Commodity at a Glance

NCDEX Guar Gum Futures

- Benchmark Futures contract for Guar Gum
- Hedging and price risk management tool for value chain
- Efficient and transparent price discovery
- Robust delivery mechanism
- Connects the entire value chain

Launched on 26th July, 2004

- Highest monthly
  ADTQ 76,980 MT
  ADOI 84,425 MT
- Total deliveries till Jan 2019
  1,98,234 MT

*n Since Inception

Commodity
Ticker Symbol
Guar Gum GUARGUM5

Basis*
Additional Delivery center*
Compulsory Delivery
Jodhpur Bikaner, Nokha, Sri Ganganagar and Deesa

Quality Specifications

| Residue insoluble in Acid | 3.00% Max |
| Protein | 5.00% (Max) |
| Undehusked Splits | 10.00% |
| Black, dark red and brown coloured splits | 1.00% (Max) |
| Through 14" mesh | 3.00% (Max) |
| Through 20" mesh | 0.10% (Basis) |
| Moisture | 8% |
| Foreign Particles (all non-gum particles) | 0.30% (Basis) |

GST
Exclusive 10.00%
1.00% (Max)
0.10% (Basis)
5.00% (Max)

Deliveries Logic

DEPOSIT AND DELIVERIES

<table>
<thead>
<tr>
<th>Source - NCDEX</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>0</td>
<td>10,000</td>
<td>20,000</td>
<td>30,000</td>
<td>40,000</td>
</tr>
<tr>
<td>Deliveries</td>
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<td>20,000</td>
<td>30,000</td>
<td>40,000</td>
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CONTRACT SPECIFICATIONS

<table>
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<tr>
<th>Commodity</th>
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<th>Delivery Logic</th>
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<td>Guar Gum</td>
<td>GUARGUM5</td>
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</tr>
</tbody>
</table>

Quotation

<table>
<thead>
<tr>
<th>Rs. / quintal</th>
<th>5 MT</th>
<th>Rs. 1</th>
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<tbody>
<tr>
<td>20th of the delivery month</td>
<td></td>
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For detailed contract specifications visit website www.ncdex.com

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Guar Gum is used as a thickening agent in textile industry and binding in food industry. Guar is said to be cheaper substitute to Xanthan gum (pure culture ferment) or locust bean gum.

USES OF GUAR GUM
- Guar Gum is used as a thickening agent in textile industry and binding in food industry.
- Guar is said to be cheaper substitute to Xanthan gum (pure culture ferment) or locust bean gum.
- Pharmaceutical, paper, textile and personal care industries are also increasingly using guar gum.
- Also used in hydraulic fracturing, more commonly known as 'fracking', where it is used as a gelling agent in fracturing fluids in oil wells.

Salient Features of Guar Contracts on NCDEX Platform
- Very high co-relation to the physical Guar market
- Adequate volume and liquidity
- Ideal Hedging and Risk Management Platform for value chain participants in Guar industry
- Widely accepted as benchmark for Guar prices across India and abroad
- Compulsory delivery contract with staggered delivery mechanism
- Premium/Discount structure for fair pricing across the country
- Widely accepted quality specifications

Price Risk Hedging
- Processor/Hedger locks in the Guar Gum Futures price at Rs 8200/quintal for a long position
- If the price of Guar Gum decreases in the physical market, the gain in the physical market is offset by the loss in the Futures market
- If the price of Guar Gum increases in the physical market, the loss in the physical market is offset by the gain in the Futures market

Guar Gum, extracted from guar, has become India’s most valued agricultural export commodity. A dominant producer of guar, India accounts for about 80 percent of the world production. 70-80 percent of total production of India comes from Rajasthan.