
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all Members of the Exchange

Circular No. : NCDEX/TRADING-052/2023

Date : November 08, 2023

Subject : Launch of Futures contracts – Crude Sunflower Oil (SUNOIL)

The Exchange is pleased to inform the members of the Exchange that as per its Bye-laws, Rules and Regulations, and with the approval received from Securities and Exchange Board of India, Future contracts in Crude Sunflower Oil (Symbol: SUNOIL) expiring in the months of December 2023, January 2024 and February 2024 would be available for trading w.e.f. Muhurat Trading Session on **November 12, 2023**, the market timings for which will be 6:15 pm to 7:15 pm. Reference is invited to the Exchange circular no. NCDEX/TRADING-059/2022 dated December 09, 2022 on Trading holidays for the Calendar Year 2023 and circular no. NCDEX/TRADING-050/2023 dated October 30, 2023 on Muhurat trading session on account of Diwali on November 12, 2023. Contracts for further expiries shall be launched as per the enclosed contract launch calendar.

The Members and participants are requested to note that Crude Sunflower Oil (Symbol: SUNOIL) Futures contract will be available for trading as per the contract specifications given in Annexure I.

The Futures contracts to be launched shall be additionally governed by the Product Note as is notified on the Exchange website under the tab- "Products". Members and Participants are requested to kindly go through the same and get acquainted with the launched product, its trading and related process put in place by the Exchange.

With reference to circular nos. NCCL/RISK-001/2018 dated September 26, 2018 regarding Risk Management Framework and NCCL/RISK-008/2019 dated June 12, 2019 regarding Concentration Margin – Revision in Concentration Margin and Threshold Level, members and participants are requested to note that as per the directives of the SEBI and Byelaws, Rules and Regulations of the Exchange, Concentration Margin shall be levied on Crude Sunflower Oil (Symbol: SUNOIL). The Open Interest (OI) Threshold Level for Crude Sunflower Oil (Symbol: SUNOIL) to attract Concentration Margin shall be as mentioned in the table below:

Commodity	Symbol	Measure	Open Interest Threshold Level
Crude Sunflower Oil	SUNOIL	MT	59,500

The applicable OI slabs and corresponding margin percentages at clearing member level and at the client level shall be same as specified in the circular nos. NCCL/RISK-028/2023 dated June 19, 2023 regarding Master Circular - Risk Management and NCCL/RISK-011/2023 dated February 23, 2023. The Concentration Margin and Threshold Limit shall be effective with commencement of trading w.e.f. Muhurat Trading Session on **November 12, 2023**. The transaction charges shall be **nil** till further notice.

Further, CTT shall be applicable on the sale of Crude Sunflower Oil (Symbol: SUNOIL) futures contract at the rate of 0.01% payable by seller.

The contracts and the transactions therein will be subject to Bye Laws, Rules, and Regulations of the Exchange and circulars issued by the Exchange as well as directives, if any, issued from time to time by the Regulator. It is clarified that it is the sole obligation and responsibility of the Members and market participants to ensure that apart from the approved quality standards stipulated by the Exchange, the commodity deposited / traded / delivered through the approved warehouse of the Clearing Corporation either on their own or on their behalf by any third party is in due compliance with the applicable regulations laid down by authorities like Orders under Packaging and Labelling etc., as also other State/Central laws and authorities issuing such regulations in this behalf from time to time, including but not limited to compliance of provisions and rates relating to GST, APMC Tax, Mandi Tax, LBT, stamp duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit /trading / delivery and the Exchange shall not be responsible or liable on account of any non-compliance thereof.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Arun Yadav
Senior Vice President – Products

Encl: Annexures

For further information / clarifications, please contact

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2. Customer Service Group on toll free number: 1800 26 62339
3. Customer Service Group by e-mail to: askus@ncdex.com

Annexure I: Contract Specifications of Crude Sunflower Oil Futures contract - (Symbol: SUNOIL)

(Applicable for contracts expiring in the month of December 2023 and thereafter)

Type of Contract	Futures Contract																						
Name of Commodity	Crude Sunflower Oil																						
Ticker symbol	SUNOIL																						
Trading System	NCDEX Trading System																						
Basis	Ex-Tank Chennai, exclusive of all taxes																						
Unit of trading	5 MT																						
Maximum Order Size	500 MT																						
Quotation/base value	Rs. per 10kg																						
Tick size	10 Paise																						
Quality specification	<table border="1"> <thead> <tr> <th>Parameters</th><th>Specifications</th></tr> </thead> <tbody> <tr> <td>Acid Value</td><td>4.0 (Max)</td></tr> <tr> <td>Refractive index at 40°C</td><td>1.4640 - 1.4691</td></tr> <tr> <td>Butyro Refractometer reading at 40°C</td><td>57.1 - 65.0</td></tr> <tr> <td>Saponification Value</td><td>188 - 194</td></tr> <tr> <td>Iodine value (Wij's method)</td><td>100-145</td></tr> <tr> <td>Flash Point (Pensky Marten Closed Cup Method)</td><td>Above 250°C</td></tr> <tr> <td>Argemone Oil</td><td>Absent</td></tr> <tr> <td>Moisture & insoluble impurities (percentage by wt.)</td><td>0.5% Max</td></tr> <tr> <td colspan="2">It shall be clear, free from rancidity, suspended or other foreign matter, separated water added coloring substance or mineral oil.</td></tr> <tr> <td colspan="2">The contaminants, toxins, and residues must not exceed the limits specified in FSSAI Regulations.</td></tr> </tbody> </table>	Parameters	Specifications	Acid Value	4.0 (Max)	Refractive index at 40°C	1.4640 - 1.4691	Butyro Refractometer reading at 40°C	57.1 - 65.0	Saponification Value	188 - 194	Iodine value (Wij's method)	100-145	Flash Point (Pensky Marten Closed Cup Method)	Above 250°C	Argemone Oil	Absent	Moisture & insoluble impurities (percentage by wt.)	0.5% Max	It shall be clear, free from rancidity, suspended or other foreign matter, separated water added coloring substance or mineral oil.		The contaminants, toxins, and residues must not exceed the limits specified in FSSAI Regulations.	
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The contaminants, toxins, and residues must not exceed the limits specified in FSSAI Regulations.																							
Trading hours	As notified by the Exchange from time to time, currently: Mondays through Fridays: 10.00 A.M. to 5.00 P.M.																						

	The Exchange may vary above timing with due notice.
Due date/Expiry date	Last trading day of the expiry month.
Delivery specification	Upon expiry of the contract, the positions would be cash settled and there will be no physical delivery.
Opening of contracts	Trading in any contract month will open on the 1st day of the month. If the 1 st day happens to be a non-trading day, contracts would open on the next trading day.
Closing of contract	On the expiry of the contract, all outstanding positions shall be closed out at the Final Settlement Price announced by the Exchange.
No. of active contracts	As per the launch calendar
Daily Price limit (DPL)	<p>Daily price limit is (+/-) 4%. Once the 4% limit is reached, then after a period of 15 minutes this limit shall be increased further by 2%. The trading shall be permitted during the 15 minutes period within the 4% limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 6%.</p> <p>The DPL on the launch (first) day of new contract shall be as per the circular no. NCDEX/TRADING-010/2021 dated March 22, 2021</p>
Position limits	<p>Member-wise: 2,10,000 MT or 15% of the market wide open interest in the commodity, whichever is higher.</p> <p>Client-wise: 21,000 MT.</p> <p>Bona fide hedger may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/TRADING-026/2021 dated August 30, 2021</p> <p>For near month contracts:</p> <p>The following limits would be applicable from 1st of every month in which the contract is due to expire. If 1st happens to be a non-trading day, the near month limits would start from the next trading day.</p>

	Member-wise: 52,500 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher. Client-wise: 5,250 MT.																																																						
Delivery Logic	Cash Settled																																																						
Special margin	In case of unidirectional price movement/ increased volatility, an additional/ special margin at such other percentage, as deemed fit by the Regulator/Exchange, may be imposed on the buy and the sell side or on either of the buy or sell sides in respect of all outstanding positions. Reduction/ removal of such additional/ special margins shall be at the discretion of the Regulator/Exchange.																																																						
Final Settlement Price	FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz., E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E- 1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under:																																																						
	<table><tr><th>Scenario</th><th colspan="4">Polled spot price availability on</th><th>FSP shall be simple average of last polled spot prices on:</th></tr><tr><th></th><th>E0</th><th>E-1</th><th>E-2</th><th>E-3</th><th></th></tr><tr><td>1</td><td>Yes</td><td>Yes</td><td>Yes</td><td>Yes/ No</td><td>E0, E-1, E-2</td></tr><tr><td>2</td><td>Yes</td><td>Yes</td><td>No</td><td>Yes</td><td>E0, E-1, E-3</td></tr><tr><td>3</td><td>Yes</td><td>No</td><td>Yes</td><td>Yes</td><td>E0, E-2, E-3</td></tr><tr><td>4</td><td>Yes</td><td>No</td><td>No</td><td>Yes</td><td>E0, E-3</td></tr><tr><td>5</td><td>Yes</td><td>Yes</td><td>No</td><td>No</td><td>E0, E-1</td></tr><tr><td>6</td><td>Yes</td><td>No</td><td>Yes</td><td>No</td><td>E0, E-2</td></tr><tr><td>7</td><td>Yes</td><td>No</td><td>No</td><td>No</td><td>E0</td></tr></table>	Scenario	Polled spot price availability on				FSP shall be simple average of last polled spot prices on:		E0	E-1	E-2	E-3		1	Yes	Yes	Yes	Yes/ No	E0, E-1, E-2	2	Yes	Yes	No	Yes	E0, E-1, E-3	3	Yes	No	Yes	Yes	E0, E-2, E-3	4	Yes	No	No	Yes	E0, E-3	5	Yes	Yes	No	No	E0, E-1	6	Yes	No	Yes	No	E0, E-2	7	Yes	No	No	No	E0
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7	Yes	No	No	No	E0																																																		
Minimum Initial Margin	12%																																																						

Contract Launch Calendar

Contract Launch Month	Contract Expiry Month
November 12, 2023	December 2023
	January 2024
	February 2024
December 2023	March 2024
January 2024	April 2024
February 2024	May 2024
March 2024	June 2024
April 2024	July 2024
May 2024	August 2024
June 2024	September 2024
July 2024	October 2024
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