



THE CLEARING CORPORATION OF INDIA LTD.

NOTIFICATION

Date: 24th December, 2009

Notification No.: CCIL/FX-FF/09/24

**All Member Banks
Forex Segment**

Dear Sir/Madam,

Re: Penalty on Cash Allocation & Margin Shortfall.

A. Penalty on Cash Settlement:

In terms of Chapter IV (F) of the Forex Forward Segment Regulations, Clearing Corporation reserves the right to levy penalty on the member on whose account Cash Settlement is resorted to.

Accordingly, a penal charge of **1 basis point** would be levied on the amount Cash settled. RBI reference rate for the settlement day shall be used as the basis for conversion of the amount cash settled in rupee terms. The penalty shall be payable in INR.

B. Penalty on Margin Shortfall:

In terms of Chapter VI B (4) of the Forex Forward Regulations, members who default on their margin requirements are liable to pay penalty and charges at the rate notified. Accordingly, the penalty payable shall be calculated at the rate notified vide notification no. CCIL/SS/04/20 dated 27th December 2004 issued under Securities Segment.

Yours faithfully,
for The Clearing Corporation of India Ltd.,

Managing Director