
NATIONAL COMMODITY CLEARING LIMITED

Circular to all Clearing Members of the Clearing Corporation

Circular No. : NCCL/MEMBERSHIP-006/2024

Date : July 24, 2024

Subject : Submission of Group of Associate details by Clearing Members.

We refer to SEBI Circular No SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/65 dated May 29, 2024 relating to Norms for acceptable collaterals and exposure of Clearing Corporations. As per Clause 3.6 of the Circular "*CCs shall not accept collateral including FDs, BGs, equity, or debt securities issued by CMs/TMs themselves or their group or associate entities. A Declaration to that effect will be given by CMs/TMs mentioning all their group/associate entities to CCs.*"

"Accordingly, all Clearing Members are required to submit the details of their Group or Associate entities along with the declaration in the format prescribed in Annexure A." The said details are required to be submitted under Tab- Compliance available on Web NCFE portal below, the details of which are mentioned below:

Compliance → Submission of Group or Associate details by Clearing Members.

The window for submission to Clearing Corporation shall be made available with effect from August 1, 2024 on Web NCFE portal.

Further, members are required to ensure that:

1. The complete list of groups and associates entities and the Security or Debt Instrument listed on Stock Exchange by the member are submitted to the Clearing Corporation. In case of NIL associates, the same is also required to be mentioned in the submission.
2. Member are requested to ensure that they do not submit any collateral including FDs, BGs, equity, or debt securities issued by themselves or their group or associate entities to the Clearing Corporation and submission shall be treated as non-compliance and will be subject to such penalty and/or disciplinary action as may be applicable.
3. Members are required to abide by the restrictions imposed vide SEBI circular no SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/65 dated May 29, 2024 with respect to acceptance of collaterals as specified under the head prudential norms for exposure of CCs and more particularly with respect to para 3.6 under the said head.
4. Any change in Clearing Members Group or Associate Entities (including ISIN, Symbol etc.) pursuant to the initial submission, shall be reported with 7 days from the occurrence of such change by **re-submitting the complete details** after incorporating such changes.

Further, for this purpose, 'associate' shall have the same meaning as defined under Regulation 2 (b) of Securities Contracts (Regulation) (Stock Exchanges And Clearing Corporations) Regulations, 2018.

In case of Non-Submission of data or discrepancies in data submission Clearing Corporation reserves the right to take Regulatory Action on the Members

The members are required to comply with the above circular.

For and on behalf of
National Commodity Clearing Limited

Ketan Jadhav
Assistant Vice President- Regulatory

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

ANNEXURE A

[Member Company's Letterhead]

Declaration with respect to exposure to instruments of TM/CM's Own Groups

I/We, [Name], [Designation], of [Member Name], hereby declare and confirm as on date that:

1. The Annexure I to this declaration indicates the details of our groups and associates entities.
2. We have not accepted collateral including FDs, BGs, equity, or debt securities issued by CMs/TMs ourselves or our group or associate entities.
3. We undertake and agree to abide by the restrictions imposed vide SEBI circular no SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/65 dated May 29, 2024 with respect to acceptance of collaterals as specified under the head prudential norms for exposure of CCs and more particularly with respect to para 3.6 under the said head.

This declaration is submitted in compliance of the SEBI circular no SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/65 dated May 29, 2024