

NCDEX SPOT Exchange Limited

Circular to all Trading and Clearing Members of the Exchange

Circular No. : NCDEX SPOT/OPERATIONS/004/2010/005

Date : 20th January, 2010

Subject : Procedure of E-Aggregation in CMS

Trading Members & Market participants are hereby requested to note that Commodity Management System (CMS) E-aggregation module has been provided in the Members CMS Depository Login for facilitation of tracking for aggregation of farmer's lots with the aggregated traded lot.

The participants are requested to note below

Introduction

The members may aggregate small quantities of tradable commodity from individual farmers to constitute a permitted tradable lot. Such aggregating member will create individual farmer lots such that when combined, they would constitute a tradable lot which can be sold and delivered as per Exchange contract specification/s.

Prerequisite for E-Aggregation

It is the responsibility of the Member acting as aggregator to ensure that all the lots for aggregation are deposited by bonafide farmers and shall be responsible for verification and retention of documentary proof thereof. Any one of the following document details and any additional documentary proof relied upon by the Member shall be entered by the Member in the CMS at the time of initial deposit of the farmer lot of the commodity in the CMS system:

- 7/12.
- Panni Patti.
- Survey Number.
- Panchayat Certificate.
- Agricultural Department Certificate.
- Any Other Documents as specified by the Local Agricultural Mandi.

The above list is only illustrative and not exhaustive and the Seller Member may obtain and record additional proof if deemed fit.

Process of E-Aggregation in CMS

The aggregating Members are advised to login through the CMS Deposit Login interface provided by the Exchange to create an electronic 'farmer lot'. The procedure of creating an electronic farmer lot and E-Aggregation is as under:

Stage	In CMS	Outside CMS
1		Farmer takes his produce to Exchange registered members and makes the physical deposit.
2	Aggregator Member enters the deposit details in the CMS system to create a farmer lot(s) and generates a system based receipt for the deposit.	
3		Farmer is given a proof of deposit by Aggregator/Registered Member for the quantity deposited by him into aggregation.
4		Aggregator Member deposits the aggregated lot at the Exchange accredited warehouse and requests the warehouse to create a CMS tradable lot in the system as per the applicable contract specification.
5	Accredited Warehouse creates a CMS tradable lot within the said contract specifications.	
		The CMS tradable lot created by the Accredited Warehouse can be viewed in the deposit module of CMS.
6	Aggregator Member links the CMS lot id to one or more farmer	

	lots aggregated. The sum of quantity of linked farmer lots should be equal to the CMS lot quantity with however, a permitted tolerance % as specified in the contract specifications/terms and conditions.	
7	Once the CMS tradable lot is successfully linked to farmer lots, the tradeable lot quantity of the relevant commodity can be locked in for sale on the Exchange.,	
8	The aggregator can change the composition of the CMS tradable lot till the time it is locked for trading.	

Note: The aggregator has to ensure that the E-Aggregation of farmer's lot is completed before the CMS tradable lot is locked-in for trading.

Applicable Commodity & Contract and their Aggregation Tolerance %

The facility of E-aggregation would be recognized in commodities & contracts specified by the Exchange. Currently, the E-Aggregation facility would be recognized in the CMS system for the below mentioned Commodities & Contracts.

Commodity	Contract Symbol	Aggregation Tolerance %
Red Tur	TURREDLB	5
Maize	MZEFARDVG	5

The Exchange reserves the right to add/ delete and modify the commodity, contract and their aggregation tolerance percentage as required with prior notice to the members.

Members are requested to note and ensure adherence to the above mentioned procedure for E-Aggregation while trading of aggregated lots.



For and on behalf of
NCDEX SPOT Exchange Limited

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For further information / clarifications, please contact
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