

## **NMCE successfully transitions to NERL Repository eNWR System for its Delivery based Settlement**

**Complete details on this transition can be found in the  
NMCE Circular No. NMCE/2018-19/0023 dated 27/06/2018  
on the official NMCE website ([www.nmce.com](http://www.nmce.com))**

**and**

**NERL Circular No. NERL/OPERATIONS-003/2018/06 dated June 29, 2018  
on the official NERL website ([www.nerlindia.com](http://www.nerlindia.com))**

**July 16, 2018, MUMBAI: National Multi-Commodity Exchange of India Limited (NMCE)**, India's first National Level Multi Commodity Exchange, has successfully transitioned its 100% delivery settlement for the July 2018 contracts through the eNWR System offered by NERL Repository. As on 14<sup>th</sup> July, 517 eNWRs have been issued out of which a total of 397 eNWRs have been settled in Kerala for the Rubber contract by NMCE during July 2018 contracts through NERL Repository.

The efforts in this direction were initiated in March 2018 this year, in co-ordination with Warehousing Development and Regulatory Authority (WDRA) and National E-Repository Limited (NERL) when NMCE decided to use Electronic Negotiable Warehouse Receipt (eNWR) system offered by Repository platform for settlement of delivery obligations, arising out of trades in commodity derivatives contracts on its platform for the contracts expiring in July 2018 which have been successfully completed in time. Going forward, all Clients and Depositors of NMCE desirous of delivering and receiving the commodities on NMCE will have to mandatorily open a Client Repository Account with NERL. NMCE has made full transition of its Delivery Settlement System to the NERL Repository platform and successfully completed its 100% delivery settlement through the Electronic WR.

*"We are certain that this transition will bring convenience and discipline for all value chain participants in the commodity markets. It will ensure an increase in efficiency along side minimizing risk particularly for the clients located far from the delivery centres because there would be no need of physical movements of the Warehouse Receipts. This is an effort to nurture the growing needs of the Indian Commodity Markets"* said **Mr. Anil Mishra, MD & CEO, NMCE** in the event of this transition. Further elaborating on this crucial development, **Mr. Kedar Deshpande, MD & CEO, NERL** said, *"This mandate is only going to make commodity exchange ecosystem more robust. The contract settlement through electronic Negotiable Warehouse Receipts (eNWR) is hassle free and convenient to market participants. Warehousing regulatory environment will help to bring more participation in commodity exchanges as compared to transacting in physical warehouse receipts"*.

The transition to the NERL Repository system was appreciated by **Mr. Neeraj Gupta, Chief Technology Officer, NMCE**. *“The smooth and flawless integration with the NERL system was a delightful experience attained efficiently within stipulated period of time. We are extremely happy with how the execution was carried out and believe this system would bring the Commodities Delivery System at par with the Demat system used in the Equity market. It would also enable the end to end traceability of the Warehouse Receipts and make the monitoring and management of the physical stocks much easier for the Exchange and the clients respectively.”, he said.*

**Mr. Siddhartha Sinha, Head – Technology at NERL**, further contributed, *“NMCE physical settlement of commodities in eNWR is revolutionary in itself. Technology is an important building block of any ecosystem and NERL and NMCE have jointly been able to achieve their system integration where exchange settlement of commodities is done using straight-through processing (STP) with NERL E-Repository System. This is a leap ahead in building the eNWR market in India.”* He has also added, *“NERL’s focus is to provide high end technology solution in the market which can reach the common people in a simplistic way.”*

WDRA has also 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.

Members and Market Participants can now contact the nodal officer at NERL for any further assistance in ensuring a smooth transition. The contact details are available on the official NERL website: [www.nerlindia.com](http://www.nerlindia.com)

**For further queries, please contact:**

**Anisha Nair**

M: 9717013399

Marketing Communications

NERL

---

**About NMCE**

National Multi Commodity Exchange is the first National Level Multi Commodity Exchange that pioneered the commodity trade in India with a Pan India presence. Promoted by leading commodity – relevant institutions NMCE has positioned itself as an exchange for the purpose of Price Discovery, Price Risk Management, transparent transactions and seamless hedging. These commodity relevant institutions include Central Warehousing Corporation Ltd, Punjab National Bank, NAFED – the apex body of more than 600 marketing cooperatives, Gujarat Agro Industries Corporation Ltd - a nodal agency of Gujarat state for promotion and setting up of modern agricultural markets, Reliance Money-strategic Investor, Neptune overseas Ltd and Bajaj Holdings and Investment Limited belongs to renowned Bajaj Auto Group.

**About NERL**

National Commodity & Derivatives Exchange Limited (NCDEX), the largest Agri Commodity Derivatives Exchange, has incorporated an institution and a market intermediary, National E-Repository Limited (NERL) that provides a platform for issuing

Negotiable Warehouse Receipts for commodities in electronic form. NERL, the Commodity Repository in India, incorporated in February 2017 and has received permanent Certificate of Registration on September 26, 2017 from WDRA.

The shareholders of NERL include the National Bank for Agriculture and Rural Development (NABARD), ICICI Bank Limited and State Bank of India apart from NCDEX. Such unique parentage makes it a unique proposition for the repository to give services to the Indian agricultural market. It aims at ensuring the safety and soundness of electronic Negotiable Warehouse Receipts by developing solutions that increase efficiency, minimize risk and reduce costs. NERL plays a quiet but central role in developing services which will continue to nurture the growing needs of the Indian commodity markets.