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CHAPTER 1 - TRADING CONDITIONS

Authority

Trading in **Pepper** Futures contracts may be conducted under such terms and conditions as specified in the Rules, Bye Laws and Regulations of the Exchange and as per the circulars and notifications issued by the Exchange thereunder or the Securities and Exchange Board of India (SEBI) from time to time. A specimen of Pepper Futures Contracts specification is given in **Exhibit 1**.

Unit of Trading

The unit of trading for Pepper shall be 1 Metric Tonnes (MT). Bids and offers may be accepted in lots of 1 MT or multiples thereof.

Months Traded In

Trading in Pepper futures may be conducted in the months as specified by the Exchange from time to time.

Tick Size

The tick size of the price of Pepper shall be 10 Paise.

Basis Price

The basis price of Pepper shall be ex-warehouse Kochi, exclusive of GST.

Unit for Price Quotation

The unit of price quotation for Pepper shall be in Rs. per KG, basis Kochi, inclusive of all taxes / levies but excluding GST. Quotes shall not be made on any other price basis.

Hours of Trading

As notified by the Exchange from time to time, currently –

Mondays through Fridays - 10:00 AM to 5:00 PM

The Exchange may vary the above timing with due notice.

Or as determined by the Exchange from time to time with due notice. All timings are as per Indian Standard Timings (IST)

Last Day of Trading

Last day of trading shall be 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.

Mark to Market

The outstanding positions in futures contract in Pepper would be marked to market daily based on the Daily Settlement Price (DSP) as determined by the Clearing Corporation.

Position limits

Member-wise: 6,200 MT or 15% of market wide open interest in the commodity, whichever is higher.

Client-wise: 620 MT

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 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: 1550 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher.

Client-wise: 155 MT

Margin Requirements

National Commodity Clearing Limited (NCCL) will use risk based margin model which will generate initial margin requirements which will be adequate to cover at least 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) will be 3 days.

NCCL reserves the right to change, reduce or levy any additional margins including any markup margins.

For further details, participants can refer to circular nos. NCCL/RISK-022/2026 dated April 29, 2026 on Master Circular - Risk Management and NCCL/RISK-011/2026 dated March 06, 2026 on Margin Framework for Commodity Derivatives Segment.

Additional/Special Margin

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.

Pre-Expiry Margin

There will be an additional margin imposed for the last 5 trading days, including the expiry day of the Pepper Futures contract. The additional margin will be increased by 2.00% every day for the last 5 trading days including expiry day of the contract. Participants can refer to NCCL circular no. NCCL/RISK-028/2024 dated June 21, 2024 on Revision in Pre-Expiry Margin.

Additional Lean Period Margin

NCCL shall levy additional lean period margin of 2% on the futures contracts which shall expire during lean period. Participants can refer to NCCL Circular no. NCCL/RISK-025/2026 dated May 12, 2026 on Lean Period in Agricultural Commodities.

Concentration Margin

The Clearing Corporation shall levy Concentration Margin, when the overall market wide Open Interest (OI) of a commodity exceeds the specified Threshold Level of Open Interest (OI) for that commodity.

For details, participants can refer to NCCL circular no. NCCL/RISK-026/2026 dated May 12, 2026 on Concentration Margin – Revision in Threshold Levels. The Threshold Level shall be 3,500 MT for Pepper Futures Contract.

The Threshold Levels, slabs and applicable margins are subject to change and participants are requested to refer to relevant Clearing Corporation circulars issued from time to time.

Delivery Margin

In case of positions materializing into physical delivery, delivery margin will be charged for each commodity to mitigate the risks arising thereof. The Delivery Margin shall be higher of 3% + 5 day 99% VaR of spot price volatility or 20% on the long and short positions marked for delivery till the pay-in is completed by the member.

For further details, participants may refer to circular no. NCCL/RISK-022/2026 dated April 29, 2026 on Master Circular - Risk Management.

Penalty for Default

1) Penalty on Delivery Default

The penalty structure for failure to meet delivery obligations by the sellers is as follows:

Total amount of penalty = 4.0 % of Settlement price + replacement cost (difference between settlement price and average of three highest of the last spot prices of 5 succeeding days after the **commodity pay-out date**, if the average price so determined is higher than settlement price, else this component will be zero).

The norms for apportionment of the 4.0 % penalty collected as mentioned above shall be as follows:

- a) 1.75 % of Settlement Price shall be deposited in the Settlement Guarantee Fund
- b) 0.25 % of Settlement Price shall be retained by the Clearing Corporation towards administrative expenses.
- c) 2 % of Settlement Price + replacement cost shall go to the Buyer who was entitled to receive delivery.

2) Additional Penalty on Intentional /Wilful Delivery Default

A seller who has got requisite stocks in the NCCL Approved Warehouses and / or has marked an intention during staggered delivery period is not allowed to default and any such delivery default by seller would be viewed seriously and an additional penalty of 3% over and above the penalty prescribed for delivery default shall be levied. In addition to the penalty, the Clearing Corporation shall take suitable penal / disciplinary action against such members.

Buyers' defaults are not permitted.

In the case of a default by a buyer in both agricultural and non-agricultural commodities i.e. in case a Clearing Member fails to make delivery pay-in of funds, it shall be considered as a member default. NCCL shall review the loss incurred by the non-defaulting Party, i.e. Seller, at its sole discretion, and accordingly, levy penalty on the defaulting buyer. However, such penalty shall be within the overall cap of delivery margins collected by the NCCL, from such defaulting buyer clearing member.

3) Penalty for Repeated Delivery Default

- i. In the case of repeated default by a seller or a buyer, for each instance of repeated default, an additional penalty shall be imposed, which shall be 3 % of the value of the delivery default.
- ii. Repeated Default shall be defined as an event, wherein a default on delivery obligations takes place 3 times or more during a six months period on a rolling basis.
- iii. The penalty levied shall be transferred to the SGF of the Clearing Corporation.

For further details, participants can refer to circular no. NCCL/CLEARING-023/2026 dated April 13, 2026.

Dispute Resolution

Any Disputes, between members of the Exchange or the Clearing Corporation inter-se and/or between members and constituents, arising out of or pertaining to deals/transactions executed on the Exchange platform shall be settled through Online Dispute Resolution (ODR) mechanism or any other such mechanism prescribed by the Regulator. The ODR mechanism shall facilitate conciliation/arbitration through online/digital process and shall be governed as per the Exchange Rules, Bye Laws and Regulations and/or SEBI directives/ guidelines issued from time to time.

Compliance of Laws

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 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 (FSSAI), 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 Goods & Services Tax, 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.

CHAPTER 2 - DELIVERY PROCEDURES

Unit of Delivery

The minimum unit of delivery for Pepper shall be 1 MT.

Delivery Size

Delivery is to be offered and accepted in lots of 1 MT or multiples thereof. A quantity variation of +/- 2% is permitted as per contract specification.

Description of Commodity

Pepper means the dried unripe fruit grown in the plant called Piper Nigrum. It shall have characteristic aroma and flavour. It shall be free from mould, living and dead insects, insect fragments, and rodent contamination. The product shall be free from added colour, mineral oil and any other harmful substances.

Quality Standards

The contract grade for delivery of Pepper futures contracts made under NCDEX Regulations shall be Pepper conforming to the quality specification indicated in Exhibit 1. During deposit no lower grade shall be accepted.

Delivery Requests

The procedure for Pepper delivery is based on the contract specifications as per **Exhibit I**. All the open positions shall have to be compulsorily settled either by giving delivery or taking delivery as the case may be. That is, **“upon expiry of the contracts, any seller with open position shall give delivery of the commodity. The corresponding buyer with open position as matched by the process put in place by the Exchange shall be bound to settle by taking physical delivery. In the event of default by seller to give delivery, such defaulting seller will be liable to penalty as may be prescribed by the Exchange from time to time”**.

The penalty structure for failure to meet delivery obligations will be as per circular no. NCCL/CLEARING-023/2026 dated April 13, 2026.

The delivery request for Pepper contracts will be on staggered basis where tender period would period would be the last 3 trading days (including expiry date) of the contract 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 from the delivery center where the seller has delivered same.

The Buyers and the Sellers need to give their location preference through Web NCFE system provided by the Clearing Corporation. If the Sellers fail to give the location preference, then the allocation to the extent of his open position will be allocated to the base location.

Approved Warehouse

NCCL has Approved Warehouse for receipt and delivery of Pepper. The updated list of Approved Warehouse can be accessed from the link:

<https://www.nccl.co.in/warehousing/warehouse-data>

Delivery Allocation

The Clearing Corporation would then compile delivery requests received from members during the Tender period and shall allocate delivery to buyers having open long positions as per random allocation methodology to ensure that all buyers have an equal opportunity of being selected to receive delivery irrespective of the size or value of the position. However, preference may be given to buyers who have marked an intention of taking delivery. The buyer having open position and matched as per process put in place by NCCL, shall be bound to settle by taking delivery from the Approved Warehouse where the seller effects delivery in accordance with the contract specifications.

The buyers / sellers who have to receive / give delivery would be notified on the same day after the close of trading hours. Delivery of Pepper is to be accepted by buyers at the Approved Warehouse where the seller effects delivery in accordance with the contract specifications. On expiry all outstanding positions would be settled by giving / taking physical delivery.

Actual Delivery

Where Pepper is sold for delivery in a specified month of a future contract, the seller must have requisite electronic credit of such Pepper holding in his Clearing Member's Pool Account before the scheduled date of pay in. On settlement day, the buyer's clearing member pool account would be credited with the delivery quantity on pay out. The clearing member is expected to transfer the same to the buyer's Repository account. However, the buyer must take actual physical delivery of Pepper on or before EDD as indicated in the quality test report of the approved Assayer.

Packaging

Pepper delivered shall be packed in clean, dry, sound, double, new or unmodified polypropylene bags with **polythene liner inside** in merchantable condition with the mouth of the bag **double machine** stitched disallowing sweating/ spilling. The packaging of Pepper should be in standard bags of 50 Kg (Net weight). 200 gm per bag will be deducted as weight of empty bag.

Standard Allowances

The following standard allowances will be applicable on pepper deposits:

Standard Allowance at the time of fresh deposit	0.45%
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Deposit Month	Initial SD	Monthly SD												Total SD
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
20 Jan to 19 February	0.45 %	-	-	0.10 %	0.10 %	0.10 %	0.10 %	0.10 %	-	-	-	-	-	0.95 %
20 February to 19 March	0.45 %	-	-	-	0.10 %	0.10 %	0.10 %	0.10 %	0.10 %	-	-	-	-	0.95 %
20 March to 19 April	0.45 %	-	-	-	-	0.10 %	0.10 %	0.10 %	0.10 %	0.10 %	-	-	-	0.95 %
20 April to 19 May	0.45 %	-	-	-	-	-	0.10 %	0.10 %	0.10 %	0.10 %	0.10 %	-	-	0.95 %

20 May to 19 June	0.45 %	-	-	-	-	-	-	0.10 %	0.10 %	0.10 %	0.10 %	0.10 %	-	0.95 %
20 June to 19 July	0.45 %	-	-	-	-	-	-	-	0.10 %	0.10 %	0.10 %	0.10 %	0.10 %	0.95 %
20 July to 19 August	0.45 %	-	-	-	-	-	-	-	-	-	-	-	-	0.45 %
20 August to 19 September	0.45 %	0.10 %	0.10 %	-	-	-	-	-	-	-	0.10 %	0.10 %	0.10 %	0.95 %
20 September to 19 October	0.45 %	0.10 %	0.10 %	0.10 %	-	-	-	-	-	-	-	0.10 %	0.10 %	0.95 %
20 October to 19 November	0.45 %	0.10 %	0.10 %	0.10 %	0.10 %	-	-	-	-	-	-	-	0.10 %	0.95 %
20 November to 19 December	0.45 %	0.10 %	0.10 %	0.10 %	0.10 %	0.10 %	-	-	-	-	-	-	-	0.95 %
20 December to 19 January	0.45 %	-	0.10 %	0.10 %	0.10 %	0.10 %	0.10 %	-	-	-	-	-	-	0.95 %

The Pepper received at the NCCL approved warehouses will be tested by assayers appointed by the warehouse before acceptance for delivery in the warehouse.

The lots deposited must have minimum credit in depositor account after factoring initial standard deduction and monthly standard deductions, so that the lot remain deliverable even after deduction of standard allowances on applicable months.

Assayer for Testing

NCCL has empanelled Assayers for quality testing and certification of Pepper received at the Approved Warehouses/s. The quality testing and certification of Pepper will be undertaken only by such empanelled assayer as appointed by the warehouse. The updated list of assayer and approved warehouses can be accessed from the link given below

<https://www.nccl.co.in/warehousing/warehouse-data>

Assayer Certificate

Testing and Quality certificate issued by Assayer for Pepper delivered at Approved Warehouses for Pepper shall be acceptable and binding on all parties. Each deposit of Pepper at the warehouse must be sampled and certified by empanelled assayer

Pepper Sampling

1. Sampling would be done from 100% of the bags in a lot without adhering to any fixed pattern.
2. 10% of the bags selected randomly from each assaying lot will be cut open, contents spread on the floor and visually checked for presence of any material foreign to the commodity like stones, any plastic material or any substance which is not directly related to the commodity being sampled. Presence of these materials such as large pieces of pebbles, inferior quality or husk in the middle of bag, mixing of any apparent material which is not the actual commodity itself, if any will lead to lot not being accepted for deposit. The goods should be free from fungus.
3. Further sample from the bags cut open will be taken and checked for foreign/other matter. The FM/other matter content in the Assaying report will be entered higher out of the two matter values determined on the basis of the composite sample taken from the running sample as indicated in para 1 above and the sample collected as per the process indicated in para 2 This is then divided into 4 parts and distributed as under:
 - One sample to Depositor
 - One sample to Warehouse service provider
 - One sample for Analysis by Assayer
 - One sample for record with Assayer

Validity period

The validity period for Pepper deposits done is as per the table appended below:

Months of Deposit /Date of entry by warehouse in system(Jan -Dec)	Expiry period from the date of Fresh Deposit (no. of months)	Validity period at the time of fresh deposit (no of months)	How many times revalidations allowed(no. of months)
January	6	6	0
February	6	6	0
March	6	6	0
April	6	6	0
May	6	6	0
June	6	6	0
July	6	6	0
August	6	6	0
September	6	6	0
October	6	6	0
November	6	6	0
December	6	6	0

*20th of previous month to 19th of the current month as mentioned in the table above

The stock of Pepper deposited in the NCCL Approved Warehouse/s shall necessarily be removed latest by the Exchange Deliverable Date (EDD) continuation of the storage beyond EDD shall be entirely a private arrangement between the Warehouse and the depositor/beneficiary holder. The Clearing Corporation shall not be responsible in any manner whatsoever for those stocks which have not been received by any buyer through an immediate preceding settlement on the NCCL platform and for those stocks which have crossed the EDD.

Electronic transfer

Any buyer or seller receiving and or effecting Pepper delivery would have to open a Repository account with an empanelled Repository Participant (RP) to record the holdings of the Pepper stocks in electronic form. On settlement, the buyer account with the RP would be credited with the quantity of Pepper received and seller account would be debited. The Buyer wanting to take physical delivery of the Pepper holding has to make a request in prescribed form to the RP with whom Repository account has been opened. The RP would route the request to the warehouse who would issue the physical commodity i.e., Pepper to the buyer and debit his account, thus reducing the electronic balance to the extent of Pepper so physically being withdrawn.

Charges

All charges and costs payable at the Approved Warehouse towards delivery of Pepper including sampling, grading, weighing, handling charges, storage etc. from the date of receipt into Approved Warehouse up to the date of pay in & settlement shall be paid by the seller.

All charges and costs associated & including storage, handling etc. after the pay-out shall be borne by the buyer. Warehouse storage charges will be charged to the member / client by the respective Repository Participant.

The Assayer charges for testing and quality certification shall also be charged to the client by the respective Repository Participant.

The buyers may have to bear additional shifting and handling charges for other lots which may be required to be rearranged to withdraw their respective lot from the stack.

Duties & levies

All duties, levies etc. up to the point of sale will have to be fully paid by the seller to the concerned authority and all documentation fully complied with and completed before delivery of Pepper into NCCL Approved Warehouse.

Stamp Duty

Stamp duty is payable on all contract notes issued, as may be applicable in the State from where the contract note is issued or as per the Stamp Act of the State in which such Contract Note is received by the Client, if such client is located in another state.

Taxes**Goods and Services Tax (GST)****On services rendered by Members:**

GST shall be payable by the members on the gross amount charged by them, from their clients on account of dealing in commodities.

On Deliveries effected on the Exchange:

GST on the deliveries effected on the NCCL Platform as the case may be would be applicable on the delivered commodities and a buyer on NCCL platform shall make payment to his corresponding seller the value of GST payable by buyer on the commodities received by the seller in the settlement. The buyer and the seller shall be responsible for fulfillment of the obligations under the GST act on all contracts. The seller shall issue appropriate invoices to his corresponding buyer as may be required under the GST Act. The seller is required to remit the GST amount so collected/received from the buyer wherever applicable to the GST authorities within such time frame as may be prescribed under the GST Rules. Members and / or their constituents requiring to receive or deliver Pepper should register themselves with the relevant GST authorities of the place where the delivery is proposed to be received / given. In the event of any GST exemptions, such exemption certificate as may be required under the GST law would have to be issued/provided to his seller before the settlement of the obligation.

All Members and / or their constituents are required to adhere to the requirements under the GST Act and the Rules made thereunder including the notifications issued by the Central or State Government and must have valid GST registration in place for transacting in physical deliveries and also comply with the requirements under the GST Act.

The taxes payable on the commodity contracts shall be governed by the relevant Govt. legislations and notifications issued by the State or the Central Govt. from time to time and the buyer and seller is responsible to comply with the tax laws as applicable to the commodity.

Commodity Transaction Tax (CTT)

Commodity Transaction Tax, if and as applicable, will be collected as per the prescribed process. Accordingly, members are advised to update themselves with the change in rate of applicable CTT from time to time.

Premium / Discount

Location Premium Discount will be notified by the Exchange from time to time .

CHAPTER 3 - CLEARING AND SETTLEMENT

Daily Settlement

All open positions of a futures contract would be settled daily based on the Daily Settlement Price.

Daily Settlement Price

The Daily Settlement Price (DSP) determined by the Clearing Corporation at the end of every trading day. The DSP will be utilized for marking to market all open positions.

Final settlement Price

The Final Settlement Price (FSP) will be determined by the Clearing Corporation upon maturity of the contract. All open positions on the expiry day of the contract would result in compulsory delivery.

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

The Settlement Price for any delivery allocation during staggered period (i.e. up to one day prior to expiry) would be the last available spot price for the respective contract.

Spot Prices

NCDEX will announce / disseminate spot prices for Pepper relating to the Approved delivery center and specified grade / quality parameters determined through the process of polling a set of market participants representing different segments of the value chain such as traders, importers, exporters, processors, etc.

The polled prices shall be input to a normalizing algorithm (like 'bootstrapping' technique) to arrive at a representative, unbiased and clean 'benchmark' spot price for Pepper. The security of data and randomness of the polling process will ensure transparency and correctness of prices. Exchange has absolute right to modify the process of determination of spot price at any time without notice.

Dissemination of Spot Prices

Spot prices for Pepper will be disseminated on daily basis.

Pay in and Pay out for Daily Settlement

The table below illustrates timings for pay in and pay out in case of daily settlement. The buyer clients would have to deposit requisite funds with their respective Clearing member before “pay in”.

All fund debits and credits of the Member would have to be done in the Member’s Clearing and Settlement Account with the Clearing Bank.

Time (T/E+1)	Activity
On or before 08.30 hours	PAYIN: Debit paying member a/c for funds
After 09.00 hours	PAYOUT: Credit receiving member a/c for funds

Pay in and Pay out for final physical settlement

The table below illustrates timings for pay in and pay out in case of positions marked for physical settlement. The buyers / sellers would have to deposit requisite funds / Pepper with their respective Clearing member before “pay in”.

Pay in and Pay out for Final Settlement in case of physical deliveries	
Time (T/E+2)	Activity
On or before 12.00 hours	PAYIN - Debit Buyer Member Clearing and Settlement a/c for funds - Debit Seller Member’s CM Pool Account for Pepper
After 15.00 hours	PAYOUT - Credit Seller Member Clearing and Settlement a/c for funds - Credit Buyer Member’s CM Pool Account for Pepper

Tender Date -T

Tender period:

The delivery request for Pepper contracts will be on a staggered basis where the tender period would be the last 3 trading days (including expiry day) of the contract.

Pay-in and Pay-out: On a T/E+2 basis. If the tender date is T/E then, pay-in and pay-out would happen on T/E + 2 day. If such a T/E + 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.

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.

The settlement of the contract would be by a staggered delivery system of Pay-in and Pay-out including the last pay-in and pay-out which would be the Final settlement of the contract.

Additionally, the supplemental settlement for Pepper futures contracts for premium discount adjustment relating to quality of Pepper delivered, actual quantity delivered and close out for shortages, will also be

conducted on the same day. Clearing members are required to maintain adequate fund balances in their respective accounts.

Pay in and Pay out for supplemental settlement	
Time (T/E+2)	Activity
On or before 15.00 hours	PAY IN: Debit Member Clearing and Settlement a/c for funds
After 15.00 hours	PAY OUT: Credit Member Clearing and Settlement a/c for funds

Early Pay-in of Commodities

Members can make an early pay-in of commodities to get exemption from the applicable initial margin, extreme loss margin, additional margin, pre-expiry and delivery margin and the same would be considered for the purpose of adjustment against their settlement obligations. However, Concentration Margin shall be charged on early pay-in of commodities. The member shall mark EPI using the NCFE web application. The user guide for the same is available for download under: -

NCFE Menu: Downloads-> Download files-> Under User Manual folder-> EPI user guide

For further details, refer circular no. NCCL/CLEARING-023/2026 dated April 13, 2026 titled Master Circular - Clearing & Settlement.

Supplementary Settlement for GST

NCCL will conduct a separate supplementary settlement, as illustrated below, three days after normal pay out for completion of GST transactions on deliveries effected by the buyer and seller on the NCCL platform.

In order to facilitate issue of invoice to right parties, the buyer Clearing Members are required to give the buyer client details to the Clearing Corporation latest by 15.00 hrs on T/E+3 day failing which the buying member is considered as the end buyer and accordingly invoice is issued in his/their name.

The Seller Clearing Members are required to give the seller client details to the Clearing Corporation latest by 15.00 hrs on T/E + 4 day.

The amounts due to the above differences will be debited / credited to Member's clearing and Settlement account similar to normal settlement.

Pay in and Pay out for GST	
Time (T/E+5)	Activity
On or before 09.00 hours	PAY IN: Debit Buyer Member Clearing and Settlement a/c for funds.
After 09.00 hours	PAY OUT: Credit Seller Member Clearing and Settlement a/c for funds

It is clarified that the procedure for Supplementary Settlement for GST shall continue to be the same as notified by the Clearing Corporation circular no. NCCL/CLEARING-023/2026 dated April 13, 2026 titled Master Circular - Clearing & Settlement.

Completion of Settlement

The settlement obligations shall be deemed to be completed as per the provisions of the Rules, Bye Laws and Regulations of the Clearing Corporation and the circulars issued by the Clearing Corporation thereunder from time to time

Exhibit 1: Contract Specifications for Pepper (Symbol: PEPPER) Futures Contract

(Applicable for contracts expiring in the month of August 2026 and 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-023/2026 dated April 13, 2026 titled Master Circular - Clearing & Settlement .
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 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																																																				
Quality Premium/Discount	NA																																																				
Special Margin	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.																																																				
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: <table><tr><th rowspan="2">Scenario</th><th colspan="4">Polled spot price availability on</th><th rowspan="2">FSP shall be simple average of last polled spot prices on:</th></tr><tr><th>E0</th><th>E-1</th><th>E-2</th><th>E-3</th></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>	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
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																																																
Minimum Initial Margin	10%																																																				

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.

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

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 and/or Clearing Corporation's Rules, Bye Laws, 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 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 Food Safety Standard Authority of India (FSSAI), 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.

Exhibit 2: Warehouse and Assayer details

<https://www.nccl.co.in/warehousing/warehouse-data>