

ZINC CONTRACT

Asset Code	ZINC
Product Code	ZINC
Series Code	ZINMMYYYYY
Trading System	NMCE'S Derivatives Trading and Settlement System
Trading Hours	<u>Monday to Friday</u> :10:00 am to 10:00 pm Further extensions in timings upto 11:30 pm will be notified through circulars <u>Saturday</u> :10:00 am to 2:00 pm
Unit of Trading	5 MT
Delivery Unit	10 MT with tolerance limit of +/- 1% (100Kg)
Quotation/Base Value	Rs./kg *
Maximum Order Size	100 Tons
Tick Size	5 paise
Price Band[^]	Base daily price limit = 4% Ist slab of daily price limit = 2% II nd slab of daily price limit = 3% Maximum daily price limit = 9% When the base daily price limit is breached, the relaxation will be allowed upto the first slab without any break / cooling off period in the trade. In case the daily price limit of the I st slab is also breached, then after a cooling off period of 15 minutes, the daily price limit will be relaxed as per the limit stated in the II nd slab.
Quality Specification	Zinc of 99.995% minimum purity. Zinc must conform with the 99.995% graded zinc chemical composition of the BS EN 1179:1996 Standard entitled "Zinc and Zinc Alloys - Primary Zinc". Form: Ingots (slabs and plates will be referred to as ingots)
No. of delivery Contracts in a year	12 months contracts in a year
Delivery Centers	CWC bonded warehouses located in Mumbai (Basis Centre) Within 20 kilometers outside Mumbai octroi limit.
Opening of the contract	Trading in any contract month will open on the 1 st day of the month.
Delivery and Settlement procedure of Zinc	
Delivery logic	Both option
Buyer's and Seller's Intention	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.
Tender day	1st working day after expiry of contract by 6.00 p.m.
Matching of Buyer's and Seller's Intention	On the basis of intention received from the buyers and sellers, the Exchange 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.
Dissemination of the	On the contract expiry day by 7.00 p.m.

information on delivery intention on TWS		
Delivery allocation -Date -Rate		- On expiry date of the Contract - At Due date rate (DDR)
Initial margin		Minimum 5%
Additional and/ or Special margin		In case of additional volatility, an additional margin (on both buy & sell side) and/ or special margin (on either buy or sell side) at such percentage, as deemed fit, will be imposed in respect of all outstanding positions.
Delivery period margin		15% margin will be imposed during tender and delivery period on both buyers and sellers on matched quantity and shall be recovered on 1 st working day after expiry of the contract
Penal provision		After getting intentions from the buyer and seller to take or give delivery, if any of the party fails to honour his obligations, a penalty of 1% of the DDR will be imposed on him, out of which 90% will be passed on to the other party and 10% will be appropriated by the Exchange.
Due Date		Last day of the contract months if it happens to be holiday then previous working day.
Due date Rate		DDR is calculated on the last day of the contract expiry, by taking average of last three days of Zinc prices of International Exchange in USD, and it would be multiplied by Rupee-US\$ rate as notified by the Reserve Bank of India on that particular day.
Odd lot treatment		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 the DDR.
Net open position		For individual clients - 3600 MT For Member – 18000 MT or not more than 15% of market wide open position, whichever is higher
Applicability of Business Rules		The general provisions of Business Rules of the Exchange and decisions taken by Forward Markets Commission, Board of Directors and Executive Committee of the Exchange in respect of matters specified above will apply mutatis mutandis. The Exchange may further prescribe additional measures relating to delivery procedures, warehousing, Quality Certification, Margining, risk management from time to time. In case of any interpretational dispute or clarifications the decision of the Exchange shall be final and binding on the members and others.

* exclusive of all taxes and levies relating to import duty, customs, sales tax/ VAT as the case may be, special additional duty, expenses and octroi. At the time of delivery, the buyer has to pay these taxes and levies in additional to delivery order rate.

^ In case of price movement in International markets which is more than the maximum daily price limit (currently 9%), the same may be further relaxed in steps of 3% with the approval of FMC