

NSE Clearing Limited

(Formerly known as National Securities Clearing Corporation Ltd.)

Circular

| Department: Commodity Derivatives Segment | |
|---|----------------------|
| Download Ref No: NCL/COM/66987 | Date: March 06, 2025 |
| Circular Ref. No 0081/2025 | |

All Members,

Sub: Review of Margin Framework for Commodity Derivatives Segment

This is in modification to our circular no. 0160/2024 (Download Ref no NCL/COM/63781) dated September 06, 2024, and with reference to SEBI Circular dated January 27, 2020, on Review of Margin Framework for Commodity Derivatives Segment and SEBI circular dated January 11, 2021, on Review of Volatility Scan Range (VSR) for Option contracts in Commodity Derivatives Segment.

The following shall be the categories of the commodities based on the criteria specified in the above-mentioned circular:

| Commodities | Commodity Type | Volatility Category | Applicable Minimum IM % | Short Option Minimum Margin % | Applicable Minimum MPOR | Applicable Minimum VSR (%) |
|-------------|----------------|---------------------|-------------------------|-------------------------------|-------------------------|----------------------------|
| GOLD | Non -Agri | Low | 6 | 6 | 2 | 4 |
| LEAD | Non -Agri | Low | 6 | N.A. | 2 | N.A. |
| COPPER | Non -Agri | Medium | 8 | 8 | 2 | 5 |
| SILVER** | Non -Agri | High | 10 | 10 | 3 | 6 |
| NATURALGAS* | Non -Agri | High | 10 | 10 | 3 | 6 |
| CRUDEOIL* | Non -Agri | High | 10 | 10 | 3 | 6 |
| ALUMINIUM | Non -Agri | High | 10 | N.A. | 3 | N.A. |
| NICKEL | Non -Agri | High | 10 | N.A. | 3 | N.A. |
| ZINC | Non -Agri | High | 10 | 10 | 3 | 6 |

*Note: As per NCL circular no. NCL/COM/63424 dated August 14, 2024, and as per Circular no. NCL/COM/58123 dated August 28, 2023, applicable minimum IM (%), SOMM (%) and VSR (%) is kept as 33%, 33% and 33% for Crude Oil and 13%, 13% and 6% for Natural Gas respectively.

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***Note: As per NCL circular no. NCL/COM/63514 dated August 22, 2024, applicable minimum IM (%), SOMM (%) and VSR (%) is kept as 16%, 16% and 6% respectively.*

Note:

- The Minimum IM % mentioned in the above table shall not be scaled up by MPOR.
- For options on goods, MPOR shall be at least equal to three days or MPOR of corresponding futures contracts, whichever is higher.
- All other margins inter alia Extreme Loss Margin, ICMTM Margin, Tender Period Margin, Delivery Period Margin, Concentration Margin, Additional Margin and Special Margin as currently applicable shall continue.

The provisions of this circular shall be applicable from the beginning of day on April 01, 2025.

Members are requested to take note of the above.

**For and on behalf of
NSE Clearing Limited**

Huzefa Mahuvawala
Chief Risk Officer

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