



MCX Circular No. MCX/MCXCCL/467/2019
MCXCCL Circular No. MCXCCL/C&S/203/2019

August 30, 2019

Revision in Delivery and Settlement Procedure for Aluminium, Aluminium Mini, BRASSPHY, Copper, Lead, Lead Mini, Nickel, Zinc and Zinc Mini

In terms of the provisions of the Rules, Bye-Laws and Regulations of the Multi Commodity Exchange Clearing Corporation Limited (MCXCCL), Clearing Members of the MCXCCL are notified as under:

MCX has introduced / modified the provisions on tender period under the staggered delivery tender period for all the Compulsory Delivery contracts expiring from October 25, 2019 and thereafter. Accordingly, the revised Delivery and Settlement procedures of the below mentioned commodities are provided as **Annexure 1 to Annexure 10** to this Circular along with their applicability as under:

- 1. Aluminium Contract expiring from October 2019 and onwards – Annexure 1**
- 2. Aluminium Mini Contract expiring from October 2019 and onwards – Annexure 2**
- 3. BRASSPHY Contract expiring from October 2019 and onwards – Annexure 3**
- 4. Copper Contract expiring from October 2019 and onwards – Annexure 4**
- 5. Lead Contract expiring from October 2019 and onwards – Annexure 5**
- 6. Lead Mini Contract expiring from October 2019 and onwards – Annexure 6**
- 7. Nickel Contract expiring from October 2019 to November 2019 – Annexure 7**
- 8. Nickel Contract expiring from December 2019 and onwards – Annexure 8**
- 9. Zinc Contract expiring from October 2019 and onwards – Annexure 9**
- 10. Zinc Mini Contract expiring from October 2019 and onwards – Annexure 10**

All Members and their respective constituents are requested to take note of the same.

Anthony Rodrigues
Sr. Manager

Encl.: As above

Kindly contact Customer Support on 022 - 6649 4040 or send an email at customersupport@mcxindia.com for any clarification.

----- Corporate office -----
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square, CTS No. 255, Suren Road, Chakala, Andheri (East), Mumbai – 400 093
Tel.: 022 – 67318888 Fax: 022 – 67269558 CIN: U74999MH2008PLC185349
www.mexccl.com email: customersupport@mcxindia.com

Delivery and Settlement procedure for ALUMINIUM Contracts

| Delivery logic | Compulsory Delivery |
|--|--|
| Staggered Delivery Tender Period | <p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day.</p> |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCCCL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | Delivery period margins shall be higher of: <ul style="list-style-type: none"> a. 3% + 5 day 99% VaR of spot price volatility or b. 25% |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation. |

| | |
|---|--|
| | <p><u>On Tender Days:</u> On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+1 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> <p>Approved Aluminium Ingots deposited at MCXCCL accredited warehouses would be electronically credited to the ComRIS Account of the depositor in multiples of 1 MT (subject to the acceptable tolerance limits). Accordingly, in case of a depositor who has deposited 10 MT of the metal, the ComRIS Account of the depositor shall be credited with 10 electronic receipts of 1 MT each.</p> <p>The electronic holdings in Aluminium in ComRIS Account shall be eligible for delivery in the Aluminium contracts, subject to compliance of deliverable lot of the respective contracts. The depositor(s) shall ensure that appropriate electronic records in multiples of deliverable lots are earmarked for 'pay-in' while initiating pay-in through the ComRIS Account.</p> |
| Funds Pay-in | Tender/ Expiry day + 1 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <p>At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL</p> <p>Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses</p> <p>1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery.</p> |

| | |
|---|--|
| | <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller</p> <p>Buyer default shall not be permitted</p> |
| Delivery Center | Ex-Warehouse at Thane district in Maharashtra |
| Additional Delivery Centre (s) | None |
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / DDR / Final Settlement Price. |
| Odd lot Treatment | Not Applicable |
| Adjustment of transportation cost | Not Applicable |
| Warehouse, Insurance and transportation Charges | <p>-Borne by the seller up to commodity pay-out date</p> <p>-Borne by the buyer after commodity pay-out date</p> |
| Buyer's option for lifting of Delivery | Buyer will not have any option of choosing the place and grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL |
| Delivery of Goods | <p>The goods delivered through the ComRIS Account should be valid as per contract specifications up to minimum 15 days after the expiry of the contract from the MCXCCL approved quality certifying agency/s.</p> <p>Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications.</p> |
| Delivery Grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him |
| Premium / Discount for additional deliverable grade (Rs. per Kg) | Not Applicable. |
| Legal Obligation | Every member delivering and receiving goods through the ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so |

| | |
|-------------------------------------|--|
| Extension of Delivery Period | The MCXCCL may extend the Delivery Period due to either force majeure or any other reason, as it thinks fit in the interest of the market. |
| Applicability of Regulations | <p>The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.</p> <p>Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Government and other authorities.</p> <p>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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities like BIS, Orders under Packaging and Labelling etc as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.</p> <p>All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.</p> <p>In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the</p> |

MCX/MCXCCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)

Delivery and Settlement procedure for Aluminium Mini Contract

| Delivery logic | Compulsory Delivery |
|--|--|
| Staggered Delivery Tender Period | <p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day.</p> |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCCCL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | Delivery period margins shall be higher of: <ul style="list-style-type: none"> c. 3% + 5 day 99% VaR of spot price volatility or d. 25% |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation. |

| | |
|---|--|
| | <p><u>On Tender Days:</u> On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+1 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> <p>The electronic holdings in Aluminium in ComRIS Account shall be eligible for delivery in the Aluminium Mini contracts. The depositor(s) shall ensure that appropriate electronic records are earmarked for 'pay-in' while initiating pay-in through the ComRIS Account.</p> |
| Funds Pay-in | Tender/ Expiry day + 1 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <ul style="list-style-type: none"> • At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL • Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses • 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery. <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller</p> <p>Buyer default shall not be permitted</p> |
| Delivery Center | Ex-Warehouse at Thane district in Maharashtra |

| | |
|---|---|
| | As per SEBI circular SEBI/HO/CDMRD /DMP/CIR/P/2016/103 dated September 27, 2016, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers |
| Additional Delivery Centre (s) | None |
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / DDR / Final Settlement Price. |
| Odd lot Treatment | Not Applicable |
| Adjustment of transportation cost | Not Applicable |
| Warehouse, Insurance and transportation Charges | -Borne by the seller up to commodity pay-out date -Borne by the buyer after commodity pay-out date |
| Buyer's option for lifting of Delivery | Buyer will not have any option of choosing the place and grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL |
| Delivery of Goods | The goods delivered through the ComRIS Account should be valid as per contract specifications up to minimum 15 days after the expiry of the contract from the MCXCCL approved quality certifying agency/s. Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications. |
| Delivery Grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him |
| Premium / Discount for additional deliverable grade (Rs. per Kg) | Not Applicable. |
| Legal Obligation | Every member delivering and receiving goods through the ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so |
| Extension of Delivery Period | The MCXCCL may extend the Delivery Period due to either force majeure or any other reason, as it thinks fit in the interest of the market. |
| Applicability of Regulations | The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of |

matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.

Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Government and other authorities.

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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities like BIS, Orders under Packaging and Labelling etc as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.

In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the MCX/MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated

| | |
|--|---|
| | <p>warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)</p> |
|--|---|

Delivery and Settlement procedure for BRASSPHY Contract

| | |
|--|--|
| Delivery Logic | Compulsory delivery |
| Staggered Delivery Tender Period | <p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day.</p> |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | <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> |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | <p>The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation.</p> <p><u>On Tender Days:</u> On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender</p> |

| | |
|---|--|
| | <p>days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+2 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> |
| Funds Pay-in | Tender/ Expiry day + 2 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 2 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 2 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <ul style="list-style-type: none"> • At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL. • Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses. • 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery. <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller</p> <p>Buyer default shall not be permitted</p> |
| Delivery Center | Ex-Warehouse at district Jamnagar in Gujarat. |
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / Due Date Rate/ Final Settlement Price. |
| Odd lot treatment | Not Applicable |
| Adjustment of transportation cost | Not Applicable |
| Warehouse, insurance and transportation charges | <p>-Borne by the seller upto commodity pay-out date</p> <p>-Borne by the Buyer after commodity pay-out date</p> |
| Buyer's option for lifting of Delivery | Buyer will not have any option of choosing the Place and Grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL. |

| | |
|---|---|
| | |
| Delivery of Goods | <p>Each delivery shall be in multiples of delivery lots and shall be designated for only one delivery center and one location in such center.</p> <p>The goods delivered through ComRIS Account should be valid as per contract specifications up to minimum 15 days' after the expiry of the contract from the MCXCCL approved quality certifying agency/s.</p> <p>Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications.</p> |
| Delivery grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him. |
| Premium / Discount For Additional deliverable Grade (Rs. per Kg) | Billets : Premium of Rs.3.00 per Kg |
| Legal obligation | Every member delivering and receiving goods through ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so. |
| Extension of delivery period | The MCXCCL may extend the Delivery Period due to either force majeure or any other reason, as it thinks fit in the interest of the market. |
| Applicability of Regulations | <p>The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.</p> <p>Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Government and other authorities.</p> |

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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.

In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the MCX/MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)

Delivery and Settlement procedure for Copper Contract

| | |
|--|--|
| Delivery logic | Compulsory Delivery |
| Staggered Delivery Tender Period | <p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day.</p> |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCCCL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | Delivery period margins shall be higher of: <ul style="list-style-type: none"> a. 3% + 5 day 99% VaR of spot price volatility or b. 25% |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | <p>The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation.</p> <p>On Tender Days:</p> |

| | |
|---|--|
| | <p>On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+1 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> |
| Funds Pay-in | Tender/ Expiry day + 1 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <ul style="list-style-type: none"> • At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL. • Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses. • 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery. <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller</p> <p>Buyer default shall not be permitted</p> |
| Delivery Center | <p>Ex-Warehouse at Thane district in Maharashtra</p> <p>As per SEBI circular SEBI/HO/CDMRD/DMP/CIR/P/2016/103 dated September 27, 2016, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers</p> |
| Additional Delivery Centre (s) | None |
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / DDR / Final Settlement Price. |
| Adjustment of transportation cost | Not Applicable |

| | |
|---|---|
| Warehouse, Insurance and transportation Charges | -Borne by the seller up to commodity pay-out date -Borne by the buyer after commodity pay-out date |
| Buyer's option for lifting of Delivery | Buyer will not have any option of choosing the Place and Grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL |
| Delivery of Goods | The goods delivered through the ComRIS Account should be valid as per contract specifications up to minimum 15 days after the expiry of the contract from the MCXCCL approved quality certifying agency/s. Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications. |
| Delivery Grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him |
| Premium / Discount for additional deliverable grade (Rs. per Kg) | Not Applicable |
| Legal Obligation | Every member delivering and receiving goods through the ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so |
| Extension of Delivery Period | The MCXCCL may extend the Delivery Period due to either force majeure or any other reason, as it thinks fit in the interest of the market. |
| Applicability of Regulations | The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time. Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Government and |

other authorities.

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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities like BIS, Orders under Packaging and Labelling etc as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.

In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the MCX/MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)

Delivery and Settlement procedure for Lead Contract

| | |
|--|--|
| Delivery logic | Compulsory Delivery |
| Staggered Delivery Tender Period | <p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day.</p> |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCCCL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | Delivery period margins shall be higher of: <ul style="list-style-type: none"> a. 3% + 5 day 99% VaR of spot price volatility or b. 25% |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | <p>The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation.</p> <p>On Tender Days:</p> |

| | |
|---|--|
| | <p>On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+1 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> <p>Approved Lead Ingots deposited at MCXCCL accredited warehouses would be electronically credited to the ComRIS Account of the depositor in multiples of 1 MT (subject to the acceptable tolerance limits). Accordingly, in case of a depositor who has deposited 10 MT of the metal, the ComRIS Account of the depositor shall be credited with 10 electronic receipts of 1 MT each.</p> <p>The electronic holdings in Lead in ComRIS Account shall be eligible for delivery in the Lead contracts, subject to compliance of deliverable lot of the respective contracts. The depositor(s) shall ensure that appropriate electronic records in multiples of deliverable lots are earmarked for 'pay-in' while initiating pay-in through the ComRIS Account.</p> |
| Funds Pay-in | Tender/ Expiry day + 1 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <ul style="list-style-type: none"> • At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL • Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses • 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery. |

| | |
|---|---|
| | Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller Buyer default shall not be permitted |
| Delivery Center | Ex-Warehouse at Chennai district in Tamil Nadu As per SEBI circular SEBI/HO/CDMRD/DMP/CIR/P/2016 /103 dated September 27, 2016, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers |
| Additional Delivery Centre (s) | Thane district in Maharashtra As per SEBI circular SEBI/HO/CDMRD/DMP/CIR/P/2016 /103 dated September 27, 2016, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers. |
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / DDR / Final Settlement Price. |
| Odd lot Treatment | Not Applicable |
| Warehouse, Insurance and transportation Charges | -Borne by the seller up to commodity pay-out date -Borne by the buyer after commodity pay-out date |
| Buyer's option for lifting of Delivery | Buyer will not have any option of choosing the place and grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL |
| Location Premium/ Discount at Additional Delivery Centre (s) | Nil (At Par to Primary Delivery Center) |
| Delivery of Goods | The goods delivered through the ComRIS Account should be valid as per contract specifications up to minimum 15 days after the expiry of the contract from the MCXCCL approved quality certifying agency/s. Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications. |
| Delivery Grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him |

| | |
|---|---|
| Premium / Discount for additional deliverable grade (Rs. per Kg) | Not Applicable. |
| Legal Obligation | Every member delivering and receiving goods through the ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so |
| Extension of Delivery Period | The MCXCCL may extend the Delivery Period due to either force majeure or any other reason, as it thinks fit in the interest of the market. |
| Applicability of Regulations | <p>The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.</p> <p>Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Government and other authorities.</p> <p>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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities like BIS, Orders under Packaging and Labelling etc as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.</p> <p>All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST</p> |

Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.

In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the MCX/MCXCCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)

Delivery and Settlement procedure for Lead Mini Contract

| | |
|--|--|
| Delivery logic | Compulsory Delivery |
| Staggered Delivery Tender Period | The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts. Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day. |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCCCL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | Delivery period margins shall be higher of: c. 3% + 5 day 99% VaR of spot price volatility or d. 25% |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation. <u>On Tender Days:</u> On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on |

| | |
|---|--|
| | <p>the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+1 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> <p>The electronic holdings in Lead in ComRIS Account shall be eligible for delivery in the Lead Mini contracts. The depositor(s) shall ensure that appropriate electronic records are earmarked for 'pay-in' while initiating pay-in through the ComRIS Account.</p> |
| Funds Pay-in | Tender/ Expiry day + 1 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <ul style="list-style-type: none"> • At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL • Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses • 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery. <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller</p> <p>Buyer default shall not be permitted</p> |
| Delivery Center | <p>Ex-Warehouse at Chennai district in Tamil Nadu</p> <p>As per SEBI circular SEBI/HO/CDMRD/ DMP/ CIR/ P/ 2016/103 dated September 27, 2016, the exchanges may accredit warehouses of a WSP within 100 kms radius of the</p> |

| | |
|---|---|
| | delivery centers |
| Additional Delivery Centre (s) | Thane district in Maharashtra As per SEBI circular SEBI/HO/CDMRD/DMP/CIR/P/2016 /103 dated September 27, 2016, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers. |
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / DDR / Final Settlement Price. |
| Odd lot Treatment | Not Applicable |
| Warehouse, Insurance and transportation Charges | -Borne by the seller up to commodity pay-out date -Borne by the buyer after commodity pay-out date |
| Buyer's option for lifting of Delivery | Buyer will not have any option of choosing the place and grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL |
| Location Premium/ Discount at Additional Delivery Centre (s) | Nil (At Par to Primary Delivery Center) |
| Delivery of Goods | The goods delivered through the ComRIS Account should be valid as per contract specifications up to minimum 15 days after the expiry of the contract from the MCXCCL approved quality certifying agency/s. Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications. |
| Delivery Grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him |
| Premium / Discount for additional deliverable grade (Rs. per Kg) | Not Applicable. |
| Legal Obligation | Every member delivering and receiving goods through the ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so |
| Extension of Delivery Period | The MCXCCL may extend the Delivery Period due to either force majeure or any other reason, as it thinks fit in the interest of the market. |
| Applicability of Regulations | The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of |

Directors/ Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.

Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Government and other authorities.

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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities like BIS, Orders under Packaging and Labelling etc as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.

In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the MCX/MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated

| | |
|--|---|
| | <p>warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)</p> |
|--|---|

**Delivery and Settlement procedure for Nickel Contracts
(expiring from October 2019 to November 2019)**

| | |
|--|--|
| Delivery logic | Compulsory Delivery |
| Staggered Delivery Tender Period | <p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day.</p> |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCCCL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | Delivery period margins shall be higher of: <ul style="list-style-type: none"> e. 3% + 5 day 99% VaR of spot price volatility or f. 25% |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation. |

| | |
|---|--|
| | <p><u>On Tender Days:</u> On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+1 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> |
| Funds Pay-in | Tender/ Expiry day + 1 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <ul style="list-style-type: none"> • At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL. • Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses. • 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery. <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller</p> <p>Buyer default shall not be permitted</p> |
| Delivery Center | <p>Ex-Warehouse at Thane district in Maharashtra</p> <p>As per SEBI circular SEBI/HO/CDMRD/DMP/CIR/P/2016/103 dated September 27, 2016, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers</p> |
| Additional Delivery Centre (s) | None |

| | |
|---------------------------------------|--|
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / DDR / Final Settlement Price. |
| Odd lot Treatment | <p>All Members shall square up their outstanding odd lots open positions, if any. In case any member fails to square-up outstanding odd lot position, the delivery upto the nearest deliverable lot will be considered, while the residual odd lot will be settled in the following manner :-</p> <ol style="list-style-type: none"> <p>1. Both buyer and seller in odd lot: If both the buyer and seller have odd lot position, then the outstanding position shall be closed out at settlement price and the following prescribed provisions related to penalties will be applicable to buyer and seller.</p> <ol style="list-style-type: none"> <p>1.1 Penal Provision: A penalty of 3% of the settlement price shall be imposed on both such odd lot buyer and seller.</p> <p>1.2 Appropriation of penalty: 2.75% shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL and 0.25% shall be retained by MCXCCL towards administrative expenses.</p> <p>2. Seller in odd lot and buyer in deliverable lots: If the seller has an odd lot position and the buyer does not have an odd lot position, the penal provisions as applicable to seller's default shall apply.</p> <ol style="list-style-type: none"> <p>2.1 Penal Provision: 3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero).</p> <p>2.2 Appropriation of penalty: 1.75% of Settlement price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL and 0.25% of Settlement price shall be retained by MCXCCL towards administrative expenses. 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery.</p> <p>3. Seller in lot and buyer in odd lot: If the buyer has an odd lot position and seller is in deliverable lot,</p> |

MCXCCL shall have the right to conduct auction of commodities on account of such odd lot buyers.

3.1 MCXCCL shall declare funds pay-out to the seller. The funds pay-in done by the odd lot buyer shall be retained by MCXCCL till the disposal of commodity, either through auction or selling in spot market. Odd lot buyers will be charged penalty as defined under 1.1 above and the same shall be appropriated as defined under 1.2 above.

3.2 MCXCCL will conduct auction in deliverable lots and broadcast the quantity that needs to be auctioned. Submission of Bid/s by interested Buyer/s would be done through the auction process of MCXCCL. Bids would be submitted during the auction session. At the end of auction session, bids would be accepted on price-time priority basis whereby the highest bids shall be accepted. The weighted average price of the bids shall be assigned to the odd lot buyers. The odd lot buyers shall be permitted to participate in the auction and no penalty as defined in 1.1 above would apply to such odd lot buyers if their bids are accepted.

3.3 Auction Buyers with approved bids shall do fund settlement on the due date at their respective bid price. Any difference in the weighted average auction price and the settlement price shall be recovered from the odd lot buyers. In addition to the auction price difference, the odd lot buyers shall be required to pay the differential supplementary settlement charges (on account of proportionate quality and quantity difference). Refund of funds pay-in shall be done to the odd lot buyers to the extent of auctioned quantity.

3.4 In case of un-auctioned quantity, MCXCCL shall have the right to dispose of the same through spot market directly or through an agent. The refund of funds pay-in shall be done on a pro-rata basis to the odd lot buyers out of and to the extent of the proceeds of the disposal in the spot market.

| | |
|---|---|
| | <p>Impounding of MTM profits on odd lot positions: Any gains arising in point 1, 2 & 3 on account of Mark To Market settlement (MTM) of such odd lot positions, due to difference between the Previous Close Price/ Trade Price (if traded on expiry day) and Due Date Rate (DDR), in excess of the applicable odd lot penal provisions, will be impounded from the odd lot buyers/ sellers, as the case may be, and deposited in Settlement Guarantee Fund (SGF) of MCXCCL.</p> |
| Adjustment of transportation cost | Not Applicable |
| Warehouse, Insurance and transportation Charges | -Borne by the seller up to commodity pay-out date -Borne by the buyer after commodity pay-out date |
| Buyer's option for lifting of Delivery | Buyer will not have any option of choosing the Place and Grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL |
| Delivery of Goods | <p>The goods delivered through the ComRIS Account should be valid as per contract specifications up to minimum 15 days after the expiry of the contract from the MCXCCL approved quality certifying agency/s.</p> <p>Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications.</p> |
| Delivery Grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him |
| Premium / Discount for additional deliverable grade (Rs. per Kg) | Nil |
| Legal Obligation | Every member delivering and receiving goods through the ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so |
| Extension of Delivery Period | The MCXCCL may extend the Delivery Period due to either force majeure or any other reason, as it thinks fit in the interest of the market. |
| Applicability of Regulations | The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral |

part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.

Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Government and other authorities.

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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities like BIS, Orders under Packaging and Labelling etc as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.

In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the MCX/MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially

| | |
|--|--|
| | <p>confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)</p> |
|--|--|

**Delivery and Settlement procedure for Nickel Contracts
(expiring from December 2019 and onwards)**

| Delivery logic | Compulsory Delivery |
|--|--|
| Staggered Delivery Tender Period | <p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day.</p> |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCCCL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | Delivery period margins shall be higher of: g. 3% + 5 day 99% VaR of spot price volatility or h. 25% |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | <p>The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation.</p> <p><u>On Tender Days:</u></p> |

| | |
|---|--|
| | <p>On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+1 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> |
| Funds Pay-in | Tender/ Expiry day + 1 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <ul style="list-style-type: none"> • At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL. • Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses. • 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery. <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller</p> <p>Buyer default shall not be permitted</p> |
| Delivery Center | <p>Ex-Warehouse at Thane district in Maharashtra</p> <p>As per SEBI circular SEBI/HO/CDMRD/DMP/ CIR/P/2016/103 dated September 27, 2016, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers</p> |
| Additional Delivery Centre (s) | None |
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / DDR / Final Settlement Price. |

| | |
|---|---|
| Odd lot Treatment | Not Applicable |
| Adjustment of transportation cost | Not Applicable |
| Warehouse, Insurance and transportation Charges | -Borne by the seller up to commodity pay-out date -Borne by the buyer after commodity pay-out date |
| Buyer's option for lifting of Delivery | Buyer will not have any option of choosing the Place and Grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL |
| Delivery of Goods | The goods delivered through the ComRIS Account should be valid as per contract specifications up to minimum 15 days after the expiry of the contract from the MCXCCL approved quality certifying agency/s. Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications. |
| Delivery Grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him |
| Premium / Discount for additional deliverable grade (Rs. per Kg) | Nil |
| Legal Obligation | Every member delivering and receiving goods through the ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so |
| Extension of Delivery Period | The MCXCCL may extend the Delivery Period due to either force majeure or any other reason, as it thinks fit in the interest of the market. |
| Applicability of Regulations | The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time. Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well |

as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Government and other authorities.

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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities like BIS, Orders under Packaging and Labelling etc as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.

In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the MCX/MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this

| | |
|--|---|
| | delivery and settlement procedure shall be final and binding on the members and other market participants.) |
|--|---|

Delivery and Settlement procedure for ZINC Contracts

| Delivery logic | Compulsory Delivery |
|--|--|
| Staggered Delivery Tender Period | <p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day.</p> |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCLL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | <p>Delivery period margins shall be higher of:</p> <p style="margin-left: 40px;">a. 3% + 5 day 99% VaR of spot price volatility</p> <p style="margin-left: 40px;">or</p> <p style="margin-left: 40px;">b. 25%</p> |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | <p>The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation.</p> <p><u>On Tender Days:</u></p> |

| | |
|---|--|
| | <p>On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+1 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> <p>Approved Zinc ingots deposited at MCXCCL accredited warehouses would be electronically credited to the ComRIS Account of the depositor in multiples of 1 MT (subject to the acceptable tolerance limits). Accordingly, in case of a depositor who has deposited 10 MT of the metal, the ComRIS Account of the depositor shall be credited with 10 electronic receipts of 1 MT each.</p> <p>The electronic holdings in Zinc in ComRIS Account shall be eligible for delivery in the Zinc contracts, subject to compliance of deliverable lot of the respective contracts. The depositor(s) shall ensure that appropriate electronic records in multiples of deliverable lots are earmarked for 'pay-in' while initiating pay-in through the ComRIS Account.</p> |
| Funds Pay-in | Tender/ Expiry day + 1 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <p>At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL. Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses. 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery.</p> <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller</p> |

| | |
|---|---|
| | Buyer default shall not be permitted |
| Delivery Center | Ex-Warehouse at Thane district in Maharashtra |
| Additional Delivery Centre (s) | None |
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / DDR/ Final Settlement Price. |
| Odd lot Treatment | Not Applicable |
| Adjustment of transportation cost | Not Applicable |
| Warehouse, Insurance and transportation Charges | -Borne by the seller up to commodity pay-out date -Borne by the buyer after commodity pay-out date |
| Buyer's option for lifting of Delivery | Buyer will not have any option about choosing the place and grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL |
| Delivery of Goods | The goods delivered through ComRIS Account should be valid as per contract specifications up to minimum 15 days after the expiry of the contract from the MCXCCL approved quality certifying agency/s. Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications. |
| Delivery Grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him |
| Premium / Discount for additional deliverable grade (Rs. per Kg) | Not Applicable |
| Legal Obligation | Every member delivering and receiving goods through ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so |
| Extension of Delivery Period | The MCXCCL may extend the delivery period due to either force majeure or any other reason, as its think fit in the interest of the market. |
| Applicability of Regulations | The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of |

matters specified in this document shall form an integral part of this contract. MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.

Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of MCXCCL as well as of the Regulators, Government and other authorities.

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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities like BIS, Orders under Packaging and Labelling etc as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.

In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and MCX/MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated

| | |
|--|---|
| | <p>warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)</p> |
|--|---|

Delivery and Settlement procedure for Zinc Mini Contract

| Delivery logic | Compulsory Delivery |
|--|--|
| Staggered Delivery Tender Period | <p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>Trading day will be based on availability for trading of the respective commodity on a trading day and excluding special sessions like Muhurat Trading day.</p> |
| Staggered Tender Period Margin | 5% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any. |
| Mode of Intention Submission | MCX eXchange |
| Buyer Delivery Intention | Buyer to give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. |
| Seller Delivery Intention | Seller to give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m. |
| Dissemination of Intention | Intentions received from the sellers and buyers will be broadcasted on TWS by the MCX/MCXCCCL by 5.30 p.m. on the respective tender days. |
| Delivery Period Margin | Delivery period margins shall be higher of: <ul style="list-style-type: none"> c. 3% + 5 day 99% VaR of spot price volatility or d. 25% |
| Exemption from Staggered Tender Period and Delivery Period Margin | Sellers are exempted from payment of all types of margins, if goods are tendered as early pay-in with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers. |
| Delivery Allocation Rate | Settlement/closing price on the respective tender days except on expiry date. On expiry date the delivery order rate shall be the Due Date Rate (DDR) and not the closing price |
| Delivery Marking | On the respective tender days after the end of the day |
| Delivery Pay-in | <p>The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation.</p> <p><u>On Tender Days:</u></p> |

| | |
|---|--|
| | <p>On tender days by 5.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+1 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p> <p>The electronic holdings in Zinc in ComRIS Account shall be eligible for delivery in the Zinc Mini contracts. The depositor(s) shall ensure that appropriate electronic records are earmarked for 'pay-in' while initiating pay-in through the ComRIS Account.</p> |
| Funds Pay-in | Tender/ Expiry day + 1 basis: 12.00 p.m. |
| Delivery Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Funds Pay-out | Tender/ Expiry day + 1 basis: 2.00 p.m. |
| Penal Provision for default of Delivery & Settlement | <p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <ul style="list-style-type: none"> • At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL. • Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses. • 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery. <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller</p> <p>Buyer default shall not be permitted</p> |
| Delivery Center | As per SEBI circular SEBI/HO/CDMRD /DMP/CIR/P/2016/103 dated September 27, 2016, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers |

| | |
|---|---|
| Additional Delivery Centre (s) | None |
| Taxes, Duties, Cess and Levies | At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / DDR/ Final Settlement Price. |
| Odd lot Treatment | Not Applicable |
| Adjustment of transportation cost | Not Applicable |
| Warehouse, Insurance and transportation Charges | -Borne by the seller up to commodity pay-out date -Borne by the buyer after commodity pay-out date |
| Buyer's option for lifting of Delivery | Buyer will not have any option about choosing the place and grade of delivery and will have to accept the delivery as per allocation made by the MCXCCL |
| Delivery of Goods | The goods delivered through ComRIS Account should be valid as per contract specifications up to minimum 15 days after the expiry of the contract from the MCXCCL approved quality certifying agency/s. Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications. |
| Delivery Grades | The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him |
| Premium / Discount for additional deliverable grade (Rs. per Kg) | Not Applicable |
| Legal Obligation | Every member delivering and receiving goods through ComRIS Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so |
| Extension of Delivery Period | The MCXCCL may extend the delivery period due to either force majeure or any other reason, as its think fit in the interest of the market. |
| Applicability of Regulations | The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to |

delivery procedures, warehousing, quality certification, margining, and risk management from time to time.

Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of MCXCCL as well as of the Regulators, Government and other authorities.

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 MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by relevant authorities like BIS, Orders under Packaging and Labelling etc as also 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, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, Local Taxes, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any.

In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and MCX/MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration

| | |
|--|---|
| | <p>in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)</p> |
|--|---|