

## FINANCIAL BENCHMARKS INDIA PVT LTD

May 08, 2025

### Market Consultation on Cessation of Adjusted MIFOR

The FBIL MIFOR Curve benchmark, an implied Indian Rupee interest rate curve derived from the FBIL Forward Premia Curve, and the USD LIBOR curve was being published by FBIL since April, 2018. Following the cessation of LIBOR, FBIL started publishing FBIL Adjusted MIFOR (AM) Curve from June 15, 2021, as a fallback to the FBIL MIFOR Curve to enable transition of the outstanding LIBOR-linked legacy contracts to SOFR-linked alternative reference rate called Modified MIFOR (MM). The AM is essentially a backward-looking curve, computed by using the All-in Fallback Rate of the USD SOFR compounded in arrears and the FBIL Forward Premia Curve.

Given that AM is primarily a fallback arrangement for legacy financial contracts referenced to the erstwhile USD LIBOR, and also that almost four years have elapsed since the commencement of the publication of the AM, FBIL had undertaken a survey with its AM/MM subscribers to assess if there are any outstanding legacy contracts on their books of account for which AM rates are likely to be used by them. The survey showed that neither there are any outstanding LIBOR-linked MIFOR legacy contracts nor are the AM rates being used for any other purpose(s).

As a Benchmark Administrator, FBIL remains committed to maintaining compliance with the IOSCO Principles wherein a Financial Benchmark Administrator is required to have clearly written policies and procedures to address the need for any possible cessation of a Benchmark, due to change in market structure, change in product definition, or any other condition, which, no longer, makes the Benchmark representative of the underlying interest. Though AM is only a fallback and strictly not a benchmark, the current consultation, *inter alia*, addresses the principle 13 of IOSCO which necessitates the Administrator to consider the views of its Stakeholders.

### Proposal

Since the Adjusted MIFOR (AM) fallback rates were introduced as an enabling arrangement for transitioning of the legacy contracts and it has now outlived its utility, FBIL proposes to initiate the benchmark cessation process of the AM by following provisions of the applicable IOSCO principle.

In view of the above, FBIL requests your feedback on its proposal to cease publication of the FBIL Adjusted MIFOR Curve which may kindly be e-mailed at [fbil.operations@fbil.org.in](mailto:fbil.operations@fbil.org.in) and [dyceo@fbil.org.in](mailto:dyceo@fbil.org.in) latest by the **May 23, 2025**.

MD & CEO

Financial Benchmarks India Pvt Ltd