

NSE Clearing Limited

(Formerly known as National Securities Clearing Corporation Limited)

Department : Commodity Derivatives Segment

Download Ref No: NCL/COM/40325

Date : February 27, 2019

Circular Ref. No: 053/2019

All Members

Sub: Delivery and Settlement Procedure of Futures contracts on Brent Crude Oil in Commodity Derivatives Segment

This is with reference to circular no. NSE/COM/40187 dated February 08, 2019 for Introduction of Futures contracts on Brent Crude Oil in Commodity Derivatives Segment.

Members are requested to note that NSE Clearing Limited will offer delivery and settlement services for trades executed on Futures contracts on Brent Crude Oil in Commodity Derivatives Segment of National Stock Exchange of India Limited (NSEIL).

In this reference, NSE Clearing notifies details of delivery and settlement which are as follows:

Sr. No	Commodity Name	Annexure No.
1.	Brent Crude Oil (100 Barrel)	A
2.	Brent Crude Oil Mini (10 Barrel)	B

For any queries related to Risk Management, Clearing and Settlement, members are requested to contact NSE Clearing Limited.

Department	Contact no.	Fax no	Email id
Collaterals	18002660057	022-26598244/43	collaterals_ops@nsccl.co.in
Clearing		022-26598282	fao_clearing@nsccl.co.in
Risk		022-26598242	risk_ops@nsccl.co.in
Settlement		022-26598269	nsccl_funds@nsccl.co.in

**For and on behalf of
NSE Clearing Limited
(Formerly known as National Securities Clearing Corporation Limited)**

**Nisha Pillai
Chief Manager**

Annexure A

Delivery and Settlement Procedure: Energy Futures - Brent Crude Oil (100 Barrel)

Settlement Mechanism	The contract would be settled in cash
Last Day of Trading	Last Business Day of the contract expiry month. If last business day is a holiday in international market/ NSEIL, then preceding working day
Initial Margin	Min. 4 % or based on SPAN whichever is higher
Extreme Loss Margin	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.
MTM Pay-in & Pay-out	T+1 working day by 09.00 a.m. ("T" stands for Trade day)
Funds Pay-in	E+1 working day by 11.00 a.m. ("E" stands for Expiry day)
Funds Pay-out	E+1 working day by 02.00 p.m.
Penal Provision	Penalties as applicable for Fund shortages shall be levied.
Close Out of Outstanding Positions	All outstanding positions on the expiry of contract, will be settled as per the Final Settlement Price (FSP).

Annexure B

Delivery and Settlement Procedure: Energy Futures - Brent Crude Oil Mini (10 Barrel)

Settlement Mechanism	The contract would be settled in cash
Last Day of Trading	Last Business Day of the contract expiry month. If last business day is a holiday in international market/ NSEIL, then preceding working day
Initial Margin	Min. 4 % or based on SPAN whichever is higher
Extreme Loss Margin	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.
MTM Pay-in & Pay-out	T+1 working day by 09.00 a.m. ("T" stands for Trade day)
Funds Pay-in	E+1 working day by 11.00 a.m. ("E" stands for Expiry day)
Funds Pay-out	E+1 working day by 02.00 p.m.
Penal Provision	Penalties as applicable for Fund shortages shall be levied.
Close Out of Outstanding Positions	All outstanding positions on the expiry of contract, will be settled as per the Final Settlement Price (FSP).