
NATIONAL COMMODITY CLEARING LIMITED

Circular to all Members of the Clearing Corporation

Circular No. : NCCL/MEMBERSHIP-001/2019

Date : January 21, 2019

Subject : TM - CM Agreement - Side Letter

Reference is drawn to Circular no. NCCL/MEMBERSHIP-001/2018 dated September 26, 2018 advising Clearing Members (CM) to submit duly executed agreement with their affiliated Trading Members (TM) within the time and in the manner as specified therein. Subsequently, the prescribed timelines for submission were also extended on various occasions.

Pursuant to representations from Clearing Members requesting review in view of certain operational difficulties faced by them, it has been decided to provide an alternative and accordingly, wherever the Members encounter operational difficulty in execution of TM –CM Agreement, a Side Letter to the existing TM – CM agreement (executed as per NCDEX prescribed format), be signed and submitted. The format of the Side Letter that may be executed is enclosed as Annexure hereto.

It may please be noted that, the duly executed documents (TM – CM Agreement / Side Letter) should be submitted to Clearing Corporation within the extended prescribed time lines, i.e. latest by February 28, 2019. Notwithstanding the above, the parties shall execute and submit any further documents or agreements if and when required by NCCL.

In view of the above, all the Clearing Members are advised to ensure submission of the prescribed document and avoid any action for violation of NCCL Rules and Bye Laws.

For and on behalf of
National Commodity Clearing Limited

Hemalatha S
Chief Compliance Officer

For further information / clarifications, please contact

1. Customer Service Group on toll free number: 1800 266 6007
 2. Customer Service Group by e-mail to : contactus@nccl.co.in
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ANNEXURE

(On the letter head of Clearing Member)

Date:

To,

M/s. _____ (name of Trading Member)

TMID Code. _____

Address: _____

Subject: Side Letter to existing TM – CM Agreement dated _____

Dear Sir,

This is with reference to the agreement dated _____ (TM – CM agreement prescribed by NCDEX) executed between us for the purpose of Clearing and Settlement of trades, deals and transactions executed on NCDEX platform (herein after referred to as the “said agreement”).

For the purpose of this letter and the said agreement, we _____ (name of CM) and yourselves _____ (name of TM) shall be referred to individually as “party” and jointly as “parties” wherever the context so requires.

Pursuant to SEBI directives, NCDEX has transferred their Clearing and Settlement functions to a separate Clearing Corporation i.e NCCL (National Commodity Clearing Limited). Accordingly, we are now registered as a Clearing Member of NCCL for the purpose of effecting clearing and settlement of the transactions effected by our clients/affiliated trading members on the NCDEX platform.

Whereas it has been mutually decided between us to continue our arrangement for Clearing and Settlement as per the said agreement, through and for the purposes of operations at NCCL and it is now proposed to record the same in writing as stated herein.

It is agreed by and between the parties that the said agreement executed for the purpose of Clearing and Settlement of trades at NCDEX shall continue to govern the dealings and transactions at NCCL with respect to trades effected by you on NCDEX and cleared by us through NCCL. It is also agreed that, the clauses/ provisions of the TM- CM agreement prescribed by NCCL vide Circular no. NCCL/MEMBERSHIP-001/2018 dated September 26, 2018 shall be deemed to be incorporated in the said agreement to the extent required for the purpose of Clearing and Settlement of operations by us on your behalf at NCCL. The term `NCDEX' wherever referred in the said agreement in the context of Clearing and Settlement functions shall be deemed to mean `NCCL' for the purpose of deals cleared/settled through NCCL effective from September 27, 2018.

It is further agreed that, the said agreement and this Side Letter shall not in any manner affect the Trading Member obligations applicable to you as per NCDEX Rules, Bye Laws and Regulations. It is also agreed that the NCCL Rules, Bye Laws and Regulations shall be applicable with respect to all our dealings / operations and transactions on your behalf as Clearing Member at NCCL.

It is hereby agreed that, the parties shall execute any further documents or agreements if and when required by NCCL.

Seal and Sign of Authorised Signatory of Clearing Member Name / Title :	Seal and Sign of Authorised Signatory of Trading Member Name / Title :
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