CONTRACT SPECIFICATIONS

Commodity	Ticker Symbol	Basis	Additional Delivery center	Delivery Logic
Paddy (Basmati) – Pusa 1121	PADYPB1121	Kota	-	Compulsory Delivery

Trading and					Position Limits			
Quotation	GST	Delivery Unit	Tick Size	Expiry date	Aggr	egate	Near N	/lonth
Rs. per Quintal	Exclusive	10 MT	Rs.1	20th of the delivery month				Client 12,500

Maximum Order Size	Quantity variation			
500 MT	+/- 5%			

	Moisture	13% Basis
	Foreign Matter	1% max
	Damaged, discoloured, weeviled and broken grain (%)	4% Max
	Immature (%)	4% Max
0 111	Green Grains (%)	5% Max
Quality Specifications	Admixture of lower class (%)	5% Max
·	Empty shell%	2% Max
	Hulling recovery (%)	72% Min
	Average Kernel length of Hulled Rice before cooking (mm)	8.30 mm (Min)
	Quality variation	5%

For detailed contract specifications visit website www.ncdex.com



National Commodity & Derivatives Exchange Limited

CIN: U51909MH2003PLC140116

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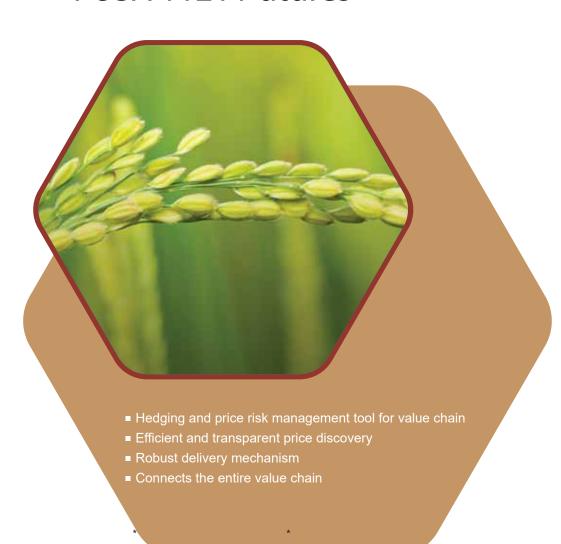


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Commodity at a Glance

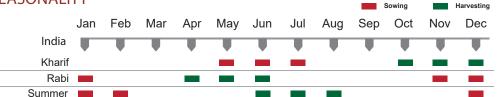
NCDEX Paddy (BASMATI) – PUSA 1121 Futures



GENERAL INTRODUCTION PADDY (BASMATI) - PUSA 1121

- Basmati rice variety is generally produced along the Indo-Gangetic plains.
- It is an aromatic rice variety which is known for its exquisite aroma and soft texture.
- Punjab and Haryana are the leading producers of Basmati rice variety in India.
- Due to its high demand, it fetches a premium price in both national and international market.
- India is the leading producer and exporter of Basmati rice in the world.

SEASONALITY



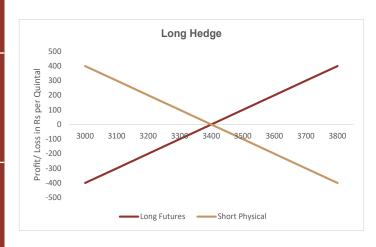
Source: Indian Council of Agricultural Research

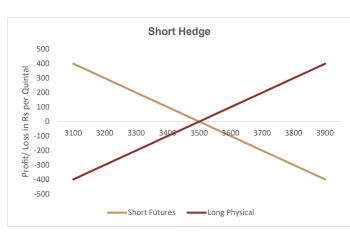
Processors/Hedger locks in the Paddy Futures price at Rs. 3400/quintal for a long position.

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

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

PRICE RISK HEDGING





PRICE VOLATILITY - PADDY (BASMATI) - PUSA 1121

20.0%

15.0%

10.0%

5.0%

0.0%

May

Jun

Jul

Monthly Spot Price Vola lity

Sep

-2016-17 **---**2017-18 **---**2018-19

Oct

Nov

Dec

Jan

Aug

Graphs: For illustrative purposes only

Feb

Processors/Hedger locks in the Paddy Futures price at Rs. 3500/quintal for a short position.

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

increases in the physical market, the gain in the physical market is offset by the loss in the Futures market.

USES - PADDY(BASMATI)-**PUSA 1121**

- Rice is consumed as a staple food in the south India and the east India.
- Rice starch is used in making ice-cream, custard powder, puddings, gel, distillation of potable alcohol, etc.
- □ Rice bran oil is used as edible oil, in soap and fatty acids manufacturing.
- □ Rice bran is used in confectionery products like bread, snacks, cookies and biscuits. The defatted bran is also used as cattle feed, organic fertilizer (compost), medicinal purpose and in wax making
- Rice husk is used as a fuel, in board and paper manufacturing, packing and building materials and as an insulator.

FACTORS AFFECTING PRICES - PADDY (BASMATI) -

- Demand in both national and international market
- State and central government policies concerning domestic rice trade or rice export
- Insufficient rainfall for production
- Obstruction in information movement
- Increase/decrease in rice production in other countries

If the price of Paddy

PUSA 1121