NCDEX
Building markets, creating possibilities

Introducing

RAINCHNNAI

FUTURES CONTRACT

Completing India's Monsoon Risk Management Cycle With RAINMUMBAI.

SEBI - Regulated | **IMD Data-driven** | **Knowledge Partner : IIT Bombay**

Market Potential

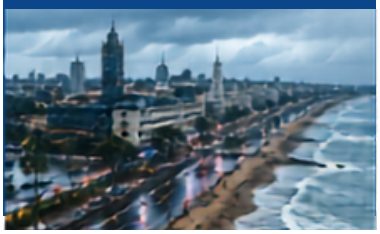
$25 billion Global weather derivatives market.

25% of annual rainfall in india occurs during the Northeast Monsoon period.

998.3 mm Chennai's indicated Long Period Average for the contract period.

373.5 mm November's indicated monthly LPA — the highest among the September–December contract months.

From the ***Southwest to the Northeast,*** **RAINMUMBAI & RAINCHNNAI** enable rainfall risk management across India's monsoon cycle - from ***June to December.***



Why RAINCHNNAI?

RELEVANT
Built around Chennai's covering 70% of it's annual rainfall (retreating monsoon).

MEASURABLE
Based on actual rainfall and its deviation from the Long Period Average.

TRADEABLE
Standardised futures contracts available through the exchange market.

TRANSPARENT
Based on defined rainfall data and a specified calculation methodology.

CASH-SETTLED
Positions are financially settled against the final settlement value.

CONTRACT SPECIFICATION

How does RAINCHNNAI complete the monsoon risk management cycle?		
Ticker Symbol	**RAINMUMBAI**	**RAINCHNNAI**
City / basis	Mumbai	Chennai
Rainfall regime	**Southwest Monsoon**	**Northeast Monsoon**
Contract months	June–September	September–December
Rainfall measurement stations	IMD **Colaba + Santacruz**	IMD **Meenambakkam + Nungambakkam**
Highest monthly LPA (50 Years Long Period Average)	July ~794.9 mm	November ~373.45 mm
Lot Value (Rs.) at Base Price	110335	49912.5

Trading Hours	Settlement	Multiplier	Tick size	Unit of Trading	Daily Price Limit	Maximum Order Lots	Minimum Initial Margin
Mondays through Fridays: 10:00 a.m. to 11.30 p.m. /11:55 p.m.	Cash settled	₹50/mm	1 mm	1 Lot; 1mm = Rs.50.00	Initial Slab: 6% Enhanced Slab: 3% Aggregate DPL: 9%	50 Lots	10%

RAINCHNNAI COMPLETING THE CYCLE

OF MONSOON RESILIENCE.

How RAINCHNNAI Works — Step by Step

IMD Records Rainfall : Surface observations at Meenambakkam + Nungambakkam stations. Data transmitted via API by 9:00 AM daily

CDR Spot Updated : NCDEX calculates daily deviation from LPA. Spot updated by 9:15 AM. One update per trading session.

Futures Trade on NCDEX : Monthly contracts (Sep - Dec) trade 10 AM–11:55 PM. Rs.50/mm multiplier. Up to 50 lots per order.

Contract Expires : Last trading day = business day before last calendar day of month. FSP = final CDR spot value.

Cash Settlement T+2 : All open positions settled in cash at FSP. No physical delivery. No loss declaration required.

CDR — Cumulative Deviation Rainfall

Daily Deviation = Actual Rainfall − Daily LPA
CDR Spot (Day t) = CDR (Day t−1) + Daily Deviation
Starting Anchor = 998.25 mm

↑ **Rain** Spot rises above LPA

↓ **Drought** Spot falls below LPA

Continuous spot — no monthly discontinuity. Spot carries forward each contract month, enabling seamless hedging across the full September - December season.

BUYERS — Hedge Rainfall Risk

Industries with negative earnings correlation to adverse rainfall seek protection. They may buy contracts to offset business losses.

Economic Logic to hedge risk –

- Revenue volatility / Cost escalation
- Demand destruction / Rainfall sensitive consumption
- Supply Disruption / Monsoon-Linked Raw Material Availability
- Capacity underutilization / High Operating Leverage

Farmers & FPOs
Hedge crop yield loss from drought or waterlogging

Banks & NBFCs
Hedge NPA risk in agri-loan portfolios from rainfall deficit

Power Distributors
Low hydro generation → higher spot procurement costs

Construction Firms
Hedge project delays and cost overruns from heavy rain

Airlines & Cargo; Courier Companies & Delivery people
Hedge operational disruptions from excess monsoon rainfall

Agri-Processors
Hedge raw material supply shortfalls from drought years

SELLERS — Monetise Weather Exposure

Industries with neutral or positive correlation to adverse rainfall may monetise weather exposure. They may take opposite position on .

Economic Logic to monetise rainfall exposure –

- Stable or rising demand
- Gain pricing power
- Benefit from excess rainfall/ drought conditions
- Limited dependence on agriculture
- Reconstruction or Repair Linked

Hydro Producers
More rain = higher generation; sell contracts in excess rain forecasts

Solar Power Firms
Drought means more sunshine → higher solar output

Agri Exporters
Diversified export exposure can benefit from surplus rainfall

Financial Institutions
Act as market makers, providing liquidity for premium income

Event Organisers
Outdoor events benefit from dry conditions; hedge accordingly

Cement & Beverage
Water-intensive industries often benefit from excess rainfall

Abbreviation: **IMD**- Indian Meteorological Department **CDR**- Cumulative Deviation Rainfall **LPA**- Long Period Average **FSP**- Final Settlement Price

For more details please visit: www.ncdex.com / askus@ncdex.com/ Corpcomm@ncdex.com or call 1800 -266 -2339