
NATIONAL COMMODITY CLEARING LIMITED

Circular to all Members of the Clearing Corporation

Circular No. : NCCL/RISK-006/2020

Date : February 18, 2020

Subject : Margin Framework for Commodity Derivatives Segment

This is with reference to the circular no. NCCL/RISK-005/2020 dated February 11, 2020 on Margin Framework for Commodity Derivatives Segment.

In this context, Clearing Members are hereby informed that, the Minimum IM and Minimum MPOR for commodity derivatives contracts stands revised according to the categorization of the commodities.

The changes in Minimum IM and Minimum MPOR will be implemented in a phased manner as per the schedule given below:

Commodity	Current Minimum Initial Margin	Minimum Initial Margin From			Minimum MPOR (From April 21, 2020 onwards)
		March 05, 2020 onwards	April 01, 2020 onwards	April 21, 2020 onwards	
CASTOR SEED	4%	8%	12%		4
CHANA	4%	8%	12%		4
UNDECORTICATED COTTON SEED OIL CAKE	4%	8%	12%		4
CORIANDER	4%	8%	12%		4
GUARGUM	4%	8%	12%		4
GUARSEED	4%	8%	12%		4
PADDY (BASMATI) – PUSA 1121	4%	6%	9%	12%	4
TURMERIC	4%	8%	12%		4
JEERA	4%	7%	10%		3
MAIZE - FEED/ INDUSTRIAL GRADE	4%	7%	10%		3
UNPROCESSED WHOLE RAW MOONG	4%	7%	10%		3
SOY BEAN	4%	7%	10%		3
BAJRA	4%	6%	8%		3
BARLEY	4%	6%	8%		3
CRUDE PALM OIL	4%	8%	-		3
29 MM COTTON	4%	6%	8%		3
KAPAS	4%	6%	8%		3
RAPESEED - MUSTARD SEED	4%	6%	8%		3

Commodity	Current Minimum Initial Margin	Minimum Initial Margin From			Minimum MPOR (From April 21, 2020 onwards)
		March 05, 2020 onwards	April 01, 2020 onwards	April 21, 2020 onwards	
REFINED SOY OIL	4%	6%	8%		3
WHEAT	4%	6%	8%		3

Additional Lean Period Margin

An additional lean period margin of 2% shall be levied on contracts expiring during lean period from April 21, 2020 onwards. The lean period for Agri Commodities shall be notified in due course.

Withdrawal of Additional Surveillance Margin (ASM)

In terms of the Exchange circular no. NCDEX/SURVEILLANCE & INVESTIGATION-006/2020 dated February 18, 2020, the additional surveillance margin (ASM) will be withdrawn as per the schedule given below:

Commodity	ASM	From March 05, 2020	From April 01, 2020	From April 21, 2020
CASTOR SEED	5.0%	2.0%	2.0%	1.0%
GUARGUM	5.0%	2.0%	2.0%	1.0%
GUAR SEED	5.0%	2.0%	2.0%	1.0%
CORIANDER	5.0%	2.0%	2.0%	1.0%
BARLEY	2.5%	1.0%	1.0%	0.5%
JEERA	2.5%	1.0%	1.0%	0.5%
TURMERIC	2.5%	1.0%	1.0%	0.5%

All other margins like extreme loss margin, concentration margin, pre expiry margin, delivery margin, crystallized loss margin, additional margins and special margin as currently applicable shall continue.

For and on behalf of
National Commodity Clearing Limited

Ruchit Chaturvedi
 Head - Risk

For further information /clarifications, please contact

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