

Contract Specifications of Turmeric

Symbol	TURMERIC
Description	TURMERICMMYY
Contracts available for trading	
July Contract	19 th December of the previous year to 20 th July of the contract year
August Contract	19 th January to 20 th August of the contract year
September Contract	19 th February to 20 ^h September of the contract year
October Contract	19 th March to 20 th October of the contract year
November Contract	19 th April to 20 th November of the contract year
December Contract	19 th May to 20 th December of the contract year
Trading	
Trading period	Mondays through Saturdays
Trading session	Monday to Friday: 10.00 am to 5.00 pm Saturday: 10.00 am to 2.00 pm
Trading unit	10 MT
Basis Variety	Unpolished turmeric fingers Nizamabad quality ex warehouse Nizamabad inclusive of all taxes
Quotation/Base Value	Rs. Per quintal
Maximum order size	100 MT
Tick size (minimum price movement)	Re. 1
Daily price limits	The base price limit will be 2%. Whenever the base daily price limit is breached, the relaxation will be allowed up to 4% with a cooling off period of 15 minutes
Initial margin	5%
Special Margin	In case of additional volatility, a special margin at such percentage, as deemed fit, will be imposed on both buy and sale side in respect of all outstanding positions, which will remain in force till volatility persists, after which the special margin will be relaxed.

Maximum Allowable Open Position	<p>Member: 9000 MT for all contracts or 15% of market wide open position whichever is higher. Client: 3000 MT for all contracts</p> <p>For near month contracts: The following limits would be applicable from 28 days prior to expiry date of a contract. Member: 1800 MT or 15% of market wide open position whichever is higher. Client: 600 MT</p>
Delivery	
Delivery unit	10 MT
Delivery center(s)	Nizamabad
Additional delivery center(s)	Sangli, Erode, Duggirala and Warangal
Quality specifications	<p>Unpolished turmeric fingers of the current year crop with the following specifications as the basis</p> <ul style="list-style-type: none"> • Unpolished turmeric fingers # • Inferior quality Turmeric* should not be more than 1.5% • Length <ul style="list-style-type: none"> ○ Fingers that are broken/those less than 15mm should not be more than 3.0% ○ At least 75% of turmeric should be more than 3 cm in length • Damage due to moisture (i.e. Lokhandi) or over boiling (i.e. Kadh) should not be more than 1.2% • Unboiled or less boiled turmeric should not be more than 0.3% • Bhusa, chaff dirt, earth clods and stones should not be more than 0.75% • Bulbs should not be more than 3% • Moisture <ul style="list-style-type: none"> • Basis 12% • Allowed at 1:1 discount up to 13% • Turmeric should be free from fungus • Turmeric should not be artificially colored with dyes or chemicals <p>#Farmer polished turmeric will be treated as good for delivery at 'on par' basis</p> <ul style="list-style-type: none"> • * Chora/atthu finger, khota gatha, markha
Also Deliverable	<p>The following qualities will be acceptable at Exchange specified premium/discount</p> <p>Only farmer polished fingers will be acceptable in case of Rajapore, Desi Cuddapah, Erode and Salem qualities</p> <ul style="list-style-type: none"> • Farmer polished fingers/unpolished fingers will be acceptable in the case of Duggirala and

	Warangal qualities (*premium/discount details for each variety given below)
Packing	Once used Sound Guny (Jute) bags without patching
Delivery Logic	Compulsory

*** Premium/discount for Turmeric contracts**

Variety/ Centre	Duggirala Centre	Erode Centre	Nizamabad Centre	Sangli Centre	Warangal Center
Duggirala variety	- 3%	No Premium/ discount	No Premium/ Discount	No Premium/ discount	No Premium/ discount
Erode variety	No Premium/ discount	+ 5 %	No Premium/ Discount	No Premium/ discount	No Premium/ discount
Nizamabad variety	No Premium/ discount	No Premium/ discount	No Premium/ Discount	No Premium/ discount	No Premium/ discount
Rajapore variety	No Premium/ discount	No Premium/ discount	No Premium/ Discount	+ 16%	No Premium/ discount
Salem variety	No Premium/ discount	+15%	No Premium/ Discount	No Premium/ discount	No Premium/ discount
Warangal variety	No Premium/ discount	No Premium/ Discount	No Premium/ Discount	No Premium/ discount	- 5 %
Desi Cuddapah	No Premium/ discount	No Premium/ discount	No Premium/ Discount	+ 4%	No Premium/ discount

Note: Figures in % denote Quality Premium/Discount

Delivery and Settlement Procedure of Turmeric

Delivery Logic	Compulsory Delivery
Tender Period	Last 5 working days of the contract expiry and 1 st working day after expiry of the contract
Delivery Period	Three working days after expiry of the contract
Tender notice / Delivery Pay-in	The seller may issue tender notice on tender days along with warehouse receipt and quality certificate issued by quality certifying agency Any outstanding positions will be marked for delivery at the expiry of the contract. Fax / Courier
Mode of Communication	
Tender Period Margin	During last 5 days of the contract, tender period margin will be increased by 3% every day (a total of 15% margin on last day). Such margin will be imposed on both buy & sell open positions and will be in addition to the initial/daily margin, special and/ or any other additional margins, if any.
Delivery Period Margin	25 % on the marked quantity
Exemption from Delivery Period Margin	Tender & Delivery Period Margin is exempted if goods tendered during tender days with all the documentary evidence
Delivery Allocation - Date of Delivery Allocation - Rate	On the Expiry date At due date rate (DDR)
Delivery Pay-in	E+1 working day by 5.00 p.m. (E – Expiry date)
Pay-in of Funds	E+2 working days by 11.00 a.m.
Delivery Pay-out	E+2 working days by 5.00 p.m.
Pay-out of Funds	E+2 working days after 2.00 p.m.
Penal Provision	<p>I – Seller Default</p> <p>Any seller having open position on the expiry date fails to deliver on the next day then a penalty of 3% of DDR shall be imposed on such defaulting seller.</p> <p>Out of which 1.75% will be deposited to IPF, 1% of penalty will be given to the buyer & balance 0.25% will be retained by the Exchange.</p> <p>Additionally, the difference between the DDR & the average of the three highest last spot prices of the five succeeding days after the Expiry of the contract (E+1 to E+5 days) if the average price so determined is higher than DDR.</p> <p>II – Buyer Default</p> <p>The buyer will have to compulsorily take the delivery of goods. Default on taking delivery by the buyer is not permitted and therefore, the amount due from the buyer for delivery obligation shall be recovered from the buyer as pay-in of funds on stipulated pay-in day. Failure to discharge the pay-in amount will</p>

be treated as pay-in default which may lead to deactivation of the trading terminal/s of the member and will also be liable for such other actions as Exchange deems appropriate.

Exchange, as deemed appropriate, shall have the right to sell/dispose the goods through auction (or through other appropriate mechanism as and when required) on account of such defaulting buyer to recover the dues.

Penalties & charges to be debited to defaulting Buyer:

S. No	Where Auction is fully conducted	Where Auction is partly conducted	Where no Auction is conducted
1	Penalty @ 3% on DDR AND	Penalty @ 3% on DDR AND	Penalty @ 3% on DDR AND
2	Difference between DDR & Auction price if Auction price is lower than DDR (including proportionate quality and quantity differences) AND	Difference between DDR & Auction price if Auction price is lower than DDR to the tune of auctioned quantity (including proportionate quality and quantity differences) AND	NA AND
3	NA	Difference between DDR and the average of the three lowest last spot prices of the five succeeding days after the Expiry of the contract (E+1 to E+5 days) if the average price so determined is lower than DDR.	Difference between DDR and the average of the three lowest last spot prices of the five succeeding days after the Expiry of the contract (E+1 to E+5 days) if the average price so determined is lower than DDR.

Out of penalty of 3%, 1.75% will be deposited to IPF, 1% of penalty will be given to the seller & balance 0.25% will be retained by the Exchange.

	Whereas, out of the close out amount for un-auctioned quantity as mentioned above, 90% will be credited to the counter party and 10% of the same will be retained by the Exchange towards administrative expenses.
Taxes, Duties, Cess and Levies	Unpolished turmeric fingers Nizamabad quality ex-warehouse Nizamabad inclusive of all taxes The seller will pay Sales Tax or VAT, whichever is applicable and the seller will issue invoice in the name of the buyer, reflecting the Sales tax or VAT paid by him. In case of Inter state movement, buyer has to submit requisite forms or pay CST as applicable. Post lifting delivery charges are borne by the buyer.
Close out of open positions	All outstanding positions on the expiry of the contract shall be settled by delivery. In case, any member with outstanding open position opts out of the physical delivery on expiry, then the position shall be closed out at Due Date Rate. Penalty as per the penal provisions will be levied to such defaulting members.
Due Date Rate	Due date rate (DDR) based on last days Spot Price
Odd lot Treatment	Not applicable
Adjustment of Transportation Cost	The cost of transportation will be borne by the seller from the centre where the delivery is given to the ex-quote centre, for delivery made at a centre other than the ex-quote centre.
Warehouse, fumigation, insurance and transportation Charges	-Borne by the seller upto commodity pay-out date -Borne by the buyer after commodity pay-out date
Buyer's option for lifting of Delivery	Buyer will not have any option about choosing the place of delivery and will have to accept the delivery as per allocation made by the Exchange.
Tolerance Limit	Tolerance limit of 5% i.e. 500 Kg will be applicable, which means that if the seller delivers any quantity between 9.5 MT to 10.5 MT, it will be construed as adequate discharge of his delivery obligation of 10 MT, though he will get the value only for actually quantity delivered by him.
Delivery Center	Nizamabad
Additional Delivery Center	Sangli, Erode, Duggirala and Warangal
Transfer of Delivery	Warehouse receipts shall be endorsed in the name of the buyer after the pay-in and pay-out procedures are completed.
Delivery Order	Good delivery order will be submitted in specified format giving details of Members / Registered Non-Members who shall perform delivery. Each delivery order issued shall be in multiples of minimum delivery lots and shall be designated for only one delivery center and one location in such center. It will be accompanied with Warehouse Receipt, Invoice and Good Delivery Quality Certificate valid upto 15 days after the expiry of the contract, as per contract specifications from Exchange designated certifier, Delivery order once submitted

	cannot be withdrawn or cancelled or changed unless so agreed by the Exchange in writing. Members tendering the delivery order shall clearly specify the grade and shall be in conformity with the surveyor's certificate accompanied with the delivery document and cannot be changed subsequently.
Delivery Grades	The members tendering delivery will have the option of delivering such grades of goods as permitted by the Exchange under the contract specifications. The Buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the Exchange shall be binding on him.
Evidence of Stock in possession	At the time of issuing the delivery order, the member must prove to the Exchange that he holds stocks of the quantity and quality specified in the delivery order at the declared delivery center. This should be substantiated by way of producing warehouse receipt.
Endorsement of Delivery Order	The buyer member can endorse delivery order to a client or any third party with full disclosure given to Exchange. Responsibility for contractual liability would be with the member/buyer.
Sampling and Analysis at the time of Delivery	In case the buyer does not agree to the Surveyor's report as to the quality of the commodity, he shall desire for second sampling and intimate the Exchange in writing within 48 hours of the pay-out date.
Sampling Procedure	<p>The system of drawing of samples tendered for delivery will be as prescribed in the Bureau of Indian Standards procedure.. Three Samples shall be drawn as under:</p> <ul style="list-style-type: none"> • First Sample - for the buyer • Second Sample - for the seller • Third Sample – for final reference, if it becomes necessary <p>If the first sample collected by the Buyer and analyzed by the surveyor appointed by him, conforms to the specifications, then the goods tendered for delivery shall be accepted and no subsequent claims from the Buyer regarding quantum of rebate or any other indemnification shall be admissible nor sellers shall be obliged to pass any sealed samples to the Buyer if requested subsequently. The sampling methods to be adopted for analysis will be decided by the Exchange.</p>
Failing of First Sample	If the first sample as examined by the buyer's surveyor fails to conform to the quality standards specified, the buyer shall intimate the seller within 72 hours of collection of sealed sample along with a copy of the analyst's report. The seller shall immediately send the second sealed sample to an approved laboratory, which is also agreed by the buyer. The result of the same shall be binding on both the parties. In the event the buyer and seller do not mutually reach agreement with the results of the second sample test, then Exchange shall send the third sealed sample to any one of the approved laboratories / surveyor, as decided by the Exchange.
Final Surveyor's Report	The analyst's report of the approved and agreed independent laboratory shall be forwarded by Exchange to the parties immediately on receipt of the same. In such case, the final

	<p>payment to the seller will be made on the basis of test report received by the Exchange pursuant to the third test. The Exchange will also direct the party, in whose favour the result is declared to collect the cost of tests and detention charges from the other party. In case the commodity stands rejected then it will tantamount to failure on the part of the seller to give delivery, which shall be closed out as per the Due Date Rate treating the same as shortage.</p>
Obligations of the Independent Analyst	<p>In order to ensure that tests are exactly comparable and that the results are consistent, the independent analyst shall determine the particular analytical test by applying the methods specified in relevant IS. The analyst shall be required to append a certificate to that effect to the analysis report issued by him.</p>
Legal Obligation	<p>The member will provide appropriate tax forms wherever required as per law and as customary and neither of the parties will refuse to do so unreasonably.</p>
Extension of Delivery Period Applicability of Business Rules	<p>As per the Exchange decision due to a force majeure or otherwise.</p> <p>The general provisions of Byelaws, rules and Business Rules of the Exchange and decisions taken by Forward Markets Commission, Board of Directors and Executive Committee of the Exchange in respect of matters specified above will form an integral part of this contract. The Exchange or FMC as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, risk management from time to time.</p> <p>The buyer shall have to lodge their claim against quality of goods / delivery allocated to them, if any, within 48 hours from the date of scheduled pay out of the Exchange and failing which, no claim shall be entertained by the Exchange thereafter. (The interpretation or clarification given by the Exchange on any terms of this contract shall be final and binding on the members and others.)</p>