

**Board's decision on recommendations of the Advisory Committee**

Decision of the Board at its meeting held on January 28, 2014 on the recommendations made by Advisory Committee at its meeting held on December 14, 2013.

Sr. No.	Suggestion	Clearing Corporation's response	Board's decision (action)
1	Levying penalty under the DVP - I be considered by December 31, 2013.	In case of close-out of Institutional Market DVP-I deals executed through the anonymous trading platform on account of shortages in funds pay-in/securities pay-in an amount equivalent to 0.03% of the consideration value of the deal, subject to a maximum of Rs. 50000/-, shall be recovered from the defaulting member and shall be passed on to the non-defaulting counter party. Defaulting member shall be required to pay the amount calculated as above, within 5 days of the default and the same shall be passed on to the non-defaulting member upon recovery.	To place proposal again before the Advisory Committee at its next meeting.
2	Unlimited liability of non-defaulting clearing members for default of other members to be reviewed.	The Risk Management Review Committee (RMRC) of SEBI has already taken up the liability of Clearing Members under default waterfall for review and revision. CCL views are provided to the RMRC through its member representative.	Noted.