National Stock Exchange Of India Limited

Department : Commodity Derivatives Segment	
Download Ref No: NSE/COM/44484	Date : May 27, 2020
Circular Ref. No: 18/2020	

All Members

Commodity Derivatives Consolidated Circular

The Exchange periodically consolidates circulars issued by the department over the period of time to provide one single document to refer various policy and operational matters. This circular is a consolidation of all the previous circulars issued in the items given below.

For the convenience of members, circular is categorized as following:

PART - A
Summary of Important circulars issued during the period April 1, 2019 – March 31, 2020

PART - B
Detailed Consolidated Circular

PART - C
Format of various reports and files provided by the Exchange

For and on behalf of
National Stock Exchange of India Limited

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Click here for Index

PART – A

Summary of Important circulars issued during the period April 1, 2019 – March 31, 2020

Sr. No.	Subject	Download No.	Date
1	Prevention of Self-Trade	NSE/COM/40716	10-Apr-19
2	Discontinuation of Trading Access Point (TAP)	NSE/MSD/41750	30-Jul-19
3	Discontinuation of Brent Crude Mini contracts	NSE/COM/41813	06-Aug-19
4	Neat Adaptor (NA) Analysis tool	NSE/MSD/42105	11-Sep-19
5	Launch of ENIT Mobile Application	NSE/MSD/42977	23-Dec-19
6	Software Support in Commodity Derivatives Segment	NSE/COM/43528	13-Feb-20

Click here for Index

Part-B

Detailed Consolidated Circular

Item 1

MARKET PARAMETERS

1.1 Order type/Order book/Order attribute
1.2 Permitted lot size
1.3 Price steps for contracts
1.4 Base price and operating ranges applicable to the contracts.
1.5 Trade Execution
1.6 Quantity freeze for commodity derivatives contracts
1.7 Trading exigencies
1.8 Exposure Limits and Position Limits
1.9 Final Settlement for commodity derivatives contracts
1.10 Revision of market lot of commodity contracts
1.11 Trade Modification
1.12 Contract Specification

Item 2

TRADING HOLIDAYS AND TRADING HOURS

2.1 Trading Holidays
2.2 Trading Hours
2.3 Market Close for trading
2.4 Contingency Drill/ Mock Trading Schedule

Item 3

COMPLIANCE

3.1 Trade Annulment
3.2 Proprietary Account Trading
3.3 User Order Value & Branch Order Value Limit
3.4 Debarred clients
3.5 Self trade prevention
3.6 PAN verification at the time of order entry

Item 4

SYSTEMS

4.1 Extranet facility for Members
4.2 Neat Adaptor (NA) & NA Analysis tool
4.3 Broadcast UDP server
4.4 Market Data Broadcast
4.5 Parameters for Login
4.6 Trade Drop Copy Facility

Item 5

SUPPORT

Click here for Index

5.1 Assistance for Commodity derivatives trading system
5.2 Password & Unlock
5.3 Contingency Pool trading facility for members
5.4 NSEIL Dashboard
5.5 Software Support in Commodity Derivatives Segment

Click here for Index

ITEM 1

MARKET PARAMETERS

The following trading parameters and order attributes are specified for the commodity derivatives segment:

1.1 Order type/Order book/Order attribute

- Regular lot order
- Stop loss order
- Immediate or cancel

1.2 Permitted lot size

The permitted lot size for commodity derivatives contracts shall be the same as provided in contract specifications provided by the Exchange from time to time.

1.3 Price steps for contracts

The price steps in respect of all contracts admitted to dealings on the commodity derivatives segment of the Exchange shall be the same as provided in contract specifications.

1.4 Base price & operating ranges applicable to the contracts

The base price for the futures contract:

- On the first trading day (launch day) of any commodity - Exchange shall determine Base Price of each contract as previous day's closing price of the contracts traded on the domestic commodity exchanges.
- On the day of introduction of the new contract of an existing commodity – It shall be theoretical futures price.

The base price of the contracts on subsequent trading days shall be the daily close price of the futures contracts.

However on days when the contracts were not traded in the last half an hour or not traded at all during the day, the base price for the next day shall be the theoretical price of the futures contracts.

The theoretical price of a futures contract is computed as per the following formula:

$$F = S * e^{rt}$$

where:

F = theoretical futures price

S = value of the underlying commodity

r = rate of interest

t = time to expiration

Click here for Index

Daily Price Limit (DPL) for Commodity Contracts

Daily Price Limits (DPL) for Non-Agricultural Commodity Contracts

I) DPL of all non-agricultural commodity derivatives contracts shall be as under:

Commodity	Initial Slab	Enhanced Slab 1	Enhanced Slab 2	Total DPL
Steel	4%	2%	Not Applicable	6%
Gold	3%	3%	3%	9%
Non-Agricultural Commodities	4%	2%	3%	9%

II) DPL for Gold and other non-agri commodities (excluding steel):

A. DPL shall have three slabs as mentioned in table above. Once the trade hits the prescribed Initial slab, the DPL shall be relaxed further by'1st Enhanced Slab' without any cooling off period in the trading. In case, '1st Enhanced Slab' is also breached, then after a cooling off period of 15 minutes, the DPL shall be further relaxed by '2nd Enhanced Slab'.
B. During cooling off periods trading shall continue to be permitted within the previous slab of DPL.
C. In case price movement in referenceable international market is more than the aggregate DPL, the same may be further relaxed in steps of 3% by Exchanges. Exchanges shall immediately inform Integrated Surveillance Department (ISD) of SEBI about any such relaxation of DPLs beyond Aggregate DPL, along with all the relevant details and justification.

III) DPL for Steel shall have two slabs as mentioned in table above. Once the trade hits the prescribed initial slab, the DPL shall be relaxed further by '1st Enhanced Slab' (i.e. 2%) after a cooling off period of 15 minutes. During cooling off periods trading shall continue to be permitted within the previous slab of DPL. There shall not be further relaxation of DPL during that day.

Exchange may prescribe DPL narrower than the slabs prescribed by SEBI in case it is required to do so based upon the analysis of price movements and the surveillance findings.

1.5 Trade Execution

Exchange has taken several order and risk management measures including limits and controls. To further strengthen orderly trading, the exchange has put in place the following mechanism –

1) Orders shall be matched and trades shall take place only if the trade price is within the trade execution range based on the reference price of the contract.
2) Reference price for each contract shall be computed as follows:
- At market open - it shall be the theoretical price based on the underlying price (using rate of interest as 10%) or base price of the contract in case underlying price is not available at the time of computation.
- During trading hours – it shall be the simple average of trade prices of that contract in the last 1 minute
- For contracts that have traded in the last 1 minute, the reference price shall be revised throughout the day on a rolling basis at 1 minute intervals
3) Execution range is the range on both sides of the reference price as given below:

Segment	Contract Months	Reference Price (Rs.)	% of Reference Price

Futures	All tenures	All	50% of initial daily price limit of the contract (Eg: If DPL is 4% then the Execution range shall be 2%)

4) For valid order entry and all orders that are within the operating range shall be accepted.
5) If any order which is within the operating range but which may result in a trade outside the execution range is entered then such an order (full or partial as the case may be) shall be cancelled by the Exchange.
6) The Exchange may modify the execution range as and when necessary.

1.6 Quantity freeze for Commodity Derivatives contracts

The quantity freeze for commodity derivatives contracts shall be the same as provided in contract specifications provided by the Exchange from time to time.

1.7 Trading exigencies

a. Cancel on Logout

'COL facility at User level' is being provided. Corporate Manager of a trading member can enable / disable user level COL flag for their users.

The salient features of COL at User level are:

- Corporate Manager shall have an option to enable / disable the user level COL facility for their users
- By default the User level COL facility shall be disabled for all users.
- If a user for whom User level COL flag is enabled logs out, all outstanding orders shall be cancelled for that user.
- Corporate manager can enable/disable users for COL before, after or anytime during the market hours.

'COL facility at order entry level' is being provided to users that can be specified for an order. As and when the user is logged out, either a clean sign out (voluntary) or due to any technical reason (involuntary), outstanding orders that are marked with COL shall be cancelled irrespective of whether such User id is enabled for COL or not by Corporate Manager.

The salient features of COL at Order entry level are:

- COL can be specified for Regular Lot, Stop Loss and Spread Orders.
- COL can be specified for Limit as well as Market Order.
- In order entry the default value for COL shall be "Non-COL". User shall be required to explicitly select the value for the COL field as "COL" if required.
- COL can be specified only for Day Orders. COL shall not be applicable to IOC orders.
- User shall not be able to modify COL during order modification.

b. Kill Switch

An additional facility "Kill Switch" is being provided. When the Kill switch function is executed, all outstanding orders shall be cancelled.

A) Trading member level:

The trading member level kill switch shall be available to Corporate Manager of a trading member. When trading member level kill switch is executed, all outstanding orders of that trading member shall be cancelled.

Click here for Index

The salient features of trading member level Kill Switch are:

- Only corporate manager can execute this Kill Switch
- All outstanding orders of all users of that trading member shall be cancelled

B) User level:
The User level kill switch functionality shall be available to all users. When user level kill switch is executed, all outstanding orders for that user shall be cancelled.

The salient features of Kill Switch at user level are:

- User Level Kill Switch is available to all users.
- On executing user level Kill Switch, all outstanding orders entered by that user shall be cancelled.
-

1.8 Exposure Limits and Position Limits

The exposure limits and position limits applicable on commodity contracts shall be as stipulated by NSE Clearing Limited in a separate Circular.

1.9 Final Settlement for commodity derivative contracts

Final Settlement in respect of commodity contracts shall be as per the provisions of NSE Clearing Limited as may be stipulated in a separate circular.

1.10 Revision of market lot of commodity derivative contracts:

The revised lot size for commodities contracts, if any, shall be intimated in contract specifications provided by the Exchange from time to time.

1.11 Trade Modification

Trades can be modified with respect to client code / custodial participant code only till the end of trade modification time of the day. Members can access a Trade modification report containing details of the trades modified as follows:

1. Original Trades – which were modified later where the activity type shall be '11'
2. Modified Trades – All instances of the modification of original trade where the activity type shall be '12'.
3. Members are advised to note the following –

Sr No	Description	Action	Remarks
1	Modify Trade from PRO to CLI	Not Permitted	
2	Modify Trade from CLI to PRO	Not Permitted	
3	Modify client code for all trades of an order	Allowed	
4	Modify client code for a few trades of an order	Allowed	All trades for that order shall be updated to client code as per the latest trade

			modification at the end of the day.

The report is available on the Extranet FTP in the online backup folder of the respective member folder. (Refer Part-C, Annexure 9 for file structure)

In case there are no modifications during the day, the member shall receive a 'NIL' report.
A Facility to send multiple trade modification requests for normal trades resulting from the same order number is provided. User will not be able to send individual trade modification using this functionality. User can directly give the order number based on which all the trades of that order will be available for bulk modification. The user can also filter the orders based on Contract descriptor, Client code & CP code.

The bulk trade modification facility will be available by clicking function key (Shift + F6), Menu Transaction →Multiple Trade Cxl / Mod or invocation of Single trade modification screen (Shift + F5).

Members must take steps to ensure that orders are placed for PRO or CLI correctly. Order Modification (Shift + F2) will be allowed for book type, order price and order quantity only.

1.12 Contract Specification:

Contract specifications for Futures contracts on Gold, Silver and Brent Crude Oil which are as follows:

Sr. No.	Commodity Name
1.12.1	Gold
1.12.2	Gold Mini
1.12.3	Silver
1.12.4	Brent Crude Oil (100 Barrel)

Additional delivery centres for Futures contracts on Gold, Gold Mini and Silver shall Delhi, Mumbai and Chennai

1.12.1 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)

Click here for Index

Last Trading Day	5th day of contract expiry month. If 5th day is a holiday then preceding working day. On the day of expiry, the trading shall be allowed up to 11:30 pm/11:55 pm* *based on US daylight saving time period
Trading	
Trading Period	Mondays through Fridays
Trading Session	Monday - Friday 10:00 am to 11:30 pm/11:55 pm* *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%. 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.

Click here for Index

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. 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: a. 3% + 5 day 99% VaR of spot price volatility Or b. 20%
Delivery Centre(s)	Designated clearinghouse facilities at Ahmedabad
Additional Delivery Centre(s)	NIL
Quality Specifications	995 purity. 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: Rate of delivery* 999/ 995 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

1.12.2 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)

Click here for Index

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. On the day of expiry, the trading shall be allowed up to 11:30 pm/11:55 pm* *based on US daylight saving time period
Trading	
Trading Period	Mondays through Fridays
Trading Session	Monday - Friday 10:00 am to 11:30 pm/11:55 pm* *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%. 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.

Click here for Index

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. 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: a. 3% + 5 day 99% VaR of spot price volatility Or b. 20%
Delivery Centre(s)	Designated clearinghouse facilities at Ahmedabad
Additional Delivery Centre(s)	NIL
Quality Specifications	995 purity. 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: Rate of delivery* 999/ 995 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

1.12.3 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)

Click here for Index

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. On the day of expiry, the trading shall be allowed up to 11:30 pm/11:55 pm* *based on US daylight saving time period
Trading	
Trading Period	Mondays through Fridays
Trading Session	Monday - Friday 10:00 am to 11:30 pm/11:55 pm* *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%. 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. 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: a. 3% + 5 day 99% VaR of spot price volatility Or b. 20%
Delivery Centre(s)	Designated clearinghouse facilities at Ahmedabad
Additional Delivery Centre(s)	NIL
Quality Specifications	Grade: 999 and Fineness: 999 (as per IS 2112: 1981) • No negative tolerance on the minimum fineness shall be permitted. • If it is below 999 purity it is rejected. It should be serially numbered silver bars supplied by LBMA approved suppliers or other suppliers as may be approved by the exchange.
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

1.12.4 Contract Specifications: Energy Futures - Brent Crude Oil (100 Barrel)

Instrument Type	Futures Contract (FUTENR)
Product	Brent Crude Oil Futures
Symbol	BRCRUDE
Description	BRCRUDEYYMMM
Contract Listing	Monthly contracts. Details as per the attached launch calendar (refer table below)
Contract Start Day	Business day immediately following the last trading day. (Expiry Day + 1)
Last Trading Day	Last Day of Trading at the exchange shall the Last Business Day of the contract expiry month.

Click here for Index

	In case the last business day is a holiday in the International market / NSE, then the preceding business day shall be the last trading day for the contract. Details as per the attached launch calendar (refer table below) On the day of expiry, the trading shall be allowed up to 11:30 pm/11:55 pm* *based on US daylight saving time period
Trading	
Trading Period	Mondays through Fridays
Trading Session	Monday - Friday 9:00 am to 11:30 pm/11:55 pm* *based on US daylight saving time period
Trading Unit	100 Barrel
Quotation/Base Value	Rs. Per 1 Barrel
Max. Order Size	10,000 Barrel
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%. 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: 40,00,000 Barrels or 20% of the market wide open position whichever is higher, for all Crude Oil contracts combined together. For individual client: 4,00,000 Barrels or 5% of the market wide open position whichever is higher for all Crude Oil contracts combined together.
Quality Specification	Brent Blend confirming to the following quality: • Maximum Sulfur - 0.46% by weight or less, • Maximum Gravity: 36.4 API

Click here for Index

Due Date Rate (Final Settlement Price)	Due date rate (FSP) shall be the settlement price, in Indian rupees, as arrived at from the average of the five intra-day 'Front-month cash BFOE (Brent-Forties-Oseberg-Ekofisk) assessments' as made by ICIS on the last trading day of the NSE Brent Crude Oil Contract. The last available RBI USDINR reference rate will be used for the conversion. The price so arrived will be rounded off to the nearest tick. For example, on the day of expiry, if the ICIS average price is $70.75 and the last available RBI USDINR reference rate is 72.1500, then DDR for NSE Brent Crude oil contract would be Rs.5,105 per barrel (i.e. $70.75 * 72.1500 and rounded off to the nearest tick).
Settlement Mechanism	The contract would be settled in cash

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. The Margin Period of Risk (MPOR) shall be 2 days in accordance with SEBI Circular and accordingly, the initial margin shall be scaled up by root 2

[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

ITEM 2

TRADING HOLIDAYS AND TRADING HOURS

2.1 Trading Holidays

The commodity derivatives segment shall remain closed on Saturday and Sunday, unless it is explicitly stated otherwise. The trading holidays for the calendar year 2020 are as below:

Sr. No.	Date	Day	Description	Morning Session (9 AM to 5 PM)	Evening Session (5 PM to 11:30/11:55 PM)
1	January 01, 2020	Wednesday	New Year Day	Open	Closed
2	February 21, 2020	Friday	Mahashivratri	Closed	Open
3	March 10, 2020	Tuesday	Holi	Closed	Open
4	April 02, 2020	Thursday	Ram Navami	Closed	Open
5	April 06, 2020	Monday	Mahavir Jayanti	Closed	Open
6	April 10, 2020	Friday	Good Friday	Closed	Closed

7	April 14, 2020	Tuesday	Dr.Baba Saheb Ambedkar Jayanti	Closed	Open
8	May 01, 2020	Friday	Maharashtra Day	Closed	Open
9	May 25, 2020	Monday	Id-Ul-Fitr (Ramzan ID)	Closed	Open
10	October 02, 2020	Friday	Mahatma Gandhi Jayanti	Closed	Closed
11	November 16, 2020	Monday	Diwali-Balipratipada	Closed	Open
12	November 30, 2020	Monday	Gurunanak Jayanti	Closed	Open
13	December 25, 2020	Friday	Christmas	Closed	Closed

The holidays falling on Saturday / Sunday are as follows:

Sr. No.	Date	Day	Description
1	January 26, 2020	Sunday	Republic Day
2	August 01, 2020	Saturday	Bakri Id
3	August 15, 2020	Saturday	Independence Day
4	August 22, 2020	Saturday	Ganesh Chaturthi
5	August 30, 2020	Sunday	Moharram
6	October 25, 2020	Sunday	Dasera
7	November 14, 2020	Saturday	Diwali-Laxmi Pujan*

*Muhurat Trading will be conducted on Saturday, November 14, 2020. Timings of Muhurat Trading shall be notified subsequently.

2.2 Trading Hours

The trading hours for the Commodity derivatives segment of the Exchange is given below:

Sr. No.	Commodity Category	Trade Start Time*	Trade End time after Start of US Day light Savings in Spring Season*	Trade End time after End of US Day light Savings in Fall Season*
1	Internationally Referenceable Non-Agri Commodities	09:00 AM	11:30 PM	11:55 PM
2	Trade modification end time		11:45 PM	11: 59 PM
3	Position Limit/Collateral value Set up cut off end time		11:45 PM	11:59 PM

* Trade Start Time and Trade End Time are subject to change in reference to Trading Holidays & Muhurat Trading as mentioned in Exchange circular download no. 42879 dated December 11, 2019. In case of trading holidays where only morning session is available, the Trade Modification End Time and Position Limit/ Collateral Value Setup Cut-off End Time shall be 05:15 PM.

Further, Exchange shall make the trading environment available from around 7.00 am onwards on every trading day for users to login and check connectivity.

2.3 Market Close for trading

The Exchange may close the Commodity Derivatives Segment for trading after carrying out preliminary

Click here for Index

checks/assessment of the problem for such time period deemed necessary in the event of 40% or more of normally active trading terminals, being unable to trade due to loss of access to the trading system of the segment during the normal or extended course of trading hours for reasons beyond their control.

2.4 Contingency Drill/ Mock Trading Schedule

Contingency Drills/ Mock Trading sessions are conducted by the Exchange from time to time for periodical testing of trading infrastructure and its recovery & response mechanisms. Large scale participation of members is quintessential for the success of such sessions.

In order to enable market participants to plan and schedule their own contingency plans/testing, the Exchange is hereby notifying the Contingency drills/Mock trading sessions calendar for the year 2020,which is as follows:

Sr. No	Dates of Contingency Drill / Mock Trading Sessions
1	January 04, 2020
2	February 08, 2020
3	March 07, 2020
4	April 04, 2020
5	May 09, 2020
6	June 06, 2020
7	July 04, 2020
8	August 08, 2020
9	September 05, 2020
10	October 10, 2020
11	November 07, 2020
12	December 05, 2020

Click here for Index

ITEM 3

COMPLIANCE

3.1 Trade Annulment

SEBI vide circular no. CIR/MRD/DP/15/2015 dated July 16, 2015 has specified the Policy for annulment of trades undertaken on stock exchanges. SEBI in its circular expressly advises that "to ensure finality of trades executed on trading platforms of the stock exchanges, to the extent possible, annulment of trades should be avoided by the stock exchanges."

In order to discourage frequent or frivolous annulment requests, the following procedure and guideline for submission and processing trade annulment requests shall be applicable:

I. Submission of Trade Annulment Request:

Trade annulment request can be placed only by the executing trading members (buyer /seller) who have executed the trade to be annulled.

1. Prior to initiating the trade annulment request, the trading member shall ensure and certify the following:

   i. The member had taken adequate precautions such as defining order quantity limit; order value limit; user value limit; branch value limit and all the risk management measures as provided by the Exchange from time to time.
   ii. The orders related to the trade(s) to be annulled were routed after filtering them as per the risk management principles of the member,
   iii. The orders were in compliance with the order placement limits applicable to the dealer, branch and member.
   iv. The member has a process in place to ensure that the orders leading to the trade(s) to be annulled were covered by adequate margins, where applicable.
   v. The orders were placed by a qualified dealer.

2. Mode of placing the annulment request:

   i. The trading system of the Exchange provides a facility to a member to initiate a trade annulment request in electronic form whereupon the member on the other side of the trade would receive the details of the trade annulment request anonymously.
   ii. The member has to file the annulment request electronically only on the trading system provided by the Exchange.
   iii. The Exchange shall electronically disseminate the request on trading system to all concerned counter party trading members to the trade(s) for which annulment is sought.
   iv. Considering the strict time lines, Exchange shall not accept any request in any form or any other mode other than the screen based electronic mechanism provided by the Exchange. However, Exchange may permit filing of request in any other mode in exceptional cases.
   v. Counterparty trading member who accepts the request has to respond on the trading system intimating their consent to annul the trade.
   vi. The Exchange may seek additional information from such members for further scrutiny, if found necessary

Click here for Index

II. Criteria & Processing of Trade Annulment Request:

The trade/s for which annulment is requested shall have to fulfil all the below listed conditions for the Exchange to be taken up for further processing;

- Trade annulment requests should be placed only by the executing trading members (buyer /seller) who have executed the trade(s) to be annulled. Trade annulment requests placed by third parties viz. Clearing Member / trading member other than executing trading members, shall not be accepted for processing.
- Trade annulment requests should be submitted to the Exchange within 30 minutes of the execution of trade.
- A trade annulment request can only be made for an order of a minimum value of Rs 10 Crores (premium value in case of options contracts shall be considered).
- Minimum trade value of trade(s) originating from a single order for which annulment request is made should be Rs. 10 lakhs or above (premium value in case of options contracts shall be considered).
- The trade(s) in question are not within the price bands / operating range / trade execution range applicable at the time of trade.
- Trade(s) for which annulment requests are submitted should have been executed in the continuous session (Normal market).
- Trade(s) have not been executed with the same PAN number on both the buying and selling side.

Exchange shall require the trading members to submit additional information such as reason to request for trade annulment, whether similar trade annulment requests have been submitted simultaneously to other exchange etc. in electronic form through ENIT.

Path on ENIT for Trade annulment request:
ENIT-NEW-TRADE>Trade> Trade Compliance (Post Trade)> Trade annulment request

Trade Annulment requests fulfilling the conditions specified above shall be accepted for further processing and should satisfy the following additional criteria:

- Counterparty trading member should have provided acceptance to trade annulment in electronic form within 30 minutes after the market closure or within 30 minutes from time of trade annulment requests whichever is later. If the counterparty member does not intimate his consent within 30 minutes of market closure or within 30 minutes from time of trade annulment requests whichever is later, it will be deemed that the counterparty member does not consent to the request for annulment.
- The executing member and the member on the other side of the said trade for a trade annulment request is not the same.

The Exchange shall expeditiously, not later than start of next trading day, examine and decide upon accepted annulment requests. The Exchange shall intimate the requesting member about the acceptance / rejection of the annulment request.

Where a trading member has requested for annulment of trade(s) to more than one exchange, Exchange shall coordinate with the other exchanges to take appropriate inputs to decide upon the trade annulment request.

Member may note that any trade annulment, if accepted, will not result in re-computation of index or bhavcopy.

III. Application fee for trade annulment request

Click here for Index

A fee equal to 5% of the value of trade(s) for which annulment is requested, subject to minimum fee of Rs. 1 lakh and maximum fee of Rs. 10 lakhs shall be charged as Annulment Application fee for accepting the request. Such fee shall be debited from the Member's Exchange dues account or deducted from Members money available with the Exchange on the day of receipt of trade annulment request. The amount so collected as Annulment Application Request fees shall be credited to Investor Protection Fund (IPF) of the Exchange.

IV. Dissemination of following information on Exchange website

Exchange shall disseminate the following details of trade annulment requests on its website www.nseindia.com:

- Details of receipt of trade annulment request.
- Details of decision on trade annulment request.

V. A mechanism for review of the decision of the Exchange on Trade annulment request shall be provided. For the purpose of review the trading members shall submit a request for review to the Exchange before the payout deadline for the trades. The detailed procedure is provided in circular download ref. no. NSE/INVG/30931 dated October 12, 2015.

VI. As prescribed in SEBI Circular para no. 4, in case there is more than 1 instance from the same trading member in the same segment in a calendar quarter, an additional amount equal to 1% of the value of trade(s), subject to minimum of Rs. 1 lakh shall be charged. This is being done to discourage frequent or frivolous requests and maintain the sanctity of the trades on the Exchange. This charge shall be non-reversible. This shall be in addition to the Annulment request application fee.

VII. Members may note that pursuant to Byelaw 5 of chapter VII of the Byelaws, the Exchange may, to protect the interest of investors in securities market and for proper regulation of the securities market, suo motu annul trades at any time if the relevant authority is satisfied for reasons to be recorded in writing that such trade(s) is/are vitiated by fraud, material mistake, willful misrepresentation or market or price manipulation and the like.

3.2 Proprietary Account Trading

As directed by SEBI vide Circular, ref. no. SEBI/HO/CDMRD/DMP/CIR/P/2016/49, dated April 25, 2016 and other relevant statutes and circulars issued by SEBI from time to time, Exchanges is providing the facility of placing of orders on 'proprietary-account' through trading terminals to be extended only at one location of the Trading Members. It is hereby notified that it would be obligatory on the Trading members to specify the nature of the order in terms of the order being a client order or being on their own account at the time of order entry on the trading system.

Members are advised to note that the segregation of orders is possible on the order entry screen using 'CLI' for client account orders or 'PRO' for orders of members which are on their own account.

In view of the above, please note that

- Facility of placing orders on proprietary account through trading terminals shall be extended only at one location of the members as specified / required by the members.
- Trading terminals located at places other than the above location shall have a facility to place orders only for and on behalf of a client by entering client code details as required / specified by the Exchange / SEBI.
- In case any member requires the facility of using proprietary account through trading terminals from more than one location, such member shall be required to submit an application to the stock exchange stating the reason for using the proprietary account at

Click here for Index

multiple locations and the Exchange may, on case to case basis after due diligence, consider extending the facility of allowing use of proprietary account from more than one location.

- Members requiring the facility of 'proprietary-account' through trading terminals from more than one location and / or CTCL are required to submit an undertaking. Format of undertaking is provided below. Member has to submit single proprietary undertaking for all segments.

The format and the checklist of the proprietary undertaking is attached below:

Click here for Index

CHECKLIST FOR DOCUMENTS TO BE SUBMITTED FOR PROPRIETARY UNDERTAKING		
	Member Code :	
	Name of Member :	
Sr	Pre Checks	Tick wherever applicable
1	Stamp paper is of minimum Rs. 100 /- **for details refer instruction below	
2	Stamp paper purchased in name of Trading member	
3	Undertaking is executed in favour of NSEIL	
4	Date of Stamp paper purchase :	
5	Date of execution of undertaking mentioned :	
6	Date of Notarizing to be mentioned :	
7	Notary stamp on all pages	
8	Date of entering into the agreement as specified on the first page of the agreement should be on or before the date of notarizing the agreement.	
9	Undertaking is executed within validity of stamp paper (Date of execution is on or after the date of, and is within six months of, the stamp paper purchase date)	
10	Clauses of Undertaking are as per format	
11	Signature on all pages of the Undertaking	
a	For Individual : Only self can sign	
b	For Partnership Firm : All Partners OR Authorised Signatory	
c	For Corporates : Minimum two directors or a managing director	
d	For others : Authorised signatories	
12	Signature of 2 witness on last pages of the Undertaking	
13	Company's stamp / common seal if affixed and in presence of persons authorised by the Board Resolution (for Corporates only)	
14	If there is any correction in the undertaking , then ensure the persons as authorised by the board resolution have signed across the correction	
15	Additional Documents to be collected	Remarks
a	For Individual : None	-
b	For Partnership Firm : Partnership deed or any other documents as advised	
c	For Corporates : Copy of board resolution and specimen signature list of authorised signatories	
d	For others : any other documents as advised	

In case of discrepancies the below person may be contacted:

Contact Person Name:

Contact Number:

Click here for Index

Format of Undertaking

UNDERTAKING FOR AVAILING PROPRIETARY ACCOUNT ORDER ENTRY FACILITY

I/We _____, an individual /a firm registered under the Indian Partnership Act, 1932 / a Company / body corporate incorporated under the Companies Act of 1956 /_____ Act, 19__, and residing at / having our registered office at _____ _____ give this UNDERTAKING on this the _____ day of _____ 20 at _____ IN FAVOUR of National Stock Exchange of India Limited, a company incorporated under the Companies Act of 1956, with its registered office at "Exchange Plaza", Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051(hereinafter called "NSEIL")

WHEREAS

1. NSEIL provides the National Exchange for Automated Trading (NEAT) software to enable its Trading Members to trade and in addition NSEIL also provides Computer To Computer Link (hereinafter called "CTCL") facility to Trading Members for order entry, receipt of order and trade confirmation and also for receipt of data relating to its trade quotations.
2. NSEIL, has prescribed that the facility of placing orders on "Pro-account" through trading terminals shall be availed by the Trading Members only at one location of the Trading members as specified / required by the Trading Members; any trading terminal located at a place other than the above location shall have a facility to place order only for and on behalf of a Constituent by entering client code details as required by NSEIL/ SEBI; and In case any Trading Member requires the facility of using "Pro-account" through trading terminals from more than one location, such Trading Member shall request NSEIL stating the reason for using the "Pro-account" at multiple locations.
3. NSEIL has as a precondition to the Undersigned being permitted the facility of using "Pro-account" through trading terminals from more than one location required me/us to furnish the undertaking in the manner and on the terms herein below:-

NOW THEREFORE IN CONSIDERATION OF NSEIL having agreed to allow me/us at my/our request to avail the Pro-account facility from more than one location, I/we hereby IRREVOCABLY AND UNCONDITIONALLY UNDERTAKE and agree to abide by and be bound by the following terms and conditions:-

1. That I/we undertake to enter proprietary orders only from the Pro-account terminals permitted by NSEIL and undertake not to misuse the said "Pro-account" facility and state that the proprietary trades on the Pro-account terminals pertain to proprietary trades and not client trades.
2. That I/we state that either our Director(s)/Partner(s) is/are based at and supervise the location where “Pro-account” trading terminals are located or our Board of Directors/all Partners, have identified and authorized the Director(s)/Partner(s) to supervise the “Pro-account” trading terminals located at additional location where Directors/Partners may not be based. The Pro-account facility shall be made available to the Approved Users only after obtaining the prior written consent of NSEIL and subject to such terms and conditions as may be prescribed by NSEIL from time to time.
3. That I/we undertake not to use the "Pro-account" trading terminals for purposes other than the defined reasons.
4. That I/we undertake to take all such steps and/or precautions to ensure and keep ensured that the ‘Pro-account’ facility is not extended to a location other than the location of the

trading terminals where the "Pro-account" facility is permitted by NSEIL and CTCL terminals shall not be extended beyond the location of such permitted trading terminals.

5. That NSEIL, at its absolute discretion, may make the Pro-account facility available to me / us only from the date of my / our enablement on the Pro-account facility till such time as it may deem fit and further that the Pro-account facility may at any time be withdrawn by NSEIL at its discretion without giving me / us any notice or any reasons whatsoever.
6. That I/we shall execute, sign, and subscribe, to such other documents, papers, agreements, covenants, bonds, and / or undertakings as may be prescribed or required by NSEIL from time to time.
7. That I/we undertake to abide by all the provisions of the Byelaws, Rules, Regulations and Circulars/norms and requirements that may be in force from time to time relating to use and operation of the NEAT Trading System (including use of CTCL software) and that they shall also mutatis mutandis become applicable to the use and operation of the Pro-account facility.
8. That I/we undertake to render all possible assistance and cooperation to NSEIL by providing all information in any form as it may require and shall produce such documents, records, accounts, books, data howsoever stored including data stored in magnetic tapes, floppy diskettes, etc. and any other information as may be required by NSEIL at its discretion.

IN WITNESS WHEREOF this Undertaking is executed by the undersigned on the day, month, year and the place first mentioned above.

Witness 1 Name & Sign:

Witness 2 Name & Sign:

Signed by, for and on behalf of: Before me

Instructions for Board Resolution

1. If the Trading Member is a corporate, the Undertaking has to be accompanied with a certified copy of the resolution of the Board of Directors of the company authorising the person(s) executing the undertaking to do so along with their specimen signatures and designations.
2. The Board Resolution should clearly state that the affixation of common seal shall be made in the presence of such persons as authorised by the Articles of Association of the company and should also clearly state the names of such persons. The above persons should sign the undertaking as a token of their presence when the common seal is affixed.

Instructions for Undertaking:

1. The Undertaking is to be executed on a non-judicial stamp paper / franking worth Rs.100/- if executed in State of Maharashtra. If this Undertaking is executed outside the State of Maharashtra, then it must be executed on a non-judicial stamp paper stamped in accordance to the duty as payable in the place of execution or on a non-judicial stamp paper worth Rs. 100/- whichever is higher.
2. Further this Undertaking (including all annexures / schedules) has to be notarized before a Notary Public.
3. All the pages of this Undertaking (including all annexures / schedules) have to be signed in full. The persons signing should also sign in full at all places in the Undertaking where anything has been hand-written / any corrections have been made.

4. If the Trading Member is an individual, then the Undertaking has to be signed by the individual Trading Member himself.
5. If the Trading member is a firm, then minimum two authorised partners are required to sign this Undertaking. Further, the undertaking has to be accompanied with the copy of the Authority letter/ Power of Attorney duly signed by all the partners of a firm along with details of the authorised partners along with specimen signatures and designations has to be given in a certified copy.
6. If the Trading Member is a corporate, then the Undertaking has to be signed by the Managing Director or any two Directors of the company named as an authorised signatories of the company. The Common Seal of the company has to be affixed by the company on this Undertaking in the presence of such persons as authorised by the Articles of Association of the company.

Further, the trading members shall be subject to and abide by all circulars, requirements, conditions, norms, guidelines and / or such terms as may be prescribed or required by NSEIL from time to time and the same shall become applicable ipso facto, upon its notice to the members by the Exchange.

Members may please note that the Pro trading facility is given to the user id for a specific location as mentioned in the application. Any change to the location / connectivity of user id shall result in deactivation of Pro trading facility.

Procedure For Application Of Pro-Trading and Default location:

Exchange has provided facility on member portal to handle requests for proprietary account trading and Default location applications electronically. Further, it may be noted that digital signature is imperative for accepting the applications through member portal. Hence, it is mandatory that all the applications sent electronically through member portal contain digital signature as allotted by the Exchange to authorized personnel of the trading firm. Trading members may send the application for availing proprietary account trading facility by logging in Member portal (https://www.connect to nse/member portal). Member can login through corporate manager user id by entering User ID and password.

Members are required to send their request for Pro-Trading and Default location through the facility on NSE ENIT electronically.

The user manual is given on ENIT on the below path:

Member Portal > ENIT-New-Trade > Trade > Pro Trading

Exchange has also provided the facility of "NSE ENIT Service" on mobile application.

Members can now send requests for the following services through the ENIT mobile application:

1. Pro Enablement Request
2. Pro Disablement Request

Relevant Circular:

Download No.	Date

NSE/MSD/40032	January 24, 2019
NSE/MSD/42977	December 23, 2019

3.3 User Order Value & Branch Order Value Limit

Members are required to set definite limits for User Order Value Limit (UOVL) and Branch Order Value Limit (BOVL) for each user and branch. If definite limits are not set up, such users/branches may not be able to trade. The daily report containing the various order level limits, set for users by their corporate manager/branch manager shall be downloaded to the members. The nomenclature and the detailed file structure of the report are given in Part-C.

3.4 Debarred Clients

Members may note that orders and order/trade modifications placed for entities debarred by SEBI shall be rejected by the trading system with the message, "The Account is debarred from trading". For this purpose, UCC details uploaded by members will be matched with the SEBI specified lists of debarred clients. In addition to this, "Debarred Client Master maintenance" facility is available to restrict order for specific client at terminal level.

3.5 Self Trade Prevention

The applicable provisions for Self-Trade Prevention (STP) mechanism are as follows:

1. For PRO / Client (Non CP Code) order: If an active PRO / Client (Non CP Code) order is likely to match with any passive order (PRO / Non CP Code Client / CP Code Client) having the same PAN (Permanent Account Number) in the same order book; then the active or passive order (full or partial as the case may be) as per the option set in order entry shall be cancelled by the Exchange with rejection message "Order cancelled by the System – The order could have resulted in Self-trade".

2. For Custodial Participant (CP Code) order:
   a) If an active CP code order is likely to match with a passive CP code order having the same CP code in the same order book; Or
   b) If an active CP code order is likely to match with a passive PRO / Client (Non CP code) order having the same PAN (Permanent Account Number) in the same order book;

   Then-the active or passive order (full or partial as the case may be) as per the option set in order entry shall be cancelled by the Exchange with rejection message "Order cancelled by the System – The order could have resulted in Self-trade".

Thus, in case of Pro / Client orders entered by same/different members are resulting in self-trade due to same PAN or CP code, as the case may be, on the active and passive side, the same shall result in active or passive order getting cancelled as per the option set in the active order.

The mechanism shall be applicable only during matching. During trade modification, members shall have the option to modify the PAN as well. Member shall take due precaution to prevent self-trade while performing trade modification.

Accordingly, please note that the PAN field shall be mandatorily required to be populated in order messages / trade modifications for all **"Pro"** and **"Client"** orders (Non-CP as well as CP clients). In cases where the investor is exempt from PAN, it will be mandatory to provide 'PAN_EXEMPT' in the PAN Field. Members shall be solely responsible for the correctness of PAN provided in order messages.

Click here for Index

3.6 PAN verification at the time of order entry

PAN shall be validated for all orders (PRO and CLI) at the time of order entry with details as uploaded by members in UCI online. In case of mismatch, the order shall be rejected by Exchange and an appropriate error message shall be displayed.

Click here for Index

ITEM 4

SYSTEMS

4.1 Extranet facility for Members

Exchange provides extranet facility to the members of commodity derivatives segment. The facility enables members to access common and member specific data though FTP Extranet site. Details of the facility are as follows:

Remote folder	/comtftp/comtcommon (location for common files required to upload daily e.g.: co_contract.gz, co_participant.gz	/comtftp/O(TMID) (Location for member specific files e.g. Trader report)
Options 1 User ID / Password	O(TMID) / Corporate ID password It may be noted that the Extranet is updated with the latest password set for the corporate ID after the end of market hours every working day. Hence members are advised to avoid changing their corporate ID password aftermarket hours.	
Options 2 User ID / Password	comtguest /COMTGUEST	Not applicable
IP address for IP enabled users	172.19.125.71 Access is available in both DOWNLOAD & UPLOAD modes. Access is not available between 8:30am and 4:30 pm	
IP address for Internet users	ftp://ftp.connect2nse.com Access through Internet FTP is available round the clock in DOWNLOAD mode only	

4.2 Neat Adaptor (NA) & NA Analysis tool

NA (NEAT Adapter) is a real time system which is introduced by The National Stock Exchange of India to enhance the Trading System by changing existing 2-tier system to 3-tier system. NA is an application which is placed between Front-End and Host End so that all the communication between front-end and host-end will be through this NA Application.

To enhance the performance and flexibility, Exchange provides the facility of NEAT Adapter on Linux and Windows operating systems.

The latest available version setup files for Windows and Linux operating systems reside on extranet path /comtcommon. The Exchange periodically upgrades the NEAT Adapter versions and conducts mock trading sessions to test the connectivity using new versions and implement them in live environment on successful testing. The information pertaining to new version is provided by the Exchange through circulars updated on the NSE website.

Additionally, Members are provided with the facility to carry out Neat Adaptor (NA) Analysis through Neat Adaptor (NA) Analysis tool which shall be available on extranet path /comtcommon/NA_Analysis_tool

Click here for Index

4.3 Broadcast UDP server

UDP Server is exchange provided application which enables users to receive broadcast data from exchange and sends this broadcast data to user's internal network. It can handle broadcast data for all the markets. The latest available version setup files for Windows and Linux operating systems reside on extranet.

4.4 Market Data Broadcast

The Exchange provides market data (price and volume related) to its trading members in the form of Market by Price (MBP) and Market by Order (MBO) for Auction market. Some related data is also provided in the form of Trade Ticker, Open Interest (OI), Open High Low (OHL), Auction Inquiry broadcast, Master Updates, Market Open/Close Status message broadcast, Trade Execution Range (TER) etc. Market data broadcast is refreshed either at fixed time interval or are event driven.

Normal Market Data Broadcast Price volume (5 depth 1 second refresh), other related data, master updates, market open/close status message broadcast etc.				
	Source 1		Source 2	
Stream	Multicast IP Address	Broadcast Port	Multicast IP Address	Broadcast Port
CO	239.50.50.51	18051	239.50.50.56	10856

New Market Data Broadcast Price volume (5 depth 1 second refresh), other related data, master updates, market open/close status message broadcast etc.				
	Source 1		Source 2	
Stream	Multicast IP Address	Broadcast Port	Multicast IP Address	Broadcast Port
Five Depth	239.50.52.51	25051	239.50.52.171	25171
Without MBP	239.50.50.53	10853	239.50.50.58	10858

Notes:

1. Members are requested to note that Only Source 1 (New Market Data Broadcast) is applicable for VSAT users.
2. Members can subscribe to Source 1 or Source 2 or both as per their requirement keeping in mind the bandwidth available with them.
3. With respect to using Exchange data, Member's may kindly take note of Exchange circular NSE/MEM/26958 dated June 19, 2014. Exchange data can be used by Member's clients who are registered for trading with the member on the Exchange in any segment.

Trade Execution Range (TER) Parameters Exchange provides TER broadcast for NNF users as below:				
Segment	Source 1		Source 2	
	Multicast IP	Broadcast Port	Multicast IP	Broadcast Port
CO	239.55.55.51	55051	239.55.55.151	55151

Click here for Index

Relevant Circular:

Download No.	Date
NSE/MSD/43053	December 30, 2019
NSE/MSD/42935	December 18, 2019
NSE/MSD/40007	January 22, 2019

4.5 Parameters for Login

Primary (BKC) / DR site

Gateway Router IP Address	Port
172.19.15.85	10855

Gateway IPs Subnet ranges –

Network	172.19.15.0
Mask	255.255.255.128
Port	10850

4.6 Trade Drop Copy Facility

Exchange provides a facility by which members would get their trade details/feed on real time basis.

Members may access the same on their existing TCP/IP network by connecting to separate gateways called "Drop Copy Gateways" with their existing user credentials (trading user id/password).

The parameters for login are as follows:

Drop copy Gateway IP Address	Port
172.19.15.21	10850
172.19.15.22	10850

Click here for Index

ITEM 5

SUPPORT

5.1 Assistance for Commodity derivatives trading system

Members can contact between 08:00 hours and 02:00 hours on all working days for all trade related queries on Toll Free number 1800 266 0050. Members can also email us on msm@nse.co.in.

5.2 Password & Unlock

- Policy:

All users should take into account below mentioned password policy for login to trading system.

A. The length of password should be of exact 8 characters.
B. The password shall be case sensitive and should contain at least one each of the following characters with no space:
    - Uppercase: A to Z
    - Lowercase: a to z
    - Digit: 0 to 9
    - Non- alphanumeric : Special characters @ # $ % & * / \
C. User shall be compulsorily required to change password after the lapse of 14 days
D. New password must be different from previous 5 passwords
E. User Id shall be locked after 5 invalid login attempts
F. Reset of password shall set the password to a default password
G. User shall not be allowed to set the default password as new password

The above mentioned password policy is applicable to all users i.e. NEAT, NEAT+ and NNF.

Password Expiry Alert

The user shall receive alert message for the expiry of their log in password.

Users will start receiving following alert message in the message area of NEAT & NEAT+, five days prior to the expiry of the password at the time of login.

Message Area:-

<USER_NAME> Signed On.

Attention: User <USER_ID> Your password shall expire on <DATE>.

Kindly change it to avoid any login issue on <DATE>

Reset of password and Unlock user

Reset of password:

A facility is provided to corporate manager to enable and reset password for all the users under his trading firm under supplementary menu in NEAT and under dialogs menu (Ctrl+Alt+R) in NEAT+. The

Click here for Index

Corporate Manager will be able to reset the password of the user, who is disabled on account of entering wrong password. Corporate manager will be able to change the password of only INACTIVE / DISABLED users.

On entering the user id and pressing Check Status button, the status of the user id will be displayed along with the default password. On pressing Ok button the status of the user will be set as Inactive and the password will be changed to default password.

Unlock User:

A facility is provided to the Corporate Manager to send unlocking request to the Exchange through trading system for branch manager and dealer. This facility can be invoked through Supplementary menu -> Unlock user in NEAT and in NEATPLUS Dialog menu (CTRL+SHIFT+U).

Corporate Manager has to select user id, reason for unlocking and send the request to the Exchange. Corporate manager will get Unlock request approved or rejected message when the unlock request is approved or rejected by the Exchange. Corporate manager cannot place unlocking requests for user ids which are already logged in to the system or surrendered user ids.

In order to unlock or reset password of the Corporate Manager id, member is required to send the request through ENIT on the below path-

Member Portal > ENIT-New-Trade > Trade > Password Reset/Unlock Corp Mgr id > Request for Password Reset/Unlock

Henceforth, requests for password reset or unlocking through fax/e-mail shall not be accepted by the Exchange.

The module in ENIT will enable members to electronically submit and track password reset/ unlock request status for NEAT Corporate Manager Id

Members will be able to seek the following services through ENIT:

- Digitally submit password re-set/ unlock facility for NEAT Corporate Manager Id
- Tracking of request status
- Receive sms and/or email alert for the submission, completion / rejection of requests.

The procedure for submitting such requests is provided in the user manual available on member portal on the below path:

Member Portal > ENIT-New-Trade > Trade > Password Reset/Unlock Corp Mgr id > Request for Password Reset/Unlock

Request received by the Exchange before and up to market close of trading day:

Such requests shall be considered for processing on the same day, subject to fulfilment of necessary pre-conditions, if any.

Requests received by the Exchange after market close on a trading day:

Such requests will be processed by next working day before market hours subject to fulfilment of necessary pre-conditions, if any. Disablement of Users not logged in for more than 180 days

Click here for Index

User IDs which have not logged in for more than 180 days shall be automatically disabled by the Exchange. The existing RESET PASSWORD facility available to Corporate Manager in NEAT & NEAT Plus can be used to enable logins for such disabled Dealer and Branch Manager Ids.

However if the corporate manager is unable to reset password for Dealer and Branch Manager Ids through NEAT & NEAT Plus, then member is requested to send the request on the company's letter head through e-mail on msm@nse.co.in

For corporate manager user id, trading members shall follow the existing process of resetting password by requesting the same through ENIT.

Exchange has also provided the facility of "NSE ENIT Service" on mobile application.

Members can now send requests for the following services through the ENIT mobile application:

1. Corporate Manager Password Reset Request

2. Corporate Manager Password Unlock Request

Relevant Circular:

Download No.	Date
NSE/MSD/39128	October 11, 2018
NSE/MSD/42977	December 23, 2019

5.3 Contingency Pool trading facility for members.

The Exchange provides trading facility from its premises to members in the event of a contingency where trading member is not able to use own connectivity because of a technical or a power failure. In such cases, trading member can send the request in writing to the Exchange asking for permission to trade from the Exchange's premises. Upon receiving such request from the trading member, Exchange verifies the details and allows the representative of the trading member to come and use the trading terminal situated in the contingency pool in its premises. The facility is available on a first come first serve basis. The trading facility in the contingency pool is granted for a particular day only.

The format for Application for Contingency trading is attached herewith:

Click here for Index

PERMISSION FOR TRADING FROM EXCHANGE PREMISES

(On the letter head of trading member)

To, Date:

Member Service Dept.
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051
I/We, (TRADING MEMBER NAME) a Trading Member of NSEIL wishes to avail the facility for trading from exchange premises.

The details required are mentioned below:

Particulars	Details
Segment	
TM Code	
User id	
User type	Corporate Manager / Branch Manager / Dealer (strike out whichever not applicable)
If user is corporate manager, then provide request reference number of ENIT	Unlock Request ENIT request number: Password Re-set (if applicable) ENIT request number:
Date of accessing the contingency pool facility at NSE	
Reason for contingency	
Person visiting the Exchange is Authorized dealer and holds valid necessary certification	YES/ NO
Details of person visiting the Exchange premises	
Name	
Contact Number	
ID Proof Submitted	

Declaration: I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.

Further we accept the terms and conditions as mentioned below:

Click here for Index

1. I/We, hereby authorise NSEIL-
    - To reset the corporate manager password, if requested by trading member
    - To unlock the User ID and Box ID
    - To logout the Box for NOW user, if required
2. I/We hereby understand that NSEIL shall not be responsible for any delay/error during the activity.
3. The said process may take more time than anticipated for any reason whatsoever and I/We hereby unconditionally agree that NSEIL and the directors, managers, officers, employees and agents of NSEIL shall not be liable in any way to me/us and/or to my/ our customers or to any other third person, for any such delay.
4. I /We undertake to adhere to the rules and regulations/ circulars issued by NSEIL/ SEBI/ any other statutory authority from time to time and agree that I/we have complied with all statutory provisions applicable to me/us under law.

Yours faithfully,

For & On behalf of (Name of TM/Bank)

Authorized Signatory

Name:
Designation:
Date:

Authorized Signatory

Name:
Designation:
Date:

Click here for Index

5.4 NSEIL Dashboard

Members can use facility of "NSEIL Dashboard" on Member Portal under "Services" to track the status of various reports pertaining to Trade; downloaded on Extranet by Exchange under different segments. On clicking on "NSEIL dashboard" link, the status and the estimated time of the reports would be displayed. In case of any rescheduling, the revised "Expected Time" would be displayed.

5.5 Software Support in Commodity Derivatives Segment

All registered members of NSE commodity derivatives segment are eligible to avail this facility. Some key highlights of the Software Support offered by NSE are as follows:

1. Only software facilities will be included in the Software Support in Commodity Derivatives segment.
2. NSE has obtained service of a third-party vendor for the purpose of Software Support. The list of Software Service Providers under the Software Support facility is provided in Annexure.
3. Software performance of any vendor solution is not guaranteed by the Exchange and the Software Support does not solicit any particular vendor.
4. The member is free to choose any NSE registered software vendor or any other Independent Software Vendors as per its requirements.
5. The Exchange shall not be responsible, in any manner, whatsoever to the member. Any trading related or other risks arising out of usage of the services of software vendor are the sole responsibility of the trading member.
6. The availability of the Software Support to the members shall be at sole discretion of the Exchange and shall be final and binding on all members.
7. NSE reserves the right to modify/withdraw/cancel the Software Support or a part thereof at any time without any notice.
8. NSE may from time to time include or exclude software service providers under the Software Support based on such parameters as it may deem fit and appropriate.
9. At the time of availing and during the use of the Software Support facility, members shall ensure compliance with requirements of the laws/regulations/requirements prescribed by SEBI/the Exchange or any other relevant authority and maintain the integrity of the securities market.
10. Any difference/disputes arising out or in relation to the Software Support shall be governed by the Laws of India and shall be subject to the exclusive jurisdiction of the Civil Courts at Mumbai.

Members desirous of availing this facility are requested to contact their respective Relationship Managers at NSE.

*****END OF DOCUMENT*****