

Contract Specification for Mentha Oil Futures contract expiring from December 2009 onwards.

Type of Contract	Futures Contract Specifications	
Name of Commodity	Mentha oil	
Ticker symbol	MENTHAOIL	
Trading System	NCDEX Trading System	
Basis	Ex-warehouse Chandausi (exclusive of all taxes, purchase tax, VAT, sales tax, mandi fee etc ). FSP will be calculated on the contract expiry day by taking weighted average prices of spot market during last three trading days from following Mandis:	
	Mandi	Weightage
	Sambhal	25%
	Barabanki	30% (2% will be added to Barabanki Prices)
	Chandausi	15%
	Rampur	15%
	Badaun	7.5%
	Bareilly	7.5%
	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.	
Unit of trading	360 kgs	
Delivery unit	360 Kgs net packed in fully dipped galvanized iron drums of 180 Kgs each. The cost of drum, as approved by the Exchange, will be payable by the buyer	
Quotation/base value	Rs per Kg	
Tick size	Re 0.10 (10 paisa)	
Quality specification	Appearance	Liquid
	Odour	Strong Minty and Characteristic Pleasant
	Colour	Light /Pale Yellow
	Solubility in Alcohols	1:4 to 6 volume in 70% alcohol
	L-Menthol	68% as per GLC test (Detected by Packed column method)
	Terpene	7.5% basis
	Ester (As Methyl Acetate)	6% basis

	<table border="1"> <tr> <td>Fat &amp; Oils</td> <td>Negative</td> </tr> <tr> <td rowspan="12">Additional Parameters</td> <td>Menthol Isomers = 6% maximum</td> </tr> <tr> <td>Water &amp; Solid sediments = 0.65% max</td> </tr> <tr> <td>Total Menthol Content (TMC) = 70 to 79%</td> </tr> <tr> <td>Optical Rotation = -33 degrees to -38 degrees</td> </tr> <tr> <td>Refractive Index = 1.42-1.48 (at 25 degree celsius)</td> </tr> <tr> <td>Menthofuran = Negative</td> </tr> <tr> <td>PH = Neutral</td> </tr> <tr> <td>Congealing Point = 21 to 23 degree celsius</td> </tr> <tr> <td>Identification = Confirming to BP/USP</td> </tr> <tr> <td>Specific Gravity = 0.80 to 0.91 (at 25 degree celsius)</td> </tr> <tr> <td>High Boilers = Nil</td> </tr> <tr> <td>GC Temperature: Detector temperature = 240 degree Injector Temperature = 240 Degree Oven temperature = Starting 80 degree Temperature Rise = 4 degree per minute  It should be free from any admixture such as edible oil, petroleum, mineral oil, sediments etc.  In order to check adulteration water test, paper test and alkali test will also be conducted which should confirm to be negative.</td> </tr> </table>	Fat & Oils	Negative	Additional Parameters	Menthol Isomers = 6% maximum	Water & Solid sediments = 0.65% max	Total Menthol Content (TMC) = 70 to 79%	Optical Rotation = -33 degrees to -38 degrees	Refractive Index = 1.42-1.48 (at 25 degree celsius)	Menthofuran = Negative	PH = Neutral	Congealing Point = 21 to 23 degree celsius	Identification = Confirming to BP/USP	Specific Gravity = 0.80 to 0.91 (at 25 degree celsius)	High Boilers = Nil	GC Temperature: Detector temperature = 240 degree Injector Temperature = 240 Degree Oven temperature = Starting 80 degree Temperature Rise = 4 degree per minute  It should be free from any admixture such as edible oil, petroleum, mineral oil, sediments etc.  In order to check adulteration water test, paper test and alkali test will also be conducted which should confirm to be negative.
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Quantity variation	+/- 1 kg per drum.															
Delivery center	Chandausi															
Additional delivery centres	Barabanki, Sambhal, and such other centers as may be notified by the Exchange from time to time.															
Hours of Trading	<p>As per directions of the Forward Markets Commission from time to time, currently-</p> <p><b>Mondays through Fridays</b> Trading Hours - 10:00 AM to 05:00 PM</p> <p><b>Saturdays</b> Trading Hours - 10.00 AM to 2.00 PM The Exchange may vary the above timing with due notice.</p>															
Delivery specification	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															

	<p>buyers/sellers matches, 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>
Opening of contracts	Trading in a new month contract will open on the 10th day of the month in which near month contract is due to expire. If the 10th day happens to be a non-trading day, contracts would open on the next trading day
Tender Period	<p>Tender Date : T</p> <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>
Due date/Expiry date	<p>Expiry date of the contract:</p> <p>Last day of the delivery month. If last day of month 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>
Closing of contract	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 would result in compulsory delivery.
No. of active contracts	As per launch calendar
Price band	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

	<p>the price band. Thereafter the price band would be raised by another (+/-) 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>
Position limits	<p><b>For Member</b> - Maximum up to 1500 MT or 15% of market-wide open interest whichever is higher  <b>For Clients</b> - Maximum up to 300 MT</p> <p>Hedge position as indicated vide Commission's letter no. 4/4/2005-NCDEX/COMPL. Dated 4/10/2005</p> <p><b>For near month contracts:</b>  The near month limit will be applicable during the last 7 trading days of the expiry of a contract.</p> <p><b>Member:</b> Maximum up to 500 MT or 15% of the market-wide near month open position, whichever is higher  <b>Client:</b> Maximum up to 100 MT</p>
Special margins	<p>Special margin of 10% of the value of the contract shall be applicable whenever there is a rise or fall in price from the first day's closing price beyond 20% and shall be payable by buyer or seller depending on whether prices rise or fall respectively. The margins shall stay in force so long as price stays beyond the 20% limit and will be withdrawn as soon as the price is within the 20% band</p>
Premium/Discount	<p><b>Quality discount on L-Menthol-</b>  Above 68% - Premium 1:1  Between 63% and 68% - Discount 1:1  Below 63% - Rejected</p> <p><b>Terpene</b>  Between 7.5% – 9% - Discount 1:1 basis  Above 9% - Rejected</p> <p><b>Ester(As Methyl Acetate)</b>  = 6% basis, allowed till 6.5% maximum with 1:1 discount</p> <p><b>Discount for Mentha oil acceptance at additional delivery centers</b>  The Premium or discount for different locations shall be announced by the Exchange before launching of contract</p>

**Tolerance Limit :**

Commodity Specifications	Basis	Acceptable quality range as per contract specification	Permissible Tolerance
Appearance	Liquid		
Odour	Strong Minty and Characteristic Pleasant		
Colour	Light /Pale Yellow		
Solubility in Alcohols	1:4 to 6 volume in 70% alcohol		
L-Menthol	68% as per GLC test (Detected by Packed column method)	>68% to 63%	+/-0.50%
Terpene	7.5% basis	7.5% to 9%	
Ester (As Methyl Acetate)	6% basis	6% to 6.5%	
Fat & Oils	Negative		
Max Tolerance (for all characteristics)		+/- 0.5%	

**Annexure: Contract Launch Calendar**

Contract launch date	Contracts expiry date
November 19, 2009	January 2010, February 2010, March 2010
December 2009	April 2010
January 2010	May 2010
February 2010	June 2010

**Contract Launch Calendar :-**

Contract launch date	Contracts expiry date
March 2010	July 2010
April 2010	August 2010
May 2010	September 2010
June 2010	October 2010
July 2010	November 2010
August 2010	December 2010



### **Contract Launch Calendar of Mentha Oil :-**

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



Members and market participants who enter into buy and sell transactions may please note that they need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the Exchange's Bye Laws, Rules, Regulations, Product Notes, circulars, directives, notifications of the Exchange as well as of the Regulators, Governments and other authorities.

Members and market participants trading on the Exchange in the commodity contracts shall be deemed to be aware of applicable laws and amendments thereof from time to time, including provisions and rates relating to the sales tax, value added tax APMC Tax, Mandi Tax, octroi, excise duty, stamp duty, etc., applicable on the underlying commodity of any contract offered for trading.

The Exchange shall not be responsible or liable on account of non compliance by any of the members and market participants of any such applicable laws or any amendments thereof including not being aware of rates of taxes, levies, etc., on the underlying commodity of any contract offered for trading.