

Contract Specifications of Maize – Feed/ Industrial Grade

Symbol	MAIZE
Description	MAIZEMMMYY
Contracts available for trading	
July contract	21 st January to 20 th July of the contract year
August contract	21 st February to 20 th August of the contract year
September contract	21 st March to 20 th September of the contract year
October contract	21 st April to 20 th October of the contract year
November contract	21 st May to 20 th November of the contract year
December contract	21 st June to 20 th December of the contract year
Trading	
Trading period	Mondays through Saturdays
Trading session	Monday through Friday 10.00 am to 5.00 pm Saturday 10.00 am to 2.00 pm
Trading unit	10 MT
Quotation/Base Value	Rs/100 kg. Ex – Nizamabad (inclusive of all taxes, market cess and other levies, if any)
Tick size	50 paise
Daily price limits	The base price limit will be 3%. Whenever the base daily price limit is breached, the relaxation will be allowed upto 4% after 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 may be relaxed
Maximum Allowable Open Position	For individual clients: 10000 MT For a member collectively for all clients: 30000 MT or 15% of the market-wide open position, whichever is higher. Near Month Limits For individual clients: 2000 MT For a member collectively for all clients: 6000 MT or 15% of the market-wide open position, whichever is higher
Delivery	
Delivery unit	10 MT with tolerance limit of 2%
Delivery period margin	25% on the marked quantity
Delivery center)	MCX approved warehouse at Nizamabad (Within 50 km radius from the municipal limits)
Additional Delivery Centre	MCX approved warehouse at Davengere, Kota, Nashik, Karimnagar, Sangli, Guntur (Within 50 km radius from the municipal limits). Premium/discount will be announced by exchange at the time of launch of a contract.

Quality specification/ Deliverable grades	Dried, matured grains of Yellow/ Red Maize, free from moulds, fungus, live infestation, obnoxious smell, any added colouring agent and confirming to the following specifications
Moisture Basis Acceptable Rejected	12 % Max Upto 14% maximum on 1:1 discount which shall be applied to such content above 12% rounded off to the higher 0.20% Above 14 %
Test Weight Basis Acceptable Rejected	400 grains per 100 gms Upto 440 grains with a discount of 1% Above 440 grains/100 gms
Foreign matters and other food grains Basis Acceptable Rejected	1% Max Upto 2% maximum on 1:1 discount which shall be applied to such content above 1% rounded off to the higher 0.25% Above 2%
Broken, Damaged, Slightly damaged and Immature kernels Basis Acceptable Rejected	2% Max Up to 5% maximum on 1:1 discount which shall be applied to such content above 2% rounded off to the higher 0.5% Above 5%
Weevilled grains Basis Acceptable Rejected	1% Max Up to 2% maximum on 1:1 discount which shall be applied to such content above 1% rounded off to the higher 0.25% Above 2%
	Within the overall limit allowed for foreign matters, the poisonous seeds shall not exceed 0.5 % of which Dhatura and Akta seeds not to exceed 0.025 % and 0.2 % respectively, and further, mineral matter by weight shall not be more than 0.25 % and impurities of animal origin shall not be more than 0.10 %.
	The small sized maize grains, if the same are otherwise fully developed, shall not be treated as shrivelled and immature grains.
Packaging	Packed in jute bags (new or old in deliverable condition) containing, 60 kg/ 100 Kg per bag. Delivery will be effected on gross weight basis, which implies that weighing of Maize will be done on inclusive of bags basis and no additional payment will be given for the cost of bag.
Delivery Logic	Compulsory Delivery

Delivery and Settlement Procedure of Maize – Feed / Industrial Grade

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	Last 5 working days of the contract expiry and Two working day after expiry of the contract
Tender notice / Delivery Payin	Seller may give the intention to deliver on any tender day during the tender period. Such intentions should be accompanied with the Warehouse Receipt (duly endorsed & signed by the depositor & the Member), and valid quality certificate issued by quality certifying agency. All outstanding positions shall be marked for delivery at the expiry of the contract
Mode of Communication	Fax / 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
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 Exemption from Delivery Period Margin	25% on marked quantity. Tender & Delivery Period Margin is exempted if goods tendered during tender days with all the documentary evidence
Delivery allocation	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)
Delivery Payin	On 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).
Delivery Payout	By 5.00 p.m. on Tender / Expiry day + 2 basis
Pay-in of Funds	By 11.00 a.m. on Tender / Expiry day + 2 basis
Pay-out of Funds	After 2.00 p.m. on Tender / Expiry day +2 basis
Penal Provision	I – Seller Default 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:

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	For unauctioned quantity, 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.	For unauctioned quantity, 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 & 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>																
Taxes, Duties, Cess and Levies	Inclusive of all taxes, charges, levies or APMC Cess applicable at the delivery center. The seller will issue invoice in the name of the buyer, accordingly.															
Due Date Rate	Exchange shall take spot prices from a panel of different entities from spot market and shall compute the daily average price. Due Date Rate is calculated on the last day of the contract maturity by way of taking the simple average of last 5 days spot price so computed.															
Odd lot Treatment	Not Applicable															
Location Premium/ Discount	<table border="1" data-bbox="574 1486 1325 1766"> <thead> <tr> <th data-bbox="574 1486 821 1556">Centre</th> <th data-bbox="821 1486 1325 1556">Premium / Discount to DDR (per Qtl)</th> </tr> </thead> <tbody> <tr> <td data-bbox="574 1556 821 1625">Karimnagar, Guntur</td> <td data-bbox="821 1556 1325 1625">(-) Rs. 5.00</td> </tr> <tr> <td data-bbox="574 1625 821 1661">Davengere</td> <td data-bbox="821 1625 1325 1661">(-)Rs. 15.00</td> </tr> <tr> <td data-bbox="574 1661 821 1696">Sangli</td> <td data-bbox="821 1661 1325 1696">(-)Rs. 10.00</td> </tr> <tr> <td data-bbox="574 1696 821 1732">Nasik</td> <td data-bbox="821 1696 1325 1732">(-)Rs. 10.00</td> </tr> <tr> <td data-bbox="574 1732 821 1766">Kota</td> <td data-bbox="821 1732 1325 1766">(+)Rs. 10.00</td> </tr> </tbody> </table>				Centre	Premium / Discount to DDR (per Qtl)	Karimnagar, Guntur	(-) Rs. 5.00	Davengere	(-)Rs. 15.00	Sangli	(-)Rs. 10.00	Nasik	(-)Rs. 10.00	Kota	(+)Rs. 10.00
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Warehouse, Fumigation, Insurance and Transportation Charges	<p>-Borne by the seller upto commodity pay-out date.</p> <p>-Borne by the Buyer after commodity pay-out date.</p>															

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.
Delivery Center	Deliveries can be effected from Exchange approved warehouse at Nizamabad (Within 50 km radius from the municipal limits)
Additional Delivery Center	Exchange approved warehouse at Karimnagar, Guntur Davengere, Sangli, Nasik, and Kota (Within 50 km radius from the Municipal limits)
Delivery Order	<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 only one delivery center and one location in such center.</p> <p>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 MCX 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.</p>
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 MCX. Responsibility for contractual liability would be with the original assignee.
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>
Failure of First Sample	<p>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 the Exchange shall send the third sealed sample to any one of the approved laboratories / surveyor, as decided by the Exchange.</p>
Final Surveyor's Report	<p>The analyst's report of the approved and agreed independent laboratory shall be forwarded by the Exchange to the parties immediately on receipt of the same. In such case, the final 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 favor 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 unreasonably refuse to do so.</p>
Extension of Delivery Period	<p>As per the Exchange decision due to a force majeure or otherwise.</p>
Applicability of Business Rules	<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</p>

	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)
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