

Dated the 11<sup>th</sup> January, 2011

To,

i) Shri J. Sampath, Chief Compliance Officer, National Commodity & Derivatives Exchange Ltd, Akruiti Corporate Park, LBS Road, Kanjur Marg (W), **Mumbai – 400 078.**

ii) Shri P. Ramanathan, Chief Compliance Officer, Multi Commodity Exchange of India Ltd., Exchange Square, CTS No. 255, Suren Road, Andheri (East), **Mumbai – 400093.**

iii) Shri Anil Mishra, Managing Director and CEO, National Multi Commodity Exchange of India Ltd., 5, 4<sup>th</sup> Floor, H. K. House, B/h, Jivabhai Chambers, Ashram Road, **Ahmedabad – 380 009.**

(iv) Managing Director, ACE Derivatives and Commodity Exchange Limited, 401 B, 4<sup>th</sup> Floor, Building No.4, Infiniti IT Park, Gen. AK Vaidya Marg, Dindoshi, Malad (E), **Mumbai – 400 097.**

**Sub : Open position limits in Guarseed and Guargum contracts**

Sir,

The Commission after examining the excess volatility observed since November 2011 in the prices of Guarseed and Guar gum contracts and also keeping in view the production data of Guarseed in 2011 has decided to revise the open position limits in the said contracts. Therefore, in partial modification of this office order No.6/1/2009-M&S (Vol-II) dated the 25<sup>th</sup> February, 2011, the open interest limits for aggregate and near month futures contract of Guarseed and Guargum are indicated in the table below:

Commodity	Open Interest Limit (MT)			
	Aggregate limits for all contracts traded on all Exchanges		Near month limits for contracts traded on all Exchanges	
	Member*	Client	Member*	Client
Guarseed	12000	2400	4000	800
Guargum	3000	1000	600	200

NB: \* A member's open interest limit at aggregate level (all contracts & all Exchanges) will be either the absolute number indicated above or 15% of the market wide open interest in the commodity, whichever is higher. In case of delivery (near) month, a member's open interest limits (in all Exchanges) will be either the absolute number indicated above or 15% of the near month market wide open interest in the commodity, whichever is higher.

2. The revised limits on open positions **prescribed above for aggregate as well as near month will be across all contracts and all exchanges and would be applicable from 21<sup>st</sup> January 2012.**

3. These directives should be disseminated on the terminals of the Exchanges on receipt of this letter. A suitable circular may also be issued to the members of the Exchanges and compliance in this regard may be intimated to the Commission.

Yours faithfully,

SD/-  
**(Usha Suresh)**  
**Director**