
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all members of the Exchange

Circular No. : NCDEX/TRADING-010/2021

Date : March 22, 2021

Subject : Revision in Daily Price Limits (DPL) for Commodity Futures Contracts

Reference is invited to Exchange circular no. NCDEX/TRADING-003/2021 dated January 12, 2021 and SEBI circular no. SEBI/HO/CDMRD/DNPMP/CIR/P/2021/9 dated January 11, 2021 regarding Revision in Daily Price Limits (DPL) for Commodity Futures Contracts.

In accordance with the same, Trading and Clearing members are hereby requested to note following changes in the norms governing Daily Price Limit (DPL) of futures contracts in agricultural as well as non-agricultural commodities effective from April 01, 2021.

1. DPL for commodity futures contracts based on agricultural and agri-processed goods

1.1. Daily Price Limits (DPL) on agricultural and agri-processed goods shall be revised as under:

Category	Commodity	Symbol	Initial Slab	Enhanced Slab	Aggregate DPL
Broad	Bajra - Feed Grade	BAJRA	4%	2%	6%
	Castor Seed	CASTOR	4%	2%	6%
	Undecorticated Cotton Seed Oil Cake	COCUDAKL	4%	2%	6%
	29 mm Cotton	COTTON	4%	2%	6%
	Crude Palm Oil	CPO	4%	2%	6%
	Guar seed	GUARSEED10	4%	2%	6%
	Gur (Feed Grade)	GUR	4%	2%	6%
	Kapas	KAPAS	4%	2%	6%
	Maize – Feed / Industrial Grade	MAIZE	4%	2%	6%
	Paddy (Basmati) – Pusa 1121	PADYPB1121	4%	2%	6%
	Rapeseed - Mustard seed	RMSEED	4%	2%	6%
	Soy Bean	SYBEANIDR	4%	2%	6%
	Hipro Soybean Meal	SBMEALIDR	4%	2%	6%
	Refined Soy Oil	SYOREF	4%	2%	6%
	Narrow	Barley	BARLEYJPR	4%	2%
Coriander		DHANIYA	4%	2%	6%
Guar Gum Refined Splits		GUARGUM5	4%	2%	6%
Jeera		JEERAUNJHA	4%	2%	6%

	Natural Whitish Sesame Seeds	SESAMESEED	4%	2%	6%
	Turmeric	TMCFGRNZM	4%	2%	6%
Sensitive	Desi Unprocessed Whole Raw Chana (Not for Direct Human Consumption)	CHANA	3%	1%	4%
	Unprocessed Whole Raw Moong (Not for Direct Human Consumption)	MOONG	3%	1%	4%
	Wheat	WHEATFAQ	3%	1%	4%

1.1. Once the initial slab limit is breached in any contract, the DPL for that contract shall be increased further by the 'Enhanced Slab' after the cooling off period of 15 minutes in the trading. During the cooling off period trading shall continue to be permitted within the previous slab of DPL. After the DPL is enhanced, trading shall be permitted throughout the day within the enhanced Aggregate DPL.

1.2. The base price for fixing the DPL slabs shall be the previous day's closing price of the underlying contract. A breach of the slab shall be considered when trading in a contract is executed at the upper or lower band of the prescribed slab.

2. DPL for commodity futures contracts which are based on non-agricultural goods

2.1. Daily Price Limits (DPL) on non-agricultural goods shall be revised as under:

Commodity	Symbol	Initial Slab	Enhanced Slab	Aggregate DPL
Steel Long	STEEL	6%	3%	9%

2.2. Once the initial slab limit is breached in any contract, the DPL for that contract shall be relaxed further by the 'Enhanced Slab' after the cooling off period of 15 minutes in the trading. During the cooling off period trading shall continue to be permitted within the previous slab of DPL. After the DPL is enhanced, trading shall be permitted throughout the day within the enhanced Aggregate DPL.

2.3. The base price for fixing the DPL slabs shall be the previous day's closing price of the underlying contract. A breach of the slab shall be considered when trading in a contract is executed at the upper or lower band of the prescribed slab.

3. DPL on First Trading Day of the Contract

3.1. In order to prescribe DPL slabs for the first trading day (launch day) of each contract, base price shall be determined as under (except in case of Index Futures):

- 3.1.1. Volume Weighted Average Price (VWAP) of the first half an hour, subject to minimum of ten trades.
 - 3.1.2. If sufficient number of trades are not executed during the first half an hour, then the VWAP of first hour trade subject to minimum of ten trades shall be considered.
 - 3.1.3. If sufficient number of trades are not executed even during the first hour of the day, then the VWAP of first ten trades during the day shall be considered.
- 3.2. Exchange shall calculate the base price arrived as per para 3.1.1 or para 3.1.2 or para 3.1.3 above, as the case may be, and the same shall be used to determine DPL for the remaining part of the day
 - 3.3. However, in case there is no trade during the day or there are less than ten trades during the day, Exchange shall consider the closing price or the Daily Settlement Price (DSP) as determined by NCCL as per their circular NCCL/CLEARING-008/2021 dated March 16, 2021 as the base price and DPL on the next trading day will be applicable on such base price.

4. DPL for Index Futures contracts

- 4.1. The Daily Price Limit for Index Futures contracts shall continue to be as under:

Symbol	Initial Slab	Enhanced Slab	Aggregate DPL
AGRIDEX	4%	2%	6%

- 4.2. Once the initial slab limit is breached in any contract, the DPL for that contract shall be relaxed further by the 'Enhanced Slab' after the cooling off period of 15 minutes in the trading. During the cooling off period trading shall continue to be permitted within the previous slab of DPL. After the DPL is enhanced, trading shall be permitted throughout the day within the enhanced Aggregate DPL.
- 4.3. The base price for fixing the DPL slabs shall be the previous day's closing price of the underlying contract. A breach of the slab shall be considered when trading in a contract is executed at the upper or lower band of the prescribed slab.
- 4.4. On the first trading day (launch day) of the Index futures contract, the base price shall be the previous day's closing value of the underlying index and the same shall be used to determine DPL for the first day.

5. Calculation of Closing Price or Daily Settlement Price (DSP)

Members and their constituents may please refer to NCCL circular no. NCCL/CLEARING-008/2021 dated March 16, 2021 on Calculation of Closing Price or Daily Settlement Price (DSP) for Commodity Futures Contract.

Members and their constituents may please note that the provisions of this circular shall come into effect from **April 01, 2021**.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Bipin Veliyam
Vice President

For further information / clarifications, please contact -

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