
NATIONAL COMMODITY CLEARING LIMITED

Circular to all Members of the Clearing Corporation

Circular No. : NCCL/RISK-028/2025

Date : June 09, 2025

Subject : Concentration Margin – Revision in Threshold Levels

Reference is made to SEBI circular no. SEBI/HO/MRD/MRD-PoD-1/P/CIR/2023/136 dated August 04, 2023 on Master Circular for Commodity Derivatives Market and NCCL circular nos. NCCL/RISK-026/2024 dated June 19, 2024 on Concentration Margin – Revision in Threshold Levels and NCCL/RISK-022/2025 dated April 29, 2025 on Master Circular - Risk Management.

The Clearing Corporation has reviewed the thresholds for Concentration Margin purpose. The reviewed threshold level are provided in Annexure I.

The Concentration Margin on all the commodity contracts will be levied at clearing member level and client level based on the following criteria –

Clearing Member Level: The percentage share of a clearing member's open interest to the market wide open interest in a given commodity.

The Concentration Margin would be applicable in respect of all contracts in the commodity unless specified otherwise and would be applicable as follows:

Clearing Member Open Interest (OI) as % of Market wide OI in the commodity	Concentration Margin
0% to 10%	Nil
10% to 15%	1.00%
15% to 20%	2.00%
20% to 25%	3.00%
25% to 30%	4.00%
Above 30%	5.00%

Client Level: The percentage share of client's open interest to the market wide open interest in a given commodity.

The Concentration Margin would be applicable in respect of all contracts in the commodity unless specified otherwise and would be applicable as follows:

Client OI as % of Marketwide OI in the commodity	Concentration Margin	
	Broad Commodities	Narrow and Sensitive Commodities
Up to 5%	Nil	Nil
5% to 10%	1.00%	2.00%
10% to 15%	1.50%	3.00%
15% to 20%	2.50%	5.00%
20% to 25%	3.50%	7.00%
Above 25%	4.00%	10.00%

(Note: Broad, Narrow and Sensitive Commodities for the above purpose shall have the same meaning as defined in SEBI guidelines.)

- a. The Concentration Margin would be applicable at a specific client level and clearing member level for a particular commodity i.e. only those members/clients having OI that is eligible for charging of Concentration Margin as per the tables above. This margin shall be over and above all other margins as may be applicable.
- b. The Concentration Margin corresponding to a slab would be applied only on the incremental open interest for that slab.
- c. Concentration Margin would become applicable to commodities only when the overall market wide OI of a commodity exceeds the specified Threshold Level of OI for that commodity. The Threshold Levels for commodities are given in Annexure I.
- d. Clients who hedge through a Hedge Code would be exempted from levy of Concentration Margin at the client level to the extent of positions held in the Hedge Code as notified by the Exchange from time to time.
- e. As per SEBI circular no. SEBI/HO/MRD/MRD-PoD-1/P/CIR/2023/136 dated August 04, 2023 concentration margin shall be levied on Eligible Foreign Entities (EFEs).
- f. Higher concentration margins, if necessary, shall be specified by NCCL.

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- g. Members are advised to update themselves on the applicable list of Narrow and sensitive commodities as may be notified from time to time. The list of the narrow and sensitive commodities is given in Annexure II.

The circular shall be effective from beginning of trading day July 01, 2025.

Members and participants are requested to note the above.

For and on behalf of
National Commodity Clearing Limited

Abhishek Soni
Chief Risk Officer

For further information /clarifications, please contact

1. Customer Service Group on toll free number: 1800 266 6007
2. Customer Service Group by e-mail to : contactus@nccl.co.in

Annexure I
Threshold Levels

The peak thresholds and lean thresholds shall be applicable from the first trading day from the start of the month of the respective peak and lean period.

Commodity	Measure	Peak Period	Peak Threshold	Lean Period	Lean Threshold
Bajra - Feed Grade	MT	October to June	206,000	July to September	206,000
Barley	MT	April to December	115,600	January to March	115,600
Castor Seed	MT	February to October	46,700	November to January	35,400
Refined Castor Oil (First Special Grade – F.S.G)	MT	January to December	19,300	-	-
Undecorticated Cotton Seed Oil Cake - Akola	MT	December to August	92,200	September to November	55,900
29 mm Cotton	BALES	January to December	196,400	-	-
Cotton Wash Oil	MT	December to August	38,700	September to November	38,700
Coriander	MT	April to December	29,500	January to March	23,000
Groundnut (in Shell) (Not for Direct Human Consumption) - Bikaner	MT	October to June	48,600	July to September	48,600
Guar Gum Refined Splits	MT	October to June	65,200	July to September	62,100
Guar Seed	MT	October to June	89,500	July to September	77,500
Isabgol Seed	MT	March to November	18,100	December to February	18,100
Jeera	MT	March to November	9,500	December to February	6,100
Kapas	LOT	October to June	17,600	July to September	17,600
Maize - Feed/Industrial Grade	MT	January to December	222,200	-	-
Natural Whitish Sesame Seed	MT	January to December	20,200	-	-
Steel Long	MT	January to December	57,600	-	-
Crude Sunflower Oil	MT	January to December	37,900	-	-
Turmeric	MT	April to December	20,700	January to March	17,300
Unprocessed Whole Raw Yellow Peas (Not for direct human consumption)	MT	January to December	137,000	-	-

Annexure II**List of Narrow and Sensitive Commodities**

Sr. No	Commodity
1	Barley
2	Refined Castor Oil (First Special Grade – F.S.G)
3	Coriander
4	Groundnut (in shell) (Not for Direct Human Consumption) – Bikaner
5	Guar Gum Refined Splits
6	Isabgol Seed
7	Jeera
8	Natural Whitish Sesame Seed