



Risk Management Department

**This has been Superseded by Notification No. RMD/
SS/17/14 dated 05-May-2017 on Computation of MTM Prices**

**No. RMD/SS/14/28
FOR INFORMATION OF ALL MEMBERS**

August 06, 2014

**Securities Segment
Computation of Mark to Market Prices**

In terms of Chapter VII(B), of CCIL's regulations for the Securities Segment, the process of computation of Mark-to-market prices of Government Securities will be as under:

(i) Mark-to-Market prices will be computed based on weighted average price of the last five outright transactions reported/matched through NDS-OM for each security for the relative business day.

(ii) In case the number of trades reported/matched through NDS-OM in a particular security is less than five on any business day, the weighted average price of available trades will be the basis for computation.

(iii) For the purpose of computation of weighted average price, any price out of any small value trade of face value less than Rs.5Crore in any security or prices out of deals which are clear off market prices as identified by Clearing Corporation at its discretion, will not be taken into consideration. Clearing Corporation will also have the right to exclude any price out of single trade in any security during the day, if in its opinion such price does not reflect market condition appropriately.

(iv) In case no trade is reported/matched through NDS-OM in a particular security on any business day, the last available Mark to Market price for the security will be the basis for computation. The Mark to Market price used for computation will not be more than seven days old, provided that Clearing Corporation may in its discretion be entitled to continue to use such reference prices if in its opinion the same adequately reflects the market conditions.

(v) In case no trade is reported/matched through NDS-OM in a particular security for the previous seven business days, Mark to Market price for such security will be based on the Internal Valuation Model of Clearing Corporation (as contained in CCIL notification no RMD/SS/09/13 dated 28th Aug'09 and notification no RMD/SS/10/02 dated 14th Jan'10). In case there is no trade in a particular security and/ or the trades in the relative securities, in the opinion of Clearing Corporation, are inadequate to reflect the true market price, Clearing Corporation may, in its discretion be entitled to arrive at Mark to Market price using such internal valuation model.

For The Clearing Corporation of India Limited

Sd/-
Managing Director