



Circular No.: MCX/TRD/222/2026

April 21, 2026

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### Commencement of Futures Trading in Cotton November 2026 Contract

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In terms of the provisions of the Rules, Bye-Laws and Business Rules of the Exchange, the Members of the Exchange are hereby notified as under:

Cotton Futures contract will be available for trading as below:

| Contract Launch date | Contract Expiry Date | Contract Expiry Month |
|----------------------|----------------------|-----------------------|
| May 01, 2026         | November 30, 2026    | November 2026         |

The contract specification and trading parameters of the contract as specified in the Annexure, shall be binding on all the Members of the Exchange and the constituents trading through them. Further, for applicable margins and delivery & settlement details, Members are requested to refer to the circulars issued by Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) from time to time.

Please note that Trading will be allowed only up to 5:00 p.m. on the date of expiry of the contract.

Members are requested to take note of the above.

Rohit Lunker  
Assistant Vice President, Market Operations

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Kindly contact Customer Support on 022 – 6649 4040 or send an email at [customersupport@mcxindia.com](mailto:customersupport@mcxindia.com) for any clarification.

### Contract specification and launch calendar of Cotton futures contract

|   |   |
|---|---|
| <b>Symbol</b>                             | COTTON  |
| <b>Description</b>                        | COTTONMMMY  |
| <b>Contract Listing</b>                   | Contracts are available as per the Contract Launch Calendar   |
| <b>Contract Start Day</b>                 | 1st day of contract launch month. If 1st day is a holiday, then the following working day.  |
| <b>Last Trading Day</b>                   | Last calendar day of the contract month. If last calendar day is a holiday or Saturday, then preceding working day  |
| <b>Trading Period</b>                     | Mondays through Fridays 9.00 a.m. to 9.00 p.m.  |
| <b>Trading Unit</b>                       | 25 bales  |
| <b>Quotation/Base Value</b>               | Rs. Per bale (of 170 kg)  |
| <b>Maximum Order Size</b>                 | 1200 bales  |
| <b>Tick size (minimum price movement)</b> | Rs.10   |
| <b>Price Quote</b>                        | Ex-Warehouse Rajkot (Within 100 km radius) excluding all taxes, duties, levies, charges as applicable.  |
| <b>Daily Price Limits</b>                 | DPL shall have two slabs - Initial and Enhanced Slab. Once the initial slab limit of 4% is reached in any contract, then after a period of 15 minutes, this limit shall be increased further by enhanced slab of 2%, 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 6%. |
| <b>Initial Margin*</b>                    | Minimum 8% or based on SPAN whichever is higher.  |
| <b>Extreme Loss Margin</b>                | Minimum 1%  |
| <b>Additional and/ or Special Margin</b>  | An additional margin (on both buy & sell side) and/ or special margin (on either buy or sell side) at such percentage, as may be deemed fit, will be imposed by the Exchange/Regulator, as and when is necessary, in respect of all outstanding positions.  |
| <b>Maximum Allowable Open Position**</b>  | For Individual Clients: 3,00,000 bales.<br>For a member collectively for all clients: 30,00,000 bales or 15% of the market wide position whichever is higher.<br><br>Near month Delivery:<br>For individual clients: 75,000 bales.<br>For a member collectively for all clients: 7,50,000 bales or 15% of the market wide position whichever is higher  |
| <b>Delivery Unit</b>                      | 100 bales (170 quintal) of 170 kg $\pm$ 7%)   |
| <b>Basic Delivery Centre</b>              | Rajkot (Gujarat)  |
| <b>Additional Delivery Centre</b>         | Kadi, Mundra (Gujarat), Jalgaon, Jalna, Nanded, Yavatmal (Maharashtra).   |

|   |  |
|---|--|
|   | There would not be any location discount on any additional delivery centre.  |
| <b>Quality Specifications on Physical Inspection and HVI Mode</b> | <p>Goods should lie within the Tenderable Range according to defined quality specifications. Outlaying goods will not be accepted for delivery.</p> <p>Ginning Pattern: Roller Ginned Cotton.</p> <p>Basis Grade RD (Reflectance) value and +b (Yellowness): Basis 75 RD value (-2 RD value) with discount. Below 73 RD value reject.</p> <p>+b up to 10.2 accept, +b above 10.2 reject.</p> <p>Staple 2.5% span length: 29 mm (-1mm) with discount of 1.5% on pro rata basis. Below 28 mm reject and above 29 mm no premium.</p> <p>3) Micronaire (MIC): 3.7 – 4.6 +0.30/-0.20 with discount. Below 3.5 and above 4.9 reject.</p> <p>4) Tensile Strength: 28 GPT Minimum, No premium or discount 5) Trash: 3%. +1% with discount of 1:1 ratio. More than 4.0% reject.</p> <p>6) Moisture: Up to 9%. Acceptable up to 10% (average) at discount of 1:1.</p> <p>The premiums/discounts are subject to change with adequate notice/circular to the market before launch of the contract.</p> |
| <b>Physical Condition of Bales</b>                                | <p>All bales of the lot should be in good condition – should be free from oil/ ink stains penetrating the bale or damaged in any other way. It should have all the proper markings in form the unique PRN for identifying the individual bale as well as a total lot. The label should give details of variety, weight and crop year.</p> <p>The bale must be fully covered with cotton fabric and no cotton shall be exposed. The bales must be securely strapped with iron bailing hoops / plastic straps.</p>   |
| <b>Crop conditions</b>  | Only Current season Indian crop is deliverable   |
| <b>Delivery Period Margin***</b>                                  | <p>Delivery period margins shall be higher of:</p> <p>a. 3% + 5 day 99% VaR of spot price volatility</p> <p>Or</p> <p>b. 25%</p>   |
| <b>Staggered Delivery Tender Period</b>                           | <p>The staggered delivery tender period would be the last 3 trading days (including expiry day) of the contracts.</p> <p>The seller/buyer having open position shall have an option, of submitting an intention of giving/taking delivery, on any day during the staggered delivery period.</p> <p>On expiry of the contract, all the open positions shall be marked for compulsory delivery.</p>  |

| <b>Delivery allocation</b>                    | <p>Allocation of intentions received to give delivery during the day to buyers having open long position shall be 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.</p> <p>Funds pay-in of the delivery allocated to the buyer will be on T+2 working days i.e., excluding Saturday, Sunday &amp; Public Holiday. The buyer to whom the delivery is allocated will not be allowed to refuse</p>  |          |                                   |        |  |  |  |    |     |     |     |   |     |     |     |        |              |   |     |     |    |     |              |   |     |    |     |     |              |   |     |    |    |     |         |   |     |     |    |    |         |   |     |    |     |    |         |   |     |    |    |    |    |
|---|--|----------|-----------------------------------|--------|--|--|--|----|-----|-----|-----|---|-----|-----|-----|--------|--------------|---|-----|-----|----|-----|--------------|---|-----|----|-----|-----|--------------|---|-----|----|----|-----|---------|---|-----|-----|----|----|---------|---|-----|----|-----|----|---------|---|-----|----|----|----|----|
|   | <p>taking delivery. If the seller fails to deliver, the penal provisions as specified for seller default shall be applicable.</p>  |          |                                   |        |  |  |  |    |     |     |     |   |     |     |     |        |              |   |     |     |    |     |              |   |     |    |     |     |              |   |     |    |    |     |         |   |     |     |    |    |         |   |     |    |     |    |         |   |     |    |    |    |    |
| <b>Delivery order rate</b>                    | <p>On Tender Days:<br/>The delivery order rate (the rate at which delivery will be allocated) shall be the closing price (weighted average price of last half an hour) on the respective tender day except on the expiry date.</p> <p>On Expiry:<br/>On expiry date, the delivery order rate or final settlement price shall be the Due Date Rate (DDR) and not the closing prices.</p>  |          |                                   |        |  |  |  |    |     |     |     |   |     |     |     |        |              |   |     |     |    |     |              |   |     |    |     |     |              |   |     |    |    |     |         |   |     |     |    |    |         |   |     |    |     |    |         |   |     |    |    |    |    |
| <b>Due Date Rate (Final Settlement Price)</b> | <p>For contracts where Final Settlement Price (FSP) is determined by polling, unless specifically approved otherwise, the 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 E2 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:</p> <table border="1" data-bbox="491 1205 1428 1711"> <thead> <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> </thead> <tbody> <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> </tbody> </table> <p>In case of non-availability of polled spot price on expiry day (E0)/predetermined number of days due to sudden closure of physical market under any emergency situations noticed, Clearing Corporation shall decide further course of action for determining FSP and which shall be in accordance with MCXCCL circular no. MCXCCL/SPOT/077/2020 dated April 13, 2020.</p> | 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   |  |  |    |     |     |     |   |     |     |     |        |              |   |     |     |    |     |              |   |     |    |     |     |              |   |     |    |    |     |         |   |     |     |    |    |         |   |     |    |     |    |         |   |     |    |    |    |    |
| <b>Delivery Logic</b>                         | Compulsory   |          |                                   |        |  |  |  |    |     |     |     |   |     |     |     |        |              |   |     |     |    |     |              |   |     |    |     |     |              |   |     |    |    |     |         |   |     |     |    |    |         |   |     |    |     |    |         |   |     |    |    |    |    |

\* A) The Margin Period of Risk (MPOR) shall be in accordance with SEBI Circular no. SEBI/HO/CDMRD/DRMP/CIR/P/2020/15 dated January 27, 2020. For applicable minimum MPOR, refer latest circulars issued by MCXCCL from time to time.

B) For all the applicable margins, refer the latest circulars issued by the Exchange or Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) from time to time.

\*\* Numerical position limit for agricultural commodities is applicable w.e.f. September 01, 2025, refer MCX circular No. MCX/S&I/378/2025 dated July 31, 2025.

\*\*\* As per SEBI directive SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated September 01, 2016

### **Launch Calendar of Cotton Futures contracts and expiry months**

| <b>Contract Launch Months</b> | <b>Contract Expiry Months</b> |
|-------------------------------|-------------------------------|
| May 2026                      | November 2026                 |
| June 2026                     | December 2026                 |
| July 2026                     | January 2027                  |
| August 2026                   | February 2027                 |
| September 2026                | March 2027                    |
| October 2026                  | No Launch                     |
| November 2026                 | No Launch                     |
| December 2026                 | April 2027                    |
| January 2027                  | May 2027                      |
| February 2027                 | June 2027                     |
| March 2027                    | July 2027                     |
| April 2027                    | August 2027                   |