NCDEX
Pragati ka Solid Exchange

NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all Members of the Exchange
Circular No. : NCDEX/TRADING-022/2022
Date : April 30, 2022
Subject : Modification in contract specifications – Guar Complex (GUARSEED10 and GUARGUM5) Futures and Options Contracts

Members are requested to note that the Exchange, as per SEBI circular no. SEBI/HO/CDMRD/DOP/CIR/P/2019/135 dated November 14, 2019 regarding Modifications in the contract specifications of commodity derivatives contracts and SEBI/HO/CDMRD_DOP/P/CIR/2021/592 dated July 08, 2021 regarding Review of Advance Intimation timelines for modifications in the contract specifications of commodity derivatives contracts has modified the contract specifications of Guar Complex (Symbol: GUARSEED10 and GUARGUM5) Futures and Options Contracts expiring in the month of July 2022 and thereafter with effect from May 11, 2022.

Currently, Guar Complex (GUARSEED10 and GUARGUM5) Futures and Options Contracts expiring in the months of May 2022, June 2022, July 2022, August 2022, September 2022 and October 2022 are available for trading and the Futures & Options contracts of Guar Complex expiring in the month of November 2022 shall be available for trading with effect from May 02, 2022 and May 04, 2022 respectively. The changes will be applicable for Guar Complex (GUARSEED10 and GUARGUM5) Futures and Options Contracts expiring in the month of July 2022 and thereafter from the beginning of day May 11, 2022.

The running futures and options contracts and contracts to be launched further shall be additionally governed by the Product Note as is notified on the Exchange Website under the Tab — "Products" and "Options->Products". Members and Participants are requested to kindly go through the same and get acquainted with the product launched and its trading and related process put in place by the Exchange.

Members are requested to take note of the following:

1. Summary of modifications in contract specifications for Guar Complex (GUARSEED10 and GUARGUM5) Futures and Options Contracts expiring in the month of July 2022 and thereafter with effect from May 11, 2022 is given in **Annexure I.**

2. Existing contract specifications applicable for Guar Complex (GUARSEED10 and GUARGUM5) Futures and Options Contracts expiring in the month of May 2022, June 2022, July 2022, August 2022, September 2022, October 2022 and November 2022 till May 10, 2022 is given in **Annexure II.**

3. Modified contract specifications for Guar Complex (GUARSEED10 and GUARGUM5) Futures and Options Contracts expiring in the month of July 2022 and thereafter with effect from May 11, 2022 is given in **Annexure III**.

4. Premium/Discount for delivery location difference for contracts expiring in the month of July 2022 is given in **Annexure IV**.

The contracts and the transactions therein will be subject to Bye Laws, Rules and Regulations of the Exchange and circulars issued by the Exchange as well as directives, if any, issued from time to time by SEBI. 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 warehouses of the Clearing Corporation either on their own or on behalf of them by any third party acting on behalf of the Market Participants/Constituents is in due compliance with the applicable regulations laid down by authorities like Food Safety and Standards Authority of India, AGMARK, Warehousing Development and Regulatory Authority (WDRA), Orders under Packaging and Labelling etc., as also 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 noncompliance thereof.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Arun Yadav
Senior Vice President – Products

Encl: Annexures

For further information / clarifications, please contact

1. Customer Service Group on toll free number: 1800 26 62339
2. Customer Service Group by e-mail to: askus@ncdex.com

Annexure I: Summary of modifications in contract specifications of Guar Complex (Futures & Options Contracts)

1. **Guar Seed (GUARSEED10) (Futures & Options Contracts)**

<table>
<tr><th>Parameters</th><th>Existing contract specifications</th><th>Modified contract specifications</th><th>Rationale</th></tr>
<tr><td>Additional Delivery Centre</td><td>Bikaner, Nokha, Sriganganagar, Deesa and Hanumangarh (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time</td><td>Bikaner, Nokha, Sriganganagar and Deesa (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time</td><td>No deposits are witnessed at Hanumangarh since its addition as an ADC last year.</td></tr>
<tr><td>Premium / Discount for delivery location difference</td><td><table>
<tr><td rowspan="5">Guar Seed 10 MT (Jodhpur)</td><td>Bikaner</td><td>- ₹ 15/Quintal</td></tr>
<tr><td>Nokha</td><td>- ₹ 15/Quintal</td></tr>
<tr><td>Sri Ganganagar</td><td>No Premium/Discount</td></tr>
<tr><td>Deesa</td><td>- ₹ 120/Quintal</td></tr>
<tr><td>Hanumangarh</td><td>No Premium/Discount</td></tr>
</table></td><td><table>
<tr><td rowspan="4">Guar Seed 10 MT (Jodhpur)</td><td>Bikaner</td><td>- ₹ 15/Quintal</td></tr>
<tr><td>Nokha</td><td>- ₹ 15/Quintal</td></tr>
<tr><td>Sri Ganganagar</td><td>No Premium/Discount</td></tr>
<tr><td>Deesa</td><td>- ₹ 120/Quintal</td></tr>
</table></td><td>The Premium/Discount matrix is modified after removal of Hanumangarh as an ADC.</td></tr>
</table>

2. **Guar Gum Refined Splits (GUARGUM5) (Futures & Options Contracts)**

<table>
<tr><th>Parameters</th><th>Existing contract specifications</th><th>Modified contract specifications</th><th>Rationale</th></tr>
<tr><td>Additional Delivery Centre</td><td>Bikaner, Nokha, Sriganganagar, Deesa and Hanumangarh (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time</td><td>Bikaner, Nokha, Sriganganagar and Deesa (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time</td><td>No deposits are witnessed at Hanumangarh since its addition as an ADC last year.</td></tr>
<tr><td>Premium / Discount for delivery location difference</td><td><table>
<tr><td rowspan="5">Guar Gum Refined Splits (Jodhpur)</td><td>Bikaner</td><td>- ₹ 15/Quintal</td></tr>
<tr><td>Nokha</td><td>- ₹ 15/Quintal</td></tr>
<tr><td>Sri Ganganagar</td><td>No Premium/Discount</td></tr>
<tr><td>Deesa</td><td>- ₹ 50/Quintal</td></tr>
<tr><td>Hanumangarh</td><td>No Premium/Discount</td></tr>
</table></td><td><table>
<tr><td rowspan="4">Guar Gum Refined Splits (Jodhpur)</td><td>Bikaner</td><td>- ₹ 15/Quintal</td></tr>
<tr><td>Nokha</td><td>- ₹ 15/Quintal</td></tr>
<tr><td>Sri Ganganagar</td><td>No Premium/Discount</td></tr>
<tr><td>Deesa</td><td>- ₹ 50/Quintal</td></tr>
</table></td><td>The Premium/Discount matrix is modified after removal of Hanumangarh as an ADC.</td></tr>
</table>

Annexure II: Existing Contract Specifications for Guar Complex (GUARSEED10 and GUARGUM5) Futures and Options Contracts

Existing Contract Specifications of Guar Seed (symbol: GUARSEED10) Futures Contract
(Applicable for contracts expiring in the month of May 2022, June 2022, July 2022, August 2022, September 2022, October 2022 and November 2022 till May 10, 2022)

<table>
<tr><td>Type of Contract</td><td>Futures Contract</td></tr>
<tr><td>Name of Commodity</td><td>Guar Seed</td></tr>
<tr><td>Ticker symbol</td><td>GUARSEED10</td></tr>
<tr><td>Trading System</td><td>NCDEX Trading System</td></tr>
<tr><td>Basis</td><td>Ex- warehouse Jodhpur, exclusive of GST</td></tr>
<tr><td>Unit of trading</td><td>5 MT</td></tr>
<tr><td>Delivery unit</td><td>5 MT</td></tr>
<tr><td>Minimum Initial Margin</td><td>12%</td></tr>
<tr><td>Maximum Order Size</td><td>500 MT</td></tr>
<tr><td>Quotation/base value</td><td>Rs per Quintal</td></tr>
<tr><td>Tick size</td><td>Re. 1</td></tr>
<tr><td>Quality specification</td><td><table><tr><td>Whitish</td><td>98 % basis</td></tr><tr><td>Foreign Matter</td><td>1% basis</td></tr><tr><td>Damaged seed</td><td>1% basis</td></tr><tr><td>Moisture</td><td>8 % basis</td></tr></table></td></tr>
<tr><td>Quantity variation</td><td>+/- 2%</td></tr>
<tr><td>Delivery center</td><td>Jodhpur (up to the radius of 50 Km from the municipal limits)</td></tr>
<tr><td>Additional delivery centers</td><td>Bikaner, Nokha, Sriganganagar, Deesa and Hanumangarh (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time.</td></tr>
<tr><td>Trading hours</td><td>As notified by the Exchange from time to time, currently – Mondays through Fridays - 09:00 a.m. to 05:00 p.m.
The Exchange may vary the above timing with due notice</td></tr>
<tr><td>Delivery Logic</td><td>Compulsory delivery with staggered delivery system</td></tr>
<tr><td>No. of active contracts</td><td>As per launch calendar</td></tr>
<tr><td>Opening of Contracts</td><td>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</td></tr>
</table>

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	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. Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery
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. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-010/2021 dated March 24, 2021 and NCCL/CLEARING-029/2021 dated August 18, 2021. 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.
Position limits	**Aggregate limits for all Guar Seed contracts traded on all exchanges.** **Member-wise**: 1,57,000 MT or 15% of market wide open interest in the commodity, whichever is higher. **Client-wise:** 15,700 MT. Bona fide hedger/EFE clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/TRADING-026/2021 dated August 30, 2021 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: 39,250 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher. Client-wise: 3,925 MT.
	Whitish seed 98% basis

<table>
<tr><td>Quality Allowance</td><td>below 98 and upto 95%: acceptable at a discount of 1: 0.5
below 95 and upto 90%: acceptable at a discount of 1:1
Below 90% rejected
Moisture
8% basis
Max 10% acceptable with Moisture adjusted weight
Foreign matter
1% basis
Upto 2% acceptable at a discount of 1:1
Above 2% and upto 3% acceptable at a discount of 1:1.5
(‘Foreign matter' means anything other than Guar seed e.g. sand, silica, pebbles, stalks and other seeds)
Damaged seed:
1% basis
Above 1% and upto 2% acceptable at a discount of 1:0.5
The total of Foreign Matter and Damaged seed should not exceed 4%.</td></tr>
<tr><td>Special margins</td><td>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.</td></tr>
<tr><td>Final Settlement Price</td><td>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:
<table>
<tr><td rowspan="2">Scenario</td><td colspan="4">Polled spot price availability on</td><td rowspan="2">FSP shall be simple average of last polled spot prices on:</td></tr>
<tr><td>E0</td><td>E-1</td><td>E-2</td><td>E-3</td></tr>
<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>
</table></td></tr>
<tr><td>Daily Price Limit (DPL)</td><td>Daily price limit is (+/-) 4%. Once the 4% limit is reached, then after a period of 15 minutes this limit shall be increased further by 2%. The trading shall be permitted during the 15 minutes period within the 4% limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 6%.
The DPL on the launch (first) day of new contract shall be as per the circular no. NCDEX/TRADING-010/2021 dated March 22, 2021.</td></tr>
</table>

Tolerance Limits for Outbound Deliveries for Guar Seed

Specification	Basis	Deliverable Range	Tolerance Limit
Whitish	98 %	Upto 90%	+/-0.5%
Foreign Matter and Damaged Seed (combined)	2% (1% Foreign Matter + 1% Damaged Seed)	Upto 4% (combined)	+/-0.5%(total)
Upper limit on the total of all tolerances			0.75%

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.

Contract Launch Calendar

Contract Launch Month	Contract Expiry Month
November 2021	May 2022
December 2021	June 2022
January 2022	July 2022
February 2022	August 2022
March 2022	September 2022
April 2022	October 2022
May 2022	November 2022

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Existing Contract Specifications of Options in Goods on Guar Seed
(Applicable for contracts expiring in the month of May 2022, June 2022, July 2022, August 2022, September 2022, October 2022 and November 2022 till May 10, 2022)

Type of Contract	Options in Goods
Underlying	GUARSEED10
Symbol	<UNDERLYING SYMBOL><OPTIONS EXPIRY DATE-DDMMMYY><CE/PE><STRIKE PRICE><UNDERLYINGTYPE-F/S> Example: GUARSEED1020MAY20CE4100S
Unit of trading	5 MT
Delivery Unit	5 MT
Maximum Order Size	500 MT
Settlement Type	Compulsory Delivery
Opening of Contracts	Options contract shall be launched on the trading day following the day on which the Futures contract with the same underlying is launched
Closing of Contract	Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-010/2021 dated March 24, 2021 and NCCL/CLEARING-029/2021 dated August 18, 2021.
Final Settlement Price	Same as Corresponding Futures Contract
Options Type	European
Premium Quotation/base value	Rs. Per Quintal
Tick Size	Rs.0.50 per Quintal
Expiry Date	Same as Corresponding Futures contract
Strike Interval	100
Number of Strikes	7-1-7
Quality Parameters	Same as Corresponding Futures contract
Quality Premium/ Discount	Same as corresponding Futures Contract.

Tolerance limit for Outbound delivery	Same as corresponding Futures Contract.
Quantity Variation	+/- 2%
Quality Allowance	Same as corresponding Futures Contract.
Basis	Ex- warehouse Jodhpur, exclusive of GST
Delivery Center	Jodhpur (up to the radius of 50Km radius from the municipal limits)
Additional Delivery Centers	Bikaner, Nokha, Sriganganagar, Deesa and Hanumangarh (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time.
Options Launch Calendar	Same as corresponding Futures Contract Launch calendar
Trading Hours	Same as corresponding Futures Contract.
Daily Price Range	Based on the factors of Daily Price Range (DPR) of Futures contract and volatility.
Position Limits	Position limits for 'option in goods' shall be clubbed with position limits of 'options on commodity futures' on the same underlying goods but shall remain separate from position limits of futures contracts on the same underlying. Numerical value for client level/member level limits in Options shall be twice of corresponding numbers applicable for Futures contracts. Guar Seed: 3,14,000 MT and 31,400 MT for member and client respectively. **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: 39,250 MT or One-eighth of the member's overall position limit in that commodity, whichever is higher. Client-wise: 3,925 MT
Exercise of Options	European Options to be exercised only on the day of Expiration of the Options contracts

Mechanism of Exercise	a) All option contracts belonging to 'CTM' option series shall be exercised only on 'explicit instruction' for exercise by the long position holders of such contracts. b) All In the money (ITM) option contracts, except those belonging to 'CTM' option series, shall be exercised automatically, unless 'contrary instruction' has been given by long position holders of such contracts for not doing so. c) All Out of the money (OTM) option contracts, except those belonging to 'CTM' option series, shall expire worthless. d) All exercised contracts within an option series shall be assigned to short positions in that series in a fair and non-preferential manner.
Final Settlement Method	On exercise, Option position shall result in physical Delivery of underlying commodity: • long call position shall result into a buy (commodity receivable) position • long put position shall result into a sell (commodity deliverable) position • short call position shall result into a sell (commodity deliverable) position • short put position shall result into a buy (commodity receivable) Position
Initial Margin	NCCL shall adopt appropriate initial margin model and parameters that are risk-based and generate margin requirements sufficient to cover potential future exposure to participants/clients. The initial margin shall be imposed at the level of portfolio of individual client comprising of his positions in futures and options contracts on each commodity. Margins shall be adequate to cover atleast 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) shall be at least three days. For buyer of the option, buy premium shall be charged as margins and blocked from the collaterals. On computation of settlement obligation at the end of day, the premium blocked shall be released and collected as pay-in as per process notified. NCCL shall fix prudent price scan range and volatility scan range based on the volatility in the price of the underlying commodity. Appropriate Short Option Minimum Margin (SOMM) shall be fixed.

Other Margins	• **Extreme loss margin:** NCCL shall levy appropriate Extreme loss margin as applicable. • **Calendar spread charge:** The calendar spread charge shall be calculated on the basis of delta of the portfolio of futures and options. A calendar spread charge of 25% on each leg of the positions shall be charged. • **Mark to Market:** NCCL shall mark to market the options positions by deducting/adding the current market value of options (positive for long options and negative for short options) times the number of long/short options in the portfolio from/to the margin requirement. Thus, mark to market gains and losses would not be settled in cash for options positions. • **Pre expiry margin:** Pre expiry margin will be charged on potential in the money long and short option positions. The pre expiry margin will be increased gradually every day beginning from the pre-determined number of days before the expiry of the contract as applicable. • **Delivery Margin** Appropriate Delivery Margin will be charged on the long and short positions resulting into physical delivery. • **Margining at client level:** NCCL shall impose initial margins at the level of portfolio of individual client comprising of his positions in futures and options contracts on each commodity. • **Other margins**: Other margins like additional margins and special margins shall be applicable as and when they are levied by the Exchange/CC/Regulator.

Contract Launch Calendar:

Contract Launch Month	Contract Expiry Month
November 2021	May 2022
December 2021	June 2022
January 2022	July 2022
February 2022	August 2022
March 2022	September 2022
April 2022	October 2022
May 2022	November 2022

Existing Contract Specifications of Guar Gum Refined Splits (Symbol: GUARGUM5) Futures Contract
(Applicable for contracts expiring in the month of May 2022, June 2022, July 2022, August 2022, September 2022, October 2022 and November 2022 till May 10, 2022)

Type of Contract	Futures Contract
Name of Commodity	Guar Gum Refined Splits
Ticker symbol	GUARGUM5
Trading System	NCDEX Trading System
Basis	Ex- warehouse Jodhpur, exclusive of GST
Unit of trading	5 MT
Delivery unit	5 MT
Maximum Order Size	250 MT
Quotation/base value	Rs per Quintal
Tick size	Re. 1/- per quintal
Quality specification	Residue insoluble in Acid: 3.00%(Max) Protein: 5.00% (Max) Undehusked Splits: 10.00% Black, dark red and brown coloured splits: 1.00% (Max) Through 14" mesh: 3.00% (Max) Through 20" mesh: 0.10%(Basis) Moisture: 8% Foreign Particles (all non-gum particles): 0.30%(Basis)
Quantity variation	+/- 2%
Delivery center	Jodhpur (up to the radius of 50 Km from the municipal limits)
Additional delivery centers	Bikaner, Nokha, Sriganganagar, Deesa and Hanumangarh (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time.
Trading hours	As notified by the Exchange from time to time, currently – Mondays through Fridays - 09:00 a.m. to 05:00 p.m. The Exchange may vary the above timing with due notice

Delivery logic	Compulsory delivery with staggered delivery system
No. of active contracts	As per launch calendar
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	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. Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery.
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. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-010/2021 dated March 24, 2021 and NCCL/CLEARING-029/2021 dated August 18, 2021. 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 centre where the seller has delivered same.
Daily Price Limit (DPL)	Daily price limit is (+/-) 4%. Once the 4% limit is reached, then after a period of 15 minutes this limit shall be increased further by 2%. The trading shall be permitted during the 15 minutes period within the 4% limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 6%. The DPL on the launch (first) day of new contract shall be as per the circular no**.** NCDEX/TRADING-010/2021 dated March 22, 2021.
Position limits	**Aggregate limits for all contracts traded on all Exchanges** **Member-wise**: 23,000 MT or 15% of market wide open interest in the commodity, whichever is higher. **Client-wise**: 2,300 MT.

<table>
<tr><td></td><td>Bona fide hedger/EFE clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/TRADING-026/2021 dated August 30, 2021 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: 5,750 MT or one-fourth of the member’s overall position limit in that commodity, whichever is higher.
Client-wise: 575 MT.</td></tr>
<tr><td>Quality Allowance</td><td>The quality allowance in respect of Guar Gum Refined Splits is as follows:
Undehusked splits*
10% basis
acceptable upto 12% at a discount of 1:0.5
Above 12% rejected
Through 20” mesh
0.10% basis
acceptable upto 0.25% at a discount of 1:1
Above 0.25 % rejected
Moisture
8% basis
Max 10% acceptable with Moisture adjusted weight
Foreign particles
0.30% basis
acceptable upto 0.50% at a discount of 1:2
Above 0.50% rejected
*Total of 'Undehusked splits' and 'Black, dark red and brown coloured splits' not to exceed 12%.</td></tr>
<tr><td>Special margins</td><td>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.</td></tr>
<tr><td>Final Settlement Price</td><td>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:
<table>
<tr><td>Scenario</td><td colspan="4">Polled spot price availability on</td><td rowspan="2">FSP shall be simple average of last polled spot prices on:</td></tr>
<tr><td></td><td>E0</td><td>E-1</td><td>E-2</td><td>E-3</td></tr>
<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>
</table></td></tr>
</table>

	<table><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></table>
Minimum Initial Margin	12%

Tolerance Limits for Outbound Deliveries for Guar Gum Refined Splits

Specification	Basis	Deliverable Range	Tolerance Limit
Undehusked splits	10.00% Basis	Upto 12%	+/-0.25%
Black, dark red and brown coloured splits	1.00% (Max)	NA	+/-0.1 %
Through 14" mesh	3.00% (Max)	NA	+/-0.5 %
Through 20" mesh	0.10% (Basis)	Upto 0.25 %	+/-0.05 %
Foreign Particles (all non-gum particles)	0.30% (Basis)	Upto 0.5%	+/-0.05 %
Upper limit on the total of all tolerances		0.75%	

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

Contract Launch Month	Contract Expiry Month
November 2021	May 2022
December 2021	June 2022
January 2022	July 2022
February 2022	August 2022
March 2022	September 2022
April 2022	October 2022
May 2022	November 2022

Existing Contract Specifications of Options in Goods on Guar Gum Refined Splits
(Applicable for contracts expiring in the month of May 2022, June 2022, July 2022, August 2022, September 2022, October 2022 and November 2022 till May 10, 2022)

Type of Contract	Options in Goods
Underlying	GUARGUM5
Symbol	<UNDERLYING SYMBOL><OPTIONS EXPIRY DATE-DDMMMYY><CE/PE><STRIKE PRICE><UNDERLYINGTYPE-F/S> Example: GUARGUM520MAY20CE4100S
Unit of trading	5 MT
Delivery Unit	5 MT
Maximum Order Size	250 MT
Settlement Type	Compulsory Delivery
Opening of Contracts	Options contract shall be launched on the trading day following the day on which the Futures contract with the same underlying is launched
Closing of Contract	Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-010/2021 dated March 24, 2021 and NCCL/CLEARING-029/2021 dated August 18, 2021.
Final Settlement Price	Same as Corresponding Futures Contract
Options Type	European
Premium Quotation/base ,value	Rs. Per Quintal
Tick Size	Rs.0.50 per Quintal
Expiry Date	Same as Corresponding Futures contract
Strike Interval	100
Number of Strikes	5-1-5
Quality Parameters	Same as Corresponding Futures contract
Quality Premium/	Same as corresponding Futures Contract.

Discount	
Tolerance limit for Outbound delivery	Same as corresponding Futures Contract.
Quantity Variation	+/- 2%
Quality Allowance	Same as corresponding Futures Contract.
Basis	Ex- warehouse Jodhpur, exclusive of GST
Delivery Center	Jodhpur (up to the radius of 50Km radius from the municipal limits)
Additional Delivery Centers	Bikaner, Nokha, Sriganganagar Deesa and Hanumangarh (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time.
Options Launch Calendar	Same as corresponding Futures Contract Launch calendar
Trading Hours	Same as corresponding Futures Contract.
Daily Price Range	Based on the factors of Daily Price Range (DPR) of Futures contract and volatility.
Position Limits	Position limits for 'option in goods' shall be clubbed with position limits of 'options on commodity futures' on the same underlying goods but shall remain separate from position limits of futures contracts on the same underlying. Numerical value for client level/member level limits in Options shall be twice of corresponding numbers applicable for Futures contracts. Guar Gum Refined Splits: 46,000 MT and 4,600 MT for member and client respectively. **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: 5,750 MT or One-eighth of the member's overall position limit in that commodity, whichever is higher. Client-wise: 575 MT
Exercise of Options	European Options to be exercised only on the day of Expiration of the Options contracts

Mechanism of Exercise	a) All option contracts belonging to 'CTM' option series shall be exercised only on 'explicit instruction' for exercise by the long position holders of such contracts. b) All In the money (ITM) option contracts, except those belonging to 'CTM' option series, shall be exercised automatically, unless 'contrary instruction' has been given by long position holders of such contracts for not doing so. c) All Out of the money (OTM) option contracts, except those belonging to 'CTM' option series, shall expire worthless. d) All exercised contracts within an option series shall be assigned to short positions in that series in a fair and non-preferential manner.
Final Settlement Method	On exercise, Option position shall result in physical Delivery of underlying commodity: • long call position shall result into a buy (commodity receivable) position • long put position shall result into a sell (commodity deliverable) position • short call position shall result into a sell (commodity deliverable) position • short put position shall result into a buy (commodity receivable) Position
Initial Margin	NCCL shall adopt appropriate initial margin model and parameters that are risk-based and generate margin requirements sufficient to cover potential future exposure to participants/clients. The initial margin shall be imposed at the level of portfolio of individual client comprising of his positions in futures and options contracts on each commodity. Margins shall be adequate to cover atleast 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) shall be at least three days. For buyer of the option, buy premium shall be charged as margins and blocked from the collaterals. On computation of settlement obligation at the end of day, the premium blocked shall be released and collected as pay-in as per process notified. NCCL shall fix prudent price scan range and volatility scan range based on the volatility in the price of the underlying commodity. Appropriate Short Option Minimum Margin (SOMM) shall be fixed.
Other Margins	• **Extreme loss margin:** NCCL shall levy appropriate Extreme loss margin as applicable.

	• **Calendar spread charge:** The calendar spread charge shall be calculated on the basis of delta of the portfolio of futures and options. A calendar spread charge of 25% on each leg of the positions shall be charged. • **Mark to Market:** NCCL shall mark to market the options positions by deducting/adding the current market value of options (positive for long options and negative for short options) times the number of long/short options in the portfolio from/to the margin requirement. Thus, mark to market gains and losses would not be settled in cash for options positions. • **Pre expiry margin:** Pre expiry margin will be charged on potential in the money long and short option positions. The pre expiry margin will be increased gradually every day beginning from the pre-determined number of days before the expiry of the contract as applicable. • **Delivery Margin** Appropriate Delivery Margin will be charged on the long and short positions resulting into physical delivery. • **Margining at client level:** NCCL shall impose initial margins at the level of portfolio of individual client comprising of his positions in futures and options contracts on each commodity. • **Other margins**: Other margins like additional margins and special margins shall be applicable as and when they are levied by the Exchange/CC/Regulator.

Contract Launch Calendar:

Contract Launch Month	Contract Expiry Month
November 2021	May 2022
December 2021	June 2022
January 2022	July 2022
February 2022	August 2022
March 2022	September 2022
April 2022	October 2022
May 2022	November 2022

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Annexure III: Modified Contract Specifications for Guar Complex (GUARSEED10 and GUARGUM5) Futures and Options Contracts

Modified Contract Specifications of Guar Seed (symbol: GUARSEED10) Futures Contract
(Applicable for contracts expiring in July 2022 & thereafter with effect from May 11, 2022)

Type of Contract	Futures Contract
Name of Commodity	Guar Seed
Ticker symbol	GUARSEED10
Trading System	NCDEX Trading System
Basis	Ex- warehouse Jodhpur, exclusive of GST
Unit of trading	5 MT
Delivery unit	5 MT
Minimum Initial Margin	12%
Maximum Order Size	500 MT
Quotation/base value	Rs per Quintal
Tick size	Re. 1
Quality specification	Whitish: 98 % basis Foreign Matter: 1% basis Damaged seed: 1% basis Moisture: 8 % basis
Quantity variation	+/- 2%
Delivery center	Jodhpur (up to the radius of 50 Km from the municipal limits)
Additional delivery centers	Bikaner, Nokha, Sriganganagar and Deesa (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time.
Trading hours	As notified by the Exchange from time to time, currently – Mondays through Fridays - 09:00 a.m. to 05:00 p.m. The Exchange may vary the above timing with due notice
Delivery Logic	Compulsory delivery with staggered delivery system
No. of active contracts	As per launch calendar
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 Date –T Tender Period: The tender period would be the last 5 trading days

Tender Period	(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	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. Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery
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. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-010/2021 dated March 24, 2021 and NCCL/CLEARING-029/2021 dated August 18, 2021. 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.
Position limits	**Aggregate limits for all Guar Seed contracts traded on all exchanges.** **Member-wise**: 1,57,000 MT or 15% of market wide open interest in the commodity, whichever is higher. **Client-wise:** 15,700 MT. Bona fide hedger/EFE clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/TRADING-026/2021 dated August 30, 2021 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: 39,250 MT or one-fourth of the member’s overall position limit in that commodity, whichever is higher. Client-wise: 3,925 MT.
Quality Allowance	**Whitish seed** 98% basis below 98 and upto 95%: acceptable at a discount of 1: 0.5 below 95 and upto 90%: acceptable at a discount of 1:1

<table>
<tr><td></td><td>Below 90% rejected
Moisture
8% basis
Max 10% acceptable with Moisture adjusted weight
Foreign matter
1% basis
Upto 2% acceptable at a discount of 1:1
Above 2% and upto 3% acceptable at a discount of 1:1.5
(‘Foreign matter' means anything other than Guar seed e.g. sand, silica, pebbles, stalks and other seeds)
Damaged seed:
1% basis
Above 1% and upto 2% acceptable at a discount of 1:0.5
The total of Foreign Matter and Damaged seed should not exceed 4%.</td></tr>
<tr><td>Special margins</td><td>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.</td></tr>
<tr><td>Final Settlement Price</td><td>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:
<table>
<tr><td rowspan="2">Scenario</td><td colspan="4">Polled spot price availability on</td><td rowspan="2">FSP shall be simple average of last polled spot prices on:</td></tr>
<tr><td>E0</td><td>E-1</td><td>E-2</td><td>E-3</td></tr>
<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>
</table></td></tr>
<tr><td>Daily Price Limit (DPL)</td><td>Daily price limit is (+/-) 4%. Once the 4% limit is reached, then after a period of 15 minutes this limit shall be increased further by 2%. The trading shall be permitted during the 15 minutes period within the 4% limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 6%.
The DPL on the launch (first) day of new contract shall be as per the circular no. NCDEX/TRADING-010/2021 dated March 22, 2021.</td></tr>
</table>

Tolerance Limits for Outbound Deliveries for Guar Seed

Specification	Basis	Deliverable Range	Tolerance Limit
Whitish	98 %	Upto 90%	+/-0.5%
Foreign Matter and Damaged Seed (combined)	2% (1% Foreign Matter + 1% Damaged Seed)	Upto 4% (combined)	+/-0.5%(total)
Upper limit on the total of all tolerances			0.75%

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

Contract Launch Calendar:

Contract Launch Month	Contract Expiry Month
January 2022	July 2022
February 2022	August 2022
March 2022	September 2022
April 2022	October 2022
May 2022	November 2022
June 2022	December 2022
July 2022	January 2023
August 2022	February 2023
September 2022	March 2023
October 2022	April 2023
November 2022	May 2023
December 2022	June 2023

Modified Contract Specifications of Options in Goods on Guar Seed
(Applicable for contracts expiring in the month of July 2022 and thereafter with effect from May 11, 2022)

Type of Contract	Options in Goods
Underlying	GUARSEED10
Symbol	<UNDERLYING SYMBOL><OPTIONS EXPIRY DATE-DDMMMYY><CE/PE><STRIKE PRICE><UNDERLYINGTYPE-F/S> Example: GUARSEED1020MAY20CE4100S
Unit of trading	5 MT
Delivery Unit	5 MT
Maximum Order Size	500 MT
Settlement Type	Compulsory Delivery
Opening of Contracts	Options contract shall be launched on the trading day following the day on which the Futures contract with the same underlying is launched
Closing of Contract	Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-010/2021 dated March 24, 2021 and NCCL/CLEARING-029/2021 dated August 18, 2021.
Final Settlement Price	Same as Corresponding Futures Contract
Options Type	European
Premium Quotation/base value	Rs. Per Quintal
Tick Size	Rs.0.50 per Quintal
Expiry Date	Same as Corresponding Futures contract
Strike Interval	100
Number of Strikes	7-1-7
Quality Parameters	Same as Corresponding Futures contract
Quality Premium/ Discount	Same as corresponding Futures Contract.

Tolerance limit for Outbound delivery	Same as corresponding Futures Contract.
Quantity Variation	+/- 2%
Quality Allowance	Same as corresponding Futures Contract.
Basis	Ex- warehouse Jodhpur, exclusive of GST
Delivery Center	Jodhpur (up to the radius of 50Km radius from the municipal limits)
Additional Delivery Centers	Bikaner, Nokha, Sriganganagar and Deesa (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time.
Options Launch Calendar	Same as corresponding Futures Contract Launch calendar
Trading Hours	Same as corresponding Futures Contract.
Daily Price Range	Based on the factors of Daily Price Range (DPR) of Futures contract and volatility.
Position Limits	Position limits for 'option in goods' shall be clubbed with position limits of 'options on commodity futures' on the same underlying goods but shall remain separate from position limits of futures contracts on the same underlying. Numerical value for client level/member level limits in Options shall be twice of corresponding numbers applicable for Futures contracts. Guar Seed: 3,14,000 MT and 31,400 MT for member and client respectively. **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: 39,250 MT or One-eighth of the member's overall position limit in that commodity, whichever is higher. Client-wise: 3,925 MT
Exercise of Options	European Options to be exercised only on the day of Expiration of the Options contracts

Mechanism of Exercise	e) All option contracts belonging to 'CTM' option series shall be exercised only on 'explicit instruction' for exercise by the long position holders of such contracts. f) All In the money (ITM) option contracts, except those belonging to 'CTM' option series, shall be exercised automatically, unless 'contrary instruction' has been given by long position holders of such contracts for not doing so. g) All Out of the money (OTM) option contracts, except those belonging to 'CTM' option series, shall expire worthless. h) All exercised contracts within an option series shall be assigned to short positions in that series in a fair and non-preferential manner.
Final Settlement Method	On exercise, Option position shall result in physical Delivery of underlying commodity: • long call position shall result into a buy (commodity receivable) position • long put position shall result into a sell (commodity deliverable) position • short call position shall result into a sell (commodity deliverable) position • short put position shall result into a buy (commodity receivable) Position
Initial Margin	NCCL shall adopt appropriate initial margin model and parameters that are risk-based and generate margin requirements sufficient to cover potential future exposure to participants/clients. The initial margin shall be imposed at the level of portfolio of individual client comprising of his positions in futures and options contracts on each commodity. Margins shall be adequate to cover atleast 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) shall be at least three days. For buyer of the option, buy premium shall be charged as margins and blocked from the collaterals. On computation of settlement obligation at the end of day, the premium blocked shall be released and collected as pay-in as per process notified. NCCL shall fix prudent price scan range and volatility scan range based on the volatility in the price of the underlying commodity. Appropriate Short Option Minimum Margin (SOMM) shall be fixed.

Other Margins	• **Extreme loss margin:** NCCL shall levy appropriate Extreme loss margin as applicable. • **Calendar spread charge:** The calendar spread charge shall be calculated on the basis of delta of the portfolio of futures and options. A calendar spread charge of 25% on each leg of the positions shall be charged. • **Mark to Market:** NCCL shall mark to market the options positions by deducting/adding the current market value of options (positive for long options and negative for short options) times the number of long/short options in the portfolio from/to the margin requirement. Thus, mark to market gains and losses would not be settled in cash for options positions. • **Pre expiry margin:** Pre expiry margin will be charged on potential in the money long and short option positions. The pre expiry margin will be increased gradually every day beginning from the pre-determined number of days before the expiry of the contract as applicable. • **Delivery Margin** Appropriate Delivery Margin will be charged on the long and short positions resulting into physical delivery. • **Margining at client level:** NCCL shall impose initial margins at the level of portfolio of individual client comprising of his positions in futures and options contracts on each commodity. • **Other margins**: Other margins like additional margins and special margins shall be applicable as and when they are levied by the Exchange/CC/Regulator.

Contract Launch Calendar:

Contract Launch Month	Contract Expiry Month
January 2022	July 2022
February 2022	August 2022
March 2022	September 2022
April 2022	October 2022
May 2022	November 2022
June 2022	December 2022

Modified Contract Specifications of Guar Gum Refined Splits (Symbol: GUARGUM5) Futures Contract
(Applicable for contracts expiring in July 2022 & thereafter with effect from May 11, 2022)

<table>
<tr><td>Type of Contract</td><td>Futures Contract</td></tr>
<tr><td>Name of Commodity</td><td>Guar Gum Refined Splits</td></tr>
<tr><td>Ticker symbol</td><td>GUARGUM5</td></tr>
<tr><td>Trading System</td><td>NCDEX Trading System</td></tr>
<tr><td>Basis</td><td>Ex- warehouse Jodhpur, exclusive of GST</td></tr>
<tr><td>Unit of trading</td><td>5 MT</td></tr>
<tr><td>Delivery unit</td><td>5 MT</td></tr>
<tr><td>Maximum Order Size</td><td>250 MT</td></tr>
<tr><td>Quotation/base value</td><td>Rs per Quintal</td></tr>
<tr><td>Tick size</td><td>Re. 1/- per quintal</td></tr>
<tr><td>Quality specification</td><td><table>
<tr><td>Residue insoluble in Acid</td><td>3.00%(Max)</td></tr>
<tr><td>Protein</td><td>5.00% (Max)</td></tr>
<tr><td>Undehusked Splits</td><td>10.00%</td></tr>
<tr><td>Black, dark red and brown coloured splits</td><td>1.00% (Max)</td></tr>
<tr><td>Through 14" mesh</td><td>3.00% (Max)</td></tr>
<tr><td>Through 20" mesh</td><td>0.10%(Basis)</td></tr>
<tr><td>Moisture</td><td>8%</td></tr>
<tr><td>Foreign Particles (all non-gum particles)</td><td>0.30%(Basis)</td></tr>
</table></td></tr>
<tr><td>Quantity variation</td><td>+/- 2%</td></tr>
<tr><td>Delivery center</td><td>Jodhpur (up to the radius of 50 Km from the municipal limits)</td></tr>
<tr><td>Additional delivery centers</td><td>Bikaner, Nokha, Sriganganagar and Deesa (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time.</td></tr>
<tr><td>Trading hours</td><td>As notified by the Exchange from time to time, currently – Mondays through Fridays - 09:00 a.m. to 05:00 p.m.
The Exchange may vary the above timing with due notice</td></tr>
</table>

Delivery logic	Compulsory delivery with staggered delivery system
No. of active contracts	As per launch calendar
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	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. Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery.
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. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-010/2021 dated March 24, 2021 and NCCL/CLEARING-029/2021 dated August 18, 2021. 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 centre where the seller has delivered same.
Daily Price Limit (DPL)	Daily price limit is (+/-) 4%. Once the 4% limit is reached, then after a period of 15 minutes this limit shall be increased further by 2%. The trading shall be permitted during the 15 minutes period within the 4% limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 6%. The DPL on the launch (first) day of new contract shall be as per the circular no**.** NCDEX/TRADING-010/2021 dated March 22, 2021.
Position limits	**Aggregate limits for all contracts traded on all Exchanges** **Member-wise**: 23,000 MT or 15% of market wide open interest in the commodity, whichever is higher. **Client-wise**: 2,300 MT.

<table>
<tr><td></td><td>Bona fide hedger/EFE clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/TRADING-026/2021 dated August 30, 2021 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: 5,750 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher.
Client-wise: 575 MT.</td></tr>
<tr><td>Quality Allowance</td><td>The quality allowance in respect of Guar Gum Refined Splits is as follows:
Undehusked splits*
10% basis
acceptable upto 12% at a discount of 1:0.5
Above 12% rejected
Through 20" mesh
0.10% basis
acceptable upto 0.25% at a discount of 1:1
Above 0.25 % rejected
Moisture
8% basis
Max 10% acceptable with Moisture adjusted weight
Foreign particles
0.30% basis
acceptable upto 0.50% at a discount of 1:2
Above 0.50% rejected
*Total of 'Undehusked splits' and 'Black, dark red and brown coloured splits' not to exceed 12%.</td></tr>
<tr><td>Special margins</td><td>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.</td></tr>
<tr><td>Final Settlement Price</td><td>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:
<table>
<tr><td>Scenario</td><td colspan="4">Polled spot price availability on</td><td rowspan="2">FSP shall be simple average of last polled spot prices on:</td></tr>
<tr><td></td><td>E0</td><td>E-1</td><td>E-2</td><td>E-3</td></tr>
<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>
</table></td></tr>
</table>

	5	Yes	Yes	No	No	E0, E-1
	6	Yes	No	Yes	No	E0, E-2
	7	Yes	No	No	No	E0
Minimum Initial Margin	12%					

Tolerance Limits for Outbound Deliveries for Guar Gum Refined Splits

Specification	Basis	Deliverable Range	Tolerance Limit
Undehusked splits	10.00% Basis	Upto 12%	+/-0.25%
Black, dark red and brown coloured splits	1.00% (Max)	NA	+/-0.1 %
Through 14" mesh	3.00% (Max)	NA	+/-0.5 %
Through 20" mesh	0.10% (Basis)	Upto 0.25 %	+/-0.05 %
Foreign Particles (all non-gum particles)	0.30% (Basis)	Upto 0.5%	+/-0.05 %
Upper limit on the total of all tolerances		0.75%	

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

Contract Launch Calendar:

Contract Launch Month	Contract Expiry Month
January 2022	July 2022
February 2022	August 2022
March 2022	September 2022
April 2022	October 2022
May 2022	November 2022
June 2022	December 2022
July 2022	January 2023
August 2022	February 2023
September 2022	March 2023
October 2022	April 2023
November 2022	May 2023
December 2022	June 2023

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Modified Contract Specifications of Options in Goods on Guar Gum Refined Splits

(Applicable for contracts expiring in July 2022 & thereafter with effect from May 11, 2022)

Type of Contract	Options in Goods
Underlying	GUARGUM5
Symbol	<UNDERLYING SYMBOL><OPTIONS EXPIRY DATE-DDMMMYY><CE/PE><STRIKE PRICE><UNDERLYINGTYPE-F/S> Example: GUARGUM520MAY20CE4100S
Unit of trading	5 MT
Delivery Unit	5 MT
Maximum Order Size	250 MT
Settlement Type	Compulsory Delivery
Opening of Contracts	Options contract shall be launched on the trading day following the day on which the Futures contract with the same underlying is launched
Closing of Contract	Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-010/2021 dated March 24, 2021 and NCCL/CLEARING-029/2021 dated August 18, 2021.
Final Settlement Price	Same as Corresponding Futures Contract
Options Type	European
Premium Quotation/base ,value	Rs. Per Quintal
Tick Size	Rs.0.50 per Quintal
Expiry Date	Same as Corresponding Futures contract
Strike Interval	100
Number of Strikes	5-1-5
Quality Parameters	Same as Corresponding Futures contract
Quality Premium/	Same as corresponding Futures Contract.

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Discount	
Tolerance limit for Outbound delivery	Same as corresponding Futures Contract.
Quantity Variation	+/- 2%
Quality Allowance	Same as corresponding Futures Contract.
Basis	Ex- warehouse Jodhpur, exclusive of GST
Delivery Center	Jodhpur (up to the radius of 50Km radius from the municipal limits)
Additional Delivery Centers	Bikaner, Nokha, Sriganganagar and Deesa (up to the radius of 50 Km from the municipal limits) with location wise premium/discount as announced by the Exchange from time to time.
Options Launch Calendar	Same as corresponding Futures Contract Launch calendar
Trading Hours	Same as corresponding Futures Contract.
Daily Price Range	Based on the factors of Daily Price Range (DPR) of Futures contract and volatility.
Position Limits	Position limits for ‘option in goods’ shall be clubbed with position limits of ‘options on commodity futures’ on the same underlying goods but shall remain separate from position limits of futures contracts on the same underlying. Numerical value for client level/member level limits in Options shall be twice of corresponding numbers applicable for Futures contracts. Guar Gum Refined Splits: 46,000 MT and 4,600 MT for member and client respectively. **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: 5,750 MT or One-eighth of the member’s overall position limit in that commodity, whichever is higher. Client-wise: 575 MT
Exercise of Options	European Options to be exercised only on the day of Expiration of the Options contracts

Mechanism of Exercise	e) All option contracts belonging to 'CTM' option series shall be exercised only on 'explicit instruction' for exercise by the long position holders of such contracts. f) All In the money (ITM) option contracts, except those belonging to 'CTM' option series, shall be exercised automatically, unless 'contrary instruction' has been given by long position holders of such contracts for not doing so. g) All Out of the money (OTM) option contracts, except those belonging to 'CTM' option series, shall expire worthless. h) All exercised contracts within an option series shall be assigned to short positions in that series in a fair and non-preferential manner.
Final Settlement Method	On exercise, Option position shall result in physical Delivery of underlying commodity: • long call position shall result into a buy (commodity receivable) position • long put position shall result into a sell (commodity deliverable) position • short call position shall result into a sell (commodity deliverable) position • short put position shall result into a buy (commodity receivable) Position
Initial Margin	NCCL shall adopt appropriate initial margin model and parameters that are risk-based and generate margin requirements sufficient to cover potential future exposure to participants/clients. The initial margin shall be imposed at the level of portfolio of individual client comprising of his positions in futures and options contracts on each commodity. Margins shall be adequate to cover atleast 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) shall be at least three days. For buyer of the option, buy premium shall be charged as margins and blocked from the collaterals. On computation of settlement obligation at the end of day, the premium blocked shall be released and collected as pay-in as per process notified. NCCL shall fix prudent price scan range and volatility scan range based on the volatility in the price of the underlying commodity. Appropriate Short Option Minimum Margin (SOMM) shall be fixed.
Other Margins	• **Extreme loss margin:** NCCL shall levy appropriate Extreme loss margin as applicable.

	• **Calendar spread charge:** The calendar spread charge shall be calculated on the basis of delta of the portfolio of futures and options. A calendar spread charge of 25% on each leg of the positions shall be charged. • **Mark to Market:** NCCL shall mark to market the options positions by deducting/adding the current market value of options (positive for long options and negative for short options) times the number of long/short options in the portfolio from/to the margin requirement. Thus, mark to market gains and losses would not be settled in cash for options positions. • **Pre expiry margin:** Pre expiry margin will be charged on potential in the money long and short option positions. The pre expiry margin will be increased gradually every day beginning from the pre-determined number of days before the expiry of the contract as applicable. • **Delivery Margin** Appropriate Delivery Margin will be charged on the long and short positions resulting into physical delivery. • **Margining at client level:** NCCL shall impose initial margins at the level of portfolio of individual client comprising of his positions in futures and options contracts on each commodity. • **Other margins**: Other margins like additional margins and special margins shall be applicable as and when they are levied by the Exchange/CC/Regulator.

Contract Launch Calendar:

Contract Launch Month	Contract Expiry Month
January 2022	July 2022
February 2022	August 2022
March 2022	September 2022
April 2022	October 2022
May 2022	November 2022
June 2022	December 2022

Annexure IV: Premium/Discount for delivery location difference for Guar Complex Futures and Options contracts expiring in the month of July 2022 and thereafter with effect from May 11, 2022

Commodity (Basis)	Delivery Centre	(+) Premium / (-) Discount
Guar Seed 10 MT (Jodhpur)	Bikaner	(-) Rs. 15/Quintal
	Nokha	(-) Rs. 15/Quintal
	Sriganganagar	No Premium/Discount
	Deesa	(-) Rs. 120/Quintal

Commodity (Basis)	Delivery Centre	(+) Premium / (-) Discount
Guar Gum Refined Splits (Jodhpur)	Bikaner	(-) Rs. 15/Quintal
	Nokha	(-) Rs. 15/Quintal
	Sriganganagar	No Premium/Discount
	Deesa	(-) Rs. 50/Quintal