NCDEX Turmeric Futures

**Commodity at a Glance**
- **Benchmark Futures contract for Turmeric**
- **Hedging and price risk management tool for value chain**
- **Efficient and Transparent price discovery**
- **Robust delivery mechanisms**
- **Connects the entire value chain**

**NCDEX**
National Commodity & Derivatives Exchange Limited
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**CONTRACT SPECIFICATIONS**

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Ticker Symbol</th>
<th>Basis*</th>
<th>Additional delivery center*</th>
<th>Delivery Logic</th>
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<tbody>
<tr>
<td>Turmeric</td>
<td>TMCFGRNZM</td>
<td>Nizamabad</td>
<td>Sangli, Erode, Basmat</td>
<td>Compulsory Delivery</td>
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**Quality Specifications**
- **Unpolished turmeric fingers Nizamabad quality ex warehouse Nizamabad**
- **Moisture** 12% (Max)
- **Inferior quality Turmeric** 2.25% (Max)
- **Damaged due to moisture (Lokhandi) Immature Seeds** 1.2% (Max)
- **Foreign Matter** 0.75% (Max)/gram
- **Unboiled or less boiled turmeric Weevil Seeds** 0.3% (Max)
- **Length of finger (Less than 3 cms in length)** 15% (Max)
- **Live Infestation and fungus** Not allowed
- **Turmeric should not be artificially colored with dyes or chemicals**
  - **Chora/atthu finger, khota gatha, markha**

**Trading and Delivery Unit**
- **Position Limits**
  - **Near Month** Member 48,000, Client 4,800
  - **Aggregate** Member 12,000, Client 1,200

**Quotation**
- **Rs. per quintal**
  - Exclusive 5 MT Rs.2

**Expiration date**
- 20th of the delivery month

**DEPOSIT AND DELIVERIES**

- **Source - NCDEX**
The tuberous rhizomes or underground stems of turmeric have been used from antiquity as condiments, a dye and as an aromatic stimulant in several medicines. Curcumin, a phytochemical is the active ingredient in turmeric and has wide range of therapeutic effects.

USES OF TURMERIC
- Weather condition in Turmeric producing areas especially at sowing, flowering and harvesting stage
- Demand for Turmeric seed from Spice manufacturers in India and Exporting Countries
- Government policies on Import and Export
- Carryover stocks

FACTORS INFLUENCING THE PRICE

SEASONALITY
- Fresh turmeric arrival in India starts from mid-January and continues till June. Stored produce is available throughout the year. Sowing of turmeric starts from mid-June to October.
- Turmeric crop takes 180 – 200 days to mature and needs another 10-15 days of on farm post-harvest activities to make the turmeric acceptable for consumption.

Processor/ Hedger locks in the Turmeric price at Rs. 6200/ quintal for a Long position.

If the price of Turmeric decreases in the physical market, the gain in the physical market is offset by the loss in the Futures market.

If the price of Turmeric increases in the physical market, the loss in the physical market is offset by gain in the Futures market.

Farmer/ Hedger locks in the Turmeric price at Rs. 6500/ quintal for a short position.

If the price of Turmeric decreases in the physical market, the loss in the physical market is offset by the gain in the Futures market.

If the price of Turmeric increases in the physical market, the gain in the physical market is offset by loss in the Futures market.

Turmeric is very important spice in India, which produces nearly entire whole world’s crop and consumes 80% of it.

Indian turmeric is considered to be the best in the world market because of its high curcumin content.

India accounts for about 80 % of world turmeric production and 60 % of world exports. Telangana and Andhra Pradesh together occupy 50% of the total area followed by Maharashtra, Karnataka and Tamilnadu.

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