

COPPER CONTRACT

Asset Code	COPPER
Product Code	COPPERF
Series Code	COPMMYYYYY
Trading System	NMCE'S Derivatives Trading and Settlement System
Trading Hours	<p><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</p> <p><u>Saturday</u> : 10:00 am to 2:00 pm</p>
Unit of Trading	1 MT
Delivery Unit	10 MT with tolerance limit of + / - 1 % (100 kg)
Quotation/Base Value	Rs. per Kg*
Maximum order size	40 MT
Tick Size	5 Paise per kg
Price Band[^]	<p>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%</p> <p>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.</p>
Quality Specification	Grade 1 electrolytic copper as per B115 specification
No. of delivery Contracts in a year	5 contracts in a year as per calendar
Delivery Centers	CWC bonded Warehouses located in Mumbai (Basis Center) (Within 20 Kilometers outside Mumbai octroi limit.)
Delivery and Settlement procedure of Copper	
Delivery logic	Both Option
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%
Buyer's and Seller's Intention	Three working days prior to the contract expiry day by 6.00 p.m. i.e. 27th of the expiry month for 30th expiry contract & 28th of the expiry month for 31st expiry contract. Seller will submit copies of relevant documents as evidence that he is holding stock at the time of giving his intention.
Tender day	1 st 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 information on delivery intention on TWS		On the contract expiry day by 7.00 p.m.
Delivery Allocation -Date -Rate		- On expiry date of the Contract - At due date rate (DDR)
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 provisions		<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 0.5% will be recovered from the defaulting buyer / seller.</p> <p>Apportioning of the penalty: - 2% (i.e. 80% of penalty amount) will be credited to IPF - 0.5% (i.e. 20% of penalty amount) will be credited to the counter party</p> <p>While, out of the replacement cost recovered, 90% will be passed on to the counterparty and 10% will be retained by the Exchange towards administrative expenses.</p> <p>The above is subject to change as per directions of FMC</p>
Due Date		Last day of the contract months if it happens to be holiday then previous working day.
Due date rate**		DDR is calculated by taking the average of Copper prices of International Exchange in USD on the last three days of contract maturity and multiplying the average by the Rupee conversion Rate from USD as declared by RBI on expiry of the contract.
Odd lot treatment		Delivery will be affected 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: 5000 MT 25,000 MT or 15% of the 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.
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* 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 addition 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

*****Refer FMC Circular No./5/1/2011/ACE/PER (VOL -II) dated 28.06.2011 & 04.07.2011***