

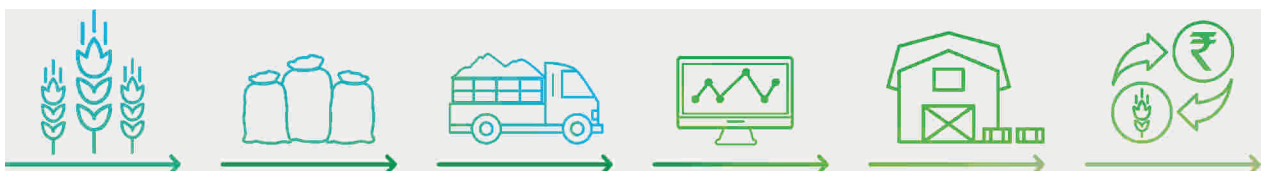
**OPTIONS**

Options: The Game Changers

- ❑ Limited, known downside: Maximum cost / loss to buyers is the premium paid.
- ❑ Unlimited upside / profit potential for Options buyers.
- ❑ No Mark-to-Market required to be paid by buyers of Options.

Hence, Options:

- ❑ Work as a Safety Net (or Insurance plan) for hedgers, who buy Options.
- ❑ Are a cost-effective hedging instrument.





Field	Description
Underlying	1 lot of GUARSEED10 (10 MT Guar Seed Futures) contract traded on NCDEX
Options Type	European
Tick Size	Re. 0.50 per quintal
Expiry Date	Last Wednesday of the month that precedes the month of expiry of the underlying Futures contract.
Strike Interval	First and Second Options Expirations: Rs.50 Third Options Expiration onwards: 50
Minimum Number of Strikes	First and Second Options Expirations:5-1-5 Third Options Expiration onwards:5-1-5
Position Limits	Numerical value for client level/member level limits in Options shall be twice of corresponding numbers applicable for Futures contract. Clients: 36,000 MT Member: 3,60,000 MT
Final Settlement Price	Daily Settlement Price (DSP) of the underlying Futures contract on the Options Expiration day.

*For more details please refer Exchange circular No.NCDEX/TRADING-091/2017/246 dated 28 September 2017 and Circular No. NCDEX/OPTIONS-007/2017/314 dated 27 November 2017.