



MCX Circular No. MCX/MCXCCL/250/2019  
MCXCCL Circular No. MCXCCL/C&S/107/2019

May 15, 2019

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**Revision in Delivery and Settlement Procedure for SILVER, SILVER MINI and  
CARDAMOM**

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

MCXCCL has rationalized the delivery settlement timelines to minimize the time difference between pay-in and pay-out of funds and commodities. The revised delivery settlement timelines shall be applicable to all the newly launched contracts.

Accordingly, the revised Delivery and Settlement procedures, for the newly launched contracts of the below mentioned commodities, are provided as **Annexure 1 to Annexure 3** to this Circular along with their applicability as under:

1. SILVER – Annexure 1 (**expiring from May 2020 and onwards**).
2. SILVER MINI- Annexure 2 (**expiring from Apr 2020 and onwards**).
3. CARDAMOM - Annexure 3 (**expiring from Oct 2019 and onwards**),

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

Gitesh Shah  
Head - Clearing and Settlement & Delivery

Encl.: As above

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

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## Annexure 1

### Delivery and Settlement Procedure of Silver Contract

<b>Last Day of Trading</b>	5 <sup>th</sup> day of the contract expiry month. If 5 <sup>th</sup> day is a holiday then preceding working day.
<b>Tender Period</b>	1 <sup>st</sup> to 6 <sup>th</sup> day of the contract expiry month except Saturdays, Sundays and Trading Holidays.
<b>Delivery Period</b>	1 <sup>st</sup> to 6 <sup>th</sup> day of the contract expiry month except Saturdays, Sundays and Trading Holidays.
<b>Buyer's Delivery intention</b>	On 1 <sup>st</sup> to 5 <sup>th</sup> of the contract expiry month except Saturdays, Sundays and Trading Holidays up to 7.30 p.m.
<b>Delivery Intention by Seller</b>	The seller will issue delivery intention and will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation by 7:30 p.m. on 1 <sup>st</sup> to 5 <sup>th</sup> of the contract expiry month except Saturdays, Sundays and Trading Holidays.
<b>Dissemination of information on tendered delivery and buyers interest.</b>	The MCX/MCXCCCL will inform members through TWS regarding delivery intentions of the seller's members and the buyers respectively by 8.30 p.m. on the respective tender days.
<b>Tender Period Margin</b>	5% incremental margin for last 5 days on all outstanding positions. Such margin will be addition to initial, additional and special margin as applicable.
<b>Delivery Period Margin</b>	Delivery period margins shall be higher of: a. 3% + 5 day 99% VaR of spot price volatility Or b. 25%
<b>Exemption from Tender and Delivery Period Margin</b>	Tender & Delivery Period Margin is exempted on receipt of delivery pay-in through ComRIS Account by earmarking existing valid commodity balance in the ComRIS Account towards the pay-in obligation.
<b>Delivery Logic</b>	Compulsory Delivery. Any seller having open position on the expiry date fails to deliver on the next day then penalty as per penal provision will be imposed to the defaulting seller.
<b>Delivery Pay-in</b>	<p>The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation.</p> <p><b><u>On Tender Days:</u></b></p> <p>On any tender days by 7.30 p.m. except Saturdays, Sundays and Trading Holidays. Marking of delivery will be done on the</p>

	<p>tender days based on the intentions received from the sellers after the trading hours.</p> <p><b>On Expiry:</b>  <b>On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E + 1 basis (E- Expiry day) by 12.00 p.m. except Saturdays, Sundays and Trading Holidays.</b></p>
<b>Funds Pay-in</b>	<b>Tender/ Expiry day + 1 basis: 12.00 p.m.</b>
<b>Funds Pay-out</b>	<b>Tender/ Expiry day + 1 basis: 2.00 p.m.</b>
<b>Delivery Pay-out</b>	<b>Tender/ Expiry day + 1 basis: 2.00 p.m.</b>
<b>Mode of Communication</b>	MCX eXchange
<b>Allocation of Delivery</b>	On the respective tender days after the end of the day.
<b>Penal Provisions</b>	<p><b>Seller Default:</b></p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty :-</p> <ul style="list-style-type: none"> <li>• At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL</li> <li>• Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses</li> <li>• 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery.</li> </ul> <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller.</p> <p>Buyer default shall not be permitted.</p>
<b>Delivery Order Rate</b>	Settlement/closing price on the date of allocation and the due date rate on expiry date.
<b>Buyer's obligation</b>	Buyer default shall not be permitted.
<b>Close out of outstanding positions</b>	All outstanding positions on the expiry of contract not settled by way of delivery in the aforesaid manner, will be settled as per the due date rate with penalty as per penal provisions.
<b>Verification by the buyer at the time of release of delivery</b>	At the time of taking delivery, the buyer can check his delivery in front of designated vault personnel. If he is satisfied with the quantity and quality of material, then Vault will release the goods. If Buyer is not satisfied with the

	<p>quality, he can request for assaying by any of the MCXCCL approved Independent Assayers. If the buyer chooses for assaying, designated vault person will carry the goods to the Assayer's facilities, get it assayed and bring it back to designated vault along with assayer's certificate. The report shall be final and binding on both buyer and seller. In case of Variation in quality in the Independent Assayer's report from the original report submitted, the buyer and seller will have to mutually negotiate the final settlement proceeds within 1 working day from receipt of assayer's report. The cost of this assaying as well as cost of transportation from designated vault to assayer's facilities to and fro will be borne by the buyer. The vault charges during such period will be borne by the buyers. If the buyer does not opt for assaying at the time of lifting delivery, then he will not have any further recourse to challenge the quantity or quality subsequently and it will be assumed that he has received the quantity and quality as per the delivery obligation by the seller.</p>
<b>Delivery Centers</b>	Ahmedabad at designated Clearing House facilities.
<b>Legal obligation</b>	The members will provide appropriate tax forms wherever required as per law and as customary and neither of the parties will unreasonably refuse to do so.
<b>Taxes, Duties, Cess and Levies</b>	Ex-Ahmedabad, Inclusive of all taxes / levies relating to import duty, customs to be borne by the Seller; but excluding GST, any other additional tax, cess, octroi or surcharge as may become due & payable under any law, rules or regulations, applicable from time to time, to be borne by the buyer.
<b>Vault, Insurance and Transportation charges.</b>	<p>Borne by the seller upto Funds Pay-out date.</p> <p>Borne by the buyer after Funds Pay-out date.</p>
<b>Evidence of Stocks in Possession</b>	At the time of issuing the Delivery Intention, the Member must satisfy the MCXCCL that he holds stocks of the quantity and quality specified in the Delivery Intention at the declared delivery center by giving delivery pay-in through ComRIS Account by earmarking existing valid commodity balance in the ComRIS Account towards the pay-in obligation.
<b>Validation Process</b>	<p>On receipt of delivery, the designated vault personnel will do the following validations:</p> <ol style="list-style-type: none"> <li>whether the person carrying Silver is the designated clearing agent of the member.</li> <li>whether the selling member is the bonafide member of the MCXCCL.</li> <li>whether the quantity being delivered is from MCXCCL approved refinery</li> <li>whether the serial numbers of all the bars is mentioned in the packing list provided.</li> <li>whether the original certificates are accompanied with the Silver Bars</li> </ol>

	Any other validation checks, as they may desire.
<b>Delivery Process</b>	In case any of the above validation fails, the designated vault will contact the MCXCCL office and take any further action, only as per instructions received from the MCXCCL in writing. If all validations are through, then the designated vault personnel will put the Silver in the vault. Then the custodian of designated vault will issue appropriate receipt for having received the goods. Designated Vault in front of the selling member's clearing agent will deposit the said metal into their vault.
<b>Quality adjustment</b>	The price of Silver is on the basis of 999 purity. If the quality is less than 999, it is rejected.
<b>Quantity adjustment</b>	The tolerance limit will be +/- 3 kg. The weight of Silver bar must be between 27 kg to 33 kg.
<b>Procedure of taking the delivery from the Vault</b>	<p>For the purpose of taking delivery of goods fully or partially, the Member shall raise withdraw request in ComRIS and send an Authority letter on his letter head to the MCXCCL, authorising a representative on his behalf to take the delivery. The Authority letter sent by the Member shall consist of the following details:</p> <ol style="list-style-type: none"> <li>Name of the authorised representative.</li> <li>Name of the Commodity along with quantity.</li> <li>Name of the Vault along with the location.</li> <li>Signature of the authorised representative.</li> <li>Proof of Identity viz. PAN card, driving license, Election ID.</li> <li>Photo identity proof duly attested by the Member.</li> </ol> <p>The above-mentioned details are required to be sent to the MCXCCL. Once the MCXCCL receives the above-mentioned details, the MCXCCL will send it to the Vault authorities directly.</p> <p>Based on the said details, the Vault will issue the requested quantity to the authorised representative who has to present himself personally at the Vault along with the requisite photo identity proof in original, the copy of which was sent/communicated to the MCXCCL by its Member.</p> <p>The Vault officials will, upon final scrutiny/checking of the identity, deliver goods to the representative of the Member. The Vault officials in case of any discrepancy or doubt or any other reason may refuse to issue the goods to the representative under the intimation to the MCXCCL.</p> <p>The delivery given to the representative shall be final &amp; binding to the Member and their constituents at all times.</p>

<b>Endorsement of Delivery Order/ Delivery</b>	The buying member can endorse delivery order/ delivery to a constituents or any third party with full disclosure given to the MCXCCL. Responsibility for contractual liability would be with the original assignee.
<b>Extension of Delivery Period</b>	As per MCXCCL decision due to a force majeure or otherwise
<b>Applicability of Regulations</b>	<p>The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, risk management from time to time.</p> <p>Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Governments and other authorities.</p> <p>It is the sole obligation and responsibility of the Members and market participants to ensure that apart from the approved quality standards stipulated by the MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by 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, APMC Tax, Mandi Tax, LBT, octroi, stamp duty, etc. as may become due &amp; 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 that MCX/ MCXCCL shall not be responsible or liable on account of any non-compliance thereof.</p> <p>All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods &amp; Service Tax (GST) Act and obtain other necessary licenses, if any.</p> <p>In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly</p>

	<p>to the concerned Central/State/Local Government Departments and the MCX/MCXCCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.</p> <p>The buyer shall have to lodge their claim against quality and/or quantity of goods/ delivery allocated to them while retaining disputed goods in the warehouse itself (without lifting them out of the warehouse), if any, within 48 hours from the date of scheduled pay out of the MCXCCL and failing which, no claim shall be entertained by the MCXCCL thereafter.</p> <p>The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)</p>
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## Annexure 2

### Delivery and Settlement Procedure of Silver Mini Contract

<b>Delivery logic</b>	Both Option
<b>Tender day</b>	1 <sup>st</sup> working day after expiry of contract
<b>Tender and delivery period</b>	1 <sup>st</sup> to 2nd working days after expiry of the contract.
<b>Buyer's and Seller's Delivery Intention</b>	On the contract expiry day by 6.00 p.m. Seller will submit copies of relevant documents as evidence that he is holding stock at the time of giving his intention.
<b>Mode of communication</b>	MCX eXchange
<b>Matching of Buyer's and Seller's intention</b>	On the basis of intention received from the buyers and sellers, the MCXCCL will match the total quantity offered by the buyers and sellers and with respect to the matched quantity, the allocation of delivery between the buyers and sellers will be done. The unmatched quantity of open position will be closed out as per DDR and actual delivery will be effected only to the extent of matched quantity.
<b>Dissemination of the information on delivery intention on TWS</b>	On the contract expiry day by 7.00 p.m.
<b>Delivery period margin</b>	Delivery period margins shall be higher of: a. 3% + 5 day 99% VaR of spot price volatility Or b. 25%
<b>Exemption from delivery period margin</b>	Margin is exempted on receipt of delivery pay-in through ComRIS Account by earmarking existing valid commodity balance in the ComRIS Account towards the pay-in obligation.
<b>Delivery allocation</b> - Date - Rate	On expiry date of the Contract At due date rate (DDR)
<b>Delivery pay-in</b>	<b>E+2 working days: 12.00 p.m. (E stands for expiry). The seller will have to do the delivery pay-in through ComRIS Account by earmarking his existing valid commodity balance in the ComRIS Account towards the pay-in obligation.</b>
<b>Delivery pay-out</b>	<b>E+2 working days: 2.00 p.m.</b>
<b>Pay-in of funds</b>	<b>E+2 working days: 12.00 p.m.</b>
<b>Pay-out of funds</b>	<b>E+2 working days: 2.00 p.m.</b>



<b>Penal provisions</b>	<p>After getting (matching) intentions from the buyer and seller to take or give delivery, if any of the party fails to honour his obligations, a penalty of 2.5% of the DDR will be imposed on him.</p> <p>Additionally, a replacement cost of 4.00 % of DDR will be recovered from the defaulting buyer / seller.</p> <p>Out of the penalty, 2% (i.e. 80% of penalty amount) will be credited to SGF of the MCXCCL and 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 counterparty and 10% will be retained by the MCXCCL towards administrative expenses.</p>
<b>Verification by the buyer at the time of release of delivery</b>	<p>At the time of taking delivery, the buyer can check his delivery in front of designated vault personnel. If he is satisfied with the quantity and quality of material, then Vault will release the goods. If Buyer is not satisfied with the quality, he can request for assaying by any of the MCXCCL approved Independent Assayers. If the buyer chooses for assaying, designated vault person will carry the goods to the Assayer's facilities, get it assayed and bring it back to designated vault along with assayer's certificate. The report shall be final and binding on both buyer and seller. In case of Variation in quality in the Independent Assayer's report from the original report submitted, the buyer and seller will have to mutually negotiate the final settlement proceeds within 1 working day from receipt of assayer's report. The cost of this assaying as well as cost of transportation from designated vault to assayer's facilities to and fro will be borne by the buyer. The vault charges during such period will be borne by the buyers. If the buyer does not opt for assaying at the time of lifting delivery, then he will not have any further recourse to challenge the quantity or quality subsequently and it will be assumed that he has received the quantity and quality as per the delivery obligation by the seller.</p>
<b>Delivery Center</b>	Ahmedabad at designated clearing house facilities
<b>Legal obligation</b>	The members will provide appropriate tax forms wherever required as per law and as customary and neither of the parties will unreasonably refuse to do so.

<b>Taxes, Duties, Cess and Levies</b>	Ex-Ahmedabad, Inclusive of all taxes / levies relating to import duty, customs to be borne by the Seller; but excluding GST, any other additional tax, cess, octroi or surcharge as may become due & payable under any law, rules or regulations, applicable from time to time, to be borne by the buyer.
<b>Vaulting Charges, Insurance and Transportation charges.</b>	Borne by the seller upto funds pay-out date. Borne by the buyer after funds pay-out date.
<b>Evidence of Stocks in Possession</b>	At the time of issuing the Delivery Intention, the Member must satisfy the MCXCCL that he holds stocks of the quantity and quality specified in the Delivery Intention at the declared delivery center by producing all documentary evidences.
<b>Validation process</b>	On receipt of delivery, the designated vault personnel will do the following validations: <ul style="list-style-type: none"> <li>a. whether the person carrying silver is the designated clearing agent of the member;</li> <li>b. whether the selling member is the bonafide member of the MCXCCL</li> <li>c. whether the quantity being delivered is from MCXCCL approved refinery;</li> <li>d. whether the serial nos of all the bars is mentioned in the packing list provided;</li> <li>e. whether the original certificates are accompanied with the Silver Bars</li> </ul> Any other validation check, as they may desire
<b>Delivery process</b>	In case any of the above validation fails, the designated vault will contact the MCXCCL office and take any further action, only as per instructions received from the MCXCCL in writing. If all validations are through, then the designated vault personnel will put the Silver in the vault. Then the custodian of designated vault will issue appropriate receipt for having received the goods. Designated vault in front of the selling members clearing agent will deposit the said metal into their vault.

<b>Procedure of taking the delivery from the Vault</b>	<p>For the purpose of taking delivery of goods fully or partially, the Member shall raise withdraw request in ComRIS and send an Authority letter on his letter head to the MCXCCL, authorising a representative on his behalf to take the delivery. The Authority letter sent by the Member shall consist of the following details:</p> <ol style="list-style-type: none"> <li>Name of the authorised representative.</li> <li>Name of the Commodity along with quantity.</li> <li>Name of the Vault along with the location.</li> <li>Signature of the authorised representative.</li> <li>Proof of Identity viz. PAN card, driving license, Election ID.</li> <li>Photo identity proof duly attested by the Member.</li> </ol> <p>The above-mentioned details are required to be sent to the MCXCCL. Once the MCXCCL receives the above- mentioned details, the MCXCCL will send it to the Vault authorities directly.</p> <p>Based on the said details, the Vault will issue the requested quantity to the authorised representative who has to present himself personally at the Vault along with the requisite photo identity proof in original, the copy of which was sent/communicated to the MCXCCL by its Member.</p> <p>The Vault officials will, upon final scrutiny/checking of the identity, deliver goods to the representative of the Member. The Vault officials in case of any discrepancy or doubt or any other reason may refuse to issue the goods to the representative under the intimation to the MCXCCL.</p> <p>The delivery given to the representative shall be final &amp; binding to the Member and their constituents at all times.</p>
<b>Endorsement of Delivery Order/ Delivery</b>	The buying member can endorse delivery order/ delivery to a constituents or any third party with full disclosure given to the MCXCCL. Responsibility for contractual liability would be with the original assignee.
<b>Extension of Delivery Period</b>	As per MCXCCL decision due to a force majeure or otherwise
<b>Odd lot position</b>	Delivery will be effected only on delivery lot basis. In case there is any mismatch in the position of seller and buyer then delivery will not be matched and accordingly the position will be closed out at DDR.
<b>Delivery unit and Tolerance limit</b>	30 Kg. In respect of silver, the tolerance limit will be + / - 3 Kg. The weight of silver bar must be between 27 Kg to 33 Kg.

<b>Quality adjustment</b>	The price of silver is based on 999 purity. In case a seller delivers silver of less than 999 purity, it would be rejected
<b>Applicability of Regulations</b>	<p>The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.</p> <p>Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Government and other authorities.</p> <p>It is the sole obligation and responsibility of the Members and market participants to ensure that apart from the approved quality standards stipulated by the MCX, the commodity deposited / traded / delivered through the Approved warehouses/Vaults of MCXCCL is in due compliance with the applicable regulations laid down by 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, APMC Tax, Mandi Tax, LBT, octroi, stamp duty, etc. as may become due &amp; 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 that MCX/ MCXCCL shall not be responsible or liable on account of any non-compliance thereof.</p> <p>All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods &amp; Service Tax (GST) Act and obtain other necessary licenses, if any.</p> <p>In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the MCX/ MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.</p>

	<p>The buyer shall have to lodge their claim against quality and/or quantity of goods/ delivery allocated to them while retaining disputed goods in the designated vault itself (without lifting them out of the vault), if any, within 48 hours from the date of scheduled pay out of the MCXCCL and failing which, no claim shall be entertained by the MCXCCL thereafter.</p> <p>The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)</p>
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### Delivery and Settlement procedure for Cardamom Contract

<b>Delivery Logic</b>	<b>Compulsory Delivery</b>
<b>Tender notice / Delivery Pay-in</b>	<p>The seller will have to do the delivery pay-in through Repository Account with CDSL Commodity Repository Ltd. (CCRL) by earmarking his existing valid commodity balance in the CCRL Repository Account towards the pay-in obligation.</p> <p>All outstanding long and short positions will be marked for delivery at the expiry of the contract.</p>
<b>Staggered Delivery Allocation</b>	<p>Delivery allocation will be done by the mechanism put in place by the MCXCCL.</p> <p>Funds pay-in of the delivery allocated by the buyer will be on T+2 working days i.e. except Saturday, Sunday &amp; Public Holiday, The buyer to whom the delivery is allocated will not be allowed to refuse delivery and any default in delivery taking will entertain penalty and subject to the penal provisions including conducting online auction by the MCXCCL.</p>
<b>Tender Period</b>	Last 10 days (including expiry day) of the contract and 1st working day after expiry of the contract.
<b>Delivery Period (including delivery pay-out of commodities)</b>	Last 10 days (including expiry day) of the contract and 2 working days after expiry of the contract.
<b>Mode of Communication</b>	<p>MCX eXchange</p> <p>Seller/s to send intention of delivery on any tender day, during tender period, till 3.00 p.m.</p> <p>Any intention, received from the Seller/s and Buyer/s will be broadcasted on TWS by the MCX/MCXCCL by 3.30 p.m. on the respective tender days.</p>
<b>Tender Period Margin</b>	3.5% incremental margin for last 10 days (including expiry day) of the contract on all outstanding positions in addition to the Initial, Special and/ or any other additional margin, if any.
<b>Delivery Period Margin</b>	<p>Delivery period margins shall be higher of:</p> <p>a. 3% + 5 day 99% VaR of spot price volatility</p> <p>Or</p> <p>b. 35%</p>
<b>Tender and Delivery Period Margin Exemption</b>	Sellers are exempted from payment of all types of margins, if goods are tendered as Early Pay In with all the documentary evidences. However, MCXCCL shall continue to collect mark to market margins from Sellers.
<b>Delivery Allocation</b>	<p><b><u>On Tender Days:</u></b></p> <p>The delivery order rate (the rate at which delivery will be allocated) shall be the closing price (weighted average price of last half an hour) on the respective tender day except on the expiry date.</p>

	<p><b><u>On Expiry:</u></b> On expiry date, the delivery order rate or final settlement price shall be the Due Date Rate (DDR) and not the closing price.</p>
<b>Delivery Pay-in of Commodities</b>	<p><b><u>On Tender Days:</u></b> On tender days by 3.00 p.m. except Saturday, Sunday and Public holiday. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><b><u>On Expiry:</u></b> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on E+2 basis (E- Expiry day) by 12.00 p.m. except Saturday, Sunday and Public holiday.</p>
<b>Delivery Pay-out of Commodities</b>	<b>Tender/ Expiry day + 2 basis: 2.00 p.m.</b>
<b>Pay-in of Funds</b>	<b>Tender/ Expiry day + 2 basis: 12.00 p.m.</b>
<b>Pay-out of Funds</b>	<b>Tender/ Expiry day + 2 basis: 2.00 p.m.</b>
<b>Penal Provision for default of Delivery &amp; Settlement</b>	<p>Seller Default</p> <p>3% of Settlement Price + 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.)</p> <p>Norms for apportionment of penalty :-</p> <ul style="list-style-type: none"> <li>• At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the MCXCCL</li> <li>• Up to 0.25% of Settlement Price may be retained by the MCXCCL towards administration expenses</li> <li>• 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery.</li> </ul> <p>Over and above the prescribed penalty, MCXCCL shall take suitable penal/ disciplinary action against any intentional / wilful delivery default by seller.</p> <p>Buyer default shall not be permitted.</p>
<b>Taxes, Duties, Cess and Levies</b>	Ex- Vandanmedu, Dist. Idukki, Kerala (exclusive of all tax and levies). Sales Tax/GST and any other taxes / levies as may become due and payable under any law, rules or regulations as applicable from time to

	time will be on the account of the Buyer. Post lifting delivery, all charges-shall be borne by the buyer.														
Tolerance Limits for Outbound Deliveries	<table><tr><td>Specifications</td><td>Basis</td><td>Tolerance Limit</td></tr><tr><td colspan="3">Cardamom 7mm bold bulk</td></tr><tr><td>Density of stock delivered shall be 385 gms per litre [385 gm l/w] minimum.</td><td>385 gm l/w min</td><td>+/- 3.85 gm l/w</td></tr><tr><td>Delivery Unit</td><td>100 Kg</td><td>+/- 0.5%</td></tr></table>			Specifications	Basis	Tolerance Limit	Cardamom 7mm bold bulk			Density of stock delivered shall be 385 gms per litre [385 gm l/w] minimum.	385 gm l/w min	+/- 3.85 gm l/w	Delivery Unit	100 Kg	+/- 0.5%
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Note: 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 approved assayer.															
Odd lot Treatment	Not applicable														
Adjustment of Transportation Cost	Not applicable														
Warehouse, fumigation, insurance and transportation Charges	-Borne by the seller up to commodity pay-out date -Borne by the buyer after commodity pay-out date														
Buyer's option for lifting of Delivery	Buyer will not have any option about choosing the place of delivery and will have to accept the delivery as per allocation made by the MCXCCL.														
Delivery Centers	At MCXCCL designated warehouse at Vandanmedu in Idukki Dist of Kerala State														
Delivery of Goods	Each delivery shall be in multiples of delivery lots and shall be designated for only one delivery center and one location in such center.  The goods delivered through CCRL Repository Account should be valid as per contract specifications up to minimum 15 days' after the expiry of the contract from the MCXCCL approved quality certifying agency/s.  Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the MCXCCL. Goods tendered under delivery shall be in conformity with the contract specifications.														
Delivery Grades	The members tendering delivery will have the option of delivering such grades of goods as permitted by the MCX under the contract specifications. The Buyer will not have any option to select a particular grade and the delivery offered by the seller and allocated by the MCXCCL shall be binding on him.														
Physical inspection of stock in possession	Members / Clients holding stocks in the warehouse are entitled to undertake physical inspection of said stocks. Request for such physical inspection would have to be submitted to the MCXCCL and the MCXCCL after verification of such requests shall forward the same to the concerned warehouse for allowing such inspection.														



<b>Sampling Method, Quality Analysis, Testing &amp; Certification</b>	<p>The method of sampling, the system of drawing samples, quality analysis, testing at Warehouse and certification by surveyor / assayer, shall be prescribed by the MCXCCL from time to time</p> <p>For goods deposited in the MCXCCL designated warehouse, results of testing for sampling by the warehouse/assayer, the designated surveyor / assayer certificate, shall be final and binding on all the parties concerned</p> <p>In case, the Member/ client who seek to lift the goods from the warehouse, do not agree to the assayers report as to the quality of the commodity, Member/ client shall request the MCXCCL for resampling and retesting, without lifting the goods from the warehouse. Such goods should not have crossed the final expiry date (FED) as mentioned on the quality certificate.</p> <p>MCXCCL shall select assayer from the empanelled assayers as specified by the MCXCCL from time to time.</p> <p>Member/ client in such case shall make a request for retesting to the MCXCCL (In the prescribed form) which in-turn shall be forwarded to the concerned warehouse. The Member / client shall indicate the preferable date and time of visit to the warehouse for retesting of the stock along with the prescribed form.</p> <p>The following documents shall be required to be submitted to the warehouse official(s) on the date of the warehouse visit.</p> <ul style="list-style-type: none"> <li>• Original Retesting Request Form</li> <li>• Proof of holding the commodity balance in the CCRL Repository Account.</li> <li>• Original Authorization letter in favor of representative along with copy of ID proof.</li> <li>• Original Delivery Order (Goods withdrawal request) duly signed and stamped by the Member/ client.</li> </ul> <p>The assayer, in consultation with the MCXCCL and / or warehouse, shall complete the process of retesting and submit a retesting report within a reasonable period to the MCXCCL. The process of retesting includes drawing &amp; collection of samples (as per sampling process) by the assayer from warehouse, retesting and submission of report.</p> <p>In order to ensure that tests are exactly comparable and that the results are consistent, the assayer shall determine the particular analytical test by applying the test methods as agreed or prescribed / communicated by MCXCCL from time to time.</p> <p>The designated assayers shall submit the report to the MCXCCL and the MCXCCL shall forward the same to the parties within 2 working days from the date of receipt of the report. The retesting report is final and binding on the parties.</p>
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<b>Legal Obligation</b>	Every member delivering and receiving goods through CCRL Repository Account by way of delivery shall provide appropriate tax forms, wherever required as per law and as custom, and neither of the parties shall unreasonably refuse to do so.
<b>Extension of Delivery Period</b>	The MCXCCL may extend the Delivery Period due to either force majeure or any other reason, as it thinks fit in the interest of the market.
<b>Applicability of Regulations</b>	<p>The general provisions of Byelaws, Rules and Regulations of the MCXCCL and decisions taken by SEBI/ the Board of Directors / Relevant Authority of the MCXCCL in respect of matters specified in this document shall form an integral part of this contract. The MCXCCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.</p> <p>Members and market participants who enter into buy and sell transactions on MCX need to be aware of all the factors that go into the mechanism of trading and clearing, as well as all provisions of the MCXCCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the MCXCCL as well as of the Regulators, Governments and other authorities.</p> <p>It is the sole obligation and responsibility of the Members and market participants to ensure that apart from the approved quality standards stipulated by the MCX, the commodity deposited / traded / delivered through the Approved warehouses of MCXCCL is in due compliance with the applicable regulations laid down by authorities like Food Safety Standard Authority of India, AGMARK, BIS, Warehousing Development and Regulatory Authority (WDRA), 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</p>

	<p>to compliance of provisions and rates relating to Sales Tax/ GST, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery and that MCX/MCXCCCL shall not be responsible or liable on account of any non-compliance thereof.</p> <p>All the Sellers giving delivery of goods and all the buyers taking delivery of goods shall have the necessary GST Registration as required under the Goods &amp; Service Tax (GST) Act and obtain other necessary licenses, if any.</p> <p>In respect of all contracts executed by the Members on MCX, it shall be the responsibility of the respective members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as futures contracts directly to the concerned Central/State/Local Government Departments and the MCX/ MCXCCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.</p> <p>The MCXCCL is not responsible and shall not be held liable or accountable or responsible for value of the goods/stock of the commodities stored/lying in MCXCCL designated warehouse/s, vault agency and which is fully/partially confiscated / seized by any local or statutory or any other authority for any reason whatsoever or for any deterioration in quality of the goods stored due to above reason or which have passed the Final Expiry date and continue to remain in the MCXCCL accredited warehouse. The decision of the MCXCCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the MCXCCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants.)</p>
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