

Contract Specifications for Soybean futures contract

(Applicable for the contracts expiring from January 2022 till July 2022) – w.e.f. January 03, 2022

Type of Contract	Futures Contract
Name of commodity	Soy Bean
Ticker symbol	SYBEANIDR
Trading System	NCDEX Trading System
Basis	Ex-Warehouse Indore exclusive of GST
Unit of trading	5 MT
Delivery unit	5 MT
Maximum Order Size	500 MT
Quotation/base value	Rs per quintal
Tick size	Re. 1.00
Quality specification	Moisture: 9% basis, 11% Maximum Foreign Matter: 2 % basis, 5% Maximum Damaged: 2 % basis, 10% Maximum Green Seed : 7 %
Quantity variation	+/- 2%
Delivery center	Indore (within a radius of 50 km from the municipal limits)
Additional delivery center	Akola, Latur (Maharashtra); Mandsaur (MP) and Kota (Rajasthan) Location Premium/Discount as notified by the Exchange from time to time.
Trading hours	As notified by the Exchange from time to time, currently: Mondays through Fridays: 9:00 AM to 05:00 PM The Exchange may vary the above timing with due notice
Due date/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, which is not 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.

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 payout 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.
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 center where the seller has delivered same. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-010/2021 dated March 24, 2021 and NCCL/CLEARING-029/2021 dated August 18, 2021.
Delivery Logic	Compulsory Delivery
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.
Opening of contracts	Trading in any contract month will open on the 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
No. of active contracts	As per launch calendar
Price limit	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/ TRADING- 041/2021 dated December 02, 2021

Position limits	The position limits will be applicable on Exchange wise basis. Member-wise: 3,44,000 MT or 15% of market wide open interest in the commodity, whichever is higher. Client-wise: 34,400 MT. Bona fide hedger/EFE clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/TRADING-026/2021 dated August 30, 2021 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: 86,000 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher. Client-wise: 8,600 MT
Quality Allowance (for Delivery)	Quality delivery with variation shall be acceptable with discount as under: • Foreign Matter: From 2-4% accepted at discount of 1:1, from 4-5% accepted with a discount of 1:2. Above 5% rejected (The term 'foreign matter' would, in-general, mean anything other than Soy Bean e.g. sand, silica, pebbles, stalks and other seeds) • Damaged Seed: From 2-7% accepted at 1:0.5 discount, from 7% to 10% accepted at 1:0.75 discount and above 10% rejected • Green Seed: Above 7% rejected • Free from non-edible seeds such as Mahua, Castor and Neem and any toxic substances. Should be free from any foul odour and live infestation.
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:					
	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
	Minimum Initial Margin					
12%						

Tolerance limit of Commodity:

Commodity Specifications	Basis	Acceptable quality range as per contract specification	Permissible Tolerance
Foreign Matter	2% Basis	From 2-4% accepted at 1:1 discount From 4-5% accepted at discount of 1:2. Above 5% rejected	0.25%
Damaged	2% Basis	From 2-7% accepted at 1:0.5 discount, from 7% to 10% accepted at 1:0.75 discount and Above 10% rejected	0.25%
Green Seed	7% Max		0.5%
Max Tolerance (for all characteristics)			0.5%

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
June 2021	January 2022
July 2021	February 2022
August 2021	March 2022
September 2021	April 2022
October 2021	May 2022
November 2021	June 2022
December 2021	July 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 warehouses of the Clearing Corporation either on their own or on their behalf by any third party is in due compliance with the applicable regulations laid down by authorities like Food Safety and Standards Authority of India(FSSAI), AGMARK, 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 non-compliance thereof.