




COMMODITY DERIVATIVE SEGMENT






Global ranking



Currency Options	1 st in the world with 54.85 Million Contracts approx.
Currency Futures	3 rd in the World with 28.45 Million contracts approx.
Electronic Book Trades	12 th in the World in Equity shares with 25.23 Million Electronic Book Trades approx.
Market Capitalisation	10 th in the World with Market Capitalisation of 2.18 USD Trillion approx.

*Source: World Federation of Exchanges


Data as of April 2019



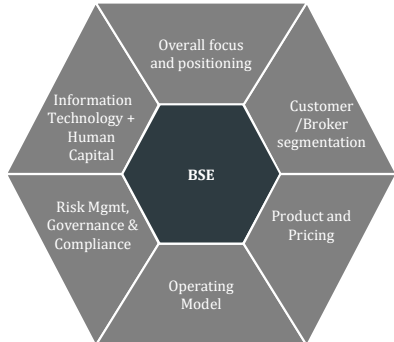
MOU SIGNED

- October 11, 2018 :BSE signs MoU with Dubai Mercantile Exchange to explore cooperation on commodity derivatives market
- September 17th 2018: BSE signed a MoU with the Federation of Indian Export Organizations (FIEO) to create awareness about the benefits of commodity/derivatives market
- 5th September 2018: BSE signs MOU with Cotton Association Of India : BSE entered into an agreement with Cotton Association Of India
- 1st August 2018: BSE signs MoU with Gems and Jewelry Council : BSE entered into an agreement with Gems and Jewelry Council for the growth and systematic development of commodity derivatives markets in the Bullion complex.
- 30th June 2018: BSE signs MoU with Bombay Metal Exchange : BSE entered into an agreement with Bombay Metal Exchange for the growth and systematic development of commodity derivatives markets in the Non Ferrous Metals complex.
- 24th May 2018 :BSE signs Memorandum of Understanding with Brink's India Pvt. Ltd. : BSE entered into an agreement with Brink's India Pvt. Ltd, supporting launch of bullion (Gold & Silver) commodities trading.
- March 6,2018: BSE, FISS sign MoU to develop derivatives market for spices for the growth and systematic development of the commodity derivatives markets in the spices segment.
- February 22nd 2018: BSE signs an MOU with Soybean Processors Association of India (SOPA) : BSE & SOPA have entered into a MOU for the growth and development of commodity markets and its value chain participants enabling them to manage price risk in a better manner in the soybean oil complex.
- December 27,2017 : BSE signs MOU with Rajkot commodity Exchange.
- 29th August 2019 :BSE inks pact with Steel Users Federation of India

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BSE VALUE PROPOSITION



Key elements	BSE Advantage
Brand name	<ul style="list-style-type: none"> BSE India's first Universal Exchange Trusted brand name with a presence of over 143 years
Broker / member network	<ul style="list-style-type: none"> Network of over 1,400 brokers / members and 40 Mn retail investors
Technology	<ul style="list-style-type: none"> In house technology company for faster go – to – market World's fastest Exchange with a trading speed of 6 micro seconds
Clearing & settlement	<ul style="list-style-type: none"> Secure, capital-efficient counterparty risk management and post-trade services provided by ICCL (AAA rated)
Risk and surveillance	<ul style="list-style-type: none"> Robust mechanism for the Equity and Currency segments First Exchange in India and second in the world to obtain ISO 9001:2000 certification

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COMMODITY DERIVATIVES OVERVIEW

COMMODITY DERIVATIVES



BSE INDIA'S FIRST UNIVERSAL EXCHANGE

Launch of commodity Derivate Segment on BSE October 1, 2018

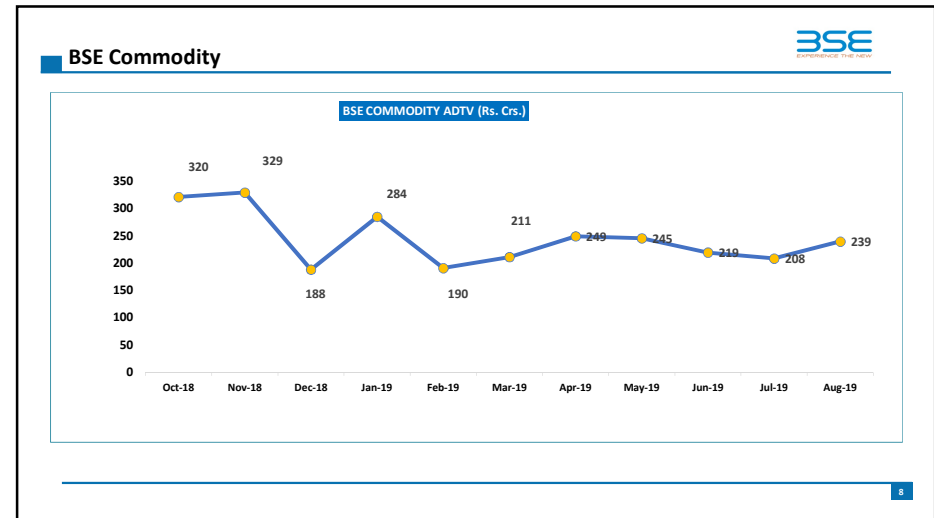
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BSE
BSE Commodities Exchange

PRODUCT LAUNCH DETAILS

Name of the product	Date of commencement of business
NON-AGRI COMMODITIES	
GOLD (1 KG)	01-Oct-18
SILVER (30 KG)	01-Oct-18
OMANCRUDE	26-Oct-18
COPPER	02-Nov-18
GOLDM	18-Feb-18
SILVERMINI	13-Jun-19
SILVER KG	13-Jun-19
AGRI COMMODITIES	
GUARSEED	06-Feb-19
GUARGUM	06-Feb-19
COTTON	18-Feb-19
TURMERIC	28-Jun-19
CASTORSEED	07-Oct-19
SOYBEAN	07-Oct-19
CHANA	07-Oct-19

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BSE
Bombay Stock Exchange

Agri Contract Specifications-At a Glance

Symbol	GUARSEED	Symbol	COTTONBSE
Trading Unit	10 MT	Trading Unit	20 bales
Quotation/ Base Value	Rs per Quintal	Quotation/ Base Value	Rs. Per bale (of 170 Kg)
Tick Size	Rs. 0.50	Tick Size	Rs.10
Trading months	Monthly	Trading months	Monthly
Delivery Centre	Jodhpur (up to the radius of 100 Km from the municipal limits)	Delivery Centre	Rajkot (Main Delivery Centre)
Additional Delivery Centre	Bikaner, Sriganganagar and Deesa (up to the radius of 100 Km from the municipal limits) with location wise premium/ discount as announced by the Exchange from time to time.	Additional Delivery Centre	1)Aurangabad (Maharashtra) 2)Jalgaon (Maharashtra) 3) Yavatmal (Maharashtra) 4)Kadi (Gujarat) 5)Hyderabad (Telangana). 6)Khargaon (Madhya Pradesh) 7)Hanumangarh (Rajasthan)
Delivery Logic	Compulsory	Delivery Logic	Compulsory Delivery


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BSE
Bombay Stock Exchange

Agri Contract Specifications-At a Glance

Symbol	TURMERIC	Symbol	CHANA
Trading Unit	10 MT	Trading Unit	10 MT
Quotation/ Base Value	Rs per Quintal	Quotation/ Base Value	Rs per Quintal
Tick Size	Rs. 1.00	Tick Size	Rs. 1.00
Trading months	Monthly	Trading months	Monthly
Delivery Centre	Nizamabad (up to the radius of 100 Km from the municipal limits)	Delivery Centre	Bikaner (up to the radius of 100 Km from the municipal limits)
Additional centre	Sangli, Erode, and Basmat (up to the radius of 100 Km from the municipal limits) with location wise premium/discount as announced by the Exchange	Additional delivery Centres	Desi Unprocessed Whole Raw Chana (Not for direct human consumption) can also be delivered at Akola and Jaipur (Upto the radius of 100 KMs from municipal limit). Vishal Chana (Unprocessed whole Raw Chana) can also be delivered at Indore (Upto the radius of 100 KMs from municipal limit).
Delivery Logic	Compulsory delivery	Delivery Logic	Compulsory delivery

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DELIVERY DETAILS 

BSE has been able to handle physical delivery as mentioned below :

Commodity	Month	Physical Quantity Delivered	Unit
GUARSEED	Mar-19-to Sept-19	7970	MT
GUARGUM	Mar-19 to Aug-19	60	MT
COTTON	April-19	400	BALES
TURMERIC	Aug19-Sept-19	190	MT

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Soybean Contract Specification



Symbol	SOYBEAN
Contract Listing	Contracts are available as per the Contract Launch Calendar
Contract Start Day	21 st day of the contract launch month. If 21 st day is a holiday, then the following working day.
Last Trading Day	20 th trading day of the delivery month. If last trading day is a holiday, then preceding trading day.
Trading	
Trading Session	Monday to Friday: 09.00 a.m. to 05.00 p.m.
Trading Unit	10 MT
Quotation/Base Value	Rs. Per Quintal
Maximum Order Size 1	500 MT
Tick size (minimum price movement)	Rs.1.00
Price Quote	Ex-Warehouse Indore (upto the radius of 60 kms from the municipal limits) excluding all taxes, duties, levies, charges as applicable.
Daily Price Limits	DPL shall have two slabs - Initial and Enhanced Slab. Once the initial slab limit of 3% is reached in any contract, then after a period of 15 minutes, this limit shall be increased further by enhanced slab of 1%, only in that contract, The trading shall be permitted during the 15 minutes period within the initial slab limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 4%.

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Soybean Contract Specification Cont...



Initial Margin *	Minimum 4% or based on SPAN whichever is higher
Extreme Loss Margin **	1%
Additional and/ or Special Margin	An additional margin (on both buy & sell side) and/ or special margin (on either buy or sell side) at such percentage, as may be deemed fit, will be imposed by the Exchange/Regulator, as and when is necessary, in respect of all outstanding positions.
Maximum Allowable Open Position* **	For individual clients: 1, 10,000 MT For a member collectively for all clients: MT or 15% of the market wide open position whichever is higher. For Near Month Delivery For individual clients: 27,500 MT Member level: 2, 75,000 MT or One-fourth of the member's overall position limit in that commodity, whichever is higher. Near month member level position limit shall be equivalent to the one fourth of the overall member level position limit.
Delivery	
Delivery Unit	10 MT (+/- 2%)
Basic Delivery Centre	Indore (upto the radius of 60 kms from the municipal limits)
Additional Delivery Centre	Maharashtra: Akola, Nanded, Hingangath Madhya Pradesh: Indore, Vidisha, Mansour Rajasthan: Kota, Ramgunj Mandi
Quality Specifications	Moisture: 9% basis, 11% Maximum Foreign Matter: 2 % Damaged: 2 % Green Seed: 7%

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Soybean Contract Specification Cont...		BSE BOMBAY STOCK EXCHANGE																																												
Delivery Period Margin****	Delivery period margins shall be higher of: 3% + 5 day 99% VaR of spot price volatility OR a. 20%																																													
Final Settlement Price*****	For contracts where, Final Settlement Price (FSP) is determined by polling, unless specifically approved otherwise, the 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, E1, 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:																																													
	<table border="1"> <thead> <tr> <th rowspan="2">Scenario on</th> <th colspan="3">Polled spot price availability</th> <th rowspan="2">FSP shall be simple average of last polled spot prices on:</th> </tr> <tr> <th>E0</th> <th>E-1</th> <th>E-2</th> <th>E-3</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes/No</td> </tr> <tr> <td>2</td> <td>Yes</td> <td>Yes</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>3</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>4</td> <td>Yes</td> <td>No</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>5</td> <td>Yes</td> <td>Yes</td> <td>No</td> <td>No</td> </tr> <tr> <td>6</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>No</td> </tr> <tr> <td>7</td> <td>Yes</td> <td>No</td> <td>No</td> <td>No</td> </tr> </tbody> </table>		Scenario on	Polled spot price availability			FSP shall be simple average of last polled spot prices on:	E0	E-1	E-2	E-3	1	Yes	Yes	Yes	Yes/No	2	Yes	Yes	No	Yes	3	Yes	No	Yes	Yes	4	Yes	No	No	Yes	5	Yes	Yes	No	No	6	Yes	No	Yes	No	7	Yes	No	No	No
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6	Yes	No	Yes	No																																										
7	Yes	No	No	No																																										
	In case of non-availability of polled spot price on expiry day (E0) due to sudden closure of physical market under any emergency situations noticed at the basis centre, Exchanges shall decide further course of action for determining FSP in consultation with SEBI.																																													
Delivery Logic	Compulsory Delivery.																																													



THANK YOU

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