

Delivery and Settlement Procedure of Zinc Futures

Delivery Logic	Compulsory Delivery
Tender Period (Staggered Delivery Period)	The tender period would be the last 5 trading days (including expiry day) of the contract.
Delivery Period	Last 5 trading days (including expiry day) of the contract and 1 working days after expiry of the contract.
Buyer's Delivery Intention	Buyer shall give intention of taking delivery on any tender day, during tender period, till 5.00 p.m. except Saturdays, Sundays and Trading Holiday.
Delivery Intention by Seller	The seller shall give intention of tendering delivery on any tender day, during tender period, till 5.00 p.m.
Dissemination of Information on Tendered Delivery by Seller and Buyer	BSE/ICCL will inform members through website regarding delivery intentions of the seller and buyer members by 05:30 PM on the respective tender days.
Tender Period Margin	5.00% incremental margin for last 5 trading days (including expiry day) of the contract on all outstanding positions. Such margin will be addition to initial, additional and special and/ or any other additional margin, if any
Delivery Period Margin	Delivery period margins shall be higher of: a. 3% + 5 day 99% VaR of spot price volatility Or b. 25%
Exemption from Tender and Delivery Period Margin	Tender & Delivery Period margin will be released on receipt of Commodity pay-in by Seller through Collateral Management System or any system prescribed by ICCL towards the pay-in obligation. However, ICCL shall continue to collect mark to market margins from Sellers

<p>Delivery Pay-in of Commodities</p>	<p>The seller will have to do the delivery pay-in through Collateral Management System by earmarking his existing valid commodity balance in the Collateral Management System towards the pay-in obligation.</p> <p><u>On Tender Days:</u> On any tender days by 5:00 p.m. except Saturdays, Sundays and Public Holidays. Marking of delivery will be done on the tender days based on the intentions received from the sellers after the trading hours.</p> <p><u>On Expiry:</u> On expiry all the open positions shall be marked for delivery. Delivery pay-in will be on Expiry Day + 1 basis by 11.00 a.m. except Saturdays, Sundays and Public Holidays.</p>
<p>Funds Pay-in</p>	<p>Tender/Expiry Day +1 working day by 11.00 a.m</p>
<p>Funds Pay-out</p>	<p>Tender/Expiry Day +1 working day by 02.00 p.m</p>
<p>Delivery Pay-out of Commodities</p>	<p>Tender/Expiry Day +1 working day by 02.00 p.m.</p>
<p>Delivery Marking</p>	<p>On the respective tender days after the end of the day.</p> <p>All outstanding long and short positions will be marked for delivery at the expiry of the contract.</p>
<p>Penal Provision</p>	<p>Seller Default:</p> <p>3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)</p> <p>Norms for apportionment of penalty –</p> <ul style="list-style-type: none"> ▪ At least 1.75% of Settlement Price shall be deposited in the Settlement Guarantee Fund (SGF) of the ICCL. ▪ Up to 0.25% of Settlement Price may be retained by the ICCL towards administration expenses. ▪ 1% of Settlement Price + replacement cost shall go to buyer who was entitled to receive delivery. <p>Over and above the prescribed penalty, ICCL shall take suitable penal/ disciplinary action against any intentional / willful delivery default by seller.</p>

	<p>Buyer default shall not be permitted. In the case of a default by a buyer, following penalties shall be levied by the ICCL:</p> <p>The ICCL 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 ICCL from such defaulting buyer.</p>
Delivery Order Rate (DOR)	<p>On Staggered Delivery Tender Days:</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>On Expiry: On expiry date, the delivery order rate or final settlement price shall be the Final Settlement Price. (FSP) and not the closing price.</p>
Taxes, Duties, Cess and Levies	At the time of delivery, the buyer has to pay GST in addition to Delivery Order Rate / FSP / Final Settlement Price.
Odd Lot Treatment	Not Applicable
Warehouse, Insurance and Transportation Charges etc.	<ul style="list-style-type: none"> ➤ To be borne by the seller up to commodity pay-out date. ➤ To be borne by the buyer after commodity pay-out date.
Buyer's option for lifting of Deliver	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 ICCL.
Delivery Centre	<p>Ex-Warehouse at Thane district in Maharashtra.</p> <p>As per SEBI circular SEBI/HO/CDMRD/DMP/P/CIR/2021/551 dated April 16, 2021, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers</p>
Additional delivery Centres	<ol style="list-style-type: none"> 1. Kolkata district in West Bengal 2. National Capital Region (NCR) 3. Chennai district in Tamil Nadu <p>As per SEBI circular</p>

	SEBI/HO/CDMRD/DMP/P/CIR/2021/551 dated April 16, 2021, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers.
Location Premium/ Discount at Additional Delivery Centre (s)	NIL (at par with primary delivery center)
Delivery of Goods	<p>Each delivery shall be in multiples of delivery lots and shall be designated for only one delivery center and one location in such center.</p> <p>The goods delivered through Collateral Management System should be valid as per contract specifications up to minimum 15 days' after the expiry of the contract from the ICCL approved quality certifying agency/s.</p> <p>Delivery once submitted cannot be withdrawn or cancelled or changed, unless so agreed by the ICCL. Goods tendered under delivery shall be in conformity with the contract specifications.</p>
Deliverable Grade of Underlying Commodity	The selling members tendering delivery will have the option of delivering such grades as per 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 ICCL shall be binding on him.
Premium / Discount for additional deliverable grade (Rs. per Kg)	Not Applicable
Legal Obligation	Every member delivering and receiving goods through Collateral Management System by way of delivery shall provide appropriate tax forms wherever required as per law and as customary.
Extension of Delivery Period	As per ICCL decision due to a force majeure or otherwise as it thinks fit in the interest of the market.
Applicability of Regulations	The general provisions of Byelaws, Rules and Regulations of the ICCL and decisions taken by SEBI/ the Board of Directors/ Relevant Authority of the ICCL in respect of matters specified in this document shall form an integral part of this contract. The ICCL or SEBI, as the case may be, may further prescribe additional measures relating to delivery procedures, warehousing, quality certification, margining, and risk management from time to time.

Members and market participants who enter into buy and sell transactions on BSE need to be aware of all the factors that go into the mechanism of trading, clearing & settlement, as well as all provisions of the ICCL's Bye Laws, Rules, Regulations, circulars, directives, notifications of the ICCL 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 BSE/ICCL, the commodity deposited / traded / delivered through the Approved warehouses of ICCL is in due compliance with the applicable regulations laid down by authorities like 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 to compliance of provisions and rates relating to Sales Tax/GST, Import/Customs Duty, APMC Tax, Mandi Tax, LBT, octroi, 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 that BSE/ ICCL shall not be responsible or liable on account of any non-compliance thereof.

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

In respect of all contracts executed by the Members on BSE, 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 BSE/ICCL shall not be held liable or accountable or responsible on account of any non-compliance thereof.

The ICCL 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 ICCL 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 the ICCL accredited warehouse. The decision of the

	<p>ICCL shall be final and binding to all Members and their constituents in this regard. (The interpretation or clarification given by the ICCL on any terms of this delivery and settlement procedure shall be final and binding on the members and other market participants).</p>
--	--