Table of Content

CHAPTER 1 - TRADING PARAMETERS	2
Authority	2
Unit of Trading	2
Months Traded In	2
Tick Size	2
Basis Price	2
Unit for Price Quotation	2
Hours of Trading	2
Last Day of Trading	2
Mark to Market	3
Position limits	3
Margin Requirements	3
Additional/Special Margin	3
Concentration Margin	3
Delivery Margin	4
Penalty for default	4
Dispute Resolution	4
Compliance of Laws	4
CHAPTER 2 - DELIVERY PROCEDURES	5
Unit of Delivery	5
Duties & levies	5
Stamp Duty	5
Taxes	5
CHAPTER 3 - CLEARING AND SETTLEMENT	6
Daily Settlement	6
Daily Settlement Prices	6
Final Settlement Prices	6
Spot Prices	7
Dissemination of Spot Prices	7
Pay in and Pay out for Daily Settlement / Final Settlement	7
Completion of Settlement	7
Exhibit 1: Contract Specifications of Steel Scrap (Symbol: STEELSCRAP) Futures contract	8

CHAPTER 1 - TRADING PARAMETERS

Authority

Trading in Steel Scrap futures contracts may be conducted as specified in the Rules, Bye Laws and Regulations of the Exchange and as per the directions issued by the Exchange thereunder or the Securities and Exchange Board of India (SEBI) from time to time. A specimen of Steel Scrap futures contract specification is indicated in Exhibit 1.

Unit of Trading

The unit of trading shall be 10 MT. Bids and offers may be accepted in lots of 10 MT or multiples thereof.

Months Traded In

Trading in Steel Scrap futures may be conducted in the months as specified by the Exchange from time to time.

Tick Size

The tick size of the price of Steel Scrap shall be Rs. 10.

Basis Price

The basis price of Steel Scrap shall be Ex-Mandi Gobindgarh (exclusive of GST).

Unit for Price Quotation

The unit of price quotation for Steel Scrap shall be in Rupees per MT. The basis for Steel Scrap futures traded as Steel Scrap is Ex-Mandi Gobindgarh (exclusive of GST).

Hours of Trading

The hours of trading for futures in Steel Scrap shall be as follows:

As notified by the Exchange from time to time, currently

Mondays through Fridays - 10.00 AM to 09.00 PM

Or as determined by the Exchange from time to time with due notice. All timings are as per Indian Standard Timings (IST).

Last Day of Trading

Last day of trading shall be 20th day of delivery month, if 20th happens to be a holiday, a Saturday or a Sunday, then the due date shall be immediately preceding trading day of the Exchange.

Mark to Market

The outstanding positions in Futures contract in Steel Scrap would be marked to market daily based on the Daily Settlement Price (DSP) as determined by the Clearing Corporation.

Position limits

The position limits will be applicable on Exchange wise basis

Member-wise: 1,50,000 MT or 15% of the market wide open interest in the commodity, whichever is higher.

Client-wise: 30,000 MT

Bona fide hedger clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/TRADING-026/2021 dated August 30, 2021.

Margin Requirements

NCDEX Clearing Corporation Limited (NCCL) will use risk based margin model which will generate initial margin requirements which will be adequate to cover at least 99% VaR (Value at Risk) and Margin Period of Risk (MPOR) will be 2 days**.**

NCCL reserves the right to change, reduce or levy any additional margins including any markup margins.

For further details, participants can refer to circular nos. NCCL/RISK-022/2026 dated April 29, 2026 on Master Circular - Risk Management and NCCL/RISK-050/2026 dated September 07, 2026 on Margin Framework for Commodity Derivatives Segment and NCCL/RISK-060/2026 dated November 18, 2026 on Review of Margin Framework for Commodity Derivatives Segment.

Additional/Special Margin

In case of unidirectional price movement/ increased volatility, an additional/ special margin at such other percentage, as deemed fit by the Regulator/ Exchange/Clearing Corporation may be imposed on the buy and the sell side or on either of the buy or sell sides in respect of all outstanding positions. Reduction/ removal of such additional/ special margins shall be at the discretion of the Regulator/ Exchange/Clearing Corporation.

Concentration Margin

The Clearing Corporation shall levy Concentration Margin, when the overall market wide Open Interest (OI) of a commodity exceeds the specified Threshold Level of Open Interest (OI) for that commodity.
For details, participants can refer to NCCL circular no. NCCL/RISK-026/2026 dated May 12, 2026 on Concentration Margin – Revision in Threshold Levels and NCDEX/TRADING-055/2026 dated November 11, 2026 on Launch of Futures Contracts – Steel Scrap (Symbol: STEELSCRAP). The Threshold Limit is 1,25,600 MT.

The Threshold Levels, slabs and applicable margins are subject to change and participants are requested to refer to relevant Clearing Corporation circulars issued from time to time.

Delivery Margin

The contract would be settled in cash.

Penalty for default

On expiry all the open positions shall be settled in cash as per the Final Settlement price (FSP).

Dispute Resolution

Any disputes between members of the Exchange or the Clearing Corporation inter-se and/or between members and constituents, arising out of or pertaining to deals/transactions executed on the Exchange platform shall be settled through Online Dispute Resolution (ODR) mechanism or any other such mechanism prescribed by the Regulator. The ODR mechanism shall facilitate conciliation/arbitration through online/digital process and shall be governed as per the Exchange Rules, Bye Laws and Regulations and/or SEBI directives/ guidelines issued from time to time.

Compliance of Laws

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 the 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), Orders under Packaging and Labelling etc. and 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, Stamp Duty, etc. as applicable from time to time on the underlying commodity of any contract offered for deposit / trading / delivery. It is the responsibility of the Buyer and Seller to comply with the applicable laws in regard to the deals carried out on the Exchange platform and the Exchange/Clearing Corporation shall not be responsible or liable on account of any non-compliance thereof.

CHAPTER 2 - DELIVERY PROCEDURES

Unit of Delivery

The contract would be settled in cash.

Duties & levies

All duties, levies, taxes etc. up to the point of sale will have to be fully borne by the Seller and shall be paid to the concerned authority as applicable.

Stamp Duty

Stamp duty is payable on all contract notes issued as may be applicable in the State from where the contract note is issued or as per the Stamp Act of the State in which such Contract Note is received by the Client, if such client is located in another state.

Taxes

Goods and Services Tax (GST)

On services rendered by Members

GST shall be payable by the members of the Clearing Corporation on the gross amount charged by them, from their clients on account of dealing in commodities.

All Members and / or their constituents are required to adhere to the requirements under the Central Goods and Services Tax Act, 2017 (**"CGST Act"**) and the Rules made thereunder including the notifications issued by the Central or State Government and must comply with such requirements. The buyer and seller shall be responsible for complying with the obligations under the tax laws as applicable to the commodity and services provided herein.

Commodity Transaction Tax (CTT)

Commodity Transaction Tax, if and as applicable, will be collected as per the prescribed process. Accordingly, members are advised to update themselves with the change in rate of applicable CTT from time to time.

CHAPTER 3 - CLEARING AND SETTLEMENT

Daily Settlement

All open positions of a Futures contract would be settled daily based on the Daily Settlement Price (DSP).

Daily Settlement Prices

The Daily Settlement Price (DSP) will be as disseminated by the Clearing Corporation at the end of every trading day. The DSP will be reckoned for marking to market all open positions.

Final Settlement Prices

The Final Settlement Price (FSP) will be determined by the Clearing Corporation upon maturity of the contract.

All open positions on the expiry day of the contract shall be closed out at the Final Settlement Price.

FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz., E0 (expiry day), E-1 and E-2 of **Steel Scrap DAP Mandi Gobindgarh – HMS 80:20 by BIGMINT (Assessment ID 1433).** In the event the spot price for any one or both of E- 1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under:

Scenario	Polled spot price availability on				FSP shall be simple average of last polled spot prices on:
	E0	E-1	E-2	E-3	
1	Yes	Yes	Yes	Yes/No	E0, E-1, E-2
2	Yes	Yes	No	Yes	E0, E-1, E-3
3	Yes	No	Yes	Yes	E0, E-2, E-3
4	Yes	No	No	Yes	E0, E-3
5	Yes	Yes	No	No	E0, E-1
6	Yes	No	Yes	No	E0, E-2
7	Yes	No	No	No	E0

In case of non-availability of polled spot price on expiry (E0) due to sudden closure of physical market under any emergency situations noticed at the basis center, the Framework for Determination of Final Settlement Price (FSP) as laid down by NCDEX vide its circular No. NCDEX/TRADING-012/2019 dated April 05, 2019 shall be applicable.

Spot Prices

NCDEX shall disseminate spot prices for Steel Scrap based on the price assessments published by BigMint, the designated Price Reporting Agency (PRA), for the specified grade/quality parameters and designated delivery centre(s), in accordance with the methodology and assessment framework adopted by the PRA.

The spot prices published by the PRA shall serve as the reference benchmark prices for the underlying commodity. The price assessment process shall be governed by the PRA's established methodology, incorporating relevant market transactions, trade enquiries and other appropriate market information to ensure that the reported prices are representative of prevailing market conditions. The Exchange reserves the right to review or modify the arrangement for determination and dissemination of spot prices, including the designated PRA, from time to time.

Dissemination of Spot Prices

Spot prices for Steel Scrap will be disseminated on a daily basis.

Pay in and Pay out for Daily Settlement / Final Settlement

The table below illustrates timings for pay in and pay out in case of daily settlement as well as cash settlement positions for final settlement. The buyer clients would have to deposit requisite funds with their respective Clearing Member before “pay in”. All fund debits and credits for the Member would be done in the Member’s Clearing and Settlement Account with the Clearing bank.”

Time (T/E+1)	Activity
On or before 8.30 hrs	PAYIN - Debit paying member Clearing and settlement a/c for funds
After 09.00 hrs	PAYOUT – Credit receiving member Clearing and settlement a/c for funds

Completion of Settlement

The settlement obligations shall be deemed to be completed as per the provisions of the Rules, Bye Laws and Regulations of the Clearing Corporation and the circulars issued by the Clearing Corporation thereunder from time to time.

Exhibit 1: Contract Specifications for Steel Scrap (Symbol: STEELSCRAP) Futures Contract

(Applicable for contracts expiring in the month of January 2027 & thereafter)

Type of Contract	Futures Contract
Name of Commodity	Steel Scrap
Ticker symbol	STEELSCRAP
Trading System	NCDEX Trading System
Basis	Ex-Mandi Gobindgarh (exclusive of GST)
Unit of trading	10 MT
Delivery Unit	Not Applicable
Maximum Order Size	500 MT
Quotation/Base Value	Rs. per MT
Tick size	Rs. 10 per MT
Quality Specification	HMS 1&2 (80:20) **ISRI 200 No. 1** Wrought iron and/or steel scrap 1/4 inch and over in thickness. Individual pieces not over 60 x 24 inches (charging box size) prepared in a manner to insure compact charging. **ISRI 201 No. 1** Wrought iron and/or steel scrap 1/4 inch and over in thickness. Individual pieces not over 36 x 18 inches (charging box size) prepared in a manner to insure compact charging. **ISRI 202 No. 1** Wrought iron and/or steel scrap 1/4 inch and over in thickness. Individual pieces not over 60 x 18 inches (charging box size) prepared in a manner to insure compact charging. **ISRI 203 No. 2** Wrought iron and steel scrap, black and galvanized, 1/8 inch and over in thickness, charging box size to include material not suitable as No. 1 heavy melting steel. Prepared in a manner to insure compact charging. **ISRI 204 No. 2** Wrought iron and steel scrap, black and galvanized, maximum size 36 x 18 inches. May include all automobile scrap properly prepared.

	ISRI 205 No. 2 Wrought iron and steel scrap, black and galvanized, maximum size 36 x 18 inches. May include automobile scrap, properly prepared; however, to be free of sheet iron or thin gauged material. **ISRI 206 No. 2** Wrought iron and steel scrap, black and galvanized, maximum size 60 x 18 inches. May include automobile scrap, properly prepared; however, to be free of sheet iron or thin gauged material.
Quantity variation	Not Applicable
Delivery center	Not Applicable
Trading Hours	As notified by the Exchange from time to time, currently: **Mondays through Fridays:** 10.00 A.M. to 09.00 P.M. The Exchange may vary the above timing with due notice.
Due date/Expiry date	Expiry date of the contract: 20th day of the delivery month. If 20th happens to be a holiday, a Saturday or a Sunday then the due date shall be the immediately preceding trading day of the Exchange, which is other than a Saturday.
Delivery Specifications	Upon expiry of the contract, the positions would be cash settled and there will be no physical delivery.
Opening of contracts	Trading in any contract month will open on the 1st day of the month. If the 1st day happens to be a non-trading day, contracts would open on the next trading day
Closing of contract	On the expiry of the contract, all outstanding positions shall be closed out at the Final Settlement Price announced by the Exchange.
No. of active contracts	As per Contract launch calendar

<table>
<tr><td>Daily Price Limit (DPL)</td><td>Daily price limit is (+/-) 6%. Once the 6% limit is reached, then after a period of 15 minutes the limit shall be increased further by 3%. The trading shall be permitted during the 15 minutes period within the 6% limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 9%.

The DPL on the launch (first) day of a new contract shall be as per circular no. NCDEX/TRADING-010/2021 dated March 22, 2021.</td></tr>
<tr><td>Position limits</td><td>Client-wise: 30,000 MT or 5% of the market wide open position whichever is higher, for all Steel Scrap contracts combined together.
Member: 1,50,000 MT or 20% of the market wide open position whichever is higher, for all Steel Scrap contracts combined together.
Bona fide hedger clients may seek exemption as per approved Hedge Policy of the Exchange notified vide Circular No. NCDEX/TRADING-026/2021 dated August 30, 2021.</td></tr>
<tr><td>Special margins</td><td>In case of unidirectional price movement/ increased volatility, an additional/ special margin at such other percentage, as deemed fit by the Regulator/Exchange/Clearing Corporation, may be imposed on the buy and the sell side or on either of the buy or sell sides in respect of all outstanding positions. Reduction/removal of such additional/ special margins shall be at the discretion of the Regulator/Exchange/Clearing Corporation.</td></tr>
<tr><td>Final Settlement price</td><td>FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz., E0 (expiry day), E-1 and E-2 of Steel Scrap DAP Mandi Gobindgarh –HMS 80:20 by BIGMINT (Assessment ID 1433). In the event the spot price for any one or both of E- 1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under:

<table>
<tr><td rowspan="2">Scenario</td><td colspan="4">Polled spot price availability on</td><td rowspan="2">FSP shall be simple average of last polled spot prices on:</td></tr>
<tr><td>E0</td><td>E-1</td><td>E-2</td><td>E-3</td></tr>
<tr><td>1</td><td>Yes</td><td>Yes</td><td>Yes</td><td>Yes/No</td><td>E0, E-1, E-2</td></tr>
<tr><td>2</td><td>Yes</td><td>Yes</td><td>No</td><td>Yes</td><td>E0, E-1 E-3</td></tr>
</table>
</td></tr>
</table>

	3 | Yes | No | Yes | Yes | E0, E-2, E-3 4 | Yes | No | No | Yes | E0, E-3 5 | Yes | Yes | No | No | E0, E-1 6 | Yes | No | Yes | No | E0, E-2 7 | Yes | No | No | No | E0
Minimum Initial Margin	8%
Delivery Logic	Cash Settlement

Contract Launch Calendar

Contract Launch Month	Contract Expiry Month
03 December, 2026	January 2027
	February 2027
	March 2027
January 2027	April 2027
February 2027	May 2027
March 2027	June 2027
April 2027	July 2027
May 2027	August 2027
June 2027	September 2027
July 2027	October 2027
August 2027	November 2027
September 2027	December 2027
October 2027	January 2028
November 2027	February 2028
December 2027	March 2028

Disclaimer

Member(s) and market participant(s) by entering into any such buy and sell transaction(s), shall ensure that such member(s) and/or market participant(s) are aware of all the trading and clearing mechanism, as well as the Exchange and/or Clearing Corporation Rules, Bye Laws, Regulations, Product Notes, Circulars, Directives, Notifications issued in connection thereto. The member(s) and market participants shall be bound by the above Rules, Bye Laws, Regulations and the applicable statutory prescription as laid down from time to time.