

Guar seed Contract specifications

(Updated on December 22, 2010)

Type of Contract	Futures Contract								
Name of Commodity	Guar Seed								
Ticker symbol	GARSEDJDR								
Trading System	NCDEX Trading System								
Basis	Ex- warehouse Jodhpur, inclusive of Sales Tax/VAT								
Unit of trading	10 MT								
Delivery unit	10 MT								
Quotation/base value	Rs per Quintal								
Tick size	Re 1								
Quality specification	<table border="1"><tr><td>Whitish</td><td>98 % basis</td></tr><tr><td>Foreign Matter</td><td>0.5% basis</td></tr><tr><td>Damaged seed</td><td>0.5% basis</td></tr><tr><td>Moisture</td><td>8 % basis</td></tr></table>	Whitish	98 % basis	Foreign Matter	0.5% basis	Damaged seed	0.5% basis	Moisture	8 % basis
Whitish	98 % basis								
Foreign Matter	0.5% basis								
Damaged seed	0.5% basis								
Moisture	8 % basis								
Quantity variation	+/- 2%								
Delivery center	Jodhpur (up to the radius of 50 Km from the municipal limits)								
Additional delivery centres	Bikaner, Nokha and Deesa (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time.								
Trading hours	As per directions of the Forward Markets Commission from time to time, currently - Mondays through Fridays - 10:00 a.m. to 05:00 p.m. Saturdays - 10.00 a.m. to 2.00 p.m. The Exchange may vary the above timing with due notice								
Delivery Logic	Compulsory delivery								
No. of active contracts	As per launch calendar								
Opening of Contracts	Trading in any contract month will open on the 10th day of the month. If the 10th day happens to be a non-trading day, contracts would open on the next trading day								
Tender Period	Tender Date : T								

	<p>Tender Period:</p> <p>Tender period would be of 14 Calendar days during trading hours prior to the expiry date of the contract.</p> <p>Pay-in and Pay-out: on a T+2 basis. If the tender date is T then, pay-in and pay-out would happen on T + 2 day. If such a T + 2 day happens to be a Saturday, a Sunday or a holiday at the Exchange, clearing banks or any of the service providers, Pay-in and Pay-out would be effected on the next working day.</p>
Closing of contract	<p>Clearing and Settlement of contracts will commence with the commencement of Tender Period by delivery through intention matching arrived at by the exchange based on the information furnished by the seller and buyer respectively as per the process put in place by the exchange for effecting physical delivery during the period from E-14 to E-1 prior to expiry. Upon the expiry of the contract all the outstanding open position should result in compulsory delivery</p>
Due date/Expiry date	<p>Expiry date of the contract:</p> <p>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 other than a Saturday.</p> <p>The settlement of contract would be by a early delivery system of a maximum of 15 Pay-ins and Pay-outs or less including the last Pay-in and Pay-out which would be the Final Settlement of the contract.</p>
Delivery Specification	<p>During the period from E-14 to E-1, Seller & Buyer having open position are required to give their intention/notice to deliver to the extent of his open position. The delivery position would be arrived at by the exchange based on the information to give/take delivery furnished by the seller and buyer as per the process put in place by the exchange for effecting physical delivery. If the intention of the buyers/sellers match, then the respective positions would be closed out by physical deliveries. If there is no delivery intention matching between sellers and buyers, then such intentions will get automatically extinguished at close of E-1 day. Intentions can be withdrawn during the course of E-14 to E-1 day if they remain unmatched.</p> <p>Upon expiry (i.e E) of the contracts all the outstanding open positions should result in compulsory delivery.</p>

	<p>The penalty structure for failure to meet delivery obligations will be as per circular no. NCDEX/TRADING-086/2008/216 dated September 16, 2008.</p>
<p>Daily price limit</p>	<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>
<p>Position limits</p>	<p>Member: 9000 MT or 15% of Market Open Interest whichever is higher. Client: 3,000 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>For near month contracts: The near month limit will be applicable during the last 7 trading days of the expiry of a contract</p> <p>Member: 3000 MT or 15% of the market-wide near month open position, whichever is higher Client: 1000 MT</p>
<p>Quality Allowance</p>	<p>Whitish seed</p> <p>98% basis below 98 and upto 95%: acceptable at a discount of 1:0.5 below 95 and upto 90%: acceptable at a discount of 1:1 Below 90% rejected</p> <p>Moisture</p> <p>8% basis acceptable upto 10% at a discount of 1:1 Above 10% rejected</p> <p>Foreign matter</p> <p>0.5% basis Upto 2% acceptable at a discount of 1:1 Above 2% and upto 3% acceptable at a discount of 1:1.5</p>

	<p>('Foreign matter' means anything other than Guar seed e.g. sand, silica, pebbles, stalks and other seeds)</p> <p>Damaged seed:</p> <p>0.5% basis Above 0.5% and upto 2% acceptable at a discount of 1:0.75</p> <p>The total of Foreign Matter and Damaged seed should not exceed 4%.</p>
Special margins	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
Final Settlement Price	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

Tolerance Limits for Outbound Deliveries for Guar seed

Specification	Basis	Deliverable Range	Tolerance Limit
Whitish	98 %	Upto 90%	+/-0.5%
Foreign Matter and Damaged Seed (combined)	1%(0.5% Foreign Matter + 0.5% Damaged Seed)	Upto 4% (combined)	+/-0.5%(total)
Upper limit on the total of all tolerances			0.75%

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 Calendar

Contract Launch month	Contract expiry month
June 2010	December 2010
August 2010	January 2011, February 2011
September 2010	March 2011
October 2010	April 2011
November 2010	May 2011
December 2010	June 2011
January 2011	July 2011
February 2011	August 2011
March 2011	September 2011
April 2011	October 2011
May 2011	November 2011
June 2011	December 2011