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CHAPTER 1 - TRADING PARAMETERS

Authority

Trading of Gur (Feed Grade) futures may be conducted under such terms and conditions as specified in the Byelaws, Rules & Regulations of the Exchange and as per the circulars and notifications issued by the Exchange there under or the Securities and Exchange Board of India (SEBI) from time to time. Specimen of Gur (Feed Grade) futures contract specification is indicated in **Exhibit 1**.

Unit of Trading

The unit of trading shall be 10 MT. Bids and offers may be accepted in lots of 10 MT or multiples thereof.

Months Traded In

Trading in Gur (Feed Grade) futures may be conducted in the months as specified by the Exchange from time to time.

Tick Size

The tick size of the price of Gur (Feed Grade) shall be Rs. 0.50

Basis Price

The basis price of Gur (Feed Grade) shall be Ex- Cold Storage Warehouse Muzaffarnagar, inclusive of local taxes and exclusive of Goods and Services Tax (GST).

Unit for Price Quotation

The unit of price quotation for Gur (Feed Grade) shall be in Rupees per 40 kg. The basis for Gur (Feed Grade) traded is Ex- Cold Storage Warehouse Muzaffarnagar, inclusive of local taxes and exclusive of Goods and Services Tax (GST).

Hours of Trading

As notified by the Exchange from time to time, currently –

Mondays through Fridays - 09:00 AM to 5:00 PM

The Exchange may vary the above timing with due notice.

Last Day of Trading

20th day of the delivery month. 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.

Mark to Market

The outstanding positions in futures contract in Gur (Feed Grade) would be marked to market daily based on the Daily Settlement Price (DSP) as determined by the Clearing Corporation.

Position limits

Member-wise: 770,000 MT or 15% of the market wide open interest in the commodity, whichever is higher.

Client-wise: 77,000 MT

Bona fide hedger/EFE clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/CLEARING-019/2016/246 dated September 28, 2016 and Circular No: NCDEX/TRADING-072/2018 dated November 28, 2018.

For near month contracts

The following limits would be applicable from 1st of every month in which the contract is due to expire. If 1st happens to be a non-trading day, the near month limits would start from the next trading day.

Member-wise: 192,500 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher.

Client-wise: 19,250 MT

Margin Requirements

NCCL will use risk based margin model which will generate initial margin requirements which will be adequate to cover at least 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) will be 3 days.

NCCL reserves the right to change, reduce or levy any additional margins including any markup margins.

For further details, participants can refer to circular nos. NCCL/RISK-001/2018 dated September 26, 2018 on Risk Management Framework and NCCL/RISK-037/2020 dated September 02, 2020 on Margin Framework for Commodity Derivatives Segment.

Additional/Special Margin

In case of unidirectional price movement/ increased volatility, an additional/ special margin at such other percentage, as deemed fit by the Regulator/ Exchange/Clearing Corporation, may be imposed on the buy and the sell side or on either of the buy or sell sides in respect of all outstanding positions. Reduction/ removal of such additional/ special margins shall be at the discretion of the Regulator/ Exchange/Clearing Corporation.

Pre-Expiry Margin

There will be an additional margin imposed for the last 7 trading days, including the expiry day of the Gur (Feed Grade) Futures contract. The additional margin will be increased by 2.50% every day for the last 7 trading days including expiry day of the contract.

Concentration Margin

NCCL shall levy Concentration Margin, when the overall market wide open Interest (OI) of a commodity exceeds the specified Threshold Limit of Open Interest (OI) for that commodity.

For details, participants can refer to circular no. NCCL/RISK-001/2018 dated September 26, 2018. The Threshold Limit are 1,86,300 MT (Peak Period) and 1,86,300 MT (Lean Period). The Threshold Limits, slabs and applicable margins are subject to change and participants are requested to refer to relevant Clearing Corporation circulars issued from time to time.

Delivery Margin

In case of positions materializing into physical delivery, delivery margin will be charged for each commodity to mitigate the risks arising thereof. The Delivery Margin shall be higher of 3% + 5 day 99% VaR of spot price volatility or 20% on the long and short positions marked for delivery till the payin is completed by the member.

For further details, participants can refer to circular no. NCCL/RISK-001/2018 dated September 26, 2018.

Penalty for default

The penalty structure for failure to meet delivery obligations by the sellers is as follows:

Total amount of penalty = 3.0 % of Settlement price + replacement cost (difference between settlement price and average of three highest of the last spot prices of 5 succeeding days after the commodity pay-out date, if the average price so determined is higher than settlement price, else this component will be zero.)

The norms for apportionment of the 3.0 % penalty collected as mentioned above shall be as follows:

- a) 1.75 % of Settlement Price shall be deposited in the Settlement Guarantee Fund
- b) 0.25 % of Settlement Price shall be retained by the Clearing Corporation towards administrative expenses.
- c) 1 % of Settlement Price + replacement cost shall go to the Buyer who was entitled to receive delivery.

Buyers' defaults are not permitted. The amount due from the buyers shall be recovered from the buyer as Pay in shortage together with prescribed charges. Clearing Corporation shall have right to sell the goods on account of such Buyer to recover the dues and if the sale proceeds are insufficient, the Buyer would be liable to pay the balance.

A seller who has got requisite stocks in the NCCL approved cold storage warehouses and / or has marked an intention during staggered delivery period is not allowed to default and any such delivery default by seller would be viewed seriously and an additional penalty of 3% over and above the penalty prescribed for delivery default shall be levied. In addition to the penalty, the Clearing Corporation shall take suitable penal / disciplinary action against such members.

For further details, participants can refer to circular no. NCCL/CLEARING-020/2020 dated April 07, 2020.

Arbitration

Disputes between the members of the Exchange inter-se and between members and constituents, arising out of or pertaining to trades done on NCDEX shall be settled through arbitration. The arbitration proceedings and appointment of arbitrators shall be as governed by the Bye-laws and Regulations of the Exchange.

Compliance of Laws

It is clarified that it is the sole obligation and responsibility of the Members and market participants to ensure that apart from the approved quality standards stipulated by the Exchange, the commodity deposited / traded / delivered through the approved cold storage warehouses of the Clearing Corporation either on their own or on their behalf by any third party is in due compliance with the applicable regulations laid down by authorities like Food Safety and Standards Authority of India, AGMARK, BIS, Warehousing Development and Regulatory Authority (WDRA) etc. and other State/Central laws and authorities issuing such regulations in this behalf from time to time, including but not limited to compliance of provisions and rates relating to GST, APMC Tax, Mandi Tax, LBT, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and the Exchange / Clearing Corporation shall not be responsible or liable on account of any non-compliance thereof.

CHAPTER 2 - DELIVERY PROCEDURES

Unit of Delivery

The unit of delivery for Gur (Feed Grade) shall be 10 MT.

Delivery Size

Delivery is to be offered and accepted in lots of 10 MT Net or multiples thereof. A quantity variation of +/- 5% is permitted as per contract specification.

Delivery Requests

The procedure for Gur (Feed Grade) delivery is based on the contract specifications as per Exhibit I.

All the open positions shall have to be compulsorily delivered either by giving delivery or taking delivery as the case may be. That is, **“upon expiry of the contracts, any seller with open position shall give delivery of the commodity. The corresponding buyer with open position as matched by the process put in place by the Clearing Corporation shall be bound to settle by taking physical delivery. In the event of default by seller to give delivery, such defaulting seller will be liable to penalty as may be prescribed by the Clearing Corporation from time to time”**.

The penalty structure for failure to meet delivery obligations, is as per circular no. NCCL/CLEARING-020/2020 dated April 07, 2020.

The delivery request for Gur (Feed Grade) will be on staggered basis where tender period would be the last 5 trading days (including expiry day) of the contracts. During the Tender period, if any delivery is tendered by seller, the corresponding buyer having open position and matched as per process put in place by the Clearing Corporation, shall be bound to settle by taking delivery from the delivery center where the seller has delivered same.

The Buyers and the Sellers need to give their location preference through Web NCFE system provided by the Clearing Corporation. If the Sellers fail to give the location preference, then the allocation to the extent of his open position will be allocated to the base location.

Delivery Allocation

The Clearing Corporation would then compile delivery requests received from members during the Tender period and shall allocate delivery to buyers having open long position as per random allocation methodology to ensure that all buyers have an equal opportunity of being selected to receive delivery irrespective of the size or value of the position.

Actual Delivery

Where Gur (Feed Grade) is sold for delivery in a specified month, the seller must have requisite electronic credit of such Gur holding in his Clearing Member's Pool Account before the scheduled date of pay in. On settlement the buyer's Clearing Member's Pool Account would be credited with the said delivery quantity on pay out. The Clearing Member is expected to transfer the same to the buyer's Repository account. However, the buyer must take actual physical delivery of Gur before the Exchange Delivery Date (EDD).

As per prevailing market practice, cold storages are vacated and shut down for cleaning and maintenance around October every year. Beneficiary holder/s' need to ensure physical withdrawal of Gur from the approved cold storage before 15th of October failing which the WSP will dispose off the stock without further recourse to the concerned holder/s' and handover the cold storage for cleaning and maintenance.

Approved Cold Storage Warehouse

NCCL has approved cold storage warehouses for receipt and delivery of Gur (Feed Grade). Gur (Feed Grade) will only be received at and delivered from the NCCL Approved cold storage warehouse. The details of the NCCL Approved warehouses are as per **Exhibit 2**.

The Gur (Feed Grade) received at the NCCL Approved cold storage warehouse will be tested and certified by Assayer as appointed by the cold storage warehouse among the empaneled list, before acceptance as good delivery in the cold storage warehouse. Likewise, Gur delivered to buyers will be from the Approved cold storage warehouse only.

Description of Commodity

100% dry golden brown Cane Gur of Chaku type shall be deliverable at the Exchange platform.

Quality Standards

The contract quality for delivery of Gur (Feed Grade) futures contracts made under NCDEX Regulations shall be Gur conforming to the quality specification indicated in the contract. No lower grade/ quality shall be accepted in satisfaction of futures contracts for delivery except as and to the extent provided in the contract specifications. Delivery of higher grade would be accepted without premium.

Packaging

Standard Gur (Feed Grade) delivered shall be packed in clean, dry, sound, new jute bags. Gur should be in standard bags of 40 Kg net weight with permissible tolerance limit. The tare weight deduction per 40 Kg for net weight calculation shall be 350gms of gross weight. The packaging size of the jute bags for delivery of Gur should be uniform against the delivery lot size.

As stated in the contract specification, packaging costs shall be borne by the buyer. Such cost shall be a standard cost as may be announced by the Exchange and such announced cost shall be binding on the parties. Currently, a packaging cost difference of Rs. 50/ quintal (in other words Rs. 20 per 40 KGS) shall be collected from the buyer and paid to the seller during every settlement.

Standard Allowances

The standard allowances allowed will be 0.2% on account of sample testing & spillages.

Weight

The quantity of Gur received and/ or delivered at the NCCL Approved cold storage warehouse would be determined/ calculated by the designated weighbridge at the premises of the Approved cold storage warehouse or in its vicinity and the quantity so determined would be binding on all parties.

Good/ Bad delivery Norms

Gur (Feed Grade) delivery into NCCL Approved cold storage warehouse would constitute good delivery or bad delivery based on the good/ bad delivery norms as per **Exhibit 3**. The list contained in **Exhibit 3** is only illustrative and not exhaustive. NCCL would from time to time review and update the good/ bad delivery norms retaining the trade/ industry practices.

Gur Sampling

The sampling will be done with min 10 bags of Gur. Out of every assaying lot, min 10 bags will be taken randomly and cut open, mixing of any apparent material which is not the actual commodity itself, if any will lead to rejection of the lot being sampled, samples will be drawn from 3 places of each bag and a composite mixture will be made. This is then divided into 4 parts

These samples will be distributed as under:

- One sample to Depositor
- One sample to Warehouse service provider
- One sample for Analysis by assayer
- One sample for record/ reference with assayer

Assayer

NCCL has empaneled Assayer for quality testing and certification of Gur. Cold Storage warehouse service provider can appoint assayer for particular cold storage warehouse only from the empaneled list of assayers. The quality testing and certification of Gur will be undertaken only by such assayer as appointed by the cold storage warehouse service provider.

Quality Testing Report

The test report issued by the assayer on the samples drawn shall be acceptable and binding on all parties. A specimen format of the quality testing report is indicated in **Exhibit 4**.

Assayer Certificate

Testing and quality certificate issued by Assayer for Gur delivered at Approved cold storage warehouses shall be acceptable and binding on all parties. Each delivery of Gur at the Approved cold storage warehouse must be accompanied by a certificate from Assayer in the format as per **Exhibit 4**.

Validity period

The validity period of the Assayer's Certificate for Gur (Feed Grade) is as per the table given below.

Months of Deposit /Date of entry & completion of assaying by warehouse in system (Jan -Dec)*	Deliverable period from the date of Fresh Deposit (no. of months)	Validity period at the time of fresh deposit (no. of months)	How many times revalidations allowed (no. of months)	Validity Period of first revalidation (no. of months)	Validity period of second revalidation (no. of months)
January	5	5	0	0	0
February	5	5	0	0	0
March	5	5	0	0	0
April	5	5	0	0	0
May	5	5	0	0	0
June	4	4	0	0	0
July	3	3	0	0	0
August	2	2	0	0	0
September	1	1	0	0	0
October	0	0	0	0	0
November	5	5	0	0	0
December	5	5	0	0	0

*20th of previous month to 19th of the current month as mentioned in the table above

The stock of Gur deposited in the NCCL Approved cold storage warehouses shall necessarily be removed after the Exchange Deliverable Date (EDD) as indicated above and continuation of the storage beyond EDD shall be entirely a private arrangement between the cold storage Warehouse and the depositor/beneficiary holder. The Exchange / Clearing Corporation shall not be responsible in any manner whatsoever for those stocks which have not been received by any buyer through an immediate preceding settlement on the Exchange / Clearing Corporation platform and for those stocks which have crossed the EDD.

Electronic transfer

Any buyer or seller receiving and or effecting Gur would have to open a Repository account with an empanelled Repository Participant (RP) to hold the Gur in electronic form. On settlement, the buyer's account with the RP would be credited with the quantity of Gur received and the corresponding seller's account would be debited. The Buyer wanting to take physical delivery of the Gur holding has to make a request in prescribed form to his RP with whom Repository account has been opened. The RP would route the request to the warehouse for issue of the physical commodity i.e. Gur to the buyer and debit his account, thus reducing the electronic balance to the extent of Gur so withdrawn.

Charges

All charges and costs payable at the Approved cold storage warehouse towards delivery of Gur including sampling, grading, weighing, handling charges, storage etc. from the date of receipt into Approved cold storage warehouse up to date of pay in & settlement shall be paid by the seller.

No refund for cold storage warehouse charges paid by the seller for full validity period shall be given to the seller or buyer for delivery earlier than the validity period.

All charges and costs associated & including storage, handling etc. after the pay-out shall be borne by the buyer. Cold Storage Warehouse charges will be charged to the member/ client by the respective Repository Participant.

The Assayer charges for testing and quality certification should be paid to the Assayer directly at the delivery location either by cash/ cheque/ demand draft.

Duties & levies

All duties, levies etc. up to the point of sale will have to be fully borne by the seller and shall be paid to the concerned authority. All related documentation should be completed before delivery of Gur into the NCCL Approved cold storage warehouse.

Stamp Duty

Stamp duty is payable on all contract notes issued as may be applicable in the State from where the contract note is issued or as per the Stamp Act of the State in which such contract note is received by the client if the client is located in other State.

Taxes

Goods and Services Tax (GST)

On services rendered by Members:

GST shall be payable by the members on the gross amount charged by them, from their clients on account of dealing in commodities.

On Deliveries effected on the NCCL Platform:

GST on the deliveries effected on the NCCL Platform as the case may be would be applicable on the delivered commodities and a buyer on the NCCL platform shall make payment to his corresponding

seller the value of GST payable by buyer on the commodities received by the seller in the settlement. The buyer and the seller shall be responsible for fulfillment of the obligations under the GST act on all contracts. The seller shall issue appropriate invoices to his corresponding buyer as may be required under the GST act. The seller is required to remit the GST amount so collected/received from the buyer wherever applicable to the GST authorities within such time frame as may be prescribed under the GST rules. Members and / or their constituents requiring to receive or deliver Gur should register themselves with the relevant GST authorities of the place where the delivery is proposed to be received / given. In the event of any GST exemptions, such exemption certificate as may be required under the GST law would have to be issued/provided to his seller before the settlement of the obligation.

All Members and / or their constituents are required to adhere to the requirements under the GST act and the Rules made thereunder including the notifications issued by the Central or State Government and must have valid GST registration in place for transacting in physical deliveries and also comply with the requirements under the GST act.

The taxes payable on the commodity contracts shall be governed by the relevant Govt. legislations and notifications issued by the State or the Central Govt. from time to time and the buyer and seller is responsible to comply with the tax laws as applicable to the commodity.

Premium/ Discount

At present no premium/discount is applicable on account of quality specification variations for Gur delivered to NCCL Approved cold storage warehouse.

CHAPTER 3 - CLEARING AND SETTLEMENT

Daily Settlement

All open positions of a futures contract would be settled daily based on the Daily Settlement Price (DSP).

Daily Settlement Prices

The Daily Settlement Price (DSP) will be as disseminated by the Exchange at the end of every trading day. The DSP will be reckoned for marking to market all open positions.

Final Settlement Prices

The Final Settlement Price (FSP) will be determined by the Clearing Corporation upon maturity of the contract. All open positions on the expiry day of the contract would result in compulsory delivery.

FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz., E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E- 1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under:

Scenario	Polled spot price availability on				FSP shall be simple average of last polled spot prices on:
	E0	E_ 1	E_ 2	E_ 3	
1	Yes	Yes	Yes	Yes/No	E0, E_ 1, E_ 2
2	Yes	Yes	No	Yes	E0, E_ 1, E_ 3
3	Yes	No	Yes	Yes	E0, E_ 2, E_ 3
4	Yes	No	No	Yes	E0, E_ 3
5	Yes	Yes	No	No	E0, E_ 1
6	Yes	No	Yes	No	E0, E_ 2
7	Yes	No	No	No	E0

The Settlement Price for any delivery allocation during staggered period (i.e. up to one day prior to expiry) would be the last available spot price for the respective contract.

In case of non-availability of polled spot price on expiry (E0) due to sudden closure of physical market under any emergency situations noticed at the basis center, the Framework for Determination of Final Settlement Price (FSP) as laid down by NCDEX vide its circular No. NCDEX/TRADING-012/2019 dated April 05, 2019 shall be applicable.

Spot Prices

NCDEX will announce / disseminate spot prices for Gur relating to the designated delivery center and specified grade/ quality parameters determined through the process of polling a set of market participants representing different segments of the value chain such as traders, importers / exporters, processors etc.

The polled prices shall be input to a normalizing algorithm (like 'bootstrapping' technique) to arrive at a representative, unbiased and clean 'benchmark' spot price for Gur. The security of data and randomness of polling process will ensure transparency and correctness of prices. The Exchange has absolute right to modify the process of determination of spot prices at any time without notice.

Dissemination of Spot Prices

Spot prices for Gur (Feed Grade) will be disseminated on daily basis.

Pay in and Pay out for Daily Settlement / Final Settlement

The table below illustrates timings for pay in and pay out in case of daily settlement. The buyer clients would have to deposit requisite funds with their respective Clearing Member before “pay in”.

All fund debits and credits for the Member would be done in the Member’s Clearing and Settlement Account with the Clearing bank.

Time (T/E+1)	Activity
On or before 8.30 hrs	PAYIN - Debit paying member Settlement a/c for funds
After 10.30 hrs	PAYOUT – Credit receiving member Settlement a/c for funds

Pay in and Pay out for final physical settlement

The table below illustrates timings for pay in and pay out in case of positions marked for physical settlement. The buyers / sellers would have to deposit requisite funds / Gur with their respective Clearing member before “pay in”.

Pay in and Pay out for Final Settlement in case of physical deliveries	
Time (T/E+2)	Activity
On or before 12.00 hrs	PAYIN - Debit Buyer Member Clearing and Settlement a/c for funds - Debit Seller Member’s CM Pool Account for Gur
After 14.30 hrs	PAYOUT - Credit Seller Member Clearing and Settlement a/c for funds - Credit Buyer Member’s CM Pool Account for Gur

Tender Date -T

Tender period:

The delivery request for Gur (Feed Grade) contracts will be on a staggered basis where tender period would be the last 5 trading days (including expiry date) of the contract.

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 Corporation clearing banks or any of the service providers, Pay-in and Pay-out would be effected on the next working day.

Expiry Date

20th day of the delivery month. 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.

The settlement of contract would be by a staggered delivery system of Pay-ins and Payouts including the last Pay-in and Pay-out which would be the Final Settlement of the contract.

Additionally, the supplemental settlement for Gur (Feed Grade) futures contracts for premium / discount adjustments relating to quality of Gur delivered, actual quantity delivered and close out for

shortages, will also be conducted on the same day. Clearing Members are required to maintain adequate fund balances in their respective accounts.

Pay in and Pay out for supplemental settlement	
Time (T/E + 2)	Activity
On or before 15.00 hours	PAY IN - Debit Member Clearing and Settlement a/c for funds
After 15.00 hours	PAY OUT – Credit Member Clearing and Settlement a/c for funds

Early Pay-in of Commodities

Members can make an early pay in of commodities to get exemption from the applicable pre-expiry and delivery margin and the same would be considered for the purpose of adjustment against their settlement obligations. The member shall mark EPI using the Web NCFE application. The user guide for the same is available for download under: -

NCFE Menu: Downloads-> Download files-> Under User Manual folder-> EPI user guide

For further details, refer circular no. NCCL/CLEARING-020/2020 dated April 07, 2020.

Supplementary Settlement for GST

NCCL will conduct a separate supplementary settlement, as illustrated below, three days after normal pay out for completion of GST transactions on deliveries effected by the buyer and seller on NCCL platform.

In order to facilitate issue of invoice to right parties, the buyer Clearing Members are required to give the buyer client details to NCCL latest by 15.00 hrs on T/E+3 day failing which the buying member is considered as the end buyer and accordingly invoice is issued in his/their name.

The Seller Clearing Members are required to give the seller client details to the Clearing Corporation latest by 15.00 hrs on T/E + 4 day.

The amounts due to the above differences will be debited / credited to Member's clearing&settlement account similar to normal settlement.

Pay in and Pay out for GST	
Time (T/E + 5)	Activity
On or before 10.30 hours	PAY IN: Debit Buyer Member Clearing and Settlement a/c for funds.
After 10.30 hours	PAY OUT: Credit Seller Member Clearing and Settlement a/c for funds

For further details, the procedure for Supplementary Settlement for GST and the procedure for exchange of Physical Delivery information please refer circular no. NCCL/CLEARING-020/2020 dated April 07, 2020. on Consolidated Circular - Clearing & Settlement Procedures

Completion of Settlement

The settlement obligations shall be deemed to be completed as per the provisions of the, Bye-laws, Rules and Regulations of the Clearing Corporation and the circulars issued by the Clearing Corporation thereunder from time to time.

Exhibit 1 - Contract Specifications of Gur (Feed Grade) Futures Contract

(Applicable for all the contracts available for trading with effect from December 15, 2020)

Type of Contract	Futures Contract	
Name of Commodity	Gur (Feed Grade)	
Ticker symbol	GUR	
Trading System	NCDEX Trading System	
Basis	Ex- Cold Storage Warehouse Muzaffarnagar, inclusive of local taxes, exclusive of GST	
Unit of trading	10 MT	
Delivery unit	10 MT net basis packed in new jute bags. Packaging costs shall be borne by the buyer.	
Maximum Order Size	500 MT	
Quotation/base value	Rs. per 40 KGS	
Tick size	50 paisa	
Quality specification	100% dry golden brown Cane Gur of Chaku type of the following specifications:	
	Sucrose (on dry basis) percent by mass	75-80 % min
	Reducing sugars (on dry basis) percent by mass	10-15% max
	Moisture	10 % max
	Sulphur Dioxide (on dry basis) percent by mass	150 ppm max
	Water insoluble matter (on dry basis) percent by mass	1.5 % max
	Sulphated Ash (on dry basis) percent by mass	3.5% max
	Ash insoluble in Dilute Hydrochloric Acid (on dry basis) percent by mass	0.3% max

Quantity variation	+/- 5%
Delivery center	Muzaffarnagar (up to the radius of 50 Kms from the municipal limits)
Hours of Trading	As notified by the Exchange from time to time, currently: Mondays through Fridays: 9.00 A.M. to 5.00 P.M. The Exchange may vary above timing with due notice.
Due date/Expiry date	Expiry date of the contract: 20th day of the delivery month. 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, which is other than a Saturday. The settlement of contract would be by a staggered system of Pay-in and Pay-out including the last pay-in and pay-out which would be the final settlement of the contract.
Delivery specification	Upon expiry of the contracts all the outstanding open positions shall result in compulsory delivery. During the Tender period, if any delivery is tendered by seller, the corresponding buyer having open position and matched as per process put in place by the Exchange, shall be bound to settle by taking delivery on T + 2 day from the delivery center where the seller has delivered same. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-020/2020 dated April 07, 2020.
Opening of contracts	Trading in any contract month will open on the 1st day of the month. If the 1st day happens to be a non-trading day, contracts would open on the next trading day
Tender Period	Tender Date –T Tender Period: The tender period would be the last 5 trading days (including expiry day) of the contracts. 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 Corporation,

	clearing banks or any of the service providers, pay-in and pay-out would be effected on the next working day.
Closing of contract	<p>Clearing and settlement of contracts will commence with the commencement of Tender Period by compulsory delivery of each open position tendered by the seller on T + 2 to the corresponding buyer matched by the process put in place by the Exchange.</p> <p>Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery.</p>
No. of active contracts	As per the contract launch calendar
Daily Price limit (DPL)	<p>Daily price limit is (+/-) 3%. Once the 3% limit is reached, then after a period of 15 minutes the limit shall be increased further by 1%. The trading shall be permitted during the 15 minutes period within the 3% limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 4%.</p> <p>The DPL on the launch (first) day of new contract shall be as per the circular no. NCDEX/RISK-034/2016/209 dated September 08, 2016.</p>
Position limits	<p>The position limits will be applicable on Exchange wise basis:</p> <p>Member-wise: 770,000 MT or 15% of the market wide open interest in the commodity, whichever is higher.</p> <p>Client-wise: 77,000 MT</p> <p>Bona fide hedger / EFE clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/CLEARING-019/2016/246 dated September 28, 2016 and Circular No. NCDEX/TRADING-072/2018 dated November 28, 2018.</p> <p>For near month contracts:</p> <p>The following limits would be applicable from 1st of every month in which the contract is due to expire. If 1st happens to be a non-trading day, the near month limits would start from the next trading day.</p> <p>Member-wise: 192,500 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher.</p>

	Client-wise: 19,250 MT																																																				
Special margin	In case of unidirectional price movement/ increased volatility, an additional/ special margin at such other percentage, as deemed fit by the Regulator/Exchange, may be imposed on the buy and the sell side or on either of the buy or sell sides in respect of all outstanding positions. Reduction/removal of such additional/ special margins shall be at the discretion of the Regulator/Exchange.																																																				
Final Settlement Price	<p>FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz., E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E- 1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Scenario</th> <th colspan="4">Polled spot price availability on</th> <th rowspan="2">FSP shall be simple average of last polled spot prices on:</th> </tr> <tr> <th>E0</th> <th>E-1</th> <th>E-2</th> <th>E-3</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes/ No</td> <td>E0, E-1, E-2</td> </tr> <tr> <td>2</td> <td>Yes</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>E0, E-1, E-3</td> </tr> <tr> <td>3</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>Yes</td> <td>E0, E-2, E-3</td> </tr> <tr> <td>4</td> <td>Yes</td> <td>No</td> <td>No</td> <td>Yes</td> <td>E0, E-3</td> </tr> <tr> <td>5</td> <td>Yes</td> <td>Yes</td> <td>No</td> <td>No</td> <td>E0, E-1</td> </tr> <tr> <td>6</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>No</td> <td>E0, E-2</td> </tr> <tr> <td>7</td> <td>Yes</td> <td>No</td> <td>No</td> <td>No</td> <td>E0</td> </tr> </tbody> </table>	Scenario	Polled spot price availability on				FSP shall be simple average of last polled spot prices on:	E0	E-1	E-2	E-3	1	Yes	Yes	Yes	Yes/ No	E0, E-1, E-2	2	Yes	Yes	No	Yes	E0, E-1, E-3	3	Yes	No	Yes	Yes	E0, E-2, E-3	4	Yes	No	No	Yes	E0, E-3	5	Yes	Yes	No	No	E0, E-1	6	Yes	No	Yes	No	E0, E-2	7	Yes	No	No	No	E0
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6	Yes	No	Yes	No	E0, E-2																																																
7	Yes	No	No	No	E0																																																
Delivery Logic	Compulsory Delivery																																																				
Minimum Initial Margin	10%																																																				

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 NCCL empaneled assayer.

Tolerance limit for outbound deliveries in Gur (Feed grade)

Specification	Basis	Permissible Tolerance Limit
Moisture	10 % Max	+/- 0.50%
Water insoluble matter (on dry basis) percent by mass.	1.5% Max	+/- 0.25%
Upper limit on the total of all tolerances		+/- 0.50 %

Contract Launch Calendar

Contract Launch Month	Contract Expiry Month
December 15, 2020	January 2021
	February 2021
	March 2021
	April 2021
	June 2021
January 2021	July 2021
February 2021	August 2021
March 2021	September 2021
April 2021	No Launch
May 2021	November 2021
June 2021	December 2021

Disclaimer

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 / Clearing Corporation's Bye Laws, Rules, Regulations, Product Notes, circulars, directives, notifications of the Exchange / Clearing Corporation as well as of the Regulators, Governments and other authorities.

It is clarified that it is the sole obligation and responsibility of the Members and market participants to ensure that apart from the approved quality standards stipulated by the Exchange, the commodity deposited / traded / delivered through the approved cold storage warehouses of NCCL in due compliance with the applicable regulations laid down by authorities like Food Safety and Standards Authority of India, AGMARK, BIS, Warehousing Development and Regulatory Authority (WDRA) etc. and other State/Central laws and authorities issuing such regulations in this behalf from time to time, including but not limited to compliance of provisions and rates relating to GST, APMC Tax, Mandi Tax, LBT, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered or deposit / trading / delivery and the Exchange / Clearing Corporation shall not be responsible or liable on account of any non-compliance thereof.

Exhibit 2 Warehouse & Assayer Address Details

For the updated list of cold storage Warehouse & Assayers kindly refer to the NCDEX Website <https://www.ncdex.com/ClearingServices/ClearingServicesOthers.aspx>

Exhibit 3 Good/ Bad delivery norms for acceptance of Commodity at cold storage warehouse

	Particulars	Good / Bad delivery
1	Quality not meeting futures contract specification.	Bad delivery
2	Delivery at non- Approved cold storage warehouse.	Bad delivery
3	Delivery completed but without sampling & testing / certification/ expired validity.	Bad delivery
4	Delivery without weight certificate.	Bad delivery
5	Weighed at weigh bridge/ weigh scale other than those recognized by Approved cold storage warehouse	Bad delivery
6	When sample is not drawn as per sampling norms and not carried out at the time of unloading	Bad delivery
7	Delivery not as per the packaging specification	Bad delivery
8	Delivery found contaminated on visual inspection	Bad delivery

Exhibit 4 Specimen of Gur (Feed Grade) Testing Report

CERTIFICATE OF QUALITY			
Date : _____		Report no.:	
NCDEX Member/Client name :			
Commodity :			
Lorry No. :			
Warehouse name and address			
QUALITY :			
The results of analysis performed by our laboratory of the samples drawn by us on date.....from the goods deposited by NAME_____ is stated below :			
Test Items	Test method	Specification	Test results
The material delivered by the above NCDEX Member is in accordance with the specification provided bearing grade _____ and valid up to _____.			
The goods delivered may be accepted/ rejected.			
Chief Inspector/ Authorized Signatory			