

NOTICES

Notice No.	20220317-79	Notice Date	17 Mar 2022
Category	Settlement/RMS	Segment	Commodity Derivatives
Subject	Policy for Rejection of goods deposited by the depositors		

Content

Attention of the members is drawn to SEBI circular No. SEBI/HO/CDMRD/DMP/P/CIR/2021/551 dated April 16, 2021, Members of the Commodity Segment are requested to kindly refer Policy for Rejection of goods deposited by the depositors as under:

Indian Clearing Corporation Ltd (ICCL) shall identify the depositors repetitively depositing goods that are substandard, in the following manner:

- ICCL will decide the minimum quantity threshold per depositor beyond which the rejections would be monitored at the beginning of each month for the previous month.
- If the rejection percentage for such deposit is higher than a threshold percentage of the total deposits by the concerned depositor during the same month, then an alert would be generated for such depositor.
- This analysis would be done for a particular Financial Year.

Based on the assessment as above, the following action shall be initiated against the concerned depositor/s

- On the first instance, a depositor name appears based on above criteria the concerned depositor shall be issued a Caution letter and the same shall be shared with all the WSPs.
- Upon a second instance, the depositor shall be issued a Warning letter inter-alia notifying that any further repeat instances would warrant suspension of deposits.
- In case of a third instance, the depositor shall not be allowed to deposit any commodity in any of the approved warehouses for a period of one month after due notice and all the WSPs shall be advised accordingly.
- In case of further repeated instances in the same financial year, action as per '(iii)' above shall be taken.

In addition to above, ICCL may also take any other action as may be deemed fit.

All Members and their respective constituents are requested to take note of the same.

For any clarifications, Members may contact their respective Relationship Managers or on any of the following contact numbers:

Sr. No	File related Queries	Coordinates
1	Commodity Delivery Settlement	022 22725807/5109 022 22728616/8264

For and on behalf of the Indian Clearing Corporation Limited

Hitesh Shah
Deputy General Manager

Rajeev Ranjan
Asst. General Manager