

Exhibit 1 – V-797 Kapas Future Contract Specification

Type of Contract	Futures Contract Specifications						
Name of Commodity	V 797 Kapas						
Ticker symbol	NCDEX Trading System						
Trading System	KAPASSRNR						
Basis	Ex-warehouse Surendernagar (Exclusive of all taxes)						
Unit of trading	1 lot (200 maunds of 20 kg each i.e. 4 MT)						
Delivery unit	1 lot (200 maunds of 20 kg each i.e. 4 MT)						
Quotation/base value	Rs. Per 20 kg						
Tick size	10 paisa						
Quality specification	<p>Raw Cotton (Cotton traded as V – 797)</p> <p>1. Turnout</p> <table border="1"> <tr> <td>Turnout %</td> <td></td> </tr> <tr> <td>Cotton Basis</td> <td>40% (+/- 2%)</td> </tr> <tr> <td>Cotton seed</td> <td>60% (-/+2%)</td> </tr> </table> <p>2. Trash content: Allowable up to 1.25 % max., beyond which discount in the ratio of 1:1 will be applicable</p> <p>3. Moisture: Max.8.5%</p>	Turnout %		Cotton Basis	40% (+/- 2%)	Cotton seed	60% (-/+2%)
Turnout %							
Cotton Basis	40% (+/- 2%)						
Cotton seed	60% (-/+2%)						
Quantity variation	+/- 1.25% for total weight of each deliverable lot						
Premium/Discount	The seller will get a proportionate premium over every incremental percentage over 42% and similarly a proportionate discount below 38%.The seller can make delivery of goods upto 36% turnout of cotton below which the goods would be rejected.						
Trading month	Contract for February, March and April expiry next year will open for trading after approval by the Commission						
Delivery center	Surendranagar (Gujarat)						
Trading hours	<p>As per directions of the Forward Markets Commission from time to time, currently</p> <p>Mondays through Fridays : 10:00 AM to 05:00 PM Saturdays : 10.00 AM to 2.00 PM</p> <p>The Exchange may vary the above timing with due notice</p>						

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Delivery Specification	Upon expiry of the contracts, if any seller with open position desires to give delivery at a particular delivery center, then the corresponding buyer with open position as matched by the process put in place by the Exchange shall be bound to settle by taking physical delivery
No. of active contracts	As per launch calendar
Opening of Contracts	Contract for February, March and April expiry next year will open for trading after approval by the Commission
Closing of contract	All open positions will be settled as per general rules and product specific regulations
Price band	Daily price fluctuation limit is (+/-) 3%. If the trade hits the prescribed daily price 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 again during the day, no trade trade/order shall be permitted during the day beyond the revised limit of (+/-) 4%.
Position limits	<p>Member: Maximum of 75,000 MT or 15% of the total market Open Position whichever is higher.</p> <p>Client: Maximum of 25,000 MT for all contracts</p> <p>The above limits will not apply to bona fide hedgers. For bonafide hedgers, the Exchange will, on a case to case basis decide the hedge limits.</p> <p>Near month limit (The following limits would be applicable from One Month prior to expiry date of a contract)</p> <p>Member level: Maximum 15,000 MT or 15% of the total near month open position in the commodity.</p> <p>Client level: 5,000 MT</p>
Special margin	In case of additional volatility, a special margin of at such other percentage, as deemed fit, will be imposed immediately on both buy and sell side in respect of all outstanding positions, which will remain in force for next 2 days, after which the special margin will be relaxed.

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Accreditation of Warehouse	The warehouse should be accredited up to a radius of 50 K.m. from the city / municipal limits of basis and additional delivery centers.
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.

Contract Launch Calendar

Date of Launch	Contract expiring in
April 2009	February 2010
	March 2010
	April 2010
April 2010	February 2011
	March 2011
	April 2011