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## **CHAPTER 1 - TRADING PARAMETERS**

### **Authority**

Trading in Crude Sunflower Oil futures contracts may be conducted as specified in the Bye Laws, Rules and Regulations of the Exchange and as per the directions issued by the Exchange thereunder or the Securities and Exchange Board of India (SEBI) from time to time. A specimen of Crude Sunflower Oil futures contract specification is indicated in Exhibit 1.

### **Unit of Trading**

The unit of trading shall be 5 MT Bids and offers may be accepted in lots of 5 MT or multiples thereof.

### **Months Traded In**

Trading in Crude Sunflower Oil futures may be conducted in the months as specified by the Exchange from time to time.

### **Tick Size**

The tick size of the price of Crude Sunflower Oil shall be Rs. 0.10.

### **Basis Price**

The basis price of Crude Sunflower Oil shall be Ex-Tank Chennai exclusive of all taxes.

### **Unit for Price Quotation**

The unit of price quotation for Crude Sunflower Oil shall be in Rupees per 10 Kgs. The basis for Crude Sunflower Oil futures traded as Crude Sunflower Oil (SUNOIL) is Ex-Tank Chennai exclusive of all taxes.

### **Hours of Trading**

The hours of trading for futures in Crude Sunflower Oil shall be as follows:

As notified by the Exchange from time to time, currently

- Mondays through Fridays - 10.00 AM to 05.00 PM or as determined and notified by the Exchange from time to time with due notice. All timings followed will be as per Indian Standard Timings (IST)

### **Last Day of Trading**

Last day of trading shall be last trading day of the expiry month., if it happens to be a holiday, a Saturday or a Sunday, then the due date shall be immediately preceding trading day of the Exchange.

**Mark to Market**

The outstanding positions in Futures contract in Crude Sunflower Oil would be marked to market daily based on the Daily Settlement Price (DSP) as determined by the Clearing Corporation.

**Position Limits**

The following limits will be applicable on Exchange wise basis

**Member-wise: 2,10,000 MT** or 15% of the market wide open interest in the commodity, whichever is higher.

**Client-wise: 21,000 MT**

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.

**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: 52,500 MT** or one-fourth of the member's overall position limit in that commodity, whichever is higher.

**Client-wise: 5,250 MT**

**Margin Requirements**

NCCL will use risk based margin model, which will generate initial margin requirements, which will be adequate to cover at least 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) will be 4 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-028/2023 dated June 19, 2023 on Master Circular - Risk Management and NCCL/RISK-003/2020 dated January 29, 2020 on Review of Margin Framework for Commodity Derivatives Segment.

**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 NCCL circular nos. NCCL/RISK-011/2023 dated February 23, 2023 on Revision in client level Concentration Margin in Barley, Castor, Coriander, Guar Gum, Guar Seed, Jeera and Turmeric contracts. The Threshold Limit is 59,500 MT for both Peak period and Lean Period. Participants can refer to NCDEX circular no. NCDEX/TRADING-052/2023 on Launch of Futures contracts – Crude Sunflower Oil (SUNOIL) for additional details.

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**

The contract would be settled in cash, therefore delivery margin shall not be applicable.

**Penalty for Default**

On expiry all the open positions shall be settled in cash as per the Final Settlement price (FSP).

**Dispute Resolution**

Any Disputes, between the members of the Exchange or the Clearing Corporation inter-se and/or between members and constituents, arising out of or pertaining from the trades executed on the Exchange platform shall be settled through Online Dispute Resolution (ODR) mechanism or any other such mechanism prescribed by the Regulator. The ODR mechanism shall be governed as per the Exchange Rules, Bye Laws and Regulations and/or SEBI directives/ guidelines issued from time to time.

**Compliance of Laws**

It is the responsibility of the Buyer and Seller to comply with the applicable laws in regard to the deals carried out on the Exchange platform 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 contract would be settled in cash.

### **Duties & levies**

All duties, levies, taxes etc. up to the point of sale will have to be fully borne by the Seller and shall be paid to the concerned authority if applicable.

### **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 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 of the Clearing Corporation on the gross amount charged by them, from their clients on account of dealing in commodities.

All Members and / or their constituents are required to adhere to the requirements under the Central Goods and Services Tax Act, 2017 ("**CGST Act**") and the Rules made thereunder including the notifications issued by the Central or State Government and must comply with such requirements. The buyer and seller shall be responsible to comply with the obligations under the tax laws as applicable to the commodity and services provided herein.

#### **Commodity Transaction Tax (CTT)**

Commodity Transaction Tax, if and as applicable, will be collected as per the prescribed process. Accordingly, members are advised to update themselves with the change in rate of applicable CTT from time to time.

## 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.

On expiry all the open positions shall be settled in cash as per the Final Settlement price (FSP).

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

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 Crude Sunflower Oil 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 such as traders, importers / exporters, processors etc.

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 Crude Sunflower Oil. The security of data and randomness of the polling process will ensure transparency and correctness of prices. The Exchange has the absolute right to modify the process of determination of spot prices at any time without notice.

**Dissemination of Spot Prices**

Spot prices for Crude Sunflower Oil will be disseminated on a daily basis.

**Pay in and Payout for Daily Settlement/Final Settlement**

The table below illustrates timings for pay in and pay out in case of daily settlement as well as cash settlement positions for final 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."

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<b>Time (T/E+1)</b>	<b>Activity</b>
On or before 8.30 hrs	PAYIN - Debit paying member Clearing and settlement a/c for funds
After 09.30 hrs	PAYOUT – Credit receiving member Clearing and settlement a/c for funds

**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 Crude Sunflower Oil Futures contract (Symbol: SUNOIL)**  
(Applicable for the contracts expiring in 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 &amp; 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 the 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 1 <sup>st</sup> day of the																						



	month. If the 1 <sup>st</sup> 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 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>Member-wise: 52,500 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher.</p> <p>Client-wise: 5,250 MT.</p>
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	<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>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><td></td><td>E0</td><td>E- 1</td><td>E- 2</td><td>E-3</td><td></td></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**

<b>Contract Launch Month</b>	<b>Contract Expiry Month</b>
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
August 2024	November 2024
September 2024	December 2024

**Disclaimer**

Member(s) and market participant(s) by entering into any such buy and sell transaction(s), shall ensure that such member(s) and/or market participant(s) are aware of all the trading and clearing mechanism, as well as the Exchange and/or Clearing Corporation Rules, Bye Laws, Regulations, Product Notes, Circulars, Directives, Notifications issued in connection thereto. The member(s) and market participants shall be bound by the above Rules, Bye Laws, Regulations and the applicable statutory prescription as laid down from time to time.