

PMEX Red Chilli Weekly (Grade B) Futures Contract Specifications

	Specifications
Trading Hours	<p>Hours of Trading in the PMEX Red Chilli Weekly (Grade B) Futures Contract shall be Monday to Saturday and other Exchange specified holidays as given below or as Specified by the Exchange through a circular from time to time :</p> <p>Normal Trading Session: 10:00 am to 5:00 pm PST</p> <p>On last trading day contract will be closed at 5:00 pm or as communicated by the Exchange through a circular from time to time.</p>
Unit of Trading	1 Kg (trade can be done in multiple of kg above 1 MT, however minimum trading quantity will remain 1 MT)
Price Quotation	Price quoted shall be in rupees per Kg ex-Kunri or as communicated by the Exchange through a circular from time to time. Price quotation will be Exclusive of all taxes.
Trading System	PMEX Trading System
Tick Size	Rs. 1 per Kg or as specified by the Exchange from time to time.
Delivery Unit	1 MT
Delivery Logic	Compulsory
Quantity Variation	+/- 2% or as specified by the exchange through a circular.
Quality Specifications	<p>Following are the quality specifications of Red Chilli (B) to be delivered under this contract or as communicated by the Exchange from time to time through a circular:</p> <ol style="list-style-type: none">1. Variety: Maxi/Longi – Commonly known as Dandi Cut2. Shape Round, tipped3. Appearance/Color/size Red to orange but slightly orange content should be slight, uneven in size4. Moisture 5-12 % Max5. Aflatoxin 30 ppb (parts per billion)Max6. Extraneous Matter 2.5% Max7. Damage /Discolor 5% Max8. Visual Mold 8% Max <p>Note:</p> <p>The product should be free from</p> <ol style="list-style-type: none">1. Added artificial coloring matter, that can be observed visibly or physically,2. Foreign oil,3. Any material that is from animal origin4. Dusty appearance of consignment: If the product looks dull/cloudy (non-shiny) then further evaluation of the sample will take place. In that case, the dust found at the bottom of the bag should not exceed 2%, other than seeds,

	<p>of the sample size which is 10% of the consignment size.</p> <p>5. Mud stuck pods: If due to rain or any other reason, there is dust/mud stuck to the chilli pods, causing high ash content, then such products should not exceed 1% of the sample size which is 10% of the consignment size.</p>
Packaging	<p>As per current industry practice Red Chilli shall be delivered in good conditioned Jute bags of 25-28 Kgs. If any change occurs in the industry practice, it will be communicated by the Exchange through a circular.</p> <p>Tare allowance will be applicable as per industry practice as communicated by the Exchange from time to time through a circular.</p>
Delivery Centers	<p>Exchange approved and designated warehouse or Seller's own location/warehouse in Umerkot/Kunri/adjoining area districts or as communicated by the Exchange through a circular.</p> <p>In case delivery is made at seller's warehouse/location, the Exchange approved quality certification agency /assayer will certify the quality and grade of commodity delivered and will also seal the bags/lot so that the commodity cannot be changed or tampered with. The same shall be delivered /loaded on the vehicle (s) arranged by the Buyer, under the supervision of Exchange approved warehousing and logistics agency at the time of final delivery.</p> <p>If the seal is reported broken/tampered or the signs of quality degradation are found at the time of delivery the trade will be cancelled. Further, the exchange reserves the right to impose a penalty to the seller as per fine policy of the Exchange.</p>
No. of active Contracts	A maximum of 5 contracts may be made available for trading.
Opening Date	Trading in any contract will open at least one week before the last trading day subject to holiday convention.
Last Trading Day (Contract Expiry Day)	Contracts will expire on fifth day subsequent to its opening day. If the fifth day falls on Exchange holiday then the next business day will be the last trading day.
Holiday Convention	<p>In case the first trading day of a contract falls on an Exchange holiday, the contract will start trading from the following Exchange trading day with a shorter maturity.</p> <p>In case the final settlement day of a contract falls on a holiday, the contract will be settled on the following Exchange trading day.</p>
Daily Settlement Price	<p>All open positions will be marked to market using daily settlement price. Exchange can determine the daily settlement price using one of the methods described here under or in such other manner as may be prescribed by the Exchange through a circular from time to time:</p> <ul style="list-style-type: none"> - Average of best bid and offer at the closing time - Last Traded Price - Value Weighted Average Price - Theoretical Futures Price based on the spot price obtained from the market sources <p>(average of collected prices from the market will formulate the spot price)</p>

Final Settlement Price	Final settlement price will be the daily settlement price of the last trading day of the contract or as specified by the Exchange through a circular.
Daily Price Fluctuation	+/- 20%, or as specified by the Exchange through a circular.
Settlement Mode	<p>All open positions after the close of contract shall be settled by either of the following modes:</p> <p>Delivery of Red Chilli at the Exchange approved warehouse/delivery center/Seller's location as per Contract Specifications.</p> <p>The contract can be settled before expiry through "Exchange for Physical (EFP)" as notified by the Exchange through a circular.</p> <p>Failure to fulfill delivery obligations by seller or buyer may result in a penalty as per fine policy of the Exchange.</p>
Pre- Trade Check	<p>Exchange will enforce a pre-trade check in which Sellers will be asked to deposit Red Chilli before making it available on the ETS for sale as per prescribed deposit procedure of the Exchange.</p> <p>Buyer must deposit cash before executing the trade. The amount of advance cash will be notified by the Exchange through a circular from time to time.</p>
Delivery Mode & Delivery Period	<p>Seller shall deliver the Red Chilli at the Exchange designated warehouse as per Exchange specified procedure (communicated through a circular) for delivery including quality and quantity certification as per contract quality specifications. The Exchange approved warehousing and logistics agency will hold the commodity on behalf of seller and will update seller's inventory in the Exchange system. Seller will now be eligible to place a sell order on the Exchange.</p> <p>After the trade execution the Red Chilli delivered will come in the ownership of the buyer and the warehouse operator will be holding it on behalf of the buyer.</p> <p>In case Seller intends to trade the Red Chilli on the basis of delivery from his own location/warehouse, he has to complete the Exchange specified procedure (communicated through a circular) including quality and quantity certification as per contract quality specifications. The Exchange approved certification agency /assayer will certify the quality and grade of commodity delivered and will also seal the bags so that the commodity cannot be changed or tampered and the Exchange approved warehousing & logistics agency will update the sellers' inventory in the Exchange System. Seller will now be eligible to place a sell order on the Exchange. However, in this case the possession of the commodity will remain with the Seller and warehousing & logistics agency will not be responsible for any loss to the commodity. After execution of the trade buyer will be eligible to take delivery from the seller's location.</p> <p>The buyer has to take the delivery from the Exchange designated warehouse /delivery center/ Seller's location through his own arrangements.</p> <p>The Red Chilli shall be delivered /loaded in the vehicle(s) arranged by the</p>

	<p>Buyer, under the supervision of Exchange approved warehousing and logistics agency at the time of final delivery.</p> <p>In case the delivery is made from the Seller's location and the seal is reported broken/tampered or the signs of quality degradation are found at the time of delivery the trade will be cancelled. Further, the exchange reserves the right to impose a penalty as per fine policy of the Exchange.</p> <p>Once the commodity is loaded/delivered in the vehicle(s) arranged by the buyer, it will become the sole responsibility of the buyer and Exchange will not be responsible for any loss whatsoever including change in quality or quantity.</p> <p>Any failure to deliver by the Seller or taking delivery by the matched Buyers may result in a penalty as per fine policy of the Exchange or the trade may be cancelled by the Exchange without any claim of buyer.</p>
Pay-in and Pay-out of Funds for Final Settlement	<p>Final payments will include Final Settlement price plus all applicable taxes at the time of delivery.</p> <p>The buyer shall pay funds in full to the Exchange in advance, and after that the buyer will be eligible to receive the documents to get the delivery from the Exchange approved warehouse or from the seller's location where the Exchange approved assayer has sealed the Commodity. The seller will be eligible to receive funds, once he has delivered the traded commodity at the Exchange approved warehouse or the commodity has been shipped/loaded from the seller's location after completing all delivery related requirements.</p>
Quality Certification	<p>The seller has to provide a quality certification from the Exchange approved assayer that the Red Chilli delivered meets the quality specifications as per contract specifications.</p> <p>The Exchange will not be responsible for quality or quantity of the chilli after taking of delivery by the buyer from the Exchange designated warehouse or seller's location.</p>
Cost of certification, weighing, storage and delivery etc.	<p>All charges associated with quality certification, weighing, storage, or any other charges related to delivery at the Exchange approved warehouse/ delivery center/ Seller's location will be borne by the buyer and/ or seller in the manner communicated by the Exchange from time to time through a circular.</p>
Position Limit	<p>Greater of 10% of Open Interest and 1,000 Contracts per Broker, gross across all clients and across all maturities.</p> <p>Greater of 5% of Open Interest and 250 Contracts per Client, gross across all maturities.</p>
Margin Requirement	<p>Buyer must pay full amount instead of Margin or as specified by the Exchange. Seller must deposit commodity before order entry as per specified procedure of the Exchange.</p>

Additional Margin	Exchange reserves the right to impose additional margin due to increased or excessive volatility or due to any other reason Exchange deems appropriate.
Further Regulation	This contract shall be subject to the PMEX General Regulations and all applicable Federal/Provincial laws.