

AMC REPO CLEARING LIMITED – BOARD MEETING

The 21st Governing Board meeting of AMC Repo Clearing Limited was held on Tuesday, February 11, 2025, at Mumbai.

The Board *inter-alia*, approved the following:

1. Consideration and approval for Compliance Calendar for Membership Compliances

The Compliance Calendar for Membership Compliances was presented before the Governing Board for their review and approval.

The Governing Board approved the Compliance Calendar for Membership Compliances as presented.

2. Noting of Risk Monitoring report for the quarter ended December 31, 2024

The Risk Monitoring report for the quarter ended December 31, 2024, was presented before the Governing Board which comprises of following:

- a. Back Testing Summary Report.
- b. Liquidity Stress Testing Summary Report.
- c. MRC – Counterparty Credit Risk – Stress Testing Report.
- d. Risk Monitoring – Collateral Summary Report.
- e. Reverse Stress Testing Summary Report.
- f. Interim and Final Valuation – Deviation Report.

The Governing Board noted the same.

3. Monitoring and accessing the Company against PFMI Public Quantitative Disclosure for the quarter ended December 31, 2024

SEBI vide its Circular SEBI/HO/MRD/MRD-PoD-3/P/CIR/2023/190 dated December 19, 2023, had directed that the FMIs shall be monitored and assessed against the Principles of Financial Market Infrastructure (PFMIs) (quantitative) on quarterly basis within 45 days from the end of quarter. Accordingly, the Governing Board assessed and reviewed the PFMI Public Quantitative Disclosure for the quarter ended December 31, 2024.

4. Consideration and approval for the Operational Risk Policy

The Operational Risk Policy was revised to include clauses related to three (3) lines of defence. The Risk Management Committee has considered this matter at their meeting held February 11, 2025, and recommended to approve the Operational Risk Policy.

Accordingly, the revised Operational Risk Policy was presented before the Governing Board. The Governing Board approved the Operational Risk Policy as presented.

5. Ratification for increase in Members/ Participants exposure limits

The Risk Management Policy of the Company has given details regarding fixing of borrowing and lending limits for members and participants. For the fixation of these limits, categories of investors, financial and non-financial parameters are considered. Further, the maximum Borrowing and/or Lending limits are linked to Core Settlement Guarantee Funds (CSGF).

Based on the increase in Core SGF corpus and new feature of lending roll over, ARCL revised the lending and borrowing limits given for members/ participants. The revised limits are within the ARCL approved methodology defined in its Risk Management policy.

The Governing Board ratified increase in Members/ Participants exposure limits.

6. Consideration and review of the list of Eligible Issuers

The Governing Board was informed that based on the recommendations of the Credit Committee on eligibility criteria of the issuers, the Company has accordingly revised the list of eligible Issuers. The revised list of Eligible Issuers was presented before the Governing Board.

The Risk Management Committee has considered this matter at its meeting held on February 11, 2025, and recommended to approve the revised list of Eligible Issuers.

The Governing Board reviewed and approved the revised eligible issuer list.

7. Consideration and approval of revision in Risk Management Policy

Based on several suggestions received from market participants to increase volume in the corporate bond repo market, certain amendments to the Risk Management framework were made. The Risk Management Committee has considered this matter at their meeting held February 11, 2025, and recommended to approve changes in Risk Management Policy.

Accordingly, the consolidated Risk Management Policy along with changes was presented before the Governing Board. The Governing Board approved changes to the Risk Management Policy as presented.

8. Noting of Quarterly Compliance Disclosures posted on the website of the Company

a) Compliance Reports on Corporate Governance pursuant to Regulation 27(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the quarter ended December 31, 2024.

The Governing Board reviewed and noted the Report on Corporate Governance for the quarter ended December 31, 2024.

b) Shareholding Pattern pursuant to Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Regulation 21 of the Securities Contract (Stock Exchange and Clearing Corporation) Regulations, 2018, for the quarter ended December 31, 2024.

The Governing Board reviewed and noted Shareholding Pattern for the quarter ended December 31, 2024, pursuant to Regulation 31 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, and Regulation 21 of the Securities Contract (Stock Exchange and Clearing Corporation) Regulations, 2018.

c) Noting of Investor Complaints received on the SCORES Portal of SEBI during the quarter ended December 31, 2024.

The Governing Board reviewed and noted summary of the Investor Grievances received through the SEBI SCORES portal during the quarter ended December 31, 2024.

d) Noting of information as required under regulation 17 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Governing Board reviewed and noted a statement of certain mandatory information, as prescribed under SEBI (LODR) in compliance with Regulation 17 (7) of the SEBI (LODR) Regulations, 2015.

e) Noting of Compliance report as per regulation 17(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

The Governing Board reviewed and noted the Compliance Report on Corporate Governance in the specified format for the quarter ended December 31, 2024, in compliance with Regulation 17 (3) of the SEBI (LODR) Regulations, 2015.

f) Submission of Net worth certificate for the quarter ended December 31, 2024, to SEBI

The Governing Board reviewed and noted the net worth certificate submitted to SEBI for quarter ended December 31, 2024.

g) Stock Purchase compliance by employees, KMPs and Directors

The Governing Board reviewed and noted disclosures of dealings in Securities by Directors and KMPs in the specified format for the quarter ended December 31, 2024, in compliance with Regulation 26(2) of SECC Regulation, 2018.

h) Compliance Officer Report as per Regulation 30(3) of Securities Contract (Stock Exchange and Clearing Corporation) Regulations, 2018 for the quarter ended December 31, 2024

The Governing Board reviewed and noted the Compliance Officer Report for the quarter ended December 31, 2024.

9. Monitoring of liquid Net Assets of the Company

The Board was informed that as per Regulation 1(5) of Section B of Directions for Central Counterparties (CCPs) issued by RBI, a CCP shall hold liquid net assets funded by equity capital equal to a minimum of six months of current operating expenses. Further, apart from the Annual submission of net worth certificate, the Company should periodically monitor that their liquid assets are equal to a minimum of six months of current operating expenses. The liquid assets of the company are Rs. 147.26 Crores as against the RBI norms requiring six months of operating expenses (projected) of Rs. 8.59 Crores and actual six months of operating expenses of Rs. 4.01 Crores. Thus, the Company has enough liquid assets to cover operational expenses for more than six months.

The Governing Board noted the same.

10. Noting of Compliance Calendar

The Compliance Calendar comprising compliances pertaining to various Circulars, Regulations, acts etc., issued by SEBI and RBI was presented before the Governing Board.

The Governing Board noted the same.