



Natural Gas

Contract Qualifications

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| Contract Symbol | | NATURALGASDDMMYY (NATURALGAS28JAN12) |
| Underlying Commodity | | NATURAL GAS |
| Contract Size /Trading Unit | | 1250 mmBtu |
| Quotation/Base Value | | Ex – Hazira excluding all taxes, levies and other expenses. |
| Price Quote | | Rs. Per mmBtu |
| Tick Size | | 10 Paise |
| Trading Sessions (IST) | Monday to Friday | 10.00 a.m. to 11.30 p.m. Note: Evening trading Session may be extended following the US Daylight Saving Time Schedule as per the directives issued by the FMC in this regard. |
| | Saturday | 10.00 a.m. to 2.00 p.m. |
| Contracts Schedule | | |
| Contract Launch Date | | Contract Expiry Month |
| 29 th October-11 | | 28 th January-12 |
| 28 th November-11 | | 26 th February-12 |
| 29 th December-11 | | 28 th March-12 |
| 29 th January-12 | | 27 th April-12 |
| 27 th February-12 | | 28 th May-12 |
| 29 th March-12 | | 27 th June-12 |
| 28 th April-12 | | 28 th July-12 |
| 29 th May-12 | | 28 th August-12 |
| 28 th June-12 | | 27 th September-12 |
| 29 th July-12 | | 28 th October-12 |
| 29 th August-12 | | 27 th November-12 |
| 28 th September-12 | | 28 th December-12 |
| Last Trading Day(Expiry Day) | | Trading terminates four business days excluding Saturday prior to the 1 st calendar day of the following contract month. For Example, January contract will expire on 28 th January. |
| Daily Price Limit (DPL) | | The base price limit is (+/-) 4% expandable up to (+/-) 6% without cooling off |



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| | | period in the trade and (+/-) 9% with a cooling off period of 15 minutes when the trade hits the prescribed DPL. DPL is directly correlated with Reference Price or Previous Day's Closing price. In case, International Price volatility is more than (+/-) 9%, the DPL may be further relaxed in steps of 3% with the approval of FMC. |
| Risk Parameters | Initial Margin | 5% |
| | Special Margin | When there is excess volatility, Exchange will impose special margin of appropriate percentage, as it thought fit and proper on both buy and sale side in respect of all outstanding positions. This margin will remain in force for next two working days excluding the day of imposition or till such excess volatility persists, after which the same will be relaxed. |
| | Regulatory Margin | In addition to the above margins, the Regulator/ Exchange may impose additional margins on long and/or short side at such other percentage, as may deem fit and proper where there is one side market movement. Removal of such Margins will be at the discretion of the Regulator/Exchange. |
| | Maximum Order Size | 20,000 mmBtu |
| | Maximum Allowable Open Position | For individual client 60,00,000 mmBtu and for a member collectively for all clients 300,00,000 mmBtu or 15% of the market-wide open position, whichever is higher. |
| Quality Specification | | Shall be of Standard Pipeline quality. |
| Premium (P)/Discount (D) | | NA |
| Delivery Logic | | Both Option |

Settlement Schedule and Delivery Process

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| Delivery Unit | 10,000 mmBtu |
| Tolerance Limit | Quantity of Gas will be delivered at uniform hourly rate with maximum variation of 10% during the period of 8 hours. |
| Tender period | One working day after the contract expiry day. Note: If the tender day falls on Saturday then the tender day will be succeeding day i.e. Monday. |
| Seller's /Buyer's Intentions | On the expiry day by 3.00 p.m. Dissemination of the same will be through TWS by 5.00 p.m. Seller must submit the documentary evidence that he is holding the stock at the time of submitting the intention. |



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| Dissemination of Matching of Intentions | | The Exchange will inform members through TWS regarding matching quantity of buyers and sellers by 6.00 p.m. on the expiry day. Exchange will impose penalty as per the provisions of the penalty clause mentioned in this contract, in case the party whose intention is matched defaulted. Unmatched intentions and other open positions shall be closed out at Contract Closing Rate (CCR). | | |
| Risk Parameters | Delivery Margin | Delivery margin of 25% shall be imposed on expiry day on matched quantity. | | |
| Exemption from Margin | Delivery period | Delivery Period Margin is exempted on receipt of documentary evidence on the expiry day. | | |
| Delivery Centre | | Hazira | | |
| Additional Delivery Centre | | NA | | |
| Communication with Exchange | | Hand Delivery, Fax, Courier or any other mode as may be notified by the Exchange from time to time. | | |
| Delivery | Allocation day and Rate | On the expiry of the contract as per CCR. | | |
| | Period | Three business days after the contract expiry day. | | |
| | Pay-In | On the tender day by 6.00 p.m. | | |
| | Pay-Out | E+3 working day | Time | 11.00 a.m. |
| Fund | Pay-In | E+2 working day | Time | 11.00 a.m. |
| | Pay-Out | E+3 working day | Time | 11.00 a.m. |
| Taxes, Duties, Cess and Levies | | Buyer will pay all the charges, levies or Cess, import duties and taxes applicable at the delivery center. | | |
| Contract Closing Rate(CCR) | | Contract Closing Rate is calculated on the last trading day of the contract on the basis of international spot price of Natural Gas, excluding all taxes, levies and freight and converted at the Rupee – US Dollar reference rate as notified by RBI on the said date. | | |
| Applicability for Odd Lot | | Delivery will be effected only on delivery lot basis. | | |
| Endorsement of Delivery favoring client | | On receipt of delivery order, the original buyer member would be responsible for any endorsement in favor of his client. | | |
| Sampling and analysis at the time of delivery | | In case the buyer does not agree to the quality of the commodity, he shall opt for his own sampling under intimation to the Exchange in writing within 48 hours of the pay-out date. | | |
| Penal Provision | Seller's Default | A penalty of 2.5% on Contract Closing Rate will be imposed on defaulting seller out of which 2% will be credited to IPF and 0.5% will be credited to the counter party. | | |
| | | Additionally, 4% of CCR as a replacement cost will be charged from defaulting seller out of which 90% will be given to the counter | | |



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| | | party and 10% will be retained by the Exchange as administrative expenses. |
| | Buyer's Default | A penalty of 2.5% on Contract Closing Rate will be imposed on defaulting buyer out of which 2% will be credited to IPF and 0.5% will be credited to the counter party. |
| | | Additionally, 4% of CCR as a replacement cost will be charged from defaulting buyer out of which 90% will be given to the counter party and 10% will be retained by the Exchange as administrative expenses. |
| Delay in Timely Execution of Delivery related Documentation | | Penalty for delay in timely execution of delivery related document (invoice details, delivery related form) shall be communicated separately by the Exchange. |
| Extension of delivery period | | Exchange may decide to extend the delivery period in case of a force majeure. |
| Applicability of Rules | | The applicable provisions of Bye-laws, Rules and Regulations of the Exchange and decisions taken by Forward Markets Commission, Board of Directors or Executive Committee of the Exchange relating to the matters specified above will also form an integral part of this contract. The Exchange may further prescribe additional measures regarding physical delivery procedures, storage practices at Exchange accredited warehouses, quality certification processes, risk management, etc from time to time which will be notified to the members with intimation to FMC. The interpretation or clarification given by the Exchange on any terms of this contract shall be final and binding on the members and their constituents. |