
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all members of the Exchange

Circular No : NCDEX/COMPLIANCE-018/2024

Date : March 18, 2024

Subject : Annual Calendar and operational guidelines on Settlement of Running account of clients' funds lying with the Trading members

This is with reference to SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2023/197 dated December 28, 2023 and Exchange Circular NCDEX/COMPLIANCE-155/2023 dated December 29, 2023, on "Settlement of Running account of clients' funds lying with the Trading Members (TM)".

In accordance with para 3.2 and 6.3 of aforesaid SEBI Circular, Exchanges have jointly prescribed the annual calendar for the settlement of running account (quarterly and monthly) for the financial year 2024-25 enclosed herewith as **Annexure A**.

Further, in accordance with para 6.4 of aforesaid SEBI Circular, Exchanges have jointly framed operational guidelines enclosed herewith as **Annexure B**.

Members are requested to take note of the contents of the circular and comply.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Kunal Sanghani
Assistant Vice President – Inspection

For further information/clarifications, please contact

1. Customer Service Group on toll free number: 1800 26 62339
2. Customer Service Group by e-mail to : askus@ncdex.com

Annual calendar for the settlement of running account (Quarterly and Monthly)
Dates for Quarterly Settlement (FY 2024-25):

Quarter	Period	Date's	Day
Q1	April-June	5 th &/or 6 th April 2024	Friday &/or Saturday
Q2	July-September	5 th &/or 6 th July 2024	Friday &/or Saturday
Q3	October-December	4 th &/or 5 th October 2024	Friday &/or Saturday
Q4	January-March	3 rd &/or 4 th January 2025	Friday &/or Saturday

Dates for Monthly Settlement (FY 2024-25):

Quarter	Month	Date's	Day
Q1	April	5 th &/or 6 th April 2024	Friday &/or Saturday
Q1	May	3 rd &/or 4 th May 2024	Friday &/or Saturday
Q1	June	7 th &/or 8 th June 2024	Friday &/or Saturday
Q2	July	5 th &/or 6 th July 2024	Friday &/or Saturday
Q2	August	2 nd &/or 3 rd August 2024	Friday &/or Saturday
Q2	September	6 th &/or 7 th September 2024	Friday &/or Saturday
Q3	October	4 th &/or 5 th October 2024	Friday &/or Saturday
Q3	November	8 th &/or 9 th November 2024	Friday &/or Saturday
Q3	December	6 th &/or 7 th December 2024	Friday &/or Saturday
Q4	January	3 rd &/or 4 th January 2025	Friday &/or Saturday
Q4	February	7 th &/or 8 th February 2025	Friday &/or Saturday
Q4	March	7 th &/or 8 th March 2025	Friday &/or Saturday

Operational Guidelines with respect to Settlement of Running Account of Client's Funds lying with Trading Member

Guidelines as stipulated with respect to running account settlement in SEBI Circulars SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/71 dated May 17, 2023, SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2023/197 dated December 28, 2023, Exchange FAQ issued on 'Periodic Settlement of Funds' dated September 26, 2022 and Exchange Circular NCDEX/COMPLIANCE-001/2024 dated January 01, 2024 shall continue to be followed by members, with following amendments.

1. Members are required to carry out settlement on the dates as stipulated by the Stock Exchanges in Annual Calendar issued by them for the settlement of running account of client's funds (Quarterly/Monthly).
2. Following points with respect to computation stipulated in point number 5 of Exchange FAQ issued on 'Periodic Settlement of Funds' dated September 26, 2022, are clarified for the purpose of settlement of the clients carried out on **Saturday (non-trading day)**:
 - The outstanding pay in and margin obligation data of the last trading day shall be considered in the computation specified in the point number 5 of FAQ e.g. the EOD outstanding pay in and margin obligation of last trading day i.e. Friday shall be considered for the purpose of settlement to be carried out on Saturday assuming Friday is not a trading holiday.
 - Margin pledged securities as on settlement date i.e. Saturday shall be considered.
 - Client Funds Balance as on settlement date i.e. Saturday shall be considered.
 - While computing the value of margin pledged securities, the closing rate for T-1 trading day should be considered after appropriate hair-cut viz. VaR margin rate applicable for the security in the Capital Market segment. e.g. Closing rate of T-1 trading day i.e. Thursday shall be considered for settlement to be carried out on Saturday assuming Friday and Thursday are not a trading holiday.
3. Members are requested to note that clarifications provided in point number 2 mentioned above are only applicable to settlement carried out on Saturday i.e. non-trading day. There is no change for the settlement carried out on Friday i.e. trading day.
4. Members shall ensure that funds if any, received by Members from clients, whose running account has been settled, shall remain in the "Up Streaming Client Nodal Bank Account" and such funds shall not be used for settlement of running account of other clients.
5. In accordance with SEBI guidelines on upstreaming of client's funds, with respect to Question number 11 of FAQ issued on 'Periodic Settlement of Funds' dated September 26, 2022, on circumstances wherein the settlement need not be done by a member, sub point 11(b) of the same stands modified as under:

"Margin received in the form of Bank Guarantees in accordance with SEBI guidelines on upstreaming of clients funds which are created by clients."