National Stock Exchange Of India Limited

| Department : Commodity Derivatives Segment | |
|---|---|
| Download Ref No: NSE/COM/39033 | Date : October 03, 2018 |
| Circular Ref. No: 03/2018 | |

All Members

**Contract Specifications in Commodity Derivatives Segment**

This is in continuation with the Exchange circular download no. 38941 dated September 21, 2018 and circular download no. 39007 dated September 28, 2018 for Trading in Commodity Derivatives segment. In this reference, Exchange notifies details of contract specifications for Futures contracts on Gold, Gold Mini and Silver which are as follows:

| Sr. No. | Commodity Name | Annexure No. |
|---|---|---|
| 1. | Gold | A |
| 2. | Gold Mini | B |
| 3. | Silver | C |

For any queries related to Risk Management, Clearing and Settlement, members are requested to contact NSE Clearing Limited. A separate circular shall also be issued by NSE Clearing Limited in this regard.

**For and on behalf of**
**National Stock Exchange of India Limited**

**Khushal Shah**
**Associate Vice President**

| Telephone No | Fax No | Email id |
|---|---|---|
| 1800-266-00-53 | +91-22-26598155 | msm@nse.co.in |



Regd. Office : National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, India +91 22 26598100 | www.nseindia.com | CIN U67120MH1992PLC069769

**Annexure: A**

**Contract Specifications GOLD (1KG)**

| | |
|---|---|
| **Instrument Type** | Futures Contract (FUTBLN) |
| **Product** | GOLD Futures |
| **Symbol** | GOLD |
| **Description** | **GOLDYYMMM** |
| **Contract Listing** | Bimonthly contracts. Details as per the attached launch calendar (refer table below) |
| **Contract commencement Day** | 6th day of contract launch month. If 6th day is a holiday then the following working day. (Expiry Day + 1) |
| **Last Trading Day** | 5th day of contract expiry month. If 5th day is a holiday then preceding working day.<br>On the day of expiry, the trading shall be allowed up to 11:30 pm/11:55 pm*<br>*based on US daylight saving time period |
| **Trading** | |
| **Trading Period** | Mondays through Fridays |
| **Trading Session** | Monday - Friday<br>10:00 am to 11:30 pm/11:55 pm*<br>*based on US daylight saving time period |
| **Trading Unit** | 1 Kg |
| **Quotation/ Base Value** | Rs. Per 10 grams |
| **Price Quote** | Ex-Ahmedabad (inclusive of all taxes and levies relating to import duty, customs but excluding all taxes and levies relating to GST, any other additional tax or surcharge on GST) |
| **Maximum Order Size** | 10 kg |
| **Tick Size (Minimum Price Movement)** | Re. 1 |
| **Daily Price Limit** [1] | The base price limit shall be 3%. Whenever the base daily price limit is breached, the relaxation shall be allowed upto 6% without any cooling off period in the trade. In case the daily price limit of 6% is also breached, then after a cooling off period of 15 minutes, the daily price limit will be relaxed upto 9%.<br>In case price movement in international markets is more than the maximum daily price limit (currently 9%), the same may be further relaxed in steps of 3% beyond the |

| | |
|---|---|
| | maximum permitted limit, and informed to the Regulator immediately. |
| **Initial Margin** [2] | Min. 4 % or based on SPAN whichever is higher |
| **Extreme Loss Margin** [3] | 1% |
| **Additional and/ or Special Margin** | In case of additional volatility, an additional margin (on both buy & sale position) and/ or special margin (on either buy or sale position) at such percentage, as deemed fit; will be imposed in respect of all outstanding positions. |
| **Maximum Allowable Open Position**[4] | For a member collectively for all clients: 50 MT or 20% of the market wide open position whichever is higher, for all Gold contracts combined together.<br><br>For individual client: 5 MT for all Gold contracts combined together or 5% of the market wide open position whichever is higher, for all Gold contracts combined together. |
| **Delivery** | |
| **Delivery Unit** | 1 Kg |
| **Delivery Period Margin** [5] | Delivery period margins shall be higher of:<br>a. 3% + 5 day 99% VaR of spot price volatility<br>**Or**<br>b. 20% |
| **Delivery Centre(s)** | Designated clearinghouse facilities at Ahmedabad |
| **Additional Delivery Centre(s)** | NIL |
| **Quality Specifications** | 995 purity.<br><br>It should be serially numbered Gold bars supplied by LBMA approved suppliers or other suppliers as may be approved by the exchange to be submitted alongwith supplier's quality certificate. |
| **If the Seller offers delivery of 999 purity** | Seller will get a proportionate premium and sale proceeds will be calculated as under:<br><br>Rate of delivery* 999/ 995<br><br>If the quality is less than 995, it is rejected. |
| **Due Date Rate (Final Settlement Price)** [6] | For contracts where Final Settlement Price (FSP) is determined by polling, unless specifically approved otherwise, the FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz.,E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E-1 and |

| | |
|---|---|
| | E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under: |

| Scenario | Polled spot price availability on | | | | FSP shall be simple average of last polled spot prices on: |
|---|---|---|---|---|---|
| | E0 | E-1 | E-2 | E-3 | |
| 1 | Yes | Yes | Yes | Yes/No | E0, E-1, E-2 |
| 2 | Yes | Yes | No | Yes | E0, E-1, E-3 |
| 3 | Yes | No | Yes | Yes | E0, E-2, E-3 |
| 4 | Yes | No | No | Yes | E0, E-3 |
| 5 | Yes | Yes | No | No | E0, E-1 |
| 6 | Yes | No | Yes | No | E0, E-2 |
| 7 | Yes | No | No | No | E0 |

| | |
|---|---|
| | In case of non-availability of polled spot price on expiry day (E0) due to sudden closure of physical market under any emergency situations noticed at the basis Centre, Exchange shall decide further course of action for determining FSP in consultation with SEBI. |
| **Delivery Logic** | Compulsory delivery |
| **Settlement of Contract** | On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E + 1 basis by 11.00 a.m. except Saturdays, Sundays and Trading Holidays. |

**Footnote –**

[1] As per SEBI/HO/CDMRD/DMP/CIR/P/2016/83 dated September 07, 2016

[2] The provisions of Risk Management in terms of the SEBI Circulars No. CIR/CDMRD/DRMP/01/2015 dated October 01, 2015 and SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated September 01, 2016 and / or any amendments thereto from time to time shall be applicable.

[3] As per SEBI Circular no CIR/CDMRD/DRMP/01/2015 dated October 1, 2015

[4] As per SEBI circular SEBI/HO/CDMRD/DMP/CIR/P/2016/96 dated September 27, 2016

[5] As per SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated September 01, 2016

[6] As per SEBI Circular no SEBI/HO/CDMRD/DRMP/CIR/P/2016/90 dated Sep 21, 2016

**Contract Launch Calendar**

| GOLD 1KG | |
|---|---|
| **Contract Launch Month** | **Contract Expiry Month*** |
| On Product Launch Date i.e. 12-Oct-18 | 5-Dec-18 |
| | 5-Feb-19 |
| | 5-Apr-19 |
| | 5-Jun-19 |
| | 5-Aug-19 |
| | 4-Oct-19 |
| Dec-18 | Dec-19 |
| Feb-19 | Feb-20 |
| Apr-19 | Apr-20 |
| Jun-19 | Jun-20 |
| Aug-19 | Aug-20 |
| Oct-19 | Oct-20 |
| Dec-19 | Dec-20 |

*Contract expiry dates are subject to change as per holiday calendar for the calendar year 2019.

**Annexure: B**

**Contract Specifications GOLD MINI (100 Grams)**

| | |
|---|---|
| **Instrument Type** | Futures Contract (FUTBLN) |
| **Product** | GOLD Mini Futures |
| **Symbol** | GOLDM |
| **Description** | GOLDMYYMMM |
| **Contract Listing** | Monthly contracts. Details as per the attached launch calendar (refer table below) |
| **Contract commencement Day** | 6th day of contract launch month. If 6th day is a holiday then the following working day. (Expiry Day + 1) |
| **Last Trading Day** | 5th day of contract expiry month. If 5th day is a holiday then preceding working day.<br>On the day of expiry, the trading shall be allowed up to 11:30 pm/11:55 pm*<br>*based on US daylight saving time period |
| **Trading** | |
| **Trading Period** | Mondays through Fridays |
| **Trading Session** | Monday - Friday<br>10:00 am to 11:30 pm/11:55 pm*<br>*based on US daylight saving time period |
| **Trading Unit** | 100 grams |
| **Quotation/ Base Value** | Rs. Per 10 grams |
| **Price Quote** | Ex-Ahmedabad (inclusive of all taxes and levies relating to import duty, customs but excluding all taxes and levies relating to GST, any other additional tax or surcharge on GST) |
| **Maximum Order Size** | 10 kg |
| **Tick Size (Minimum Price Movement)** | Re. 1 |
| **Daily Price Limit** [1] | The base price limit shall be 3%. Whenever the base daily price limit is breached, the relaxation shall be allowed upto 6% without any cooling off period in the trade. In case the daily price limit of 6% is also breached, then after a cooling off period of 15 minutes, the daily price limit will be relaxed upto 9%.<br>In case price movement in international markets is more than the maximum daily price limit (currently 9%), the same may be further relaxed in steps of 3% beyond the |

| | |
|---|---|
| | maximum permitted limit, and informed to the Regulator immediately. |
| **Initial Margin** [2] | Min. 4 % or based on SPAN whichever is higher |
| **Extreme Loss Margin** [3] | 1% |
| **Additional and/ or Special Margin** | In case of additional volatility, an additional margin (on both buy & sale position) and/ or special margin (on either buy or sale position) at such percentage, as deemed fit; will be imposed in respect of all outstanding positions. |
| **Maximum Allowable Open Position**[4] | For a member collectively for all clients: 50 MT or 20% of the market wide open position whichever is higher, for all Gold contracts combined together.<br><br>For individual client: 5 MT for all Gold contracts combined together or 5% of the market wide open position whichever is higher, for all Gold contracts combined together. |
| **Delivery** | |
| **Delivery Unit** | 100 Grams |
| **Delivery Period Margin** [5] | Delivery period margins shall be higher of:<br>a. 3% + 5 day 99% VaR of spot price volatility<br>**Or**<br>b. 20% |
| **Delivery Centre(s)** | Designated clearinghouse facilities at Ahmedabad |
| **Additional Delivery Centre(s)** | NIL |
| **Quality Specifications** | 995 purity.<br><br>It should be serially numbered Gold bars supplied by LBMA approved suppliers or other suppliers as may be approved by the exchange to be submitted alongwith supplier's quality certificate. |
| **If the Seller offers delivery of 999 purity** | Seller will get a proportionate premium and sale proceeds will be calculated as under:<br><br>Rate of delivery* 999/ 995<br><br>If the quality is less than 995, it is rejected. |
| **Due Date Rate (Final Settlement Price)** [6] | For contracts where Final Settlement Price (FSP) is determined by polling, unless specifically approved otherwise, the FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz.,E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E-1 and |

<table>
<tr><td></td><td>E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under:</td></tr>
<tr><td></td><td>
<table>
<tr><th rowspan="2">Scenario</th><th colspan="4">Polled spot price availability on</th><th rowspan="2">FSP shall be simple average of last polled spot prices on:</th></tr>
<tr><th>E0</th><th>E-1</th><th>E-2</th><th>E-3</th></tr>
<tr><td>1</td><td>Yes</td><td>Yes</td><td>Yes</td><td>Yes/No</td><td>E0, E-1, E-2</td></tr>
<tr><td>2</td><td>Yes</td><td>Yes</td><td>No</td><td>Yes</td><td>E0, E-1, E-3</td></tr>
<tr><td>3</td><td>Yes</td><td>No</td><td>Yes</td><td>Yes</td><td>E0, E-2, E-3</td></tr>
<tr><td>4</td><td>Yes</td><td>No</td><td>No</td><td>Yes</td><td>E0, E-3</td></tr>
<tr><td>5</td><td>Yes</td><td>Yes</td><td>No</td><td>No</td><td>E0, E-1</td></tr>
<tr><td>6</td><td>Yes</td><td>No</td><td>Yes</td><td>No</td><td>E0, E-2</td></tr>
<tr><td>7</td><td>Yes</td><td>No</td><td>No</td><td>No</td><td>E0</td></tr>
</table>
</td></tr>
<tr><td></td><td>In case of non-availability of polled spot price on expiry day (E0) due to sudden closure of physical market under any emergency situations noticed at the basis Centre, Exchange shall decide further course of action for determining FSP in consultation with SEBI.</td></tr>
<tr><td>Delivery Logic</td><td>Compulsory delivery</td></tr>
<tr><td>Settlement of Contract</td><td>On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E + 1 basis by 11.00 a.m. except Saturdays, Sundays and Trading Holidays.</td></tr>
</table>

**Footnote –**

[1] As per SEBI/HO/CDMRD/DMP/CIR/P/2016/83 dated September 07, 2016

[2] The provisions of Risk Management in terms of the SEBI Circulars No. CIR/CDMRD/DRMP/01/2015 dated October 01, 2015 and SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated September 01, 2016 and / or any amendments thereto from time to time shall be applicable.

[3] As per SEBI Circular no CIR/CDMRD/DRMP/01/2015 dated October 1, 2015

[4] As per SEBI circular SEBI/HO/CDMRD/DMP/CIR/P/2016/96 dated September 27, 2016

[5] As per SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated September 01, 2016

[6] As per SEBI Circular no SEBI/HO/CDMRD/DRMP/CIR/P/2016/90 dated Sep 21, 2016

**Contract Launch Calendar**

| GOLDM 100 Grams | |
|---|---|
| **Contract Launch Month** | **Contract Expiry Month*** |
| On Product Launch Date i.e. 12-Oct-18 | 5-Nov-18 |
| | 5-Dec-18 |
| | 4-Jan-19 |
| Nov-18 | Feb-19 |
| Dec-18 | Mar-19 |
| Jan-19 | Apr-19 |
| Feb-19 | May-19 |
| Mar-19 | Jun-19 |
| Apr-19 | Jul-19 |
| May-19 | Aug-19 |
| Jun-19 | Sep-19 |
| Jul-19 | Oct-19 |
| Aug-19 | Nov-19 |
| Sep-19 | Dec-19 |
| Oct-19 | Jan-20 |
| Nov-19 | Feb-20 |
| Dec-19 | Mar-20 |
| Jan-20 | Apr-20 |
| Feb-20 | May-20 |
| Mar-20 | Jun-20 |
| Apr-20 | Jul-20 |
| May-20 | Aug-20 |
| Jun-20 | Sep-20 |
| Jul-20 | Oct-20 |
| Aug-20 | Nov-20 |
| Sep-20 | Dec-20 |

*Contract expiry dates are subject to change as per holiday calendar for the calendar year 2019.

**Annexure: C**

**Contract Specifications SILVER (30 KG)**

| | |
|---|---|
| **Instrument Type** | Futures Contract (FUTBLN) |
| **Product** | SILVER Futures |
| **Symbol** | SILVER |
| **Description** | SILVERYYMMM |
| **Contract Listing** | Bimonthly/trimonthly contracts. Details as per the attached launch calendar (refer table below) |
| **Contract commencement Day** | 6th day of contract launch month. If 6th day is a holiday then the following working day. (Expiry Day + 1) |
| **Last Trading Day** | 5th day of contract expiry month. If 5th day is a holiday then preceding working day.<br>On the day of expiry, the trading shall be allowed up to 11:30 pm/11:55 pm*<br>*based on US daylight saving time period |
| **Trading** | |
| **Trading Period** | Mondays through Fridays |
| **Trading Session** | Monday - Friday<br>10:00 am to 11:30 pm/11:55 pm*<br>*based on US daylight saving time period |
| **Trading Unit** | 30 Kg |
| **Quotation/ Base Value** | Rs. Per 1 Kg |
| **Price Quote** | Ex-Ahmedabad (inclusive of all taxes and levies relating to import duty, customs but excluding all taxes and levies relating to GST, any other additional tax or surcharge on GST) |
| **Maximum Order Size** | 600 Kg |
| **Tick Size (Minimum Price Movement)** | Re. 1 |

| | |
|---|---|
| **Daily Price Limit** [1] | The base price limit shall be 4%. Whenever the base daily price limit is breached, the relaxation shall be allowed upto 6% without any cooling off period in the trade. In case the daily price limit of 6% is also breached, then after a cooling off period of 15 minutes, the daily price limit will be relaxed upto 9%.<br><br>In case price movement in international markets is more than the maximum daily price limit (currently 9%), the same may be further relaxed in steps of 3% beyond the maximum permitted limit, and informed to the Regulator immediately. |
| **Initial Margin** [2] | Minimum 4 % or based on SPAN whichever is higher |
| **Extreme Loss Margin** [3] | 1% |
| **Additional and/ or Special Margin** | In case of additional volatility, an additional margin (on both buy & sale position) and/ or special margin (on either buy or sale position) at such percentage, as deemed fit; will be imposed in respect of all outstanding positions. |
| **Maximum Allowable Open Position**[4] | For a member collectively for all clients: 1000 MT or 20% of the market wide open position whichever is higher, for all Silver contracts combined together.<br><br>For individual client: 100 MT or 5% of the market wide open position whichever is higher for all Silver contracts combined together. |
| **Delivery** | |
| **Delivery Unit** | 30 KG |
| **Delivery Period Margin** [5] | Delivery period margins shall be higher of:<br>a. 3% + 5 day 99% VaR of spot price volatility<br>**Or**<br>b. 20% |
| **Delivery Centre(s)** | Designated clearinghouse facilities at Ahmedabad |
| **Additional Delivery Centre(s)** | NIL |
| **Quality Specifications** | Grade: 999 and Fineness: 999<br><br>(as per IS 2112: 1981)<br><br>• No negative tolerance on the minimum fineness shall be permitted.<br>• If it is below 999 purity it is rejected.<br><br>It should be serially numbered silver bars supplied by LBMA approved suppliers or other suppliers as may be approved by the exchange. |

<table>
<tr>
<td rowspan="3">Due Date Rate (Final Settlement Price) [6]</td>
<td>For contracts where Final Settlement Price (FSP) is determined by polling, unless specifically approved otherwise, the FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz.,E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E-1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under:</td>
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<tr><td rowspan="2">Scenario</td><td colspan="4">Polled spot price availability on</td><td rowspan="2">FSP shall be simple average of last polled spot prices on:</td></tr>
<tr><td>E0</td><td>E-1</td><td>E-2</td><td>E-3</td></tr>
<tr><td>1</td><td>Yes</td><td>Yes</td><td>Yes</td><td>Yes/No</td><td>E0, E-1, E-2</td></tr>
<tr><td>2</td><td>Yes</td><td>Yes</td><td>No</td><td>Yes</td><td>E0, E-1, E-3</td></tr>
<tr><td>3</td><td>Yes</td><td>No</td><td>Yes</td><td>Yes</td><td>E0, E-2, E-3</td></tr>
<tr><td>4</td><td>Yes</td><td>No</td><td>No</td><td>Yes</td><td>E0, E-3</td></tr>
<tr><td>5</td><td>Yes</td><td>Yes</td><td>No</td><td>No</td><td>E0, E-1</td></tr>
<tr><td>6</td><td>Yes</td><td>No</td><td>Yes</td><td>No</td><td>E0, E-2</td></tr>
<tr><td>7</td><td>Yes</td><td>No</td><td>No</td><td>No</td><td>E0</td></tr>
</table>
</td>
</tr>
<tr>
<td>In case of non-availability of polled spot price on expiry day (E0) due to sudden closure of physical market under any emergency situations noticed at the basis Centre, Exchange shall decide further course of action for determining FSP in consultation with SEBI.</td>
</tr>
<tr>
<td>Delivery Logic</td>
<td>Compulsory delivery</td>
</tr>
<tr>
<td>Settlement of Contract</td>
<td>On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E + 1 basis by 11.00 a.m. except Saturdays, Sundays and Trading Holidays.</td>
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**Footnote –**

[1] As per SEBI/HO/CDMRD/DMP/CIR/P/2016/83 dated September 07, 2016

[2] The provisions of Risk Management in terms of the SEBI Circulars No. CIR/CDMRD/DRMP/01/2015 dated October 01, 2015 and SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated September 01, 2016 and / or any amendments thereto from time to time shall be applicable.

[3] As per SEBI Circular no CIR/CDMRD/DRMP/01/2015 dated October 1, 2015

[4] As per SEBI circular SEBI/HO/CDMRD/DMP/CIR/P/2016/96 dated September 27, 2016

[5] As per SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated September 01, 2016

[6] As per SEBI Circular no SEBI/HO/CDMRD/DRMP/CIR/P/2016/90 dated Sep 21, 2016

**Contract Launch Calendar**

| **SILVER 30KG** | |
|---|---|
| **Contract Launch Month** | **Contract Expiry Month*** |
| On Launch Date i.e. 12-Oct-18 | 5-Dec-18 |
| | 5-Mar-19 |
| | 3-May-19 |
| | 5-Jul-19 |
| | 5-Sep-19 |
| Dec-18 | Dec-19 |
| Mar-19 | Mar-20 |
| May-19 | May-20 |
| Jul-19 | Jul-20 |
| Sep-19 | Sep-20 |
| Dec-19 | Dec-20 |

*Contract expiry dates are subject to change as per holiday calendar for the calendar year 2019.