

**CONTENTS**

CHAPTER 1 - TRADING PARAMETERS.....	4
Authority.....	4
Unit of Trading .....	4
Months Traded In.....	4
Tick Size.....	4
Basis Price .....	4
Unit of Price Quotation.....	4
Trading hours .....	4
Contract Expiry Date .....	5
Mark to Market.....	5
Position limits.....	5
Margin Requirements .....	5
Special /Additional Margin .....	6
Tender Margin .....	6
Delivery Margins .....	6
Delivery Default Penalty .....	6
Arbitration / Adjudication.....	6
CHAPTER 2 - DELIVERY PROCEDURES .....	7
Unit of Delivery .....	7
Delivery Size .....	7
Delivery Request .....	7

**PRODUCT DOCUMENT – MUSTARD SEED**

---

Delivery Allocation .....	7
Actual Delivery .....	7
Accredited Warehouse .....	8
Quality Standards.....	8
Packaging .....	8
Standard Allowances.....	8
Weight.....	9
Good / Bad delivery Norms.....	9
Mustard seed sampling.....	9
Accredited Assayer.....	9
Quality Testing Report .....	10
Testing Procedure .....	10
Assayer Certificate .....	10
Validity period.....	10
Electronic transfer.....	11
Charges .....	11
Duties & levies .....	12
Stamp Duty .....	12
Taxes .....	12
Premium / Discount .....	13
<b>CHAPTER 3 - CLEARING AND SETTLEMENT .....</b>	<b>15</b>
Daily Settlement.....	15
Daily Settlement Prices .....	15

---

**PRODUCT DOCUMENT – MUSTARD SEED**

---

Final Settlement Prices .....	15
Spot Price Polling Mechanism.....	15
Dissemination of Spot Prices .....	16
Pay in and Pay out for Daily Settlement .....	16
Daily MTM settlement .....	16
Pay in and Pay out for final physical settlement.....	16
Pay in and Pay out for supplementary settlement .....	17
Supplementary Settlement for Taxes .....	17
Annexure 1 – Contract Specifications of Mustard Seed .....	19
Annexure 2 – Warehouse & Assayer Address Details .....	33
Annexure 3 - Good / Bad delivery norms .....	34
Annexure 4 – Specimen of Mustard seed Testing Report .....	35
Annexure 5 – Commodity Deposit Form (CDF).....	37
Annexure 6 – Mustard Seed grade matrix.....	39
Annexure 7 – Standard Testing procedure .....	40

## PRODUCT DOCUMENT – MUSTARD SEED

---

### CHAPTER 1 - TRADING PARAMETERS

#### Authority

Trading of **Mustard seed** futures may be conducted under such terms and conditions as specified in the Rules, Byelaws & Business Rules of the Exchange and directions of the Exchange issued from time to time. **Mustard seed** futures contract specification is indicated in **Annexure 1**

#### Unit of Trading

The unit of trading shall be 10 MT. Bids and offers may be accepted in lots of 10 MT or multiples thereof.

#### Months Traded In

Trading in Mustard seed futures may be conducted as specified in **Annexure 1** and may be changed by the Exchange from time to time.

#### Tick Size

The tick size of the price of **Mustard seed** shall be Re. 0.25 (25 paisa).

#### Basis Price

The basis price of Mustard seed shall be **Ex-Warehouse Jaipur** (inclusive of all taxes but exclusive of Sales Tax / VAT).

#### Unit of Price Quotation

The unit of price quotation for **Mustard seed** shall be in Rupees per 100 Kg. The basis for **Mustard seed** is inclusive of all taxes but exclusive of Sales tax / VAT.

#### Trading hours

The hours of trading for futures in Mustard seed shall be as follows:

- Mondays to Fridays – 10.00 a.m. to 05.00 p.m.
- Saturdays – 10.00 a.m. to 02.00 p.m.

---

## PRODUCT DOCUMENT – MUSTARD SEED

---

Or as determined by the Exchange from time to time. All timings are as per Indian Standard Timings (IST).

### **Contract Expiry Date**

Last day of trading shall be 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 Expiry date shall be the immediately preceding trading day of the Exchange, which is not a Saturday.

### **Mark to Market**

The outstanding positions in futures contract in Mustard seed would be marked to market daily based on the Daily Settlement Price (DSP) as determined by the Exchange.

### **Position limits**

**Member level:** 1,25,000 MT or 15 % of market open interest, whichever is higher.

**Client level:** 25,000 MT

The above limits will not apply to bonafide hedgers. For bonafide hedgers the Exchange will decide the limits on a case-to-case basis.

### **For near month contracts:**

Near month limits Applicable from 28 days prior to expiry date of the contract.

**Member level:** 35,000 MT or 15 % of the market-wide near month open position, whichever is higher.

**Client level:** 7,000 MT.

### **Margin Requirements**

The Exchange will use Value at Risk (VaR) based margin calculated at 99% confidence interval for one day time horizon. The Exchange reserves the right to change, reduce or levy any additional margins including any mark up margin.

---

## PRODUCT DOCUMENT – MUSTARD SEED

---

### **Special /Additional Margin**

When there is excess volatility, Exchange will impose special/additional margin of appropriate percentage, as deemed fit on buy and/or sell side in respect of all outstanding positions. Removal of such Margins will be at the discretion of the Exchange.

### **Tender Margin**

The Exchange will impose Tender Margin for all outstanding positions in Mustard seed contract during last 3 trading days including the contract expiry 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. The Tender Margin will be increased every day on incremental basis. The Tender Margin as currently applicable for Mustard Seed Contract is 3% per day.

### **Delivery Margins**

In case of open positions materializing into physical delivery, delivery margins as may be determined by the Exchange from time to time will be charged. The Delivery Margin currently applicable for Mustard Seed Contract is 10 %.

### **Delivery Default Penalty**

The penalty structure for failure to meet delivery obligations will be as announced by the Exchange / FMC from time to time.

### **Arbitration / Adjudication**

Disputes between the members of the Exchange inter-se and between members and constituents, arising out of or pertaining to trades done on the Exchange shall be settled through arbitration / adjudication. The arbitration / adjudication proceedings and appointment of arbitrators / adjudicators shall be as governed by the Bye-laws and Business Rules of the Exchange.

## PRODUCT DOCUMENT – MUSTARD SEED

---

### CHAPTER 2 - DELIVERY PROCEDURES

#### Unit of Delivery

The unit of delivery for **Mustard seed** shall be 10 MT.

#### Delivery Size

Delivery is to be offered and accepted in lots of 10 MT gross or multiples thereof. A quantity variation of +/- 2% is permitted as per contract specification.

#### Delivery Request

**Compulsory delivery:** All the open positions on the date of expiry of the contract shall result in delivery. The commodities will be compulsorily delivered either by giving delivery or taking delivery as the case may be. That is, upon expiry of the contracts, any seller with open position shall give delivery of the commodity. The corresponding buyer with open position as matched by the process put in place by the Exchange shall be bound to settle by taking physical delivery. In the event of default by seller to give delivery, such defaulting seller will be liable to penalty as may be prescribed by the Exchange from time to time.

#### Delivery Allocation

The Exchange will compile delivery requests received from members on the last trading day. The buyers / sellers who have to receive / give delivery would be notified on the same day after the close of trading hours.

#### Actual Delivery

Where Mustard seed is sold for delivery in a specified month, the seller must have requisite electronic credit of such Mustard seed holding in his Clearing Member's Pool Account before the scheduled date of pay in. On settlement the buyer's Clearing Member's Pool Account would be credited with the said delivery quantity on pay out. The Clearing Member is expected to transfer the same to the buyer's depository account. However, the buyer must take actual physical delivery of Mustard seed before expiry of the validity date as indicated in the quality test report / Assayer's Certificate of the Assayer.

---

## PRODUCT DOCUMENT – MUSTARD SEED

---

### Accredited Warehouse

The Exchange has accredited warehouses for receipt and delivery of **Mustard seed**. Goods will only be received at and delivered from the Exchange accredited warehouse. The detail of the Exchange accredited warehouses is as per **Annexure 2**.

The **Mustard seed** received at the Exchange accredited warehouse will be tested and certified by the Exchange accredited Assayer before acceptance as good delivery in the warehouse. Likewise, **Mustard seed** delivered to buyers will be from the accredited warehouse only.

### Quality Standards

The contract quality for delivery of **Mustard seed** futures contracts made under the Exchange regulations shall be conforming to the quality specification indicated in the contract in **Annexure 1**. No lower grade / quality shall be accepted in satisfaction of futures contracts for delivery except as and to the extent provided in the contract specifications. Delivery of higher grade or lower grade within the provision of the contract specification would be accepted with premium or discount as specified by the Exchange from time to time.

### Packaging

Mustard seed should be delivered in 86 Kg. gross weight basis with a variation of +/- 2 % in new / sound unmended A-Twill bags without any spillage.

### Standard Allowances

Standard allowance deducted per validation of quality on account of sampling and spillage will be as given in the table.

	For Fresh Deposit	For Revalidation	For Remat
Standard Allowance	0.20%	NIL	NIL

---

**PRODUCT DOCUMENT – MUSTARD SEED**

---

**Weight**

The quantity of Mustard seed received and / or delivered at the Exchange designated warehouse would be determined / calculated by the weighbridge / weigh scale of the designated warehouse and the quantity so determined would be binding on all parties. The gross weight of the bag will be 86 Kg.

**Good / Bad delivery Norms**

**Mustard seed** delivery into the Exchange designated Warehouse would constitute good delivery or bad delivery based on the good / bad delivery norms as per **Annexure 3**. The list contained in **Annexure 3** is only illustrative and not exhaustive. The Exchange would from time to time review and update the good / bad delivery norms retaining the trade / industry practices.

**Mustard seed sampling**

The sampling will be done with 100% bags of Mustard seed. Samples will be drawn from 3 places of each bag and a composite mixture of approximately 2 kgs will be made. This is then divided into 4 parts. These samples will be distributed as under:

- One sample to Depositor
- One sample to Warehouse service provider
- One sample for Analysis by assayer
- One sample for record with assayer

**Accredited Assayer**

The Exchange has approved the Assayer for quality testing and certification of **Mustard seed** received at the designated warehouse. The quality testing and certification of **Mustard seed** will be undertaken only by the approved Assayer. The assayer details are given in the **Annexure 2** alongside the warehouses.

---

## PRODUCT DOCUMENT – MUSTARD SEED

---

### Quality Testing Report

The test report issued by the **Mustard seed** testing Exchange accredited assayer on the samples drawn shall be acceptable and binding on all parties. A specimen format of the quality testing report is indicated in **Annexure 4**.

### Testing Procedure

To test foreign matter and non-edible seeds, physical tests are conducted. For FFA and Oil, test is done by NIR machine / Soxhlet's extraction apparatus. Moisture test is done by moisture meter / NIR / Oven dry method. Currently, the standard testing procedure for Mustard seed delivered on the Exchange platform is as per **Annexure 7**.

### Assayer Certificate

Testing and quality certificate issued by the Exchange approved Assayer for **Mustard seed** delivered at designated warehouses in Jaipur, Alwar , Kota, Sriganganagar and Jodhpur (applicable for contracts expiring in January 2012 and thereafter) and at such other locations announced by the Exchange from time to time shall be acceptable and binding on all parties. Each delivery of **Mustard seed** at the warehouse must be accompanied by a certificate from the Exchange approved Assayer in the format as per **Annexure 4**.

### Validity period

The validity period of the Assayer's Certificate for Mustard seed is 6 months without any revalidation. However the month wise Final Validity Structure for Mustard seed deposits is as mentioned below in the table.

**PRODUCT DOCUMENT – MUSTARD SEED**

---

Month in which Mustard seed is deposited in the Exchange system (Jan -Dec)	Maximum validity period allowed for Mustard seed from the date of fresh deposit in the system (no. of months)	1 <sup>st</sup> validity period allocated at the time of fresh deposit (no. of months)	Total No. of Revalidation allowed by the Exchange after expiry of 1 <sup>st</sup> validity date	Final Validity period allowed for mustard seed after revalidation (no. of months)
January	1	1	0	0
February	0	0	0	0
March	6	6	0	0
April	6	6	0	0
May	6	6	0	0
June	6	6	0	0
July	6	6	0	0
August	6	6	0	0
September	5	5	0	0
October	4	4	0	0
November	3	3	0	0
December	2	2	0	0

**Electronic transfer**

Any buyer or seller receiving and or effecting Mustard seed would have to open a depository account with an Exchange empanelled Depository Participant (DP) to hold the Mustard seed in electronic form. On settlement, the buyer's account with the DP would be credited with the quantity of Mustard seed received and the corresponding seller's account would be debited. The Buyer wanting to take physical delivery of the Mustard seed holding has to make a request in prescribed form to his DP with whom depository account has been opened. The DP would route the request to the warehouse for issue of the physical commodity i.e. Mustard seed to the buyer and debit his account, thus reducing the electronic balance to the extent of Mustard seed so rematerialized.

**Charges**

All charges and costs payable at the designated warehouse towards delivery of Mustard Seed including sampling, grading, weighing, handling charges, storage etc. from the date of receipt into designated warehouse upto the date of pay in & settlement shall be paid by the seller.

## **PRODUCT DOCUMENT – MUSTARD SEED**

---

No refund for warehouse charges paid by the seller for full validity period shall be given to the seller or buyer for delivery earlier than the validity period.

All charges and costs associated & including storage, handling etc. after the pay-out shall be borne by the buyer. Warehouse storage charges will be charged to the member / client by the respective Depository Participant.

The Assayer charges for testing and quality certification should be paid to the Assayer directly at the delivery location either by cash/ cheque/ demand draft.

### **Duties & levies**

All duties, levies etc. up to the point of sale will have to be fully borne by the seller and shall be paid to the concerned authority. All related documentation should be completed before delivery of **Mustard seed** into the Exchange accredited warehouse.

### **Stamp Duty**

Stamp duty is payable on all contract notes issued as may be applicable in the State from where the contract note is issued or State in which such contract note is received by the client.

### **Taxes**

#### **Service tax**

Service tax will be payable by the members of Commodity Exchanges on the gross amount charged by them from their clients on account of dealing in commodities.

#### **Sales Tax / VAT**

Local taxes/ VAT wherever applicable is to be paid by the seller to the sales tax/VAT authorities on all contracts resulting in delivery. Accordingly the buyer will have to pay the taxes/VAT to the seller at the time of settlement. Members and / or their constituents requiring to receive or deliver **Mustard seed** should register with the relevant tax / VAT authorities of the place where the delivery is proposed to be received / given. In the event of sales tax exemption, such exemption certificate should be submitted

**PRODUCT DOCUMENT – MUSTARD SEED**

before settlement of the obligation. There will be no exemptions on account of resale or second sale in VAT regime.

**Premium / Discount**

Delivery with quality variation shall be acceptable with discount as under:

- **Moisture:**

Moisture (%)	Applicable Discount
Upto 5 %	No discount
Above 5% and upto 6.5 %	Discount will be at 1:1 Explanation: For every 1% increase in moisture beyond 5%, there will be a discount of 1% in the price.
Above 6.5 %	Goods will not be considered for delivery ( Reject)

- **Oil Content:**

Oil Content	Applicable Discount
From 42 % to 37 %	Discount will be at 1:1 Explanation: For every 1% decrease in Oil content from 42 % to 37%, there will be a proportionate discount in the price.
More than 42 %	Premium will be at 1:1 Explanation: For every 1% increase in Oil Content above 42 %, there will be a proportionate premium in the price.
Below 37%	Goods will not be considered for delivery ( Reject)

- **Foreign Matter:**

Foreign Matter	Applicable Discount
Upto 0.25 %	No discount
Above 0.25 % and upto 2 %	Discount will be at 1:1

**PRODUCT DOCUMENT – MUSTARD SEED**

	Explanation: For every 1% increase in foreign matter content beyond 0.25 %, there will be a discount of 1% in the price.
Above 2%	Goods will not be considered for delivery ( Reject)

Currently, the applicable premium / discount for the Mustard seed contract are as per the **Annexure 6**.

## PRODUCT DOCUMENT – MUSTARD SEED

---

### CHAPTER 3 - CLEARING AND SETTLEMENT

#### Daily Settlement

All open positions of a futures contract would be settled daily based on the Daily Settlement Price (DSP).

#### Daily Settlement Prices

The Daily Settlement Price (DSP) will be as disseminated by the Exchange at the end of every trading day. The DSP will be reckoned for marking to market all open positions.

#### Final Settlement Prices

The Exchange shall adopt the following methodology for arriving at the Final Settlement Price.

- The Final Settlement Price (FSP) shall be arrived at by taking the simple average of the last three trading days polled spot price, viz. E-0 (expiry day), E-1, E-2.
- In the event of the spot prices of any of the E-1 and E-2 is not available, the spot prices of E-3 would be used for arriving at the average.
- In case the spot prices are not available for both E-1, and E-2, then the average of E-0 and E-3 (two days) would be taken.
- If all the three days' prices, viz., E-1, E-2 and E-3 are not available, then only one day's price, viz., E-0, will be taken as the FSP.

#### Spot Price Polling Mechanism

**Step 1:** The Exchange will poll spot price of specified quality (Ex Warehouse) from Jaipur, Alwar, Niwai and Tonk.

**Step 2:** A fixed transportation cost (from respective centre to Jaipur) will be added to the polled spot prices of Alwar, Niwai and Tonk.

**PRODUCT DOCUMENT – MUSTARD SEED**

**Step 3:** Daily spot price of basis centre i.e. Ex Warehouse, Jaipur will be calculated by taking spot prices of these 4 centers as mentioned in Step 1 and Step 2.

**Dissemination of Spot Prices**

Spot prices for **Mustard seed** will be disseminated on daily basis.

**Pay in and Pay out for Daily Settlement**

The table below illustrates timings for pay in and pay out in case of daily settlement. The buyer clients would have to deposit requisite funds with their respective Clearing Member before “pay in”.

All fund debits and credits for the Member would be done in the Member’s Settlement Account with the Clearing bank.

**Daily MTM settlement**

<b>Time ( Next settlement day)</b>	<b>Activity</b>
Before 11.00 hrs	PAYIN - Debit paying member a/c for funds
12.30 hrs	PAYOUT – Credit receiving member a/c for funds

**Pay in and Pay out for final physical settlement**

The table below illustrates timings for pay in and pay out in case of positions marked for physical settlement. The buyer clients would have to deposit requisite funds with their respective Clearing Member before “pay in”.

Pay in and Pay out for Final Settlement in case of physical deliveries

**For Physical settlement -**

<b>Time (E+2)</b>	<b>Activity</b>
12.00 hrs	Pay in – Debit Seller Member’s CM pool a/c. for Commodity

**PRODUCT DOCUMENT – MUSTARD SEED**

12.30 hrs	Pay in – Debit Buyer Member’s Settlement a/c for funds
15.30 hrs	Pay out – Credit Seller Member’s Settlement a/c for funds
16.00 hrs	Pay out – Credit Buyer Member’s CM pool a/c. for Commodity

Additionally the supplemental settlement for Mustard seed futures contracts for premium / discount adjustments relating to quality of **Mustard seed** delivered, actual quantity delivered and close out for shortages, will also be conducted on the same day. Clearing Members are required to maintain adequate fund balances in their respective accounts.

**Pay in and Pay out for supplementary settlement**

**Time (E + 2) Activity**

At 15.00 hours PAY IN - Debit Member Settlement a/c for funds.

At 15.30 hours PAY OUT – Credit Member Settlement a/c for funds (The payout is done along with the delivery funds payout)

**Supplementary Settlement for Taxes**

The Exchange will conduct a separate supplementary settlement, as illustrated below, 3 days after the final pay out for completion of tax transactions.

In order to facilitate issue of invoice to right parties, the buyer Clearing Members are required to give the buyer client details to the Exchange latest by 15.00 hrs on E+3 day failing which the buying member is considered as the end buyer and accordingly invoice is issued in his/their name.

The Seller Clearing Members are required to give the seller client details to the Exchange latest by 15.00 hrs on E + 4 day.

**PRODUCT DOCUMENT – MUSTARD SEED**

<b>Time ( E+5)</b>	<b>Activity</b>
On or after 16.00 hrs	Pay in – Debit Buyer member a/c for funds.
On or after 16.30 hrs	Pay out – Credit Seller member a/c. for funds.

**PRODUCT DOCUMENT – MUSTARD SEED**

**Annexure 1 – Contract Specifications of Mustard Seed**

Name of Commodity	Mustard Seed									
Ticker symbol	MUSTARD									
Basis centre	Ex-Warehouse Jaipur (inclusive of all taxes but exclusive of Sales tax / VAT)									
Unit of trading	10 MT									
Delivery Type	Compulsory									
Delivery unit	10 MT									
Price quotation	Rs per 100 kgs. (quintal)									
Tick size	25 paisa									
Quality specification	<table border="1"> <tr> <td>Moisture</td> <td>5 % basis</td> </tr> <tr> <td>Oil content (at 5% moisture level)</td> <td>42 % basis</td> </tr> <tr> <td>Foreign matter</td> <td>0.25 % basis</td> </tr> <tr> <td>FFA</td> <td>1.5 % max</td> </tr> </table>		Moisture	5 % basis	Oil content (at 5% moisture level)	42 % basis	Foreign matter	0.25 % basis	FFA	1.5 % max
Moisture	5 % basis									
Oil content (at 5% moisture level)	42 % basis									
Foreign matter	0.25 % basis									
FFA	1.5 % max									
Quality premium / discount	Quality delivery with variation shall be acceptable with premium / discount as under:									

**PRODUCT DOCUMENT – MUSTARD SEED**

	<p><b>Moisture:</b></p> <ul style="list-style-type: none"> <li>• From 5% to 6.5% accepted at 1:1 discount</li> <li>• Above 6.5% rejected</li> </ul> <p><b>Oil Content:</b></p> <ul style="list-style-type: none"> <li>• From 42% to 37% accepted at 1:1 discount</li> <li>• More than 42% accepted at 1:1 premium</li> <li>• Below 37% rejected</li> </ul> <p><b>Foreign matter:</b></p> <ul style="list-style-type: none"> <li>• From 0.25% to 2% accepted at 1:1 discount</li> <li>• Above 2% rejected</li> </ul> <p>Free from non-edible seeds such as Mahuas, Castor, Neem, Taramira and Argemone seeds. Should be free from any foul odor.</p>
Quantity Variation	+/- 2%
Delivery Method	<p><b>Demat Delivery</b></p> <p>Seller shall deliver the goods through Exchange <b><u>Accredited</u></b> Warehouse.</p> <p>Goods will have to pass through the Quality Certification process during inbound delivery. Quality certification of Goods will be done by Exchange authorized assayer.</p> <p>Buyer will receive the goods from the Exchange Accredited Warehouse.</p>

**PRODUCT DOCUMENT – MUSTARD SEED**

Delivery Centre	<p>Jaipur</p> <p>(Delivery will be accepted in Exchange accredited warehouse located within 50 km radius from the municipal limits)</p>							
Additional delivery centre	<p>Sellers can also tender Mustard Seed delivery from the following delivery centers:</p> <p>(Delivery will be accepted in Exchange accredited warehouse located within 50 km radius from the municipal limits)</p> <table border="1" data-bbox="513 863 1122 1186"> <thead> <tr> <th data-bbox="513 863 786 940">State</th> <th data-bbox="794 863 1122 940">Delivery Centre</th> </tr> </thead> <tbody> <tr> <td data-bbox="513 951 786 1108" rowspan="3">Rajasthan</td> <td data-bbox="794 951 1122 1024">Alwar</td> </tr> <tr> <td data-bbox="794 1035 1122 1108">Kota</td> </tr> <tr> <td data-bbox="794 1119 1122 1186">Sriganganagar</td> </tr> </tbody> </table>		State	Delivery Centre	Rajasthan	Alwar	Kota	Sriganganagar
State	Delivery Centre							
Rajasthan	Alwar							
	Kota							
	Sriganganagar							
Location Premium/Discount	<p>Premium and discount for different locations shall be announced by the Exchange before launching of contract.</p>							
Trading Hours	<p>Monday to Friday: 10.00 a.m. to 5.00 p.m.</p> <p>Saturday: 10.00 a.m. to 2.00 p.m.</p>							
Contract Expiry Date	<p>20th day of the delivery month.</p> <p>If 20<sup>th</sup> happens to be a holiday, a Saturday or a Sunday then the Expiry date shall be the immediately preceding trading day of the Exchange, which is not a Saturday.</p>							

**PRODUCT DOCUMENT – MUSTARD SEED**

Opening of Contract	New contracts will be available for trading from 11 <sup>th</sup> day of the month as per the launch calendar. If the 11 <sup>th</sup> day happens to be a non-trading day, new contracts would open on next trading day.
Daily 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%.</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> 1,25,000 MT or 15 % of market open interest, whichever is higher.</p> <p><b>Client level:</b> 25,000 MT</p> <p>The above limits will not apply to bonafide hedgers. For bonafide hedgers the Exchange will decide the limits on a case-to-case basis.</p> <p><b>Near month limits</b> (Applicable from 28 days prior to expiry date of the contract).</p> <p><b>Member level:</b> 35,000 MT or 15 % of the market-wide near month open position, whichever is higher.</p> <p><b>Client level:</b> 7,000 MT.</p>
Final Settlement Price	The Exchange shall adopt the following methodology for arriving at the Final Settlement Price.

**PRODUCT DOCUMENT – MUSTARD SEED**

	<ul style="list-style-type: none"> <li>• The Final Settlement Price (FSP) shall be arrived at by taking the simple average of the last three trading days polled spot price, viz. E-0 (expiry day), E-1, E-2.</li> <li>• In the event of the spot prices of any of the E-1 and E-2 is not available, the spot prices of E-3 would be used for arriving at the average.</li> <li>• In case the spot prices are not available for both E-1, and E-2, then the average of E-0 and E-3 (two days) would be taken.</li> <li>• If all the three days' prices, viz., E-1, E-2 and E-3 are not available, then only one day's price, viz., E-0, will be taken as the FSP.</li> </ul>
Minimum Initial Margin	5%
Special Margin	When there is excess volatility, Exchange may impose special margin of appropriate percentage, as deemed fit and proper on either long or short side in respect of all outstanding positions. This margin will remain till such excess volatility persists, after which the same will be relaxed.
Additional Margin	The Exchange may impose additional margins on both long and short side at such other percentage, as deemed fit. Removal of such Margins will be at the discretion of the Exchange.
Regulatory Margin	In addition to the above margins, the Regulator may impose additional margins on long and/or short side at such other percentage as deemed fit. Removal of such Margins will be at the discretion of the Regulator.

**PRODUCT DOCUMENT – MUSTARD SEED**

**Outbound Tolerance Limit**

Commodity Specifications	Basis	Deliverable Range	Permissible Tolerance
Oil Content (at 5% moisture content level)	42%	42% delivery at par, From 42% to 37% accepted at 1:1 discount , More than 42% accepted at 1:1 premium Below 37% reject	+/-0.25%
Foreign Matter	0.25%	From 0.25% to 2% accepted at 1:1 discount, Above 2 % reject	+/-0.25%
<b>Max Tolerance (for all characteristics)</b>			<b>+/-0.25%</b>

**Note:** Tolerance limit is applicable only for outbound deliveries. Variation in quality parameters within the prescribed tolerance limit as above will be treated as good delivery when members/clients lift the materials from warehouse. These permissible variations shall be based on the parameters found as per the immediate preceding test certificate given by exchange approved assayer.

**PRODUCT DOCUMENT – MUSTARD SEED**

---

**Contract Launch Calendar – Mustard Seed**

---

<b>Contract Launch Month</b>	<b>Contract to be launched</b>
March, 2011	July, 2011
April, 2011	August, 2011
May, 2011	September, 2011
June, 2011	October, 2011
July, 2011	November, 2011
August, 2011	December, 2011

**PRODUCT DOCUMENT – MUSTARD SEED**

**Mustard Seed contract specification applicable for all contracts expiring in January 2012 and thereafter**

Name of Commodity	Mustard Seed									
Ticker symbol	MUSTARD									
Basis centre	Ex-Warehouse Jaipur (inclusive of all taxes but exclusive of Sales tax / VAT)									
Unit of trading	10 MT									
Delivery Type	Compulsory									
Delivery unit	10 MT									
Price quotation	Rs per 100 kgs. (quintal)									
Tick size	25 paisa									
Quality specification	<table border="1"> <tr> <td>Moisture</td> <td>5 % basis</td> </tr> <tr> <td>Oil content (at 5% moisture level)</td> <td>42 % basis</td> </tr> <tr> <td>Foreign matter</td> <td>0.25 % basis</td> </tr> <tr> <td>FFA</td> <td>1.5 % max</td> </tr> </table>		Moisture	5 % basis	Oil content (at 5% moisture level)	42 % basis	Foreign matter	0.25 % basis	FFA	1.5 % max
Moisture	5 % basis									
Oil content (at 5% moisture level)	42 % basis									
Foreign matter	0.25 % basis									
FFA	1.5 % max									
Quality premium / discount	Quality delivery with variation shall be acceptable with premium / discount as under:									

**PRODUCT DOCUMENT – MUSTARD SEED**

	<p><b>Moisture:</b></p> <ul style="list-style-type: none"> <li>• From 5% to 6.5% accepted at 1:1 discount</li> <li>• Above 6.5% rejected</li> </ul> <p><b>Oil Content:</b></p> <ul style="list-style-type: none"> <li>• From 42% to 37% accepted at 1:1 discount</li> <li>• More than 42% accepted at 1:1 premium</li> <li>• Below 37% rejected</li> </ul> <p><b>Foreign matter:</b></p> <ul style="list-style-type: none"> <li>• From 0.25% to 2% accepted at 1:1 discount</li> <li>• Above 2% rejected</li> </ul> <p>Free from non-edible seeds such as Mahuas, Castor, Neem, Taramira and Argemone seeds. Should be free from any foul odor.</p>
Quantity Variation	+/- 2%
Delivery Method	<p><b>Demat Delivery</b></p> <p>Seller shall deliver the goods through Exchange <b><u>Accredited</u></b> Warehouse.</p> <p>Goods will have to pass through the Quality Certification process during inbound delivery. Quality certification of Goods will be done by Exchange authorized assayer.</p> <p>Buyer will receive the goods from the Exchange Accredited Warehouse.</p>

**PRODUCT DOCUMENT – MUSTARD SEED**

<p>Delivery Centre</p>	<p>Jaipur</p> <p>(Delivery will be accepted in Exchange accredited warehouse located within 50 km radius from the municipal limits)</p>							
<p>Additional delivery centre</p>	<p>Sellers can also tender Mustard Seed delivery from the following delivery centers:</p> <p>(Delivery will be accepted in Exchange accredited warehouse located within 50 km radius from the municipal limits)</p> <table border="1" data-bbox="513 863 1122 1270"> <thead> <tr> <th data-bbox="513 863 786 940">State</th> <th data-bbox="794 863 1122 940">Delivery Centre</th> </tr> </thead> <tbody> <tr> <td data-bbox="513 951 786 1188" rowspan="4">Rajasthan</td> <td data-bbox="794 951 1122 1024">Alwar</td> </tr> <tr> <td data-bbox="794 1035 1122 1108">Kota</td> </tr> <tr> <td data-bbox="794 1119 1122 1192">Sriganganagar</td> </tr> <tr> <td data-bbox="794 1203 1122 1276"><b>Jodhpur</b></td> </tr> </tbody> </table>	State	Delivery Centre	Rajasthan	Alwar	Kota	Sriganganagar	<b>Jodhpur</b>
State	Delivery Centre							
Rajasthan	Alwar							
	Kota							
	Sriganganagar							
	<b>Jodhpur</b>							
<p>Location Premium/Discount</p>	<p>Premium and discount for different locations shall be announced by the Exchange before launching of contract.</p>							
<p>Trading Hours</p>	<p>Monday to Friday: 10.00 a.m. to 5.00 p.m.</p> <p>Saturday: 10.00 a.m. to 2.00 p.m.</p>							
<p>Contract Expiry Date</p>	<p>20th day of the delivery month.</p> <p>If 20<sup>th</sup> happens to be a holiday, a Saturday or a Sunday then the Expiry date shall be the immediately preceding trading day of the Exchange, which is not</p>							

**PRODUCT DOCUMENT – MUSTARD SEED**

	a Saturday.
Opening of Contract	New contracts will be available for trading from 11 <sup>th</sup> day of the month as per the launch calendar. If the 11 <sup>th</sup> day happens to be a non-trading day, new contracts would open on next trading day.
Daily 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%.</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> 1,25,000 MT or 15 % of market open interest, whichever is higher.</p> <p><b>Client level:</b> 25,000 MT</p> <p>The above limits will not apply to bonafide hedgers. For bonafide hedgers the Exchange will decide the limits on a case-to-case basis.</p> <p><b>Near month limits</b> (Applicable from 28 days prior to expiry date of the contract).</p> <p><b>Member level:</b> 35,000 MT or 15 % of the market-wide near month open position, whichever is higher.</p> <p><b>Client level:</b> 7,000 MT.</p>

**PRODUCT DOCUMENT – MUSTARD SEED**

Maximum Order Size	<b>500 MT (50 Lots)</b>
Final Settlement Price	<p>The Exchange shall adopt the following methodology for arriving at the Final Settlement Price.</p> <ul style="list-style-type: none"> <li>• The Final Settlement Price (FSP) shall be arrived at by taking the simple average of the last three trading days polled spot price, viz. E-0 (expiry day), E-1, E-2.</li> <li>• In the event of the spot prices of any of the E-1 and E-2 is not available, the spot prices of E-3 would be used for arriving at the average.</li> <li>• In case the spot prices are not available for both E-1, and E-2, then the average of E-0 and E-3 (two days) would be taken.</li> <li>• If all the three days' prices, viz., E-1, E-2 and E-3 are not available, then only one day's price, viz., E-0, will be taken as the FSP</li> </ul>
Minimum Initial Margin	5%
Special Margin	When there is excess volatility, Exchange may impose special margin of appropriate percentage, as deemed fit and proper on either long or short side in respect of all outstanding positions. This margin will remain till such excess volatility persists, after which the same will be relaxed.
Additional Margin	The Exchange may impose additional margins on both long and short side at such other percentage, as deemed fit. Removal of such Margins will be at the discretion of the Exchange.

**PRODUCT DOCUMENT – MUSTARD SEED**

Regulatory Margin	In addition to the above margins, the Regulator may impose additional margins on long and/or short side at such other percentage as deemed fit. Removal of such Margins will be at the discretion of the Regulator.
-------------------	---

**Outbound Tolerance Limit**

Commodity Specifications	Basis	Deliverable Range	Permissible Tolerance
Oil Content (at 5% moisture content level)	42%	42% delivery at par, From 42% to 37% accepted at 1:1 discount , More than 42% accepted at 1:1 premium Below 37% reject	+/-0.25%
Foreign Matter	0.25%	From 0.25% to 2% accepted at 1:1 discount, Above 2 % reject	+/-0.25%
<b>Max Tolerance (for all characteristics)</b>			<b>+/-0.25%</b>

**Note:** Tolerance limit is applicable only for outbound deliveries. Variation in quality parameters within the prescribed tolerance limit as above will be treated as good delivery when members/clients lift the materials from warehouse. These permissible variations shall be based on the parameters found as per the immediate preceding test certificate given by exchange approved assayer.

**PRODUCT DOCUMENT – MUSTARD SEED**

**Launch Calendar – Mustard Seed**

<b>Contract Launch Month</b>	<b>Contract Expiry Month</b>
September 2011	January 2012
October 2011	April 2012
November 2011	May 2012
December 2011	June 2012
January 2012	July 2012
February 2012	No launch
March 2012	No launch
April 2012	August 2012
May 2012	September 2012
June 2012	October 2012
July 2012	November 2012
August 2012	December 2012

**PRODUCT DOCUMENT – MUSTARD SEED**

**Annexure 2 – Warehouse & Assayer Address Details**

Sr. No.	Commodity	Warehouse Address	Assayer Address
1.	Mustard Seed	<b>Yamada Logistics Pvt. Ltd.</b> Manoj Kumar, Opposite Kalpataru, Warehouse Bara Road, Raipura, Kota - 324009, Rajasthan. Contact Person: Sudesh Saboo: 09320224321 Gurvinder Gill: 09501009251	<b>M/S JICS LABORATORIES</b> 13-B, Sector A, Sanver Road, Indore - 452015 Contact Person: Mr. Anil Jhawar: 09302225380

For the updated list of Warehouse service provider & Assayers details kindly refer to the Exchange website [www.aceindia.com](http://www.aceindia.com)

**PRODUCT DOCUMENT – MUSTARD SEED**

**Annexure 3 - Good / Bad delivery norms**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Good / Bad Delivery</b>
1	Goods delivered prior to contract expiry.	Good Delivery
2	Quality standard not as per the contract specification.	Bad Delivery
3	Goods delivered at other than the Exchange accredited warehouses.	Bad Delivery
4	Non-abidance of weighbridge certificate.	Bad Delivery
5	Delivery size not as per the contract specification.	Bad Delivery
6	Delivery with improper documentation.	Bad Delivery
7	Goods weighed at other than exchange accredited warehouse weighs bridge / weigh scale.	Bad Delivery
8	Commodity found with live infestation / contaminated on visual inspection by assayer / warehouse.	Bad Delivery

**PRODUCT DOCUMENT – MUSTARD SEED**

---

**Annexure 4 – Specimen of Mustard seed Testing Report**

**CERTIFICATE OF QUALITY**

In accordance with the order of **(Member Name/ Client Name)** member of Ace for the commodity being deposited at the designated warehouse.

Sample Details:

Name of the Commodity:

Job Reference No:

Warehouse Name & Address:

Place of Sampling:

Seal No:

Mode of Packing:

Date of Sampling:

Date of Receipt:

Date of Completion:

Sampling and Tests Required: As per ACE

Sample ID	
Lot No.	
Kaccha Receipt No.	
Quantity	
Godown No.	
Stack No.	
Truck No.	
Sample Condition	

**PRODUCT DOCUMENT – MUSTARD SEED**

---

Test Results:

The above sample was analyzed by us and the results are as follows:

Test Items	Test method	Specification	Test results

The material delivered by the above ACE Member is in accordance with the specification provided bearing grade \_\_\_\_\_ and valid up to \_\_\_\_\_ from the date of certification subject to appropriate storage conditions

The goods delivered may be accepted / rejected.

**Chief Inspector / Authorized Signatory**

**PRODUCT DOCUMENT – MUSTARD SEED**

**Annexure 5 – Commodity Deposit Form (CDF)**

**Commodity Deposit Form**

Demat  Non Demat

Date of Deposit:

Time of Deposit:

Name of Warehouse	
Address of Warehouse	
Name of Depositor	
Address of Depositor	
For the account of (beneficiary name)	
PAN No.	
Name of the Agent	
Address of the Agent	
Details of Depositor	Client Id:
	Client Name:
	DP Id:
	DP Name:
	*Member ID:
	*Member Name:

**PRODUCT DOCUMENT – MUSTARD SEED**

Details of Commodity Deposited			
Name of Commodity	Qty (Net weight accepted inside the WH)	No. of lots/bags	Remarks if any

I / we hereby declare that the commodities being deposited herein belong to the beneficiary as stated above and are free from any encumbrances. I/we hereby request the warehouse to accept the deposit of the commodities in the name of beneficiary stated above subject to acceptance of quality by Exchange empanelled the assayer.

\_\_\_\_\_

Signature of the Depositor

**Acknowledgement from the warehouse**

Name of the warehouse \_\_\_\_\_ We hereby acknowledge the receipt of (quantity) \_\_\_\_\_ (unit) \_\_\_\_\_ of \_\_\_\_\_ (commodity details) from \_\_\_\_\_ (name of the depositor) to be credited for the commodities demat account or to be issued a DSR (in case of Non Demat Process) of bearing Client Id: \_\_\_\_\_ on \_\_\_\_\_ at \_\_\_\_\_ am/pm

Authorized Signature \_\_\_\_\_

(Rubber Stamp)

\*Applicable only in case of Non Demat Process.

**PRODUCT DOCUMENT – MUSTARD SEED**

**Annexure 6 – Mustard Seed grade matrix**

**Ready Reckoner**

Moisture	Premium / Discount (%)		Foreign Matter	Premium / Discount (%)		Oil Content	Premium / Discount (%)	
Upto 5.00%	0	1	Upto 0.25%	0	1	37.00% to 37.25%	-11.9	1
5.01% - 5.50%	-0.5	2	0.26% - 0.50%	-0.25	2	37.26% to 37.50%	-11.3	2
5.51% - 6.00%	-1	3	0.51% - 0.75%	-0.5	3	37.51% to 37.75%	-10.7	3
6.01% - 6.50%	-1.5	4	0.76% - 1.00%	-0.75	4	37.76% to 38.00%	-10.1	4
			1.01% - 1.25%	-1	5	38.01% to 38.25%	-9.52	5
			1.26% - 1.50%	-1.25	6	38.26% to 38.50%	-8.93	6
			1.51% - 1.75%	-1.5	7	38.51% to 38.75%	-8.33	7
			1.76% - 2.00%	-1.75	8	38.76% to 39.00%	-7.74	8
						39.01% to 39.25%	-7.14	9
						39.26% to 39.50%	-6.55	10
						39.51% to 39.75%	-5.95	11
						39.76% to 40.00%	-5.36	12
						40.01% to 40.25%	-4.76	13
						40.26% to 40.50%	-4.17	14
						40.51% to 40.75%	-3.57	15
						40.76% to 41.00%	-2.98	16
						41.01% to 41.25%	-2.38	17
						41.26% to 41.50%	-1.79	18
						41.51% to 41.75%	-1.19	19
						41.76% to 41.99%	-0.6	20
						At 42.00 %	0	21
						42.01% to 42.25%	0.6	22
						42.26% to 42.50%	1.19	23
						42.51% to 42.75%	1.79	24
						42.76% to 43.00%	2.38	25
						43.01% to 43.25%	2.98	26
						43.26% to 43.50%	3.57	27

**Mustard Seed Grades**

For Mustard Seed grades kindly refer to the Exchange website [www.aceindia.com](http://www.aceindia.com)

**PRODUCT DOCUMENT – MUSTARD SEED**

**Annexure 7 – Standard Testing procedure**

**Parameters tested:**

Parameters	Test Method
Moisture content	IS 3579 : 1966
Oil Content (at 5% moisture content level)	IS 3579 : 1966
FFA	IS 548 : 1964 (part 1)
Foreign Matter	IS 3579 : 1966

**Definition:**

Parameters	Test/Time taken
Foreign Matter	Foreign matter includes dust, dirt, stones, lumps of earth, chaff, stems or straw, food grains including oil seeds of any other variety or any other impurity.

**Testing Methodology:**

At the outset, live infestation will be seen from the total sample taken from the lots. The lot with live infestation will be rejected without any further testing. After ascertaining the same a sample will be taken for the lab process.

Once the total sample is drawn it has to be mixed and spread, out of which 500 gms will be taken randomly from 16 places for lab test process.

**Foreign Matter:**

1. Take 500± 0.1 gm weighed sample in 1.00 mm sieve and sieve it.
2. Collect the sample retained on sieve in white enamel plate.
3. If find any mustard seeds passed through sieve also collect by hand pickling and add to sample in enamel plate.

**PRODUCT DOCUMENT – MUSTARD SEED**

---

4. Collect the foreign matter defined above by hand picking and add to passed through foreign matter from sieve and weigh it.

5. Calculate the % Foreign matter

$$\text{Foreign matter\%} = \frac{\text{Weight of the Foreign matter collected} \times 100}{\text{Weight the sample taken for the test}}$$

Weight the sample taken for the test

**Moisture:**

1. Note down the empty weight of the Petri dish ( $W_0$ ).
2. Take  $2 \pm 0.1$  gm of crushed free foreign matter sample in above Petri dish ( $W_1$ ).
3. Dry the sample in hot air oven at  $105 \pm 1^\circ\text{C}$  for 1.5 hours.
4. Take out the sample and keep it in desiccators for 15 min.
5. Note down the weight.
6. Repeat the above step until the weight difference between 2 consecutive readings is 0.05gm.
7. Note down the weight( $W_2$ )
8. Calculate % moisture by formula given below

$$\% \text{ Moisture} = \frac{(W_1 - W_2) \times 100}{(W_1 - W_0)}$$

Where

$W_0$ = weight of the empty Petri dish

$W_1$ = weight of the sample with Petri dish before drying

$W_2$ = weight of the sample with Petri dish after drying

**Oil Content (at 5% moisture content level):**

Procedure:

- Take  $10 \pm 0.1$  gms sample ( $W_0$ ) in a mortar and crushed whole sample and carefully transfer in extraction thimble avoiding any losses.
- Place the thimble in the extractor, previously fitted with a weighed flask ( $W_1$ ).
- Rinse the mortar with petroleum ether (60/80) and transfer it to the extractor.

**PRODUCT DOCUMENT – MUSTARD SEED**

---

- Add 75 ml of petroleum ether (60/80).
- Ensure that cooling water is passing through the condenser and no leaks.
- Switch on heater and slowly increase the heating.
- Continue the extraction for 6 hours.
- Stop the heating and remove the extractor and take out the thimble.
- Remove the flask with solvent and keep on water bath for 30 minutes to evaporate the greater part of the solvent.
- Dry the flask in an oven at  $103 \pm 2^{\circ}\text{C}$  for 1 hour.
- Takeout the flask from oven and cool in desiccators for 15min.
- Weigh the flask.
- Repeat the drying in oven until to get uniform weight ( $W_2$ ).
- Calculate the Oil content%.

$$\text{Oil Content\%} = \frac{(W_2 - W_1) \times 100}{W_0}$$

Where

$W_0$  = Weight of the sample taken for the Test

$W_1$  = Weight of the empty flask

$W_2$  = Weight of the flask and oil

$$\begin{aligned} \text{*Oil content} &= \frac{\text{Oil content\%} \times 100}{100 - (\text{Moisture\%} - 5)} \\ \text{(At 5\% moisture content level)} & \end{aligned}$$

**Free Fatty Acid (FFA):**

- To the above flask add 50 ml of freshly neutralized ethyl alcohol and shake well.
- Add two drops of phenolphthalein indicator boil the mixture for 5 minutes and titrate against the 0.5N sodium hydroxide solution.
- End point is pink colour.
- Calculate the% of FFA in terms of oleic acid.

**PRODUCT DOCUMENT – MUSTARD SEED**

---

FFA% (in terms of Oleic acid) =  $\frac{28.2 \times V \times N}{W_2 - W_1}$

Where

V = volume in ml of sodium hydroxide solution

N = Normality of the sodium hydroxide solution

W<sub>1</sub> = Weight of the empty flask

W<sub>2</sub> = Weight of the flask and oil