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**CHAPTER 1 - TRADING PARAMETERS****Authority**

Trading in **Rapeseed-Mustard Seed (RMSEED)** futures contracts may be conducted under such terms and conditions as specified in the Byelaws, Rules and Regulations of the Exchange and as per the circulars and notifications issued by the Exchange thereunder or the Securities and Exchange Board of India (SEBI) from time to time. The approval for futures trading in **Rapeseed-Mustard Seed (RMSEED)** Futures contract is attached as **Exhibit 1**.

**Unit of Trading**

The unit of trading shall be 10 MT. Bids and offers may be accepted in lots of 10 MT or in multiples thereof.

**Months Traded In**

Trading in Rapeseed-Mustard seed futures is applicable to all contracts and may be conducted in the months as specified by the Exchange from time to time.

**Tick Size**

The tick size of the price of Rapeseed-Mustard seed shall be Re.1/-

**Basis Price**

The basis price of Rapeseed-Mustard seed shall be Ex-warehouse Jaipur, exclusive of Goods and Services Tax (GST).

**Unit for Price Quotation**

The unit of price quotation for Rapeseed-Mustard seed shall be in Rupees per Quintal. The basis for Rapeseed-Mustard seed traded as Rapeseed-Mustard seed is Ex-warehouse Jaipur, exclusive of GST.

**Hours of Trading**

The hours of trading for futures in Rapeseed-Mustard seed shall be as follows:

As notified by the Exchange from time to time, currently

- **Mondays through Fridays – 09.00 a.m. to 05.00 p.m.**

Or as determined by the Exchange from time to time. All timings are as per Indian Standard Timings (IST)

**Last Day of Trading**

Last day of trading shall be 20<sup>th</sup> day of the delivery month, if 20<sup>th</sup> day of the delivery month happens to be a holiday, a Saturday, or a Sunday then the due date shall be the immediately preceding trading day of the Exchange.

**Mark to Market**

The outstanding positions in futures contract in Rapeseed-Mustard seed would be marked to market daily based on the Daily Settlement Price (DSP) as determined by the Clearing Corporation.

**Position limits**

**Member-wise:** 8,50,000 MT or 15% of market wide open interest in the commodity, whichever is higher

**Client-wise:** 85,000 MT

Bona fide hedger clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/CLEARING-019/2016/246 dated September 28, 2016.

**For near month contracts:**

The following limits would be applicable from 1<sup>st</sup> of every month in which the contract is due to expire. If 1<sup>st</sup> happens to be a non-trading day, the near month limits would start from the next trading day.

**Member-wise:** 2,12,500 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher

**Client-wise:** 21,250 MT

**Margin Requirements**

NCCL will use risk based margin model which will generate initial margin requirements which will be adequate to cover atleast 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) will be **3** days.

NCCL reserves the right to change, reduce or levy any additional margins including any markup margins.

For further details, participants can refer to circular nos. NCCL/RISK-001/2018 dated September 26, 2018 on Risk Management Framework and NCCL/Risk-006/2020 dated February 18, 2020 on Margin Framework for Commodity Derivatives Segment.

**Pre-Expiry Margin**

There will be an additional margin imposed for the last 7 trading days, including the expiry day of the Rapeseed Mustard seed contract. The additional margin will be increased by 2.50% every day for the last 7 trading days including expiry day of the contract.

**Additional/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/Clearing Corporation, 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/Clearing Corporation.

**Concentration Margin**

The Clearing Corporation shall levy Concentration Margin, when the overall market wide Open Interest (OI) of a commodity exceeds the specified Threshold Limit of Open Interest (OI) for that commodity.

For details, participants can refer to circular nos. NCCL/RISK-001/2018 dated September 26, 2018 on Risk Management Framework and NCCL/RISK-008/2019 dated June 12, 2019 on Concentration Margin– Revision in Concentration Margin and Threshold Level. The Threshold Limit at present is 97,750 MT (peak period) and 45,030 MT (Lean Period).

The Threshold Limits, slabs and applicable margins are subject to change and participants are requested to refer to relevant Clearing Corporation circulars issued from time to time.

**Delivery Margin**

In case of positions materializing into physical delivery, delivery margin will be charged for each commodity to mitigate the risks arising thereof. The Delivery Margin shall be higher of 3% + 5 day 99% VaR of spot price volatility or 20% on the long and short positions marked for delivery till the payin is completed by the member.

For further details, participants can refer to circular no. NCCL/RISK-001/2018 dated September 26, 2018 on Risk Management Framework.

**Penalty for default**

The penalty structure for failure to meet delivery obligations by the sellers is as follows:

Total amount of penalty = 3.0 % of Settlement price + replacement cost (difference between settlement price and average of three highest of the last spot prices of 5 succeeding days after the **commodity pay-out date**, if the average price so determined is higher than settlement price, else this component will be zero.)

The norms for apportionment of the 3.0 % penalty collected as mentioned above shall be as follows:

- a) 1.75 % of Settlement Price shall be deposited in the Settlement Guarantee Fund
- b) 0.25 % of Settlement Price shall be retained by the Clearing Corporation towards administrative expenses.
- c) 1 % of Settlement Price + replacement cost shall go to the Buyer who was entitled to receive delivery.

Buyers' defaults are not permitted. The amount due from the buyers shall be recovered from the buyer as Pay in shortage together with prescribed charges. Clearing Corporation shall have right to sell the goods on account of such Buyer to recover the dues and if the sale proceeds are insufficient, the Buyer would be liable to pay the balance.

A seller who has got requisite stocks in the Clearing Corporation approved warehouses and / or has marked an intention during staggered delivery period is not allowed to default and any such delivery default by seller would be viewed seriously and an additional penalty of 3% over and above the penalty prescribed for delivery default shall be levied. In addition to the penalty, the Clearing Corporation shall take suitable penal / disciplinary action against such members.

For further details, participants can refer to circular no. NCCL/CLEARING-020/2020 dated April 07, 2020.

### **Arbitration**

Disputes between the members of the Exchange inter-se and between members and constituents, arising out of or pertaining to trades done on NCDEX shall be settled through arbitration. The arbitration proceedings and appointment of arbitrators shall be as governed by the Bye-laws and Regulations of the Exchange.

### **Compliance of Laws**

It is hereby 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 warehouses of the Clearing Corporation either on their own or on their behalf by any third party acting on behalf of the Market Participants/Constituents is in due compliance with the applicable regulations laid down by authorities like Food Safety and Standards Authority of India (FSSAI), AGMARK, BIS, Warehousing Development and Regulatory Authority (WDRA) etc. and 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 Laws, APMC Tax, Mandi Tax, Stamp Duty, etc. as may be applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and the Exchange/Clearing Corporation shall not be responsible or liable on account of any non-compliance thereof.

## **CHAPTER 2 - DELIVERY PROCEDURES**

### **Unit of Delivery**

The unit of delivery for Rapeseed-Mustard seed shall be 10 MT.

### **Delivery Size**

Delivery is to be offered and accepted in lots of 10 MT Gross or multiples thereof. A quantity variation of +/- 2% is permitted as per contract specification.

### **Delivery Requests**

The procedure for Rapeseed-Mustard seed delivery is based on the contract specifications as per **Exhibit I**. All the open positions shall have to be compulsorily delivered either by giving delivery or taking delivery as the case may be. That is, **“upon expiry of the contracts, any seller with open position shall give delivery of the commodity. The corresponding buyer with open position as matched by the process put in place by the Clearing Corporation shall be bound to settle by taking physical delivery. In the event of default by seller to give delivery, such defaulting seller will be liable to penalty as may be prescribed by the Clearing Corporation from time to time”**.

The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-020/2020 dated April 07, 2020.

The delivery request for Rapeseed-Mustard seed contracts will be on staggered basis where tender period would be last 5 trading days (including expiry day) of the contracts. During the Tender period, if any delivery is tendered by seller, the corresponding buyer having open position and matched as per process put in place by the Clearing Corporation, shall be bound to settle by taking delivery from the delivery centre where the seller has delivered same.

The Buyers and the Sellers need to give their location preference through Web NCFE system provided by the Clearing Corporation. If the Sellers fail to give the location preference then the allocation to the extent of his open position will be allocated to the base location.

### **Delivery Allocation**

The Clearing Corporation would compile the delivery requests received from members during the tender period day, as specified in Chapter 1 above. The buyers / sellers who have to receive / give delivery would be notified on the same day after the close of trading hours. Delivery of Rapeseed-Mustard seed is to be accepted by buyers at the Approved warehouse/s where the seller affects delivery in accordance with the contract specifications. On expiry, all outstanding position would be settled by giving/taking physical delivery.

### **Actual Delivery**

Where Rapeseed-Mustard seed is sold for delivery in a specified month of a futures contract, the seller must have requisite electronic credit of such Rapeseed-Mustard seed holding in his Clearing Member's Pool Account before the scheduled date of pay in. On settlement day the buyer's Clearing Member's Pool Account would be credited with the said delivery quantity on pay out. The Clearing Member is expected to transfer the same to the buyer's Repository account. However, the buyer must take actual physical delivery of Rapeseed-Mustard seed on or before Exchange Deliverable Date (EDD) ceases as indicated in the quality test report/ Assayer's Certificate of the Assayer.

### **Approved Warehouse**

NCCL has approved warehouses for receipt and delivery of Rapeseed-Mustard seed. Rapeseed-Mustard seed will only be received at and delivered from the NCCL Approved warehouse. The details of the NCCL Approved warehouses are as per **Exhibit 2**.

The Rapeseed-Mustard seed received at the NCCL Approved warehouse will be tested and certified by NCCL Approved Assayer before acceptance as good delivery in the warehouse. Likewise, Rapeseed-Mustard seed delivered to buyers will be from the Approved warehouse only.

### **Description of Commodity**

Mustard (Rai, Sarson) whole means the dried, clean mature seeds of one or more of the plants of Brassica alba. (L), Brassica campestris L.var, dichotoma (Kali Sarson). The product shall be free from the seeds of Argemone Maxicana L, any other harmful substances and added colouring matter.

### **Quality Standards**

The contract quality for delivery of Rapeseed-Mustard seed futures contracts made under NCDEX Regulations shall be Rapeseed-Mustard seed conforming to the quality specification indicated in the contract. No lower grade/ quality shall be accepted in satisfaction of futures contracts for delivery except as and to the extent provided in the contract specifications. Delivery of higher grade would be accepted with premium.

### **Packaging**

Rapeseed-Mustard seed should be delivered in 81/86 Kg. Bags on a gross weight basis with a variation of +/- 2 % in new, sound and unmended A-Twill bags.

Rapeseed-Mustard seed can also be delivered in 51 Kg. Bags on a gross weight basis with a variation of +/- 2 % in clean, dry, sound, and unmended B-Twill bags.

**Rapeseed-Mustard seed can also be delivered in 46 Kg. Bags on a gross weight basis with a variation of +/- 2 % in clean, dry, sound, and unmended B-Twill bags.**

Bags should be such that there is no spillage. No poultry or cattle feed bags will be allowed. Bags have to be used straight, reversing of bags is not permitted.

### **Standard Allowances**

Standard allowance deducted per validation of quality on account of sampling and spillage for the goods deposited will be as given in the table.

	<b>Fresh Deposit</b>	<b>Revalidation</b>	<b>Withdrawal</b>
<b>Standard Allowance</b>	0.20%	Nil	Nil

### **Weight**

The quantity of Rapeseed-Mustard seed received and/ or delivered at the NCCL Approved warehouse would be determined/ calculated by the weighbridge/ weigh scale of the Approved warehouse and the quantity so determined would be final and binding on all parties concerned. The gross weight of the bag will be 46/51/81/86 Kg.

### **Good/ Bad delivery Norms**

Rapeseed-Mustard seed delivery into NCCL Approved warehouse(s) would constitute good delivery or bad delivery based on the good/ bad delivery norms as per **Exhibit 3**. The list contained in **Exhibit 3** is only illustrative and not exhaustive. NCCL would from time to time review and update the good/ bad delivery norms retaining the trade/ industry practices.

### **Rapeseed-Mustard Seed Sampling**

1. Sampling will be carried on 100% basis from the assaying lot from the bags. Samples are to be taken from three different places in a bag.

2. 5% of the bags in the assaying lot subject to minimum 5 and maximum 10 bags randomly selected from each assaying lot will be cut open, contents spread on the floor and visually checked for presence of any material foreign to the commodity like stones, any plastic material or any substance which is not directly related to the commodity being sampled. Presence of these materials such as



large pieces of pebbles, inferior quality or husk in the middle of bag, mixing of any apparent material which is not the actual commodity itself, if any will lead to rejection of the lot being sampled.

Further a sample from the bags cut open will be taken and checked for foreign matter. The FM content in the Assaying report will be entered higher out of the two matter values determined on the basis of the composite sample taken from the running sample as indicated in para 1 above and the sample collected as per the process indicated in para 2 This will be then divided into 4 parts and distributed as under.

These samples will be distributed as under:

- One sample to Depositor
- One sample to Warehouse service provider
- One sample for Analysis by assayer
- One sample for record with assayer

### **Moisture adjusted weight**

Depositors whose goods are having moisture above the basis point will get electronic credit for the quantity brought less the standard deduction and further with reduction in weight by discount for moisture as defined in the contract specifications and product note. The weight after deducting standard deduction and moisture discount (by weight) will be credited to the depositors Repository beneficiary a/c by warehouse service provider. It may be clarified here that the lot being deposited should remain a deliverable lot even after deduction of standard allowance at the time of fresh deposit and reduction due to moisture being higher than the basis moisture as illustrated below:

Weighbridge net weight at the time of deposit	Standard allowance	Moisture ( basis and maximum as per contract specifications )	Actual moisture at the time of fresh deposits	Weight of lot for credit into beneficiary account	Good / Bad delivery
<b>Case - I</b>					
<b>10 MT</b>	0.2 % (fresh deposits )	5 % and 6.5 %	5.50%	9.93 MT	deliverable
<b>Case - II</b>					
10 MT	0.2 % (fresh deposits )	5 % and 6.5 %	6%	9.88 MT	deliverable
<b>Case - III</b>					
10 MT	0.2 % (fresh deposits )	5 % and 6.5 %	6.50%	9.83 MT	deliverable

Warehouse has to deliver entire withdrawn quantity provided the lifting is done by EDD and the outbound moisture level is at basis point or below: Since the buyer will be buying the goods at basis moisture level after application of MAW at the time of deposit, if at the time of delivery out, the moisture level is higher than the basis moisture levels, the WSP has to also deliver the buyer the difference quantity proportionate to the higher moisture content.

Weight at Weighbridge during fresh deposits	Basis moisture Level	Inbound moisture results	Standard allowance	MAW	Credit to the beneficiary
100 MT	5%	5.5%	0.2%	0.5%	99.3 MT
100 MT	5%	6%	0.2%	1%	98.8 MT
		<b><u>Outbound Moisture</u></b>	-	-	<b><u>Quantity to be delivered by WSP to Buyer</u></b>



100MT	5%	4 % ( lower than basis )			98.8 MT
100MT	5%	5 % ( at basis )			98.8 MT
100MT	5%	5.5% ( higher than basis )			98.8 MT + 0.5 % as discount for moisture is provided on 1:1 basis in the contract specifications.
100MT	5%	6 % ( higher than basis )			98.8 MT + 1 % as discount for moisture is provided on 1:1 basis in the contract specifications.
100MT	5%	6.5 % ( higher than basis )			98.8 MT + 1.5 % as discount for moisture is provided on 1:1 basis in the contract specifications

**Moisture Adjusted Weight (MAW) Matrix:**
**Rapeseed – Mustard Seed**

Moisture	% Deduction in weight
Upto 5%	0
5-5.010	-0.01
5.011-5.020	-0.02
5.021-5.030	-0.03
5.031-5.040	-0.04
5.041-5.050	-0.05
5.051-5.060	-0.06
5.061-5.070	-0.07
5.071-5.080	-0.08
5.081-5.090	-0.09
5.091-5.100	-0.1
5.101-5.110	-0.11
5.111-5.120	-0.12
5.121-5.130	-0.13
5.131-5.140	-0.14
5.141-5.150	-0.15
5.151-5.160	-0.16
5.161-5.170	-0.17

Moisture	% Deduction in weight
5.171-5.180	-0.18
5.181-5.190	-0.19
5.191-5.200	-0.2
5.201-5.210	-0.21
5.211-5.220	-0.22
5.221-5.230	-0.23
5.231-5.240	-0.24
5.241-5.250	-0.25
5.251-5.260	-0.26
5.261-5.270	-0.27
5.271-5.280	-0.28
5.281-5.290	-0.29
5.291-5.300	-0.3
5.301-5.310	-0.31
5.311-5.320	-0.32
5.321-5.330	-0.33
5.331-5.340	-0.34
5.341-5.350	-0.35
5.351-5.360	-0.36
5.361-5.370	-0.37
5.371-5.380	-0.38
5.381-5.390	-0.39
5.391-5.400	-0.4
5.401-5.410	-0.41
5.411-5.420	-0.42
5.421-5.430	-0.43
5.431-5.440	-0.44
5.441-5.450	-0.45
5.451-5.460	-0.46
5.461-5.470	-0.47
5.471-5.480	-0.48
5.481-5.490	-0.49
5.491-5.500	-0.5
5.501-5.510	-0.51
5.511-5.520	-0.52
5.521-5.530	-0.53
5.531-5.540	-0.54
5.541-5.550	-0.55

Moisture	% Deduction in weight
5.551-5.560	-0.56
5.561-5.570	-0.57
5.571-5.580	-0.58
5.581-5.590	-0.59
5.591-5.600	-0.6
5.601-5.610	-0.61
5.611-5.620	-0.62
5.621-5.630	-0.63
5.631-5.640	-0.64
5.641-5.650	-0.65
5.651-5.660	-0.66
5.661-5.670	-0.67
5.671-5.680	-0.68
5.681-5.690	-0.69
5.691-5.700	-0.7
5.701-5.710	-0.71
5.711-5.720	-0.72
5.721-5.730	-0.73
5.731-5.740	-0.74
5.741-5.750	-0.75
5.751-5.760	-0.76
5.761-5.770	-0.77
5.771-5.780	-0.78
5.781-5.790	-0.79
5.791-5.800	-0.8
5.801-5.810	-0.81
5.811-5.820	-0.82
5.821-5.830	-0.83
5.831-5.840	-0.84
5.841-5.850	-0.85
5.851-5.860	-0.86
5.861-5.870	-0.87
5.871-5.880	-0.88
5.881-5.890	-0.89
5.891-5.900	-0.9
5.901-5.910	-0.91
5.911-5.920	-0.92
5.921-5.930	-0.93

Moisture	% Deduction in weight
5.931-5.940	-0.94
5.941-5.950	-0.95
5.951-5.960	-0.96
5.961-5.970	-0.97
5.971-5.980	-0.98
5.981-5.990	-0.99
5.991-6.000	-1
6.001-6.010	-1.01
6.011-6.020	-1.02
6.021-6.030	-1.03
6.031-6.040	-1.04
6.041-6.050	-1.05
6.051-6.060	-1.06
6.061-6.070	-1.07
6.071-6.080	-1.08
6.081-6.090	-1.09
6.091-6.100	-1.1
6.101-6.110	-1.11
6.111-6.120	-1.12
6.121-6.130	-1.13
6.131-6.140	-1.14
6.141-6.150	-1.15
6.151-6.160	-1.16
6.161-6.170	-1.17
6.171-6.180	-1.18
6.181-6.190	-1.19
6.191-6.200	-1.2
6.201-6.210	-1.21
6.211-6.220	-1.22
6.221-6.230	-1.23
6.231-6.240	-1.24
6.241-6.250	-1.25
6.251-6.260	-1.26
6.261-6.270	-1.27
6.271-6.280	-1.28
6.281-6.290	-1.29
6.291-6.300	-1.3
6.301-6.310	-1.31

Moisture	% Deduction in weight
6.311-6.320	-1.32
6.321-6.330	-1.33
6.331-6.340	-1.34
6.341-6.350	-1.35
6.351-6.360	-1.36
6.361-6.370	-1.37
6.371-6.380	-1.38
6.381-6.390	-1.39
6.391-6.400	-1.4
6.401-6.410	-1.41
6.411-6.420	-1.42
6.421-6.430	-1.43
6.431-6.440	-1.44
6.441-6.450	-1.45
6.451-6.460	-1.46
6.461-6.470	-1.47
6.471-6.480	-1.48
6.481-6.490	-1.49
6.491-6.500	-1.5

### **Empanelled Assayer**

NCCL has empanelled Assayer for quality testing and certification of Rapeseed-Mustard seed received at the Approved warehouse. The quality testing and certification of Rapeseed-Mustard seed will be undertaken only by the empanelled Assayer as appointed by the Warehouse Service Provider. The assayer details of each warehouse are given in the **Exhibit 2** alongside the warehouses.

### **Testing Procedure**

To test foreign matter and non-edible seeds, physical tests are conducted. For FFA and Oil, test is done by NIR machine duly calibrated by the Soxhlet's extraction apparatus. Moisture test is done by NIR duly calibrated by the oven dry method.

### **Quality Testing Report/ Assayer Certificate**

Testing and quality certificate issued by Assayer on the samples drawn from Rapeseed-Mustard seed delivered at Approved warehouse in Jaipur, Alwar, Bikaner, Jodhpur, Kota, Sri Ganganagar, Tonk and Agra (Agra has been added as an additional delivery center for contracts expiring in the month of May 2019 and thereafter) and at such other locations announced by the Exchange from time to time shall be acceptable and binding on all parties. Each delivery of Rapeseed-Mustard seed at the warehouse must be accompanied by a quality testing report/ certificate from NCCL approved Assayer in the format indicated in **Exhibit 4**.

### **Validity period**

The validity period for Rapeseed-Mustard is as per the table appended below.

Months of Deposit /Date of entry & completion of assaying by warehouse in system (Jan -dec)*	Exchange Delivery Date (EDD) period available from the date of Fresh Deposit (no. of months)	Validity period from the time of fresh deposit till the EDD (no of months)
January	2	2
February	1	1
March	6	6
April	6	6
May	6	6
June	6	6
July	6	6
August	6	6
September	6	6
October	5	5
November	4	4
December	3	3

\*20th of previous month to 19th of the current month as mentioned in the table above

The stock of Rapeseed-Mustard Seed deposited in the NCCL Approved warehouses shall necessarily be removed on or before the Exchange Deliverable Date (EDD) ceases as indicated above and continuation of the storage of Rapeseed-Mustard Seed by any participant in the NCCL approved warehouses beyond EDD shall be entirely a private arrangement between the Warehouse and the depositor/beneficiary holder. The Exchange / Clearing Corporation shall not be responsible in any manner whatsoever for those stocks of Rapeseed-Mustard Seed which have not been received by any buyer through an immediate preceding settlement on the Exchange platform and for those stocks of Rapeseed-Mustard Seed which have crossed the EDD.

### **Electronic transfer**

Any buyer or seller receiving and or effecting Rapeseed-Mustard seed delivery would have to open a Repository account with an empanelled Repository Participant (RP) to record the holdings of the Rapeseed-Mustard seed stock in electronic form. On settlement, the buyer's account with the RP would be credited with the quantity of Rapeseed-Mustard seed received and the corresponding seller's account would be debited. The Buyer wanting to take physical delivery of the Rapeseed-Mustard seed holding has to make a request in prescribed form to his RP with whom Repository account has been opened. The RP would route the request to the warehouse for issue of the physical commodity i.e. Rapeseed-Mustard seed to the buyer and debit his account, thus reducing the electronic balance to the extent of units of Rapeseed-Mustard seed so physically withdrawn.

### **Charges**

All charges and costs payable at the Approved warehouse towards delivery of Rapeseed-Mustard Seed including sampling, grading, weighing, handling charges, storage etc. from the date of receipt into Approved warehouse upto date of pay in & settlement shall be paid by the seller.

No refund for warehouse charges paid by the seller for full validity period shall be given to the seller or buyer for delivery earlier than the validity period.

All charges and costs associated & including storage, handling etc. after the pay out shall be borne by the buyer. Warehouse storage charges will be charged to the member/ client by the respective Repository Participant.

The Assayer charges for testing and quality certification should be paid to the Assayer directly at the delivery location either by cash/ cheque/ demand draft.

**Duties & levies**

All duties, levies etc. up to the point of sale will have to be fully borne by the seller and shall be paid to the concerned authority. All related documentation should be completed before delivery of Rapeseed-Mustard seed into the NCCL Approved warehouse.

**Stamp Duty**

Stamp duty is payable on all contract notes issued as may be applicable in the State from where the contract note is issued or as per the Stamp Act of the respective State in which such Contract Note is received by the Client, if such client is located in another State.

**Taxes****Goods and Services Tax (GST):**

On services rendered by Members:

GST shall be payable by the members on the gross amount charged by them, from their clients on account of dealing in commodities.

On Deliveries effected on the NCCL Platform:

GST on the deliveries effected on the NCCL Platform as the case may be would be applicable on the delivered commodities and a buyer on the NCCL Platform shall make payment to his corresponding seller the value of GST payable by buyer on the commodities received by the seller in the settlement. The buyer and the seller shall be responsible for fulfillment of the obligations under the GST Act on all contracts. The seller shall issue appropriate invoices to his corresponding buyer as may be required under the GST Act. The seller is required to remit the GST amount so collected/received from the buyer wherever applicable to the GST authorities within such time frame as may be prescribed under the GST rules. Members and / or their constituents requiring to receive or deliver Rapeseed-Mustard Seed should register themselves with the relevant GST authorities of the place where the delivery is proposed to be received / given. In the event of any GST exemptions, such exemption certificate as may be required under the GST law would have to be issued/provided to his seller before the settlement of the obligation.

All Members and / or their constituents are required to adhere to the requirements under the GST Act and the Rules made thereunder including the notifications issued by the Central or State Government and must have valid GST registration in place for transacting in physical deliveries and also comply with the requirements under the GST Act.

The taxes payable on the commodity contracts shall be governed by the relevant Govt. legislations and notifications issued by the State or the Central Govt. from time to time and the buyer and seller is responsible to comply with the tax laws as applicable to the commodity

**Premium/ Discount**

Premium & Discount on the Rapeseed-Mustard seed delivered will be provided by the Exchange on the basis of quality specifications:

The Exchange will communicate the premium/ discounts amount applicable. Such amount will be adjusted to the members account through the supplementary settlement.

Quality delivery with variation shall be acceptable with premium/ discount as under:

However, the location wise premium/discount shall be applicable which would be announced by the Exchange from time to time. The decision of the Exchange in determination of premium / discount is final and binding on all market participants.



Ready Reckoner for grades					
Oil Content			Foreign Matter		
Bet 38.00% to 38.25%	=	1	Upto 0.50%	=	1
Bet 38.26% to 38.50%	=	2	Bet 0.51% - 1.00%	=	2
Bet 38.51% to 38.75%	=	3	Bet 1.01% - 1.50%	=	3
Bet 38.76% to 39.00%	=	4			
Bet 39.01% to 39.25%	=	5			
Bet 39.26% to 39.50%	=	6			
Bet 39.51% to 39.75%	=	7			
Bet 39.76% to 40.00%	=	8			
Bet 40.01% to 40.25%	=	9			
Bet 40.26% to 40.50%	=	10			
Bet 40.51% to 40.75%	=	11			
Bet 40.76% to 41.00%	=	12			
Bet 41.01% to 41.25%	=	13			
Bet 41.26% to 41.50%	=	14			
Bet 41.51% to 41.75%	=	15			
Bet 41.76% to 41.99%	=	16			
At 42.00 %	=	17			
Bet 42.01% to 42.25%	=	18			
Bet 42.26% to 42.50%	=	19			
Bet 42.51% to 42.75%	=	20			
Bet 42.76% to 43.00%	=	21			
Bet 43.01% to 43.25%	=	22			
Bet 43.26% and above	=	23			

Ready Reckoner for grades					
Oil Content			Foreign Matter		
1	=	-9.52	1	=	0.00
2	=	-8.93	2	=	-0.50
3	=	-8.33	3	=	-1.00
4	=	-7.74			
5	=	-7.14			
6	=	-6.55			
7	=	-5.95			
8	=	-5.36			
9	=	-4.76			
10	=	-4.17			
11	=	-3.57			
12	=	-2.98			
13	=	-2.38			
14	=	-1.79			
15	=	-1.19			
16	=	-0.60			
17	=	0			
18	=	0.60			
19	=	1.19			
20	=	1.79			
21	=	2.38			
22	=	2.98			
23	=	3.57			

Foreign Matter	P/D	Oil Content	P/D	Grade	P/D Value
1	0.00	1	-9.52	RMSEED11	-9.52
1	0.00	2	-8.93	RMSEED12	-8.93
1	0.00	3	-8.33	RMSEED13	-8.33
1	0.00	4	-7.74	RMSEED14	-7.74
1	0.00	5	-7.14	RMSEED15	-7.14
1	0.00	6	-6.55	RMSEED16	-6.55
1	0.00	7	-5.95	RMSEED17	-5.95
1	0.00	8	-5.36	RMSEED18	-5.36
1	0.00	9	-4.76	RMSEED19	-4.76
1	0.00	10	-4.17	RMSEED110	-4.17
1	0.00	11	-3.57	RMSEED111	-3.57
1	0.00	12	-2.98	RMSEED112	-2.98
1	0.00	13	-2.38	RMSEED113	-2.38
1	0.00	14	-1.79	RMSEED114	-1.79
1	0.00	15	-1.19	RMSEED115	-1.19
1	0.00	16	-0.60	RMSEED116	-0.60
1	0.00	17	0.00	RMSEED117	0.00
1	0.00	18	0.60	RMSEED118	0.60
1	0.00	19	1.19	RMSEED119	1.19
1	0.00	20	1.79	RMSEED120	1.79
1	0.00	21	2.38	RMSEED121	2.38
1	0.00	22	2.98	RMSEED122	2.98
1	0.00	23	3.57	RMSEED123	3.57
2	-0.50	1	-9.52	RMSEED21	-10.02
2	-0.50	2	-8.93	RMSEED22	-9.43
2	-0.50	3	-8.33	RMSEED23	-8.83
2	-0.50	4	-7.74	RMSEED24	-8.24
2	-0.50	5	-7.14	RMSEED25	-7.64
2	-0.50	6	-6.55	RMSEED26	-7.05
2	-0.50	7	-5.95	RMSEED27	-6.45
2	-0.50	8	-5.36	RMSEED28	-5.86
2	-0.50	9	-4.76	RMSEED29	-5.26
2	-0.50	10	-4.17	RMSEED210	-4.67
2	-0.50	11	-3.57	RMSEED211	-4.07
2	-0.50	12	-2.98	RMSEED212	-3.48
2	-0.50	13	-2.38	RMSEED213	-2.88
2	-0.50	14	-1.79	RMSEED214	-2.29
2	-0.50	15	-1.19	RMSEED215	-1.69
2	-0.50	16	-0.60	RMSEED216	-1.10
2	-0.50	17	0.00	RMSEED217	-0.50
2	-0.50	18	0.60	RMSEED218	0.10
2	-0.50	19	1.19	RMSEED219	0.69
2	-0.50	20	1.79	RMSEED220	1.29
2	-0.50	21	2.38	RMSEED221	1.88
2	-0.50	22	2.98	RMSEED222	2.48
2	-0.50	23	3.57	RMSEED223	3.07
3	-1.00	1	-9.52	RMSEED31	-10.52
3	-1.00	2	-8.93	RMSEED32	-9.93
3	-1.00	3	-8.33	RMSEED33	-9.33

Foreign Matter	P/D	Oil Content	P/D	Grade	P/D Value
3	-1.00	4	-7.74	RMSEED34	-8.74
3	-1.00	5	-7.14	RMSEED35	-8.14
3	-1.00	6	-6.55	RMSEED36	-7.55
3	-1.00	7	-5.95	RMSEED37	-6.95
3	-1.00	8	-5.36	RMSEED38	-6.36
3	-1.00	9	-4.76	RMSEED39	-5.76
3	-1.00	10	-4.17	RMSEED310	-5.17
3	-1.00	11	-3.57	RMSEED311	-4.57
3	-1.00	12	-2.98	RMSEED312	-3.98
3	-1.00	13	-2.38	RMSEED313	-3.38
3	-1.00	14	-1.79	RMSEED314	-2.79
3	-1.00	15	-1.19	RMSEED315	-2.19
3	-1.00	16	-0.60	RMSEED316	-1.60
3	-1.00	17	0.00	RMSEED317	-1.00
3	-1.00	18	0.60	RMSEED318	-0.40
3	-1.00	19	1.19	RMSEED319	0.19
3	-1.00	20	1.79	RMSEED320	0.79
3	-1.00	21	2.38	RMSEED321	1.38
3	-1.00	22	2.98	RMSEED322	1.98
3	-1.00	23	3.57	RMSEED323	2.57

## **CHAPTER 3 - CLEARING AND SETTLEMENT**

### **Daily Settlement**

All open positions of a futures contract would be settled daily based on the Daily Settlement Price (DSP).

### **Daily Settlement Prices**

The Daily Settlement Price (DSP) will be as disseminated by the Clearing Corporation at the end of every trading day. The DSP will be reckoned for marking to market all open positions.

### **Final Settlement Prices**

The Final Settlement Price (FSP) will be determined by the Clearing Corporation upon maturity of the contract. All open positions on the expiry day of the contract would result in compulsory delivery.

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:

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

The Settlement Price for any delivery allocation during staggered period (i.e. up to one day prior to expiry) would be the last available spot price for the respective contract.

In case of non-availability of polled spot price on expiry (E0) due to sudden closure of physical market under any emergency situations noticed at the basis center, the Framework for Determination of Final Settlement Price (FSP) as laid down by NCDEX vide its circular No. NCDEX/TRADING-012/2019 dated April 05, 2019 shall be applicable

### **Spot Prices**

NCDEX will announce/ disseminate spot prices for Rapeseed-Mustard seed relating to the designated delivery center and specified grade/ quality parameters determined through the process of polling a set of market participants representing different segments of the value chain.

The polled prices shall be input to a normalizing algorithm (like 'bootstrapping' technique) to arrive at a representative, unbiased and clean 'benchmark' spot price for Rapeseed-Mustard seed. The security of data and randomness of polling process will ensure transparency and correctness of prices. The Exchange has absolute right to modify the process of determination of spot prices at any time without giving any notice to the market.

### **Dissemination of Spot Prices**

Spot prices for Rapeseed-Mustard seed will be disseminated on daily basis.

**Pay in and Pay out for Daily Settlement**

The table below illustrates timings for pay in and pay out in case of daily settlement. The buyer clients would have to deposit requisite funds with their respective Clearing Member before “pay in”. All fund debits and credits for the Member would be done in the Member’s Clearing and Settlement Account with the Clearing bank.

<b>Time (T+1)</b>	<b>Activity</b>
On or before 08.30 hrs	PAYIN – Debit paying member a/c for funds
After 10.30 hrs	PAYOUT – Credit receiving member a/c for funds

**Pay in and Pay out for final physical settlement**

The table below illustrates timings for pay in and pay out in case of positions marked for physical settlement. The buyers / sellers would have to deposit requisite funds / Rapeseed-Mustard seed with their respective Clearing member before “pay in”.

Pay in and Pay out for Final Settlement in case of physical deliveries	
<b>Time (T/E+2)</b>	<b>Activity</b>
On or before 12.00 hrs	<b>PAYIN</b> - Debit Buyer Member Clearing and Settlement a/c for funds - Debit Seller Member’s CM Pool Account for Rapeseed-Mustard seed
After 14.30 hrs	<b>PAYOUT</b> - Credit Seller Member Clearing and Settlement a/c for funds - Credit Buyer Member’s CM Pool Account for Rapeseed-Mustard seed

**Tender Date -T**
**Tender period:**

The delivery request for Rapeseed-Mustard seed contracts will be on staggered basis where tender period would be last 5 trading days (including expiry day) of the contracts.

Pay-in and Pay-out: On a T+2 basis. If the tender date is T then, pay-in and pay-out would happen on T + 2 day. If such a T + 2 day happens to be a Saturday, a Sunday or a holiday at the Exchange/Clearing Corporation, clearing banks or any of the service providers, Pay-in and Pay-out would be effected on the next working day.

**Expiry Date**

20<sup>th</sup> day of the delivery month. If 20<sup>th</sup> happens to be a holiday, a Saturday or a Sunday then the due date shall be the immediately preceding trading day of the Exchange.

The settlement of contract would be by a staggered system of Pay-in and Pay-out including the last pay-in and pay-out which would be the Final Settlement of the contract.

Additionally, the supplemental settlement for Rapeseed-Mustard seed futures contracts for premium / discount adjustments relating to quality of Rapeseed-Mustard seed delivered, actual quantity delivered and close out for shortages, will also be conducted on the same day. Clearing Members are required to maintain adequate fund balances in their respective accounts.

Pay in and Pay out for supplemental settlement	
<b>Time (T/E +2)</b>	<b>Activity</b>
On or before 15.00 hours	PAY IN - Debit Member Clearing and Settlement a/c for funds

After 15.00 hours	PAY OUT – Credit Member Clearing and Settlement a/c for funds
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### **Early Pay-in of Commodities**

Members can make an early pay-in of commodities to get exemption from the applicable pre-expiry and delivery margin and the same would be considered for the purpose of adjustment against their settlement obligations. The member shall mark EPI using the NCFE web application. The user guide for the same is available for download under:-

NCFE Menu: Downloads-> Download files-> Under User Manual folder-> EPI user guide

For further details, refer circular no. NCCL/CLEARING-020/2020 dated April 07, 2020.

### **Supplementary Settlement for GST**

The Clearing Corporation will conduct a separate supplementary settlement, as illustrated below, three days after normal pay out for completion of GST transactions on deliveries effected by a buyer and seller on the Exchange platform.

In order to facilitate issue of invoice to right parties, the buyer Clearing Members are required to give the buyer client details to the Clearing Corporation latest by 15.00 hrs on T/E+3 day failing which the buying member is considered as the end buyer and accordingly invoice is issued in his/their name.

The Seller Clearing Members are required to give the seller client details to the Clearing Corporation latest by 15.00 hrs on T/E + 4 day.

The amounts due to the above differences will be debited / credited to Member's clearing and settlement account similar to normal settlement.

<b>Pay in and Pay out for GST</b>	
<b>Time (T/E + 5)</b>	<b>Activity</b>
On or before 10.30 hours	PAY IN: Debit Buyer Member Clearing and Settlement a/c for funds.
After 10.30 hours	PAY OUT: Credit Seller Member Clearing and Settlement a/c for funds

It is clarified that the procedure for Supplementary Settlement for GST shall continue to be the same as notified by the Clearing Corporation circular number NCCL/CLEARING-020/2020 dated April 07, 2020.

### **Completion of Settlement**

The settlement obligations shall be deemed to be completed as per the provisions of the Bye-laws, Rules and Regulations of the Clearing Corporation and the circulars issued by the Clearing Corporation thereunder from time to time.

**Exhibit 1-Contract Specifications of Rapeseed Mustard seed (RMSEED) Futures contract**  
 (Applicable for contracts expiring in the month of August 2020 & thereafter)

(Updated as on July 29, 2020)

<b>Type of contract</b>	Futures Contract	
<b>Trading system</b>	NCDEX Trading System	
<b>Name of commodity</b>	Rapeseed-Mustard seed	
<b>Ticker symbol</b>	RMSEED	
<b>Basis</b>	Ex-warehouse Jaipur, exclusive of GST	
<b>Unit of trading</b>	10 MT	
<b>Delivery unit</b>	10 MT	
<b>Maximum Order Size</b>	500 MT	
<b>Quotation/base value</b>	Rs. per Quintal	
<b>Tick size</b>	Re. 1	
<b>Quality Specification</b>	Moisture content	5% (basis)
	Oil Content (at 5% moisture content level):	42% (basis)
	FFA%	1.0 (max)
	Foreign Matter	0.50% (basis)
	Damaged or Shrivelled or discolored seeds	0.75% (max)
	Insect damaged matter	Insect damaged matter should be within 0.75%.
<b>Quantity variation</b>	+/- 2%	
<b>Delivery centre</b>	Jaipur (up to the radius of 50 km from the municipal limits)	
<b>Additional delivery centres</b>	Alwar (Rajasthan), Kota (Rajasthan), Sri Ganganagar (Rajasthan), Bikaner (Rajasthan), Jodhpur (Rajasthan), Tonk (Rajasthan) and Agra (Uttar Pradesh) (At all centers, up to the radius of 50 km from the municipal limits) (Premium/discount for all centres will be announced at the time of launching a contract)	
<b>Trading hours</b>	As notified by the Exchange from time to time, currently:- <b>Mondays through Fridays:</b> 09:00 a. m. to 05:00p.m. The Exchange may vary the above timing with due notice.	
<b>Delivery Logic</b>	Compulsory Delivery	
<b>Opening of contracts</b>	Trading in any contract month will open on the 1st day of the month. If the 1st day happens to be a non-trading day, contracts would open on the next trading day	
<b>Tender Period</b>	Tender Date –T <b>Tender Period:</b> The tender period would be the last 5 trading days (including expiry day) of the contracts. Pay-in and Pay-out: On a T+2 basis. If the tender date is T, then pay-in and pay-	



	<p>out would happen on T+2 day. If such a T+2 day happens to be a Saturday, a Sunday or a holiday at the Exchange, Clearing Corporation, clearing banks or any of the service providers, pay-in and pay-out would be effected on the next working day.</p>
<b>Closing of contract</b>	<p>Clearing and settlement of contracts will commence with the commencement of Tender Period by compulsory delivery of each open position tendered by the seller on T + 2 to the corresponding buyer matched by the process put in place by the Exchange.</p> <p>Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery.</p>
<b>Due date/Expiry date</b>	<p>Expiry date of the contract: 20th day of the delivery month. If 20th happens to be a holiday, a Saturday or a Sunday then the due date shall be the immediately preceding trading day of the Exchange, which is other than a Saturday.</p> <p>The settlement of contract would be by a staggered system of Pay-in and Pay-out including the Last Pay- in and Pay-out which would be the Final Settlement of the contract.</p>
<b>Delivery Specification</b>	<p>Upon expiry of the contracts all the outstanding open positions shall result in compulsory delivery.</p> <p>During the Tender period, if any delivery is tendered by seller, the corresponding buyer having open position and matched as per process put in place by the Exchange, shall be bound to settle by taking delivery on T + 2 day from the delivery centre where the seller has delivered same.</p> <p>The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-020/2016/247 dated September 28, 2016.</p>
<b>No. of active contracts</b>	As per launch calendar
<b>Price Limits</b>	<p>Daily price limit is (+/-) 3%. Once the 3% limit is reached, then after a period of 15 minutes this limit shall be increased further by 1%. The trading shall be permitted during the 15 minutes period within the 3% limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 4%.</p> <p>The DPL on the launch (first) day of new contract shall be as per the circular no. NCDEX/RISK-034/2016/209 dated September 08, 2016.</p>
<b>Position limits</b>	<p><b>Member-wise:</b> 8,50,000 MT or 15% of market wide open interest in the commodity, whichever is higher</p> <p><b>Client-wise:</b> 85,000 MT</p> <p>Bona fide hedger clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/CLEARING-019/2016/246 dated September 28, 2016.</p> <p><b>For near month contracts:</b></p> <p>The following limits would be applicable from 1<sup>st</sup> of every month in which the contract is due to expire. If 1<sup>st</sup> happens to be a non-trading day, the near month limits would start from the next trading day.</p> <p><b>Member-wise:</b> 2,12,500 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher</p>

	<b>Client-wise:</b> 21,250 MT																																																				
<b>Premium/Discount</b>	<p>Quality delivery with variation shall be acceptable with premium/discount as under:</p> <p>Moisture:</p> <ul style="list-style-type: none"><li>• 6.5% maximum with moisture adjusted weight</li></ul> <p>Oil Content:</p> <ul style="list-style-type: none"><li>• More than 42% accepted at 1:1 premium or part there of</li><li>• From 42% to 38% accepted at 1:1 discount or part there of</li><li>• Below 38% rejected</li></ul> <p>Foreign matter:</p> <ul style="list-style-type: none"><li>• From 0.50% to 1.5% accepted at 1:1 discount or part there of</li><li>• Above 1.5% rejected</li></ul> <p>Free from non-edible seeds such as Mahuas, Castor, Neem, Taramira, Argemone seeds.</p> <p>Should be free from any foul odor.</p>																																																				
<b>Final Settlement Price</b>	<p>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:</p> <table><tr><th rowspan="2">Scenario</th><th colspan="4">Polled spot price availability on</th><th rowspan="2">FSP shall be simple average of last polled spot prices on:</th></tr><tr><th>E0</th><th>E-1</th><th>E-2</th><th>E-3</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
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																																																
<b>Minimum Initial margin<sup>#</sup></b>	4%																																																				
<b>Special Margin</b>	<p>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.</p>																																																				

**#The minimum initial Margin will be as per Circular no. NCCL/RISK-006/2020 dated February 18, 2020, which is mentioned below:**

**Minimum Initial Margin from April 01, 2020 onwards is 8%.**

**Tolerance limit of Rapeseed Mustard seed**

Commodity Specifications	Basis	Acceptable quality range as per contract specification	Permissible Tolerance
Moisture content	5% (basis)	6.5% maximum with moisture adjusted weight	
Oil Content (at 5% moisture content level)	42% (basis)	More than 42% accepted at 1:1 premium or part thereof. From 42% to 38% accepted at 1:1 discount or part thereof. Below 38% rejected	+/-0.50%
FFA	1.0% (max)		+/-0.50%
Foreign Matter	0.50% (basis)	From 0.50% to 1.5% accepted at 1:1 discount or part thereof. Above 1.5% rejected	+/-0.10%
Damaged or shriveled or discolored seeds	0.75% (max)		+/-0.25%
Insect Damaged Matter	0.75% (max)		+/-0.25%
Max Tolerance (for all characteristics)			+/- 1.00%

**Note:** Tolerance limit is applicable only for outbound deliveries. Variation in quality parameters within the prescribed tolerance limit as above will be treated as good delivery when members/clients lift the materials from warehouse. These permissible variations shall be based on the parameters found as per the immediate preceding test certificate given by NCCL empanelled assayer.

**Contract Launch Calendar for Rapeseed Mustard Seed**

Contract Launch Month	Contract Expiry Month
April -2020	August-2020
May-2020	September-2020
June-2020	October-2020
July-2020	November-2020
August-2020	December-2020
September 2020	January 2021
October 2020	February 2021
November 2020	April 2021
December 2020	May 2021

Members and market participants who enter into buy and sell transactions may please note that they need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the Exchange's Bye Laws, Rules, Regulations, Product Notes, circulars, directives, notifications of the Exchange as well as of the Regulators, Governments and other authorities.

It is hereby 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 warehouses of the Clearing Corporation either on their own or on their behalf by any third party acting on behalf of the Market Participants/Constituents is in due compliance with the applicable regulations laid down by authorities

like Food Safety and Standards Authority of India (FSSAI), AGMARK, BIS, Warehousing Development and Regulatory Authority (WDRA) etc. and 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 Laws, APMC Tax, Mandi Tax, Stamp Duty, etc. as may be applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and the Exchange/Clearing Corporation shall not be responsible or liable on account of any non-compliance thereof.

**Exhibit 2 - Warehouse & Assayer Details**

For information & the updated list of Warehouse & Assayers kindly refer to the NCDEX Web

<http://www.ncdex.com/ClearingServices/ClearingServicesOthers.aspx>

**Exhibit 3 - Good / Bad delivery norms**

No.	Particulars	Good / Bad delivery
1.	Quality not meeting futures contract specification.	Bad delivery
2.	Delivery at non Approved warehouse	Bad delivery
3.	Delivery completed but without sampling & testing / certification/ expired validity	Bad delivery
4.	Delivery without weight certificate.	Bad delivery
5.	Weighed at other than recognized by Approved warehouse/ weigh bridge/ weigh scale	Bad delivery
6.	When sample is not drawn as per sampling norms and not carried out at the time of unloading	Bad delivery
7.	Delivery not as per the packaging specification	Bad delivery
8.	Delivery found contaminated on visual inspection	Bad delivery

**Exhibit 4 - Specimen of Rapeseed-Mustard seed Testing Report**

<b>CERTIFICATE OF QUALITY</b>			
Date : _____		Report no.: _____	
NCDEX Member/Client Name : _____			
Commodity : _____			
Lorry No. : _____			
Warehouse details: _____			
Lot no.: _____			
QUALITY : _____			
The results of analysis performed by our laboratory of the samples collected by WH _____ is stated below :			
Test Items	Test method	Specification	Test results
The material delivered by the above NCDEX Member is in accordance with the specification provided bearing grade _____ and valid up to _____ EDD (Exchange Deliverable Date).			
The goods delivered may be accepted / rejected.			
<b>Chief Inspector / Authorized Signatory</b>			