

## CONTRACT SPECIFICATIONS

| Commodity        | Ticker Symbol | Basis   | Delivery Center* | Delivery Logic      |
|------------------|---------------|---|------------------|---------------------|
| Gur (Feed Grade) | GUR           | Ex- Cold Storage Warehouse<br>Muzaffarnagar, inclusive of local taxes | Muzaffarnagar    | Compulsory Delivery |

| Quotation/base value | GST       | Trading and Delivery Unit | Tick Size | Expiry date                    | Position Limits    |                  |                    |                  |
|----------------------|-----------|---------------------------|-----------|--------------------------------|--------------------|------------------|--------------------|------------------|
|                      |           |                           |           |                                | Aggregate          |                  | Near Month         |                  |
| Rs per 40 Kgs        | Exclusive | 10 MT                     | 50 paisa  | 20th day of the delivery month | Member 8,00,000 MT | Client 80,000 MT | Member 2,00,000 MT | Client 20,000 MT |

|                        |   |             |
|------------------------|---|-------------|
| Quality Specifications | 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    |

\*up to the radius of 50 Kms from the municipal limits

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

## Commodity at a Glance

# NCDEX Gur (Feed Grade) Futures



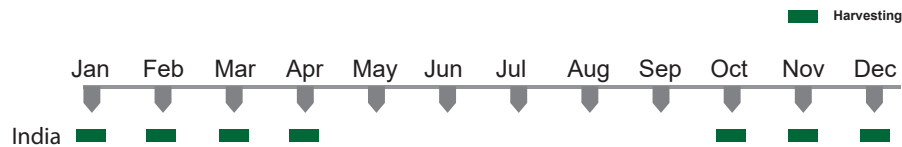
- Benchmark Futures contract for Gur (Feed Grade)
- Hedging and price risk management tool for value chain
- Efficient and Transparent price discovery
- Robust delivery mechanisms
- Connects the entire value chain

## GENERAL INTRODUCTION – GUR

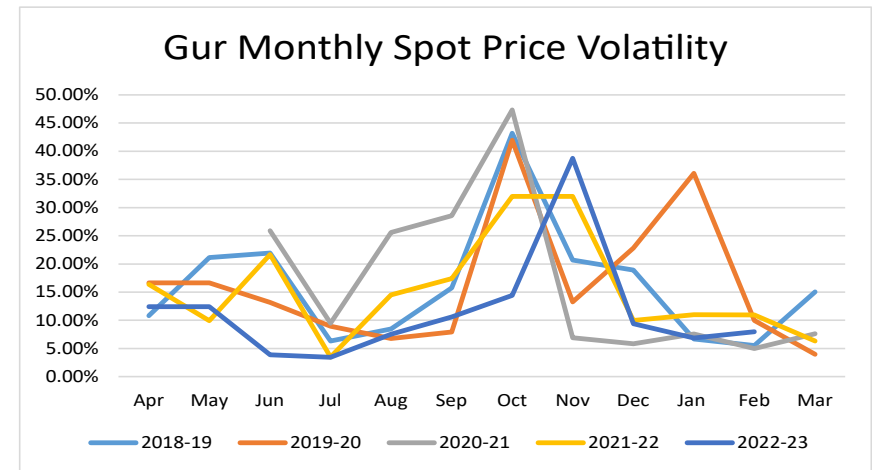
- India is the largest producer of Gur/Jaggery in the world. Percentage share of global production is around 70%
- Major Gur producing states in India: Uttar Pradesh, Maharashtra, Karnataka, Tamil Nadu.
- India is majorly exporting Gur/Jaggery to Sri Lanka, Nepal, Benin, Indonesia and USA.

## SEASONALITY

Gur/Jaggery is processed commodity, its fresh production starts after the Sugarcane is harvested in different regions of India. Sugarcane harvesting starts from October onwards. The harvesting of Sugarcane is illustrated below:



## GUR SPOT MONTHLY PRICE VOLATILITY



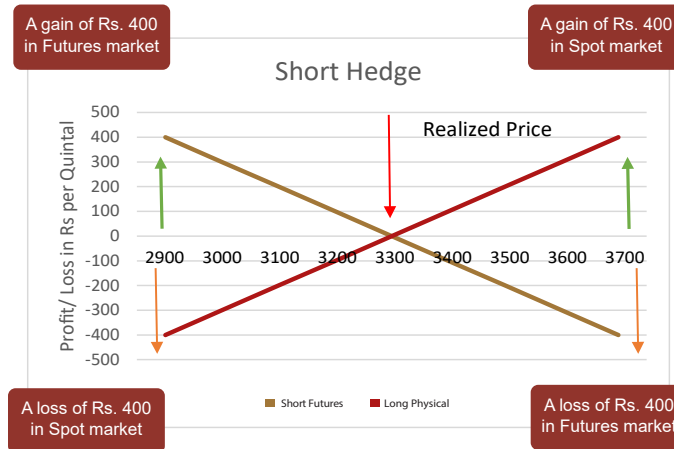
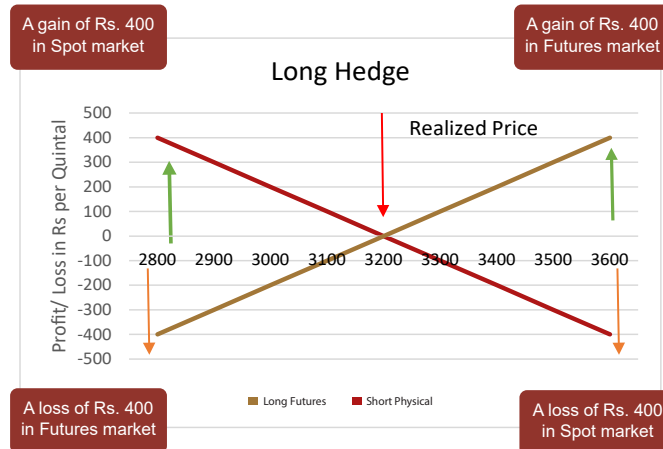
Source - NCDEX Spot prices

## PRICE RISK HEDGING

End Consumer locks in the Gur Futures price at Rs. 3200/quintal for a long position

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

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



Graphs : For illustrative purposes only

End Consumer locks in the Gur Futures price at Rs. 3300/quintal for a short position

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

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

## USES OF GUR

- Gur/Jaggery is one of the traditional items of various ingredients in Indian way of cooking.
- Gur/Jaggery is considered as an instant source of energy
- Gur/Jaggery is popularly known as the "medicinal sugar" and is nutritionally comparable with honey
- Gur has medicinal benefits like relieving fatigue, relaxation of muscles, nerves and blood vessels, maintains blood pressure and reduces water retention, increases hemoglobin level and prevents anaemia
- It helps animals in digesting food and also increase their productivity.

## FACTORS AFFECTING PRICES – GUR

- Prices of the other competitive sweeteners like sugar etc.
- Any changes in demand both in domestic as well as international markets
- Celebrations and festival seasons when the Gur is consumed in larger quantities
- Prices of other feed replacements for animals