



**Contract Specifications of Wheat :  
(Updated on January 03, 2011)**

<b>Name of commodity</b>	Wheat	
<b>Ticker symbol</b>	WHTSMQDELI	
<b>Trading system</b>	NCDEX Trading System	
<b>Basis</b>	Ex- Warehouse Delhi inclusive of all taxes	
<b>Unit of trading</b>	10 MT	
<b>Delivery unit</b>	10 MT	
<b>Quotation/ Base value</b>	Rs/Quintal	
<b>Tick size</b>	20 Paisa (Re. 0.20)	
<b>Quality specification</b>	<ol style="list-style-type: none"> <li>1. Damaged Kernel (Other than infestation damaged)</li> <li>2. Infestation damaged Kernel</li> <li>3. Foreign Matter (Organic/Inorganic)</li> </ol>	<p>2% max.</p> <p>1% basis</p> <p>1% max (minerals not more than 0.25% and animal origins not more than</p>



		0.1%)
	4. Other edible grains	2% max
	5. Shrunken / Shriveled / Broken grains	5% basis
	6. Total defects sum of : <ul style="list-style-type: none"> <li>• Damaged Kernel (Other than infestation damaged)</li> <li>• Infestation damaged Kernel</li> <li>• Shrunken/Shriveled/Broken grains</li> </ul>	7% basis
	7. Moisture	11% basis.
	8. Test Weight	76 Kg/hl basis
<b>Quantity variation</b>	+/- 5 %	
<b>Delivery center</b>	Delhi	
<b>Additional delivery centers</b>	Ahmedabad, Bareilly, Indore, Itarsi, Kanpur, Karnal, Khanna, Kota, Moga, Rajkot, Shahjahanpur and Sirsa (Within 50 km radius from the municipal limits) with all centers at par	
<b>Hours of Trading</b>	As per directions of the Forward Markets Commission from time to time, currently-  <b>Mondays through Fridays : 10:00 AM to 05:00 PM</b>  <b>Saturdays : 10.00 AM to 2.00 PM</b>	



	The Exchange may vary the above timing with due notice
<b>Due date/Expiry date</b>	<p>20th day of the delivery month</p> <p>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, (other than a Saturday)</p>
<b>Opening of contracts</b>	Trading in far month contract will open on the 10th day of the month in which the 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
<b>Delivery specification</b>	<p>Upon expiry of the contract all outstanding positions will result in 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>
<b>Closing of contract</b>	Upon the expiry of contract all the outstanding open position would result in compulsory delivery.
<b>No. of active contracts</b>	As per Launch Calendar
<b>Price band</b>	Daily price fluctuation limit is (+/-) 3%. If the trade hits the prescribed daily price limit there will be 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>Position limits</b>	<p><b>Member-wise:</b> 40,000 MT or 15% of market wide open position whichever is higher.</p> <p><b>Client-wise:</b> 8,000 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. Please refer to Circular No. NCDEX/TRADING-100/2005/219 dated October 20,2005</p> <p><b>For near month contracts</b></p> <p>The following limits would be applicable from one month prior to expiry date of a contract</p> <p><b>Member-wise:</b> 15,000 MT or 15% of market wide near month open position, whichever is higher</p> <p><b>Client-wise:</b> 3,000 MT</p>
<b>Special margins</b>	Special margin of 3% of the value of the contract will be levied whenever the rise or fall in price exceeds 20% of the 90-day prior settlement price. The margin will be payable by the buyer or the seller depending on whether price rises or falls respectively. The margin shall remain in force so long as the price stays beyond the 20% limit and will be withdrawn as soon as the price is within the 20%

	band.
<b>Premium/Discount</b>	<p>Quality variance is acceptable in specifications for Infestation damaged kernel, Shrunken/Shriveled/ Broken Grains Total Defects, Moisture and Test Weight only with discounts as follows:</p> <p><b>Infestation damaged Kernel :</b></p> <ul style="list-style-type: none"> <li>• Infestation damaged kernel above 1% to 3% - accepted with rebate on 1:0.25 basis</li> <li>• Infestation damaged more than 3% - Rejected</li> </ul> <p><b>Shrunken/Shriveled/Broken Grains :</b></p> <ul style="list-style-type: none"> <li>• Shrunken/Shriveled/Broken Grains above 5% to 6%- accepted with rebate on 1:1 basis.</li> <li>• Shrunken/Shriveled/Broken Grains more than 6% -rejected.</li> </ul> <p><b>Total defects</b></p> <ul style="list-style-type: none"> <li>• Total defects above 7% to 9% - accepted with rebate on 1:1 basis</li> <li>• Total defects above 9% - rejected</li> </ul> <p><b>Moisture</b></p> <ul style="list-style-type: none"> <li>• Moisture above 11% to 13% - accepted with rebate on 1:1 basis</li> <li>• Moisture above 13% - rejected</li> </ul> <p><b>Test weight</b></p> <ul style="list-style-type: none"> <li>• Test weight below 76 kg/hl - acceptable up to 74 kg/hl-accepted with rebate of 150 grams per kg/hl</li> </ul>



	<p>or pro-rata variance in hectoliter weight deducted per quintal weight delivered</p> <ul style="list-style-type: none"> <li>• Test weight below 74kg/hl - rejected</li> </ul>
<b>Delivery Logic</b>	Compulsory Delivery
<b>Final Settlement Price</b>	<p>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.</p>

**Tolerance limit for outbound deliveries –**

<b>Quality Parameter</b>	<b>Basis</b>	<b>Acceptable quality range as per contract specification</b>	<b>Proposed Permissible tolerance</b>
Damaged Kernel (Other than infestation damaged)	2% max		+/- 0.25%
Infestation damaged Kernel	1% basis	1% to 3% - accepted with rebate on 1:0.25 basis	+/- 0.50%
Foreign Matter (Organic/Inorganic)	1% max (minerals not more than 0.25% and animal origins not more than 0.1%)		



Other edible grains	2% max		+/- 0.25%
Shrunken / Shriveled / Broken grains	5% basis	5% to 6% - accepted with Rebate on 1:1 basis	+/- 0.5%
Total defects: <ul style="list-style-type: none"> <li>• Damaged Kernel (Other than infestation damaged)</li> <li>• Infestation damaged Kernel</li> <li>• Shrunken/ Shriveled/ Broken grains</li> </ul>	7% basis	7% to 9% - accepted with Rebate on 1:1 basis	+/- 1%
Moisture	11% basis	11% to 13% - accepted with Rebate on 1:1 basis	
Test Weight	76Kg/Hl basis	76 kg/hl - acceptable up to 74 kg/hl- accepted with rebate of 150 grams per kg/hl or pro-rata variance in hectoliter weight deducted per quintal weight delivered	+/- 0.25 Kg/Hl
Max Tolerance (for all characteristic)		1.25%	

**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:**

<b>Contract Launch month</b>	<b>Contract expiry month</b>
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