



National Spot Exchange Limited

Circular

Ref. No.: NSEL/DP/2010/205

December 31, 2010

Dear Members,

Introduction of Auto Delivery Out Instruction (DO) facilities in Compulsory Dematerialized Segment of NSEL

In terms of the provisions of the rules, Bye-laws and Business Rules of the Exchange, the Members of the Exchange are informed as under:

As a part of our consistent endeavors to make settlement process in **Compulsory Dematerialized Segment** customer savvy, smooth and automated, we are pleased to inform you that **Auto Delivery Out (DO)** facilities shall be made available to the Clearing members of NSEL for the trades of **03 Jan 2011** having settlement id number **2011001**.

At present the members are required to give physical delivery instruction slips (Manual DO) to their DPs to transfer the demat units from their Pool accounts to their delivery account in order to complete the settlement obligations. With the introduction of the Auto DO facilities, the members can authorize NSEL to debit their Settlement Pool accounts to the extent of the Net Delivery Obligations for the current settlement. Thereby the clearing members are not required to give any physical (Delivery Out) delivery instruction slips to their DPs to transfer the demat units from their Pool accounts to the Exchange.

However the members are required to maintain desired quantity of E-Series units in their Pool Account (current settlement) before the dead line to ensure successful execution of Auto DO by NSEL.

In order to avail this facility, the members have to register themselves with NSEL through Application Request in the prescribed format as per annexure -A.

For any clarification, Mr. Sahendra Singh or Mr. Ramchandra Shintre can be contacted at 022 -6761 9900 extn. 9916 /9819 or email at nsel-dp@nationalspotexchange.com.

For and on behalf of
National Spot Exchange Ltd.

Santosh Mansingh
Asst. Vice President.

Encl.: As above.



(in the letter head of the member)

Date:

To,
Clearing & Settlement Dept (DP)
National Spot Exchange limited.
102-A-Land Mark, Suren Road,
Chakala, Andheri (E) 4000093

Sub: Availing the facilities of Auto Delivery out for CM: ID Pool a/c..... DP id.....

Dear Sir,

With reference to the above we note that:

- 1: NSEL- Clearing and settlement is providing the facilities for Automatic Delivery out instruction in compulsory demat segment.
- 2: We wish to avail of this facility for the following settlement types. (Please mark yes/ No 'against the settlement type for which this facility is opted.

Settlement type	Market Type	Yes / No
Normal	T+2	
Auction	Au- T+2	

- 3: We understand that in case of multiple ICINs in case of single commodity, Auto pay in obligations will be generated for the primary ICIN and Manual DO shall be given for other ICINs separately.
- 4: In case of shifting of our Pool account in NSDL , We undertake to monitor the delivery instructions including Auto DO instructions generated by NSEL .We also understand that Auto Do is for a single DP account only even if two Pool accounts are operating at the same time.
- 5: NSEL is not responsible for any shortage or excess demat units being transferred from our pool accounts on account of Auto DO.
- 7: In case we fail to comply with the specified requirements of the depositories resulting in to short deliveries and consequential auction/close out, NSEL shall no way responsible.
- 8: We further hereby undertake to abide by such other or further guidelines/instructions as may be communicated /devised by NSEL from time to time.

Yours faithfully,

Authorized Signatory
(Signature of the member).