



Circular Reference Number	AMC Repo/Ops/2023-24/64
Circular Date	March 12, 2024
Department	Operations

To
All Members / Participants

Sub: Handling of Corporate Action for Eligible Securities Provided as Collateral

This is in continuation and partial modification to AMC Repo Clearing Ltd. (ARCL) “Master Circular -Tri party Repo” no. AMC Repo/Ops/2023/06 dated July 21, 2023.

As per the current procedure, security is made temporarily ineligible 45 days before the date of corporate action such as interest payment, put/call option etc. Such ineligible security is again made eligible on the day following the corporate action date.

Based on the feedback received from market participant following changes will be implemented by ARCL to handle corporate action of securities:

- In case record date of corporate action is available or made available by market participants to the clearing corporation, the security will be made ineligible 10 days before record date instead of 45 days before the date of corporate action.
- Further, the security will be made eligible on 2nd business day of the record date instead of day following the corporate action date. Valuation for such securities between record date till corporate action date will be done on ex-interest basis.
- In case record date is not available, then ARCL will continue to make security temporarily ineligible 45 days before the date of corporate action.

The above changes will be implemented effective from March 13, 2024.

Members/Participants are requested to take note of the same.

AMC Repo Clearing Limited

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