

**Contract Specifications of Potato (Agra)**

<b>Symbol</b>	POTATO
<b>Description</b>	POTATOMMY
<b>Contract Listing</b>	Contracts are available for March, April, May, June, July, August, September and October calendar months of the year, as per the Contract Launch Calendar.
<b>Last Trading Day</b>	15 <sup>th</sup> of contract month. If 15 <sup>th</sup> is a holiday then preceding working day.
<b>Trading</b>	
<b>Trading Period</b>	Mondays through Saturdays
<b>Trading Session</b>	Monday to Friday: 10.00 a.m. to 5.00 p.m. Saturday: 10.00 a.m. to 2.00 p.m.
<b>Trading Unit</b>	30 MT
<b>Quotation/Base Value</b>	Rs. per quintal - Ex-Cold Storage, Agra district excluding mandi tax and other levies.
<b>Basis Variety</b>	3797
<b>Tick Size (minimum price movement)</b>	10 paise
<b>Daily Price Limits</b>	Daily price fluctuation limit is (+/-) 3% from the previous day's closing price. If the trade hits the prescribed daily price limit there will be a cooling off period of 15 minutes. Trade will be allowed during this cooling off period within the price band. Thereafter the price band would be raised by another (+/-) 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% from the previous day's closing price.
<b>Initial Margin</b>	5%
<b>Additional and/ or Special Margin</b>	In case of additional volatility, an additional margin (on both buy & sell side) and/ or special margin (on either buy or sell side) at such percentage, as deemed fit, will be imposed in respect of all outstanding positions.
<b>Delivery Period Margin</b>	25% of the open position during the delivery period.
<b>Maximum Allowable Open Position</b>	For individual clients – 15,000 MT For a member collectively for all clients: – 45,000 MT or 15% of the market-wide open position, whichever is higher  Near month limits For individual clients – 3000 MT For a member collectively for all clients: – 9000 MT or 15% of the market wide open position whichever is higher

<b>Delivery</b>	
<b>Delivery Unit</b>	30 MT with a tolerance limit of 6%.
<b>Delivery Center</b>	Ex-Cold Storage Agra district. Delivery can be effected from MCX approved cold storage only.
<b>Additional Delivery Centers</b>	Ex-Cold Storage Mathura, Aligarh, Mahamaya Nagar, Firozabad and Dhaulpur districts at par. Delivery can be affected from MCX approved cold storage only.
<b>Quality specification/ Deliverable grades</b>	Potato of 3797 variety, with matured and thick skin, stored in cold storage (farm-fresh potatoes not allowed for delivery), free of common scab & blight, confirming to the following standards
Colour Grade <ul style="list-style-type: none"> <li>▪ Acceptable upto</li> <li>▪ Rejected</li> </ul>	Fair and Bright Skin  Proportion of dark and dull potatoes exceed more than 10%.
Size <ul style="list-style-type: none"> <li>• Acceptable size (measured from at least one side by way of passing through sieve)</li> <li>• Rejected</li> </ul>	4cm – 8 cm  If Below 4cm and above 8 cm exceeds 15%
Cut potato (cuts measuring > 1 cm long, > 2 mm deep, > 2 mm wide) <ul style="list-style-type: none"> <li>• Acceptable upto</li> <li>• Rejected</li> </ul>	3% maximum  Above 3%
Green potato <ul style="list-style-type: none"> <li>• Basis</li> <li>• Acceptable</li> <li>• Rejected</li> </ul>	3% Upto 4%, with discount of 1:1 for above 3% & upto 4% Above 4%
Black scurf (chitri / makhi) on the surface area <ul style="list-style-type: none"> <li>• Acceptable upto</li> <li>• Rejected</li> </ul>	6% maximum. Above 4% and upto 6% with discount of 1:1.  Above 6%
Rotten and dry potato <ul style="list-style-type: none"> <li>• Basis</li> <li>• Acceptable</li> <li>• Rejected</li> </ul>	<u>For Entire season:</u> 1% Upto 2%, with discount of 1:1 above 1% & upto 2% Above 2%
Damaged skin / Bruised potato <ul style="list-style-type: none"> <li>• Basis</li> <li>• Acceptable</li> <li>• Rejected</li> </ul>	3% maximum Upto 6%, with discount of 1:1 for above 3% & upto 6% Above 6%

Shrivelled potato <ul style="list-style-type: none"> <li>• Acceptable upto</li> <li>• Rejected</li> </ul>	4% maximum Above 4%
Potato sprouts more than 5 mm: For March to June <ul style="list-style-type: none"> <li>• Acceptable upto</li> <li>• Rejected</li> </ul> For July onwards <ul style="list-style-type: none"> <li>• Acceptable upto</li> <li>• Rejected</li> </ul>	3% maximum Above 3% 6% maximum Above 6%
Physical impurity in the form of soil and stone: <ul style="list-style-type: none"> <li>• Basis</li> <li>• Acceptable</li> <li>• Rejected</li> </ul>	0.5% 0.5% -- 2% With rebate 1:1 Above 2%
Frost bitten Potato (Hyper cooled potato from cold storages) <ul style="list-style-type: none"> <li>• Basis</li> <li>• Acceptable</li> <li>• Rejected</li> </ul>	Nil Upto 0.25% with discount of 1:1 Above 0.25%
	Cumulative deformities in case of Cut, Green, Black scurf, Shrivelled and Sprouts should be maximum 13% from March to June and from July to October, it should be maximum 15%
<b>Packaging</b>	Packed in jute gunny bags (old) containing approx 50 Kg per bag.
<b>Delivery Logic</b>	Compulsory

### Contract Launch Calendar

Contract Launch Months	Contract Expiry Months
August 2010	March 2011
September 2010	April 2011
October 2010	May 2011
March 2011	June 2011
April 2011	July 2011
May 2011	August 2011
June 2011	September 2011
July 2011	October 2011

**Delivery and Settlement Procedure of Potato (Agra)**

<b>Delivery Logic</b>	<b>Compulsory delivery</b>
<b>Tender Period</b>	Last five working days and 1 <sup>st</sup> working day after expiry of the contract.
<b>Delivery Period</b>	Last five working days and two working days after expiry of the contract
<b>Tender notice (Intention by Seller)</b>	Seller may give the intention to deliver on any tender day during the tender period. Such intentions should be accompanied with the Warehouse (Cold Storage Receipt) duly endorsed & signed by the depositor & the Member, the weighment slip as proof of weight and valid quality certificate issued by quality certifying agency. All outstanding positions shall be marked for delivery at the expiry of the contract.
<b>Mode of communication</b>	Fax or Courier. Seller/s to send intention of delivery on any tender day, during tender period, by or before 12.00 noon. Any intention, received from the Seller/s, will be broadcasted on TWS by the Exchange by 1.00 p.m. on the respective tender days
<b>Tender Period Margin</b>	5% incremental margin for last 5 working days on all outstanding positions.
<b>Delivery Period Margin Exemption from Delivery Period Margin</b>	25% on marked quantity.  Delivery Period Margin is exempted if goods are tendered on designated tender days of the contract month with all the documentary evidence.
<b>Delivery allocation</b>	A. On each Tender Day, during the Tender Period, the intentions of delivery received will be marked for delivery to the outstanding long position holder/s at the end of the day at daily settlement price (closing price). B. All open positions after closing hours on expiry date at DDR (Due date rate)
<b>Delivery pay-in (delivery by seller member)</b>	On the tender days by 12.00 p.m. except Saturday, Sunday and public holiday. For delivery marked by the Exchange on Expiry of contract, by 5.00 p.m. on E+1 Day (E – Expiry day).
<b>Delivery pay-out (delivery to buyer member)</b>	By 5.00 p.m. on Tender / Expiry day + 2 basis
<b>Pay-in of funds</b>	By 11.00 a.m. on Tender / Expiry day + 2 basis
<b>Pay-out of funds</b>	After 2.00 p.m. on Tender / Expiry day +2 basis
<b>Penal Provision</b>	<b>I – Seller Default</b>  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.  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.

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.

**II – Buyer Default**

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 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:

<b>S. No</b>	<b>Where Auction is fully conducted</b>	<b>Where Auction is partly conducted</b>	<b>Where no Auction is conducted</b>
1	Penalty @ 3% on DDR  <b>AND</b>	Penalty @ 3% on DDR  <b>AND</b>	Penalty @ 3% on DDR  <b>AND</b>
2	Difference between DDR & Auction price if Auction price is lower than DDR  (including proportionate quality and quantity differences)  <b>AND</b>	Difference between DDR & Auction price if Auction price is lower than DDR to the tune of auctioned quantity  (including proportionate quality and quantity differences)  <b>AND</b>	NA  <b>AND</b>
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.

	<p>Out of penalty of 3%, 1.75% will be deposited to IPF, 1% of penalty will be given to the seller &amp; balance 0.25% will be retained by the Exchange.</p> <p>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.</p>
<b>Taxes, Duties, Cess and Levies</b>	<p>Ex-Cold Storage, Agra district excluding Mandi tax and other levies.</p> <p>At the time of delivery, the buyer has to pay these taxes and levies in additional to delivery order rate.</p>
<b>Due Date Rate</b>	DDR is calculated on the last day of the contract expiry by way of taking the simple average of last 3 days spot price.
<b>Odd lot Treatment</b>	Not applicable
<b>Location Premium / Discount</b>	Not applicable
<b>Warehouse, fumigation, insurance and transportation Charges</b>	Please refer Exchange circular no MCX/C&S/052/2010 dated February 22, 2010.
<b>Buyer's option for lifting of Delivery</b>	Buyer will not have any option about choosing the place/cold storage of delivery and will have to accept the delivery as per allocation made by the Exchange.
<b>Delivery Center</b>	Ex-Cold Storage Agra district. Delivery can be effected from MCX approved cold storage only.
<b>Additional Delivery Centers</b>	Ex-Cold Storage Mathura, Aligarh, Mahamaya Nagar, Firozabad and Dhaulpur districts at par. Delivery can be effected from MCX approved cold storage only.
<b>Delivery Order</b>	<p>Good delivery order will be submitted in specified format giving details of Members / Registered Non-Members who shall perform delivery.</p> <p>Each delivery order issued shall be in multiples of minimum delivery lots and shall be designated for one or more delivery cold stores (warehouse) in /around Agra.</p> <p>It will be accompanied with Warehouse (Cold Storage) Receipt, Invoice and valid quality certificate. 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 be in conformity with the contract specifications.</p>
<b>Delivery Grades</b>	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.
<b>Evidence of Stock in possession</b>	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 (cold storage) receipt.

<b>Endorsement of Delivery Order</b>	The buyer member can endorse delivery order to a client or any third party with full disclosure given to the Exchange. Responsibility for contractual liability would be with the original buyer member.
<b>Sampling Procedure</b>	Sampling procedure shall be intimated separately through a circular.
<b>Legal Obligation</b>	The member will provide appropriate tax forms wherever required as per law and as customary and neither of the parties will unreasonably refuse to do so.
<b>Extension of Delivery Period</b>	As per the Exchange decision due to a force majeure or otherwise.
<b>Applicability of Byelaws, Rules, Business Rules of the Exchange.</b>	<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 him / her, 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>