

**Contract Specifications of Kapas (Symbol: KAPAS) Futures Contracts**  
(Applicable for contracts expiring in the month of April 2021 & thereafter)

Type of Contract	Futures Contract
Name of Commodity	Kapas
Ticker symbol	KAPAS
Trading System	NCDEX Trading System
Basis	Rajkot (Exclusive of GST)
Unit of trading	1 lot (200 maunds of 20 kg each i.e. 4 MT)
Delivery unit	1 lot (200 maunds of 20 kg each i.e. 4 MT)
Quotation/base value	Rs. Per 20 kg
Tick size	50 paisa
Quality specification	<p>Raw Cotton</p> <p><b>1. Staple Length</b></p> <p>Basis: 29 mm</p> <p>Tenderable Range: 29 mm and above and not deliverable below 29 mm</p> <p><b>2. Outturn</b></p> <p>Minimum 34% with no premium above 34% and not Tenderable below 34%</p> <p><b>3. Trash content:</b></p> <p>Maximum 3%</p> <p>Tenderable Range: Maximum up to 3% with no premium below 3%</p> <p><b>4. Micronaire:</b></p> <p>Basis: 3.8-4.0 Micronaire</p>

	<p>Tenderable range of 3.8–4.0 Micronaire with no premium/discount.</p> <p><b>5. Strength:</b></p> <p>Basis: Minimum 29 GTex</p> <p>Tenderable above 29 GTex with no premium or discount.</p> <p>Strength less than 29 GTex is not deliverable on Exchange platform.</p> <p><b>6. Reflectance (Rd value)</b></p> <p>Deliverable Range: 75-81</p> <p><b>7. Yellowness (+b value)</b></p> <p>Deliverable Range: 7.5-9.5</p> <p><b>8. Moisture:</b> Max. 8% with no premium below 8%.</p>
Quantity variation	+/- 1% for total weight of each deliverable lot
Trading Months	November, February and April
Delivery center	Rajkot (Gujarat)
Trading hours	<p>As notified by the Exchange from time to time, currently:-  <b>Mondays through Fridays:</b> 09:00 a.m. – 09:00 p.m.</p> <p>On the expiry date, contracts expiring on that day will not be available for trading after 5 PM.</p> <p>The Exchange may vary the above timing with due notice</p>
Delivery specification	Upon expiry of the contracts, the delivery position would be arrived at by the Exchange based on the information to give/ take delivery furnished by the sellers and buyers as per the process put in place by the Exchange for affecting physical delivery.
No. of active contracts	As per Launch calendar
Opening of contracts	As per Launch calendar
Closing of contract	All open positions will be settled as per general rules and product

	specific regulations
Daily Price Limit (DPL)	<p>Daily price limit is (+/-) <b>4%</b>. Once the <b>4%</b> limit is reached, then after a period of 15 minutes this limit shall be increased further by <b>2%</b>. The trading shall be permitted during the 15 minutes period within the <b>4%</b> limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of <b>6%</b>.</p> <p>The DPL on the launch (first) day of new contract shall be as per the circular no. <b>NCDEX/TRADING-010/2021 dated March 22, 2021</b>.</p>
Position Limits	<p><b>Limits on Open position for aggregate as well as near month will be as under</b></p> <p><b>Member-wise:</b> 18,00,000 MT or 15% of market wide open interest in the commodity, whichever is higher</p> <p><b>Client-wise:</b> 1,80,000 MT</p> <p>Bona fide hedger/EFE clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/CLEARING-019/2016/246 dated September 28, 2016 and Circular No: NCDEX/TRADING-072/2018 dated November 28, 2018.</p> <p><b>For near month contracts</b></p> <p>(The following limits would be applicable from One Month prior to expiry date of a contract)</p> <p><b>Member-wise:</b> 4,50,000 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher</p> <p><b>Client-wise:</b> 45,000 MT</p>
Special margin	<p>In case of unidirectional price movement/ increased volatility, an additional/ special margin at such other percentage, as deemed fit by the Regulator/Exchange, may be imposed on the buy and the sell side or on either of the buy or sell sides in respect of all outstanding positions. Reduction/removal of such additional/ special margins shall be at the discretion of the Regulator/Exchange.</p>
Delivery logic	Intention matching

Final Settlement Price	FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz., E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E- 1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under:					
	Scenario	Polled spot price availability on				FSP shall be simple average of last polled spot prices on:
		E0	E-1	E-2	E-3	
	1	Yes	Yes	Yes	Yes/No	E0, E-1, E-2
	2	Yes	Yes	No	Yes	E0, E-1, E-3
	3	Yes	No	Yes	Yes	E0, E-2, E-3
	4	Yes	No	No	Yes	E0, E-3
	5	Yes	Yes	No	No	E0, E-1
	6	Yes	No	Yes	No	E0, E-2
	7	Yes	No	No	No	E0
Maximum Order Size	50 Lots i.e. 200 MT					
Minimum Initial Margin	8%					

#### Contract Launch Calendar

Contract Launch month	Contract Expiry month
April 2020	April 2021
November 2020	November 2021
February 2021	February 2022
April 2021	April 2022

November 2021	November 2022
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**Disclaimer**

Members and market participants who enter into buy and sell transactions may please note that they need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the Exchange's Bye Laws, Rules, Regulations, Product Notes, circulars, directives, notifications of the Exchange as well as of the Regulators, Governments and other authorities.

It is clarified that it is the sole obligation and responsibility of the Members and market participants to ensure that apart from the approved quality standards stipulated by the Exchange, the commodity deposited / traded / delivered through the Approved warehouses of the Clearing Corporation either on their own or on behalf of them by any third party acting on behalf of the Market Participants/Constituents is in due compliance with the applicable regulations laid down by authorities like Food Safety and Standards Authority of India, AGMARK, Warehousing Development and Regulatory Authority (WDRA), Orders under Packaging and Labelling etc. and other State/Central laws and authorities issuing such regulations in this behalf from time to time, including but not limited to compliance of provisions and rates relating to, Goods and Services Tax (GST), APMC Tax, Mandi Tax, LBT, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and the Exchange / Clearing Corporation shall not be responsible or liable on account of any non-compliance thereof.