

This has been superseded by Notification No. RMD/SEC/23/32 dated 30-Oct-2023 on Risk Management Processes and Margining Methodology

Risk Management Department

**No. RMD/SS/19/07
FOR INFORMATION OF ALL MEMBERS**

14th January'2019

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

In terms of Chapter VIII(B), of CCIL's regulations for the Securities Segment and further to our notification no RMD/SS/17/14 dated 05th May'2017, it has been decided to modify the process of computation of Mark-to-market prices of Government Securities. The revised approach will be as under:

2. The price of last trade (of face value Rs.5 crores and above) of the day reported / matched through NDS-OM will be taken as MTM price. If in the opinion of CCIL, the last trade doesn't reflect the fair market price of the security, the process followed will be as under:

- a) The weighted average price of the last 5 trades concluded in the last 1 hour will be considered.
- b) In case the number of trades done in the last hour of trading is less than 5, the weighted average price of last five trades of the day will be considered.
- c) In case the number of trades reported / matched through NDS-OM in a particular security is less than five for the day, the weighted average price of available trades in that security will be the basis for computation.

For arriving at MTM price as above, only non-constituent trades will be considered.

3. In case there is no outright trade of face value Rs.5 Crores and above in a security or if, in the opinion of CCIL, none of the trades in the security reflect the prevailing market price of the security, the security will be treated as not traded on the day and its traded prices will not be considered for arriving MTM. 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).

4. This notification shall be effective from **18th February'19**

For The Clearing Corporation of India Limited
Sd/-
Managing Director