MCX Circular No. MCX/MCXCCL/242/2026 April 29, 2026
MCXCCL Circular no.: MCXCCL/COMP/090/2026

Consolidated Master Circular - MCXCCL

Multi Commodity Exchange Clearing Corporation ("MCXCCL") from time to time has been issuing various circulars/ direction to its members.

In order to enable the users to have access to all applicable circulars at one place, MCXCCL has consolidated various circulars issued by MCXCCL during the period from April 01, 2025, to March 31, 2026. Consolidated Master Circular of MCXCCL is attached herewith.

In case of any inconsistency between the Master Circular and the applicable circulars, the content of the relevant circular shall prevail.

Notwithstanding any revision in the processes or formats, if any,

a. anything done or any action taken or purported to have been done or taken under such revised/ rescinded process including but not limited to any regulatory inspection/ investigation or enquiry commenced or any disciplinary proceeding initiated or to be initiated under such rescinded/ revised process or rescission, shall be deemed to have been done or taken under the corresponding provisions of this Master Circular;

b. the previous operation of the rescinded guidelines or anything duly done or suffered thereunder, any right, privilege, obligation or liability acquired, accrued or incurred under the rescinded guidelines, any penalty, incurred in respect of any violation committed against the rescinded guidelines, or any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty as aforesaid, shall remain unaffected as if the rescinded guidelines have never been rescinded.

For any further clarifications, members may contact the below-mentioned relevant departments:

Department	Contact No.	Email ID
Membership	022 – 6864 6000/ 022 – 5095 6000	Membership@mcxccl.com
Collateral Management		collaterals@mcxccl.com
Risk Management		risk@mcxccl.com
Clearing & Settlement		settlement@mcxccl.com
Delivery		delivery@mcxccl.com
Warehousing Operations		whops@mcxccl.com

---------- 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.mcxccl.com email: customersupport@mcxindia.com

Department	Contact No.	Email ID
Member Inspection		Inspection@mcxccl.com
Grievance Redressal		grievance@mcxccl.com
Finance & Accounts		MCXCCL-Accounts@mcxccl.com
Technology		MCXCCL-Technology@mcxccl.com

Saurabh Mishra
Senior Executive - Compliance

Encl.: Consolidated Master Circular - MCXCCL

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

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Chapter 1: Membership

1.1 Types / Categories of Membership

A person who is desirous of becoming registered as a Member of the Clearing Corporation may apply for any of the following types / categories as per the Regulations, Rules and Bye-Laws of the Clearing Corporation:

1.1.1 Trading-cum-Clearing Member (TCM) / Self Clearing Member (SCM):

This type of Membership class relates to a Member of the Clearing Corporation which is also a Trading Member of the Concerned Exchange for a particular Market Segment correlating to the corresponding Clearing Segment/ Sub-Segment of the Clearing Corporation where the said Clearing Member can deal/trade on the Concerned Exchange for itself and/or on behalf of its Clients. This category of Member shall not be allowed to Clear and Settle the deals/ trades of any other Trading Member of the Concerned Exchange. This category of Member may however, decide to affiliate itself with either an Institutional Trading Cum Clearing Member (ITCM) or a Professional Clearing Member (PCM) or such other category of Member of the Clearing Corporation as defined from time to time for Clearing and Settling its trades on the Concerned Exchange. The said type of Membership is allowed to a sole proprietor, partnership firm, LLP, company and institution.

1.1.2 Institutional Trading-cum-Clearing Member (ITCM) / Trading Member & Clearing Member:

This type of Membership class relates to a Member of the Clearing Corporation who is also a Trading Member of the Concerned Exchange and can Deal/trade on the trading platform of the Concerned Exchange and clear & settle such trades transacted for itself and/or for its Clients/ Custodial Participants and shall also be entitled to clear & settle Deals/Trades for other Trading Members/ Trading-cum-Clearing Member of the Concerned Exchange/ Clearing Corporation respectively. Such Members may also choose to affiliate themselves with other Institutional Trading Cum Clearing Members or Professional Clearing Members for clearing and settling their trades, if they so desire, provided that such Clearing Member has not accepted the mandate to act as an Institutional Trading Cum Clearing Member to any other Trading member of the Concerned Exchange. The said type of Membership is allowed to LLP, a company and an institution.

1.1.3 Professional Clearing Member (PCM) / Clearing Member (CM):

This type of Membership class relates to a Member of the Clearing Corporation who shall not be a Trading Member of the Concerned Exchange and shall only undertake to clear & settle Deals/trades transacted by one or more Trading Members of the Concerned Exchange, Custodial Participants, Trading-cum-Clearing Members/ Institutional Trading Cum Clearing Members of the Clearing Corporation. The said type of Membership is allowed to LLP, a Corporate, Bank and Institution.

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1.2 Eligibility for Admission:

a) For conditions precedent for eligibility, Applicant is required to refer to Rules, Bye-Laws and Regulation of the Clearing Corporation, Securities Contracts (Regulation) Rules, 1957 {SCRR} and SEBI (Stock Brokers) Regulations, 1992 and Securities and Exchange Board of India (Stock Brokers) Regulations, 2026 (Amended as on January 07, 2026){SBR} and comply with the same at all points of time.

b) The Applicant shall have minimum 2 (two) Designated Directors {in case of corporate} or 2 (two) Managing Partners {in case of partnership firm} or 2 (two) Designated Partners {in case of LLP}, as the case may be, at all points of time meeting the eligibility criteria as specified by the Clearing Corporation and SEBI from time to time.

c) The eligibility requirements specified for Designated Director/Managing Partner/ Designated Partner or Proprietor are as under and the same are to be maintained at all points of time:

Sr. No.	Particulars	Requirement
1	Age	Minimum 21 Years
2	Experience	At least two Designated Directors / two Designated Partners / two Managing Partners or Proprietor, shall possess a minimum experience of two years' : (a) in dealing in securities or (b) as portfolio managers; or (c) as investment consultants
3	Minimum Education qualification	12th Pass / HSC / equivalent qualification
4	Criteria for designated directors in the company	At least one designated director, who stays in India for a total period of not less than one hundred and eighty-two days during the financial year.

d) The Applicant, its Directors, Promoters, Partners, Principal Officer, Compliance officer and Key Management Persons by whatever name called, at all points of time, shall be Fit and Proper Persons as per the provisions of Schedule II of the SEBI (Intermediaries) Regulations, 2008. Further, the promoters or persons holding controlling interest or persons exercising control over the applicant or intermediary, directly or indirectly:

Provided that in case of an unlisted applicant or intermediary, any person holding twenty percent or more voting rights, irrespective of whether they hold controlling interest or exercise control, shall be required to fulfill the 'fit and proper person' criteria as per the provisions of Schedule II of the SEBI (Intermediaries) Regulations, 2008.

e) The Applicant, at all points of time, is required to have necessary infrastructure like adequate office space, equipment and manpower to effectively discharge their activities.

f) The Applicant (Corporate / LLP), at all points of time, shall have minimum Paid Up Capital/ Capital Contribution of Rs. 30 Lakh or as may be specified by the Clearing

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Corporation and SEBI from time to time.

1.3 Fee and Deposit Structure:

a) The Admission Fee, Deposits (as applicable) and other fees / charges would be applicable to the Applicant / Members as specified by the Clearing Corporation and SEBI from time to time. The Clearing Corporation may review, modify and relax the admission fee and/or other fees / charges / deposits (as applicable) or criteria of membership at any time.

The current fee and deposit structure for Membership are as under:

In Rs.			
Particulars	**Trading-Cum-Clearing Member (TCM)** **(Self-Clearing Member)**	**Institutional Trading-Cum-Clearing Member (ITCM)** **(Trading & Clearing Member)**	**Professional Clearing Member (PCM)** **(Clearing Member)**
Admission Fees (plus applicable taxes)	2.5 Lakh	17.5 Lakh	10 Lakh
Processing Fees (plus applicable taxes)	10,000/-	10,000/-	10,000/-
Annual Subscription (plus applicable taxes)	45,000/-	70,000/-	100,000/-
SEBI Application (Registration) fees (one-time fee)	50,000/-	50,000/-	50,000/-
SEBI Annual Fees (plus applicable taxes) (To be paid annually before 1st June of that financial year)	50,000/-	50,000/-	50,000/-
Initial Security Deposit (ISD) / Initial Margin	50 Lakh	1 crore	1 crore
Cash Deposit from Clearing Member		All ITCM and PCM are required to provide cash deposits of Rs. 500,000.00 in respect of each Trading Member of the Concerned Exchange who are affiliated to the said Clearing Member concerned for clearing their Deals/ trade whereby minimum Rs. 50,000.00 is to be in form of cash and balance Rs. 4.50 lakhs in form of Cash / Fixed Deposit Receipt. No exposure would be provided on Cash deposit.	
Notes:			

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a) The application Processing Fees: Rs. 10,000/- plus applicable Tax
b) The admission fee once paid is non-refundable.
c) ISD will be in the ratio of 50% Cash and 50% Cash Equivalent i.e. Bank Guarantee/Fixed Deposits Receipts. The formats of Cash Equivalent has to be as per the format specified by the Clearing Corporation. For existing Members, ISD will be higher of scheme in which they had applied.
d) Minimum Liquid Net-worth of Rs. 50 Lakhs will be blocked from the available collaterals of the clearing members in terms of SEBI circular no SEBI/HO/CDMRD/DRMP/CIR/P/2018/52 dated March 21, 2018.
e) Pursuant to admission of a new member, who is SEBI Registered or will get SEBI registration, in a particular quarter of a financial year, the applicable Annual subscription will be charged in the following manner depending on the category of Member, for that financial year:

Quarter	**%age of Annual Subscription**
Quarter 1 : April-June	100%
Quarter 2 : July-September	75%
Quarter 3 : October-December	50%
Quarter 4 : January-March	25%

1.4 Annual subscription

a) Member is required to pay annual subscription in advance or latest by April 30 of every financial year.

b) The Clearing Corporation shall debit the settlement account of the respective members after the close of business hours of the respective due date. In case of inadequacy / insufficiency of funds in the settlement accounts, interest @18% per annum on the balance payable till the time such default continues shall be charged.

c) At least 3 years of Annual Subscription amount (plus applicable taxes) shall be recoverable from the deposits of such newly admitted members who surrenders their membership within three years from the date of approval of their membership by the Clearing Corporation.

1.5 Other Pre-Conditions:

a. The Applicant is required to submit an application for Membership in the specified format available on the website. The Applicant is also required to give other documents along with Admission Fee, Security Deposit (as applicable) or any other fees as mentioned in the table above or as may be specified by the Clearing Corporation /SEBI from time to time.

The designed director/ managing partner / proprietor of the applicant is required to appear for an interview before the Relevant Authority of the Clearing Corporation. The Relevant Authority has a right to accept or reject the applications received for the membership after recorded reasons thereof and is empowered to frame rules or criteria relating to admission of membership based on the guidelines issued and as per the Securities Contracts (Regulation) Rules, 1957, SEBI (Stock Brokers) Regulations, 1992 and Bye-Laws, Rules and Regulations of the Clearing Corporation. On admission as a

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member of the Clearing Corporation, the Member will be required to submit the specified documents/payment related to membership, network connectivity etc. with the Clearing Corporation.

In case the application is rejected for any reason whatsoever, the fee/deposit paid, if any, shall be refunded by the Clearing Corporation (without any interest amount) to the Applicant except the processing fee, if applicable.

b. Post interview by Relevant Authority, the application will be referred to Member Committee (MC) for its approval. MC is a committee mandated by SEBI responsible for selection/admission of members to the various segments of the Clearing Corporation.

c. The Members of the Clearing Corporation are required to be registered with the SEBI and shall comply with the terms, conditions, Bye-Laws, Rules and Regulations of the Clearing Corporation on continuous basis.

d. Accordingly, in case a Member is already a Member of other Exchanges duly registered with SEBI, no separate SEBI registration shall be required. However, the Applicant in such case is required to obtain Single Registration from SEBI and apply for Single Registration with the Designated Clearing Corporation or Exchange.

e. [1][Every member is required to -

1) maintain the net worth as specified by the Clearing Corporation / SEBI during the entire period of membership.

Net worth specified for the Members is provided hereunder:-.

Type of Member	Base Net-worth (in ₹)	Variable Net-worth {within 1 year of the date of notification of the Securities and Exchange Board of India (Stockbrokers) (Amendment) Regulations, 2022} #
TM	1 crore	10% of average daily cash balance of clients retained with the member across segments/ exchanges in the previous 6 months.
TCM	5 crore	
ITCM	15 crore	
PCM	50 crore	

Net worth requirement for members shall be Base Net worth or Variable Net worth, whichever is higher].

2) make payment of following fees as may be specified by Clearing Corporation / SEBI from time to time:
   i. SEBI Annual Fees
   ii. Clearing fees
   iii. Annual subscription fee
   iv. Any other fees as specified from time to time

[1] Reference: MCXCCL circular no. MCXCCL/MEM/51/2022 dated March 08, 2022

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3) Obtain Indemnity Insurance policy /cover every year as may be specified by the Clearing Corporation/ SEBI from time to time.

4) appoint a Principal Officer with FIU-IND and a Designated Director as intimated to FIU-IND (any change(s) have to be intimated to the Clearing Corporation.

5) abide by the circulars and notifications issued by the Clearing Corporation/SEBI from time to time.

6) appoint a Compliance officer having valid NISM Certification or other Certification as specified by Clearing Corporation/SEBI from time to time.

7) [2][appoint a compliance officer who shall be responsible for monitoring the compliance relating to the Act, rules and regulations, notifications, guidelines, instructions, etc., issued by SEBI and for redressal of investors' grievances. The Compliance Officer is required to immediately and independently report the SEBI any non-compliance observed by him. In this regard, guidelines on Compliance Officers are detailed in "**Annexure-A**"].

f. The Clearing Corporation has absolute discretion to modify and / or cancel any of the terms and conditions related to membership.

g. A member will undertake to do business as mentioned in Regulations, Rules and Bye-Laws of the Clearing Corporation and / or in Securities Contracts (Regulation) Rules, 1957, SEBI (Stock Brokers) Regulations, 1992 and Securities and Exchange Board of India (Stock Brokers) Regulations, 2026 (Amended as on January 07, 2026) or Circulars issued by the Clearing Corporation/ SEBI from time to time, as amended from time to time. .

h. [3][The Member of the Clearing Corporation shall provide a list of all its bank accounts and submit the Undertaking as per the prescribed format in "**Annexure-B**", enabling the Clearing Corporation to instruct the bank (s) of the Members to freeze the bank account for debits under the conditions as specified in Standard Operating Procedure in the cases of Trading Member leading to default. The Member shall submit a revised undertaking to the Clearing Corporation within seven working days of opening of any new bank account or change in details of any existing bank account, failing which applicable penalty and disciplinary action shall be levied as informed by the Clearing Corporation from time to time].

i. [4][The Member of Clearing Corporation, its Directors, Promoters, Partners, Principal Officer, compliance officer and Key Management Persons by whatever name called, at all points of time, shall comply with the "Fit and Proper Persons" criteria as per the provisions of Schedule II of the SEBI (Intermediaries) (Third Amendment) Regulations, 2008 and required to submit "Fit and Proper person" undertaking during the continuity of membership to the Clearing Corporation as per prescribed format in "**Annexure C**"].

[2] Reference : MCXCCL Circular no.: MCXCCL/MEM/253/2022 dated November 29, 2022
[3] Reference : MCXCCL Circular no.: MCXCCL/DEFAULT/150/2020 dated July 02, 2020
[4] Reference : MCXCCL Circular no.: MCXCCL/MEM/317/2021 dated December 17, 2021

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1.6 Promoter Group:

A Corporate is required to identify its Promoter (PG) at the time of admission as well as subsequently at all relevant points of time which would be as under;

1.6.1 Unlisted Corporate: The Promoter shall be as per Companies Act, 2013
Section 69 of Companies Act, 2013
"promotor" mean a person –

a) who has been name is identified by the company in the annual return referred to in section 92: or
b) who has control over the affairs of the company, directly or indirectly, whether as a shareholder, director or otherwise: or
c) in accordance with whose advise, directions or instructions the Board or Directors of the company is accustomed to act.
Provided that nothing in clause (c) shall apply to a person who is acting merely in the professional capacity;

1.6.1.2.1 Listed Corporate: The promoter shall be as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(oo) "promoter" shall include a person:

i) who has been named as such in a draft offer document or offer document or is identified by the issuer in the annual return referred to in section 92 of the Companies Act, 2013; or
ii) who has control over the affairs of the issuer, directly or indirectly whether as a shareholder, director or otherwise; or
iii) in accordance with whose advice, directions or instructions the board of directors of the issuer is accustomed to act;

Provided that nothing in sub-clause (iii) shall apply to a person who is acting merely in a professional capacity; Provided further that a financial institution, scheduled commercial bank, foreign portfolio investor other than Category III foreign portfolio investor, mutual fund, venture capital fund, alternative investment fund, foreign venture capital investor, insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by the Board from time to time, shall not be deemed to be a promoter merely by virtue of the fact that twenty per cent or more of the equity share capital of the issuer is held by such person unless such person satisfy other requirements prescribed under these regulations;

[5][Change in control" – As per clause (ac) in sub regulation (1) of regulation 2 of the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992.

(i) in case of a body corporate –

(A) whose shares are listed on any recognised stock exchange, shall be construed with reference to the definition of control in terms of regulation 2(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

[5] Reference : MCXCCL/MEM/024/2023 dated January 31, 2023

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(B) whose shares are not listed on any recognised stock exchange, shall be construed with reference to the definition of control as provided in Section 2(27) of the Companies Act, 2013 (18 of 2013);

(ii) in a case other than that of a body corporate, shall be construed as any change in its legal formation or ownership or change in controlling interest.

Explanation – For the purpose of sub-clause (ii), the expression "controlling interest" means an interest to the extent of not less than fifty percent of voting rights or interest, either directly or indirectly.

1.6.3 Notes:

i. Promotors shall meet the criteria of fit and proper person as specified in Schedule II of SEBI (Intermediaries) Regulations, 2021 and other applicable eligibility criteria laid down by the Concerned Exchange and / or Clearing Corporation / SEBI.

ii. Promotors shall comprise of Individuals, Partnership Firms, LLPs, Corporates (Listed and Unlisted) and HUFs. Promotors will be identified to the level of Ultimate Beneficiary Owner unless otherwise stated in these norms.

iii. **Corporate Shareholder to act as a part of PG:** Corporate shareholder is allowed to be identified as PG of a Corporate /Partnership/LLP provided that the corporate shareholder identifies any person or persons as their PG as per the aforesaid norms applicable to the Member. In case the DPG consists of more than one corporate shareholder, the PG shall be identified separately for each such corporate shareholder. This would enable Member to identify the last individual/s promoter shareholders (the person(s) falling within the definition of 'Control' under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997) as Ultimate /Beneficiary Owners in the Member Company/Holding Company/ultimate holding company (as applicable).

iv. **Foreign Entity to act as a part of promotors**: Foreign entities are allowed to become part of the Promotors of member entity provided they meet the PG norms as specified above. They also need to comply with RBI norms / any other requirement specified by the Concerned Exchange and / or Clearing Corporation / SEBI from time to time.

v. Once a member nominates/determines a group of shareholders/partners as its promotors, it is to be ensured that the nominated/determined PG always maintains among themselves the minimum required shareholding as specified above at all points of time.

vi. Members are required to seek prior approval from the Clearing Corporation for any change in the shareholding/ sharing pattern /capital contribution of the Member Corporate /Partnership /LLP or the corporate shareholder (s) identified as dominant promoter(s).

vii. In case of Member being a listed company, or corporate shareholder being listed, it is not required to take prior approval for any changes in holdings of promoter group, if it does not lead to change in control. However, Members are required to inform about

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changes to the Clearing Corporation on quarterly basis. In any case, a change leading to change in control would require prior approval from the Clearing Corporation and SEBI.

viii. Transfer/transmission of shareholding in case of unlisted body corporate intermediary: In following scenarios, change in shareholding of the intermediary will not be construed as change in control:

a. Transfer of shareholding among immediate relatives shall not result into change in control. Immediate relative shall be construed as defined under Regulation 2(l) of SEBI SAST Regulations which inter-alia includes any spouse of that person, or any parent, brother, sister or child of the person or of the spouse;

b. Transfer of shareholding by way of transmission to immediate relative or not, shall not result into change in control.

1.6.4 Other points:

i. Apart from clause mentioned above, any change in the shareholding / sharing ratio of the Company/ Partnership Firm/ LLP (with or without change in control) including that of the said PG or their shareholding / sharing pattern / capital contribution ratio, shall be effected only with the prior approval of the Clearing Corporation..

ii. The above norms will be applicable even for the existing unlisted corporate Member proposing to get listed and post listing they are required to meet the existing norms applicable to the listed corporate Members;

iii. Any approval conveyed to the Members for the said changes will be valid only for a period of 6 months from the date of the approval letter. In case Member fails to execute the proposal during that period, they shall be required to obtain fresh approval(s) from the Clearing Corporation;

iv. The aforesaid norms are also applicable to members who are partnership firms/ LLP. The term dominant shareholder/promoter may be substituted as Dominant Partners/Managing Partners;

v. If in the opinion of the Clearing Corporation, it is evident that the identification of PG is not practically possible in terms of the aforesaid norms, then the Clearing Corporation, at its sole discretion, reserves the right on deciding on identification of PG norms by adding certain conditions, if required;

vi. Members are advised to note that any change as mentioned above is subject to fulfillment of membership eligibility criteria laid down by the Clearing Corporation / SEBI from time to time.

vii. Preference Shareholding Pattern (if any) is required to be submitted separately as per the format specified.

viii. Processing Charges / Fees for any such change in case would be levied as per Schedule of Charges / Penalty

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ix. Member will be required to obtain prior approval from SEBI for change in control.

A. [6][The following process of providing approval to the proposed change in control:

a. Member shall make an online application to SEBI for prior approval through the SEBI Intermediary Portal ("SI Portal")

b. The online application in SI portal shall be accompanied by the following information/declaration/undertaking about itself, the acquirer (s)/the person (s) who shall have the control and the directors /partners of the acquirer (s)/the persons (s) who shall have the control;

a) Current and proposed shareholding pattern of the Applicant
b) Whether any application was made in the past to SEBI seeking registration in any capacity but was not granted? if yes, details thereof.
c) Whether any action has been initiated /taken under Securities Contracts (Regulation) Act 1956 (SCRA)/Securities and Exchange Board of India Act, 1992 (SEBI Act) or Rules and Regulations made thereunder? If yes, the status thereof along with the corrective action taken to avoid such violations in the future. The acquirer /the person who shall have the control shall also confirm that it shall honor all past liabilities/obligations of the applicant, if any.
d) Whether any investor complaint is pending? if yes, steps taken and confirmation that the acquirer/ the person who shall have the control shall resolve the same.
e) Details of litigations (s) if any.
f) Confirmation that all the fees due to SEBI have been paid.
g) Declaration cum undertaking of the applicant and the acquirer/ the person who shall have the control (as per specified format), duly stamped and signed by their authorized signatories that
(i) there will not be any change in the Board of Directors of incumbent, till the time prior approval is granted.
(ii) pursuant to grant of prior approval by SEBI, the incumbent shall inform all the existing investors/clients about the proposed changes prior to effecting the same, in order to enable them to take informed decision regarding their continuance or otherwise with the new management; and
(iii) the "fit and proper person" criteria as specified in Schedule II of SEBI (Intermediaries) Regulations, 2008 are complied with.

h) In case the incumbent is a registered stock broker, clearing member, depository participant, in addition to the above, it shall obtain approval /NOC from all the Stock Exchanges/Cleating Corporations/Depositories, where the incumbent is a member/depository participant and submit self-attested copy of the same to SEBI.

c. The prior approval granted by SEBI shall be valid for a period of six months from the date of such approval within which the applicant shall file application

[6] Reference: MCXCCL Circular no.: MCXCCL/MEM/252/2022 dated November 29, 2022

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for fresh registration pursuant to change in control.

B. The following process of providing approval to the proposed change in control of the Member in matters which involve scheme (s) of arrangement which needs sanction of the National Company Law Tribunal ("NCLT") in terms of the provisions of the Companies Act, 2013;

a. The application seeking approval for the proposed change in control of the Member shall be filed with SEBI prior to filing the application with NCLT.

b. Upon being satisfied with compliance of the applicable regulatory requirements, an in-principle approval will be granted by SEBI.

c. Post receipt of prior approval from SEBI, member is required to submit the relevant application to NCLT.

d. Within 15 days from the date of order of NCLT, Member shall submit an online application in terms of paragraph A above, along with following documents to SEBI to final approval;
   (a) Copy of the NCLT Order approving the Scheme.
   (b) Copy of the approval Scheme.
   (c) Statement explaining modifications, if any, in the approved Scheme *vis-à-vis* the draft Scheme and the reasons for the same; and
   (d) Details of compliance with the conditions/observations, if any mentioned n the in-principle approval provided by SEBI].

x. In case prior approval is not obtained, action, as applicable, shall be initiated.
xi. The guidelines issued by the Clearing Corporation / SEBI from time to time shall be applicable.

1.7 Change Designated Director / Director / Designated Partner / Managing Partner / Partner:

i. For any Change in Designated Director/ Designated Partner / Managing Partner /Partner, all Members shall furnish necessary documents for such change(s) and obtain prior approval from the Clearing Corporation.

ii. The Members are required to intimate any change in non-designated Directors within 15 days from the date of such change in ROC.

iii. Member shall have at least 2 (two) Designated Directors or 2 (two) Managing Partners or 2 (two) Designated Partners, as the case may be, at all points of time, meeting all the eligibility criteria as specified in Rule 8 of Securities Contract (Regulation) Rules, 1957 (SCRR).

iv. Any approval conveyed by the Clearing Corporation for change in directors will be valid only for 60 days from the date of approval. In case member does not complete the proposed changes within this time limit, they shall be required to obtain fresh approval.

v. Processing Charges / Fees for any such change in case would be levied as per Schedule of Charges / Penalty

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vi. In case prior approval is not obtained, action, as applicable, shall be initiated.

vii. The guidelines issued by the Clearing Corporation / SEBI from time to time shall be applicable.

1.8 Change in Designated Email ID

Members shall designate one contact email ID as "Designated Email ID". The Clearing Corporation would be sending all email communications to the said Email ID. Also, all emails received from the Members' specified "Designated Email ID" would be considered as official communications from the Member. It will be Members responsibility to:

a. Access the "Designated Email ID" regularly to see whether the Clearing Corporation has sent any communications.
b. Monitor and manage storage capacity of this email to ensure that the storage space in the mail box does not get exceeded leading to bouncing of mails.
c. To keep the Clearing Corporation informed about change in the Designated Email ID.
d. To take precautions necessary at its end to ensure confidentiality of mails.

1.9 Conversion of Membership/ Change in Status / Change in Constitution of Member:

Members are required to obtain prior-approval from the Clearing Corporation for effecting the said change meeting the following specified criteria:

a) Where a Partnership/ Corporate / LLP entity has been formed by converting the Individual Membership of the Concerned Exchange and / or Clearing Corporation, the erstwhile Individual shall be designated director / managing partner / designated partner of the newly formed entity and also continue to hold a minimum of 51% stake in the new entity for a period of at least 3 years from the date of such conversion.

b) Where a Corporate / LLP entity has been formed by converting the Partnership firm / Corporate Membership of the Concerned Exchange and / or Clearing Corporation, the managing partner / designated director of the erstwhile entity will continue to be designated director/ designated partner in the new entity and the dominant promoter group of the erstwhile Partnership Firm/Corporate will continue to hold a minimum of 51%, singly or jointly, stake in the new entity for a period of at least 3 years from the date of such conversion.

c) Processing Charges / Fees for any such change in case would be levied as per Schedule of Charges / Penalty, as applicable

d) Whenever, the conversion of membership will lead to the change in control of the member entity , prior approval should be obtained from SEBI/ Clearing Corporation.

e) In case prior approval is not obtained, action, as applicable, shall be initiated.

f) The guidelines issued by the Clearing Corporation / SEBI from time to time shall be applicable.

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1.10 Change of Trade Name

Members are required to obtain prior approval from the Clearing Corporation for effecting change of name as per the procedure specified from time to time.

1. The new name of the entity should not have the following words in the Trade Name:
   - Exchange
   - National

2. Processing Charges / Fees for any such change in case would be levied as per Schedule of Charges / Penalty, as applicable.

3. In case prior approval is not obtained, action, as applicable, shall be initiated.

4. The guidelines issued by the Clearing Corporation / SEBI from time to time shall be applicable.

1.11 Modification in Clearing Rights

1. Members of Clearing Corporation may up-grade their class/ type of membership to another viz., TCM to ITCM, subject to the meeting eligibility criteria and conditions specified and by paying the differential admission fees, deposits, etc., as applicable for the said up-graded class / type of Membership.

2. Members of Clearing Corporation may downgrade their class/ type of membership to another viz., from ITCM to TCM, subject to the meeting eligibility criteria and conditions specified and agreeing to forego his excess Admission Fees (if any) paid to the Clearing Corporation..

3. Such Members who downgrade their clearing Membership, would continue to be eligible for the exposure on the excess deposits (wherever applicable) lying with the Clearing Corporation.

   However, the excess deposits, on the request of such Members would be considered for refund on fulfillment of pending compliances/ satisfactory redressal of investor grievances of Concerned Exchange / Clearing Corporation and payment of all the /dues / penalties/ fines, etc., are fully crystallized and recovered.

4. The processing charge would be levied as per Schedule of Charges / Penalty

1.12 Submission of Annual Returns/ Audited Accounts / Half Yearly Networth Certificate and Computation of Net worth:

1. Members are required to submit Annual Returns/ Audited Accounts / Half Yearly Networth Certificate and Computation of Net worth along with specified document/ information within the timelines specified by the Clearing Corporation / SEBI from time to time through the Member Reporting Portal (MRP).

2. Members having accounting year end / half yearly ended March 31st / September 30^{th,} are required to make the submissions towards net worth within a period of two months

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or any such extended timelines as specified by the Clearing Corporation / SEBI.

3. Non-compliance with the above will result in appropriate action including levy of penalty as specified from time to time. The current action/penalty for such Non-compliances are specified in Schedule of Charges / Penalty

4. The guidelines issued by the Clearing Corporation / SEBI from time to time shall be applicable.

Penalty/Action for violation of Clearing Corporation guidelines by the Clearing Members w.r.t. submission of Half yearly Networth and Annual Returns made by the Clearing Members:

A. Timeline for resubmission of Half Yearly Networth Certificate/ Annual Returns including submission of clarification on the observations emanating out of such submissions.

Clearing Members have a timeline of 15 calendar days from the date of intimation of deficiency/ observation by the Clearing Corporation for resubmitting the Half Yearly Networth certificate/Annual Return including submission of clarification on the observations emanating out of such submissions.

B. Penalty Structure applicable to the Clearing Members for failure to resubmit the Half Yearly Networth Certificate/ Annual Returns including failure to provide clarification on the observations emanating out of such submissions (in case the deficiencies in the initial submissions are communicated to the Clearing Members).

i. In case the Clearing Member re-submits/ provides clarification on the observation w.r.t. the Half Yearly Networth certificate/Annual Return beyond 15 calendar days from the date of intimation of deficiency/ observation by the Clearing Corporation, a penalty of Rs. 200/- per day to be levied till rectification of all the deficiencies/ observation is made by the Member.

ii. In case the resubmitted documents/clarifications are also deficient, then the penalty Rs. 200/- per day shall continue to be levied till the deficiencies are completely rectified by the Member

1.13 Transfer of Membership

All types of memberships, once granted by the Clearing Corporation, are transferable inter class subject to payment of differential admission fees and deposits as specified from time to time. Membership of the Clearing Corporation shall be transferable as per Rules of the Clearing Corporation.

Pursuant to integration of broking activities permitted by SEBI through the Securities Contracts (Regulation) Rules, 1957 as amended vide Gazette Notification dated June 27, 2017 And SEBI (Stock Broker) Regulations, 1992 as amended vide Gazette Notification dated July 13, 2017, all eligible Members applying for transfer of business (by way of Transfer of Membership/ Merger / De-merger / Amalgamation) shall follow the procedure and submission of documents as specified and available on the website of the Clearing

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Corporation for the purpose of activation of the New Member Entity.

1. Conditions of Transfer of Membership

1.1. Members are required to submit request for transfer of membership to the Clearing Corporation directly and the Clearing Corporation in turn will seek SEBI's prior approval wherever applicable. A transfer of Membership becomes effective only upon approval thereof by the Clearing Corporation / SEBI.

1.2. The Transferee shall obtain fresh registration from SEBI in the same capacity before the transfer of business if it is not registered with SEBI in the same capacity. SEBI shall issue new registration number to transferee different from transferor's registration number in the following scenario:

"Business is transferred through regulatory process (pursuant to merger / amalgamation / corporate restructuring by way of order of primary regulator /Govt / NCLT, etc) or non-regulatory process (as per private agreement /MOU pursuant to commercial dealing / private arrangement) irrespective of transferor continues to exist or ceases to exist after the said transfer.

1.3. In case of change in control pursuant to both regulatory process and non-regulatory process, prior approval and fresh registration shall be obtained. While granting fresh registration to same legal entity pursuant to change in control, same registration number shall be retained.

1.4. If the transferor ceases to exist, its certificate of registration shall be surrendered.

1.5. In case of complete transfer of business by transferor, it shall surrender its certificate of registration.

1.6. In case of partial transfer of business by transferor, it can continue to hold certificate of registration.

1.7. Transferor shall be responsible to pay all the outstanding dues of the Concerned Exchange and Clearing Corporation / SEBI, if any, including the payment of annual subscription.

1.8. Transferor shall continue to be a Party before Arbitration matters or any other proceedings in which a claim is made along with the transferee for any claim or dispute on account of dealings, transactions, contracts and covenants in the capacity as a member of the Concerned Exchange and / or Clearing Corporation that has arisen before the actual transfer took place.

1.9. There is no disciplinary action pending against the transferor by the Concerned Exchange/Clearing Corporation.

1.10. The transferor has no enforcement action pending from SEBI.

1.11. There are no investor claims pending against the transferor.

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1.12. The Transferor should release an advertisement in two Newspapers (a local newspaper where the Transferor's Registered Office, Head Office/Corporate Office is situated and another in English daily newspaper with wide circulation) stating its intention to transfer its membership and inviting objections, if any, to the transfer (in case of change in control).

1.13. Transfer of Membership shall be to persons / entities eligible under Clearing Corporations' Bye-laws, Rules and Regulations including Circulars and instructions issued by the Clearing Corporation / SEBI from time to time.

1.14. Members intending to transfer their membership / Business, wishing to merge, amalgamate, de-merge are required to submit the required documents as stated by Clearing Corporation / SEBI from time to time.

2. The Transferee / incoming entity will be required to pay relevant fees/charges/security deposit as per the prevailing deposits/fees/charges applicable for new members. The Transferee / incoming entity will be required to meet all the eligibility criteria as specified for new membership on a continuous basis as per the provisions of Bye laws, Rules, Regulations including Circulars and instructions issued by the Clearing Corporation and SEBI from time to time.

3. It may be noted that the Clearing Corporation reserves the right to reject/decline the transfer of membership without assigning any reason(s) whatsoever to the Member.

4. The guidelines issued by the Concerned Exchange and / or Clearing Corporation / SEBI from time to time shall be applicable.

5. The Processing Charges / Transfer Fees will be applicable as specified in the Schedule of Charges / Penalty.

1.14 Transmission of Membership / Nomination of Membership:

1.14.1 Transmission of Membership

a. Transmission of Membership will be allowed to Individual/Proprietary Firms having Membership of the Clearing Corporation, subject to Bye Laws, Rules, and Regulations of the Clearing Corporation. Membership of the Clearing Corporation will be transmitted in the name of legal heir/ successor (in whose name the interest in property of the deceased devolves by testamentary or intestate succession).

b. The legal heir, seeking or applying for transmission, will be required to submit following:-

(a) Written request for transmission of membership
(b) Attested copy of the Death certificate of the Individual, as may be applicable
(c) In case of **Intestate Succession**, following is to be submitted:

i. Succession Certificate / Legal Heir Certificate granted by Competent Authority.
ii. No objection Certificate from other legal heirs

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(d) In case of **Testamentary Succession**, following is to be submitted:

i. Authentic copy of Will duly notarized by Notary Public U/s. 14 of Notaries Act.
ii. Identification of the legatee of the Will.
iii. Affidavit of attesting witness of the Will.
iv. No objection Certificate from other legal heirs.
v. Undertaking of legal heir applying for transmission of membership on Non-judicial stamp paper of appropriate value- duly Notarized.

(e) Membership Application Form.

(f) Net worth certificate in the format specified by the Clearing Corporation / SEBI from time to time.

(g) Processing Charges / Fees for any such change in case would be levied as per Schedule of Charges / Penalty.

c. The legal heir/ successor applying for transmission will be:

(a) require to pay applicable security deposit, annual subscription and any other fees/ charges as per the prevailing deposits/ fees/ charges applicable for new members.

(b) require to maintain the net worth on continuous as specified in the Bye Laws, Rules and Regulations by the Concerned Exchange and / or Clearing Corporation including circulars and instructions issued by the Concerned Exchange / Clearing Corporation and SEBI from time to time.

(c) responsible for payment of all the outstanding fees/charges/dues etc., interest payable thereon etc, due to the Concerned Exchange and / or Clearing Corporation/ SEBI on account of the deceased Member.

d. Request for transmission of membership will be considered by the Concerned Exchange and / or Clearing Corporation only on fulfillment of above stated conditions and submission of documents as per the specified formats / requirements of the Concerned Exchange and / or Clearing Corporation by the legal heir/ successor applying for transmission which can be granted to the applicant at the discretion of the Concerned Exchange and / or Clearing Corporation.

e. The Concerned Exchange and / or Clearing Corporation reserves the right to reject / decline the transmission of membership without assigning any reason(s) whatsoever.

f. The guidelines issued by Concerned Exchange and / or Clearing Corporation / SEBI from time to time shall be applicable.

1.14.2 Transfer /Transmission of shareholding in case of a proprietary firm type intermediary:

In case of an intermediary being a proprietary concern, the transfer or bequeathing of the business/capital by way of transmission to another person is a change in the legal formation or ownership and hence by the definition of change in control, such transmission or transfer shall be considered as change in control. The legal heir / transferee in such cases is required to obtain prior approval and thereafter fresh

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registration shall be obtained in the name legal heir/transferee,

1.14.3 Transfer /Transmission of ownership interest in case of partnership firm type intermediary:

The Change in partners and their ownership interest of the partnership firm type intermediary shall be dealt in following manner:

a) Transfer of ownership interest in case of partnership firm: In case a SEBI registered entity is registered as a partnership firm with more than two partners, then inter-se transfer amongst the partners shall not be construed to be change in control. Where the partnership firm consists of two partners only, the same would stand as dissolved upon the death of one of the partners. However, if a new partner is inducted in the firm, then the same would be considered as a change in control, requiring fresh registration and prior approval of SEBI.

   a. Transmission of ownership interest in case of partnership firm: Where the partnership deed contains a clause that in case of death of a partner, the legal heir(s) of deceased partner be admitted, then the legal heir(s) may become the partner (s) of the partnership firm. In such scenario the partnership firm is reconstituted. Bequeathing of partnership right to legal heir(s) by way of transmission shall not be considered as change in control.

   b. Incoming entities/ shareholders becoming part of controlling interest in the intermediary pursuant to transfer of shares from immediate relative / transmission of shares (immediate relative or not), need to satisfy the fit and proper person criteria stipulated in Schedule II of SEBI (Intermediaries) Regulations, 2008 .

1.14.4 Nomination of Membership

a) An individual having membership with his own name / with trade name (as a proprietary concern) may make a nomination of its Membership.

b) The person so nominated by the Individual member shall be one of his family members/ Legal heir(s) and shall in all case be normally eligible to become member of Clearing Corporation in his own right. Family Members shall include only the parents, spouse, children and brothers and / or Sister of the Individual Member.

c) If the member has appointed more than one nominee / or the successor to the member has appointed more than one nominee, then such all nominated persons will have to form a company/ partnership firm to effect nomination to new entity

d) If the member has revised/ changed the nomination, the latest nomination received by the Clearing Corporation shall prevail.

e) For a nomination to become effective, the Nominee must have complied all the relevant conditions / eligibility criteria of membership.

f) Nomination of any outsider [other than family member / legal heir(s)] will not be accepted unless and otherwise this is supported by a valid will, letter of probate and letter of Administration.

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g) The Nominator (Member) as well as Nominee, along with witness will have to sign the nomination form.

h) The nomination shall not be effective unless the nominating member of the Clearing Corporation, and in the case of a deceased member, his legal heirs or any of the family member in whose favor the nomination has been made shall have paid and satisfied all dues, fines, claims, charges, complaints against the deceased/main Member.

i) If the nomination is such that it cannot be approved at the time of date of its implementation, the successors of the member will have to nominate someone among themselves.

j) Nomination shall become effective from the date of death of the Member or final approval of Relevant Authority whichever is later (subject to the fulfillment of all outstanding dues, claims, charges, liabilities if any) and in case of nomination made by successors, the date of nomination shall be the be the date on which it is duly approved by the Clearing Corporation (subject to the fulfillment of all outstanding dues, claims, charges, liabilities if any).

k) Nomination made by the Member may be revoked or cancelled by the Member with prior written notice duly approved by Relevant Authority.

l) Clearing Corporation and / or Concerned Exchange reserves right to reject the nomination request.

1.15 Surrender of Clearing Membership:

1.15.1 Surrender of Clearing Membership while continuing Trading Member of the Concerned Exchange:

a) Member is required to make an application for surrender of clearing membership to the Clearing Corporation and submit necessary supporting documents including documents from affiliated clearing member through whom they will clear & settle trades, wherever applicable.

b) After completion of all formalities and when the application is considered as eligible for approval by the Clearing Corporation, the application of surrender of membership would be placed before the Member Committee for its approval..

c) Upon approval, the Clearing Corporation may refund the deposit(s) of the Member subject to fulfillment of all dues/compliances under Bye-Laws, Rules, Business Rules and Regulations of the Concerned Exchange and / or Clearing Corporation, SEBI and circulars issued there under. However, the said deposit(s) may be retained, if there are any unfulfilled obligations including arbitration claims, investor complaints, other grievances/claims, disciplinary action, etc., against the Member which comes to notice of the Concerned Exchange and / or Clearing Corporation, before the date of release of deposit(s).

d) Members may note that all relevant charges, compliances, requirements, eligibility criteria, etc. with respect to clearing membership will continue to be applicable to the Member

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till approval of surrender of clearing membership by the Member Committee.

e) Processing Charges / Fees for any such change in case would be levied as per Schedule of Charges / Penalty

1.15.2 Surrender of Clearing membership:

The member is required to submit an application addressed to MCXCCL in original along with supporting documents and comply with the following:

- Intimate all its constituents/Affiliated Trading Members/Custodian Participants (wherever applicable) regarding surrender of membership at least 21 days prior to date of application of surrender of membership.
- Surrender existing connectivity like leased lines, RSA token, point to point connectivity if any, availed by the Member.
- Ensure that there are no dues pending towards any exchange wherever the Clearing Membership is active and SEBI.
- After satisfactory redressal of all the Investor (Client) Grievance / Complaints/ Arbitration (if any) against the Member and after completion of all formalities and when the application is considered as eligible for surrender by the Concerned Exchange and / or Clearing Corporation, the application of surrender of membership would be considered for approval and thereafter, forwarded to SEBI for its approval by the designated Exchange/Clearing corporation
- Upon approval from SEBI, the Clearing Corporation may refund the deposit(s) of the Member subject to fulfillment of all dues/compliances under Bye-Laws, Rules, Business Rules and Regulations of the Concerned Exchange and / or Clearing Corporation, SEBI and circulars issued there under. However, the said deposit(s) may be retained, if there are any unfulfilled obligations including arbitration claims, investor complaints, other grievances/claims, disciplinary action, etc., against the Member which comes to notice of the Concerned Exchange and / or Clearing Corporation, before the date of release of deposit(s).

1.16 Schemes/Leagues/Competitions launched by registered Members and Code of Advertisement:

1.16.1 Code of Advertisement: The Members are advised to be guided by the following guidelines:

a) Advertisement shall include all forms of communications issued by or on behalf of the Member in publicly available media that may influence investment/sale decisions of any investor/prospective investors.

b) Forms of communications shall include, form of document, pamphlets, circulars, brochures, notice or any research reports or any other literature or information, material published, or designed for use in a newspaper, magazine, SMS or other periodical, radio, television, telephone or tape recording, video tape display, signs or bill boards, motion pictures, telephone directories (other than routine listings) or other public media including websites or emails, whether in print or audio visual form or used in workshop/seminar or public speaking or in any other manner.

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c) Advertisement/Material shall contain:

i. Name of the Member, Registered Office Address of the Member, SEBI Registration No. (all registration numbers and names of the Exchanges in case of multiple memberships) / Member ID allotted by Concerned Exchange and / or Clearing Corporation and logo of the Member, if any.
ii. Information which is accurate, true, fair, clear, complete, unambiguous and concise.
iii. Standard warning in legible fonts (minimum 10 font size) which states "*investment in securities market are subject to market risks, read all the related documents carefully before investing."* No addition or deletion of words shall be made to the standard warning. In audio-visual media based advertisements, the standard warning in visual and accompanying voice over reiteration shall be audible in a clear and understandable manner. For example, in standard warning both the visual and the voice over reiteration containing 14 words running for at least 5 seconds may be considered as clear and understandable.
iv. In case the mode of advertisement is SMS/Message/Pop-up, etc. and the details such as full name, logo, full registered office address, SEBI registration numbers and standard disclaimer are not mentioned, then official website hyperlink has to be provided in such SMS/Message/Pop-up, etc. and the website must contain all such details.

d) The advertisement/material shall not contain:

i. Anything which is otherwise prohibited for publication under the relevant Act, unwarranted, or make any promises.
ii. Statements which are false, misleading, biased or deceptive, based on assumptions/projections.
iii. Shall not contain any misleading or deceptive testimonials.
iv. Statements which directly or by implication or by omission may mislead the investor.
v. Any statement designed as likely to be misunderstood or likely to disguise the significance of the statement.
vi. Any statement designed to exploit the lack of experience or knowledge of the investors.
vii. Any slogan that is exaggerated or unwarranted or slogan that is inconsistent with or unrelated to the nature and risk and return profile of the product.
viii. Any promise or guarantee of assured return to the general investors.
ix. Any statement which directly or indirectly discredits other advertisements or Member or make unfair comparisons.
x. Representations made about the performance or activities of the broker unless accompanied by data regarding performance, disclosures of all the risk factors, etc. and a disclaimer that 'such representations are not indicative of future results'. Such disclaimer shall be in the same font as the rest of the advertisement.
xi. Superlative terms, such as best, no. 1. One of the Best, among market leaders, etc. unless such terms is provided by an entity independent of the Stock Broker and its affiliates, and whose services are not procured by the Member or any of its affiliates to assign the Stock Broker such term.

e) Compliance and Other Requirements:

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i. Prior approval for the advertisement/material to be obtained from the Concerned Exchange and / or Clearing Corporation before issue.

ii. No celebrities shall form part of the advertisement/material.

The expression "celebrity" means and includes any person mentioned hereunder:

- who has played lead role or one of the lead roles in any movies/TV serials/ TV shows which includes but not limited to main actor, actress, child artist, villain, comedian, prominent support character.
- who has been host or one of the hosts or anchor or one of the anchors for any TV programs such as quiz, cooking shows, news channels, comedy show, dance shows, song show, award functions and such other entertainment programs.
- who has been winner or runner in a competitive program that has gone through a series of qualifying rounds (for elimination of competitors) which may be known as qualifying round, quarter finals, semifinals and finals or by any other names.
- Sports person who has been part of National team of the country to which he belongs or represented his country in international tournaments / events such as Olympic Games, Asian Games and competitive games at international level for that given sport, etc.
- Other well-known personalities like Doctors, Authors, Activists, Educationists, Politicians, Preachers, Singers, Musicians, Radio Jockeys, Businessmen, Business Managers/ leaders of repute, recipients of awards such as Padma awards, recipients of awards from international bodies, Government of India or any state government set up for recognition of special contribution to the field of expertise of such person.
- Any other person who in the view of Concerned Exchange and / or Clearing Corporation is capable of influencing the opinion of viewers of the advertisement.
- Notwithstanding anything contained in these guidelines, decision of Concerned Exchange and / or Clearing Corporation shall be final in determining if the person made a part of the advertisement/material is a celebrity or not and such decision shall be final.

iii. Statistical information, charts, graphs, etc. when used should be supported by their source.

iv. Where advertising claims are expressly stated to be based on or supported by independent research or assessment, the source and date of this should be indicated in the advertisement.

v. In the event of suspension of any Member by the Concerned Exchange and / or Clearing Corporation, the Member so suspended shall not issue any advertisement either singly or jointly with any other Member, during the period of suspension.

vi. In the event of any proceeding/ action initiated against a Member by a regulatory body other than the Concerned Exchange and / or Clearing Corporation, the Concerned Exchange and / or Clearing Corporation reserves the right to direct the Member to refrain from issuing any advertisement for such a period as it may deem fit.

vii. The Member shall not involve/ engage in games/ leagues/ schemes/ competitions etc. which may involve distribution of prize monies/ medals/ gifts, etc.

viii. These norms shall be applicable to any other investment/consultancy agencies associated with the Member concerned and issuing advertisement wherein the

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Concerned Exchange and / or Clearing Corporation has been named in the advertisement.

d) [7][Clearing Member seeking a NOCs for setting up Wholly Owned Subsidiaries, Step Down Subsidiaries, Joint Ventures, etc. in GIFT IFSC, shall follow the guidelines;

i. The format of application along with list of supporting documents for seeking NOC for setting up Wholly Owned Subsidiaries, Step Down Subsidiaries or entering into Joint Ventures in GIFT IFSC is placed as **Annexure-D**].

ii. Clearing Members shall apply through a Stock Exchange/Clearing Corporation where the applicant is a member, along with the required information, documents and NOC received from all Stock Exchanges/Clearing Corporations/Depositories in which the applicant is a member/participant.

iii. Clearing Corporations (where the applicant is only clearing member) are directed to forward the complete application to SEBI, after verification along with its recommendation].

1.16.2 Schemes/Leagues/Competitions launched by registered Members: Members shall ensure strict compliance with the following requirements:

i. Member or its associates/group company cannot directly or indirectly, sponsor or be associated with any schemes/leagues/competition, etc. which may involve distribution of monies/prizes/gifts/medals, etc.

ii. No reference to Member's name, logo etc. can be made in any schemes/leagues/competition, etc.

iii. Member cannot share any information of their clients with a third party, even with the clients' consent, in case any third party is involved in launching schemes/leagues/competition, etc.

iv. Member cannot take any financial liability, including any contingent financial liability, on account of any schemes/leagues/competition, etc. launched by a third party.

v. Member shall not enter into any tripartite agreement with clients/participants and the third party.

vi. The following practice, given as part of 'Client information' under the heading 'Rights and obligations of Stock Brokers, Sub-brokers and Clients', as specified by SEBI vide circular CIR/MIRSD/16/2011 dated August 22, 2011 shall continue to apply as given below:-

"The stock broker and sub-broker shall maintain all the details of the clients as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the stock broker may so disclose information about his client to any person or authority with express permission of the client."

[7] Reference: MCXCCL Circular No. MCXCCL/MEM/113/2022 dated May 16, 2022

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vii. Member shall obtain written confirmation from the constituent that the client shall not have recourse to dispute redressal mechanism/arbitration mechanism of the Concerned Exchange and / or Clearing Corporation / SEBI in case the client avails the services under any Schemes/leagues/competitions, etc. offered by any third party.

viii. Members are also required to be guided by the following points:

i. A Member shall abide by all the provisions of the Act and the Rules, Regulations issued by the Government, the SEBI and the Concerned Exchange and / or Clearing Corporation from time to time as may be applicable to him.
ii. A Member shall not advertise his business publicly unless permitted by the Concerned Exchange and / or Clearing Corporation.
iii. A Member shall not resort to unfair means of inducing clients from other Members.
iv. A Member may use the brand name/logo of its group companies, it must display more prominently:
    a. its name as registered with SEBI, its own logo, if any, its registration number, and its complete address with telephone numbers, in its portal/ web site, if any, notice/ display boards, advertisements, publications, know your client forms, and member client agreements.

    b. its name as registered with SEBI, its own logo, if any, its registration number, and its complete address with telephone numbers, the name of the compliance officer, his telephone number and e-mail address in contract notes, statement of funds and securities, and correspondences with the clients

v. Members are required to make an application for prior approval of the Concerned Exchange and / or Clearing Corporation before issue of the advertisement and provide an undertaking as per format specified by the Concerned Exchange and / or Clearing Corporation duly signed by the Compliance Officer or Proprietor/ Managing Partner/ Designated Partner/ Designated Director.
vi. Members are also advised to ensure that:
    a) Advertisement shall not:
        - recommend purchase or sale of any particular commodity
        - be so issued which harms the interest of the investors, create panic, doubts in the general investors, any other Member of the Concerned Exchange and / or Clearing Corporation or make any reference to the Concerned Exchange and / or Clearing Corporation itself.
    b) Advertisement should not contain the logo of the Concerned Exchange and / or Clearing Corporation in any manner whatsoever.
    c) their clients/constituents do not issue advertisements soliciting the business for appropriation in their own name.
    d) the copy of the advertisement be submitted to the Concerned Exchange and / or Clearing Corporation at least seven days before the issue, for approval.
    e) the Member shall not offer Portfolio Management Services and such other services that are prohibited in the commodities derivatives markets.
    f) the copies of such advertisements be retained for verification by Inspection Teams.

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1.17 General Points

i. SEBI fee clearance would be required for all such change(s).

ii. Formats related to each process / change request mentioned above including issue of status report/ NOC for setting up a wholly owned subsidiary in GIFT City are available on the website.

iii. Any changes such as contact number, office address, authorized signatory, etc. is required to be updated on MMPI along with supporting documents as specified from time to time.

iv. Members are requested to ensure that all the Certificates / Reports submitted to Concerned Exchange and / or Clearing Corporation by the Members (issued / certified by full time Practicing Chartered Accountant / Company Secretory) shall mandatorily contain the Unique Document Identification Number (UDIN). In absence of UDIN, the Concerned Exchange and / or Clearing Corporation will not accept such submission(s) from the Member.

v. All submission of Annual Returns/ Audited Accounts / Financial Strength details / Half Yearly Networth Certificate and Computation of Net worth are required to be made through Enhanced Supervision Portal.

1.18 Provision related to unregistered intermediaries as per SEBI circular dated October 22, 2024 and regulation 44B of SEBI SECC (Regulations), 2018.

The member to ensure that they do not have any direct or indirect association with another person who-

(i) provides advice or any recommendation, directly or indirectly, in respect of or related to a security or securities, unless the person is registered with or otherwise permitted by SEBI to provide such advice or recommendation; or

(ii) makes any claim, of returns or performance expressly or impliedly, in respect of or related to a security or securities, unless the person has been permitted by SEBI to make such a claim.

The aforesaid provisions are not applicable in respect of an association through a "specified digital platform".

The Member is also required to ensure that any person associated with does not engage in the activities mentioned in clauses (i) or (ii) above without the necessary permission.

3. In terms of these regulations, a "specified digital platform" shall mean digital platform as specified by SEBI, which has a mechanism in place to take preventive as well as curative action, to the satisfaction of SEBI, to ensure that such a platform is not used for indulging in any activity as referred to in clauses (i) or (ii) of paragraph 2 of this circular.

4. It is clarified that the term "another person" shall not include a person who is engaged in investor education, provided that such a person does not, directly or indirectly, indulge in any activity as referred to in clauses (i) or (ii) of paragraph 2 of this circular.

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5. While the guidelines on the preventive and curative measures for the digital platforms for their recognition as specified digital platform are being specified separately, the Members are advised to terminate their existing contracts, if any, with persons engaged in the activities mentioned in clauses (i) or (ii) above.

1.19 Schedule of Charges / Penalty:

Schedule of Charge		
Sr. No.	**Name of the Charge**	**Amount ***
1)	New Membership	Rs. 10,000/-
2)	Change in Shareholding / Sharing Pattern – leading to Change in control	Processing Fees:- Rs. 10,000/- Transfer Fees:- Rs.500,000/- is only applicable in case of PCM Category (TCM/ITCM category – Exchange will be collecting the same)
3)	Change in Shareholding / Sharing Pattern – not leading to Change in control	Rs. 5,000/-
4)	Change in Designated Directors (DD)/ Non-Designated Directors (NDD) / Designated Partner (DP) / Managing Partner (MP) / Partner (P)	Rs 5,000/- per Director/Partner (for change in DD/NDD/MP/DP/P)
5)	Change in Designated Email ID	Nil
6)	Conversion of Membership / Change in Status / Constitution of Member	Rs. 25,000/-
7)	Change of Name	Rs. 5,000/-
8)	Change of Category / Change in Type of Membership	Nil
9)	Change in Registered Office Address	Rs. 5,000/-
10)	Transfer of Membership / Business / Merger/ Amalgamation / De-Merger	Processing Fees:- Rs. 10,000/- Transfer Fees:- Rs.500,000/- or Rs.100,000/- (*If membership is transferred to group entity with same promotor group)
11)	Transmission of Membership / Nomination of Membership	Nil
12)	Code of Advertisement	Rs. 5,000/-
13)	Issuance of Status Report/NOC for setting up a wholly owned subsidiary in GIFT City	Rs. 5,000/-

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Schedule of Charge		
Sr. No.	**Name of the Charge**	**Amount ***
14)	Surrender of Membership	Rs. 50,000/-

Note:

1. The processing fees is to be paid along with applicable taxes.
2. The processing fees is non-refundable

Policy on Regulatory Action for Membership Compliance Requirements

Sr. No.	Violations / Non-Compliances	Applicable Penalty/Disciplinary Action
1.	Not following the advertisement code of the SEBI/MCXCCL	Rs. 50,000/-
2.	Failure to furnish correct Net worth certificate to MCXCCL within 60 days for half year ending September 30th and half year ending March 31st (unaudited).	1. Charges of Rs.200/- per day for 1st Month after the due date 2. Charges of Rs.500/- per day for 2nd month after due date till date of submission or disablement 2 weeks' notice shall be given to the Member after the 2nd month from the due date, subsequent to which the Member shall be allowed to clear the trades. Notice issued in this regard to the Member shall be shared with all the Exchanges/CCs for information. In case of members who have not cleared in past 6 months, only embargo will be placed for non-submission of Net worth.
3.	Failure to furnish Annual Audited Accounts/ Returns by October 31st of the relevant year. In case Income Tax Dept. extend the due date, the same shall be applicable here.	
4.	Delayed/non-submission of data with respect to monitoring of financial strength of Members (ratios/indicators)	
5.	Non Appointment of Principal Officer - FIU / Designated Director – FIU or Non Intimation of Designated Director - FIU or change of Principal officer to FIU	Rs. 15,000/-
6.	Non-appointment of Compliance Officer	Rs. 50,000/-
7.	Non- Submission of valid NISM Certificate of compliance officer.	Advice Letter for submission in 3 months and after 3 months, penalty of Rs. 1500/- per month.
8.	Any change in the shareholding pattern/profit sharing ratio without the prior approval of the MCXCCL involving dilution not below the	Rs.10,000/-

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Sr. No.	Violations / Non-Compliances	Applicable Penalty/Disciplinary Action
	minimum prescribed shareholding of the dominant promoter group (Post Facto Changes).	
9.	Any other change in the shareholding pattern/profit sharing ratio of the Member without the approval of the MCXCCL.	Rs.2,500/-
10.	Post facto changes resulting in dilution of the shareholding (SHP) / Sharing pattern (SP) ratio of the Dominant Promoter Group (DPG) below 51%.	Rs.1,00,000/-
11.	Non-Submission of application/ complete documents (as per applicable checklist) by the member for Post facto approval for changes in Shareholding pattern / Sharing Pattern leading to dilution of holding of Dominant Promoter Group below 51%.	On completion of (1) One month from: i) The date of intimation by the Concerned Exchange / Clearing Corporation sent to the member requiring him to submit the post facto application; **or** ii) The date of receipt by the Concerned Exchange / Clearing Corporation of the incomplete application from the member, whichever is earlier Thereafter, 4 weeks' notice shall be given to the member to submit the complete documents (as per applicable checklist). On his failure to do so within the notice period, the member's terminals shall be disabled till the time the member submits complete documents for such post facto changes. (the said disciplinary action is in addition to the penalties stated above)
12.	Change in Designated Directors/ Designated Partners/ Managing Partners without obtaining the prior approval of MCXCCL.	Rs.5000/- per instance (i.e. per director/partner)
13.	Change in Ordinary Directors/ Partners without intimation to the MCXCCL within 15 days from the date of such change in ROC/ROF.	Issue of warning letter
14.	Non-Submission of application/ complete documents (as per applicable checklist) by the member for Post facto approval for changes in Designated Directors/ Designated Partners / Managing Partners	On completion of 3 (three) months from : i. The date of intimation by Clearing Corporation sent to the member requiring him to submit the post facto application; **or** ii. The date of receipt by Clearing Corporation of the incomplete application from the members, whichever is earlier

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Sr. No.	Violations / Non-Compliances	Applicable Penalty/Disciplinary Action
		Thereafter, 4 weeks' notice shall be given to the member to submit the complete documents (as per applicable checklist). On his failure to do so within the notice period, the member's terminals shall be disabled till the time the member submits complete documents for such post facto changes. (the said disciplinary action is in addition to the penalties stated above)

In case of members having Networth shortfall, then penal provisions as mentioned below will be levied.

Category	For Clearing Members (i.e. TCM/ ITCM/ PCM)
	***Effective Deposits to be blocked**
Networth shortfall less than or equal to 10% of the prescribed minimum	10% of Effective Deposits will be blocked and will not be available for margin purpose
Networth shortfall less than or equal to 25% of the prescribed minimum	25% of Effective Deposits will be blocked and will not be available for margin purpose
Networth shortfall less than or equal to 50% of the prescribed minimum	50% of Effective Deposits will be blocked and will not be available for margin purpose
Networth shortfall less than or equal to 90% of the prescribed minimum	90% of Effective Deposits will be blocked and will not be available for margin purpose
Networth shortfall greater than 90%	Terminal/s shall be disabled (suspended square off mode) with immediate effect.

*** Effective Deposits = Total Deposits minus Minimum Liquid Networth (MLN)**

Notes to Table:

i) In case of ITCMs/PCMs, if net worth falls below prescribed limit, other than blocking of Effective Deposit, ITCMs/PCMs will be allowed 2 months' time from the date of submission or the time prescribed by the Clearing Corporation (for disablement of terminal for non-submission under the applicable circular), whichever is earlier, to increase their networth (under intimation to the Trading Members(TMs) associated with such ITCMs/PCMs), failing which, they will not be allowed to clear trades of TMs affiliated to them. TMs associated with such ITCMs/PCMs may make alternative clearing arrangements during this two months period. Further, the Concerned Exchange will also be informed to not allow any new TMs being affiliated to these ITCMs/PCMs.

ii) It may be further noted that, Computation of Networth by method other than the L.C. Gupta method, shall be treated as Non-submission of Networth and appropriate penalty/actions as applicable for Non-submission of Networth will be initiated accordingly.

In case of violations / non-compliances related to continuing membership compliance of TCMs and ITCMs, which are also governed by MCX in terms of their Rules, Bye-laws and Business

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Rules / Regulations, penalty shall be levied by only one entity i.e. MCX for similar violations observed, so as to avoid double jeopardy, based on the *'Principles of natural justice'*.

In case of TCMs, which are also governed by MCX Rules, Byelaws and Business Rules / Regulations, penalty shall be levied by one entity (MCX) only, for similar violations observed so as to avoid double jeopardy, based on the 'Principles of natural justice'.

In case of ITCMs, which are also governed by MCX Rules, Byelaws and Business Rules / Regulations, penalty shall be levied by one entity (MCX) only for similar violations observed so as to avoid double jeopardy, based on the 'Principles of natural justice' as far as they pertain to member as an entity however compliance with respect to Clearing Member activities shall be separately monitored by MCXCCL and applicable penalties shall be levied, irrespective of whether MCX has levied the penalty or not. This shall be applicable specifically to non-compliances listed at

- Sr. no. 2: Failure to furnish correct Net worth certificate to MCXCCL within 60 days for half year ending September 30th and half year ending March 31st (unaudited),
- Sr. no. 3: Failure to furnish Annual Audited Accounts/ Returns by October 31st of the relevant year. In case Income Tax Dept. extend the due date, the same shall be applicable here.
- Sr. no. 4: Delayed/non-submission of data with respect to monitoring of financial strength of Members (ratios/indicators)
- Sr. no. 5: Failure to furnish Internal Audit Report for half year ending September 30th and half year ending March 31st.

1.20 Maintenance of a website by Stock Brokers and Depository Participants:

SEBI circular no. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2023/30 dated February 15, 2023, on "Maintenance of a website by Stock Brokers and Depository Participants" wherein Members were advised to maintain a designated website and display mandatory information to help the investors to keep themselves well informed about the various activities of the Members.

i. Basic details of the SB/DP/Clearing Corporation such as registration number, registered address of Head Office and branches, if any.
ii. Names and contact details such as email ids etc. of all Key Managerial Personnel (KMPs) including Compliance Officer
iii. Step-by-step procedures for opening an account, filing a complaint on a designated email id, and finding out the status of the complaint, etc.
iv. Details of Authorised Persons.

The URL to the website of a Clearing Corporation shall be reported to the Clearing Corporation within a week of this circular coming into effect. Any modification in the URL shall be reported to Clearing Corporation within 3 days of such changes.

The provisions of this SEBI circular shall come into effect from August 16, 2023.

All Members dealing in clientele business are advised to mandatorily display the information as provided in Annexure-A and confirmation of compliances as provided in Annexure B and Annexure C (as applicable) of the Clearing Corporation Circular no. MCXCCL/MEM/096/2023 dated April 18, 2023 and update such information on the website from time to time.

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The provisions of the aforesaid SEBI circular shall come into effect from August 16, 2023 and the URL of the website is to be reported to the Exchange within a week of the circular coming into effect i.e., by August 24, 2023.

1.21 Submission of Group or Associate details by Clearing Members:

SEBI had issued Circular No SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/65 dated May 29, 2024 relating to Norms for acceptable collaterals and exposure of Clearing Corporations, wherein the Clearing Members were advised to submit the details of their Group or Associates entities along with the declaration. MCXCCL had issued circular no. MCXCCL/COMP/182/2024 dated July 25, 2024 had prescribed the format submitting the Group or Associate details by the Clearing Members. MCXCCL has issued circular no. MCXCCL/COMP/031/2025 dated February 12, 2025 informing the members to submit the Group or Associate details through the Member Reporting Portal of MCXCCL only).

Clearing Members are required to submit the Group or Associates details along with the declaration digitally through Member Reporting Portal only i.e. https://memberreporting.mcxccl.com in the prescribed format as mentioned in the User manual.

Any change in Clearing Members details of Group or Associate details (including ISIN, Symbol etc.) is to be updated through the Member Reporting Portal within 7 working days of the occurrence of the change.

In case of non-submission of data or discrepancies in data submission Clearing Corporation reserves the right to take Regulatory Action on the Members.

The FAQs related to the submission of Group or Associate details is provided on the website of MCXCCL.

1.22 Guidelines for Activation of Membership:

Levy of Late Fees for New Membership & Transfer of Membership

A. **New Membership**: A Newly admitted member shall be liable to pay the 'Late Fees' as per the below table if they fail to make payment of the applicable fees and deposits within such period as specified by the Clearing Corporation from date of approval of the Clearing Corporation:

Sr. No.	Extension of Timeline for payment of fees and deposits.	Late Fees payable for extension by Newly Admitted Member
1.	Activation of membership within a period of 6 months (without levy of Late Fee) from the date of approval by the Clearing Corporation or registration by SEBI (where applicable), whichever is later	Nil

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2.	Post 6 months as mentioned above up to a maximum of 12 months from the date of approval by the Clearing Corporation or registration by SEBI (where applicable), whichever is later	The Clearing Member shall be liable to pay a non-refundable late fee of ₹10,000 per month.

Note:
1. *The late fees is to be paid along with applicable taxes.*
2. *The late fees is non-refundable*

In case of already newly admitted entities, the aforesaid Late Fees for further extension will be made applicable as below:

i) For entities already admitted and whose initial period of 6 months (without levy of Late Fee) from the date of approval by the Clearing Corporation or registration by SEBI (where applicable) is not yet completed, such entities will be informed to make payment of the applicable fees and deposits within timeline or completion of 6 months, whichever is later failing which Late Fee/s for further extension/s would be made applicable to them.

ii) For entities admitted and whose initial period of 6 months is completed, such members will be given final notice to make payment of the applicable fees and deposits failing which Late Fees for further extension would be made applicable to them.

Further, in case the newly admitted member fails to make payment of the applicable fees and deposits within specified period or within the extended timelines, the admission of Membership shall be liable for cancellation.

B. **Transfer of Membership**: A Newly admitted member (i.e. transferee entity) shall be liable to pay 'Late Fees' as per the below table if they fail to complete the procedure for transfer of business within such period as specified by the Clearing Corporation from date of approval of the Clearing Corporation:

Sr. No.	**Extension of Timeline for Transfer of Business**	**Late Fees payable by Transferee**
1.	Transfer of membership and activation of Transferee membership within a period of 6 months (without levy of Late Fee) from the date of approval by the Clearing Corporation or registration by SEBI (where applicable), whichever is later	Nil
2.	Post 6 months as mentioned above up to a maximum of 12 months from the date of approval by the Clearing Corporation or registration by SEBI (where applicable), whichever is later	The Clearing Member shall be liable to pay a non-refundable late fee of ₹10,000 per month.

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Note:

1. *The late fees is to be paid along with applicable taxes.*
2. *The late fees is non-refundable*

In case of already admitted transferee entities, the aforesaid Late Fees for further extension will be made applicable as below:

ii) For transferee entities already admitted and whose initial period of 6 months (without levy of Late Fee) from the date of approval by the Clearing Corporation or registration by SEBI (where applicable) is not yet completed, such transferees will be informed to complete the procedure for transfer of business within 6 months and to make payment of the applicable fees and deposits within timeline or completion of 6 months, whichever is later failing which Late Fee/s for further extension/s would be made applicable to them.

ii) For transferee entities admitted and whose initial period of 6 months is completed, such members will be given final notice to make payment of the applicable fees and deposits failing which Late Fees for further extension would be made applicable to them.

In case the transferee fails to complete the procedure for transfer of business within specified period or within the extended timelines, the admission of the transferee shall be liable for cancellation.

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Annexure-A: Guidelines on Compliance Officers

1. **Applicability:**

   The below mentioned guidelines are applicable to the employee designated as Compliance Officer:

2. **Eligibility criteria for appointment of Compliance Officers post January 01, 2023:**

a) **Educational qualification:** An individual shall be eligible to be appointed as Compliance Officer if he/she has passed graduation or an equivalent examination from a Government recognized institution.

   All the existing Compliance Officer of Clearing Members on record of the Clearing Corporation having experience of 2 years or more shall be exempted from the above-mentioned criteria for educational qualification.

b) **Experience:** At the time of appointment, the candidate should at least have 2 years of prior work experience in banking or financial services, handling Audit / Finance / Compliance / Legal / Operations/Risk Management functions.

c) **Skills:** The eligible candidate should have good understanding of securities market industry, risk management, knowledge of regulations, legal framework and regulatory expectations.

3. **Certification Requirement:**

a) Compliance Officer shall be required to pass the NISM-Series-III A: Securities Intermediaries Compliance (Non-Fund) Certification Examination within 1 year from the date of employment in terms of SEBI notification dated March 11, 2013.

   The Compliance Officer shall ensure that the certification is renewed before the completion of its validity, as per the procedure specified by NISM, from time to time.

b) In order to ensure that the Compliance Officer is well informed of all relevant laws and amendments thereof, it is essential that there should be a continuing education program for him/her. In this regard, Clearing Members shall impart half-yearly training to their compliance officers which will cover subject-wise key regulatory requirements and regulatory changes made in the last six months.

4. **Tenure**:

   The Clearing Members shall ensure that any transfer / removal of Compliance Officer is done with explicit prior approval of the Board/ Partners as the case may be and, after following a well-defined and transparent internal administrative procedure and reasons be recorded in writing.

   In case of any change in Compliance Officer due to any reasons beyond the control of the Member such as death, resignation etc., the Clearing Members are required to intimate the Clearing Corporation within 7 working days of such a change. In case of such unforeseen change, the Compliance Officer should be appointed within three months from the date of

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death/resignation of the erstwhile Compliance Officer and confirm the same to the Clearing Corporation.

Notwithstanding the above, the office of the Compliance Officer shall not remain vacant for more than 15 calendar days. In the event of resignation/demise etc. The Clearing Member should appoint an interim Compliance Officer till such time a regular Compliance Officer is appointed within 3 months from the date of vacation of office.

5. **Due diligence requirements:** The Clearing Members shall ensure that the person appointed as Compliance Officer is "fit and proper" in terms of Schedule II of SEBI (Intermediaries) Regulations, 2008.

   Familiarization program: The Clearing Members shall provide half yearly compliance training program to all the compliance officers including newly appointed officials. It will be mandatory to attend the said program. Individuals who have served as compliance officers for more than a year and have joined another Member in the same capacity, shall be excluded from the aforesaid program. The training content will include all compliance requirements with respect to trading, clearing/settlement, inspections, membership compliance, investor grievance redressal mechanism, surveillance related compliance requirements.

6. **Authority:**

   The Compliance Officer shall have the ability to independently exercise judgement in all matters of compliance and regulations. The Compliance Officer should have the freedom and sufficient authority to interact with regulators/supervisors directly and ensure compliance. In addition, he/she shall have the necessary authority to communicate with any staff member and have access to all records or files that are necessary to carry out entrusted responsibilities in respect of the compliance issues.

   It should be ensured that the Compliance Officer or any of his/her staff are not assigned any responsibility which brings elements of conflict of interest, especially any role relating to business development/sales. The Compliance Officer shall under no circumstances act in such a dual capacity.

   All the Existing Compliance Officers who are not in compliance with Clause No. 7 shall have time till March 31, 2023 to comply with the requirement. All the Clearing Members are required to confirm compliance with clause no. 7 vide their Internal Audit Report (IAR) submissions from March 2023 onwards.

7. **Allotment of Trading Terminals:** The Clearing Members shall ensure that no trading terminal is allotted to the Compliance Officer or any staff of his/her office except for the purpose of risk management /monitoring/testing or for view only purpose and no trades shall be executed from such terminals.

8. **Action by Clearing Corporation:** The Clearing Corporation shall also reserve the right to seek necessary explanations from the Compliance Officer or record his/her statements in terms of the relevant Rules/Regulations of the Clearing Corporation and initiate suitable disciplinary action against him/her including debarment or directing the Clearing Member for removal, if he/she is found to have failed to carry out his/her responsibilities in a reasonable manner. All actions shall

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be initiated by the Clearing Corporation, after following due process and providing opportunity of hearing to the Clearing Member /Compliance officer.

Annexure B: Undertaking

(To be on Stamp / Franked Paper of Rs.600 and notarized)

UNDERTAKING

To,

Multi Commodity Exchange of Clearing Corporation Limited

This Undertaking cum Indemnity Bond is signed at ____ (where the undertaking is executed) on this _____day of _____, 20__.

By

I/We, _____, the Member of Multi Commodity Exchange Clearing Corporation Limited bearing Member ID _____, having office at _____ , (hereinafter referred to as" Clearing Member", which expression, unless repugnant to the context or meaning thereof, shall be deemed to include its successors and assigns).

In favour of:

Multi Commodity Exchange Clearing Corporation Limited**,** a company incorporated under the Companies Act, 1956 having its registered office at _____ (hereinafter referred to as "**MCXCCL**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assigns).

I/We hereby solemnly declare and undertake that:

Whereas, the Securities and Exchange Board of India (hereinafter referred to as "SEBI") has issued circular dated July 01, 2020 on Standard Operating Procedure to be followed in the case of Clearing Member leading to default (hereinafter referred to as the "said circular").

Whereas, in terms of the said circular, MCXCCL is empowered to issue instructions to the concerned bank/s to freeze the bank account/s maintained by the Member, for all debits / withdrawal by the Member in the event of a potential default by the Member in meeting its obligations to Clearing Corporation and / or repayment of funds / securities to his / its clients and / or affiliated Trading Members.

Now, in consideration of the above, I / We do hereby agree and confirm unconditionally to undertake that:

1. Multi Commodity Exchange Clearing Corporation Limited are empowered to instruct the concerned banks to freeze my / our bank accounts for all debits / withdrawals from such accounts.

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The details of bank accounts held by me / us are as follows (Member may choose to submit the details of bank accounts as annexure to this undertaking):

Sr. No.	Bank Name	Bank account no.	ISFC

2. Any debits to such bank account, post freezing by the banks, shall be done only on the express instructions to the said banks by MCXCCL.

3. MCXCCL shall not be liable in any way to me/us for any losses, claims, penalties, proceedings / actions, damages, consequential or otherwise, arising there from or occasioned thereby.

4. No proceeding/suit/action/claims would be adopted by me/us against MCXCCL for any act done with respect to issuance of instruction to the bank/s mentioned above for freezing of my/our account/s held with the bank/s.

5. I / We agree to indemnify and keep MCXCCL and/or its successors/assigns indemnified from time to time, and at all times hereafter, against all claims, demands, damages, liabilities, proceedings, losses, actions, charges and expenses made or suffered or incurred or caused or likely to suffer / incur directly or indirectly, to MCXCCL and/or its successors/assigns on account of freezing of my/our account/s held with bank/s.

6. I/ We shall keep the Bank appropriately notified of the obligations undertaken by me / us herein and authorizing them to honour the instructions from MCXCCL.

7. I / We undertake that a revised Undertaking cum Indemnity Bond shall be submitted by me / us to the above named Multi Commodity Exchange Clearing Corporation Limited (as per the circular) within seven (7) working days of opening of any new bank account or change in details of any existing bank account.

8. This Undertaking cum Indemnity Bond shall be binding on my / our successors, legal representatives and assigns.

9. I / We warrant that representations made by the undersigned / on behalf of the Member are true and correct.

IN WITNESS WHEREOF, I/We hereby execute this Undertaking cum Indemnity Bond on the day, month and year above written.

Solemnly declared at) this ___ day of _____, 20) BEFORE ME

(Name of Designated Director)
(Name of Clearing Member)
(with rubber stamp & SEBI Registration No.)
In the presence of:

Public

1.

2.

Note: Board Resolution / all partners authorization (in case of partnership firm) for execution of the said undertaking cum indemnity and authorization for signing the same should be enclosed alongwith the document.

Annexure C: FIT AND PROPER PERSON UNDERTAKING

To, Date:

The Managing Director & CEO
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square, CTS No. 255,
Suren Road, Chakala, Andheri (East),
Mumbai - 400 093.

We hereby declare and undertake that:
1. The applicant and following persons as referred in substituted Schedule II of SEBI (Intermediaries) (Third Amendment) Regulations, 2021 are fit and proper person as per requirement laid in in aforesaid schedule:

(a) the Applicant;

(b) the Principal Officer, the Directors or Managing Partners, the Compliance Officer and the Key Management Persons (KMPs) of the Applicant by whatever name called; and

(c) the Promoters or persons holding controlling interest or persons exercising control over the applicant, directly or indirectly:

(Provided that in case of an unlisted applicant or intermediary, any person holding twenty percent or more voting rights, irrespective of whether they hold controlling interest or exercise control, shall be required to fulfill the 'fit and proper person' criteria.)

Explanation– For the purpose of this sub-clause, the expressions "controlling interest" and "control" in case of an applicant or intermediary, shall be construed with reference to the respective regulations applicable to the applicant or intermediary.

2. The Applicant and persons referred in point 1 above bear integrity, honesty, ethical behaviour, reputation, fairness and character of the person;

3. The Applicant and persons referred in point 1 above are not incurring following disqualifications mentioned in Clause 3(b) of Schedule II of SEBI (Intermediaries) (Third Amendment) Regulations, 2021:

i) criminal complaint or information under section 154 of the Code of Criminal Procedure, 1973 (2 of 1974) has been filed against such person by the Board and which is pending;

ii) charge sheet has been filed against such person by any enforcement agency in matters concerning economic offences and is pending;

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iii) an order of restraint, prohibition or debarment has been passed against such person by the Board or any other regulatory authority or enforcement agency in any matter concerning securities laws or financial markets and such order is in force;

iv) recovery proceedings have been initiated by the Board against such person and are pending;

v) an order of conviction has been passed against such person by a court for any offence involving moral turpitude;

vi) any winding up proceedings have been initiated or an order for winding up has been passed against such person;

vii) such person has been declared insolvent and not discharged;

viii) such person has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force;

ix) such person has been categorized as a wilful defaulter;

x) such person has been declared a fugitive economic offender;

4. The Applicant or any other person mentioned in point 1 above have not been declared as not 'fit and proper person' by an order of the SEBI.

5. No notice to show cause has been issued for proceedings under SEBI (Intermediaries) (Third Amendment) Regulations, 2021 or under section 11(4) or section 11B of the SEBI Act during last one year against the Applicant or any other persons referred in point 1 above.

We hereby undertake that the above declaration is true and correct and any change in the above shall be immediately intimated to Multi Commodity Exchange Clearing Corporation Limited.

Date: **Signature:**
Place:
Name

Public

Annexure- D: Application to SEBI for opening of wholly owned subsidiaries, step down subsidiaries or entering into joint ventures in GIFT IFSC

Please read the instructions carefully before filling up the Application form:

1. Fill in all the particulars clearly.
2. The information should be complete in all respects.
3. Please attach the relevant enclosures.
4. The application shall be submitted through Clearing Corporation along with NOC obtained from all the Clearing Corporations, where the applicant is a member/participant and other documents as listed in the present form.

I GENERAL INFORMATION:

1	Details of all registrations of the applicant company in India and abroad	1. Name of the entity (Earlier name, if any) 2. Type of Intermediary (If Broker, names of Exchanges and if DP, name of the Depositories) 3. Registration Number 4. Date of Registration
2	Net worth of the applicant company (in Rs.)	
3	Details of the following persons: a) Promoters (Name and PAN number) b) Directors (Name, DIN and PAN number) c) Key Person of the applicant (Name and PAN number)	
4	Details of regulatory action taken/ initiated/ pending, if any, against the applicant/ promoters/ directors/key personnel/ principal officer of the applicant company (in India/abroad)	
5	Any fee remaining unpaid to SEBI by applicant/ associates	
6	Amount of proposed investment (converted in Indian Rupees)	
7	Whether the applicant is setting up a Wholly Owned subsidiary (WOS) or a Step Down Subsidiary (SDS) or entering into Joint Venture (JV) or acquiring stake in an existing company.	
8	Details of the proposed WOS/SDS/JV in GIFT IFSC (provide relevant details in case of equity participation in existing company or joint venture with a company)	a) Name of the proposed entity in GIFT IFSC b) Purpose for setting up the WOS/SDS/JV/Equity Participation etc. c) Nature of proposed activities

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II UNDERTAKING

a. Pursuant to setting up Wholly Owned Subsidiary / investment in step down subsidiary/joint venture, etc., we shall maintain net worth for each category of registration as per SEBI Act, 1992 & Regulations/ circulars issued there under and bye laws/ rules/ regulations/ circulars, etc. issued by respective stock exchanges/Depositories.

Signature

Name

Designation
Place:
Date:

III. ENCLOSURES:

a. Certificate of Net worth:
    i. Net worth Certificate of the applicant based on the latest audited results (in Rs.), duly certified by a Chartered Accountant.
    ii. In case the above Net worth Certificate is more than 6 months old, then provide above as well as the latest provisional networth certificate, duly certified by a Chartered Accountant.
b. NOC obtained from all the Stock Exchanges/Depositories where the applicant is a member/ participant, in case the applicant is a Stock Broker/Depository Participant.
c. Details of any non-compliance w.r.t 'fit and proper person' criteria as specified in Schedule II of SEBI (Intermediaries) Regulations, 2008.
d. Declaration cum undertaking (format enclosed) with regard to compliance with the 'fit and proper person' criteria as specified in Schedule II of SEBI (Intermediaries) Regulations, 2008 duly stamped and signed by the Authorized Signatories of the applicant.
e. Latest shareholding pattern of the applicant and list of the shareholders who have controlling interest.

Declaration Cum Undertaking

We, M/s……. (Name of the intermediary), having SEBI registration certificate in the capacity of _____ bearing registration number _____ hereby declare and undertake the following w.r.t our application for setting up WOS/SDS/JV in GIFT IFSC:

1. Name of the intermediary and its principal officer, directors or managing partners, compliance officer, key management persons, promoters or persons holding controlling interest or persons exercising control over the intermediary directly or indirectly and person holding twenty percent or more voting rights of the intermediary (hereinafter referred to as "We" or "Us") are fit and proper person as per requirement laid down in Schedule II of SEBI (Intermediaries) Regulations, 2008.

2. We bear integrity, honesty, ethical behaviour, reputation, fairness and character.

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3. We do not incur following disqualifications mentioned in Clause 3(b) of Schedule II of SEBI (Intermediaries) Regulations, 2008 i.e.

i) No criminal complaint or information under section 154 of the Code of Criminal Procedure, 1973 (2 of 1974) has been filed against us by the Board and which is pending.
ii) No charge sheet has been filed against us by any enforcement agency in matters concerning economic offences and is pending.
iii) No order of restraint, prohibition or debarment has been passed against us by the Board or any other regulatory authority or enforcement agency in any matter concerning securities laws or financial markets and such order is in force.
iv) No recovery proceedings have been initiated by the Board against us and are pending.
v) No order of conviction has been passed against us by a court for any offence involving moral turpitude.
vi) No winding up proceedings have been initiated or an order for winding up has been passed against us.
vii) We have not been declared insolvent.
viii) We have not been found to be of unsound mind by a court of competent jurisdiction and no such finding is in force.
ix) We have not been categorized as a wilful defaulter.
x) We have not been declared a fugitive economic offender.

4. We have not been declared as not 'fit and proper person' by an order of the Board.

5. No notice to show cause has been issued for proceedings under SEBI (Intermediaries) Regulations, 2008 or under section 11(4) or section 11B of the SEBI Act during last one year against us.

6. It is hereby declared that we and each of our Promoters, Directors, Principal Officer, Compliance Officer and Key Managerial Persons are not associated with vanishing companies.

7. There is no outstanding SEBI fee payable by the intermediary.

The said information is true to our knowledge.
(Stamped and signed by the Authorized Signatories)

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Abbreviations - Membership

Term	Description
TCM	Trading Cum Clearing Member
ITCM	Institutional Trading Cum Clearing Member
PCM	Professional Clearing Member
MC	Member Committee
FIU	Financial Intelligence Unit
MLN	Minimum Liquid Net worth
MMPI	MCX Member Profile Interface
NOC	No Objection Certificate
PO	Principal Officer
PG	Promotor Group
DPG	Dominant Promotor Group
SBR	SEBI (Stock Brokers) Regulations, 1992 / SEBI (Stock Brokers) Regulations, 2006
SCRA	Securities Contracts (Regulation) Act 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SI Portal	SEBI Intermediary Portal

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Chapter 2: Collateral Management

1. Deposit Requirements

1.1. Initial Security Deposit (ISD)

The Clearing Members are required to pay interest free security deposit as prescribed by MCXCCL at the time of admission, which shall be available for exposure to the members. Minimum 50% of Initial Security Deposit shall be in the form of Cash and balance can be in the form of Fixed Deposit Receipts / Bank Guarantees.

1.2. Additional Deposits

To increase the exposure limits for trading, the members may place additional security deposit in the following forms:

i. Cash

ii. Cash Equivalent:
   a. Bank Guarantees (BG) issued by approved banks
   b. Fixed Deposit Receipts (FDR) issued by approved banks
   c. Securities
      i. Mutual Fund Schemes (Liquid Funds)
      ii. Government Securities (G-Sec), Treasury Bills (T-Bills) and Sovereign Gold Bonds (SGB)

iii. Non Cash Collaterals (Other Deposits):
   a. Securities as defined under section 2(h) of SC(R) Act, 1956 in demat form. This shall include:
      i. Approved list of Securities (Equity Shares)
      ii. Mutual Fund Units (Other than Liquid Funds)
   b. Pledge of Electronic Warehouse receipt(s) of approved commodities issued through ComRIS/ CCRL

The ratio of Cash (including Cash Equivalent) and Non Cash Collaterals shall be 1:1

1.3. Minimum Liquid Net-Worth (MLNW)

i. All Clearing Members are required to maintain Minimum Liquid Net-worth against which exposure is not allowed. The current Minimum Liquid Net-worth requirement is of Rs 50 Lakhs.

ii. Applicable Minimum Liquid Net-worth (MLNW) of Rs 50 Lakh shall be blocked from the collaterals deposited in the pool account.

2. Forms of Collaterals (Liquid Assets)

i. Member may deposit liquid assets in the form of cash, bank guarantees, fixed deposit receipts, approved securities, approved commodities and any other form of collateral as prescribed by MCXCCL and/ or SEBI from time to time.

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ii. These liquid assets are segregated as cash, cash equivalent and Non Cash Collaterals (Other Deposits).
iii. Cash shall mean cash deposits placed with MCXCCL.
iv. Cash equivalent shall mean bank guarantees, fixed deposit receipts, mutual fund schemes (liquid funds), government Securities (G-Sec), Sovereign Gold Bond (SGB), Treasury Bills (T-Bill) and any form of collateral as may be prescribed from time to time.
v. Non Cash Collaterals (Other Deposits) shall mean all other form of collateral deposits like approved list of demat securities (equity shares), mutual fund units (other than liquid funds), electronic warehouse receipt(s) of approved commodities issued through ComRIS/ CCRL and any other form of collateral as may be prescribed from time to time.
vi. The ratio of Cash (including Cash Equivalent) and Non Cash Collaterals shall be 1:1.

2.1. Cash

Procedure for deposit of cash

i. Clearing Members may submit the request for additional deposit in the form of cash by making the required amount available in their respective clearing bank account and sending an authorization to MCXCCL for transferring the said amount from their settlement account to the settlement account of MCXCCL.
ii. MCXCCL has provided an electronic interface to its Clearing Bank and Clearing Members for enhancement of additional cash margin. Clearing Members mapped with Clearing Banks mentioned in Annexure 1A shall submit online cash margin request through e-Clear as under:

- Cash Deposit Clearing Member **Maker**
  Path: eClear login → Clearing → Collateral Management → Transactions → Deposits → Cash Collateral → Create Cash Collateral

- Cash Deposit Clearing Member **Checker**
  Path: eClear login → Clearing → Collateral Management → Transactions → Deposits → Cash Collateral → Check Cash Collateral

- Member can check transaction status as under:

  Approved/ Pending Transactions
  Path: eClear login → Clearing → Collateral Management → Transactions → Deposits → Cash Collateral → Query Cash Collateral

  Rejected Transactions
  Path: eClear login → Clearing → Collateral Management → Transactions → Deposits → Cash Collateral → Check Cash Collateral

iii. Cash Inward request shall be valid for processing by the Clearing Bank on the request date only.
iv. These instructions shall then be electronically transmitted to their Clearing Banks for processing.
v. In case the member is not able to submit the request through e-Clear, Member can also send request as per the format prescribed in the Annexure 1B.
vi. The benefit of cash margin deposit request shall be subject to receipt of confirmation from the

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respective Bank.

In addition to member can avail "Secondary Settlement Account" for encashment of cash margin.

MCXCCL will send debit instructions to the bank advising them to debit secondary settlement account of the respective Clearing Member by such payable amount only for the purpose of enhancement of margin deposit.

Members facing exigencies in the banking services are requested to transfer the funds from their primary/ secondary settlement account against their margin obligations online through RTGS/ NEFT in the designated MCXCCL settlement account specified in **Annexure –19.**

On remittance, Members are requested to intimate the same through email on collaterals@mcxccl.com / settlement@mcxccl.com with the corresponding details.

Members are further advised to map the account details in their Net banking to ensure timely and smooth operation in case of contingency.

Members request for release of cash collateral shall be processed to the designated primary account only

Procedure for release of cash

i. Members intending to seek release of additional cash deposit shall create release request type as 'Immediate' for intraday cash release and 'Normal' for Next Settlement day release through option available on e-Clear under the menu:

- Cash Release Clearing Member **Maker**
  Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash → Create Cash Release

- Cash Release Clearing Member **Checker**
  Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash → Check Cash Release

- Member can check transaction status as under

  Approved/ Pending Transactions
  Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash → Query Cash Release

  Rejected Transactions
  Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash → Check Cash Release

  Note : Member can place only one normal release request.

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ii. Members shall select **Collateral Release Type** as **'Immediate'** while placing request for same day release. MCXCCL shall endeavour to release the cash as soon as possible, but within two hours from the time requested, subject to availability of unallocated balances in the member pool account.

iii. On Date of Settlement of Running Account of Client's Funds, clearing members can submit request for Cash release on an immediate basis till 7:00 pm.

MCXCCL shall endeavour to release cash within one hour of the request received from the clearing member on an immediate basis on the date of the one – day settlement, subject to availability of unallocated balances in the member pool account

iv. For normal cash release requests, Member shall be required to select **'Collateral Release Type'** as **'Normal'**. Requests shall be accepted upto 12:30 AM (Midnight). These requests shall be processed on the next settlement date.

v. **Cash Release towards Funds Pay-in Obligations**

a. Members may request for release of cash collateral lying with MCXCCL towards fund pay-in requirements against Daily settlement / Delivery Settlement and dues.

b. Members shall use release type as **'Normal'** for cash release for **Next Settlement day release** or **'Immediate'** request for **same day release** through eClear.

c. Valid release requests shall be credited in the settlement account of the member before the settlement cut-off timelines and can be used to meet the funds pay-in requirement.

d. Release requests and settlement obligations shall not be netted off and settled through the member settlement bank account on gross basis.

e. Timelines for submission of release request against pay-in obligations:

i Normal request: Request shall be accepted upto 12:30 AM (Midnight).

ii. Immediate request: Release request submitted by 7:30 AM on the settlement pay-in date

vi. Member can also give release request in format prescribed in **Annexure 2**

vii. Any margin release request shall be processed subject to availability of unallocated balances in the member pool account, compliance of margin and deposit requirements.

2.2. Bank Guarantee

i. The acceptance of the Bank Guarantees (BGs), Fixed Deposit Receipts (FDRs) and Securities by the Clearing Corporation shall be subject to the bank-wise and member-wise limits stipulated from time to time.

ii. The limit available for each approved bank, along-with the member-wise maximum value of BG, FDR and Securities that can be given by the bank is disseminated by MCXCCL on its website on a daily basis at the end of each trading day. The information is available on MCXCCL website under the link ***https://www.mcxccl.com/risk-management/collaterals*** where separate files for the bank-wise and member-wise limits are placed.

iii. Maximum allowable limits per member for a Bank shall be higher of Bank's net-worth based limit or 20% / 25% of Bank's Clearing Corporation level exposure limit as applicable.

iv. Members are advised to check the bank-wise available limits and maximum allowable limits per member from the above files before placing additional collateral deposits in the form of Bank Guarantees, Fixed Deposit Receipts and securities of approved banks.

v. MCXCCL shall accept bank guarantees from approved banks as listed in **Annexure 3**. The Bank Guarantee format is specified in **Annexure 4A**.

vi. Bank Guarantee for Initial Security deposit should be for a minimum period of 12 months with a specific claim period of minimum 30 days. If an issuing bank does not provide for a specific claim period beyond the expiry date in the bank guarantee, the maturity period of such Bank Guarantee shall be reduced by 30 days from the expiry date of Bank Guarantee,

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which shall be deemed as a claim period.

vii. Bank Guarantee for Additional Deposit should be for a minimum period of 3 months, with an additional specific claim period of minimum 15 days.

viii. BGs shall not be created / renewed out of clients' funds.

ix. The bank guarantee must be issued by the bank on behalf of the member himself. A third party bank guarantee instrument issued on behalf of some person other than the member himself shall not be acceptable.

x. BGs issued on behalf of clearing Member may be based on arrangement/ collateral made available by the Clearing Member.

xi. In case where the Bank has executed a Master Bank Guarantee Agreement with MCXCCL, the format of Fresh Bank Guarantee (BG) under the Master agreement shall be as per **Annexure 4C**, List of banks that have executed Master Bank Guarantee Agreement is provided in **Annexure 4B**.

xii. A member shall be required to renew the bank guarantee submitted by him prior to its expiry. Members shall furnish the renewal document strictly in the prescribed format at least 7 working days before the date of expiry of the bank guarantee. The format for such renewal is given at **Annexure 5A** and **Annexure 5B.**

xiii. Clearing members may also opt to give a fresh bank guarantee in favour of Multi Commodity Exchange Clearing Corporation Limited instead of renewing the expired bank guarantees.

xiv. A bank guarantee deposited by a member, which has expired, shall be excluded for the purpose of computing the benefit provided to such member towards exposure.

xv. While submitting the Bank Guarantee, members shall ensure that the bank guarantee instrument strictly confirms to the format specified by MCXCCL and that:

a. Bank Guarantee has to be on Non-Judicial stamp paper of minimum Rs.500/- or the value prevailing in the State where executed, whichever is higher.

b. All the blanks in the format are required to be duly filled/ cancelled, wherever necessary, by the issuing bank along with their stamp and signature against each blank, if filled separately

c. All handwritten corrections and blanks are attested by the bank by affixing the bank seal/ stamp along with the signature of at least one authorized signatory.

d. All irrelevant portions struck off on the printed format should also be authenticated by the bank by affixing the bank seal/ stamp along with the signature of at least one authorised signatory.

e. Each page of the bank guarantee should bear the bank guarantee number and date/s as mentioned in the format and should be signed with bank's seal/stamp by at least two authorised signatories of the bank.

f. Expiry date and claim period should be mentioned in Bank Guarantee.

g. If an issuing bank does not provide claim period beyond the expiry date in the bank guarantee, the maturity period of such Bank Guarantee shall be reduced by 30/15 days (as applicable) from the expiry date of Bank Guarantee, which shall be deemed as a claim period

h. The amount of bank guarantee complies with the bank and member level limits prescribed by MCXCCL.

i. In case the bank guarantee does not strictly confirm to the above-mentioned conditions, the same shall not be accepted by MCXCCL.

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xvi. **SFMS Message**: Members are required to ensure that Banks issuing BG in favour of Multi Commodity Exchange Clearing Corporation Limited shall send e-messages through SFMS for all new issuance/ renewals of the BG. Members shall ensure that SFMS message is sent by the issuing bank before the new/ renewal BG is submitted to Clearing Corporation. The exposure towards new issuance/ renewals of the bank guarantees shall be provided only after receipt of the SFMS message by Clearing Corporation.

Member shall provide following Beneficiary details of MCXCCL to Issuing Bank for sending the e-message through SFMS.

Field No	Description	Value
7035	Beneficiary IFSC	ICIC0000004
7036	Beneficiary Branch Name and Address	ICICI Bank Ltd F.P House Nariman Point, Mumbai branch 215, Free Press House, Free Press Marg, Nariman Point, Mumbai- 400021
7037	Sender to receiver Information	MCXCCL519924303

xvii. Members will have to replace the BGs in case a bank is removed from the list of approved banks.

Members can check Bank Guarantees status in eClear through below screen:

Path: eClear login → Clearing → Collateral Management → Transactions → Deposit → Cash Equivalent Deposit → Query Cash Equivalent collateral

Electronic Bank Guarantee: MCXCCL in collaboration with National E-Governance Service Limited (NeSL) provides the facility for accepting Electronic Bank Guarantees (E-BG).

Issuance of New E-BG

i. Members can approach banks empanelled by MCXCCL for issuance of E-BG.
ii. The bank guarantee shall be strictly in the format prescribed by MCXCCL. (Existing format for BG in physical form shall continue for E-BG)
iii. Members shall ensure that SFMS message is sent by the issuing bank before the new/renewal BG is submitted to MCXCCL.

iv. On successful acceptance of E-BG the same shall be added towards collaterals of clearing members and the amount of bank guarantee shall be available for allocation.

Renewal of E-BG

i. Members can request the banks for renewal of E-BG
ii. Members can approach empaneled banks for issuance of E-BG to provide renewal of BG (originally issued and submitted in physical mode) under the '**Hybrid e-BG**' facility provided by NeSL.

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iii. The bank shall amend the original E-BG on NeSL platform and/or update the renewal BG in the format specified by MCXCCL. (Existing format for renewal of BG in physical form shall continue for renewal of E-BG)

iv. Members shall ensure that SFMS message is sent by the issuing bank before the renewal BG is submitted to MCXCCL.

Release of Bank Guarantee (Physical/E-BG):

i. Members intending to seek additional margin BG released, shall be required to submit the request through option available on eClear.

Cash Equivalent Release Clearing Member **Maker**
Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash Equivalent → Create Cash Equivalent Release

*Cash Equivalent Release Clearing Member **Checker***
Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash Equivalent → Check Cash Equivalent Release

Member can check transaction status as under
Approved/ Pending Transactions
Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash Equivalent → Query Cash Equivalent Release

Rejected Transactions
Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash Equivalent → Check Cash Equivalent Release

ii. Timeline for release of Bank Guarantee:

Request received by MCXCCL	**Request processing time**
Up to 4:30 PM	MCXCCL shall endeavour to release the instrument as soon as possible, but within two hours from the time requested subject to availability of collateral pool balance. Instrument shall be dispatched same day to member subject to availability of courier services.
Between 4:30 PM to 8:00 PM	MCXCCL shall endeavour to release the instrument as soon as possible, but within two hours from the time requested subject to availability of collateral pool balance. Instrument shall be dispatched same day/ next day to member subject to availability of courier services.
After 8:00 PM	Release shall be processed subject to availability of collateral pool balance. Instrument shall be dispatched next day to member subject to availability of courier services.

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iii. Processing of release request shall be subject to unallocated balances in the member pool account and compliance of margin and deposit requirements. On approval, amount shall be reduced in Query Total Collateral screen and Member Pool Account balance, if applicable.

iv. On date of Settlement of Running Account of Client's Funds, members can submit request for Bank Guarantee release on an immediate basis till 7:00 pm. MCXCCL shall endeavour to release BG within one hour of the request received from the clearing member on an immediate basis on the date of the one – day settlement, subject to availability of unallocated balances in the member pool account.

v. Member shall submit an authority letter as defined under **Annexure 8** for seeking release of bank guarantee instrument in person.

vi. E-BG shall be released on NeSL platform and release letter shall be issued.

vii. E-BG where the original BG is in physical form, the E-BG shall be released on NeSL platform and release letter along with original BG in physical form shall be returned to Members.

2.3. Fixed Deposit Receipts

i. The acceptance of the Fixed Deposit Receipts (FDR), Bank Guarantees (BG), and Securities by the Clearing Corporation shall be subject to the bank-wise and member-wise limits stipulated from time to time.

ii. The limit available for each approved bank, along-with the member-wise maximum value of FDRs, BGs and Securities that can be given by the bank are disseminated by MCXCCL on its website on a daily basis at the end of each trading day. The information shall be available on MCXCCL website under the link ***https://www.mcxccl.com/risk- management/collaterals*** where separate files for the bank-wise and member-wise limits are placed.

iii. Maximum allowable limits per member for a Bank shall be higher of Bank's net-worth based limit or 20% / 25% of Bank's Clearing Corporation level exposure limit as applicable.

iv. Members are advised to check the bank-wise available limits and maximum allowable limits per member from the above files before placing additional collateral deposits in the form of Fixed Deposit Receipts, Bank Guarantees and securities of approved banks.

v. Clearing members may submit deposit in the form of fixed deposit receipt (FDR) issued by the approved bank(s) as per **Annexure 3**.

vi. The FDR should be issued in the favour of "Multi Commodity Exchange Clearing Corporation Limited A/c Member Name" or "MCXCCL A/c Member Name" (e.g. Multi Commodity Exchange Clearing Corporation Limited A/c ABC Ltd or MCXCCL A/c ABC Ltd).

vii. Clearing members are required to submit the fixed deposit certificate and issue a letter to the MCXCCL agreeing that the MCXCCL has an irrevocable authority to encash the FDR and to withdraw the FDR amount (including accrued interest) at any time, even prior to maturity of FDR without notice to the clearing members, for adjustment of Clearing Corporation / Exchange dues. The formats of the Member lien letter are given in **Annexure 6A**.

viii. The FDR's placed with MCXCCL and lien marked in favour of MCXCCL shall be from the funds / accounts of the Clearing Members only.

ix. All such fixed deposits shall be under lien of MCXCCL and the bank must confirm that such lien has been recorded and that MCXCCL has first charge on such fixed deposit receipts by issuing a letter along with the fixed deposit receipt.

x. The tenor of FDR created out of client funds shall not be more than one year and one day and the FDR should be pre-terminable on demand.

xi. Clearing Member shall not avail any funded or non-funded banking facilities based on FDRs created out of clients' funds.

xii. While submitting collaterals, members shall ensure compliance to MCXCCL circular

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MCXCCL/C&S/295/2023 dated December 13, 2023 with respect to upstreaming of client funds with Clearing Corporation.

xiii. MCXCCL prescribed formats and conditions for Submitting FDR are as under:

a. For Member Lien Letter – **Annexure 6A**
b. In case of FDRs with maturity date of more than 1 year 1 day and created (fresh/ renewal) out of proprietary funds of SBs/CMs and SB's proprietary funds deposited with CM in the capacity of a client, Clearing Members shall be required to submit an undertaking as prescribed in Annexure – **Annexure 6B**
c. For Bank Lien Letter
    i. Fresh FDR – **Annexure 7A**
    ii. Renewal FDR (with old FDR no.) – **Annexure 7B**
    iii. Renewal FDR (with new FDR no.) – **Annexure 7C**
d. FDR should be in the name of "Multi Commodity Exchange Clearing Corporation Limited A/c Member Name" or "MCXCCL A/c Member Name" (e.g. Multi Commodity Exchange Clearing Corporation Limited A/c ABC Ltd or MCXCCL A/c ABC Ltd.)
e. FDR should be accompanied with the Member Lien and Bank Lien Letter which should strictly comply with the **Annexure 6** & **Annexure 7(A/B/C)** respectively and FDR no. to be mentioned on both these letters.
f. Endorsement by the member – On the reverse of FDR stamp affixed and signed.
g. Endorsement by the Banks – For any correction / hand written instructions on the FDR.
h. The FDR should be issued for minimum period of 3 months in case of additional deposit and for a minimum period of 12 months in case of Initial Security Deposit
i. In case of renewal of FDR, the member shall furnish the renewal letter from the respective issuing bank.
j. The margin benefit for the Fixed Deposit Receipts so placed by the Members with MCXCCL shall be granted up to the date of maturity of the FDR. At the end of the business day of maturity day of FDR, the margin benefit shall stand withdrawn and the members limit will be reduced to the extent of matured FDR. Members can either opt for the renewal of the instrument or submit a request to MCXCCL for the release of the matured instrument & cancellation of lien marked in favour of MCXCCL.

xiv. Member can additionally provide FDR in electronic format (e-FDR). List of banks allowed for issuance of e-FDR is provided in **Annexure 3**. The process for issuance of Fresh / Renewal of e-FDR is as below:

a. Members who wish to avail the facility shall approach the bank to create / renew FDR and mark lien in favour of MCXCCL
b. Members shall submit the required documents to the bank for creation of FDR and marking the lien. Additional information to be provided by the member to bank is given below :
    i. Member Code
    ii. Deposit Type (Initial Security Deposit, Margin Deposit)
c. Bank shall issue / renew FDR and mark lien in favour of MCXCCL
d. Bank shall send FDR information in electronic form to MCXCCL

xv. MCXCCL shall not accept Fixed Deposit Receipt (FDRs) from members as collateral, which are issued by the member themselves, or banks who are associate of member. *Explanation – for this purpose, 'associate' shall have the same meaning as defined under*

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Regulation 2 (b) of SECC Regulations 2018.

Members can check FDR status in eClear through below screen:
Path: eClear login → Clearing → Collateral Management → Transactions → Deposit → Cash Equivalent Deposit → Query Cash Equivalent collateral

Release of FDR:

i. Members intending to seek additional margin FDRs released, shall be required to submit the request through option available on eClear.

Cash Equivalent Release Clearing Member **Maker**
Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash Equivalent → Create Cash Equivalent Release

*Cash Equivalent Release Clearing Member **Checker***
Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash Equivalent → Check Cash Equivalent Release

Member can check transaction status as under
Approved/ Pending Transactions
Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash Equivalent → Query Cash Equivalent Release

Rejected Transactions
Path: eClear login → Clearing → Collateral Management → Transactions → Release → Cash Equivalent → Check Cash Equivalent Release

ii. **Timeline for release of Fixed Deposit Receipts:**

Request received by MCXCCL	**Request processing time**
Up to 5.00 PM	MCXCCL shall endeavour to release the instrument as soon as possible, but within two hours from the time requested subject to availability of collateral pool balance. Instrument shall be dispatched same day to member subject to availability of courier services.
Between 5.00 PM to 8:00 PM	MCXCCL shall endeavour to release the instrument as soon as possible, but within two hours from the time requested subject to availability of collateral pool balance. Instrument shall be dispatched same day/ next day to member subject to availability of courier services.
After 8:00 PM	Release shall be processed subject to availability of collateral pool balance. Instrument shall be dispatched next day to member subject to availability of courier services.

iii. Processing of release request shall be subject to unallocated balances in the member pool

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account and compliance of margin and deposit requirements. On approval, amount shall be reduced in Query Total Collateral screen and Member Pool Account balance, if applicable.

iv. On date of Settlement of Running Account of Client's Funds, clearing members can submit request for fixed deposit receipt release on an immediate basis till 7:00 pm. MCXCCL shall endeavour to release fixed deposit receipt within one hour of the request received from the clearing member on an immediate basis on the date of the one – day settlement, subject to availability of unallocated balances in the member pool account.

v. Member shall submit an authority letter as defined under **Annexure 9** for seeking release of fixed deposit receipt in person.

vi. Members will have to replace the FDRs in case a bank is removed from the list of approved banks

2.4. Securities

2.4.1 Guidelines for acceptance of securities

i. MCXCCL may issue / revise the list of approved securities, stipulated haircuts and specify caps from time to time.

ii. Approved securities shall include equity shares, units of mutual funds, government securities, sovereign gold bonds or such other securities included by MCXCCL from time to time.

iii. The securities shall be subject to a minimum margin / haircut as specified by MCXCCL from time to time.

iv. In case of discontinuation of a security from the list of approved securities, the members should take due care to replace such securities.

v. The acceptance of the bank securities, Fixed Deposit Receipts (FDRs) and Bank Guarantees (BGs) by the Clearing Corporation shall be subject to the bank-wise and member-wise limits stipulated from time to time.

vi. The limit available for each approved bank, along-with the member-wise maximum value of Securities, FDRs and BGs that can be given by the bank are disseminated by MCXCCL on its website on a daily basis at the end of each trading day. The information shall be available on MCXCCL website under the link **https://www.mcxccl.com/risk- management/collaterals** where separate files for the bank-wise and member-wise limits are placed.

vii. Maximum allowable limits per member for a Bank shall be higher of Bank's net-worth based limit or 20% / 25% of Bank's Clearing Corporation level exposure limit as applicable.

viii. Members are advised to check the bank-wise available limits and maximum allowable limits per member from the above files before placing additional collateral deposits in the form of Securities, Fixed Deposit Receipts and Bank Guarantees of approved banks.

ix. Margin benefit on the approved Government Securities, T-Bills and Sovereign Gold Bonds shall be withdrawn two days prior to the maturity of the respective securities.

x. **Securities not acceptable:** The following securities shall not be accepted for the purpose of security deposit:

a. Securities not as per the approved list;

b. Partly paid up securities;

c. Securities subject to any lock in period, buy back scheme, any charge or lien, encumbrance of any kind or whose title is questioned before a Court or any regulatory body or such

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other limitations.

2.4.2 Acceptance of securities through margin pledge mechanism of NSDL / CDSL

SEBI, vide its circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020 issued the guidelines on 'Margin obligations to be given by way of Pledge/ Re-pledge of securities in the Depository System'.

For the purpose of providing collaterals in form of approved securities as margin, a client shall pledge approved securities with the Trading Member (TM), the TM shall be permitted to re-pledge the same with the Clearing Member (CM) and the CM in turn shall be permitted to re-pledge the same to Clearing Corporation (CC). Re-pledge would mean endorsement of pledge by TM/ CM in favour of CM/ CC, as per procedure laid down by the Depositories. The securities shall continue to be held in the client demat account till invoked by the pledgee beneficiary. Margin benefit against the pledge/ re-pledged securities shall be available to the client who has pledged the securities

The operational procedure for implementation are as under:

i. Members shall open a separate demat account with any depository participant of NSDL or CDSL. The account shall have client sub type of CM- Client Securities Margin Pledge Account (CM-CSMPA) or TM/CM Client Securities Margin Pledge Account (TM/CM-CSMPA) in NSDL or CDSL. For the process of opening the 'Client Securities Margin Pledge Account', Members are advised to be guided by the process issued by the depositories from time to time.
ii. Clearing members can re-pledge Clients/ TMs securities only through Margin Pledge facility provided by the depositories.
iii. Member shall ensure that designated demat account is used for the purpose of pledging/re-pledging securities only as specified in SEBI circular SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020
iv. Clearing Member shall submit the following information to MCXCCL

a. Pledge deed as per the format specified in **Annexure 10**
b. Letter for margin pledge account as per format prescribed in **Annexure 11**
c. Client master of the designated account.
d. Board Resolution with list of authorized signatories authorized to sign the pledge deed.

v. On submission of necessary documents as specified above MCXCCL shall enable the member account for acceptance of margin pledge/re-pledge.
vi. Clearing Members shall refer to provisions provided by Depositaries with respect to opening the account and creating margin pledge/re-pledge in favour of MCXCCL.
vii. Details of MCXCCL accounts for pledge and re-pledge are as under

Depository	DP ID	Account number
NSDL	IN001184	10000012
CDSL	11000022	00000211

viii. Pledge instructions in respect of approved securities only shall be accepted.

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ix. UCC Details, TM Code, CP Code and segment as received in the pledge/re-pledge instructions from depositories shall be considered for allocating such securities towards margin requirement.

x. The margin limits against client/ custodian participants / trading member's/ clearing member's securities shall be provided at an hourly interval during the day.

xi. Securities shall be subject to the various limits (security level, member level, bank level limit in case of approved bank, and cash to non-cash ratio) prescribed by MCXCCL from time to time.

xii. The margin limit of the clearing member's own collaterals shall be segregated from the client and trading member's own collaterals. While assigning the margin limits, priority shall be given to the clearing member's own collaterals. Collateral limits against re-pledged collaterals of clients and trading member's own securities shall be assigned on a pro-rata basis.

xiii. The collateral limits set at the client level shall be net of applicable haircut value and after blocking the applicable concentration margins and other margins as applicable.

xiv. MCXCCL shall continue to compute the margin requirement at the client level on a real time online basis and block the margin requirements of the clients/ TMs against the collaterals deposited by the clearing member. The clearing member shall continue to be responsible for the margin requirement of the clients and trading members associated with it. Effectively, the day to day real time risk management with respect to client / trading member exposure and the margin requirement shall continue to be the responsibility of the clearing member, and MCXCCL shall not monitor the client level exposure against the available client level collateral in real time.

xv. The margin appropriation shall be as under:

a. Margin requirement at the client level shall first be appropriated from the client level margin limit.

b. The excess of client level margin requirement shall then be adjusted from the margin limit against trading member's own collaterals.

c. In absence of trading member's own collateral margin limit or in case of trading member's insufficient margin limit against the margin requirement, the excess margin shall then be blocked from the clearing member's margin limit.

d. Proprietary shares of the trading member that are re-pledged by the clearing member with MCXCCL shall be utilized against the margin requirement of proprietary positions of the trading member and also towards the margin requirement of the clients of such trading member

xvi. MCXCCL shall provide an additional file to the clearing and trading members for the re-pledge of securities.

xvii. Trading members intending to change their clearing member shall be required to withdrawn the re-pledge of securities done by the clearing member with MCXCCL before effecting the change.

xviii. Invocation of securities under the pledge/ re-pledge shall be governed by the extant SEBI directives issued in this matter.

2.4.3 Valuation

Valuation of securities will be carried out as under:

i. At the rates prevalent at National Stock Exchange of India Limited (NSE),

ii. In the event of the securities not being traded at NSE, the rates at The Stock Exchange, Mumbai (BSE).

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iii. In case a security is not traded in either of these stock exchanges on the date of valuation, the last traded price at NSE shall be considered and failing the same, the last traded price at BSE would be reckoned for this purpose.

iv. The Valuation of units of the Mutual fund shall be done on daily basis based on the NAV of the mutual fund scheme.

v. The valuation as explained above shall be reduced by the relevant margin percentage (haircut) to arrive at the collateral value of the securities. Only the value net of margins so arrived (hereinafter referred to as `net value') shall be considered as the value of such securities.

Members can check securities deposited status through below screen:
Path: eClear login → Clearing → Collateral Management → Transactions → Deposit → Security → Query Security Collateral

Members can check the valuation of securities through below screen:
Path: eClear login → Clearing → Collateral Management → Security → Query Security Collateral valuation

2.4.4 Release of securities deposited (cancellation of pledge)

i. Members may withdraw or replace the pledged/ re-pledged securities from time to time.

ii. MCXCCL may consider the request for release provided.

a. Such member has no outstanding obligations / positions / dues towards the Exchange/MCXCCL if any, and that there is no other liability under the Rules, Bye-Laws and Regulations of MCXCCL, and
b. MCXCCL is of the opinion that such release does not entail any risk.

iii. Clearing Members shall upload the release file in SFTP as per format prescribed in section 1.69 and 1.70 of MCX/TECH/394/2023 dated June 19, 2023 as under:

Path: Member CDP SFTP login → Collateral Outward → DNLD → File upload
Path: Member CDP SFTP login → Collateral Outward → DNLD → File upload

Member can check transaction status in eClear as under

Approved Transactions
Path: eClear login → Clearing → Collateral Management → Transaction → Release → Security → Query Security Release.

Rejected Transactions
Response file shall be generated with error code in UPLD folder.

iv. Clearing member seeking release of pledged or re-pledged securities shall place release request through e- Clear. Clearing Member can also submit a letter for withdrawal of the own or client pledged or re-pledged securities as per the format specified in **Annexure 12**.

Member intending to seek release of securities shall be required to create release request in

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eClear as under:
MCXCCL Non-Cash/Cash Equivalent securities Release Clearing Member Maker
Path: eClear login → Clearing → Collateral Management → Collateral Valuation/Limit Generation-> Transaction View → Query Security Transaction View

Non-Cash/Cash Equivalent securities Release Clearing Member Checker
Path: eClear login → Clearing → Collateral Management → Transaction → Release → Security → Check Security Release

Member can check transaction status as under:
Approved/ Pending Transactions
Path: eClear login → Clearing → Collateral Management → Transaction → Release → Security → Query Security Release.

v. **Timeline for release of Securities:**

Request received by MCXCCL	**Request processing time**
Up to 9:30 AM*	Shall be released by 10:30 AM subject to subject to availability of sufficient margin.
9:30 AM to 8.00 PM*	Shall be released as soon as possible, but within two hours from the time requested subject to availability of sufficient margin..

*The release processing time mentioned are tentative and subject to best effort basis. In case of request for release of pledged/ re-pledged securities towards pay-in requirement, clearing members should ensure that such request is made one-day prior to pay-in and not on the pay-in date

MCXCCL, may in accordance with the provisions detailed above, inform the depository to un-pledge such specific securities to the said Member.

2.4.5 Government Securities (G-Sec), Treasury Bills (T-Bill) and Sovereign Gold bonds (SGB)

MCXCCL has opened Constituent Subsidiary General Ledger Account (CSGL) with RBI for holding G–Secs placed as margin deposits from its members. Clearing members can deposit securities in form of Government of India Securities (G-Sec), Treasury Bills (T-Bill) and Sovereign Gold Bonds (SGB) towards additional margin through creation of pledge in demat account or through E-Kuber.

The procedure for acceptance of G-Sec, T-Bill and SGB in demat shall be as under:

i. Member can pledge or re-pledge G-Sec, T-Bill and SGB through margin pledge mechanism of NSDL / CDSL. The process for acceptance and release is similar to securities as mentioned in "Acceptance of securities through margin pledge mechanism of NSDL / CDSL" section.
ii. The approved G- Sec, T-Bill and SGB shall be accepted in electronic form only.
iii. Member can also provide G-Sec, T-Bill and SGB through E-Kuber. The procedure for acceptance of G-Sec, T-Bill and SGB through E-Kuber shall be as under:

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a. Member shall provide an undertaking as prescribed in **Annexure 13**.

b. Only approved G–Sec, T-Bill prescribed by MCXCCL from time to time shall be accepted as collateral in electronic form.

c. Member shall be required to enter the transaction through its custodian / bank on E–Kuber under 'Margin Transfer Module' before 5:00 PM and provide the details of such G–Sec, T-Bill transaction in the format prescribed in **Annexure 14.**

d. Based on the information received from Member, MCXCCL shall confirm the transaction entered on E–Kuber and the benefit of G–Sec, T-Bill provided as collateral shall be accounted in the collateral pool account of the Member.

e. Members can also provide TM/CP/UCC details for providing margin benefit to respective entity i.e. TM/CP/UCC. Margin benefit for G-Sec, T-Bills transferred to MCXCCL CSGL account by Member for its TM/CP/UCC shall be directly provided to respective entity.

f. The details of CSGL account of MCXCCL are as under:

   i. **Account Name:** Multi Commodity Exchange Clearing Corporation Limited

   ii. **CSGL Account No:** 52663900001

g. Periodic coupon / redemption payments received on G–Sec deposited by the members shall be passed on to the concerned members by crediting the same to their settlement accounts with the designated Clearing banks upon receipt of amount from RBI.

h. Release of G–Sec, T-Bill shall be subject to:

   i. Submission of the release request in the format prescribed in **Annexure 15** by 5:00 pm.

   ii. The G–Sec shall be released by MCXCCL through E–Kuber "Margin Transfer Module".

   iii. The member shall ensure that such transactions are approved on E–Kuber by their Custodian / Banks on the same day.

iv. Valuation of G-Sec, T-Bill and SGB shall be done on a daily basis, G-Sec and T-Bill shall be valued daily based on previous day's MTM prices. SGB shall be valued based on the closing price of National Stock Exchange of India Limited (NSE).

v. A hair cut shall be applied on the value of G-Sec, T-Bill and SGB provided as collateral by the clearing member. The hair cut shall be as under:

Type and Tenor of Securities	**Haircut**
Liquid Government of India Dated Securities having residual maturity of less than 3 years	2%
Liquid Government of India Dated Securities having residual maturity of more than 3 years	5%
For all other Semi-liquid and Illiquid Government of India Dated Securities	10%

vi. The list of approved G–Sec, T-Bill, SGB and applicable haircut for the respective G–Sec, T-Bill, SCB shall be as per the Circular issued by MCXCCL for the respective month.

vii. All SGB/T-Bill issued by RBI during the month shall be accepted by MCXCCL

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viii. Margin benefit on the approved Government Securities, T-Bills and Sovereign Gold Bonds shall be withdrawn two days prior to the maturity of the respective securities.

ix. Member who are also Banks may note that G–Sec and T-Bill provided as collaterals should not be reckoned for SLR purpose by the Banks and not used for trading.

2.5. Warehouse Receipts

2.5.1 Guidelines for acceptance of Warehouse Receipts

Clearing members can pledge electronic warehouse receipt(s) (WR) of commodities approved by MCXCCL towards additional deposit. The scheme of depositing the warehouse receipt(s) is detailed as under:

i. Members have to pledge electronic warehouse receipts in favour of Multi Commodity Exchange Clearing Corporation Limited.

ii. Clearing Members shall pledge/ re-pledge electronic warehouse receipts / eNWRs (Electronic Negotiable Warehouse Receipts) of approved commodities in ComRIS / CCRL (CDSL Commodity Repository Limited) through their RP (Repository Participant).

   a. **ComRIS:-** Clearing Members (CM) shall initiate Pledge / Re-pledge request in its ComRIS account by capturing details of Recipient (Pledgee) as **"MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED".**
   b. **CCRL:-** Clearing Members shall create pledge/ re-pledge through their Repository Participant (RP) for approved commodities in favour of Multi Commodity Exchange Clearing Corporation Limited **Client ID 180000110000025.**

iii. The WR shall be subject to a minimum margin / haircut as specified by MCXCCL from time to time. MCXCCL does the valuation of the said WR(s) thus pledged after applying the haircut specified.

iv. MCXCCL may issue / revise the list of approved commodities and the margin / haircut requirements from time to time.

v. The WR(s) will be accepted from a member with upper limits or such amount as may be decided by MCXCCL from time to time.

vi. The upper cap for WR(s) across all the commodities shall be Rs. 600.00 Crores for ITCM/PCM/TCM subject to individual commodity wise upper caps**.

vii. Additionally, the net haircut value of approved commodities shall not exceed 30% of the total liquid assets of clearing member, out of which non-bullion collateral shall not exceed 15% of the total liquid assets of the clearing member.

viii. The eligible value of commodities (arrived at as above) and securities pledged shall be restricted to sum total of the cash and eligible cash equivalent (BG+FDR+G-Sec+T-Bill+SGB+Mutual Fund Schemes (Liquid Funds)) deposits.

ix. In case of discontinuation of a commodity from the list of approved commodities, the members should take due care to replace the WR(s) of such commodities.

x. The valuation of the WR shall be reduced to zero five days prior to the expiry of validity of the quality certificate.

xi. As mentioned above, if after reduction of the valuation, the security deposits available with MCXCCL are less than the margins utilized, then the member needs to bring in more security deposit on immediate basis. If the member fails to do so, the open positions

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of the member on the Exchange will be squared off by MCXCCL in the way and manner it deems fit. Any loss incurred in the process of such square off will be on account of the member and that the member will have to bear the same in totality.

xii. Following documents are required to be provided to MCXCCL towards WR pledge alongwith initiation of pledge in favour of MCXCCL through ComRIS/ CCRL

a. Deed of pledge is to be executed in the format prescribed by MCXCCL in **Annexure 16** on a non-judicial stamp paper of Rs.1000/- or as may be applicable, whichever is higher.
b. Certified true copy of the relevant Board Resolution in case of a corporate body.

xiii. Ownership of Warehouse Receipt (WR):

a. The WR(s) that may be pledged by the member shall be subject to the beneficial ownership of the Member, any of the partners of the Member or any of the directors of the Member, in case of individual, partnership or corporate Members respectively as the sole/first joint holder provided no depositor of WR(s) shall be a minor as on the date of deposit thereof.
b. In case of reconstitution/restructuring or any such change in the partners/directors of the Member, as applicable, a Member shall be required to replace the WR(s) belonging to such outgoing partners or directors held in their name solely or jointly, as the case may be, immediately and no benefit shall be given by MCXCCL for such WR(s) towards Additional Margin Deposits or such similar requirements.

xiv. Warehouse Receipt (WR) not acceptable: The following warehouse receipts shall not be accepted for the purpose of security deposit:

a. WR(s) where the pledge/ lien is not marked in the favour of MCXCCL
b. WR(s) of the commodities that are not in the list of approved commodities
c. WR(s) of the commodities whose quality certificate is not from MCXCCL approved quality assayer
d. WR(s) of the commodities whose quality certificate is not valid or has expired or if the expiry date is within 15 days from the date of deposit
e. WR(s) that are not of the designated warehouse/vault
f. WR(s) subject to any charge or lien, encumbrance of any kind or whose title is questioned before a Court or any regulatory body or such other limitations.

** Refer MCXCCL Circular No. MCXCCL/C&S/063/2026 dated March 30, 2026 - Commodities as collateral

2.5.2 Procedure for Pledge /Re-pledge of electronic receipts in the ComRIS

i. For Margin Pledge / Re-Pledge of Bullion and Metal electronic receipts, Clearing Members / Trading Members shall open a separate beneficiary account in ComRIS with account capacity as Clearing Member Margin Pledge Account (CMMPA) and Trading Member Margin Pledge Account (TMMPA) respectively.

ii. ComRIS participant shall map newly created accounts to the applicable Clearing Member/ Trading Member ID of the member.

iii. Clearing members can pledge/ re-pledge its own/ Clients/ TMs approved commodities

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only through Margin Pledge facility provided in ComRIS application.

iv. Clearing Members intending to pledge/ re-pledge commodities shall be required to submit a fresh pledge deed in the format given in **Annexure 16.**

v. Clearing member shall initiate margin pledge / re-pledge request in its ComRIS account by capturing details of Recipient (Pledgee) as "Multi Commodity Exchange Clearing Corporation Limited".

vi. The margin limits against client/ trading member's own / clearing member's own commodities pledge in ComRIS shall be processed at an hourly interval during the day.

vii. The margin limit of the clearing member's own collaterals shall be segregated from the client and trading member's own collaterals. While assigning the margin limits, priority shall be given to the clearing member's own collaterals. Collateral limits against re-pledged collaterals of clients and trading member's own commodities shall be assigned on a pro-rata basis.

viii. MCXCCL shall continue to compute the margin requirement at the client level on a real time online basis. The clearing member shall continue to be responsible for the margin requirement of the clients and trading members associated with it. Effectively, the day to day real time risk management with respect to client / trading member exposure and the margin requirement shall continue to be the responsibility of the clearing member, and MCXCCL shall not monitor the client level exposure against the available client level collateral in real time.

ix. The margin appropriation shall be as under:

   a. Margin requirement at the client level shall first be appropriated from the client level margin limit.

   b. The excess of client level margin requirement shall then be adjusted from the margin limit against trading member's own collaterals.

   c. In absence of trading member's own collateral margin limit or in case of trading member's insufficient margin limit against the margin requirement, the excess margin shall then be blocked from the clearing member's margin limit as per the current mechanism.

x. Request for release of pledged/ re-pledged commodities shall be submitted through e-Clear. Member shall also have to create unpledged request in ComRIS.

xi. Trading members/ Custodial Participants intending to change their clearing member shall be required to withdrawn the re-pledge of commodities done in ComRIS by the clearing member with MCXCCL before effecting the change.

xii. Invocation of Commodities pledge in ComRIS under the pledge/ re-pledge shall be same as stipulated for pledge/ re-pledge of securities.

xiii. The salient features and process in respect of Margin Pledge / Re-pledge functionality in ComRIS are given in **Annexure 17**.

2.5.3 Procedure for Pledge /Re-pledge of electronic receipts in CCRL

i. Clearing Members intending to pledge/ re-pledge commodities shall be required to submit a fresh pledge deed in the format given in **Annexure 16**

ii. Clearing Members / Trading Members shall open a separate account in CCRL with

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account capacity as CM – Client Margin Pledge Account / TM – Client Margin Pledge Account.

iii. Clearing Members / Trading Members shall co-ordinate with their Repository participant (RP) for:

a. Opening of CM – Client Margin Pledge Account / TM – Client Margin Pledge Account.
b. Initiate Pledge/ Re-pledge/ Un-pledge/ Invocation of approved eNWRs.

iv. Clearing member shall create margin pledge/ re-pledge through their Repository Participant (RP) for approved eNWRs in favour of Multi Commodity Exchange Clearing Corporation Limited Client ID **180000110000025.**

v. The margin limit of the clearing member's own collaterals shall be segregated from the client and trading member's own collaterals. While assigning the margin limits, priority shall be given to the clearing member's own collaterals. Collateral limits against re-pledged collaterals of clients and trading member's own commodities shall be assigned on a pro-rata basis.

vi. MCXCCL shall continue to compute the margin requirement at the client level on a real time online basis. The clearing member shall continue to be responsible for the margin requirement of the clients and trading members associated with it. Effectively, the day to day real time risk management with respect to client / trading member exposure and the margin requirement shall continue to be the responsibility of the clearing member, and MCXCCL shall not monitor the client level exposure against the available client level collateral in real time.

vii. The margin appropriation shall be as under:

a. Margin requirement at the client level shall first be appropriated from the client level margin limit.

b. The excess of client level margin requirement shall then be adjusted from the margin limit against trading member's own collaterals.

c. In absence of trading member's own collateral margin limit or in case of trading member's insufficient margin limit against the margin requirement, the excess margin shall then be blocked from the clearing member's margin limit as per the current mechanism.

viii. Request for release of pledged/ re-pledged commodities shall be submitted through e- Clear. Member shall also have to create unpledged request in CCRL.

ix. Trading members/ Custodial Participants intending to change their clearing member shall be required to withdrawn the re-pledge of commodities done in CCRL by the clearing member with MCXCCL before effecting the change

x. Invocation of Commodities pledge under the pledge/ re-pledge shall be same as stipulated for pledge/ re-pledge of securities.

2.5.4 Valuation

Once duly pledged WR(s) are accepted by MCXCCL for valuation. MCXCCL will do the valuation of the WR(s) after adjusting the relevant margin percentages / haircut as stipulated by MCXCCL and the same shall be considered as additional margin deposit as under:

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i. The value of the Commodities under the WR(s) deposited will be reckoned at the last closing price / settlement price of the previous day as being declared / disseminated by the Exchange/MCXCCL for the near month contract of the said commodity.

ii. Valuation will be done on the following basis:

a. at the rates prevalent at MCX, for the near month futures contract of the said commodity

b. if the tender / delivery period has begun for the near month contract of the said commodity, then the rates of the immediate far month futures contract of the said commodity will be considered

c. In the event of the commodity not being traded at MCX, the rates of the spot market of the said commodity as decided by MCXCCL will be considered.

d. The valuation, as explained above, will be reduced by the relevant margin percentage (haircut) to arrive at the collateral value of the WR(s). Only the value net of margins so arrived (hereinafter referred to as `net value') shall be considered as the value of such WR(s).

e. MCXCCL shall do valuation of WR(s) daily or at such regular intervals and in such manner as may be specified by MCXCCL.

2.5.5 Release of WR(s) deposited (cancellation of pledge)

Collateral Type	Request received by MCXCCL	Request processing time
Warehouse Receipts*	9:30 AM to 8:00 PM	Shall be released as soon as possible, but within two hours from the time requested subject to availability of sufficient margin.

i. Clearing Members may withdraw or replace the pledged WR(s) from time to time.

ii. For withdrawal of the pledged WR(s), member may send a request through MCX e-Clear or on the letterhead duly signed by the authorized signatory as per the format specified by MCXCCL in **Annexure 18**. For commodity pledged/ re-pledged in ComRIS/ CCRL account, Clearing Members (CM) shall initiate the unpledge request.

iii. MCXCCL may consider the request for release provided

a. such member has no outstanding obligations / positions / dues towards the Exchange/MCXCCL if any, and that there is no other liability under the Rules, Bye-Laws and Regulations of MCXCCL,

b. MCXCCL is of the opinion that such release does not entail any risk.

iv. Receipts shall be released as soon as possible, but within two hours from the time requested subject to availability of sufficient margin.

v. Upon receipt of a request from a Member for withdrawal of WR(s), MCXCCL may process such request and issue a letter to the warehouse / vault to cancel the pledge marked in favour of the MCXCCL and release such WR(s) to the said Member or release the pledge electronically in ComRIS/ CCRL.

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3. Segregation and Monitoring of Collaterals

SEBI vide its circular no. SEBI/HO/MRD2_DCAP/CIR/2021/0598 dated July 20, 2021 had put in place a framework for "Segregation and Monitoring of Collateral at Client Level".

SEBI circular inter-alia, stipulates that Clearing Corporation shall provide a facility to its Clearing Members (CMs) for upfront allocation of collateral to a Trading Member (TM)/ Custodian Participant (CP)/ client and CM's/ TM's own account. Accordingly, Clearing Members shall be permitted to allocate from the cash, bank guarantees, and fixed deposit receipts deposited with MCXCCL and government securities transferred to MCXCCL CSGL account.

Clearing Members can upload the allocation/deallocation request on SFTP as per format prescribed in section 1.73 and 1.74 of MCX/TECH/394/2023 dated June 19, 2023.

The operational procedure and guidelines for implementation of segregation and monitoring of collaterals at client level shall be as under:

i. Cash deposits, bank guarantees, fixed deposit receipts and government securities transferred to MCXCCL CSGL account for Clearing Member shall be accounted in the collateral pool account of the member.

ii. Applicable Minimum Liquid Networth (MLNW) requirement of Rs 50 Lakh shall be blocked from the collaterals deposited in the pool account.

iii. Collateral pool account balance after adjusting MLNW shall be available to the member for allocation.

iv. Securities and commodities pledged/ re-pledged with MCXCCL shall not form part of collateral pool account of the member.

v. Member can allocate collaterals from this pool account to the Trading Members (TM)/ Clients of TM, Custodian Participants (CP) associated with it and its proprietary account.

vi. MCXCCL shall provide facility to its members to upload the allocation/ deallocation request on SFTP folder. Based on the successful file uploaded by the member, margin benefit shall be granted/ withdrawn (granted in case of allocation, withdrawn in case of deallocation) to the respective entity.

vii. Allocation/ deallocation of collateral in uploaded file shall be in incremental order. After uploading the first full allocation file on implementation, all subsequent files uploaded by members would be for allocating/ deallocating the incremental collateral amounts only.

Explanation on the incremental allocation mechanism:

a. On day 1, CM has allocated Rs. 1 Lakh to a Client "C1"

b. On day 2, if client has given Rs. 2 lakh and the CM has to enhance the allocation from Rs. 1 Lakh to Rs. 3 lakh, then the CM shall upload a fresh allocation file for the incremental amount of Rs 2 Lakh in allocation file, for the client with 'request type' as "A" (where the allocation shall be increased by the incremental amount requested in the file).

c. On day 3, if the CM wants to reduce the limit from Rs.3 lakh to Rs. 2 lakh, the CM shall upload a fresh allocation file of Rs.1 lakh with the 'request type' as "D" (where

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the allocation shall be reduced by the requested amount).

Allocation once uploaded shall be continued until revised by the member. Hence, after initial allocation, members shall upload the files only in case of revision of previous allocation.

viii. Margin benefit of collaterals not forming part of the collateral pool account shall be provided directly to respective entity i.e. Client/ TM/ CP/ CM as per the current practice.

ix. The Cash and Cash Equivalent to Non Cash Collaterals ratio of 1:1 shall be applied at the CM/ TM/ CP and UCC level while determining the eligible value of such collaterals as defined in the SEBI circular.

x. A new section 'Pool account Details' shall be provided on e-Clear portal. Clearing Member can view Pool Accounts Detail through following path:

Path: eClear login → Clearing → Collateral Management → Total Collateral → Query Pool Balance

xi. Pool account Details would display the following information to member

a. **Member Gross Pool Amount**: It would be aggregate of collateral deposits forming part of the collateral pool account.

b. **Member Net Pool Amount**: It would be aggregate of collateral deposits forming part of the collateral pool account after reducing the Minimum Liquid Networth requirement.

c. **Member Allocated Pool Amount:** It would be aggregate of allocation done by the members.

d. **Unallocated Pool Amount:** It would display the balance in collateral pool account of the member (Member Net Pool Amount – Member Allocated Pool Account). Margin limits shall not be available against unallocated pool amount.

xii. Members can upload the allocation/deallocation request on SFTP as per format prescribed in section 1.73 and 1.74 of MCX/TECH/394/2023 dated June 19, 2023 as under:

Path: Member ID → Allocation-Deallocation → DNLD folder

a. Members can upload maximum 20,000 records in a single file.
b. Files shall be processed partially also, only failed records shall be rejected with the corresponding error codes.
c. Allocation shall be accepted for MCX registered UCCs only.

Members can view the Response of Allocation/Deallocation file on SFTP as under:

Path: Member ID → Allocation-Deallocation → UPLD folder

Members can view the status of Allocation/Deallocation file at record level in eClear as under:

Path: eClear login → Clearing → Collateral Management → Total Collateral → Query Allocation Deallocation

xiii. The net allocations in a file uploaded by the member shall be validated against the unallocated pool account balance of the member.

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xiv. Deallocation request shall not exceed the net value of allocation done for the client

xv. Members shall take into consideration the impact of deallocation on the eligible value of non-cash collaterals pledged/ re-pledged with MCXCCL and the resultant change in margin limits of client on account of the cash and cash equivalent to non-cash ratio.

xvi. Any margin shortfall pursuant to deallocation request shall be blocked from TM Proprietary (OWN) margin limit of the TM of such client. If TM Proprietary (OWN) margin limit is not sufficient, then residual margin utilisation shall be blocked from CM Proprietary (OWN) margin limit of the CM of such TM.

xvii. Similarly, in case of CP/ Proprietary Account (OWN) of a TM, the residual margin utilisation shall be blocked from CM Proprietary (OWN) margin limit of the CM of such CP/ TM.

xviii. In case of file rejections, member may refer the relevant error codes for rejection at record and file level

xix. A new report '**Detail Limit**' is provided on eClear to view allocation/ deallocation details on a real time basis. Member can view or download the report in excel format for the current business date as under:

Path: eClear login → Clearing → Collateral Management → Total Collateral → Query Detailed Limit

For information on previous business dates, Members are advised to refer the web allocation report downloaded in SFTP corresponding date folder

xx. Margin limits shall be provided based on allocation file uploaded by the member and the securities-commodities pledged/ re-pledged with MCXCCL as under:

CM Margin Limit	$collateral allocation + cash equivalent collaterals pledged + eligible non-cash collaterals#
TM Margin Limit	$collateral allocation + base capital deposit + cash equivalent collaterals re-pledged + e-Kuber securities + eligible non-cash collaterals#
CP/ Client Limit	$collateral allocation + cash equivalent collaterals re-pledged + e-Kuber Securities + eligible non-cash collaterals#

$ collateral allocation shall be treated as cash equivalent.

eligible non-cash collateral shall be determined by applying the cash and cash equivalent to non-cash ratio

xxi. Cash and cash equivalent collateral to non-cash collateral ratio shall be applied at the CM/ TM/ CP and UCC level. The excess cash equivalent collateral of a client shall not be considered for any other client or for proprietary account of TM/ CM. However, the excess cash equivalent in the proprietary account of TM/ CM shall be considered to determine eligible non-cash collaterals for clients trading/ clearing through them on FIFO basis.

xxii. Release request against collaterals forming part of collateral pool account shall be validated against balance in unallocated pool account. Release request against collaterals not forming part of collateral pool account shall be validated against margin utilisation of the respective entity.

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xxiii. In case of reduction in the collateral pool accounts pursuant to expiry of a collateral or change in valuation, the amount shall be reduced from the Member Total Pool account Balance resulting in reduction in Unallocated Pool account. The reduction in value shall be appropriated in the following order:

a. Balance in unallocated pool account of the member

b. CM Own allocation

c. Client allocations with no margin utilisations

d. Client allocations with margin utilisations on a random basis

xxiv. There shall be no change in procedure for acceptance of collaterals.

4. Penal Provisions

4.1 Initial Security Deposit Deficit

If the deposit is reduced below the Initial security deposit to be maintained with MCXCCL, including due to the adjustments of default in completing pay-in obligation on T+1, in full or in part, the penalty/ disciplinary provisions are as under:

i. The Member shall be put to suspend-square off mode.
ii. Non-compliance charges of Rs.10,000/- would be levied for failure to comply with the ISD requirement on the day of ISD default.
iii. The terminals shall be deactivated within 3 working days post suspension of the Member.
iv. The information regarding deactivation of terminals shall be sent to all clients by SMS. This information shall also be displayed on the website after deactivation of terminals within one working day of the 'deactivation' action.
v. Initiate default declaration process on continued failure to maintain ISD for 6 months.

MCXCCL further reserves the right to square-off the outstanding position of such member(s) in the event of the member failure to do so before deactivating the trading terminals of the member or in the event of adverse market conditions, whichever is earlier.

4.2 Margin Deficit:

The penalty/ disciplinary provisions for default in the payment of deficit margin, (margins over-utilized on trading day), before close of the trading hours on T+1 working day are as under:

i. Non-compliance charges @ 0.15% on the deficit margin amount (subject to a minimum of Rs. 10,000/-) would be levied for failure to comply with the margin deficit requirement.
ii. If the member remains in square off mode for 3 consecutive days on account of margin deficit, MCXCCL reserves the right to square off the open positions of the member with all the consequences of square-off to be borne by the member.

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5. Annexures

Annexure 1-A List of Clearing Banks mapped for online margin confirmation

Sr. No.	Bank Name
1	AXIS Bank Limited
2	Bank of India
3	Canara Bank
4	HDFC Bank Limited
5	ICICI Bank Limited
6	IDFC First Bank Limited
7	Kotak Mahindra Bank Limited
8	Punjab National Bank Limited
9	State Bank of India
10	Union Bank of India

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Annexure 1-B For increasing margin deposits by debiting settlement account

(On the letter head of the member)

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square, CTS No.255,
Suren Road, Chakala,
Andheri (East),
Mumbai– 400 093

Dear Sir,

Sub.: Increase additional deposit / margin by debiting our settlement account

Member ID	Account Type	Clearingbank Name	Settlement account no.
	Primary		
	Secondary		

You are requested to **debit** my abovementioned settlement account with the amount as mentioned below in **(a)**. Accordingly, my margin deposits available with the MCXCCL may be increased as under:

	Description	Amount (Rs. in figures)	Amount (Rs. in words)
(a)	**Debit my settlement account with:**		
(b)	**Previous debits on the same day:**		
(c)	**Total amount debited today (c=a+b):**		

We have taken into consideration the ratio of cash and non-cash collaterals as specified by MCXCCL. We also understand that our margin limits shall increase accordingly and that the said amount shall be withheld with the MCXCCL, as additional deposit / margin, until further instructions given by us.
Thanking you. Yours
faithfully
For _____

Signature of authorised signatory
Name : _____
Designation : _____
Email Id : _____
Contact No. : _____

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Annexure - 2 - For releasing Margin Deposits by crediting Settlement Account

(On the letter head of the Member)

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Ltd.
Exchange Square, Suren Road,
Chakala, Andheri (East),
Mumbai-400093
Fax no.: 022 – 67269558

Dear Sir,

Sub: Release part amount of additional deposit / margin available with the MCXCCL – On Immediate/ value date

Bank details		
Member ID	**Clearing Bank**	**Settlement Account Number**

You are requested to release the amount, as mentioned below from my margin deposits available with the MCXCCL and Credit my above-mentioned settlement account.

Release Type Immediate / Value Date (Future date)	**Amount (Rs. In figures)**	**Amount (Rs. In words)**

We have taken into consideration ratio of cash and non-cash collaterals as specified by MCXCCL and understand that our margin limits shall be reduced accordingly. Also, we are aware that, if by this reduction the initial margin required to be maintained with the MCXCCL in cash is breached, the MCXCCL will not entertain the said request. We agree to pay the charges applicable for the immediate cash release request.
Thanking you. Yours
faithfully
For _____

Signature of authorised signatory
Name : _____
Designation : _____
Email Id : _____
Contact No. : _____

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Annexure - 3 - List of Approved Banks

Sr. No.	Bank Name
1	Axis Bank Limited (BG and FDR in electronic Form)
2	Bank of Baroda (BG and FDR in electronic Form)
3	Bank of Maharashtra
4	Bank of India
5	Canara Bank
6	Citibank N.A.
7	DBS Bank Limited
8	HDFC Bank Limited (BG and FDR in electronic Form)
9	ICICI Bank Limited (BG and FDR in electronic Form)
10	IDBI Bank Limited (FDR in electronic Form)
11	IDFC First Bank Limited (BG in electronic Form)
12	Indian Bank (FDR in electronic Form)
13	IndusInd Bank Limited
14	Kotak Mahindra Bank Limited (BG and FDR in electronic Form)
15	Punjab National Bank
16	Punjab and Sind Bank
17	State Bank of India (FDR in electronic Form)
18	Sumitomo Mitsui Banking Corporation
19	The Federal Bank Limited
20	The Karur Vysya Bank Limited (BG in electronic Form)
21	UCO Bank Limited
22	Union Bank Of India

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BG NO: _____

Date: _____

Annexure - 4A - Format of the Fresh Bank Guarantee for Margin / Additional Deposit

Bank Guarantee should be stamped as under:

Non-Judicial stamp paper of minimum Rs.500/- or the value prevailing in the State where executed, whichever is higher.

The following is required to be typed on the Stamp Paper as the First Page and duly signed: This Non-Judicial Stamp paper of Rs. ……..forms part and parcel of this Bank Guarantee number ……dated …… issued in favour of Multi Commodity Exchange Clearing Corporation Limited by us for M/s. ……
…. FOR …… (BANK)
……..… (BRANCH)

AUTHORISED SIGNATORIES

SEAL OF THE BANK

1) The enclosed printed format is required to be used. The format is also available at MCXCCL website (www.mcxccl.com).

2) All the blanks in the format are required to be duly filled by the issuing bank along with their stamp and signature against each blank if filled separately.

3) Each page of the bank guarantee should bear the bank guarantee number and should be signed by two authorised signatories of the bank.

BANK GUARANTEE

This guarantee is issued by ……(bank), a body corporate constituted under the ……Act 19….. having its Head Office at
…….. (hereinafter referred to as the "Bank" which term shall wherever the context so permits, includes its successors and assigns) in favour of
Multi Commodity Exchange Clearing Corporation Ltd, a company incorporated under the Companies Act, 1956 and having its incorporated office at **"Exchange Square", Suren Road, Chakala Andheri (East), Mumbai - 400 093, India.** (hereinafter referred to as Exchange "MCXCCL", which expression shall, unless it be repugnant to the context or meaning, thereof, be deemed to mean and include its successors and assigns).

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BG NO: _____

Date: _____

WHEREAS

1. M/s ……., incorporated under the Companies Act, 1956 and having its registered office at …… (Complete Address), (hereinafter referred to as the "Member", which expression shall include its successors and assigns) * is/are a Member of MCXCCL.

OR

Mr./Ms _____ s/o / d/o / w/o _____, residing at _____and having his/her office at _____ (Complete Address), (hereinafter referred to as the "Member", which expression shall include his/her successors and assigns) /* is/are a Member of MCXCCL

OR

M/s _____, a partnership firm registered under the Indian Partnership Act, 1932 and having their office at _____(Complete Address), (hereinafter referred to as the "Member", which expression shall include their successors and assigns) /* is/are a Member of MCXCCL.

2. One of the conditions of Membership of MCXCCL is that the Member maintains with MCXCCL a security deposit in the form of cash deposit of Rs…… (Rupees …… only) along with shares and other securities of a value not less than Rs…… Rupees ……only) after applying suitable margins as prescribed by MCXCCL.

3. At the request of the Member, MCXCCL has agreed to accept a bank guarantee in lieu of security deposit in the form of shares and other securities in favour of MCXCCL from an approved commercial bank for an equivalent amount of Rs……(Rupees……..only).

4. The Member has requested the Bank to furnish to MCXCCL a guarantee for Rs…….. (Rupees …….only)

OR

M/s _____, a partnership firm registered under the Indian Partnership Act, 1932 and having their office at _____(Complete Address), (hereinafter referred to as the "Member", which expression shall include their successors and assigns) /* is/are a Member of MCXCCL.

5. One of the conditions of Membership of MCXCCL is that the Member maintains with MCXCCL a security deposit in the form of cash deposit of Rs…… (Rupees …… only) along with shares and other securities of a value not less than Rs…… Rupees

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BG NO: _____

Date: _____

…….only) after applying suitable margins as prescribed by MCXCCL.

6. At the request of the Member, MCXCCL has agreed to accept a bank guarantee in lieu of security deposit in the form of shares and other securities in favour of MCXCCL from an approved commercial bank for an equivalent amount of Rs……(Rupees……..only).

7. The Member has requested the Bank to furnish to MCXCCL a guarantee for Rs…….. (Rupees …….only)

8. NOW IN CONSIDERATION OF THE FOREGOING,

1. We, the ……..(Name of Bank) having a branch at ……..……(Complete Address of Branch) at the request and desire of the Member do hereby irrevocably and unconditionally guarantee to pay a sum of Rs……(Rupees……only) to MCXCCL as a security for due performance and fulfillment by the Member of his/her/its engagements, commitments, operations, obligations or liabilities as a Member of MCXCCL including any sums due by the Member to MCXCCL or to MCX or to any other party as decided by MCXCCL arising out of or incidental to any contracts made, executed, undertaken, carried on or entered into or purported so to be, by the Member. The Bank agrees and confirms that the said guarantee shall be available as a security for meeting, satisfying, discharging or fulfilling all or any obligation or liability of the Member as directed and decided by MCXCCL, without any demure, protest and contestation from Bank, with no reference to the Member.

2. The Bank hereby agrees that if in the opinion of MCXCCL, the Member has been or may become unable to meet, satisfy, discharge or fulfill any obligations, liability or commitments or any part thereof to MCXCCL, including its Clearing and Settlement mechanism/arrangement or to any other party as decided by MCXCCL, then without prejudice to the rights of MCXCCL under its Rules, Bye-Laws or Regulations or otherwise applicable laws, MCXCCL may at any time thereafter and without giving any notice or intimation to the Member invoke this guarantee to meet the aforesaid obligations, liabilities or commitments of the Member.

3. The Bank hereby agrees that MCXCCL shall have the full liberty without Bank's consent and without affecting in any manner Bank's obligations to vary any of the terms and conditions of membership of the Member, Rules, Bye Laws and/or Regulations or to extend time of performance by the said Member from time to time or to postpone for any time or from time to time any of the powers exercisable by MCXCCL against the said Member and to forbear or enforce any of the terms and conditions relating to the membership and Bank shall not be relieved from any liability by reason of any such variation, or extension being granted to the said Member or for any forbearance, act or omission on the part of MCXCCL or any indulgence by MCXCCL to the said Member

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or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of so relieving the Bank.

4. The Bank undertakes that it shall, on first demand of MCXCCL, without any demur, protest or contestation and without any reference to the Member and notwithstanding any contestation by the Member, pay to MCXCCL forthwith such sums not exceeding Rs……..(Rupees …….only) as may be demanded by MCXCCL. The decision of MCXCCL as to the obligations or liabilities or commitments of the Member and the amount claimed shall be final and binding on the Bank, and any demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee.

5. The guarantee shall be a continuing guarantee and remain operative in respect of each of the obligations, liabilities or commitments of the Member severally and may be enforced as such in the discretion of MCXCCL, as if each of the obligations, liabilities or commitments had been separately guaranteed by the Bank. The guarantee shall not be considered as cancelled or in any way affected on any demand being raised by MCXCCL but shall continue and remain in operation in respect of all subsequent obligations, liabilities or commitments of the Member. However the maximum aggregate liability of the Bank during the validity of the guarantee shall be restricted to an aggregate sum of Rs…….(Rupees ……..only).

   Notwithstanding the above, the Bank notes that the nature of operations of the Member is such that the obligations, liabilities or commitments of the Member are of a continuing nature and as such, Bank agrees that this guarantee can be invoked by MCXCCL even in respect of the obligations, liabilities or commitments of the Member towards MCXCCL which might have arisen prior to the execution of this guarantee.

6. This guarantee shall not be prejudiced by the failure of the Member to comply with the Rules or Bye Laws or Regulations of MCXCCL or any terms and conditions attendant to the Membership of MCXCCL. MCXCCL shall be at liberty to vary, amend, change or alter any terms or conditions or its Rules or Bye Laws or Regulations of Membership to MCXCCL in general or as applicable to the Member in particular from time to time, without thereby affecting its rights against the Member or the Bank or any other security belonging to Member now or hereafter held or taken by MCXCCL at any time. The discretion to make demands under this guarantee shall exclusively be that of MCXCCL and MCXCCL is entitled to demand hereunder notwithstanding being in possession of any deposits or other securities of the Member.

7. The validity of this guarantee shall not be affected in any manner whatsoever if MCXCCL takes any action against the Member including DECLARATION OF DEFAULTER, SUSPENSION or EXPULSION of the Member from the membership of MCXCCL

8. This guarantee shall not be affected by any change in the constitution of MCXCCL or the Member or the Bank and it shall remain in force notwithstanding any

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BG NO: _____

Date: _____

forbearance or indulgence that may be shown by MCXCCL to Member.

9. The Bank undertakes to pay to MCXCCL, the amount hereby guaranteed within 24 hours of being served with a written notice requiring the payment of the amount either by hand delivery or by Registered Post or by Speed Post.

10. This guarantee may be invoked by MCXCCL in part(s) without affecting its rights to invoke this guarantee for any liabilities that may devolve later.

11. The Bank undertakes not to revoke this guarantee during its currency except with the previous consent of MCXCCL in writing and this guarantee shall be a continuous and irrevocable guarantee upto a Rs…….(Rupees ……only).

12. The Bank agrees to ensure that the security created for issuing bank guarantee will not belong to the clients of the Clearing Members/ not created from the Up Streaming Nodal Bank Account of the Clearing Member (The foregoing restriction will not be applicable for proprietary funds of Stockbroker's /Clearing members and Stock broker's proprietary funds deposited with Clearing member in the capacity of a client.)

13. Notwithstanding anything mentioned above,

a) The liability of the Bank under this guarantee shall not exceed Rs…… (Rupees ……..only)
b) This guarantee shall be valid for a period of …… months i.e. upto _____
c) The bank is liable to pay the guaranteed amount only if MCXCCL serves upon the Bank a written claim or demand on or before …… (i.e. within_____after the date of expiry of the bank guarantee as mentioned in clause b).

Executed this ……day of ……at ……. (Place).
FOR …….. (BANK)
…….. (BRANCH)

AUTHORISED SIGNATORIES
SEAL OF THE BANK

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Annexure – 4B - List of Banks who have executed Master Bank Guarantee Agreement

Sr. No.	Bank Name
1	AXIS Bank Limited
2	HDFC Bank Limited
3	ICICI Bank Limited
4	IDFC Bank Limited
5	INDUSIND Bank Limited
6	Kotak Mahindra Bank Limited
7	Bank of Baroda

Annexure – 4C - Format of Fresh Bank Guarantee as per Master Agreement

Bank Guarantee should be stamped as under:

Non-Judicial stamp paper of minimum Rs.500/-- or the value prevailing in the State where executed, whichever is higher.

The following is required to be typed on the Stamp Paper as the First Page and duly signed: This Non-Judicial Stamp paper of Rs. ……..forms part and parcel of this Bank Guarantee number ……dated …… issued in favour of Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) by us for M/s.

……
…. FOR …… (BANK)
……..… (BRANCH)

AUTHORISED SIGNATORIES

SEAL OF THE BANK

1) The enclosed printed format is required to be used. The format is also available at MCXCCL website (www.mcxccl.com).
2) All the blanks in the format are required to be duly filled by the issuing bank along with their stamp and signature against each blank if filled separately.

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3) Each page of the bank guarantee should bear the bank guarantee number and should be signed by two authorised signatories of the bank.

BG NO: _____

Date: _____

Date:…….

To
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square,
Suren Road,
Chakala, Andheri (East), Mumbai-
400093

Dear Sirs:

This guarantee bearing No._____is issued by_____, a body corporate constituted under the Companies Act 1956, having its Head Office at _____ (hereinafter referred to as the "Bank" which term shall wherever the context so permits includes its successors and assigns) in favor of Multi Commodity Exchange Clearing Corporation Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Exchange Square, Suren Road, Chakala, Andheri (East), Mumbai-400093 (hereinafter referred to as "MCXCCL" which expression shall include its successors and assigns).

Whereas

a. Mr./Ms._____ s/o / d/o / w/o_____, residing at

BG NO: _____

Date: _____

_____and having his/her office at _____ (Complete Address), (hereinafter referred to as the "Clearing Member", which expression shall include his/her successors and assigns)/ is/ are a Clearing Member of MCXCCL.

OR

M/s_____, a partnership firm registered under the Indian Partnership Act, 1932 and having their office at_____(Complete Address), (hereinafter referred to as the "Clearing Member", which expression shall include their successors and

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assigns)/ is/ are a Clearing Member of MCXCCL.

OR

M/s_____, incorporated as a company under the Companies Act, 1956 and having its registered office at Complete Address), (hereinafter referred to as the "Clearing Member", which expression shall include its successors and assigns) is/ are a Clearing Member of MCXCCL.

b. One of the conditions of Clearing Membership of MCXCCL is that the Clearing Member maintains with MCXCCL margin deposit in the form shares and other securities after applying suitable margins as prescribed by MCXCCL.

c. At the request of the Clearing Member, MCXCCL has agreed to accept a bank guarantee in lieu of such margin deposit, as the case may be in favor of MCXCCL from an approved commercial bank for an equivalent amount of Rs._____/- . (Rupees _____Only)

However, the Bank is liable to pay the guaranteed amount if MCXCCL serves upon Bank a written claim or demand on or before_____(claim date)

Therefore these presents:

1. This guarantee shall be governed by the terms and conditions of the Master Agreement dated _____ executed between the Bank and MCXCCL and the same shall form a part and parcel of this guarantee as though the same have been incorporated in this guarantee.
2. The liability of the Bank under this guarantee shall not exceed Rs. _____ (Rupees _____ Only)
3. This guarantee shall be valid for a period of _____ months i.e. upto _____ (date).

However, the Bank is liable to pay the guaranteed amount if MCXCCL serves upon Bank a written claim or demand on or before ____ at the branch address mentioned above.
4. The Bank Agrees to ensure that the security created for issuing bank guarantee will not belong to the clients of the Clearing Members / not created from the Up Streaming Nodal Bank Account of the Clearing Member (The foregoing restriction will not be applicable for proprietary funds of Stock broker's /Clearing member and Stock broker's proprietary funds deposited with Clearing member in the capacity of a client.)

Executed this_____day of_____at _____

FOR …….. (BANK)

…….. (BRANCH)

Authorized Signatories Seal of the Bank

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BG NO: _____

Date: _____

Annexure - 5A - Format for Renewal of Bank Guarantee

The following is required to be typed on a non-judicial stamp paper of Rs. 500/--or the value prevailing in the State where executed, whichever is higher and duly signed:

This non-judicial stamp paper of Rs…….. forms part and parcel of this extension letter dated ……for Bank guarantee bearing no ……..dated …….issued in favour of Multi Commodity Exchange Clearing Corporation Ltd. by us for

M/s/Mr./Ms. ……... FOR
…….. (BANK)
…….. (BRANCH)

AUTHORIZED SIGNATORIES

SEAL OF THE BANK

The enclosed printed format is required to be used. Formats are also available at MCXCCL web-site - www.mcxccl.com.

All the blanks in the format are required to be duly filled by the issuing bank along with their stamp and signature against each blank.

Each page of the bank guarantee should bear the bank guarantee number and should be signed by two authorised signatories of the bank.

Date: ……..

To,
Multi Commodity Exchange Clearing Corporation Ltd. Exchange Square, CTS No.255
Suren Road, Chakala,
Andheri (East), Mumbai – 400 093

We, ……(Bank) having our registered office at ……and our branch office at …….refer to the Bank Guarantee number: ……executed by us on the ……..day of ……. at ……(hereinafter referred to as "Said Guarantee") on account of Mr. / Ms. ……..having his/her/ its/registered office at ……(hereinafter referred to as a 'Member') for a sum of Rs …….. (Rupees ……..only) in your favour.

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BG NO: _____

Date: _____

OR

We, ……(Bank) having our registered office at ……and our branch office at ……refer to the Bank Guarantee number: ……executed by us on the ……..day of …… at ……(hereinafter referred to as "Said Guarantee") on account of M/s ……..Limited, incorporated as a company under the Companies Act, 1956 and having its registered office at ……(Complete Address),…… (hereinafter referred to as a "Member") for a sum of Rs …….. (Rupees ……..only) in your favour.

OR

We, ……(Bank) having our registered office at ……and our branch office at ……refer to the Bank Guarantee number: ……executed by us on the ……..day of …… at ……(hereinafter referred to as "Said Guarantee") on account of M/s , a partnership firm registered under the Indian Partnership Act, 1932 and having their office at (Complete Address), ……(hereinafter referred to as a "Member") for a sum of Rs …….. (Rupees ……..only) in your favour. The validity of the Said Guarantee was upto …….

We now at the request of the Member further extend the period of validity of the Said Guarantee upto ……and unless a demand under the said guarantee is made on us in writing by you within …….. days after the date of expiry of this guarantee i.e. on or before …….all your rights under this guarantee shall cease and the bank shall be relieved and discharged from all liabilities thereunder.

The Bank Agrees to ensure that the security created for issuing bank guarantee will not belong to the clients of the Clearing Members/ not created from the Up Streaming Nodal Bank Account of the Clearing Member (The foregoing restriction will not be applicable for proprietary funds of Stock broker's /Clearing member and Stock broker's proprietary funds deposited with Clearing member in the capacity of a client.)

The Said Guarantee may be invoked by MCXCCL in part(s) without affecting its rights to invoke the Said Guarantee for any liabilities that may devolve later. We hereby affirm and confirm that save and except to the extent as provided for herein above, the Said Guarantee together with all other terms and conditions therein shall remain operational and in full force and effect till ……

Signed for and on behalf of ……..on this ……..day of ……..at ……
…

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BG NO: _____

Date: _____

FOR ……..
(BANK)

……..
(BRANCH)

AUTHORIZED SIGNATORIES

SEAL OF THE BANK

PublicPublic

BG NO: _____

Date: _____

Annexure - 5B - Format of Renewal of Bank Guarantee as per Master Agreement

The following is required to be typed on a non-judicial stamp paper of Rs. 500/--**or** the value prevailing in the State where executed, whichever is higher and duly signed:

This non-judicial stamp paper of Rs…….. forms part and parcel of this extension letter dated ……for Bank guarantee bearing no ……..dated …….issued in favour of Multi Commodity Exchange Clearing Corporation Ltd. by us for

M/s/Mr./Ms.
……... FOR
…….. (BANK)
……..
(BRANCH)

AUTHORIZED SIGNATORIES

SEAL OF THE BANK

- The enclosed printed format is required to be used. Formats are also available at MCXCCL web-site - www.mcxccl.com.
- All the blanks in the format are required to be duly filled by the issuing bank along with their stamp and signature against each blank.
- Each page of the bank guarantee should bear the bank guarantee number and should be signed by two authorised signatories of the bank.

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BG NO: _____

Date: _____

Date: ……..

To,
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square,
Suren Road,
Chakala, Andheri (East), Mumbai-
400093

We, ……(Bank) having our registered office at ……..and our branch office at ……refer to the Bank Guarantee number: ……executed by us on the ……..day of …… at ……(hereinafter referred to as "Said Guarantee") on account of Mr. / Ms./ M/s. ……..having his/her/ its/registered office at ……(hereinafter referred to as a 'Member') for a sum of Rs …….. (Rupees ……..only) in your favour.

OR

We, ……(Bank) having our registered office at ……..and our branch office at ……refer to the Bank Guarantee number: ……executed by us on the ……..day of …… at ……(hereinafter referred to as "Said Guarantee") on account of M/s ……..Limited, incorporated as a company under the Companies Act, 1956 and having its registered office at ……(Complete Address),…… (hereinafter referred to as a "Member") for a sum of Rs …….. (Rupees ……..only) in your favour.

OR

We, ……(Bank) having our registered office at ……..and our branch office at ……refer to the Bank Guarantee number: ……executed by us on the ……..day of

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BG NO: _____

Date: _____

……. at
……(hereinafter referred to as "Said Guarantee") on account of M/s _____, a partnership firm registered under the Indian Partnership Act, 1932 andhaving their office at (Complete Address), _____
……(hereinafter referred to as a "Member") for a sumof Rs …….. (Rupees ……..only) in your favour.

The validity of the Said Guarantee was upto …….

We now at the request of the Member further extend the period of validity of the Said Guarantee upto …….and unless a demand under the said guarantee is made on us in writing by you within …….. days after the date of expiry of this guarantee i.e. on or before …….all your rights under this guarantee shall cease and the bank shall be relieved and discharged from all liabilities thereunder.

The Bank Agrees to ensure that the security created for issuing bank guarantee will not belong to the clients of the Clearing Members/ not created from the Up Streaming Nodal Bank Account of the Clearing Member (The foregoing restriction will not be applicable for proprietary funds of Stock broker's /Clearing member and Stock broker's proprietary funds deposited with Clearing member in the capacity of a client.)

The Said Guarantee may be invoked by MCXCCL in part(s) without affecting its rights to invoke the Said Guarantee for any liabilities that may devolve later. We hereby affirm and confirm that save and except to the extent as provided for herein above, the Said Guarantee together with all other terms and conditions therein shall remain operational and in full force and effect till ……
…

Signed for and on behalf of ……..on this ……..day of ……..at ……
…

FOR ……..
(BANK)

……..
(BRANCH)

AUTHORIZED SIGNATORIES
SEAL OF THE BANK

PublicPublic

Annexure – 6A - Letter from the Member regarding Lien on Fixed Deposit Receipt
*(*On Member letter-Head*)*

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square, CTS No.255,
Suren Road, Chakala,
Andheri (East),
Mumbai – 400 093

Dear Sir,

FDR No:_____Issue Date_____Expiry Date _____

As per the requirement of Multi Commodity Exchange Clearing Corporation Ltd. and in compliance of the prescribed norms of Multi Commodity Exchange Clearing Corporation Ltd., we have to furnish you deposit and accordingly, have furnished you the same in the form of FDR from _____ Bank, in the name **Multi Commodity Exchange Clearing Corporation Ltd. A/c**._____ (name of the 'Member') for Rs. _____/- (Rupees _____ only.)

1. I/We confirm that the FDR is not funded by Bank in any manner and it is issued from our funds / accounts only.

2. I/We hereby agree and consent that you shall have an irrevocable authority and do hereby authorize you to encash the said FDR and to withdraw the said FDR amount at any time, even prior to maturity, without notice to me/us for recovery/adjustment of MCXCCL/MCX dues and we have no objections whatsoever for the same.

3. I/We agree that you are hereby authorized to renew the FDR for period of one year each time till the FDR is released by you.

4. I/We agree that on the encashment of FDR, you will be entitled to the interest accrued on the said FDR and you are hereby authorised to receive the accrued interest from the Bank along with the principal amount (FDR amount) payable.

Yours
faithfully,

Authorised Signatory Member Code_____ (Name & Stamp of Member)

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Annexure – 6B Fixed Deposit Receipt Undertaking

(*To be submitted on Clearing Member Letter Head*)
(In case of FDRs with maturity date of more than 1 year)

To,

The Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square, CTS No.255,
Suren Road,
Chakala, Andheri (East),
Mumbai – 400 093

Dear Madam / Sir,

We refer to the below mentioned Fixed Deposit Receipt (FDR) issued in the name of Multi Commodity Exchange Clearing Corporation Limited (MCXCCL)

FDR No	**Name of the Issuing Bank**	**Issue / Renewal Date**	**Amount**	**Maturity Date**

We hereby confirm that, the above-mentioned FDR(s) is/ are created from proprietary funds (proprietary funds of SBs/CMs and SB's proprietary funds deposited with CM in the capacity of a client) and not created out of any client funds.

Yours faithfully

Authorised Signatory/Compliance Officer
Signature & Company Stamp
Name : _____
Email Id : _____
Contact No. : _____

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Annexure - 7A - Letter from the Bank confirming the Lien on Fresh Fixed Deposit Receipt

*(*On Bank letter-Head*)*

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square, CTS No.255,
Suren Road, Chakala,
Andheri (East), Mumbai
– 400 093

Dear Sir,

We refer to the below mentioned Fixed Deposit Receipt (FDR) issued in the name of MCXCCL A/c Member's name

FDR No	Issue Date	Amount	Maturity Date

We hereby confirm that

1. There is no lock in period for encashment of the said FDR.
2. The amount under the said FDR would be paid to MCXCCL on demand, without demur, on or before the maturity of the said FDR without any reference to the ……... (Name of Member).
    1. The Principal amount of the FDR shall remain protected throughout the tenure, notwithstanding any possible pre-termination costs incurred by the Bank.

    2. Encashment whether premature or otherwise would not require any clearance from any other authority / person.
    3. We agree that on the encashment of FDR, the interest accrued will also be released to MCXCCL.
    4. We agree that the FDR will be renewed for such periods as MCXCCL may instruct.
    5. We confirm that the FDR is not funded by Bank in any manner and the FDR is issued from the funds / accounts of member only.

Yours faithfully

AUTHORISED SIGNATORY
(Name of the Bank & Bank Stamp)

PublicPublic

Annexure - 7B - Letter from the Bank confirming the Lien on Fresh Fixed Deposit Receipt (In case of Auto renewal where the old FDR no. is same)

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square, CTS No.255,
Suren Road, Chakala, Andheri (East),
Mumbai – 400 093

We refer to the fixed deposit receipt (FDR) issued, in the name of MCXCCL A/c Member's name. Details are as under:

FDR No	Issue Date	Amount	Maturity Date

The above FDR has been renewed for further period of_____months under the auto renewal facility on the request of the Member. Details are as follows:

Renewal Date	Amount	New Maturity Date

We hereby confirm that

1. There is no lock in period for encashment of the said FDR.
2. The amount under the said FDR would be paid to MCXCCL on demand, without demur, on or before the maturity of the said FDR without any reference to the …… (Name of Member).
3. The Principal amount of the FDR shall remain protected throughout the tenure, notwithstanding any possible pre-termination costs incurred by the Bank.
4. Encashment whether premature or otherwise would not require any clearance from any other authority / person.
5. We agree that on the encashment of FDR, the interest accrued will also be released to MCXCCL.
6. We agree that the FDR will be renewed for such periods as MCXCCL may instruct.
7. Old instrument will remain valid and new# / no new# instrument will be issued.
   #Strike off whichever is not applicable.
8. We confirm that the FDR is not funded by Bank in any manner and the FDR is issued from the funds / accounts of member only.

Yours faithfully,

AUTHORISED SIGNATORY
(Name of the Bank & Bank Stamp)

PublicPublic

Annexure - 7C - Letter from the Bank confirming the Lien on Fresh Fixed Deposit Receipt (In case of Auto Renewal where the old FDR no. is changed)

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Ltd.
Exchange Square, CTS No.255,
Suren Road, Chakala, Andheri (East),
Mumbai – 400 093

We refer to the fixed deposit receipt (FDR) issued, in the name of MCXCCL A/c Member's name. Details are as under:

FDR No	Issue Date	Amount	Maturity Date

The above FDR has been renewed for further period of_____months under the auto renewal facility on the request of the Member. Details are as follows:

New FDR No	Issue Date	New Maturity Date	Amount

We hereby confirm that

1. There is no lock in period for encashment of the said FDR.
2. The amount under the said FDR would be paid to you on demand, without demur, on or before the maturity of the said FDR without any reference to the …….... (Name of Member).
3. The Principal amount of the FDR shall remain protected throughout the tenure, notwithstanding any possible pre-termination costs incurred by the Bank
4. Encashment whether premature or otherwise would not require any clearance from any other authority / person.
5. We agree that on the encashment of FDR, the interest accrued will also be released to MCXCCL.
6. We agree that the FDR will be renewed for such periods as MCXCCL may instruct.
7. Old instrument will remain valid and new# / no new# instrument with new FDR No._____ is /will be issued. (*#Strike off whichever is not applicable.)*
8. We confirm that the FDR is not funded by Bank in any manner and the FDR is issued from the funds / accounts of member only.

Yours faithfully,

AUTHORISED SIGNATORY
(Name of the Bank & Bank Stamp)

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Annexure - 8 - Format of authorising the person(s) to collect the Bank Guarantee (BG) from MCXCCL

(On the letterhead of the Member)

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Ltd.
Exchange Square, Suren Road,
Chakala, Andheri (East), Mumbai-400093
Fax no.: 022 – 67269558

Dear Sir,

We hereby authorise Shri_____to take back the physical possession of Bank Guarantees submitted by us to the MCXCCL and the said person will come with their original photo identity proof like Driving License /PAN Card No/ Aadhar Card No----------and the person is required to submit a copy of the same to MCXCCL.

The details of Bank Guarantees are as under:

Details of Bank Guarantee (BG's)					
Sr No	**BG No.**	**Amount**	**Name of Issuing Bank**	**Date of Issue**	**Date of Expiry**

We confirm that submission of above Bank Guarantee to above mentioned person is complete and effective discharge on the part of MCXCCL towards our company.

We are also giving our rubber stamp to the above-mentioned authorized person to take delivery from MCXCCL

Thanking you, Yours
faithfully,
For _____

Signature of authorised signatory
(Signature & Stamp of the Member)
Email Id : _____
Contact No. : _____
Encl : As Above

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Annexure - 9 Format of authorising the person(s) to collect the Fixed Deposit Receipts from MCXCCL

(On the letterhead of the Member)

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Ltd.
Exchange Square, Suren Road,
Chakala, Andheri (East), Mumbai-400093
Fax no.: 022 – 67269558

Dear Sir,

We hereby authorise Shri_____ to take back the physical possession of Fixed Deposit Receipts submitted by us to the MCXCCL and the said person will come with their original photo identity proof like Driving License /PAN Card No/Aadhar Card No ----------and the person is required to submit a copy of the same to MCXCCL.

The details of Fixed Deposit Receipts are as under:

Details of Fixed Deposit Receipts (FDR's)					
Sr No	**FDR No**	**Amount**	**Name of Issuing Bank**	**Date of Issue**	**Date of Maturity**

We confirm that submission of above Fixed Deposit Receipts to above mentioned person is complete and effective discharge on the part of MCXCCL towards our company.

We are also giving our rubber stamp to the above-mentioned authorized person to take delivery from MCXCCL

Thanking you,
Yours faithfully,
For_____

Signature of authorised signatory
(Signature & Stamp of the Member)
Email Id : _____
Contact No. : _____
Encl: As Above

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Annexure - 10 - Deed of Pledge by Members for pledge of securities
(To Be Executed on Non-Judicial Stamp Paper of Rs1000/- or in accordance With the Stamp Duty Rates Applicable at The Place of Execution, whichever is Higher).

DEED OF PLEDGE TO BE EXECUTED BY MEMBERS FOR PLEDGE OF SECURITIES

This Deed of Pledge (hereinafter referred to as "this Deed") is executed at ___on this_____day of ____20___by_____

, S/o / d/o / w/o _____residing at and having his office at_____*

, a partnership firm registered under the Indian Partnership Act, 1932 and having its office at_____*

, _____Limited incorporated as a company under the Companies Act, 1956 and having its registered office at_____*

(hereinafter referred to as "Member" which expression shall unless repugnant to the context thereof include its successors, administrators and assigns) in favour of Multi Commodity Exchange Clearing Corporation Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Exchange Square, CTS No. 255, Suren Road, Chakala, Andheri (East), Mumbai – 400093, (hereinafter referred to as "MCXCCL" which expression shall unless repugnant to the context thereof, include its successors and assigns).

WHEREAS

a. The Member is admitted as a Member of MCXCCL

b. One of the requirement of Membership is that the Member if desirous of availing exposure, shall maintain with MCXCCL initial margin deposits/additional margin deposits (hereinafter, for brevity purpose, referred to as "margin deposits") in the form of cash, bank guarantees or securities for the due performance and fulfillment by him/it of his/its engagements, commitments, operations, obligations or liabilities as such Member including any sums due by such member to MCXCCL or any other party as decided by MCXCCL arising out of or incidental to any contracts made, executed, undertaken, carried out or entered into by such member.

c. Securities to be deposited by the Member for the purpose of availing additional exposure shall be in demat form and as approved by MCXCCL from time to time.

d. The Members shall deposit the securities with such custodian(s) acting as depository participants as may be determined by MCXCCL from time to time or in the alternative the Members may also make available the dematerialised securities by creating a pledge on the said securities with any depository participant in favour of MXCCL

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NOW THIS DEED WITNESSETH AS FOLLOWS:

1. In consideration of MCXCCL having agreed to accept approved dematerialized securities as approved by it towards additional margin deposits to an extent of Rs._____/- (Rupees _____only), the Member hereby pledges securities (hereinafter referred to as "Said Securities" with MCXCCL as security for due performance and fulfillment by the Member of all his/its engagements, commitments, operations, obligations or liabilities as a Member of MCXCCL including any sums due by the Member to MCXCCL or any other party as decided by MCXCCL, arising out of or incidental to any contracts made, executed, undertaken, carried out or entered into by the member.

2. The Member shall place the Said Securities in the absolute disposition of such Custodian/Depository Participant as may be appointed by MCXCCL for the purpose, in such manner as decided by MCXCCL and such disposition shall be indisputable notwithstanding the fact that the Member may be permitted to have access to the Said Securities in the manner and subject to such terms and conditions as determined by MCXCCL from time to time. The Member confirms, affirms and covenants with MCXCCL that he/it shall do all such acts and things, sign such documents and pay and incur such costs, debts and expenses as may be necessary without prejudice to any other obligations, liabilities, duties which he/it owes as a Member.

3. In case where the member are not using the facility of such custodians acting as depository participants as may be determined by MCXCCL from time to time, the member's shall ensure creation of pledge on said securities as per the depository mechanism by the depository participant where such securities are held.

4. For the purpose of the clauses (1), (2) and (3), and for the purpose of this Deed, the term "Said Securities" shall mean all the securities lying in the Depository Account No. _____ (hereinafter referred to as "Account") with the custodian/depository participant and shall include all securities given in addition, substitution or replacement of the securities in the said Account. All securities lying in the said Account shall be deemed to have been pledged at all times with MCXCCL by virtue of this Deed.

5. (a) The Member declares and assures that all the Said Securities are in existence, owned by him/it and free from any prior charge, lien or encumbrance and further shall ensure that all the Said Securities over which pledge may be created in future shall be in existence and owned by him/it at the time of creation of such pledge and shall be unencumbered, absolute and exclusive property of the Member.

   (b) The Member is permitted to pledge the securities owned by clients in accordance with the provisions of the SEBI Circular Ref: SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020 and such other circulars issued by SEBI in this regard from time to time. Such pledged securities belonging to clients shall be dealt with by MCXCCL in accordance with the provisions of the SEBI Circulars.

6. The Member agrees and undertakes that he/it shall not without the prior written permission of MCXCCL create any charge, lien or encumbrance of any kind upon or over the Said Securities hereby pledged or those which may hereafter be pledged except

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to MCXCCL, that the Member shall not suffer any such charge, lien or encumbrance that may affect the Said Securities or any part thereof, and further undertakes that he/it shall not do or allow anything to be done that may prejudice the Said Securities while he/it remains liable to MCXCCL in any manner.

7. The Member agrees, declares and undertakes that he/it shall be bound and shall abide by the terms and conditions of the Scheme for the Deposit of securities in dematerialized form as formulated and determined by MCXCCL pertaining to margin deposits, or such other requirements either in their existing form or as modified/changed/altered/amended from time to time pursuant to requirement/compliance of Membership.

8. The Member agrees and hereby authorizes that if in the opinion of MCXCCL, the Member has failed to perform and/or fails to fulfill his/its engagements, commitments, operations, obligations or liabilities as a Member of MCXCCL including payment of any sums due by him/it to MCXCCL or to any other party arising out of or incidental to any contracts made, executed, undertaken, carried out or entered into by him/it, then the Member agrees that MCXCCL may invoke the pledge without any notice to the Member on its own as a pledgee, and shall be empowered/entitled to, sell, dispose of or otherwise effect any other transfer of the Said Securities in such manner and subject to such terms and conditions as it may deem fit and that the money if any realized from such sale/disposal/or other transfer shall be utilized towards dues/may be disbursed by MCXCCL in such manner and subject to terms and conditions as it may deem fit and further the Member shall do all such things, deeds, acts and execute all such documents as are necessary to enable MCXCCL to effect such sale/disposal/or other transfer. The decision of MCXCCL as to the obligations or liabilities or commitments of the Member and the amount claimed shall be final and binding on the Member. The Member agrees that such invocation of pledge shall be deemed to be a reasonable, as this pledge of securities is being accepted as margin deposits by MCXCCL in lieu of cash deposits or bank guarantees, which can be invoked forthwith upon any amount becoming due and appropriated under the Rules, Bye-laws and Regulations of MCXCCL.

9. The Said Securities pledged as security shall be available at the disposal of MCXCCL as a continuing security and shall remain available for and in respect of all the obligations, liabilities or commitments of the Member jointly or severally and may be utilized as such at the discretion of MCXCCL, as if each of the obligations, liabilities or commitments is secured by the Said Securities. This Deed shall not be considered as cancelled or in any way affected upon the utilization or realization by MCXCCL of the Said Securities for meeting any specific obligation, liability or commitment of the Member and shall continue and remain in operation in respect of all subsequent obligations, liabilities or commitments of the Member.

10. The Member agrees to be bound by the instructions of MCXCCL to its custodian or the Depository Participant as the case may be, in respect of creation of pledge, invocation of pledge, release thereof, transfer of securities or sale of securities arising out of any obligations of the Member as referred hereinabove and the Member further agrees that MCXCCL shall not be bound to notify the Member in case of invocation of pledge created by the Member by these presents.

11. The Member shall be released from his/its obligations, liabilities under this Deed only

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when MCXCCL, in writing, expressly provides for the release of the Said Securities.

12. The Member agrees that MCXCCL shall be entitled to sell, negotiate or otherwise transfer the Said Securities and for the purpose to execute transfer documents and/or any other necessary documents, wherever applicable or other endorsements and that MCXCCL shall be entitled to receive from the Member all expenses incurred by MCXCCL/Custodian for the aforesaid purposes.

13. The Member agrees to pay promptly all such fees, charges and/or costs pertaining to pledge of the Said Securities to the Custodian and/or the Depository Participant and to execute such further documents whether of a legal nature or otherwise as may be required by MCXCCL for the purpose of giving effect to the provisions of this Deed and also the Scheme for the Deposit of Securities in dematerialized form.

14. The Member agrees that the deposit of the Said Securities and the pledge thereof shall not be affected in any manner whatsoever if MCXCCL takes any action against the Member including suspension or expulsion or declaration of the Member as a defaulter.

15. The Member agrees that MCXCCL shall not be under any liability whatsoever to the Member or any other person for any loss, damage, expenses, costs, etc., arising out of the deposit of the Said Securities under these presents, in any manner, due to any cause, whatsoever, irrespective of whether the Said Securities are in the possession of MCXCCL at the time of such loss or damage or the happening of the cause thereof. The Member shall at all times indemnify and keep indemnified MCXCCL from and against all suits, proceedings, costs, charges, claims and demands whatsoever that may at any time arise or be brought or made by any person against MCXCCL in respect of any acts, matters and things lawfully done or caused to be done by MCXCCL in connection with the Said Securities or in pursuance of the rights and powers of MCXCCL under this Deed.

16. The Member undertakes that the deposit of the Said Securities and the pledge thereof and any pledge of securities that may be created shall be binding on the Member as continuing and that the same shall not be prejudiced by any failure on the part of the Member to comply with the Rules, Bye-laws or Regulations of MCXCCL or any other terms and conditions attendant to the Membership of MCXCCL and that MCXCCL shall be at liberty to enforce its rights hereunder, notwithstanding its rights against the Member hereunder or under its Rules, Bye-laws and Regulations including amendments thereof or in relation to the Said Securities or to any other security now or hereafter held or taken at any time irrespective of any variation, amendment, change or alteration of any terms or conditions in general or as applicable to the Member in particular.

17. The executants hereby declare that he/it has been duly authorized to execute this Deed by way of Board Resolution of the Member** (only in case of corporate members) as per the copy of Board Resolution annexed hereto.

18. This Deed shall be governed by and construed and interpreted in accordance with the laws of India and the courts in Mumbai shall have exclusive jurisdiction on all matters arising out of this Deed.

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Executed at_____on the day, month and year above mentioned.

Signed, sealed and delivered by the within named Member **

_____

In the presence of witnesses
(Name and signature of the witness)

1.

2.

* Strike out whichever is not applicable
** To be signed by
a. The individual if the membership is in his/her name.
b. Authorised partners in case of a Partnership firm
c. By any two of the following persons in the case of a Company:
   i. Managing Director
   ii. Whole-time Director
   iii. Directors/ Authorised Signatories (authorized by Board Resolution for the purpose)

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Annexure - 11 - Letter for margin pledge account

(On member letter head)

Date: _____
To,
Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square, CTS No.255,
Suren Road, Chakala,
Andheri (East),
Mumbai – 400 093

Dear Sir,

Sub: Registration for placing securities using margin pledge facility

1. We _____<member name> _____(Member Code) wish to avail the facility to place securities as collaterals using margin pledge facility of depositories from our below-mentioned depository account.
2. Details of depository account

DP ID	DP Name	Beneficiary account

3. We confirm that above mentioned account shall be solely used for the purpose of pledging/re-pledging securities in favour of Multi Commodity Exchange Clearing Corporation Limited (MCXCCL).
4. Following documents are enclosed herewith
   a) Client master for above mentioned depository account
   b) Pledge deed for margin deposit
   c) Copy of Board Resolution with List of authorized signatories who are authorized to sign deed of pledge
5. We further hereby undertake to abide by such other or further guidelines / instructions as may be communicated / prescribed by MCXCCL from time to time.

Yours faithfully

Authorised Signatory
Email Id : _____
Contact No.: _____

Encl – as above

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Annexure - 12 - Letter to be given by the Member for release of Securities

(On member letter head)

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square, CTS No.255,
Suren Road, Chakala,
Andheri (East),
Mumbai – 400 093

Dear Sir,

Sub: Release of securities kept as additional margin deposit

Clearing Member Code: _____

We wish to withdraw the following securities kept as additional margin deposit.

Sr. No.	CM Code	TM Code	Client / CP code	Symbol	ISIN	Series	Security Name	Qty	Pledge sequence number	NSDL/ CDSL

We request you to consider our request for release of the above-mentioned securities as per applicable norms for release of these securities.

Yours faithfully
For _____

Authorised Signatory (Name
& Stamp of Member)
Email Id : _____
Contact No. : _____

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Annexure - 13 - Undertaking for depositing Government Securities (G–Sec) as margin deposit (E-Kuber)

(To Be Executed on Non-Judicial Stamp Paper of Rs 600/- or in accordance With the Stamp Duty Rates Applicable at The Place of Execution, whichever is Higher).

TO BE EXECUTED BY MEMBERS FOR DEPOSITING GOVERNMENT SECURITIES (G–Sec) AS MARGIN DEPOSIT

This Undertaking is made and executed at _____on this_____day of ____20_____by_____ (*name of the member)* having its registered office at_____

(hereinafter referred to as "Member" which expression shall unless repugnant to the context thereof include its successors, administrators and assigns) in favour of Multi Commodity Exchange Clearing Corporation Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Exchange Square, CTS No. 255, Suren Road, Chakala, Andheri (East), Mumbai – 400093, (hereinafter referred to as "MCXCCL" which expression shall unless repugnant to the context thereof, include its successors and assigns).

WHEREAS

a. The Member is admitted as a Member of MCXCCL

b. One of the requirement of Membership is that the Member, if desirous of availing exposure, shall maintain with MCXCCL initial margin deposits/ additional margin deposits (hereinafter, for brevity purpose, referred to as "margin deposits") in the form of cash, bank guarantees , securities (including Government Securities – G–Sec) for the due performance and fulfillment of its engagements, commitments, operations, obligations or liabilities as such Member including any sums due by such Member to MCXCCL or any other party as decided by MCXCCL arising out of or incidental to any contracts made, executed, undertaken, carried out or entered into by such Member.

c. G–Sec to be deposited by the Member for the purpose of availing additional exposure shall be in demat / electronic form and as approved by MCXCCL from time to time.

d. MCXCCL has opened Constituent Subsidiary General Ledger Account (CSGL) with RBI for holding G–Sec deposited as margin deposit from its members.

e. Members desirous of providing G–Sec as margin deposit shall enter the transaction through its custodian/bank on E–Kuber under 'Margin Transfer Module' and inform the transaction detail to MCXCCL.

NOW THIS UNDERTAKING WITNESSETH AS FOLLOWS:

1. In consideration of MCXCCL having agreed to accept approved G–Sec in electronic form towards margin deposits, the Member hereby agrees to transfer the G–Sec to MCXCCL CSGL account for due performance and fulfillment by it of all its

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engagements, commitments, operations, obligations or liabilities as a Member of MCXCCL including any sums due by the Member to MCXCCL or any other party as decided by MCXCCL, arising out of or incidental to any contracts made, executed, undertaken, carried out or entered into by the Member.

2. The G–Sec transferred to the MCXCCL CSGL account shall be free from any prior charge, lien or encumbrance in all respects. Member agrees and acknowledge that they are not permitted to use these G–Sec for any purpose other than as margin deposit with MCXCCL, till they are re-transferred to their SGL account by MCXCCL.

3. It is expressly agreed that the G–Sec transferred to the said MCXCCL CSGL account shall be dealt by MCXCCL in accordance with the Rules, Bye–Laws, Regulations and the Circulars issued there under from time to time.

4. The Member agrees, declares and undertakes that it shall be bound by and shall abide by the terms and conditions for acceptance of G–Sec as formulated and determined by MCXCCL pertaining to margin deposits, or such other requirements either in their existing form or as modified/ changed/ altered/ amended from time to time.

5. The Member agrees that MCXCCL shall be bound by any instruction or direction it shall receive with regard to operation of CSGL account from any regulatory, judicial or any other competent authority(ies) and MCXCCL shall have the rights to give any information to any regulatory, judicial and /or any other competent authority whenever so required in respect of the dealing and the deposits/ transactions in their accounts

6. The Member agrees and fully authorizes MCXCCL to execute any indemnity, declarations, undertakings and any other deed or documents as desired by RBI or any other competent authority in respect of dematerialization, rematerialisation, settlement, corporate action, or any other action in connection with the CSGL account.

7. The Member agrees and hereby authorizes that if in the opinion of MCXCCL, the Member has failed to perform and/or fails to fulfill his/its engagements, commitments, operations, obligations or liabilities as a Member of MCXCCL including payment of any sums due by it to MCXCCL or to any other party arising out of or incidental to any contracts made, executed, undertaken, carried out or entered into by it, then the Member agrees that MCXCCL may have an irrevocable authority to dispose the G–Sec, even prior to maturity without notice to the member for recovery/adjustment of MCXCCL/ MCX dues and shall be empowered/entitled to, sell, dispose of or otherwise effect any other transfer of the G–Sec in such manner and subject to such terms and conditions as it may deem fit and that the money if any realized from such sale/ disposal/ or other transfer shall be utilized towards dues/ may be disbursed by MCXCCL in such manner and subject to terms and conditions as it may deem fit and further the Member shall do all such things, deeds, acts and execute all such documents as are necessary to enable MCXCCL to effect such sale/ disposal/ or other transfer. The decision of MCXCCL as to the obligations or liabilities or commitments of the Member and the amount claimed shall be final and binding on the Member. The Member agrees that such disposal shall be deemed to be a reasonable, as G–Sec are accepted as margin deposits by MCXCCL which can be disposed of forthwith upon any amount becoming due and appropriated under the Rules, Bye–Laws and Regulations of MCXCCL.

8. The G–Sec transferred as margin deposit shall be available at the disposal of MCXCCL as a continuing security and shall remain available for and in respect of all the obligations, liabilities or commitments of the Member jointly or severally and may be

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utilized as such at the discretion of MCXCCL, as if each of the obligations, liabilities or commitments is secured by the Said G–Sec. This undertaking shall not be considered as cancelled or in any way affected upon the utilization or realization by MCXCCL of the G–Sec for meeting any specific obligation, liability or commitment of the Member and shall continue and remain in operation in respect of all subsequent obligations, liabilities or commitments of the Member.

9. If the Reserve Bank of India (RBI) deducts any income tax at source (TDS) on the interest payable at the rate applicable to MCXCCL the same shall be passed on to the member, who may have a different tax rate. In case the member desires to avail of any concession from TDS, it will have to submit all requisite forms/ documents to MCXCCL within such time as required by MCXCCL/ RBI for this purpose. In such cases, MCXCCL will try on a best effort basis to get the interest payment without the deduction.

10. MCXCCL shall issue statements to member from time to time with respect to the G–Sec balances. The Member agrees to point out any discrepancies to MCXCCL within 24 hours of the receipt of the statement, failing which MCXCCL shall assume the balances to be correct.

11. The Member shall be released from its obligations, liabilities under this undertaking only when MCXCCL, in writing, expressly provides for the release of the said undertaking.

12. The Member agrees to pay promptly all such fees, charges and/ or costs pertaining to G–Sec given as margin deposit and to execute such further documents whether of a legal nature or otherwise as may be required by MCXCCL for the purpose of giving effect to the provisions of this undertaking and also the Scheme for the Deposit of G–Sec in electronic form.

13. The Member agrees that while handling corporate action in connection with the CSGL account, MCXCCL shall provide credit for G–Sec / fund to the member, as the case may be only after the same has been provided by RBI in the account of MCXCCL.

14. The Member agrees that MCXCCL shall have a lien on all its G–Sec transferred in the MCXCCL CSGL account and shall not be affected in any manner whatsoever if MCXCCL takes any action against the Member including suspension or expulsion or declaration of the Member as a defaulter.

15. The Member agrees that MCXCCL shall not be under any liability whatsoever to the Member or any other person for any loss, damage, expenses, costs, etc., arising out of or pursuant to the deposit of the G–Sec under these presents, in any manner, and the Member shall at all times indemnify and keep indemnified MCXCCL from and against all suits, proceedings, costs, charges, claims and demands whatsoever that may at any time arise or be brought or made by any person against MCXCCL in respect of any acts, matters and things lawfully done or caused to be done by MCXCCL in connection with the G–Sec or in pursuance of the rights and powers of MCXCCL under this undertaking.

16. The Member undertakes that the transfer of the G–Sec as margin deposits, pursuant to this undertaking, shall be binding on the Member as continuing and that the same shall not be prejudiced by any failure on the part of the Member to comply with the Rules, Bye–Laws or Regulations of MCXCCL or any other terms and

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conditions applicable to the Membership of MCXCCL and that MCXCCL shall be at liberty to enforce its rights hereunder, notwithstanding its rights against the Member hereunder or under its Rules, Bye–Laws and Regulations including amendments thereof or in relation to margin deposits hereafter held or taken at any time irrespective of any variation, amendment, change or alteration of any terms or conditions in general or as applicable to the Member in particular.

17. The executants hereby declare that it has been duly authorized to execute this undertaking by way of Board Resolution of the Member* (only in case of corporate members) as per the copy of Board Resolution annexed hereto.

18. This undertaking shall be governed by and construed and interpreted in accordance with the Laws of India and the Courts in Mumbai shall have exclusive jurisdiction on all matters arising out of this undertaking.

Executed at _____ on the day, month and year above mentioned.

Signed, sealed and delivered by the within named Member *

_____

In the presence of witnesses

1.

2.

* To be signed by

a. The individual if the membership is in his/her name.
b. Authorised Signatory(ies) in other cases

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Annexure - 14 - Request for Addition of G–Sec/T-Bills as margin deposit (E–Kuber)

(To be typed on Clearing Member Letter Head)

Date: _____

To,
Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square,
Suren Road, Chakala, Andheri (East),
Mumbai – 400 093

Dear Sir / Madam,

Member ID:_____

Member Name:_____

E-Kuber ref no:_____

Re: Request for Addition of Government Securities (G–Sec/T-Bills) as margin deposit

We would like to deposit below mentioned Government Securities (G–Sec/T-Bills) as margin deposit. Details are as under:

CM ID	CM LEI No.	Source SGL A/c no	Source SGL A/c Holder Name	TM ID	CP Code	UCC	ISIN no.	Instrument details	Maturity Date	Face Value (in digits & words)	Qty

Further, we have initiated transfer of securities to MCXCCL CSGL account no **52663900001**, vide 'Margin Transfer' through E–Kuber.

You are requested to confirm the same and consider the above Government Securities (G–Sec/T-Bills) toward margin deposit.

Thanking You,
Yours faithfully,
For _____

Authorised Signatory
Email Id : _____
Contact No. : _____

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Annexure - 15 - Request for release of G–Sec/T-Bills as margin deposit (E–Kuber)

(To be typed on Clearing Member Letter Head)

Date: _____

To,
Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square,
Suren Road, Chakala, Andheri (East),
Mumbai – 400 093

Dear Sir / Madam,

Member ID:_____

Member Name:_____

Re: Request for release of Government Securities (G–Sec/T-Bills)

We would like to release below mentioned Government Securities (G–Sec/T-Bills) as margin deposit. Details are as under:

Member ID	**TM ID**	**CP Code**	**UCC**	**ISIN no.**	**Instrument details**	**Face Value (in digits & words)**	**Qty**	**Maturity Date**	**Target SGL A/C No.**	**Target SGL A/C Holder Name**

The Government Securities (G–Sec/T-Bills) may be transferred to our above mentioned SGL account.

Thanking You,
Yours faithfully,
For _____

Authorised Signatory
Email Id : _____
Contact No. : _____

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Annexure - 16 - Deed of Pledge by Member for pledge of electronic warehouse receipts

(To Be Executed on Non-Judicial Stamp Paper Of minimum Rs. 1000/- or in accordance with the Stamp Duty Rates applicable at the Place of Execution, whichever is higher).

This Deed of Pledge (hereinafter referred to as "this Deed") is executed at _____ on this ___ day of _____ 20___ by _____, S/o / d/o / w/o _____ residing at _____ and having his office at _____*

_____, a partnership firm registered under the Indian Partnership Act, 1932 and having its office at _____*

_____Limited incorporated as a company under the Companies Act, 1956/ Companies Act, 2013 and having its registered office at _____*

(hereinafter referred to as " Member**"** which expression shall unless repugnant to the context thereof include its successors, administrators and assigns) in favour of Multi Commodity Exchange Clearing Corporation Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Exchange Square, CTS 255, Suren Road, Chakala, Andheri (East), Mumbai-400093, (hereinafter referred to as " MCXCCL" which expression shall unless repugnant to the context thereof, include its successors and assigns).

WHEREAS

a) The Member is admitted as a Member of MCXCCL

b) One of the requirement of Membership is that the Member, if desirous of availing exposure, shall maintain with MCXCCL initial margin deposits/additional margin deposits (hereinafter, for brevity purpose, referred to as "margin deposits") in the form of cash, bank guarantees, fixed deposit receipts, securities and/or warehouse receipts for the due performance and fulfillment by him/it of his/its engagements, commitments, operations, obligations or liabilities as such Member including any sums due by such member to MCXCCL/ MCX or any other party as decided by MCXCCL arising out of or incidental to any contracts made, executed, undertaken, carried out or entered into by such member.

c) Electronic warehouse receipts of approved commodities to be deposited by the Member for the purpose of availing additional exposure shall be from MCXCCL designated warehouse and as approved by MCXCCL from time to time.

d) The Members shall pledge/ re-pledge the electronic warehouse receipts in the favour of MCXCCL.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. In consideration of MCXCCL having agreed to accept electronic warehouse receipts of approved commodities towards additional margin deposits to an extent of Rs._____ /- (Rupees _____only), the Member hereby pledges/ re-

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pledges the electronic warehouse receipts (hereinafter referred to as "Said WR(s)" and shall include all the warehouse receipts deposited from time to time in addition to, substitution of or replacement thereof) with MCXCCL as security for due performance and fulfillment by the Member of all his/its engagements, commitments, operations, obligations or liabilities as a Member of MCXCCL including any sums due by the Member to MCXCCL/ MCX or any other party as decided by MCXCCL, arising out of or incidental to any contracts made, executed, undertaken, carried out or entered into by the member.

2. The Member shall pledge/ re-pledge the Said WR(s) in the absolute disposition of MCXCCL for the purpose, in such manner as decided by MCXCCL and such disposition shall be indisputable notwithstanding the fact that the Member may be permitted to have access to the Said WR(s) in the manner and subject to such terms and conditions as determined by MCXCCL from time to time. The Member confirms, affirms and covenants with MCXCCL that he/it shall do all such acts and things, sign such documents and pay and incur such costs, debts and expenses as may be necessary without prejudice to any other obligations, liabilities, duties which he/it owes as a Member.

3. (a) The Member declares and assures that the pledged WR(s) are in existence, owned by him/it and free from any prior charge, lien or encumbrance and further shall ensure that all the Said WR(s) over which pledge may be created in future shall be in existence and owned by him/it at the time of creation of such pledge and shall be unencumbered, absolute and exclusive property of the Member.

   (b) The Member is permitted to pledge the WR(s) owned by clients/ TMs and pledged in their favour in accordance with the provisions of MCXCCL Circular Ref: MCXCCL/C&S/234/2021 dated September 08, 2021 and such other circulars issued by MCXCCL in this regard from time to time. Such pledged WR(s) belonging to clients shall be dealt with by MCXCCL in accordance with the provisions applicable for pledge/ re-pledge of approved securities.

4. The Member agrees and undertakes that he/it shall not without the prior written permission of MCXCCL create any charge, lien or encumbrance of any kind upon or over the Said WR(s) hereby pledged or those which may hereafter be pledged except to MCXCCL, that the Member shall not suffer any such charge, lien or encumbrance that may affect the Said WR(s) or any part thereof, and further undertakes that he/it shall not do or allow anything to be done that may prejudice the Said WR(s) while he/it remains liable to MCXCCL in any manner.

5. The Member agrees, declares and undertakes that he/it shall be bound and shall abide by the terms and conditions of the Scheme for the Deposit of WR(s) of approved commodities as formulated and determined by MCXCCL pertaining to margin deposits, or such other requirements either in their existing form or as modified/changed/altered/amended from time to time pursuant to requirement/compliance of Membership.

6. The Member agrees and hereby authorizes that if in the opinion of MCXCCL, the Member has failed to perform and/or fails to fulfill his/its engagements, commitments, operations, obligations or liabilities as a Member of MCXCCL including payment of any sums due by him/it to MCXCCL/ MCX or to any other party arising out of or incidental to any contracts made, executed, undertaken, carried out or entered into by him/it, then the Member agrees that MCXCCL is entitled to invoke the pledge without giving any prior notice to the Member and that the MCXCCL / MCX shall be empowered/entitled to, sell, dispose of , including online

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auction, or otherwise effect any other transfer of the Said WR(s) and/or underlying commodities in such manner and subject to such terms and conditions as it may deem fit and that the money if any realized from such sale/disposal/online auction or other transfer shall be utilized towards dues/may be disbursed by MCXCCL in such manner and subject to terms and conditions as it may deem fit and further the Member shall do all such things, deeds, acts and execute all such documents as are necessary to enable MCXCCL to effect such sale/disposal/online auction or other transfer and cost / damage / expenditure if any paid / incurred / borne by MCXCCL shall have to be reimbursed by the Member to MCXCCL. The decision of MCXCCL as to the obligations or liabilities or commitments of the Member and the amount claimed shall be final and binding on the Member. The Member agrees that such disposal of Said WR(s) without any notice/ intimate in advance shall be deemed to be reasonable, as this pledge of Said WR(s) is being accepted as margin deposits by MCXCCL in lieu of cash deposits or bank guarantees, which can be invoked forthwith upon any amount becoming due and appropriated under the Rules, Bye-laws and Regulations of MCXCCL.

7. The Said WR(s) of approved commodities pledged as security shall be available at the disposal of MCXCCL as a continuing security and shall remain available for and in respect of all the obligations, liabilities or commitments of the Member jointly or severally and may be utilized as such at the discretion of MCXCCL, as if each of the obligations, liabilities or commitments is secured by the Said WR(s). This Deed shall not be considered as cancelled or in any way affected upon the utilization or realization by MCXCCL of the Said WR(s) and/or underlying commodities for meeting any specific obligation, liability or commitment of the Member and shall continue and remain in operation in respect of all subsequent obligations, liabilities or commitments of the Member.

8. The Member agrees to be bound by the instructions of MCXCCL, in respect of creation of pledge, invocation of pledge, release thereof, transfer of warehouse receipts or sale of warehouse receipts and/or underlying commodities arising out of any obligations of the Member as referred hereinabove and the Member further agrees that MCXCCL shall not be bound to notify the Member in case of invocation of pledge created by the Member by these presents.

9. The Member shall be released from his/its obligations, liabilities under this Deed only when MCXCCL, in writing/ electronically, expressly provides for the release of the pledge on Said WR(s).

10. The Member agrees that MCXCL shall be entitled to sell, or negotiate or otherwise transfer the Said WR(s) and for the purpose to execute transfer documents and/or any other necessary documents, wherever applicable or other endorsements and that MCXCCL shall be entitled to receive from the Member all expenses incurred by MCXCCL for the aforesaid purposes.

11. The Member agrees to pay promptly all such fees, charges and/or costs pertaining to pledge of the Said WR(s) to MCXCCL and to execute such further documents whether of a legal nature or otherwise as may be required by MCXCCL for the purpose of giving effect to the provisions of this Deed and also the Scheme for the Deposit of Warehouse Receipts.

12. The Member agrees that the deposit of the Said WR(s) and the pledge thereof shall not be affected in any manner whatsoever if MCXCCL takes any action against the Member including suspension or expulsion or declaration of the Member as a defaulter.

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13. The Member agrees that MCXCCL shall not be under any liability whatsoever to the Member or any other person for any loss, damage, expenses, costs, etc., arising out of the deposit of the Said WR(s) under these presents, in any manner, due to any cause, whatsoever, irrespective of whether the Said WR(s) are pledged in favour of MCXCCL at the time of such loss or damage or the happening of the cause thereof. The Member shall at all times indemnify and keep indemnified MCXCCL from and against all suits, proceedings, costs, charges, claims and demands whatsoever that may at any time arise or be brought or made by any person against MCXCCL in respect of any acts, matters and things lawfully done or caused to be done by MCXCCL in connection with the Said WR(s) and/or underlying commodities or in pursuance of the rights and powers of MCXCCL under this Deed.

14. The Member undertakes that the deposit of the Said WR(s) and the pledge thereof that shall be created shall be binding on the Member as continuing and that the same shall not be prejudiced by any failure on the part of the Member to comply with the Rules, Bye-laws and Regulations of MCXCCL or any other terms and conditions attendant to the Membership of MCXCCL and that MCXCCL shall be at liberty to enforce its rights hereunder, notwithstanding its rights against the Member hereunder or under its Rules, Bye-laws and Regulations including amendments thereof or in relation to the Said WR(s) or to any other security now or hereafter held or taken at any time irrespective of any variation, amendment, change or alteration of any terms or conditions in general or as applicable to the Member in particular.

15. The executants hereby declare that he/they has/have been duly authorized to execute this Deed by way of Board Resolution of the Member (only in case of corporate members) as per the copy of Board Resolution annexed hereto.

16. This Deed shall be governed by and construed and interpreted in accordance with the laws of India and the courts in Mumbai shall have exclusive jurisdiction on all matters arising out of this Deed.

Executed at _____on the day, month and year above mentioned.

Signed, sealed and delivered by the within named Member **

_____

In the presence of witnesses

1.

2.

* Strike out whichever is not applicable

** To be signed by

c. The individual if the membership is in his/her name.
d. Authorised Signatory(ies) in other cases

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Annexure - 17 - Salient features and process of Margin Pledge / Re-pledge functionality in ComRIS (Commodity Receipts Information System)

MCXCCL has enhanced ComRIS to introduce Pledge / Re-pledge of electronic warehouse receipts of Commodities eligible for deposit and record keeping in ComRIS towards Margin obligations. The access of Margin Pledge / Re-Pledge feature is available through ComRIS system using Dashboard option.

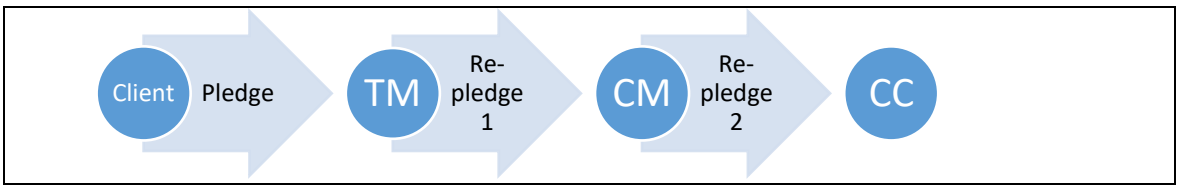
Margin Pledge instructions will be initiated based on the UCC mapped in ComRIS account and TM-CM mapping available in ComRIS. Clients can use existing beneficiary account or open new beneficiary account with beneficiary account type as "Non-Custodial Participant account". For Custodial participants, the account type shall be "Custodial Participant account" and mapping of the Clearing member shall be required in the respective Member Field. Custodial Participants, with existing beneficiary account, can request their ComRIS participant for modifying the account type. Other processes stipulated for account opening / modification will continue to remain same. Members of MCX/ MCXCCL intending to avail the pledge/ re-pledge mechanism in ComRIS shall open a new beneficiary account as Trading Member margin pledge account (TMMPA)/ Clearing Member Margin Pledge Account (CMMPA) respectively. ComRIS Participant has to map the applicable Trading member / Clearing Member while opening the TMMPA/ CMMPA account with the CM-TM defined in ComRIS. ComRIS Participant has to select the Pledge / Re-pledge confirmation as "Auto" / "Manual" based on the request received from the member. In case of selection of 'Auto', the Pledge / Re-pledge shall be auto confirmed at pledgee end. In case of selection of 'manual', the maker and checker process shall be applicable at pledgee end.
For pledge/ re-pledging or electronic receipts, Mobile number and e-mail ID field is mandatory for Original pledger for receiving the OTP.

The detailed process of Margin Pledge / Re-pledge functionality is given below:

1. Electronic receipts with 'free' status shall only be permitted to be pledged. When a WR is pledged by an account holder (pledger) in favour of another entity (pledgee), the status of the receipt shall change from 'free' to 'Pledged, Pledged to Repledge1, and 'Repledged 1 to Repledge2' in the account of the receipt holder (depending upon the pledge stage as given in point no. 3 below). The receipt holder cannot further transact on it except raising a un-pledge request.

2. On pledge confirmation, the pledgee gets the right to invoke the pledge. In case of invocation of pledge, the receipt would move from the pledger account to the pledgee account and the status would be updated to free on such transfer. In case of pledge closure (that can be initiated by either of pledger/pledgee), on approval by the pledgee, the status of the pledged receipts is restored to free state.

3. **Client Pledge/ re-pledge Cycle**



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i. **Stage 1 –** Client pledges in favour of its TM (TM Margin Pledge Account). At this stage, the pledger is client and the pledgee is TM.

ii. **Stage 2 –** The TM may pledge in favour of the CM (CM Margin Pledge Account) mapped to it. It is called as Repledge 1. At this stage, the pledger is the TM and the pledgee is CM.

iii. **Stage 3 –** The CM may pledge in favour of the CC (Clearing Corporation Account). It is called as Repledge 2. At this stage, the pledger is the CM and the pledgee is CC.

4. Pledge Process:

i. Currently the client is required to map the UCC in its ComRIS Account. The mapping is in the CM_TM_UCC combination. The same combination shall be used for initiating and directing the flow of pledge/ re-pledge process.
ii. The client intending to create pledge in the favour of its TM shall initiate a pledge by selecting the respective UCC mapping.
iii. The system will identify the TM Margin Pledge Account of the TM in the UCC mapping and permit pledge creation in favour of the said account only. This is stage 1 of the pledge process.
iv. The pledge shall be recorded in the system after taking a separate OTP based confirmation of the client. TM shall be allowed to confirm the pledge after the client confirmation. Once the TM confirms the pledger, system shall change the free status of the electronic receipts and the process is complete.
v. The TM margin pledge account shall have a provision to manually confirm the pledge or set the account in an auto mode for accepting pledge.

5. Re-pledge 1 process:

i. The pledges confirmed by TM in point no. 4 above are eligible for re-pledge (re-pledge 1) by the TM in favour of the CM identified in the UCC mapping.
ii. The TM shall select the electronic receipts that it intends to Pledge in favour of the CM Margin Pledge Account and generate a re-pledge request.
iii. The system will identify the CM Margin Pledge Account of the CM in the UCC mapping and permit pledge creation in favour of the said account only. The CM in the UCC mapping shall also be validated with the CM_TM mapping uploaded by MCXCCL before the request is accepted. In case of mismatch, the record will not be accepted. This is stage 2 of the pledge process.
iv. The re-pledge shall be recorded in the system after taking a separate OTP based confirmation of the client. CM shall be allowed to confirm the pledge after the client confirmation. Once the CM confirms the pledge, system shall update the pledger and pledgee records for the said electronic receipts and then the re-pledge 1 process is complete.
v. The CM margin pledge account have a provision to manually confirm the pledge or set the account in an auto mode for accepting pledge.

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6. Re-pledge 2 process:

i. The pledges confirmed by CM in point no. 5 above are eligible for re-pledge (re-pledge 2) by the CM in favour of the CC.
ii. The CM shall select the electronic receipts that it intends to Pledge in favour of the CC. This is stage 3 of the pledge process.
iii. The re-pledge shall be recorded in the system after taking a separate OTP based confirmation of the client. Once the CC confirms the pledge, system shall update the pledger and pledgee records for the said electronic receipts and then the re-pledge 2 process is complete.

7. Trading Member / Custodial Participant / Clearing Member pledge of own WR(s):

i. A TM/ CP/ CM can pledge its own receipts also under the pledge/ re-pledge mechanism.
ii. In such cases, the process of pledge shall as defined in point no. 4 above treating the respective TM/ CP/ CM as an end client.

8. Un-pledge process:

i. The un-pledge process shall be initiated by the pledger, the pledge initiator can request for unpledge for Pledge, Repledge 1 and Repledge 2 with maker checker at Pledgee end.
ii. In case of un-pledge raised by the Pledger it shall be treated as confirmed only when the checker of the pledgee confirms.
iii. Once the un-pledge is confirmed by the pledgee, the system will change the pledger and pledgee depending the stage of pledge.

Stage of Pledge	Action	New Pledger	New Pledgee
Re-pledge 2	CC un-pledge	TM	CM
Re-pledge 1	CM un-pledge	Client	TM
Pledge	TM un-pledge	NA	NA

iv. Once the TM-un-pledges, the status of the receipts will be changed from frozen to free and the account holder would be permitted to transact further in the said receipts

9. Bulk upload for the receipts has been provided for pledged/ re-pledged/ un-pledged. The file format shall have following fields “ID, Lot/bar Number, Delivery units”

10. System shall permit the pledgee to invoke the pledge in the event of default by the pledger. Once the pledgee invoked the pledge, the receipts shall move from the account of the client to the pledgee and the status of the receipts shall be modified from frozen to free in the account of the pledgee.

Pledge invoked by	Receipts shall move from
CC	Client to CC
CM	Client to CM

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TM	Client to TM

11. Once a pledger creates a pledge in favour of the pledgee, the pledgee will get an email alert for the pledge created. Similarly, in case of un-pledge request email alert shall be provided to the pledger and pledgee.

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Annexure - 18 - Letter to be given by the Member for Release of Warehouse Receipt(s)

Date: _____

To,
The Collateral Department,
Multi Commodity Exchange Clearing Corporation Limited.
Exchange Square, CTS No.255,
Suren Road, Chakala,
Andheri (East), Mumbai – 400 093

Dear Sir,

Sub: Release of warehouse receipt(s) kept as additional margin deposit

Clearing Member Code: _____

We wish to withdraw the following warehouse receipts of approved commodities kept as additional margin deposit.

Commodity	**WR No./ ComRIS Receipt ID.**	**Qty**	**Bar No / Lot No**	**Issuing Warehouse / Vault with address**	**Quality Assayer**	**QC Reference, validity date**	**WR Value**

We request you to consider our request for release of the above-mentioned warehouse receipt(s) as per applicable norms for release of these securities.

Yours faithfully
For _____

Authorised Signatory

(Name & Stamp of Member)
Email Id : _____
Contact No. : _____

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Annexure - 19 - Details of designated MCXCCL settlement accounts

1. HDFC Bank Limited

Beneficiary Name	Multi Commodity Exchange Clearing Corporation Ltd.
Account No.	00990680015580
Centre (Location)	Mumbai
Branch	Fort Branch
Account Type	Current
IFSC Code	HDFC0000060

2. AXIS Bank Limited

Beneficiary Name	Multi Commodity Exchange Clearing Corporation Ltd.
Account No.	004010203312304
Centre (Location)	Mumbai
Branch	Fort Branch
Account Type	Current
IFSC Code	UTIB0000004

3. ICICI Bank Limited

Beneficiary Name	Multi Commodity Exchange Clearing Corporation Ltd.
Account No.	000405071632
Centre (Location)	Mumbai
Branch	Backbay Reclamation Branch
Account Type	Current
IFSC Code	ICIC0000004

4. Kotak Mahindra Bank Limited

Beneficiary Name	Multi Commodity Exchange Clearing Corporation Ltd.
Account No.	09582650005572
Centre (Location)	Mumbai
Branch	Fort Branch
Account Type	Current

IFSC Code	KKBK0000958

5. IDFC First Bank Limited

Beneficiary Name	Multi Commodity Exchange Clearing Corporation Ltd.
Account No.	10171655979
Centre (Location)	Mumbai
Branch	Nariman Point Branch
Account Type	Current
IFSC Code	IDFB0040101

Chapter 3: Risk Management

MCXCCL shall deploy below mentioned and other suitable risk management measures:

References to current provisions are provided in the respective sections. Further, in case of any revisions/updation, MCXCCL shall issue circulars from time to time.

3.1 Margins

MCXCCL follows a comprehensive and stringent margining system for all commodity derivatives contracts traded on MCX. Actual margining is done on an on-line basis. For the purpose of computing and levying the margins, MCXCCL uses SPAN® (Standard Portfolio Analysis of Risk) system which follows a risk-based and portfolio-based approach. The Initial Margin requirement is based on a worst-case loss scenario of portfolio at client level to cover VaR (value at Risk) over Margin Period of Risk (MPOR), subject to a minimum margin as prescribed by SEBI for the respective commodities.

3.1.1 Initial Margin

MCXCCL determine the applicable minimum Initial Margin (IM), Short Option Minimum Margin (SOMM), minimum Margin Period of Risk (MPOR) and minimum Volatility Scan Rage (VSR) for options as per the norms provided by SEBI vide circular no. SEBI/HO/CDMRD/DRMP/CIR/P/2020/15 dated January 27, 2020 and SEBI circular no SEBI/HO/CDMRD/DRMP/CIR/P/2021/08 dated January 11, 2021. The initial margin shall be imposed at the level of portfolio of an individual client comprising of his positions in futures and options contracts on each commodity. Margins shall be adequate to cover 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) shall be determined on the basis of the volatility category of the commodity.

MCXCCL shall categorize their commodities into three categories of volatility based upon the realized volatility for last three years as given below:

Volatility Category of Commodity	**Realized Annualized Volatility Criteria**
Low	0 to 15%
Medium	Above 15% to 20%
High	Above 20%

Based on volatility category, applicable minimum Initial Margin (IM), minimum Margin Period of Risk (MPOR), Short Option Minimum Margin (SOMM) and minimum Volatility Scan Range (VSR) shall be as under:

Volatility Category of Commodity	**Minimum IM/ SOMM**		**Minimum MPOR**		**Minimum VSR**	
	Non-Agri	**Agri**	**Non-Agri**	**Agri**	**Non-Agri**	**Agri**

Low	6%	8%	2	3	4	5
Medium	8%	10%	2	3	5	6
High	10%	12%	3	4	6	7

MCXCCL shall review the categories of all the commodities once every six months i.e. 1st March and 1st September of each year on a rolling basis and changes if any shall be made applicable from 1st April and 1st October respectively of each year. Commodity may be moved from higher volatility category to lower category only if it satisfies criteria of the revised category of volatility for two consecutive reviews.

However movement from lower to higher volatility category shall be done based upon a single review.

In case of the launch of new underlying commodity for which no reference future prices are available, it shall be initially categorized based on the spot market subject to the minimum of medium category of Volatility. Re-categorisation of such commodity from higher to lower category of volatility can only be done after two consecutive reviews.

For applicable minimum Initial Margin (IM), Short Option Minimum Margin (SOMM), minimum Margin Period of Risk (MPOR) and minimum Volatility Scan Rage (VSR) for options refer the latest circulars issued by the MCXCCL.

3.1.2 Premium Margin

For buyer of the option, buy premium shall be charged as margins and blocked from the collaterals.

3.1.3 Net Option Value

Net Option Value is computed as the difference between the long option positions and the short option positions, valued at the last available closing price and shall be updated intraday at the current market value of the relevant option contracts at the time of generation of risk parameters. Thus, mark to market gains and losses shall not be settled in cash for options positions.

3.1.4 Short Option Minimum Margin

SOMM is the minimum margin applicable to sellers of options. The SOMM margin percentage is specified by MCXCCL from time to time.

3.1.5 Updation of risk parameters:

The parameters for computation of SPAN® margin shall be updated as decided by MCXCCL from time to time. Risk Parameter File (RPF) shall be updated based on the prices calculated at before the start of market hours, 9:30 am., 11:00 am., 1:00 pm., 3:00 pm., 5:00 pm., 7:00 pm., 8:30 pm., 10:30 pm. and after end of market hours. The risk parameters files shall be made available to the members on MCXCCL website.

In addition to the above timings, MCXCCL may generate additional Risk Parameter File(s) in case of volatile market scenario.

3.1.6 Extreme Loss Margin

'Extreme Loss Margin' means margin to cover the loss in situations that lie outside the coverage of Initial Margin. Extreme Loss margins shall be as follows:
For Commodities - 1.25% or shall be such percentage of the gross open positions as may be prescribed by MCXCCL For Indices - 1% or shall be such percentage of the gross open positions as may be prescribed by MCXCCL

Extreme Loss Margin shall be deducted from the liquid assets of the clearing member on an online, real time basis.

For seller of the option contract, Extreme Loss Margin shall be levied based on the margins percentage specified by MCXCCL from time to time. For buyer of the option contract, Extreme Loss Margin shall not be levied.

3.1.7 Additional Margin

'Additional Margin' means margins specified by MCXCCL or SEBI over and above any other margins. MCXCCL shall have the right to impose additional risk containment measures over and above the risk containment system mandated by SEBI / MCXCCL / Exchange.

3.1.8 Additional Lean Period margin

Additional Lean period margin is applicable only in the case of Agri Commodities as during the lean period, there may be higher volatility in prices. Hence MCXCCL shall levy an additional lean period margin of 2% on contracts expiring during the lean period. Additional Lean Period Margin is determined as per the SEBI circular no. SEBI/HO/CDMRD/DRMP/CIR/P/2020/15 dated January 27, 2020.

3.1.9 Special Margin

Special Margins are levied by MCXCCL in case of unidirectional price movement or based on Exchange's evaluation in specific situations. MCXCCL may levy special margins over and above the initial margin and the extreme loss margins. Special margins may be levied generally on either long open positions or on short open positions and shall be collected in any form of collateral or in Cash only as may be directed by the SEBI / MCXCCL / Exchange.

3.1.10 Tender period Margin/Pre-expiry Margin

'Tender period Margin/Pre-expiry Margin' means the margin which may be increased gradually every day beginning from the predetermined number of days before the expiry of the contract as applicable. The quantum of tender period margin as appropriate based on the risk characteristics of the particular commodity shall be decided by the MCXCCL from time to time. For applicable Tender Period Margins / Pre-Expiry Margins on commodities / indices members are requested to refer to the

latest circulars issued by MCXCCL on a monthly basis.

3.1.11 Delivery Period Margin

'Delivery period margin' means margin levied by MCXCCL on the long and short positions marked for delivery till the payin is completed by the member. Once delivery period margin is levied, all other applicable margins may be released. The delivery margin is levied during the period specified in the contract specification and the circulars issued by MCXCCL from time to time. The delivery period margin is calculated at the rate specified for the respective commodity multiplied by the net open position held by a member in the expiring contract. When a seller submits delivery documents along with a surveyor's certificate, his position is treated as settled and his delivery period margin to such extent is reduced. When a buyer pays money for the delivery allocated to him, his delivery margin is reduced on such quantity for which he has paid the amount. If delivery does not happen with respect to certain open position and is finally settled by way of difference as per the Due Date Rate, the delivery period margin is released only after final settlement of difference arising out of such closing out as per the Due Date Rate.

3.1.12 Concentration Margin

MCXCCL shall impose adequate concentration margins (only on concentrated positions) to cover the risk of longer period required for liquidation of concentrated positions in any commodity. The threshold value for imposing concentration margin may be determined taking into account factors including open interest, concentration and estimated time to liquidation based on prevailing liquidity and possible reduction in liquidity in times of market stress etc. The quantum of concentration margins imposed may vary based on the level of concentration.

For applicable concentration margins on commodities members are requested to refer to the latest circulars issued by MCXCCL on a monthly basis.

3.1.13 Intraday Crystallised Loss

Intraday Crystallised loss (i.e. loss made on square-off positions) incurred by the members would be added to the Margin Utilization of the member along with SPAN and other margins which would be compared against the Margin Limit (eligible Collaterals). Crystallised losses would be computed for futures products only and shall be calculated based on weighted average prices of trades executed.

The intraday Crystallised losses shall be monitored and computed on a real-time basis at client level and shall be grossed up to arrive at the crystallized loss of the member. Crystallized losses shall be offset against crystallized profits at a client level.

If crystallized losses exceed the free collateral available with the Clearing Corporation, then the member shall be put into risk reduction mode / square-off mode, as the case may be.

3.1.14 Calendar Spread Benefit and Calendar Spread Charge

A calendar spread is an open position of one expiration that is hedged by an offsetting position of a different expiration. The benefit in initial margin shall be permitted only when each individual contract in the spread is from amongst the first six expiring contracts.

A charge of minimum 25% of the initial margin (i.e. a calendar spread benefit of approximately 75% of margins) on each of the individual legs of the spread shall be levied as calendar spread charge. In the case of such spread positions additional margins shall not be levied. No benefit in ELM would be provided for spread positions i.e. ELM shall be charged on both individual legs. Calendar spread benefit shall not be considered for the open position in a contract in tender/delivery period [and Spread margin benefit on spread positions shall be entirely withdrawn] latest by the start of tender period or the start of the expiry day, whichever is earlier. The margin on calendar spread shall be calculated on the basis of delta of the portfolio consisting of futures and options contracts in each month. The Calendar Spread charge shall be 25% on both the legs of the position.

3.1.15 Sensitivity Report and Devolvement Margins for Option contracts

Sensitivity report shall be provided to members for sensitizing the impending increase in margins prior to the Options Expiry. Further, MCXCCL shall levy devolvement margin beginning from at least one day prior to options expiry date. MCXCCL shall review the mechanism and if deemed necessary shall increase/decrease the number of days for which sensitivity report is being provided and the number of days for which devolvement margin is being levied. MCXCCL reserves the right to increase/ decrease the quantum of devolvement margin.

3.1.15.1 Sensitivity Report

The Sensitivity Report to be provided to the members would be an End of Day report. The report would be made available to members four days prior to the devolvement date of the options contract.

The Report would be based on “What if Scenario”, wherein all In the Money (ITM) in the near month option contract, would be identified based on the respective day’s settlement price, and converted into futures positions.

The “what-if scenario” margins shall be calculated at client portfolio level and grossed up at member level.

The “what-if scenario” margins shall be computed using SPAN software.

Spread charge, as currently applicable would be considered for expected margin computation i.e. benefit on spread positions shall be considered.

If the member has given “Contrary Instruction” the same will not be considered for computation of expected margin in Sensitivity Report.

A file shall be provided to members giving the information on existing margins, 'what if' scenario margins and incremental margins requirement.

Profit element on expected Devolved Call and Put option positions shall be considered and will be reduced in the calculation of margin requirement. If the profit element exceeds the additional margin requirement due to devolvement of positions into futures, then the margin requirement shall be considered as zero for the purposes of Sensitivity Report.

3.1.15.2 Devolvement Margin

Based on the outcome of the Sensitivity Report, MCXCCL shall levy Devolvement margin.

As stated, Devolvement Margin shall be computed at the end of the day, starting from the end of the second day prior to option devolvement date. Of the total Devolvement Margins arrived based on the methodology specified for computation of margins in Sensitivity Report, MCXCCL shall levy 25% of the total Devolvement Margin computed on the day prior to the Option Devolvement Date as devolvement margin. The said margin shall be made applicable for the entire next day (i.e. from the beginning of the day till the end of the day).

At the end of the day on the day prior to Option Devolvement Date, Devolvement Margin shall be re-computed considering the revised and updated Sensitivity Report and the Settlement price. On this day, 50% of the computed Devolvement Margin shall be made applicable on the next day.

Devolvement Margin shall be in addition to all other applicable margins. In case of a situation where there is a margin reduction due to devolved position, no benefit would be passed on.

In case of multiple contracts having different expiry dates but a common devolvement margin period, an average rate of the applicable margins numbers shall be applied, subject to a maximum margin rate of 50%.

Refer below example.

Trade Date	Option Contract Expiry for Devolvement	Total Margin	Applicable Margin	Remark
09-04-2025	GOLD - Expiry - 09/04/2025	50%	50%	E day
08-04-2025	GOLD - Expiry - 09/04/2025	25%	75% /2 = 37.5%	E-1 Day
	SILVER - Expiry - 08/04/2025	50%		E day
07-04-2025	GOLDM - Expiry - 08/04/2025	25%	100% /3 = 33.3%	E-1 Day
	SILVER - Expiry - 08/04/2025	25%		E-1 Day

	COPEER - Expiry - 07/04/2025	50%		E day
06-04-2025	ZINC - Expiry - 06/04/2025	50%	100% /2 = 50.0%	E day
	CRUDEOIL - Expiry - 06/04/2025	50%		E day

* E is Expiry

MCXCCL shall not consider devolvement margins for the purpose of client margin reporting.

3.2 Minimum Liquid Net-worth

Clearing Members are required to maintain Minimum Liquid Net-worth (MLNW) requirement of Rs 50 Lakhs. The Minimum Liquid Net-worth Requirement amount shall be blocked from the collaterals placed by the Clearing Member with MCXCCL. The members of MCXCCL are required to pay an interest free security deposit as prescribed by MCXCCL at the time of admission, which will be used as margin deposit against exposure of the members. The same shall be given minimum 50% in the form of Cash and balance in the form of Fixed Deposit Receipts / Bank Guarantees. Similarly, if a member has paid an additional deposit or margin, the system allows him exposure up to such a level, up to which the margin requirement on such exposure is equal to or less than total deposit (initial minimum-security deposit + additional deposit / margin.) As soon as a member crosses such an allowed exposure limit, he is put in square off mode for the purpose of trading on MCX. In case a member is put in square off mode immediately, due to crossing such limit, he can still log in to the system, he can view the market, place square off orders and reduce the open positions. In case the deposits of the member falls below the ISD requirements, the member is placed in suspend square off mode on Exchange from the start of the subsequent trading day. In case a member is put in suspend square off mode/ square off mode, he can still log in to the system, he can view the market, place square off orders and reduce the open positions.

3.3 Blocking of Margins

The calculation of margin at trade level is on a real time basis, which implies that with every trade executed by the member, his allowable exposure limit is correspondingly reduced to the extent of limit exhausted towards execution of such trade. However, if the new trade results into a reduction in his outstanding position, his available exposure limit increases correspondingly because of overall reduction in his outstanding position by virtue of such offsetting trades.

Margins shall be computed at the level of portfolio of each individual client comprising his positions in futures and options contracts across different maturities. For Trading/Clearing Member level margins computation, margins would be grossed across various clients. The proprietary positions of the Trading Member would also be treated as that of a client for margin computation.

At the end of the day, the system recalculates margin requirement in respect of the outstanding position of a member (outstanding quantity multiplied by closing price).

Besides, the system will also calculate the settlement dues which would be the Mark-To-Market profits or losses actually sustained and the margin requirements. All these figures are communicated to the members through trade file downloads through SFTP (Secure File transfer protocol). Thereafter, as soon as the pay-in of that member is complete and confirmation to such an effect is received from the bank, the uncollected pay-in amount is blocked out of deposit.

In order to inform the members sufficiently in advance, the system tracks the exposure limits of the members on real time basis and alerts him at 60%, 75% and 90% level of their exposure. However, if a member's exposure crosses 100% level , he is put in square off mode by the system and in such a case, he is debarred from submitting any order that would result in creation of new open positions and the existing pending orders are deleted from the system.

During the trading session, the system shall keep track of losses, both notional and booked, incurred by every member upto the last executed trade. This is calculated by the system on real-time basis by way of computing the difference between the actual trade price of a member and the last trade price of the market. Such calculation happens for every member after execution of each and every trade. Every time such loss amount goes beyond the levels of 60 %, 75 % and 90 % of the total MTM limits of a member, the member gets a warning signal. Thereafter, when it crosses 75 % of the deposit, the member is put in square off mode for the purpose of trading on MCX. MCXCCL shall have the right to call for early – payin of funds or a give a margin call in the event of Mark to Market Losses of the member exceeds 50% of the margin limits.

In case a member is required to pay MCXCCL any amount towards pay in or margin obligation or any early payin or margin call made by MCXCCL and he fails to pay the same, MCXCCL will be at liberty to square off his position through MCX either on the same day or on subsequent days. However, a member cannot take shelter under this clause for any subsequent liability resulting from an existing open position, which was to be squared off by MCX/MCXCCL but was not squared off by MCX/MCXCCL for any reason. In order to carry out such squaring off of positions of a defaulting member, MCX/MCXCCL may feed such offsetting transactions on account of and on behalf of such defaulting members market orders, for the existing open position, either in full or in part and all differences and loss arising out of such squaring off shall be settled by such defaulting member.

In case MCX/MCXCCL submits the offsetting orders for square off trades of a member, but due to lack of liquidity or otherwise, if the position could not be squared off, the defaulting member would be responsible for final settlement of those contracts to MCXCCL.

Blocking Margins for Custodial Participants (CP):

Pre-approval of trades by CM

In case of Custodial Participants (CP) trades executed by TMs, the margin shall be blocked in the following manner

a) CP margin limit through executing TM, if any,
b) Residual margin from the proprietary margin limit of the executing TM, and
c) Residual margin from the proprietary margin limit of the CM of the executing TM.

Post-approval of trades by CM
a) On approval of such trades by CM of the CP, the margin utilisation blocked prior to the confirmation shall be released, and shall be blocked in the following manner
b) CP margin limit through the confirming CM, and
c) Residual margin from the proprietary margin limit of the confirming CM

3.4 Margin Shortfall Block Amount (MSBA)

In the event of Clearing Member's margins are overutilized by INR 5 lakhs and above its margin limits, on more than 2 occasions in past 30 calendar days, the following actions shall be initiated by MCXCCL:

I. An amount equivalent to cumulative amount of margin shortage over the past 30 days shall be blocked as Margin Shortfall Block Amount (MSBA) from the deposits of the clearing member. The margin shortage at the time of violating the trigger point of 100% on each occasion shall be considered.
II. The amount blocked shall not be available towards any margin benefit.
III. In case there is more than one instance of margin shortage in a day, the highest amount of margin shortage at the time of violating the trigger point of 100% shall be considered.
IV. The members shall be given 2 clear settlement days from the date of intimation to provide the Margin shortfall block amount (MSBA).
V. Clearing Corporation shall block the MSBA from the available collateral of the member on T+3 day.
VI. In case of any shortfall in available collateral of the member for the purpose of MSBA blocking, member will be placed in suspend-square off mode till the time member complies with the MSBA provisions. For this purpose, member may provide additional collateral or reduce the outstanding positions to enable blocking of MSBA.
VII. MSBA shall be retained as exposure free deposit for a period of 30 calendar days. It shall be released after 30 calendar days post retention of new applicable MSBA requirement, if any.

3.5 Risk Reduction Mode (RRM)

The trading members/clearing members shall be mandatorily put in risk-reduction mode when 90% of the member's Liquid Assets (Total Collateral Less Minimum Liquid Networth) available for adjustment against margins/deposits get utilized for margins/deposits. MCXCCL at its discretion, reserves the rights to put a member into RRM below 90%. When a member moves in to risk reduction mode:

1. All unexecuted orders shall be cancelled
2. Fresh orders placed by members shall be checked for sufficiency of margins and orders that do not satisfy sufficiency of margins will be rejected.
3. Fresh orders can be placed only in Regular Lot (RL) with Immediate or Cancel

(IOC) time validation only.

4. Members will be able to trade in normal mode as and when the utilization goes below 85 %.
5. Multi-leg orders (Spread IOC/2L/3L) and stop loss orders would not be allowed.
6. Members would not be allowed to place fresh orders with custodian participant code.
7. Clearing members would not be allowed to approve/reject INST trades.
8. New order in Spread Product would not be allowed, when Member is in Risk Reduction mode.
9. Members (CM/TM) would be allowed to place Trade Modification request, when in Risk Reduction mode.
10. When a member is placed in Risk Reduction Mode the alert sent on MTS/MCS,
11. When a member is removed from Risk Reduction Mode - the alert sent on MTS/MCS.

3.6 The various scenarios with respect to pay in / pay out and margin payable as reflected in the End of day report and its impact on the system are as follows:

i. If a member has payable obligation both towards pay in as well as margin, he will not be able to put his orders next day morning (though he would be able to log in), unless he pays the margin payable amount and the payin amount.

ii. If a member has only pay in obligation but no payment required towards margin, he will be allowed to trade at commencement of trading session next day morning, provided that his available deposit would be reduced by the amount of pay in. Thereafter, as soon as the pay-in is complete and confirmation file is received from the bank, his blocked limit is released immediately.

If a member has obligation to pay margin, while in respect of pay in he has got a receivable amount, he will be allowed to log in to the system (for a maximum period of three days) and to have view facility also, but he will not be allowed to submit orders, unless he pays fresh margin equivalent to his obligation plus additional margin in order to create fresh position. However, if a member pays margin only to the extent of his actual margin obligation, he will be allowed by the system only to square off his position, but as soon as he increases his position, he will again be put in square off mode. Notwithstanding anything stated herein, MCXCCL reserves the right to square off the positions of the member, in the event, the member has either margin shortfall or payin shortfall.

3.7 In case of any failure in fulfilment of obligations on the part of a member, MCXCCL is entitled to forfeit or utilize the margin deposits lying with MCXCCL for meeting such obligations and in such a case, the total margin deposit of that member shall stand reduced to such extent.

3.8 Alternate Risk Management Framework

Alternate Risk Management Framework is applicable in case of Near Zero and Negative Prices in Commodity Derivatives Segment. Risk parameters under ARMF shall be applicable as prescribed by SEBI in the SEBI circular reference no. SEBI/HO/CDMRD/CIR/P/2020/176 dated September 21, 2020.

For applicable Alternate Risk Management Framework refer latest circulars issued by MCXCCL on captioned subject on monthly basis.

Further in addition to above framework, MCXCCL reserves right to levy any other additional margins based on the price movement in markets. MCXCCL may also define the Additional margin criteria for commodities / indices in which ARMF is triggered.

3.9 Regaining matched book

In the event of a member/ client failing to honour pay-in/margin obligations, MCXCCL may employ the below given alternative tools to liquidate the positions and regain a matched book based on the conditions of the market liquidity, volatility, size of the positions to be liquidated etc. Any tool lower in the list prescribed hereunder may be resorted to only in extremely rare occasions when MCXCCL reasonably expects that it may not be able to restore a matched book by choosing the alternatives above it and also records the reasons for the same in writing:

Alternative 1: Liquidation in normal market in an orderly manner (with relaxed price limits, if required);

Alternative 2: Auction of the positions within a specified price band;

Alternative 3: Voluntary tear-up at last mark-to-market price along with compensation equal to 10% of last mark-to-market price and penalty equal to 1% of last mark-to-market price (to be credited to SGF);

Alternative 4: Partial tear-up (pro-rata against members/clients having opposite positions) at last mark-to-market price along with compensation equal to 8% of last mark-to-market price and penalty equal to 1% of last mark-to-market price (to be credited to SGF).

3.10 Further, in such a scenario, MCXCCL may direct other members of the MCXCCL having outstanding positions in such contract to compulsorily reduce their position on that day at least by such percentage, which is sufficient to square off the position of such defaulting members**.**

In case a member fails to pay margin obligation payable at beginning of the trading session and such payment is not received even till end of day, such an unpaid margin amount will not be carried forward to the subsequent day's obligation, because the margin obligation at end of day will be calculated afresh depending upon the closing price at end of that date. But, in case of pay in obligation, the unpaid amount will be carried forward to the subsequent days, and the system would automatically track all unpaid amounts in this manner member-wise and send an additional debit instruction to the bank on all subsequent days, till either the amount is repaid, or the member is declared a defaulter. Such an unpaid amount will also be blocked out of his available deposits for the purpose of calculation of allowable MTM limits.

3.11 Core Settlement guarantee fund

Clearing Corporation has established the Core Settlement Guarantee Fund (Core SGF) for Commodity segment based on the norms provided under SEBI circular no. SEBI/HO/CDMRD/DRMP/CIR/P/2018/111 dated July 11, 2018.

The Minimum Required Corpus (MRC) of the Core SGF shall be arrived based on the stress test methodology prescribed by SEBI. Clearing Corporation shall compute the MRC which shall be subject to the following;

i. The MRC shall be fixed for a month.
ii. By 15th of every month, the Clearing Corporation shall review and determine the MRC for next month based on the results of daily stress tests of the preceding month. Clearing Corporation shall also review and determine by 15th of every month the adequacy of contributions made by various contributors and any further contributions to the Core SGF required to be made by various contributors for the next month.
iii. For every day of the preceding month, uncovered loss numbers shall be estimated by the various stress tests for credit risk conducted by the Clearing Corporation for the segment and highest of such numbers shall be taken as worst case loss number for the day.
iv. Average of all the daily worst case loss numbers determined in (c) shall be calculated.
v. The MRC for next month shall be higher of the average arrived in at step (d) and the segment MRC as per previous review.
vi. The Minimum threshold value of MRC for commodity derivatives segment shall be INR 10 Crores

3.12 Contribution to Core SGF

The contribution to Core SGF from various contributors shall be as follows;

a) Clearing Corporation contribution to core SGF will be minimum 50% of MRC of segment. Clearing Corporation shall make this contribution from its own funds. Clearing Corporation contribution to core SGFs will be considered as part of its net worth.

b) Exchange contribution to Core SGF will be minimum 25% of MRC

c) The total contribution from clearing members to Core SGF for each segment will not be more than 25% of MRC of the respective segment. No exposure shall be available to members on their contribution to Core SGF. The clearing member may bring this contribution in the form of cash, bank fixed deposits or central government securities. The required contributions of each clearing member shall be assessed pro-rata based on the risk they bring to the system.

d) Clearing Corporation may collect clearing member contribution either upfront or staggered over a period of time. In case of staggered contribution, the remaining balance shall be met by the Clearing Corporation to ensure adequacy of total Core SGF corpus at all times. Such contribution shall be available to Clearing

Corporation for withdrawal as and when further contributions from clearing members are received.

3.13 Penalties levied by Clearing Corporation

Any penalties levied by Clearing Corporation shall be credited to Core SGF.

3.14 Interest on Core SGF cash contribution

Interest on cash contribution to Core SGF shall also accrue to the Core SGF and pro-rata attributed to the contributors in proportion to their cash contribution.

3.15 Default Waterfall

The default waterfall for Commodity segment shall follow the following order:

i. Defaulting member's monies (including contribution to CSGF)
ii. Insurance, if any
iii. Clearing Corporation resources equal to 5% of MRC
iv. CSGF resources in the following order:
    a. Penalties and investment income on CSGF
    b. Clearing Corporation contribution to CSGF to the extent of at least 25% of the segment MRC
    c. Remaining CSGF (Clearing Corporation, non-defaulting member's primary contribution and Exchange) on pro-rata basis.
v. Proportion of remaining Clearing Corporation resources (excluding clearing corporation contribution to core SGFs of other segments and INR 100 Crores) equal to ratio of segment MRC to sum of MRCs of all segments.
vi. Remaining MCX-CCL resources to that extent as approved by SEBI.
vii. Any remaining loss to be covered by way of pro-rata haircut to pay-outs. In case loss allocation is effected through haircut to pay-outs, any subsequent usage of funds shall be with prior SEBI approval

Annexure 1 - SPAN® Margin Computation Methodology

Initial Margin computation using SPAN® (Standard Portfolio Analysis of Risk)

The initial margin will be computed using SPAN® which is portfolio-based margining system. SPAN® identifies overall risk in a portfolio of contracts for each client of a member.

SPAN® calculates margin requirements of a portfolio of contracts; the prime objective of SPAN® is to determine the largest loss that a portfolio might reasonably be expected to suffer from one day to the next day.

SPAN® constructs scenarios of probable changes in prices and volatilities in order to identify the largest loss a portfolio might suffer from one day to the next. It then sets the margin requirement at a level sufficient to cover loss based on the look-ahead period defined by MCXCCL.

Details of SPAN
The calculations in SPAN® are executed by the Exchange/ Clearing House and results of these calculations are called Risk arrays. Risk arrays, and other necessary data inputs for margin calculation are then provided to members in a file called the SPAN® Risk Parameter file (RPF).

Members can apply the data contained in the Risk parameter files, to their specific portfolio of contracts, to determine their SPAN® margin requirements.

SPAN® will estimate risk of portfolios, and re-value the same under various scenarios of changing market conditions.

Risk Arrays
The SPAN® risk array represents how a specific derivative instrument will gain or lose value, from the current point in time to a specific point in time in the near future (typically it calculates risk over a one day period called the 'look ahead time'), for a specific set of market conditions which may occur over this time duration.

The specific set of market conditions evaluated, are called the risk scenarios, and these are defined in terms of:

a. How much the price of the instrument is expected to change over look ahead period and
b. How much the volatility of that price is expected to change over look ahead period

The results of the calculation for each risk scenario – i.e. the amount by which the contracts will gain or lose value over the look-ahead time under that risk scenario is called the risk array value for that scenario. The set of risk array values for each contract under the full set of risk scenarios constitutes the Risk Array for that contract.
In the Risk Array, losses are represented as positive values, and gains as negative values. Risk array values are typically represented in the currency (INR) in which the

contract is denominated.
SPAN® further uses a standardized definition of the risk scenarios, defined in terms of:

(i) the 'price scan range' or probable price change over the look ahead period,
(ii) And the price 'volatility scan range' or probable volatility change of the instrument over a look ahead period.

These two values are often simply referred to as the 'price scan range' and the 'volatility scan range'. There are sixteen risk scenarios in the standard definition. These scenarios are listed as under:

1. Price unchanged; volatility up
2. Price unchanged; volatility down
3. Price up by 1/3 of price scanning range; volatility up
4. Price up by 1/3 of price scanning range; volatility down
5. Price down by 1/3 of price scanning range; volatility up
6. Price down by 1/3 of price scanning range; volatility down
7. Price up by 2/3 of price scanning range; volatility up
8. Price up by 2/3 of price scanning range; volatility down
9. Price down by 2/3 of price scanning range; volatility up
10. Price down by 2/3 of price scanning range; volatility down
11. Price up by 3/3 of price scanning range; volatility up
12. Price up by 3/3 of price scanning range; volatility down
13. Price down by 3/3 of price scanning range; volatility up
14. Price down by 3/3 of price scanning range; volatility down
15. Price up extreme move, triple the price scanning range (cover 30% of loss)
16. Price down extreme move, triple the price scanning range (cover 30% of loss)

SPAN® uses risk arrays to scan probable Price market price changes and probable volatility changes for all contracts in a portfolio, in order to determine value gains and losses at the portfolio level.

As stated above, SPAN® starts at the last Price settlement/ market price and scans up and down three even intervals of price changes ('price scan range').

After scanning 16 different scenarios of Price settlement/ market price and volatility changes, SPAN® selects the largest loss from among these 16 observations. This "largest reasonable loss" is the 'Scanning Risk Charge' for the portfolio.

Computation SPAN Portfolio Margin Requirement

The total margin requirements for a member for a portfolio of futures and options contract would be computed as follows:

SPAN will add the Scanning Risk Charges and the Intra commodity Spread Charges.

i. SPAN will compare this figure (as per i above) to the Short Option Minimum charge
ii. It will select the larger of the two values between (i) and (ii)
iii. Total SPAN Margin requirement is equal to SPAN Risk Requirement (as per iii above), less the 'net option value', which is mark to market value of difference in long option

positions and short option positions.

iv. Initial Margin requirement = Total SPAN Margin Requirement + Net Buy Premium

ABBREVIATIONS - Risk Management

2L - 2 leg order
3L – 3 leg order
ARMF – Alternate Risk Management Framework
BOD – Beginning of Day
CM – Clearing Member
CME - Chicago Mercantile Exchange
CSGF – Core Settlement Guarantee Fund
ELM – Extreme Loss Margin
EOD – End of Day
IM – Initial Margin
INST – Institutional Participant/Custodial Participant
IOC – Immediate or Cancel
ITM – In the Money
MAT – Member Admin Terminal
MCXCCL – Multi Commodity Exchange Clearing Corporation Limited
MLNW - Minimum Liquid Net-worth
MPOR – Margin Period of Risk
MSBA - Margin Shortfall Block Amount
MTM – Mark-to-Market
PSR – Price Scan Range
RL – Regular Lot
RPF – Risk Parameter File
RRM – Risk Reduction Mode
SEBI – Securities Exchange Board of India
SFTP – Secure File Transfer Protocol
SGF - Settlement Guarantee Fund
SOMM – Short Option Minimum Margin
SPAN – Standard Portfolio Analysis of Risk
Spread IOC – Spread Immediate or Cancel Order
TM – Trading Member
TWS – Trader Work Station
VaR – Value at Risk
VSR – Volatility Scan Range

Chapter 4: Clearing and Settlement

1. Settlement of Deals

Funds settlement for Deals executed on MCX on a trading day and admitted for clearing shall be cleared and settled on a netted basis for daily settlement and gross basis for delivery settlement by MCXCCL to determine the settlement obligations for all Clearing Members.

Clearing Members shall be responsible for settlement of the obligations arising out of deals including the payment of margins, penalties, any other levies and settlement of obligations on account of the deals entered by them as Trading Members and also of those Affiliated Trading Members and Custodial Participants, if any, for whom they have undertaken to settle as a Clearing Member. Where the Clearing Member is not a Trading Member of MCX, then the deals of those Affiliated Trading Members of MCX and Custodial Participants for whom the Clearing Member has undertaken to settle shall be considered for determining the obligations as a Clearing Member.

2. Clearing Banks

2.1 Designated Clearing Bank(s): MCXCCL has appointed Clearing Banks for electronic transfer of funds with its Clearing Members. The designated clearing banks and their designated branches are given in Annexure 1 List of Clearing Banks and their designated branches.

2.2 Maintenance and operation of Clearing and Settlement Account:

2.2.1 Primary Settlement Account:

Every Clearing Member of MCXCCL shall have designated bank accounts with the designated branch of the Clearing Bank. Clearing Members shall operate the Settlement account only for the purpose of settlement of deals entered through MCX, for the payment of margin money and for any other purpose as may be specified by MCXCCL. Every Clearing Member of MCXCCL is required to open Settlement Account or Clearing account with any of the clearing banks.

2.2.2 Secondary Settlement Account:

Clearing Members shall be permitted to open one additional account to be termed as a 'Secondary Settlement Account'. The said secondary settlement account shall only be used for the purpose of enhancement of collaterals in the form of cash. Clearing Members shall be permitted to maintain and operate an additional secondary settlement account only with the designated clearing banks. Details of the said account to be communicated by clearing bank to Clearing Member as specified in Format 1. Clearing Members to provide authorisation letter for operation of additional secondary settlement account as specified in Format 5.

2.2.3 Operation of Settlement Account: Clearing members shall irrevocably authorize the

clearing banks to access their settlement accounts for debiting and crediting their settlement accounts as per the instructions of the Clearing Corporation, reporting of balances and other information as may be required by the Clearing Corporation from time to time.

a) A Clearing Member can deposit funds into this account in any form and can withdraw funds from this account only in self-name.
b) Clearing members having funds obligation to pay shall have clear balance of requisite funds in the settlement accounts on or before the stipulated funds pay-in day and the stipulated time.
c) Clearing members shall not seek to close or de-activate the settlement accounts without the prior written consent of the Clearing Corporation
d) Clearing Corporation will have power to withdraw money from this account by way of direct debit instruction. In respect of all pay in, margins, charges and other dues payable to Clearing Corporation, Clearing Corporation will send direct debit instructions to the bank advising them to debit settlement account of the respective Clearing Member by such payable amount.
e) The clearing banks shall debit/credit the settlement accounts of clearing members as per instructions received from the Clearing Corporation from time to time. Any request from the clearing members for revoking the authorization furnished by them shall not be considered by the clearing banks. The clearing banks shall not close the settlement accounts or permit deactivation of the same without the prior written consent of the Clearing Corporation.
f) All bank confirmations received from clearing banks on behalf of the members towards margins, funds pay-in, etc. shall be given effect only after receiving a written/electronic confirmation from their respective clearing banks.

2.2.4 Change of Clearing Banks: In case a Clearing Member desires to shift his settlement accounts from one clearing bank to other clearing bank, he shall inform MCXCCL in writing in the specified format enclosed as **Format 1.1**. On receipt of the same, MCXCCL will process the application and convey its consent to the Clearing Member provided no dues are pending.

On receipt of the consent from MCXCCL, the Clearing Member shall submit the following documents:

a. No Objection Certificate (NOC) from the existing Clearing Bank (format enclosed as **Format 2**).
b. Letter from the Clearing Member on his letter head specifying the shift of accounts to another clearing bank, the settlement account number (in the format enclosed as **Format 3**).
c. Letter from the new clearing bank confirming the settlement account number of the Clearing Member (in the format enclosed as **Format 4**).
d. Copy of Authorisation Letter addressed to new clearing bank (in the format enclosed as **Format 5**).
e. Intimation Letter for effective date on the Letter head of member.
f. The proposed settlement account shall be part of undertaking submitted to MCX/MCXCCL pursuant to SOP issued by MCX in case of member leading to default.

On receipt of the above said documents, MCXCCL will update its records and any subsequent funds pay-in / pay-out will take place through the new settlement account of the

Clearing Member.

3. Funds Settlement Timelines

MCXCCL shall effect settlement of admitted deals in accordance with the settlement timelines defined or as modified from time to time.

The settlement timelines for pay-in and pay-out are defined as under:

Type of Settlement	Frequency	Settlement due on	Timelines
Mark to Market	Daily	T+1	Pay-in 8.30 am Pay-out Before the start of trading
Premium	Daily	T+1	
Exercise Assignment	On Expiry (in case of European Option)	E+1	
Delivery (staggered/ at expiry)	As defined in delivery settlement procedure of the respective commodity	As defined in delivery settlement procedure of the respective commodity (T/E+1, T/E+2)	**T/E+1 day** Pay-in - 2:00 pm Pay-out - 4:00 pm **T/E+2 day** Pay-in - 12:00 pm Pay-out - 2:00 pm

Where T = Staggered Trade day, E = Expiry day

4. Settlement Prices

4.1 Daily Settlement/ Closing Prices

At the end of each trading day, system shall calculate the Closing Price of each contract available for trading on the Exchange.

In compliance to SEBI Circular No. SEBI/HO/CDMRD/DNPMP/CIR/P/2021/9 dated January 11, 2021, the methodology for calculation of Closing Price/ Daily Settlement Price is defined as under:

i. Closing Price is equal to volume weighted average price of all trades done during the last 30 minutes of a trading day.

ii. If the number of trades during last 30 minutes are less than 10, then it is based on the volume weighted average price of the last 10 trades executed during the day.

iii. If the number of trades done during the day are less than 10, then it is taken as the volume weighted average of all the trades executed during the day.

iv. If no trades have been executed in a contract on a day, then the official closing price of the last day is taken as the official Closing Price. However, in such cases, MCXCCL shall have the right to modify the Closing Price for the purpose of marking to market and making the open positions closer to the market.

4.2 Method for change in Close Price in case of illiquid contracts

If no trades are executed in a contract on a day, then, MCXCCL reserves the right to modify the Closing Price for the purpose of marking to market and making the open positions closer to the market in one of the following methods, as deemed appropriate for the futures contracts:

i. Method 1:

The spread prevailing between the active contracts*, shall be used to determine the theoretical futures price for other contracts that do not meet the criteria for liquid contract as stated above in the same commodity.

*contract is considered as active if the close price of such contract is determined by (i),(ii) or (iii) of 4.1 above

ii. Method 2:

Prices available for comparable commodity/ contracts in domestic/ internationally reference markets (converted to INR at the prevailing RBI reference rate).

iii. Method 3:

In case of agricultural commodities, due to seasonal nature of the commodities, in order to make the contract available in tradable range, MCXCCL may also set the close price considering the prices prevailing in spot market (and duly adjusting the same for contagion / backwardation market conditions), domestically / internationally or by using the prices prevailing in other Clearing Corporations/ Exchanges where the commodity contracts are liquid.

Note: *In case of contracts, where the base asset is the same, MCXCCL may consider the price of nearest expiry of the liquid variant of the base asset in order to deduce the price of the illiquid contract, after carrying out such adjustments as may be deemed necessary.*

iv. Further, MCXCCL may arrive at the close price through any other method, which MCXCCL in its absolute discretion considers appropriate, in order to reflect a fair close price of the illiquid contract.

v. If there are no trades for a trading day in options contracts, the close price shall be changed based on the Black 76 options pricing model.

vi. In case of index futures contracts, in the scenario of no trades in the contract, settlement prices shall be computed theoretically as under:

$F = S * e^{rt}$

Where,
F = futures price,
S = underlying index,
r = 30 day MIBOR rate and
T = time remaining till maturity,
e = the exponential factor

The methodology on computation of Daily Settlement/ Closing Prices is available on MCXCCL website under the link https://www.mcxccl.com/clearing-and-settlement/calculation-of-closing-price-daily-settlement-price.

vii. In Market Statistics File (Bhavcopy_MCX_CO_0_0_0_yyyymmdd_F_0000.csv) exported to members in SFTP, value under the field 'ClsPric' shall denote closing price of particular contract at the end of market hours at MCX and 'SttlmPric' shall denote enriched price (on account of DDR/ illiquid contract price modification), if any, by MCXCCL

4.3 Delivery Settlement Prices

i. During Staggered Delivery Period (at daily settlement/ closing price)

The delivery settlement price for a Delivery Intention shall be the daily settlement/ closing price of the concerned contract as specified in the Contract Specification for the Staggered Delivery Period.

ii. At Expiry of Contract (at Due Date Rate/ Final Settlement Price)

All open position at close of market on the expiry date of the relevant contract shall be settled/ marked for delivery at the Due Date Rate/ Final settlement Price determined in terms of the relevant contract specification / alternate framework to determine the Due Date Rate/ Final settlement Price in the event of unavailability of the spot prices.

Note: *The delivery settlement price arrived at as above shall be adjusted by applying freight adjustment factor /Discount/Premium on up country delivery and the discount / premium in respect of quality, quantity etc. in accordance with the adjustments specified in the Contract Specifications. The location premium/discount shall be determined and disclosed by MCX prior to launch of the contract in various commodities.*

iii. The alternate framework to determine the Due Date Rate/ Final settlement Price in the event of unavailability of the spot prices shall be as under:

a. In case of Commodities that are illiquid on MCX platform but liquid on other Exchanges:

In case of Commodities that are illiquid on MCX platform but liquid on other Exchanges and the contract specification are exactly similar, then FSP of the similar contract on the other Exchange shall be considered as FSP for final settlement.

b. In case a commodity has contracts with different variants and the contracts expire on the same date:

If one variant of the commodity / underlying asset **(e.g. Gold and Gold Mini)** is liquid and other variant is illiquid, FSP of liquid contract of commodity/ underlying asset shall be considered as FSP for final settlement of illiquid contract.

c. Mechanism to determine FSP based on traded price of expiring contract:

In case, a contract has recorded at least 100 trades cumulatively during the last three days of the contract expiry, then for each of such trade dates, the trades in such contract shall follow the given statistical process to determine the FSP.

Further, in case a contract has not recorded minimum 100 trades cumulatively during the last three days of the contract expiry; but it has traded during the last five days of the contract expiry (irrespective of number of trades), then for each of such trade dates, the trades in such contract shall follow the given statistical process to determine the FSP.

d. Statistical process to determine FSP:

i. All the trades in the contract on the given date shall be considered.
ii. The distinct prices at which the trades have been executed during the day shall be noted down.
iii. Arithmetic Mean (Simple Average) of these prices shall be calculated.
iv. The Standard Deviation of each Trade Price from the Arithmetic Mean shall be computed.
v. All the Trade Prices having Sigma more than 2 Sigma (two-tailed Normal Distribution) shall be discarded.
vi. The remaining Trade Prices (with less than or equal to 2 Sigma from the Mean) shall be arranged in the ascending order, along with the corresponding total quantities.
vii. The Weighted Average of the above Price – Quantity to be taken as the Average Price for that respective Day.
viii. A simple average of the applicable number of days of such prices arrived at shall be considered as the average price of the Contract for the purpose of computing FSP.

e. In case a commodity is not liquid/ available at other Exchange with a different contract specifications:

If the commodity is not liquid /available at other Exchange with a different contract specification, then the spot prices shall be determined by extrapolating the trend from the available spot prices for past 7 days from the date when spot price was last

available.

f. In case of unavailability of polled spot prices since start of the staggered period of the contract:

In case the polled prices are not available since the start of the staggered period of the contract and there are no trades in the expiring contract, then the close price of the immediate next contract on the day of contract expiry shall be used as FSP.

iv. Final Settlement price for Index Contract

All open position at close of market on the expiry date of the relevant contract shall be cash settled at the Due Date Rate/ Final settlement Price determined in terms of the relevant contract specification.

5. Settlement procedures and operational timelines

5.1 Daily Settlement (Mark to Market and Premium Settlement)

The operational procedure for Settlement of Deals executed on MCX, for the time being, shall be as follows:

5.1.1 After end of the trading session every day, a file will be downloaded to the Clearing Members and Trading Members of MCX through SFTP (secured file transfer protocol) giving details of the transactions done by the Member on that day (including the transactions of the various entities where the Member has undertaken to clear and settle), position carried forward from previous day, closing position of the day including net obligation of the Member.

5.1.2 The net obligation report will further provide the amount of mark to market receivable/payable, premium receivable/ premium payable, exercise/ assignment value pay-in/ pay-out amount, transaction fee payable, other dues receivable/ payable, etc. The net obligation report shall be consolidated at the Clearing Member level in terms of net obligation payable / receivable.

5.1.3 MCXCCL will generate an automated statement for debit and credit of Settlement accounts of the respective Clearing Members by the amount payable / receivable by them. This file will be sent electronically to the concerned Clearing bank for execution on "T+1" Settlement date.

5.1.4 The Clearing Members must have sufficient clear balance in the settlement account so as to enable MCXCCL to effect such debits. By 8.30 am on "T+1" Settlement date, the Clearing bank will run the debit files in respect of net obligation pay-in. By 8.45 am, MCXCCL will get confirmation about the successful or partially executed and failed debit instructions. In respect of partially executed/ failed/ non-confirmed instructions by the cut-off time, the pending pay- in obligation shall be blocked from the own account margin limits of the Clearing Member with MCXCCL before the start

of the market. Such reduced margin limits would then be available to the Clearing Member at the start of market for exposure requirements. The blocked amount shall be released progressively on confirmation of successful execution of the pending shortages by Clearing Bank.

5.1.5 In case any additional margin is payable, the Clients or Constituents of the

Clearing Members shall not be allowed to create any fresh positions on MCX until the Clearing Member deposits and/ or allocates the required margin along with additional deposit or arranges with its Constituents/ Clients to realign their exposure on MCX to reduce the margin requirements below deposit levels. For collection of such required margin amount, the Clearing bank will run the "margin file" by 9.00 am on every Settlement day and report to MCXCCL electronically the successful debits. However, for paying additional amounts towards margin, the Clearing Member shall communicate with the Clearing Bank/ MCXCCL specifying the amount intended to be paid towards additional deposit/ margins. The Clearing Banks shall, on the basis of this communication from the Clearing Member/ MCXCCL, debit the respective Clearing Member's Settlement account and credit the amount to MCXCCL's Settlement account. As soon as MCXCCL receives confirmation of the receipt of the funds, the Clearing Member's pool balance shall be increased.

5.1.6 MCXCCL shall credit the net obligation receivable amounts to Clearing Members Settlement accounts. Pay-outs will be completed before the start of trading on T+1 settlement day. .

5.1.7 Notwithstanding anything contained in the operational procedure mentioned above, in case a Clearing Member fails to meet the pay-in obligation, MCXCCL may commence the process of squaring off Clearing Member's open positions, including their Clients/ Constituents open position, at the start of the market or during the day, depending upon the cumulative dues including pending pay-in obligation and online losses vis- a-vis the margin deposits placed with MCXCCL.

5.2 Exercise/ Assignment and Settlement in case of European Options on Futures contracts

5.2.1 Option Exercise Mechanism for Option on Futures contracts

On expiry, following mechanism shall be adopted for exercise of the options contracts:

a. All In the money (ITM) option contracts shall be exercised automatically, unless 'contrary instruction' has been given by long position holders of such contracts for not doing so. The ITM option series, that are exercised automatically, shall be settled as difference between the Settlement Price and Strike Price in Cash as per the settlement schedule. ITM option series holders shall receive the difference. In case of 'contrary instruction', the ITM positions shall expire worthless.

b. All Out of the money (OTM) option contracts shall expire worthless.

c. All exercised contracts within an option series shall be assigned to short positions in that series in a fair and non-preferential manner.

Mechanism for Submission of Contrary Exercise/ Do Not Exercise request is provided under **Annexure 2**. The file shall consist of details of all ITM contracts only.

d. Procedure for Download/Upload of Exercise / Don't Exercise Intimation Files through SFTP is provided as **Annexure 3.**

5.2.2 Option Settlement Mechanism

a. Option on Futures contracts

On exercise, option position shall devolve into underlying futures position as follows:-

i. Long call position shall devolve into long position in the underlying futures contract.
ii. Long put position shall devolve into short position in the underlying futures contract.
iii. Short call position shall devolve into short position in the underlying futures contract.
iv. Short put position shall devolve into long position in the underlying futures contract.

All such devolved futures positions shall be opened at the strike price of the exercised options.

5.2.3 Exercise / Assignment Obligation

The difference between the Strike Price and Close Price of the underlying contract on the day of exercise will be settled on option devolvement day (options contract expiry) + 1 day basis, which would be termed as Exercise / Assignment Obligation.

5.3 Settlement on Expiry

5.3.1 Cash Settled Contracts:

Contracts specified as Cash settled at expiry shall be settled by way of funds settlement and no delivery settlement shall take place for such contracts.

5.3.2 Compulsory Delivery Contracts:

All open positions marked for delivery during the staggered delivery period and all open positions at the expiry of the compulsory delivery contracts shall be settled through delivery. Delivery marking and settlement shall be conducted in terms of

the delivery settlement procedure issued by MCXCCL from time to time.

5.3.3 Both Options/ Sellers Option Contracts:

All open positions in Both Option/ Sellers Option Contract that are marked for delivery shall be settled in terms of the delivery settlement procedure issued by MCXCCL from time to time. Open positions that are not marked for delivery shall be cash settled at the Due Date Rate/ Final Settlement Price determined in terms of the contract specification for the respective contract.

5.3.4 Fund Settlement for delivery marking:

Fund settlement on account of delivery marking shall be done on a gross basis and shall be executed as specified by MCXCCL in the relevant delivery settlement procedure for the respective contract.

6. Consequences on failure to honour settlement obligation/ timelines

6.1 Daily Settlement default

In respect of partially executed/ failed/ non-confirmed instructions, the pending pay-in obligation shall be blocked from the own account margin limits of the Clearing Member with MCXCCL before the start of the markets. Such reduced margin limits would then be available to the Clearing Member at the start of market for exposure requirements. The amount so blocked shall be released progressively on the confirmation of successful execution of the pending shortages by Clearing Bank.

6.1.1. Pay-in shortage upto Rs 2 Lakh:

If a clearing member incurs a pay-in shortage of up to Rs 2 lakh, and such shortage occurs more than 5 times in last 30 days (including the current instance), their trading terminal shall be placed in Suspend Square Off Mode for one trading day on every such default.

6.1.2. Pay-in shortages exceeding Rs 2 Lakh:

a) If a clearing member fails to meet their pay-in obligation and has a pay-in shortage exceeding Rs 2 lakh on more than 2 times (including the current one) in last 30 days, their trading terminal on MCX shall be placed in Suspend Square Off Mode until the pending pay-in obligation is settled

b) If a clearing member fails to meet their pay-in obligation and has pay-in shortage exceeding Rs 2 lakh and such shortages occur more than 5 times in last 30 days (including the current instance), their trading terminal shall be placed in Suspend Square Off Mode for five trading days on every such default. The Clearing Member will be asked to reduce his position to zero, for which he will be given time till end of the day on which his terminal was put on suspend square off mode, failing which MCXCCL/ MCX will square off the positions of the Clearing Member and its Clients/ Constituents on the following trading day latest by 12:00 noon at the cost and consequence of the Clearing Member

6.2 Exposure free deposit for MTM shortage (EFDMS) requirement

As a risk management measure, Clearing Members who fail to meet their pay-in obligations (towards MTM, net premium payable and the exercise/ assignment value) by the scheduled date and time shall be required to provide applicable Exposure free deposit for MTM shortage (EFDMS). The EFDMS shall be determined and retained in the following manner:

a. Clearing Members whose pay-in obligation on the scheduled date and time is in excess of Rs.2 lakhs on four and more occasions in past 90 calendar days shall be liable to pay EFDMS.
b. The EFDMS shall be the cumulative funds shortage on account of pay-in obligation during the past 30 calendar days. The EFDMS requirement shall be computed on a daily basis and informed to the concerned Clearing Members. The Clearing Members shall be given 2 clear working days from the date of intimation to provide the EFDMS.
c. MCXCCL shall block the EFDMS from the available collaterals of the Member on T+3 day.
d. EFDMS shall be retained as exposure free deposit for a period of 30 calendar days. It shall be released after 30 calendar days after retaining applicable EFDMS requirement, if any.

6.3 Levy of non-compliance charges

MCXCCL shall levy penal non-compliance charges for default in honoring funds pay-in timelines and obligation on the T+1 settlement due date as under:

Sr. No.	Instance of default	Non-Compliance Charge
Intraday – Failure to honour settlement timelines		
i.	Failure to honour pay-in obligation within 3 hours of the defined settlement timeline (i.e. within 3 hours from start of market on settlement due date)	@0.10% of pay-in shortfall (subject to minimum Rs.10,000/-)
End of day – Pay-in obligation default		
ii	First instance in last 30 days	@0.10% of pay-in shortfall (subject to minimum Rs.10,000/-)
ii i	Second and third instance in the last 30 days	@0.15% of pay-in shortfall (subject to minimum Rs.15,000/-)

iv	More than three instances in the last 30 days	Penalty specified in (iii) above **AND** Suspension (Suspend Square off) from trading for 1 day

MCXCCL further reserves the right to:

a. Square-off the outstanding position of such defaulting Clearing Members, including their Clients/ Constituents' open position, in case of adverse market movements
b. Suspension of the said Clearing Member(s) and/or
c. Consider other disciplinary action against the defaulting Clearing Member(s), as it may deem fit, in terms of the provisions of the Bye-laws and the Rules of MCXCCL.

7. Custodial Participants

Market Participants that are permitted to trade in Commodities Derivatives Segment, may apply for allotment of a Custodial Participant Code (CP Code) to MCXCCL, whereby such entities can have a facility to execute trades through one or more than one Trading Member of MCX and settle through a single Professional Clearing Member (PCM) or an Institutional Clearing Member (ITCM) of MCXCCL. Such entities with Custodial Participant code shall be termed as Custodial Participants (CP).

Acceptance/Rejection of CP trades shall now be processed through eClear. Procedures related to custodial participants are provided under **Annexure 4**.

7.1 Timelines for approval of Custodial Participants (CP) trades :

The cut-off time for approval of Custodial Participant (CP) trades shall be 15 minutes from the end of market time. Accordingly, following shall be the cut-off timelines:

Market time	Cut-off timeline for approval
Up to 11:30 pm	11:45 pm
Up to 11:55 pm	12:10 am

Any pending trades not approved by the above timeline shall be rejected. Such rejected trades shall be treated as trades under respective UCC of the executing trading member.

7.2 Auto Approval

Clearing Members can avail facility related 'Auto Approval' of Custodial Participants (CP) trades on following terms:

- Request for enablement of 'Auto Approval' facility for CP trades shall be placed by Clearing Members to MCXCCL as per **Format 8**.
- The above request shall be processed by MCXCCL and 'Auto Approval' facility shall be enabled accordingly.

- Clearing Members need to ensure that appropriate allocation is already made against the respective CP code to enable 'Auto Approval' for respective CP trades.
- Auto approval of Custodial Participants (CP) trades shall be stopped once the CP's margin utilization reaches 90% and the same shall be treated as 'Pending for Approval/Rejection'. Thereafter, such trades can be approved/rejected by the Clearing Member (CM) through file upload or via the approval screen available in eClear application. Auto-approval will automatically resume once the CP margin utilization falls below 90%.
- In the event of Clearing Member margin utilization reaches 90%, the CM shall not be permitted to approve trades. Approval shall be allowed only after the CM reduces its margin utilization below 90%.

8. Client Margin Reporting

Members of MCX/ MCXCCL shall have to mandatorily report details of margins collected from the clients to MCXCCL. Members should monitor their clients' trades and put up a suitable mechanism to update their clients on their margin utilization levels and define margin call triggers.

The client margin reporting framework and penalty structure for short- collection/ non-collection of margins by Members of MCX/ MCXCCL from their clients/ constituents shall be as under:

8.1 The 'margins' for this purpose shall mean initial margin, extreme loss margin (ELM), premium payable, mark to market margin, assignment value, special / additional margin, client-level concentration margin, tender period margin, delivery margin, or any other margin as prescribed to be collected by Member from their clients.

8.2 The Members are required to collect upfront initial and ELM margins, premium and peak margin payable from their clients and allocate the same to their clients. The Members will have time till 'T+2' working days to collect all other margins (except initial and ELM margins, peak margin, premium payable) from their clients. The clients must ensure that the initial and ELM margins, premium and peak margin payable are paid in advance of trade and other margins are paid as soon as margin calls are made by MCXCCL/Members. The period of T+2 days has been allowed to Members to collect margin from clients taking into account the practical difficulties often faced by them only for the purpose of levy of penalty and it should not be construed that clients have been allowed 2 days to pay margin due from them.

8.3 The changes in the client margin reporting mechanism pursuant to the introduction of peak client margin are as under:

a. MCXCCL shall generate margin snapshots of client wise margin requirement for the clearing members and trading members to determine the intra-day upfront margin requirement. MCXCCL shall generate minimum five snapshots upto 5:00 pm. MCXCCL shall further generate and send additional minimum two snapshots for commodity derivative contracts which are traded till 9:00 PM and additional minimum three snapshots for the commodity derivatives contracts which are traded till 11:30/11:55 PM. The snapshots shall be taken randomly during the pre-defined

time slots.

b. Initial margin, extreme loss margin and net buy premium shall be considered for determining the intra-day upfront margin requirement.
c. The snapshot files shall be exported to the members in their SFTP folder.
d. Maximum of client intra-day upfront margin requirement across the snapshots, shall be considered as peak margin requirement for the client, custodial participant and the trading member..
e. This peak margin shall form part of the client margin reporting file exported to the trading and clearing members.
f. Members shall be required to report margin collection against the peak margin requirement.

8.4 Monitoring and Penalty mechanism for Short Allocation

Framework for 'Segregation and Monitoring of Collateral at Client Level' put in place by SEBI stipulates that allocated collateral plus value of securities collateral re-pledged to the Clearing Corporation for a client is at all times greater than or equal to the minimum margin collection requirement for the respective client in the respective segment.

MCXCCL has adopted the following monitoring and penalty mechanism for short allocation

8.4.1 Short Allocation:

Excess of minimum margin collection requirement for the respective client over the allocated collateral plus value of securities and commodity collaterals re- pledged to the Clearing Corporation (CC) shall be considered as the short allocation for the respective client.

Explanation:
Short allocation = Total upfront margin - Client Margin Allocation - Client Other Collaterals

where,

Total Upfront Margin = Initial margin, extreme loss margin and net buy premium

Client Margin Allocation = Net Allocation as uploaded by the Clearing member

Client Other Collaterals = Net of hair-cut value of all securities and commodity collaterals re-pledged with CC before applying the cash and cash equivalent to non-cash ratio of 1:1

Accordingly, if Total upfront margin - Client Margin Allocation - Client Other Collaterals is > than zero, then the same shall be treated as 'Short Allocation'

Short allocation shall be computed, as defined above, at the below mentioned frequencies:

a. At the time of taking the peak margin snapshot (Intra-day Short Allocation) and
b. At the end of each trade day (EOD Short Allocation).

8.4.1.1 Intra-day Short Allocation:

Intra-day short allocations shall be computed on the basis of allocations and securities/ commodities pledged/ re-pledged with CC and Total upfront Margin requirement at the time of taking the snapshot. Maximum of intra-day short allocation across all snapshots shall be shall be considered for intra-day short allocation reporting.

Intra-day short allocation details shall be informed to members via 'INTRASAR' file exported to them on T day.

Members shall have an opportunity to report available client collateral against the intra-day short allocation with permitted reasons through response file to INTRASAR till T+5 days. In case of such reporting, the intra-day short allocation for the purpose of penalty shall be re-computed after adjusting the reported values.

8.4.1.2 EOD Short Allocation:

EOD short allocation shall be computed on the basis of allocations and securities/ commodities pledged/ re-pledged with CC and Total Upfront Margin requirement at the EOD.
Members shall be permitted to upload allocation/ deallocation files up to following timelines:

Market time	Allocation/ deallocation file upload timelines
Up to 11:30 pm	within one hour from market end time
Up to 11:55 pm	within one hour from market end time

EOD allocation, based on allocation/ deallocation file uploaded up to the cut-off time, shall be considered for EOD short allocation computation.

EOD short allocation details shall be informed to members via 'EODSAR' file exported to them on T day.

Members shall have an opportunity to report excess collaterals lying with other CCs against the EOD short allocation through response file to EODSAR till T+5 days. In case of such reporting, the EOD short allocation for the purpose of penalty shall be computed after adjusting the reported values

8.5 The process for the clearing members to confirm the availability of peak margins for Custodial Participants (CP) trades is as under:

a. Upfront margin requirement for INST trades pending confirmation is included in the peak margin reporting of respective CP
b. MCXCCL shall aggregate the margins on confirmed trades as well as unconfirmed trades for a given CP and include the same in the snapshot provided to a clearing member.
c. The end of day (EOD) file downloaded to a clearing member shall have EOD margins for all confirmed trades and peak across all snapshot as computed in point (a) above.
d. Clearing member shall be required to report the end of day and the peak margins as per the file downloaded by MCXCCL.
e. In case of any shortages in the reporting as per point (c) above, the same shall be considered as shortfall of margin collection and penalty for the same shall be applicable. The penalty shall be levied and collected from the clearing member of the CP. The clearing member can collect such penalty from the respective CP.
f. Reporting of peak margins by clearing member shall be a confirmation of availability of upfront margins at time of trade.
g. Even cases where trades are rejected by clearing member due to mismatch or error, the clearing member shall be responsible to report peak margins/penalty for short reporting. Such penalty can be collected from the respective Trading Members by the clients/clearing member.
h. Till the trade is confirmed by clearing member, the collateral of the clearing member and executing trading member would be blocked by the Clearing Corporation.

8.6 The provisions on cut-off time for determining minimum threshold of margins to be collected from clients and implemented by MCXCCL are as under:

a. The cut-off time for determining minimum threshold of margins to be collected from clients will be at BOD Risk Parameter File (RPF).
b. RPF generated at BOD shall be applied on clients' EOD portfolio for determining minimum threshold of margin to be collected from clients by members.
c. Extreme Loss Margin (ELM) to be collected from clients shall be computed on end of the day (EOD) client portfolio valued at half an hour weighted average trade price arrived at EOD stipulated above.
d. Peak margin requirement shall be computed on the basis of the positions at the snapshot time based on BOD RPF.

8.7 Members shall access member reporting portal using URL - ***https://memberreporting.mcxccl.com/login.aspx*** and monitor the reported client margin collection shortages from following path:

Member Reporting Portal > Settlement > CMR Provisional Penalty Report

CMR Provisional Penalty Report shall only display records of trade dates for which reporting cut off date has not elapsed.

In addition to above, members are requested to regularly refer backoffice file ***MCX_MARGINSHORTAGE_<YYYYMMDD>_.Enn*** for details pertaining to client margin collection shortages and provisional penalty

8.8 Members are requested to refer the latest file format Circulars for client margin collection reporting files

8.9 Devolvement margins shall not be considered for the purpose of client margin reporting.

8.10 The penalty for short collection / non collection due to increase in initial margins resulting from devolvement of options into futures shall not be levied for the first day after the expiry of the options contract. Effectively, the incremental initial margin on account of devolvement would not be considered for client margin reporting on the option expiry + 1 day.

8.11 The Members shall report the actual short-collection/ non-collection of all margins from clients by T + 5 day.

8.12 Penalty shall be levied as per the details given below on the Members for short / non-collection of margins from their clients beyond T + 2 working days:

For each Member	
'a'	**Per day penalty as % of 'a'**
(< Rs. 1 lakh) and (< 10% of applicable margin)	0.5%
(>= Rs. 1 lakh) or (>= 10% of applicable margin)	1.0%

Where 'a'=short collection/ non-collection of margins per client per day.

In case of short-collection /non collection of initial margins, ELM, premium payable and peak margin, the above penalty structure would be applicable from T day.

8.13 MCXCCL has put in place a suitable mechanism to enable the Members to report the collection of all margins from their clients at the end of each trading day and to report short collection/non-collection of all margins on the T+5 day.

8.14 All instances of non-reporting shall amount to 100% non-collection of margin and the penalty as prescribed above shall be charged on these instances in respect of non-collection.

8.15 With respect to repeated defaulters, who default 3 times or more during a month, the penalty would be 5% of the shortfall in such instances. Every short/non collection of margin is to be considered as one instance of default. In case margin shortage is reported for a client 3 times or more during amount, i.e., either in consecutive instances or in 3 different instances, the penalty would be 5% of the shortfall from 4th instance of shortfall.

E.g. shortage is reported for a client on 1st and 2nd day of month consecutively; thereafter again on 10th day shortage is reported. So the number of instances are 3 and in case shortage is reported on any day later in the month, the

penalty shall be 5% of the shortfall amount for all such instances beyond 3rd instance.

8.16 All the penalties collected as prescribed above shall be credited to the Settlement Guarantee Fund of MCXCCL.

8.17 MCXCCL/ MCX shall examine implementation of these instructions during the inspection of its Members. If during inspection or otherwise, incorrect reporting on collection of margin from client by Member is found, the Member shall be penalized up to 100% of such amount short collected.

8.18 MCXCCL/ MCX directs their Members to monitor trades of every client. Suitable mechanism may be put in place to intimate the clients as and when the margins are used upto an appropriate level as considered fit.

8.19 In exceptional situations wherein Members and/or clients were not in position to square off the open positions to avoid levy of penalty for margin shortfall due to lack of adequate liquidity and/or high market volatility, MCXCCL/ MCX may take a suitable decision depending upon the merit of the circumstances and keep SEBI informed of the same. Further, MCXCCL/ MCX are directed to take such exceptional matters to their Board of Directors for decision.

8.20 Members may refer to the relevant sections of MCXCCL/ MCX File Formats issued from time to time that deal with margin reporting for file structure and the details on error codes in case of erroneous upload of files to MCXCCL.

8.21 Margins exempted against early pay-in would not be considered for the margin reporting. Mark to market margin on the early pay-in positions shall continue to be considered for margin reporting.

8.22 Settlement holidays would not be considered for determining the T+5 reporting due date.

8.23 MCXCCL shall levy penalty on the reported instances of short collection/ non-collection of client margin completion of reporting due date. The penalties shall be included in the obligation statement.

8.24 In case of any short reporting/ non-reporting of client margin due to any technical reason, members may place their request for revision in the reported margin collections and the consequent reversal/ refund/ levy of such penalty in writing to MCXCCL strictly within 10 calendar days from the date of levy of penalty.

8.25 Penal provisions:

In order to avoid duplicity of penalty levied for the same violation (i.e., non-collection and consequent non-allocation of client collateral), the penalty for short allocation and short margin reporting shall be combined. A single penalty as per the existing penalty structure shall be applicable. The amount to be considered for levy of penalty shall be the highest of:

a. Highest intraday peak margin short-reported amount
b. End-of-day margin short-reported amount
c. Highest intraday short allocation amount (after considering the reporting for valid reason codes, if any)
d. End-of-day short allocation amount (after considering the reporting for valid reason codes, if any)

Short allocation shall be considered for determining margin shortfall for levy of penalty as under:
Margin Shortfall = sum of {maximum of (Intraday Short allocation shortfall, EOD short allocation Shortfall, Peak Margin Shortfall, Initial Margin Shortfall)} + Other margin shortfall + MTM shortfall

9. Recovery of various levies and charges from the Clearing Members on behalf of MCX

9.1 Exchange Transaction Fees

MCXCCL shall recover the transaction fee payable by the Members of MCX from its Clearing Members. The fees would be computed on the transactions registered with MCX in such manner as may be decided by MCX from time to time.

The billing cycle for levy of exchange transaction fees shall start from 26th of current month to 25th of next month (or the previous working/trading date in case of non-business days). Accordingly, transaction charges invoices will be raised on 26th of every month (or the next working/trading date in case of non-business days). The transaction fee shall be debited on a monthly basis to the settlement account of the members by MCXCCL within 3 working days from the date of billing.

The transaction fee shall form part of the obligation report of the due date and collected accordingly. Tax invoice for the transaction fees computed shall be provided by MCX on 26th of every month (or the next working/trading date in case of non-business days).

9.2 Commodities Transaction Tax

Commodities Transaction Tax (CTT) was introduced in the Finance Act 2013 and applicable with effect from 1st July, 2013, as per notification uploaded on www.incometaxindia.gov.in.

CTT on the transactions executed on MCX shall be charged by MCX and recovered through MCXCCL at the prevalent rates. The current applicable rates are as mentioned below:

Sr. No.	Taxable Commodities Transaction	Valuation	Rate	Payable by
1	Sale of a commodity derivative (except exempted agricultural commodities as mentioned in "Annexure 5")	Price at which the commodity derivative is traded	0.01 per cent	Seller
2	Sale of commodity derivatives based on prices or indices of prices of commodity derivatives	Price at which the commodity derivative is traded	0.01 per cent	Seller
3	Sale of an option on commodity derivative	Option premium	0.05 per cent	Seller
4	Sale of option in goods	Option premium	0.05 per cent	Seller
5	Sale of an option on commodity derivative, where option is exercised	Settlement Price	0.0001 per cent	Purchaser
6	Sale of option in goods, where option is exercised resulting in actual delivery of goods	Settlement Price	0.0001 per cent	Purchaser
7	Sale of option in goods, where option is exercised resulting in a settlement otherwise than by the actual delivery of goods	Difference between settlement price and strike price	0.125 per cent	Purchaser

Clearing Members may note that the following procedure will be adopted by MCXCCL in respect of the calculation and collection of CTT on behalf of MCX:

a. CTT is applicable on transactions for Futures, Index and Options contracts as stated above and shall be determined at the end of each trading day.
b. All the transactions shall be identified based on the client code placed by the Members at the time of order entered/ modified on the trading system of MCX and as may be modified by the Member using the client code modification facility within the prescribed time. In respect of proprietary transactions the Member code shall be deemed to be the client code.
c. Members are advised to note that under the CTT Rules, the value of taxable commodities transaction shall be determined with respect to the trade executed under a particular client code. Therefore, MCXCCL shall only reckon the client code entered by the Member while placing the order or as may be modified within the prescribed time. It is therefore imperative that Members exercise extreme caution and diligence while entering the client code at the time of entering an order.
d. For each client code, all the sell transactions for a trading day shall be aggregated at contract level.

e. For the purpose of determining CTT liability, taxable commodities transaction shall be valued as per the prescribed valuation matrix as described above. On this value, the CTT rate as prescribed shall be applied.
f. The Member's CTT liability shall be the aggregate CTT liability of clients trading through it and CTT liability of all Trading Members of MCX clearing under it.
g. A report shall be provided to the Members at the end of each trading day. This report shall contain information on the total CTT liability, Trading Member wise CTT liability, client wise CTT liability and also the detailed Computations for determining the client wise CTT liability.
h. The CTT amount shall be collected from the Member on T+1 basis as per the timelines stipulated for the funds pay-in on a daily basis from the settlement account of Members through their clearing banks as per the process currently followed in respect of settlement obligations.
i. Non-payment of CTT will be treated as non-fulfilment of settlement obligations for the purpose of all consequential actions against the Member.
j. The contract note to be issued to clients as Trading Member of MCX on a daily basis should specify the total CTT for the transactions mentioned therein. Members may issue the CTT details on annual basis (within one month from the close of the financial year) to their respective clients, unless required by the clients otherwise.
k. Members are also advised to peruse the Chapter VII of Finance Act, 2013 & CTT Rules, 2013 and the provisions of the Finance Act 2020 for effective compliance of CTT and keep themselves updated on any amendments thereto.

9.3 SEBI Turnover Fees

SEBI turnover fees would be levied by MCXCCL to the Members of MCX on a monthly basis. Brief process for collection of the SEBI turnover fees would be as under:

a. MCXCCL would raise the invoice[for the previous calendar month on the 1st working day of the subsequent month.

b. SEBI turnover fees of the Trading Members of MCX shall be collected from the Clearing Members who have opted to clear their trades.

c. MCXCCL would debit the settlement account of the Clearing Members towards their SEBI fees dues by 4th of the month (date of collection would be intimated in the invoice/debit note separately).

d. Any unpaid SEBI turnover fees on the collection due date would be adjusted from the cash collateral deposits of the Clearing Member with MCXCCL.

The present slabs of SEBI turnover fees are as under (exclusive of applicable GST):

Sr. No	Taxable Commodities Transaction	Basis of Turnover	Rate
1	Futures Contracts	Turnover is defined to include the value of 1. the trades executed by Member on the Exchange and 2. the trades settled on the expiration of the Contracts	**Non-Agri** 0.00010 % of the total turnover (i.e. Rs.10 per crore) **Agri Commodities** 0.00001 % of the total turnover (i.e. Rs.1 per crore)
2	Options Contracts	Turnover is defined to include the value of 1. premium traded for the option contracts 2. where the option is exercised or assigned, it shall be additionally computed on the basis of notional value of option contracts exercised or assigned	**Non-Agri** 0.00010 % of the total turnover (i.e. Rs.10 per crore) **Agri Commodities** 0.00001 % of the total turnover (i.e. Rs.1 per crore)

9.4 Stamp Duty

In exercise of the powers conferred by section 73A of the Indian Stamp Act, 1899 (2 of 1899), the Central Government has made the rules to regulate the liability of instruments in transactions in stock exchanges and depositories. The Indian Stamp (Collection of Stamp Duty through Stock Exchanges, Clearing Corporations and Depositories) Rules, 2019 (hereinafter referred to as 'Stamp Duty Rules 2019') have been notified on December 10, 2019 and implemented with effect from July 01, 2020.

MCXCCL shall act as a 'Collecting Agent' under the Stamp Duty Rules 2019 for the purpose of collection and remittance of stamp duty on trades executed on Multi Commodity Exchange of India Limited (MCX).

Stamp duty on the trades executed on MCX shall be charged at the rates mentioned below:

Sr. No.	Transaction type	Valuation	Stamp Duty Rate	Payable by
1	Sale of commodity Derivative	Price at which commodity derivative is traded	0.002% (Rs.2.00 per lakh of futures turnover)	Buyer
2	Sale of an option on commodity derivative	The option premium	0.003% (Rs.3.00 per lakh of premium turnover)	Buyer

Members may note that the following procedure will be adopted by MCXCCL in respect of the calculation and collection of Stamp Duty on behalf of MCX:

a. Stamp Duty is payable on all derivatives contracts traded on MCX and shall be determined at the end of each trading day.
b. All the transactions shall be identified based on the client code entered by the Members at the time of order entry/ modification on the trading system of MCX and as may be modified by the Member using the client code modification facility within the prescribed time. In respect of proprietary transactions the Member code shall be deemed to be the client code.
c. For each client code, all the buy transactions for a trading day shall be aggregated at contract level. For the purpose of determining stamp duty liability, transactions shall be valued as per the prescribed valuation matrix defined above. On this value, the stamp duty rate as prescribed shall be applied.
d. The trading member's stamp duty liability shall be the aggregate stamp duty liability of clients trading through it. The clearing member's stamp duty liability shall be the aggregate stamp duty liability of all trading members clearing through it.
e. The stamp duty amount shall form part of the daily obligation report exported to the member and the net amount receivable/ payable by the member shall be determined after considering the stamp duty dues.
f. The stamp duty amount for a trade date shall be collected from the clearing members on T+1 basis as per the stipulated timelines and process currently followed for the daily funds settlement.
g. Non-payment of stamp duty shall be treated as non-fulfillment of settlement obligation for the purpose of all consequential actions against the member.
h. At the end of each trade day, permanent address details of the clients updated by the Members in the Unique Client Code (UCC) uploaded with MCX shall be considered by MCXCCL for determining the domicile State of the buyer for that trade day for payment of stamp duty to the respective States. Accordingly, Members are required to verify, update and ensure correct permanent address details of the clients are uploaded in UCC.
i. A report shall be provided to all the members at the end of each trading day.
This report shall contain information on the total, trading member wise and client wise Stamp Duty liability along with the detailed computations for determining the State wise stamp duty liability for each client.
j. In terms of the communication received from the Government of Sikkim, the amendments to the Indian Stamp Act, 1899 are not applicable to clients residing in Sikkim. Accordingly, no collection of stamp duty will be done until further instruction form state of Sikkim & Government of India in case of clients residing in Sikkim.

9.5 Recovery of various MCX levies

MCXCCL shall recover various charges and levies due to MCX from its' Members through the settlement account of the respective Clearing Members. Clearing Members' liability towards the charges and levies would be aggregated to include the liability of all Trading Members of MCX clearing under it. Tax-invoice/debit-credit notes for such levies shall be provided to its' Members by MCX.

Non-payment of any charges and levies due to MCXCCL/ MCX will be treated as non-fulfilment of settlement obligations for the purpose of all consequential actions.

9.6 Reports

Members can take back up of trades any time during the trading session or after its closure while the member is connected to the trading system. This provides all trades done during such trading session. After end of trading session, MCXCCL will download the reports to the Members of MCXCCL/ MCX through SFTP (Secured File transfer protocol), which consists of

a. day's trades
b. net outstanding position
c. Obligation Report, which provides details of mark to market receivable/payable, premium receivable/ premium payable, and exercise / assignment value, pay in / pay out amount, charges, etc.
d. Market Statistics to provide details about open, high, low, close, volume, value and other statistical details.
e. Various margins, positions, collaterals and settlement related reports as intimated from time to time.

MCXCCL shall endeavor to make the following back office files available as per the below standard timelines:

File Name	File Nomenclature	Standard Time
Bhavcopy	Bhavcopy_MCX_CO_0_0_0_yyyymmdd_F_0000.csv	03:00 am
EOD RPF	MCX_RPF-YYYYMMDD-HHMM-10-E.spn	03.00 am
Trades	Trade_MCX_CO_CM_ID_yyyymmdd_F_0000.csv Trade_MCX_CO_TM_ID_yyyymmdd_F_0000.csv	02:30 am

MCX/MCXCCL circulars on file formats of the various reports shall continue to apply ***mutatis-mutandis*** to the reports provided by MCXCCL.

Following files shall be exported to member's SFTP on the subsequent day:

i. MCX_ACBILL-C_MID_YYYYMMDD_nn.pdf
ii. MCX_ACBILL-E_MID_YYYYMMDD_nn.pdf
iii. MCX_DRN-C_GST_MID_MMMYYYY_nn.pdf
iv. MCX_CRN-E_GST_MID_MMMYYYY_nn.pdf

To monitor the export status of back-office files, members can log in to the Member Reporting Portal at: https://memberreporting.mcxccl.com/ and navigate to the Dashboard.

10 Data Request Charges

Members are required to have a backup of all the records downloaded by MCXCCL. Data for the current month and the immediate previous month shall be provided to the Members without any charges. With respect to any data sought for the prior period on the date of the respective request, Members are notified that the following charges shall be levied for specific requests:

Sr. No.	Data Requisition	No. of Days	Charges
1	Back office files other than Tax Invoice/Debit-Credit Note	Current and Previous calendar month Beyond previous month	No Charges Rs.250/- per report per month (Subject to max Rs.10000/- per request)
2	Message Broadcast	Beyond last 3 days	Rs.250/- per day

The above charges shall be applicable for each request from the Members and would be inclusive of applicable taxes. MCXCCL reserves the right to decline any request for the above data and also to modify charges, without any prior notice.

Format for seeking data request is provided under **Format 6**. These charges would be recovered from the Member in advance.

11 FPO Trades

In order to encourage active participation of the Farmer Producer Organisations (FPO) in the commodity derivatives market and pursuant to discussions between SEBI and MCX in the surveillance meetings, it is decided to exempt Mark to Market Settlement for such short positions against which early pay-in has been made.

The procedure for claiming Mark to Market settlement exemption in case of commodity derivatives contracts of agricultural commodities is laid down as under:

a. Members servicing the FPO clients shall apply for exemption from Mark to Market settlement for such clients, for positions where early pay-in of commodities has been made. The request for exemption shall be submitted as per **Format 13**.

b. Approval/ rejection of the application shall be communicated to the Member.

c. Post approval, such position where early pay-in is made shall be exempt from Mark to Market settlement.

d. The process of implementing the exemption shall be as under:

i. The daily obligation report shall reflect the mark-to-market profit/ loss amount for FPO positions as per the existing process.
ii. Daily mark-to-market profit/ loss for the exempted FPO positions shall be accumulated by MCXCCL for a deferred settlement till the expiry of the contract.
iii. Daily settlement on account of losses arising on account of FPO shall be made good from MCXCCL's own resources. The Clearing Member would be required to settle the entire obligation amount. MTM loss on account of the FPO shall be credited back by MCXCCL to the Clearing Member's Settlement account.
iv. Deferred mark-to-market settlement shall be capped at Rs.25.00 lakhs for a single FPO and Rs 500.00 lakhs across all FPOs, until further review. Mark to Market settlement in excess of the defined exemption limits shall be collected from the Clearing Member, who in turn would be required to collect the same from the end client (FPO).
v. In the event FPO makes MTM profit (Gains), the funds shall not be credited to the Clearing Member but shall be retained by MCXCCL.
vi. FPO positions shall be marked for delivery at the expiry of the contract at the Due Date Rate (DDR).
vii. The accumulated Mark to Market profit/ loss of the FPO would be adjusted from the funds pay-out due at the time of delivery settlement.
viii. Post-delivery settlement compliances like raising of tax-invoices, computation of premium/ discount, as defined in the delivery settlement procedures of the respective commodities shall be done on the basis of the DDR.

e. The deferment of mark-to-market settlement for FPO trades, to the extent of defined exemption limits, shall not affect the daily settlement procedure for counterparty Members and market participants as the same would be made good from MCXCCL's own resources.
f. Members applying for exemption shall ensure that the short open position of such FPOs are not square off either partially or fully after claiming such exemption. In the event of square off, the deferred Mark to Market settlement would be done with the Member on the date of square off.
g. Mark to Market losses on the FPO positions exempted from Mark to Market settlement shall continue to form part of the reports downloaded to Members for reporting client margin collection. The deferred Mark to Market settlement of the FPO shall be reported as collected by the Members for the purpose of client margin reporting.
h. Farmer Producer Organisation (FPO) for the purpose of seeking Mark to Market settlement exemption in case of commodity derivatives contracts of agricultural commodities shall be construed as under:

Farmers Producer Organisation means any legal entity formed by farmers and registered as a producer organisation under the below Acts:

i. Cooperative Societies Act/ Autonomous or Mutually Aided Cooperative Societies Act of the Respective State;
ii. Multi-State Cooperative Society Act, 2002;
iii. Companies Act, 1956/Companies Act, 2013;
iv. Society Registration Act, 1860;
v. Indian Trusts Act, 1882.

12 **Implementation of Segregation and Monitoring of Collaterals**

Implementation of Phase 2 of SEBI circular on Segregation and Monitoring of collaterals shall be as under:

1. Any shortfall in pay-in obligation shall be blocked and adjusted form the collateral amount allocated to CM account.

2. Member's exposure free deposits requirement against repeated margin/ pay-in shortfalls shall be appropriated against deposits in the collateral pool account and CM OWN allocations.

3. In case of member request for change of TM/ CM or downgrade of a CM, following process shall be applicable.

    i. Position transfer of client:
        a) Limit allocated by old CM shall not be transferred to new member, and the previously allocated amount shall be automatically deallocated
        b) New CM shall upload the allocation file
    ii. Position transfer of TM/CP:
        a) Limit allocated by old CM shall not be transferred to new member, and the previously allocated amount shall be automatically deallocated
        b) New CM shall upload the allocation file
    iii. Downgrade of a CM:
        a) Limit allocated for CM/ Client shall not be transferred to new member, and the previously allocated amount shall be automatically deallocated
        b) New CM shall upload the allocation file

Annexure 1 - List of Clearing Banks

Sr. No.	Clearing Bank	Address
1	AXIS Bank Limited	Axis House Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai - 400025
2	Bank of India	Stock Exchange Branch 70-80 , M.G. Road,Ground Floor, Bank of India Building, PB 238, Fort, Mumbai-400001
3	Canara Bank	11th Floor, Atlanta Building, Nariman Point, Mumbai - 400021
4	ICICI Bank Limited	Capital Markets Group 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400020
5	HDFC Bank Limited	I Think Techno Campus, 5th Office Floor, Opp. to Crompton Greaves, Kanjur Marg (East), Mumbai – 400042
6	Kotak Mahindra Bank Limited	Kotak Infiniti, 6th Floor Building No.21, Infinity Park, Off Western Express Highway, General A.K. Vaidya Marg, Malad (East), Mumbai – 400097
7	Punjab National Bank	Branch Office: Bandra West, Plot No.237, Baba House, 27th Road, Bandra (West), Mumbai – 400050
8	State Bank of India	Capital Market Branch, 3rd Floor,Mumbai Main Branch Building, Samachar Marg, Fort, Mumbai - 400023
9	Union Bank of India	1st Floor, 86, Venkatesh Bhavan, Mirza Street, Zaveri Bazar, Mumbai – 400003
10	IDFC First Bank Ltd	IDFC FIRST Bank Ltd Mindspace, Building No 2,Off Sion Panvel Road, Opp to DY Patil Stadium, Juinagar, Navi Mumbai, Thane 400706

Annexure 2 - Mechanism for Submission of Contrary Do Not Exercise request in case of Option on Futures Contracts

a. Exercise/Don't Exercise Intimation file upload

On Options Expiry day, MCXCCL shall provide the Ex-DEx Intimation File to Members on their SFTP/Date folder. The file will provide the details of the long open position at end-client strike level for all ITM option contracts. Members are required to update the file for submission of contrary instructions only.

Members would be given time to upload the Ex-DEx Intimation file till 12:20 a.m. of the options expiry business date or within 30 minutes from the time of export of "Ex-DEx Intimation File to Member" file on their SFTP\Date Folder, whichever is later.

To the extent contrary instructions are not received, default Exercise Mechanism at expiry shall be as defined in the contract specification of the option contracts.

In case of 'Do Not Exercise' request uploaded by members (MCX_ExDExIntimation_M ID_YYYYMMDD.Mnn) on SFTP on option expiry day, any record with blank under the field 'Exercise/Don't Exercise Quantity' shall be considered as '0'.

The below mentioned table lists the action to be initiated by the Member:

Strike Type	Default Exercise Mechanism	Impact of Contrary Instruction
OTM	Expire worthless	Not Applicable
ITM	Devolved into Futures contract	Expire worthless

Members shall have to check the settlement price of the underlying futures contract flashed on the terminals and accordingly determine the strike category in order to ascertain if request is required to be placed.

c. Prioritization of the Exercise/Don't Exercise request

MCXCCL shall consider only the latest request placed by the Member for the given end client-strike combination. It is further clarified that if a Member submits multiple request for a particular client through Exercise/Don't Exercise Intimation file, then the latest request received by MCXCCL would be considered.

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Annexure 3 - Procedure for Download/Upload of Exercise / Don't Exercise Intimation Files through SFTP

a. Members can download the Don't Exercise Intimation files from MCXCCL and upload the response file against the same as under:

i. Download SFTP Path: <Member Code>\DD-MM-YYYY\

Download File Name:
MCX_Ex-DExIntimation_<Member Code>_<YYYYMMDD>.csv

ii. Upload SFTP Path: < Member Code>\ Ex-DExIntimation \DNLD\

Upload File Name:
MCX_Ex-DExIntimation_<CM/TM code>_<YYYYMMDD>.Mnn

M is the File Indicator; nn will be batch number same as in Member's file.
<YYYYMMDD> in each of the above format refers to the trade date.

b. Response file for the Don't Exercise Intimation files uploaded by the Members

MCXCCL shall provide two auto response files for the Don't Exercise Intimation files uploaded by the Members as under:

i. Members shall receive an auto response file for each uploaded file as under:

SFTP Path: <Member Code>\ Ex-DExIntimation \UPLD\
File Name:
MCX_Ex-DExIntimation_<Member Code>_<YYYYMMDD>.Enn
(Enn: 'E' for MCXCCL file & nn for batch number of member file)

ii. For successful file import, Member will receive a blank file as under:

File Name:
MCX_Ex-DExIntimation_<Member code>_<YYYYMMDD>S.Enn

c. General instructions for upload of Don't Exercise Intimation files:

i. While giving intimation for Don't Exercise, Members are required to append each record with intimation for Don't Exercise in the respective column defined in the file format for Member 'Ex-DEx Intimation File from member'. Any modification of fields under Sr. No. 1 to 11 would result in the record being rejected.

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ii. In case of 'Do Not Exercise' request uploaded by members on SFTP on option expiry day, any record with blank under the field 'Exercise/Don't Exercise Quantity' shall be considered as '0'.
iii. Members should adhere to file naming conventions strictly for uploading files to MCXCCL.
iv. Members are required to provide batch number in every file which is a running sequence with the valid values from 01 to 99 for each trade date. This would enable Members to send multiple files for the same trade date with incremental batch numbers within the defined timelines.
v. In case where multiple Don't Exercise Intimation files are sent by the Member for all client, then the file with latest batch number shall be considered as final.
vi. Error codes have been defined along with the file formats for the rejection of the file uploaded by the Member at individual record /Member level.

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Annexure 4 - Procedures related to custodial participants

a. Procedure for appointment of Clearing Member (PCM/ITCM) by Custodial Participant:

i. CP shall enter into an agreement (**Format 7**) with a Clearing Member.
ii. The Clearing Member shall apply to MCXCCL in the format prescribed in (**Format 9,**), along with a copy of the agreement, for allotment of CP code.
iii. Application from clearing member to be submitted for enablement of 'Auto Approval' facility for Custodial Participant (CP) trades as per format prescribed in **Format 8**
iv. Upon receipt of CP code from MCXCCL, the CP shall intimate the CP code allotted to it to the Member of MCX through whom it desires to trade on MCX.
v. Clearing Members need to ensure that appropriate allocation is already made against the respective CP code to enable 'Auto Approval' for respective CP trades.
vi. Auto approval of Custodial Participants (CP) trades shall be stopped once the CP's margin utilization reaches 90% and the same shall be treated as 'Pending for Approval/Rejection'. Thereafter, such trades can be approved/rejected by the Clearing Member (CM) through file upload or via the approval screen available in eClear application. Auto-approval will automatically resume once the CP margin utilization falls below 90%.
vii. In the event of Clearing Member margin utilization reaches 90%, the CM shall not be permitted to approve trades. Approval shall be allowed only after the CM reduces its margin utilization below 90%

b. Procedure for settlement of obligations on account of Custodial Participant:

i. Trading Members of MCX who place orders on behalf of a CP in the trading system of MCX shall enter the CP code under 'INST' facility, along with the order details including the client code allotted to the CP.
ii. Trades resulting out of the orders sent to the trading system of MCX with CP codes shall be made available to the relevant Clearing Member of MCXCCL (PCM/ ITCM), for approval or rejection.
iii. Clearing Member of CP shall approve or reject such trades within the stipulated time, i.e upto 11.45pm / 12.10 am on the same day/T+1 day in such manner and through such facility as may be provided to the Clearing Member from time to time.
iv. All such trades which have been approved by Clearing Member shall form part of the obligation of the Clearing Member concerned and such Clearing Member shall be fully and completely responsible for all obligations arising out of such trades including the payment of margins, penalties, any other levies and settlement of such obligations.
v. Trades of CP which have not been approved by Clearing Member shall be considered as trades pertaining to the respective Trading Members under such client codes as keyed in by the trading member who executed such trades and shall form part of the obligation of those Clearing Member who clear and settle for such Trading Members.
vi. Process flow for Maker acceptance :

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Path: eClear login → Clearing → CCP Derivatives Clearing → Give Up → Query Take-Up

The screen will allow the ITCM/ PCM member user to view the institutional trades received from the trading system and pending for acceptance.

Inputs required:

- Transfer Date From
- Transfer Date To
- Status – Alleged For Transfer

Based on above filters, records should be selected and approved by maker.

vii. Process flow for Checker acceptance:

Path: eClear login → Clearing → CCP Derivatives Clearing → Give Up → Check Give-up/Take-up

The screen will allow the user to view the institutional trades which are approved by maker and pending for checker authorization

Inputs required:

- Transfer Date From
- Transfer Date To
- Transfer Type – Take up

Based on above filters, records should be selected and authorised by checker.

viii. Process flow for viewing institutional trades:

Path: eClear login → Clearing→ CCP Derivatives Clearing→ Give Up→ QueryGive Ups/Take Ups

The screen will allow the user to view the status of institutional trades as Transferred, Alleged For Transfer, Rejected, Cancelled.

Inputs required:

- Transfer Date From
- Transfer Date To
- Status
- Transfer Type – Give Up

Besides above mentioned screen based approval/rejection, members can also avail file base upload facility through SFTP in terms File format Version- 1.2, informed as per circular no. MCX/TECH/394/2023 dated June 19, 2023.

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c. Procedure for change of Clearing Member

If a Custodial Participant desires to change his Clearing Member, the relevant documents as described herein below need to be executed in advance and submitted to MCXCCL:

i. Agreement (**Format 7**) with the incoming (new) Clearing Member
ii. Application to the Clearing Corporation for change of Clearing Member affiliation (**Format 10**)
iii. Letter from the outgoing Clearing Member agreeing to the arrangement (**Format 11**)
iv. Letter from the incoming Clearing Member undertaking to act as clearing member (**Format 12**)

d. Effect of failure on the part of Clearing Member

For any failure on the part of the Clearing Member to meet the requirements specified as per the Rules and Bye-Laws of MCXCCL and as intimated and / or amended through Circulars from time to time, including maintenance of minimum deposits, payment of margin obligations, fulfilment of settlement obligations and adherence to exposure limits, or for any other reason that the Relevant Authority of MCXCCL may deem fit, including, action initiated by any statutory / regulatory agency, pursuant to any acts of violation / contravention of any Statutes, Rules or Regulations, committed by the Clearing Member and / or Trading Members and / or Custodial Participants, clearing and settling through such Clearing Member, MCXCCL may withdraw any or all of the membership rights of such Clearing Member including withdrawal of trading facilities of all Trading Members and / or clearing facility of CPs clearing and settling through such Clearing Member, without any notice, including but not limited to any other actions as stipulated in the Rules and Bye laws of MCXCCL.

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Annexure 5 - List of Agricultural Commodities exempted from Commodities Transaction Tax (CTT)

Sr. No.	Commodity	Sr. No.	Commodity
1	Almond	32	Cotton seed
2	Barley	33	Ginger
3	Cardamom	34	Gram Dal
4	Castor Seed	35	Gram Husk (Gram Chilka)
5	Chana/ Gram	36	Groundnut
6	Copra	37	Jowar
7	Coriander/ Dhaniya	38	Kulthi
8	Cotton	39	Lakh (Khesari)
9	Guar Seed	40	Linseed
10	Isabgul Seed	41	Masur
11	Jeera (Cumin Seed)	42	Methi
12	Kapas	43	Moth
13	Maize Feed	44	Mung
14	Pepper	45	Mung Chuni
15	Potato	46	Mung Dal
16	Rape/ Mustard Seed	47	Nutmeg
17	Raw Jute	48	Onion
18	Red Chilli	49	Peas
19	Soya Bean/ Seed	50	Ragi
20	Soy Meal	51	Rice Bran
21	Turmeric	52	Rice or Paddy
22	Wheat	53	Safflower
23	Ani Seed	54	Seedlac
24	Arhar Chuni	55	Sesamum (Til or Jiljilli)
25	Bajra	56	Small Millets
26	Betel Nuts	57	Sunflower seed
27	Celeryseed	58	Tur (Arhar)
28	Chara or Berseem (including Chara Seed or Berseem seed)	59	Tur Dal (Arhar Dal)
29	Cinnamon	60	Urad (Mash)
30	Cloves	61	Urad Dal
31	Cotton pods		

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13 **Formats:**

Format 1 – Details of Settlement account from Clearing Bank to Clearing Member
(On letterhead of Clearing Bank)

Date: _____
To,
The Membership Department
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square, CTS No. 255,
Suren Road, Chakala, Andheri (East),
Mumbai - 400 093.

Dear Sir,

Sub: Details of Settlement Bank Account.

Kindly note that the details of Settlement Bank Account opened with us are as follows:

Name of the Member:

Title of the Account	Branch	Account Type	Account No.
'Name of the Broker – MCXCCL Settlement Account'		Bank account held for the purpose of Settlement	

Thanking You,
Yours Faithfully

_____
(Authorised Signatory)

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Format 1.1 – Request for Change of Clearing Bank

(To be issued by the Member on the letterhead)

Date:

The Clearing & Settlement Department
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square,
Suren Road, Chakala,
Andheri (East), Mumbai – 400 093

Ref: Clearing Member ID - _____

Dear Sir,

Shifting of Settlement account (Primary/Secondary)*

This is to inform you that we wish to shift our Settlement account from _____ (name of existing Clearing Bank) to

_____ (name of new Clearing Bank).

We hereby confirm that there are no dues pending towards MCXCCL and request you to consider shifting of accounts and give us your consent for the intended shift.

* *Strike out whichever is not applicable*

Thanking you

Yours faithfully
For _____

Authorised signatory

Name of the Authorised Signatory
(Affix rubber stamp of the Member)

Contact No:
Email Id:

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Format 2 – No Objection Certificate from existing Clearing Bank
(To be issued by the existing Clearing Bank on its letterhead)

Date:

NO OBJECTION CERTIFICATE

We,_____, as a Clearing Bank to Multi Commodity Exchange Clearing Corporation Limited, have been providing the clearing services to _____(name of the Member), a member of MCXCCL.

The said Member desires to appoint other Bank as their Clearing Bank and has requested us to close his settlement account with us.

We hereby inform that we do not have any objection in the said member appointing other Clearing Bank for the purpose.

The settlement account number of the said member is _____ (settlement account no.) ___. These said accounts will be closed on receipt of a request of the member on its opening settlement with other Clearing Bank.

For and on behalf of the (name of the Bank)

Authorised Signatory
(Affix bank seal/stamp)

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Format 3 – Letter intimating new Settlement account details

(To be issued by the Member on the letterhead)

Date:

The Clearing & Settlement Department
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square,
Suren Road, Chakala,
Andheri (East), Mumbai – 400 093

Ref: Clearing Member ID - _____

Dear Sir,

Shifting of Settlement account (Primary/Secondary)*

In continuation of our letter dated for **Shifting o f Settlement account**, we hereby inform you that we have opened following accounts with _____ _____ (name of the new clearing bank), as detailed below:

SETTLEMENT ACCOUNT	(ACCOUNT NO.)
Name of the Broker-MCXCCL Settlement Account	

***** *Strike out whichever is not applicable*

Thanking you.

Yours faithfully
For _____

Authorised signatory
Name of the Authorised Signatory
(Affix rubber stamp of the Member)

Contact No:
Email Id:

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Format 4 – Letter from the new Clearing Bank
(To be issued by the new Clearing Bank on its letterhead)

Date:
The Clearing & Settlement Department
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square, Suren Road,
Chakala, Andheri (East), Mumbai – 400 093

Dear Sir,

Settlement accounts of_____(name of the member) with Clearing Member ID - _____.

This is to inform you that we are one of the Clearing Banks of MCXCCL and that one of the members of MCXCCL, _____ (name of the member of MCXCCL) has appointed us as their Clearing Bankers.

We hereby confirm having opened the following accounts of the said member:

SETTLEMENT ACCOUNT	(ACCOUNT NO.)

We further confirm that the above-mentioned accounts are active for MCXCCL operations on the date of issue of this letter.

For and on behalf of the (name of the Bank)

Authorised Signatory
(Affix bank seal/stamp)

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Format 5– Authorisation Letter

(On the letterhead of the Member)

(In case of Trading-Cum-Clearing Member / Institutional Trading-Cum-Clearing Member / Professional Clearing Member)

Letter from Clearing Member to the Clearing Bank for operations of Clearing Account
Date:

To:
---------- (Name of Clearing Bank)

Sub: Authorisation for Operation of Primary/Secondary* Settlement Account at the instruction of Multi Commodity Exchange Clearing Corporation Limited (MCXCCL)

Ref: Our Primary/Secondary* Settlement Account no. _____ with _____ (Name of Clearing Bank)

1. MCXCCL has entered into an agreement with MCX to provide clearing and settlement services to MCX, whereby all trades executed on MCX will be cleared and settled by MCXCCL.

2. We understand that your Bank has been nominated/ appointed as a Clearing Bank for purpose of Clearing and Settlement by MCXCCL. As per Bye-Laws, Rules and the Regulations framed thereunder, Members of MCXCCL are required to authorize their Clearing Bank to access their Settlement Account for debiting and crediting their accounts as per instruction received from MCXCCL from time to time.

3. Having due regard to the above, on operationalization of Clearing and Settlement of trades done on MCX by MCXCCL, we hereby irrevocably and unconditionally authorize you (as a Clearing Bank) to debit/ credit our above mentioned Settlement Account number from time to time as per instructions received from MCXCCL. Further we authorize the Clearing Bank to report balances and other information relating to this Settlement Account to MCXCCL from time to time.

4. We further hereby authorize MCXCCL to debit and credit my above mentioned Settlement Account and seek balance information from the bank in respect of above mentioned account as per its discretion and in accordance with the Rules, Bye-laws and Regulations of MCXCCL.

5. We further undertake to abide by such other further guidelines/ instructions in this regard, as may be communicated/ decided by MCXCCL.

Yours Faithfully,
---------- (Name of the Clearing Member)
SD/- Authorised Signatory (with name of the Authorised Signatory)
***** *Strike out whichever is not applicable*

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Format 6– Data Request
(On Letter Head of the Member)

Date:

Clearing & Settlement Department
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square 3rd Floor,
Suren Road, Chakala
Andheri (East), Mumbai 400 093

Ref: Clearing Member ID - _____

Dear Sir,

Sub: Requisition for data

You are requested to provide us the data as under:

Sr. No.	Type of Report	Period of Report
1		
2		
3		
4		

We hereby agree to pay the applicable charges and authorise MCXCCL to debit our Settlement account for the same.

Thanking you.

Yours faithfully
For _____

Authorised signatory
Name of the Authorised Signatory
(Affix rubber stamp of the Member)
Contact no: Email Id:

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Format 7 – Clearing Member – Custodial Participant Agreement

(To be executed on non-judicial stamp paper of appropriate value)

This agreement is made on this ____day of _____20____, between_____, a company/ partnership firm/ individual having registered office / office / residence at _____ (hereinafter called "Clearing Member") which expression shall unless repugnant to the context or meaning thereof include its successors, legal representatives and permitted assigns and_____, a company / partnership firm/ individual having its registered office/ office/ residence at_____(hereinafter called "Custodial Participant" or "CP") which expression shall unless repugnant to the context or meaning thereof include its successors, legal representatives and permitted assigns).

WHEREAS

(a) __is a registered Institutional Clearing Member (ITCM)/ Professional Clearing Member (PCM) (hereinafter referred to as the Clearing Member) of MCXCCL (Member Code _____No.___) and is inter alia authorized to clear and settle trades executed by the Trading Member (TM)/ Custodial Participants who have appointed the Clearing Member to clear and settle his trades on its behalf

(b) The CP desires to effect purchase and / or sale in contracts approved for trading on MCX through a single or multiple trading members of MCX and clear and settle such trades through the Clearing Member of MCXCCL

(c) The CP has approached the Clearing Member to undertake clearing & settlement of trades and to discharge duties and obligations towards MCXCCL on its behalf and the Clearing Member, in turn, agreed to clear and settle the trades done by the CP through trading member(s) of MCX subject to the provisions contained in the Rules and Bye Laws of MCXCCL and/ or its Circulars amended from time to time and the terms and conditions contained herein.

(d) The parties to this agreement are desirous of reducing the terms and conditions agreed, in writing, as contained herein:

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. At the request of the CP and in consideration of the CP agreeing to pay certain fees and charges as mutually agreed between the parties and abide by the terms and conditions contained in this agreement, Rules and Bye-Laws of MCXCCL/ MCX, the Clearing Member hereby undertakes upon himself the obligations of clearing and settlement of the trades of the CP executed / done, through a single or multiple trading members of MCX and to do all the acts, deeds and activities arising from and / or incidental to the clearing and settlement of such deals.

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2. Rights of the Clearing Member

2.1. The Clearing Member shall be entitled to demand/ receive from the CP such deposits in such form as the Clearing Member may specify from time to time.

2.2. Without prejudice to the generality of the above, the CP shall place with the Clearing Member an amount, as decided by the Clearing Member, as deposit which shall be continuously maintained during the subsistence of this agreement. Subject to the provisions of Rules and Bye Laws of MCXCCL/MCX in case of any shortfall in such deposit, the Clearing Member shall be entitled to initiate any action necessary to protect his interests in this regard against the CP.

2.3. The Clearing Member shall be entitled to receive such fees, charges, or commission, in respect of various services which he renders or agrees to render to the CP, from the CP at such intervals as may be mutually agreed upon.

2.4. The Clearing Member shall specify, subject to the requirements prescribed by MCXCCL/ MCX from time to time, open position/ margin limit up to which open positions can be taken by the CP. Such limits may be increased or reduced by the Clearing Member from time to time. The Clearing Member shall have the authority to initiate any action necessary to protect his interests in this regard, which may, inter alia, include restriction on further trading and close-out of open positions of the CP.

2.5. The Clearing Member shall be entitled to collect from the CP additional capital/ margin(s) of such amounts of such kinds, as he may require, which at any point of time shall not be less than the amount stipulated by MCXCCL from time to time. The Clearing Member shall have authority to collect such additional margin(s) as required by him or as per requirement of MCXCCL.

2.6. The Clearing Member shall be entitled to receive from the CP such amounts as may be required to be paid towards daily and final settlement of contracts, as per the requirement of MCXCCL.

2.7. The Clearing Member shall have authority to close out / liquidate the open positions of the CP in accordance with the Rules and Bye-Laws of MCXCCL, in the case of non- payment of dues by the CP towards margins, additional margins, daily as well as final settlement of contract, fees, commission and / or charges, by making necessary requests to MCXCCL/ MCX for initiating such action. In such case, any loss arising due to the closing out of open positions shall be payable by the CP and will be recovered from the CP by the Clearing Member.

2.8. The Clearing Member shall collect, preserve and maintain all the important documents, agreements, books of accounts, records, and computerized data of the CP for which the Clearing Member shall have free access to the premises occupied by the CP or by any other person on his behalf.

2.9. The Clearing Member shall have right to inspect the books of accounts, records, documents and computerised data of the CP for which the Clearing Member shall have free access to the premises occupied by the CP or by any other person on his behalf.

3. Obligations of the Clearing Member

3.1. The money deposited by each CP shall be kept in separate account by the Clearing Member, distinct from his own account and shall provide the details of margins collected for the trades executed by the CP, to MCXCCL/ MCX as per the requirements of MCXCCL/ MCX.

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3.2. The Clearing Member shall inform the CP about the margin limit (including any increase or reduction in such limits) up to which open positions can be taken by the CP.
3.3. The Clearing Member shall be liable to pay to the CP any amount becoming due and receivable by the CP towards daily and final settlement of contracts, as per the requirements of MCXCCL.
3.4. The Clearing Member shall be required to refund any excess margin money to the CP unless otherwise agreed in writing.
3.5. The Clearing Member may settle the accounts on a periodical basis, if mutually agreed between Clearing Member and CP, which should be in accordance with the Byelaws, Rules & Regulations of MCXCCL/ MCX.
3.6. In the event of default by the Clearing Member or his being declared defaulter by MCXCCL/ MCX, the Clearing Member shall render all assistance to the CP for transfer of the CP's positions to some other Clearing Member.
3.7. In the event of failure by the Clearing Member in the payment of any dues to CP, the CP shall, with the prior approval of MCXCCL have the right to transfer his own open positions immediately to another Clearing Member. The Clearing Member shall be obliged to pay to the CP for any costs incurred for transfer of the open positions, if such event occurs.
3.8. If due to the default of the Clearing Member, the open positions of the CP are closed-out and any loss is incurred due to such close-out, the Clearing Member shall reimburse such loss to the CP, unless the default of the Clearing Member was on account of the CP.
3.9. The Clearing Member shall treat the information pertaining to the CP as confidential. The Clearing Member shall not disclose the same to any other person except to governmental, statutory, regulatory or legal authorities on a request made by any of these authorities in writing.
3.10. The Clearing Member shall be required to provide reports / statements of daily and final settlement of trades, margin amounts and open positions to the CP, periodically as may be mutually agreed.

4. Rights of the Custodial Participant

4.1 The CP shall be entitled to have all the trades, executed through any trading member(s) of MCX & cleared and settled through the Clearing Member.
4.2 The CP shall be entitled to receive intimation from the Clearing Member about the margin / capital limits (including any increase or reduction in such limits) upto which open positions can be taken by the CP.
4.3 The CP shall be entitled to receive reports/ statements of daily settlement, obligation reports, delivery reports/ final settlement reports, from the Clearing Member, periodically as may be mutually agreed.
4.4 The CP shall be obliged to pay to/ entitled to receive from, the Clearing Member such amounts towards daily and final settlement of contracts, as per the requirement of MCXCCL.
4.5 In the event of the Clearing Member being declared a defaulter by MCXCCL/ MCX, the CP, unless the CP himself has defaulted to the Clearing Member, shall be entitled to transfer his open positions to some other Clearing Member and recover any costs incurred for such transfers from the Clearing Member.
4.6 In the event of failure by the Clearing Member in the payment of any dues to CP, the CP

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shall, with the prior approval of MCXCCL have the right to transfer his own open positions immediately to another Clearing Member. The CP shall also have the right to recover from Clearing Member any costs incurred for transfer of the open positions.

4.7 In case the open positions of the CP are closed-out due to the default of the Clearing Member, the CP, unless the CP himself has defaulted to the Clearing Member, shall be entitled to recover such loss from the Clearing Member.

5. Obligations of the Custodial Participant

5.1. The CP shall pay to the Clearing Member such deposits in such form as the Clearing Member may specify from time to time.

5.2. Without prejudice to the generality of the above, the CP shall place with the Clearing Member such amount as may be decided by the Clearing Member as deposit which shall be continuously maintained during the subsistence of this agreement. Subject to the provisions of Rules and Bye Laws of MCXCCL/MCX, the Clearing Member shall be entitled to initiate any action necessary to protect his interest in this regard against the CP.

5.3. The CP shall pay to the Clearing Member such fees, charges or commission in respect of various services which he renders or agrees to render to the CP at such intervals as may be mutually agreed upon by them.

5.4. The CP shall pay to the Clearing Member margins of such amounts as may be prescribed by MCXCCL from time to time including additional margins, if any or such higher amount of margins as may be mutually agreed with the Clearing Member. The margins shall be deposited by the CP within such time and in such form as may be specified by the Clearing Member.

5.5. The CP shall be obliged to pay to/ entitled to receive from, the Clearing Member such amounts towards daily and final settlement of contracts, as per the requirement of MCXCCL.

5.6. The accounts shall be settled on a periodical basis as may be mutually agreed between the Clearing Member and the CP.

5.7. The CP shall be obliged to reimburse to the Clearing Member any loss caused due to the closing out / liquidation of his open positions initiated by the Clearing Member, on account of non-payment of dues by the CP towards margins, additional margins, daily settlement of contracts, final settlement of contracts, fees, charges, commission, penalties, expenses and any other sum, as per the requirement of MCXCCL.

5.8. The CP shall do all such acts, deeds and activities that are necessary for the purpose of strict compliance with the Rules and Bye Laws of MCXCCL/ MCX by the Clearing Member.

5.9. If due to the default of the CP, the open position of the CP is closed-out and any loss is incurred due to such close-out, the CP shall be liable to reimburse such loss to the Clearing Member.

6. Termination of the Agreement

This agreement entered into between the Clearing Member and the CP may be terminated by either of the parties by giving at least one month written notice to the other party or as may be mutually consented. A copy of such notice shall be given to all the

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trading members through whom the CP trades at such time and also to MCXCCL. The Clearing Member shall further request MCXCCL for cancellation of the CP code allotted to the Custodial Participant, with effect from the date and time at which this agreement is terminated. Such cancellation or termination shall not have any effect on transactions executed before the time and date of termination and the parties shall enjoy the same rights and shall have same obligations in respect of such executed transactions.

7. Mode of Communication

Any communication between the Clearing Member and the CP shall be made in any one or more of the following ways:

a) sending through electronic mail
b) delivering by post
c) sending by registered post
d) sending under certificate of posting
e) sending by express delivery post / courier services
f) sending by fax
g) affixing on the door at the last known business or residential address
h) advertising at least once in any prominent daily newspaper

8. Force Majeure

No liability shall result to either party for delay in performance or non-performance of the obligations under the agreement caused and / or contributed to by any event of force majeure. For purposes of this clause, "force majeure" means and includes wars, insurrections, revolution, fires, floods, epidemic, quarantine restrictions, declared general strikes in relevant industries, act of God, act of governmental / statutory / regulatory / legal authority and such other acts or events beyond the control of the non-performing party.

9. No assignment

Neither party shall be entitled to assign or otherwise transfer this agreement or any benefits, rights, obligations or interests herein whether in whole or in part to any other agency without the prior written consent of the other.

10. Non-waiver

No forbearance, delay or indulgence by either party in enforcing the provisions of this agreement shall prejudice or restrict the rights of that party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no rights, powers, remedies herein conferred upon or reserved for either party is exclusive of any other right, power or remedy available to that party and each right, power or remedy shall be cumulative.

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11. Arbitration

11.1. All disputes, differences or questions arising out of or in relation to the agreement including the interpretation of the terms contained herein with regard to the obligations, failure or breach thereof by any of the parties and / or of any matter whatsoever arising out of the agreement, shall in the first instance be resolved mutually by the parties

11.2. If the parties fail to resolve the same mutually, then the same shall be referred to the arbitration in accordance with the Rules and Byelaws of MCXCCL.

12. Jurisdiction

This agreement shall be subject to the exclusive jurisdiction of the courts in _____.

IN WITNESS THEREOF, the parties to this agreement have caused these presents to be executed as of the day and year first above written.

Signed for and on behalf of
CLEARING MEMBER:

By:

Signature:
Title:
Witness:

Signed for and on behalf of
CUSTODIAL PARTICIPANT:

By:

Signature:
Title:
Witness:

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Format 8 – Application from Clearing Member for enablement of 'Auto Approval' facility for Custodial Participant (CP) trades

(On the letter head of the Clearing Member)

Date:

The Clearing & Settlement Department
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square, Suren Road, Chakala,
Andheri (East), Mumbai - 400 093

Sub: Enablement of 'Auto Approval' facility for Custodial Participant (CP) trades

We wish to inform you that we have been appointed as Clearing Member by _____ (Name of Custodial Participant) who trades through a single or multiple trading members of MCX and clear through us.

For the same, we have been allotted CP code _____ by MCXCCL.

We wish to avail 'Auto Approval' facility for above mentioned CP code.

Yours faithfully

For _____

Authorised signatory

Name of the Authorised Signatory (Affix rubber stamp of the Member)

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Format 9 – Application from Clearing Member for allotment of Custodial Participant (CP) code

(on the letter head of the Clearing Member)

Date:

The Clearing & Settlement Department
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square, Suren Road, Chakala,
Andheri (East), Mumbai - 400 093

Sub: Allotment of Custodial Participant (CP) Code

Member Code: _____ Registration Code: _____

We wish to inform you that we have been appointed as Clearing Member by M/s. _____(Name of Custodial Participant) who desires to trade through a single or multiple trading members of MCX and clear through us. The letter of Custodial Participant confirming the appointment is attached herewith.

Details of the Custodial Participant are as follows:

Name of the Custodial Participant	
CP Code allotted by other CC (if applicable)	
Registered Office / Address	
Name of contact person & designation	
Telephone No. & Fax No.	
Email id of contact person	
SEBI Registration No. (if available)	
PAN details	
Custodian (In case of SEBI Registered entities)	

We will undertake clearing and settlement of the trades done on MCX on behalf of the above mentioned Custodial Participant in MCXCCL. We have entered into an agreement dated _____With M/s._____(Custodial Participant) for the purpose, as required and a copy of the same is attached.

We therefore request you to allot CP code(s)

Yours faithfully

For _____

Authorised signatory

Name of the Authorised Signatory (Affix rubber stamp of the Member)

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Format 10 – Application for change of Clearing Member from the Custodial Participant

Date:
Multi Commodity Exchange Clearing Corporation Limited
Exchange Square 3rd Floor,
Suren Road, Chakala
Andheri (East),
Mumbai 400 093

Dear Sir,

Sub: Change of Clearing Member affiliation from_____(Member Code _____) to___(Member Code_____)

Ref: CP Code: _____

We wish to terminate the arrangement, in respect of clearing and settlement of our trades done on M C X with the clearing member M/s._____, with effect from_____ at close of market hours.

M/s._____another Clearing Member of MCXCCL will take over all our open positions from M/s. _____ (o*utgoing*

Clearing Member), for the purpose of settlement and clear and settle the trades done on MCX, on our behalf with effect from_____(at start of market hours).

We attach the following documents for effecting the change:
1. Letter dated _____ of M/s._____ of (Outgoing Clearing Member)
2. Letter dated _____ of M/s._____ of (Incoming Clearing Member)
3. Agreement dated _____between M/s._____ (Incoming Clearing Member) and ourselves.

We, therefore, request that all our open positions be transferred from_____*(outgoing Clearing Member)* to __*(incoming Clearing Member)* after the close of market hours of _____(date).

We forward this letter to you through M/s._____(*incoming Clearing Member)*.

Yours sincerely
For_____(name of the CP code entity)

Authorised Signatory
Cc to: Trading Member(s) through whom the CP shall trade

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Format 11 – No Objection letter from Outgoing Clearing Member

(On the letterhead of the Outgoing Clearing Member)

Date:

Multi Commodity Exchange Clearing Corporation Limited
Exchange Square 3rd Floor,
Suren Road, Chakala
Andheri (East),
Mumbai 400 093

Dear Sir,

Sub: NOC for Change of Clearing Member affiliation Member Code :

_____
SEBI Registration No.: _____
CP Code: _____

It is agreed between M/s. _____ (CP Name), with *CP Code* _____, and ourselves to terminate the agreement dated_____for clearing and settlement of the trades done on behalf the said Custodial Participant on MCX with effect from_____at close of market hours

We shall clear and settle the trades of the above said CP till_____(at close of market hours). Accordingly, the obligation in respect of the trades done on behalf of the said CP at MCX will be met by us till the said date or when the CP's open positions are transferred to another Clearing Member, whichever is later.

Yours faithfully
For _____

Authorised signatory
Name of the Authorised

Signatory
(Affix rubber stamp of the Member)

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Format 12 – Consent letter from the incoming Clearing Member

(On the letterhead of the Incoming Clearing Member)

Date:

Multi Commodity Exchange Clearing Corporation Limited Exchange
Square 3rd Floor,
Suren Road, Chakala
Andheri (East), Mumbai 400 093

Dear Sir,

Sub: Consent to act as Clearing Member for M/s. _____
(custodial Participant)) with CP Code _____

Member Code : _____
SEBI Registration No.: _____

We wish to inform you that we have been appointed as Clearing Member for M/s. _(custodial participant) in respect of the trades through a single or multiple trading members of MCX. Details of the Custodial Participant are as follows:

Name of the Custodial Participant	
Registered Office / Address	
Name of contact person &	
Telephone No. & Fax No.	
Email id of contact person	
SEBI Registration No. (if available)	
PAN details	
Custodian (In case of SEBI Registered	

We hereby agree and undertake to act as Clearing Member and to clear and settle the trades on behalf of M/s._____*(*Custodial Participant*)*

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We have entered into an agreement dated ____ with M/s. (Custodial Participant) for the purpose, as required, and a copy of the same is attached.

You are requested to transfer the open positions, if any, of M/s. _____*(name of the* Custodial Participant*)*, to our account with effect from_____at start of market hours). We undertake to clear and settle all open positions and margin obligations of the above said Custodial Participant with effect from_____.

Yours faithfully
For _____

Authorised signatory

Name of the Authorised Signatory

(Affix rubber stamp of the Member)

Format 13 Application seeking exemption from mark-to-market settlement for FPO
(To be submitted by the Member)

To,
Clearing and Settlement Department
Multi Commodity Exchange Clearing Corporation Ltd.
CTS No. 255, Suren Road,
Chakala, Andheri (E),
Mumbai – 400 093

Sub: Seeking exemption from mark-to-market settlement for FPO

We wish to seek exemption from Mark to Market settlement in case of the following FPO

Name of the FPO	
Registered under	(name of the respective Statute)
Registration No.	_____ (along with expiry date, if applicable)
Status of Registration	Active/ Inactive
Permitted Commodities	
UCC allotted to FPO	

The FPO has sought exemption from Mark to Market settlement pursuant, to the above mentioned circular.

We undertake to abide by the process and procedures laid down by MCXCCL in this matter from time to time.

For
(Member Id)
(Member Name)

Authorised Signatory

Chapter 5: Delivery Settlement

1. Funds Settlement Timelines for Delivery

MCXCCL shall effect settlement of admitted deals in accordance with the settlement timelines defined or as modified from time to time.

The delivery settlement timelines for funds pay-in and pay-out are defined as under:

Type of Settlement	Frequency	Settlement due on	Timelines
Delivery (staggered/ at expiry)	As defined in delivery settlement procedure of the respective commodity	As defined in delivery settlement procedure of the respective commodity (T/E+1, T/E+2)	**In case of T/E+1 day** Pay-in - 12:00 pm Pay-out - 02:00 pm **In case of T/E+2 day** Pay-in - 12:00 pm Pay-out - 2:00 pm

Where T = Trade day, E = Expiry day

2. Settlement Prices

2.1.1 During Staggered Delivery Period (at daily settlement/ closing price)

The delivery settlement price for a Delivery Intention shall be the daily settlement/ closing price of the concerned contract as specified in the Contract Specification for the Staggered Delivery Period.

The price arrived at as above shall be adjusted by applying freight adjustment factor /Discount/Premium on up country delivery and the discount / premium in respect of quality, quantity etc. in accordance with the adjustments specified in the Contract Specifications.

The location premium/discount shall be determined and disclosed by MCX prior to launch of the contract in various commodities.

2.1.2 At Expiry of Contract (at Due Date Rate/ Final Settlement Price)

All open position at close of market on the expiry date of the relevant contract shall be

settled/ marked for delivery at the Due Date Rate/ Final settlement Price determined in terms of the relevant contract specification / alternate framework to determine the Due Date Rate/ Final settlement Price in the event of unavailability of the spot prices .

The price arrived at as above shall be adjusted by applying freight adjustment factor /Discount/Premium on up country delivery and the discount / premium in respect of quality, quantity etc. in accordance with the adjustments specified in the Contract Specifications.

The location premium/discount shall be determined and disclosed by MCX prior to launch of the contract in various commodities.

3. Delivery Settlement procedures and operational timelines

3.1 Settlement on Expiry

3.1.1 Cash Settled Contracts:

Contracts specified as Cash settled shall be settled by way of Funds settlement and no delivery settlement shall take place for such contracts.

3.1.2 Delivery Settlement of contracts:

a. Each Futures Contract shall be deemed to have entered the tender and/ or delivery period from such date of its expiry month, as specified by MCXCCL in the relevant delivery settlement procedure. The settlement of the futures contract can be performed by delivery of the underlying commodity within this period on designated tender days. Tender and Delivery Period Margin shall be levied to Member as specified by MCXCCL.

b. The tendering of deliveries shall be permitted only on specific tender days during the tender and delivery period. Such tender days will be notified by MCXCCL in advance. MCXCCL will have the right to fix, alter, extend or postpone such tender and delivery period, if it is expedient to do so.

c. **In Compulsory Delivery Contracts**, Member with an open position, as at the close of business on the contract expiry date, shall be obliged to compulsorily tender delivery for the entire short position or accept delivery for the entire long position, as the case may be.

d. **In Both Option Contracts**, Members desiring to tender/ receive delivery will have to submit Delivery Intentions on expiry or prior to the pre-defined number of days before the expiry of the contract. Delivery marking will take place only to the extent of matched delivery intentions at the expiry of the contract.

e. **In Contracts having Staggered Delivery in Compulsory Delivery Contracts,** Member desiring to tender delivery will have to submit Delivery Intention and delivery marking will take place only to the extent of Delivery Intention of the sellers. Intentions submitted within the defined timelines shall be marked for delivery on the date of receipt of intention. Buyers marked for delivery against the sell intention will have no right of refusal.

f. S**upplementary Settlement,** the settlement of funds takes place with standard delivery weight as per contract specifications. The settlement of other variables like weight difference, Premium/Discount, package charges, settlement dues etc. are subsequently settled during the process of supplementary settlement. This debit/ credit of supplementary settlement charges gets complete one working day post the commodity pay-out day (settlement day = S) i.e. on S+1 day.

g. **In Seller Option Contracts**, Member desiring to tender delivery will have to submit Delivery Intention on expiry or prior to the pre-defined number of days before the expiry of the contract and delivery marking would be done at the expiry of the contract to the extent of the seller intention. Intentions submitted within the defined timelines shall be marked for delivery at the expiry of the contract. Buyers marked for delivery against the sell intention will have no right of refusal.

h. **Delivery marking at client level across all contracts at the expiry of contract is summarised as under:**

Compulsory Delivery – All open positions
Sellers Option – To the extent of seller intention
Both Option – To the extent of matching of buyer and seller intentions

All open positions in Both Option/ Sellers Option Contract that is not marked for delivery, shall be settled by way of Funds settlement at the Due Date Rate.

i. **Delivery in all commodities shall be settled on a gross basis by following modes:**

i. In case of commodities notified for settlement through ComRIS, pay-in through ComRIS Account whereby the account holder can earmark his existing free commodity balance in the ComRIS Account towards the pay- in obligation. The list of commodities notified for delivery through ComRIS Account and the process of effecting delivery through ComRIS is provided under **Annexure 1**.

ii. In case of commodities notified for settlement through the Repository System, pay-in through the Repository Account whereby the account holder can earmark his existing free eNWR balance in the Repository Account towards pay-in obligation. The list of commodities notified for delivery through Repository System and the process of effecting delivery through the Repository Account is provided under **Annexure 1**.

3.1.3 Fund Settlement

Fund settlement on account of delivery marked will be on a gross basis and shall be executed as specified by MCXCCL in the relevant delivery settlement procedure.

3.1.4 Delivery Framework under Staggered Delivery

All compulsory delivery commodity futures contracts (agriculture commodities as well as non-agriculture commodities) shall have a staggered delivery period beginning few

working days prior to expiry of any contract and ending with expiry, during which sellers/buyers having open position may submit an intention to give/take delivery. The minimum duration of staggered delivery period shall be at least **three working days or as defined in the contract specification of the respective commodity.**

The process of intention submission, delivery marking and allocation during the staggered delivery period is summarised as under:

a. Buyers and sellers can give delivery intention through eClear on each tender day specifying the delivery centre location preference through their Clearing Member.
b. During the staggered period, delivery marking shall be done to the extent of seller intentions received for all the delivery centres.
c. Preference for delivery marking and allocation is given to the buyers who have given intention to take delivery at each delivery centre.
d. If the buyer preference exceeds seller intention for a particular location, buyers would be assigned delivery for the said location on a random basis.
e. If the seller preference exceeds buyer intention for a particular location, buyers who have submitted intentions for the said location would be marked in full and the balance seller intentions would be assigned on random basis to the remaining buy positions. In such cases, buyers will be assigned delivery at the seller location of delivery and buyers would have to lift the delivery from the respective seller's delivery centre location.
f. If the tender date is T, then commodity–funds pay-in and pay-out shall happen on days as specified in respective contract specifications and delivery settlement procedure of the respective commodity but not later than T+2 working date.
g. The delivery marking will be done at client level as under:

- During tender period (against seller intention) – Intention quantity (to the extent of client open position)
- At contract expiry – All open positions shall be marked for delivery.

3.1.5 Mechanism for submission of delivery intention

MCXCCL will accept delivery intention through web-based electronic application "eClear" only on tender days as specified in the delivery settlement procedure of the respective commodity. The intentions shall be considered as valid only if the intentions are submitted along with the tender of delivery through ComRIS/Repository account.

The norms for submitting Delivery Intention through "eClear" are as under:

a. Delivery intention can be submitted during the pre-defined tender days and within specified time as defined in the delivery settlement procedure.
b. Delivery intentions should be given in multiples of Deliverable Lots only.
c. Delivery intention under staggered delivery shall be valid only for the tender day.
d. Delivery intention should specify the delivery centre opted by the client.
e. Member should submit intention(s) at Client Level during tender days and make arrangements for funds and commodities pay-in at client level towards delivery settlement.
f. Delivery intention cannot be modified/withdrawn after specified timelines.
g. Delivery intention would be marked for delivery only to the extent of open position

at the close of market on the tender day during staggered delivery and at expiry in case of other contracts.

h. Failure to hold the open positions against the delivery intentions shall attract penalty on intention default, if any, as defined in the delivery settlement procedure of the respective commodity.

Members intending to submit/ modify delivery intention can submit the request as under

a) Create Intentions:
Path: eClear login → Clearing → Delivery Management → Delivery Process → Delivery Intentions → Create Delivery Intentions.

b) Edit & View Intentions:
Path: eClear login → Clearing → Delivery Management → Delivery Process → Delivery Intentions → Query Delivery Intentions.

3.1.6 Timings for submission of Delivery Intentions

The timings for submission of delivery intentions to MCXCCL (during specified working days) shall be as defined in the delivery settlement procedure of the respective commodity or as modified from time to time.

MCXCCL shall disclose on its website the delivery intent of the hedgers and non-hedgers on a daily basis in an anonymous manner.

3.1.7 Facility of giving Delivery Intention at Additional Delivery Centers

The facility of giving delivery at Additional Delivery Centres shall be as specified in the delivery settlement procedure of the respective commodity.

3.1.8 Submission of Delivery related documentation

MCXCCL has prescribed the process of submission of delivery related documentation. Failure to adhere to the defined process and timelines would attract non-compliance charges mentioned herein and the same will be deposited in the Settlement Guarantee Fund (SGF) of MCXCCL.

The payment of non-compliance charges, levied by MCXCCL, will in no case act as a substitute for non-fulfilment of statutory compliances by the Clearing Members. The penalties, fines and/or interest or any other charges, levied by any authority shall be payable by the Clearing Members in addition to the said non-compliance charges.

A time schedule of activities is given hereunder for the compliance for all contracts by Clearing Members:

[3.1.5] Circular no MCXCCL/C&S/245/2023 Dated October 12, 2023

Sr. No.	Activities	No. of working Days from Payout of Commodities	Non-Compliance charges for non-adherence of timelines
2	Buyer Member to submit details of registered buyer/client in favour of whom the Invoice needs to be issued.	On Payout day	-
3	Seller Member to arrange for Invoice in favour of the Buyer Member/client and to send soft copy of invoice/ delivery related documents(#) / rectified invoice/ delivery related documents(#) (in case of any discrepancy informed by buyer Member) to the Buyer Member under intimation to MCXCCL.	Payout +1 day by 2 PM	Rs.1000/- (plus applicable taxes) per day per invoice/ delivery related documents, beyond permitted timelines
4	Buyer Member to confirm soft copy of invoice/ delivery related documents(#)/rectified invoice/ delivery related documents(#) to Seller Member via ComRIS.	Payout +1 day by 6 PM	-
5	Seller Member to make arrangements for receipt by the Buyer Member of the Original invoice/ delivery related documents(#) as per soft copies confirmed by the Buyer Member (including intimation of details of proof of dispatch to Buyer Member) under intimation to MCXCCL.	9*	Rs.1000/- (plus applicable taxes) per day per invoice/ delivery related documents, beyond permitted timelines
6	Confirmation of receipt of Original invoice/ delivery related documents(#) by Buyer Member to Seller Member in ComRIS		

For Commodities requiring additional documents to invoice, the timelines shall be extended by 3 working days. Days are counted in terms of working days. Details shared after the cut-off time shall be considered as next working day.

a. Taxes, Duties, Cess and other Levies shall be as specified by MCX/MCXCCL in the relevant contract launch circular. The Member giving delivery and the Member taking delivery will exchange appropriate tax forms as provided in Tax Laws and neither of the parties will unreasonably refuse to do so.

b. 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. The Clearing Members should ensure that the seller who raised the invoice on the buyer with GST registration number, HSN Code and other particulars, as required under GST, shall file all the statutory GST Returns within the stipulated date so that the buyer with GST

registration gets the benefit of input tax credit.

c. The Seller/ Buyer Clearing Members would be wholly responsible for all statutory compliances applicable to their transactions. It shall be the responsibility of the respective Clearing 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.

d. After the Commodity Payout, MCXCCL shall keep working file containing delivery related information in the respective Clearing Member's SFTP for download. Facility is provided in ComRIS to share the buyer details and scanned Invoice copies. This will make it easier for buyers and sellers to share Invoice details. This will also help the Clearing Members to track the invoice status on real- time basis. The process for the same is explained in the user Manual placed at Exchange Website>>Delivery>>Overview

e. The Buyer Member is required to inform discrepancy/non receipt of invoice/ delivery related documents etc. or other required information to MCXCCL within the above prescribed period. In the event of non-receipt of any such reference of discrepancies/ non receipt of invoice/ delivery related documents etc. in respect of the invoice and applicable delivery related documents within the above prescribed period, Seller Member/ Buyer Member and their clients shall be deemed to have exchanged all requisite documents and information and MCXCCL shall not entertain any communication in this regard after the above prescribed period.

f. The Seller/Buyer Members are requested to correspond delivery invoicing related complaints under intimation to MCXCCL on email id - deliveryinvoices@mcxccl.com. It is further advised to preferably standardize the subject of the mail by specifying settlement no. and commodity. For e.g. 11012022001_GoldM

3.1.9 Process of Collection and Payment of Dues Between Buyer & Seller

Collection and payment of dues:

Based on the feedback received from market participants, MCXCCL will facilitate collection and remittance of dues between Buyer and Seller as follows:

a) For collection of GST, MCXCCL will debit buying Clearing Member's account and the said amount will be credited to selling Clearing Member's account.

[3.1.8] Circular no MCXCCL/MO/138/2020 Dated June 23, 2020
[3.1.8] Circular no MCXCCL/C&S/056/2026 Dated March 20, 2026
[3.1.8] Circular no MCXCCL/C&S/031/2026 Dated February 10, 2026

b) Once the amount is credited to the Selling Clearing Member, the process will be considered as complete and MCXCCL shall not entertain any matter related to payment of GST and MCXCCL cannot be made a party to such disputes.

c) The Buyer or Buying Clearing Member will have no recourse to MCXCCL or cannot make MCXCCL party to any dispute on GST arising between Buyer and Seller for trades done on MCX.

3.1.10 Revised timeline for Supplementary Settlement of funds

To reduce the full cycle of settlement and to keep it uniform across all commodities, we have decided to complete the debit/ credit of supplementary settlement charges one working day post the commodity pay-out day (settlement day - S) i.e. on S+1 day. This will be effective from **February 2024** expiry and onward contracts.

4. Consequences on failure to honour delivery settlement obligation/ timelines

4.1 Delivery Settlement default

4.1.1 Compulsory Delivery Contracts

Penalty on seller in case of delivery default (default in delivery against open position at expiry in case of compulsory delivery contracts and default in delivery after giving intention for delivery during the staggered delivery period) shall be as follows:

a. **Futures contracts on agri-commodities**: 4% of Settlement Price plus replacement cost (difference between settlement price and average of three highest of the last spot prices of 5 succeeding days after the commodity pay-out date, if the average price so determined is higher than Settlement Price, else this component will be zero.)

b. **Futures contracts on non-agri commodities**: 3% of Settlement Price plus 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.)

MCXCCL shall have the flexibility to increase/decrease penalty for specific commodities depending on situation, in consultation with SEBI.

Norms for apportionment of penalty in agri:

a. At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund of MCXCCL
b. Up to 0.25% of Settlement Price may be retained by MCXCCL towards administration expenses.
c. 2% of Settlement Price plus replacement cost shall go to buyer who was entitled to receive delivery.

[3.1.9] Circular no MCXCCL/C&S/300/2023 Dated December 19, 2023
[3.1.10] Circular no MCXCCL/C&S/030/2024 Dated February 06, 2024

Norms for apportionment of penalty in non- agri:

a. At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund of MCXCCL
b. Up to 0.25% of Settlement Price may be retained by MCXCCL towards administration expenses
c. 1% of Settlement Price plus replacement cost shall go to buyer who was entitled to receive delivery

Buyer default shall not be permitted. However, in case of a clearing member fails to make pay in of funds in the delivery settlement following penalties shall be levied.

The Clearing Corporation shall review the loss incurred by the non- defaulting Party, i.e. Seller, at its sole discretion, and accordingly, levy penalty on the defaulting buyer. However, such penalty shall be within the overall cap of delivery margins collected by the CCs, from such defaulting buyer.

Intentional/wilful delivery default:

MCXCCL shall have following deterrent mechanism (including penal/disciplinary action) in place against intentional/wilful delivery default.

a. In the event of the seller end client holding stock but failing to deliver against the commodity pay-in obligation :

i. Additional penalty of 3% of settlement price will be levied on the wilful default

b. In the event of the defaulting seller end client selling the stock in off- market during tender period inspite of having a sell open position and failed to square off the sell position by expiry:

i. Warning letter on 1st instance during the previous six months

i. Additional penalty of 3% of settlement price will be levied on such wilful default from 2nd instance during the previous six months

Repeated default on delivery obligations:

a. In case of repeated default by a seller or buyer across all commodity contracts at end client level (identified based on PAN no.) for an event, wherein a default on delivery obligations takes place 3 times or more during a six months period on a rolling basis,

b. An additional penalty of 3% of the value of delivery default shall be imposed on each of the repeated delivery default on delivery obligation.

c. in case of multiple delivery obligations default on the same day, each settlement day shall be considered as an event for repeated default.

Norms for Apportioning of the penalty:

The penalty shall be transferred to Settlement Guarantee Fund (SGF) of the Clearing Corporation.

4.1.2 Both Option Contracts

After getting matching intentions from the buyer and seller to take and give delivery, if any of the party fails to honour its obligations, a penalty of 2.5% of the DDR will be imposed on him. Additionally, a replacement cost of 4% of DDR will be recovered from the defaulting buyer / seller.

Norms for Apportioning of the penalty:

a. 2% (i.e. 80% of penalty amount) will be credited to SGF of MCXCCL
b. 0.5% (i.e. 20% of penalty amount) will be credited to the counter party

While out of the replacement cost recovered 90% will be passed on to the counter party and 10% will be retained by MCXCCL towards administrative expenses.

4.1.3 Seller's Option Contract

If the Seller fails to deliver after giving delivery intention, the penalty and replacement cost provisions, as applicable to seller default in Compulsory Delivery contract shall apply to such defaulting seller. Buyer default shall not be permitted.

4.1.4Treatment of odd lot position at expiry of contract

Odd Lot treatment, if any, shall be as specified in delivery settlement procedure of the respective commodity.

4.1.5 Computation of Replacement Cost in absence of spot prices:

In the event of spot prices not being available on any day during the post settlement period for computation of replacement cost on account of delivery default in the expiring contract, then close price of the next available futures contract of that commodity shall be used for computation of replacement cost in the event of delivery default.

Explanation:. In case of computation of replacement cost against delivery marking in the May expiry contract, close price of the relevant day of June expiry (next available) shall be used.

5. <u>Early Pay-in</u>

MCXCCL shall facilitate early pay-in of commodities whereby market participants with free electronic commodity balances in their ComRIS Account/ Repository Account can earmark the free balances towards early pay-in of commodities against their existing/ planned short open position to avail the benefits of margin exemption.

For such short positions against which early pay-in has been made, MCXCCL shall exempt imposition of all types of margins. However, MCXCCL shall continue to collect mark to market margins (Profit / Losses) from such market participants against such short positions.

In case of compulsory delivery and seller's option contracts, delivery to the extent of open position at the expiry of the contract shall be mandatory after claiming early pay-in facility on the short position. Failure on the Member's part would attract extremely strict penalties including disciplinary actions.

Clearing Members are requested to refer the FAQ on Early Pay-in updated under the Clearing & Settlement section of MCXCCL website.

6. Latest Delivery & Settlement Procedures for All Delivery based Futures Contracts

Sr. No.	Futures Contract	Latest Referential Circular No.
1	Aluminum	MCXCCL/C&S/251/2024 dated September 30, 2024 MCXCCL/WO/169/2025 dated August 13, 2025 & MCXCCL /C&S/194/2025 dated September 12, 2025
2	Aluminum Mini	MCXCCL/C&S/251/2024 dated September 30, 2024 MCXCCL/WO/169/2025 dated August 13, 2025 & MCXCCL /C&S/194/2025 dated September 12, 2025
3	Cardamom	MCXCCL/C&S/151/2025 dated July 28, 2025
4	Copper	MCXCCL/C&S/251/2024 dated September 30, 2024, MCXCCL/WO/169/2025 dated August 13, 2025 & MCXCCL/ C&S/194/2025 dated September 12, 2025
5	Cotton	MCXCCL/C&S/252/2025 dated November 11, 2025
5	Gold	MCXCCL/C&S/080/2022 dated April 06, 2022, MCXCCL/C&S/276/2023 dated November 22, 2023 & MCXCCL/C&S/192/2025 dated September 11, 2025
6	Gold Guinea	MCXCCL/C&S/080/2022 dated April 06, 2022 & MCXCCL/C&S/192/2025 dated September 11, 2025
7	Gold Mini	MCXCCL/C&S/080/2022 dated April 06, 2022, MCXCCL/C&S/276/2023 dated November 22, 2023 & MCXCCL/C&S/192/2025 dated September 11, 2025
8	Gold Petal	MCXCCL/C&S/080/2022 dated April 06, 2022 & MCXCCL/C&S/192/2025 dated September 11, 2025
9	Gold Ten	MCXCCL/C&S/058/2025 dated March 25, 2025 & MCXCCL/C&S/192/2025 dated September 11, 2025
10	Kapas	MCXCCL/C&S/080/2022 dated April 06, 2022
11	Lead	MCXCCL/C&S/251/2024 dated September 30, 2024 & MCXCCL/ C&S/194/2025 dated September 12, 2025
12	Lead Mini	MCXCCL/C&S/251/2024 dated September 30, 2024 & MCXCCL/ C&S/194/2025 dated September 12, 2025
13	Mentha Oil	MCXCCL/C&S/232/2024 dated September 18, 2024

Sr. No.	Futures Contract	Latest Referential Circular No.
14	Nickel	MCXCCL/C&S/167/2025 dated August 12, 2025 & MCXCCL/ C&S/194/2025 dated September 12, 2025
15	Silver	MCXCCL/C&S/080/2022 dated April 06, 2022, MCXCCL/C&S/276/2023 dated November 22, 2023 & MCXCCL/C&S/192/2025 dated September 11, 2025
16	Silver Mini	MCXCCL/C&S/080/2022 dated April 06, 2022 & MCXCCL/C&S/192/2025 dated September 11, 2025
17	Silver Micro	MCXCCL/C&S/080/2022 dated April 06, 2022 & MCXCCL/C&S/192/2025 dated September 11, 2025
18	SteelRebar	MCXCCL/C&S/251/2024 dated September 30, 2024 & MCXCCL/ C&S/194/2025 dated September 12, 2025
19	Zinc	MCXCCL/C&S/251/2024 dated September 30, 2024 MCXCCL/WO/169/2025 dated August 13, 2025 & MCXCCL/ C&S/194/2025 dated September 12, 2025
20	Zinc Mini	MCXCCL/C&S/251/2024 dated September 30, 2024 MCXCCL/WO/169/2025 dated August 13, 2025 & MCXCCL/ C&S/194/2025 dated September 12, 2025

7. Annexures

Annexure 1 - Delivery Settlement through ComRIS & Repository Account

A. Delivery Settlement through ComRIS Account

Delivery Obligations in contracts of non- agricultural commodities shall be settled through the ComRIS**.**

"ComRIS" (Commodity Receipts Information System), a web based application, is an Electronic Delivery Clearing System designed to maintain electronic record of commodities deposited at MCXCCL accredited warehouses / Vaults and ensure flow of real time information from the warehouse / Vault. ComRIS can be accessed through the link https://comris.mcxindia.com. Members of MCXCCL and Members/ Clients of MCX and other market intermediaries of the commodity deposit ecosystem can avail the services of ComRIS application.

1. To facilitate onboarding of the clients on ComRIS, Members of MCXCCL & MCX would have to register themselves as "ComRIS Participants" under the ComRIS application. List of Members of MCXCCL & MCX registered as ComRIS Participants is available on the website. Any Member of MCXCCL/ MCX intending to register as ComRIS Participants is required to submit their request in the format attached as **Format 1**

2. MCXCCL has implemented mandatory undertaking to be provided by ComRIS Participant in the prescribed format (**Format 2**) to MCXCCL. The mandate is applicable for existing as well as aspirant ComRIS Participants. All the existing ComRIS participants are requested to complete the undertaking by August 31, 2021.

3. On successful registration, ComRIS Participants would be permitted to open ComRIS Accounts for Clients registered with them. ComRIS Participants can also open ComRIS Accounts for clients of other Members of MCXCCL/ MCX.

4. In order to facilitate the deposit and delivery of the defined commodities in the accredited warehouses and delivery of the same on MCXCCL, Members and their clients are mandatorily required to open the ComRIS Accounts.

5. All deposits in the accredited warehouses for the commodities notified for settlement through ComRIS would be accounted in ComRIS Accounts of the depositing clients.

6. Types of ComRIS Accounts and rules governing the same as under

a. Opening of ComRIS Account

Members of MCXCCL, MCX and their clients are required to open ComRIS Account for depositing the defined commodities into the accredited warehouses and effecting delivery on MCXCCL through ComRIS. It is mandatory for all members and their clients who intend to participate in delivery settlement to open ComRIS Account since the buyer of the commodity will have to accept delivery on ComRIS, if the delivery is tendered by the seller through ComRIS Account.

b. Type of ComRIS Accounts

The type of ComRIS Accounts permitted to be opened by the ComRIS Participants for MCXCCL/ MCX Members and their clients are as under:

1. ComRIS Beneficiary Account

i. **For Client:** This account can be opened by ComRIS Participants for the clients of the Members who are required to hold their commodity deposits in the accredited warehouses in ComRIS.

ii. **For Member Proprietary Account:** A Member trading in the proprietary account should open a separate ComRIS Beneficiary Account for depositing and holding the commodity on proprietary account in ComRIS.

iii. **For Client Margin:** A Member accepting commodities as collaterals from clients towards their margin requirements should maintain a separate ComRIS Beneficiary Account for accepting such collaterals to ensure the segregation of client holdings from the proprietary accounts.

2. ComRIS Clearing / Trading Member Account

This account can also be used by the Clearing Members of MCXCCL/ Trading Members of MCX for

I. Receiving commodity payout from MCXCCL on account of Trading Members/ clients who have not settled their pay-in obligations with the Clearing/ Trading Member.

II. Receiving commodity payout on account of Trading Members/ clients who have not opened their ComRIS Account with the ComRIS Participant**.**ComRIS Participants must ensure that this category of account is opened in case of Clearing Members of MCXCCL/ Trading Members of MCX only.Clearing Members of MCXCCL/ Trading Members of MCX should maintain a complete record of the beneficial ownership of all the holdings in the ComRIS Clearing / Trading Member Account and ensure that the holdings under these accounts are transferred to the respective Trading Members/clients within 1 working day on the necessary compliance by the respective Trading Members/ clients.

3. ComRIS Clearing Corporation Account

Clearing Members of MCXCCL can open this account for the purpose of pledging their holding in the ComRIS Account with MCXCCL as collaterals against their margin obligations. Clearing Members would have to transfer their holdings in the proprietary account to this purpose for pledging.

ComRIS Participants must ensure that this category of account is opened in case of MCXCCL Clearing Members only.

c. Process of opening ComRIS Account

Members and their clients who wish to open the ComRIS Account should approach with a request to the ComRIS Participants of their choice. The request should clearly specify the type of ComRIS Account required by the applicant.

ComRIS Participants should ensure compliance to the conditions applicable to various types of accounts as stated in point "Type of ComRIS Accounts" above before opening the ComRIS Account of the applicant. KYC norms to be followed by the ComRIS Participants at the time of opening a ComRIS Account are as under:

MCXCCL has also specified KYC and Nomination forms for opening and maintaining of Beneficiary account (Client and Pro account) with ComRIS for existing as well as new account holders. KYC formats for Individual applicant and Non Individual applicant is appended herewith as Format 4 and Format 5 respectively.

1. For new as well as existing Beneficiary account holders, in case the applicant is registered as a client with the ComRIS Participant in its capacity as a Member of MCX, fresh KYC would be required as specified above. For the existing Beneficiary account holders, the KYC done at the time of registering the applicant as a Client of the Member would not be considered as sufficient compliance w.e.f. August 31, 2021.
2. For new as well as existing Beneficiary account holders, in case the applicant is not registered as a client with the ComRIS Participant in its capacity as a Member of MCX, fresh KYC would be required as specified above. In such cases, the application should mention the UCC details of the Trading Member of MCX where it is registered as a client for the purpose of mapping the ComRIS Account. For the existing Beneciary account holders, the KYC done at the time of registering the applicant as a Beneficiary account holders would not be considered as sufficient compliance w.e.f. August 31, 2021.
3. In case the applicant is a Member of MCXCCL/ MCX, ComRIS Participant should obtain the relevant membership details like Member ID and membership category for necessary updation in ComRIS Account.
4. ComRIS Participant should execute the ComRIS Participant- ComRIS Account agreement (**Format 3**) with the applicant.
5. ComRIS Participant should map the ComRIS Account of the applicant to the Clearing/ Trading Member where it is registered as a client with the relevant UCC code provided by Clearing/ Trading Member.
6. Multiple UCC mapping is permitted in the ComRIS Account to address the client requirements who trade through multiple Members.
7. On successful creation of the ComRIS Account, ComRIS Account holder will receive an email confirmation giving the details of the ComRIS Account with the default login credentials.

7. Early pay-in through ComRIS

Early pay-in allows the Members and their clients to seek exemption from all margins (except MTM obligation) that would otherwise be levied by MCXCCL. Members and clients with the commodity balances in their ComRIS Account can execute early pay-in of commodities against their existing/ planned short open position to avail the benefits of margin exemption.

Currently Clients can make their early pay-in / pay-in by logging in ComRIS application with their access rights or ComRIS Participants can execute pay-in on behalf of their clients in ComRIS application. It is reiterated that ComRIS Participant shall affect Early Pay-in / Delivery Pay-in from the Client Beneficiary accounts of the Clients only on the receipt of a

delivery instruction slip duly authorized by the client. Delivery Instruction slip format is enclosed herewith as Format 7.

The instruction slip shall be accepted by the ComRIS Participants in physical form / electronic form (scan copy) duly received through registered email id of the Beneficiary Account Holder. The ComRIS Participant shall maintain the delivery instruction slip and the audit trail of such authorizations.

8. Delivery settlement through ComRIS

Members and their clients can earmark their ComRIS Account balances as "payed- in" to comply with the pay-in obligation of the respective contract expiry. The entire process of effecting delivery settlement through ComRIS is defined as under:

a. MCXCCL shall provide ComRIS access to all the Members (including Trading Members of MCX) to monitor the delivery settlement activities of the Clients and Members mapped under them for clearing.
b. While opening ComRIS Account, the applicant shall submit the details of the Members where it is registered as a client for the purpose of trading to the ComRIS Participant. The ComRIS Participant shall map the account to MCX Trading Member along with the UCC code allocated by MCX Trading Member to the applicant to enable the applicant to participate in ComRIS delivery settlement. Without this mapping, the ComRIS Account holder will not be able to participate in the ComRIS delivery settlement in spite of having sufficient ComRIS balances to honour his commodities pay-in obligation. The client shall be permitted to map the account to multiple Trading Members of MCX.
c. MCXCCL shall issue a settlement calendar for effecting the commodity delivery settlement through ComRIS. All the entities participating in ComRIS delivery settlement should select the correct settlement number while submitting the requests under ComRIS within the defined timelines.
d. To honour his commodity delivery pay-in obligation, the ComRIS Account holder shall select the respective electronic credits in his account and earmark the same as "payed-in" against the respective settlement number he intends to deliver. On earmarking, the electronic records would move in a 'deemed freeze' state and the ComRIS Account holder would not be able to further transact for the selected records. The right to release the 'deemed freeze' state in full/ part would vest with MCXCCL.
e. Once the electronic record(s) is/are earmarked for pay-in, the Clearing Members/ Trading Members of MCX can view the report for the "payed-in" records for their respective Trading Members of MCX and clients.
f. All "payed-in" request submitted by the ComRIS Account holders up to predefined time for a particular settlement number shall be considered by MCXCCL as a valid discharge of the commodity pay-in obligation by the respective Members.
g. After delivery marking, MCXCCL shall provide a delivery marking details file to Buyer Clearing Members. Clearing Member can either request for a direct pay-out to clients ComRIS/ Repository Account or may designate a Clearing/ Trading Member Account and seek pay-out in that account. Buyer Clearing Members shall be required to give the payout preference to all the buyers marked for delivery . within the timelines defined in the circulars. In case of non-receipt of any specific instruction from the Clearing Member, the payout would be credited to the Clearing Member Account.

Based on the pay-out distribution submitted by the Clearing Member, MCXCCL shall process debit/ credit instructions to effect pay-out on the specified payout date. The pay-out instructions would be in the form of

- Debit the ComRIS/Repository Account of the seller
- Credit to the ComRIS/Repository Account of the buyer/ Clearing Member

In case of excess pay-in, MCXCCL would release the excess pay-in against the given settlement number and the ComRIS/ Repository Account holder would then be able to freely transact against the same.

Buyer members are requested to provide commodity payout preference instruction for all the unsettled delivery marked quantities post delivery marking as under in eClear:
a) Create Instruction:
Path: eClear login - Clearing - Delivery Management - Commodity PayIn and PayOut - Commodity PayOut Preference - Create Commodity PayOut Preference

b) Edit & View Instructions:
Path: eClear login - Clearing - Delivery Management - Commodity PayIn and PayOut - Commodity PayOut Preference - Query Commodity PayOut Preference

h. It is mandatory for all members and their clients who intend to participate in delivery settlement to open ComRIS Account for effecting deliveries in Bullions and Metals. It is clarified that:

1. All the clients/members doing off market transaction (buy/sell) effecting the transfer of title to another party and recording it in the ComRIS application are required to comply with the GST regulation.

2. In respect of all off market transactions where the transfer of title is recorded in the ComRIS application by the Members/clients of MCX/MCXCCL, it shall be the responsibility of the respective members/clients to pay all applicable statutory fee, stamp duty, taxes and levies 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.
3. The MCXCCL is not responsible and shall not be held liable or accountable for value of the goods/stock of the commodities pertaining to the off market transaction stored/lying in MCXCCL designated warehouse/s, vault/s; 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 validity/final expiry date and continue to remain in the MCXCCL accredited warehouses/vaults

B. Delivery Settlement through Repository Account

2. **Type of Repository Accounts for settlement of delivery obligations**

Delivery obligations in agricultural commodities shall be settled through the Repository Accounts.

Members and their clients who wish to open the Repository Account for settlement of delivery obligations should approach CCRL Repository Participants of their choice and make an application in the prescribed form. The request should clearly specify the type of Repository Account required by the applicant. Members and their clients shall ensure compliance of documentation prescribed by CCRL for opening of various types of Repository Accounts for settlement of delivery obligations.

For settlement of delivery obligations, Repository system permits opening of following Repository Accounts by the Repository Participants for the Members and their clients:

a. Beneficiary Account

This Repository Account can be opened by Repository Participants for the clients who intend to hold their commodity deposits in the accredited warehouses in the form of eNWR and for settlement of delivery obligations.

A Member trading in the proprietary account should open a separate Repository Account for depositing and holding the commodity on proprietary account. While opening Repository Account, the applicant shall submit the details of the Members, where it is registered as a client for the purpose of trading, to the Repository Participant. The Repository Participant shall map the Repository Account to Exchange Trading Member along with the Unique Client Code (UCC) allocated by the Exchange Trading Member to the applicant, to enable the applicant to participate in delivery settlement. Without this mapping, the Repository Account holder will not be able to participate in the delivery settlement in spite of having sufficient eNWR balances to honour commodities pay-in obligation. Multiple UCC mapping is permitted in the Repository Account to address the requirement of clients who trade through multiple Members.

b. Clearing / Trading Member Account

This Repository Account can be used by the Clearing Member / Trading Members MCX for

i. Receiving commodity payout from MCXCCL on account of Trading Members/ clients who have not settled their pay-in obligations with the Clearing/ Trading Member.
ii. Receiving commodity payout on account of Trading Members/ clients who have not opened their Repository Account**.**

This category of account is opened in case of Members only.

Clearing/ Trading Members should maintain a complete record of the beneficial ownership of all the holdings in the Clearing / Trading Member Account and ensure that the holdings under these accounts are transferred to the respective Trading Members/ clients within 1 working day of the necessary compliance by the respective Trading Members/ clients.

In above cases, relevant membership details like Member ID and membership category shall

be mentioned for necessary updation in Repository Account.

2. Early Pay-in of Commodities

Early pay-in allows the Members and their clients to seek exemption from all margins (except MTM obligation) that would otherwise be levied by MCXCCL.

Members and clients with the eNWR commodity balances in their Repository Account can execute early pay-in of commodities against their existing/ planned short open position to avail the benefits of margin exemption.

3. Delivery Pay-in of Commodities

The process of effecting delivery settlement through Repository Account is defined as under:

a. MCXCCL shall issue a settlement calendar for effecting the commodity delivery settlement. All the entities participating in delivery settlement should select the correct settlement number and the mapped UCC while submitting the requests within the defined timelines.

b. To honor commodity delivery pay-in obligation, the Repository Account holder shall select the respective free eNWR in his Repository Account and earmark the same towards pay-in against the respective settlement number intended to deliver. On earmarking, the Repository Account holder would not be able to further transact for the selected eNWR. The right to release such eNWR's in full/ part would vest with MCXCCL on pay-in.

c. All "pay-in" requests submitted by the Repository Account holders up to predefined time for a particular settlement number shall be considered by MCXCCL as a valid discharge of the commodity pay-in obligation by the respective Clients and their Members.

i. After delivery marking, the buyer Clearing Member shall provide Commodity Payout Preference through Create Commodities Payout Preference Screen in MCXCCL eclear. Buyer Clearing Members can either request for a direct pay-out to clients ComRIS/ Repository Account or may designate a Clearing/ Trading Member Account and seek pay-out in that account. Clearing Members shall Create Commodity Payout Preference with the relevant information for all the buyers marked for delivery. The preference can be created at settlement number/ product level within the timelines defined in the settlement calendar circulars. In case of non-receipt of any specific instruction from the Clearing Member, the payout would be credited to the Clearing Member Account.

Based on the pay-out distribution submitted by the Clearing Member, MCXCCL shall process debit/ credit instructions to effect pay-out on the specified payout date. The pay-out instructions would be in the form of

- Debit the ComRIS/Repository Account of the seller

- Credit to the ComRIS/Repository Account of the buyer/ Clearing Member

In case of excess pay-in, MCXCCL would release the excess pay-in against the given settlement number and the ComRIS/ Repository Account holder would then be able to freely transact against the same.

Buyer members are requested to provide commodity payout preference instruction for all the unsettled delivery marked quantities post delivery marking as under in Eclear:

a) Create Instruction:

Path: eClear login - Clearing - Delivery Management - Commodity PayIn and PayOut - Commodity PayOut Preference - Create Commodity PayOut Preference

b) Edit & View Instructions:

Path: eClear login - Clearing - Delivery Management - Commodity PayIn and PayOut - Commodity PayOut Preference - Query Commodity PayOut Preference.

8 Formats

Format 1 – ComRIS Participant Application Form

REQUEST FOR REGISTRATION AS ComRIS PARTICIPANT

(to be submitted on the letter head of the applicant)

1	Name - Address of the registered office, - Address for correspondence, Telephone number(s) Fax numbers(s), Name of the contact person. Designation Email ID:	
2	MCXCCL/ MCX Membership details - Membership ID - Type of Membership	
3	Details of registration with the Securities and Exchange Board of India (SEBI) Registration No: - Date of Registration: (Enclosed certified copy of registration certificate)	
4	Company's PAN (attach copy)	

[Format 1] Circular no MCXCCL/MO/138/2020 Dated June 23, 2020

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Declaration Statement to be given by the applicant "We hereby agree and declare that -

1. The information supplied in the application, including the attachment sheets, is complete and true.
2. We will notify MCXCCL immediately of any change in the information provided in the application.
3. We shall comply with, and be bound by the relevant acts, provisions, Rules and Regulations and such other guidelines/ instructions, which may be announced by MCXCCL/ MCX from time to time.
4. As a pre-condition, we shall abide by such operational instructions/ directives/ procedures in relation to ComRIS as may be issued by MCXCCL/ MCX from time to time".

For and on behalf of.....

(Name of the applicant)

Signature of Authorised signatory .....….....
(Name)
(Designation)

Date: _____
Place: _____

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Format 2 – Undertaking for ComRIS Participant Application
(On Rs. 500/- Stamp Paper. Duly Notarized)

I,……..., (name of proprietor/Managing Partner) or We,……a company incorporated under the Companies Act, 1956/2013 and having its office/registered office at _____. (hereinafter referred to as the 'Undersigned' which expression shall unless repugnant to the context include its successors, assigns and legal representatives) give this Undertaking IN FAVOUR of MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED, a company incorporated under the Companies Act, 1956 and having its registered office at Exchange Square, 3rd Floor, Suren Road, Chakala, Andheri (East), Mumbai 400093 (hereinafter referred to as the 'MCXCCL' which expression shall unless repugnant to the context include its successors, assigns and legal representatives).

WHEREAS the Undersigned are existing / desirous to become ComRIS Participants of MCXCCL.

AND WHEREAS MCXCCL has agreed to admit the ComRIS Participant to MCXCCL as a ComRIS Participant, on the terms and conditions recorded herein below.

NOW THEREFORE IN CONSIDERATION OF MCXCCL HAVING AGREED TO ADMIT THE COMRIS PARTICIPANTS IN MCXCCL, THE UNDERSIGNED UNCONDITIONALLY AND IRREVOCABLY UNDERTAKE AND AGREE AS FOLLOWS;

1. That the Undersigned shall abide by, comply with and be bound by the Rules, Bye Laws and Regulations of MCXCCL as in existence or in force from time to time and also with any circular, order, direction, notice, instruction issued and in force from time to time;

2. That the Undersigned agrees that MCXCCL shall be entitled to amend its Bye-laws, Rules and Regulations unilaterally and the Undersigned shall be deemed to have consented to them, and accordingly be bound by the Bye-laws, Rules and Regulations prevailing from time to time and the MCXCCL shall be entitled to all powers vested in them under the Rules, Regulations and Bye-laws, by which the Undersigned unconditionally agreed to be bound;

3. That the Undersigned shall continue to be bound by the Rules, Bye Laws and Regulations, even after ceasing to be a ComRIS Participants in so far as may be necessary for completion of or compliance with his/its obligations in respect of all matters, entries or transactions which the ComRIS Participants may have carried out, executed, entered into, undertaken or may have been required to do, before ceasing to be a ComRIS Participants and which may have remained outstanding, incomplete or pending at the time of his/its ceasing to be a ComRIS Participants;

Format 2 Circular no MCXCCL/C&S/091/2021 Dated April 08, 2021

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4. That the Undersigned shall be obligations on the part of the ComRIS Participants herein contained are a reiteration of and/or are in addition to the obligations contained in the Rules, Bye Laws and the Regulations, and the omission of one or more of such obligations from this Undertaking shall not in any manner be construed as a waiver of such obligations as are not herein contained;

5. That the Undersigned shall pay the fees, charges and deposits as specified by MCXCCL from time to time. In the event of the Undersigned failing to make payment of the fees, charges or deposits, as the case may be, by the respective due dates specified by MCXCCL in its Regulations, then, in addition to any other rights or remedies that may be available to MCXCCL against the Undersigned, the Undersigned shall be liable to pay interest to MCXCCL on such delayed payment or part thereof on the quantum of such delayed payment at the rate as may be prescribed by MCXCCL from time to time. Such fees, charges and deposits shall be subject to any change or revision from time to time by MCXCCL provided however that MCXCCL shall, before effecting any increase in the fees, charges or deposits payable by the Undersigned as aforesaid, give the Undersigned at least one month's notice in that behalf;

6. That the Undersigned agrees to install at his/its premises allocated for MCXCCL related activities such computers, printers, communication equipment and uninterruptible power supply units, systems software an.d any other equipment, hardware and software as may be specified by MCXCCL from time to time;

7. That the Undersigned shall comply with all systems and procedures recommended by MCXCCL and shall allow access to his/its systems to one or more teams of professionals with expertise or specialized skill in auditing the performance of computerized systems (called "Systems Audit Teams") designated by MCXCCL for periodic assessment of compliance with systems and procedures;

8. That the Undersigned shall submit Audited Financial Statement (AFS) and Net worth Certificate to MCXCCL within such period as prescribed in MCXCCL Bye Laws and/ or Regulations;

9. Where the Undersigned is a member of any recognized stock exchange and/or any clearing corporation or is a Depository Participant with any of the recognized Depository or Repository Participants in any commodity repository and commits any breach or violation of or defaults in compliance with the bye laws of such stock exchange, clearing corporation or depository or commodity repository as the case may be or of any rules or regulations made by the Central or State Government or SEBI in that behalf or his/its operations, activities or membership is/are suspended or terminated by such stock exchange, clearing corporation or depository or commodity repository as the case may be, the nature of the default and the reason for such default, suspension or termination to be communicated forthwith upon such occurrence to MCXCCL;

10. That the Undersigned shall , before entering into any agreement with or opening any account of any User/depositor exercise due care and caution in ascertaining the bonafides

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and track record of the intending User/Depositor inter alia, by carrying out appropriate due diligence;

11. That the Undersigned shall maintain and preserve such information, records, books and documents pertaining to the working of the Undersigned as a ComRIS Participants for such period as may be specified by MCXCCL from time to time;

12. That the Undersigned shall carry out instructions received from any User/Depositor on the same day on which the instructions are received and failing that, shall carry out the instructions before the close of working hours of the immediately succeeding working day;

13. That the Undersigned shall exercise lien on commodities held in any account only by following instructions laid out in MCXCCL Bye-Laws and Regulations, on any commodities belonging to the Users/Depositors held in any account with the Undersigned, as security for recovery of dues owed by User/Depositor to the Undersigned in his capacity as such including any compensation for any loss caused to the Undersigned and/or MCXCCL by reason of fraud, negligence or mistake on the part of the User/Depositor. That the Undersigned shall, upon receipt of such approval from MCXCCL, give notice in writing to the concerned User/Depositor of the exercise of such lien by the Undersigned in respect of such of the securities held in the User/Depositor's account as MCXCCL may be specify;

14. That the Undersigned shall, forthwith upon discovering any loss, destruction or theft of any commodity, instruments or documents belonging or owed to any User/Depositor that may have been entrusted to or may otherwise have come into the hands of the Undersigned in the course of his/its business, notify MCXCCL, the concerned User/Depositor in that behalf;

15. That the Undersigned shall be responsible to ensure that all duties, taxes or levies, if any, of whatsoever nature that may be payable under any Central or State enactment in respect of entries, transactions or transfers effected by or through the Undersigned are duly paid as required in law;

16. That the Undersigned shall process requests received from Users/Depositors for deposit or withdrawal within such time and in such manner as may be specified in the Bye Laws and Regulations and shall be required to keep records of the same as laid down by MCXCCL from time to time;

17. That the Undersigned shall not be bound to give effect to any entries or transactions and MCXCCL shall not be bound to permit any entries or transactions to be effected, which would violate any law or any decree or order of any court or tribunal or any order or direction of the Central or State Government or that of any other statutory or revenue authority that may have been served upon or intimated to the Undersigned or MCXCCL or which to their knowledge, would constitute a breach of any covenant or undertaking given to any court, tribunal or statutory or revenue authority or which MCXCCL

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otherwise deems not to be in its interest or that of its ComRIS Participants or Users/Depositors;

18. That the Undersigned shall be responsible for taking necessary action on the instructions and/or mandate given by the User/Depositor and the Undersigned alone shall be liable to the User/Depositor for default or failure in carrying out the instructions and/or mandate of the User/Depositor;

19. That the Undersigned shall strictly comply with the time schedule specified from time to time by MCXCCL for data entry and transfer;

20. That the Undersigned shall furnish to the User/Depositor a statement in such form as may be specified of his/its account at the end of every month if there has been even a single entry or transaction during that month, and in any event once at the end of each financial year. That the Undersigned shall furnish such statements at such shorter periods as may be required by the User/Depositor on payment of such charges by the User/Depositor as may be specified from time to time;

21. That the Undersigned are aware that it would assumes full responsibility for verifying the authenticity of instructions issued by or on behalf of Users/Depositors including signature/s of the User/Depositor/s on the instruction slips and undertake to process the instructions after satisfying itself about the accuracy and genuineness of the signatures on the instructions slips. That the Undersigned shall ensure that it has in place appropriate systems and/or processes as MCXCCL may specify from time to time in this regard;

22. That the Undersigned shall ensure that no account of any User/Depositor is opened unless it complies with the provisions of these Rules, Bye Laws and Regulations, Communiqués, letters or communication in any form issued by MCXCCL from time to time;

23. That the Undersigned shall not commingle the commodities held by it in his/its own right in MCXCCL with those held by it on behalf of Users/Depositors;

24. That the Undersigned shall comply with such procedures for deposit and withdrawal of commodities to and from any of his/its own accounts (as distinguished from the accounts of Users/Depositors with it) as may be laid down under the Rules, Bye Laws and Regulations of MCXCCL;

25. That the Undersigned shall reconcile its records with MCXCCL on a daily basis. That the Undersigned shall, as a continuous process and on an ongoing basis, check and reconcile with his/its own records and those of his/its Users/Depositors, all records, balances, advices, statements and reports received by it from MCXCCL and promptly notify MCXCCL of any error or omission in such records, balances, advices, statements and reports;

26. That the Undersigned shall be liable for any loss caused to MCXCCL or to any other ComRIS Participants or User/Depositor due to late request to rectify an error or omission,

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if any. However, MCXCCL shall reserves the right to rectify any erroneous entry or transaction made to the account of any User/Depositor. In the event of MCXCCL carrying out any such rectification, MCXCCL shall inform the Undersigned and the concerned User/Depositor of such rectification;

27. That the Undersigned is a Stock Broker, it shall ensure that the aggregate market value of the commodities of all Users/Depositors in their accounts with it does not exceed the limits as specified by MCXCCL from time to time on any given day and if it so exceeds the said limits on any given day, the Undersigned shall forthwith inform MCXCCL about it and MCXCCL shall be entitled to issue such Regulations as it may deem fit in order to rectify the position in that behalf;

28. That the Undersigned shall strictly adhere to MCXCCL Rules, Bye Laws and Regulations in respect of every agreement that may be entered into by the Undersigned with every User/Depositor and Clearing Member respectively and no variation, modification, addition, alteration or deletion thereto shall be effected except with prior written consent of MCXCCL in that behalf. That the Undersigned shall be solely responsible for any statement or representation made or any obligation or liability undertaken by him/it in so far as the same is contrary to or inconsistent with or is in excess of the Bye Laws, Rules and Regulations or which is otherwise not authorized by MCXCCL;

29. That the Undersigned shall install and maintain suitable systems, audit and control measures including setting up of separate internal controls and an audit department inter alia for regularly reviewing his/its internal operations ensuring due compliance and maintaining the integrity and confidentiality of data transmitted to MCXCCL as may be laid down under the Rules, Bye Laws and Regulations. That the Undersigned shall from time to time submit such operational, financial, technical or other data, information, reports and returns, in relation to his/its activities and operations as a ComRIS Participants, duly audited and certified by a Chartered Accountant, a Company Secretary in practice or by a Systems Auditor, as the case may be, in such form and manner and within such period, as may be specified in the Bye Laws and Regulations of MCXCCL;

30. That the Undersigned shall permit the persons so authorized by MCXCCL to carry out inspection of the facilities, systems, records and books relating to all dealings of the ComRIS Participants;

31. That the Undersigned shall follow and comply with such orders or instructions including any such order or instruction, whether being in the nature of a penalty or otherwise, as may be issued by MCXCCL from time to time, in the event of the Undersigned committing any violation of any Rules, Bye laws, Regulations in respect of the conduct of the business in MCXCCL;

32. That the Undersigned shall forthwith inform MCXCCL in writing, in the event of dissolution of the firm (in case of partnership firm)/ upon a petition for winding up being presented in any court or a resolution being passed for winding up (in case of company or a body corporate)/ any scheme being framed for merger, amalgamation or reconstruction/

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declared a defaulter or being suspended or his/its membership being terminated by the stock exchange or clearing corporation (In case of Trading or Clearing Member) . That the Undersigned shall fully aware that any event or occurrence which is reasonably likely to materially affect his/its commercial viability or existence or his/its ability to perform his/its obligations or which constitutes a material adverse change in the eligibility criteria laid down by MCXCCL or any other regulatory authority under any law in force for the time being;

33. That the Undersigned undertakes to subscribe to the mandatory insurance cover as required by MCXCCL from time to time;

34. That the Undersigned are aware that it would be/are admitted as a ComRIS Participants, require to provide, on demand, such security or additional or collateral security in such form, to such extent and in such manner as may be determined by MCXCCL. For determining the amount of security or additional or collateral security, MCXCCL shall take into account inter alia, the level of unreconciled balances and excess or deficit balance of commodities in the accounts of Users/Depositors due to any fraud, negligence, error or omission on the part of the ComRIS Participants, his/its employees or agents. Such security shall be in addition to and independent of any security earlier furnished by the Undersigned to MCXCCL. That the Undersigned shall not sell, transfer or otherwise alienate or create or permit the creation of any mortgage, charge or other encumbrance or permit or suffer to be attached or otherwise jeopardize the title to any of the assets provided as security or additional or collateral security to MCXCCL. MCXCCL shall apply all or any of the security deposit/s or other security (including additional or collateral security) furnished by the Undersigned to MCXCCL at any time without prior notice to the Undersigned in or towards satisfaction of any of the obligations and/or liabilities of the Undersigned to MCXCCL or to any User/Depositor/s, other ComRIS Participants, Depositors, or clearing corporations as the case may be;

35. That the Undersigned shall inform MCXCCL of any proposed change in address of his/its office/ registered office as also of any change in location of the premises where the equipment for maintenance of computerized records, backup facilities and communication with MCXCCL are situated, at least thirty days before the date of such change;

36. That the Undersigned shall strictly follow the back-up procedure recommended by MCXCCL. A copy of the latest back-up of the database shall at all times be maintained at a remote site. MCXCCL shall not be liable to the Undersigned for any loss or damage arising out of failure on the part of the Undersigned to maintain up to date back-up of the computer programme and the relevant data. That the Undersigned shall permit access to any person/s designated by MCXCCL to inspect his/its back-up and shall make available such extracts or reports of the records maintained at the said back-up facilities as may be required by MCXCCL;

37. That the Undersigned shall forthwith inform MCXCCL of any loss or failure of connectivity between the Undersigned and MCXCCL. That the Undersigned shall strictly

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adhere to such plan, scheme or procedure (to be known as "Disaster Recovery Plan") as MCXCCL may specify in that behalf for meeting any situation or eventuality resulting in loss of connectivity or failure of communication, loss or corruption of data or damage to equipment, hardware or software whether by reason of any technical failure, unauthorized access, calamity, accident, sabotage or disaster or otherwise;

38. That the Undersigned shall not assign or delegated to any party, the functions, rights or obligations of ComRIS Participants, without the express prior written consent of MCXCCL. Any purported assignment or delegation in contravention of the terms of this Agreement shall be null and void. For the purpose of this clause, any substantial change in the share holding pattern or the constitution of the Board of Directors or in the composition of the partnership or death of the individual shall constitute an assignment of the business and/or functions;

39. That the Undersigned shall undertake to carry out his/its activities in a manner which is not detrimental to the interest of MCXCCL and/or Users/Depositors or that the termination of the relationship with the ComRIS Participants is necessary for the protection of Users/Depositors or other ComRIS Participants or to facilitate the orderly performance of services rendered by MCXCCL;

40. That the Undersigned shall be entitled to withdraw as a ComRIS Participants from MCXCCL by issuing to MCXCCL a communication in writing giving notice of not less than thirty days of his/its intention to terminate this Agreement with MCXCCL with effect from the expiry of the said period of thirty days or such further period as may be specified in the notice. MCXCCL may, however, require the ComRIS Participants to continue his/its business as a ComRIS Participants in MCXCCL for such further period not exceeding three months from the receipt of such notice if MCXCCL shall deem it necessary to do so in the interest of the Users/Depositors or in the orderly functioning of MCXCCL;

41. That the Undersigned shall undertake that upon withdrawal by the ComRIS Participants from MCXCCL, every User/Depositor holding an account with the Undersigned shall have the option to either get his commodities held with it transferred to another ComRIS Participants or get the same withdrawn. Notwithstanding anything stated above even after such termination or withdrawal, the Undersigned shall continue to act as a ComRIS Participants for the limited purpose of either getting the commodities held with the ComRIS Participants transferred to another ComRIS Participants or get the commodities withdrawn;

42. That if any difference/dispute shall arise as to the interpretation, meanings or effect of this undertaking or as to the rights and liabilities of the parties to this undertaking or as to any other matter relating to MCXCCL's operations, the same shall be settled in accordance with the provisions contained in the Bye-laws, Rules and Regulations of MCXCCL and that the decision of the relevant authority shall be final, conclusive and binding on the undersigned;

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43. That without prejudice to the rights, remedies whether legal or otherwise available to MCXCCL upon the Undersigned's non-compliance with this Undertaking, the Undersigned shall indemnify and keep indemnified MCXCCL against any loss/damage suffered by it whether legal or otherwise arising due to its non-compliance with the provisions of this Undertaking;

44. That this Undertaking shall be binding upon the heirs, legal representatives, successors and assigns of the Undersigned;

Signed sealed and delivered on this)
the___ day of____at_____)
on behalf of the within named)
in the presence of .....)

WITNESSES

(1)

(2)

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Format 3 – ComRIS Participant- ComRIS Account Agreement

This agreement made and entered and executed at……. on this day of…….. between _____, a_____/firm/ company registered under the _____and having its office/registered office at _____ (hereinafter called `the Client') and_____, a company registered under the Companies Act, 1956and having its registered office at_____(hereinafter called as "ComRIS Participant'). The Client and ComRIS Participant (ComRIS) hereinafter individually termed as party and jointly as parties. The expressions the Client and the ComRIS Participant include their respective successors.

Witnesseth

WHEREAS "ComRIS" shall mean the web based application owned and maintained by Multi Commodity Exchange of India Ltd. (MCX) or any entity appointed by MCX, on which the ComRIS Accounts of Clients are opened and maintained through ComRIS Participants;

WHEREAS Multi Commodity Exchange Clearing Corporation Ltd. (MCXCCL), a duly registered Clearing Corporation, has been appointed by MCX to clear and settle all the trades executed on MCX;

WHEREAS the ComRIS Participant is authorized by MCXCCL/ MCX to open ComRIS Account to open and maintain ComRIS Accounts of participants /Clients, for the purpose of holding electronic credits of underlying commodities and dealing therein including transfers thereof in the manner prescribed;

WHEREAS the Client is desirous of opening an account on ComRIS and has furnished to the ComRIS Participant the duly filled in application form requesting therein to open an account (hereinafter referred to as `the ComRIS Account') with the ComRIS Participant to maintain its commodity holdings corresponding to the quantity of commodity stored/accumulated by the Client in the accredited warehouses, in electronic form.

NOW THEREFORE in consideration of the ComRIS Participant having agreed to open a ComRIS account for the Client, both the parties to the agreement hereby covenant and agree as follows:

1. For the purposes of this agreement and the performance thereof, the following terms shall have the meaning as detailed there against:
   "Accredited/Approved Warehouse" shall mean the warehouse/vault or a place accredited by MCXCCL where the Clients who intend to give delivery of goods pursuant to any transaction on MCX, may deposit or keep goods in the manner and as per process prescribed by MCXCCL from time to time;

[Format 3] Circular no MCXCCL/MO/138/2020 Dated June 23, 2020

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ComRIS Account" shall mean the electronic account of a Client opened and maintained in ComRIS reflecting the record of ownership and transactions of transfers in respect of commodity deposited in the accredited/ approved Warehouse and also showing the details of commodity, quantity, place of storage and validity certification and other details and parameters as may be prescribed or modified from time to time";

"ComRIS Service Provider" shall mean MCXCCL or such other entity authorized or appointed by MCX for operating and maintaining the ComRIS;

"Exchange" shall mean Multi Commodity Exchange of Limited (MCX);

"Clearing Corporation" shall mean Multi Commodity Exchange Clearing Corporation Limited (MCXCCL);

"Final Expiry Date" shall mean the final date up to which the validity date of commodity can be extended.

"Validity Date" shall mean the date assigned to the commodity by the approved assayer of the Accredited Warehouse at the time of acceptance of commodity for credit to the ComRIS Account up to which a commodity is valid for delivery settlement of deal admitted on MCXCCL for settlement.

2. The Client agrees to pay such charges as may be prescribed by the ComRIS Participant in respect of his/its ComRIS Account for the purpose of opening and maintaining his account, for carrying out the instructions of the Client and for rendering such other services as may be agreed to from time to time between the ComRIS Participant and the Client in respect of his/its ComRIS Account. The ComRIS Participant reserves the right to revise the charges at any time by giving not less than thirty days' notice in writing to the Client. In case the Client fails to make the payment of any of the amounts as aforesaid, within a period of thirty days from the date of demand or the immediate succeeding billing date whichever is earlier, the ComRIS Participant shall have the right to discontinue the services after giving five working days' notice to the Client, till such time the Client makes the payment along with interest, if any. The Client further agrees that in the event of the Client committing such default in payment, the ComRIS Participant will charge interest at a rate not exceeding 18% p.a. for the period of such default without prejudice to its right to suspend operations in the ComRIS Account or close the ComRIS Account of the Client.

3. Upon opening of the ComRIS Account as requested, the Client shall have the right to get the quantity of those of its commodities physically deposited by it with and received by the Accredited Warehouse, duly recorded and credited in electronic form (hereinafter referred to as `electronic holding') in its ComRIS Account. Provided however that such credit in the electronic account shall be subject to acceptance of the commodities by the Accredited Warehouse for credit to the ComRIS Account in the manner and as may be specified by MCXCCL, as valid deposit for storage and delivery. The Client further understands and

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agrees that the record of electronic holding of commodities held by him is for the purpose of transaction on MCX to be settled through MCXCCL and that it shall be entitled to hold its commodities in electronic form only till the Final Expiry date as assigned by the assayer approved for the purpose or such other date as may be specified by MCXCCL or ComRIS Service Provider and that the Client shall not be entitled to issue of any warehouse receipt by the accredited warehouse except under circumstances and in the manner prescribed by MCXCCL.

4. The Client understands and agrees that the electronic credit of commodity holdings in the ComRIS Account pursuant to deposit of the underlying physical commodity at the Warehouse concerned or as a consequence of transfer, is only a record of deposit and entitlement thereof and that the ComRIS Participant and MCXCCL or ComRIS Service Provider are mere facilitators of such account keeping while the liability in respect of the actual commodity/ies stored in the Accredited Warehouse is that of the Warehouse Service Provider. The Client further understands and agrees that once electronic credit of commodities is transferred from its ComRIS Account, the Client is not entitled to receive or deal with the corresponding commodities and that the right to receive the commodities and deal therein shall then rest with the respective transferee/s of the electronic credit except in cases of frauds/erroneous transfers subject to being reported and rectified immediately after detection.

5. The Client is aware and agrees that the existence of electronic credit of the commodity holdings in its ComRIS Account does not imply that the actual commodity deposited by it in the Accredited Warehouse shall be available at all times as long as the commodity holdings in ComRIS account subsist. The Client understands that the electronic credit of its commodity holdings is subject to the validity period or extended validity period if any, as may be prescribed for the relevant commodity by MCXCCL and understands that commodity cannot be delivered on MCXCCL after expiry of validity date unless revalidated on or before such validity date, or the Final Expiry Date, as the case may be and that holding of commodity in the Accredited Warehouse after expiry of such date/s shall be entirely and absolutely at the risks and consequences of the Client.

6. The Client undertakes that upon expiry of validity date unless the commodity/ies are revalidated on or before such validity date, or the Final Expiry Date, as the case may be, the Client shall take out the commodity from the Accredited Warehouse by complying with the process as prescribed by MCXCCL or the ComRIS Service Provider. The Client understands that the Accredited Warehouse shall be entitled to issue physical warehouse receipt in respect of electronic holding of commodities after the expiry of validity date unless revalidated as aforesaid or the Final Expiry Date, as the case may be, by reducing or debiting the credit balance in the electronic holdings equivalent to such quantity of commodity and it shall be the responsibility of the Client to collect such physical warehouse receipt from the Accredited Warehouse.

7. The Client agrees that any transaction in respect of its electronic commodity holding shall subsist only till the period or date if any, stipulated by MCXCCL up to which such commodity is deliverable on MCXCCL. The Client further agrees that the ComRIS

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Service Provider or MCXCCL or the ComRIS Participant shall be free to freeze or stop transactions pertaining to commodity holding belonging to the Client or in respect of its holdings in the ComRIS Account completely or partly as may be deemed appropriate by MCXCCL or ComRIS Service Provider upon the coming to end of validity period unless revalidated on or before such validity period or upon the Final Expiry Date of a commodity or if for any reason or circumstances which in the opinion of MCXCCL or ComRIS Service Provider, the freezing of ComRIS Account is warranted. Such opinion of MCXCCL or ComRIS Service Provider shall be final, conclusive and binding on the Client.

8. The Client also agrees and undertakes that it shall not hold the ComRIS Participant or MCXCCL or the ComRIS Service Provider responsible and/or liable for any deterioration or deviation in quality or in quantity of the actual commodity deposited in the Accredited Warehouse and will not have any claim for the same from against the ComRIS Participant or the ComRIS Service Provider or MCXCCL.

9. The ComRIS Participant further undertakes that it shall not create or permit to subsist any mortgage, charge or other encumbrance over the commodity holdings of the Client except on the instructions of the Client.

10. The ComRIS Participant shall maintain a separate ComRIS Account for holding its own commodities in electronic form.

11. The ComRIS Participant undertakes to provide a transaction statement including statement of accounts, if any, to the Client at such intervals as may be agreed between the Client and the ComRIS Participant.

12. The ComRIS Participant shall have the right to terminate this agreement, for any reasons whatsoever, provided the ComRIS Participant has given a notice in writing of not less than thirty days to the Client. Similarly, the Client shall have the right to terminate this agreement and close his account held with the ComRIS Participant, provided no charges or dues are payable/ remaining to be paid by him to the ComRIS Participant and no instructions of MCXCCL/ MCX if any, concerning its holding/s are pending for compliance and provided that any encumbrance if subsisting, has been fully satisfied and discharged. In the event of closure of its account, the Client shall transfer the balances in its account to any other account of the Client held with another ComRIS Participant or to withdraw the commodity holding balances held. Based on the instructions of the Client, the ComRIS Participant shall initiate the procedure for transferring such commodity holding balances or process for withdrawal of such balances as per the procedure laid down by MCXCCL or by the ComRIS Service Provider. Provided further, the termination of this agreement shall not affect the accrued rights, liabilities and obligations of either party and shall continue to bind the parties till their satisfactory completion.

13. The charges related to the warehousing service such as warehouse charges, assaying charges etc. shall be settled in accordance with the arrangement agreed to by the client and

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Warehouse Service Provider / Warehouse without any recourse to ComRIS Participant or MCXCCL or ComRIS Service Provider.

14. On the failure of the Client to pay any of the accrued charges as agreed herein within the stipulated period, the ComRIS Participant shall without prejudice to its right to legal remedies, be entitled to terminate this agreement and close the ComRIS Account of the Client by requiring it to specify whether the balances in its account be transferred to the account of the Client held with another ComRIS Participant or be processed for withdrawal in the manner prescribed.

15. The Client further agrees that
    i) in the event of closure of the account at its request or in circumstances as provided herein, it shall withdraw its commodity holdings for physical delivery or request transfer thereof from its ComRIS Account to any other ComRIS Account;

    ii) in the event of expiry of the validity period of the commodity if any, as per the assayers' certificate issued therefor, the Client shall withdraw the relevant commodity holdings for physical delivery unless a revalidation certification, if permitted, as per process prescribed by MCXCCL or ComRIS Service Provider has been obtained on or before the validity date in respect of such quantity of commodity which has reached the validity date; and

    iii) at the expiry of validity date unless revalidated as provided herein or Final Expiry Date as the case may be, the ComRIS Participant shall be entitled to remove the Commodity holdings from the electronic form for physical delivery. Any continuation or otherwise of the deposit of commodities in the accredited warehouse after the expiry of Validity Date or the Final Expiry Date as the case may be, shall entirely be deemed to be a bilateral arrangement between the Client and the concerned Accredited Warehouse.

    iv) In the event of:
        a. expiry of validity date without any revalidation of the commodity on or before such date, or
        b. the Final Expiry Date; or
        c. upon closure of ComRIS Account for any reason whatsoever,

        it shall be the responsibility of the Client to collect the Physical Warehouse Receipt for such quantity of commodity or entire quantity of commodity as the case may be, from the concerned Accredited Warehouse by paying dues if any, to the ComRIS Participant, Warehouse Service Provider as applicable.

16. The ComRIS Participant shall have a right to provide any such information related to the Client's account/s as may be requested by MCXCCL, ComRIS Service Provider or any other authority having jurisdiction, from time to time.

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17. The Client may create a pledge of the commodity holdings held in the electronic form only in accordance with the procedure and conditions and/or restrictions laid down by the ComRIS Service Provider or MCXCCL subject, however, to the provisions of/ under the Bye Laws and Business Rules of MCXCCL or ComRIS Service Provider in this regard. Such noting of pledge shall be removed only after a receipt of `No lien' or `Release of pledge' letter or other form of instruction from the Pledgee, as recognized or prescribed by the ComRIS Service Provider or MCXCCL.

18. The Client agrees that the ComRIS Participant may refuse to carry out any transaction in the event of any directive from MCXCCL/ MCX restricting such transaction including seeking freezing of the Client's account, or in accordance with any procedure laid down by MCXCCL or ComRIS Service Provider warranting such freezing at a given time or on any event.

19. MCXCCL/ ComRIS Service Provider or the ComRIS Participant shall not be liable to the Client in any manner towards losses, liabilities and expenses arising from the claims of third parties or on account of taxes and other governmental charges in respect of the commodity holdings of the Client.

20. The Client shall notify the ComRIS Participant within seven days from the date of any change in the details set out in the application form submitted to the ComRIS Participant at the time of opening the account or furnished to the ComRIS Participant from time to time.

21. The Client shall immediately within three days, inform the ComRIS Participant about any change in its constitution involving change in control of management, and shall execute all such necessary documents as may be required by the ComRIS Participant or MCXCCL or the ComRIS Service Provider in that regard.

22. The ComRIS Participant undertakes to resolve all legitimate grievances of the Client against the ComRIS Participant within a period of thirty days. In the event of non-resolution of the grievance within the time specified as aforesaid, the parties agree to submit the same for resolution by arbitration as per the terms agreed herein.

23. The parties agree that any dispute, claim or difference between the ComRIS Participant and the Client if not resolved as aforesaid, arising out of or in relation to dealings, contracts and transactions in ComRIS Account or with reference to or anything incidental thereto or in pursuance thereof or relating to the interpretation, fulfilment or the rights, obligations and liabilities of the parties hereto or thereto shall be submitted for resolution by the process of arbitration in accordance with Byelaws and Business Rules governing the arbitration process of MCXCCL/ MCX including amendments thereof from time to time and the parties agree to be bound by the arbitration awards so obtained.

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24. All matters arising out of this agreement shall be governed by and construed in accordance with the Laws of India and all matters where MCX/ MCXCCL/ ComRIS Service Provider is a party, shall be subject to the exclusive jurisdiction of Mumbai Courts.

IN WITNESS WHEREOF the Client and the ComRIS Participant have caused these presents to be executed as of the day and year first above written.

Signed and delivered by

(For and on behalf of the Client)

Witness

Signed and delivered by

(For and on behalf of ComRIS Participant)

Witness

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Format 4 - KNOW YOUR CLIENT (KYC) APPLICATION FORM (For Indiv

Photograph

Please affix your recent passport size photograph and sign across it

Please fill this form in **ENGLISH** and in **BLOCK** LETTERS.

A. IDENTITY DETAILS

ComRIS Participant Name

Address

Pin

Name of the Applicant

Father's/ Spouse Name

Gender **Marital Status** **Status**

Male **Female** **Single** **Married** **Resident**

Date of birth **Nationality**

PAN **Identification Number (UID)/ Aadhaar**

Any other additional proof of identity

Format 4 Circular no MCXCCL/C&S/091/2021 Dated April 08, 2021

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B. ADDRESS DETAILS (Proof of address must be different from the proof of identity submitted).

Address			
City		**State**	
Pin		**Country**	

Telephone (Off)		**Telephone (Res)**	
Mobile Number		**Fax**	
Email ID			
Specify the proof of address for Correspondence Address			

Permanent Address (if different)			
		Pin	
City			
State			
Country			
Tel. (Off.)		**Tel. (Res.)**	
Mobile No.		**Fax**	
Email id			
Specify the proof of address (For Permanent Address)			

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C. OTHER DETAILS (Gross Annual Income Details (Please Specify) (Income Range per annum)

> 1 Lac ☐ **1-5 Lac** ☐ **5-10 Lac** ☐ **10-25 Lac** ☐ **< 25 Lac** ☐

Net-worth as on ☐ **Date** ☐☐☐☐☐☐☐☐

(Net worth should not be older than 1 year)

D. OCCUPATION (Please ticks any one and give brief details)

☐ **Private Sector** ☐ **Public sector** ☐ **Government Service** ☐ **Business**

☐ **Professional** ☐ **Farmer** **Others (Plz Specify)** ☐

Please tick, as applicable

Politically Exposed Person (PEP) ☐ **Related to a Politically Exposed Person (PEP)** ☐

Not a Politically Exposed Person (PEP) ☐ **Not Related to a Politically Exposed Person (PEP)** ☐

If you have a landline connection, kindly provide the same ☐☐☐☐☐☐☐☐☐☐☐☐☐☐

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E. BANK ACCOUNT(S) DETAILS

Bank Name	Branch address	Bank account no.	Account Type: Saving/ Current/ Others	MICR Number	IFSC code

Note: Provide a copy of cancelled Cheque leaf/ pass book/bank statement specifying name of the applicant, MICR Code or/and IFSC Code of the bank.

F. DEPOSITORY ACCOUNT(S) DETAILS, if available

Depository Participant Name	Depository Name (NSDL/CDSL)	Beneficiary name	DP ID	Beneficiary ID (BO ID)

Note: Provide a copy of either Demat Master or a recent holding statement issued by DP bearing name of the applicant.

G. REPOSITORY ACCOUNT(S) DETAILS, if available

Repository Participant Name	Repository Name (CCRL/NERL)	Beneficiary name	RP ID	Beneficiary ID (BO ID)

Note: Provide a copy of either Remat Master or a recent holding statement issued by RP bearing name of the applicant.

H. TRADING PREFERENCES

(Note: Please sign in the relevant boxes against the Exchange with which you wish to trade. The Exchange not chosen should be struck off by the applicant.)

Sr.	Name of the Stock Exchange#	Date of Consent for trading	Signature of the applicant
1			
2			
3			
4			

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 # At the time of printing the form, the Member must specify the names of the Exchanges where the Member has membership.
[In case of allowing a client for trading on any other Exchange at a later date, which is not selected now, a separate consent letter is required to be obtained by the Member from client and to be kept as enclosure with this document]

I. INVESTMENT/TRADING EXPERIENCE

Other Investment Related Fields ☐ **Commodities** ☐ **No Prior Experience** ☐

☐☐ **Years** ☐☐ **Years**

J. GOODS AND SERVICES TAX (GST) REGISTRATION DETAILS

GST No. ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐ **Validity Date** ☐☐☐☐☐☐☐☐

Name of the State ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

In case Client wishes to provide multiple GST No., provide details of all in a separate sheet containing all the information as mentioned above

K. PAST REGULATORY ACTIONS

Details of any action/proceedings initiated/pending/ taken by Regulatory / Stock Exchange / any other authority against the applicant during the last 3 years

L. DEALINGS THROUGH OTHER MEMBERS

(If applicant is dealing through any other Member, provide the following details)
(In case dealing with multiple Members, provide details of all in a separate sheet containing all the information as mentioned below)

Member Name

Exchange
SEBI Registration Number

Regd. office address

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City
State
Country

Phone No. **Fax**

Email

Website

Client Code

Details of disputes/dues pending to such Member/

M. INTRODUCER DETAILS (optional)

Name of the Introducer

Authorized Person ☐ **Existing Client** ☐ **No Prior Experience** ☐

Others (Plz Specify)

Address

Pin

City
State
Country

Phone no.

PublicPublic

Signature of the Introducer	

N. ADDITIONAL DETAILS

Whether you wish to receive communication from Member in electronic form on your Email-id: Yes No

O. NOMINATION DETAILS

I/We wish to nominate I/ we do not wish to nominate Yes No

Name of the Nominee

Relationship with the Nominee

PAN of Nominee **D.O.B**

Address

Pin

City
State
Country

Phone no

If Nominee is a minor, details of guardian:

Name of Guardian

Address

Pin

City

PublicPublic

State	
Country	

Phone no	

Signature of Guardian	

WITNESSES ***(Only applicable in case the account holder has made nomination)***

	Witness 1	**Witness 2**
Name		
Address		
Signature		

DECLARATION

1. I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any change therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/we may be held liable for it.

Details	
Place	
Date	**Signature of Applicant**

PLEASE TEAR HERE

FOR OFFICE USE ONLY

UCC Code allotted to the Applicant	

Documents verified with Originals

Name of the Employee	

PublicPublic

Emp. Code | | | | | | | | **Designation** | | | | | | | | | | |

Date | | | | | | | |

Signature

Date
Signature | | | | | | | |

ComRIS Participants Seal

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Format 5 - KNOW YOUR CLIENT (KYC) APPLICATION FORM (For Non Individuals)

Please fill this form in ENGLISH and in BLOCK LETTERS.

A. IDENTITY DETAILS

ComRIS Participant Name																													

Address																													
																								Pin					

Name of the Applicant																													

Date of incorporation								**Date of commencement of business**							

Place of incorporation																													

PAN											**Registration No. (e.g. CIN)**									

Any other additional proof of identity																													

Status (Please tick any one)

☐ **Private Ltd Company** ☐ **Private Body** ☐ **Partnership** ☐ **Public Limited Company**

☐ **Trust** ☐ **LLP** ☐ **HUF** ☐ **Sole Proprietor**

Others (Plz Specify)

(In case of foreign entity or entity with foreign shareholders, self-certified copy of statutory approval obtained must be attached)

[Format 5] Circular no MCXCCL/C&S/091/2021 Dated April 08, 2021

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B. ADDRESS DETAILS (Proof of address must be different from the proof of identity submitted).

Add. for Correspondence

City/ District
State
Country **Pin Code**

Tel. (Off.) **Tel. (Resi.)**
Mobile No. **Fax**

Email id

Specify the proof of address

Registered Address (If different)

City/ District
State
Country **Pin Code**

Contact Details

Tel. (Off.) **Tel. (Resi.)**
Mobile No. **Fax**

Email id

Specify the proof of address submitted for correspondence address

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C. OTHER DETAILS - Gross Annual Income Details (Please Specify)

Net-worth as on | | | | | | | | | | | | | | | **Date** | | | | | | | | |

(Net worth should not be older than 1 year)

Name, PAN, residential address and photographs of Promoters/Partners/ Karta/Trustees and whole time directors

Landline Number | | | | | | | | | | | |

DIN / DPIN / UID of Promoters/Partners/LLP Partners and whole time directors:
(Please tick, as applicable)

Politically Exposed Person (PEP)		**Related to a Politically Exposed Person (PEP)**	
Not a Politically Exposed Person (PEP)		**Not Related to a Politically Exposed Person (PEP)**	

D. BANK ACCOUNT(S) DETAILS

Bank Name	Branch address	Bank account no.	Account Type: Saving/Current/Oth.	MICR Number	IFSC code

Note: Provide a copy of cancelled cheque leaf/ pass book/bank statement specifying name of the applicant, MICR Code or/and IFSC Code of the bank.

E. DEPOSITORY ACCOUNT(S) DETAILS, if available

D P Name	Depository Name (NSDL/CDSL)	Beneficiary Name	DP ID	Beneficiary ID (BO ID)

Note: Provide a copy of either Demat Master or a recent holding statement issued by DP bearing name of the applicant.

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F. REPOSITORY ACCOUNT(S) DETAILS, if available

Repository Participant Name	Repository Name (CCRL/NERL)	Beneficiary name	RP ID	Beneficiary ID (BO ID)

Note: Provide a copy of either Remat Master or a recent holding statement issued by RP bearing name of the applicant.

G. TRADING PREFERENCES

Note: Please sign in the relevant boxes against the Exchange with which you wish to trade. The Exchange not chosen should be struck off by the applicant.

Sr. No.	Name of the Stock Exchanges #	Date of Consent for trading on the Exchange	Signature of the Applicant
1			
2			
3			
4			

 # At the time of printing the form, the Member must specify the names of the Exchanges where the Member has membership.

[In case of allowing a client for trading on any other Exchange at a later date, which is not selected now, a separate consent letter is required to be obtained by the Member from client and to be kept as enclosure with this document]

H. INVESTMENT/TRADING EXPERIENCE

Other Investment Related Fields ☐ **Commodities** ☐ **No Prior Experience** ☐

☐☐ **Years** ☐☐ **Years**

I. Goods and Services Tax Registration Details

GST No. ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐ **Validity** ☐☐☐☐☐☐☐☐

Name of the State ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

In case Client wishes to provide multiple GST No., provide details of all in a separate sheet containing all the information as mentioned above

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J. PAST REGULATORY ACTIONS

Details of any action/proceedings initiated/pending/ taken by Regulatory /Stock exchange / any other authority against the applicant during the last 3 years	

K. DEALINGS THROUGH OTHER MEMBERS

If applicant is dealing through any other Member, provide the following details

(In case dealing with multiple Members, provide details of all in a separate sheet containing all the information as mentioned below):

Member's / Authorized Person (AP)'s Name

Exchange	
Exchange's Registration number	

Registered office address
Pin

Tel. **Fax**

Email

Website

Client Code

Details of disputes/dues pending

L. INTRODUCER DETAILS (optional)

Name of the Introducer

Status of the Introducer

Authorized Person ☐ **Existing Client** ☐ **No Prior Experience** ☐

Others (Plz Specify)	

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Phone No.	

Signature

M. ADDITIONAL DETAILS

Whether you wish to receive communication from Member in electronic form on your Email-id Yes No

DECLARATION

1 I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any change therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/we may be held liable for it.

Details	
Place	
Date	**Signature of Applicant**

FOR OFFICE USE ONLY

UCC Code allotted to the

Name of the Employee	**Documents verified with Originals**

Employee Code

Designation of the employee

Date	**Signature**

Date
Signature

ComRIS Participant Seal

***Form need to be signed by all the authorized signatories.**

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Format 6 - Nomination Form ONLY FOR Existing Individual ComRIS Account Holders

Photograph
Please affix your recent passport size photograph and sign across it

Date:-

ComRIS Participant Name

Address

Pin

Dear Sir/ Madam,

I/We the sole holder Guardian (in case of minor) hereby declare that:

We do not wish to nominate any one for this account. ☐

We nominate the following person, who is entitled to receive commodity balances lying in my /our account, in the event of the death of the Sole holder. ☐

[Strike out what is not applicable.]

[Signatures of all account holders should be obtained on this form].

RP / CP I D **Client ID**

Name of First / Sole Holder

Name of Second Holder

Name of Third Holder

Nominee details:

First Name
Middle Name
Last Name

Address

PublicPublic

PIN

City
State
Country

Telephone No.
Mobile No.

Fax No.

E-mail ID

Relationship with BO (If any)

Date of Birth

Signature of Nominee

As the nominee is a minor as on date, I/We appoint following person to act as Guardian:

First Name
Middle Name
Last Name

Address

Pin

City
State
Country

Telephone No.
Mobile No.

Fax No.

E-mail ID

Relationship with BO (If any)

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To receive the commodities in this account on behalf of the nominee in the event of the death of the Sole holder / all Joint holders.



Signature of Guardian

This nomination is in accordance with the **section 109 A of the Companies Act, 1956**, and shall supersede any prior nomination made by me / us and also any testamentary document executed by me / us.

Place **Date**

	First Authorized Signatory	**Second Authorized Signatory**	**Third Authorized Signatory**
Name			
Specimen Signature			

Note: Two witnesses shall attest signature(s) / Thumb impression(s).

Details of the Witness:

	Witness 1	**Witness 2**
Name		
Address		
Signature		

(To be filled by RP)

Nomination Form accepted and registered wide Registration No

Date

Please tear here

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Acknowledgement Receipt
Received nomination form:

Application No. | | | | | | | | | | | | | | | **Date** | | | | | | | | |

CP I D | | | | | | | | | | | **Client ID** | | | | | | | | | |

Name of First / Sole Holder

Name of Second joint Holder

Name of Third joint Holder

Nomination in favor of

No Nomination ☐ **Does not wish to nominate** ☐

Date | | | | | | | | | |

Signature

ComRIS Participants Seal

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Format 7 - Delivery instruction slip for pay-in on behalf of its clients by ComRIS Participants

CP Name & Address

ComRIS Participants Delivery Instructions Slip for On Market Transfers

(To be filled in duplicate and in Block letters)

Serial Number							

Date	D	D	M	M	Y	Y	Y	Y

Execution Date	D	D	M	M	Y	Y	Y	Y

ComRIS Participant ID									ComRIS Account ID								

I/ We request you to execute delivery payin from my/our account as per the following details :-

Sr. No.	Commodity Name	Contract	Receipt ID	Delivery Units (Qty)	Case ID (To be filled by CP)

Settlement Number											

Clearing Member ID										
Trading Member ID/CP Code										
UCC										

Name of the Account holder																		
Signature & Stamp of Account holder																		

Internal Ref. No. Verified by Checked by Entered by & date

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Chapter 6: Warehousing Operations

6.1 Procedure for deposit of Cotton Bales at MCXCCL accredited warehouses

MCXCCL Circular No. MCXCCL/WO/253/2025 dated November 11, 2025

Members / Participants who desire to deposit Cotton Bales at the MCXCCL Accredited Warehouses ("MAW") for delivery on Exchange platform are advised to adhere to the below mentioned procedure / conditions / norms / charges.

A. Procedure for Deposit at the warehouse

a) Deposit Request Process:

Members and their constituents are required to give prior intimation of minimum one working day by way of entry "deposit request" into CDSL Commodity Repository Ltd. ("CCRL") application and intimate to MCXCCL empaneled sampling agency. Depositors are also requested to obtain confirmation from MCXCCL accredited warehouse (MAW) on the availability of space and sampling agency at the respective warehouse before initiating any step for deposit goods. Unloading of the goods shall be undertaken by the MAW on a first-come first-serve basis. Deposit shall be accepted during working hours at MAW.

The beneficiary depositor shall submit the following documents before or at the time of deposit of Cotton Bales at MAWs -

a) In case, base depositor is taking credit in self-account, e-way bill (applicable as per state law) or declaration mentioning Press Running no. along with corresponding packing list capturing weight of 100 bales.
b) In case, the base depositor is giving credit to a different account, Invoice/ bill mentioning Press Running no. along with corresponding packing list capturing weight of 100 bales.
c) Know Your Depositor ("KYD") form.
d) Depositor Transaction Declaration ("DTD")

Please note that the goods shall be accepted at the warehouse only if the KYD and DTD copies are submitted at the time of / before the deposit in original or in electronic form. However, electronic credit of goods shall be given in depositors/ beneficiary account only upon submission of signed original KYD and DTD documents to WSP HO or at MAW. The beneficiary depositor shall comply with all the relevant laws/ regulations of statutory authorities and best practices for depositing Cotton Bales in the MAW while giving delivery through settlement mechanism of MCXCCL.

b) Weighment of goods at MAW at the time of deposit:

The weight of the bales received would be determined at the calibrated weighbridge empaneled for the designated warehouse (MAW). The client shall have option to use any one of the empaneled weighbridges during deposit at MAW. The Weight of Cotton Bales shall

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be determined/ calculated by the warehouse-designated weighbridge/ weigh scale and the same shall be considered for issuance of eNWRs, net of packing material, handling and sample weight (if any). It may be noted that discount on account of actual moisture content at the time of deposit of goods higher than base moisture (i.e., 9.00 %) shall be considered in proportion of 1:1 for weight deduction and issuance of eNWR.

For example: Moisture content of the lot at the time of inward/ deposit in warehouse is 9.50% for the lot. While issuing eNWR, 0.50% deduction in weight for moisture variation shall be applicable for recording weight on the eNWR.

B. Visual inspection of Cotton bales

At the time of unloading of goods, WSP will rightfully check the physical appearance of cotton bales. WSP will verify and confirm on packaging, lot marking and labelling of the bales are in conformity to MCXCCL guidelines. During the drawing of samples by the sampling agency, WSP will keep strict vigil on colour, staple length, trash, presence of foreign/ extraneous matter based upon visual appearance. Presence of country damage bale/s or any other inconsistency observed during visual inspection shall warrant the WSP to call upon any additional information from the beneficiary depositor for acceptance of bales. WSP is empowered to reject/ insist on replacement of such lot, if the goods are assessed as not meeting standards of 'good delivery' due to country damage. Any spot rejection during visual inspection should be recorded by the WSP and duly acknowledged by the beneficiary depositor's authorized representative.

C. Packaging and Labelling

Cotton bales deposited/ delivered should be well compressed and packed (non-exposed) with 100 to 150 grams white twill cotton cloth (woven cloth) and adequate spiral bands, as per standard industry practice. Hessian cloth packaging, in good condition, would also be accepted, however, the bales cover shall not be too thick and cotton should be visible from outside. The bales must be securely strapped with a minimum of 09 bands of iron (1.8 Kg per bale) or minimum of 10 plastic straps (350 gms per bale). Use of best quality plastic straps, which can endure loading and unloading, is recommended. Bales should be fully covered and all the covering material on the bale should be clean, in sound condition and of sufficient strength to adequately protect the cotton. The packaging material should be free from any corrosion or any other material which may contaminate or adversely affect cotton. The WSP must ensure proper storage conditions to deliver the goods to buyer client in such sound condition.

The WSP must also ensure that the bales deposited/ delivered should not bear any stain of oil, ink etc. The bale should not be found contaminated with any other foreign matter. It should have proper markings in the form of unique press running number (PRN) along with details of variety, ginning and pressing unit, crop year and any other detail as may be required from time to time. For identification purposes, each bale of cotton shall have a mark/ sticker/ label that identifies the lot. Each bale shall have a label / sticker giving the bale number in figures along with ginner details. All the bales deposited in a lot should be from a single ginning unit and should bear continuous press running no. from the same ginner, as per the

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details of packing list submitted along with the goods. Bales meant for storage and delivery, if observed to be inconsistent with packaging and labeling conditions or with any misleading information, the entire lot shall be liable for rejection by the WSP. The warehouse will put a lot-card on the Cotton bales which may include date of deposit, lot no. on each lot deposited, stack shall be sealed and records of stack sealing shall be kept at the warehouse.

D. Delivery Size

Delivery Unit/ Lot	100 Bales (170 quintal) of 170 kg
Quantity Variation for deposit*	+/- 7% of total weight of each delivery unit

* Quantity variation allowed at the time of deposit only at the warehouse.

For the purpose of arriving at weight for which credit will be given to the beneficiary depositor, the deductions shall be as follows:

- Towards packing material including packing clothes, (a) in case of iron baling hoops – deduction shall be 2.00 kg per bale, (b) in case of plastic straps – deduction shall be 500 gm per bale.

- Towards handling & sampling loss: The deduction shall be approx. 1.20 kg per sampled bale (i.e., 6 kg approximately per delivery lot).

E. Validity Period

The delivery of Cotton bales on Exchange platform may take place according to the validity period as mentioned in the table given below:

Date of Deposit at MAW	**Validity Period Months (No of contract expiry)**	**Final Expiry Date**
01st Nov 2025 to 20th Nov 2025	09 Months	15th Aug 2026
21st Nov 2025 to 30th Nov 2025	09 Months	15th Sept 2026
01st Dec 2025 to 31st Dec 2025	09 Months	15th Sept 2026
01st Jan 2026 to 31st Jan 2026	08 Months	15th Sept 2026
01st Feb 2026 to 28th Feb 2026	07 Months	15th Sept 2026
01st March 2026 to 31st March 2026	06 Months	15th Sept 2026
01st April 2026 to 30th April 2026	05 Months	15th Sept 2026
01st May 2026 to 30th May 2026	04 Months	15th Sept 2026
01st June 2026 to 30th June 2026	03 Months	15th Sept 2026
01st July 2026 to 31st July 2026	02 Months	15th Sept 2026
01st August 2026 to 31st August 2026	01 Months	15th Sept 2026

In order to tender a particular warehouse receipt towards a contract expiry, the validity period of the warehouse receipt shall be minimum 15 days beyond the expiry date of the contract in which the goods have been tendered. For any warehouse receipt, maximum validity allowed in the crop season 2025-2026 is 15th September, 2026.

F. Standard Deduction

Standard deduction shall be computed per contract month basis. The standard deduction of the respective contract month shall be computed and deducted from the weight mentioned on the electronic Negotiable Warehouse Receipts (eNWRs) at the time of delivery on MCXCCL or lifting Cotton bales from MAW. The value of standard deduction shall be derived from the table below based upon the month of deposit of that lot and contract month/ delivery:

Delivery /Contract Months	**Deposit/Contract Months (all the values are in %)**									
	Nov-25	**Dec-25**	**Jan-26**	**Feb-26**	**Mar-26**	**Apr-26**	**May-26**	**Jun-26**	**Jul-26**	**Aug-26**
Nov-25	0.00									
Dec-25	0.30	0.00								
Jan-26	0.50	0.30	0.00							
Feb-26	0.75	0.50	0.40	0.00						
Mar-26	1.00	0.80	0.70	0.40	0.00					
Apr-26	1.25	1.10	1.00	0.70	0.40	0.00				
May-26	1.50	1.50	1.25	1.00	0.70	0.40	0.00			
Jun-26	1.75	1.75	1.50	1.25	1.00	0.60	0.40	0.00		
Jul-26	1.40	1.40	1.25	1.00	0.75	0.75	0.60	0.30	0.00	
Aug-26	1.00	1.00	1.00	0.75	0.50	0.50	0.40	0.30	0.30	0.00

If client physically withdraws allocated lot on/ before the 15th day of the subsequent month then standard deduction for that month shall not be applicable to the buyer.

In case re-sampling is performed on request from member/ participant and they intend to withdraw the goods from the MAW, in such case standard deduction shall be applicable up to the previous month only, subject to member/ participant physically withdraws it within 15 days from the date of the re-sampling report received by them.

Standard deduction shall be applicable only to those goods which are delivered through Exchange mechanism and it is applicable till the Final Expiry Date (FED) of the warehouse receipt . It shall be also applicable on goods which are received through exchange settlement and subsequently sold to another party through off-market transfer. Standard deduction shall not be applicable on the goods which are deposited and lifted by same party without any

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exchange settlement. For such cases the WSP shall deliver eNWR quantity as per the WDRA norms.

In case of any quantity variation observed between entitled weight and actual weight of the consignment at the weighbridge at the time of the lifting of goods from MAW (except FED goods), the difference will be settled in cheque/ demand draft/ pay order with the WSP at the spot price of the day end (second session) spot price for the day of withdrawal. Any weight shortage / excess settlements should be done within 15 working days from the date of the withdrawal of the cotton bales from MAWs.

G. Sampling and Testing process at the time of deposit

Labour and forklift arrangements shall be made by the WSP for bale cutting and loading/ unloading for which charges shall be payable directly to the labour/ forklift by the beneficiary holder (as per prevailing market rates), i.e., depositor.

MCXCCL will appoint the Sampling Agency at each delivery center. The Sampling Agency will draw samples from randomly selected 5 bales (5%) against every 100 bales of lot and test moisture from 20 bales (20%) from randomly selected bales at the time of unloading of bales at MAW. Five randomly selected bales shall be cut open from any side for drawing a sample, out of which one can be completely cut-open for quality verification purpose . If needed, WSP may select additional bale (up to 1 bale) beyond five bales for sampling/ quality analysis/ verification as deemed fit. All cut open bales shall be considered for issuance of electronic negotiable warehouse receipt and shall form part and parcel of the delivery lot. The size of the sample drawn out of the selected bales shall be approx. 1.20 kg per sampled bale. Four samples shall be made from each sampled bale. Sample distribution - One sample will be for beneficiary depositor; second sample will be sent to empaneled assayer's laboratory by sampling agency and two samples shall be retained with WSP for future reference and record. Each sample drawn from individual bale shall be tested separately.

Nevertheless, WSPs can rightfully select more bales for sampling/ testing purposes. WSPs will continue to remain responsible for upkeep of quality and quantity for eligible goods as per the grade and quantity defined in the eNWR.

WSP will inform the sampling agency for deployment of sampler at warehouse one day prior to scheduled deposit. The agency will follow prescribed sampling and sample coding method to keep the identity of depositor unknown. Sampling agency will also ensure time bound receipt of test report to be received from assaying laboratory and issue to respective client and warehouse service provider (WSP). The sampling agency will collect fees for sampling, courier and testing from client/ depositor in advance. The agency will issue invoice to respective clients, courier the sample to empaneled assayer's laboratory and once the test results are received, issue test reports to respective client and the warehouse.

Visual inspection and Moisture testing by WSP: On successful visual inspection and satisfactory assessment of cotton bales for 'good delivery' and free from 'country damage' by the WSP, the moisture testing from randomly selected bales (20%) shall be done by the sampling agency from the deliverable lot through calibrated portable Moisture Meter (probe method) to ascertain moisture content in the bale at the time of deposit. For an individual bale, the Moisture reading shall be recorded from maximum four sides/ points for fresh deposits from November to June and from eight points for the fresh deposit for the months of July and August. Additionally, WSP will randomly select 20% bales (20 bales) to test moisture at the time of unloading of bales. The average of moisture reading taken by WSP & Sampling agency are recorded and whichever is higher shall be considered as final reading for further calculations.

The individual reading should not exceed 10.50% and the average reading of each bale should not exceed 10.00 %. Further, the overall lot average shall not exceed 10.00 %. A lot may be disqualified/ rejected if wide variation / non-uniformity is noticed in moisture readings, even if it is qualified on Exchange quality specifications.

Testing by the empaneled Assayer: The said samples drawn by the sampling agency will be tested by the empaneled assayer by HVI and trash analyzer. Based on the test result of each sample, average test result shall be derived for Exchange quality parameters.

The assignment of grade for the deposited goods by the WSP shall be governed by the grade matrix published/ announced by MCXCCL on its website from time to time and the same shall be final and binding on the depositing beneficiary and WSP. The WSP shall give effect the credit to the beneficiary client's account in repository within 7 working days from the date of deposit of goods at the warehouse.

A lot shall be considered 'good delivery' only if all said individual bales' test results of a lot qualify individually on all the exchange specified quality parameters. A lot may be disqualified/ rejected by WSP if wide variation/ non-uniformity in test results is noticed in one or more quality parameters, even if it is qualified on all Exchange quality specifications. In case goods deposited for quality assaying do not conform to the quality parameters of the contract specifications, the beneficiary depositor cannot opt to get the bales retested and the test report based on the samples drawn shall be acceptable and binding on all parties. In such a case, the beneficiary depositor must take out the goods immediately from MAW.

Explanation: it is clarified that quality testing of the lot is based on the sample/s selected and the beneficiary depositor shall be liable for ensuring that the entire lot of Cotton Bales is of homogenous quality as that of the sampled bales. In this regard, to protect its own interest the WSP may at its discretion, obtain an undertaking / indemnity on stamp paper/ postdated or

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undated cheques to this effect from the beneficiary depositor.

H. Physical inspection of stock in possession

Members/ Participants holding goods in the warehouse are entitled to undertake physical inspection of said goods. Request for such physical inspection would have to be submitted to MCXCCL and MCXCCL shall forward the same to the concerned WSP for allowing such inspection. During physical inspection, the Member/ Participants or his authorized representative/ies (maximum 2 persons) are only permitted for inspection. During such inspection, they are not allowed to take photographs/ videos or carry any such hazardous material, which may cause damage to the goods inside the warehouse. Member/ Participants or his authorized representative shall be allowed to do visual inspection from assigned lots from the pre-cut bales only. In this case, they shall not be allowed to take any sample out of the warehouse.

I. Retesting of dematted goods

In case, the Member/ Participants who have purchased Cotton bales on the Exchange platform and seek to retest and/ or lift the Cotton bales from the warehouse but do not agree to the quality of the goods, Member/ Participants shall request MCXCCL within 15 working days from the date of commodity pay out, for resampling and retesting, without lifting the Cotton bales from the warehouse. Such Cotton bales should be valid on date of request for retesting and should not have crossed the final expiry date (FED).

MCXCCL shall empanel independent assayer where the market participants can get their goods assayed at the time of withdrawal. Member/ Participants shall inform MCXCCL, beneficiary depositor & WSP and indicate the preferable date and time of visit to the warehouse for retesting of the stock, Member/ Participants in such a case shall make a request for retesting to MCXCCL along with the prescribed form which in-turn shall be forwarded to the concerned WSP. MCXCCL shall appoint a sampling agency and Independent Assayer from the empaneled agencies in consultation with the Member/ Participants for resampling and retesting. MCXCCL shall indicate the preferable date and time of visit to the warehouse for retesting of the stock to Member/ Participants, Beneficiary Depositor & WSP.

Retesting of bales in case Member/ Participants desire to withdraw goods from warehouse:

For resampling and retesting, not more than Five (5) new bales randomly selected by the buyer/ its representatives in presence of WSP and MCXCCL representatives for each deliverable lot. After the samples are drawn by the sampling agency from 5 new bales, the samples should be duly signed by the representatives and sealed. The process for sampling shall be same as followed at the time of deposit of the goods. Member/ Participants shall be

allowed to take reference sample made from the sampling process.

The said Assayer shall submit its quality report within 7 working days from the date of resampling, which shall be final and binding on all the parties concerned, including the WSP.

J. Tolerance levels in quality parameters on retesting of dematted stocks

The retesting quality tolerance limit is applicable only for outbound deliveries. Variation in quality parameters within the prescribed tolerance limits vis-à-vis original quality test report (at the time of deposit) will be treated as good delivery during the lifting of goods from MCXCCL accredited warehouses.

Quality parameter	**Retesting tolerance**	
	Up to 60 days from date of deposit	**Beyond 60 days from date of deposit and up to FED**
Staple 2.5% span length (mm)	+/- 0.6mm	+/- 0.6mm
Strength (GPT)	+/- 1.8 GPT	+/- 1.8 GPT
Micronaire	+/- 0.2	+/- 0.2
Rd	+/- 1.0	+/- 1.6
+b	+/- 0.5	+/- 0.6
Trash	+/- 0.1	+/- 0.1

For the quality parameters where there is no upper limit given in the contract specifications, the retested value, if found higher than the above stated tolerance limits will not be considered as 'bad delivery'. After considering outbound tolerance limit of the re-tested bales, if the said quality results/ grades are found breaching the quality specifications/ grades as prescribed by the Exchange in contract specifications, the Member/ Participants, within 5 working days, shall submit their claim, in writing by giving details such as lot numbers, quantity and the parameters under which inconsistencies are observed.

The basis of claim if any, shall be the value arrived on the basis of nearest closing spot price of the claim submission business day. MCXCCL shall give its decision on the claim filed by the buyer / stockholder which shall be binding on the parties including WSP. In case MCXCCL determines that a delivery does not constitute a good delivery owing to variation in underlying goods, quality, quantity, etc. beyond the prescribed standards mentioned in the cotton delivery procedure/ contract specification the WSP shall be liable to compensate the buyer for the quality difference or substitute good delivery within 15 working days from the date of the decision of MCXCCL.

The WSP/ client shall settle the claim by considering net off for all the retested lots (after considering outbound tolerance limits and age penalty, if applicable) for such lots where results are within specification after considering the outbound tolerance on original (at the time of deposit of stock) quality test report.

A retested lot will be considered 'rejected' in quality if a single bale (out of five bales sampled) is rejected in one or more quality parameters after applying outbound tolerance on original quality test report of respective lot.

Rejected lots' claim settlement shall be done with one of the following methods. The right to choose claim settlement method out of the given options lies with the buyer.

Option 1:
The buyer takes delivery of the Commodity (retested lots) + Grade difference + Price difference.

Once the retesting reports are published, beneficiary shall lift the retested lots and further settlement of grade difference and price difference shall be done within defined timeline by the WSP.

Grade difference will be calculated based on the original grade (Premium/Discount) and re-tested grade (Premium/Discount). The retested lot's grade shall be determined based on maximum value of test result for the parameter/s on which it got rejected. The premium/ discount calculations beyond the acceptable range shall be done in the same ratio as defined in the contract specifications.

Price difference will be calculated based on difference between settlement price and spot price.

i.e., Settlement price Rs. 25,000 per candy – Spot Price Rs. 21,000 per candy = Difference 1000 per Candy * Net Weight = Difference amount.
If the spot rate is higher than the settlement price, then the price difference shall not be applicable.

Option 2:
The buyer opts NOT to take delivery of goods i.e., financial settlement similar to delivery default.
The WSP in this case will pay the buyer Settlement value + Price difference + 4% of settlement Value.

In this option, the beneficiary will claim the sum of settlement value, price difference (if applicable) and 4% of settlement value. The rejected goods will remain in possession of WSP and the buyer will have to empower the WSP with the right to dispose it at WSP's discretion. The WSP will keep the proceeds of such disposal of goods with itself.

Settlement value to be considered based on the net qty, settlement price and premium/discount (i.e. Net qty*Settlement Price (+/-) Premium/discount).

Price difference will be calculated based on difference between settlement price and spot rate i.e. Settlement price Rs. 25,000 per candy – Spot Price Rs. 21,000 per candy = Difference 1000 per Candy * Net Weight = Difference amount. If the spot rate is higher than the settlement price then the price difference shall not be applicable.

If the penalty for delivery default is changed from 4%, then the claim shall be calculated on the penalty applicable on the day of delivery/ retesting request raised by the Member/ participant.

Option 3:
The Buyer claims substitute goods with same quantity and quality as received on the exchange settlement.

In this option, WSP will substitute the rejected goods with goods that match the grade and quantity as the Buyer has received on the exchange platform. The WSP shall be liable for giving good delivery (quality and quantity) in accordance with the contract specifications as prescribed by the Exchange from time to time.

The parties which request for resampling and retesting shall bear all professional fees of sampler & assayer, including incidental costs, weight shortage and expenses related to sampling, testing certification, etc. In case, the retesting results indicate inferior results from the original certificate, then the aforesaid retesting cost shall be borne by the WSP.

If the Member / Participants wishes private sampling and testing arrangements, it can request the WSP under their mutual private arrangement and their mutual terms and conditions. In such a case, the said goods shall be treated outside the scope of MCXCCL. Meaning thereby, the said goods can neither be tendered for delivery on the Exchange platform nor any further complaints and claims shall be entertained by the MCX/ MCXCCL. (For such activity the beneficiary holder needs to complete the withdrawal formality from repository and after such activity is completed, they need to withdraw the commodity out of the warehouse.)

The following documents shall be required to be submitted to the warehouse official(s) on the date of the warehouse visit.

- Original Retesting Request Form
- Original withdrawal request form duly approved by the Repository Participants or withdrawal request reference number generated through CCRL system, if applicable.

For such private testing arrangement, a deduction of approx. 6.00 kg per deliverable lot towards handling & sampling loss shall be compensated to the WSP by the client requesting for resampling and retesting. The sample weight difference will be settled in cheque/ demand

draft/ pay order with the WSP at the Due date rate (DDR) of the previous contract declared by the MCXCCL. The WSP will pass on the deduction to the end buyer/ client at time of withdrawal.

K. Withdrawal of Commodity from the Warehouse

The holder of goods shall request for withdrawal of goods from warehouse to the WSP through CDSL Commodity Repository Ltd. ("CCRL") system. Once it is approved by the Repository Participants and Withdrawal Confirmation by WSP Maker & Checker, the goods will not be eligible for the delivery on the Exchange platform and Client has to withdraw the goods from the warehouse within the timeline given in the request after submission of the authority letter and identity proof. The holder of goods shall confirm date and time with warehouse service provider before placing vehicle at warehouses for withdrawal of commodity.

The outward delivery shall be done using the same weighbridge which was used at the time of the deposit. If any alternate weighbridge from the approved list of weighbridges has to be used during outward delivery owing to genuine reasons like primary weighbridge is closed/ non-functional/ calibration expired etc, it should be done with mutual agreement of Warehouse Service Provider (WSP) and the client

L. Storage after Validity Period

The Client / beneficiary holder can take out the Cotton bales from the warehouse on or before Final Expiry Date (FED). After the FED, the goods in the MAW shall necessarily be removed. Storage of goods in MCXCCL accredited warehouse(s) after the specified FED is not permitted and therefore the Members/ Participants shall ensure that the goods are withdrawn before FED. In case the client does not withdraw the goods within 15 days of FED, the WSP shall apply penalty in accordance with MCXCCL Circular regarding the Treatment of Rejected goods and Expired goods in MAWs. Accordingly, Members/Participants involved in such deposits shall solely remain liable/ responsible for such continued storage of goods and MCXCCL shall not be responsible in any manner whatsoever for those goods which have crossed the FED. Such goods shall be treated as per the regulation/ policy of WDRA / relevant central/ state authority for warehouse. Members/ Participants are advised to become familiar with relevant circulars/ provisions/ guidelines of MCXCCL which are in force from time to time and take suitable action.

M. General Conditions

The general provisions of Bye - Laws, Rules and Business Rules/Regulations of MCX/MCXCCL and decision taken by the Relevant Authority of MCX/MCXCCL in respect of matter specified above will form an integral part of the contract. MCX/MCXCCL may further prescribe additional measures relating to delivery procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system

of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding on all the parties concerned.

Members and Market Participants who enter into buy and sell transactions need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCX/MCXCCL Bye Laws, Rules, Business Rules/Regulations, circulars, directives, and notifications of MCX/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 goods deposited / traded / delivered through the approved warehouses of MCXCCL is in compliance with the applicable regulations laid down by authorities like Food Safety Standard Authority of India, 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, Tax, stamp duty, etc. as may become due & payable under any law, rules or regulations, applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and MCX /MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the sellers giving delivery of goods/ commodities and all the buyers taking delivery of goods/ commodities 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 of MCX, it shall be the responsibility of the Trading Member/ Clearing Member 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. The MCX /MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

WSP can hold the physical withdrawal of the goods in case of non-payment of storage charges/ any outstanding by client.

MCXCCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the quality claim is made within 5 working days from the date of issuance of report of retesting by the Assayers, failing which, no claim shall be entertained by MCXCCL. However, WSP shall remain responsible for the stocks received through settlement of trade through Exchange Mechanism until FED of the goods. Any dispute/claim of WSP against its client/ depositor with regards to storage charge, default, quality and weight/ quantity shall refer to MCXCCL grievance redressal mechanism.

For the goods that have been deposited at MAW, but not delivered through settlement mechanism of MCXCCL, MCXCCL shall not be responsible for quality and quantity of the goods. However, WSP shall continue to be liable for such goods, that have not been delivered through settlement mechanism of MCXCCL, in accordance with various State and Central Laws/ WDRA regulating the Warehouses and shall be solely responsible to the owners of stocks as reflected in the storage receipt issued by the Warehouse/WSP or the statement issued by the Repository or the Electronic Warehouses Receipts issued by the Repository.

MCXCCL shall not be 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, 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.

6.2 Procedure for dealing with Mentha Oil at MCXCCL Accredited Warehouses

MCXCCL Circular No.: MCXCCL/WHL/098/2025 dated May 16, 2025

Members / Participants who desire to deposit Mentha Oil at the MCXCCL Accredited Warehouses ("MAW") for delivery on Exchange platform are advised to adhere to the below mentioned procedure / conditions / norms / charges.

A. Procedure for Deposit at the warehouse

a) Members and their constituents are required to give prior intimation of minimum one working day by way of 'deposit request' into Countrywide Commodity Repository Ltd. ("CCRL") application. Depositors are also requested to obtain confirmation from MCXCCL accredited warehouse (MAW) on the availability of space and sampling agency at the respective warehouse before initiating any step for depositing goods. Unloading of goods will be done on first-come-first serve basis. Deposit/ Withdrawal activity shall be attended by the Warehouse Service Provider (WSP) during working hours at MAW.

b) Based on the intimation received from the depositor, WSP representative shall visit the depositor's site and weigh empty drums on the calibrated weigh-scale. The WSP representative shall verify the drums and put non-tearable and non-removable white sticker on drums. The weight of the empty drums shall be mentioned on white sticker by a permanent marker with WSP's signature and date. Once weighing of empty drums is completed, WSP representative shall intimate the deposit acceptance schedule to the depositor. Based on the given schedule, the depositor shall fill the Mentha Oil in pre-verified drums and bring to the warehouse. Only Natural Crude Mentha Oil (Arvensis) shall be accepted at MAW.

c) The Depositor shall submit duly filled Know Your Depositor ("KYD") form and Depositor Transaction Declaration ("DTD") form at the time of/ before the deposit in original or in electronic form. However, electronic credit of goods shall be given in depositors/ beneficiary account only upon submission of signed original KYD and DTD documents to WSP HO or at MAW. The Depositor shall fully comply with all the relevant State/ Central laws, all statutory regulations while depositing stock at MAW and placing delivery through settlement mechanism of MCXCCL.

It is mandatory to have respective local mandi registration for depositors who intend to deposit Mentha Oil at MAW. Depositor needs to submit the Gate pass and 9R copy at MAW at the time of deposits, as per its applicability under the rules and regulations of local Mandi authority.

d) At the time of inward, the drums shall be checked for the white stickers containing weight details and signature of the WSP representative. Drums found without sticker or weight details, or signature shall be rejected. In case the depositor brings drums for depositing the stock

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without empty drum weighment, then it is depositor's responsibility to follow the empty drum weighment on the designated weigh scale at MAW which shall be witnessed by the WSP representative. After completing the weight check process, the drums shall be accepted for inward subject to conforming to all the checks.

B. Physical Inspection of Mentha Oil

a) Before unloading the goods, preliminary quality tests and visual inspection shall be performed by the WSP to ascertain overall quality of the goods brought by the Depositor. The WSP will ensure that the stock shall be uniform in colour, smell, packaging and without any impurities, defects etc. before unloading at MAW .
b) The WSP shall undertake the preliminary quality tests i.e. solubility test, chemical test, caustic test, water test etc. either themselves or through an MCXCCL empanelled assayer to ensure that the Mentha oil received for deposits is free from any adulteration and is in accordance to the contract specifications announced by MCX from time to time. The Mentha Oil brought in each drum has to individually pass the above tests before samples are drawn. If the Mentha oil does not pass the preliminary quality tests, it shall be rejected and the depositor shall be informed not to unload the goods at MAW.

C. Packaging and Labelling

a) Mentha oil for delivery would be accepted in brand new galvanized iron air-tight container with minimum drum weight of 21 kg and capacity to contain 180 kg (net weight) of Mentha oil of MCX specified quality.
b) The drum weight i.e. minimum 21 kg or actual weight, whichever is higher, shall be deducted for arriving at the net weight of Mentha Oil for issuance of warehouse receipts. The cost of drum, as fixed by MCXCCL, will be payable by the buyer.
c) Mentha oil deposited in MCXCCL accredited warehouse shall be accepted only if the drums are sourced from the below list of drum suppliers. The cost of empty drum for Mentha Oil is ₹2400/- per drum (exclusive of taxes, as applicable).

Name of Drum Suppliers	**Address**
Balmer Lawrie & co. Ltd	401-402, Welldone Techpark, Sector-48, Sohna Road, Gurugram, Haryana -122002
Kumar Containers Pvt Ltd	F-21 & 22, Industrial Estate, GT Road , Makrandnagar, Kannauj, Uttar Pradesh - 209725
Star Drums International	Pakaria Tola, Kannauj, Uttar Pradesh - 209725
Maya Udyog	Kasara no 301-389, Safedabd Barabanki, Uttar pardesh-225001

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Name of Drum Suppliers	Address
Kanha Container	Mohammadpur Bastaur, Noorpur Village, Under Bypass, Chandausi Road, Moradabad, Uttar Pradesh - 244001
Reliable Barrels Pvt Ltd	Khasara No 405, G T road, Dadri, Luharli Village, Gautam Budh Nagar, Uttar Pradesh-201311

The Depositor shall submit the copy of Invoice from drum suppliers at the time of deposit to the warehouse for traceability.

D. Sampling and Analysis process at the time of deposit

a) Labour arrangement shall be made by the warehouse for loading/ unloading & opening of the drums for which charges shall be payable directly to the warehouse by the depositor (as per prevailing market rates), i.e. depositor will have to pay for unloading/ including incidental costs and expenses related to sampling at the time of deposit of goods. The WSP will inform the sampling agency for deployment of sampler at warehouse one day prior to scheduled deposit. The WSP has to ensure that the sampler follows proper sampling and sample coding method to keep the identity of depositor unknown/ masked from the assayer.

The WSP shall get the sampling done through an independent MCXCCL approved sampler.

b) After unloading, Mentha Oil homogenization activity shall be undertaken to ascertain overall quality of the commodity. Upto 12 drums of Mentha Oil shall be emptied into a homogenization tank kept at the MAW. The content of the tank shall be stirred to make a homogeneous quantity of Mentha oil. Samples shall be drawn from the homogeneous quantity. After taking the sample Mentha oil shall be refilled in drums and sealed. Lot/ drum sealing for all lots deposited/ retested shall be completed immediately after sampling. Activities mentioned above shall be carried out in the presence of concerned depositor/ sampler and representative of WSP. Additional handling charges for the process of homogenization shall be communicated separately on MCXCCL website and shall be paid by the depositor.

c) The said samples as drawn by the WSP through sampler shall be submitted to the MCXCCL empaneled assayer. Each sample drawn as mentioned above shall be sealed and jointly signed by depositor/ client and WSP representative and sampler.

Total 6 samples shall be prepared and distributed as under

3 samples – 75 ml each (approx.)

- 1 for Assayer Qualitative analysis (The label of the sample shall not contain depositor details. Only the sample code shall be mentioned on the label)
- 1 shall be kept at warehouse
- 1 shall be handed over to depositor

3 samples – 25 ml each (approx.) shall be kept at the warehouse for future reference including

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for the buyers. In case the buyer wishes a counter sample before withdrawing the lot, the warehouse will provide 25 ml reference sample to the buyer. However, any retesting request by buyer shall be with fresh drawn sample as per Clause I "**Resampling Method, Quality Analysis, Retesting & Certification"** referred in this circular.

Post the sampling/ homogenization exercise, weighment shall be carried out for each drum on a calibrated platform scale available at warehouse. Any loss in weight in the process of homogenization shall be on account of depositor. The lot numbers shall be mentioned with permanent marker on drums. Thereafter, entry shall made in CCRL clearly mentioning the net weight of Menta Oil. The WSP shall acknowledge receipt of goods to the depositor mentioning the Gross weight, Empty Drums weight and the Net Weight of Mentha Oil

The drums of single delivery unit shall be stored together for lot identification. Thereafter, the sealed samples shall be carried/ couriered to the assayer by the WSP for further testing and the inward details shall be forwarded to the WSP head office. The assayer shall do testing of samples with respect to **all the quality parameters as given in the MCX contract specifications**. The assayer is then required to submit its test report to the WSP and the depositor. Representative samples of the stock shall be used for testing and determination of menthol content on composite sample basis. The Gas Liquid Chromatography i.e. GLC analysis shall be done as per IS 528:1999 or its latest version (Capillary column Method). The GLC shall be conducted as per details given below -

Injector Temperature	230°C
Detector Temperature	250°C
Oven parameters:	
Initial:	70°C hold time 1 min
Rate 1 :	3°C /min
Final Temperature:	210°C.
Column Flow (N2) :	1ml/min
Purge Flow :	3 ml/min
Hydrogen :	30 ml/min
Zero air :	300 ml/min
Split Ratio :	1:100
Make-up flow :	30 ml/min
Injection Volume:	0.20 µl
Total Run Time	47.66 Min

d) On receipt of the test reports from assayer, the WSP shall make entries in CCRL. The test report issued by the assayer on the samples drawn by the independent sampler shall be acceptable and binding on all parties. All the charges pertaining to the sampling process shall be borne by the depositor. WSP is empowered to reject / insist on replacement of deliverable lot, if found faulty or sub-standard by them giving an accurate reason to do so. The WSP shall remain responsible for quality and quantity of goods to be delivered to the beneficiary client within the Final Expiry Date (FED).

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Note: It is clarified that quality report of the lot is based on the composite sample and the depositor shall be liable for ensuring that the entire quantity of Mentha Oil is of homogenous quality and free from adulteration. In this regard, the WSP may at the time of deposit, at its discretion, to protect its own interest, obtain an undertaking to this effect from the depositor.

E. Delivery Size

The quantity of Mentha Oil received and/ or delivered at the accredited warehouse would be determined/ calculated by the designated weigh-scale at the premises of the accredited warehouse and the quantity so determined would be binding on all parties. The WSP is responsible to keep the weighscale calibrated with Govt./ Govt. approved agencies at all times. The weight of the Mentha Oil in the drum shall be 180 kg net with allowable variation of 1%, however credit will be given for actual quantity at the time of deposit.

Delivery Unit	360kg/ 2 drums
Quantity Variation allowed at the time of deposit	1% per drum

F. Validity Period

The warehouse receipts of Mentha Oil will carry a validity date as per table given below, based on the date of deposit. The eligibility of warehouse receipt for good delivery will depend upon its validity date, which has to be 15 days minimum beyond the contract expiry date.

Deposit at MCXCCL accredited warehouse	**Validity Period from the date of fresh deposit (No. of contract months)**	**Final Expiry Date (FED)**
1st June 2025 to 15th June 2025	13	15th July 2026
16th June 2025 to 30th June 2025	14	15th August 2026
1st July 2025 to 15th July 2025	13	15th August 2026
16th July 2025 to 31st July 2025	14	15th September 2026
1st August 2025 to 15th August 2025	13	15th September 2026
16th August 2025 to 31st August 2025	14	15th October 2026
1st September 2025 15th September 2025	13	15th October 2026

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16th September 2025 30th September 2025	14	15th November 2026
1st October 2025 to 15th October 2025	13	15th November 2026
16th October 2025 to 31st October 2025	14	15th December 2026
1st November 2025 to 30th November 2025	13	15th December 2026
16th November 2025 to 30th November 2025	14	15th January 2027
1st December 2025 to 15th December 2025	13	15th January 2027
16th December 2025 to 31st December 2025	14	15th February 2027
1st January 2026 to 15th January 2026	13	15th February 2027
16th January 2026 to 31st January 2026	14	15th March 2027
1st February 2026 to 15th February 2026	13	15th March 2027
16th February 2026 to 28th February 2026	14	15th April 2027
1st March 2026 to 15th March 2026	13	15th April 2027
16th March 2026 to 31st March 2026	14	15th May 2027
1st April 2026 to 15th April 2026	13	15th May 2027
16th April 2026 to 30th April 2026	14	15th June 2027
1st May 2026 to 15th May 2026	13	15th June 2027
16th May 2026 to 31th May 2026	14	15th July 2027

G. Standard Deduction

a) The Weight of Mentha Oil deposited at a MAW will be determined/ calculated by the designated weigh-scale and the same shall be considered for issuance of warehouse receipts, net of drum weight, handling and sample weight.

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b) The applicable standard deduction on the weight of the warehouse receipt shall be 30 grams per drum per month of delivery settlement.

H. Quality Analysis Process of Mentha Oil

Natural Crude Mentha Oil (arvensis) conforming to the following quality specification:	
Appearance	Clear liquid
Colour	Pale yellow
Odor	Characteristics of Mentha arvensis
Optical Rotation (°)	-32 to -36
Specific Gravity at 25°C	0.80 to 0.91
Refractive Index at 25°C	1.42 – 1.48
Solubility in 70% Ethanol at 25°C	Soluble (1 : 3.5 volumes of Ethanol)
Terpene	Max 8%
Menthyl Acetate	1.8% to 3.5%
L-Menthol	68% as per GLC test – Capillary column Acceptable upto 67% with 1:1 discount, above 68% with 1:0.5 Premium till 70%.
Total Menthol Content	Minimum 73%
Neo Menthol	1.8% to 3.0%
Total Menthones	9 to 13%
Pulegone	Max 1.6%
High Boilers	Max 2.0%
Water and Solid Sediments	Max 0.65%
DL – Menthol	Nil

- It should be free from adulteration or any admixture such as edible oil, petroleum, mineral oil etc.
- In order to check adulteration, water test, pH paper test, alkali test or any other necessary test will also be conducted by the WSP and/or MCXCCL empanelled assayer, which should confirm to be negative.

I. Physical inspection of stock in possession

Members/ Participants holding stocks in the warehouse are entitled to undertake physical inspection of their goods for which they are the beneficiary holder. Request for such physical inspection would have to be submitted to MCXCCL. After verification, MCXCCL shall forward the same to the concerned WSP for allowing such inspection. During physical inspection, the Member/ Participants or his authorized representative (Maximum 2 persons) is/are not permitted to take photographs/ videos or carry any such hazardous material, which may cause damage to the goods inside the warehouse. Member/ Participants or its authorized representative shall be not allowed to take any sample out of the warehouse.

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J. **Resampling Method, Quality Analysis, Retesting & Certification**

a) In case, the Member/ Participants who purchased Mentha Oil on the MCX and seek to lift the Mentha Oil from the warehouse disputes the quality of the commodity, Member/ Participants shall request MCXCCL within 15 working days from the date of commodity pay out, for resampling and retesting, without lifting the Mentha Oil from the warehouse. This facility of retesting is available to those beneficiary holders only who have bought the goods on the Exchange platform. Such Mentha Oil should not have crossed its validity as mentioned on the warehouse receipt. MCXCCL shall entertain complaint on quality or quantity for only those receipts which are received through settlement on exchange and only if the complaint is made within the prescribed timelines as specified above. During the process, in case the Mentha Oil is found to be in congealed state, the Mentha Oil shall be brought to the liquid state for which all incidental charges shall be borne by the Member/ Participant raising such request.

b) Member/ Participants shall select an Assayer from the empanelled Assayers as specified by MCXCCL from time to time. Member/ Participants in such case shall make a request for retesting to MCXCCL along with the prescribed form which in-turn shall be forwarded to the concerned WSP. The Member / Participants shall indicate the preferable date and time of visit to the warehouse for retesting of the stock. Once a request for retesting is carried out, then the same goods will necessarily have to be lifted and cannot be retendered in subsequent settlements.

c) The following documents shall be required to be submitted to the warehouse official(s) on the date of the warehouse visit.

- Original Retesting Request Form
- Original withdraw request form duly approved by the Repository Participants or withdrawal request reference number generated through CCRL system, if applicable.

d) The assayer in consultation with MCXCCL and WSP shall complete the process of retesting and submit a report within 7 working days from the date of sampling. The WSP will inform the sampling agency for deployment of sampler at warehouse one day prior to scheduled date. The agency will follow prescribed sampling and sample coding method in the presence of warehouse receipt holder/ its representative and WSP representative. Sampler / assayers shall mix retested request lots drums samples of mentha oil in small container for stirring. The content of the container shall be stirred to make a homogeneous quantity of Mentha oil. Sample shall be drawn from the homogeneous quantity to prepare one composite sample. For example, If Homogenization activity of 12 drums has been done at the time of inward and out of 12 drums 8 drums were available during re-testing, then sampler will take only one composite sample of 8 drums as it was already gone through the process of homogenization at the time of inward. The sampler shall prepare 4 sets of samples containing 75 ML each. 1 is for Warehouse reference, 1 for Warehouse record, 1 for client & 1 for assayer/ testing. Each

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sample drawn as mentioned above shall be sealed and signed by the client and warehouse representative and the Sampler.

e) The test reports of retesting shall be shared with all the concerned parties by the WSP immediately on receipt of test results from the MCXCCL empanelled assayer. The process of retesting includes drawing & collection of samples by the independent samplers, retesting through empanelled assayers etc shall be performed in same manner as it is undertaken at the time of deposit of said goods in order to ensure that tests are exactly comparable and that the results are representative. The assayer shall perform the tests by applying the test methods as prescribed by MCXCCL from time to time. The retesting report is final and binding on all the parties concerned, including the WSP.

f) If the retesting quality report's results are found deviating from the quality/ grade given in the warehouse receipts, (after considering the outbound tolerance limits, if any), the Member/ Participants shall submit their claim within 5 working days in writing by giving details of lot number/s, quantity and the parameters under which deviations are observed. The basis of claim, if any, shall be the value arrived on the basis of spot price on the claim submission business day. MCXCCL shall give its decision on the claim filed by the buyer/ stock holder which shall be binding on the parties including WSP. In case MCXCCL concludes that a delivery does not constitute a good delivery, the WSP shall be liable to resolve/ compensate the buyer/ stock holder for the quality difference or substitute with good delivery (quality and quantity) stock within 15 working days from the date of the decision of MCXCCL. The WSP shall be liable for giving good delivery (quality and quantity) / compensation in accordance with the contract specifications as prescribed by the Exchange from time to time.

g) The party which requests for the resampling, retesting and certification shall bear all professional fees of assayers, including incidental costs, weight shortage and expenses related to sampling, testing, certification, etc. In case, the retesting results indicate negative variance from the original certificate, then the aforesaid retesting cost shall be borne by the WSP.

K. Storage after Validity Period

Storage of goods in MCXCCL accredited warehouse(s) after the specified final expiry date (FED) is not permitted and therefore the Members/ Participants shall ensure that the goods whose final expiry date is over, are removed within 15 days maximum post FED. In case, the client does not withdraw the goods within 15 days of FED, the WSP shall levy penalty in accordance with MCXCCL Circular regarding the Treatment of Rejected goods and Expired goods In MAWs. Accordingly, Members/ Participants involved in such storage shall solely remain liable/ responsible for such storage. MCXCCL shall not be responsible in any manner whatsoever for those goods which have crossed the FED. Such goods shall be treated as per the rules/ regulation/ policy of WDRA. Members/ Participants are advised to become familiar with relevant circular/ provisions/ guidelines of MCXCCL which are in force from time to time in this regard.

L. Withdrawal of Commodity from Warehouse

The beneficiary holder of goods shall request for withdrawal of goods from warehouse to the

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WSP in Countrywide Commodity Repository Ltd. ("CCRL") system. Once it is approved by their Repository Participant, the goods will not be eligible for delivery on the Exchange platform and the Client must withdraw the goods from the warehouse within the timeline given in the request. The holder of goods shall confirm date and time with WSP before effecting steps for withdrawal of commodity.

M. General Conditions

The general provisions of Bye - Laws, Rules and Business Rules/Regulations of MCX/MCXCCL and decision taken by the Relevant Authority of MCX/MCXCCL in respect of matter specified above will form an integral part of the contract. MCX/MCXCCL may further prescribe additional measures relating to delivery procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding on all the parties concerned.

Members and Market Participants who enter into buy and sell transactions need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCX/MCXCCL Bye Laws, Rules, Business Rules/Regulations, circulars, directives, and notifications of MCX/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 goods deposited / traded / delivered through the Approved warehouses of MCXCCL is in due compliance with the applicable regulations laid down by authorities like Food Safety Standard Authority of India , 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, Tax, stamp duty, etc. as may become due & payable under any law, rules or regulations, applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery, MCX /MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the sellers giving delivery of goods/ commodities and all the buyers taking delivery of goods/ commodities 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 of MCX, it shall be the responsibility of the Trading Member/Clearing Member 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. The MCX /MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

MCXCCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the claim is made within 5 working days from the date of issuance of report of retesting by the Assayers, failing which, no claim shall be entertained by MCXCCL. However, WSP shall remain responsible for the stocks received through settlement of trade through Exchange Mechanism until FED of the goods, as defined by the WDRA.

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For the goods deposited at MAW, but not delivered through settlement Mechanism of MCXCCL, MCXCCL shall not be responsible for quality and quantity of the goods. However, WSP shall continue to be liable for such goods as per provisions of WDRA. WSP shall remain responsible for all its obligations under various State and Central Laws governing the operation of Warehouses and shall be solely responsible to the owners of stocks as reflected in the storage receipt issued by the Warehouse/ WSP or the Repository account statement or the Electronic Negotiable Warehouses Receipts (eNWRs) in its holding.

MCXCCL shall not be 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, 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.

6.3 Procedure for dealing with Aluminium Ingot bundles for Alumini contract at MCXCCL Accredited Warehouses

Circular No. MCXCCL/WHL/045/2023 dated February 16, 2023

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

Members and their Constituents, who desire to deposit Aluminium Ingots at the MCXCCL Accredited Warehouses (MAW), for delivery on MCXCCL platform are advised to adhere to the below mentioned procedure / conditions / norms / charges.

A. Procedure for Deposit at the warehouse

a) Only London Metal Exchange (LME) approved brands (including Indian producer's brands approved by LME) of Aluminium Ingots as per the list specified by LME at the time of deposit will be accepted for deposit by the depositor/seller at the MAW. It should be Primary Aluminium with impurities no greater than the chemical composition of one of the registered designations:

- P1020A in the North American and International Registration Record entitled "International Designations and Chemical Composition Limits for Unalloyed Aluminum"
- Al 99.70 in the GB/T 1196-2008 Standard entitled "Unalloyed aluminium ingots for remelting"

For primary aluminium produced up to and including 31 December 2009 must be of minimum

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99.70% purity with maximum permissible iron content 0.20% and maximum permissible silicon content 0.10%.

In case LME/MCXCCL delists a particular brand of Aluminium Ingots the same shall not be acceptable by the MAW.

b) The Aluminium should be accompanied by the following documents –
   I. Copy of Certificate of Analysis (CoA) of the producer containing details like Brand name of the associated lots, Producer's name, Batch No & certificate date.
   II. Copy of Invoice with all deposits/eWay bill
   III. Certificate of Origin and any of Custom clearance documents in case of Imported Goods.
   IV. Packing list

c) Ingot bundles should carry the producer's sticker reflecting manufacturing details. Alternatively, material having batch detail of the lot printed with laser / stencil shall also be accepted. The batch number on the labels/sticker is the minimum requirement and it should match with the batch number on the CoA.

   Each deliverable lot of 1 MT Aluminium should consist of same Brand.

d) Depositors/participants who are desirous of depositing Aluminium into MAW shall request for deposit of the commodity to the Warehouse Service Provider (WSP) through the Commodity Receipts Information System (ComRIS) Accounts by access to the link https://comris.mcxindia.com or any other electronic receipts management system as communicated by MCXCCL from time to time. The depositors/participants shall take the goods to the warehouse as per the schedule after confirmation with the respective WSP, to ensure availability of storage space and unloading arrangements at the warehouse. Loading and Unloading of Aluminium will be undertaken on first come first serve basis.

e) Depositor shall complete the formality in respect to necessary documentation at the warehouse. Depositor shall submit duly filled in Know Your Depositor (KYD) form & Depositor Transaction Declaration (DTD) form available on the MCXCCL website at the warehouse before depositing the goods and shall also ensure compliance with all the statutory laws/ regulations and best practices for depositing Aluminium in the MAW. Depositor shall submit the packing list which contains net weight, & batch no. Please note that the goods shall be accepted at the warehouse only if the KYD and DTD copy is submitted at the time of/before the deposit of Aluminium in hard copy or scan. However, the electronic credit shall be provided only upon submission of completed KYD and DTD.

f) The stock which is intended for Pay-In should preferably be deposited at least 2 working days prior to the expiry (or Tender day) of the contract.

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B. Size and Weight of Aluminium ingot bundle

Aluminium deposited at MAW in the shape of ingots, should comprise of each ingot weighing between 9 Kgs to 26 Kgs.

The weight of the Aluminium received and/or delivered would be considered as per the weight mentioned in packing list. WSP shall have the right to check all the bundles/pieces on warehouse weigh scale. In case the weight of bundle/piece as per the weighment by weighing scale is found lesser than the weight declared in the packing list after factoring in the allowable weight tolerance, the lesser of both the weights shall be considered as final weight. Allowable weigh scale tolerance is 400 gm/MT.

Once weighed at the warehouse, if the Ingot bundle weight variation compared to the packing list/label is more than +/- 1.0%, the same shall not be accepted.

C. Physical Inspection at the time of deposit by WSP

a) Aluminium ingot bundle should come with an intact original packing along with the certificate of analysis.

b) Warehouse/WSP will not undertake assaying of the metal and will undertake only visual inspection of the metal along with the supporting documentation.

Further, if:

I. the metal or the supporting documentation is in any way not provided by depositor or found inconsistent, or,
II. Metal is not found physically sound and free of harmful defects such as segregation, piping, cracks, inclusions or visible contamination of metal, or
III. there is any sign of broken or visibly corroded strapping on the Ingots in any bundle, or
IV. there is inconsistency in branding of metal (for instance, Non-LME brands or different LME brands have been visibly mixed within a bundle/lot); then, the WSP shall call upon any such information from the depositor for acceptance of Aluminium and the Warehouse/WSP may not issue a Receipt until any such shortcoming has been addressed by the depositor.

C) WSP at its sole discretion may reject /insist on replacement of such deliverable lot, if the goods are found inconsistent/faulty.

D. Delivery Size

Delivery Lot	1 MT (Net Weight of Metal)
Quantity Variation (Tolerance Limit)	+/- 10.00 % weight per lot of 1 MT

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E. Outbound quality & quantity tolerance

The outbound quality & quantity tolerance limit is applicable only for outbound deliveries. Variation in quality and weight parameters within the prescribed tolerance limit will be treated as good delivery during the lifting of goods from accredited warehouses.
Following tolerances shall be treated as good delivery:

Outbound Parameters	Allowable Tolerance / Variation permitted
Quality	10 ppm
Weight	+/- 400 gm/MT

F. Physical inspection of stock in possession

Members/ Participants holding goods in the warehouse are entitled to undertake physical inspection of said goods. Request for such physical inspection would have to be submitted to MCXCCL after verification of such requests shall forward the same to the concerned WSP for allowing such inspection. During physical inspection, the Member/ Participants or his authorized representative/s (Maximum 2 personnel) is/are not permitted to draw samples, take photographs/ videos or carry any such hazardous material which may cause damage to the goods inside the warehouse.

G. Retesting Method - Sampling, Quality Analysis & Certification

In case, the Member/ Participants who purchased Aluminium on the Exchange platform seek to lift the Metal from the warehouse, do not agree to the quality as specified in the Original Certificate of Analysis (CoA) of the Goods, then they shall request MCXCCL within 7 working days from the date of commodity pay out, for resampling and retesting without lifting the Metal from the warehouse. MCXCCL shall entertain complaints on quality or quantity of the commodity received only through settlement of trades through Exchange mechanism and only if the complaint is made within the prescribed timelines as specified above.

Member/ Participants have a choice to select Assayer from the empanelled Assayers as specified by MCXCCL from time to time. Member/ Participants in such case shall make a request for retesting to MCXCCL which in-turn shall be forwarded to the concerned WSP. The Member / Participants shall indicate the preferable date and time of visit to the warehouse for retesting of the stock along with the prescribed form. Once a request for retesting is carried out, then the same goods will necessarily have to be lifted and cannot be retendered in subsequent settlements.

The following documents shall be required to be submitted to the warehouse official(s) on the date of the warehouse visit:

I. Original Retesting Request Form
II. Proof of holding the commodity balance in the ComRIS Account
III. Original Authorization letter in favour of representative along with copy of ID proof.

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IV. Original Delivery Order (Goods withdrawal request) duly signed and stamped by the Member/ Participants

At least 2 random samples shall be drawn from each of the Ingot bundle from a deliverable lot, weighing around 100 Gms each (or as per requirement of Assayer for testing by Instrumental/Chemical method). First Sample shall be Assayer's sample and the second sample shall be Reference sample.

The assayer shall complete the process of retesting and submit a retesting report basis the composite observation of the 2 samples analyzed within 5 working days from the date of sampling. Such reports shall be shared with all the concerned parties and shall be binding on both buyer & Seller Clearing Member of the said lot.

If the said quality report results are not found in accordance with the quality specifications (after considering outbound tolerance limits) as prescribed by the Exchange/ MCXCCL from time to time, the Member/ Participants within 3 working days; shall submit their claim in writing by giving details such as lot numbers, quantity and the parameters under which inconsistencies are observed. The basis of claim, if any, shall be the value arrived on the basis of nearest closing spot price on the claim submission business day. MCXCCL shall give its decision on the claim filed by the buyer / stock holder and this shall be binding on the parties. In case MCXCCL determines that a delivery does not constitute a good delivery, the Seller Clearing Member shall be liable to resolve / compensate the buyer / stock holder for the quality difference or substitute the good delivery within 7 working days from the date of the decision of MCXCCL. The Seller Clearing Member shall be liable for giving good delivery (quality and quantity) / compensation in accordance with the contract specifications as prescribed by the Exchange from time to time.

Buyer requesting for retesting and certification shall bear all professional fees of assayer, including incidental costs, weight shortage and expenses related to retesting, certification, etc. in case the retesting assaying report is in line with the Certificate of Analysis deposited with the material. In case, the retesting results indicate negative variance from the original certificate (after considering outbound tolerance limits), then the aforesaid retesting cost shall be borne by the Seller Clearing Member.

H. Withdrawal of the Aluminium from Warehouse

The holder of goods shall request for withdrawal of goods from warehouse to the WSP in ComRIS. Once it is approved by the WSP, the goods will not be eligible for the delivery on the Exchange platform and Client has to withdraw the goods from the warehouse within the timeline given in the request after submission of the authority letter and identity proof.

The Member / Participants, whoever wishes to seek private testing & certification arrangements may request the WSP under their mutual private arrangement under their mutual terms and conditions. In such a case, the said goods shall be treated as outside the scope of MCX/MCXCCL. These goods can then neither be tendered for delivery on Exchange platform nor shall any further complaints and claims be entertained by the Exchange/ MCXCCL.

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I. General Conditions

The general provisions of Bye - Laws, Rules and Business Rules/Regulations of MCX/MCXCCL and decision taken by the Relevant Authority of MCX/MCXCCL in respect of matter specified above will form an integral part of the contract. MCX/MCXCCL may further prescribe additional measures relating to delivery procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding on all the parties concerned.

Members and Market Participants who enter into buy and sell transactions need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCX/MCXCCL Bye Laws, Rules, Business Rules/Regulations, circulars, directives, and notifications of MCX/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 goods deposited / traded / delivered through the Approved warehouses of MCXCCL is in due compliance with the applicable regulations laid down by authorities like Food Safety Standard Authority of India , 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, Tax, stamp duty, etc. as may become due & payable under any law, rules or regulations, applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and MCX /MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the sellers giving delivery of goods/ commodities and all the buyers taking delivery of goods/ commodities 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 of MCX, it shall be the responsibility of the Trading Member/Clearing Member 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. The MCX /MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

MCXCCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the claim is made within 3 working days from the date of issuance of report of retesting by the Assayers, failing which, no claim shall be entertained by MCXCCL. However, WSP shall remain responsible for the stocks received through settlement of trade through Exchange Mechanism until FED of the goods.

For the goods that have been deposited at MAW, but not delivered through settlement Mechanism of MCXCCL, MCXCCL shall not be responsible for quality and quantity of the goods. However, WSP shall continue to be liable for such goods that have not been delivered

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through settlement mechanism of MCXCCL. WSP shall remain responsible for all its obligations under various State and Central Laws governing the operation of Warehouses and shall be solely responsible to the owners of stocks as reflected in the storage receipt issued by the Warehouse/WSP or the Statement issued by the Repository or the Electronic Warehouses Receipts issued by the Repository.

MCXCCL shall not be 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, 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.

6.4 Procedure for dealing with Zinc Ingots Zinc Mini contract at MCXCCL Accredited Warehouses

MCXCCL Circular No. MCXCCL/WO/034/2026 dated February 17, 2026

A. Procedure for Deposit at the warehouse

a) Brands that are approved by London Metal Exchange (LME) (including Indian producer's brands approved by LME) of Zinc Ingots as per the list published by LME at the time of deposit will be accepted for deposit from the depositor at the MCXCCL Accredited Warehouse (MAW). Any other Primary Zinc producer brand as approved by MCX is additional deliverable grade and will be accepted for deposit at MAW. The goods shall conform to the MCX contract specifications. For the purpose of quality assessment, reliance shall be placed by the Warehouse Service Provider (WSP) on the Certificate of Analysis (CoA) issued by the producer. The Certificate of Analysis issued by the producer shall contain a minimum purity of 99.995% of primary special high-grade Zinc and shall conform to the chemical composition of one of the following standards:

- BS EN 1179:2003 - 99.995% grade
- ISO 752:2004 - ZN-1 grade
- ASTM B6-12 - LME grade
- GB/T 470-2008
- - Zn99.995 grade.

At any point of time, MCXCCL reserves the right to restrict the particular brand or issuance of new warehouse receipts. MCXCCL can take such decisions by itself or based upon any such decision by LME.

b) The Zinc Ingot bundles meant for deposit at MAW shall be accompanied by the following documents –

a) Copy of Certificate of Analysis (CoA) issued by the producer containing details like Brand name, Producer's name, Batch No, Purity, Chemical composition & date.

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b) Copy of the Invoice
c) E-Way bill
d) Copy of Certificate of Origin and Custom clearance documents in case of Imported Goods (producer is based outside India)
e) Packing list containing net weight, batch no, no. of units in bundles/ lot etc.

c) The brand/ producer's name/ identity must be embossed on each ingot within a bundle which should be visible and identifiable with the listed brand.

d) Each bundle of the deliverable lot of 5 MT for Zinc & 1 MT for Zinc Mini should contain ingots of the same brand.

e) Ingot bundles should carry the producer's tamper-proof sticker reflecting producer's name and place, Net Weight, Batch No, Purity, number of pieces of Ingots in bundle & date of production. The details on the sticker should match with the batch number on the corresponding CoA & Packing list.

f) Depositors/ participants who intend to deposit Zinc Ingots in the MAW, shall request for deposit of the commodity to the Warehouse Service Provider (WSP) through the Commodity Receipts Information System (ComRIS) account by accessing the link https://comris.mcxccl.com or through any other electronic receipts management system as communicated by MCXCCL from time to time. The depositors/participants shall obtain confirmation in advance from WSP on available space at the warehouse. The depositors shall coordinate with empanelled WSP and obtain the schedule for deposit of metal in advance for timely arrangement of handling equipments and allocation of warehouse space. Loading and unloading will be done on first-come-first-serve basis.

g) Depositor shall submit duly filled Know Your Depositor (KYD) form & Depositor Transaction Declaration (DTD) form (formats are available on the MCXCCL website) at the warehouse before depositing the goods. Depositor/ client shall also ensure compliance with all the statutory laws/ regulations and best practices for depositing Zinc Ingots at the MAW. Depositor shall submit the packing list to the WSP which shall contain net weight, batch no. and all related details of the consignment. Please note that the goods shall be accepted at the warehouse only if the KYD and DTD copy is submitted either in physical form or electronic form before / at the time of deposit. However, the electronic credit shall be given only upon submission of original signed KYD and DTD at the warehouse/ WSP.

h) The goods which are intended for Pay-In should preferably be deposited at least 1 working day prior to the expiry (or tender day) of the contract. WSP shall ensure that the physical/ quantity deposit entry in ComRIS is completed the same day of actual deposit i.e. by 11pm. Electronic credit to the client can be given the next day of goods deposited at the accredited warehouse.

B. Size and Weight of Zinc Ingots

Zinc Ingots deposited at MAW shall not weigh more than 30 Kgs. At the time of deposit,

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WSP shall check all the bundles on warehouse weigh scale and record the actual weight of each bundle. After bundle weighment, the lower weight out of weigh scale (actual) weight and packing list weight shall be considered for creation of warehouse receipt and credit to the depositor. If the Ingot bundle weight variation compared to the packing list/ label is more than +/- 0.1% per bundle, the same shall not be accepted. However, it may be noted that demat credit weight has to adhere to the Delivery Unit tolerance limit defined in the contract specifications.

C. Physical Inspection at the time of deposit by WSP

a. Zinc Ingot bundles should come with an intact original packing with Certificate of Analysis issued by the producer (CoA). The CoA shall contain the corresponding batch no., lot no. as mentioned in the lot sticker on the consignment deposited at MAW.

b. Warehouse/ WSP will not do assaying of the metal and will perform only visual inspection of the metal along with the supporting documents. For the purpose of quality assessment, reliance shall be placed by the WSP on the Certificate of Analysis (CoA) issued by the producer.

Further, if:

i. the metal deposited is found not conforming to the contract specifications or the supporting documents are not provided by depositor or are found inconsistent, or,
ii. Ingots are found physically unsound and containing harmful defects such as segregation, piping, broken/ cut, inclusions or visible contamination of metal, or
iii. there is sign of broken or visibly corroded strapping on the Ingots in a bundle, or
iv. there is non-uniformity of brand/ size in zinc bundles (for instance, non-LME brands or different LME Brands have been visibly mixed within a bundle /lot); or
v. any other reason of gross inconsistency in the consignment

then the WSP shall call upon any such information from the depositor for acceptance of Zinc Ingot bundles and the Warehouse/WSP may not issue a Receipt until any such shortcoming has been addressed by the depositor.

c. WSP at its sole discretion may reject /insist on replacement of such deliverable lot if the goods are found inconsistent/ faulty and record the reason in rejection register.

D. Delivery Size as per contract specifications

a) Delivery Size for Zinc

Delivery Lot	5 MT (Net Weight of Metal)
Quantity Variation (Tolerance Limit)	+/- 10 % weight from delivery lot of 5 MT

b) Delivery Size for Zinc Mini

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Delivery Lot	1 MT (Net Weight of Metal)
Quantity Variation (Tolerance Limit)	+/- 10 % weight from delivery lot of 1 MT

E. Outbound quantity tolerance

The weight of the Zinc delivered would be considered as per the weight mentioned in e-receipt (ComRIS receipt). The quantity tolerance limit is applicable for outbound deliveries. Variation in weight within the prescribed tolerance limit will be treated as good delivery during the lifting of goods from MAW.

Outbound Tolerance:

Outbound Parameters	Allowable Variation
Weight	+/- 400 gm/ MT

F. Physical inspection of stock in possession

Members/ Participants holding goods in the warehouse are entitled for physical inspection of said goods if it is delivered on the Exchange platform. Request for such physical inspection shall be submitted to MCXCCL in advance. MCXCCL will verify the request shall forward the same to concerned WSP for allowing physical inspection. Member/ Participants or their representatives (maximum 2 personnel) shall be allowed to carry physical inspection. Drawing samples, taking photographs/ videos and carrying hazardous material, which may cause damage to the goods/warehouse/ person inside the warehouse shall not be permitted.

G. Quality testing in case of dispute at the time of delivery of stock

In case, the Member/ Participants who got Zinc delivered on the Exchange platform and seek to lift the goods from warehouse but disagree to the quality as specified in the Original Certificate of Analysis (CoA) of the goods, shall request MCXCCL for sampling and testing (in prescribed format available on MCXCCL website) without lifting the Ingots from the warehouse within 15 working days from the date of commodity pay out. MCXCCL shall entertain quality or quantity complaints only for the goods received through the Exchange settlement mechanism and within the prescribed timelines as specified above.

For testing, Member/ Participants have a choice to select Assayer from the empanelled Assayers as specified by MCXCCL from time to time. Member/ Participants in such case shall make a request for testing to MCXCCL which in-turn shall be forwarded to the concerned WSP. The Member / Participants shall indicate the preferable date and time of visit to the warehouse for sampling of the stock along with the prescribed form. Once a request for sampling & testing is carried out, then the same goods will necessarily have to be lifted and cannot be retendered in subsequent settlements.

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The following documents shall be required to be submitted to the warehouse official(s) on the date of sampling:.

- Original Retesting Request Form
- Proof of holding the commodity balance in the ComRIS Account
- Original Authorization letter in favour of representative along with copy of ID proof.
- Original Delivery Order (Goods withdrawal request) duly signed and stamped by the Member/ Participants

At least 2 random samples shall be drawn from each bundle of the deliverable lot as per standard procedure and requirement from empanelled assayer for testing. First Sample shall be Assayer's sample, and the second sample shall be kept as Reference sample.

The assayer shall complete the purity testing and submit the report basis the composite observation of the samples analysed within 5 working days from the date of sampling. Such reports shall be shared with all the concerned parties and shall be binding on both Buyer & Seller / Clearing Members of the said lot.

If the testing reports are not found in accordance to the quality specifications as prescribed by the Exchange/ MCXCCL from time to time, the Member/ Participants shall submit their claim within 3 working days from the date of testing report in writing by giving details such as lot numbers, quantity and the parameters under which inconsistencies are observed to MCXCCL. The basis of quality discrepancy, the quality claim value, if any along with the cost for sampling and testing, shall be arrived on the basis of nearest closing spot price on the claim submission business day. MCXCCL shall give its decision on the claim filed by the buyer / stock holder which shall be binding on the respective parties. In case MCXCCL determines that a delivery does not constitute a good delivery, the depositor / seller Clearing Member shall be liable for giving good delivery (quality and quantity) / compensation within 7 working days from the date of the decision in accordance with the contract specifications as prescribed by the Exchange from time to time. However, the WSP shall take utmost care to follow the norms given in this procedure. Any lapse by WSP identified by MCXCCL shall make WSP liable for claim settlement, if any raised by the Buyer.

Buyer requesting for testing shall bear all professional fees of assayer, including incidental costs and expenses related to testing etc. in case the testing report is in line with the Certificate of Analysis deposited with the material.

H. Withdrawal of the Zinc ingot bundles from Warehouse

The holder of goods shall request for withdrawal of goods from warehouse to the WSP in ComRIS. Once it is approved by the WSP, the goods will not be eligible for the delivery on the Exchange platform and Client has to withdraw the goods from the warehouse within the timeline given in the request after submission of the authority letter and identity proof.

The Member / Participants, whoever wishes to seek private testing & certification arrangements

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may request the WSP under their mutual private arrangement under their mutual terms and conditions. In such a case, the said goods shall be treated as outside the scope of MCX/MCXCCL. These goods can then neither be tendered for delivery on Exchange platform nor shall any further complaints and claims be entertained by the Exchange/ MCXCCL.

I. General Conditions

The general provisions of Bye - Laws, Rules and Business Rules/Regulations of MCX/MCXCCL and decision taken by the Relevant Authority of MCX/MCXCCL in respect of matter specified above will form an integral part of the contract. MCX/MCXCCL may further prescribe additional measures relating to delivery procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding on all the parties concerned.

Members and Market Participants who enter into buy and sell transactions need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCX/MCXCCL Bye Laws, Rules, Business Rules/Regulations, circulars, directives, and notifications of MCX/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 goods deposited / traded / delivered through the Approved warehouses of MCXCCL is in due compliance with the applicable regulations laid down by authorities like Food Safety Standard Authority of India , 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, Tax, stamp duty, etc. as may become due & payable under any law, rules or regulations, applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and MCX /MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the sellers giving delivery of goods/ commodities and all the buyers taking delivery of goods/ commodities 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 of MCX, it shall be the responsibility of the Trading Member/Clearing Member 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. The MCX /MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

MCXCCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the claim is made within 15

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working days from the date of pay-in without lifting of the goods from MAW failing which, no claim shall be entertained by MCXCCL. However, WSP shall remain responsible for the stocks received through settlement of trade through Exchange Mechanism.

For the goods that have been deposited at MAW, but not delivered through settlement Mechanism of MCXCCL, MCXCCL shall not be responsible for quality and quantity of the goods. However, WSP shall continue to be liable for such goods that have not been delivered through settlement mechanism of MCXCCL. WSP shall remain responsible for all its obligations under various State and Central Laws governing the operation of Warehouses and shall be solely responsible to the owners of stocks as reflected in the storage receipt issued by the Warehouse/WSP or the Statement issued by the Repository or the Electronic Warehouses Receipts issued by the Repository.

MCXCCL shall not be 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, 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 for any other reason during the period of storage in MCXCCL accredited warehouse.

All Members & their respective constituents / depositors are requested to take note of the same.

6.5 Revision of Drum Charges for Mentha Oil & Inclusion of new drum supplier in the approved suppliers list

MCXCCL Circular No.: MCXCCL/WHL/095/2022 dated April 22, 2022)

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

With effect from July 2022 contract and onwards, the cost of empty drum for Mentha Oil is revised to ₹2400/- per drum (exclusive of taxes, as applicable).
Further Mentha oil deposited in MCXCCL accredited warehouse shall be accepted in drums only from below list of Drum suppliers.

Name of Drum Suppliers	**Address**
Balmer Lawrie & co. Ltd	401-402, Welldone Techpark, Sector-48, Sohna Road, Gurugram, Haryana -122002
Kumar Containers Pvt Ltd	F-21 & 22, Industrial Estate, GT Road , Makrandnagar, Kannauj, Uttar Pradesh - 209725
Star Drums International	Pakaria Tola, Kannauj Uttar Pradesh - 209725
Maya Udyog	Khasra No. 301-389, Safedabad, Barabanki, Uttar Pradesh -225001
New addition	
Kanha Container	Mohammadpur Bastaur, Noorpur Village,

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	Under Bypass, Chandausi Road, Moradabad, Uttar Pradesh - 244001

Copy of Invoice from drum suppliers shall be provided at the time of deposit to the warehouse for traceability.

6.6 Procedure for deposit and storage of Lead Ingots at MCXCCL Accredited Warehouses

MCXCCL circular No. MCXCCL/WHL/220/2023 dated September 15, 2023

A. Procedure for Deposit at the warehouse

a. For MCX approved brands it should be Lead of 99.98% purity (minimum) as per the list of MCX and LME approved brands' placed on our website.

b. London Metal Exchange (LME) approved brands (including Indian producer's brands approved by LME) of Lead Ingots as per the list specified by LME and MCX/MCXCCL at the time of deposit and as per list of MCX and LME approved brands' placed on our website, will be accepted for deposit by the depositor/ seller at the MAW.

c. For MCX and LME approved brands it should be Lead of 99.98% purity (minimum) and it must conform to the chemical composition given in any one of the following standards:

- BS EN 12659:1999 – Permitted grades: material numbers, PB985R and PB990R
- GB/T 469/2013 – Permitted grades: 99.985%, 99.990% and 99.994%
- ASTM B29-19 – Permitted grades: 99.995%

In case LME/MCX delists a particular brand of Lead Ingot, the same shall not be acceptable by the MAW.

d. The Lead Ingot bundles should be accompanied by the following documents –

i. Copy of Certificate of Analysis (CoA) of the producer containing details like Brand name of the associated lots, Producer's name, Batch No & certificate date.
ii. Copy of Invoice with all deposits
iii. eWay bill of specific consignment.
iv. In case of imported goods (producer is based outside India), copy of Certificate of Origin and Custom clearance documents.
v. Packing list containing net weight, batch no, no. of units in bundles/ lot etc.

e. The listed brand/ producer's name must be embossed on each ingot within a bundle. Each bundle of the deliverable lot of 1 MT Lead should contain ingots of the same brand.

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f. Ingot bundles should carry the producer's sticker reflecting producer's name, Net Weight, Batch No, Purity, number of pieces of Ingots in bundle & date of manufacturing. Labels/sticker is minimum requirement and it should match with the batch number on the CoA.

g. Prior intimation of minimum one working day is required by way of deposit request to the Warehouse Service Provider (WSP) through the Commodity Receipts Information System (ComRIS) Accounts by access to the link https://comris.mcxindia.com or any other electronic receipts management system as communicated by MCXCCL from time to time. The depositors/participants shall take the goods to the warehouse as per the schedule after confirmation with the respective WSP, to ensure availability of storage space and unloading arrangements at the warehouse. Loading and Unloading of Lead Ingots will be undertaken on first come first serve basis.

h. Depositor shall complete the formality in respect of necessary documentation at the warehouse. Depositor shall submit duly filled in Know Your Depositor (KYD) form & Depositor Transaction Declaration (DTD) form available on the MCXCCL website at the warehouse before depositing the goods and shall also ensure compliance with all the statutory laws/ regulations and best practices for depositing Lead Ingots in the MAW. Please note that the goods shall be accepted at the warehouse only if the KYD and DTD copy is submitted with all other documents as mentioned above at the time of/before the deposit in hard copy or scan. However, the electronic credit shall be provided only upon submission of completed KYD and DTD.

i. The stock which is intended for Pay-In should preferably be deposited at least 2 working days prior to the expiry (or Tender day) of the contract.

B. Size and Weight of Lead Ingots

a. Lead Ingots deposited at MAW shall not weigh more than 55 Kgs each.

b. The weight of the Lead Ingots received will be identified from the weight mentioned in packing list. The WSP shall have the right to check weight of all the bundles on warehouse weigh scale. Once weighed at the warehouse on weigh scale, the lower weight out of weigh scale and packing list will be considered for demat credit. if the Ingot bundle weight variation compared to the packing list/ label is more than +/- 0.1% per bundle, the same shall not be accepted. However, it may be noted that demat credit weight has to adhere to the weight tolerance limit defined in the contract specifications.

C. Physical Inspection at the time of deposit by WSP

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a. Lead Ingot bundle should come with the intact original packing with certificate of analysis (CoA).

b. Warehouse/WSP will not undertake assaying of the metal and will undertake only visual inspection of the metal along with the supporting documentation.
Further, if:

i. the metal or the supporting documentation is in any way not provided by depositor or found inconsistent, or,
ii. Ingots are not found physically sound and free of harmful defects such as segregation, piping, broken/split, inclusions or visible contamination of metal, or
iii. there is any sign of broken or visibly corroded strapping on the Ingots in any bundle, or
iv. Each lot shall be comprised of the same LME/MCX approved brand i.e., a mix of multiple LME-brands/MCX approved brands shall not be allowed in the same bundle.

then the WSP shall call upon any such information from the depositor for acceptance of Lead Ingot bundles and the Warehouse/WSP may not issue a Receipt until any such shortcoming has been addressed by the depositor.

c. WSP at its sole discretion may reject /insist on replacement of such deliverable lot, if the goods are found inconsistent/faulty.

D. Delivery Size as per contract specifications

Delivery Unit	1 MT (Net Weight of Metal)
Quantity Variation (Tolerance Limit)	+/- 10 % from standard weight of 1 MT

E. Outbound quantity tolerance

The weight of the Lead delivered would be considered as per the weight mentioned in e-receipt (COMRIS receipt). The quantity tolerance limit given below is applicable only for outbound deliveries. Variation in weight within the prescribed tolerance limit will be treated as good delivery during the lifting of goods from accredited warehouses. Variation within following tolerances shall be treated as good delivery:

Outbound Parameters	**Allowable Tolerance / Variation permitted**
Weight	+/- 400 gm/MT

F. Physical inspection of stock in possession

Members/ Participants holding goods in the warehouse are entitled to undertake physical

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inspection of said goods. Request for such physical inspection shall be submitted to MCXCCL and MCXCCL post verification shall forward the same to concerned WSP for allowing physical inspection. Member/ Participants or their representatives (maximum 2 personnel) shall be allowed to carry physical inspection. Drawing samples, taking photographs/ videos and carrying hazardous material, which may cause damage to the goods, inside the warehouse shall not be permitted.

G. Retesting of Lead stock

In case, the Member/ Participants who got Lead delivered on the Exchange platform and intend to lift the goods from warehouse but disagree to the quality as specified in the Original Certificate of Analysis (CoA) of the goods, shall request MCXCCL for resampling and retesting without lifting the Ingots from the warehouse within 7 working days from the date of commodity pay out. MCXCCL shall entertain quality or quantity complaints only for the goods received through the Exchange settlement mechanism and within the prescribed timelines as specified above.

For retesting, Member/ Participants have a choice to select independent Assayer from the empanelled Assayers as specified by MCXCCL from time to time. Member/ Participants in such case shall make a request for retesting to MCXCCL which in-turn shall be forwarded to the concerned WSP. The Member / Participants shall indicate the preferable date and time of visit to the warehouse for resampling of the stock along with the prescribed form. Once a request for sampling & retesting is carried out, then the same goods will necessarily have to be lifted and cannot be retendered in subsequent settlements.

The following documents shall be submitted to the warehouse official(s) on the date of the resampling.

- Original Retesting Request Form
- Proof of holding the commodity balance in the ComRIS Account
- Original Authorization letter in favour of representative along with copy of ID proof.
- Original Delivery Order (Goods withdrawal request) duly signed and stamped by the Member/ Participants

2 random samples shall be drawn from the ingot bundles of the deliverable lot weighing around 100 Gms each (or as per requirement of Assayer for testing by Instrumental/Chemical method). First Sample shall be Assayer's sample and the second sample shall be Reference sample.

The assayer shall complete the process of retesting and submit a retesting report basis the composite observation of the 2 samples analysed within 5 working days from the date of sampling. Such reports shall be shared with all the concerned parties and shall be binding on both buyer & Seller Clearing/Member of the said lot.

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If the retesting quality results are not found in accordance to the quality as specified in the Original Certificate of Analysis (CoA) and/ or to the quality specifications as prescribed by the Exchange/ MCXCCL from time to time (with a tolerance of 10ppm) , the Member/ Participants shall submit their claim within 3 working days from the date of receipt of testing reports from assayer in writing by giving details such as lot numbers, quantity and the parameters under which inconsistencies are observed. The basis of claim, if any shall be the value arrived on the basis of nearest closing spot price on the claim submission business day. MCXCCL shall give its decision on the claim filed by the buyer / stockholder which shall be binding on the parties. In case MCXCCL determines that a delivery does not constitute a good delivery, the Seller Clearing Member shall be liable to resolve / compensate to the buyer / stockholder for the quality difference or substitute good delivery within 7 working days from the date of the decision of MCXCCL. The Seller Clearing Member shall be liable for giving good delivery (quality and quantity) / compensation in accordance with the contract specifications as prescribed by the Exchange from time to time.

In case the retesting report is in line with the Certificate of Analysis deposited with the material, Buyer requesting for retesting and certification shall bear all professional fees of assayer, including incidental costs and expenses related to retesting certification, etc.
In case, the retesting results indicate negative variance from the original certificate, then the aforesaid retesting cost shall be borne by the Seller Clearing Member.

H. Withdrawal of the Lead ingot bundles from Warehouse

The holder of goods shall request for withdrawal of goods from warehouse to the WSP in ComRIS. Once it is approved by the WSP, the goods will not be eligible for the delivery on the Exchange platform and Client has to withdraw the goods from the warehouse within the timeline given in the request after submission of the authority letter and identity proof.

The Member / Participants, whoever wishes to seek private testing & certification arrangements may request the WSP under their mutual private arrangement under their mutual terms and conditions. In such a case, the said goods shall be treated as outside the scope of MCX/MCXCCL. These goods can then neither be tendered for delivery on Exchange platform nor shall any further complaints and claims be entertained by the Exchange/ MCXCCL.

I. General Conditions

The general provisions of Bye - Laws, Rules and Business Rules/Regulations of MCX/MCXCCL and decision taken by the Relevant Authority of MCX/MCXCCL in respect of matter specified above will form an integral part of the contract. MCX/MCXCCL may further prescribe additional measures relating to delivery procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding

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on all the parties concerned.

Members and Market Participants who enter into buy and sell transactions need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCX/MCXCCL Bye Laws, Rules, Business Rules/Regulations, circulars, directives, and notifications of MCX/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 goods deposited / traded / delivered through the approved warehouses of MCXCCL is in due compliance with the applicable regulations laid down by authorities like, BIS, Orders under Packaging and Labelling, customs 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, Tax, stamp duty, etc. as may become due & payable under any law, rules or regulations, applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and MCX /MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the sellers giving delivery of goods/ commodities and all the buyers taking delivery of goods/ commodities 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 of MCX, it shall be the responsibility of the Trading Member/ Clearing Member 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. The MCX /MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

MCXCCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the claim is made within 5 working days from the date of issuance of report of retesting by the Assayers, failing which, no claim shall be entertained by MCXCCL. However, WSP shall remain responsible for the stocks received through settlement of trade through Exchange Mechanism.

For the goods that have been deposited at MAW, but not delivered through settlement Mechanism of MCXCCL, MCXCCL shall not be responsible for quality and quantity of the goods. However, WSP shall continue to be liable for such goods that have not been delivered through settlement mechanism of MCXCCL. WSP shall remain responsible for all its obligations under various State and Central Laws governing the operation of Warehouses and shall be solely responsible to the owners of stocks as reflected in the storage receipt issued by the Warehouse/ WSP or the statement issued by the repository, or the Electronic Warehouses Receipts issued by the Repository.

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MCXCCL shall not be responsible and shall not be held liable or accountable or responsible for value of the goods of the commodities stored/ lying in MCXCCL designated warehouse/s, 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 for any other reason during the period of storage in MCXCCL accredited warehouses.

6.7 MCXCCL Guidelines on Storage of MCX/LME Approved Metal Brands in Professional Storage at MCXCCL Accredited Warehouse

MCXCCL Circular No.: MCXCCL/WHL/140/2022 dated June 22, 2022*

Warehouse Service Providers (WSPs) of MCXCCL shall be allowed to take deposit /store MCX/LME approved Metal under "Professional stock" in MCXCCL Accredited Warehouses (MAW) by attending to the below process.

A. Process to be followed at Warehouse for depositing Goods under Professional Stock

i. Goods (MCX/LME approved Metal brands) deposited under professional stock can be kept in the same warehouse accredited for Exchange stock.
ii. All professional stock will also follow the same process (viz; weighment, supporting documents) as for the Exchange stocks at the time of deposit.
iii. Goods shall be kept in separate demarcated area. WSP shall put tag of "Professional Goods" on all such stocks kept under professional category.
iv. WSP shall inform MCXCCL and seek approval before accepting Professional Goods/reservation at MAW.
v. MCXCCL shall allow deposit of professional stock subject to availability of balance space for Exchange stock and Insurance enhancement.

B. Process to be followed at Warehouse for taking Professional stock under Exchange Stock

i. Client shall make deposit request in ComRIS and submit all documents to the warehouse as per MCXCCL guidelines.
ii. All such deposit by clients to Exchange account from Professional account shall be done at least 1 day prior to giving delivery intention on Exchange.
iii. Fresh deposits meant for Exchange account will get priority over the professional stock deposits while assigning the balance vacant space.
iv. Process for fresh deposit directly to Exchange account shall be given priority over conversion of professional stock deposit to Exchange account.
v. MCXCCL reserves the right to reject the conversion of Goods from Professional to Exchange goods under circumstances including but not limiting to the goods being non-confirmatory to the contract requirement, any regulatory action on the goods/client, action on warehouse/WSP etc.

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C. Liability of MCXCCL for Professional Stock

MCXCCL shall not be liable for any quality/quantity/Insurance Claim arising with regards to professional stock.

D. MIS/Stock Disclosure

MCXCCL shall display such Goods stored as professional stock in MAW on its website on daily basis.

*WSP Operational Guidelines-Version 1.9; Storage Norms:

There shall be clear demarcated areas inside the warehouse for FED goods, rejected goods and non-Exchange goods stored in a warehouse mentioning the floor area (sq. ft/ metre) kept for each category. Non-exchange goods (only metals) which is of exchange grade/ quality can be stored in accredited warehouse subject to the client paying the tariff/ storage charges as prescribed by MCXCCL and WSP taking preapproval from MCXCCL for such storage. Non-compatible and hazardous goods shall not be stored by the WSP in MCXCCL accredited warehouse. Same commodity nonexchange goods shall not be kept mingled in the same warehouse which is used for MCXCCL purposes. In metals' segment, the MCXCCL accredited warehouses are allowed to store non-Exchange goods i.e. different commodity or same commodity for which the warehouse is accredited. The WSP shall also declare in its daily report about quantity and value of such goods along with insurance coverage details. WSPs are advised to further comply with the circular no. MCXCCL/WHL/140/2022 dated June 22, 2022 and any other subsequent instructions issued by MCXCCL.

WSP shall ensure that the physical/ quantity deposit entry in CCRL/ ComRIS is completed the same day of actual deposit i.e. by 11pm. Electronic credit to the client can be given the next day of goods deposited at the accredited warehouse (for goods where no testing is mandated)

For goods where testing is mandated, electronic credit shall be given within 1 day of declaration of test results by the assayer.

6.8 Logistic Charges for Bullion

Circular No.: MCXCCL/WHL/143/2022 dated June 23, 2022

Members may receive delivery for MCX Gold contracts on settlement of the contract at one of the following delivery centres as per the MCXCCL delivery settlement procedure.

Commodity	Base Delivery Centre	Additional Delivery Centre(s)
Gold and Gold Mini	Ahmedabad	Chennai, Hyderabad, Kochi, Bengaluru, Kolkata, Mumbai and New Delhi

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Gold Guinea	Ahmedabad	Mumbai and New Delhi
Gold Petal	Mumbai	Ahmedabad and New Delhi

Market participants who wish to withdraw the goods after receiving the delivery from MCXCCL are required to physically lift the goods from the MCXCCL accredited Vault (MAV).

It has been observed that most of the delivery is taking place at the Base Delivery Centre. Market participants from other than the base delivery centre have to make their own arrangements for movement of the goods to their destination. Some members have expressed the difficulty being faced in accessing the services of logistics for movement of goods, which deters clients from participation.

Accordingly, the matter was taken up with the Logistics Service Providers (LSP) regarding facilitating movement of bullion bars/coins from base delivery centre(s) to additional delivery centre(s) irrespective of the size of the bar/coin at standard charges and terms.

Sequel Logistics Pvt. Ltd. (LSP) has submitted a Schedule of logistics charges for transfer of bullion bars/coins from MAV of Sequel Logistics Ltd at the base delivery centre to additional delivery centre with option of taking delivery from the Vault or Door delivery.

All Members and their respective constituents who wish to avail logistic services are requested to refer to the terms and commercial charges provided by the said LSP available at MCXCCL website (Link - https://www.mcxccl.com/warehousing-logistics/others). Any update or addition on the schedule of logistic charges shall be provided in this link.

This service is provided by the LSP at the request of the market participants and will be treated as bilateral arrangement between LSP and the market participant. MCXCCL has no role and responsibility with regards to logistic arrangement, Services, Charges etc. provided by the LSP and any grievance related to the logistics services shall be directly taken up by the market participant with the concerned LSP.

6.9 Opening of Custodial Participant Account – ComRIS

Circular No. MCXCCL/WHL/198/2022 dated September 07, 2022

In terms of the provisions of the Rules, Bye-Laws and Regulations of the Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) Clearing Members and Participants are informed hereunder.

Members of MCXCCL, MCX and their clients are required to open ComRIS Account for depositing the defined commodities into the accredited warehouses and effecting delivery on MCXCCL through ComRIS. It is mandatory for all members and their clients who intend to participate in delivery settlement to open ComRIS Account. Since the buyer of the commodity will have to accept delivery on ComRIS, if the delivery is tendered by the seller through ComRIS Account. MCXCCL has enabled opening of Beneficiary Account for 'Custodial Participant A/c' under ComRIS application. ComRIS charges pertain to transactions of Custodial Participants will be levied from Clearing Member.

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Operational procedure for opening of ComRIS account for Custodial Participant Account are:

ComRIS Participants are required to keep 'Beneficiary Account Type' as 'Custodial Participant A/c' under 'ComRIS' tab and select respective CP Code, as assigned by MCXCCL, under the 'Trading Member / CP Code' field while opening client account for Custodial Participant in ComRIS application.

Members are requested to take note of the same and ensure compliance.

6.10 Revision in Storage Charges for Cotton Bales

MCXCCL Circular No.: MCXCCL/WHL/001/2023 dated January 02, 2023
In terms of the provisions of the Rules, Bye-Laws and Regulations of Multi Commodity Exchange Clearing Corporation Limited ("MCXCCL"), Clearing Members are notified as under:

MCXCCL has decided to revise the storage charges from Rs. 2.30 to Rs. 2.85 per bale per day for storing Cotton Bales with immediate effect. The said charges are also applicable for the existing MCXCCL accredited warehouse stored cotton bales.

Members and their constituents are requested to deliver only that variety of commodity acceptable as per the contract specifications and confirm the availability of space at the respective warehouse before initiating any steps for effecting deliveries.

6.11 Process of Bullion Delivery Order in ComRIS

MCXCCL Circular No.: MCXCCL/WHL/129/2023 dated May 17, 2023

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

The processing of 'Delivery Order' for Bullion products will be revised and henceforth will be processed in Commodity Receipts Information System (ComRIS). All withdrawal transactions in Gold, Gold Guinea, Gold Mini, Gold Petal, Silver (30Kg) & Silver M in the MCXCCL accredited vaults will be processed and recorded in ComRIS with effect from May 22, 2023

Accordingly, all Members and their respective constituents/ clients holding stock in the above mentioned commodities in the MCXCCL accredited vaults are requested to refer the process for withdrawal of goods in ComRIS as below**.**

A. Request Initiated by Client (Account Capacity= Beneficiary Only)

Client shall Initiate the withdrawal request and submit to Trading Member (TM) for approval.

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Post TM approval, request shall be submitted for Clearing Member's (CM) approval. CM shall upload their authority letter and ID proof with the request to Clearing Organization (CO-MCXCCL) for approval. Once processed by CO-MCXCCL, request shall flow to Vault Service Provider (VSP) for approval and delivery of goods.

B. Request Initiated by Client (Account Capacity= Trading Member)

Trading member shall initiate the withdrawal request and submit to Clearing Member (CM) for approval. CM shall upload their authority letter and ID proof with the request to Clearing Organization (CO-MCXCCL) for approval. Once processed by CO-MCXCCL, request shall flow to Vault Service provider (VSP) for approval and delivery of goods.

C. Request Initiated by Client (Account Capacity= Clearing Member)

Clearing member shall Initiate the withdrawal request & shall upload their authority letter and ID proof with the request to Clearing Organization (CO-MCXCCL) for approval. Once processed by CO-MCXCCL, request shall flow to Vault Service Provider (VSP) for approval and delivery of goods.

D. Document upload process:

- Upload tab is available in COMRIS for Clearing Member's authority letter and ID proof.
- Tab name is "Upload Document".
- Maximum allowable document upload size is 3 MB per document and acceptable document format is pdf, JPEG, JPG, PNG and BMP.

6.12 Good Delivery in Gold Mini Contracts

MCXCCL circular No.: MCXCCL/WHL/108/2022 dated May 10, 2022
MCXCCL circular No.: MCXCCL/WHL/133/2022 dated June 16, 2022
MCXCCL circular No.: MCXCCL/WHL/072/2021dated March 22, 2021
MCXCCL circular No.: MCXCCL/WHL/174/2023dated July 11, 2023
MCXCCL circular No.: MCXCCL/WHL/120/2023 dated May 10, 2023

In terms of the provisions of the Rules, Bye Laws and Regulations of the Multi Commodity Exchange Clearing Corporation Limited ("MCXCCL") and in continuation to the above circulars regarding acceptance of BIS standard gold for delivery in the existing contract specifications of Gold Mini (100 grams) futures, Clearing Members of MCXCCL are notified as under:

As per the MCX Good Delivery Norms for BIS Standard Gold and in line with the Gold Mini (100 gram) futures contract specifications, MCX shall accept serially numbered 995.0 purity gold bars (100 grams) produced by the following empaneled refineries, along with the supplier's quality certificate, as Good Delivery:

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Refinery Name	Address	Effective Date
Kundan Care Products Ltd	Plot No. 70 & 81, Sector 6-A, SIDCUL, Ranipur, Haridwar, Uttarakhand- 249407	April 2021
M.D. Overseas Pvt.Ltd	Unit no. 1 & 6 (shed nos.), Khasra No 7/2, Rampura Dehat, Kashipur Road, Rudrapur Dist. Udham Singh Nagar, Uttarakhand – 263153	April 2021
Augmont Enterprises Private Limited	Khasra No. 60/4, Rungta Industries Compound, Kashipur Road, Rampura Dehat, Udham Singh Nagar, Rudrapur, Uttarakhand - 263153	June 2022
Titan Company Limited– Tanishq	Jewellery Division, No.29, Sipcot Industrial Complex, Hosur-635126.	June 2022
Parker Precious Metals LLP	50/B Changodar Industrial Estate, Changodar Bavla Road, Changodar, Ahmedabad, Gujarat - 382213	July 17, 2023
Sovereign Metals Limited	Plot No 35p, 36p, 37p, 38 & 40B, Phase-3, Naroda, G.I.D.C, Ahmedabad, Gujarat – 382330	May 15, 2023

Members and their constituents are requested to deliver only that variety of commodity acceptable as per the contract specifications and confirm the availability of space at the respective Vault before initiating any steps for effecting deliveries.

6.13 Suspension of 'Emirates Gold' as a Good Delivery in Gold Contracts

MCXCCL circular No. MCXCCL/WHL/176/2023 dated July 17, 2023

In terms of the provisions of the Rules, Bye-Laws and Regulations of the Multi Commodity Exchange Clearing Corporation Limited ("MCXCCL") and in continuation to MCX Circular No. MCX/276/2006 dated July 13, 2006, Clearing Members and their respective constituents of MCXCCL are notified as under:

For the delivery norms of Gold (1Kg) and Gold Mini (100 gms) contracts, Gold Bars produced by the "Emirates Gold" shall not be acceptable in exchange platform with immediate effect.

In respect of LBMA approved refineries, please refer the latest Good Delivery List of the London Bullion Market Association (LBMA) published under www.lbma.org.uk before depositing the stock in the vault.

The list of Indian refineries which are approved can be referred in circular no. MCX/PMT/455/2023 dated July 07, 2023 regarding "Acceptance of MCX Good Delivery Norms for BIS – Standard Gold for delivery in the existing contract specifications of Gold Mini

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(100 grams) futures".

6.14 Acceptance of MCX approved Indian Refined Lead Brands at MCXCCL accredited warehouses

MCXCCL circular No. MCXCCL/WHL/236/2023 dated September 29, 2023
MCXCCL circular No. MCXCCL/WHL/10/2024 dated January 12, 2024
MCXCCL circular No. MCXCCL/WHL/218/2024 dated August 30, 2024

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

In continuation to MCX Circular no. MCX/PMT/657/2023 dated September 28, 2023, MCX Circular No. MCX/PMT/012/2024 dated January 09, 2024 and MCX Circular No. MCX/PMT/571/2023 dated August 29, 2024

The following MCX approved brand of Refined Lead, as given in the table below, are deliverable towards the settlement of the Lead futures contracts traded on MCX with effect from the respective effective dates mentioned herein, in addition to existing list of approved brands. MCXCCL accredited warehouses shall accept goods of following brand meeting the contract specifications.

Brand	Plant Address	Brand name
Ardee Industries Pvt. Ltd.	Plot no - 8A & 8B, (Block B) Industrial Park Naidupet, Menakur Village, S.P.S Nellore - 524421, Andhra Pradesh.	**ARDEE**
POCL Enterprises Limited	POCL Enterprises Limited Alloying and Refining Division, B 19 and 20, SIDCO Industrial Estate, Maraimalai Nagar, Kanchipuram District, Tamil Nadu - 603209	**POEL**
Jain Resource Recycling Private Limited	Jain Resource Recycling Private Limited Plot no. R1, R2, R3, Pappankuppam Village, SIPCOT Industrial Complex, Tiruvallur District, Gummidipoondi - 601201, Tamil Nadu, India.	**JAIN 9998**

The effective date for acceptance of ARDEE brand is October 9, 2023.

The effective date for acceptance of POEL brand is January 20, 2024.

The effective date for acceptance of JAIN 9998 brand is September 09, 2024 (September 2024 expiry contracts)

Members and their respective constituents are requested to deliver only approved brands as given in contract specifications and confirm the availability of space at the respective

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warehouse before initiating any steps for effecting deliveries.

In view of the above, Members and their respective constituents are advised to take note of the same.

6.15 Procedure for deposit and Storage of Steel rebars at MCXCCL Accredited Warehouses

MCXCCL circular No. MCXCCL/WHL/249/2024 dated September 30, 2024

Procedure for deposit and storage of Steel rebars at MCXCCL Accredited Warehouses

A. Procedure for deposit of goods at the warehouse

a) Goods from such producers of steel rebar as per approved list by National Highway Authority of India (NHAI) & Military Engineer Services (MES) conforming IS1786-2008 (including amendments) brought by the depositor/ seller at the MAW shall be accepted for deposit. Approved producers/ brands list of NHAI & MES is given at https://www.mcxccl.com/warehousing-logistics/mcx-lme-approved-brands .

The quality of Steel Rebars shall conform to IS-1786-2008 (including amendments) with

i. Base strength grade: Fe 500
ii. Base Size:12 mm
iii. Base delivery centre: Raipur, Chhattisgarh

Additional acceptable grades under IS-1786-2008 (including amendments)

i. Fe 500-D
ii. Fe 550
iii. Fe 550-D

Additional acceptable steel rebar sizes:

i. 8 mm
ii. 10 mm
iii. 16 mm
iv. 20 mm
v. 25 mm

Additional Delivery Centres:

i. Thane in Maharashtra
ii. Palwal in Haryana (NCR)
iii. Chennai in Tamil Nadu
iv. Kolkata in West Bengal

As per SEBI circular SEBI/HO/CDMRD/DMP/P/CIR/2021/551 dated April 16, 2021, the MCXCCL shall accredit warehouses for delivery of goods within 100 km radius of the delivery centres.

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b) There is no premium/ discount for any grade, size or delivery centre/s. All grades, size and goods at different delivery centres shall be treated at par to the base grade, size and delivery centre.

At the time of deposit of goods, depositor shall submit following documents –

i. Copy of Certificate of Analysis (CoA)/ Test Certificate (TC) of the producer containing details like Producer and Brand name of the associated lots, Batch Number/ Heat number/ Cast number & certificate date.
ii. Copy of Invoice
iii. Copy of eWay bill
iv. Packing list

Steel rebar bundles should carry the producer's sticker reflecting manufacturing details like date of production, size, grade, batch / heat / cast number. The brand/ producer's name and size must be embossed on each steel rebar within a bundle. The batch / cast / heat number mentioned on bundle label/ sticker shall match with the details mentioned in CoA/ TC and packing list submitted along with goods. Each deliverable lot of 5 MT Steel rebar bundle(s) should consist of same brand embossed on each rebar with uniform size and grade.

Goods shall be treated as bad delivery and rejected if,

i. Goods from such Producer who is not present in the approved list.
ii. Any bundle which is without producer's sticker.
iii. Details like date of production, size, grade & batch number missing on sticker.
iv. Mismatch in sticker details and respective CoA/ TC details.
v. Brand or Producer details & size are not embossed on every rebar of the lot.
vi. In single lot, rebars with mix of different brands and sizes.
vii. Goods are not physically sound and not free of harmful defects such as corrosion/ rusting/ oxidation, uneven size, segregation, cracks, inclusions or visible contamination of metal.

c) Depositors/ participants who are desirous of depositing Steel rebar into MAW, shall request for deposit to the Warehouse Service Provider (WSP) through the Commodity Receipts Information System (ComRIS) account by access to the link https://comris.mcxindia.com or any other electronic receipts management system as communicated by MCXCCL from time to time. Once WSP confirms the availability of storage space and unloading arrangement at MAW, depositors/ participants shall send the goods to the warehouse for deposit. Loading and unloading of goods will be done on 'first-come first-serve' basis provided depositor has complied with submission of required documents.

d) Depositor shall complete the formality in respect to necessary documentation at the warehouse, shall submit duly filled Know Your Depositor (KYD) form & Depositor Transaction Declaration (DTD) form available on the MCXCCL website. Depositor / Participants shall also ensure compliance with all the statutory laws/ regulations and best practices for depositing stock in the MAW. Depositor shall submit the packing list which contains net weight & batch number/ heat number/ cast number of goods. Please note that the goods shall be accepted at the warehouse only if the KYD and DTD copy is submitted at the time of/ before the deposit of stock in original or scan. However, the electronic credit shall be provided only upon submission of original and completed KYD and DTD documents to the WSP.

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e) The goods which are intended for Pay-In should preferably be deposited well in advance prior to the expiry (or tender day) of the contract, factoring TAT required for sampling and testing of goods.

B. Size and Weight of Steel rebars bundle

The length of rebars should be uniformly 12 meters. The diameter can be 8mm, 10mm, 12mm (base grade), 16mm, 20mm or 25mm.

Each deliverable lot of 5 MT Steel rebars (with weight tolerance limit of +/- 10%) shall consist of same brand, size, grade, batch/ heat/cast number. Depositor shall deposit rebar bundle / bundles with 5 MT size (factoring allowable tolerance), properly tied/packed with iron strip or wire. Bundle wise weight along with its batch/ cast details shall be mentioned in packing list.

At the time of unloading of goods at MAWs, WSP shall ensure weighment of goods in presence of WSP and depositor representatives, and match the received weight with packing list weight. Weighment of bundle shall be measured with calibrated digital hanging crane scale attached to hydra crane. WSP shall have the right to check all the bundles' weight while deposit. In case the weight of bundles (lot) as per the weighment is found lesser than the weight declared in the packing list, the lesser of both the weights shall be considered as final weight for giving credit to the depositor. However, the credit weight shall not be allowed beyond the tolerance limit of 10% of delivery unit. WSP shall also follow truck weighment to get net weight of goods in order to cross-check consolidated bundles' weight and maintain in records.

Once weighed at the warehouse, the variation between actual weight of goods and that given in the packing list/ label shall not be more than +/- 0.1%. If the weight variation is found higher the goods shall be rejected.

C. Storage of steel rebar

WSP shall ensure that the Steel rebar deposited by the depositor shall be stored in a manner so as to prevent distortion, corrosion, scaling and rusting.
They shall be stacked/ piled adequately above the ground level by using proper dunnage like wooden plank or wooden pallets.

D. Sampling and Analysis process at the time of deposit

Quality testing of Steel Rebar at the time of deposit is mandatory through MCXCCL empanelled assaying agencies. WSP will draw the samples and send to empanelled assayer. WSP shall arrange all necessary instruments at warehouse required for sampling and packaging of samples. Five samples shall be randomly drawn from single lot with sample length of minimum 1 meter each. Three samples shall be sent to assayer for testing, one sample shall be kept as depositor's sample and one sample shall be stored at warehouse for record as reference sample with proper coding. Weight loss due to sampling shall be in the depositor's account.

Testing shall be done for one delivery lot of 5 MT i.e. one sample of five rebars, 1 mtr each per lot. If beneficiary depositor depositing multiple lots consisting of same brand, batch number/ heat number/ cast number & test certificate, then one representative random sample (five rebars

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1 mtr each) shall be drawn against maximum 5 lots (~25 MT truck load) and assayer reports shall be valid for the corresponding 5 lots.

WSP will allot unique code to samples while sending to assayer and the sample identification details shall be kept confidential. Testing will be performed for chemical and mechanical parameters mentioned below. Assaying charges and other testing related charges shall be paid by beneficiary depositor in advance to the WSP, which the WSP will pay to the assayer without disclosing the identity of the client.

Quality Specification:

Table No.1

Sr. No.	Constituent	UNIT	Limit	IS 1786 FE 500	IS 1786 FE 500 D	IS 1786 FE 550	IS 1786 FE 550 D
Chemical Properties							
1	C	%	Max	0.3	0.25	0.3	0.25
2	S	%	Max	0.055	0.04	0.055	0.04
3	P	%	Max	0.055	0.04	0.05	0.04
4	S+P	%	Max	0.105	0.075	0.1	0.075
Mechanical Properties							
5	Yield Stress	N/mm^2	Min	500	500	550	550
6	Tensile Strength	N/mm^2	Min	545	565	585	600
7	Elongation %	%	Min	12	16	10	14.5
8	Total elongation at Maximum force %	%	---	---	5	---	5
9	Bend Test	Pass/ Fail	---	---	---	---	---
10	Rebend Test	Pass/ Fail	---	---	---	---	---

The Assayers empanelled by MCXCCL for all purposes shall be the agent of WSP and WSP shall be solely responsible for acceptance of goods as per the Assayer Report.

A bundle/ lot shall be considered good delivery only if test results qualify individually for 5 samples/ rebars on all exchange specified quality parameters. A lot may be disqualified/ rejected if wide variation/ non-uniformity in test results is noticed in one or more quality parameters, even if it is qualified on other Exchange quality specifications.

In case the goods deposited do not conform to the quality specifications as per the contract specifications, the beneficiary depositor shall not have a choice to get it retested and will have to take the goods out from the MAW.

It is clarified here that the beneficiary depositor shall be liable for ensuring that the entire lot of steel rebars conform to the quality specifications as per the contract specifications. In order to protect its interest, the WSP shall obtain an undertaking/ indemnity on stamp paper and may at its discretion obtain a security deposit to this effect from the beneficiary depositor.

E. Delivery Lot

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Delivery Lot	5 MT (Net Weight of Metal)
Quantity Variation (Tolerance Limit)	+/- 10 % weight per lot of 5 MT

F. Validity period

Date of deposit should not be greater than 60 days from the date of production mentioned on producer's TC. The delivery of Steel rebars shall happen according to the validity period matrix illustrated in the table hereunder-

Months of Deposit / Date of entry by warehouse in system	**Validity period at the time of fresh deposit (no. of contract months) for stock deposited in warehouse**	**Final Expiry Date (From the date of deposit)**
October 2024	12	15th October 2025
November 2024	12	15th November 2025
December 2024	12	15th December 2025
January 2025	12	15th January 2026
February 2025	12	15th February2026
March 2025	12	15th March 2026
April 2025	12	15th April 2026
May 2025	12	15th May 2026
June 2025	12	15th June 2026
July 2025	12	15th July 2026
August 2025	12	15th August 2026
September 2025	12	15th September 2026

For any fresh deposits made during the month, the validity period and final expiry date (FED) would be calculated counting the month of deposit as the first contract month.

G. Outbound quantity tolerance

The outbound quantity tolerance limit is applicable only for the outbound deliveries. Variation in weight within the prescribed tolerance limit will be treated as good delivery during the lifting of goods from the accredited warehouses.
Following tolerance shall be treated as good delivery:

Outbound Parameters	**Allowable Tolerance / Variation permitted**
Weight	+/- 400 gm/ MT

H. Physical inspection of goods in possession

Members/ Participants holding goods in the warehouse are entitled to undertake physical inspection of said goods. Request for physical inspection shall be submitted to MCXCCL. After verification of request MCXCCL shall forward the same to the concerned WSP to allow physical inspection. During physical inspection, the Member/ Participant itself or its authorized

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representative/s (maximum 2 persons) are allowed to inspect stock at MAW. In case of authorised representative visiting MAW, he/ she shall submit authority letter issued by member/ participants along with his/ her KYD at MAW representative. Member/ participants or authorised representative / representatives is/are not permitted to draw samples, take photographs/ videos or carry any hazardous material which may cause damage to the goods inside the MAW. WSP has the right to disallow inspection on non-compliance of norms.

I. Retesting Method - Sampling, Quality Analysis & Certification

In case, the Member/ Participants who have purchased Steel rebar on the exchange platform seek to lift the goods from the MAW but do not agree to the quality of physical stock as specified in the Certificate of Analysis (CoA) of said lot, then Member/ Participants shall request MCXCCL for resampling within 15 working days from the date of pay out and without lifting the stock from the warehouse. MCXCCL shall entertain complaints on quality or quantity of the stock only for settlement of trades done through exchange mechanism and if the complaint is made within the prescribed timelines as mentioned above.

Member/ Participants have a choice to select an assayer from the empanelled and independent assayers as specified by MCXCCL from time to time. Member/ Participants in such case shall make a request for retesting to MCXCCL which in-turn shall be forwarded to the concerned WSP. The Member / Participants shall indicate the preferable date and time of visit to the warehouse for retesting of the goods along with the prescribed form. Once a request for retesting is put, then the goods will necessarily have to be lifted and cannot be retendered in subsequent settlements.

The following documents are required to be submitted to the warehouse official(s) on/ before the date of the retesting:

I. Original Retesting Request Form
II. Proof of holding the commodity balance in the ComRIS Account
III. Original Authorization letter in favour of representative along with ID proof.
IV. Original Delivery Order (Stock withdrawal request) duly signed and stamped by the Member/ Participants

Four samples shall be drawn from single rebar randomly with sample length of 1 meter each lot wise. Three samples shall be sent to the assayer for testing and one sample shall be stored at warehouse for record as reference sample with proper coding and identification.

The assayer shall complete the process of retesting and submit a retesting report within 7 working days from the date of sampling. Such reports shall be shared with all the concerned parties and shall be binding on both Buyer & Seller Clearing Member and participants of the said lot.

If the said quality report results are not found in accordance with the quality specifications as prescribed by the Exchange/ MCXCCL from time to time, the Member/ Participants shall submit their claim within 5 working days in writing by giving details such as lot numbers, quantity and the parameters under which inconsistencies are observed. The basis of claim, if any, shall be the value arrived on the basis of nearest closing spot price on the claim submission business day. MCXCCL shall give its decision on the claim filed by the buyer / stock holder and this shall be binding on the parties including WSP. In case MCXCCL determines that a delivery does not

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constitute a good delivery owing to variation in underlying stock, its quality, quantity, etc. beyond the prescribed standards, the WSP shall be liable to resolve / compensate the buyer / stock holder for the quality difference or substitute the good delivery within 15 working days from the date of the communication from MCXCCL. The WSP shall be liable to give good delivery (quality and quantity) / compensation in accordance with the contract specifications as prescribed by the Exchange from time to time.

Buyer requesting for retesting shall bear all professional fees of assayer, including incidental and handling costs, weight shortage and expenses related to retesting, etc. in case the retesting report is in line with / better quality as compared to the actual quality report of the time of deposit. In case the retesting results indicate negative variance from the original certificate, then the aforesaid entire retesting and handling cost shall be borne by the WSP.

J. Withdrawal of the Steel rebars from Warehouse

The beneficiary of goods shall request for withdrawal from the warehouse to the WSP in ComRIS. Once withdrawal request is approved by the WSP, the said goods will not be eligible for the delivery on the Exchange platform and beneficiary will have to withdraw the goods from the warehouse. While lifting of goods, beneficiary shall submit the authority letter and identity proof of withdrawing party at MAW.

K. General Conditions

The general provisions of Bye - Laws, Rules and Business Rules/Regulations of MCX/MCXCCL and decision taken by the Relevant Authority of MCX/MCXCCL in respect of matter specified above will form an integral part of the contract. MCX/MCXCCL may further prescribe additional measures relating to delivery procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding on all the parties concerned.

Members and Market Participants who enter into buy and sell transactions need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCX/MCXCCL Bye Laws, Rules, Business Rules/Regulations, circulars, directives, and notifications of MCX/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 Stock deposited / traded / delivered through the accredited warehouses of MCXCCL is in due compliance with the applicable regulations laid down by authorities like Food Safety Standard Authority of India , 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, Tax, stamp duty, etc. as may become due & payable under any law, rules or regulations, applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and MCX /MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

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All the sellers giving delivery of Stock/ commodities and all the buyers taking delivery of goods/ commodities 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 of MCX, it shall be the responsibility of the Trading Member/ Clearing Member 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. The MCX/ MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

MCXCCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the claim is made within 3 working days from the date of issuance of report of retesting by the Assayers, failing which, no claim shall be entertained by MCXCCL. However, WSP shall remain responsible for the goods stored therein for quality and quantity related matters.

For the goods deposited at MAW, but not delivered through settlement mechanism of MCXCCL, MCXCCL shall not entertain quality and quantity of the goods. However, WSP shall continue to be liable for such goods that is not delivered through settlement mechanism of MCXCCL. WSP shall remain responsible for all its obligations under various State and Central Laws governing the operation of Warehouses and shall be solely responsible to the owners of goods as reflected in the storage receipt issued by the Warehouse/ WSP or the Statement issued by the Repository or the Electronic Warehouses Receipts issued by the Repository.

MCXCCL shall not be responsible and shall not be held liable or accountable or responsible for value of goods stored/ lying in MCXCCL accredited warehouse/s, 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 continue to remain in MCXCCL accredited warehouse.

All the Members & their respective constituents / depositors are requested to take note of the same.

6.16 Delisting of MCX Registered Indian Refined Lead Brand 'EMI'

MCXCCL circular No. MCXCCL/WHL/060/2024 dated March 19, 2024

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

Vide its circular no. MCX/PMT/152/2024 dated March 18, 2024, MCX has delisted the following Refined Lead Brand towards the settlement of Lead Contracts traded on MCX with immediate effect. This brand will no longer qualify as 'Good Delivery' for MCX Lead and Lead Mini Contracts.

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Producer	Plant Address	Brand name
Eswari Global Metal Industries Private Limited	Plot No. 101 A&B, Industrial Area, Baikampady, Mangalore, Karnataka – 575011	**EMI**

Accordingly, no fresh deposit shall be accepted for 'EMI' Lead brand at MCXCCL warehouses.
As on date, there is no deliverable goods of EMI Lead brand available at MCXCCL accredited warehouses.

6.17 Delisting of MCX Registered Indian Refined Lead Brand 'JC Alloys'

MCXCCL circular No. MCXCCL/WHL/281/2024 dated November 05, 2024

Vide its circular no. MCX/PMT/729/2024 dated November 04, 2024, MCX has delisted the following Refined Lead Brand towards the settlement of Lead Contracts traded on MCX with immediate effect. This brand will no longer qualify as 'Good Delivery' for MCX Lead and Lead Mini Contracts.

Producer	Plant Address	Brand name
Jayachandran Alloys Pvt. Ltd.	Plot # P26, 5th Cross Road, SIPCOT Industrial Growth Centre, Perundurai, Erode Dist., Tamil Nadu - 638052.	JC Alloys

Accordingly, no fresh deposit shall be accepted for 'JC Alloys' Lead brand at MCXCCL accredited warehouses.
As on date, there is no deliverable goods of 'JC Alloys' Lead brand available at MCXCCL accredited warehouses.

In view of the above, Members and their respective constituents are advised to take note of the same.

6.18 Acceptance of MCX approved Indian Refined Lead Brands at MCXCCL accredited warehouses

MCXCCL circular No. MCXCCL/WHL/057/2024 dated March 13, 2024

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

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Vide its circular no. MCX/PMT/130/2024 dated March 06, 2024, MCX has approved an additional Refined Lead brand as given in the table below. This brand is deliverable towards the settlement of the Lead futures contract expiring on March 28th, 2024 and onward contracts. MCXCCL accredited warehouses shall accept goods of following brand, subject to meeting the contract specifications, with effect from March 18th, 2024.

Brand	**Plant Address**	**Brand name**
Gravita India Limited	Gravita India Limited, Survey No. 43, Near National Highway 8A, Patri Gundala Road, Village – Gundala, Taluka – Mundra, Kutch – 370 410, Gujarat	**Gravita-M**

Members and their respective constituents are requested to deliver only approved brands and confirm the availability of space at the respective warehouse before initiating any steps for effecting deliveries.

6.19 Procedure for dealing with Nickel Cathodes at MCXCCL Accredited Warehouses

MCXCCL circular No. MCXCCL/WHL/868/2020 dated November 23, 2020

Members and their Constituents, who desire to deposit Nickel Cathodes at the MCXCCL Accredited Warehouses ("MAW"), for delivery on MCXCCL platform are advised to adhere to the below mentioned procedure / conditions / norms / charges.

A. Procedure for Deposit at the warehouse

a. Only London Metal Exchange (LME) approved brands (including Indian producers' brands approved by LME) of Nickel Cathodes as per the list specified by LME at the time of deposit will be accepted for deposit by the depositor/seller at the MAW. It should be Primary Nickel Cathodes (Cut or Uncut/Full Plate) and must conform to the chemical composition to one of the following standards:

- ASTM Specification B39-79(2013) –Min 99.80% Purity
- GB/T 6516-2010-Ni9990 grade.

In case LME/MCXCCL delists a particular brand of Nickel Cathodes, the same shall not be acceptable by the MAW.

b. The Nickel Cathodes should be accompanied by the following documents –
   I. Copy of Certificate of Analysis (CoA) of the producer containing details like Brand name of the associated lots, Producer's name, Batch No & certificate date.
   II. Copy of Invoice with all deposits/eWay bill.

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III. Copy of Certificate of Origin and any of Custom clearance documents in case of Imported Goods.
IV. Packing list containing net weight, gross weight, batch no, No.of units in bundles/lot.

c. Depositors/participants who are desirous of depositing Nickel Cathodes into MAW shall request for deposit of the commodity to the Warehouse Service Provider (WSP) through the Commodity Receipts Information System (ComRIS) by accessing the link https://comris.mcxindia.com or any other electronic receipts management system as communicated by MCXCCL from time to time. The depositors/participants shall take the goods to the warehouse as per the schedule after confirmation with the respective WSP, to ensure availability of storage space and unloading arrangements at the warehouse. Loading and Unloading of Nickel Cathodes will be undertaken on first come first serve basis.

d. Depositor shall complete the formality in respect of necessary documentation at the warehouse. Depositor shall submit duly filled in Know Your Depositor (KYD) form & Depositor Transaction Declaration (DTD) form available on the MCXCCL website at the warehouse before depositing the goods and shall also ensure compliance with all the statutory laws/ regulations and best practices for depositing Nickel Cathodes in the MAW. Please note that the goods shall be accepted at the warehouse only if the KYD and DTD copy is submitted at the time of/before the deposit in hard copy or scan. However, the electronic credit shall be provided only upon submission of completed KYD and DTD.

e. All valid deposits shall be credited into the ComRIS Account of the depositor in multiples of 1.5 MT/1500kg, subject to the acceptable tolerance limits. The electronic holdings in Nickel in ComRIS Account shall be eligible for delivery in the Nickel 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.

f. The stock which is intended for Pay-In should preferably be deposited at least 2 working days prior to the expiry of the contract.
Eg.: If Nickel has to be delivered in the November 2020 contract with expiry on 27th November 2020, the depositor should deposit the lot on or before 25th November 2020.

B. Size/Shape and Weight of Nickel Cathodes

a. Nickel Cathodes deposited at MAW shall in the shape of cathodes (full plate, cut or Un-cut)

Nickel delivered under this contract shall be packed according to shape as follows:

b. Cut cathodes of either 100mm x 100mm (4" x 4"), 50mm x 50mm (2" x 2") or 25mm x 25mm (1" x 1"), shall be packed in sound steel drums of uniform size and even net weight (+/- 2% more or less) of 200kgs or 250kgs or 400kgs or 500kgs each with the manufacturer's label on the drum containing production batch reference net weight and brand name on each individual steel drum or on a durable label. Part filled drums are not permitted.

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c. Full plate cathodes up to 1000mm x 1400mm maximum with a thickness range of 2mm to 17mm, shall be packed in bundles of 1500kg, strapped in two dimensions with corrosion resistant material to permit safe handling and transport without bundle distortion and breakage on steel or wooden skids (pallets not permitted) with a minimum ground clearance of 75mm with the production batch reference and gross and net weights indelibly marked on the top cathode of each bundle or on a durable label. The brand name must be marked indelibly either a) on clips attached to the bundle strapping, or b) on the producer strapping, or c) on each cathode within each bundle.

Requirements:

a. Drummed Nickel is in original sound producer steel drums with producer listed markings and with ring sealing and tamper proof producer seals intact.

b. For drummed Nickel received in original but unsound producer steel drums with broken/damaged producer seals or damaged while stored in the warehouse from an unintended incident, the Warehouse must, without exception, open every such drum and inspect the contents for conformance with the producer listed product and weight before re-packing in sound steel drums of capacity of 200kgs or 250kgs or 400kgs or 500kgs using the sizing of drums initially supplied and with ring sealing system and with unique Warehouse tamper proof numbered seals. All replacement steel drums must be marked with the original producer batch reference, listed brand and Warehouse established gross and net weights.

c. The weight of the Nickel Cathodes received and/or delivered would be considered as per the weight mentioned in packing list. WSP shall have the right to check all the bundles on warehouse weigh scale. In case the weight of Cathodes bundle as per the weighment by weighing scale is found lesser than the weight declared in the packing list after factoring in the allowable weight tolerance, the lesser of both the weights shall be considered as final weight.

Allowable weigh scale tolerance is 400 gm/MT.

Once weighed at the warehouse, bundle will be rejected if the weight variation is more than +/- 1.5 % of the delivery lot size/1500 Kgs to the packing list/label".

C. Physical Inspection at the time of deposit by WSP

a. Nickel Cathodes should come with intact original packing with certificate of analysis.

b. All drummed Nickel must be securely stored in warehouses on pallets.

c. The Warehouse/WSP must keep a record of all seals by number and date cross reference to each Lot.

d. All markings on packaging and information on supporting documentation required for depositing Nickel at warehouse shall be as per LME standards/Norms.

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e. Warehouse/WSP will not undertake assaying of the metal and will undertake only visual inspection of the metal along with the supporting documentation.
Further, if:

I. the metal or the supporting documentation is in any way not provided by depositor or found inconsistent, or,

II. Cathodes are not found physically sound and free of harmful defects such as segregation, split, inclusions or visible contamination of metal, or

III. there is any sign of broken or visibly corroded strapping on the Cathodes in any bundle, or

IV. there is inconsistency in branding of metal (for instance, Non-LME brands or different LME brands have been visibly mixed within a bundle);

then the WSP shall call upon any such information from the depositor for acceptance of Nickel Cathodes and the Warehouse/WSP may not issue a Receipt until any such shortcoming has been addressed by the depositor.

f. WSP at its sole discretion may reject /insist on replacement of such deliverable lot, if the goods are found inconsistent/faulty.

D. Delivery Size

Delivery Unit	1500 Kg (Net Weight of Metal)
Quantity Variation for Lot (Tolerance Limit)	+/- 10% of total weight of each deliverable lot i.e. 1500 Kg

E. Outbound quality & quantity tolerance

The outbound quality & quantity tolerance limit is applicable only for outbound deliveries. Variation in quality and weight parameters within the prescribed tolerance limit will be treated as good delivery during the lifting of goods from accredited warehouses. Following tolerances shall be treated as good delivery:

Outbound Parameters	Allowable Tolerance / Variation permitted
Quality	10 ppm
Weight	+/- 400 gm/MT

F. Physical inspection of stock in possession

Members/ Participants holding goods in the warehouse are entitled to undertake physical inspection of said goods. Request for such physical inspection would have to be submitted to MCXCCL and MCXCCL after verification of such requests shall forward the same to the concerned WSP for allowing such inspection. During physical inspection, the Member/ Participants or his authorized representative/ies (Maximum 2 personnel) is/are not permitted

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to draw samples, take photographs/ videos or carry any such hazardous material which may cause damage to the goods inside the warehouse.

G. Retesting Method - Sampling, Quality Analysis & Certification

In case, the Member/ Participants who purchased Cathodes on the Exchange platform and seek to lift the Cathodes from the warehouse do not agree to the quality as specified in the Original Certificate of Analysis (CoA) of the Goods, shall request MCXCCL within 7 working days from the date of commodity pay out, for resampling and retesting without lifting the Cathodes from the warehouse. Such Cathodes should not have crossed the final expiry date (FED) as mentioned on the quality certificate. MCXCCL shall entertain complaint on quality or quantity of the commodity received only through settlement mechanism and only if the complaint is made within the prescribed timelines as specified above.

Member/ Participants have a choice to select Assayer from the empanelled Assayers as specified by MCXCCL from time to time. Member/ Participants in such case shall make a request for retesting to MCXCCL which in-turn shall be forwarded to the concerned WSP. The Member / Participants shall indicate the preferable date and time of visit to the warehouse for retesting of the stock along with the prescribed form. Once a request for retesting is carried out, then the same goods will necessarily have to be lifted and cannot be retendered in subsequent settlements.

The following documents shall be required to be submitted to the warehouse official(s) on the date of the warehouse visit.

- Original Retesting Request Form
- Proof of holding the commodity balance in the ComRIS Account
- Original Authorization letter in favour of representative along with copy of ID proof.
- Original Delivery Order (Goods withdrawal request) duly signed and stamped by the Member/ Participants

At least 2 random samples shall be drawn from each of the bundles/drums of the deliverable lot weighing around 100 Gms each (or as per requirement of Assayer for testing by Instrumental/Chemical method). First Sample shall be Assayer's sample and the second sample shall be Reference sample.

The assayer shall complete the process of retesting and submit a retesting report basis the composite observation of the samples analyzed within 5 working days from the date of sampling. Such reports shall be shared with all the concerned parties and shall be binding on both buyer & Seller Clearing Member of the said lot.

If the said quality report results are not found in accordance to the quality specifications (after considering outbound tolerance limits) as prescribed by the Exchange/ MCXCCL from time to time, the Member/ Participants within 3 working days; shall submit their claim in writing by giving details such as lot numbers, quantity and the parameters under which inconsistencies are observed. The basis of claim, if any shall be the value arrived on the basis of nearest closing spot price on the claim submission business day. MCXCCL shall give its decision on the claim filed by the buyer / stock holder which shall be binding on the parties.

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In case MCXCCL determines that a delivery does not constitute a good delivery, the Seller Clearing Member shall be liable to resolve / compensate the buyer / stock holder for the quality difference or substitute good delivery within 7 working days from the date of the decision of MCXCCL. The Seller Clearing Member shall be liable for giving good delivery (quality and quantity) / compensation in accordance with the contract specifications as prescribed by the Exchange from time to time.

Buyer requesting for retesting and certification shall bear all professional fees of assayer, including incidental costs, weight shortage and expenses related to retesting certification, etc. in case the retesting assaying report is in line with the Certificate of Analysis deposited with the material. In case, the retesting results indicate negative variance from the original certificate (after considering outbound tolerance limits), then the aforesaid retesting cost shall be borne by the Seller Clearing Member.

H. Withdrawal of the Nickel Cathodes from Warehouse

The holder of goods shall request for withdrawal of goods from warehouse to the WSP in ComRIS. Once it is approved by the WSP, the goods will not be eligible for the delivery on the Exchange platform and Client has to withdraw the goods from the warehouse within the timeline given in the request after submission of the authority letter and identity proof.

The Member / Participants, whoever wishes to seek private testing & certification arrangements may request the WSP under their mutual private arrangement under their mutual terms and conditions. In such a case, the said goods shall be treated as outside the scope of MCX/MCXCCL. These goods can then neither be tendered for delivery nor shall any further complaints and claims be entertained by the Exchange/ MCXCCL.

I. General Conditions

The general provisions of Bye - Laws, Rules and Business Rules/Regulations of MCX/MCXCCL and decision taken by the Relevant Authority of MCX/MCXCCL in respect of matter specified above will form an integral part of the contract. MCX/MCXCCL may further prescribe additional measures relating to delivery procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding on all the parties concerned.

Members and Market Participants who enter into buy and sell transactions need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCX/MCXCCL Bye Laws, Rules, Business Rules/Regulations, circulars, directives, and notifications of MCX/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 goods deposited / traded / delivered through the Approved warehouses of MCXCCL is in due compliance with

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the applicable regulations laid down by authorities like Food Safety Standard Authority of India , 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, Tax, stamp duty, etc. as may become due & payable under any law, rules or regulations, applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and MCX /MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the sellers giving delivery of goods/ commodities and all the buyers taking delivery of goods/ commodities 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 of MCX, it shall be the responsibility of the Trading Member/Clearing Member 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. The MCX /MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

MCXCCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the claim is made within 3 working days from the date of issuance of report of retesting by the Assayers, failing which, no claim shall be entertained by MCXCCL. However, WSP shall remain responsible for the stocks received through settlement of trade through Exchange Mechanism until FED of the goods.

For the goods that have been deposited at MAW, but not delivered through settlement Mechanism of MCXCCL, MCXCCL shall not be responsible for quality and quantity of the goods. However, WSP shall continue to be liable for such goods that have not been delivered through settlement mechanism of MCXCCL. WSP shall remain responsible for all its obligations under various State and Central Laws governing the operation of Warehouses and shall be solely responsible to the owners of stocks as reflected in the storage receipt issued by the Warehouse/WSP or the Statement issued by the Repository or the Electronic Warehouses Receipts issued by the Repository.

MCXCCL shall not be 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, 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.

6.20 Procedure for dealing with Copper Cathodes at MCXCCL Accredited Warehouses

MCXCCL circular No. MCXCCL/WHL/868/2020 dated November 23, 2020

Members and their Constituents, who desire to deposit Copper Cathodes at the MCXCCL

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Accredited Warehouses ("MAW"), for delivery on MCXCCL platform are advised to adhere to the below mentioned procedure / conditions / norms / charges.

A. Procedure for Deposit at the warehouse

a) Only London Metal Exchange (LME) approved brands (including Indian producers' brands approved by LME) of Copper Cathodes as per the list specified by LME at the time of deposit will be accepted for deposit by the depositor/seller at the MAW. It should be Grade A Copper and must conform to the chemical composition to one of the following standards:

- BS EN 1978:1998 (cathode grade designation Cu-CATH-1).
- GB/T 467-2010 (high purity Copper Cathode (Cu-CATH-1).
- ASTM B115-10 (cathode Grade 1)

In case LME/MCXCCL delists a particular brand of Copper Cathodes, the same shall not be acceptable by the MAW.

b) The Copper Cathodes should be accompanied by the following documents –

I. Copy of Certificate of Analysis (CoA) of the producer containing details like Brand name of the associated lots, Producer's name, Batch No & certificate date.
II. Copy of Invoice with all deposits/eWay bill.
III. Copy of Certificate of Origin any of Custom clearance documents in case of Imported Goods.
IV. Packing list containing net weight, batch no, No.of units in bundles / lot.

c) Depositors/participants who are desirous of depositing Copper Cathodes into MAW shall request for deposit of the commodity to the Warehouse Service Provider (WSP) through the Commodity Receipts Information System (ComRIS) by accessing the link https://comris.mcxindia.com or any other electronic receipts management system as communicated by MCXCCL from time to time. The depositors/participants shall take the goods to the warehouse as per the schedule after confirmation with the respective WSP, to ensure availability of storage space and unloading arrangements at the warehouse. Loading and Unloading of Copper Cathodes will be undertaken on first come first serve basis.

d) Depositor shall complete the formality in respect of necessary documentation at the warehouse. Depositor shall submit duly filled in Know Your Depositor (KYD) form & Depositor Transaction Declaration (DTD) form available on the MCXCCL website at the warehouse before depositing the goods and shall also ensure compliance with all the statutory laws/ regulations and best practices for depositing Copper Cathodes in the MAW. Please note that the goods shall be accepted at the warehouse only if the KYD and DTD copy is submitted at the time of/before the deposit in hard copy or scan. However, the electronic credit shall be provided only upon submission of completed KYD and DTD.

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e) All valid deposits shall be credited into the ComRIS Account of the depositor in multiples of 2500 Kgs, subject to the acceptable tolerance limits. The electronic holdings in Copper in ComRIS Account shall be eligible for delivery in the Copper 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

f) The stock which is intended for Pay-In should preferably be deposited at least 2 working days prior to the expiry of the contract.

Eg.: If Copper has to be delivered in the November 2020 contract with expiry on 27th November 2020, the depositor should deposit the lot on or before 25th November 2020.

B. Size/Shape and Weight of Copper Cathodes

a) Copper Cathodes deposited at MAW shall be in the shape of uncut full plate cathodes.

b) Cathode should carry the producer's sticker reflecting Producer name, Net Weight, Batch No, Purity, Number of Pieces of Cathodes in bundle & date of Manufacturing.

Cathode bundles where the batch details of the lot are mentioned manually by indelible ink shall not be accepted.

c) The weight of the Copper Cathodes received and/ or delivered would be considered as per the weight mentioned in packing list. WSP shall have the right to check all the bundles on warehouse weigh scale. In case the weight of Cathodes bundle as per the weighment by weighing scale is found lesser than the weight declared in the packing list after factoring in the allowable weight tolerance, the lesser of both the weights shall be considered as final weight.

Allowable weigh scale tolerance is 400 gm/MT.

d) Once weighed at the warehouse, if the bundle weight variation compared to the packing list/label is more than +/- 1.5% of the delivery lot size/2500 Kgs the same shall not be accepted.

C. Physical Inspection at the time of deposit by WSP

a) Copper Cathodes should come with intact original packing with certificate of analysis.
b) The Warehouse/WSP must keep a record of all seals by number and date cross reference to each Lot.
c) All markings on packaging and information on supporting documentation required for depositing Copper at warehouse shall be as per LME standards/Norms
d) Warehouse/WSP will not undertake assaying of the metal and will undertake only visual inspection of the metal along with the supporting documentation.

Further, if:

I. the metal or the supporting documentation is in any way not provided by depositor or found inconsistent, or

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II. Cathodes are not found physically sound and free of harmful defects such as segregation, split, inclusions or visible contamination of metal, or

III. there is any sign of broken or visibly corroded strapping on the Cathodes in any bundle, or

IV. there is inconsistency in branding of metal (for instance, Non-LME brands or different LME brands have been visibly mixed within a bundle);

then the WSP shall call upon any such information from the depositor for acceptance of Copper Cathodes and the Warehouse/WSP may not issue a Receipt until any such shortcoming has been addressed by the depositor.

e) WSP at its sole discretion may reject /insist on replacement of such deliverable lot, if the goods are found inconsistent/faulty.

D. Delivery Size

Delivery Unit	2500 Kgs (Net Weight of Metal)
Quantity Variation for Lot (Tolerance Limit)	+/- 10 % of total weight of each deliverable lot i.e. 2500 Kgs

E. Outbound quality & quantity tolerance

The outbound quality & quantity tolerance limit is applicable only for outbound deliveries. Variation in quality and weight parameters within the prescribed tolerance limit will be treated as good delivery during the lifting of goods from accredited warehouses. Following tolerances shall be treated as good delivery:

Outbound Parameters	**Allowable Tolerance / Variation permitted**
Quality	10 ppm
Weight	+/- 400 gm/MT

F. Physical inspection of stock in possession

Members/ Participants holding goods in the warehouse are entitled to undertake physical inspection of said goods. Request for such physical inspection would have to be submitted to MCXCCL and MCXCCL after verification of such requests shall forward the same to the concerned WSP for allowing such inspection. During physical inspection, the Member/ Participants or his authorized representative/ies (Maximum 2 personnel) is/are not permitted to draw samples, take photographs/ videos or carry any such hazardous material which may cause damage to the goods inside the warehouse.

G. Retesting Method - Sampling, Quality Analysis & Certification

In case, the Member/ Participants who purchased Cathodes on the Exchange platform and

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seek to lift the Cathodes from the warehouse do not agree to the quality as specified in the Original Certificate of Analysis (CoA) of the Goods, shall request MCXCCL within 7 working days from the date of commodity pay out, for resampling and retesting without lifting the Cathodes from the warehouse. Such Cathodes should not have crossed the final expiry date (FED) as mentioned on the quality certificate. MCXCCL shall entertain complaint on quality or quantity of the commodity received only through settlement mechanism and only if the complaint is made within the prescribed timelines as specified above.

Member/ Participants have a choice to select Assayer from the empanelled Assayers as specified by MCXCCL from time to time. Member/ Participants in such case shall make a request for retesting to MCXCCL which in-turn shall be forwarded to the concerned WSP. The Member / Participants shall indicate the preferable date and time of visit to the warehouse for retesting of the stock along with the prescribed form. Once a request for retesting is carried out, then the same goods will necessarily have to be lifted and cannot be retendered in subsequent settlements.

The following documents shall be required to be submitted to the warehouse official(s) on the date of the warehouse visit.

- Original Retesting Request Form
- Proof of holding the commodity balance in the ComRIS Account
- Original Authorization letter in favour of representative along with copy of ID proof.
- Original Delivery Order (Goods withdrawal request) duly signed and stamped by the Member/ Participants

At least 2 random samples shall be drawn from each of the bundles/drums of the deliverable lot weighing around 100 Gms each (or as per requirement of Assayer for testing by Instrumental/Chemical method). First Sample shall be Assayer's sample and the second sample shall be Reference sample.

The assayer shall complete the process of retesting and submit a retesting report basis the composite observation of the samples analyzed within 5 working days from the date of sampling. Such reports shall be shared with all the concerned parties and shall be binding on both buyer & Seller Clearing Member of the said lot.

If the said quality report results are not found in accordance to the quality specifications (after considering outbound tolerance limits) as prescribed by the Exchange/ MCXCCL from time to time, the Member/ Participants within 3 working days; shall submit their claim in writing by giving details such as lot numbers, quantity and the parameters under which inconsistencies are observed. The basis of claim, if any shall be the value arrived on the basis of nearest closing spot price on the claim submission business day. MCXCCL shall give its decision on the claim filed by the buyer / stock holder which shall be binding on the parties. In case MCXCCL determines that a delivery does not constitute a good delivery, the Seller Clearing Member shall be liable to resolve / compensate the buyer / stock holder for the quality difference or substitute good delivery within 7 working days from the date of the decision of MCXCCL. The Seller Clearing Member shall be liable for giving good delivery (quality and quantity) / compensation in accordance with the contract specifications as prescribed by the

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Exchange from time to time.

Buyer requesting for retesting and certification shall bear all professional fees of assayer, including incidental costs, weight shortage and expenses related to retesting certification, etc. in case the retesting assaying report is in line with the Certificate of Analysis deposited with the material. In case, the retesting results indicate negative variance from the original certificate (after considering outbound tolerance limits), then the aforesaid retesting cost shall be borne by the Seller Clearing Member.

H. Withdrawal of the Copper Cathodes from Warehouse

The holder of goods shall request for withdrawal of goods from warehouse to the WSP in ComRIS. Once it is approved by the WSP, the goods will not be eligible for the delivery on the Exchange platform and Client has to withdraw the goods from the warehouse within the timeline given in the request after submission of the authority letter and identity proof.

The Member / Participants, whoever wishes to seek private testing & certification arrangements may request the WSP under their mutual private arrangement under their mutual terms and conditions. In such a case, the said goods shall be treated as outside the scope of MCX/MCXCCL. These goods can then neither be tendered for delivery nor shall any further complaints and claims be entertained by the Exchange/ MCXCCL.

I. General Conditions

The general provisions of Bye - Laws, Rules and Business Rules/Regulations of MCX/MCXCCL and decision taken by the Relevant Authority of MCX/MCXCCL in respect of matter specified above will form an integral part of the contract. MCX/MCXCCL may further prescribe additional measures relating to delivery procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding on all the parties concerned.

Members and Market Participants who enter into buy and sell transactions need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCX/MCXCCL Bye Laws, Rules, Business Rules/Regulations, circulars, directives, and notifications of MCX/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 goods deposited / traded / delivered through the Approved warehouses of MCXCCL is in due compliance with the applicable regulations laid down by authorities like Food Safety Standard Authority of India , 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, Tax, stamp duty, etc. as may become due & payable under any law, rules or regulations, applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and MCX /MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

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All the sellers giving delivery of goods/ commodities and all the buyers taking delivery of goods/ commodities 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 of MCX, it shall be the responsibility of the Trading Member/Clearing Member 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. The MCX /MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

MCXCCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the claim is made within 3 working days from the date of issuance of report of retesting by the Assayers, failing which, no claim shall be entertained by MCXCCL. However, WSP shall remain responsible for the stocks received through settlement of trade through Exchange Mechanism until FED of the goods.

For the goods that have been deposited at MAW, but not delivered through settlement Mechanism of MCXCCL, MCXCCL shall not be responsible for quality and quantity of the goods. However, WSP shall continue to be liable for such goods that have not been delivered through settlement mechanism of MCXCCL. WSP shall remain responsible for all its obligations under various State and Central Laws governing the operation of Warehouses and shall be solely responsible to the owners of stocks as reflected in the storage receipt issued by the Warehouse/WSP or the Statement issued by the Repository or the Electronic Warehouses Receipts issued by the Repository.

MCXCCL shall not be 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, 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.

6.21 Policy for Depositors who have high percentage of rejections

MCXCCL Circular No.: MCXCCL/WHL/081/2022 dated April 06, 2022

It has been observed that there are instances of high rejections on account of substandard quality for deposits by selected depositors.

MCXCCL shall identify the depositors repetitively depositing goods that are substandard, in the following manner:

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a) This analysis would be done for a particular Financial Year.

b) MCXCCL will decide the minimum quantity threshold for each commodity beyond which the rejections would be monitored at the beginning of each month for the previous month. Beyond the threshold, the rejections shall be compared with the market average rejection percentage for the month.

c) MCXCCL shall identify the depositors repetitively depositing goods that are substandard, in the following manner:

(i) Where the depositor's rejection is more than 1.25 times of the **average** market rejections for the particular month, the depositor shall be subject to the following actions:
E.g.

Depositor	**Total Deposit Lots**	**Total Rejection Lots**	**Rejection %**
A	700.00	20.00	2.86
B	560.00	25.00	4.46
C	800.00	22.00	2.75
D	1200.00	40.00	3.33
E	900.00	18.00	2.00
Total	**4160.00**	**125.00**	**3.00**

Average Market Rejection per depositor % (Total Rejection Lots / Total Deposit Lots)	3.00
1.25 times Market Rejection%	3.75

In the above example, Depositor B will qualify for First Alert and so on.

Note: The above given figures are hypothetical figures for purpose of explanation.

(ii) On the first instance, a depositor name appears based on above criteria the concerned depositor shall be issued a Caution letter and the same shall be shared with all the WSPs.

(iii) Upon a second instance, the depositor shall be issued a Warning letter inter-alia notifying that any further repeat instances would warrant suspension of deposits.

(iv) In case of a third instance, the depositor shall not be allowed to deposit any commodity in any of the approved warehouses for a period of one month after due notice and all the WSPs shall be advised accordingly.

In case of further repeated instances in the same financial year, action as per '(iii)' above shall

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be taken.

6.22 Treatment of Rejected and Expired Goods in MCXCCL Accredited Warehouse/s (MAWs)

MCXCCL Circular No.: MCXCCL/WHL/081/2022 dated April 06, 2022

i) Members / Participants who desire to deposit goods at MCXCCL accredited warehouse(s) (MAWs), for delivery on the Exchange platform are advised to note that in case goods deposited for quality assaying do not conform to the quality specifications as per the contract specifications, the depositor has to take out the goods within 10 working days from the date of test results intimated to the depositor/ holder of the goods, failing which storage charges would be charged at thrice the applicable storage charges for the concerned stock by the MAW.

ii) Members / Participants are also notified that storage of goods in MAW after the specified final expiry date (FED) is not permitted and therefore the Members and their Constituents shall ensure that the goods whose final expiry date is over, are removed from the concerned warehouse immediately. In the case of goods where FED is over, the storage charges will be charged at thrice the applicable storage charge.

iii) In case, Members / Participants fail to comply with the aforesaid, the Warehouse Service Provider (WSP) shall treat the goods in the following manner:-

a) For all the Rejected & FED crossed goods for which the prescribed timeline has expired, the WSP may shift the stock to a different location which may not be the MCXCCL Accredited Warehouse. The WSP shall intimate in writing to the holder of goods regarding shifting with details of the warehouse. All the cost related to shifting i.e warehousing, handling & transportation or any other incidental cost shall be borne by the holder of goods.

b) Alternatively, the WSP may auction the Rejected & FED crossed goods by following the process as prescribed under the Central/ State Warehousing Acts/Rules which applies to the concerned warehouses where such Rejected & FED crossed goods are to be dealt with after giving due notice as per the said Act. In such cases, the WSP is entitled to recover all the dues against the deposit of goods from the auctioned amount. In case the auctioned amount is lesser than the due amount, the WSP shall be further entitled to recover the amount from the holder of the goods.

iv) The Exchange/MCXCCL further reserves the right to deal with the goods in a suitable manner which shall also include penal / disciplinary action for storage beyond the specified timelines.

Accordingly, Members / Participants involved in such deposits shall solely remain liable / responsible. The Exchange/MCXCCL shall not be held liable or responsible in any manner nor shall entertain any complaint in respect of the quality or quantity of goods involved in such deposits. The Members / Participants are advised to become familiar with the relevant circulars/provisions/guidelines of the Exchange/MCXCCL which are in force from time to

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time and undertake suitable due diligence.

6.23 Accidental losses at Accredited Warehouses/ Vault

MCXCCL Circular No.: MCXCCL/WHL/081/2022 dated April 06, 2022

A. It is clarified that MCXCCL accredited warehouses/ vaults, will make good of the loss/damage of the commodities deposited by the members (including their clients) with it, only out of the claim/s received from the insurance company in case of losses occasioned due to perils such as fire, flood, earthquake, burglary, spontaneous combustion etc. Hence, this may cause or result into delay and/or deficit in making good of the loss / damage of commodities to its full value, suffered by the Members and or their constituents.

B. Further, the respective warehouse/ vault may be required to shut down their operations temporarily and commodities stored over there may not be available for settlement on the MCXCCL during such period in case such eventuality takes place. Hence, attention of members and their constituents are drawn on the conditions for dealing with warehouses & stocks in case of accidental losses

C. Conditions for dealing with warehouses & stocks in case of accidental losses

a) In the event of such an incidence, the warehouse/ vault will inform MCXCCL immediately along with details of such incidence.

b) The warehouse/ vault will inform the concerned member about their loss. MCXCCLmay, based on gravity of the situation and Assessment Report received from the warehouse/ vault, suspend the operations from that warehouse/ vault temporarily till an alternative arrangement is made and/ or the recovery of loss from the Insurance Company is completed.

c) If the partial goods meet quality as per contract specifications duly certified by the quality surveyor and conforms to the delivery specifications as prescribed, then the depositor/ owner of the stock will be advised to surrender the warehouse receipt/s and the quality certificate/s of the damaged stocks and get revised/ fresh warehouse receipt and quality certificate in accordance to contract specifications if the requirement arises. The warehouse receipts and quality certificates of the damaged stocks will stand cancelled.

d) The warehouse/ vault, upon due diligence, will either replenish the lost/ damaged stock or make a payment to the holders of the damaged/ lost commodities, only after receiving amount of insurance claim from the Insurance Company. However, the decision, whether to replenish the stock or to make the payment, of the warehouse/ vault shall be final and binding to all the Members and their constituents.

e) In case total/ majority of goods are destroyed, the warehouse/ vault shall complete the damage survey and other required formalities with their insurer as early as possible. The rate applicable for such settlement of goods destroyed shall be the immediate preceding

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closing rate on the day of loss or the rate considered by Insurance Company while settling the claim after considering the earlier noted premium/ discount grade of the damaged goods in case of making payment of the loss.

f) On receipt of confirmation from the warehouse/ vault, the warehouse/ vault will be activated for delivery. Subsequent deliveries from the warehouse for settlement on MCXCCLwill be resumed.

g) If the incident takes place before delivery marking while the position remains open in the near month contract expiry, then such goods shall not be considered for delivery marking. If the incident takes place after delivery marking but before the scheduled settlement, such goods shall not be considered for delivery pay-in. Such delivery positions will not attract any default and penalty for non-performance subject to necessary approval thereto.

I. If the incident happens on the settlement date, MCXCCLwill take a decision about acceptance/ rejection of delivery depending upon the time of information received from the warehouse.

II. In case the seller has made an early pay-in and the incident happens before the settlement in such case the seller's pay-in will not be considered even if he has made early pay-in. However, such seller will not attract any default and penalty for non-performance subject to necessary approval thereto.

III. If the incident takes place after the settlement then the buyer will be considered as the owner of the goods and all the above mentioned provisions shall be applicable.

D. Any loss suffered by the respective depositor of such goods, after settlement of the insurance claim, shall be borne by the depositor/s and binding on all the Members and their constituents.

6.24 Intra-city vault to vault transfer in case of non-availability of space at a specific vault

MCXCCL Circular No.: MCXCCL/WHL/172/2020 dated July 29, 2020

Members and their Constituents who desire to deposit Bullion commodities at the MCXCCL Accredited Vaults ("MAV"), for delivery on Exchange platform are advised to adhere to the below mentioned procedure.

Deposit Procedure:

1. Members and their Constituents who willing to deposit Goods at MAV are requested to confirm the availability of space at the respective vault before initiating any steps for effecting deposit of goods. Please refer to the space availability under MCXCCL Deliverable Stock Position report at https://www.mcxccl.com/warehousing-logistics/stock-position
2. In case of non-availability of space at the vault, the client is required to take his goods to the other MAV in the same delivery center.

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3. In case the client's stock is lying in their professional accounts (Non-exchange accounts) at MAV and the vault is unable to take deposit due to non-availability of space/ Inadequate Insurance/ operational issues of vaults or any other reason beyond the control of MCXCCL, the client is required to follow below stated **Stock Movement Process**.
4. The Vault Service Provider transferring goods from one MAV to another MAV will provide the transit Insurance to cover the transit risk during the stock movement.

A. Stock Movement Procedure:

- In case of non-availability of space at **Vault (A**), client shall check space availability at other **Vault (B)** in the same delivery center.
- Client shall submit deposit request through ComRIS for **Vault (B)**.
- **Vault (B)** shall accept deposit request in ComRIS and confirm deposit intention to the client through email.
- Client will request **Vault (A)** to issue delivery order/ challan against the client's professional stock.
- Client will issue movement order to **Vault (A)** along with relevant required documents.
- Based on client confirmation for movement, **Vault (A)** shall move the goods to **Vault (B)**.
- **Vault (B)** will accept goods and follow deposit process to give credit to client.

B. Requirements for Stock Movement:

a) Client

- Movement request letter from Client to Vault (A) for movement to Vault (B). The format of Movement letter shall be provided by the Vault.
- Client has to ensure that commodity should be as per MCX specification at the time of deposit at Vault (B).
- Client has to coordinate with both the vaults to transfer stock and complete deposit process before pay-in of commodity schedule.
- All the charges related to the stock movement shall be directly paid by client to the Vault Service Provider (VSP).

b) Vault

- Letter from Vault (A) to Vault (B) stating that "No Third party Involvement" in said vault to vault transfer case.
- Transit insurance liability lies upon Vault service provider transferring the stock between the Vaults. Any claim arising during the stock movement will have to be settled between Vault and Client.

Note:

1) The quantity of stock movement from Vault (A) to Vault (B) will depend on vehicle availability with the vault on the stock movement day.
2) The depositor shall check the space availability at the MCXCCL accredited vaults.

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3) Intra-city vault-to-vault transfer has no prejudice to the MCXCCL Pay-in & Pay-out timings.

6.25 Submission of Goods and Service Tax (GST) registration details

MCXCCL Circular No.: MCXCCL/WHL/079/2019 dated April 01, 2019

MCXCCL has automated Vault Storage Charge invoice generation in ComRIS application for all bullion products, namely Gold, Gold Mini, Gold Guinea, Silver, Silver Mini and Micro. The invoices shall be issued separately at State level for all the delivery centers located in the respective State.

Accordingly, Members are requested to update their corresponding State-wise GST registration and invoice address details in ComRIS application. These details shall be used by MCXCCL to determine the applicability of GST and included in invoice provided to the Members. The process for updating the details is provided in clause A**.**

Members shall ensure that correct GST details are updated in their respective ComRIS Account. MCXCCL shall not be responsible or liable to any Member, in any manner whatsoever, in respect of any incorrect information updated or failure to update the requisite information and shall not entertain any claims, arising thereof.

The invoice for Vault Storage Charge shall be generated through ComRIS on a monthly basis and are available in ComRIS. The process for invoice generation through ComRIS is provided in Clause B.

A) All Clearing & Trading Members (CM/TM) shall follow the below mentioned process to submit GST Details in ComRIS Application:

1. TM/CM shall login into ComRIS Trading Member/ ComRIS Clearing Member account using their credentials.
   (E.g. User ID for TM account starts with TMxxxxx and CM with CMxxxxx *Where 'xxxxx' is code of Member*).
2. Go to dashboard and open "Account Setting".
3. Click on "Amend" and go to "GST Details" tab.
4. Click on "Add GST detail", a form shall appear for updating GST details.
5. Fill the below mention GST details in the form

GST Number	Please mention GST No
Phone Number	Please mention phone number with STD Code or Mobile no.(either of one) same shall be captured on Invoice
Address	Please mention billing address for GST registration no. (Same shall be captured on invoice under above mention GST no.)
City	

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PIN Code	
State	
Primary GST	Tick in case this is Primary GST (means Primary GST details shall be captured in case of non-availability GST details of State where stock is lying)

6. Click on "save" tab. Saved GST details shall appear on screen.
7. For further addition of GST for another location, click on Add GST Details and follow above process.
8. Go to "document" tab to upload GST certificate and upload the GST certificate in PDF format.
9. After updating all details submit the form for MCXCCL approval.
10. Members can modify the GST details submitted, the modifications shall be applied prospectively.

B) Vault storage charges Invoice generation under ComRIS

1. MCXCCL shall generate Individual invoices for each State of vault location.
2. Invoice shall be generated at the Trading Member level and include the storage charges of all the clients mapped under it, including the storage charges on proprietary account, if any.
3. In case of Custodial Participants, the invoices shall be generated in the name of the respective Clearing Members.
4. On generation, invoices shall be posted in ComRIS application under heading of 'Invoice' on the dashboard of the respective Members in .pdf files. Members can download the copy of invoices from ComRIS application.
5. The amount due on account of storage charges invoices generated in ComRIS shall be debited from respective CM's settlement account on the due date mentioned in the invoices along with the daily settlement of the respective date.
6. Breakup of Client wise storage charges would be available to members under heading of 'Reports' on the dashboard.

6.26 Opening of Repository Accounts with WDRA registered Repositories for generation of MCXCCL specific eNWR for settlement of delivery obligations

MCXCCL Circular No.: MCXCCL/WHL/081/2022 dated April 06, 2022

The Rule 27 of the Warehouse Registration Rules, 2017 prescribed by WDRA makes it mandatory for all the Warehouses to register with one or more WDRA registered Repositories for issuing negotiable warehouse receipts in electronic form. Warehousing Development and Regulatory Authority (Electronic Negotiable Warehouse Receipts) Regulations, 2017 has also been notified and WDRA has thereafter issued a circular to all its registered warehouses that the authority shall be notifying a date for mandatory adoption of electronic Negotiable

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Warehouse Receipts (eNWRs) by its registered warehouses.

All market participants are requested to take note that as the MCXCCL accredited warehouses are registered with WDRA, the MCXCCL in co-ordination with WDRA is transitioning to an Exchange specific eNWR system with CDSL Commodity Repository Limited (CCRL) for settlement of delivery obligations arising out of a trade/ deal in commodity derivatives contracts on its platform. Therefore, all Members and their respective clients/constituents are requested to open the necessary Repository Account with CCRL through the registered Repository Participants (RPs) of CCRL and further map their Repository Account with the Unique Client Code (UCC) allocated to them by their Trading Members. Members are further requested to open the applicable Pool Account with the Repository Participants.

Accordingly, deposits of Cardamom, Black Pepper, Castor Seed, Cotton Bales, RBD Palmolein, Mentha Oil and Crude Palm Oil in MCXCCL Accredited Warehouses will be tested as per AGMARK/BIS/FSSAI standards and the Exchange Quality Specification for generating Exchange specific eNWRs (under the WDRA Act).

All Members and their respective constituents are requested to contact nodal officers of CCRL (http://www.ccrl.co.in/) for any further assistance for registration as Repository Participants and for opening of Repository Accounts.

6.27 Fees for various types of transactions carried out electronically in ComRIS

MCXCCL Circular No.: MCXCCL/WHL/058/2021 dated March 08, 2021

MCXCCL conducts commodity delivery settlement in contracts of non- agricultural commodities through "ComRIS" (Commodity Receipts Information System) which is a web based Electronic Warehouse Receipt System designed to maintain electronic record of commodities deposited at MCXCCL accredited Warehouses/Vaults and ensure real time transfer of the receipts between participants.

ComRIS Participants (CPs) and their Clients are advised to take note of the following tariff structure **for transactions in Base Metals:**

Sr. No.	**Nature of Transaction**	**Tariff**
1)	Pledge creation for Margin Purpose	Rs. 50/- per transaction
2)	Pledge creation for other than Margin purpose	Rs. 50/- per transaction
3)	Pledge closure (Depledge) of any nature	Rs. 50/- per transaction
4)	Pledge Invocation	Rs. 10/- per transaction

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Sr. No.	Nature of Transaction	Tariff
5)	Pay In (Early Pay In / Delivery Pay In)	Rs 25/- per transaction
6)	Off-Market transfer (Debit / Credit)	Rs 25/- per transaction
7)	Custody Charges	Rs.25/- per MT (per credit transaction for Base Metal contracts)

Note: The Tariffs is to be paid along with applicable taxes.

The above charges shall be applicable to the ComRIS beneficial account holders.

MCXCCL shall debit the applicable charges from the settlement account of the Clearing member for their affiliated trading member and their respective constituents or Custodial Participant clients holding beneficiary account under ComRIS on a monthly basis.

6.28 Delivery of Gold, Gold Mini, Gold Guinea and Silver through ComRIS (Commodity Receipts Information System)

MCXCCL Circular No.: MCXCCL/WHL/081/2022 dated April 06, 2022

Members and their constituents may please note that delivery & settlement of all Gold, Gold Mini, Gold Guinea, Gold Petal, Silver, Silver Micro and Silver Mini contracts would be done only through ComRIS (Commodity Receipts Information System) application.

Members and their constituents shall follow below process for deposit / transfer/ withdrawal of goods under ComRIS.

A. Deposit & Issuance of Electronic Vault Receipt

1) Clients desirous of depositing commodities in the Vault should log in into ComRIS Accounts and request for deposit of the commodity to the Vault Service Provider.

2) Deposit Start Date begins from Request day. The Deposit End Date ends on Request Day + 3.

3) The request will be closed after the Deposit End Date. Any further deposit can happen only after a new request is generated.

4) Clients shall be allowed to deposit up to 1000 Bar/Lot numbers per deposit request. Client need to provide packaging list to vault in Excel format.

Commodit	Delivery	Bar	Deposit	Number Of	Refiner	Grade

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y	Lot	Number	Date	Unit	y	
	Weight of commodity	Bar number embossed on commodity	Deposit Date or allocation Date YYYY-MM-DD	1	Name of refinery	Grade of commodity
Silver	30.5330	ABCXXXXX	2018-06-25	1	ARGOR	0.9990

5) Deposit request should be approved by trading member and clearing member before taking commodities to vault for deposit.

6) Depositor shall complete the formality in respect of necessary documentation at the Vault.

7) The status of the electronic Vault receipt can be checked anytime in the ComRIS Account of the depositor.

B. Transfer of Electronic Vault Receipt

1) Clients who wish to transfer their holding to the account of other client, has to initiate transfer request in ComRIS.

2) Client has to select Electronic Vault Receipt of his own account and transfer it to the account of other client.

3) Transfer request shall be routed to TM, CM and Vault for approval.

4) Approved Transfer request received by vault till 6.30 PM, shall be accepted by vault on same day, afterwards it will be considered on next working day.

5) Then recipient client will have to accept transfer request.

6) After acceptance from the recipient client, Electronic Vault Receipt will be credited in recipient account.

7) Transferor client has to bear storage and other incidental charges up to transfer date. After date of transfer, the Recipient client shall bear the storage and other incidental charges.

C. Withdrawal of Electronic Vault Receipt

1) Client shall request for withdrawal of goods from vault in ComRIS.

2) Withdrawal request shall be routed to TM and CM for approval. Then vault will accept withdrawal request initiated by Client of the goods.

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3) Client will receive E-mail Confirmation about requests on registered Email Id.

4) Client should submit authorization letter available at website *https://www.mcxccl.com/warehousing-logistics/forms-formats* and identity proof to MCXCCL.

5) Approved withdrawal request received by vault till 6.30 PM, shall be accepted by vault on same day, afterwards it will be considered on next working day.

6) Once withdraw request is approved by the vault, client has to withdraw the goods from vault.

6.29 Accreditation of Vault for Gold, Gold Guniea, Gold Petal, Gold Mini, Silver and Silver Mini future contracts

MCXCCL Circular No.: MCXCCL/WHL/012/2025 dated January 23, 2025

The Clearing Corporation has decided to accredit a vault for storing and effecting delivery of Gold, Gold Guniea, Gold Petal, Gold Mini, Silver Mini & Silver from January 24, 2025. The details of the vault are given in annexure-I.

Members and their constituents are requested to deliver the acceptable quality & quantity of goods as given in the respective contract specifications. They are required to confirm the availability of space at the vault before initiating any step for effecting deliveries.

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

Annexure 1

Name of Vault	Brinks India Private Limited	
Vault Address	203-204/1, Phase 2, GIDC, Naroda, Ahmedabad, Gujarat - 382330	
Delivery Centre	Ahmedabad	
Contact Person/ Contact No.	Kuldeep Singh - 9377333888	
E-Mail ID	Kuldeep.Singh@brinks.com	
Commodity Types and Rates *		
Vaulting Charges#	Gold	Rs. 35 per day per Bar of 1 Kg
	Gold Mini	Rs. 3.50 per day per Bar of 100 g
	Gold Guinea	Rs. 00.12 per day per Coin of 8 g

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	Gold Petal	Rs. 00.12 per day per Coin of 1 g			
	Silver Mini	Rs.1.25 per day per bar (up to 90 days)			
	Silver Mini	Rs.1.50 per day per bar (91 days and above)			
	Silver	Duration of Storage (No. of days)**	Delivery Unit	Vaulting Charges (per bar / per day)	Loading & Unloading Charges (per Bar)
		Up to 90 Days	30 Kg	Rs. 40	Rs. 15
		91 Days & above	30 Kg	Rs. 45	Rs. 15

* Taxes extra as applicable from time to time.

** From the date of ownership.

Additionally, a transaction charge of Rs. 300/- per deposit receipt or withdrawal/ delivery order for each commodity type shall be payable directly to the Vault Service Provider at the time of each deposit or withdrawal.

Note:

Members and their respective constituents are advised that the above vault charges shall be levied for the actual number of days for which the goods are stored. However, the Buyers shall be exempted from paying vault charges subject to they collect the goods on the payout day.

6.30 Empanelment of Assayer

MCXCCL Circular No.: MCXCCL/WHL/093/2024 dated April 19, 2024

MCXCCL has empaneled M/s Central Institute for Research on Cotton Technology (CIRCOT) as an Assayer of Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) for testing of Cotton. Their facilities can be used by our Clearing Members and their constituents/ clients.

Name and address of Assayer
Central Institute for Research on Cotton Technology (CIRCOT) Post bag No.16640, Adenwala Road, Matunga, Mumbai-400019 E-mail: director.circot@icar.gov.in

The details on testing charges are given in the Annexure – I

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

Annexure- I

Central Institute for Research on Cotton Technology (CIRCOT) charges for Cotton bales testing

Parameters	**Fee per sample exclusive of GST (INR)**
HVI & Trash	350

6.31 Empanelment of Warehouse Service Provider (WSP)

MCXCCL Circular No.: MCXCCL/WHL/123/2024 dated May 21, 2024

MCXCCL has empaneled **M/s Transport Corporation of India Ltd. (TCI)** as a Warehouse Service Provider (WSP) for deposit, storage & delivery of goods deliverable on the MCXCCL platform with effect from May 21st, 2024.

Name and address of WSP:

Registered Office	**Corporate Office**
Transport Corporation of India Ltd. (TCI) 306 & 307, 3rd Floor,1-8-271-273 & 301, Ashoka Bhoopal Chambers, SP Road, Secunderabad, Telegana-500003. Tel. No.: +91 40-27840104	Transport Corporation of India Ltd. (TCI) TCI House, 69, Institutional Area, Sector-32, Gurgaon, Haryana - 122001. Tel. No.: +91 24-2381603 Email- corporate@tcil.com

A detailed circular on commodity and warehouse address will follow.

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

6.32 Empanelment of Assayer

MCXCCL Circular No.: MCXCCL/WHL/124/2024 dated May 22, 2024

MCXCCL has empaneled **M/s Central Institute of Medicinal and Aromatic Plants (CIMAP)** as an Independent Assayer of Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) for testing Mentha Oil samples. The Buyers receiving Mentha Oil through MCXCCL delivery mechanism can use the facilities of CIMAP to ascertain the quality

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of goods, as per declared processes of MCXCCL.

Name and address of Independent Assayer
CSIR-Central Institute of Medicinal and Aromatic Plants (CIMAP) P.O.-CIMAP, Near Kukrail Picnic Spot, Lucknow, UP - 226015 E-mail: director@cimap.res.in Tel No.: 0522- 2718529 / 505

The testing charges are given in the **Annexure - I**

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

Annexure- I

CSIR- Central Institute of Medicinal and Aromatic Plants (CIMAP)
charges for Mentha Oil testing

Parameters	**Fee per sample exclusive of GST (INR)**
Quality parameters as per MCX contract specifications	8,500 (Eight thousand and five hundred only)

6.33 Revised Vault Charges for Silver Gold Guniea and Gold Petal

MCXCCL Circular No.: MCXCCL/WHL/234/2024 dated September 19, 2024

This circular supersedes the circular no. MCXCCL/WHL/211/2024 dated August 23, 2024.

The revised Vault Charges, as given below, for storage of Silver, Gold Guinea and Gold Petal at designated MCXCCL accredited vaults will come into effect from **November 1, 2024**.

Commodity	**Delivery Unit**	**Existing Charges (per bar / per day)**	**Revised Charges (per bar / per day)**
Silver	30 kg	Rs. 35 (upto 90 days) Rs. 45 (91 days & above)	Rs. 40 (upto 90 days) Rs. 45 (91 days & above)
Gold Guinea	8 gm	Rs. 0.10	Rs. 0.12
Gold Petal	1 gm	Rs. 0.10	Rs. 0.12
Silver Micro	1 kg	Rs. 1.25 (upto 90 days) Rs. 1.50 (91 days & above)	No Change

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Gold	1 kg	Rs. 35	No Change
Gold Mini	100 gm	Rs. 3.5	No Chnage

The above charges are exclusive of applicable taxes. The charges are levied for the actual number of days for which the goods are stored in the vault. There is no change in the charges for loading & unloading of goods.

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

6.34 Delivery of Gold Ten (10 grams) at MCXCCL accredited vaults

MCXCCL Circular No.: MCXCCL/WHL/057/2025 dated March 25, 2025

This is with reference to the MCX Circular No.: MCX/TRD/134/2025 dated March 18, 2025, the Exchange will launch Gold Ten (10 gram) Futures Contracts on Tuesday, April 01, 2025.

The Vault Charges for storage of Gold Ten (10 grams) at designated MCXCCL accredited vaults at Ahmedabad, Mumbai & Delhi delivery centers are given below and shall be applicable from **April 1, 2025.**

Commodity	**Delivery Unit**	**Storage Charges (per Unit / per day)**
Gold Ten	10 gm	Rs. 0.12

The above charges are exclusive of applicable taxes and shall be levied for the actual number of days for which the goods are stored in the MCXCCL accredited vaults.

Members and their constituents are requested to deliver the commodity as per the contract specifications and confirm the availability of space at the respective Vault before initiating any step for effecting deliveries.
All members and their respective constituents are requested to take note of the same.

6.35 Modification in Validity Period for Mentha Oil deposited at MCXCCL Accredited Warehouses

MCXCCL Circular No.: MCXCCL/WO/124/2025 dated June 25, 2025

The Validity Period for Mentha Oil deposits at MCXCCL accredited warehouses is revised as given in this circular. This circular supersedes the validity period given in the MCXCCL circular number MCXCCL/WHL/098/2025 dated May 16, 2025.

The Final Expiry Date (FED) for Mentha Oil receipts will be given as per the table given

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below. The eligibility of the warehouse receipt for good delivery will depend upon its FED date which shall be minimum 15 days beyond the contract expiry date.

Date of Deposit at MCXCCL accredited warehouse	**Validity Period from the date of fresh deposit (No. of contract months)**	**Final Expiry Date (FED)**
1st June 2025 to 20th June 2025	13	15th July 2026
21st June 2025 to 30th June 2025	14	15th August 2026
1st July 2025 to 21st July 2025	13	15th August 2026
22nd July 2025 to 31st July 2025	14	15th September 2026
1st August 2025 to 20th August 2025	13	15th September 2026
21st August 2025 to 31st August 2025	14	15th October 2026
1st September 2025 20th September 2025	13	15th October 2026
21st September 2025 30th September 2025	14	15th November 2026
1st October 2025 to 20th October 2025	13	15th November 2026
21st October 2025 to 31st October 2025	14	15th December 2026
1st November 2025 to 20th November 2025	13	15th December 2026
21st November 2025 to 30th November 2025	14	15th January 2027
1st December 2025 to 21st December 2025	13	15th January 2027
22nd December 2025 to 31st December 2025	14	15th February 2027
1st January 2026 to 20th January 2026	13	15th February 2027
21st January 2026 to 31st January 2026	14	15th March 2027
1st February 2026 to 20th February 2026	13	15th March 2027
21st February 2026 to 28th February 2026	14	15th April 2027
1st March 2026 to 20th March 2026	13	15th April 2027
21st March 2026 to 31st March 2026	14	15th May 2027
1st April 2026 to 20th April 2026	13	15th May 2027
21st April 2026 to 30th April 2026	14	15th June 2027
1st May 2026 to 20th May 2026	13	15th June 2027
21st May 2026 to 31st May 2026	14	15th July 2027

6.36 Surrender of empanelment by Shree Shubham Logistics Limited as Warehouse Service Provider (WSP)

MCXCCL Circular No.: MCXCCL/WO/140/2025 dated July 17, 2025

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Shree Shubham Logistics Limited (SSLL), one of the empaneled Warehouse Service Providers (WSPs) for Agricultural commodities, has applied for surrender of its empanelment as a Warehouse Service Provider (WSP) of the MCXCCL. MCXCCL is in the process of completing surrender of the empanelment of Shree Shubham Logistics Limited as a Warehouse Service Provider (WSP).

6.37 Empanelment of Assayer for Cardamom

MCXCCL Circular No.: MCXCCL/WO/147/2025 dated July 25, 2025

MCXCCL has empaneled **M/s Interfield Laboratories** as an Assayer of Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) for Sampling & Testing of Cardamom samples. Their facilities can be used by our Clearing Members and their constituents/ client.

Name and address of Assayer
Interfield Laboratories XIII/1208, Interprint House Karuvelipady, Kochi, Ernakulam, Kerala-682006 E-mail: tech@ifl.in,test@ifl.in Tel No.: +91- 484-2210915 ;+91- 9447616717

The Sampling & Testing charges are given in the **Annexure - I**

Annexure- I

Interfield Laboratories charges for Cardamom sampling & testing

Sr. no.	**Particular**	**Charges per sample exclusive of GST (INR)**
1	Sampling	Rs. 1,000 Minimum sampling charges per day: Rs. 2,000
2	Testing as per MCX quality specifications	Rs. 2,450

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6.38 Empanelment of Independent Assayer for Cardamom

MCXCCL Circular No.: MCXCCL/WO/148/2025 dated July 25, 2025

MCXCCL has empaneled **M/s FQLab and Research Centre Private Ltd (FQLRC)** as an Independent Assayer of Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) for Sampling & testing of Cardamom samples. The Buyers receiving Cardamom through MCXCCL delivery settlement mechanism can use the facilities of FQLRC to ascertain the quality of goods during outbound delivery, as per declared processes of MCXCCL.

Name and address of Independent Assayer
FQLab and Research Centre Private Ltd (FQLRC) OS 30 & 31, III floor, GCDA Complex, Marine Drive, Cochin-682031 E-mail: synergy95@gmail.com; fqlabindia@gmail.com Tel No.: +91- 484 - 4026686/4026691

The Sampling & Testing charges are given in the **Annexure - I**

Annexure- I

FQLab and Research Centre Private Ltd (FQLRC)
charges for Cardamom sampling & testing

Sr. no.	Particular	Charges per sample exclusive of GST (INR)
1	Sampling	Rs. 1,000 Minimum sampling charges per day: Rs. 2000
2	Testing as per MCX quality specifications	Rs. 2,950

6.39 Modification in Aluminium, Aluminium Mini, Zinc, Zinc Mini, Nickel and Copper future contracts

MCXCCL Circular No.: MCXCCL/WO/169/2025 dated August 13, 2025

Kindly refer to the MCX Circular Nos. MCX/TRD/372/2025, MCX/TRD/373/2025 dated July

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30, 2025 and Circular No. MCX/TRD/391/2025 dated August 06, 2025.

The Exchange has decided to modify the contract specifications pertaining to Additional Delivery Centre(s) for **Aluminium, Aluminium Mini, Zinc, Zinc Mini, Nickel and Copper future contracts** as follows.

Sr. No.	Symbol	Existing Additional Delivery Centre(s)	Modified Additional Delivery Centre(s)	Effective from
1	ALUMINIUM	1. Thane district in Maharashtra 2. National Capital Region (NCR) 3. Chennai district in Tamil Nadu Kolkata district in West Bengal	1. Thane district in Maharashtra 2. Kolkata district in West Bengal	November 2025 and onward expiry contracts
2	ALUMINI	1. Thane district in Maharashtra 2. National Capital Region (NCR) 3. Chennai district in Tamil Nadu 4. Kolkata district in West Bengal	1. Thane district in Maharashtra 2. Kolkata district in West Bengal	November 2025 and onward expiry contracts
3	ZINC	1. National Capital Region (NCR) 2. Chennai district in Tamil Nadu Kolkata district in West Bengal	Kolkata district in West Bengal	November 2025 and onward expiry contracts
4	ZINCMINI	1. National Capital Region (NCR) 2. Chennai district in Tamil Nadu Kolkata district in West Bengal	Kolkata district in West Bengal	November 2025 and onward expiry contracts
6.	NICKEL	1. National Capital Region (NCR) 2. Chennai district in Tamil Nadu Kolkata district in West Bengal	None	September 2025 and onward expiry contracts

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5	COPPER	1. National Capital Region (NCR) 2. Chennai district in Tamil Nadu 3. Kolkata district in West Bengal	None	December 2025 and onward expiry contracts

Accordingly, Members and their constituents are requested to take note that the existing stock of Aluminium, Aluminium Mini, Zinc and Zinc Mini stored at MCXCCL accredited warehouses located at National Capital Region (NCR) & Chennai delivery centers shall be eligible for delivery up to October 2025 expiry contracts.

Furthermore, the existing stock of Nickel and Copper stored at MCXCCL accredited warehouses located at National Capital Region (NCR), Chennai & Kolkata delivery centers shall be eligible for delivery up to August 2025 & November 2025 expiry contracts respectively.

Thereafter the beneficiary holders of stock are required to withdraw goods from MCXCCL accredited warehouses located at above-mentioned delivery centers.

6.40 Empanelment of Assayer for Mentha Oil

MCXCCL Circular No.: MCXCCL/WO/170/2025 dated August 14, 2025

MCXCCL has empaneled **M/s Tephra Bioscience LLP** as an Assayer of Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) for the testing of Mentha Oil samples. Their services can be used by our Clearing Members and their constituents/ clients.

Name and address of Assayer
Tephra Bioscience LLP 9 building,4th Floor, Pragati Market, Ashok Vihar, Phase - 2, Delhi - 110052 E-mail: mcx@tephra.in Contact No.: +91-8130737389

The Testing charges are given in the **Annexure - I**

Annexure- I

Tephra Bioscience LLP charges for Mentha Oil testing

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Sr. no.	Particular	Charges per sample exclusive of GST (INR)
1	Testing for the quality parameters as per the Mentha Oil contract specifications issued by MCX	Rs. 5,000 Per sample

6.41 Procedure for deposit & storage of Cardamom at MCXCCL Accredited Warehouses

MCXCCL Circular No.: MCXCCL/WO/247/2025 dated November 4, 2025

A) Deposit of Cardamom at MAW

a) Deposit Request process:

Members and their constituents are required to give prior intimation of minimum one working day by way of "deposit request" into Countrywide Commodity Repository Ltd. (CCRL) application. Depositors are also requested to obtain confirmation from MCXCCL Accredited Warehouse (MAW) on the availability of space and sampling agency at the respective warehouse before initiating any step for depositing goods. Unloading of the goods shall be done by the MAW on a first-come first-serve basis. Deposit shall be accepted during working hours. The Depositor shall submit duly filled Know Your Depositor (KYD) form and Depositor Transaction Declaration (DTD) form before / at the time of deposit in original or in electronic form. However, electronic credit of goods shall be given in depositor's beneficiary account only upon submission of signed original KYD and DTD documents to WSP HO or at the respective MAW. The Depositor shall fully comply with all the relevant State/ Central laws, all statutory regulations while depositing stock at MAW and delivery through settlement mechanism of MCXCCL. The depositor shall deposit current season product and ensure that the quality parameters are in conformity to the contract specifications.

b) Weighment of goods at MAW at the time of deposit:

Depositor shall bring the Cardamom bags with net weight within the weight tolerance given in the contract specifications. At the time of unloading of stock at MAW, each bag shall be weighed on weighing scale at the warehouse. The gross bag weight shall be recorded in register. After weighment, two bags consisting of the lot shall be emptied on tarpaulin placed on ground and empty bag weight shall be recorded. The WSP shall ensure that the net weight of Cardamom is within the weight tolerance at the time of deposit as given in the contract specifications.

B) Packaging:

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The depositor shall ensure the commodity shall be protected from moisture and damp weather (rain) since this may lead to mould, spoilage, self-heating and discoloration. The commodity shall be packed in double jute bags with inner black polyethylene lining.

C) Delivery Unit:

Delivery Unit	100 KG (1 quintal) i.e. 2 bags with net weight of 50 kg each i.e. excluding the jute bag weight.
Weight tolerance at the time of deposit	+/- 0.5%

D) Validity Period:

The delivery of Cardamom on the Exchange platform shall take place according to the validity period as given in the table given below:

Date of Deposit at MAW	**Validity Period (no. of contract expiries)**	**Final Expiry Date**
01st August 2025 to 20th August 2025	02 Months	15th October 2025
21st August 2025 to 31st August 2025	03 Months	15th November 2025
01st September 2025 to 20th September 2025	02 Months	15th November 2025
21st September 2025 to 30th September 2025	03 Months	15th December 2025
01st October 2025 to 20th October 2025	02 Months	15th December 2025
21st October 2025 to 31st October 2025	03 Months	15th January 2026
01st November 2025 to 20th November 2025	02 Months	15th January 2026
21st November 2025 to 30th November 2025	03 Months	15th February 2026
01st December 2025 to 20th December 2025	02 Months	15th February 2026
21st December 2025 to 31st December 2025	03 Months	15th March 2026
01st January 2026 to 20th January 2026	02 Months	15th March 2026
21st January 2026 to 31st January 2026	03 Months	15th April 2026
01st February 2026 to 20th February 2026	02 Months	15th April 2026
21st February 2026 to 28th February 2026	03 Months	15th May 2026
01st March 2026 to 20th March 2026	02 Months	15th May 2026
21st March 2026 to 31st March 2026	03 Months	15th June 2026
01st April 2026 to 20th April 2026	02 Months	15th June 2026
21st April 2026 to 30th April 2026	03 Months	15th July 2026
01st May 2026 to 20th May 2026	02 Months	15th July 2026
21st May 2026 to 30th May 2026	03 Months	15th August 2026
1st June 2026 to 20th June 2026	02 Months	15th August 2026
21st June 2026 to 30th June 2026	03 Months	15th September 2026

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01st July 2026 to 20th July 2026	02 Months	15th September 2026
21st July 2026 to 31st July 2026	03 Months	15th October 2026

In order to tender a particular warehouse receipt towards a contract expiry, the validity period of the warehouse receipt shall be a minimum of 15 days beyond the expiry date of the contract in which the goods have been tendered.

E) Sampling and Testing process at the time of deposit:

Labour arrangement shall be made by the warehouse for loading/ unloading & opening of the bags for which charges shall be payable directly to the warehouse by the depositor (as per prevailing market rates), i.e. depositor will have to pay for unloading/ including incidental costs and expenses related to sampling at the time of deposit of goods.

Sampling shall be performed by trained sampler appointed by MCXCCL empaneled sampling/ assaying agency.

Visual inspection and Moisture testing by WSP: Joint visual inspection shall be conducted by WSP and Sampler to check the consistency of size and color of the capsules, the presence of mould, living, dead insects, insect fragments (except of thrips marks), rodent contamination, added colouring matter and other harmful substances or for any other inconsistency.

For any inconsistency observed during visual inspection, the WSP is empowered to reject/ insist on replacement of such lot. Any spot rejection during visual inspection should be recorded by the WSP and duly acknowledged by the beneficiary depositor's authorized representative.

In addition to the visual inspection, indicative moisture and sieve test shall be conducted by WSP and Sampler jointly in presence of depositor without unloading the goods in warehouse. It is clarified here that the indicative moisture and sieve test is only a preliminary check done without the sampling, thus, does not represent the entire lot/ goods brought for deposit. It is meant only to take a decision to continue with the sampling and testing of the entire lot/ goods brought for deposit.

After satisfactory visual inspection, the sample shall be drawn from a lot of 100 Kg by emptying each bag in the lot on the sampling tarpaulin placed on the floor at MAW and mixed well in presence of concerned depositor/ his representative, WSP & Sampler. The sampler shall take composite sample weighing 600g approximately representing all the 100 kg of Cardamom after properly mixing the entire quantity of 100 kg emptied on the tarpaulin. Out of the 600g sample drawn, 500g shall be packed, sealed and coded without mentioning the name of the depositor. This Cardamom sample of 500g shall be sent to the empaneled assayer's laboratory by the sampler. After this sampling, testing for the quality parameters given in the contract specifications shall be done in assayer's laboratory and such test results shall be used for generation of eNWR. Representative sample of remaining 100g shall be kept as reference

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samples at the warehouse for future reference till goods are moved out or FED, whichever is earlier.

Testing by the empaneled Assayer: For the testing of all the quality parameters at the Assayer's laboratory, further representative sample of 150g shall be segregated at the Assayer's laboratory. A test report shall be issued by the Assayer to the WSP covering all the quality parameters given in the contract specifications. Remaining 350g of the sample shall be returned to the warehouse after testing and it shall be acknowledged by the WSP. The WSP shall arrange its return to the depositor and maintain the record with depositor's acknowledgement.

The physical deposit at the warehouse, sampling and transit of samples to the assayer's lab is a time-consuming process. To minimize the turn-around-time (TAT) for declaration of test results, it is necessary that the samples are dispatched on time. To ensure this, a cut-off time (3pm) is kept for deposits at the warehouse. All the samples drawn till 3pm shall be sent to the assayer's lab on same day. The Assayer will declare the test results by end of day (EOD) of next working day. However, deposits made after the cut-off time will be accepted at the warehouse and the samples shall be dispatched by next working day.

After sampling, commodity shall be refilled in bags with net commodity weight of 50 Kg considering the tolerance given in the contract specifications. All the bags shall be manually stitched and sealed properly for stacking.

F) Test Method:

The testing of Cardamom shall be performed by MCXCCL empaneled Assayer as per the Cardamom contract specifications issued by MCX. The test report submitted by the assayer after testing of commodity shall be final and binding on all the parties concerned.

G) Periodic inspection of goods:

WSP shall follow standard warehousing practices for the upkeep of Cardamom stored at MAW. Periodic inspection of stock shall be carried out to check instances of infestation in the goods and undertake fumigation as and when required.

H) Physical inspection of goods at the warehouse:

Members/ Participants holding goods in the warehouse are entitled to undertake physical inspection of said goods. Request for such physical inspection would have to be submitted to MCXCCL and MCXCCL shall forward the same to the concerned WSP for allowing such inspection. Only those holders will be allowed for physical inspection who have received the goods through delivery settlement mechanism of MCXCCL. During physical inspection, the Member/ Participants or their authorized representative/s (maximum 2 persons only) are permitted for inspection. During such inspection, they are not allowed to take photographs/ videos or carry any such hazardous material, which may cause damage to the goods inside the warehouse. In this case, they shall not be allowed to take any sample out of the warehouse.

I) Retesting of dematted goods:

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In case, the Member/ Participant who have received the Cardamom on the Exchange platform and seek to retest and/ or lift the Cardamom from the warehouse but do not agree to the quality of the goods, the Member/ Participant shall request MCXCCL for resampling and retesting within 15 working days from the date of commodity pay out, without lifting the Cardamom from the warehouse. Such goods should be valid on date of request for retesting & should not have crossed the final expiry date (FED). Member/ Participant in such a case shall make a request for retesting to MCXCCL along with the prescribed form and preferable date & time of visit to the warehouse for resampling of the stock which in-turn shall be forwarded to the concerned WSP.

MCXCCL shall appoint an independent assayer from the empaneled agencies in consultation with the Member/ Participants for resampling and retesting. MCXCCL shall indicate the preferred date and time of visit to the warehouse for retesting of the stock to Member/ Participants, WSP.

The following documents shall be required to submit to the warehouse official(s) on the date of Resampling.

I. Original Retesting Request Form

II. Withdrawal request form duly approved by the Repository Participants or withdrawal request reference number generated through CCRL system, if applicable.

The resampling and retesting shall be performed with the same method which was followed at the time of deposit of commodity. The participant that requests for resampling and retesting shall bear all professional fees of sampler & assayer, including incidental costs, weight shortage and expenses related to sampling, testing etc. In case, the retesting results indicate inferior results from the original receipt quality, then the aforesaid retesting cost shall be borne by the WSP.

The assayer shall complete the process of retesting and submit a retesting report within 7 working days from the date of resampling to MCXCCL. The report shall be final and binding on all the parties concerned, including the WSP.

The test reports of resampling shall be shared with all the concerned parties by the WSP immediately on receipt of test results from the MCXCCL empanelled assayer. If the said retesting report conforms to the quality specifications (including outbound quality tolerance limits, if applicable), then the goods shall be accepted by the said Member/ client and no subsequent claims regarding quantum of discount/ rebate, or any other indemnification/ damages shall be admissible. The Member/ client shall lift the said goods and Member/ client shall not be allowed to deliver the same goods on MCXCCL.

If the results are found in deviation with the quality test results mentioned in the original receipt. The Member/ client shall submit claim to MCXCCL within 5 working days from the date of receipt of the testing report from assaying agency, in writing by giving details such as lot numbers, quantity and the parameters under which inconsistencies are observed. The decision of MCXCCL shall be final and binding on the parties concerned.

The basis of claim, if any, shall be the value arrived on the basis of spot price on the claim

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submission business day. MCXCCL shall give its decision on the claim filed by the buyer/ beneficiary holder which shall be binding on the parties, including WSP. In case MCXCCL concludes that a delivery does not constitute a good delivery, the WSP shall be liable to resolve/ compensate the buyer/ stock holder for the quality difference or substitute with good delivery (quality and quantity) material within 15 working days from the date of the decision of MCXCCL. The WSP shall be liable for giving good delivery (quality and quantity) / compensation in accordance with the contract specifications as prescribed by MCXCCL from time to time.

J) Private Sampling and Testing:

If the Member / Participants wishes private sampling and testing arrangements, it can request the WSP under their mutual private arrangement and their mutual terms and conditions. In such a case, the said goods shall be treated outside the scope of MCXCCL. Meaning thereby, the said goods can neither be tendered for delivery on the Exchange platform nor shall any further complaints and claims be entertained by the MCX / MCXCCL. To conduct private sampling and testing the beneficiary holder needs to complete the withdrawal formality from the repository and withdraw the commodity out of the warehouse.

K) Quality parameter tolerance for outbound deliveries:

The retesting quality tolerance limit is applicable only for outbound deliveries. Variation in quality parameters within the prescribed tolerance limits vis-à-vis original quality test report (at the time of deposit) will be treated as good delivery during the lifting of goods from MCXCCL accredited warehouses.

Quality parameter	**Retesting tolerance**
Density of stock delivered shall be 385 gm per liter minimum.	+/- 3.60 gm per liter

Tolerance limit is applicable only for outbound deliveries. Variation in quality parameters within the prescribed tolerance limit as above will be treated as good delivery when members/ clients lift the materials from warehouse. These permissible variations shall be based on the parameters found as per the immediate preceding test certificate given by MCXCCL empanelled assayer

L) Withdrawal of Commodity from the Warehouse:

The holder of goods shall request for withdrawal of goods from warehouse to the WSP through Countrywide Commodity Repository Ltd. (CCRL) system. Once a request for withdrawal is made, the goods will not be eligible for delivery on the Exchange platform and Client has to withdraw the goods from the warehouse within the timeline given in the request after submission of the authority letter and identity proof. The holder of goods shall confirm date and time with the warehouse service provider (WSP) before placing vehicle at warehouses for withdrawal of commodity.

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In case of any quantity variation observed between receipt weight and actual weight of the consignment at the weighbridge at the time of the lifting of goods from MAW (except FED goods), the difference will be settled in cheque/ demand draft/ pay order with the WSP at the spot price of the day for the day of withdrawal. Any weight shortage / excess settlements should be done within 15 working days from the date of the withdrawal of the Cardamom from MAWs.

In case the goods are deposited and lifted by the same client without any exchange settlement or goods are deposited & subsequently sold to another party through off-market transfer, the WSP shall deliver the weight as per the WDRA norms.

M) Storage after Validity Period:

The client/ beneficiary holder can take out the goods from the warehouse on or before Final Expiry Date (FED). After the FED, the goods shall be necessarily removed from MAW. Storage of goods in MCXCCL accredited warehouse(s) after the specified FED is not permitted and therefore the Members/ Participants shall ensure that the goods are withdrawn before FED. In case the client does not withdraw the goods within 15 days of FED, the WSP shall levy penalty in accordance with MCXCCL Circular regarding the Treatment of Rejected goods and Expired goods in MAWs. Members/Participants/ beneficiary holder who own the FED goods at MAW shall solely remain liable/ responsible for such continued storage of goods and MCXCCL shall not be responsible in any manner whatsoever for those goods which have crossed the FED. Such goods shall be treated as per the regulation/ policy of WDRA / relevant central/ state authority for warehouse. Members/ Participants are advised to become familiar with relevant circulars/ provisions/ guidelines of MCXCCL which are in force from time to time and take suitable action.

N) General Conditions:

The general provisions of Bye - Laws, Rules and Business Rules/ Regulations of MCX/ MCXCCL and decision taken by the Relevant Authority of MCX/ MCXCCL in respect of matter specified above will form an integral part of the contract. MCX/ MCXCCL may prescribe additional measures relating to delivery procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding on all the parties concerned.

Members and Market Participants who enter into buy and sell transactions need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCX/ MCXCCL Bye Laws, Rules, Business Rules/ Regulations, circulars, directives, and notifications of MCX/ 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 goods deposited / traded / delivered through the approved warehouses of MCXCCL is in compliance with the applicable regulations laid down by authorities like Food Safety Standard Authority of India (FFSAI), BIS,

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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, Tax, stamp duty, etc. as may become due & payable under any law, rules or regulations, applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and MCX/ MCXCCL shall not be responsible or liable on account of any non-compliance thereof.

All the sellers giving delivery of goods/ commodities and all the buyers taking delivery of goods/ commodities shall have the necessary GST Registration as required under the Goods & Service Tax (GST) Act and obtain other necessary licenses, if any. However, it is the sole responsibility of such Seller and Buyer participants to abide by the GST law. The MCX /MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

In respect of all contracts executed by the Members of MCX, it shall be the responsibility of the Trading Member/ Clearing Member 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. The MCX /MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

WSP can hold the physical withdrawal of the goods in case of non-payment of storage charges/ any outstanding by client.

MCXCCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the quality claim is made within 5 working days from the date of issuance of report of retesting by the Assayers, failing which, no claim shall be entertained by MCXCCL. However, WSP shall remain responsible for the stocks received through settlement of trade through Exchange Mechanism until FED of the goods. Any dispute/claim of WSP against its client/ depositor with regards to storage charge, default, quality and weight/ quantity shall refer to MCXCCL grievance redressal mechanism.

For the goods that have been deposited at MAW, but not delivered through the settlement mechanism of MCXCCL, MCXCCL shall not be responsible for quality and quantity of the goods. However, WSP shall continue to be liable for such goods, that have not been delivered through settlement mechanism of MCXCCL, in accordance with various State and Central Laws/ WDRA and shall be solely responsible to the owners of stocks as reflected in the storage receipt issued by the Warehouse/ WSP or the statement issued by the Repository or the Electronic Warehouses Receipts issued by the Repository.

MCXCCL shall not be responsible and shall not be held liable or accountable or responsible for value of the goods/ stock of the commodities stored/ lying in MCXCCL accredited warehouse/s, 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.

6.42 Opening of Repository Accounts with Countrywide Commodity Repository Limited

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(CCRL) for warehouse receipts in Metals

MCXCCL Circular No.: MCXCCL/WO/203/2025 dated September 24, 2025

This is with reference to the Gazette Notification no. S.O. 3071 (E) dated July 04, 2022 issued by the Warehousing Development and Regulatory Authority (WDRA) regarding notification of Metals by WDRA (attached as annexure 1).

The Members are requested to take a note that MCXCCL has informed its Warehouse Service Providers (WSPs) to get their Metal warehouses registered with WDRA. Subsequently, the existing warehouse receipts in ComRIS will be transferred to the Countrywide Commodity Repository Limited (CCRL) for settlement of delivery obligations arising out of a trade in Metal derivatives contracts viz. Aluminium, Aluminium Mini, Zinc, Zinc Mini, Lead, Lead Mini, Copper, Nickel & Steel rebar contracts. Therefore, all the Members and their respective constituents, especially the existing holders of Metal receipts in ComRIS, are requested to open the repository account with CCRL through the registered Repository Participants (RPs) of CCRL. MCXCCL will shortly communicate its effective date and the date from which warehouse receipts for Metals will be generated on CCRL by WSPs.

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Annexure 1

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department of Food and Public Distribution)

(WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY)

NOTIFICATION

New Delhi, the 4th July, 2022

S.O. 3071(E). - exercise of the powers conferred by section 35 of the Warehousing (Development
and Regulation) Act, 2007 (37 of 2007), the Warehousing Development and Regulatory Authority hereby determines that the non-agricultural commodities specified in the Table below shall be stored in a registered warehouse, namely: -

TABLE

S.No.	Name of the Commodity
(1)	(2)
1	Aluminium
2	Brass
3	Copper
4	Lead
5	Nickel
6	Zinc
7	Tin
8	Steel
9	Iron Ore

2. The commodities specified in said table shall comply with the qualitative specifications or standards of the Bureau of Indian Standards:

Provided that in case the standards specified by the Bureau of Indian Standards do not exist for these commodities, the quality standards laid down by the Central Government or the State Government or the Government bodies shall be applicable.

3. For the commodities requiring chemical or laboratory analysis, all accredited laboratories notified by the National Accreditation Board for Testing and Calibration Laboratories and laboratories recognised by the Bureau of Indian Standards are authorised for testing.

4. The Central Government or the State Government laboratories and other laboratories recognised by them may also conduct testing of the said commodities.

[F. No. 09/2022-Sig-II]
(JITESH SHARMA), Director (Admin & Fin,/ WDRA)

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6.43 Surrender of empanelment by 'Shree Shubham Logistics Limited' as Warehouse Service Provider (WSP)

MCXCCL Circular No.: MCXCCL/WO/212/2025 dated September 30, 2025

In terms of the provisions of the Bye-Laws, Rules and Regulations of the Multi Commodity Exchange Clearing Corporation Limited (MCXCCL), in continuation to MCXCCL Circular no. MCXCCL/WO/140/2025 dated July 17, 2025 and public notice of July 17, 2025 published in Business Standard - Mumbai edition newspaper, the Members are notified as under:

'**Shree Shubham Logistics Limited**', one of the empaneled Warehouse Service Providers (WSPs) for Agricultural commodities, had applied to surrender their empanelment as a Warehouse Service Provider (WSP) of the MCXCCL. MCXCCL is, hereby withdrawing **the empanelment of 'Shree Shubham Logistics Limited'** as a Warehouse Service Provider (WSP) of MCXCCL with immediate effect.

Name and address of WSP is as under:

Registered Office	**Corporate Office**
M/s Shree Shubham Logistics Limited Plot No. A-1 & A-2, G.I.D.C. Electronic Estate, Sector No. 25, Gandhinagar, Gujarat-382 004 India Tel. No.: +91 79 2321 4000	**M/s Shree Shubham Logistics Limited** Office No.2E, 2nd floor, Rushabh chambers, plot no 609, off. Makwana road, Marol Naka, Andheri East, Mumbai Suburban, Maharashtra, 400059 India Tel. No.: +91 22 35007500

6.44 Empanelment of Assayer for Mentha Oil

MCXCCL Circular No.: MCXCCL/WO/240/2025 dated October 29, 2025

MCXCCL has empaneled **M/s Ayurka Research Lab LLP.** (previously known as Tephra Bioscience LLP) as an Assayer of MCXCCL for the testing of Mentha Oil samples. Their services can be used by our Clearing Members and their constituents/ clients.

Name and address of Assayer

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Ayurka Research Lab LLP

9 building, 4th Floor, Pragati Market, Ashok Vihar, Phase - 2, Delhi - 110052

E-mail: swati.gupta@ayurka.com

Contact No.: +91-8130737389

The Testing charges are given in the **Annexure - I**

Annexure- I

Ayurka Research Lab LLP charges for Mentha Oil testing

Sr. no.	Particular	Charges per sample exclusive of GST (INR)
1	Testing for the quality parameters as per the Mentha Oil contract specifications issued by MCX	Rs. 5,000 per sample

6.45 Surrender of empanelment by Star Agriwarehousing & Collateral Management Limited as Warehouse Service Provider (WSP

MCXCCL Circular No.: MCXCCL/WO/271/2025 dated November 28, 2025

Star Agriwarehousing & Collateral Management Limited, one of the empaneled Warehouse Service Providers (WSPs) for Agricultural commodities, has applied for surrender of its empanelment as a Warehouse Service Provider (WSP) of the MCXCCL. MCXCCL is in the process of completing surrender of the empanelment of **Star Agriwarehousing & Collateral Management Limited** as a Warehouse Service Provider (WSP).

6.46 Surrender of empanelment by 'Star Agriwarehousing & Collateral Management Limited' as Warehouse Service Provider (WSP

MCXCCL Circular No.: MCXCCL/WO/022/2026 dated January 30, 2026

In terms of the provisions of the Bye-Laws, Rules and Regulations of the Multi Commodity Exchange Clearing Corporation Limited (MCXCCL), in continuation to MCXCCL Circular no. MCXCCL/WO/271/2025 dated November 28, 2025 and public notice of November 20,

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2025 published in Business Standard - Mumbai edition newspaper, the Members are notified as under:

'Star Agriwarehousing & Collateral Management Limited', one of the empaneled Warehouse Service Providers (WSPs) for Agricultural commodities, had applied to surrender their empanelment as a Warehouse Service Provider (WSP) of the MCXCCL. MCXCCL is, hereby withdrawing the empanelment of 'Star Agriwarehousing & Collateral Management Limited' as a Warehouse Service Provider (WSP) of MCXCCL with immediate effect.

Name and address of WSP is as under:

Registered Office	Corporate Office
M/s Star Agriwarehousing & Collateral Management Limited' 601-604, 'A' Wing, 6th Floor, Bonanza Building, Sahar Plaza Complex, near Chakala metro station, J.B. Nagar, Andheri (E), Mumbai-400059	M/s Star Agriwarehousing & Collateral Management Limited' Block No. 801, 8th Floor, Sumer Plaza. Marol Maroshi Road, Sankasth Pada Welfare Society, Marol, Andheri (East), Mumbai - 400059

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ABBREVIATIONS

Term	Description
LME	London Metal Exchange
MAV	MCXCCL accredited Vault
MAW	MCXCCL Accredited Warehouse
KYD	Know Your Depositor
DTD	Depositor Transaction Declaration
CCRL	CDSL Commodity Repository Ltd.
DDR	Due date rate
WSP	Warehouse Service Provider
FED	Final Expiry Date
VSP	Vault Service Provider
CoA	Certificate of Analysis
COO	Certificate of Origin

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Chapter 7: Member Inspection

1. Submission of Half Yearly Internal Audit Report:

All Clearing Members (ITCM & PCM) undertaking clearing activities, for at-least one trade during the period from April till September and October to March, for other stock-brokers and/or for custodian participants code (their direct trading clients or otherwise) are required to carry out Internal Audit and submit the report to Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) latest by end of November and end of May respectively:

Eligibility criteria for the auditors qualified to conduct the internal audit of the clearing members.

1. The Audit shall be conducted only by independent qualified Chartered Accountants or Company Secretaries or Cost & Management Accountants who are in practice and do not have any conflict of interest with the members.
2. The Auditor/ Audit firm or at least one of the partners should have a minimum of 3 years' experience in carrying out audits.

3. The Auditor/ Audit firm is not debarred or restrained from issuing any certificate by ICAI, ICSI, ICMAI, RBI, SEBI or by other regulator/law enforcement agency.

4. Auditor and/or its employee or partner signing the Internal Audit Report shall have a valid NISM-Series-XIV: Internal Auditors for Stockbrokers Certification or NISM Series III-A: Securities Intermediaries Compliance Certification or ICAI Certificate Course on Financial Markets and Securities Laws or any other equivalent examination.

Further reference with the MCXCCL circular no. MCXCCL/INSP/078/2024 dated April 01, 2024 on Submission of Half-yearly Internal Audit Report by Clearing Members (ITCM & PCM) and MCX Circular no.: MCX/INSP/180/2024 dated March 26, 2024 wherein it is clarifies that the eligibility of audit firms to carry out the internal audit of register members from the half year ending March 31, 2024, onwards.

Further as advised by SEBI and to enhance the ease of doing compliance and reduce operational difficulties faced by Members/Audit Firms, it has been decided that the auditors empaneled with any of the Exchange(s), shall be eligible to conduct internal audit of the Clearing Members of any of the Clearing Corporations.

All members are required to submit the report within two months from the end of the audit period.

The penalties/disciplinary actions for late/non-submission of the Internal Audit Report shall be as below: -

Details of Violation	Penalty/disciplinary actions
Failure to furnish Internal Audit report to Clearing Corporation for half year ending 30th September and 31st March within the due date.	For Active Clearing Members (who are required to submit the internal audit report and penalty applicable for clearing activities). Due date for submission: 2 Months 1 For 1st month after due

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	date, penalty of Rs. 200/- per day 2 penalty of Rs.500/- per day from 2nd month after due date till date of submission or disablement 2 weeks' notice shall be given to the Member after the 3rd month from the due date, subsequent to which the Member shall be disabled. The disablement notice issued to the Member shall be shared with all the Exchanges and CCs.

The penalties/ disciplinary actions for late/ non-submission of the Internal Audit Report shall be as per MCXCCL/INSP/226/2023 dated September 25, 2023. The penalties/ disciplinary action for non-compliances reported in the Internal Audit Report shall be as prescribed by MCXCCL Circular No. MCXCCL/INSP/001/2024 dated January 1, 2024, as deemed fit.

The Internal Auditor to ensure that the MCXCCL/SEBI circulars/Directives are being complied with, at all points in time. The Auditor is also empowered to report any act which has the potential to lead to a default in the obligations of the Auditee as a "Clearing Member"/PCM"

The scope of the Internal Audit is prescribed in circulars which are issued from time to time.

The submissions shall be made through the Member Reporting Portal (MRP) of MCXCCL as well as to the email ID "inspection@mcxccl.com" with the subject line as "Internal Audit Report- Name of the Clearing Member (Clearing Member Code) – September 2025". Detailed manual for submission of Internal Audit Report through MRP is explained in Annexure- A of circular on 'Submission of Half-yearly Internal Audit Report by Clearing Members (ITCM & PCM) for half year ended September 30, 2025' - MCXCCL circular No. MCXCCL/INSP/223/2025 dated October 14, 2025.

2. Rationalization of imposition of fines for false / incorrect reporting of margins by Clearing Members:

Reference is made to SEBI circular no. CIR/HO/MIRSD/DOP/CIR/P/2019/88 dated August 01, 2019 on Rationalization of imposition of fines for false/incorrect reporting of margins or non- reporting of margins by Trading Member/Clearing Member in all segments.

In case, false/ incorrect reporting of margins is observed, the penalty structure for disciplinary action shall be as per **Annexure 1.**

3. Handling of Clients' Securities by Trading Members(TM) /Clearing Members (CM):

This is in reference to SEBI circulars no. CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019 and SEBI/HO/MIRSD/DOP/CIR/P/2019/95 dated August 29, 2019 on Handling of Clients' Securities by Trading Members / Clearing Members. An indicative penalty structure for any non-compliance of the provisions of the said circular is as per **Annexure 2**.

4. Uniform Penalty Structure Clearing Members:

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Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) in consultation with other Clearing Corporations and SEBI has formulated an indicative penalty structure for violations observed during various types of inspections of clearing members like Regular Inspection, SEBI Joint Inspection, Limited Purpose Inspection, Offsite Inspection including enhanced monitoring and supervision or any other type of Focused Inspection/ Audit/Investigation/Forensic Audit etc.

The details of violations and penalties/disciplinary action(s) are enclosed as **Annexure 3**.

It may be noted that, these regulatory measures including advisory, warning, monetary fines, penalties, suspension, other regulatory action etc. prescribed by the Relevant Authority are indicative in nature and could undergo change in specific case depending on frequency and gravity of violations. The enforcement actions are decided by the Relevant Authority of MCXCCL by actual imposition of appropriate regulatory measures on the clearing members. The regulatory measures in respect of violations having high impact would be dealt with on case-to-case basis depending on the seriousness and gravity of such violations.

5. Strengthening oversight on Clearing Members:

MCXCCL in consultation with other Clearing Corporations and SEBI has come out with following guidelines to Clearing Members for strengthening oversight over Trading Members.

Further the clarification is given in MCXCCL circular no MCXCCL/INSP/221/2021, dated August 24, 2021 and applicable to Clearing Members who are clearing for other Trading Members and Custodial Participants.

1. Formation of Risk Management Committee/ Board Approved Committee for monitoring the risks

For strengthening the oversight over the Trading Members, the Clearing Members are required to form a Risk Management Committee / Board Approved Committee to monitor the various risks in the business.

The Clearing Member shall be required to submit a periodic report (monthly or atleast quarterly) to the Committee for the TMs for which it has undertaken the clearing activity.

2. Requirement for a Risk Management Policy

The Clearing Members are required to have a Risk Management Policy (RMP) in place.

The RMP should be duly approved by the Board/ Board Approved Authority/ Committee (for corporate members) and by the managing partners in case of partnership firm and shall inter alia include the following:

i. Internal escalation matrix with respect to non-compliances/ defaults by TMs/CPs.
ii. Performance evaluation process of TMs/ CPs registered with the CMs including its periodicity.

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iii. Seeking data information from TMs/CPs in the event of repeated cases of shortfall in margins / margins on Consolidated Crystallised Obligation or governance issues
iv. Procedures for segregation of TM proprietary and Client collaterals.
v. Inspection of TMs.
vi. Upper Cap for acceptance of securities from a member and / or across all members in absolute terms and / or on an overall basis to avoid concentration risk.
vii. List of banks from which FDRs and BGs shall be accepted.
viii. List of securities that shall be accepted as collaterals.
ix. Components of cash collateral and non-cash collateral.
x. Ratio of Cash and Non-cash component of collateral.
xi. Haircut percentage for all types of collaterals other than Cash, FDRs and BGs.
xii. Securities subject to a minimum of VAR and other collateral shall be subject to minimum haircut of 10%.
xiii. Timelines and threshold limits beyond which action such as square off of positions shall be undertaken by CM for non-payment of margins on Consolidated Crystallised Obligation by the TMs/CPs.

3. Requirement for maintaining the policies by Clearing Members

The Clearing Members are required to maintain the below mention policies:
i. Risk management policy
ii. Managing conflict of interest
iii. Assessment of activities outsourced
iv. PMLA Policy

4. Requirement for collection and monitoring of data by Clearing Members:

A. Seeking data of debit balances of Trading Member's clients:

Clearing Members are required to seek data with respect to debit balances of clients from Trading Member and review the exposure allowed by the Trading Member to its clients. The Clearing Member shall direct the Trading Members to restrict/ reduce exposure for such clients.

B. Monitoring pay-in timelines by the TMs:

Clearing Members are required to monitor the pay-in timelines of Trading Members. Any regular delayed receipt of pay-ins/ repeated instances of shortfalls shall be dealt with in accordance with the Risk Management Policy of the Clearing Member.

C. Monitoring penalties levied to clients of the Trading Members:

The Clearing Members are required to analyze the data regarding the repeated instances of penalties being levied to the clients of TM for client margin reporting.

D. Monitoring misuse of client collaterals by TM for Proprietary Trading:

The Clearing Members are required to ensure that the Trading Members do not comingle client collateral with the proprietary collateral and that Trading Members provide separate

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collaterals for proprietary positions out of own funds only and not from the client collaterals.

The Inspection of Trading Member conducted by Clearing Member should cover this aspect.

E. Correctness of data submitted by Trading Members to Clearing Members:

Trading Members submit various data to the Clearing Members from time to time, which may be further required to be submitted by the Clearing Member to Clearing Corporation.

The Clearing Members are required to assess the correctness of the data submitted by the Trading Members.

F. Reporting of alerts by Clearing Members:

Clearing Members are required to report the concerns identified by them during the oversight over Trading Members to Clearing Corporation.
Clearing Members should report the concerns through e-mail to inspection@mcxccl.com

5. Inspection of Trading Members by Clearing Members:

It is recommended that the Clearing Member shall carry out inspections of Trading Members, covering atleast 1/3rd of the Trading Members cleared by it each year in order to cover all Trading Members over a period of 3 years.

Additionally, Clearing Members may also conduct surprise inspection based on any rumours/ adverse news in the media about the Trading Member or any other concern/ alerts as arising out of the above points by the Clearing Member during the course of business.

6. Submission of Internal Audit Report by the Clearing Members:

The Clearing Members are required to submit internal audit report, providing compliance on all the above points. Additionally, the internal audit report should cover the following points.

I. Confirmation on reporting of TM/ CP level fund shortfall beyond Rs 5 lacs to CC as per below mention timelines.

The CM shall report segment wise shortfall amount of Crystallised Settlement Obligation of TMs and CPs to the Clearing Corporation in excess of Rs 5 lakhs, if the shortfall continues beyond 1 day of the stipulated timeframe. E.g. If settlement cycle is T+1, and shortage continues till T+2, CMs shall report to CC on T+3.

The format for reporting by CMs is as under:

A	B	C	D	E	F	G	H	I
Reporting Date	Scheduled Due Date for Payment of	CM Code	CM Name	TM/CP Code	TM / CP Name	Shortfall Amt (Rs in lakhs)	Actual Payment Date	Actual Payment Amount

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	margins on Consolidated Crystallised Obligation						after Due Date + 1 day	

Note:

1. The Column H and I should be filled on recovery of the outstanding amount in part/ full. Till such time, the column should be reported as blank
2. Reporting should be done until the shortfall is recovered.
3. All the instances of shortfall of TM/ CP for the settlement / clearing days within 12 months preceding the present instance of shortfall need to be reported.
4. Mail should be send to inspection@mcxccl.com

II. Invocation of pledged securities by the Clearing Member was carried out only in respect of debit balance clients

Clearing Members shall continue to submit the Internal Audit report on half yearly basis and additionally are also required to submit compliance on all the above points (1 to 6) on half yearly basis for April to September and October to March, within 2 months from the end of the half year through e-mail to inspection@mcxccl.com.

Clearing Members are requested to note that the Internal Audit shall be conducted only by independent qualified Chartered Accountants or Company Secretaries or Cost & Management Accountants who are in practice and do not have any interest in or relation with the Member other than the Internal Audit assignment.

7. Segregation and Monitoring of Collateral at Client Level- Reporting Format and Penalty:

This is with reference to SEBI circular no. dated July 20, 2021 on Segregation and Monitoring of Collateral at Client Level. As per Para 4 of the SEBI circular, with a view to provide visibility of client wise collateral (for each client) at all levels, viz., TM, CM and Clearing Corporation (CC), a reporting mechanism, covering both cash and non-cash collaterals shall be specified by the Clearing Corporations. Clearing Members are hereby informed that data as sought is required to be uploaded to MCXCCL on a daily basis (Monday to Saturday) with cutoff time T+1 at 11.59.59 pm.

Clearing Members are required to upload the data as sought in the format to NCL daily. Further, it is clarified that clearing members who are registered with multiple clearing corporations i.e., registered with more than one equity or commodity clearing corporation are required to report the collaterals which are available with respective clearing corporations only instead of aggregated collateral across all clearing corporations.

Members are also additionally required to include NIL holding or Zero balance clients in the daily Collateral Segregation reporting. It may be noted that members are not required to upload data for clients with zero balance / NIL holding who have not traded in last 12 months.

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Members are required to submit the details through MCXCCL Inspection Module available in the MCXCCL Member Reporting Portal. The link to the portal is https://memberreporting.mcxccl.com/

The reporting format on Segregation and Monitoring of Collateral at Client Level is enclosed as **Annexure 4** and Frequently Asked questions is given in **Annexure 5**.

Procedure to be followed by the members for logging in the Member Portal is given in MCXCCL Circular No. MCXCCL/254/INSP/2021 dated October 01, 2021.

The penalty structure prescribed for the irregularities observed with respect to the daily collateral reporting by the Clearing members is enclosed as **Annexure 6**.

8. Naming/Tagging of Demat accounts maintained by members:

SEBI vide circular no. SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016 had mandated uniform nomenclature to be followed by stock brokers for Naming/Tagging of Bank and Demat Accounts to reflect the purpose for which those bank/demat accounts are being maintained and the reporting of such accounts to the Stock Exchanges/Depositories.

Subsequently, vide circular no. CIR/HO/MIRSD/MIRSD2/CIR/P/2017/64 dated June 22, 2017, circular no. CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019 and circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020, modifications to such naming/tagging of demat accounts have been prescribed.

Currently, stock brokers are required to maintain demat accounts only under the following 5 categories:

S.No.	Demat Account	Category Purpose of Demat Account	
1	Proprietary Account	Hold Own Securities	
2	Pool account	Settlement Purpose	
3	Client Unpaid Securities Account	Hold Unpaid Securities of Clients (Up to April 15, 2023)	
4	Client Securities Margin Pledge Account	For Margin obligations to be given by way of Pledge/ Repledge	
5	Client Securities under Margin Funding Account	Hold funded securities in respect of margin funding	

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Annexures

Annexures 1: Penalty Structure – False/ Incorrect reporting of Margin for Clearing Member

% of the violation in the current inspection **(Proportion of the instances with false reporting to the Total sample instances verified)**	**Penalty as a Percentage (%) of the false reporting**			
a	**Observed only current Inspection**	**Observed only in 1 out of 3 Last Inspections**	**Observed in 2 out of 3 Last Inspections**	**Observed in all the Last 3 Inspections**
Above 50%	50%	60%	75%	100%
25%-50%	25%	50%	60%	75%
10%-25%	10%	25%	50%	60%
Less than 10%	5%	10%	25%	50%

Based on the above slabs, the penalty amount for the false / incorrect reporting of margin, shall be capped at Rs. 25,00,000/- in case of violation by a Clearing member

Along with the monetary penalty, the Clearing Member may be subject to suspension for one (1) day in case of material instances. The false / incorrect reporting shall be treated as material for the purpose of suspension, if it meets all the following broad criteria: -

1. Instances of false reporting is more than 5% of the instances verified (minimum 3 instances) during inspection, **and**
2. Percentage of value of false reporting is more than 5% of total margin required to be collected for the instances verified during inspection, **and**
3. Value of false reporting of margin is more than Rs.15 lakhs.

Annexures 2: Penalty Structure for Handling of Client Securities

Sr. No.	Details of contravention	Details of contravention
1.	Client/TM securities lying with the CM cannot be pledged to the Banks/NBFCs	Rs. 1, 00,000/- or 1% of the Value of securities involved, whichever is higher. Direction to be given to unpledge the securities within 10 calendar days. Failure to adhere the

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	or any other persons/entities for raising funds	directions shall attract additional penalty at 100% of the original penalty for every 10 days or part thereof till such noncompliance continues.
2.	Non-closure of existing client beneficiary accounts	Rs. 50,000/- per account (where Members are unable to provide reasonable explanation). Member to be disabled in case account is not closed within one month of levy of penalty

Annexures 3: Uniform penalty Structure for Clearing Member

List of Non-Procedural non compliances:

Sr. No.	**Violations**	**Penalty/disciplinary action for first time Violation**	**Penalty/disciplinary action in case of Repeat violation/ contravention**
1	Use of TM/ CP funds / securities for other than specified purposes/Use of TM/CP funds/ securities for own purpose/for other clients a) Misuse up to Rs. 50 Lakhs b) Misuse above Rs. 50 Lakhs and up to Rs.2 crores c) Misuse above Rs.2 crores and less than Rs. 10 Crore d) If misuse of Funds & Securities is equal to or more than Rs. 10 Crores	a) Monetary penalty of Rs. 1 Lakh + Direction to recoup shortfall within reasonable time b) Monetary penalty of 2% of the misuse or Rs. 2 lakh whichever is higher + no onboarding new Trading Member/CP up to three months + Direction to recoup shortfall within reasonable time. Member can be expelled and/or declared defaulter depending upon gravity of violation c) Monetary penalty of 3% of the misuse + no onboarding new Trading Member/CP up to six months + Direction to recoup shortfall within reasonable time Member can be expelled and/or declared defaulter depending upon gravity of violation	For a), b) and c) Direction to recoup shortfall within reasonable time + Monetary penalty of 4% of misuse or Rs. 4 lakhs whichever is higher + No onboarding new Trading Member/CP up to six months + Member can be expelled and or declared defaulter depends upon gravity of violation. For d) SEBI SOP Circular no. SEBI/HO/MIRSD/DPIEA/ CIR/P/2020/11 dated July 01, 2020 will be applicable

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/ contravention
		d) SEBI SOP Circular no. SEBI/HO/MIRSD/DPIEA/ CIR/P/2020/11 dated July 01, 2020 will be applicable.	
2	Submission of information for inspection a) Delay in submission of documents/data/records sought for inspection b) Non co-operation in providing data/records/documents to inspecting officials for inspection resulting in non-completion of inspection. c) Wrong/incorrect submission of data towards Inspection	a) Rs.1,000/- per day starting from final due date for submission of data/records/documents sought for inspection subject to a cap of Rs 1 lakh. b) Monetary penalty of Rs. 1 lakh besides not allowing member to clear trades till the time of completion of inspection/Surrender/cessation of membership/ Declaration as default/ Expulsion. c) Penalty may vary from warning to Rs.1 lakh on case to case basis. (The serious case shall be discussed separately in applicable committee, which may enhance the penalty as deemed fit)	a) Rs.10,000/- per day starting from final due date for submission of data/records/documents sought for inspection subject to a cap of Rs 10 lakh. b) Monetary penalty of Rs. 10 lakh besides not allowing member to clear trades till the time of completion of inspection/Surrender/cessation of membership/ Declaration as default/ Expulsion. c) Penalty may vary from Rs.1 lakh to Rs. 10 Lakh on case-to-case basis. (The serious case shall be discussed separately in applicable committee, which may enhance the penalty as deemed fit)
3	Cash dealings with TM/CP	10% of the amount of cash dealing or Rs. 1,000/- whichever is higher	2nd time - 50% escalation 3rd time - 100% escalation
4	Non-maintenance of a) Client/TM ledger b) Register of Securities (Client/TM wise scrip wise Register) (as applicable)	Rs. 1 Lakh + Direction to comply	2nd time - 50% escalation 3rd time - 100% escalation
5	Client/TM ledger not maintained properly (i.e. incomplete erroneous/ delay in entries)	Rs. 25,000/-	2nd time - 50% escalation 3rd time - 100% escalation

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/ contravention
6	Register of Securities not in the prescribed format (as applicable) Discrepancies / Incorrect details in Register of Securities, non-reconciliation of balances between client beneficiary accounts and register of securities (as applicable)	Rs. 25,000/-	2nd time - 50% escalation 3rd time - 100% escalation
7	Non segregation of transactions between Custodial Participant/TM and own bank accounts (money deposited in own account or expenses routed through CP/TM Bank Account or own money deposited in CP/TM account) Non segregation of CP/TM and own money and securities	a) If cumulative value of non-segregated transactions is less than Rs 1 crore – 0.5% of the cumulative value b) If cumulative value of non-segregated transactions is more than Rs 1 crore but less than Rs 5 crore – 0.75 % of the cumulative value c) If cumulative value of non-segregated transactions is more than Rs 5 crore – monetary penalty and/or any other disciplinary action, as may be decided by the Relevant Authority	2nd time - 50% escalation 3rd time - 100% escalation
8	Facilitating financing through NBFC in contravention of SEBI Circular	Rs. 5 Lakhs	2nd time- 50% escalation + No New Clients till such activity is discontinued 3rd time- 100% escalation + No New Clients till such activity is discontinued

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/ contravention
9	Delay in release of payout of funds or securities (beyond one working day) or commodities	a) up to 5% of no. of instances – Rs. 15,000/- b) In excess of 5% and up to 10% of no. of instances - Rs 45,000/- c) In excess of 10% and up to 20% of no. of instances - Rs 75,000/- d) In excess of 20% of no. of instances-Rs.1,00,000/-	2nd time - 50% escalation 3rd time - 100% escalation
10	Non-appointment of compliance officer	Rs. 50,000/-	2nd time - 50% escalation 3rd time - 100% escalation
11	a) Books (Except Client ledger) not maintained including: i) General Ledgers, ii) Journals, iii) Cash and Bank Book, iv) Margin Deposit details, v) Register of complaints vi) Register of transaction vii Register of commodity (as applicable)	Rs. 50,000/- per book + No new TMs/CPs till the said records are maintained	2nd time - 50% escalation 3rd time - 100% escalation
12	Books (Except Client ledger) not maintained properly (i.e. incomplete/ erroneous/ delay in entries) including i) General Ledgers, ii) Journals, iii) Cash and Bank Book, iv) Margin Deposit details, v) Register of complaints vi) Register of transaction vii Register of commodity (as applicable)	Rs. 25,000/- per book	2nd time - 50% escalation 3rd time - 100% escalation

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/ contravention
13	Incomplete / Non- display of details by member viz.: Notice Board/name, its logo, registration no, address with telephone no, compliance officer name, telephone no, email id, SEBI Registration certificate/ other prescribed details	Rs.10,000/- per location	2nd time - 50% escalation 3rd time - 100% escalation
14	Clearing member has outsourced activities in violation of SEBI prescribed rules	To be decided on a case to case basis based on nature of non-compliances	To be decided on a case to case basis based on nature of non-compliances
15	Non-compliance with PMLA requirements based on confirmation from Compliance Officer		
	a. Non maintenance of Written Policy and Procedures relating to PMLA	Rs. 25,000	2nd time - 50% escalation 3rd time - 100% escalation
	b. Non Appointment of Principal Officer /Designated Director/ Non Intimation of Designated Director or change of Principal officer to FIU Delhi	Rs. 25,000	2nd time - 50% escalation 3rd time - 100% escalation
	c. Non-Implementation of systems in place to monitor, identify suspicious transaction and procedures for reporting the same	Rs. 25,000	2nd time - 50% escalation 3rd time - 100% escalation
	d. Non Adoption of customer due diligence	Rs. 25,000 per client	2nd time - 50% escalation 3rd time - 100% escalation

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/ contravention
	e. Financial information of clients not obtained / updated / documentary evidence related to financial information not obtained in case of clients trading in derivatives segment	Rs. 25,000 per client	2nd time - 50% escalation 3rd time - 100% escalation
	f. Non Maintenance of records regarding ongoing training to staff relating to PMLA	Warning	2nd time- Rs. 25,000 3rd time- 50% escalation
	g. Disproportionate Exposure	Up to Rs.2,00,000/-	2nd time - 50% escalation 3rd time - 100% escalation
	h. Any other observation /violation which is required as per PMLA and not covered above	Warning	2nd time- Rs. 25,000 3rd time- 50% escalation
16	Non adoption / Maintenance of prescribed policies	1. Non adoption / Maintenance of policies - Rs. 25,000/- 2. Per line item not followed – Rs. 2,500/- subject to maximum of 25,000/-	2nd time - 50% escalation 3rd time - 100% escalation
17	Non-adherence to Rule 8(1)(f) and 8(3)(f) of Securities Contract (Regulation) Rules, 1957, relating to fund based activities of member and in connection with / incidental to /consequential upon the securities business	Amount involved <= Rs. 5 Crores: 1% of the amount involved + Direction to recover the funds given as Loans/advances within the time allotted Amount involved > Rs. 5 Crores: Penalty of Rs. 5 Lakhs + No new Trading Member/CP if funds given as loans / advances are not recovered within the time allotted	2nd time – Amount involved <= Rs. 5 Crores: 50% escalation + No new Trading Member/CP till CA certificate certifying that funds are recovered is submitted 3rd time- Amount involved > Rs. 5 Crores: 50% escalation + appropriate disciplinary action such as suspension / disablement of clearing & settlement / Expulsion etc. as deemed fit by the relevant authority
18	False/Incorrect Reporting of Margin Collection to Clearing Corporation	As per MCXCCL/ MEM/ 302/ 2019 dated December 26, 2019	As per MCXCCL/ MEM/ 302/ 2019 dated December 26, 2019

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/ contravention
19	Clients/TM securities lying with the CM cannot be pledged to the Banks/NBFCs or any other persons/entities for raising funds	Rs. 1,00,000/- or 2% of the Value of securities involved, whichever is higher. Direction to be given to un-pledge the securities within 10 calendar days failing disciplinary action will be taken by the Relevant Authority	2nd time - 50% escalation 3rd time - 100% escalation Disciplinary action such as suspension / disablement of clearing & settlement / Expulsion etc. depending upon the gravity of the case may also be considered
20	Incorrect / non-reporting under collaterals segregation reporting T+1 (checked during inspection)	As per MCXCCL/ INSP/ 315/ 2021 dated Dec 17, 2021	As per MCXCCL/ INSP/ 315/ 2021 dated Dec 17, 2021
21	Non maintenance of prescribed minimum net-worth	As per MCXCCL/ MEM/ 240/ 2023 dated Oct 03, 2023.	As per MCXCCL/ MEM/ 240/ 2023 dated Oct 03, 2023.
22	Non-adherence to effective oversight over trading members/ Custodial Participants cleared by Clearing Members	Rs. 25,000 per clause and submission of Compliance Officer certifying that necessary corrective measures are taken as directed by MCXCCL.	50% escalation and submission of Internal Auditors certifying that necessary corrective measures are taken as directed by MCXCCL.
23	Failure to monitor cash and cash equivalents reports received by CMs from its TMs in terms of MCXCCL/INSP/123/2021 dated May 11, 2021	Warning	2nd time-Rs. 25,000/-
24	Non collection of crystallized obligation in cash from clients on T+1 day	Warning	2nd time-Rs.1,00,000/- 3rd time - 50% escalation
25	Incorrect allocation of client collateral done on T-day (verified during inspection)	As per Violation 3 of MCXCCL/INSP/300/2021 dated Nov 25, 2021	As per Violation 3 of MCXCCL/INSP/300/2021 dated Nov 25, 2021
26	Failure to open and use the designated bank account "Name of the CM-TM prop Account" to receive or pay proprietary funds from TMs	Rs. 50,000/- and a direction to open the designated bank account immediately	2nd time - 50% escalation and submission of Internal Auditors report certifying that the designated bank account has been opened and used as prescribed by the SEBI circular

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/ contravention
27	Any Incorrect data reporting by CM towards SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/84 related to Upstreaming of clients funds by TMs/CMs to CCs	To be prescribed as Annexure II separately and as updated from time to time.	To be prescribed as Annexure II separately and as updated from time to time.
28	Any other violation / non-compliance / non adherence to the Rules, Bye laws, Regulation of MCXCCL, circular issued by SEBI/ MCXCCL, non-compliance with directives/ advisory issued by MCXCCL.	Monetary penalty up to Rs. 25 Lakh and submission of Compliance Officer certifying that necessary corrective measures are taken as directed by MCXCCL. Depending upon gravity of violation, the Relevant Authority may also impose any other regulatory measures like No onboarding of new Trading Member/ CP up to three months and / or Member can be suspended/ expelled / declared defaulter in accordance with the provisions governing suspension/ declaration of default/ expulsion.	50% escalation and submission of Internal Auditors certifying that necessary corrective measures are taken as directed by MCXCCL. Depending upon gravity of violation, the Relevant Authority may also impose any other regulatory measures like No onboarding of new Trading Member/ CP up to three months and / or Member can be suspended/ expelled / declared defaulter in accordance with the provisions governing suspension/ declaration of default/ expulsion.

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/ contravention
29	Discrepancy in computation of net worth		
	a) If discrepancy in net worth leads to shortfall	a) Provisions of MCXCCL/MEM/240/2023 dated Oct 03, 2023 plus warning.	a) Provisions of MCXCCL/MEM/240/2023 dated Oct 03, 2023 plus penalty of Rs.1 lakh for 1st time and Rs. 2 lakhs for 2nd time.
		<u>If discrepancy in net worth does not lead to shortfall</u>	**<u>If discrepancy in net worth does not lead to shortfall</u>**
	b) If discrepancy in net worth does not lead to shortfall	b) Warning plus CA certificate with revised net worth plus certification from compliance officer to comply with the prescribed norms for calculation.	c) 2nd time- Penalty of Rs.1 lakh. 3rd time- Penalty of Rs.2 lakh.

List of Procedural non compliances:

Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/contravention
1	Daily Margin statement not sent to affiliated Trading Member & Custodial Participants or Delay in issue of Daily margin statement or Daily margin statement issued with material discrepancies.	a) Up to 2% of number of instances- Warning. b) In excess of 2% and up to 5% of no. of instances- Rs. 15,000/- c) In excess of 5% and upto 10% of no. of instances – Rs. 45,000/- d) In excess of 10% of no. of instances – Rs. 75,000/-	Minimum Rs. 25,000 shall be levied 2nd time- 50% escalation 3rd time- 100% escalation
2	Non reporting/Incorrect reporting of weekly collateral reports/bank balances/bank account	a) Up to 2% of number of instances- Warning. b) In excess of 2% and up to 5% of no. of instances- Rs. 15,000/- c) In excess of 5% and upto 10% of no. of instances – Rs. 45,000/-	Minimum Rs. 25,000 shall be levied 2nd time- 50% escalation 3rd time- 100% escalation

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/contravention
		d) In excess of 10% of no. of instances – Rs. 75,000/-	
3	Non-payment of statutory dues/duties/fees etc. (related to clearing & settlement related activities)	Warning	2nd time- Rs. 10,000/- 3rd time- Rs.20,000/-
4	Delayed / non-payment of dividend	Non-payment of dividend– 2 times the amount of dividend not paid. Delay in payment of dividend: - Up to Rs. 1 lakh- Warning. - In excess of Rs. 1 lakh and up to Rs. 5 lakhs- 1% of the amount involved. - Above Rs. 5 lakhs- 2% of the amount involved.	2nd time- 50% escalation 3rd time- 100% escalation For delay in payment of dividend- up to Rs.1 lakh- 0.5% of the amount involved.
5	Demat accounts like client beneficiary accounts, client collateral accounts, client unpaid securities account etc. related operations- Delayed closure/opening of prescribed demat account. Non closure/non opening of prescribed demat account. Transfer of securities in non-prescribed demat account. Incorrect reporting of demat accounts.	Delay = Warning Non closure/ opening= Rs. 50,000/- per account (where Members are unable to provide reasonable explanation). Member to be disabled in case account is not closed within one month of levy of penalty. Transfer of securities in non-prescribed demat account= 0.25% of the value of securities transferred. Incorrect reporting = Warning	Delay= Penalty Rs.1,00,000/- 2nd time - 50% escalation 3rd time - 100% escalation

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Sr. No.	Violations	Penalty/disciplinary action for first time Violation	Penalty/disciplinary action in case of Repeat violation/contravention
6	Member has not maintained a daily reconciliation clearly indicating the reason for fund transfer between client bank and own bank account	Rs. 25,000/-	2nd time - 50% escalation 3rd time - 100% escalation
7	Material discrepancies in the CM-CP/CM-TM agreement /inclusion of contravening clauses/omission of material clauses	Rs. 25,000/-	2nd time - 50% escalation 3rd time - 100% escalation
8	Failure to hold valid NISM Series VII- SORM certificates during the inspection period	Rs. 1,500/- per user	Rs.25,000/-
9	Failure to hold valid NISM Series IIIA certificates by the Compliance officer during the inspection period	Rs.2,500/- plus direction to submit the certificate within 45 days	Rs.25,000/-

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Annexures 4: Segregation and Monitoring of Collateral at Client Level- Reporting Format

The modified format of Client Collateral Segregation is given below.

Nomenclature (File Name)	**CM PAN_DDMMYYYY**_Batch No. Explanation: "PAN" shall be the Clearing Member's PAN (Alpha Numeric 10 characters) Date shall be the trade date for which reporting is done. Batch No. starts from 01, in case of multiple files of same day. It shall be a csv file and zip format.
Frequency of Reporting	Daily basis
Cut-off time for submission	Cut-off time will be 1 PM on T+1 day

File structure.

Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
1	Date	DD-MM-YYYY	Date shall be the trade date for which reporting is done. It should match with the date mentioned in file nomenclature.	As per existing
2	Clearing Member PAN	Char (10)	Alpha-numeric clearing member PAN. Self-Clearing Member should insert PAN number in both CM PAN & TM PAN column	As per existing
3	Trading member PAN	Char (10)	Alpha-numeric trading member PAN Value can be Blank when CP code is mentioned Self-Clearing Member should insert PAN number in both CM PAN & TM PAN column	As per existing
4	CP Code	Char (12)	Alpha-numeric CP code Value can be Blank only when Client PAN is mentioned or Account type is 'P'	If the reason code is entered in Column (52) then Value should be blank only
5	CP PAN	Char (10)	Alpha-numeric CP PAN Value can be Blank only when Client PAN is	If the reason code is entered in Column (52) then Value should be blank only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
			mentioned or Account type is 'P'	
6	Client PAN	Char (10)	Alpha-numeric Client PAN Value can be Blank only when CP Code is mentioned or Account type is 'P' For PAN EXEMPT clients, members are required to enter 'PAN EXEMPT' in the Client PAN column (Column 6)	If the reason code is entered in Column (52) then Value should be blank only
7	Account Type	Char (1)	'P' for Pro and 'C' for Client/CP	If the reason code is entered in Column (52) then Value should be blank only
8	Segment Indicator	Char (03)	Values shall be CO for Commodity Derivative Segment	If the reason code is entered in Column (52) then Value should be blank only
9	UCC Code	Char (10)	Alpha-numeric UCC Code Value can be Blank when CP code is populated, or Account type is 'P'	If the reason code is entered in Column (52) then Value should be blank only
10	Financial Ledger balance-A in the books of TM for clients and in the books of CM for TM (Pro) and in the books of CM for CP	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. Value shall be for the segment. It shall include the Credit entry on account of EPI and MTM values. Negative Balance allowed.	If the reason code is entered in Column (52) then Value should be "0" only
11	Financial Ledger balance (clear)-B in the books of TM for clients and in the books of CM for TM (Pro) and in the books of CM for CP	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits Value shall be for the segment. Financial ledger balance, after adjusting for open bills of the client, un-cleared cheques deposited or issued and the margin obligations. Open bills also contain 'value of credit entry posted in client ledger in lieu of successful EPI to CC'. Negative Balance allowed	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
12	Peak Financial Ledger Balance (Clear)-C in the books of TM for clients and in the books of CM for TM (Pro) and in the books of CM for CP	Number (20)	Value in Rs Decimals shall be allowed upto 3 digits Value shall be for the segment. Highest net credit balance for the segment during the day. However, in case there is clear debit balance for the segment, then report lowest net debit balance. Financial ledger balance, after adjusting for open bills of the client, un-cleared cheques deposited or issued and the margin obligations. Open bills also contain 'value of credit entry posted in client ledger in lieu of successful EPI to CC'. Negative Balance allowed	If the reason code is entered in Column (52) then Value should be "0" only
13	Bank Guarantee (BG) received by TM from clients and by CM from TM (Pro) and from CPs	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits	If the reason code is entered in Column (52) then Value should be "0" only
14	Fixed Deposit Receipt (FDR) received by TM from clients and by CM from TM(Pro) and from CPs	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits	If the reason code is entered in Column (52) then Value should be "0" only
15	Approved Securities Cash Component received by TM from clients and by CM from TM(Pro) and from CPs	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
16	Approved Securities Non-cash component received by TM from clients and by CM from TM(Pro) and from CPs	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
17	Non-Approved Securities received by TM from clients and by CM from TM(Pro) and from CPs	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
18	Value of CC approved Commodities received by TM from clients and by CM from TM(Pro) and from CPs	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
19	Other collaterals received by TM from clients and by CM from TM(Pro) and from CPs	Number (20)	Value in Rs. Decimals shall be allowed up to 3 digits. Other collateral would be any other form not covered in Column 10 to Column 18	If the reason code is entered in Column (52) then Value should be "0" only
20	Credit entry in ledger in lieu of EPI for clients / TM Pro	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. Value of credit entry posted in ledger in lieu of successful EPI to CC, which is considered for margin purpose for the day.	If the reason code is entered in Column (52) then Value should be "0" only
21	Pool Account for clients / TM Pro	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. Value of the securities, which are sold and available in the Pool account of the member and considered for	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
			margin purpose for the day.	
22	Cash Retained by TM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral retained by the TM from client	Cash retained by TM to be indicated for each of the reason codes separately.
23	Bank Guarantee (BG) Retained by TM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from client and retained with the TM.	If the reason code is entered in Column (52) then Value should be "0" only
24	Fixed Deposit Receipt (FDR) Retained by TM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from client and retained with the TM. It should not contain details of FDR passed on to the CM in any other form of collateral.	If the reason code is entered in Column (52) then Value should be "0" only
25	Approved Securities Cash Component Retained by TM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
26	Approved Securities Non-cash component Retained by TM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
27	Non-Approved Securities Retained by TM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
28	Value of CC approved Commodities	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
	Retained by TM		Value after appropriate haircut	
29	Other Collaterals Retained by TM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits.	If the reason code is entered in Column (52) then Value should be "0" only
30	Cash placed with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to Collaterals placed with CM for Client/TM Pro/CP.	If the reason code is entered in Column (52) then Value should be "0" only
31	Bank Guarantee (BG) placed with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to Collaterals placed with CM for Client/TM Pro/CP. The details shall include BG created out of client funds. For account type 'C' the details shall include funded portion of BG and for account type 'P' the details shall include non-funded portion of BG. For TM Pro if BG is created from own funds and placed with Clearing Member the same shall also be included for account type 'P'.	If the reason code is entered in Column (52) then Value should be "0" only
32	Fixed deposit receipt (FDR) placed with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to Collaterals placed with CM for Client/TM Pro/CP. The details shall include FD created out of client funds.	If the reason code is entered in Column (52) then Value should be "0" only
33	Approved Securities Cash Component placed with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to Collaterals placed with CM for Client/TM Pro/CP.	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
			Value after appropriate haircut	
34	Approved Securities Non-cash component placed with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to Collaterals placed with CM for Client/TM Pro/CP. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
35	Non-Approved Securities placed with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to Collaterals placed with CM for Client/TM Pro/CP. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
36	Value of CC approved Commodities placed with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to Collaterals placed with CM for Client/TM Pro/CP. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
37	Other Collaterals placed with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits.	If the reason code is entered in Column (52) then Value should be "0" only
38	Cash Retained with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from TM/CP and retained by the CM	Cash retained by CM to be indicated for each of the reason codes separately.
39	Bank Guarantee (BG) retained with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from TM/CP and retained by the CM.	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
40	Fixed deposit receipt (FDR) retained with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from TM/CP and retained by the CM. It should not contain details of FDR passed on to the CC in any other form of collateral.	If the reason code is entered in Column (52) then Value should be "0" only
41	Approved Securities Cash Component retained with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from TM/CP and retained by the CM. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
42	Approved Securities Non-cash component retained with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from TM/CP and retained by the CM. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
43	Non-Approved Securities retained with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from TM/CP and retained by the CM. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
44	Value of CC approved Commodities retained with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from TM/CP and retained by the	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
			CM. Value after appropriate haircut	
45	Other Collaterals Retained with CM	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral received from TM/CP and retained by the CM. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
46	Cash placed with MCXCCL	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral placed with CC for the Client/TM Pro/CP/CM.	If the reason code is entered in Column (52) then Value should be "0" only
47	Bank Guarantee (BG) placed with MCXCCL	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral placed with CC for the Client/TM Pro/CP/CM.	If the reason code is entered in Column (52) then Value should be "0" only
48	Fixed deposit receipt (FDR) placed with MCXCCL	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral placed with CC for the Client/TM Pro/CP/CM.	If the reason code is entered in Column (52) then Value should be "0" only
49	Approved Securities Cash Component placed with MCXCCL	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral placed with CC for the Client/TM Pro/CP/CM Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
50	Approved Securities Non-cash component placed with MCXCCL	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral placed with CC for the	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
			Client/TM Pro/CP/CM Value after appropriate haircut	
51	Value of CC approved Commodities placed with MCXCCL	Number (20)	Value in Rs. Decimals shall be allowed upto 3 digits. The details will pertain to collateral placed with CC for the Client/TM Pro/CP/CM. Value after appropriate haircut	If the reason code is entered in Column (52) then Value should be "0" only
52	MTF /Non MTF indicator/Reason Code	Char (07)	Values shall be either of the following: NON MTF MTF NA NON MTF means all segments other than MTF (like CM, FO, CD, CO, SLB, MFSS and DEBT)] (Since MTF is available in CM segment, system shall not accept MTF type in any segments other than CM segment)	Values shall be either of the following: NON MTF MTF NA NON MTF means all segments other than MTF (like CM, FO, CD, CO, SLB, MFSS and DEBT) (Since MTF is available in CM segment, system shall not accept MTF type in any segments other than CM segment) RC01 RC02 RC03 RC04 RC05 RC06 RC07 RC08 RC09
53	Uncleared Receipts	Number (20)	Value in Rs. Decimals shall be allowed up to 3 digits. Cannot be blank either '0' or numeric value. This will include (1) Value of cheques received from the clients, which are not cleared at EOD or/and	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
			(2) Funds received through Payment gateways however same is not credited in bank account at EOD	
54	Govt Securities / T bills received by TM from clients and by CM from TM(Pro) and from CPs	Number (20)	Value in Rs. (Zero ('0') or positive values only) Decimals shall be allowed upto 3 digits Value of GSEC / T-bills which is provided through E-kuber and not by way of margin pledge-repledge mechanism	If the reason code is entered in Column (52) then Value should be "0" only
55	Govt Securities /T-bills Retained by TM	Number (20)	Value in Rs. (Zero ('0') or positive values only) Decimals shall be allowed upto 3 digits Value of GSEC / T-bills which is provided through E-kuber and not by way of margin pledge-repledge mechanism	If the reason code is entered in Column (52) then Value should be "0" only
56	Govt Securities/T bills placed with CM	Number (20)	Value in Rs. (Zero ('0') or positive values only) Decimals shall be allowed upto 3 digits Value of GSEC / T-bills which is provided through E-kuber and not by way of margin pledge-repledge mechanism	If the reason code is entered in Column (52) then Value should be "0" only
57	Govt Securities/T bills retained with CM	Number (20)	Value in Rs. (Zero ('0') or positive values only) Decimals shall be allowed upto 3 digits Value of GSEC / T-bills which is provided through E-kuber and not by way of margin pledge-repledge mechanism	If the reason code is entered in Column (52) then Value should be "0" only
58	Govt Securities– T bills placed with MCXCCL	Number (20)	Value in Rs. (Zero ('0') or positive values only) Decimals shall be allowed upto 3 digits Value of GSEC	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
			/ T-bills which is provided through E-kuber and not by way of margin pledge-repledge mechanism	
59	Bank Guarantee (BG) Funded portion retained with CM	Number (20)	Value in Rs. (Zero ('0') or positive values only) Decimals shall be allowed upto 3 digits. For account type 'C' and 'P' the details shall include only funded portion of BG retained with CM. (Funded portion of BG to be shown for account type "C" would be equal to value shown in account type "C" in the column "Bank Guarantee (BG) retained with CM". Aggregate value of Funded portion of BG to be shown for account type "P" in column "Bank Guarantee (BG) Funded portion retained with CM" and Non funded portion of BG to be shown for account type "P" in column "Bank Guarantee (BG) Non funded portion retained with CM" should be equal to the value shown in account type "P" in the column "Bank Guarantee (BG) retained with CM")	If the reason code is entered in Column (52) then Value should be "0" only
60	Bank Guarantee (BG) Non funded portion retained with CM	Number (20)	Value in Rs. (Zero ('0') or positive values only) Decimals shall be allowed upto 3 digits. For account type 'P' the details shall include non funded portion of BG retained with CM For account type 'C' same is Zero	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
			Note: Aggregate value of Funded portion of BG to be shown for account type "P" in column "Bank Guarantee (BG) Funded portion retained with CM" and Non funded portion of BG to be shown for account type "P" in column "Bank Guarantee (BG) Non funded portion retained with CM" should be equal to the value shown in account type "P" in the column "Bank Guarantee (BG) retained with CM".	

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
61	Bank Guarantee (BG) Funded portion placed with MCXCCL	Number (20)	Value in Rs. (Zero (‘0’) or positive values only) Decimals shall be allowed upto 3 digits. For account type ‘C’ and ‘P’ the details shall include only funded portion of BG placed with MCXCCL. Note: Funded portion of BG to be shown for account type "C" would be equal to value shown in account type "C" in the column "Bank Guarantee (BG) placed with MCXCCL". Aggregate value of Funded portion of BG to be shown for account type "P" in column "Bank Guarantee (BG) Funded portion placed with MCXCCL" and Non funded portion of BG to be shown for account type "P" in column "Bank Guarantee (BG) Non funded portion placed with MCXCCL" should be equal to the value shown in account type "P" in the column "Bank Guarantee (BG) placed with MCXCCL".	If the reason code is entered in Column (52) then Value should be "0" only
62	Bank Guarantee (BG) Non funded portion placed with MCXCCL	Number (20)	Value in Rs. (Zero (‘0’) or positive values only) Decimals shall be allowed upto 3 digits. For account type ‘P’ the details shall include non-funded portion of BG placed with MCXCCL. For account type ‘C’ same is Zero Note: Aggregate value of	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
			Funded portion of BG to be shown for account type "P" in column "Bank Guarantee (BG) Funded portion placed with MCXCCL" and Non funded portion of BG to be shown for account type "P" in column "Bank Guarantee (BG) Non funded portion placed with MCXCCL" should be equal to the value shown in account type "P" in the column "Bank Guarantee (BG) placed with MCXCCL".	
63	Settlement Amount	Number (20)	Value in Rs. (Zero ('0') or positive values only) Decimals shall be allowed upto 3 digits. Note: The amount of funds released on account of running account settlement of client on settlement date as per MCX circular MCX/INSP/447/2022 dated July 27, 2022 and debited from bank account on next day of settlement date shall be provided. Aforesaid value shall be provided only in the submission made for the next working day after the settlement date as per aforesaid circular e.g. if settlement date is October 07,2022 as per aforesaid circular, then said data needs to be provided in the submission made for next day i.e. October 10,2022. Value should be mentioned 0 in the submissions made for other days.	If the reason code is entered in Column (52) then Value should be "0" only

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Sr. No.	Field Name	Length (Max)	Existing Structure of Collateral segregation reporting format	Proposed changes for capturing retention reasons in the Collateral segregation Reporting
64	Unclaimed/Unsettled Client Funds	Char(03)	YES NA Note: In case a member is unable to settle the client account due to non-availability of client's bank accounts and non-traceability of client as per MCX Circular No. MCX/INSP/087/2020 dated February 11, 2020, then member shall write Yes, else NA	If the reason code is entered in Column (52), only then NA should be entered.
65	Cash Collateral FOR MTF Position	Number (20)	Value in Rs. (Zero ('0') or positive values only) (Decimals shall be allowed upto 3 digits) Note: Cash collateral collected from clients for the MTF positions and available in books of accounts maintained for MTF. Value will be mentioned in MTF indicator only and Value will be Zero for Non-MTF indicator	If the reason code is entered in Column (52) then Value should be "0" only

Note:-

- The sum of client collateral retained by the TM/CM and client collateral passed on to CM/CC shall equal the amount of collateral received by the TM/CM from the client.
- CMs shall perform validations at their end in respect of reporting done by TMs.
- **Client active in MTF and NON MTF:** Maximum two rows/entries (one for MTF and second for NON MTF) shall be reported in CM segment of a particular client for a particular day.
- **Client active either in NON MTF or MTF only:** Only single rows/entries (for MTF or NON MTF) in CM segment shall be reported of a particular client for a particular day.
- Member shall not upload duplicate/multiple records of the same client for one segment.

Clear credit balances which are not placed by the SBs/CMs with the CC and are reported in the segregation file as "Retained with TM" or "Retained with CM", the Clearing Members are required to report retention reasons.

Instructions for reporting of retention reasons in Collateral Segregation file:

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1. Members are required to report disaggregated segment-wise collateral data across all clients on daily basis as per the existing mechanism.
2. With regards to reporting of retention reasons in the collateral segregation file, members may note that there are no structure changes and retention reasons are expected to be reported under the existing data fields as detailed in subsequent points.
3. Retention Reason code is captured under column 52 - MTF/Non MTF and the header is modified to MTF/Non MTF indicator/Reason code. Below are retention reasons applicable:

Reason Code	Reason Description
RC01	Receipt of funds from the clients post stipulated cut off time in the USCNBA(s).
RC02	The FDRs already liened to the CC but not deposited with the CC being in transit (including renewal cases) and subsequently deposited with the CC within next 5 settlement days.
RC03	MFOS in transit and subsequently pledged to the CC on or before next settlement day
RC04	Funds retained in the DSCNBA on account of payout instructions submitted to the bank but processed on or before next settlement day/funds payout instructions failed in the banking system subject to adequate documentary evidence from Bank.
RC05	Funds retained in the DSCNBA on account of cheques issued to client but not cleared. [Note: The SB/CMs should ensure that if the cheque is not cleared in next 5 settlement days from the date of issuance, then the funds representing such uncleared cheques mandatorily needs to be up-streamed to the CC on 6th Settlement day.]
RC06	Funds credited back by the CC in the settlement account on account of OFS.
RC07	Funds retained in the USCNBA account before cut off time but not processed due to failure in the banking system subject to adequate documentary evidence from Bank.
RC08	Funds retained overnight in DSCNBA account on running account settlement days.
RC09	Retained for other than stipulated justifications reasons

4. Members are required to report retention amount at consolidated level (across all UCCs @TM level and across all TMs / CP @CM level) for each of the reason codes under
   - Cash retained by TM (Column no. 22)
     and / or
   - Cash retained with CM (Column no.38)

5. Members may note that in rows where retention reason is uploaded, rest of the fields will either be “0” / NA depending on data type (0 in case of numeric & “NA” in case of character). However, the following fields shall be left blank when retention reason is reported

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- CP CODE
- CP PAN
- Client PAN
- Account Type
- Segment Indicator
- UCC Code

Members may note that the data pertaining to collateral retention can be either included in existing collateral segregation file or separate file may be uploaded.

Unidentified credits/funds received by member are required to be reported under aforesaid submission, members are unable to allocate and report such unidentified credits/funds received by member lying in suspense account /unidentified credits/any other account maintained by member.

Clarifications on Reporting of Segregation and Monitoring of collateral at Client level Submission

Members are requested to note followings clarifications:

- Member shall create a designated UCC "SUSPE1234N" on the PAN of member in the back office under which such unidentified/suspense account funds shall be allocated and reported to CCs under aforesaid submission. Member shall keep unidentified credits or suspense account funds upstreamed to Clearing Corporations.
- Member shall not create said UCC in the UCC database of Exchanges and accordingly, orders should not be permitted by trading members on said UCC.
- Members are advised to ensure compliance of aforesaid requirement on or before December 19, 2024.

Further, in view of the representations received from Broker's Industry Standards Forum (ISF) and members with respect to reporting of segregation and monitoring of collateral at client level, members are requested to note following clarifications:

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<table>
<tr><th>S. No.</th><th>Queries</th><th>Clarifications</th></tr>
<tr><td>1</td><td>How should member do the reporting on T Day of early pay in of funds made to CC against the settlement obligation to the extent lying with CC on end of the T day) which is due for settlement on upcoming day(s)?</td><td>Reporting on days prior to Settlement date of such obligations

The amount of early payin of funds for settlement obligation should be shown in the column numbered as 46 "Cash placed with CC" instead of column numbered as 22 "Cash Retained by TM" as funds are transferred to CC and not available in bank account of member.

Reporting on Settlement date of such obligations

Not applicable as funds are not available in clear ledger balance of client and used for settlement obligation

Example: Client has given Rs. 100 against the trade on T Day which is due for settlement on next day (T+1). Member has made early pay in of said funds to CC on T Day.

Reporting on T and T+1 days would be as under assuming no other transaction in client ledger

<table>
<tr><td>Particular</td><td>T day</td><td>T+1 day</td></tr>
<tr><td>Clear Ledger Balance (Column number 11)</td><td>100</td><td>0</td></tr>
<tr><td>Cash Retained by TM (Column number 22)</td><td>0</td><td>0</td></tr>
<tr><td>Cash Placed with CC (Column number 46)</td><td>100</td><td>0</td></tr>
</table>
</td></tr>
<tr><td>2</td><td>While reporting peak ledger balance of Reporting date in column numbered as 12 "Peak Financial Ledger Balance (Clear)- C in the books of TM for clients and in the books of CM for TM (Pro) and in the books of CM for CP", whether same should be reported</td><td>No, while reporting peak ledger balance of Reporting date, Member is not required to reduce the debit bill, which are due for settlement on the Reporting date.

Example 1: Debit Settlement bill due on Reporting date is Rs. 100. Highest Peak ledger balance throughout the day without debiting this bill in ledger is Rs. 500. Highest peak ledger balance throughout the day after posting this debit bill is Rs. 400.

In above case, member should report 500 as peak ledger</td></tr>
</table>

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S. No.	Queries	Clarifications
	after reducing the debit settlement bill which are due for settlement on the Reporting date ?	balance for Reporting date. **Example 2**: Credit Settlement bill due on Reporting date is Rs. 100. Highest Peak ledger balance throughout the day without crediting this bill in ledger is Rs. 400. Highest peak ledger balance throughout the day after posting this credit is Rs. 500 In above case, member should report 500 as peak ledger balance for Reporting Date.

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Annexures 5: FAQ for Segregation and Monitoring of Collateral at Client Level - Reporting Format

1. **Whether the reporting is applicable to Members who clear proprietary trades and don't deal with clients?**
   Members carrying out only proprietary trading are exempted from reporting.

2. **Are members required to report NIL holding or for Zero balance clients?**

   Members are required to submit details only for those clients who have placed collaterals with the Members.

3. **Reporting is applicable for Monday to Saturday or Monday to Friday?**

   Reporting is applicable for Monday to Saturday. Report for Friday and Saturday shall be uploaded on the next trading day before the cut-off time.

4. **Whether financial Ledger balance-A signify the total collateral in the books of TM/CM for clients?**

   The Financial ledger balance to be reported shall include total funds(cash) including open bills of the client, un-cleared cheques deposited or issued and the margin obligations available in the books of TM for clients and in the books of CM for TM (Pro) and in the books of CM for CP. It shall also include the Credit entry on account of EPI and MTM values.

5. **Whether Financial Ledger balance (clear)-B signify the closing collateral in the books of TM/CM for clients?**

   The financial Ledger balance (clear) signifies the funds (cash) in the books after adjusting for open bills of the client, un-cleared cheques deposited or issued and the margin obligations.
   Open bills also contain 'value of credit entry posted in client ledger in lieu of successful EPI to CC.

6. **Which value is required to be reported for Sr.no 12 i.e. Peak Financial Ledger Balance (Clear)-?**

   Peak Financial ledger balance (clear) to be reported is the balance after adjusting open bills of the client, un-cleared cheques deposited or issued and the margin obligations. Open bills also contain 'value of credit entry posted in client ledger in lieu of successful EPI to CC. The value to be reported for Peak Financial Ledger Balance (Clear) is the highest net credit balance for the segment during the day. However, in case there is clear debit balance for the segment, then report lowest net debit balance.

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7. **Which amount is required to be reported if segregated balance for client and TM Pro is not maintained in financial ledger balance?**

   The members are required to segregate balances of client and Pro in their financial ledger and report both the balances separately.

8. **Whether the balances to be reported for sr. no. 10 to 12 are the same balances i.e. collateral details currently being submitted by CMs on a weekly basis?**

   Broadly the logic of balances to be reported for sr. no. 10 to 12 are the same ledger balances currently being submitted by CMs on a weekly basis apart from reporting of clear balances for sr.no 11 and 12.

9. **Are members required to report debit client's balances?**

   Yes, members are required to report debit balances of clients for sr. no. 10 to 12

10. **In case of Self Clearing Member, whether the collaterals retained by the member are required to be reported under 'retained with TM' columns or 'retained with CM' columns?**

    Self-Clearing Members needs to report the collaterals retained under Column No 22 to 29 'retained with TM' columns.

11. **Please clarify the PAN required to be reported for PAN Exempt clients?**

    For such clients, members are required to enter 'PAN EXEMPT' in the Client PAN column (Column 6) along with UCC Code in Column 9.

12. **NRI clients have more than 1 code for trading. While reporting NRI clients details, whether we need to combine balance across client code and need to report collaterals under single PAN?**

    UCC code wise reporting shall be made for such clients.

13. **Can the fields left blank, or any specific value is to be mentioned such as NA or 0 related to the fields wherever applicable?**

    In case there are fields where no value is available, such fields must be populated with 0 (zero).

14. **What is the appropriate percentage of hair cut to be applied for calculating value of securities?**

    Haircut rates shall be as per the rates prescribed by CCs.

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15. What is meant by Approved securities Cash / Non-Cash component in the reporting format?

Clearing Corporation publishes the list of approved securities along with classification of cash/ non-cash component on a monthly basis. Members may be guided by that circular.

16. Whether segregation of collateral is applicable for those clients who have placed securities through pledge – repledge module ?

Yes, the circular is applicable for all types of Clearing Members.

17. What is meant by approved and non-approved securities?

Clearing Corporation publishes the list of approved securities along with classification of cash/ non-cash component on a monthly basis. Members may be guided by that circular. Securities other than approved securities shall be classified as non -approved securities.

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Annexures 6: Segregation and Monitoring of Collateral at Client Level- Penalty Members

Violation 1: Non-reporting of data

Period	Applicable penalty
From April 1, 2022 onwards	Collateral reporting is not done by the CM for clients where there exists collateral with the CC/CM/TM In such case penalty of 0.5% on the amount of margin reported shall be applicable. For this purpose, EOD margin reported or peak margin reported, whichever is higher shall be considered.

Violation 2: Incorrect data reporting (checked during inspection)

% of the violation in the current inspection (Proportion of the instances with false reporting to the Total sample instances verified)	Penalty as a Percentage (%) of the false reporting			
	Observed only current Inspection	Observed only in 1 out of 3 Last Inspections	Observed in 2 out of 3 Last Inspections	Observed in all the Last 3 Inspections
Above 50%	50%	60%	75%	100%
25%-50%	25%	50%	60%	75%
10%-25%	10%	25%	50%	60%
Less than 10%	5%	10%	25%	50%

Along with the monetary penalty, the Member may also be subjected to suspension for one day in the respective segment in case of material instances. The false reporting shall be treated as material for the purpose of suspension, if it meets all the following broad criteria:-

1. Instances of false reporting is more than 5% of the instances verified (minimum 3 instances) during inspection, and
2. Percentage of value of false reporting is more than 5% of total margin required to be collected for the instances verified during inspection, and
3. Value of false reporting of margin is more than Rs. 15 lakhs.

Introduction of Representation of Penalty Waiver / Reversal Request through Member Reporting Portal (MRP)

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Members can submit the Penalty Waiver Request for the following penalties:

1. Penalty for Non-Submission of Collateral Segregation Data.
2. Penalty for Client Margin Reporting (CMR Penalty).

Members are requested to note that, from effective today, all penalty waiver requests shall be made only through Member Reporting Portal (MRP).

The link to the portal is https://memberreporting.mcxccl.com/

Detailed process manual for submission of penalty waiver request through MRP is explained in Annexure- A of **MCXCCL Circular No. MCXCCL/INSP/281/2025** dated December 15, 2025.

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Chapter 8: Grievance Redressal

8.1 Grievance Redressal Department

MCXCCL Grievance Redressal Department (GRD) functioning at Mumbai facilitates resolution of complaint(s) received from the constituents against the registered Clearing Member (CM), Warehouse Service Provider (WSP) and Vault Service Provider (VSP) of MCXCCL.

Any Constituent who has a complaint lodges/registers a complaint with MCXCCL in the prescribed "COMPLAINT REGISTRATION FORM" or by sending their complaint through email on grievance@mcxccl.com.

MCXCCL provides assistance in case of the following:

a. Complaints which fall within the purview of the MCXCCL
b. Non-receipt of money/commodities/other collaterals given to CM
c. Non-receipt of funds/commodities after settlement of a contract, from CM by TM
d. Quality and Quantity related issues against WSP/VSP, after having passed through the Clearing and Settlement Mechanism of MCXCCL.
e. Misbehavior of Warehouse personnel
f. Technology related issues and cybersecurity related issues pertaining to MCXCCL

8.2 Grievance Redressal Mechanism

1. On receipt of complaint, the complaint is scrutinized and categorised into three categories as:
   - **i) Queries**
     A query is a question raised by constituents related to Policy, Procedure, Rules, Regulation, Bye-Laws, Agreements, Renewal and cancellation etc. that a constituent raises.
   - **ii) Service related issues**
     It includes complainants' expression of dissatisfaction of the service provided by Clearing Member (CM), WSP, VSP or Clearing Corporation (CC).
   - **iii) Complaint**
     Complaint is related to Quality and Quantity concerns or wherein financial compensation is involved.

2. MCXCCL ensures that all complaints are resolved within 15 working days from the date receipt of the complaint. In case additional information is required from the complainant, the same shall be sought within 7 days from the receipt of the complaint. In such case, the period of 15 working days will be counted from the date of receipt of additional information.
3. In case complaint is not pertaining to MCXCCL, same shall be closed on basis of it being outside the purview.
4. In case any parties are aggrieved by the Grievance Redressal Committee (GRP) order, they have to inform MCXCCL through a letter or email to the dedicated e-mail id whether they intend to pursue the next level of resolution i.e. Arbitration, within 7 working days from the date of GRP Order.

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8.3 Grievance Redressal Committee (GRP)

All complaints which do not get resolved within 15 working days from the date of registration of the complaints with MCXCCL or cases where parties are aggrieved by the resolution worked out would be referred to Grievance Redressal Panel (GRP).

MCXCCL has constituted Grievance Redressal Panel (GRP) at Mumbai. The list of IGRP members is available on our website at https://www.mcxccl.com/grievance/grievance-redressal-committee

GRP is allowed a time of 15 working days from the date of reference of complaint to amicably resolve the complaint. GRP may request to provide some additional information before the initiation of the conciliation process. In such case, where additional information is sought, the timeline for resolution of the complaint by GRP shall not exceed 30 working days.

The GRP comprises of a single person for claims upto Rs.25 lac and a panel of three persons for claims above Rs.25 lac.

The aggrieved party may opt for challenging the GRP Order to the next level of resolution, i.e. Arbitration. MCXCCL shall use the arbitration mechanism of Multi Commodity Exchange of India Limited ("MCX"), as provided in Regulation 35 (2) of SECC Regulation 2018.

8.4 Arbitration Mechanism

For an arbitration application challenging the IGRP recommendation, a time period of three months shall be applicable.

For an arbitration application received without going through IGRP mechanism, the limitation period for filing arbitration shall be governed by the law of limitation, i.e., The Limitation Act, 1963.

The appointment of an Arbitrator shall be linked to the claim amount.

- If the claim amount is up to Rs. 25 lakhs, then a sole Arbitrator shall be appointed.
- If the claim amount is above Rs. 25 lakhs, then a panel of three arbitrators shall be appointed.

The Arbitrator(s) shall be appointed within 30 days from the date of receipt of application/rectified application from the Applicant.

8.5 Invocation of Arbitration by Warehouse Service Provider against constituent(s)

MCXCCL facilitates an arbitration mechanism for disputes (claims, complaints, differences, etc.,) between WSP and constituent (s) arising out of or related to deals admitted for clearing and settlement by the Clearing Corporation, referred to and decided by arbitration. A constituent (s) may be identified as defaulter, if he does not pay the award amount to WSP, as directed in the arbitration/appellate award and also does not appeal at the next level of redressal mechanism within the timelines (in case of aggrieved by arbitration/appellate award). Based

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on the information provided by WSP regarding the defaulting constituent (s), a common database of defaulting constituent (s) have been made available to market participants.

8.6 SEBI COMPLAINT REDRESSAL SYSTEM (SCORES)

SEBI has launched the new version of the SEBI Complaint Redressal System (SCORES 2.0) and had extended the SEBI SCORES 2.0 portal to the 'Clearing Corporations'.
The complaint/dispute registered on SCORES Portal shall be dealt with in accordance with the process laid out in the SEBI circular No. SEBI/HO/OIAE/IGRDCIR/P/2023/156 dated September 20, 2023, as may be modified from time to time. The website URL for SCORES 2.0 from April 01, 2024 is https://scores.sebi.gov.in

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Chapter 9: Finance & Accounts

9. Stamp Duty:

9.1 Stamp Duty FAQ:

Indian Stamp Act, 1899, was amended and made applicable from July 01, 2020. Owing to this amendment there were various queries and issues raised across the industry.

To answer those queries and to avoid further confusion, SEBI had shared 'Frequently Asked Questions' (FAQs) on Indian Stamp Act, 1899 Amendments and Rules made thereunder**. (**MCX Circular No. MCX/MCXCCL/498/2020 dated July 15, 2020 and MCXCCL Circular No. MCXCCL/F&A/159/2020)

9.2 Matter raised by Government of Sikkim regarding Indian Stamp Act, 1899, not yet extended to the State of Sikkim:

Government of India, Ministry of Finance, Department of Economic Affairs, Financial Market Division, Secondary Market Section, North Block, New Delhi, has issued a letter (attached) herewith since the Indian Stamp Act, 1899 has not been extended to the State of Sikkim by virtue of the provisions of Article 37 lF of the Constitution, the same cannot be extended until unless the Act is adopted by the Legislature of Sikkim. Therefore, the amendments made therein in 2019, cannot be applied to that State.

No collection of stamp duty will be done until further instruction form state of Sikkim & Government of India, Ministry of Finance, Department of Economic Affairs, Financial Market Division, Secondary Market Section, North Block, New-Delhi. (MCX Circular No. MCX/MCXCCL/600/2020 dated August 19, 2020 MCXCCL Circular No. MCXCCL/F&A/194/2020)

9.3. TDS as per provisions of the Income Tax Act, 1961:

MCXCCL charges various fees and penalties to members and collect the same on gross basis i.e. 100%.

As per the provisions of Income Tax Act, 1961, members deposit the TDS & claim the refund of the same from MCXCCL.

In this regard, members need to share the TDS certificate along with the further details as per the format given in **Annexure 1** and share the details to: **mcxccl-accounts@mcxindia.com**. (MCX Circular no.: MCX/MCXCCL/534/2022 dated September 19, 202, MCXCCL Circular no.: MCX/F&A/203/2022

Annexure 1: TDS as per provisions of the Income Tax Act, 1961

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Members may note that all Tax deducted at source in the name **Multi Commodity Exchange Clearing Corporation Limited (PAN - AAFCM9108B)** as per provisions of the Income Tax Act, 1961 is to be submitted while claiming the TDS refund with the below details to us.

Sr. No.	Membership ID (Deductor)	Membership Name (Deductor)	Date of Invoice	Invoice No.	Company Name (Of the deductee)	PAN of Deductee	Invoice Amount	GST Amount	Total Invoice Amount	TDS Rate	TDS Amount	TDS u/s as per Income Tax Act	Details of the Quarter of TDS with FY	Certifcate No.of TDS claim
1	*****	*****	*****	*****	MCXCCL	AAFCM9108B	*****	****	****`	**	***	***	***	***

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Chapter 10: Information Technology (IT) and Information Security (IS)

10.1 Technology Department

MCXCCL Technology department, primarily responsible for catering to all regulatory requirements, management requirements and operational requirements through system designing and software development. Technology team is responsible for post development activities like incremental and stable enhancement in the system, regular patch management, continuous monitoring of the network and server utilization to avoid the unprecedented events.

MCXCCL is certified for ISO 27001:2022 (Information Security Management System), ISO 9001:2015 (Quality Management System) and ISO 22301:2019 (Business Continuity Management System). MCXCCL Technology department plays a vital role in the ISO related all activities. Moreover, the Technology team takes care of the updated plan of action in BCP-DR (Business Continuity Plan and Disaster Recovery) activities, prescribed by SEBI.

10.2 Information Security / Cyber Security function

MCXCCL Information Security domain is primarily responsible for catering to all the regulatory requirements related to Cyber Security space to make MCXCCL environment stable and robust.

MCXCCL ensures timely adherence to the guidelines issued by SEBI/NCIIPC/CERT-In/Govt. of India (GoI) related to the Cyber Security matters and also issues advisories to protect its Members from any adverse situations due to any kind of security mishaps.

CERT-In has issued multiple guidelines to enhance the security approach to deal with the system vulnerabilities. MCXCCL Information Security team issued all the relevant advisories to make its members aware of the criticality in Cyber Security space and take necessary steps accordingly.
In reference to the above, MCXCCL has issued advisories, which are enclosed as **Annexure I - Cyber Security Circulars.**

10.3 Business Continuity Plan (BCP) and Disaster Recover (DR)

SEBI has issued a circular vide, circular no. SEBI/HO/MRD1/DTCS/CIR/P/2021/33 dated March 22, 2021, on “Guidelines for Business Continuity Plan (BCP) and Disaster Recovery (DR) of Market Infrastructure Institutions (MIIs) applicable to Clearing Corporation. According to the said circular, MCXCCL ensures the compliances on the directions prescribed by the Regulator.

As prescribed by SEBI, MCXCCL conducts DR drills on quarterly basis. The drill process is generally based on infrastructural changes, new product launch or any software enhancements/new system integration process.

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List of all circulars related to Mock DR Drills issued is listed as **Annexure II - Mock DR Drills circulars**.

10.4 Other advisories/guidelines issued by Clearing Corporation (CC) relevant to Technological advancement

MCXCCL informs its Clearing Members regarding any updates pertaining to the guidelines issued by any other government agencies. All the cyber related advisories are received from NCIIPC, CERT-In and Cyber Swatchhata Kendra (CSK). MCXCCL also receives directions from SEBI, in case of any amendments in the guidelines issued by any of the government agencies, which have direct impact on financial market.

MCXCCL Technology team ensures that all the Members registered on its platform have all the relevant upgradation on their respective systems to avoid the future consequences.

MCXCCL also issues circulars related to system enhancement in its infrastructure or service level changes. A list of issued circulars in reference to such matters is enclosed as **Annexure III-Technology circulars**.

10.5 System Audit of Professional Clearing Members (PCMs)

SEBI has issued circular No. SEBI/HO/MRD/TPD/P/CIR/2024/84 dated June 20, 2024 regarding "System Audit of Professional Clearing Members (PCMs)". The Professional Clearing Members (PCMs) are required to conduct their Annual System Audit asper the SEBI laid down framework and submit the Systems Audit Report to MCXCCL within the timelines prescribed in the said circular. PCMs who have conducted clearing activities during the audit period are liable for submission of the System Audit report.

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Annexure–I: List of all circulars related to Cyber Security issued since inception of MCXCCL

Sr. No.	Circular Reference No.	Date of Issuance	Circular Subject
1	MCXCCL/TECH/133/2024	29-May-24	Report of Indian Cyber Crime Coordination Centre with respect to Abuse of 'SMS Headers in Transnational 'Stock Market Investment Fraud'
2	MCXCCL/TECH/172/2024	15-Jul-24	Advisory for Enhancement of API Authentication & Security for Professional Clearing Members
3	MCXCCL/TECH/011/2025	23-Jan-25	Advisory for Secure IT environment to safeguard from Cyber Attacks
4	MCXCCL/TECH/050/2025	18-Mar-25	Cyber Security Awareness Program for Members – March 2025

Annexure II: List of all circulars issued related to Mock DR Drills

Sr. No.	Circular Reference No.	Date of Issuance	Circular Subject
1	MCXCCL/TECH/116/2024	10-May-24	Mock Trading from Disaster Recovery Site (DRS)
2	MCXCCL/TECH/141/2024	6-Jun-24	Mock Trading from Disaster Recovery Site (DRS)
3	MCXCCL/TECH/147/2024	14-Jun-24	Mock Trading from Disaster Recovery Site (DRS)
4	MCXCCL/TECH/213/2024	23-Aug-24	Mock Trading from Disaster Recovery Site (DRS)
5	MCXCCL/TECH/220/2024	30-Aug-24	Mock Trading from Disaster Recovery Site (DRS)
6	MCXCCL/TECH/229/2024	13-Sept-24	Mock Trading from Disaster Recovery Site (DRS)
7	MCXCCL/TECH/255/2024	04-Oct-24	Mock Trading from Disaster Recovery Site (DRS)
8	MCXCCL/TECH/283/2024	08-Nov-24	Mock Trading
9	MCXCCL/TECH/291/2024	15-Nov-24	Mock Trading from Disaster Recovery Site (DRS)
10	MCXCCL/TECH/309/2024	06-Dec-24	Mock Trading from Disaster Recovery Site (DRS)
11	MCXCCL/TECH/024/2025	07-Feb-25	Mock Trading

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Sr. No.	Circular Reference No.	Date of Issuance	Circular Subject
12	MCXCCL/TECH/025/2025	08-Feb-25	Mock Trading Revised Timing
13	MCXCCL/TECH/026/2025	08-Feb-25	Mock Trading-Cancelled
14	MCXCCL/TECH/032/2025	14-Feb-25	Mock Trading

Annexure III: List of All circulars issued related to Technological enhancement/procedural changes

Sr. No.	Circular Reference No.	Date of Issuance	Circular Subject
1	MCXCCL/TECH/104/2024	30-Apr-24	Annual Subscription of RSA Soft token
2	MCXCCL/TECH/134/2024	29-May-24	TRAI –: Instructions to Principal Entities under Telecom Commercial Communication Customer Preference Regulations, 2018
3	MCXCCL/TECH/155/2024	25-Jun-24	System Audit of Professional Clearing Members (PCMs)
4	MCXCCL/TECH/171/2024	12-Jul-24	System Audit of Professional Clearing Members (PCMs) - Extension of timeline
5	MCXCCL/TECH/175/2024	19-Jul-24	Segregation and Monitoring of Collateral at Client Level API MOCK Testing
6	MCXCCL/TECH/185/2024	26-Jul-24	Segregation and Monitoring of Collateral at Client Level API MOCK Testing
7	MCXCCL/TECH/192/2024	31-Jul-24	API Based Implementation of Segregation and Monitoring of Collateral at Client Level
8	MCXCCL/TECH/193/2024	02-Aug-24	Segregation and Monitoring of Collateral at Client Level API MOCK Testing
9	MCXCCL/TECH/198/2024	09-Aug-24	TRAI –: Instructions to Principal Entities under Telecom Commercial Communication Customer Preference Regulations, 2018
10	MCXCCL/TECH/205/2024	19-Aug-24	System Audit of Professional Clearing Members (PCMs)
11	MCXCCL/TECH/212/2024	23-Aug-24	Segregation and Monitoring of Collateral at Client Level API MOCK Testing
12	MCXCCL/TECH/237/2024	20-Sept-24	Segregation and Monitoring of Collateral at Client Level API MOCK Testing

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