Contract specifications of 29 MM Cotton Futures contract

(Applicable for contracts expiring in the month of November 2026 and thereafter)

Type of Contract	Futures Contract
Name of Commodity	29 mm Cotton
Ticker symbol	COTTON
Trading System	NCDEX Trading System
Basis	Ex-warehouse Rajkot, exclusive of all taxes
Unit of trading	25 bales (170 kg each)
Delivery unit	25 bales (170 kg each)
Maximum Order Size	50 Trading Lots i.e. 1250 Bales
Quotation/base value	Rs. Per Bale
Tick size	Rs. 10
Quality Specifications and applicable Premium/ Discount for Tenderable Range	1. Basis:29 MM, Tenderable Range: Below 28.0 mm = Rejected, 28.0 to 28.4 = Disc. Of 2%, 28.5 to 29.0 mm= Disc. of 1%, 29.0 to 29.5 = No Premium/ Discount, 29.6 to 30.0%= Prem. Of 0.5%, Above 30.0 mm= No additional Prem. 2. MIC Basis: 3.70 to 4.60 3.70 to 4.60 No Premium/discount Below 3.7 and up to 3.5 Discount of 0.50% Above 4.6 and up to 4.9 Discount of 0.75% Below 3.50 and Above 4.9 Reject 3. Strength: With HVI mode of assaying Basis: Min. 28 G/Tex with no premium above 28 G/Tex 4. Color Grade: Basis Grade RD (Reflectance) value and +b (Yellowness): Basis 75 RD value (-2RD value) with discount Below 75- upto 74 RD – Discount 1% PRO RATA Below 74 upto 73- Additional Discount of 1.5% Below 73 RD value reject. +b upto 10.2 accept, +b above 10.2 reject.

	5. Trash: Basis 3% Above 3.0% and up to 4.0% Discount of 1:1 Above 4.0% Reject Below 3.0% up to 2% Premium of 1:1 Below 2% No additional premium. 6. Moisture: Basis 9% Acceptable up to 10% maximum with moisture adjusted weight 7. Short Fiber Index (SFI) = Maximum 8.5
Quantity variation	+/- 9% for total weight of each deliverable lot
Additional Delivery Norms	Ginning pattern: Roller ginned cotton will be accepted. Saw ginned cotton will be accepted with 1% discount
Delivery Center	Rajkot, within a radius of 100 Kms from the municipal limits
Additional Delivery Centers	Kadi (Gujarat) and Akola (Maharashtra) (within a radius of 100 Kms from the municipal limits at a premium/ discount as announced by the Exchange from time to time)
Delivery Logic	Compulsory Delivery
Delivery specification	Upon expiry of the contracts all the outstanding open positions shall result in compulsory delivery. During the Tender period, if any delivery is tendered by the seller, the corresponding buyer having open position and matched as per process put in place by the Exchange, shall be bound to settle by taking delivery on T+2 day from the delivery center where the seller has delivered same. The penalty structure for failure to meet delivery obligations will be as per master circular no. NCCL/CLEARING-023/2026 dated April 13, 2026.
Trading hours	As notified by the Exchange from time to time, currently: **Mondays through Fridays: 10.00 A.M. to 5.00 P.M.** The Exchange may vary above timing with due notice.
Due date/ Expiry Date	20th day of the delivery month. If 20th happens to be a holiday, a Saturday or a Sunday, then the due date shall be the immediately preceding trading day of the Exchange, which is other than a Saturday. The settlement of the contract would be by a staggered system of Pay-in and Pay-out including the Last Pay-in and Pay-out which would be the Final Settlement of the contract.

Tender Period	Tender Date –T Tender Period: The tender period would be the last 3 trading days (including expiry day) of the contracts. Pay-in and Pay-out: On a T+2 basis. If the tender date is T, then pay-in and pay-out would happen on T+2 day. If such a T+2 day happens to be a Saturday, a Sunday or a holiday at the Exchange, Clearing Corporation, clearing banks or any of the service providers, pay-in and pay-out would be effected on the next working day
Opening of Contracts	Trading in new contract will open on the 1st day of the month inwhich near month contract is due to expire. If the 1st day happens to be a non-trading day, contracts would open on the next trading day
No. of active contracts	As per the launch calendar
Closing of contract	Clearing and settlement of contracts will commence with the commencement of Tender Period by compulsory delivery of each open position tendered by the seller on T + 2 to the corresponding buyer matched by the process put in place by the Exchange. Upon the expiry of the contract all the outstanding open position shall result in compulsory delivery.
Daily Price Limit (DPL)	Daily price limit is (+/-) 4%. Once the 4% limit is reached, then after a period of 15 minutes this limit shall be increased further by 2%. The trading shall be permitted during the 15 minutes period within the 4% limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 6%. The DPL on the launch (first) day of new contract shall be as per the circular no. NCDEX/TRADING-010/2021 dated March 22, 2021.
Position Limits	**Limits on Open position for aggregate as well as near month will be as under** **Member-wise:** 60,00,000 Bales or 15% of market wide open interest in the commodity, whichever is higher. **Client-wise:** 600,000 Bales Bona fide hedger clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/TRADING-026/2021 dated August 30, 2021. **For near month contracts:** The following limits would be applicable from 1st of every month in which the contract is due to expire. If 1st happens to be a non-trading day, the near month limits would start from the next trading day. **Member-wise**: 15,00,000 Bales or one-fourth of the member's

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<tr><td></td><td>overallposition limit in that commodity, whichever is higher.
Client-wise: 1,50,000 Bales.</td></tr>
<tr><td>Final Settlement Price</td><td>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:
<table>
<tr><td>Scenario</td><td colspan="4">Polled spot price availability on</td><td rowspan="2">FSP shall be simple average of last polled spot prices on:</td></tr>
<tr><td></td><td>E0</td><td>E-1</td><td>E-2</td><td>E-3</td></tr>
<tr><td>1</td><td>Yes</td><td>Yes</td><td>Yes</td><td>Yes/No</td><td>E0, E-1, E-2</td></tr>
<tr><td>2</td><td>Yes</td><td>Yes</td><td>No</td><td>Yes</td><td>E0, E-1, E-3</td></tr>
<tr><td>3</td><td>Yes</td><td>No</td><td>Yes</td><td>Yes</td><td>E0, E-2, E-3</td></tr>
<tr><td>4</td><td>Yes</td><td>No</td><td>No</td><td>Yes</td><td>E0, E-3</td></tr>
<tr><td>5</td><td>Yes</td><td>Yes</td><td>No</td><td>No</td><td>E0, E-1</td></tr>
<tr><td>6</td><td>Yes</td><td>No</td><td>Yes</td><td>No</td><td>E0, E-2</td></tr>
<tr><td>7</td><td>Yes</td><td>No</td><td>No</td><td>No</td><td>E0</td></tr>
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</td></tr>
<tr><td>Special margins</td><td>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.</td></tr>
<tr><td>Minimum Initial Margin</td><td>8%</td></tr>
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Tolerance limit for outbound deliveries for 29 mm Cotton Futures contracts:

Commodity Specifications	Basis	Acceptable quality range as per contract specification	Permissible Tolerance
Staple Length	29 mm	Accepted upto minimum staple length of 28.0 mm with discount and upto maximum staple length of 31 without additional premium as mentioned in the contract specifications	+/- 0.50
Micronaire	3.7 – 4.6	Accepted upto minimum 3.5 and maximum 4.9 with discount as mentioned in the contract specifications	+/- 0.10
Trash	3%	Accepted upto +/- 1%, with Premium/Discount as mentioned in contract specifications	+/- 0.50%

Note: Tolerance limit is applicable only for outbound deliveries. Variation in quality parameters within the prescribed tolerance limit as above will be treated as good delivery when members/clients lift the materials from warehouse. These permissible variations shall be based on the parameters found as per the immediate preceding test certificate given by NCCL empanelled assayer.

Contract Launch Calendar

Contract Launch month	Contract Expiry month
November-2025	May-2026 November-2026
February-2026	February-2027
March-2026	-
April-2026	October-2026 April-2027
May-2026	-
June-2026	December-2026
July-2026	January-2027
August-2026	-
September-2026	March-2027
October-2026	-
November-2026	May-2027 November-2027
December-2026	June-2027
January-2027	July-2027

February-2027	February-2028
March-2027	-
April-2027	October-2027 April-2028
May-2027	-
June-2027	December-2027

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/ Clearing Corporation's Rules, Bye Laws, Regulations, Product Notes, circulars, directives, notifications of the Exchange/Clearing Corporation 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 warehouse 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, BIS, 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 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.