

Procedure for Deposit & Delivery of Soybean in ICCL Accredited Warehouses

In terms of the provisions of the Rules, Bye-Laws and Regulations of the Indian Clearing Corporation Ltd. ("ICCL"), Members/Participants are notified as under:

Members/ Participants, who desire to deposit/withdraw Soybean at/from the ICCL Accredited Warehouses ("IAW"), for trading/ delivery on BSE platform are advised to adhere to the below mentioned procedure/conditions.

1. Procedure for Deposit request

Minimum 1 working days prior intimation by way of entry into CDSL Commodity Repository Ltd. (CCRL) system is mandatory for warehousing arrangements such as storage and sampling arrangements. Loading and Unloading of goods will be undertaken on first come first serve basis. Deposit shall be accepted in the working hours at the ICCL accredited warehouse. Similar time schedule shall be followed at the time of lifting the goods from IAW.

Depositor shall submit duly filled in Know Your Depositor ("KYD") form & Depositor Transaction Declaration ("DTD") form in the format prescribed by ICCL before depositing goods in the IAW and shall also ensure compliance with all the relevant laws/ regulations of the statutory authorities and best practices for depositing Soybean in the IAW.

Depositor shall ensure that commodities deposited are neither beyond FED (Final Expiry Date) nor rejected commodities from any other warehouses of ICCL or other clearing corporations.

2. Weight

Prior to deposit/delivery of the Soybean at/from the IAW, the weight of the Soybean received and/ or delivered would be determined at the calibrated weighbridge/ weigh scale of the accredited warehouse. Entire weighment process will be monitored and supervised by the warehouse supervisor in the presence of depositor or representative of the depositor. The quantity so determined would be binding on all the parties.

3. Packaging

Soybean should be delivered in 50 kg, 91 Kg or 100 kg gross weight basis in new or sound and un-mended Jute bags without any patches Bags having mark of other Exchange/Clearing Corporation shall not be accepted for fresh deposit.

4. Delivery Size

Delivery Unit	10 MT
Quantity Variation* (Tolerance Limit)	+/- 2 % of total weight of each deliverable lot i.e. 10 MT

* Tolerance limit i.e. quantity variation shall be considered on quantity delivered in the respective contract month.

5. Validity Period

The delivery of Soybean on ICCL platform may take place according to the validity period matrix as illustrated in the table hereunder-

Months of Deposit / Date of entry & completion of assaying by warehouse (Oct - Sep)*	Deliverable period from the date of Fresh Deposit (no. of months)	Validity period at the time of fresh deposit (no. of months)	Final Expiry Date
October 2019	6	6	05 th April 2020
November 2019	6	6	05 th May 2020
December 2019	6	6	05 th June 2020
January 2020	6	6	05 th July 2020
February 2020	6	6	05 th August 2020
March 2020	6	6	05 th September 2020
April 2020	6	6	05 th October 2020
May 2020	5	5	05 th October 2020
June 2020	4	4	05 th October 2020
July 2020	3	3	05 th October 2020
August 2020	2	2	05 th October 2020
September 2020	1	1	05 th October 2020

*Month is defined as 20th of previous month to 19th of the current month as mentioned in the table above.

Minimum validity period of the quality certificate post expiry date of the contract in which the commodity has been tendered delivery will be 15 days. No revalidation activity shall be undertaken for the expired certificates of Soybean.

The stocks of Soybean deposited in the IAW shall necessarily be removed after the Final Expiry Date (FED) as indicated above.

6. Standard Deduction

Standard Deduction shall be 0.25 % for every fresh deposit for quantity of samples, spillage loss etc. which shall be deducted before recording of weight on warehouse receipt.

In addition to the above , additional Standard deduction shall be computed on per contract month basis. The standard deduction of the respective contract month shall be computed and deducted from the weight mentioned on the warehouse receipts at the time of delivery on ICCL and/ or lifting Soybean from the IAW, which shall be as follows:

Delivery / Lifting Months*	Deposit / Contract Months*											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
October 2019	-	-	-	-	-	-	-	-	-	-	-	-
November 2019	-	-	-	-	-	-	-	-	-	-	-	-
December 2019	0.25	-	-	-	-	-	-	-	-	-	-	-
January 2020	0.50	0.25	-	-	-	-	-	-	-	-	-	-
February 2020	0.75	0.50	0.25	-	-	-	-	-	-	-	-	-
March 2020	1.00	0.75	0.50	0.25	-	-	-	-	-	-	-	-
April 2020	-	1.00	0.75	0.50	0.25	-	-	-	-	-	-	-
May 2020	-	-	1.00	0.75	0.50	0.25	-	-	-	-	-	-
June 2020	-	-	1.25	1.00	0.75	0.50	0.25	-	-	-	-	-
July 2020	-	-	-	1.25	1.00	0.75	0.50	-	-	-	-	-
Aug 2020	-	-	-	-	-	-	-	-	-	-	-	-
Sep 2020	-	-	-	-	-	-	-	-	-	-	-	-

*Month of deposit/lifting is defined as 20th of previous month to 19th of the current month as mentioned in the table above.

7. Moisture Adjustment in Weight

It may be noted that discount because of moisture variation at the time of deposit over base moisture (i.e. 9.00%) shall be considered proportionately for weight deduction and issue of warehouse receipt. For example: Moisture at the time of inward / deposit in warehouse is 10.00%. While issuing warehouse receipt, 1.00% deduction in weight for moisture variation shall be applicable for recording weight on the warehouse receipt. This deduction shall be done after applying Standard deduction on fresh deposit.

In such cases also, the lot being deposited should remain a deliverable lot even after deduction of standard deduction both at the time fresh deposit & revalidation (if any) and reduction in weight due to moisture adjustment being higher than the basis moisture.

Similarly, at the time of lifting goods, if moisture is higher than base moisture (i.e. over 9.00%), weight adjustment shall be done proportionately to deliver entire withdrawn quantity provided the lifting is done on or before FED. For Example; if moisture is 10 % at the time of lifting the goods, 1% additional weight shall be deliver to the buyer. However, in case moisture is less than the base moisture, no weight adjustment shall be done and actual allocated quantity to the buyer shall be delivered by the WSP.

8. Sampling and Analysis process at the time of deposit

On receipt of Soybean at the warehouse and during unloading the same 100% of Bags will be selected for sampling and quality analysis. Sampling lot would be 30 MT. The decision of the quality approved assayer shall be final and binding on all in respect of method of sampling and analysis, samples taken and the size of the samples selected for ascertaining quality and issue of certificate. During unloading, samples are to be taken from three different places in a bag. If the warehouse or the assayer at any time of unloading finds that the commodity is of inferior quality, then the commodity would be rejected upfront.

5% of the bags in the assaying lot subject to minimum 5 and maximum 10 bags randomly selected from each assaying lot will be cut open, contents spread on the floor and visually checked for presence of any material foreign to the commodity like stones, any plastic material or any substance which is not directly related to the commodity being sampled. Presence of these materials such as large pieces of pebbles, inferior quality or husk in the middle of bag, mixing of any apparent material which is not the actual commodity itself, if any will lead to rejection of the lot being sampled.

Further a sample from the bags cut open will be taken and checked for foreign matter. The foreign matter content in the Assaying report will be entered higher out of the two values determined on the basis of the composite sample taken from the running sample as indicated above and the sample collected from the cut open bags.

On the basis of visual inspection with physical and descriptive standards, WSP/Assayer is empowered to reject such deliverable lot, if the goods are found not satisfactory

These samples will be distributed as under:

- One sample for Analysis by Assayer
- One sample to Warehouse Service Provider for comparison purpose
- One sample to Depositor
- One sample for record/lab reference purpose

Samples shall be sealed in the presence of the depositor or his authorized representative.

The quality certificate issued by the WSP shall be as per the quality specification announced by Exchange from time to time and the same shall be final and binding on the seller/depositor and the WSP.

Labor arrangement shall be made by the warehouse for loading/ unloading for which charges shall be payable directly to the warehouse (as per prevailing market rates), i.e. seller/depositor will have to pay for unloading and buyer/ lifter will have to pay for loading.

The WSP shall get associated with an assayer (from the panel of Assayers empaneled by the ICCL) based on which the quality testing and certification will be undertaken for which Assayer shall issue quality report. The Assayer appointed by the WSP for all purposes shall be the agent of WSP and WSP shall be solely liable for results of the Assayer Report.

In case goods deposited for quality assaying do not conform to the quality specifications as per the contract specifications, the seller/depositor shall not have a choice to get the lot retested and the test report based on the samples drawn shall be acceptable and binding on all parties. In such case, the seller/depositor has to take out the goods immediately from the warehouse

The quality certificate issued by the WSP shall be as per the grade matrix published/ announced by Exchange on its website from time to time and the same shall be final and binding on the depositor and WSP.

All charges pertaining to the sampling process shall be borne by the depositor.

9. Testing Procedure

Testing for Soybean will be done physically. To test Sand/silica, damaged and green seeds, physical tests are conducted. Moisture content is tested by oven dry method.

10. Outbound quality tolerance:

The outbound quality tolerance limit is applicable only for outbound deliveries. Variation in quality parameters within the prescribed tolerance limit will be treated as good delivery

during the lifting of goods from accredited warehouses. Following quality tolerance shall be treated as good delivery:

Tolerance Limits for Outbound Deliveries for Soybean

Commodity Specifications	Basis	Acceptable quality range as per the contract specifications	Permissible Tolerance
Foreign Matter	2% Basis	From 2-4% accepted at 1:1 discount From 4-5% accepted at discount of 1:2. Above 5% rejected	0.25%
Damaged	2% Basis	From 2-5% accepted at 2:1 discount. Above 5% rejected	0.25%
Green Seed	7% Max		0.5%
Max Tolerance (for all characteristics)			0.5%

11. Physical inspection of stock in possession

Members/ Participants holding goods in the warehouse are entitled to undertake physical inspection of said goods. Request for such physical inspection would have to be submitted to ICCL and ICCL after verification of such requests shall forward the same to the concerned WSP for allowing such inspection. During physical inspection, the Member/ Participants or his authorized representative/s (Maximum 2 personnel) is/are not permitted to draw samples, photographs/ videos or carry any such hazardous material which may cause damage to the goods inside the warehouse.

12. Resampling Method, Quality Analysis, Retesting & Certification

In case, the Member/ Participants who purchased Soybean on the Exchange platform and seek to lift the Soybean from the warehouse do not agree to the quality report as to the quality of the commodity, Member/ Participants shall request the ICCL within 5 working days from the date of commodity pay out, for resampling and retesting. Sampling will be done as per process defined for sampling at the time of deposit. Such Soybean should not have crossed the final expiry date (FED) as mentioned on the quality certificate and lying in the ICCL accredited warehouse. ICCL shall entertain complaint on quality or quantity of the commodity for which participant has traded on BSE platform for settlement through ICCL

mechanism and only if the complaint is made within the prescribed timelines as specified above.

Member/ Participants have a choice to select Assayer from the empaneled Assayers as specified by ICCL from time to time. Member/ Participants in such case shall make a request for retesting to ICCL which in-turn shall be forwarded to the concerned WSP. The Member / Participants shall indicate the preferable date and time of visit to the warehouse for retesting of the stock along with the prescribed form. Once a request for retesting is carried out, then the same goods will necessarily have to be lifted and cannot be retendered in subsequent settlements.

The following documents shall be required to be submitted to the WSP on the date of the warehouse visit.

- Original Retesting Request Form
- Proof of holding the commodity balance in the Repository Account
- Original Authorization letter in favor of representative along with copy of ID proof.
- Original withdrawal request form duly approved by the Repository Participants or withdrawal request reference number generated through Repository system, if applicable

The assayer selected by the Member/ Participants in consultation with the ICCL and WSP shall complete the process of retesting and submit a retesting report within 7 working days. Such reports shall be shared with all the concerned parties. The process of retesting includes drawing & collection of samples by the assayer from warehouse, retesting and submission of report. In order to ensure that tests are exactly comparable and that the results are consistent, the assayer shall determine the particular analytical test by applying the test methods as agreed or prescribed / communicated by ICCL from time to time.

If the said quality report results are not found in accordance to the quality specifications as prescribed by ICCL from time to time (after considering the outbound tolerance limits), the Member/ Participants within 3 working days; shall submit their claim in writing by giving details such as lot numbers, quantity and the parameters under which inconsistencies are observed. The basis of claim, if any shall be the value arrived on the basis of nearest closing spot price declared by Exchange on the claim submission business day. ICCL shall give its decision on the claim filed by the buyer / stock holder which shall be binding on the parties including WSP. In case ICCL determines that a delivery does not constitute a good delivery, the concerned Warehouse Services Provider shall be liable to resolve / compensate the buyer / stock holder for the quality difference or substitute good delivery within 7 working days from the date of the decision of ICCL. The concerned Warehouse Services Provider shall be liable for giving good delivery (quality and quantity) / compensation in accordance with the contract specifications issued by the BSE/ ICCL from time to time.

The parties whoever request for the resampling, retesting and certification shall bear all professional fees of assayer, including incidental costs, weight shortage and expenses related to sampling, testing certification, etc. In case, the retesting results indicate negative variance from the original certificate (after considering outbound tolerance limits), then the aforesaid retesting cost shall be borne by the WSP.

13. Withdrawal of goods from the warehouse

The depositor/ buyer can take out the Soybean from the warehouse on or before final expiry date (FED). After the FED, the goods in the IAW shall necessarily be removed. Storage of goods in ICCL accredited warehouse(s) after the specified final expiry date (FED) is not permitted and therefore the Members/Participants shall ensure that the goods whose final expiry date is over, are removed from the concerned warehouse immediately, but not later than 3 months from the date of the specified FED. Accordingly, Members/Participants involved in such deposits shall solely remain liable/ responsible for such deposits ICCL shall not be responsible in any manner whatsoever for those goods which have crossed the FED. Members/ Participants are advised to become familiar with relevant circular/ provisions/ guidelines of ICCL which are in force from time to time and undertake suitable due diligence.

14. General Conditions

In addition to the above procedure, ICCL may prescribe from time to time, further additional procedures and requirements for determining disputed deliveries or defective deliveries, and measures, procedures and system of resolving the dispute or defect in deliveries or of consequences of such deliveries or the resolution which shall be final and binding on all the parties concerned.

It is reiterated that all market participants who desire to give or take delivery of Soybean are advised to become familiar with relevant circular/provisions/guidelines of ICCL which are in force from time to time and refer the same before initiating delivery on ICCL and take informed decision accordingly.

ICCL shall entertain complaint on quality or quantity of the goods received only through settlement of trades through Exchange mechanism and only if the claim is made within 3 working days from the date of issuance of report of retesting by the Assayers, failing which, no claim shall be entertained by ICCL. However, WSP shall remain responsible for the stocks received through settlement of trade through Exchange Mechanism until FED of the goods.

For the goods that have been deposited at IAW, but not delivered through settlement Mechanism of ICCL, ICCL shall not be responsible for quality and quantity of the goods. However, WSP shall continue to be liable for such goods that have not been delivered through settlement mechanism of ICCL. WSP shall remain responsible for all its obligations under various State and Central Laws governing the operation of Warehouses and shall be solely

responsible to the owners of stocks as reflected in the storage receipt issued by the Warehouse/WSP or the Statement issued by the Repository or the Electronic Warehouses Receipts issued by the Repository.

All Members & their respective constituents/ depositors, Warehouse Service Providers and Assayers are requested to take note of the same.