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CHAPTER 1 - TRADING PARAMETERS**Authority**

Trading in Castor Seed (CASTOR) 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 Castor Seed (CASTOR) Futures contract is attached as 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 in multiples thereof.

Months Traded In

Trading in Castor 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 **Castor seed** shall be Rs. 2.00

Basis Price

The basis price of Castor seed shall be Ex-warehouse Deesa, exclusive of GST.

Unit for Price Quotation

The unit of price quotation for Castor seed shall be in Rupees per Quintal. The basis for Castor seed traded is Ex-warehouse Deesa, exclusive of GST.

Hours of Trading

The hours of trading for futures in Castor 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 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.

Mark to Market

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

Position limits

Member-wise: 2,05,000 MT or 15% of market wide open interest in the commodity, whichever is higher.
Client-wise: 20,500 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: 51,250 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher.

Client-wise: 5,125 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 no. NCCL/RISK-001/2018 dated September 26, 2018 on Risk Management Framework, NCCL/Risk-006/2020 dated February 18, 2020 and NCCL/RISK-037/2020 dated September 02, 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 Castor seed contract. The additional margin will be increased by 3% 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 NCCL circular nos. NCCL/RISK-008/2019 dated June 12, 2019 on Concentration Margin– Revision in Concentration Margin and Threshold Level, NCCL/RISK-028/2019 dated October 15, 2019 on Revision in client level Concentration Margin in Castor Seed (CASTOR) contracts and NCCL/RISK-036/2020 dated September 02, 2020 on Revision in Concentration Margin Threshold Level. The Threshold Limit is 1,65,600 MT for Peak period and 1,30,400 MT for 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 pay-in is completed by the member.

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

Delivery Default Penalty

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 defaulting buyers shall be recovered from the defaulting buyer as Pay in shortage together with prescribed charges. Clearing Corporation shall have right to sell the goods on account of such defaulting Buyer to recover the dues and if the sale proceeds are insufficient, the defaulting Buyer would be liable to pay the balance.

A seller who has got requisite stocks in the NCCL 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 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/s of the Clearing Corporation 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 (FSSAI), AGMARK, BIS, Orders under Packaging and Labelling etc and 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.

CHAPTER 2 - DELIVERY PROCEDURES

Unit of Delivery

The unit of delivery for **Castor seed** shall be 5 MT.

Delivery Size

Delivery is to be offered and accepted in lots of 5 MT Gross or multiples thereof. A quantity variation of +/- 2% is permitted as per contract specification.

Delivery Requests

The procedure for Castor 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 Castor seed contracts will be on staggered basis where the tender period would be the 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 center 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 then compile delivery requests received from members during the Tender period and shall allocate delivery to buyers having open long position as per random allocation methodology to ensure that all buyers have an equal opportunity of being selected to receive delivery irrespective of the size or value of the position. However, preference may be given to buyers who have marked an intention of taking delivery. The buyer having open position and matched as per process put in place by NCCL, shall be bound to settle by taking delivery from the Approved warehouse where the seller effects delivery in accordance with the contract specifications.

The buyers / sellers who have to receive / give delivery would be notified on the same day after the close of trading hours. Delivery of Castor Seed is to be accepted by buyers at the Approved warehouse/s where the seller effects delivery in accordance with the contract specifications. On expiry, all outstanding position would be settled by giving / taking physical delivery.

Actual Delivery

Where **Castor seed** is sold for delivery in a specified month, the seller must have requisite electronic credit of such **Castor seed** holding in his Clearing Member's Pool Account before the scheduled date of pay in. On settlement 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 **Castor seed** before expiry of the validity date as indicated in the quality test report/Assayer's Certificate of the Assayer.

Approved Warehouse

NCCL has approved warehouses for receipt and delivery of **Castor seed**. **Castor seed** will be received and delivered only from the NCCL Approved warehouse. The updated list of Approved Warehouse can be accessed from the link:

http://www.ncdex.com/ClearingServices/Clearing_Services_others.aspx

Quality Standards

The contract quality for delivery of **Castor seed** futures contracts made under NCDEX Regulations shall be conforming to the quality specification indicated in the contract in Exhibit 1. 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

Castor seed should be delivered in 75 Kg gross weight basis and maximum number of bags in a lot of 5 MT should not be more than 68 bags in clean, dry, sound, single, new or once used un-mended B-Twill bags in merchantable condition without patches, or any other accepted industry standard material with the mouth of the bag stitched disallowing sweating/spilling and not having previously used for cement bagging. Cattle Feed or Poultry Feed bags will not be used.

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.

	Fresh Deposit	Revalidation	Withdrawal
Standard Allowance	0.20%	Nil	Nil

Weight

The quantity of **Castor seed** received and / or delivered at the NCCL Approved warehouse would be determined / calculated by the designated weighbridge / weigh scale at the premises of the Approved warehouse or in its vicinity and the quantity so determined would be final and binding on all parties concerned.

Good / Bad delivery Norms

Castor seed delivery into NCCL Approved Warehouse 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.

Castor seed Sampling

1. Sampling will be carried on 100% basis from the assaying/sampling lot from the bags. Samples are to be taken from three different places in a bag. Assaying/Sampling lot would be 10 MT Max.

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

During Deposit:

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:

Weigh bridge net weight at the time of deposit in MT	Standard allowance @ (0.2%) in MT	Moisture at the time of deposit in %	Quantity considered for MAW	Quantity credited to repository account (i.e. after application of MAW)	Deliverable / Not Deliverable
5	0.01	4.5	4.99	4.99	Deliverable
5	0.01	5	4.99	4.965	Deliverable
5	0.01	5.5	4.99	4.94	Deliverable
4.95	0.0099	5	4.9401	4.915	Deliverable
4.95	0.0099	5.5	4.9401	4.89	Not 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
5 MT	4.5%	5%	0.2%	0.5%	4.965 MT
		<u>Outbound Moisture</u>			<u>Quantity to be delivered by WSP to Buyer</u>
5 MT	4.5%	4 % (lower than basis)			4.965 MT
5 MT	4.5%	4.5 % (at basis)			4.965 MT

5 MT	4.5%	5% (higher than basis)			4.965 MT + 0.5 % as discount for moisture is provided on 1:1 basis in the contract specifications
5 MT	4.5%	5.5% (higher than basis)			4.965 MT + 1 % as discount for moisture is provided on 1:1 basis in the contract specifications

Moisture Adjusted Weight (MAW) Matrix:

Moisture	% Deduction in weight
Upto 4.5%	0
4.5-4.51	-0.01
4.511-4.52	-0.02
4.521-4.53	-0.03
4.531-4.54	-0.04
4.541-4.55	-0.05
4.551-4.56	-0.06
4.561-4.57	-0.07
4.571-4.58	-0.08
4.581-4.59	-0.09
4.591-4.6	-0.1
4.601-4.61	-0.11
4.611-4.62	-0.12
4.621-4.63	-0.13
4.631-4.64	-0.14
4.641-4.65	-0.15
4.651-4.66	-0.16
4.661-4.67	-0.17
4.671-4.68	-0.18
4.681-4.69	-0.19
4.691-4.7	-0.2
4.701-4.71	-0.21
4.711-4.72	-0.22
4.721-4.73	-0.23
4.731-4.74	-0.24
4.741-4.75	-0.25

4.751-4.76	-0.26
4.761-4.77	-0.27
4.771-4.78	-0.28
4.781-4.79	-0.29
4.791-4.8	-0.3
4.801-4.81	-0.31
4.811-4.82	-0.32
4.821-4.83	-0.33
4.831-4.84	-0.34
4.841-4.85	-0.35
4.851-4.86	-0.36
4.861-4.87	-0.37
4.871-4.88	-0.38
4.881-4.89	-0.39
4.891-4.9	-0.4
4.901-4.91	-0.41
4.911-4.92	-0.42
4.921-4.93	-0.43
4.931-4.94	-0.44
4.941-4.95	-0.45
4.951-4.96	-0.46
4.961-4.97	-0.47
4.971-4.98	-0.48
4.981-4.99	-0.49
4.991-5	-0.5
5.001-5.01	-0.51
5.011-5.02	-0.52
5.021-5.03	-0.53
5.031-5.04	-0.54
5.041-5.05	-0.55
5.051-5.06	-0.56
5.061-5.07	-0.57
5.071-5.08	-0.58
5.081-5.09	-0.59
5.091-5.1	-0.6
5.101-5.11	-0.61
5.111-5.12	-0.62
5.121-5.13	-0.63
5.131-5.14	-0.64
5.141-5.15	-0.65
5.151-5.16	-0.66
5.161-5.17	-0.67

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

5.171-5.18	-0.68
5.181-5.19	-0.69
5.191-5.2	-0.7
5.201-5.21	-0.71
5.211-5.22	-0.72
5.221-5.23	-0.73
5.231-5.24	-0.74
5.241-5.25	-0.75
5.251-5.26	-0.76
5.261-5.27	-0.77
5.271-5.28	-0.78
5.281-5.29	-0.79
5.291-5.3	-0.8
5.301-5.31	-0.81
5.311-5.32	-0.82
5.321-5.33	-0.83
5.331-5.34	-0.84
5.341-5.35	-0.85
5.351-5.36	-0.86
5.361-5.37	-0.87
5.371-5.38	-0.88
5.381-5.39	-0.89
5.391-5.4	-0.9
5.401-5.41	-0.91
5.411-5.42	-0.92
5.421-5.43	-0.93
5.431-5.44	-0.94
5.441-5.45	-0.95
5.451-5.46	-0.96
5.461-5.47	-0.97
5.471-5.48	-0.98
5.481-5.49	-0.99
5.491-5.5	-1

Empanelled Assayer

NCCL has empanelled Assayers for quality testing and certification of **Castor seed** received at the Approved warehouse. The quality testing and certification of **Castor seed** will be undertaken only by one of such empanelled assayer as appointed by the warehouse service provider. The assayer details of each warehouse are given in the Exhibit 2 alongside the warehouses.

Quality Testing Report

The test report issued by the Assayer on the samples drawn shall be acceptable and binding on all parties. A specimen format of the quality testing report is indicated in **Exhibit 4**.

Testing Procedure

Oil, test will be done by the Soxhlet's extraction. Moisture is obtained by the dry oven method and the remaining parameters will be tested physically. Testing for Castor seed will be done both by IS3579:1966, REAFF-2001

Assayer Certificate

Testing and quality certificate issued by Assayer for **Castor seed** delivered at Approved warehouses in Deesa, Kadi, Patan, and Bhabhar and at such other locations announced by the Exchange from time to time shall be acceptable and binding on all parties. Each delivery of **Castor seed** at the warehouse must be accompanied by a certificate from Assayer in the format as per **Exhibit 4**.

Validity period

The validity period of the Assayer's Certificate for **Castor seed** is 6 months or till the first withdrawal from the warehouse whichever is earlier. No revalidation is allowed.

Months of Deposit /Date of entry by warehouse in system (Jan - dec)	Expiry period from the date of Fresh Deposit (no. of months)	Validity period at the time of fresh deposit (no of months)	How many times revalidations allowed	Validity Period of first revalidation (no. of months)	Validity period of second revalidation (no. of months)
January	6	6	0	0	0
February	6	6	0	0	0
March	6	6	0	0	0
April	6	6	0	0	0
May	6	6	0	0	0
June	6	6	0	0	0
July	6	6	0	0	0
August	6	6	0	0	0
September	6	6	0	0	0
October	6	6	0	0	0
November	6	6	0	0	0
December	6	6	0	0	0

The stock of Castor Seed deposited in the NCCL Approved Warehouse/s shall necessarily be removed after the Exchange Deliverable Date (EDD) as indicated above and continuation of the storage beyond EDD shall be entirely a private arrangement between the Warehouse and the depositor/beneficiary holder. The Exchange shall not be responsible in any manner whatsoever for those stocks which have not been received by any Buyer through an immediate preceding settlement on the Exchange platform and for those stocks which have crossed the EDD.

Electronic transfer

Any buyer or seller receiving and or effecting Castor seed delivery would have to open a repository account with an empanelled Repository Participant (RP) to record the holdings of the Castor seed stock in electronic form. On settlement, the buyer's account with the RP would be credited with the quantity of Castor seed received and the corresponding seller's account would be debited. The Buyer wanting to take physical delivery of the Castor 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. Castor seed to the buyer and debit his account, thus reducing the electronic balance to the extent of units of Castor seed so physically withdrawn.

Charges

All charges and costs payable at the Approved warehouse towards delivery of **Castor seed** including sampling, grading, weighing, handling charges, storage etc. from the date of receipt into Approved warehouse up-to 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 payout shall be borne by the buyer. Warehouse storage charges will be charged to the 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 **Castor 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 State in which such Contract Note is received by the Client, if such client is located in other 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 Castor Seed (CASTOR) 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

Location Premium Discount will be notified by the Exchange 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. 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 Castor 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 Castor 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 **Castor 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.

Time (T/E+1)	Activity
On or before 08.30 hrs	PAYIN - Debit paying member settlement a/c for funds
After 09.30 hrs	PAYOUT – Credit receiving member settlement 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 / **Castor seed** with their respective Clearing member before “pay in”.

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

Tender Date -T
Tender period:

The tender period would be the last 5 trading days (including expiry day) of the contracts.

Pay-in and Pay-out: on a T/E+2 basis. If the tender date is T/E then, pay-in and pay-out would happen on T/E + 2 day. If such a T/E + 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

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.

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

Additionally, the supplemental settlement for Castor seed futures contracts for premium / discount adjustments relating to quality of Castor 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	
Time (T/E + 2)	Activity
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

Early Pay-in of Commodities

Members can make an early payin 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 WEB NCFE web application provided by the Clearing Corporation. 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

NCCL will conduct a separate supplementary settlement, as illustrated below, three days after normal pay out for completion of GST transactions on deliveries effected by the buyer and seller on the NCCL 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 & Settlement account similar to normal settlement.

Pay in and Pay out for Taxes	
Time (T/E + 5)	Activity
On or before 09.30 hours	PAY IN: Debit Buyer Member Clearing and Settlement a/c for funds.
After 09.30 hours	PAY OUT: Credit Seller Member Clearing and Settlement a/c for funds

For further details on the procedure for Supplementary Settlement for GST please refer circular number NCCL/CLEARING-020/2020 dated April 07, 2020 on Consolidated Circular - Clearing & Settlement Procedures.

Completion of Settlement

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

Exhibit 1- Contract Specifications for Castor Seed futures contract

(Applicable for contracts expiring in month of April 2021 and thereafter) – with effect from April 01, 2021

Type of Contract	Futures Contract	
Name of Commodity	Castor seed	
Ticker symbol	CASTOR	
Trading System	NCDEX Trading System	
Basis	Ex-warehouse Deesa, exclusive of GST	
Unit of trading	5 MT	
Delivery unit	5 MT	
Maximum Order Size	500 MT	
Quotation/base value	Rs. Per Quintal (100 kg)	
Tick size	Rs. 2.00	
Quality specification	Castor Seed (small seed) with the following specifications:	
	Oil content	47% Min.
	Fotri (Husk) and damaged Seeds	3.5 % Max.
	Sand, Silica and Stones	1% Max.
	Moisture content	4.5 % Basis, 5.5 % Maximum with moisture adjusted weight (MAW) of 1:1
Quantity variation	+/- 2 %	
Delivery center	Deesa (upto the radius of 60 kms from the municipal limits, within the state of Gujarat)	
Additional delivery centres	Bhabhar, Kadi, Patan (upto the radius of 60 kms from the municipal limits, within the state of Gujarat) with location wise premium/discount as announced by the Exchange from time to time	
Trading hours	As notified by the Exchange from time to time, currently - Mondays through Fridays: 09:00 a. m. to 5:00 p.m. The Exchange may change the above timing with due notice	
Delivery logic	Compulsory delivery	
Opening of Contracts	Trading in any contract month will open 1 st day of the month. If the 1 st day happens to be a non-trading day, contracts would open on next trading day	
Tender Period	Tender Date –T Tender Period: 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-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.
Closing of contract	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. Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery.
Due date/Expiry date	Expiry date of the contract: 20 th day of the delivery month. If 20 th 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. 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.
Delivery Specification	Upon expiry of the contracts all the outstanding open positions shall result in compulsory delivery. 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. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-020/2020 dated April 07, 2020
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/RISK-034/2016/209 dated September 08, 2016.
Position limits	Member level: 2,05,000 MT or 15% of Market wide Open Interest whichever is higher Client level: 20,500 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. Near Month limit The following limits would be applicable from 1 st of every month in which the contract is due to expire. If 1 st happens to be a non-trading day, the near month limits would start from the next trading day. Member level: 51,250 MT or One-fourth of the member's overall position limit in that commodity, whichever is higher Client level: 5,125 MT
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 border="1"> <thead> <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> </thead> <tbody> <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> </tbody> </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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6	Yes	No	Yes	No	E0, E-2																																																
7	Yes	No	No	No	E0																																																
Minimum Initial margin	12%																																																				

Tolerance limit for outbound deliveries of Castor seed

Commodity Specifications	Deposit	Remat (Out bound Delivery)
Oil content	47% Min	+/- 0.25%
Fotri (Husk) and damaged Seeds	3.5 % Max	+/- 0.25%
Moisture content	4.5 % basis, 5.5% maximum with moisture adjusted weight of 1:1	
Maximum Tolerance (for all characteristics)		+/- 0.50%

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 approved assayer.

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

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 and/or Clearing Corporation'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 warehouse of the Clearing Corporation 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, BIS, Warehousing Development and Regulatory Authority (WDRA), Orders under Packaging and Labelling etc. and 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 noncompliance thereof.

Exhibit 2 - Warehouse & Assayer Address Details

For the updated list of Warehouse & Assayers kindly, refer to the NCDEX Website
<https://ncdex.com/clearing/others>

Exhibit 3 - Good / Bad delivery norms

No.	Particulars	Good / Bad delivery
1.	Delivery before contract expiration.	Good delivery
2.	Castor seed quality not meeting futures contract specification.	Bad delivery
3.	Delivery at non Approved warehouse.	Bad delivery
4.	Delivery completed but without sampling & testing / certification / expired validity.	Bad delivery
5.	Delivery without weight certificate.	Bad delivery
6.	Delivery not compatible to delivery size as mentioned in contract specification.	Bad delivery
7.	Delivery beyond specified working hours.	Bad delivery
8.	Delivery without proper documentation.	Bad delivery
9.	Castor seed weighed at other than Approved warehouse weigh bridge / weigh scale.	Bad delivery
10.	Delivery of Castor seed found contaminated on visual inspection.	Bad delivery

Exhibit 4 – Specimen of Castor seed Testing Report

CERTIFICATE OF QUALITY			
Date : _____		Report no.:	
NCDEX Member/Client Name :			
Commodity :			
Warehouse Name & Address:			
Lot No:			
Lorry 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 _____.			
The goods delivered may be accepted / rejected.			
Chief Inspector / Authorized Signatory			