

## CONTRACT SPECIFICATIONS

Commodity	Ticker Symbol	Basis	Additional Delivery center	Delivery Logic
Bajra – Feed Grade	BAJRA	Ex-Warehouse Jaipur, exclusive of GST	Alwar, Dausa (up to the radius of 50 Kms from the municipal limits)	Compulsory Delivery

Quotation	GST	Trading and Delivery Unit			Position Limits			
		Tick Size	Expiry date	Aggregate	Near Month			
Rs. per Quintal	Exclusive	10 MT	Re. 1	20th of the delivery month	Member 8,80,000	Client 88,000	Member 2,20,000	Client 22,000

### Bajra – Feed Grade with the following specifications:

Quality Specifications	Moisture	
		12% basis, accepted upto 13% with moisture adjusted weight (MAW) of 1:1
	Foreign Matter	
		2% Max
Damaged, Immature/ Shriveled Grains		5% Max, out of which ergot affected grains shall not exceed 0.5% by weight and Weeviled grains not more than 1% by weight.
Other edible grains		2% Max

For detailed contract specifications visit website [www.ncdex.com](http://www.ncdex.com)

## Commodity at a Glance

# NCDEX Bajra – Feed Grade Futures

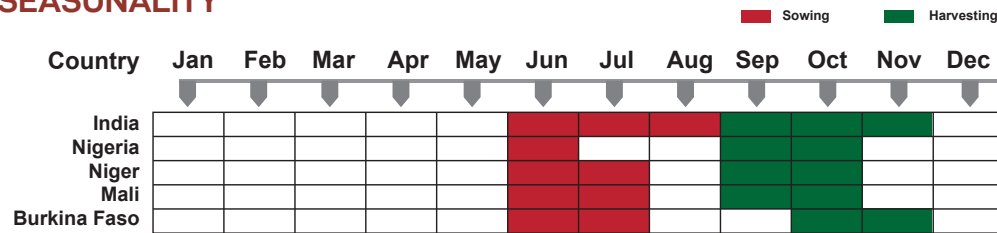


- Hedging and price risk management tool for value chain
- Efficient and transparent price discovery
- Robust delivery mechanism
- Connects the entire value chain

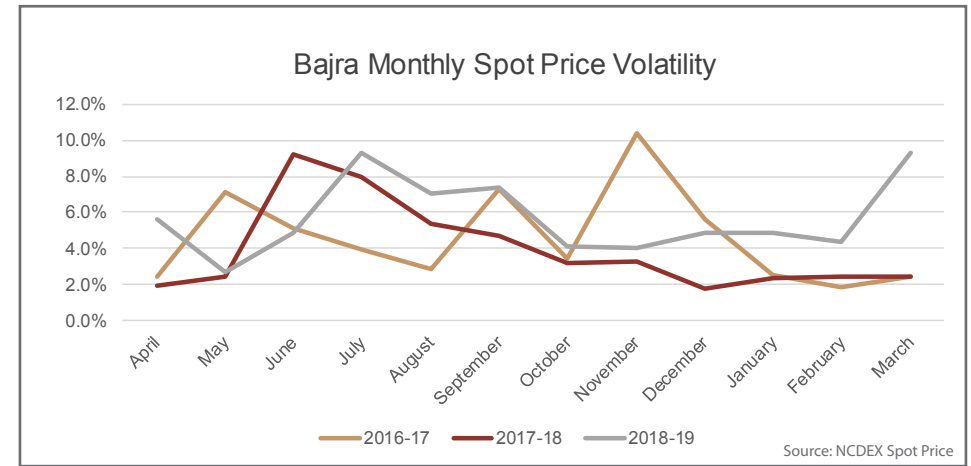
## GENERAL INTRODUCTION BAJRA - FEED GRADE

- India is the largest producer of Pearl Millet (Bajra) in Asia, with a total production of 9.13 million MT in 2017-18 (4th Advance estimates) (Source: Directorate of Economics & Statistics, DAC&FW).
- Major producers in India: Rajasthan, Uttar Pradesh, Gujarat, Madhya Pradesh, Haryana and Maharashtra.
- Global major producers of Millet: India, Niger, China P Rp, Mali, Nigeria, Ethiopia, Sudan Burkina Faso, Chad and Senegal.
- India is a major exporter of Bajra.

## SEASONALITY



## PRICE VOLATILITY : BAJRA - FEED GRADE

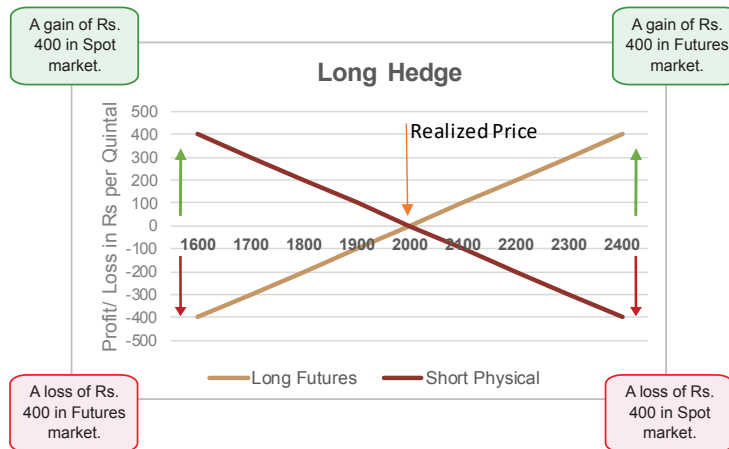


Processors/Hedger locks in the Bajra Futures price at Rs. 2000/quintal for a long position

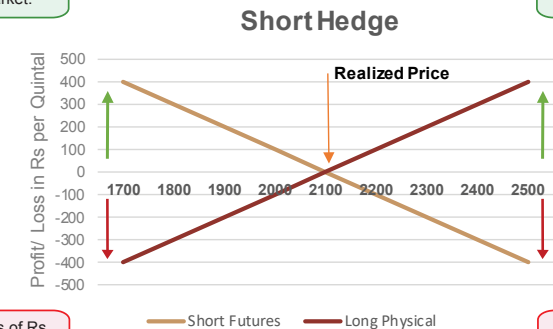
If the price of Bajra decreases in the physical market, the gain in the physical market is offset by the loss in the Futures market

If the price of Bajra increases in the physical market, the loss in the physical market is offset by the gain in the Futures market

## PRICE RISK HEDGING



A gain of Rs. 400 in Futures market.



A loss of Rs. 400 in Spot market.

A gain of Rs. 400 in Spot market.

A loss of Rs. 400 in Futures market.

Processors/Hedger locks in the Bajra Futures price at Rs. 2100/quintal for a short position

If the price of Bajra decreases in the physical market, the loss in the physical market is offset by the gain in the Futures market

If the price of Bajra increases in the physical market, the gain in the physical market is offset by the loss in the Futures market

Graphs : For illustrative purposes only

## USES: BAJRA - FEED GRADE

- Bajra is a dependable nutritious source of food for animals.
- The key value of Bajra lies in its high nutrition and high protein content, thereby making it a high energy content cereal.
- Utilization of Bajra for poultry feed and alcohol manufacturing has recently increased to about 70% in Rajasthan and Haryana. (Source: Indian Institute of Millets Research (IIMR)).

## FACTORS AFFECTING PRICES : BAJRA - FEED GRADE

- Crop situation in the countries where India is exporting Bajra.
- Insufficient rainfall at the growth period and heavy rainfall at the maturity period.
- Prices of other competitive feed grains and cereals.