

Circular Reference Number	AMC Repo/Risk/2024-25/60
Circular Date	September 03, 2024
Department	Risk

To  
All Members / Participants

**Sub: Change in haircuts for eligible collaterals**

In order to address the price risk of collateral in the event of a default by the borrower on its obligation, haircut will be applicable on securities. Haircut is a flat percentage applicable on the market value (clean price + accrued interest) of the securities based on rating and residual maturity of securities (for repo tenor of 7 days). Revised haircut for eligible collateral as given below:

Sr. No.	Instrument	Rating equivalent	Residual Maturity <= 5 Years	Residual Maturity > 5 years <= 10 Years	Residual Maturity > 10 Years
1	Existing Eligible Instruments	AAA	7.50%	10%	15%
2	Existing Eligible Instruments	AA+	10%	15%	20%
3	Existing Eligible Instruments	AA	15%	20%	25%

Further, the basket for the eligible collateral will be based on the latest lowest instrument level rating of the issuer will be considered.

The same is applicable from immediate effect.

The updated list of eligible securities (ISIN) as collateral will be available on AMC Repo Clearing Limited website on below mentioned link: <https://www.arclindia.com/collateral> under “Eligible Securities” tab. Members/Clients are requested to refer the above link regularly for updated list eligible securities as collateral for tri-party repo.

For and on behalf AMC Repo Clearing Limited

**Authorized Signatory**  
**Amit Bodas**

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