



**Risk Management Department**

No. RMD/DRV/18/74

21<sup>st</sup> Aug'2018

**FOR INFORMATION OF ALL MEMBERS**

**Rupee Derivatives Segment**

**Margin Computation**

We invite your attention to our Notification No. RMD/DRV/14/06 dated 12th Mar'14.

In terms of para E of this notification, Volatility Margin is imposed by Clearing Corporation in case of sudden increase in volatility in exchange and / or interest rates at a rate notified by Clearing Corporation at the time of its imposition.

2. Presently, Volatility Margin is charged in this segment at the same rate as that charged in the Securities Segment.
3. It has been decided that the rate at which Volatility Margin imposed in rupee derivatives segment will now be **50%** of the corresponding rate at which Volatility Margin is imposed in the Securities segment.
4. Volatility Margin will continue to be applied as a percentage of Initial Margin.
5. The extant process of Volatility Margin being imposed in the rupee derivatives segment when the same is triggered in the securities segment remains unchanged.

This notification comes into effect **from 21<sup>st</sup> Sep'2018.**

**Yours faithfully,**

**For The Clearing Corporation of India Ltd.,**

**Sd/-**

**Managing Director**

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