Annexure 1

Interoperability Framework

Registration Process & Formats

1. Products & Degree of Choice for Interoperability

All products under the Equity Cash Segment, Equity Derivatives Segment, Currency Derivatives Segment (including Interest Rate derivatives), and Debt Segment (except Tri-party Repo and Trade Reporting Platform) will be covered under CC Interoperability. The interoperability arrangement will be applicable for Exchange traded products only. The order collection mechanisms/schemes such as Offer for Sale, Mutual Funds Service Scheme, Buy-back/Tender Offer schemes, Non-competitive bidding, Primary bidding of SGB etc. are not covered under the Interoperability. Securities Lending and Borrowing Scheme is not included under interoperability since the scheme is operated by CC as an Approved Intermediary.

- The choice of interoperability will be at a Clearing Member – segment level. In other words, each clearing member will be required to designate a CC for every segment for clearing and settlement of trades executed in any of the stock Exchanges under interoperability.

- Clearing members may continue to maintain clearing membership of multiple CC's at their choice and will be permitted to change the designated CC following the process set out by the CC's.

- The Custodians in the Equity cash segment will have a facility to specify the designated CC separately for each of their clients.

2. Registration Process

The registration process for expressing choice of Clearing Corporation- segment level will be as below:

- ✓ For choosing ICCL as the designated CC, the clearing members need to provide a letter as per the stipulated format specified given in this Annexure *(Format of letter for preferred CC by Clearing Member)*

- ✓ The choice of clearing corporation made by the clearing members will be applicable to the trading members availing services of such clearing members.

- ✓ For choosing ICCL as the designated CC for all or specified Custodial Participant (CP) codes, the custodians in the Equity cash segment need to provide a letter as per the format specified in this Annexure *(Format of letter for preferred CC by Custodian)* one-time at the time of implementation of interoperability for existing custodial participant clients. Subsequently, post implementation of interoperability, custodians shall obtain CP codes from ICCL for all new Custodial Participants who wish to clear and settle trades through ICCL.

Clearing members will have a choice to change their designated clearing corporation:

a. In Equity cash segment, the trades done on and after the effective date of such change will be cleared through the new CC.

b. In Derivatives, the positions of the clearing member will be transferred from the old CC to the new CC. The settlement obligations determined prior to the effective date will be settled with the old CC.

(Format of letter for choosing ICCL as a CC by Clearing Members)

(On the letter head of Clearing Member)

Date:

To,

Membership Department,
Indian Clearing Corporation Ltd.
15th floor, P.J. Tower
Dalal Street, Fort,
Mumbai – 400001

Dear Sir/ Madam,

Sub: Designating Indian Clearing Corporation Ltd. (ICCL) as "Designated Clearing Corporation" under the facility of interoperability among clearing corporations.

We are a clearing member of the clearing corporations as below:

Sr. No.	Clearing Member Code	Name of the Clearing Corporation
1		
2		
3		

Under the facility of interoperability among clearing corporations offered by Indian Clearing Corporation Ltd., pursuant to the registration clause of the Guidelines on Interoperability among clearing corporations, we hereby designate Indian Clearing Corporation Ltd. as the "Designated Clearing Corporation" for the **.**

Yours sincerely,

Authorized Signatory (Seal and Signature)
Name:
Designation:

(Format of letter for choosing ICCL as a CC by Custodian Members)

(On the letter head of Custodian)

Date:

To,
Membership Department,
Indian Clearing Corporation Ltd.
15th floor, P.J. Tower
Dalal Street, Fort,
Mumbai - 400001

Dear Sir/ Madam,

Sub: Designating Indian Clearing Corporation Ltd. (ICCL) as "Designated Clearing Corporation" under the facility of interoperability among clearing corporations for our clients.

We are a custodian clearing member of the clearing corporations as below:

Sr. No.	Custodian Clearing Member Code	Name of the Clearing Corporation
1		
2		
3		

Under the facility of interoperability among clearing corporations offered by Indian Clearing Corporation Ltd., pursuant to the registration clause of Guidelines on Interoperability among clearing corporations, we hereby designate Indian Clearing Corporation Ltd. as the "Designated Clearing Corporation" for the list of clients provided under annexure to this letter for **<Segment name> .**

Yours sincerely,

Authorized Signatory (Seal and Signature)
Name:
Designation:

(Seal and sign on each page)
Annexure: List of Clients

Sr. No.	CP Code	PAN	Client Name