

Media Release

The Indian Clearing Corporation Limited (ICCL) granted renewal of recognition by SEBI

Mumbai, October 4, 2016: The Indian Clearing Corporation Limited ("ICCL"), has been granted renewal of recognition by the Securities and Exchange Board of India ("SEBI") for a period of one year commencing on October 3, 2016.

ICCL is a wholly owned subsidiary of BSE and carries out the functions of clearing, settlement, collateral management and risk management for various segments of BSE. ICCL was granted Qualified Central Counterparty ("QCCP") status by SEBI on January 3, 2014. A QCCP member is subjected to lower capital requirements/charges under the Basel III framework introduced by the Basel Committee on Banking Supervision. ICCL, as a Qualified CCP, is additionally required to comply with the rules and regulations that are consistent with the Principles for Financial Market Infrastructures ("PFMI") issued by the Committee on Payment and Market Infrastructure ("CPMI") and International Organisation of Securities Commissions ("IOSCO"). These rules and regulations focus on limiting systemic risk and on enhancing transparency and stability in the financial market.

ICCL is a recognised clearing corporation under Regulation 4 and 12 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012. ICCL is regulated by SEBI and the Reserve Bank of India ("RBI"), for select products. ICCL is the only clearing corporation in India to have been granted "AAA" rating by two rating agencies, India Ratings Ltd. (Indian arm of Fitch Ratings) and Care Ratings Ltd. ICCL aims to provide secure, capital-efficient counterparty risk management and post-trade services and has put in place a robust risk management framework to mitigate the risk it undertakes in its capacity as a clearing corporation.