
NATIONAL COMMODITY CLEARING LIMITED

Circular to all Members of the Clearing Corporation

Circular No. : NCCL/RISK-050/2024

Date : September 05, 2024

Subject : Margin Framework for Commodity Derivatives Segment

Reference is drawn to the SEBI circular No. SEBI/HO/CDMRD/DRMP/CIR/P/2020/15 dated January 27, 2020 on Review of Margin Framework for Commodity Derivatives Segment and NCCL circular No. NCCL/RISK-011/2024 dated March 06, 2024 on Margin Framework for Commodity Derivatives Segment.

In this context, members and participants are hereby informed that, the minimum Initial Margin (IM) and minimum Margin Period of Risk (MPOR) for commodity derivatives contracts stands revised according to the categorization of the commodities. The Short Option Minimum Margin (SOMM) for Options on futures contracts shall be the minimum initial margin for the respective commodity.

The revised minimum Initial Margin (IM) and minimum Margin Period of Risk (MPOR) for commodity derivatives contracts is given in the table below.

Categorization of commodities:

| Commodity Name | Symbol | Lead Exchange | Volatility Category of Commodity | Realized Annualized Volatility criteria | Minimum Initial Margin | Minimum MPOR |
|--|-----------|---------------|----------------------------------|---|------------------------|--------------|
| AGRI COMMODITIES | | | | | | |
| REFINED CASTOR OIL (FIRST SPECIAL GRADE – F.S.G) | CASTOROIL | NCDEX | Low | 0% to 15% | 8% | 3 |
| 29MM COTTON | COTTON | MCX | Low | 0% to 15% | 8% | 3 |
| CRUDE SUNFLOWER OIL | SUNOIL | NCDEX | Low | 0% to 15% | 8% | 3 |
| BARLEY | BARLEYJPR | NCDEX | Medium | Above 15% to 20% | 10% | 3 |
| CASTOR SEED | CASTOR | NCDEX | Medium | Above 15% to 20% | 10% | 3 |
| KAPAS | KAPAS | NCDEX | Medium | Above 15% to 20% | 10% | 3 |
| BAJRA – FEED GRADE | BAJRA | NCDEX | High | Above 20% | 12% | 4 |
| UNDECORTICATED COTTON SEED OIL CAKE - AKOLA | COCUDAKL | NCDEX | High | Above 20% | 12% | 4 |

| Commodity Name | Symbol | Lead Exchange | Volatility Category of Commodity | Realized Annualized Volatility criteria | Minimum Initial Margin | Minimum MPOR |
|---|------------------------|---------------|----------------------------------|---|------------------------|--------------|
| COTTON WASH OIL | COTWASOIL | NCDEX | High | Above 20% | 12% | 4 |
| CORIANDER | DHANIYA | NCDEX | High | Above 20% | 12% | 4 |
| GROUNDNUT (IN SHELL) (NOT FOR DIRECT HUMAN CONSUMPTION) - BIKANER | GROUNDNUT | NCDEX | High | Above 20% | 12% | 4 |
| GUAR GUM REFINED SPLITS | GUARGUM5 | NCDEX | High | Above 20% | 12% | 4 |
| GUAR SEED | GUARSEED10 | NCDEX | High | Above 20% | 12% | 4 |
| ISABGOL SEED | ISABGOL | NCDEX | High | Above 20% | 12% | 4 |
| JEERA | JEERAUNJHA & JEERAMINI | NCDEX | High | Above 20% | 12% | 4 |
| MAIZE - FEED/ INDUSTRIAL GRADE | MAIZE | NCDEX | High | Above 20% | 12% | 4 |
| NATURAL WHITISH SESAME SEED | SESAMESEED | NCDEX | High | Above 20% | 12% | 4 |
| TURMERIC | TMCFGRNZM | NCDEX | High | Above 20% | 12% | 4 |
| NON AGRI COMMODITIES | | | | | | |
| STEEL LONG | STEEL | NCDEX | Medium | Above 15% to 20% | 8% | 2 |

The circular shall be effective from Beginning of trading day October 01, 2024.

For and on behalf of
National Commodity Clearing Limited

Abhishek Soni

Chief Risk Officer

For further information /clarifications, please contact

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