

Source - NCDEX

CONTRACT SPECIFICATIONS

Commodity	Ticker Symbol	Basis	Additional Delivery Center*	Delivery Logic
Guar Gum Refined Splits	GUARGUM5	Ex-Warehouse Jodhpur	Bikaner, Nokha, Deesa Sriganganagar	Compulsory delivery with staggered delivery system

Quotation	GST	Trading and Delivery Unit	Tick Size	Expiry date	Position Limits			
					Aggregate	Near Month		
Rs per Quintal	Exclusive	5 MT	Re. 1/- per quintal	20th of the delivery month	Member 26,800 Client 2,680	Member 6,700 Client 670		

Quality Specifications	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)

* upto the radius of 50 kms from the municipal limits.

For detailed contract specifications visit website www.ncdex.com

Pragati ka Solid Exchange

National Commodity & Derivatives Exchange Limited

CIN: U51909MH2003PLC140116

Akruti Corporate Park, 1st Floor, Near G.E. Garden, L.B.S. Marg, Kanjurmarg (West), Mumbai - 400 078

T : (+91-22) - 66406789 | F : (+91-22) - 66406899 | Toll Free : 1800 26 62339 | E-mail: askus@ncdex.com | www.ncdex.com

Commodity at a Glance

NCDEX Guar Gum Futures

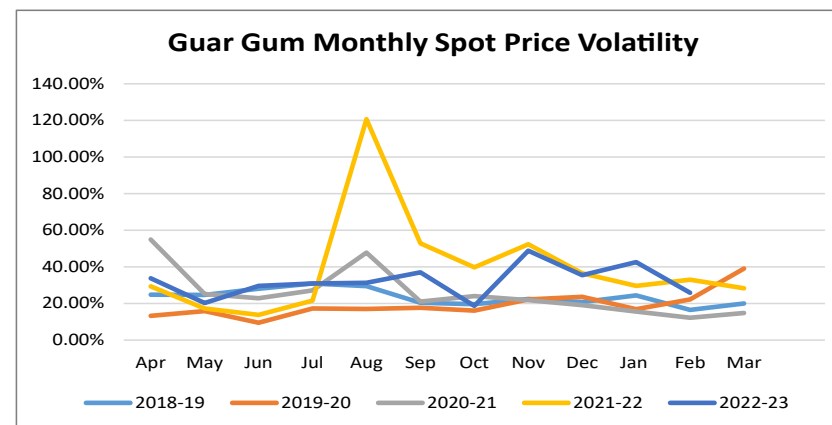


- Benchmark Futures contract for Guar Gum
- Hedging and price risk management tool for value chain
- Efficient and transparent price discovery
- Robust delivery mechanism
- Connects the entire value chain

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- Guar Gum, extracted from Guar Seed, has become India's most valued agricultural export commodity.
- India is the largest producer of Guar, contributing 80-85% of Global production.
- Rajasthan is the major Guar producing state in India, contributing 70-80% of total production.

GUAR GUM FUTURES MONTHLY ANNUALISED PRICE VOLATILITY



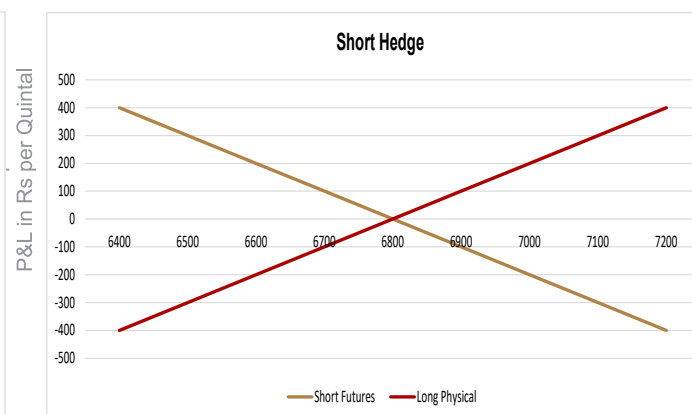
Source - NCDEX Futures Price

PRICE RISK HEDGING

Processor/Hedger locks in the Guar Gum Futures price at Rs 6700/quintal for a long position

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

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



Farmer/Hedger locks in the Guar Gum Futures price at Rs 8400 /quintal for a short position

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

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

USES OF GUAR GUM

- Guar Gum is used as a thickening agent in textile industry and binding in food industry.
- Pharmaceutical, paper, textile and personal care industries are also increasingly using guar gum.
- Also used in hydraulic fracturing, more commonly known as 'fracking', where it is used as a gelling agent in fracturing fluids in oil wells.

Salient Features of Guar Contracts on NCDEX Platform

- Very high co-relation to the physical Guar market
- Adequate volume and liquidity
- Ideal Hedging and Risk Management Platform for value chain participants in Guar industry
- Widely accepted as benchmark for Guar prices across India and abroad
- Compulsory delivery contract with staggered delivery mechanism
- Premium/ Discount structure for fair pricing across the country
- Widely accepted quality specifications