
NATIONAL COMMODITY CLEARING LIMITED

Circular to all Members of the Clearing Corporation

Circular No. : NCCL/CLEARING-015/2019

Date : March 07, 2019

Subject : Adjustment of Delivery Margin (cash) with Delivery Pay-in obligation

In terms of the Risk Management framework, the delivery margin is levied on the long and short positions marked for delivery till the pay-in is completed by the member.

In our endeavor to streamline processes and make it more effective for members, NCCL is pleased to extend a facility wherein members can submit request to adjust the cash deposited in Additional Base Capital (ABC) towards Delivery Pay-in obligation. The benefit for adjustment will be extended to the extent of delivery margin charged on Long positions marked for delivery.

The details of the process is as under:

1. The Delivery pay-in obligation of the members on account of positions marked for delivery shall continue to be computed and details shall be made available to members as per the current process.
2. Currently, for collaterals provided towards Additional Base Capital (Margin Deposit) a web based facility of NCFE is provided for submission of release requests of valid collaterals including release request of cash provided towards Additional Base Capital.
3. At the time of placing cash release request, member shall have a provision to request for adjusting the cash released amount towards the delivery pay-in obligation.
4. All such release requests for adjustment against delivery payin received from members on Tender/Expiry + 1 date and upto 8.00 a.m. of the settlement day (Tender/Expiry + 2) shall only be considered for adjustment.
5. Based on such cash release request, clearing corporation shall at the beginning of the settlement day
 - a. adjust the cash (to the extent of delivery margin levied on the long position) towards delivery pay-in obligation after dropping delivery margin;
 - b. excess cash release request if any, will be released as per current process;

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6. NCCL may consider such request provided such Member has no outstanding obligations / dues towards the Exchange or the Clearing Corporation, and that there is no other liability under the Rules, Byelaws and Regulations and that if the Clearing Corporation is of the opinion that such release does not entail any risk.

The circular shall be effective from March 11, 2019.

For and on behalf of
National Commodity Clearing Limited

Hemant Singhvi
Chief Operating Officer

For further information / clarifications, please contact

1. Customer Service Group on toll free number: 1800 266 6007
2. Customer Service Group by e-mail to : contactus@nccl.co.in