



National Spot Exchange Limited

Circular

Ref. No.: NSEL/TRD/2010/044

March 13, 2010

Dear Members,

Commencement of Wheat Ex-Mayapuri, Ex-Narela and Ex-Ghevra New Delhi Delivery Contract for sale of Wheat by FCI under Open Market Sale Scheme (Domestic) – OMSS (D) to Bulk Consumers

In terms of the provisions of the Rules, Bye-Laws and Business Rules of the Exchange, the Members of the Exchange are hereby notified that Wheat Ex Mayapuri, Ex- Narela and Ex- Ghevra New Delhi Delivery Contract for the purpose of sale of Wheat by FCI under Open Market Sale Scheme (Domestic) – OMSS (D) to Bulk Consumers will be available on our platform with effect from Tuesday, the 16th March, 2010. Details of the contracts and settlement procedure are as under.

- 1) Contract Specifications are specified as per Annexure 1,
- 2) Settlement schedule, Delivery procedure & delivery related charges as per Annexure 2, and
- 3) Format of application for empanelment as a bulk consumer Annexure 3

The terms and conditions of the above referred contract and the process relating to the settlement thereof will be binding on all the members of the Exchange and clients trading through them.

For any clarification, the following Exchange officials can be contacted.

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For and on behalf of
National Spot Exchange Ltd.

Narsing Rao
Vice President

Encl.: As above

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Contract Specification of FCI-Wheat Ex-Delhi Delivery Contract – OMSS (D)

Commodity	Wheat
Symbol and Description	<ol style="list-style-type: none"> 1) WHETFCIMYP (FCI-Wheat Ex-FSD – Mayapuri, Delhi Contract under OMSS (D) For Bulk Consumers 2) WHETFCINRL(FCI-Wheat Ex-FSD – Narela, Delhi Contract under OMSS (D) For Bulk Consumers 3) WHETFCIGHV (FCI-Wheat Ex-FSD – Ghevra, Delhi Contract under OMSS (D) For Bulk Consumers
Contract Specifications	
Auction Contract	Sale of FCI-Wheat Ex FSD Mayapuri, Ex Narela and Ex Ghevra, Delhi through Forward auction model
Trading Period	<p>On specified days, as decided by FCI and notified by the Exchange by way of broadcast through Member Trader Workstation.</p> <p>The first auction session in all these three contracts will be conducted on 16th March, 2010 from 10:00 AM to 1:00 PM and on 17th March, 2010 from 10:00 AM to 12:50 PM. FCI will confirm the trades on 17th March, 2010.</p>
Floor price	Rs. 1254.08ps Orders will be accepted, only if they are equal to or above this price.
Trading Related Information	
Trading unit	In multiples of 10 MT subject to the minimum combined order size of 100 MT per bulk Consumer and maximum combined order of 1000 MT per Bulk Consumer)
Quotation/base value	Rs. per Quintal
Tick Size	1 Paise per Quintal
Daily Price Limit	No buy order shall be submitted below the floor price notified by FCI every month. There is no upper ceiling for submission of buy orders.
Price Quote	Ex-FCI Depot at Mayapuri, Narela and Ghevra, Delhi, excluding VAT and any other additional tax or surcharge on VAT / local taxes
Earnest Money Deposit	10%
Maximum Order size	1000 MT
Conditions relating to Trading	This is a specific contract designed for the actual users of wheat. A member or client willing to buy in this contract must empanel himself with FCI, prior to submission of any order in this contract. For the purpose of empanelment, he is required to submit the form and enclosures specified under Annexure III. The Exchange will verify all such documents and thereafter forward the same to FCI regional office for final empanelment. On receipt of written information from FCI, the Exchange will communicate such empanelment and assign a specific client code to the buyer in writing. Once a buyer is empanelled, he will be entitled to buy wheat in this contract in all subsequent months till March 2010, subject to other applicable conditions.



	<p>If a constituent not having due empanelment in this contract submits any buy order, any trade resulting out of such trade will be null and void and moreover, the Exchange will impose a penalty of Rs. 1 lac on the member, who enters any such order.</p> <p>The Exchange will launch separate contract depotwise, but the empanelment will be state specific. Hence, a bulk buyer registered in Delhi will be entitled to buy in Ex FSD Mayapuri, Ex FSD Narela as well as Ex FSD Gheva contract, but not in other contracts launched under OMSS which are deliverable in other states.</p>
Purchase limits applicable on buyers	A bulk buyer duly empanelled in the manner specified above is entitled to buy a minimum of 100 MT and in multiples of 10 MT, subject to a maximum cumulative quantity of 1000 MT in a single auction, comprising of the trading period stated above in the contract specification. If such auctions are conducted on multiple days in a month, the empanelled buyer can buy upto 1000 MT in every such auction conducted during the month.
Quantitative restrictions	Before commencement of this contract every month, FCI will decide the floor price and total quantity to be disposed off in a month depotwise. Total quantity to be sold in this contract in a month will not exceed such specified quantity. In any case, if the quantity auctioned exceeds such quantity limit, the sale quantity over and above such limit, if any, will be null and void.
Delivery Related Information	
Delivery unit	The minimum delivery lot per bulk buyer per auction shall be 100 MT on net weight basis and thereafter in increments of 10 MTs. However, a buyer can lift delivery of the wheat purchased by him in multiple installments during the specified period.
Security deposit	25%
Delivery Centers	At FCI designated warehouses at FSD – Mayapuri, Narela & Ghevra, New Delhi.
Delivery Logic	Compulsory
Quality Specification: WHEAT FAIR AVERAGE QUALITY (FAQ) VARIETY confirming to FCI standards will be deliverable on “as is where is basis”.	
Packing	Wheat should be delivered in 50, 60, 100 kg Jute/PP bag or in any other size up to 100 kg. Further the bags should be in sound, market acceptable bags.



Trading, Delivery and Settlement Procedure of Wheat Contract under OMSS (Domestic)

1. For the purpose of this circular, the Words specified herein will have the following meaning:

DEFINITIONS

- i) The term 'Bulk Consumer' shall mean bulk consumers of wheat like Roller Flour Mills, Biscuit Manufacturers etc., who have processing units using wheat as raw material and installed capacity of such processing units will not be less than 30 tonnes of wheat per month.
- ii) The terms 'contract' shall mean and include the trades executed on National Spot Exchange platform.
- iii) The term 'Corporation' and the 'Food Corporation' wherever occurs shall mean the Food Corporation of India established under Section-3 of the Food Corporation Act, 1964.
- iv) The term "General Manager" shall mean the General Manager of Food Corporation of India under whose administrative jurisdiction, the Food Corporation Depots/Godowns to which the contract relates fall. The term "General Manager" shall also include the Deputy General Manager, Area Manager and any other officer authorized for the time being to execute contracts on behalf of the Food Corporation of India.
- v) The terms 'buyer' shall mean and include the person or persons, firm or company with whom the contract has been placed including their heirs, executors, administrators, successors and their permitted assignees, as the case may be.
- vi) The term 'Rate' shall mean the rate of payment accepted by the General Manager for and on behalf of the Food Corporation of India.
- vii) The term 'foodgrains' shall mean and include wheat conforming to PFA Standards only.

2. Empanelment of Bulk Buyers:

- a. The High level committee headed by CMD, FCI will lay down the criteria for empanelment of bulk consumers for sale under OMSS. The same committee will function as oversight body for the sale of wheat through auction/tender to bulk consumers. The grievances of affected parties and general public will be decided by oversight committee. The committee should review the status of empanelment, allotment and off-take in different regions on monthly basis. The empanelment of the parties shall be done for a period till 31st March, 2010 subject to fulfillment and currency/validity of documents, as stipulated in the Ministry's letter dated 23.11.2009. FCI, at its discretion, may extend the period of empanelment of technically qualified bulk consumers for a further period of three (3) months. The empanelled Bulk buyers are required to inform their email ids and any changes therein to the Exchange forthwith. The Exchange will compile such email ids and forward the same to the General Manager (Delhi Region), FCI. Consequent upon empanelment, the Exchange will issue a list of empanelled buyers alongwith unique client code assigned to



them by the Exchange. The member/ broker must strictly use the same client code for submitting orders on behalf of a bulk consumer, as assigned by the Exchange.

- b. Empanelment of buyers will be a continuous process. But, only such buyers will be allowed to participate in auction, who have been empanelled for the purpose of OMSS. For empanelment, buyers are required to submit their documents at least two days prior to the date of auction. The details of empanelled buyers will be uploaded on the FCI/ NSEL Website. NSEL will also inform the empanelled buyers by email. However, the process of further empanelment of new parties for sale of wheat under OMSS (D) will continue after such empanelment also. Such newly empanelled parties can however participate in an auction, which is scheduled subsequent to their empanelment.
 - c. In order to establish the bonafides of buyers, he will be required to submit the following documents to support his qualification as bulk consumer of wheat:-
 - An attested copy of the "Registration Certificate" issued by the Industries Department of the State Government
 - An attested copy of the current VAT/Trade Tax Registration.
 - An attested copy of PAN issued by Income Tax Department
 - Copies of latest audited Balance Sheet and Profit and Loss Account duly certified by the Auditors showing that they are using wheat as raw material.
 - Self-declaration showing installed capacity of the unit and wheat consumer in 2008-09
 - An attested copy of the current electricity bill (paid in the last four months) and receipt of payment giving the details of sanctioned load.
 - An attested copy of any license issued to the buyer in case licensing/declaration requirements for bulk consumers of wheat have been specified by the concerned State Government.
 - An undertaking on a stamp paper of Rs.20 that the wheat so purchased from FCI under OMSS will be utilized in their own processing unit and not for trading etc.
3. Auction of wheat in this contract shall be subject to compliance with all the conditions stipulated by the Government, FCI and the Exchange.
 4. The auction shall be held on designated dates between 10:00 AM to 1:00 PM. The Exchange will prepare a list of short-listed orders, based on depotwise highest bidders in descending order and forward the same to FCI regional office. FCI regional office will confirm such deals on the same day. However, the bids submitted by the buyers in the auction session shall remain valid and binding on them till such confirmation/ rejection is communicated to them.
 5. Food Corporation of India and National Spot Exchange reserve the right to reject any or all auctions and scrap the buyer's bid without assigning any reason, at any stage, without any liability.
 6. The auction is being conducted on "as is where is basis". The delivery will be offered from any warehouse under FSD Mayapuri, Narela and Ghevra depot, as may be decided by FCI.
 7. **SAMPLE OF CONSIGNMENTS:** The stock may be inspected by the intending buyers, if they carry a letter from National Spot Exchange authorizing them to



collect samples. They can take samples from the warehouse on any working day wherefrom the delivery of the stocks shall be made.

- 8.** The intending buyers must make depot-wise offers for a quantity of 100 tonnes or more, out of the entire quantity notified for sale under OMSS (D), on "as is where is" basis. Offers for quantities less than 100 tonnes would be rejected. The maximum quantity which a buyer can bid for in a single auction is 1000 tonnes. Offers must be above the floor price fixed by FCI. Offers below the above said floor price shall be summarily rejected. However, if there are multiple auctions in a month, the same buyer can buy upto 1000 MT in each of such auction.
- 9.** Food Corporation of India and National Spot Exchange reserve the right to accept or reject any bid/all bids without assigning any reason. The contract, if any, which may eventuate from such auction, shall be governed by the conditions as mentioned in this circular, its appendices and annexure and Rules and Bye laws of the Exchange. The acceptance of the bid by the General Manager or an officer authorized by him on his behalf shall constitute the agreement between the buyer and the Food Corporation of India and no separate agreement shall be required to be executed. The successful buyer will be advised about the acceptance of his offer through their member by way of e-mail/ computer terminal.
- 10.** **EARNEST MONEY:** Before submitting a bid, the buyer must pay earnest money deposit @ 10 % of the cost of the stocks intended to be purchased at the reserve price fixed by FCI. No exemption shall be allowed to any party from Deposit of Earnest Money. The Earnest Money would be adjusted towards security deposit on receipt of request form the successful buyer. Earnest Money shall be collected by debiting designated bank account of the buyer or by way of account transfer initiated by him. Any bid submitted by a buyer, who has not deposited earnest money in advance shall be summarily rejected. The Earnest Money paid shall be forfeited, if the buyer does not honor his commitment in respect of depositing the security money or payment for the goods bought by him or in respect of lifting of physical stock as per specified time schedule. The buyer shall furnish an undertaking on a Stamp Paper agreeing to the stipulations for forfeiture of EMD, and Security deposit.
- 11.** If a successful buyer fails to deposit the Security Deposit within the stipulated period of five (5) days then, in addition to forfeiture of his EMD, the said buyer shall be debarred from participation in future tenders / auctions floated by FCI and National Spot Exchange for disposal of food grains and coarse grains for a period of two years.
- 12.** The Earnest Money will be refunded to all the unsuccessful buyers as soon as practicable after final decision on the auction. No interest shall be payable on the amount of Earnest Money/Security, in any case.
- 13.** **SECURITY DEPOSIT:** On acceptance of the bid, the buyer will be required to deposit 25% of the cost of stocks purchased as security money within five (5) days of the date of communication of acceptance. The earnest money will be adjusted towards security deposit on receipt of request from the successful buyers. In case the buyer either resiles /resile from his/her/their offer or violates/violate the terms of the contract, the Security Deposit furnished by the buyer shall be forfeited. All losses incurred by the Corporation in disposing off the stocks at the risk & cost of such a buyer, after adjustment of the Security Deposit, shall be payable by the buyer. If a successful buyer fails to deposit the Security Deposit within the stipulated period of five (5) days, then his EMD shall be forfeited.



- 14. PAYMENT OF THE COST AND TAKING DELIVERY :** The successful buyer will be required to deposit balance 75% cost of the stocks within seven (7) days from the date of acceptance of the order, in installments, if need be, and to remove the stocks within seven (7) days for the date of communication of acceptance of his bid. Delivery will be given Ex-Godown on "as is where is" basis.
- 15. CORRUPT PRACTICES:** Any bribe, commission, advantages offered or promised by or on behalf of the buyer to any officer/employee/servant of the Corporation or the Exchange, then such buyer shall be debarred from auction in addition to initiating criminal action. Canvassing in any form on the part of the buyer or on his behalf will also make his bid liable for rejection.
- 16. INDEMNITY:** The buyer shall defend, indemnify and hold FCI and the Exchange harmless during and after the auction against any and all liabilities, damages, claims, fines, penalties, actions, procedures and expenses of any nature arising out of, resulting from any violation of any laws by the buyer or its publishment or any way connected with the acts, negligence, breach, failure to perform obligations relating to the auction.
- 17.** The Food Corporation of India does not guarantee to make any definite quantity or quality available to the buyer.
- 18.** The Food Corporation of India reserves the right to accept or reject, without assigning any reason, the highest or any buy bids. All bids shall be irrevocable and remain open for acceptance for a period of 2 working days from the date of auction. If the said date is declared to be a closed holiday for FCI Offices, the buy bids shall be deemed to remain open for acceptance on the following day. The GM, FCI will have the discretion to extend this date by another 2 days.
- 19.** The FCI or National Spot Exchange will not be responsible for obtaining permits from the State Government in favour of the buyer nor accept any liability for dispatching the stocks in the absence of any permit.
- 20.** If the buyer fails or neglects to observe or perform any of his obligations under the contract, it shall be lawful to the Corporation to forfeit the Security Deposit furnished by the buyer. Any sum due from the buyer for damage, losses, charges, expenses or costs that may be suffered or incurred by the Corporation in disposing of the stocks at the risk & cost of the buyer exceeding the amount of forfeited Security Deposit shall be deposited by the buyer with the Corporation. The decision of the Corporation in this respect shall be final and binding on the buyer.
- 21.** In the event of failure of the defaulting buyer to deposit the requisite amount in full with the Corporation, the balance or the total sum recoverable, as the case may be, shall be recovered under this or any other contract with Corporation. Should that sum also be not sufficient to cover the full amount recoverable, the buyer shall pay to the Corporation on demand the balance due.
- 22.** Security Deposit will be refunded to the party on due completion of the contract, without interest. However, if so requested by the party, the amount of the Security Deposit can be considered for adjustment against the last installment towards the cost of grains including interest and storage charges, if any. No interest shall be payable on the amount of Security Deposit in any case.



23. PAYMENT/DELIVERY SCHEDULE

- i) Price of the food-grains will be payable on the net weight basis. All taxes and other levies, fees and charges of any nature whatsoever leviable by any authority shall be payable by the buyer in addition to the price offered.
- ii) The balance 75% payment of the cost of stocks will be made within seven (7) days of the date of communication of acceptance, in installments, if need be. In case of part payments, the bulk buyer, through his member need to communicate the amount to be debited on account of such purchase giving detail of amount already debited, to be debited and balance outstanding.
- iii) If the buyer fails to deposit the balance 75% cost of the stocks within the stipulated period then he would be given additional time period of seven (7) days to deposit the balance cost with payment of penal interest of 2% over and above the Bank rate at which FCI is borrowing.
- iv) The floor price is subject to revision every month due to change in carrying cost. If the lifting takes place in the subsequent month(s), then the differential amount in the carrying cost shall be defrayed by the buyer, notwithstanding the lifting period restricted to unlifted quantities within 2 (two) days of FCI notifying to this effect failing which the EMD/SD etc. deposited by the buyer shall be forfeited and the balance stocks will be disposed off by FCI at the risk and cost of the buyer without any further notice.
- v) The buyer will complete the lifting within seven (7) days from the date of communication of acceptance of his bid.
- vi) After seven (7) days, the buyer will be allowed a maximum period of another seven (7) days for lifting the stocks from FCI go-downs on payment of storage charges.
- vii) After expiry of fourteen (14) days, no further extension will be granted and EMD/SD etc. deposited by the buyer will be forfeited and the stocks will be sold at the risk and cost of the firm without any further notice. However, in case any buyer fails to lift the allotted stocks within the stipulated period of lifting because of operational difficulties of FCI or reasons beyond human control (Force Majeure), FCI may consider to refund the balance amount equivalent to the unlifted stocks of wheat at the sole discretion of C & MD, FCI based on the merits of each case. In the Force Majeure events, the buyer shall notify FCI in writing within two days of occurrence of such events.
- viii) The total price calculated on the declared quantity in each lot on the basis of accepted rates shall be paid together with local taxes/sales tax, if any, within the stipulated date in the communication of acceptance. The amount will be paid by the buyer within the stipulated date, only after which necessary delivery order will be issued.
- ix) In the event of failure to deposit the cost/lifting of stocks within the specified time, Food Corporation may dispose off the stocks at the buyer's risk & cost in a manner deemed fit and shall recover all losses suffered by the Corporation from the Security Deposit and other dues available with the Corporation. In case, this amount falls short of the recoverable amount, the buyer shall deposit the balance amount on receipt of notice from the Corporation.



- x) The foodgrains are sold in the same condition on "as is where is basis".
- xi) Stocks be removed by the buyer within the period specified in the delivery order, with all the defects, if any, and notwithstanding any error or misstatements of description, measurement, quantity, weight, enumeration or otherwise and without any objection on the part of the buyer and no claim shall lie against Food Corporation India, for compensation nor shall any allowance be made on account of such faults, mis-statements or errors although the same may be of considerable nature. The Food Corporation of India reserves the right to withdraw from the sale any lot/lots included in the auction prior to the acceptance of any offer for such lot/lots without assigning any reason. If the stocks sold are not removed within the time specified or delivery is not taken at the time and date given in the Release Order, Food Corporation of India may dispose of the stocks at the buyer's risk and cost in the manner deemed fit. If the Food Corporation of India is unable to dispose off the stocks within 3 months from the date of expiry given in the Release Order, the decision of the Food Corporation of India in this regard will be final. The buyer shall also be liable to pay storage charges at the rate of 25 paise per bag or part of a bag per day subject to a minimum of Rupees 1/- per bag or part thereof. These charges will be recovered in respect of the entire quantities of the unlifted stocks at the end of free period before the delivery of such stocks is actually affected or till the date of release (inclusive). Food Corporation of India also reserves the right to extend the period of delivery of release order and the buyer shall not be entitled to any compensation for such extension of the free period of delivery.,
- xii) The buyer will make his own arrangement for transport and will not be entitled to claim any facility or assistance for transport from the Food Corporation of India or the Exchange. Delivery of the stocks will be made duly loaded in the trucks of the buyer at the cost of FCI.
- xiii) Should the original buyer wish to take delivery of the stocks of food grains purchased, through a representative, he must authorize the latter by a letter of authority which shall be presented to the officer, in whose charge the store is held. Such officer may in his entire discretion decline to act on any such authority and it shall be the responsibility of the buyer to satisfy such officer that the authority is genuine. Delivery by proxy shall be at purchaser's sole responsibility and risk and no claim shall lie against the Food Corporation of India or the Exchange on any account whatsoever if delivery is effected to a wrong person.
- xiv) FCI shall deliver stocks on 100% weighment basis. The Weight Check Memo shall be prepared in triplicate and signed by the buyer or his representative in token of acceptance of quantity and quality.
- xv) The stocks sold to a buyer shall be from the date of acceptance of the bid at his risk and Food Corporation of India or the Exchange shall not be responsible for the safe custody or preservation thereof.
- xvi) Delivery shall be given only during working hours on all FCI working days on presentation by the buyer to the Depot in-charge, the copy of the release/delivery order issued by the designated officer.



- 24. GOVERNING LAW & DISPUTES RESOLUTION:** In case of any disputes between the parties to the contract, the same will be settled in the Court of Law of competent jurisdiction. The contract shall be governed and interpreted in accordance with the Laws of India in force. The Courts at Delhi shall have exclusive jurisdiction to adjudicate the disputes arising under the contract.
- 25.** The buyer shall be required to furnish an undertaking specifying the following clauses:
- a. I/We hereby offer to purchase from the Food Corporation of India and to take delivery of foodgrains as per terms and conditions laid down in this regard, as per the buy quantity and price submitted by me on NSEL Traders Work station subject to the condition governing such purchases as stipulated in the circular notified by the Exchange, which I/We have read and understood and agree to abide by them.
 - b. The VAT/Sales Tax and other taxes leviable on this sale shall be paid by me/us in addition to the price offered as applicable under the State VAT/Sales Tax Act.
 - c. I/We agree to hold the offer open upto one week and shall be bound by the communication of acceptance dispatched within the time. I/We further undertake that this offer shall not be retracted or withdrawn by me/us.
 - d. Acceptance of this bid shall constitute a valid and legal contract between me/us and the Food Corporation of India. No execution of a separate deed would be necessary.
- 26.** The Exchange will launch depot wise separate contracts in those States/Regions where a decision to release wheat under OMSS to bulk consumers is taken by the Government. The quantity to be sold through auction in each State/Region would be communicated by the Government to FCI and FCI will communicate to the Exchange the States in which it wants to conduct e Auction. FCI will determine quantities to be auctioned from each Depot within the overall limit decided by the Government for each State/UT keeping in view the need for keeping adequate operational stock and will follow First in First out principle for such determination within the Depot.
- 27.** In case of major wheat procuring States, FCI may invite buying bids from any depots keeping in view the demand and after ensuring that no additional transportation expenditure is involved. In case of other States, FCI may invite buying bids in only those depots having their own rail siding or depots within 50 km. of a Railway goods shed from where FCI handles foodgrains. The quantity to be auctioned from the depots would be decided by FCI within the overall quantity decided by the Government for release in the State/Region. In case of States, which are not connected by rail but where intervention is required, bids would be invited by FCI in non-rail fed depots also with the approval of HLC.
- 28.** The date of auction will be mutually decided by FCI and the Exchange. Frequency of auction will gradually be increased so as to conduct multiple auctions in a month. There could be different dates of auction for different depot.
- 29.** FCI will be at liberty to verify any/all documents relating to technical eligibility of bulk consumers at any stage.
- 30.** The Regional office of FCI will scrutinize the list of bids forwarded by the Exchange and will finalize the same as per guidelines circulated by FCI Headquarters from time to time.



- 31.** A list of empanelled bidders along with the quantity of wheat allotted to successful bidders along with the prices for them would be hosted on its website by FCI, which should be updated on regular basis.
- 32.** All other conditions/procedures to be followed by FCI in their tender/ auction process will be decided by HLC.
- 33.** During the trading session, FCI will submit the pre determined floor price and the specified quantity allocated for that month. The buyers can submit their buy quantity and price bids. The buyer can submit buy quantity and buy price any time during the auction session. The offered prices and quantity can be revised any number of times during the session, provided that during last 10 minutes of the session, he will not be allowed to reduce the price or quantity whereas during such last 10 minutes he can increase the buy price and quantity. The top 5 buy prices along with quantity will be visible to the entire market. Order Cancellation will not be allowed in the last 10 minutes of the session.
- 34.** In this contract, only FCI is entitled to put sale order. If any other client submits a sale order, it will be null and void. Over and above, a penalty of Rs. 1 lac will be imposed on such client.
- 35.** This contract is designed exclusively for the purpose of OMSS. In this contract, resale is not allowed. The actual user, who buys wheat in this contract, must use it for processing. In case it is found that he has indulged into any resale, a severe penalty, as may be decided by the Exchange, will be imposed on him. The user will also be required to submit due undertaking or certificate to the effect that he has processed/ consumed the wheat bought by him under this contract.
- 36.** At 1:00 PM, the system will automatically shortlist the buy orders starting from the highest buy price and then going forward in the descending order till the entire quantity specified by FCI in a specific contract is exhausted. However, no order will be short listed below the floor price specified by FCI. The system will follow price time priority in case of orders of same price on the buy side. However, all such trades will be subject to other conditions relating to sale of wheat by FCI under OMSS.
- 37. Transaction Charges:** Rs. 500 per order submitted by the Bulk Consumer in this auction.



FOOD CORPORATION OF INDIA

Application for empanelment as a Bulk Consumer

Date :

From:

To
The General Manager/ Area Manager,
Food Corporation of India,

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.....

Dear Sir,

I/ We hereby express my interest for empanelment as Bulk buyer for purchase of Wheat under FCI OMSS(D) through National Spot Exchange:

1. A. My/ Our particulars are as follows :

- (i) Name (With Name of father in case of an individual)

- (ii) Business Name _____
- (iii) Constitution of the Firm, i.e. Registered under the Indian Partnership Act.

- (iv) Name and seal under which it is registered _____
- (v) Name & Address of all Partners and the extent of their shares

B. In case of Cooperative Society:

- (i) No. & Date of Registration Certificate _____
- (ii) Attach a copy of Resolution of the Society authorizing this transaction

—
- (iii) Postal Address _____
- (iv) Telegraphic Address and E- Mail I. D. _____
- (v) Business Telephone (if any)

C. In case of Company:

- (i) No. & Date of registration certificate _____
- (ii) Attach a copy of the decision of the Company authorizing this transaction



- _____
-
- (iii) Registered office: _____
- (iv) Telegraphic Address and E- Mail I. D. _____
- (v) Telephone: _____
2. I/ We hereby offer to purchase from the Food Corporation of India and to take delivery of foodgrains as per terms and conditions laid down by FCI and National Spot Exchange and subject to the condition governing such purchases as stipulated by the Food Corporation of India in this regard.
3. The VAT/ Sales Tax and other taxes leviable on this sale shall be paid by me/ us in addition to the price offered as applicable under the State VAT/ Sales Tax Act.
4. I/ We hereby declare that we will abide by the terms and conditions governing the sale of foodgrains under this scheme. I/ We also declare that the foodgrains offered for purchase and to be lifted by us do conform to PFA Standards.
5. I/ We confirm that person(s) who has/ have signed below has/ have the authority to sign this form on behalf of M/s _____.

Yours faithfully,

(Signature's of Applicant indicating capacity
in which the Signatory is / are Signing.)

Place:

Date:

NB: Enclosure Required for Empanelment

- (i) An attested copy of the "Registration Certificate" issued by the Industries Department of the State Government.
- (ii) An attested copy of the current VAT/ Trade Tax Registration
- (iii) An attested copy of PAN issued by the Income Tax Department
- (iv) Copies of latest audited Balance Sheet and Profit & Loss Account duly certified by the Auditors showing that they are using wheat as raw material.
- (v) Self declaration showing installed capacity of the unit and wheat consumed in the year 2008-09.
- (vi) An attested copy of the current electricity bill (paid in last four months) and receipt of payment giving details of sanctioned load.
- (vii) An attested copy of any license issued to the buyer in case licensing/ declaration requirements for bulk consumers of wheat have been specified by the concerned state Government.
- (viii) An undertaking on a stamp paper of Rs.20/- that the wheat so purchased from FCI under OMSS(D) will be utilized in their own processing unit and not for trading etc.