



Press Release: NCDEX SPOT Exchange Limited

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NCDEX Spot (NSPOT) launches Sugar Contract

NCDEX Spot Exchange Limited (NSPOT) would be launching a compulsory delivery contract in sugar on its electronic platform on January 21, 2009. All trades on this platform are guaranteed by the Exchange for delivery and payments.

The contract would cater to the sugar producers in Maharashtra and will benefit all cane growing farmers of the sugar producing areas, mill-owners, consumers and exporters; especially those located in the vicinity of Kolhapur, the sugar bowl of Maharashtra.

This initiative is widely supported by major sugar producers in the region including *Rajaram Babu Shetkari Sakhar Karkhana Limited*.

NSPOT will be creating a real-time, online, transparent and vibrant spot platform for trading in sugar in India. The contract would allow participants from all over the country to trade in Kolhapur Sugar, thereby enabling sugar producers in Kolhapur discover the best price for their sugar traded on NSPOT.

With this launch, NSPOT will be initiating the process of modernization of spot markets on a nationwide basis. Participants selling sugar will deposit the assayed commodity in NSPOT pre-notified accredited warehouses before initiating sell orders. Warehouses will ensure that the commodity is as per quality prescribed in the contract specifications. The buyer will deposit prescribed margin for the relevant type of contract with NSPOT through a member of NSPOT before putting their bid quotes. The online buy and sell orders would be matched on a real-time basis through a process of price and time priority. All trades outstanding at the end of the day would result into delivery obligations on settlement day.

Speaking on the occasion, Shri P. R. Patil, Chairman, Rajarambapu Patil Shetkari Sakhar Karkhana Limited said, "we welcome the initiative taken by NCDEX SPOT by launching a platform for spot trading on NCDEX. We will actively participate in the spot trading". He also added, "We wish NSPOT all the best on this occasion and it is a timely move in the overall interest of sugar industry". Rajarambapu Patil Shetkari Sakhar Karkhana Limited is a progressive and reputed cooperative sugar factory in Maharashtra led by State Home Minister Mr. Jayant Patil and is considered to be a role model in sugar sector of Maharashtra

NSPOT would be launching various agricultural and non-agricultural contracts in the coming months.

For further details contact:

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