

Contract Specifications of Almond (Non Pariel)

Symbol	ALMOND
Description	ALMONDMMYY
Contracts available for trading	
January 2010	1 st August of the previous year to 31 st January of the contract year
February 2010	1 st September of the previous year to 29 th February of the contract year
April 2010	After approval from the Commission to 30 th April of the contract year
June 2010	After approval from the Commission to 30 th June of the contract year
September 2010	1 st April to 30 th September of the contract year
October 2010	1 st May to 31 st October of the contract year
November 2010	1 st June to 30 th November of the contract year
December 2010	1 st July to 31 st December of the contract year
Trading	
Trading period	Mondays through Saturdays
Trading session	Monday to Friday: 10.00 a.m. to 5.00 p.m. Saturday: 10.00 a.m. to 2.00 p.m.
Trading unit	500 Kg
Quotation/Base Value	Rs/kg
Maximum order size	10000 Kg
Tick size (minimum price movement)	25 paise
Price quote	Ex-Delhi (exclusive of VAT, other taxes and levies).
Daily price limits	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 another (+/-) 1% and trade will be resumed. 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%.
Initial margin	Minimum 5%
Special margin	In case of additional volatility, a special margin at such percentage, as deemed fit, will be imposed on

	both buy and sale side in respect of all outstanding positions, which will remain in force till volatility persists, after which the special margin will be relaxed.
Maximum allowable open position	For client: 120 MT For member: 360 MT or 15% of market-wide open position limit, whichever is higher Near Month Limit For client: 40 MT For member: 120 MT or 15% of market-wide open position limit, whichever is higher
Delivery	
Delivery unit	1 MT, with a tolerance limit of 2 %,
Delivery center(s)	Designated cold storages located in Delhi (within 50 km outer radius of municipal limits)
Additional delivery centre	Designated cold storages located in Navi Mumbai (within 50 km outer radius of municipal limits)
Quality specification / deliverable grades	<p>The delivered Almonds shall confirm to the following quality specifications,</p> <ol style="list-style-type: none"> 1. Nonpareil Variety of Californian OR Australian origin, 22/27 pieces/OZ, light-medium brown colored Kernels. <ul style="list-style-type: none"> • Kernels with count of above 27/ 30 pieces/oz deliverable at 1% discount • The kernels shall be whole, well dried, firm, brittle and crispy. • Bitter Almonds: NIL 2. Varietal dissimilars and doubles (twins) – 5% max. 3. Chips and Scratches* - 5% max of which 1% max shall be Chips. 4. Foreign material-0.02% max Glass and metals - NIL 5. Other defects including splits and broken*, shriveled* and wrinkled kernels, kernels with brown spot* and gum* - 2% max of which, Splits and Broken – 0.5% max. 6. Natural Moisture: 4% basis and 5% max with 1:1 discount. 7. The lot should be free from live infestation. 8. kernels with insect injury, mold, decay, rancidity and seriously damaged: NIL <p>* Chipped Kernel – If in aggregate more than equivalent of a circle of 3mm diameter in depth * Scratched Kernel - If in aggregate more than equivalent of a circle of 3mm diameter in superficially * Split and Broken- means seven-eighth or less of complete whole kernels but which will not pass</p>

	<p>through a round opening 8/ 64 of an inch (3.22mm) in diameter.</p> <ul style="list-style-type: none"> * Gum-more than ¼ in diameter * Shriveling-Less than ¾ of pellicle filled * Brown spot more than 1/8 inch in diameter.
Delivery option	Compulsory
Packing	Packed in 50 Kg high density poly ethylene (HDPE) single bag with polythene lining. The bag shall be tightly stitched.

Delivery and Settlement Procedure of Almond (Non Pariel)

Delivery Logic	Compulsory Delivery
Delivery Mode	Compulsory Demat
Tender Period	Last 5 working days of the contract expiry and 1 st working day after expiry of the contract
Delivery Period	Two working days after expiry of the contract
Tender notice / Delivery Pay-in	The Seller Clearing Member will have to send a request to his DP to deliver the commodity to the exchange as per the scheduled delivery pay in day. Any outstanding positions will be marked for delivery at the expiry of the contract.
Mode of Communication	Fax / Courier
Tender Period Margin	During last 5 days of the contract, tender period margin will be increased by 3% every day (a total of 15% margin on last day). Such margin will be imposed on both buy & sell open positions and will be in addition to the initial/daily margin, special and/ or any other additional margins, if any.
Delivery Period Margin	25 % on the marked quantity
Exemption from Delivery Period Margin	Delivery Period Margin is exempted if goods tendered during tender days with all the documentary evidence
Delivery Allocation - Date of Delivery Allocation - Rate	On the Expiry date At due date rate (DDR)
Delivery Pay-in	E+1 working day by 5.00 p.m. (E – Expiry date). Accordingly, the members are required to submit the delivery instructions to their DP's well in advance so as to adhere to the pay-in time of delivery.
Pay-in of Funds	E+2 working days by 11.00 a.m.
Delivery Pay-out	E+2 working days by 5.00 p.m.
Pay-out of Funds	E+2 working days after 2.00 p.m.
Penal Provision	<p>I – Seller Default</p> <p>Any seller having open position on the expiry date fails to deliver on the next day then a penalty of 3% of DDR shall be imposed on such defaulting seller.</p> <p>Out of which 1.75% will be deposited to IPF, 1% of penalty will be given to the buyer & balance 0.25% will be retained by the Exchange.</p> <p>Additionally, the difference between the DDR & the average of the three highest last spot prices of the five succeeding days after the Expiry of the contract (E+1 to E+5 days) if the average price so determined is higher than DDR.</p> <p>II – Buyer Default</p> <p>The buyer will have to compulsorily take the delivery of goods. Default on taking delivery by the buyer is not permitted and therefore, the amount due from the buyer for delivery obligation shall be recovered from the buyer as pay-in of funds on</p>

stipulated pay-in day. Failure to discharge the pay-in amount will be treated as pay-in default which may lead to deactivation of the trading terminal/s of the member and will also be liable for such other actions as Exchange deems appropriate.

Exchange, as deemed appropriate, shall have the right to sell/dispose the goods through auction (or through other appropriate mechanism as and when required) on account of such defaulting buyer to recover the dues.

Penalties & charges to be debited to defaulting Buyer:

S. No	Where Auction is fully conducted	Where Auction is partly conducted	Where no Auction is conducted
1	Penalty @ 3% on DDR AND	Penalty @ 3% on DDR AND	Penalty @ 3% on DDR AND
2	Difference between DDR & Auction price if Auction price is lower than DDR (including proportionate quality and quantity differences) AND	Difference between DDR & Auction price if Auction price is lower than DDR to the tune of auctioned quantity (including proportionate quality and quantity differences) AND	NA AND
3	NA	Difference between DDR and the average of the three lowest last spot prices of the five succeeding days after the Expiry of the contract (E+1 to E+5 days) if the average price so determined is lower than DDR.	Difference between DDR and the average of the three lowest last spot prices of the five succeeding days after the Expiry of the contract (E+1 to E+5 days) if the average price so determined is lower than DDR.

Out of penalty of 3%, 1.75% will be deposited to IPF, 1% of penalty will be given to the seller & balance 0.25% will be retained by the Exchange.

	Whereas, out of the close out amount for un-auctioned quantity as mentioned above, 90% will be credited to the counter party and 10% of the same will be retained by the Exchange towards administrative expenses.
Taxes, Duties, Cess and Levies	Nonpariel Variety of Californian OR Australian origin, Ex-Delhi (exclusive of VAT, other taxes and levies). Buyer has to pay Sales Tax or VAT as applicable. The seller has to issue sale bill for the tax paid delivery. The bill should bear the Sales Tax Registration no. of Delhi. The buyer will be required to comply with requirements of CST, if applicable. Post completion of delivery pay out, all charges are borne by the buyer.
Due Date Rate	Exchange shall take spot prices from a panel of different entities from spot market and shall compute the daily average price. Due Date Rate is calculated on the last day of the contract maturity by way of taking simple average of last 3 days spot price so computed.
Odd lot treatment	Delivery will be affected only on delivery lot basis and in multiple thereof. Any member with an open position of such number of contracts that is not convertible into multiples of deliverable lots then he shall be required to square-up such outstanding 'odd lot' before expiry of the contract so as to make the total deliverable quantity a deliverable lot. In case any member fails to square-up outstanding odd lot until the contract expires resulting into odd lot position at the end of the contract expiry day, the delivery upto the nearest completed delivery lot will happen in the usual manner, while the residual odd lot will be settled in the following manner: a. If the buyer has an odd lot position, while the total sale position of the seller member is in delivery lot, the buyer's shall be obliged to take delivery of such odd lots delivered by the Seller failing which it will be treated as refusal of delivery and in such case the buyer shall be penalized as per the penal provision applicable in this regard. b. If the seller has an odd lot position, while the total buy position of the buyer is in market lot, in such case delivery will not be effected and it will be treated as default on the part of the seller and the seller shall be penalized as per the penal provision applicable in this regard. c. If both the buyer and seller have odd lot position, then the outstanding position shall be closed out at DDR. Provided that irrespective of the settlement procedure relating to outstanding odd lot position as stated above, MCX shall be at liberty to impose fine on the members for their failure to square off their odd lot position before maturity of the contract
Adjustment of Transportation Cost	Not Applicable
Warehouse, fumigation, insurance and transportation Charges	-Borne by the seller upto commodity pay-out date -Borne by the buyer after commodity pay-out date
Buyer's option for lifting of Delivery	Buyer will not have any option about choosing the place of delivery and will have to accept the delivery as per allocation made by the Exchange.

Tolerance Limit	Tolerance limit of 2% i.e. 20 Kg will be applicable, which means that if the seller delivers any quantity between 0.98 MT to 1.02 MT, it will be construed as adequate discharge of his delivery obligation of 1 MT, though he will get the value only for actually quantity delivered by him.
Delivery center(s)	Designated cold storages located in Delhi (within 50 km outer radius of municipal limits)
Additional delivery centre	Designated cold storages located in Navi Mumbai (within 50 km outer radius of municipal limits)
Premium/Discounts	There will not be any premiums or discount due to origin or place of delivery.
Delivery Order	<p>Good delivery order will be submitted in specified format giving details of Members / Registered Non-Members who shall perform delivery.</p> <p>Each delivery order (ICIN) issued shall be in multiples of minimum delivery lots and shall be designated for only one delivery center and one location in such center.</p> <p>Further, the goods being delivered under the said ICIN should be valid at least for a period of 15 days after the expiry / payout of the contract. Delivery order once submitted cannot be withdrawn or cancelled or changed unless so agreed by the Exchange in writing.</p>
Delivery Grades	The members tendering delivery will have the option of delivering such grades of goods as permitted by the Exchange under the contract specifications. The Buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the Exchange shall be binding on him.
Evidence of Stock in possession	At the time of issuing the delivery order, the member must prove to the Exchange that he holds stocks of the quantity and quality specified in the delivery order at the declared delivery center. This should be substantiated by way of producing warehouse receipt.
Endorsement of Delivery Order	The buyer member can endorse delivery order to a client or any third party with full disclosure given to Exchange. Responsibility for contractual liability would be with the member/buyer.
Sampling and Analysis at the time of Delivery	In case the buyer does not agree to the Surveyor's report as to the quality of the commodity, he shall desire for second sampling and intimate the Exchange in writing within 48 hours of the pay-out date.
Sampling Procedure	<p>The system of drawing of samples tendered for delivery will be as prescribed in the Bureau of Indian Standards procedure. Three Samples shall be drawn as under:</p> <ul style="list-style-type: none"> • First Sample - for the buyer • Second Sample - for the seller • Third Sample – for final reference, if it becomes necessary <p>If the first sample collected by the Buyer and analyzed by the surveyor appointed by him, conforms to the specifications, then the goods tendered for delivery shall be accepted and no subsequent claims from the Buyer regarding quantum of rebate or any other indemnification shall be admissible nor sellers shall be obliged to pass any sealed samples to the Buyer if requested</p>

Failing of First Sample	<p>subsequently. The sampling methods to be adopted for analysis will be decided by the Exchange.</p> <p>If the first sample as examined by the buyer's surveyor fails to conform to the quality standards specified, the buyer shall intimate the seller within 72 hours of collection of sealed sample along with a copy of the analyst's report. The seller shall immediately send the second sealed sample to an approved laboratory, which is also agreed by the buyer. The result of the same shall be binding on both the parties. In the event the buyer and seller do not mutually reach agreement with the results of the second sample test, then Exchange shall send the third sealed sample to any one of the approved laboratories / surveyor, as decided by the Exchange.</p>
Final Surveyor's Report	<p>The analyst's report of the approved and agreed independent laboratory shall be forwarded by Exchange to the parties immediately on receipt of the same. In such case, the final payment to the seller will be made on the basis of test report received by the Exchange pursuant to the third test. The Exchange will also direct the party, in whose favour the result is declared to collect the cost of tests and detention charges from the other party. In case the commodity stands rejected then it will tantamount to failure on the part of the seller to give delivery, which shall be closed out as per the Due Date Rate treating the same as shortage.</p>
Obligations of the Independent Analyst	<p>In order to ensure that tests are exactly comparable and that the results are consistent, the independent analyst shall determine the particular analytical test by applying the methods specified in relevant IS. The analyst shall be required to append a certificate to that effect to the analysis report issued by him.</p>
Legal Obligation	<p>The member will provide appropriate tax forms wherever required as per law and as customary and neither of the parties will refuse to do so unreasonably.</p>
Extension of Delivery Period	<p>As per the Exchange decision due to a force majeure or otherwise.</p>
Applicability of Business Rules	<p>The general provisions of Byelaws, rules and Business Rules of the Exchange and decisions taken by Forward Markets Commission, Board of Directors and Executive Committee of the Exchange in respect of matters specified above will form an integral part of this contract. The Exchange or FMC as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, risk management from time to time.</p> <p>The buyer shall have to lodge their claim against quality of goods / delivery allocated to them, if any, within 48 hours from the date of scheduled pay out of the Exchange and failing which, no claim shall be entertained by the Exchange thereafter. (The interpretation or clarification given by the Exchange on any terms of this contract shall be final and binding on the members and others.)</p>