NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all Members of the Exchange

Circular No. : NCDEX/TRADING-028/2026
Date : July 07, 2026
Subject : Launch of Futures contracts – Pepper (Symbol: PEPPER)

The Exchange is pleased to inform the members of the Exchange that as per its Bye-laws, Rules and Regulations, and with the approval received from Securities and Exchange Board of India, Future contracts in Pepper (Symbol: PEPPER) expiring in the months of August 2026, September 2026, October 2026 and November 2026 would be made available for trading with effect from **Wednesday, July 15, 2026.**

Members and participants are requested to note that Pepper (Symbol: PEPPER) Futures contract will be available for trading as per the contract specifications given in Annexure I.

The Futures contracts to be launched shall be additionally governed by the Product Note as is notified on the Exchange website under the tab- “Products”. Members and Participants are requested to kindly go through the same and be acquainted with the launched product, its trading and related process put in place by the Exchange.

With reference to circular nos. NCCL/RISK -022/2026 dated April 29, 2026 regarding Master Circular - Risk Management and NCCL/RISK-026/2026 dated May 12, 2026 regarding Concentration Margin – Revision in Threshold Levels, members and participants are requested to note that as per the directives of the SEBI and Byelaws, Rules and Regulations of the Exchange, Concentration Margin shall be levied on Pepper (Symbol: PEPPER). The Open Interest (OI) Threshold Level for Pepper (Symbol: PEPPER) to attract Concentration Margin shall be as mentioned in the table below:

Commodity	Symbol	Measure	Open Interest Threshold Level
Pepper Futures	PEPPER	MT	3,500 MT

The applicable OI slabs and corresponding margin percentages at clearing member level and at the client level shall be same as specified in the circular nos NCCL/RISK -022/2026 dated April 29, 2026 regarding Master Circular - Risk Management and NCCL/RISK-026/2026 dated May 12, 2026 regarding Concentration Margin – Revision in Threshold Levels. The concentration margin and threshold limit shall be effective from beginning of trading day. The transaction charges shall be at a flat rate of Rs. 5.80 per lakh of trade.

The contracts and the transactions therein will be subject to Bye Laws, Rules, and Regulations of the Exchange and circulars issued by the Exchange as well as directives, if any, issued from time to time by the Regulator. 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 their behalf by any third party is in due compliance with the applicable regulations laid down by authorities like Orders under Packaging and Labelling etc., as also 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 shall not be responsible or liable on account of any non-compliance thereof.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Arun Yadav
Executive Vice President – Products Group

Encl: Annexures

For further information / clarifications, please contact

1. Mr. Ashwani Kumar on Mobile Phone (+91) 8097459073
2. Customer Service Group on toll free number: 1800 26 62339
3. Customer Service Group by e-mail to: askus@ncdex.com

Annexure I: Contract Specifications of Pepper (Symbol: PEPPER) Futures Contract
(Applicable for contracts expiring in August 2026 & thereafter)

Type of Contract	Futures Contract
Name of commodity	Pepper – Not for Direct Human Consumption
Ticker symbol	PEPPER
Trading system	NCDEX Trading System
Hours of Trading	As notified by the Exchange from time to time, currently: Mondays through Fridays: 10:00 AM to 05:00 PM The Exchange may vary the above timing with due notice.
Basis	Ex-warehouse Kochi exclusive of GST
Unit of trading	1000 kgs (=1 MT)
Delivery Unit	1000 kgs (=1 MT)
Maximum order size	50 MT
Quotation/Base Value	Rs per KG
Tick size	10 Paise
Quality specification	Light Berries: 3% Max Other matter (including pinheads & Broken berries): 0.5% Max Moisture: 11% Max from November to April 11.5% Max from May to October Bulk Density: 550 gm/liter (Minimum) Mouldy Berries – 0.25% Non-volatile ether extract on dry basis: Not less than 6.0 percent by weight Volatile oil content on dry basis: Not less than 2.0 percent by v/w Piperine content on dry basis: Not less than 4.0 percent by weight The Product shall be free from living and dead insects, insect fragments and rodent contamination. It shall be free from added colour, mineral oil and any other harmful substance.
Quantity variation	+/- 2%
No. of Active Contracts	As per the launch calendar
Delivery Centre	Kochi (within a radius of 60 km from the municipal limits)

Additional Delivery Centre	None
Delivery Logic	Compulsory delivery
Opening of contracts	Trading in any contract month will open on the 1st of the month. If the 1st day happens to be a non-trading day, contracts would open on the next trading day.
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.
Closing of contracts	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.
Due date/Expiry date	Expiry date of the contract: 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 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.
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 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 centre where the seller has delivered same. The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-019/2025 dated April 09, 2025.
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	Member-wise: 6200 MT or 15% of market wide open interest in the commodity, whichever is higher. Client-wise: 620 MT

<table>
<tr><td></td><td>Bona fide hedger 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 the 1st of every month in which the contract is due to expire. If 1st happens to be a non-trading day at the Exchange, the near month limits would start from the next trading day.

Member-wise: 1550 MT or one-fourth of the member’s overall position limit in that commodity, whichever is higher.
Client-wise: 155 MT</td></tr>
<tr><td>Quality Premium/Discount</td><td>NA</td></tr>
<tr><td>Special Margin</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/Clearing Corporation, 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/Clearing Corporation.</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 rowspan="2">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>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>
</table></td></tr>
<tr><td>Minimum Initial Margin</td><td>10%</td></tr>
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NCDEX

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Tolerance Limits for Outbound Deliveries of Pepper

Specification	Basis	Acceptable quality range	Permissible Tolerance
Light Berries	3% Max	-	+/- 0.25%
Other matter (including pinheads & Broken berries)	0.5% Max	-	-
Moisture	11% Max with a tolerance of 0.5% from May to October	-	+/- 0.5% (for delivery out during May to January - 12%, February to April - 11.5%)
Non-volatile ether extract on dry basis	Not less than 6.0 percent by weight	-	-
Volatile oil content on dry basis	Not less than 2.0 percent by v/w	-	-
Piperine content on dry basis	Not less than 4.0 percent by weight	-	-
Mouldy Berries	0.25%	-	0.25%
Bulk Density	550 Gram/Litre (Minimum)	-	-
Max Loss for all the characteristics			+/-1.00%
The Product shall be free from living and dead insects, insect fragments and rodent contamination. It shall be free from added colour, mineral oil and any other harmful substance.			

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 empaneled assayer.

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Contract Launch Calendar

Contract Launch Month	Contract Expiry Month
July 15, 2026	August 2026
	September 2026
	October 2026
	November 2026
August 2026	December 2026
September 2026	January 2027
October 2026	No Launch
November 2026	March 2027
December 2026	April 2027
January 2027	May 2027
February 2027	June 2027
March 2027	July 2027
April 2027	August 2027
May 2027	September 2027