any benefits, rights, obligations or interests herein whether in whole or in part to any other agency without the prior written consent of the other.

Supersession

This agreement shall supersede all previous communications between the Clearing Member and Remote Trading Participant with respect to clearing and settlement of deals, both oral or written, and the provisions herein contained shall not be omitted, added to, modified or amended in any manner except in writing and signed by both the parties hereof.

Non-waiver

No forbearance, delay or indulgence by either party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of that party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no rights, powers, remedies herein conferred upon or reserved for either party is exclusive of any other right, power or remedy available to that party and each right, power or remedy shall be cumulative.

Arbitration

(1) All disputes, differences or questions arising out of or in relation to the agreement including the interpretation of the terms contained herein or in the Rules, Bye Laws and Regulations of India ICC/India INX or in regard to the obligations, failure or breach thereof by any of the parties and/or of any matter whatsoever arising out of the Agreement, shall in the first instance be resolved mutually by the parties (2) If the parties fail to resolve the same mutually, then the same shall be referred to the arbitration in accordance with the Rules, Bye Laws and Regulations of India ICC.

Termination

Subject to the Rules, Bye-laws and Regulations, this agreement may be terminated by either party by giving one month's notice to the other party. However such termination shall not affect the rights and obligations of a party hereunder in respect of any deals entered into prior to such termination and the parties shall enjoy the same rights and shall have same obligations in respect of such deals.

Force Majeure

No liability shall result to either party for delay in performance or non-performance of the obligations under the agreement caused or contributed to by any event of force majeure. For purposes of this Clause, "Force Majeure" means and includes wars, insurrections, revolution, fires, floods, epidemic, quarantine restrictions, declared general strikes in relevant industries, act of God, act of governmental, statutory, regulatory or legal authority and such other acts or events beyond the control of the non-performing party.

Jurisdiction

The agreement shall be subject to the exclusive jurisdiction of the courts in Ahmedabad, Gujarat, India.

In addition to the specific rights set out in this Agreement, the parties hereto shall be entitled to exercise any other rights which they may have under the Rules, Bye-laws and Regulations of the Exchange/Clearing Corporation or circulars/notices issued by relevant authority. Words and expressions which are used in this Agreement, but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations of Exchange/Clearing Corporation.

IN WITNESS THEREOF, the parties to agreement have caused these presents to be executed as of the day and year first above mentioned.

Signature:	**Signature:**
Clearing Member	**Remote Trading Participant**
Signed before:	**Signed before:**
Name of the Witness: _______________	**Name of the Witness: __________**

Note:

1. All references to the specific quantity/rate/fee mentioned in this agreement are from time to time subject to change, as so agreed to in writing between parties.
2. All references to deposit in this agreement shall be deemed to mean cash and deposit other than cash. In the event, deposit other than cash is taken, both parties are required to record the same in writing.
3. The Clearing Member shall enter into an Agreement with each of the Remote Trading Participant on whose behalf he will be clearing and settling the trades.

Annexure 30 – UNDERTAKING FROM CLARING MEMBER

(ON LETTER HEAD OF CLEARING MEMBER)

Date:

India International Clearing Corporation (IFSC) Limited (India ICC)
1st Floor, Unit No. 102, The Signature,
Building no. 13B, Road 1C, Zone 1, GIFT SEZ,
GIFT City, Gandhinagar – 382355

Dear Sir,

Sub: Clearing and Settlement of ____________________'s (Remote Trading Participant (RTP) of INDIA INX) Trades

We refer to the RTP application of ___________________ (name of RTP) wherein we have been confirmed as a Clearing Member by ________________ (RTP).

We undertake to clear and settle all the transactions done by ________________ (RTP) and meet all obligations arising thereof including the payments towards margins, penalties, settlement of obligation, any other fees and charges as may be specified by India ICC / India International Exchange (IFSC) Limited (India INX) from time to time and shall comply with such requirements as stipulated by India ICC / India INX from time to time in this regard.

IFSCA's circular ref no. IFSCA/CMD-MIIT/RTP/2023-24/001, dated April 03, 2024, prescribes the guidelines for Remote Trading Participants and provides the operational flexibility to the exchange (India INX) to specify conditions for onboarding an RTP. We hereby agree and confirm that India ICC may collect charges and fees, as maybe stipulated by India INX from time to time, including transaction charges, IFSCA turnover fees, colocation charges, processing fees, penalty(s), annual fees or any other dues of _____________________ (RTP), from our settlement bank account and no liability shall accrue on India ICC for the charges collected on behalf of India INX. In this regard, we confirm and agree to comply with such other conditions prescribed by India ICC from time to time.

Thanking you,

Yours faithfully

Authorized Signatories: CC to the RTP