

Risk Management Department

No. RMD/SS/VM/18/64

18th May'18

FOR INFORMATION OF ALL MEMBERS

Securities Settlement Segment

Volatility Margin

In view of volatility in Government securities market, it has been decided to impose Volatility Margin at the rate of **25.00%** with immediate effect in terms of Chapter VII (C) (3) of the Securities Settlement Segment Regulations.

2. Volatility Margin may result in margin shortfall in the accounts of the members. Upon imposition of Volatility Margin, if it is observed that the SGF balance of a member is inadequate to cover the margin requirements on account of the member, it shall be the responsibility of the said member to replenish the shortfall at the earliest.

3. It may also be noted that imposition of Volatility Margin results in a temporary increase in haircuts applicable on securities deposited towards SGF in Securities Segment / CBLO collateral / Default Fund in various segments. It shall be the responsibility of the member to replenish the shortfall, if any in the above, at the earliest

4. The Volatility Margin would be in force until further notice.

For The Clearing Corporation of India Ltd.

Sd/-

Managing Director
