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The contents of this product note are subject to Rules, Byelaws and Regulations of NCDEX as in force from time to time and be read therewith.

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## **CHAPTER 1 - TRADING PARAMETERS**

### **Authority**

Trading of Soy Bean seed futures may be conducted under such terms and conditions as specified in the Rules, bylaw & Regulations and directions of the Exchange issued from time to time. A specimen of Soy Bean seed futures contract specification is indicated in **Exhibit 1**.

### **Unit of Trading**

The unit of trading shall be 10 MT. Bids and offers may be accepted in lots of 10 MT or multiples thereof.

### **Months Traded In**

Trading in Soy Bean seed futures is available in two quality specifications i.e. Soy Bean A applicable to all contracts expiring in the months of September, October, November, December, and January where as Soy Bean B is applicable for all contracts expiring in the months of February, March, April, May, June, July, and August.

### **Tick Size**

The tick size of the price of Soy Bean seed shall be 50 Paise.

### **Basis Price**

The basis price of Soy Bean seed shall be Ex-warehouse Indore, exclusive of sales taxes.

### **Unit for Price Quotation**

The unit of price quotation for Soy Bean seed shall be in Rupees per quintal. The basis for Soy Bean seed traded as Soy Bean is exclusive of sales tax.

### **Hours of Trading**

As per directions of the Forward Markets Commission from time to time, currently:

- Mondays through Fridays - 10 a.m. to 05.00 p.m.
- Saturdays - 10 a.m. to 02.00 p.m.

The Exchange may vary the above timings with due notice.

### **Last Day of Trading**

Last day of trading shall be 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.

### **Mark to Market**

The outstanding positions in futures contract in Soy Bean seed would be marked to market daily based on the Daily Settlement Price (DSP) as determined by the Exchange.

### **Position limits**

**Member level:** 60,000 MT or 15 % of Market OI, whichever is higher

**Client level:** 20,000 MT

The above limits will not apply to bona fide hedgers. For bona fide hedgers, the Exchange will, on a case to case basis, decide the hedge limits. Please refer to Circular No. NCDEX/TRADING-100/2005/219 dated October 20, 2005

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**Near month limit (Applicable from 28 days prior to expiry date)**

**Member level:** 18,000 MT or 15% of Market wide near month open position whichever is higher

**Client level:** 6,000 MT

**Margin Requirements**

NCDEX will use Value at Risk (VaR) based margin calculated at 99.95% confidence interval for one day time horizon. NCDEX reserves the right to change, reduce or levy any additional margins including any mark up margin.

**Pre-Expiry Additional Margin**

There will be an additional margin imposed for the last 5 trading days, including the expiry date of the Soy Bean seed contract. The additional margin will be added to the normal exposure margin and will be increased by 3% everyday for the last 5 trading days of the contract.

**Delivery Margins**

In case of open positions materializing into physical delivery, delivery margins as may be determined by the Exchange from time to time will be charged. The delivery margins will be calculated based on the number of days required for completing the physical delivery settlement (the look-ahead period and the risks arising thereof).

**Delivery Default Penalty**

The penalty structure for failure to meet delivery obligations will be as per circular no. NCDEX/TRADING-091/2007/235 dated October 4, 2007

**Arbitration**

Disputes between the members of the Exchange inter-se and between members and constituents, arising out of or pertaining to trades done on NCDEX shall be settled through arbitration. The arbitration proceedings and appointment of arbitrators shall be as governed by the Bye-laws and Regulations of the Exchange.

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## **CHAPTER 2 - DELIVERY PROCEDURES**

### **Unit of Delivery**

The unit of delivery for Soy Bean seed shall be 10 MT.

### **Delivery Size**

Delivery is to be offered and accepted in lots of 10 MT Net or multiples thereof. A quantity variation of +/- 2% is permitted as per contract specification.

### **Delivery Requests**

The procedure for Soybean Seeds delivery is based on the contract specifications as per Exhibit I. According, the window for acceptance of delivery request will be open for 3 working days. The window will close 5 days prior to the expiry date of the contract. Members giving delivery request for the commodities are not permitted to square off their open positions. A Penalty of 5% of final settlement price on the position squared off will be levied on the Members violating the same. NCDEX would thereafter complete the matching process based on the location and by random, keeping in view the storage capacity of warehouse and Soybean Seeds already deposited / dematerialized for delivery or any other factor(s) that the Exchange deems appropriate for completion of the matching process.

It may be noted that upon expiry of the contract, if any seller having open position desires to give physical delivery at a specified delivery center, then the buyer with corresponding open position as matched by the process put in place by the Exchange, shall be bound to settle by taking physical delivery. All open positions of those sellers who do not provide required information for physical delivery shall be settled in cash with penalties.

### **Delivery Allocation**

The Exchange would compile delivery requests received from members on the last trading day, as specified in Chapter 1 above. The buyers / sellers who have to receive / give delivery would be notified on the same day after the close of trading hours. Delivery of Soy Bean seed is to be accepted by buyers at the accredited warehouse where the seller effects delivery in accordance with the contract specifications.

### **Actual Delivery**

Where Soy Bean seed is sold for delivery in a specified month, the seller must have requisite electronic credit of such Soy Bean seed holding in his Clearing Member's Pool Account before the scheduled date of pay in. On settlement the buyer's Clearing Member's Pool Account would be credited with the said delivery quantity on pay out. The Clearing Member is expected to transfer the same to the buyer's depository account. However, the buyer must take actual physical delivery of Soy Bean seed before expiry of the validity date as indicated in the quality test report/Assayer's Certificate of the Assayer or get the same revalidated.

### **Accredited Warehouse**

NCDEX has accredited warehouses for receipt and delivery of Soy Bean seed. Soy Bean seed will only be received at and delivered from the NCDEX accredited warehouse. The details of the NCDEX accredited warehouses are as per Exhibit 2.

The Soy Bean seed received at the NCDEX accredited warehouse will be tested and certified by NCDEX accredited Assayer before acceptance as good delivery in the

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warehouse. Likewise, Soy Bean seed delivered to buyers will be from the accredited warehouse only.

### **Quality Standards**

The contract quality for delivery of Soy Bean seed futures contracts made under NCDEX Regulations shall be Soy Bean seed conforming to the quality specification indicated in the contract specification as per Exhibit 1. No lower grade/ quality shall be accepted in satisfaction of futures contracts for delivery except as and to the extent provided in the contract specifications.

### **Packaging**

Soy Bean seed should be delivered in 91 Kg. gross weight basis with a variation of +/- 2 % in new or sound and unmended Jute bags without any patches.

### **Standard Allowances**

Weight deduction per validation of quality allowed will be 0.25% on account of sample testing and spillage.

### **Weight**

The quantity of Soy Bean seed received and/ or delivered at the NCDEX accredited warehouse would be determined/ calculated by the weighbridge/ weigh scale at the premises of the accredited warehouse and the quantity so determined would be binding on all parties. The weight of the bag will be 91 Kg. gross.

### **Good/ Bad delivery Norms**

Soy Bean seed delivery into NCDEX accredited Warehouse would constitute good delivery or bad delivery based on the good/ bad delivery norms as per Exhibit 3. The list contained in Exhibit 3 is only illustrative and not exhaustive. NCDEX would from time to time review and update the good/ bad delivery norms retaining the trade/ industry practices.

### **Soy Bean seed Sampling**

The sampling will be done with 100% bags of Soy Bean seed. Out of every sampling lot of 30 MT, consisting of 330 Bags approx, all bags will be sampled. The samples will be drawn from 3 places of each bag and a composite mixture of approx. 2 kg will be made. This is then divided into 4 parts.

These samples will be distributed as under:

- One sample to Depositor
- One sample to Warehouse owner
- One sample for Analysis by assayer
- One sample for record with assayer

### **Accredited Assayer**

NCDEX has approved the Assayers for quality testing and certification of Soy Bean seed received at the accredited warehouse. The quality testing and certification of Soy Bean seed will be undertaken only by an approved Assayer. The assayer details are given in the Exhibit 2 alongside the warehouses.

### **Testing Procedure**

Testing for Soy Bean seed will be done physically. To test Sand/silica, damaged and green seeds, physical tests are conducted. Moisture content is tested by oven dry method.

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**Assayer Certificate/ Quality Testing Report**

Testing and quality certificate/ test report issued by NCDEX approved Assayer on samples drawn from Soy Bean seed delivered at accredited warehouses in Indore, Itarsi, Sagar (M.P.), Kota (Rajasthan) , Akola, Nagpur (Maharashtra), and at such other locations announced by the Exchange from time to time shall be acceptable and binding on all parties. Each delivery of Soy Bean seed at the warehouse must be accompanied by a certificate from NCDEX approved Assayer in the format indicated in Exhibit 4.

**Validity period**

The validity period of the Assayer’s Certificate for Soy Bean seed is as given in the table below

<b>Month of Deposit /Date of entry by warehouse in system(Jan - dec)</b>	<b>Expiry period from the date of Fresh Deposit (no. of months)</b>	<b>Validity period at the time of fresh deposit (no of months)</b>	<b>How many times revalidations allowed</b>	<b>Validity Period of first revalidation(n o. of months)</b>	<b>Validity period of second revalidation(n o. of months)</b>
<b>Soya Bean</b>					
January	1	1	0	0	0
February	3	3	0	0	0
March	3	3	0	0	0
April	3	3	0	0	0
May	3	3	0	0	0
June	3	3	0	0	0
July	2	2	0	0	0
August	1	1	0	0	0
September	3	3	0	0	0
October	3	3	0	0	0
November	3	3	0	0	0
December	2	2	0	0	0
<b>Soya Bean (Cold Storage)</b>					
January	1	1	0	0	0
February	3	3	0	0	0
March	3	3	0	0	0
April	3	3	0	0	0
May	3	3	0	0	0
June	3	3	0	0	0
July	2	2	0	0	0
August	1	1	0	0	0
September	3	3	0	0	0
October	3	3	0	0	0
November	3	3	0	0	0
December	2	2	0	0	0

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### **Electronic transfer**

Any buyer or seller receiving and or effecting Soy Bean seed would have to open a depository account with an NCDEX empanelled Depository Participant (DP) to hold the Soy Bean seed in electronic form. On settlement, the buyer's account with the DP would be credited with the quantity of Soy Bean seed received and the corresponding seller's account would be debited. The Buyer wanting to take physical delivery of the Soy Bean seed holding has to make a request in prescribed form to his DP with whom depository account has been opened. The DP would route the request to the warehouse for issue of the physical commodity i.e. Soy Bean seed to the buyer and debit his account, thus reducing the electronic balance to the extent of Soy Bean seed so rematerialized.

### **Charges**

All charges and costs payable at the accredited warehouse towards delivery of Soy Bean seed including sampling, grading, weighing, handling charges, storage etc from the date of receipt into accredited warehouse up to date of pay-in & settlement shall be paid by the seller.

No refund for warehouse charges paid by the seller for full validity period shall be given to the seller or buyer for delivery earlier than the validity period.

All charges and costs associated with & including storage, handling etc. after the pay out shall be borne by the buyer. Warehouse storage charges will be charged to the member/client by the respective Depository Participant.

The Assayer charges for testing and quality certification should be paid to the Assayer directly at the delivery location either by cash/ cheque/ demand draft.

### **Duties & levies**

All duties, levies etc. up to the point of sale will have to be fully borne by the seller and shall be paid to the concerned authority. All related documentation should be completed before delivery of Soy Bean seed into the NCDEX accredited warehouse.

### **Stamp Duty**

Stamp duty is payable on all contract notes issued as may be applicable in the State from where the contract note is issued or State in which such contract note is received by the client.

### **Taxes**

#### **Service tax**

Service tax will be payable by the members of Commodity Exchanges on the gross amount charged by them from their clients on account of dealing in commodities.

#### **Sales Tax/ VAT**

Local taxes/ VAT wherever applicable is to be paid by the seller to the sales tax/ VAT authorities on all contracts resulting in delivery. Accordingly the buyer will have to pay the taxes/ VAT to the seller at the time of settlement. Members and/ or their constituents requiring to receive or deliver Soy Bean seed should register with the relevant tax/ VAT authorities of the place where the delivery is proposed to be received / given. In the event of sales tax exemption, such exemption certificate should be submitted before settlement of the obligation. There will be no exemptions on account of resale or second sale in VAT regime.

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**Premium / Discount**

Premium & Discount on the Soy Bean seed delivered will be provided by the Exchange on the basis of quality specifications:

The Exchange will communicate the premium / discounts amount applicable. Such amount will be adjusted to the members account through the supplementary settlement.

Currently, the applicable premium/discounts for the commodity are as follows:

**Soy Bean A (Contracts expiring in the months of September, October, November, December and January)**

- **Moisture:** From 10-12% accepted at 1:1. Above 12% rejected
- **Foreign matter:** From 2- 4% accepted at 1:1. Above 4% rejected (The term 'foreign matter' would in – general, mean anything other than Soy Bean e.g. Sand, Silica , pebbles, stalks and other seeds)
- **Green Seed:** Above 7% rejected
- **Damaged Seed:** From 2- 5% accepted at 2:1. Above 5% rejected

Free from non-edible seeds such as Mahua, Castor and Neem and any toxic substances. Should be free from any foul odor.

**Soy Bean B (Contracts expiring in the months of February, March, April, May, June, July and August)**

- **Moisture:** From 8-10% accepted at 1:1. Above 10 % rejected
- **Foreign matter:** From 2- 4% accepted at 1:1. Above 4% rejected (The term 'foreign matter' would in – general, mean anything other than Soy Bean e.g. Sand, Silica , pebbles, stalks and other seeds)
- **Green Seed:** Above 7% rejected
- **Damaged Seed:** From 2-5% accepted at 2:1. Above 5% rejected

Free from non-edible seeds such as Mahua, Castor and Neem and any toxic substances. Should be free from any foul odor.

Discounts applicable to each soybean grade can be found in Grade Matrix as per Exhibit-5.

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## **CHAPTER 3 - CLEARING AND SETTLEMENT**

### **Daily Settlement**

All open positions of a futures contract would be settled daily based on the Daily Settlement Price (DSP).

### **Daily Settlement Prices**

The Daily Settlement Price (DSP) will be as disseminated by the Exchange at the end of every trading day. The DSP will be reckoned for marking to market all open positions.

### **Final Settlement Prices**

The Final Settlement Price (FSP) will be determined by the Exchange upon maturity of the contract.

On expiry of the contract, the following type of open positions would be cash settled:

1. Delivery information not provided.
2. Unmatched Deliver Information.

The open positions, for which information have been provided for and have been matched by the Exchange, would result in physical delivery.

The Final Settlement Price (FSP) shall be arrived at by taking the average of the last three days' spot prices. The last spot price for the day as polled by the Exchange during the last three days shall be taken for arriving at the FSP. In the event of unavailability of the spot prices during any one of the last three days excluding the expiry day (i.e., on E - 1 or E - 2), the spot price of the previous day (E - 3) shall be considered for the average of the last three days. In case spot prices are not available during the 3 day period prior to the expiry date, the last spot price of the expiry day shall be considered for arriving at the FSP.

### **Spot Prices**

NCDEX will announce / disseminate spot prices for Soy Bean seed relating to the designated delivery center and specified grade/ quality parameters determined through the process of polling a set of market participants representing different segments of the value chain such as traders, importers / exporters, processors etc.

The polled prices shall be input to a normalizing algorithm (like 'bootstrapping' technique) to arrive at a representative, unbiased and clean 'benchmark' spot price for Soy Bean seed. The security of data and randomness of polling process will ensure transparency and correctness of prices. The Exchange has absolute right to modify the process of determination of spot prices at any time without notice.

### **Dissemination of Spot Prices**

Spot prices for Soy Bean seed will be disseminated on daily basis.

### **Pay in and Pay out for Daily Settlement / Final Settlement**

The table below illustrates timings for pay in and pay out in case of daily settlement as well as cash settled positions for final settlement. The buyer clients would have to deposit requisite funds with their respective Clearing Member before "pay in".

All fund debits and credits for the Member would be done in the Member's Settlement Account with the Clearing bank.

<b>Time (T/ E+1)</b>	<b>Activity</b>
On or before 11.00 hrs	PAYIN - Debit paying member a/c for funds
After 13.00 hrs	PAYOUT – Credit receiving member a/c for funds

**Pay in and Pay out for final physical settlement**

The table below illustrates timings for pay in and pay out in case of positions marked for physical settlement. The buyers / sellers would have to deposit requisite funds / Soy Bean seed with their respective Clearing member before “pay in”.

Pay in and Pay out for Final Settlement in case of physical deliveries	
<b>Time (E+2)</b>	<b>Activity</b>
On or before 12.00 hrs	PAYIN - Debit Buyer Member Settlement a/c for funds - Debit Seller Member’s CM Pool Account for Soy Bean seed
After 14.30 hrs	PAYOUT - Credit Seller Member Settlement a/c for funds - Credit Buyer Member’s CM Pool Account for Soy Bean seed

Additionally the supplemental settlement for Soy Bean seed futures contracts for premium / discount adjustments relating to quality of Soy Bean seed delivered, actual quantity delivered and close out for shortages, will also be conducted on the same day. Clearing Members are required to maintain adequate fund balances in their respective accounts.

Pay in and Pay out for supplemental settlement	
<b>Time (E + 2)</b>	<b>Activity</b>
On or before 15.00 hours	PAY IN - Debit Member Settlement a/c for funds
After 15.00 hours	PAY OUT – Credit Member Settlement a/c for funds

**Supplementary Settlement for Taxes**

The Exchange will conduct a separate supplementary settlement, as illustrated below, three days after normal pay out for completion of tax transactions.

In order to facilitate issue of invoice to right parties, the buyer Clearing Members are required to give the buyer client details to the Exchange latest by 15.00 hrs on E+3 day failing which the buying member is considered as the end buyer and accordingly invoice is issued in his/their name.

The seller Clearing Members are required to give the seller client detail to the Exchange latest by 15.00 hrs on E+4 day.

The amounts due to the above differences will be debited / credited to Member’s clearing bank account similar to normal settlement.

**Soy Bean Seed  
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Pay in and Pay out for Taxes	
<b>Time (E + 5)</b>	<b>Activity</b>
On or before 11.00 hours	PAY IN: Debit Buyer Member Settlement a/c for funds.
After 11.00 hours	PAY OUT: Credit Seller Member Settlement a/c for funds

For further clarification and detailed procedure on sales tax settlement participants can refer to circular number NCDEX/CLEARING-001/2008/002 issued on January 04, 2008.

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**Exhibit 1 – CONTRACT SPECIFICATIONS OF SOY BEAN SEED**

**Soy Bean A**

**(Applicable for contracts expiring in the months of September, October, November, December and January)**

**(Updated as on January 7, 2011)**

<b>Name of commodity</b>	Soy Bean
<b>Ticker symbol</b>	SYBEANIDR
<b>Trading System</b>	NCDEX Trading System
<b>Basis</b>	Ex-Warehouse Indore exclusive of Sales taxes
<b>Unit of trading</b>	10 MT
<b>Delivery unit</b>	10 MT
<b>Quotation/base value</b>	Rs per quintal
<b>Tick size</b>	50 Paisa
<b>Quality specification</b>	Moisture : 10 % Foreign Matters : 2 % Damaged : 2 % Green Seed : 7 %
<b>Quantity variation</b>	+/- 2%
<b>Delivery center</b>	Indore (within a radius of 50 km from the municipal limits)
<b>Additional delivery center</b>	Akola, Nagpur,(Maharashtra);Itarsi, Sagar (MP); and Kota (Rajasthan)  Location Premium/Discount as notified by the Exchange from time to time.
<b>Trading hours</b>	As per directions of the Forward Markets Commission from time to time, currently -  <b>Mondays through Fridays</b> :10:00 AM to 05:00 PM  <b>Saturdays</b> : 10.00 AM to 2.00 PM  The Exchange may vary the above timing with due notice
<b>Due date/Expiry date</b>	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.

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<b>Delivery specification</b>	The sellers would be required to give their intention to give delivery at least five days before the maturity of the contract. If a buyer with an outstanding position at maturity or a seller, who has given an intention to deliver, fails to meet their respective obligations, the penalty structure will be as per circular no. NCDEX/TRADING-091/2007/235 dated October 4, 2007. The operators giving the intention for delivery shall not be allowed to square off their position
<b>Delivery Logic</b>	Seller's Option
<b>Closing of contract</b>	On the expiry of the contract, all outstanding positions not resulting in giving/taking of physical delivery of the commodity shall be closed out at the Final Settlement Price announced by the Exchange
<b>Opening of contracts</b>	Trading in any contract month will open on the 10 <sup>th</sup> day of the month. If the 10 <sup>th</sup> day happens to be a non-trading day, contracts would open on next trading day
<b>No. of active contracts</b>	As per Launch calendar
<b>Price limit</b>	<p>Daily price fluctuation limit is (+/-) 3%. If the trade hits the prescribed daily price limit there will be a cooling off period for 15 minutes. Trade will be allowed during this cooling off period within the price band. Thereafter the price band would be raised by (+/-) 1% and trade will be resumed</p> <p>If the price hits the revised price band (4%) again during the day, trade will only be allowed within the revised price band. No trade / order shall be permitted during the day beyond the revised limit of (+ / -) 4%</p>
<b>Position limits</b>	<p><b>Member level:</b> 60,000 MT or 15 % of market open interest, whichever is higher <b>Client level:</b> 20,000 MT</p> <p>The above limits will not apply to bona fide hedgers. For bona fide hedgers, the Exchange will, on a case to case basis, decide the hedge limits.</p> <p>Near month limit (Applicable from 28 days prior to expiry date)</p> <p><b>Member level:</b> 18,000 MT or 15% of Market wide OI in near month whichever is higher <b>Client level:</b> 6,000 MT</p>

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<p><b>Quality Allowance(for Delivery)</b></p>	<p>Quality delivery with variation shall be acceptable with discount as under:</p> <ul style="list-style-type: none"> <li>• Moisture: From 10-12% accepted at 1:1. Above 12% rejected</li> <li>• Foreign Matter: From 2-4% accepted at 1:1. Above 4% rejected (The term 'foreign matter' would, in-general, mean anything other than Soy Bean e.g. sand, silica, pebbles, stalks and other seeds)</li> <li>• Damaged Seed: From 2-5% accepted at 2:1. Above 5% rejected</li> <li>• Green Seed: Above 7% rejected</li> <li>• Free from non-edible seeds such as Mahua, Castor and Neem and any toxic substances. Should be free from any foul odour.</li> </ul>
<p><b>Special Margin</b></p>	<p>In case of additional volatility, a special margin at such other percentage, as deemed fit, will be imposed in respect of outstanding positions, which will remain in force as long as the volatility exists, after which the special margin may be relaxed.</p>
<p><b>Final Settlement Price</b></p>	<p>The Final Settlement Price (FSP) shall be arrived at by taking the average of the last three days' spot prices. The last spot price for the day as polled by the Exchange during the last three days shall be taken for arriving at the FSP. In the event of unavailability of the spot prices during any one of the last three days excluding the expiry day (i.e., on E - 1 or E - 2), the spot price of the previous day (E - 3) shall be considered for the average of the last three days. In case spot prices are not available during the 3 day period prior to the expiry date, the last spot price of the expiry day shall be considered for arriving at the FSP.</p>

**Soy Bean Seed  
Product Note**



Tolerance limit Commodity: SOYA BEAN-A

(Applicable for contracts expiring in the month of September, October, November, December and January)

Commodity Specifications	Basis	Acceptable quality range as per contract specification	Permissible Tolerance
Moisture	10% for Soybean-A (8% for soybean-B)	From 10-12% accepted at 1:1 discount. Above 12% rejected (Soybean-A). From 8-10% accepted at 1:1 discount. Above 10% rejected (Soybean-B)	
Foreign Matter	2% Basis	From 2- 4% accepted at 1:1 discount. Above 4% rejected	0.25%
Damaged	2% Basis	From 2-5% accepted at 2:1 discount. Above 5% 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 NCDEX approved assayer.

**Soy Bean (B)**  
**(Applicable for all contracts expiring in the months of February, March, April, May, June, July and August)**

**(Updated as on January 7, 2011)**

<b>Type of Contract</b>	Futures Contract
<b>Name of commodity</b>	Soy Bean
<b>Ticker symbol</b>	SYBEANIDR
<b>Trading System</b>	NCDEX Trading System
<b>Basis</b>	Ex-Warehouse Indore exclusive of Sales taxes
<b>Unit of trading</b>	10 MT
<b>Delivery unit</b>	10 MT
<b>Quotation/base value</b>	Rs per quintal
<b>Tick size</b>	50 Paisa
<b>Quality specification</b>	Moisture : 8 % Foreign Matter : 2 % Damaged : 2 % Green Seed : 7 %
<b>Quantity variation</b>	+/- 2%
<b>Delivery center</b>	Indore (within a radius of 50 km from the municipal limits)
<b>Additional delivery center</b>	Akola, Nagpur,(Maharashtra);Itarsi, Sagar (MP); and Kota (Rajasthan)  Location Premium/Discount as notified by the Exchange from time to time.
<b>Trading hours</b>	As per directions of the Forward Markets Commission from time to time, currently -  <b>Mondays through Fridays</b> :10:00 AM to 05:00 PM  <b>Saturdays</b> : 10.00 AM to 2.00 PM  The Exchange may vary the above timing with due notice
<b>Due date/Expiry date</b>	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

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<b>Delivery specification</b>	The sellers would be required to give their intention to give delivery at least five days before the maturity of the contract. If a buyer with an outstanding position at maturity or a seller, who has given an intention to deliver, fails to meet their respective obligations, the penalty structure will be as per circular no. NCDEX/TRADING-091/2007/235 dated October 4, 2007. The operators giving the intention for delivery shall not be allowed to square off their position
<b>Closing of contract</b>	On the expiry of the contract, all outstanding positions not resulting in giving/taking of physical delivery of the commodity shall be closed out at the Final Settlement Price announced by the Exchange
<b>Delivery Logic</b>	Sellers's Option
<b>Opening of contracts</b>	Trading in any contract month will open on the 10 <sup>th</sup> day of the month. If the 10 <sup>th</sup> day happens to be a non-trading day, contracts would open on next trading day
<b>No. of active contracts</b>	As per launch calendar
<b>Price limit</b>	<p>Daily price fluctuation limit is (+/-) 3%. If the trade hits the prescribed daily price limit there will be a cooling off period for 15 minutes. Trade will be allowed during this cooling off period within the price band. Thereafter the price band would be raised by (+/-) 1% and trade will be resumed</p> <p>If the price hits the revised price band (4%) again during the day, trade will only be allowed within the revised price band. No trade / order shall be permitted during the day beyond the revised limit of (+ / -) 4%</p>
<b>Position limits</b>	<p><b>Member level:</b> 60,000 MT or 15 % of market open interest, whichever is higher <b>Client level:</b> 20,000 MT</p> <p>The above limits will not apply to bona fide hedgers. For bona fide hedgers, the Exchange will, on a case to case basis, decide the hedge limits. Near month limit (Applicable from 28 days prior to expiry date)</p> <p><b>Member level:</b> 18,000 MT or 15% of the market-wide near month open position, whichever is higher</p>

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	<b>Client level:</b> 6,000 MT
<b>Quality Allowance(for Delivery)</b>	<p>Quality delivery with variation shall be acceptable with discount as under:</p> <ul style="list-style-type: none"> <li>• <b>Moisture:</b> From 8-10% accepted at 1:1. Above 10% rejected</li> <li>• <b>Foreign Matter:</b> From 2-4% accepted at 1:1. Above 4% rejected (The term 'foreign matter' would, in-general, mean anything other than Soy Bean e.g. sand, silica, pebbles, stalks and other seeds)</li> <li>• <b>Damaged Seed:</b> From 2-5% accepted at 2:1. Above 5% rejected</li> <li>• <b>Green Seed:</b> Above 7% rejected</li> <li>• Free from non-edible seeds such as Mahua, Castor and Neem and any toxic substances. Should be free from any foul odour.</li> </ul>
<b>Special Margin</b>	<p>In case of additional volatility, a special margin at such other percentage, as deemed fit, will be imposed in respect of outstanding positions, which will remain in force as long as the volatility exists, after which the special margin may be relaxed.</p>
<b>Final Settlement Price</b>	<p>The Final Settlement Price (FSP) shall be arrived at by taking the average of the last three days' spot prices. The last spot price for the day as polled by the Exchange during the last three days shall be taken for arriving at the FSP. In the event of unavailability of the spot prices during any one of the last three days excluding the expiry day (i.e., on E - 1 or E - 2), the spot price of the previous day (E - 3) shall be considered for the average of the last three days. In case spot prices are not available during the 3 day period prior to the expiry date, the last spot price of the expiry day shall be considered for arriving at the FSP.</p>

**Tolerance limit of Commodity: SOYA BEAN-B**

**(Applicable for contracts expiring in the months of February, March, April, May, June, July, August and September)**

Commodity Specifications	Basis	Acceptable quality range as per contract specification	Permissible Tolerance
Moisture	10% for Soybean-A (8% for soybean-B)	From 10-12% accepted at 1:1 discount. Above 12% rejected (Soybean-A). From 8-10% accepted at 1:1 discount. Above 10% rejected (Soybean-B)	
Foreign Matter	2% Basis	From 2- 4% accepted at 1:1 discount. Above 4% rejected	0.25%
Damaged	2% Basis	From 2-5% accepted at 2:1 discount. Above 5% 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 NCDEX approved assayer.

Contract Launch Month	Contract Expiry Month
August 2010	January 2011
September 2010	February 2011
October 2010	March 2011
November 2010	April 2011
December 2010	May 2011
January 2011	June 2011
February 2011	July 2011
March 2011	August 2011
April 2011	September 2011
May 2011	October 2011
June 2011	November 2011
July 2011	December 2011

**Exhibit 2 - Warehouse & Assayer Address Details**

<b>Warehouse Address</b>	<b>Assayer Address</b>
<p><b>JHAWARICS-INDORE</b>                      JHAWAR ICE AND COLD STORAGE,                      ARJUN BARODA, NEAR KSHIPRA, A B                      ROAD, TEHSIL SANWER, INDORE,                      MADHYA PRADESH  <b>CONTACT PERSON:</b>                      MR. ANIL JHAWAR,                      TEL: 0731-805214,                      0731-805282</p>	<p><b>M/s JICS LABORATORIES</b>                      13-B, SECTOR A, SANVER ROAD                      INDORE-452015                      MADHYA PRADESH  <b>CONTACT PERSON</b>                      MR. ANIL JHAWAR                      MOBILE: 098930 25380</p>
<p><b>LTC SHAH-KOTA</b>                      LTC COMMERCIAL COMPANY PVT. LTD                      C/O SHAH AGROGREEN PVT LTD,                      PLOT NO F-16, AGRO FOOD PARK,                      KOTA-324005, RAJASTHAN.  <b>CONTACT PERSONS:</b>                      MR. RAJESH SARASWAT;                      MOBILE: 094141 42357;                      MR. S.L. TAWANIA;                      MOBILE: 09460165136</p>	<p><b>LTC COMMERCIAL COMPANY PRIVATE LIMITED</b> (TESTING &amp;                      CERTIFYING DIVISION)                      SAMATA NAGAR, BIKANER-334 002                      RAJASTHAN INDIA  <b>CONTACT PERSONS:</b>                      MR. RAMPAL SARASWAT                      MOBILE: 09413380521                      MR. B.L.SWAMI                      MOBILE: 09413380520</p>

For the updated list of Warehouse & Assayers kindly refer to the NCDEX Website  
[http://www.ncdex.com/ClearingServices/Clearing\\_Services\\_others.aspx](http://www.ncdex.com/ClearingServices/Clearing_Services_others.aspx)

**Exhibit 3 - Good / Bad delivery norms for acceptance of Commodity at warehouse**

<b>No.</b>	<b>Particulars</b>	<b>Good / Bad delivery</b>
1.	Quality not meeting futures contract specification.	Bad delivery
2.	Delivery at non accredited warehouse.	Bad delivery
3.	Delivery completed but without sampling & testing / certification / expired validity.	Bad delivery
4.	Delivery without weight certificate.	Bad delivery
5.	Weighed at other than recognized by accredited warehouse/ weigh bridge / weigh scale	Bad delivery
6.	When sample is not drawn as per sampling norms and not carried out at the time of unloading	Bad delivery
7.	Delivery not as per the packaging specification	Bad delivery
8.	Delivery found contaminated on visual inspection	Bad delivery

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**Exhibit 4 – Specimen of Soy Bean seed Testing Report**

<b>CERTIFICATE OF QUANTITY &amp; QUALITY</b>			
Date : _____		Report no.:	
NCDEX Member :			
Commodity :			
Lorry No. :			
Warehouse details:			
Lot No.:			
<p>1) QUANTITY : This is to certify that National Commodity &amp; Derivative Exchange Ltd. ( NCDEX ) member / constituent _____ has delivered _____ Metric Tons ( MT ) Net of Soy Bean seed at the NCDEX accredited warehouse:</p> <p>The weight / tonnage of material delivered is as per weigh bridge / weigh scale in the premises of the accredited warehouse.</p>			
<p>2) QUALITY :</p> <p>The results of analysis performed by our laboratory of the samples collected by WH _____ is stated below :</p>			
Test Items	Test method	Specification	Test results
<p>The material delivered by the above NCDEX Member is in accordance with the specification provided bearing grade _____ and valid up to _____.</p> <p>The goods delivered may be accepted / rejected.</p>			
<b>Chief Inspector / Authorized Signatory</b>			

**Exhibit 5 - Grade Matrix for Soybean seed  
Ready Reckoner for Grades**

Grade matrix for Soya Bean A type contracts

<b>Ready Reckoner (September to January)</b>		
<b>Moisture</b>	<b>Foreign Matter</b>	<b>Damaged Seeds</b>
10=5	2=1	Upto 2% = 1
10.5=6	2.5=2	2.5=2
11=7	3=3	3=3
11.5=8	3.5=4	3.5=4
12=9	4=5	4=5
		4.5=6
		5=7

<b>Moisture</b>	
5	0
6	-0.5
7	-1
8	-1.5
9	-2

<b>Damaged Seeds</b>	
1	0
2	-0.25
3	-0.5
4	-0.75
5	-1
6	-1.25
7	-1.5

<b>Foreign Matter</b>	
1	0
2	-0.5
3	-1
4	-1.5
5	-2

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<b>Grade Name</b>	<b>Final PD</b>	<b>Grade Name</b>	<b>Final PD</b>
SYBN511	0	SYBN753	-3.5
SYBN512	-0.25	SYBN754	-3.75
SYBN513	-0.5	SYBN755	-4
SYBN514	-0.75	SYBN756	-4.25
SYBN515	-1	SYBN757	-4.5
SYBN516	-1.25	SYBN811	- 1.5
SYBN517	-1.5	SYBN812	-1.75
SYBN521	-0.5	SYBN813	-2
SYBN522	-0.75	SYBN814	-2.25
SYBN523	-1	SYBN815	-2.5
SYBN524	-1.25	SYBN816	-2.75
SYBN525	-1.5	SYBN817	-3
SYBN526	-1.75	SYBN821	-2
SYBN527	-2	SYBN822	-2.25
SYBN531	-1	SYBN823	-2.5
SYBN532	-1.25	SYBN824	-2.75
SYBN533	-1.5	SYBN825	-3
SYBN534	-1.75	SYBN826	-3.25
SYBN535	-2	SYBN827	-3.5
SYBN536	-2.25	SYBN831	- 2.5
SYBN537	-2.5	SYBN832	-2.75
SYBN541	-1.5	SYBN833	-3
SYBN542	-1.75	SYBN834	-3.25
SYBN543	-2	SYBN835	-3.5
SYBN544	-2.25	SYBN836	-3.75
SYBN545	-2.5	SYBN837	-4
SYBN546	-2.75	SYBN841	-3
SYBN547	-3	SYBN842	-3.25
SYBN551	-2	SYBN843	-3.5
SYBN552	-2.25	SYBN844	-3.75
SYBN553	-2.5	SYBN845	-4
SYBN554	-2.75	SYBN846	-4.25
SYBN555	-3	SYBN847	-4.5
SYBN556	-3.25	SYBN851	- 3.5
SYBN557	-3.5	SYBN852	-3.75
SYBN611	-0.5	SYBN853	-4
SYBN612	-0.75	SYBN854	-4.25
SYBN613	-1	SYBN855	-4.5
SYBN614	-1.25	SYBN856	-4.75
SYBN615	-1.5	SYBN857	-5
SYBN616	-1.75	SYBN911	-2

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**Soy Bean Seed  
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SYBN617	-2	SYBN912	-2.25
SYBN621	-1	SYBN913	-2.5
SYBN622	-1.25	SYBN914	-2.75
SYBN623	-1.5	SYBN915	-3
SYBN624	-1.75	SYBN916	-3.25
SYBN625	-2	SYBN917	-3.5
SYBN626	-2.25	SYBN921	- 2.5
SYBN627	-2.5	SYBN922	-2.75
SYBN631	-1.5	SYBN923	-3
SYBN632	-1.75	SYBN924	-3.25
SYBN633	-2	SYBN925	-3.5
SYBN634	-2.25	SYBN926	-3.75

SYBN635	-2.5	SYBN927	-4
SYBN636	-2.75	SYBN931	-3
SYBN637	-3	SYBN932	-3.25
SYBN641	-2	SYBN933	-3.5
SYBN642	-2.25	SYBN934	-3.75
SYBN643	-2.5	SYBN935	-4
SYBN644	-2.75	SYBN936	-4.25
SYBN645	-3	SYBN937	-4.5
SYBN646	-3.25	SYBN941	- 3.5
SYBN647	-3.5	SYBN942	-3.75
SYBN651	-2.5	SYBN943	-4
SYBN652	-2.75	SYBN944	-4.25
SYBN653	-3	SYBN945	-4.5
SYBN654	-3.25	SYBN946	-4.75
SYBN655	-3.5	SYBN947	-5
SYBN656	-3.75	SYBN951	-4
SYBN657	-4	SYBN952	-4.25
SYBN711	-1	SYBN953	-4.5
SYBN712	-1.25	SYBN954	-4.75
SYBN713	-1.5	SYBN955	-5
SYBN714	-1.75	SYBN956	-5.25
SYBN715	-2	SYBN957	-5.5
SYBN716	-2.25		
SYBN717	-2.5		
SYBN721	-1.5		
SYBN722	-1.75		
SYBN723	-2		
SYBN724	-2.25		
SYBN725	-2.5		
SYBN726	-2.75		
SYBN727	-3		
SYBN731	-2		
SYBN732	-2.25		
SYBN733	-2.5		

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SYBN734	-2.75		
SYBN735	-3		
SYBN736	-3.25		
SYBN737	-3.5		
SYBN741	-2.5		
SYBN742	-2.75		
SYBN743	-3		
SYBN744	-3.25		
SYBN745	-3.5		
SYBN746	-3.75		
SYBN747	-4		
SYBN751	-3		
SYBN752	-3.25		

Grade matrix for Soya Bean B type contracts

<b>Ready Reckoner (February to August)</b>		
<b>Moisture</b>	<b>Foreign Matter</b>	<b>Damaged Seeds</b>
8=1	2=1	Upto 2% = 1
8.5=2	2.5=2	2.5=2
9=3	3=3	3=3
9.5=4	3.5=4	3.5=4
10=5	4=5	4=5
		4.5=6
		5=7

<b>Moisture</b>	
1	0
2	-0.5
3	-1
4	-1.5
5	-2

<b>Damaged Seeds</b>	
1	0
2	-0.25
3	-0.5
4	-0.75
5	-1
6	-1.25
7	-1.5

<b>Foreign Matter</b>	
1	0
2	-0.5
3	-1

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4	-1.5
5	-2

Grade	Final PD	Grade	Final PD
SYBN111	0	SYBN353	-3.5
SYBN112	-0.25	SYBN354	-3.75
SYBN113	-0.5	SYBN355	-4
SYBN114	-0.75	SYBN356	-4.25
SYBN115	-1	SYBN357	-4.5
SYBN116	-1.25	SYBN411	-1.5
SYBN117	-1.5	SYBN412	-1.75
SYBN121	-0.5	SYBN413	-2
SYBN122	-0.75	SYBN414	-2.25
SYBN123	-1	SYBN415	-2.5
SYBN124	-1.25	SYBN416	-2.75
SYBN125	-1.5	SYBN417	-3
SYBN126	-1.75	SYBN421	-2
SYBN127	-2	SYBN422	-2.25
SYBN131	-1	SYBN423	-2.5
SYBN132	-1.25	SYBN424	-2.75
SYBN133	-1.5	SYBN425	-3
SYBN134	-1.75	SYBN426	-3.25
SYBN135	-2	SYBN427	-3.5
SYBN136	-2.25	SYBN431	-2.5
SYBN137	-2.5	SYBN432	-2.75
SYBN141	-1.5	SYBN433	-3
SYBN142	-1.75	SYBN434	-3.25
SYBN143	-2	SYBN435	-3.5
SYBN144	-2.25	SYBN436	-3.75
SYBN145	-2.5	SYBN437	-4
SYBN146	-2.75	SYBN441	-3
SYBN147	-3	SYBN442	-3.25
SYBN151	-2	SYBN443	-3.5
SYBN152	-2.25	SYBN444	-3.75
SYBN153	-2.5	SYBN445	-4
SYBN154	-2.75	SYBN446	-4.25
SYBN155	-3	SYBN447	-4.5
SYBN156	-3.25	SYBN451	-3.5
SYBN157	-3.5	SYBN452	-3.75
SYBN211	-0.5	SYBN453	-4
SYBN212	-0.75	SYBN454	-4.25
SYBN213	-1	SYBN455	-4.5
SYBN214	-1.25	SYBN456	-4.75
SYBN215	-1.5	SYBN457	-5
SYBN216	-1.75	SYBN511	-2
SYBN217	-2	SYBN512	-2.25
SYBN221	-1	SYBN513	-2.5
SYBN222	-1.25	SYBN514	-2.75

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SYBN223	-1.5	SYBN515	-3
SYBN224	-1.75	SYBN516	-3.25
SYBN225	-2	SYBN517	-3.5
SYBN226	-2.25	SYBN521	-2.5
SYBN227	-2.5	SYBN522	-2.75
SYBN231	-1.5	SYBN523	-3
SYBN232	-1.75	SYBN524	-3.25
SYBN233	-2	SYBN525	-3.5
SYBN234	-2.25	SYBN526	-3.75
SYBN235	-2.5	SYBN527	-4
SYBN236	-2.75	SYBN531	-3
SYBN237	-3	SYBN532	-3.25
SYBN241	-2	SYBN533	-3.5
SYBN242	-2.25	SYBN534	-3.75
SYBN243	-2.5	SYBN535	-4
SYBN244	-2.75	SYBN536	-4.25
SYBN245	-3	SYBN537	-4.5
SYBN246	-3.25	SYBN541	-3.5
SYBN247	-3.5	SYBN542	-3.75
SYBN251	-2.5	SYBN543	-4
SYBN252	-2.75	SYBN544	-4.25
SYBN253	-3	SYBN545	-4.5
SYBN254	-3.25	SYBN546	-4.75
SYBN255	-3.5	SYBN547	-5
SYBN256	-3.75	SYBN551	-4
SYBN257	-4	SYBN552	-4.25
SYBN311	-1	SYBN553	-4.5
SYBN312	-1.25	SYBN554	-4.75
SYBN313	-1.5	SYBN555	-5
SYBN314	-1.75	SYBN556	-5.25
SYBN315	-2	SYBN557	-5.5
SYBN316	-2.25		
SYBN317	-2.5		
SYBN321	-1.5		
SYBN322	-1.75		
SYBN323	-2		
SYBN324	-2.25		
SYBN325	-2.5		
SYBN326	-2.75		
SYBN327	-3		
SYBN331	-2		
SYBN332	-2.25		
SYBN333	-2.5		
SYBN334	-2.75		
SYBN335	-3		
SYBN336	-3.25		
SYBN337	-3.5		
SYBN341	-2.5		
SYBN342	-2.75		
SYBN343	-3		

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SYBN344	-3.25	
SYBN345	-3.5	
SYBN346	-3.75	
SYBN347	-4	
SYBN351	-3	
SYBN352	-3.25	

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