
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all trading and clearing members of the Exchange

Circular No : NCDEX/CLEARING-010/2018/108

Date : April 30, 2018

Subject : Transition towards Exchange specific eNWR for settlement of delivery obligations

Reference is drawn to Exchange circular no. NCDEX/OPERATIONS-009/2016/251 dated September 28, 2016 on "Revised Warehousing Norms in the Commodity Derivatives Market for Agricultural and Agri-processed Commodities Traded on the National Commodity Derivatives Exchanges". In terms of the said circular and the Regulatory guidelines, warehouses approved by the Exchange are required to be registered with the Warehousing Authority viz. Warehousing Development and Regulatory Authority (WDRA).

Rule 27 of the Warehousing Development (Development and Regulation) Registration of Warehouse Rules, 2017 makes it obligatory for all the warehouses registered with one or more repositories registered with WDRA for issuing negotiable warehouse receipts in electronic form. Warehousing Development and Regulatory Authority (Electronic Negotiable Warehouse Receipts) Regulations, 2017 has also been notified and WDRA has thereafter issued a circular to all its registered warehouses that the authority shall be notifying a date for mandatory adoption of electronic Negotiable Warehouse Receipts (eNWRs) by its registered warehouses. For this purpose the authority has given registration to two repositories and details of the same are available on WDRA portal.

Members and constituents are requested to note that as the Exchange approved warehouses are registered with WDRA, the Exchange in co-ordination with WDRA is transitioning to an Exchange specific eNWR system for settlement of delivery obligations arising out of a trade/ deal in commodity derivatives contracts on its platform.. The detailed process for Phase I of the transition is as under:

1. All current balances in COMTRACK till May 31, 2018 shall continue to be available for settlement till their respective EDD.
2. With respect to the fresh deposits from June 01, 2018 apart from the credit in the COMTRACK account, it will also be generated / tagged as Exchange specific eNWR by NERL (a repository registered under WDRA) in Repository system.
3. The eNWRs generated will be in a blocked state and no transactions shall be permitted thereon, however clients shall be free to transact on the COMTRACK lots as per existing process in COMTRACK.
4. Testing for AGMARK standards will be required for generating eNWRs (under the WDRA Act) and therefore also for generating Exchange specific eNWRs.

5. In addition to the COMTRACK account, clients will have to open a Repository Account with Repository Participants (RPs) of NERL and inform RPs its COMTRACK CMSE and Repository a/c for mapping the account which will be carried out based on PAN in both the accounts.
6. Space booking or any other transaction will be permitted only after successful mapping of COMTRACK client account with Repository a/c.

Members and Market Participants are requested to contact nodal officer of NERL as per details given under for any further assistance in ensuring smooth transition.

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For further details please refer to <https://nerlindia.com>

For and on behalf of
National Commodity & Derivatives Exchange Limited

Hemant Singhvi
Executive Vice President

For further information / clarifications, please contact

1. Customer Service Group on the following nos. (011) 66114799 / 66114826 / Toll Free No. 1800 26 62339
2. Customer Service Group by e-mail to : askus@ncdex.com