

**NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED**

Circular to all trading and clearing members of the Exchange

Circular No : NCDEX/TRADING-019/2010/051

Date : February 25, 2010

Subject : Modification in contract specifications – Soybean

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Trading and Clearing Members are requested to note that the Exchange, with the approval of the Forward Markets Commission has made modifications in the Soybean contracts which will be applicable for all contracts expiring in **July 2010 and thereafter**.

Currently, contracts expiring in March 2010, April 2010, May 2010, June 2010 and July 2010 are available. Contracts expiring in March 2010, April 2010, May 2010 and June 2010 would continue to be traded as per existing contract specifications. Summary of modifications for contracts expiring from **July 2010** onwards is given in Annexure I. Existing contract specifications applicable for contracts expiring till June 2010 expiry are given in Annexure II. Modified contract specifications applicable for contracts expiring from **July 2010** and onwards are given in Annexure III and contract launch calendar is given in Annexure IV.

Please refer to our circular no. NCDEX/CLEARING-043/2009/346 dated December 8, 2009 extending the facility of Early Delivery System in Soybean contracts expiring in January 2010 and onwards. Please note that due to the change in delivery logic of Soybean contracts from Compulsory Delivery to Seller's Option, Early Delivery System will not be applicable to Soybean contracts from July 2010 expiry onwards.

Members and their constituents are requested to take note of the changes.

The contracts and the transactions therein will be subject to Rules, Bye Laws and Regulations of the Exchange and circulars issued by the Exchange as well as directives, if any, issued from time to time by the Forward Markets Commission.

For and on behalf of  
**National Commodity & Derivatives Exchange Limited**

Jayant Nalawade  
Head - Market Watch & Surveillance

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For further information / clarifications, please contact

1. Customer Service Group by Phone to: (022) 6640 6609 - 12
2. E-mail to: [askus@ncdex.com](mailto:askus@ncdex.com)

**ANNEXURE I**
**Summary of modification in Contract Specifications**

<b>Parameter</b>	<b>Current Specification (Applicable for contracts expiring in March 2010, April 2010, May 2010 and June 2010)</b>	<b>Modified Specification (Applicable for contracts expiring in July 2010 and thereafter)</b>
<b>Delivery Logic</b>	Compulsory delivery	Seller's option
<b>Due date/Expiry date</b>	<p>Expiry date of the contract:</p> <p>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.</p> <p>The settlement of contract would be by a early delivery system of a maximum of 15 Pay-ins and Pay-outs or less including the last Pay-in and Pay-out which would be the Final Settlement of the contract.</p>	<p>20th day of the delivery month</p> <p>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 not a Saturday.</p>
<b>Tender period</b>	Tender Date : T	-

	<p>Tender Period:</p> <p>Tender period would be of 14 Calendar days during trading hours prior to the expiry date of the contract.</p> <p>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 banks or any of the service providers, Pay-in and Pay-out would be effected on the next working day.</p>	
<p><b>Delivery specification</b></p>	<p>During the period from E-14 to E-1, Seller &amp; Buyer having open position are required to give their intention/notice to deliver to the extent of his open position. The delivery position would be arrived at by the</p>	<p>The sellers would be required to give their intention to give delivery at least five days before the maturity of the contract. If a buyer with an outstanding position at maturity or a seller, who has given an intention to deliver, fails</p>

	<p>exchange based on the information to give/take delivery furnished by the seller and buyer as per the process put in place by the exchange for effecting physical delivery. If the intention of the buyers/sellers match, then the respective positions would be closed out by physical deliveries. If there is no delivery intention matching between sellers and buyers, then such intentions will get automatically extinguished at close of E-1 day. Intentions can be withdrawn during the course of E-14 to E-1 day if they remain unmatched.</p> <p>Upon expiry (i.e E) of the contracts all the outstanding open positions should result in compulsory delivery.</p>	<p>to meet their respective obligations, the penalty structure will be as per circular no. NCDEX/TRADING-091/2007/235 dated October 4, 2007. The operators giving the intention for delivery shall not be allowed to square off their position</p>
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	<p>The penalty structure for failure to meet delivery obligations will be as per circular no. NCDEX/TRADING-086/2008/216 dated September 16, 2008.</p>	
<p><b>Closing of contract</b></p>	<p>Clearing and Settlement of contracts will commence with the commencement of Tender Period by delivery through intention matching arrived at by the exchange based on the information furnished by the seller and buyer respectively as per the process put in place by the exchange for effecting physical delivery during the period from E-14 to E-1 prior to expiry. Upon the expiry of the contract all the outstanding open position should result in compulsory delivery.</p>	<p>On the expiry of the contract, all outstanding positions not resulting in giving/taking of physical delivery of the commodity shall be closed out at the Final Settlement Price announced by the Exchange.</p>
<p><b>Near month period</b></p>	<p>The near month limit will be applicable during the last 7 trading days of the expiry of a contract</p>	<p>Near month limit (Applicable from 28 days prior to expiry date)</p>

## Annexure II

### **Existing Contract specifications of Soybean** (Applicable for contracts expiring in **March 2010, April 2010, May 2010 and June 2010**)

#### **Soybean – A**

(Applicable for contracts expiring in the months of September, October, November, December and January)

Type of Contract	Futures Contract Specifications	
Name of Commodity	Soy Bean	
Ticker symbol	SYBEANIDR	
Trading System	NCDEX Trading System	
Basis	Ex-Warehouse Indore exclusive of sales taxes	
Unit of trading	10 MT	
Delivery unit	10 MT	
Quotation/base value	Rs per quintal	
Tick size	50 Paisa	
Quality specification	Moisture	10 %
	Foreign Matter	2 %
	Damaged	2 %
	Green Seed	7 %
Quantity variation	+/- 2%	
Delivery center	Indore (within a radius of 50 km from the municipal limits)	
Additional delivery centre	Akola, Nagpur (Maharashtra); Itarsi, Sagar (M. P.) and Kota (Rajasthan)	
	Location Premium/Discount as notified by the Exchange from time to time.	
Trading hours	As per directions of the Forward Markets Commission from time to time, currently -	

	<p><b>Mondays through Fridays:</b> 10:00 a. m. to 05:00 p.m.  <b>Saturdays:</b> 10.00 a.m. to 2.00 p.m.</p> <p>The Exchange may vary the above timing with due notice</p>
Due date/Expiry date	<p>Expiry date of the contract:</p> <p>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.</p> <p>The settlement of contract would be by a early delivery system of a maximum of 15 Pay-ins and Pay-outs or less including the last Pay-in and Pay-out which would be the Final Settlement of the contract.</p>
Tender period	<p>Tender Date : T</p> <p>Tender Period:</p> <p>Tender period would be of 14 Calendar days during trading hours prior to the expiry date of the contract.</p> <p>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 banks or any of the service providers, Pay-in and Pay-out would be effected on the next working day.</p>
Delivery specification	<p>During the period from E-14 to E-1, Seller &amp; Buyer having open position are required to give their intention/notice to deliver to the extent of his open position. The delivery position would be arrived at by the exchange based on the information to give/take delivery furnished by the seller and buyer as per the process put in place by the exchange for effecting physical delivery. If the intention of the buyers/sellers match, then the respective positions would be closed out by physical deliveries. If there is no delivery intention matching between sellers and buyers, then such intentions will get automatically</p>

	<p>extinguished at close of E-1 day. Intentions can be withdrawn during the course of E-14 to E-1 day if they remain unmatched.</p> <p>Upon expiry (i.e E) of the contracts all the outstanding open positions should result in compulsory delivery.</p> <p>The penalty structure for failure to meet delivery obligations will be as per circular no. NCDEX/TRADING-086/2008/216 dated September 16, 2008.</p>
Delivery Logic	Compulsory delivery
Closing of contract	Clearing and Settlement of contracts will commence with the commencement of Tender Period by delivery through intention matching arrived at by the exchange based on the information furnished by the seller and buyer respectively as per the process put in place by the exchange for effecting physical delivery during the period from E-14 to E-1 prior to expiry. Upon the expiry of the contract all the outstanding open position should result in compulsory delivery.
Opening of Contracts	Trading in any contract month will open on the 10 <sup>th</sup> day of the month. If the 10 <sup>th</sup> day happens to be a non-trading day, contracts would open on the next trading day
No. of active contracts	As per launch calendar
Price limit	<p>Daily price fluctuation limit is (+/-) 3%. If the trade hits the prescribed daily price limit there will be a cooling off period for 15 minutes. Trade will be allowed during this cooling off period within the price band. Thereafter the price band would be raised by (+/-) 1% and trade will be resumed</p> <p>If the price hits the revised price band (4%) again during the day, trade will only be allowed within the revised price band. No trade / order shall be permitted during the day beyond the revised limit of (+ / -) 4%</p>
Position Limits	<p><b>Member level:</b> 60,000 MT or 15 % of market open interest, whichever is higher</p> <p><b>Client level:</b> 20,000 MT</p>

	<p>The above limits will not apply to bona fide hedgers. For bona fide hedgers, the Exchange will, on a case to case basis, decide the hedge limits.</p> <p>For near month contracts: The near month limit will be applicable during the last 7 trading days of the expiry of a contract</p> <p><b>Member level:</b> 18,000 MT or 15 % of the market-wide near month open position, whichever is higher  <b>Client level:</b> 6,000 MT</p>
Quality Allowance (for Delivery)	<p>Quality delivery with variation shall be acceptable with discount as under:</p> <ul style="list-style-type: none"> <li>• <b>Moisture:</b> From 10-12% accepted at 1:1. Above 12% rejected</li> <li>• <b>Foreign Matter:</b> From 2-4% accepted at 1:1. Above 4% rejected (The term 'foreign matter' would, in-general, mean anything other than Soy Bean e.g. sand, silica, pebbles, stalks and other seeds)</li> <li>• <b>Damaged Seed:</b> From 2-5% accepted at 2:1. Above 5% rejected</li> <li>• <b>Green Seed:</b> Above 7% rejected</li> <li>• Free from non-edible seeds such as Mahua, Castor and Neem and any toxic substances. Should be free from any foul odour.</li> </ul>
Special Margin	<p>In case of additional volatility, a special margin at such other percentage, as deemed fit, will be imposed in respect of outstanding positions, which will remain in force as long as the volatility exists, after which the special margin may be relaxed</p>

### Tolerance limit

(Applicable for contracts expiring in the month of September, October, November, December and January)

Commodity Specifications	Basis	Acceptable quality range as per contract	Permissible Tolerance
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		<b>specification</b>	
<b>Moisture</b>	10% for Soybean-A (8% for Soybean-B)	From 10-12% accepted at 1:1 discount. Above 12% rejected (Soybean-A). From 8-10% accepted at 1:1 discount. Above 10% rejected (Soybean-B)	
<b>Foreign Matter</b>	2% Basis	From 2- 4% accepted at 1:1 discount. Above 4% rejected	0.25%
<b>Damaged</b>	2% Basis	From 2-5% accepted at 2:1 discount. Above 5% rejected	0.25%
<b>Green Seed</b>	7% Max		0.5%
Max Tolerance (for all characteristics)			0.5%

**Soybean – B**

(Applicable for contracts expiring in the months of February, March, April, May, June, July and August)

Type of Contract	Futures Contract Specifications	
Name of Commodity	Soy Bean	
Ticker symbol	SYBEANIDR	
Trading System	NCDEX Trading System	
Basis	Ex-Warehouse Indore exclusive of sales taxes	
Unit of trading	10 MT	
Delivery unit	10 MT	
Quotation/base value	Rs per quintal	
Tick size	50 Paisa	
Quality specification	Moisture	8 %
	Foreign Matter	2 %
	Damaged	2 %
	Green Seed	7 %
Quantity variation	+/- 2%	
Delivery center	Indore (within a radius of 50 km from the municipal limits)	
Additional delivery centre	Akola, Nagpur (Maharashtra); Itarsi, Sagar (M. P.) and Kota (Rajasthan)	
	Location Premium/Discount as notified by the Exchange from time to time.	
Trading hours	As per directions of the Forward Markets Commission from time to time, currently -	
	<b>Mondays through Fridays:</b> 10:00 a. m. to 05:00 p.m. <b>Saturdays:</b> 10.00 a.m. to 2.00 p.m.  The Exchange may vary the above timing with due notice	
Due date/Expiry date	Expiry date of the contract:	

	<p>20<sup>th</sup> day of the delivery month. If 20<sup>th</sup> 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.</p> <p>The settlement of contract would be by a early delivery system of a maximum of 15 Pay-ins and Pay-outs or less including the last Pay-in and Pay-out which would be the Final Settlement of the contract.</p>
Tender period	<p>Tender Date : T</p> <p>Tender Period:</p> <p>Tender period would be of 14 Calendar days during trading hours prior to the expiry date of the contract.</p> <p>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 banks or any of the service providers, Pay-in and Pay-out would be effected on the next working day.</p>
Delivery specification	<p>During the period from E-14 to E-1, Seller &amp; Buyer having open position are required to give their intention/notice to deliver to the extent of his open position. The delivery position would be arrived at by the exchange based on the information to give/take delivery furnished by the seller and buyer as per the process put in place by the exchange for effecting physical delivery. If the intention of the buyers/sellers match, then the respective positions would be closed out by physical deliveries. If there is no delivery intention matching between sellers and buyers, then such intentions will get automatically extinguished at close of E-1 day. Intentions can be withdrawn during the course of E-14 to E-1 day if they remain unmatched.</p> <p>Upon expiry (i.e E) of the contracts all the outstanding open positions should result in compulsory delivery.</p> <p>The penalty structure for failure to meet delivery obligations will be as per circular no. NCDEX/TRADING-086/2008/216 dated September</p>

	16, 2008.
Delivery logic	Compulsory delivery
Closing of contract	Clearing and Settlement of contracts will commence with the commencement of Tender Period by delivery through intention matching arrived at by the exchange based on the information furnished by the seller and buyer respectively as per the process put in place by the exchange for effecting physical delivery during the period from E-14 to E-1 prior to expiry. Upon the expiry of the contract all the outstanding open position should result in compulsory delivery.
Opening of Contracts	Trading in any contract month will open on the 10th day of the month. If the 10th day happens to be a non-trading day, contracts would open on the next trading day
No. of active contracts	As per launch calendar
Price limit	<p>Daily price fluctuation limit is (+/-) 3%. If the trade hits the prescribed daily price limit there will be a cooling off period for 15 minutes. Trade will be allowed during this cooling off period within the price band. Thereafter the price band would be raised by (+/-) 1% and trade will be resumed.</p> <p>If the price hits the revised price band (4%) again during the day, trade will only be allowed within the revised price band. No trade / order shall be permitted during the day beyond the revised limit of (+ / -) 4%</p>
Position Limits	<p><b>Member level:</b> 60,000 MT or 15 % of market open interest, whichever is higher  <b>Client level:</b> 20,000 MT</p> <p>The above limits will not apply to bona fide hedgers. For bona fide hedgers, the Exchange will, on a case to case basis, decide the hedge limits.</p> <p>For near month contracts: The near month limit will be applicable during the last 7 trading days of the expiry of a contract</p> <p><b>Member level:</b> 18,000 MT or 15 % of the market-wide near month open position, whichever is higher  <b>Client level:</b> 6,000 MT</p>

Quality Allowance (for Delivery)	<p>Quality delivery with variation shall be acceptable with discount as under:</p> <ul style="list-style-type: none"> <li>• <b>Moisture:</b> From 8-10% accepted at 1:1. Above 10% rejected</li> <li>• <b>Foreign Matter:</b> From 2-4% accepted at 1:1. Above 4% rejected (The term 'foreign matter' would, in-general, mean anything other than Soy Bean e.g. sand, silica, pebbles, stalks and other seeds)</li> <li>• <b>Damaged Seed:</b> From 2-5% accepted at 2:1. Above 5% rejected</li> <li>• <b>Green Seed:</b> Above 7% rejected</li> <li>• Free from non-edible seeds such as Mahua, Castor and Neem and any toxic substances. Should be free from any foul odour.</li> </ul>
Special margin	<p>In case of additional volatility, a special margin at such other percentage, as deemed fit, will be imposed in respect of outstanding positions, which will remain in force as long as the volatility exists, after which the special margin may be relaxed</p>

### **Tolerance limit**

(Applicable for contracts expiring in the months of February, March, April, May, June, July and August)

<b>Commodity Specifications</b>	<b>Basis</b>	<b>Acceptable quality range as per contract specification</b>	<b>Permissible Tolerance</b>
<b>Moisture</b>	10% for Soybean-A (8% for Soybean-B)	From 10-12% accepted at 1:1 discount. Above 12% rejected (Soybean-A). From 8-10% accepted at 1:1 discount. Above 10% rejected (Soybean-B)	
<b>Foreign Matter</b>	2% Basis	From 2- 4% accepted at 1:1 discount. Above 4%	0.25%

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<b>Damaged</b>	2% Basis	From 2-5% accepted at 2:1 discount. Above 5% rejected	0.25%
<b>Green Seed</b>	7% Max		0.5%

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### Annexure III

#### **Modified Contract specifications of Soybean** (Applicable for contracts expiring in July 2010 and thereafter)

#### **Soybean seed – A**

(Applicable for contracts expiring in the months of September, October, November, December and January)

Type of Contract	Futures Contract Specifications	
Name of Commodity	Soy Bean	
Ticker symbol	SYBEANIDR	
Trading System	NCDEX Trading System	
Basis	Ex-Warehouse Indore exclusive of sales taxes	
Unit of trading	10 MT	
Delivery unit	10 MT	
Quotation/base value	Rs per quintal	
Tick size	50 Paisa	
Quality specification	Moisture	10 %
	Foreign Matter	2 %
	Damaged	2 %
	Green Seed	7 %
Quantity variation	+/- 2%	
Delivery center	Indore (within a radius of 50 km from the municipal limits)	
Additional delivery centre	Akola, Nagpur (Maharashtra); Itarsi, Sagar (M. P.) and Kota (Rajasthan)	
	Location Premium/Discount as notified by the Exchange from time to time.	
Trading hours	As per directions of the Forward Markets Commission from time to time, currently -	

	<p><b>Mondays through Fridays:</b> 10:00 a. m. to 05:00 p.m.  <b>Saturdays:</b> 10.00 a.m. to 2.00 p.m.</p> <p>The Exchange may vary the above timing with due notice</p>
Due date/Expiry date	<p>20th day of the delivery month</p> <p>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 not a Saturday</p>
Delivery specification	<p><b>The sellers would be required to give their intention to give delivery at least five days before the maturity of the contract. If a buyer with an outstanding position at maturity or a seller, who has given an intention to deliver, fails to meet their respective obligations, the penalty structure will be as per circular no. NCDEX/TRADING-091/2007/235 dated October 4, 2007. The operators giving the intention for delivery shall not be allowed to square off their position</b></p>
Closing of contract	<p><b>On the expiry of the contract, all outstanding positions not resulting in giving/taking of physical delivery of the commodity shall be closed out at the Final Settlement Price announced by the Exchange</b></p>
Opening of Contracts	<p>Trading in any contract month will open on the 10th day of the month. If the 10th day happens to be a non-trading day, contracts would open on the next trading day</p>
No. of active contracts	<p>As per launch calendar</p>
Price limit	<p>Daily price fluctuation limit is (+/-) 3%. If the trade hits the prescribed daily price limit there will be a cooling off period for 15 minutes. Trade will be allowed during this cooling off period within the price band. Thereafter the price band would be raised by (+/-) 1% and trade will be resumed</p> <p>If the price hits the revised price band (4%) again during the day, trade will only be allowed within the revised price band. No trade / order shall be</p>

	permitted during the day beyond the revised limit of (+ / -) 4%
Position Limits	<p><b>Member level:</b> 60,000 MT or 15 % of market open interest, whichever is higher  <b>Client level:</b> 20,000 MT</p> <p>The above limits will not apply to bona fide hedgers. For bona fide hedgers, the Exchange will, on a case to case basis, decide the hedge limits.</p> <p>Near month limit (Applicable from 28 days prior to expiry date)</p> <p><b>Member level:</b> 18,000 MT or 15 % of the market-wide near month open position, whichever is higher  <b>Client level:</b> 6,000 MT</p>
Quality Allowance (for Delivery)	<p>Quality delivery with variation shall be acceptable with discount as under:</p> <ul style="list-style-type: none"> <li>• <b>Moisture:</b> From 10-12% accepted at 1:1. Above 12% rejected</li> <li>• <b>Foreign Matter:</b> From 2-4% accepted at 1:1. Above 4% rejected (The term 'foreign matter' would, in-general, mean anything other than Soy Bean e.g. sand, silica, pebbles, stalks and other seeds)</li> <li>• <b>Damaged Seed:</b> From 2-5% accepted at 2:1. Above 5% rejected</li> <li>• <b>Green Seed:</b> Above 7% rejected</li> <li>• Free from non-edible seeds such as Mahua, Castor and Neem and any toxic substances. Should be free from any foul odour.</li> </ul>
Special Margin	In case of additional volatility, a special margin at such other percentage, as deemed fit, will be imposed in respect of outstanding positions, which will remain in force as long as the volatility exists, after which the special margin may be relaxed

**Tolerance limit**

(Applicable for contracts expiring in the month of September, October, November, December and January)

<b>Commodity Specifications</b>	<b>Basis</b>	<b>Acceptable quality range as per contract specification</b>	<b>Permissible Tolerance</b>
<b>Moisture</b>	10% for Soybean-A (8% for Soybean-B)	From 10-12% accepted at 1:1 discount. Above 12% rejected (Soybean-A). From 8-10% accepted at 1:1 discount. Above 10% rejected (Soybean-B)	
<b>Foreign Matter</b>	2% Basis	From 2- 4% accepted at 1:1 discount. Above 4% rejected	0.25%
<b>Damaged</b>	2% Basis	From 2-5% accepted at 2:1 discount. Above 5% rejected	0.25%
<b>Green Seed</b>	7% Max		0.5%
Max Tolerance (for all characteristics)			0.5%

### Soybean seed B

(Applicable for all contracts expiring in the months of February, March, April, May, June, July and August)

Type of Contract	Futures Contract Specifications	
Name of Commodity	Soy Bean	
Ticker symbol	SYBEANIDR	
Trading System	NCDEX Trading System	
Basis	Ex-Warehouse Indore exclusive of sales taxes	
Unit of trading	10 MT	
Delivery unit	10 MT	
Quotation/base value	Rs per quintal	
Tick size	50 Paisa	
Quality specification	Moisture	8 %
	Foreign Matter	2 %
	Damaged	2 %
	Green Seed	7 %
Quantity variation	+/- 2%	
Delivery center	Indore (within a radius of 50 km from the municipal limits)	
Additional delivery centre	Akola, Nagpur (Maharashtra); Itarsi, Sagar (M. P.) and Kota (Rajasthan)	
	Location Premium/Discount as notified by the Exchange from time to time.	
Trading hours	As per directions of the Forward Markets Commission from time to time, currently -  <b>Mondays through Fridays:</b> 10:00 a. m. to 05:00 p.m. <b>Saturdays:</b> 10.00 a.m. to 2.00 p.m.  The Exchange may vary the above timing with due notice	
Due date/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, which is not a Saturday
<b>Delivery specification</b>	<b>The sellers would be required to give their intention to give delivery at least five days before the maturity of the contract. If a buyer with an outstanding position at maturity or a seller, who has given an intention to deliver, fails to meet their respective obligations, the penalty structure will be as per circular no. NCDEX/TRADING-091/2007/235 dated October 4, 2007. The operators giving the intention for delivery shall not be allowed to square off their position</b>
<b>Closing of contract</b>	<b>On the expiry of the contract, all outstanding positions not resulting in giving/taking of physical delivery of the commodity shall be closed out at the Final Settlement Price announced by the Exchange</b>
Opening of Contracts	Trading in any contract month will open on the 10th day of the month. If the 10th day happens to be a non-trading day, contracts would open on the next trading day
No. of active contracts	As per launch calendar
Price limit	Daily price fluctuation limit is (+/-) 3%. If the trade hits the prescribed daily price limit there will be a cooling off period for 15 minutes. Trade will be allowed during this cooling off period within the price band. Thereafter the price band would be raised by (+/-) 1% and trade will be resumed.  If the price hits the revised price band (4%) again during the day, trade will only be allowed within the revised price band. No trade / order shall be permitted during the day beyond the revised limit of (+ / -) 4%
Position Limits	<b>Member level:</b> 60,000 MT or 15 % of market open interest, whichever is higher <b>Client level:</b> 20,000 MT  The above limits will not apply to bona fide hedgers. For bona fide hedgers, the Exchange will, on a case

	<p>to case basis, decide the hedge limits.</p> <p>Near month limit (Applicable from 28 days prior to expiry date)</p> <p><b>Member level:</b> 18,000 MT or 15 % of the market-wide near month open position, whichever is higher</p> <p><b>Client level:</b> 6,000 MT</p>
Quality Allowance (for Delivery)	<p>Quality delivery with variation shall be acceptable with discount as under:</p> <ul style="list-style-type: none"> <li>• <b>Moisture:</b> From 8-10% accepted at 1:1. Above 10% rejected</li> <li>• <b>Foreign Matter:</b> From 2-4% accepted at 1:1. Above 4% rejected (The term 'foreign matter' would, in-general, mean anything other than Soy Bean e.g. sand, silica, pebbles, stalks and other seeds)</li> <li>• <b>Damaged Seed:</b> From 2-5% accepted at 2:1. Above 5% rejected</li> <li>• <b>Green Seed:</b> Above 7% rejected</li> <li>• Free from non-edible seeds such as Mahua, Castor and Neem and any toxic substances. Should be free from any foul odour.</li> </ul>
Special Margin	<p>In case of additional volatility, a special margin at such other percentage, as deemed fit, will be imposed in respect of outstanding positions, which will remain in force as long as the volatility exists, after which the special margin may be relaxed</p>

### Tolerance limit

**(Applicable for all contracts expiring in the months of February, March, April, May, June, July and August)**

Commodity Specifications	Basis	Acceptable quality range as per contract specification	Permissible Tolerance

<b>Moisture</b>	10% for Soybean-A (8% for Soybean-B)	From 10-12% accepted at 1:1 discount. Above 12% rejected (Soybean-A). From 8-10% accepted at 1:1 discount. Above 10% rejected (Soybean-B)	
<b>Foreign Matter</b>	2% Basis	From 2- 4% accepted at 1:1 discount. Above 4% rejected	0.25%
<b>Damaged</b>	2% Basis	From 2-5% accepted at 2:1 discount. Above 5% rejected	0.25%
<b>Green Seed</b>	7% Max		0.5%
Max Tolerance (for all characteristics)			0.5%

**Annexure IV****Contract Launch Calendar**

<b>Contract Launch Month</b>	<b>Contract Expiry Month</b>
August 2009	January 2010
September 2009	February 2010
October 2009	March 2010
November 2009	April 2010
December 2009	May 2010
January 2010	June 2010
February 2010	July 2010
March 2010	August 2010
April 2010	September 2010
May 2010	October 2010
June 2010	November 2010
July 2010	December 2010