

Norms relating to the Monitoring of storage facilities /warehouses

1. Objective:

In pursuance to the directives as contained SEBI Circular no. SEBI/HO/CDMRD/DMP/P/CIR/2021/551 dated April 16, 2021, these norms lay down for monitoring of storage facilities /Warehouses accredited by the Indian Clearing Corporation Ltd. (ICCL).

2. Applicability:

These norms shall apply to all the storage facilities/warehouses accredited by the ICCL and those that would be accredited henceforth.

3. The norms relating to the monitoring of storage facilities/ warehouses as follows:

A. Daily MIS

- Daily MIS of the stocks in the form of routine reporting to ICCL-

The warehouses are required to send the daily MIS containing various details like opening stock, inward, outward, closing stock, quality in-process stock, etc. to the Warehouse Service Provider (WSP) for onward transmission to ICCL. The WSP is also required to give details like stockholder details, Final Expiry Date (FED) stock, rejected and valid stocks, lien marked stock to ICCL. A summary of the MIS is displayed on the website of ICCL on daily basis.

B. Inspection and Audit of the warehouse

ICCL conducts various types of inspection and audit of the warehouse.

- Periodic planned Inspection and Audit by the ICCL official.
- Surprise Inspection and Audit by the ICCL official as and when required.

- Inspection and Audit through external agencies appointed by the ICCL.
- Audit may also be conducted on risk profiling as identified by the ICCL.

The scope for warehouse inspection includes Physical verification of goods, warehouse infrastructure, adherence to operation guidelines, security status, facilities available in warehouse, record keeping, stack maintenance activity, demarcation of exchange and non-exchange goods, demarcation of rejected/post FED goods etc

C. Performance Review of warehouse

- ICCL shall review and appraise operational performance of each WSP every year. Based on the operational review the ICCL may adjust the allocation of commodities and the limit of deliveries at various warehouses of the concerned WSP in accordance with the results of such performance evaluation and appraisal.
- ICCL would carries out quarterly performance review of all warehouses accredited by it, considering various performance parameters such as storage facilities, the capacity and appearance of the warehouse, business capabilities, business performance, accounting, the satisfaction level of members/clients, redressal of client grievances, and other factors as ICCL may deem necessary for its review.

- D.** WSPs shall submit the report of the inspections carried out by the statutory authorities like WDRA to the ICCL within 2 weeks from the receipt of report by WSPs of such inspection along with their comments.