

**Contract Specifications of Wheat (Standard Mill Quality)**

<b>Symbol</b>	Wheat
<b>Description</b>	WHEATMMYY
<b>Contract Listing</b>	Contracts are available for all 12 calendar months in a year, as per the Contract Launch Calendar.
<b>Last Trading Day</b>	20 <sup>th</sup> of contract month. If 20 <sup>th</sup> is holiday or Saturday then preceding working day.
<b>Trading</b>	
<b>Trading Period</b>	Mondays through Saturdays
<b>Trading Session</b>	Monday to Friday 10.00 a.m. to 5.00 p.m. Saturday: 10.00 a.m. to 2.00 p.m.
<b>Trading Unit</b>	10 MT
<b>Quotation/Base Value</b>	100 Kg
<b>Price Quote</b>	Wheat [Standard Mill Quality] Ex-Warehouse Delhi inclusive of all taxes
<b>Tick Size (minimum price movement)</b>	10 paise
<b>Daily Price Limit</b>	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 another (+/-) 1% and trade will be resumed. 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%.
<b>Initial Margin</b>	5%
<b>Additional and/ or Special Margin</b>	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.
<b>Maximum Allowable Open Position</b>	For individual clients: 8000 MT For a member collectively for all clients: 40000 MT or 15% of the market-wide open position, whichever is higher.  Near Month Limits For individual clients: 3000 MT For a member collectively for all clients: 15000 MT or 15% of the market-wide open position, whichever is higher
<b>Delivery</b>	
<b>Delivery Unit</b>	10 MT (with tolerance limit of 500 kg) which means that if the seller delivers any quantity between 9.50 MT to 10.50 MT, it will be construed as adequate discharge of his delivery obligation of 10 MT, though he will get the value only for actual quantity delivered by him.
<b>Delivery Margin</b>	25%

<b>Delivery Center(S)</b>	Exchange approved warehouse at Delhi (up to the radius of 50 kms from the municipal limits)	
<b>Additional Delivery Centres</b>	Exchange approved warehouse at Khanna, Karnal, Kanpur, Kota, Indore, Hardoi, Bareilly, Gonda, Benares, Mathura (up to the radius of 50 kms from the municipal limits)	
<b>Quality Specifications</b>	Wheat of Standard Mill variety confirming to the following quality standards will be deliverable. No live infestation is permitted.	
	<b>DEFECTS:</b> 1. Foreign Matter (Organic / Inorganic) Basis <b>Acceptable</b> <b>Rejected</b>	2.00% (Max) Upto 3% , with discount of 1:1 for above 2% & upto 3% Above 3%
	2. Damaged Kernel (other than infestation damaged) Basis <b>Acceptable</b> <b>Rejected</b>	2.00% (Max) Upto 4%, with discount of 1:0.5, for above 2% & upto 4% Above 4%
	3. Shrunken, Shriveled and Broken Grains <b>Basis</b> <b>Acceptable</b> <b>Rejected</b>	4.00% (Max) Upto 6%, with discount of 1:0.5, for above 4% & upto 6% Above 6%
	4. Infestation Damaged Kernel Total defects (1 + 2 + 3 + 4) consisting of: above 4 items <b>Basis</b> <b>Acceptable</b> <b>Rejected</b>	1% (maximum) 9% (Max) Upto 13% Above 13%
Test weight (determined using 1 litre cup) Upto 74 kg / hl Below 74 kg / hl	76 kg/hl. (basis) Acceptable with rebate of 150 grams per kg/hl or pro-rata variance in hector liter weight deducted per quintal weight delivered Rejected	
Moisture	11% (basis)	

	(determined by Air Oven method) Acceptable Rejectable	upto 13% with rebate at 1:1 above 13%
<b>Packing</b>	10 MT net basis packed in sound 50 kg or 60 kg B twill bags, the tare weight deduction per bag for net weight calculation shall be 650 gms for 50 Kg as well as 60 kgs jute bags of gross weight.	
<b>Delivery Logic</b>	Compulsory Delivery	

### Contract Launch Calendar

<b>Contract Launch Months</b>	<b>Contract Expiry Months</b>
July 2010	January 2011
August 2010	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

### Delivery and Settlement Procedure of Wheat (Standard Mill Quality)

<b>Delivery Logic</b>	<b>Compulsory Delivery</b>
<b>Tender Period</b>	Last 5 working days of the contract expiry and 1 <sup>st</sup> working day after expiry of the contract
<b>Delivery Period</b>	Three working days after expiry of the contract
<b>Tender notice / Delivery Pay-in</b>	The seller may issue tender notice on tender days along with warehouse receipt (duly endorsed & signed by the depositor & the Member) and quality certificate issued by quality certifying agency. Any outstanding positions will be marked for delivery at the expiry of the contract.
<b>Mode of Communication</b>	Fax / Courier
<b>Tender Period Margin</b>	During last 5 days of the contract, tender period margin will be increased by 3% every day (a total of 15% margin on last day). Such margin will be imposed on both buy & sell open positions and will be in addition to the initial/daily margin, special and/ or any other additional margins, if any.
<b>Delivery Period Margin</b>	25 % on the marked quantity
<b>Exemption from Delivery Period Margin</b>	Tender & Delivery Period Margin is exempted if goods tendered during tender days with all the documentary evidence
<b>Delivery Allocation</b> - Date <b>Delivery Allocation</b> - Rate	On the Expiry date At due date rate (DDR)
<b>Delivery Pay-in</b>	E+1 working days by 05.00 p.m. (E – Expiry date)
<b>Pay-in of Funds</b>	E+2 working days by 11.00 a.m.
<b>Delivery Pay-out</b>	E+2 working days by 05.00 p.m.
<b>Pay-out of Funds</b>	E+2 working days after 02.00 p.m.
<b>Penal Provision</b>	<p><b>I – Seller Default</b></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 &amp; balance 0.25% will be retained by the Exchange.</p> <p>Additionally, the difference between the DDR &amp; 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><b>II – Buyer Default</b></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:

<b>S. No</b>	<b>Where Auction is fully conducted</b>	<b>Where Auction is partly conducted</b>	<b>Where no Auction is conducted</b>
1	Penalty @ 3% on DDR  <b>AND</b>	Penalty @ 3% on DDR  <b>AND</b>	Penalty @ 3% on DDR  <b>AND</b>
2	Difference between DDR & Auction price if Auction price is lower than DDR  (including proportionate quality and quantity differences)  <b>AND</b>	Difference between DDR & Auction price if Auction price is lower than DDR to the tune of auctioned quantity  (including proportionate quality and quantity differences)  <b>AND</b>	NA  <b>AND</b>
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 &amp; 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>
<b>Taxes, Duties, Cess and Levies</b>	<p>Wheat [Standard Mill Quality] Ex-Warehouse Delhi inclusive of all taxes.</p> <p>All the taxes, levies and charges as applicable will be on account of the seller. 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>
<b>Due Date Rate</b>	Exchange shall take spot prices from a panel of different entities from spot market and shall compute the average price. DDR is calculated on the last day of the contract maturity on the basis of price prevailing on that day.
<b>Odd lot treatment</b>	Not Applicable
<b>Adjustment of Transportation Cost</b>	Not Applicable
<b>Warehouse, fumigation, insurance and transportation Charges</b>	<p>-Borne by the seller up to commodity pay-out date</p> <p>-Borne by the buyer after commodity pay-out date</p>
<b>Buyer's option for lifting of Delivery</b>	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.
<b>Tolerance Limit</b>	10 MT (with tolerance limit of 500 kg) which means that if the seller delivers any quantity between 9.50 MT to 10.50 MT, it will be construed as adequate discharge of his delivery obligation of 10 MT, though he will get the value only for actual quantity delivered by him.
<b>Delivery center(s)</b>	Exchange approved warehouse at Delhi (up to the radius of 50 kms from the municipal limits)
<b>Additional delivery centre</b>	Exchange approved warehouse at Khanna, Karnal, Kanpur, Kota, Indore, Hardoi, Bareilly, Gonda, Benares, Mathura (up to the radius of 50 kms from the municipal limits)
<b>Transfer of Delivery</b>	Warehouse receipts shall be endorsed in the name of the buyer after the pay-in and pay-out procedures are completed.
<b>Delivery Order</b>	<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</p>

	cannot be withdrawn or cancelled or changed unless so agreed by the Exchange 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.
<b>Delivery Grades</b>	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.
<b>Evidence of Stock in possession</b>	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.
<b>Endorsement of Delivery Order</b>	The buyer member can endorse delivery order to a client or any third party with full disclosure given to Exchange. Responsibility for contractual liability would be with the member/buyer.
<b>Sampling and Analysis at the time of Delivery</b>	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 72 hours of the pay-out date.
<b>Sampling Procedure</b>	<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"> <li>• First Sample - for the buyer</li> <li>• Second Sample - for the seller</li> <li>• Third Sample – for final reference, if it becomes necessary</li> </ul> <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>
<b>Failing of First Sample</b>	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 Exchange shall send the third sealed sample to any one of the approved laboratories / surveyor, as decided by the Exchange.
<b>Final Surveyor's Report</b>	The analyst's report of the approved and agreed independent laboratory shall be forwarded by Exchange to the parties immediately on receipt of the same. In such case, the final

	<p>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.</p>
<b>Obligations of the Independent Analyst</b>	<p>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.</p>
<b>Legal Obligation</b>	<p>The member will provide appropriate tax forms wherever required as per law and as customary and neither of the parties will refuse to do so unreasonably.</p>
<b>Extension of Delivery Period Applicability of Business Rules</b>	<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 an 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, and 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>