

CONTRACT SPECIFICATION

Contract Specification of Black Pepper traded on ICEX:

Parameters	Specification
Product Code	PEPPER
Series Code	PEPPERDDMMYYYYY
Trading Hours	Monday to Friday: 09:00 am to 05:00 pm
Unit of Trading	1 MT
Delivery Unit	1 MT
Quotation/Base Value	1 Kg – Ex. Warehouse – Kadavanthra, Ernakulam (within a radius of 100 km from the municipal limits), (exclusive of all tax and levies and GST)
Maximum Order Size	50 MT
Tick Size	Rupee 0.05/-
Price Band	DPL shall have two slabs- Initial and Enhanced Slab. Once the initial slab limit of 3% is reached in any contract, then after a period of 15 minutes this limit shall be increased further by enhanced slab of 1%, only in that contract. The trading shall be permitted during the 15 minutes period within the initial slab limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 4%.
Initial Margin	Initial Margin shall be higher of minimum 4% or VaR margin for 2 days MPOR (Margin Period of Risk)
Extreme Loss Margin (ELM)	1%
Additional or Special Margin	In case of additional volatility, an additional margin (on both buy & sell side) and/ or special margin (on either buy or sell side) at such percentage, as deemed fit; will be imposed in respect of all outstanding positions.
Quality Specification	Black Pepper Garbled 550 gram/litre
	Moisture- Max 11.5% (from May to October) & 11.00% Max (during other months) Light Berries – Max 2%
	Extraneous Matter – Max 0.5%
	Mould – Free from mould
	Mineral oil – Free from any oil wash
	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. Pepper deposited shall conform to all the standards prescribed and as applicable under the Foods Safety and Standards Regulations as notified by FSSAI from time to time.

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Packing	50Kgs net 50.200 Kgs Gross in double PP bag (40"x 26")	
Marking on the Bag	Packing: 50Kgs net	
	50.200 Kgs Gross	
Shelf Life	Initial validity	Re-validation validity (Based on the request of commodity holder)
	90 days	
	Maximum, one revalidation is allowed.	
No. of Delivery Contracts in a Year	Maximum 12 monthly or minimum 3 monthly contracts running concurrently.	
Delivery Centers	CWC Kadavanthra, Ernakulam.	
Tender Period	Tender period shall be last 5 trading days i.e. 11 th to 17 th of delivery month in case of contracts expiring on 15 th day of the month.	
Delivery Period	Delivery period shall be from 12 th to 17 th of delivery month in case of contracts expiring on 15 th day of the month.	
Delivery Logic	Compulsory Delivery	
Limit on Open Positions	Aggregate:	
	Member – 3,600 MT or 15% of total market open position in the commodity whichever is higher.	
	Client – 360 MT	
	Near Month Limit:	
	Member – 900 MT or one-fourth of the member's overall position limit in that commodity, whichever is higher.	
	Client – 90 MT	

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ICEX has been set up by the country's premier large public sector institutions (MMTC, KRIBHCO, Indian Potash Ltd. & IDFC Bank) stalwarts with unmatched experience in the finance sector, and an impressive, forward thinking, trend setting set of private sector institutions – Reliance Exchange Next Ltd. (A group Company of Reliance Capital) & Indiabulls Housing Financial Services, to provide a hedging platform to the Commodities Market.

