

Pursuant to SECURITIES CONTRACTS (REGULATION) (STOCK EXCHANGES AND CLEARING CORPORATIONS) REGULATIONS, 2012, the recommendations made by the ICCL Advisory Committee in its meeting held on 24th December, 2013 and the decision taken by the Board of Directors on the recommendations of the Advisory Committee are placed hereunder:

Recommendations of the Advisory Committee	Board's Decision (Action)
1. To pursue matter relating to having a single Settlement Guarantee Fund (SGF) catering all the segments, and to discontinue segment-wise SGF. This would facilitate flexibility in use of Collaterals and reduce costs for the Members.	We have written to SEBI in December 2013, recommending a single Settlement Guarantee Fund. We will continue to follow up with SEBI regarding feasibility and implementation of the same.
2. To limit liability of non-defaulting Clearing Members in the event of default by a member, which exceeds the corpus of 'Default Waterfall' held by the Clearing Corporation.	ICCL has already submitted a proposed Default Waterfall, which will inter-alia, limit the liability of non-defaulting Clearing Members. We have written to SEBI again on this in December 2013 and we have learnt that the matter is under examination.
3. Given the infrastructure limitations inter-alia including banking, to continue with T + 2 settlement and not reduce settlement cycle to T + 1.	ICCL would write to SEBI recommending the suggestion of the Advisory Committee.
4. To consider the possibility of physical delivery in the currency segment which is currently cash settled.	ICCL would represent to SEBI and RBI on this issue.
5. To represent before RBI and other Regulatory bodies to permit smooth transfer of securities from SGL accounts to Demat accounts maintained with Depositories.	This issue pertains to SGL-Depository transfer. However, in the interest of members, ICCL has met RBI officials and submitted a working draft of the changes that may be made by RBI to permit smooth transfer of securities between SGL accounts and Demat accounts. We have again written to RBI in December 2013 seeking

	their advice on the proposal.
6. To check whether Banks could operate through other Clearing Banks to settle its trades on Interest Rate futures.	This is permissible under the extant regulations and we will inform the interested Banks about the feasibility of such an arrangement.