CODE OF CONDUCT FOR THE GOVERNING BOARD, DIRECTORS, COMMITTEE MEMBERS AND KEY MANAGEMENT PERSONNEL AT MCXCCL

VERSION 5.0

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Revision History

Version No.	Description	Prepared By / Revised By	Reviewed / Approved by	Issue / Revision Date
1.0	**Initial Version**	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Kumar Ahlawat Approved by MCXCCL Board	25/08/2023 (Effective from August 28, 2023)
2.0	• The words 'recognised stock exchange' and 'stock exchange' are removed from the Code. • The words 'recognized clearing corporation/clearing corporation' are replaced with the words 'MCXCCL/Company'. • Inclusion of disclosures under Form A, Form B and Form C.	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Kumar Ahlawat Approved by MCXCCL Board	09/02/2024
3.0	• Revised format of form B and form C.	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Kumar Ahlawat Approved by MCXCCL Board	23/04/2024
4.0	• Provision for obtaining details of holding / trading in securities by Independent External Persons. • Specified period for submitting holding in securities in Form A. • Revised format of Form A, Form B and Form C.	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Kumar Ahlawat Approved by MCXCCL Board	26/07/2024

5.0	• Word 'Board' is replaced with word 'SEBI'. • Form A, Form B and Form C is specifically revised to include PAN of the person for whom reporting is made.	Mr. Mandar Kulkarni	Reviewed by Mr. Narendra Kumar Ahlawat Approved by MCXCCL Board	23/12/2025

CODE OF CONDUCT FOR THE GOVERNING BOARD, DIRECTORS, COMMITTEE MEMBERS AND KEY MANAGEMENT PERSONNEL AT MCXCCL

INTRODUCTION:

This Code of Conduct is framed by Multi Commodity Exchange Clearing Corporation Limited ("MCXCCL")in accordance with Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 read with Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2023.

This Code applies to the Governing Board, Directors, Committee Members of various Committees, Key Managerial Personnel (KMPs).

CODE OF CONDUCT:

I. For Governing Board

The Governing Board of MCXCCL shall:

a) evaluate profitability margins of the Company.

b) ensure adequacy of resource allocation (both financial and human) towards regulatory compliances.

c) focus on strategy, policy level issues and important matters and may review the day-to-day operational matters only in exceptional cases.

d) oversee the critical operations including technology as well as the regulatory, risk management, compliance and investor grievance redressal functions of the Company.

e) take the lead in succession planning for the managing director and other key positions.

f) play an active role in defining, establishing and documenting risk management framework, covering risk appetite or risk tolerance policy of the Company and ensure that the policy contains the following:

   i. role of risk appetite in key processes
   ii. clear quantitative metrics and thresholds to monitor performance of Company's risk appetite
   iii. acceptability of breaches and trigger response(s), if any.
   iv. zero tolerance for areas such as cyber security, system stability, surveillance, fair access, fraud or corruption, compliance, etc.

g) make key stakeholders (executive and non-executive) aware of the use and value of risk appetite across the organization (including implications of breaches) and review and approve risk appetite metrics and thresholds periodically.

h) ensure adequate independence of key functions such as regulatory and control functions (risk management, compliance and audit functions) such that;

i. regulatory and control functions have sufficient stature to perform their tasks effectively.
ii. regulatory and control functions operate independently and have appropriate direct access to the governing board of the Company and senior management.
iii. control functions are proactively involved in all relevant decisions and activities.

i) Provide for three lines of defense construct where:

i. the first line incorporates business units and support functions as it has the responsibility to own and manage risks associated with day to day operational activities.
ii. the second line comprises of various oversight functions i.e., regulatory, risk management, compliance teams, and
iii. the third line comprises the internal audit function.

j) ensure that the roles and responsibilities of management in relation to three lines of defense are clearly specified and understood and that all employees are responsible for the regulatory, risk management and compliance outcomes.

k) ensure a culture of effective communication and challenge (i.e., encourage alternate views or questions from individuals and groups) and value and respect it.

l) ensure that any new product, service, revenue stream is examined by the concerned department of the Company from the compliance and risk management perspectives in addition to normal viability issues before approving the same.

m) review periodically all existing products, services and revenue streams.

n) shall meet, without the presence of the managing director and any other executive director, the chief regulatory officer or compliance officer, the chief risk officer, the chief information security officer, the statutory auditor of the Company and any other person as determined by the public interest directors and non-independent directors to discuss important issues concerning the Company, on a periodic basis as specified by the SEBI.

o) periodically review the frequency of meetings and agenda items of the governing board and statutory committees to ensure that the number of meetings is rationalized and all important issues are discussed.

p) ensure that the agenda papers are approved by the Chairman of the governing board.

q) ensure that members of the governing board can place agenda item during their meeting.

r) be responsible for monitoring compliance with the code of conduct by the directors of the Company.

s) uphold a strong culture in the Company and promote target culture from the top through behaviour, actions and effective communication.

t) communicate the guiding principles for institution's target regulatory, compliance, risk and conduct culture.

u) endeavourthat the Company put in place key elements related to culture such as:

i. adequate training programs to help employees better understand expectations of behavior (for example, trainings on dilemmas);
ii. mechanisms to measure and track indicators related to culture at regular intervals;
iii. accountability mechanisms; and
iv. performance management mechanisms which take into account adherence to culture, conduct and behavior related dimensions.

II. For directors, committee members and key management personnel

A. Applicable to directors, committee members and key management personnel of MCXCCL:

1. General Responsibility.

Every director, committee members and key management personnel of MCXCCL shall-

(a) analyse and administer the Company's issues with professional competence, fairness, impartiality, efficiency and effectiveness;

(b) submit the necessary disclosures, statement of holdings, dealings in securities as required by the Company from time to time as per their rules, bye-laws or articles of association;

(c) unless otherwise required by law, maintain confidentiality and not divulge or disclose any information obtained in the discharge of their duty and no such information is used for personal gains;

(d) maintain the highest standards of personal integrity, truthfulness, honesty and fortitude in discharge of their duties in order to inspire public confidence and not engage in acts discreditable to their responsibilities;

(e) perform their duties in an independent and objective manner and avoid activities that may impair, or may appear to impair, their independence or objectivity or official duties;

(f) perform their duties with a positive attitude and constructively support open communication, creativity, dedication, and compassion;

(g) not engage in any act involving moral turpitude, dishonesty, fraud, deceit, or misrepresentation or any other act prejudicial to the administration of the Company;

(h) promote greater awareness and understanding of ethical responsibilities;

(i) in the conduct of their business, observe high standards of commercial honour and; just and equitable principles of trade;

(j) be exemplary in their conduct in business life which may set a standard for others;

(k) not use their position to give or receive favours to or from the executive or administrative staff of the Company, technology or service providers and vendors or suppliers of the Company, ;

(l) not commit any act which will put the reputation of the Company in jeopardy;

(m) comply with the provisions of all applicable laws pertaining to the securities market;

(n) directors and key management personnel shall at all point of time comply with all the internal policies of the Company including their code of conduct. If there is a conflict between the code of conduct policy of the Company with those provided by the SEBI, then the policy issued by the SEBI shall prevail.

2. Regulatory Compliances.

Every director, committee member and key management personnel of MCXCCL shall-

(a) ensure that the Company abides by all the applicable provisions of the Act, the Securities and Exchange Board of India Act, 1992, rules and regulations framed thereunder and the circulars, directions or any other instructions issued by the SEBI from time to time;

(b) ensure compliance at all levels so that the regulatory system does not suffer any breaches;

(c) ensure that the Company takes steps to commensurate to honour the time limit stipulated by SEBI for corrective action.

3. Disclosures of Beneficial Interest.

All directors, committee members and key management personnel shall disclose to the governing board of the Company, upon assuming office and during their tenure in office, whenever the following arises:

a. any fiduciary relationship of self and family members and directorship or partnership of self and family members in any trading member or clearing member or depository participant or registrar and transfer agent;
b. shareholding, in cases where the shareholding of the director or key management personnel, directly or through his family exceeds 5 percent in any listed company or in other entities related to the securities markets;

c. any other business interests.

4. Access to Information.

a. There shall be prescribed channels through which information shall move and further there shall be audit trail of the same. Any retrieval of confidential documents or information shall be properly recorded.

b. All such information, especially which is non-public and price sensitive, shall be kept confidential and not be used for any personal consideration or gain.

c. Any information relating to the business or operations of the Company, which may come to the knowledge of directors or committee members or key management personnel during performance of their duties shall be held in strict confidence, shall not be divulged to any third party and shall not be used in any manner except for the performance of their duties.

d. Directors shall call for information only as part of specific committees or as may be authorised by the governing board of Company.

5. Misuse of Position.

Directors or committee members or key management personnel shall not use their position to obtain business or any pecuniary benefit in the organization for themselves or family members.

B. Applicable to the Directors and Committee Members

1. Meetings and Minutes.

The directors and committee members of MCXCCL shall-

(a) not participate in discussions on any subject matter in which any conflict of interest exists or arises, whether pecuniary or otherwise and in such cases the same shall be disclosed and recorded in the minutes of the meeting;

(b) not encourage the circulation of agenda papers during the meeting, unless circumstances so require;

(c) ensure that minutes are recorded to capture all points of opinion comprehensively;

(d) offer their comments on the draft minutes and ensure that the same are incorporated in the final minutes;

(e) insist on the minutes of the previous meeting being placed for approval in subsequent meeting;

(f) endeavor to have the date of next meeting fixed at each governing board meeting and committee meetings respectively in consultation with other respective members of the governing board and committees;

(g) ensure that all important agendas placed before the governing board of the Company and committees are deliberated in a timely manner;

(h) not support any decision in the meeting of the governing board of the Company and the committees respectively which may adversely affect the interest of investors and shall report forthwith any such decision to the SEBI.

2. Role of the directors and committee members in the day to day functioning of MCXCCL.

(a) The directors and committee members shall not interfere in the day to day functioning of the Company and shall limit their role to decision making on policy issues and to issues as the governing board of the Company may decide.

(b) The directors and committee members shall abstain from influencing the employees of the Company in conducting their day to day activities.

(c) The directors and committee members shall not be directly involved in the function of appointment and promotion of employees unless specifically so decided by the governing board of the Company.

3. Avoidance of Conflict of Interest.

(a) No director or committee member of the Company shall participate in any decision making or adjudication in respect of any person or matter in which he or she is in any way, directly or indirectly, concerned or interested.

(b) Conflict of interest in a matter, if any, shall be decided by the governing board of the Company.

4. Strategic Planning.

Every director and committee member of MCXCCL shall-

(a) participate in the formulation and execution of strategies in the best interest of the Company and contribute towards pro-active decision making at the governing board level;

(b) give benefit of their experience and expertise to the Company and provide assistance in strategic planning and execution of decisions;

(c) place priority for redressing investor grievances and encouraging fair trade practice so that the Company becomes an engine for the growth of the securities market.

5. Disclosure of holdings / dealings in securities by Directors of MCXCCL.

(a) All holdings in securities (at the time of joining the Company and thereafter annually) / transactions or dealings in securities by the directors and their immediate relatives (as defined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015) shall be disclosed to the governing board of the Company in following formats:

- Form A - Annual disclosure of Securities (non-derivatives) Holdings;
- Form B - Details of transactions in Securities (Other than Derivatives) and
- Form C - Details of transactions in Securities (Derivatives).

All the aforementioned forms are attached to this Code.

(b) All directors shall also disclose the trading conducted by firms or corporate entities in which they hold twenty percent or more beneficial interest or hold a controlling interest, to the Company.

(c) All holdings in securities shall be disclosed in Form A within 30 days from the date of joining the Company and thereafter, on annual basis within 30 days of financial year ending.

(d) The details of transactions or dealings in securities by the directors and their immediate relatives or by firms or corporate entities in which Directors hold twenty percent or more beneficial interest or hold a controlling interest shall be disclosed in Form B and Form C, not later than fifteen days of the transaction/ dealing.

(d) Directors who are nominees of Government of India, its statutory bodies or Public Financial Institutions and are governed by their own codes shall be exempt from this requirement.

C. Applicable to Public Interest Directors

(a) Public Interest Directors of the Company shall endeavor to attend all the governing board meetings and they shall be liable to vacate office if they remain absent for three consecutive meetings of the governing board or do not attend seventy-five percent of the total meetings of the governing board in a calendar year.

(b) Public interest directors shall meet separately, at least once in six months to exchange views on critical issues. Public interest directors shall submit a report of such meeting to the SEBI and to the governing board of the Company within the time and manner as may be specified by the SEBI from time to time.

(c) Public interest directors shall identify important issues which may involve conflict of interest for the Company or may have significant impact on the functioning of the Company or may not be in the interest of securities market. The same shall be reported to the SEBI in a time bound manner.

(d) Public interest directors shall have regular oversight on observations of SEBI's inspection particularly on issues of governance standards, technology and cyber security and system audit and cyber security audit observations.

(e) Public interest directors should be proactive in identifying any issues concerning functioning of the Company and report the same to the SEBI. Public interest directors should ensure all regulatory communication/letter from the SEBI are placed before the governing board with comments/report of managing director.

(f) Public interest directors shall put in place an evaluation mechanism to assess the performance of managing directors on a continuing basis in line with evaluation guidelines for public interest directors.

(g) Public interest directors to ensure that appointments of managing director be held within specified timelines. Identification of key management personnel be closely scrutinized as per the laid down procedure and exceptions should be brought to the notice of the SEBI.

(h) Public interest directors should take proactive part in the deliberations of different committees and steer their functioning.

(i) Ensure adequacy of resource allocations (both financial & human) towards regulatory compliances.

D. Applicable to Independent External Professionals

(a) Independent external professionals shall not use or act on any sensitive information received in capacity as a member of the statutory committee for obtaining any undue benefit.

(b) All holdings in securities (at the time of joining the Company and thereafter annually) / transactions or dealings in securities by the Independent External Persons and their immediate relatives (as defined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015) shall be disclosed to the governing board of the Company in following formats:

- Form A - Annual disclosure of Securities (non-derivatives) Holdings;
- Form B - Details of transactions in Securities (Other than Derivatives) and
- Form C - Details of transactions in Securities (Derivatives).

All the aforementioned forms are attached to this Code.

(c) All Independent External Persons shall also disclose the trading conducted by firms or corporate entities in which they hold twenty percent or more beneficial interest or hold a controlling interest, to the Company.

(d) All holdings in securities shall be disclosed in Form A within 30 days from the date of joining the Company and thereafter, on annual basis within 30 days of financial year ending .

(e) The details of transactions or dealings in securities by the Independent External Persons and their immediate relatives or by firms or corporate entities in which Independent External Persons hold twenty percent or more beneficial interest or hold a controlling interest shall be disclosed in Form B and Form C, not later than fifteen days of the transaction/ dealing.

E. Applicable to key management personnel:

(a) Managing director of the Company shall meet employees without the presence of other key management personnel (the heads of departments) to discuss important issues pertaining to the Company.

(b) Key management personnel of the Company shall disclose on a periodic basis as determined by the Company, all their holdings (within 30 days from the date of joining the Company and thereafter, annually within 30 days of financial year ending) and dealings in securities (on Monthly basis - within 15 days from the end of the each reporting month), directly or indirectly, to the governing board or regulatory oversight committee or compliance officer of the Company in the following formats:

- Form A - Annual disclosure of Securities (non-derivatives) Holdings;
- Form B - Details of transactions in Securities (Other than Derivatives) and
- Form C - Details of transactions in Securities (Derivatives).

All the aforementioned forms are attached to this Code.

(c) All Key management personnel shall also disclose the trading conducted by firms or corporate entities in which they hold twenty percent or more beneficial interest or hold a controlling interest, to the Company.

(d) All transactions must be of an investment nature and not speculative in nature. Towards this end, all securities purchased must be held for a minimum period of sixty days before they are sold. In specific or exceptional circumstances, however, sale can be effected anytime by obtaining preclearance from the compliance officer to waive this condition after recording in writing his satisfaction in this regard.

Explanation. - "securities" for the purpose of this code shall not include mutual fund units."

REVIEW:

This Code shall be reviewed by the Regulatory Oversight Committee as and when required or at least once in two years and changes made therein, if any, shall be approved by the Governing Board.

FORM-A

Multi Commodity Exchange Clearing Corporation Limited

Disclosures under Code of Conduct as specified under SEBI Securities Contracts (Regulation) (Stock Exchanges & Clearing Corporations), Regulations, 2018

Details of HOLDINGS IN SECURITIES (Other than Derivatives) held by Director/Key Managerial Personnel (KMP) / Independent External Persons (IEP) and their dependent relatives (including HUF)

Details of HOLDING IN SECURITIES (Other than Derivatives) by any firm/ corporate entity in which the Director/KMP/IEP holds 20% or more beneficial/controlling interest.

Holding as on:

Report Submitted for (Name)		**PAN**		**Relationship with Director/KMP/IEP (Self / Spouse / Son / Daughter etc)/ HUF/ Firm/ Corporate entity**	

Sr. No.	Security Type	Name of the Security	Quantity held
Listed Securities			
Un-listed Securities			

Name of Director/KMP/IEI

Signature:

KMP Designation:

Date:

Place:

NOTES

Please provide separate sheets for Self + for each Dependent Relative/ HUF/ Firm/ Corporate entity (if NIL data to report, please specify in each sheet)

Please insert additional rows in excel as applicable.

"Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Security Type : Pls specify - Equity, Bonds / Debentures, Warrants, ETF, G-Sec, etc. FDs and MFs are not required to be included in reporting

Frequency of Reporting: This disclosure shall be submitted by Director / KMP / IEP within 30 days of financial year ended and within 30 days from the date of joining the Company. The holdings in securities as on March 31 or as on the date of joining the Company shall be provided.

FORM-B

Multi Commodity Exchange Clearing Corporation Limited

Disclosures under Code of Conduct as specified under SEBI Securities Contracts (Regulation) (Stock Exchanges & Clearing Corporations), Regulations, 2018

Details of TRANSACTION IN SECURITIES (Other than Derivatives) by Director/Key Managerial Personnel/ Independent External Person (IEP) and their dependent relatives (including HUF)
Details of TRANSACTIONS IN SECURITIES (Other than Derivatives) by any firm/ corporate entity in which the Director/KMP/IEP holds 20% or more beneficial/controlling interest

Reporting Period (for KMP - indicate the month, for Directors/IEPs - mention the reporting period):

Report Submitted for (Name)		**PAN**		**Relationship with Director/KMP/IEP** *(Self / Spouse / Son / Daughter etc)/ HUF/ Firm/ Corporate entity*				
Sr. No.	**Security Type**	**Name of the Security**	**Security ISIN**	**Date of Transaction** *dd-Mon-yyyy*	**Nature of transaction**	**Quantity Traded**	**Transaction Value**	**On-Exchange/Off Market**
a	b	c	d	e	f	g	h	i
Listed Securities								
Un-listed Securities								

Name of Director/KMP/IEP: Signature:

KMP Designation:

Date:

Place:

NOTES:
Please provide separate sheets for Self + for each Dependent Relative/ HUF/ Firm/ Corporate entity (if NIL data to report, please specify in each sheet)
Please insert additional rows in excel as applicable.
"Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.
Security Type : Pls specify - Equity, Bonds / Debentures, Warrants, ETF, G-Sec, etc. FDs and MFs are not required to be included in reporting

Frequency of Reporting: For Directors and IEPs this Report is to be provided within 15 days of transaction date. For KMPs - within 15 days from the end of the each reporting month.

FORM- C

Multi Commodity Exchange Clearing Corporation Limited

Disclosures under Code of Conduct as specified under SEBI Securities Contracts (Regulation) (Stock Exchanges & Clearing Corporations), Regulations, 2018

Details of TRANSACTIONS IN SECURITIES (Derivatives) by Director/Key Managerial Personnel / Independent External Person (IEP) and their dependent relatives (including HUF)
Details of TRANSACTIONS IN SECURITIES (Derivatives) by any firm/ corporate entity in which the Director/KMP/IEP holds 20% or more beneficial/controlling interest.

Reporting Period (for KMP - indicate the month, for Directors/IEPs - mention the reporting period):

Report Submitted for (Name)		**PAN**		**Relationship with Director/KMP/IEP** ***(Self / Spouse / Son / Daughter etc)/ HUF/ Firm/ Corporate entity***	

Sr. No.	**Instrument**	**Expiry Date** *dd-Mon-yyyy*	**Type - PE or CE** *(Only for Options)*	**Strike Price** *(Only for Options)*	**Date of Transaction** *dd-mm-yyyy*	**Nature of transaction**	**Quantity Traded (in lots)**	**Name of the Exchange**
a	b	c	d	e	f	g	h	i

Name of Director/KMP/IEP: **Signature:**

KMP Designation: -

Date:

Place:

NOTES

Please provide separate sheets for Self + for each Dependent Relative/ HUF/ Firm/ Corporate entity (if NIL data to report, please specify in each sheet)

Please insert additional rows in excel as applicable.

Instrument e.g. Index Options, Index Futures, Stock Options / Futures, Currency Options / Futures, Commodity Futures / Options, Interest Rate Futures

Frequency of Reporting: For Directors and IEPs this Report is to be provided within 15 days of transaction date. For KMPs - within 15 days from the end of the each reporting month.