
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all trading and clearing members of the Exchange

Circular No. : NCDEX/CLEARING-001/2017/028

Date : January 31, 2017

Subject : Settlement Calendar and timelines for submission of delivery intentions for all Contracts expiring in February 2017 and some of the agricultural Commodities due to expire in March 2017

All the trading & Clearing members are advised that in terms of Byelaws Part A 3.2(f) and Regulation 3.38, the Settlement Calendar and timelines for submission of delivery intentions for all Contracts expiring in February 2017 and some of the agricultural commodities due to expire in March 2017, are given in the following tables. The Trading and Clearing Members are requested to note the Settlement Type for every commodity using the Key given in Para 1 below where the commodities are classified on the basis of delivery logic and settlement type.

1. Key

Delivery Logic	Settlement Type			Symbol	Expiry Date	Tender / Delivery Intention Marking	
	Physical Settlement	Premium /Discount Settlement and Close Out	Sales Tax Settlement			Start Date	End date
Compulsory Delivery	G	A	B	COTTON	20-Feb-17	16-Feb-17	20-Feb-17
Compulsory with Staggered Delivery	D	A	B	CASTOR	20-Feb-17	13-Feb-17	20-Feb-17
				COCUDAKL	20-Feb-17	13-Feb-17	20-Feb-17
				GUARGUM5	20-Feb-17	13-Feb-17	20-Feb-17
				GUARSEED10	20-Feb-17	13-Feb-17	20-Feb-17
				MAIZEKHRF	20-Feb-17	13-Feb-17	20-Feb-17
				STEELLONG	20-Feb-17	13-Feb-17	20-Feb-17
	P	A	B	WHEAT	20-Feb-17	13-Feb-17	20-Feb-17
Seller's Option with Staggered Delivery	D	A	B	SYBEANIDR	20-Feb-17	13-Feb-17	20-Feb-17

Seller's Option Contracts	K	A	B	KAPASSRNR	28-Feb-17	17-Feb-17	21-Feb-17
Intention Matching Contracts	G	A	B	SYOREF	20-Feb-17	09-Feb-17	13-Feb-17
				COPPER	28-Feb-17	21-Feb-17	23-Feb-17
				CPO	28-Feb-17	17-Feb-17	21-Feb-17
				SHANKRKPAS	28-Feb-17	17-Feb-17	21-Feb-17
				GUAR2MT	14-Mar-17	02-Mar-17	06-Mar-17

2. Settlement Calendar

A. All Commodities

	Physical Settlement			Premium Discount & Close Out Settlement			Sales Tax Settlement		
Tender / Expiry Date	STL Type	STL No.	Delivery and Funds Pay-in and Pay-out	STL Type	STL No.	Funds Pay-in and Pay-out	STL Type	STL No.	Funds Pay-in and Pay-out
13-Feb-17	D	2017009	15-Feb-17	A	2017015	15-Feb-17	B	2017015	20-Feb-17
14-Feb-17	D	2017010	16-Feb-17	A	2017017	16-Feb-17	B	2017017	21-Feb-17
15-Feb-17	D	2017011	17-Feb-17	A	2017018	17-Feb-17	B	2017018	22-Feb-17
16-Feb-17	D	2017012	20-Feb-17	A	2017019	20-Feb-17	B	2017019	23-Feb-17
17-Feb-17	D	2017013	21-Feb-17	A	2017020	21-Feb-17	B	2017016	27-Feb-17
20-Feb-17	D	2017014	22-Feb-17	A	2017021	22-Feb-17	B	2017020	28-Feb-17
20-Feb-17	G	2017006	22-Feb-17	A	2017021	22-Feb-17	B	2017020	28-Feb-17
28-Feb-17	G	2017007	02-Mar-17	A	2017025	02-Mar-17	B	2017025	07-Mar-17
01-Mar-17	G	2017008	03-Mar-17	A	2017026	03-Mar-17	B	2017026	08-Mar-17
14-Mar-17	G	2017009	16-Mar-17	A	2017028	16-Mar-17	B	2017028	21-Mar-17
28-Feb-17	K	2017001	02-Mar-17	A	2017025	02-Mar-17	B	2017025	07-Mar-17

B. Commodities under Direct Delivery mechanism

	Physical Settlement				Premium Discount & Close Out Settlement			Sales Tax Settlement		
Tender / Expiry Date	STL Type	STL No.	Funds Pay-in	Funds Pay-out	STL Type	STL No.	Funds Pay-in and Pay-out	STL Type	STL No.	Funds Pay-in and Pay-out
13-Feb-17	P	2017009	15-Feb-17	23-Feb-17	A	2017016	23-Feb-17	B	2017016	27-Feb-17
14-Feb-17	P	2017010	16-Feb-17	27-Feb-17	A	2017022	27-Feb-17	B	2017020	28-Feb-17
15-Feb-17	P	2017011	17-Feb-17	28-Feb-17	A	2017023	28-Feb-17	B	2017021	01-Mar-17
16-Feb-17	P	2017012	20-Feb-17	01-Mar-17	A	2017024	01-Mar-17	B	2017022	02-Mar-17
17-Feb-17	P	2017013	21-Feb-17	02-Mar-17	A	2017025	02-Mar-17	B	2017023	03-Mar-17
20-Feb-17	P	2017014	22-Feb-17	03-Mar-17	A	2017026	03-Mar-17	B	2017024	06-Mar-17
Note: - For Steel Long contract Delivery Pay in & Pay out would happen between T+3 to T+7.										

3. Schedule for exchange of Physical Delivery information (invoices and other related document) :

Tender / Expiry Date	STL Type	STL No.	Invoice updation by Seller Start Date (T+3)	Invoice Updation by Seller End Date (T+5)	Buyer Confirmation Start Date (T+6)	Buyer Confirmation End Date (T+9)
13-Feb-17	D	2017009	16-Feb-17	20-Feb-17	21-Feb-17	27-Feb-17
14-Feb-17	D	2017010	17-Feb-17	21-Feb-17	22-Feb-17	28-Feb-17
15-Feb-17	D	2017011	20-Feb-17	22-Feb-17	23-Feb-17	01-Mar-17
16-Feb-17	D	2017012	21-Feb-17	23-Feb-17	27-Feb-17	02-Mar-17
17-Feb-17	D	2017013	22-Feb-17	27-Feb-17	28-Feb-17	03-Mar-17
20-Feb-17	D	2017014	23-Feb-17	28-Feb-17	01-Mar-17	06-Mar-17
20-Feb-17	G	2017006	23-Feb-17	28-Feb-17	01-Mar-17	06-Mar-17
28-Feb-17	G	2017007	03-Mar-17	07-Mar-17	08-Mar-17	14-Mar-17
01-Mar-17	G	2017008	06-Mar-17	08-Mar-17	09-Mar-17	15-Mar-17
14-Mar-17	G	2017009	17-Mar-17	21-Mar-17	22-Mar-17	27-Mar-17
28-Feb-17	K	2017001	03-Mar-17	07-Mar-17	08-Mar-17	14-Mar-17

Notes:

1. In case of contracts under Compulsory delivery with staggered delivery mechanism, the contracts will be settled by Compulsory delivery on the expiry of contract. Please refer circular no. NCDEX/TRADING-98/2016/236 dated September 27, 2016 for further details.
2. In case of **Soybean contract** which is under Seller's Option with Staggered Delivery mechanism, on the expiry of contract, all outstanding positions not resulting in giving/taking of physical delivery of the commodity shall be closed out at the Final Settlement Price announced by the Exchange.
3. In case of **Steel Long contract**, an additional delivery mechanism in the form of Direct Delivery mode will be available. The buyer and seller desirous of taking/giving delivery under Direct Delivery mode are required to submit their delivery requests through the Web NCFE system during the Tender period. Accordingly, such intentions will be matched by Exchange for physical delivery under Direct Delivery mode as per the process put in place by the Exchange. Please refer circular no. NCDEX/TRADING-115/2013/345 dated November 19, 2013 and NCDEX/CLEARING-020/2016/247 dated September 28, 2016 for further details.
4. For contracts under staggered delivery, the Settlement no. corresponding to Tender date (when delivery intention is marked) mentioned at Para 2(A) is to be used.
5. For contracts under Direct Delivery Mechanism, the Settlement no. corresponding to Tender date (when delivery intention is marked) mentioned at Table given at Para 2(B) is to be used.
6. The Exchange in order to simplify and strengthen the processes of tax settlement and exchange of Physical Delivery information has prescribed the process as detailed in Circular no. NCDEX/CLEARING-016/2013/204 dated June 18, 2013, NCDEX/CLEARING-023/2013/269 dated August 30, 2013 & NCDEX/CLEARING-008/2014/082 dated March 28, 2014. A late fee is applicable in case the timelines notified are not adhered to, by the delivering clearing Member/it's Constituent. The schedule for updating the invoice and other details mentioned at Table given at Para 3 is to be used.
7. For some internationally referenceable commodities, the Final Settlement Price (FSP) is declared at a later date than the expiry date. For such contracts, the reference date for determining Settlement no. in table 2 given at Para 2(A) is to be taken as the FSP declaration date. The list along with details for such contracts is as below:

Tender / Expiry Date	Symbol	FSP declaration date
28-Feb-17	COPPER	01-Mar-17

8. The intentions in all commodities can be given up to **one & half hour** after the close of trading in respective contracts (not beyond trading hours i.e. 11.30 / 11.55 p.m.) on the last day of marking delivery intention (up to trading hours on other days during the period for marking delivery intention). E.g. if trading in any contract closes at 5.00 p.m. on the last day of marking delivery intention, the delivery intentions can be marked up to 6.30 p.m.
9. Delivery to the extent of open position at the expiry of the contract shall be mandatory after claiming early pay-in facility on the position. In case where a member fails to give delivery after claiming early pay-in, a penalty of 5% of settlement price of respective settlement number for which early pay-in was marked shall be levied. Please refer circular no. NCDEX/CLEARING-022/2016/268 dated October 05, 2016.
10. The members are required to submit delivery intention and give their location preference through NCFE. In case of Compulsory delivery contracts, if the sellers fail to give the location preference, then the allocation to the extent of their open position on the day of expiry will be allocated to the base location.
11. A seller who has got requisite stocks in the Exchange approved warehouses and / or has marked an intention during staggered delivery period is not allowed to default and any such delivery default by seller would be viewed seriously and the Exchange shall take suitable penal / disciplinary action against such members over and above the prescribed penalty for delivery defaults. Please refer circular No. NCDEX/CLEARING-020/2016/247 dated September 28, 2016.
12. Members giving delivery requests for the Seller's Option and Intention Matching contracts are not permitted to square off their open positions subsequently after completion of intention marking period. A penalty on the position squared-off, shall be levied as per circular no. NCDEX/CLEARING-020/2016/247 dated September 28, 2016.
13. Members are not allowed to create fresh positions in Seller's Option and Intention Matching contracts during the last five days of the expiry of the contract except in **Refined Soya Oil, RBD Palmolein, Crude Palm Oil, Soybean** and some international referenceable commodities already notified vide circular no. NCDEX/RISK-007/2014/127 dated April 22, 2014, NCDEX/RISK-039/2013/370 dated December 05, 2013, NCDEX/TRADING-

060/2012/217 dated June 14, 2012 and NCDEX/RISK-007/2010/064 dated March 05, 2010 respectively, failing which penalty would be levied as prescribed by the Exchange, besides any further action as deemed fit by the Exchange.

14. The applicable service tax on penalty for failure to meet delivery obligations shall be collected along with the penalty amount.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Hemant Singhvi
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For further information / clarifications, please contact

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