

Contract Specifications of Guar Seed Contract

Symbol	GUARSEED
Description	GUARSEEDMMYY
Contracts available for trading	
July contract	21 st March to 20 th July of the contract year
August contract	21 st April to 20 th August of the contract year
September contract	21 st May to 20 th September of the contract year
October contract	21 st June to 20 th October of the contract year
November contract	21 st July to 20 th November of the contract year
December contract	21 st August to 20 th 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	10 MT
Quotation/Base Value	100 kg
Price Quote	Ex- Bikaner (including all taxes, sales tax/ VAT as the case may be)
Maximum order size	1000 MT
Tick size (minimum price movement)	Re. 1
Daily price limit	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	5%
Special Margin	In case of additional volatility, a special margin at such percentage, as deemed fit, will be imposed immediately 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 may be relaxed.
Maximum Allowable Open Position	For individual clients: 3,000 MT For a member collectively for all clients: 9,000 MT or 15% of the market-wide open position, whichever is higher Near Month Limits: For individual clients: 1000 MT For a member collectively for all clients: 3000 MT or 15% of the market-wide open position, whichever is higher

Delivery	
Delivery unit	10 MT (with tolerance limit of 250 kg) which means that if the seller delivers any quantity between 9.75 MT to 10.25 MT, it will be construed as adequate discharge of his delivery obligation of 10 MT, though he will get the value only for actually quantity delivered by him.
Delivery margin	25%
Delivery center(s)	Exchange approved warehouse at Bikaner (within 50 Km of Municipal Limits)
Additional Delivery Center	Within 50 Kilometers of Municipal Limits of Jodhpur, Nokha, Ganganagar, Deesa
Quality specifications	
1. Basis variety	98% Whitish Acceptable: a) between 98% to 95% with a price deduction 0.5% for every 1% b) between 95% to 90% with a price deduction of 2% for every 1% Rejected below 90%
2. Moisture	Basis 8% Acceptable between 8% to 10% with price deduction of 1% for every 1% Rejected above 10%
3. Foreign Matter, Sand and Silica and Damaged seeds	Basis 1% Acceptable: a) between 1% to 2% with a price deduction of 1% for every 1% or fraction thereof. b) between 2% to 3% with a price deduction of 2% for every 1% or fraction thereof. Rejected above 3%
4. Packing	It should be delivered as uniformly packed in clean, dry, sound, single, new or unended B Twill bags in merchantable condition and or any other accepted industry standard material containing 90 to 100 kg Guarseed of abovementioned quality. The mouth of the bag should be stitched disallowing sweating/spilling.
Delivery Logic	Compulsory

Annexure 2

Delivery & Settlement procedure for Guar Seed

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	Three working days after expiry of the contract
Tender notice / Delivery Pay-in	The seller must submit duly endorsed Warehouse Receipt and Valid Quality Certificate issued by Quality Certifying agency by tender period. Any outstanding positions will be marked for delivery at the expiry of the contract.
Early Delivery Pay in	Seller Clearing Member can make the delivery pay in on any of the tender period days. In case if the early pay in is made on the scheduled delivery pay in day then it will not be treated as early pay in.
Mode of communication	Fax or courier
Tender Period Margin	3% incremental margin for last 5 days on all Outstanding Positions
Delivery Period Margin	25% on marked quantity.
Exemption from Delivery Period Margin	Delivery Period Margin is exempted if goods tendered on designated tender days of the contract month with all the documentary evidence.
Delivery allocation - Date - Rate	On contract expiry date At DDR (Due date rate)
Delivery pay-in	E+1 working day after expiry of the contract 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</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.

	<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- Bikaner (including all taxes, sales tax / VAT as the case may be)</p> <p>The seller will pay Sales Tax or VAT, whichever is applicable and the seller will issue invoice in the name of the buyer, reflecting the Sales tax or VAT paid by him. In case of Inter state movement, buyer has to submit requisite forms or pay CST as applicable. Post lifting delivery charges are borne by the buyer.</p>										
Due Date Rate	<p>Due Date Rate is calculated on the last day of the contract maturity. This is based on last day's spot price. For obtaining the prices of spot market, the Exchange will take the prices from a panel of mills, dealers and brokers and take the average of such prices.</p>										
Odd lot Treatment	<p>Not applicable</p>										
Warehouse, fumigation, insurance and transportation Charges	<p>-Borne by the seller upto commodity pay-out date -Borne by the buyer after commodity pay-out date</p>										
Buyer's option for lifting of Delivery	<p>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. Further, It may be noted that adjustment on account of reduction in moisture during revalidation and/or lifting of goods shall be considered over and above the standard deduction.</p>										
Delivery Center	<p>Deliveries can be effected from Exchange designated warehouse at Bikaner (within 50 km of Municipal limits)</p>										
Additional Delivery Center	<p>Deliveries can be effected from Exchange designated warehouse at Jodhpur, Nokha, Ganganagar, Deesa (within 50 km of Municipal limits)</p>										
Premium/Discount (freight) at additional delivery center	<table border="1"> <thead> <tr> <th>Place</th> <th>Rs/qt (Premium/Discount)</th> </tr> </thead> <tbody> <tr> <td>Jodhpur</td> <td>(+) 20</td> </tr> <tr> <td>Deesa</td> <td>(-) 30</td> </tr> <tr> <td>Ganga Nagar</td> <td>(-) 5</td> </tr> <tr> <td>Nokha</td> <td>At Par</td> </tr> </tbody> </table>	Place	Rs/qt (Premium/Discount)	Jodhpur	(+) 20	Deesa	(-) 30	Ganga Nagar	(-) 5	Nokha	At Par
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Delivery Order (Seller giving delivery to the Exchange)	<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 valid up to 15 days after the expiry of the contract, as per contract specifications from Exchange designated certifier, Delivery order once submitted cannot be withdrawn or cancelled or changed unless so agreed by MCX in writing. Members tendering the delivery order 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.</p>
<p>Delivery Grades</p> <p>Evidence of Stock in possession</p>	<p>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.</p> <p>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.</p>
<p>Sampling and Analysis at the time of Delivery</p> <p>Sampling Procedure</p>	<p>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.</p> <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 subsequently. The sampling methods to be adopted for analysis will be decided by the Exchange.</p>
<p>Failure of First Sample</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 the 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	The analyst's report of the approved and agreed independent laboratory shall be forwarded by the 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.
Obligations of the Independent Analyst	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.
Legal Obligation	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.
Extension of Delivery Period	As per the Exchange decision due to a force majeure or otherwise.
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>