National Stock Exchange of India Limited

Circular

Department: COMMODITY DERIVATIVES	
Download Ref No: NSE/COM/58883	Date: October 11, 2023
Circular Ref. No: 55/2023	

All Members,

Introduction of Nickel Futures in Commodity Derivatives Segment

Exchange is pleased to inform members that with reference to approval received from SEBI, Nickel Futures in Commodity Derivatives Segment and shall be made available for trading in Commodity Derivatives segment with effect from October 16 ,2023.

The details of contract specifications are available in Annexure A and launch calendar details are available in Annexure B.

The risk management, clearing & settlement details shall be intimated separately by NCL.

The contract.gz file made available to trading members on the NSE Extranet (Path: //comtftp/comtcommon) from October 13, 2023, end of day and will reflect the new contracts. Members are advised to load the above file in the trading application before trading on October 16, 2023.

For and on behalf of
National Stock Exchange of India Limited

Aarti Surve
Chief Manager

Toll Free No	Email id
1800-266-0050 (Option 1)	msm@nse.co.in

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Annexure A

Contract Specifications: Nickel Futures

Symbol	NICKEL
Instrument	FUTBAS
Description	NICKELYYMMMFUT
Contract Listing	Contracts are available as per the Contract Launch Calendar.
Contract Start Day	1st day of contract launch month. If 1st day is a holiday, then the following working day.
Last Trading Day	Last calendar day of the contract expiry month. If last calendar day is a holiday, then preceding working day.
Trading	
Trading Period	Mondays through Fridays
Trading Session	Monday to Friday: 09.00 a.m. to 11.30 p.m. / 11.55 p.m* (*based on US daylight saving time period)
Trading Unit	1500 Kgs
Quotation/ Base value	1 Kg
Price Quote	Ex-Warehouse Thane district (excludes only GST)
Maximum Order Size	24 MT
Tick Size (Minimum Price Movement)	10 Paisa per kg
Daily Price Limits	The base price limit shall be 6%. In case the daily price limit of 6% is breached, then after a cooling off period of 15 minutes, the daily price limit will be relaxed up to 9%. In case price movement in international markets is more than the maximum daily price limit (currently 9%) or if international price is beyond maximum daily price limit range (after appropriate currency conversion) when compared with closing price on previous day on domestic exchange, the same may be further relaxed in steps of 3% beyond the maximum permitted limit, by giving appropriate notice to the market. Only in the event of exceptional circumstances, where there is extreme price movement, beyond the initial slab of the daily price limit, in the international markets, during trading hours or after the closure of trading on domestic exchanges, the daily price limit may be relaxed directly by the required level, by giving appropriate notice to the market.
Initial Margin	Will be specified by NSE Clearing Corporation by separate circular
Extreme Loss Margin	Will be specified by NSE Clearing Corporation by separate circular

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Additional and/or Special Margin	Will be specified by NSE Clearing Corporation by separate circular
Maximum Allowable Open Position	For individual clients: 1000 MT or 5% of the market wide open position, whichever is higher for all Nickel contracts combined together. For a member collectively for all clients: 10,000 MT or 20% of the market wide open position, whichever is higher for all Nickel contracts combined together.
Delivery	
Delivery Unit	1500 Kgs with tolerance limit of + / - 10%
Delivery Center	Ex-Warehouse at Thane district in Maharashtra
Quality Specifications & Shape	Primary Nickel Cathodes (Uncut / Full Plate) with minimum purity of 99.80%. Only LME approved brands will be accepted. For the purpose of quality assessment, reliance shall be placed by the WSP on the Certificate of Analysis (CoA) issued by the producer.
Additional Deliverable Grade	**1.** Primary Nickel Cathodes (Cut) with minimum purity of 99.80%. Only LME approved brands will be accepted. For the purpose of quality assessment, reliance shall be placed by the WSP on the Certificate of Analysis (CoA) issued by the producer. Any other Primary Nickel producer brand as approved by NSE
Delivery Period Margin	Will be specified by NSE Clearing Corporation by separate circular
Staggered Delivery Tender Period	The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts. The seller/buyer having open position shall have an option, of submitting an intention of giving/taking delivery, on any day during the staggered delivery period. On expiry of the contract, all the open positions shall be marked for compulsory delivery.
Delivery allocation	Delivery intentions of Seller(s) shall be randomly allocated to ensure that all buyers have an equal opportunity irrespective of the size or value of the position. However, preference may be given to buyers who have given an intention of taking delivery. Pay-in will be on T+1 working days i.e. excluding Saturday, Sunday & Public Holiday. The buyer to whom the delivery is allocated will not be allowed to refuse taking delivery. If the seller fails to deliver, the penal provisions as specified for seller default shall be applicable.
Delivery order rate	On Staggered Delivery Tender Days: The delivery order rate (the rate at which delivery will be allocated) shall

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	be the closing price (weighted average price of last half an hour) on the respective tender day except on the expiry date. On Expiry: On expiry date, the delivery order rate or final settlement price shall be the Due Date Rate (DDR) and not the closing price.
Due Date Rate (Final Settlement Price)	The Final Settlement Price (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)/predetermined number of days due to sudden closure of physical market under any emergency situations noticed, Clearing Corporation shall decide further course of action for On the day of expiry, the trading shall be allowed up to 5pm.
Delivery Logic	Compulsory Delivery

A) The Margin Period of Risk (MPOR) shall be in accordance with SEBI Circular no. SEBI/HO/CDMRD/DRMP/CIR/P/2020/15 dated February 27, 2020.

B) For all the applicable margins, refer to the latest circulars issued by NCL from time to time.

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Annexure B

Contract Launch Calendar

Contract Launch Months	Contract Expiry Months
October 16, 2023	November 2023
	December 2023
	January 2024
	February 2024
November 2023	March 2024
December 2023	April 2024
January 2024	May 2024
February 2024	June 2024
March 2024	July 2024
April 2024	August 2024
May 2024	September 2024
June 2024	October 2024

* The launch calendar may undergo some changes based on the announcement and revision in the holiday list.

* The specific dates of launch and expiry will be announced before the launch of contracts based on the announcement of the holiday list.

Kindly refer latest circular issued by Exchange / Clearing Corporation for updated Margins, Position Limits and Expiry Dates etc.