

Contract Specifications of Coriander

Symbol Description	CORIANDER CORIANDERMMYY
Contract Listing	Contracts are available for all 12 calendar months in a year, as per the Contract Launch Calendar.
Last Trading Day	15 th of contract month. If 15 th is a holiday then preceding working day.
Trading	
Trading Period	Mondays through Saturdays
Trading Session	Monday to Friday: 10.00 am to 5.00 pm Saturday: 10.00 am to 2.00 pm
Trading Unit	5 MT
Quotation/Base Value	Rs. per 100 kg, Ex – Kota mandi (Inclusive of all taxes, expenses including VAT) (Bilty rate)
Tick Size (minimum price movement)	Re.1 per 100 Kg
Daily Price Limits	The base price limit will be 3%. Whenever the base daily price limit is breached, the relaxation will be allowed upto 4% with a cooling off period of 15 minutes
Initial Margin	7 %
Additional and/ or Special Margin	In case of additional volatility, an additional margin (on both buy & sell side) and/ or special margin (on either buy or sell side) at such percentage, as deemed fit, will be imposed in respect of all outstanding positions.
Delivery Period Margin	25% of the open positions during delivery period.
Maximum Allowable Open Position	Client level – 1000 MT Member level – 3000 MT or 15% of the market-wide open position, whichever is higher.
Delivery Delivery Unit	10 MT with tolerance limit of 2%.i.e if the seller delivers any quantity between 9.8 tons to 10.2 tons it will be construed as adequate discharge of his delivery obligation of 10 MT, though he will get the value only for the actual quantity delivered by him.
Primary Delivery Center	Kota
Additional Delivery Center	Ramganj mandi & Baran in Rajasthan and Guna in Madhya Pradesh
Quality Specification And Delivery Standards	Badami Whole Dhania of Indian Origin (Eagle Whole Dhania can also be delivered.) Extraneous matter : Max 2 % (w/w) Acceptable up to 4 % with 1:1 deduction, (Extraneous matter includes dust, dirt, stones, lumps of earth, chaff, stalk, stem or straw, edible seeds of fruits other than coriander etc.)

Packaging	<p>Split Seeds: Max 5% (w/w) Acceptable up to 10 % with a discount of 15%, on the incremental percentage.</p> <p>Damaged seeds other than insect damage :Max 2% (v/v)</p> <p>Moisture : Max 7%, acceptable up to 10% with 1:1 deduction. Max 9% moisture allowed during the monsoon season delivery months (July-September), acceptable up to 12% with 1:1 deduction. Moisture testing would be done by Conductance Method using instrument of INNOVATIVE make.</p> <p>Dunky seed without live infestation: 0.75% max Live infestation: Nil</p> <p>Colour : It shall be free from added colouring matter Coriander has to be packed in one time used un patched sound A-Twill or B-Twill bag of 40 kg including the weight of bags. However, bags once used for packing other commodities which might affect the aroma of coriander shall not be used for packing. Delivery will be affected on gross weight basis, which implies that weighing of Coriander seeds will be done on inclusive of bags basis and no additional payment will be given for the cost of bag.</p>
Delivery Logic	Compulsory Delivery

Contract Launch Calendar

Contract Launch Months	Contract Expiry Months
September 2010	January 2011
October 2010	February 2011
November 2010	March 2011
December 2010	April 2011
January 2011	May 2011
February 2011	June 2011

Delivery and Settlement Procedure of Coriander Contract

Delivery logic	Compulsory delivery
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
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 in addition to the initial margin or special margin imposed by the Exchange). Such margin will be applicable on both buyers and sellers and will be in addition to the initial/daily margin, special margin and/or any other additional margins, if any.
Delivery Period Margin	Delivery period margin of 25 % will be levied on the marked quantity.
Exemption from Tender and Delivery Period Margin	Tender and Delivery period Margin is exempted if the seller submits Warehouse Receipt and Quality Certificate to the Exchange.
Delivery Allocation	
- Date	On expiry date
- Rate	At DDR
Delivery Pay-in	E+1 working day by 5.00 p.m. (E-Expiry Date)
Delivery Pay-out	E+ 2 working days by 5.00 p.m.
Pay-in of Funds	E+ 2 working days by 11.00 a.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 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</p>

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.

	<p>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.</p> <p>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.</p>
Taxes, Duties, Cess and Levies	<p>Ex-Kota inclusive of all taxes, expenses including VAT. All the taxes and expenses including Sales Tax/VAT, cess, municipal taxes or other levies shall be on account of the seller. All the Sellers tendering goods shall have the necessary Registration from the Sales Tax and obtain other licenses, if any, required by them. In case the selling member does not have a Sales Tax Registration number then he shall appoint an Agent/Nominee who has the required Sales Tax Registration and deliver the goods through him. The Member giving delivery and the Member taking delivery will exchange appropriate tax forms as provided in law and as customary, and neither of the parties will unreasonably refuse to do so. In case any of the member or his client fails to provide necessary forms in respect of sales tax resulting into pecuniary loss to the either party, the Exchange will impose a charge on the party in default and after collection thereof, will pass on the same to the member, who or whose client has suffered such loss. In addition to above, the Exchange can impose additional penalty on the party in default.</p>
Delivery at additional centre in Guna, Madhya Pradesh	<p>Delivery at additional delivery centre in Guna, Madhya Pradesh shall be subject to provisions of sales tax regulations of the State of Madhya Pradesh. And sellers and buyers shall adhere to the same.</p>
Due Date Rate	<p>Due date rate is calculated on the contract expiry day by taking simple average prices of Kota spot market during the last three (3) trading days of the contract.</p>
Premium / discount and settlement of delivery at additional centres.	<p>Delivery at additional centres in Rajasthan & Madhya Pradesh, i.e. Ramganj Mandi, Baran and Guna shall be settled at DDR price calculated as above.</p>
Odd lot treatment	<p>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:</p>

	<p>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.</p> <p>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.</p> <p>c. If both the buyer and seller have odd lot position, then the outstanding position shall be closed out at DDR.</p> <p>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</p>
Delivery Center	Delivery can be effected at Exchange designated warehouse at Kota within its municipal limit.
Additional Delivery Center	<p>[1] Exchange designated warehouse within 20Km of Ramganj Mandi limits in Rajasthan</p> <p>[2] Exchange designated warehouse at Baran in Rajasthan</p> <p>[3] Exchange designated warehouse at Guna in Madhya Pradesh.</p>
Warehouse, fumigation, insurance and transportation charges	<p>-Borne by the seller upto commodity pay-out date</p> <p>-Borne by the Buyer after commodity pay-out date</p>
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.
Transfer of delivery	Warehouse receipts shall be endorsed in the name of the buyer after the pay-in and pay-out procedures are completed.
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 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>It will be accompanied with warehouse receipt, invoice and Good Delivery Quality Certificate <u>valid upto 15 days after the expiry of the contract, or the final expiry whichever comes first.</u> Delivery order once submitted cannot be withdrawn or cancelled or changed unless so agreed by the Exchange in writing. Members tendering the delivery order</p>

	shall clearly specify the grade and shall be in conformity with the surveyor's certificate accompanied with the delivery document and cannot be changed subsequently.
Delivery grades	The members tendering delivery will have the option of delivering such grades of B-Twill Jute Bag 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.
Endorsement of delivery order	The buyer member can endorse delivery order to a client or any third party with full disclosure given to the Exchange. Responsibility for contractual liability would be with the original assignee.
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.
Sampling Procedure	The system of drawing samples will be as prescribed in the Bureau of Indian Standards (BIS). Four Samples shall be drawn as under: <ul style="list-style-type: none"> • First Sample – Warehouse/Exchange reference • Second Sample – Depositor reference • Third & Fourth Sample – Laboratory sample Duly sealed reference samples will be kept separately in the custody of warehousing agency/exchange for resolving disputes (if any).
Provisions for settlement of Quality claim	In case the buyer does not agree to the surveyor's report as to the quality of the commodity, the buyer shall be required to lodge their claim, if any, to the exchange in writing against quality of goods/delivery allocated to them, within 72 hrs from the day of scheduled pay-out of the exchange failing which no subsequent claim shall be entertained by the exchange. In continuation to the above provision the buyer may desire for physical verification of the commodity and/or retesting of the reference sample. Such physical verification request received by the exchange shall be intimated to the warehousing agency and the buyer can verify the stock by submitting a copy of identity proof of its authorized representative and warehouse receipts to the exchange and producing the originals to the warehouse manager. <p>If the buyer opts for re-testing, the sealed depositor reference sample will be sent for analysis to one of the surveyors (subject to empanelment with the exchange) as selected/appointed by the buyer. <u>All incidental charges associated to the purpose of physical verification / re-testing shall be borne by the buyer.</u></p> In case the depositor reference sample as examined by the

	<p>buyer's surveyor fail to conform to the specified quality standards, the buyer shall intimate the exchange within 72 hours of collection of sealed sample along with a copy of the surveyor's report.</p> <p>On receipt of intimation from the buyer, the exchange shall send the sealed Warehouse/Exchange reference sample to the final surveyor as decided by the exchange.</p> <p>The sampling and analysis report obtained from the assayer as appointed by the exchange will be final and binding on all buyers and sellers.</p> <p>The exchange will forward the final surveyor's report to both the parties and will direct the party, in whose favor 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>
<p>Analysis procedure and obligations of the approved assayer/surveyor</p>	<p>In order to ensure that tests are exactly comparable and that the results are consistent, the approved assayer shall determine the particular analytical test by applying the methods as specified or as made applicable from time to time. The analyst shall be required to append a certificate to that effect to the analysis report issued by him.</p>
<p>Legal obligation</p>	<p>The member will provide appropriate tax forms wherever required as per law and as customary and neither of the parties will unreasonably refuse to do so.</p>
<p>Extension of delivery period Applicability of Byelaws, Rules, Business Rules of the Exchange</p>	<p>As per the Exchange decision due to a force majeure or otherwise.</p> <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 and integral part of this contract. The Exchange or FMC as the case may be further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, risk management from time to time. 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>