



## Commodity Derivatives Segment

Circular No.: MCCIL/COM/1427/2019

Date: 04-Oct-2019

**Subject: Modification in validity date and inclusion of additional quality grades deliverable on the Exchange platform for MS Ingots and Billets**

This is with reference to the ICEX Circular **ICEX/TRADING/2019/512, ICEX/Trading/2018-177** dated **August 25<sup>th</sup> 2018**, MCCIL Circular Number **MCCIL/COM/1377/2019**, dated **July 26, 2019**; the Members of the Exchange/CC and their constituents/clients are notified as under:

**1. Revision of validity date for existing Exchange Deliverable Stocks :**

Pursuant to Govt. of India gazette notification no 2384 dated July 22, 2019, it has been decided that the Exchange deliverable stocks of Mild Steel Ingots and Billets stored at Exchange/CC Accredited Warehouse, other than those conforming to the standards of BIS viz. IS 2830 and IS 2831, and having validity period beyond 12<sup>th</sup> April, 2020 will have the revised validity of 12<sup>th</sup> April, 2020.

**2. Validity date for Fresh Deposits of non-BIS stocks in Exchange/CC accredited Warehouse:**

Validity date of non-BIS grade Mild Steel Ingots and Billets stocks deposited in Exchange/ CC accredited warehouse, after the issuance of this circular, shall not be beyond 12<sup>th</sup> April, 2020, as illustrated below:

Commodity	Goods Deposit Date	Goods Valid from the date of Deposit (as per Existing Contract specifications)	Goods Validity Date as Per Existing Contract Specifications (1year validity)	Final Expiry Date as per Modified Validity date
Steel Long	12-Mar-19 (Existing Stock)	1 year (12 Months)	11-Mar-20	11 <sup>th</sup> -Mar-20
	15-July-19 (Existing Stock)	1 year (12 Months)	14-July-20	12 <sup>th</sup> -April- 20
	10-Oct-19 (Fresh Stock)	1 year (12 Months)	09-Oct-20	12 <sup>th</sup> -April- 20
	1-Mar-20 (Fresh Stock)	1 year (12 Months)	28-Feb-21	12 <sup>th</sup> -April -20

**3. Fresh Deposit of BIS stocks in Exchange/CC accredited Warehouse:**

Fresh deposit of Mild Steel Ingots and Billets conforming to the applicable Indian Standard such as IS 2830 or IS 2831 notified by the Bureau of Indian Standards, also will be accepted at the MCCIL Accredited Warehouse. Such deposits shall have validity of 12 Months (1 Year) from the date of deposit, with provision for revalidation on yearly basis subject to the satisfaction of the WSP/CC/Exchange.

**4. Premium/ Discount (P/D) for Billets over Ingots will be as announced by Exchange/CC from time to time.**

Presently, the following P/D structure is applicable.

- Applicable P/D for contracts with expiry up to December 2019  
Premium for Billets over Ingots at Ghaziabad - Rs 400 / MT.
- Applicable P/D for contracts with expiry from January 2020  
Location discount for Ghaziabad (GZB) vis a vis Mandi Gobindgarh (MGG) is Rs 1000 /MT.  
Premium for Billets over Ingots at MGG & GZB – Rs 250 /MT

**5. The depositors are advised to intimate the warehouse manager regarding their deposits, at least 15 days prior to the date of deposits.**

It is clarified that 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 Exchange, the commodity deposited / traded / delivered through the approved warehouses of Clearing corporation either on their own or on their behalf by any third party, is in due compliance with the applicable regulations laid down by authorities like Food Safety and Standards Authority of India (FSSAI), AGMARK, BIS, Warehousing Development and Regulatory Authority (WDRA), etc. Members and market participants shall also ensure compliance with orders under packaging and labelling, and such regulations issued in this behalf from time to time and other State/Central laws, including but not limited to provisions and rates relating to GST, APMC Tax, Mandi Tax, LBT, stamp duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery. The Exchange/CC shall not be responsible nor liable on account of any non-compliance thereof.

All Market Participants, Members of the Exchange and their constituents are requested to take note of the same.

Kindly Contact C&S department on 022-40381540/42/43 or send an E-mail at [cns\\_com@mcclar.in](mailto:cns_com@mcclar.in) for any assistance.

For and on behalf of

**Metropolitan Clearing Corporation of India Limited**