

**Index**

1. Why the Risk Management Fee is introduced by the Clearing Corporation? .....	2
2. What is the fee structure on Futures contract? .....	2
3. What is the fee structure for Options on Futures?.....	2
4. Is fee applicable in case position in any contract was created and squared off on the same day?... 2	
5. Is fee applicable for incremental positions created in Hedge code? .....	2
6. How fresh open position value will be computed? .....	3
7. Incremental open position value will be computed based on traded price or closing price? .....	3
8. Is fee applicable in case position is squared up in one expiry month and created in other expiry month of same commodity?.....	3
9. Whether Clearing Corporation will provide any file to members giving information about incremental open position value?.....	3
10. Whether fee will be levied on spread incremental open positions?.....	4

**1. Why the Risk Management Fee is introduced by the Clearing Corporation?**

The Clearing Corporation currently does not levy any charges for providing the services of risk management although substantial amount of expenditure is incurred in maintaining necessary infrastructure for facilitating risk management for the clients who hold end- of- day positions on the Exchange, every day. The Risk Management, clearing/settlement system at the Clearing Corporation ensures mark-to-market transfers each day, effectively ensuring that the gains/losses are realized without individual counter-party risks. So the Clearing Corporation has introduced a nominal fee towards Risk Management services.

**2. What is the fee structure on Futures contract?**

A Risk Management Fee of Rs. 5 per lakh will be levied on the value of every fresh overnight open interest position created in futures contracts of all the commodities and AGRIDEX Futures Contract.

**3. What is the fee structure for Options on Futures?**

NCCL shall charge a Risk Management Fee of Rs. 100 per lakh on the Premium value of every fresh overnight open interest position created in options contracts of all the commodities. The fresh open position value will be computed daily based on contract (Option type, expiry and strike interval) wise incremental open positions created in client / proprietary code under each member.

**4. Is fee applicable in case position in any contract was created and squared off on the same day?**

No. The positions at end of day will be compared with previous end of day positions for calculation of fee.

**5. Is fee applicable for incremental positions created in Hedge code?**

Yes. The fee is applicable to all type of client codes including hedge code and proprietary code.

**6. How fresh open position value will be computed?**

The fresh open position value will be computed daily based on contract (expiry) wise incremental open positions created in client / proprietary code under each member.

To illustrate:

Member ID	Client Code	Symbol	Expiry	OI as on EOD of 080125		OI as on EOD of 090125		Incremental OI	DSP as on 090125	Incremental OI Value for Levying RMF Fee*	Remarks
				Long	Short	Long	Short				
A	A1	BAJRA	20-Jan-25	100	-	120	-	20	1,500.00	300,000.00	Increase in OI on Long Side
B	B1	BAJRA	20-Jan-25	-	50	-	20	-			Decrease in OI on Short Side
C	C1	BAJRA	20-Jan-25	50	-	50	-	-			No Change in OI
D	D1	BAJRA	20-Jan-25		20		60	40	1500.00	600,000.00	Increase in OI on Short Side

\* The multiplier considered here is 10 to arrive at the incremental OI value

**7. Incremental open position value will be computed based on traded price or closing price?**

The incremental open position value will be computed using daily settlement price of respective contract on that day (final settlement price on expiry date) as explained at para '3' above.

**8. Is fee applicable in case position is squared up in one expiry month and created in other expiry month of same commodity?**

Yes. The incremental open position value is computed contract (expiry) wise so if position is squared up in one expiry month and created in other expiry month of a commodity, the fresh position which will be created in other expiry month will be considered incremental position and fee will be applicable.

**9. Whether Clearing Corporation will provide any file to members giving information about incremental open position value?**

Yes. The Clearing Corporation will provide a file on daily basis giving details of incremental open position value. The same will be placed on extranet in respective members' folder. The file format is as under:

For CM: NCDEX\_CMRF\_MEMID\_DDMMYYYY.CSV

CMID	Primary Code of CM	TM ID	Date	Client Id	Symbol	Expiry Date	Incremental OI_quantity	Incremental OI_value

For TM: NCDEX\_RMF\_MEMID\_DDMMYYYY.CSV

TMID	Date	Client Id	Symbol	Expiry Date	Incremental OI_quantity	Incremental OI_value

**10. Whether fee will be levied on spread incremental open positions?**

Yes. The incremental open position will be computed contract (expiry) wise.