

National Stock Exchange of India Limited

Circular

Department: COMMODITY DERIVATIVES	
Download Ref No: NSE/COM/52422	Date: May 26, 2022
Circular Ref. No: 17/2022	

All Members,

Change in contract specifications of Gold (1 KG) Futures contracts

This is in adherence to the SEBI circular no. SEBI/HO/CDMRD/DOP/CIR/P/2019/135 dated November 14, 2019, regarding modifications in the contract specifications of commodity derivatives contracts and the SEBI circular no. SEBI/HO/CDMRD_DOP/P/CIR/2021/592 dated July 08, 2021, regarding review of Advance Intimation timelines for modifications in the contract specifications of commodity derivatives contracts.

Members are requested to note that based on the feedback received from the market participants, the existing Gold (1 Kg) Futures contract is being modified such that the customs duty shall not be part of the trade price of the contract.

Accordingly, you are requested to take note of the changes in contract specifications of the Gold (1 Kg) Futures contracts, as per the details given below:

Contract Specification parameter	Existing guideline	Revised / modified guideline
Price Quote	Ex-Ahmedabad (inclusive of all taxes and levies relating to import duty, customs but excluding all taxes and levies relating to GST, any other additional tax or surcharge on GST)	Ex-Ahmedabad (excluding all taxes and levies relating to import duty, customs, GST, any other additional tax or surcharge on GST)
Taxes, Duties, Cess and Levies	Ex-Ahmedabad, Inclusive of all taxes / levies relating to import duty, customs to be borne by the Seller; but excluding GST, any other additional tax, cess, or surcharge etc. as may become due & payable under any law, rules or regulations, applicable from time to time, to be borne by the buyer	Ex-Ahmedabad, excluding GST, all taxes / levies relating to import duty, customs, any other additional tax, cess, or surcharge etc. as may become due & payable under any law, rules or regulations, applicable from time to time, to be borne by the buyer

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<p>Due Date Rate (Final Settlement Price)</p>	<p>For contracts where Final Settlement Price (FSP) is determined by polling, unless specifically approved otherwise, the FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz., E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E-1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP.</p> <p>In case of non-availability of polled spot price on expiry day (E0) due to sudden closure of physical market under any emergency situations noticed at the basis Centre, Exchange shall decide further course of action for determining FSP in consultation with SEBI.</p>	<p>For contracts where Final Settlement Price (FSP) is determined by polling, unless specifically approved otherwise, the FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz., E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E-1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP.</p> <p>In case of non-availability of polled spot price on expiry day (E0) due to sudden closure of physical market under any emergency situations noticed at the basis Centre, Exchange shall decide further course of action for determining FSP in consultation with SEBI.</p> <p>Note: The spot price considered for the purpose of FSP computation shall be the spot price without custom Duty as disseminated by the exchange for Gold (1 Kg) contracts.</p>
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This Circular shall be applicable with effect from June 06, 2022.

In case of any queries, kindly contact us on nsecommodities@nse.co.in

For and on behalf of
National Stock Exchange of India Limited

Designated Officer
Commodity Derivatives Department