

Contract Specification for Crude Palm Oil futures contract

(Applicable for contracts expiring in the month of April 2021 & thereafter)

Name of commodity	Crude Palm Oil	
Ticker symbol	CPO	
Basis	Ex-tank Kandla exclusive of GST	
Unit of trading	10 MT	
Delivery unit	10 MT	
Maximum Order Size	500 MT	
Quotation/base value	Rs. per 10 Kg	
Tick size	10 Paise	
Quality specification	Moisture & impurities	0.25 % Max
	Refractive Index, 50°C	1.4491-1.4552
	Specific Gravity, 42°C	0.895-0.897
	Saponification Value	195-205
	Iodine Value	45-56
	Unsaponification Value	1.2 % Max
	Melting Point, Capillary Slip Method	37°C Max
	FFA	5 % Max
	Acid Value	10% Max
Quantity variation	+/- 2%	
Delivery centre	Kandla (within a radius of 50 km from the municipal limits)	
Trading hours	As notified by the Exchange from time to time, currently, Mondays through Fridays: 09.00 A.M. to 09.00 P.M. On the expiry date, contracts expiring on that day will not be available for trading after 5 P.M. The Exchange may vary above timing with due notice.	
Due date/Expiry date	Last trading day of the month If last day happens to be a trading holiday, a Saturday or a Sunday then the due date shall be the immediately preceding trading day of the Exchange	
Delivery specification	Upon expiry of the contract, the delivery position would be arrived at by the Exchange based on the information to give/take delivery furnished by the sellers and buyers as per the process put in place by the Exchange for effecting physical delivery.	

The contents of this product note are subject to Rules, Byelaws and Regulations of NCDEX as in force from time to time and be read therewith.

Closing of contract	On the expiry of the contract, all outstanding positions not resulting in giving/taking of physical delivery of the commodity shall be closed out at the Final Settlement Price announced by the Exchange.																																														
Opening of contracts	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.																																														
No. of active contracts	As per launch Calendar																																														
Price limit	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%. 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.																																														
Position limits	The position limits will be applicable on Exchange wise basis Member-wise: 9,00,000 MT or 15% of the market wide open interest in the commodity, whichever is higher. Client-wise: 90,000 MT. Bona fide hedger/EFE 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 and Circular No: NCDEX/TRADING-072/2018 dated November 28, 2018. For near month contracts: 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. Member-wise: 2,25,000 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher. Client-wise: 22,500 MT.																																														
Delivery option	Intention Matching																																														
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><td rowspan="2">Scenario</td><td colspan="4">Polled spot price availability on</td><td rowspan="2">FSP shall be simple average of last polled spot prices on:</td></tr><tr><td>E0</td><td>E-1</td><td>E-2</td><td>E-3</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></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
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	7	Yes	No	No	No	E0
Minimum Initial Margin	10%					

Contract Launch Calendar

Contract Launch Month	Contract Expiry Month
December 2020	April 2021
January 2021	May 2021
February 2021	June 2021
March 2021	July 2021
April 2021	August 2021
May 2021	September 2021
June 2021	October 2021
July 2021	November 2021
August 2021	December 2021
September 2021	January 2022
October 2021	February 2022
November 2021	March 2022
December 2021	April 2022

Disclaimer

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 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 tanks either on their own or on behalf of them 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, AGMARK, Warehousing Development and Regulatory Authority (WDRA) 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 / Clearing Corporation shall not be responsible or liable on account of any non-compliance thereof.