Commodity at a Glance
NCDEX Guar Seed Futures

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

Launched on 12 April, 2004

* Highest monthly
ADTQ 3,55,150 MT
ADOI 2,62,950 MT

* Total deliveries till Jun 2020
5,36,300 MT

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**CONTRACT SPECIFICATIONS**

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Ticker Symbol</th>
<th>Basis*</th>
<th>Additional Delivery center*</th>
<th>Delivery Logic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guar Seed</td>
<td>GUARSEED 10</td>
<td>Jodhpur</td>
<td>Bikaner, Nokha, Sri Ganganagar and Deesa</td>
<td>Compulsory Delivery</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quotation</th>
<th>GST</th>
<th>Trading and Delivery Unit</th>
<th>Tick Size</th>
<th>Expiry date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. / quintal</td>
<td>Exclusive</td>
<td>10 MT</td>
<td>Re 1</td>
<td>20th of the delivery month</td>
</tr>
</tbody>
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<thead>
<tr>
<th>Quality Specifications</th>
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</thead>
<tbody>
<tr>
<td>Moisture</td>
</tr>
<tr>
<td>Whitish</td>
</tr>
<tr>
<td>Damaged Seed</td>
</tr>
<tr>
<td>Foreign Matter</td>
</tr>
<tr>
<td>Quality Variation</td>
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</tbody>
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* upto the radius of 50 kms from the municipal limits.

For detailed contract specifications visit website www.ncdex.com
Guar Seed, once known as a ‘cow feed’, has emerged as one of the most lucrative crops in the recent past. 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.

**USES OF GUAR SEED**
- Guar Seed is a Most popular cattle feed in India
- After processing, it is sold as guar gum, guar korma and guar churi. Both guar churi and guar korma are used in cattle feed and poultry feed.

**PROCESS HEDGING**
- Processor/Hedger locks in the Guar Seed Futures price at Rs 4150/quintal for a long position
  - If the price of Guar Seed 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 Seed increases in the physical market, the loss in the physical market is offset by the gain in the Futures market

**PRICE RISK HEDGING**
- Farmer/Hedger locks in the Guar Seed Futures price at Rs 4250/quintal for a short position
  - If the price of Guar Seed decreases in the physical market, the loss in the physical market is offset by the gain in the Futures market
  - If the price of Guar Seed increases in the physical market, the gain in the physical market is offset by the loss in the Futures market

**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