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**NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED**

Circular to all members of the Exchange

Circular No : NCDEX/TRADING-047/2019

Date : November 27, 2019

Subject : Modification in contract specifications– Wheat (WHEATFAQ) Futures Contract

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Members are requested to note that the Exchange, as per its Circular No. NCDEX/TRADING-96/2016/232 dated September 22, 2016, has modified the contract specifications of Wheat (Symbol: WHEATFAQ) Futures contracts expiring in the month of April 2020 and thereafter.

The contracts expiring in the month of April 2020 will be available for trading with effect from December 02, 2019. Contracts for further expiries will be launched as per the enclosed contract launch calendar.

The running Futures contracts and contracts to be launched further shall be additionally governed by the Product Note as is notified on the Exchange Website under the Tab – “Products”. Members and participants are requested to kindly go through the same and get acquainted with the product launched, its trading and related process put in place by the Exchange.

Currently, Wheat (Symbol: WHEATFAQ) futures contracts expiring in the months of December 2019, January 2020, February 2020 and March 2020 are available for trading and would continue to be traded as per existing contract specifications.

Members are requested to take note of the following:

1. Summary of modifications in contract specifications for Wheat (Symbol: WHEATFAQ) Futures contracts expiring in the month of April 2020 and thereafter is given in **Annexure I**.
2. Existing contract specifications applicable for Wheat (Symbol: WHEATFAQ) Futures contracts expiring in the month of December 2019, January 2020, February 2020 and March 2020 is given in **Annexure II**.
3. Modified contract specifications applicable for Wheat (Symbol: WHEATFAQ) Futures contracts expiring in the month of April 2020 and thereafter is given in **Annexure III**.
4. Premium/discount for delivery location difference for contract expiring in the month of April 2020 and thereafter is given in **Annexure IV**.

The contracts and the transactions therein will be subject to Bye Laws, Rules and Regulations of the Exchange and circulars issued by the Exchange as well as directives, if any, issued from time to time by the SEBI. 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 Exchange 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., 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 shall not be responsible or liable on account of any noncompliance thereof.

For and on behalf of  
**National Commodity & Derivatives Exchange Limited**

Kapil Dev  
Executive Vice President –Business

Encl: Annexures

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For further information / clarifications, please contact

1. Mr. Mukesh Kumar on Mobile Phone (+91) 9860966033
2. Customer Service Group on toll free number: 1800 26 62339
3. Customer Service Group by e-mail to : [askus@ncdex.com](mailto:askus@ncdex.com)

**Annexure I: Summary of the modifications in contract specifications – Wheat Futures contract**

Parameters	Existing contract specifications		Modified contract specifications		Rationale
Additional Delivery Centers	Baran (Rajasthan), Ujjain (M.P.) and Itarsi (M.P.) (within 50 Km radius from the municipal limits) with location – wise premium/discount for all centres will be announced by the Exchange prior to launch of the contract.		Rajkot (Gujarat), Sri Ganganagar (Rajasthan), Indore (M.P.) and Agra (U.P.) (within 50 Km radius from the municipal limits) with location – wise premium/discount for all centres will be announced by the Exchange prior to launch of the contract.		<ul style="list-style-type: none"> <li>• Ujjain, Itarsi &amp; Baran have not been receiving much deliveries hence, we are removing them.</li> <li>• Sri Ganganagar is one of the largest mandi in the state and is one of the biggest contributors of wheat in the state's overall production.</li> <li>• Indore, Agra and Rajkot are major centers for Wheat in M.P., U.P. and Gujarat respectively and also have good demand &amp; supply dynamics</li> </ul>
Quality specification	1	Damaged Kernel (Other than infestation damaged)	2% max. The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight.		<ul style="list-style-type: none"> <li>• In order to align with the current market practice.</li> </ul>
	2	Infestation damaged	2% max		
	1	Damaged Kernel (Other than infestation damaged)	2% max. The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight.		
	2	Infestation damaged Kernel	2% max		

Parameters	Existing contract specifications			Modified contract specifications			Rationale
		Kernel		3	Foreign Matter (Organic/Inorganic)	1% max (minerals not more than 0.25% and animal origins not more than 0.1%)	
	3	Foreign Matter (Organic/Inorganic)	1% max (minerals not more than 0.25% and animal origins not more than 0.1%)	4	Other edible grains	2% max	
	4	Other edible grains	2% max	5	<b>Shrunken / Shriveled / Broken grains (not damaged) / grains with Luster loss</b>	<b>5% max</b>	
	5	Shrunken / Shriveled / Broken grains (not damaged)	5% max	6	Total defects sum of : a) Foreign Matter b) Other edible grains c) Damaged Kernel (Other than infestation damaged) d) Shrunken/Shriveled/Broken grains (not damaged)	10% max The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight	
	6	Total defects sum of : a) Foreign Matter b) Other edible grains c) Damaged Kernel (Other than infestation damaged) d) Shrunken/Shriveled/Broken grains (not damaged)	10% max The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight	7	Moisture	11% max	
	7	Moisture	11% max	8	Test Weight	76 Kg/hl Minimum	
	8	Test Weight	76 Kg/hl Minimum	9	Grain Size with diameter less than 3 mm	8% max	
	9	Grain Size with diameter less than 3 mm	8% max				
<b>Tolerance Limit</b>	<b>Quality Parameter</b>	<b>Basis</b>	<b>Permissible tolerance</b>	<b>Quality Parameter</b>	<b>Basis</b>	<b>Permissible tolerance</b>	<ul style="list-style-type: none"> <li>In order to align with the current market practice.</li> </ul>

Parameters	Existing contract specifications			Modified contract specifications			Rationale
	Damaged Kernel (Other than infestation damaged)	2% max.  The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight.	+/- 0.25%  (No outbound tolerance for ergot affected grains and Karnal Bunt grains)	Damaged Kernel (Other than infestation damaged)	2% max.  The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight.	+/- 0.25%  (No outbound tolerance for ergot affected grains and Karnal Bunt grains)	
	Infestation damaged Kernel	2% max.	+/- 0.50%	Infestation damaged Kernel	2% max.	+/- 0.50%	
	Foreign Matter (Organic/Inorganic)	1% max (minerals not more than 0.25% and animal origins not more than 0.1%)		Foreign Matter (Organic/Inorganic)	1% max (minerals not more than 0.25% and animal origins not more than 0.1%)		
	Other edible grains	2% max	+/- 0.25%	Other edible grains	2% max	+/- 0.25%	
	Shrunken / Shriveled / Broken grains (not damaged)	5% max	+/- 0.50%	<b>Shrunken / Shriveled / Broken grains (not damaged)/grains with luster loss</b>	<b>5% max</b>	<b>+/- 0.50%</b>	
	Total defects sum of: a) Foreign Matter b) Other edible grains c) Damaged Kernel (Other than	10% max  The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains	+/- 0.50%	Total defects sum of: a) Foreign Matter b) Other edible grains c) Damaged Kernel (Other than infestation damaged) d) Shrunken/	10% max  The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent	+/- 0.50%  (No outbound tolerance for ergot affected grains and Karnal Bunt	

Parameters	Existing contract specifications			Modified contract specifications			Rationale
	infestation damaged) d) Shrunken/ Shriveled/ Broken grains (not damaged)	shall not exceed 0.3 percent by weight.	Bunt grains)	Shriveled/ Broken grains (not damaged)/grain s with luster loss	by weight.	grains)	
	Moisture	11% max		Moisture	11% max		
	Grain Size with diameter less than 3 mm	8% max		Grain Size with diameter less than 3 mm	8% max		
	Test Weight	76 Kg/hl Minimum	+/- 0.25 Kg/Hl	Test Weight	76 Kg/hl Minimum	+/- 0.25 Kg/Hl	
	Max Tolerance (for all characteristic)		1.25%	Max Tolerance (for all characteristic)		1.25%	

**Annexure II: Existing contract specifications for Wheat Futures Contracts (Symbol: WHEATFAQ)**

(Applicable for contracts expiring in the month of December 2019, January 2020, February 2020 and March 2020)

<b>Type of Contract</b>	Futures Contract		
<b>Name of Commodity</b>	Wheat		
<b>Ticker symbol</b>	WHEATFAQ		
<b>Trading System</b>	NCDEX Trading System		
<b>Basis</b>	Ex- Warehouse Kota 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/Quintal		
<b>Tick size</b>	Re. 1.00		
<b>Quality specification</b>	1	Damaged Kernel (Other than infestation damaged)	2% max. The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight.
	2	Infestation damaged Kernel	2% max
	3	Foreign Matter (Organic/Inorganic)	1% max (minerals not more than 0.25% and animal origins not more than 0.1%)
	4	Other edible grains	2% max
	5	Shrunken / Shriveled / Broken grains (not damaged)	5% max
	6	Total defects sum of: a) Foreign Matter b) Other edible grains c) Damaged Kernel (Other than infestation damaged) d) Shrunken/Shriveled/Broken grains (not damaged)	10% max The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight
	7	Moisture	11% max
	8	Test Weight	76 Kg/hl Minimum
	9	Grain Size with diameter less than 3 mm	8% max
<b>Quantity variation</b>	+ / - 5%		
<b>Delivery center</b>	Kota (within 50 Km radius from the municipal limits)		

<b>Additional delivery centers</b>	Baran (Rajasthan), Ujjain (M.P) and Itarsi (M.P) - (within 50 Km radius from the municipal limits) with location – wise premium/discount for all centers will be announced by the Exchange prior to launch of the contract.
<b>Hours of trading</b>	As notified by the Exchange from time to time, currently: - Mondays through Fridays: 09:00 AM to 05:00 PM The Exchange may vary the above timing with due notice
<b>Opening of Contracts</b>	Trading in far month contract will open on the 1st day of the month in which the near month contract is due to expire. 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 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.
<b>Closing of contract</b>	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.
<b>Due date/Expiry date</b>	Expiry date of the contract: 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, 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.
<b>Delivery Specification</b>	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. NCDEX/CLEARING-020/2016/247 dated September 28, 2016.
<b>No. of active contracts</b>	As per Launch Calendar
<b>Daily Price Limit (DPL)</b>	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%. 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.



<b>Position limits</b>	<p>Member-wise: 25,00,000 MT or 15% of the market wide open interest in the commodity, whichever is higher. Client-wise: 2,50,000 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 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: 6,25,000 MT or One-fourth of the member's overall position limit in that commodity, whichever is higher. Client-wise: 62,500 MT</p>																																																				
<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>																																																				
<b>Delivery Logic</b>	Compulsory Delivery																																																				
<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 border="1" data-bbox="555 1176 1268 1541"> <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
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</b>	4%																																																				

**Tolerance limit for outbound deliveries –**

Quality Parameter	Basis	Permissible tolerance
Damaged Kernel (Other than infestation damaged)	2% max. The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight.	+/- 0.25%  (No outbound tolerance for ergot affected grains and Karnal Bunt grains)
Infestation damaged Kernel	2% max.	+/- 0.50%
Foreign Matter (Organic/Inorganic)	1% max (minerals not more than 0.25% and animal origins not more than 0.1%)	
Other edible grains	2% max	+/- 0.25%
Shrunken / Shriveled / Broken grains (not damaged)	5% max	+/- 0.50%
Total defects sum of: a) Foreign Matter b) Other edible grains c) Damaged Kernel (other than infestation damaged) d) Shrunken/ Shriveled/ Broken grains (not damaged)	10% max  The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight	+/- 0.50%  (No outbound tolerance for ergot affected grains and Karnal Bunt grains)
Moisture	11% max	
Grain Size with diameter less than 3 mm	8% max	
Test Weight	76 Kg/hl Minimum	+/- 0.25 Kg/Hl
Max Tolerance (for all characteristic)		1.25%

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**

Contract Launch Month	Contract Expiry Month
August 2019	December 2019
September 2019	January 2020
October 2019	February 2020
November 2019	March 2020

### Annexure III: Modified contract specifications for Wheat (Symbol: WHEATFAQ) Futures Contract

(Applicable for contracts expiring in the month of April 2020 and thereafter)

<b>Type of Contract</b>	Futures Contract		
<b>Name of Commodity</b>	Wheat		
<b>Ticker symbol</b>	WHEATFAQ		
<b>Trading System</b>	NCDEX Trading System		
<b>Basis</b>	Ex- Warehouse Kota 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/Quintal		
<b>Tick size</b>	Re. 1.00		
<b>Quality specification</b>	1	Damaged Kernel (Other than infestation damaged)	2% max. The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight.
	2	Infestation damaged Kernel	2% max
	3	Foreign Matter (Organic/Inorganic)	1% max (minerals not more than 0.25% and animal origins not more than 0.1%)
	4	Other edible grains	2% max
	5	Shrunken / Shriveled / Broken grains (not damaged) / grains with Luster loss	5% max
	6	Total defects sum of: a) Foreign Matter b) Other edible grains c) Damaged Kernel (Other than infestation damaged) d) Shrunken/Shriveled/Broken grains (not damaged)/grains with luster loss	10% max The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight
	7	Moisture	11% max
	8	Test Weight	76 Kg/hl minimum
	9	Grain Size with diameter less than 3 mm	8% max
<b>Quantity variation</b>	+ / - 5%		
<b>Delivery center</b>	Kota (within 50 Km radius from the municipal limits)		

<b>Additional delivery centers</b>	Rajkot (Gujarat), Sri Ganganagar (Rajasthan), Indore (M.P.) and Agra (U.P.) (within 50 Km radius from the municipal limits) with location – wise premium/discount for all centers will be announced by the Exchange prior to launch of the contract.
<b>Hours of trading</b>	As notified by the Exchange from time to time, currently: - Mondays through Fridays: 09:00 AM to 05:00 PM The Exchange may vary the above timing with due notice
<b>Opening of Contracts</b>	Trading in far month contract will open on the 1st day of the month in which the near month contract is due to expire. 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 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.
<b>Closing of contract</b>	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.
<b>Due date/Expiry date</b>	Expiry date of the contract: 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, 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.
<b>Delivery Specification</b>	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. NCDEX/CLEARING-020/2016/247 dated September 28, 2016.
<b>No. of active contracts</b>	As per Launch Calendar
<b>Daily Price Limit (DPL)</b>	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%. 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.

<b>Position limits</b>	<p>Member-wise: 25,00,000 MT or 15% of the market wide open interest in the commodity, whichever is higher. Client-wise: 2,50,000 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 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: 6,25,000 MT or One-fourth of the member's overall position limit in that commodity, whichever is higher. Client-wise: 62,500 MT</p>																																																				
<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>																																																				
<b>Delivery Logic</b>	Compulsory Delivery																																																				
<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 border="1" data-bbox="555 1193 1267 1561"> <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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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</b>	4%																																																				

#### Tolerance limit for outbound deliveries

Quality Parameter	Basis	Permissible tolerance
Damaged Kernel (Other than infestation damaged)	2% max. The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight.	+/- 0.25% (No outbound tolerance for ergot affected grains and Karnal Bunt grains)
Infestation damaged Kernel	2% max.	+/- 0.50%
Foreign Matter (Organic/Inorganic)	1% max (minerals not more than 0.25% and animal origins not more than 0.1%)	
Other edible grains	2% max	+/- 0.25%
Shrunken / Shriveled / Broken grains (not damaged) / grains with Luster loss	5% max	+/- 0.50%
Total defects sum of: a) Foreign Matter b) Other edible grains c) Damaged Kernel (Other than infestation damaged) d) Shrunken / Shriveled / Broken grains (not damaged) / grains with Lustre loss	10% max  The limit of ergot affected grains shall not exceed 0.05 percent by weight and limit of Karnal Bunt affected grains shall not exceed 0.3 percent by weight.	+/- 0.50%  (No outbound tolerance for ergot affected Grains and Karnal Bunt grains)
Moisture	11% max	
Grain Size with diameter less than 3 mm	8% max	
Test Weight	76 Kg/hl minimum	+/- 0.25 Kg/hl
Max Tolerance (for all characteristic)		1.25%

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.

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**Contract Launch Calendar**

<b>Contract Launch Month</b>	<b>Contract Expiry Month</b>
December 2019	April 2020
January 2020	May 2020
February 2020	June 2020
March 2020	July 2020
April 2020	August 2020
May 2020	September 2020
June 2020	October 2020
July 2020	November 2020
August 2020	December 2020

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**Annexure IV: Premium/Discount for delivery location difference for Futures contract expiring in the month of April 2020**

Commodity (Base Center)	Additional Delivery Centers	(+) Premium/ (-) Discount
Wheat (Kota)	Rajkot	At par
	Sri Ganganagar	At par
	Indore	At par
	Agra	At par