

September 28, 2018

Circular No.: MCCIL/COM/1118/2018

**Commencement of Operations by the Metropolitan Clearing Corporation of India Limited (MCCIL) as the Designated Clearing Corporation for the Indian Commodity Exchange Limited (ICEX)**

The Metropolitan Clearing Corporation of India Limited (MCCIL) has been appointed as the designated Clearing Corporation for the Indian Commodity Exchange Limited (ICEX) to perform all clearing and settlement functions for trades executed on the Commodity Derivatives Segment of the ICEX in accordance with the requirement under Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations 2012. MCCIL has received approval from SEBI vide letter no SEBI/HO/CDMRD/DEA/OW/P/2018/27063/1 dated September 27, 2018 for transfer of clearing and settlement functions & duties from ICEX.

Accordingly, the clearing house functions & duties of ICEX shall be transferred to MCCIL with effect from October 1, 2018 ("the Transfer Date"). After the Transfer Date, all the functions and duties of clearing house of the ICEX will be performed / discharged by MCCIL.

All Clearing Members of ICEX who have not opted to downgrade or surrender their membership and who meet the MCCIL membership criteria shall be admitted as Clearing Members of MCCIL in the Commodity Derivatives Segment with effect from the transfer date.

Accordingly, and in terms of the provisions of the Rules, Bye-Laws and Regulations of the MCCIL, the Clearing Members of MCCIL in the Commodity Derivatives Segment are hereby notified as under:

1. All open positions outstanding as at the end of trading hours on September 28, 2018 and trades entered from October 1, 2018 onwards on the ICEX platform for commodity derivatives segment shall be cleared and settled by MCCIL.
2. All deposits placed by Clearing Members with ICEX (except deposit towards Base Minimum Capital) shall be transferred to MCCIL on the transfer date. With effect from the transfer date, all additional margin deposits / Initial Security Deposit (ISD) will have to be given to MCCIL directly.
3. In terms of SEBI circular no SEBI/HO/CDMRD/DRMP/CIR/P/2018/52 dated March 21, 2018, MCCIL shall block an amount of INR 50 lakh from the available collaterals of the Clearing Members towards Minimum Liquid Net-worth to be maintained at all points of time. No exposure shall be given on minimum liquid net-worth of Rs. 50 lakh. The Clearing Members shall continue to be responsible for any liability that may arise out of the settlements including deliveries tendered earlier through ICEX.
4. Subject to above, all other terms and conditions relating to such margin deposits shall continue to be applicable. The relevant clearing banks are authorized to debit the Clearing Members' settlement accounts upon instruction of MCCIL based on the authorization given by the Members to the Exchange previously.

5. All Rules, Bye-laws and Regulations of MCCIL would be applicable to Clearing Members in addition to the Rules, Bye-laws and Regulations of ICEX as amended from time to time. Members may be required to submit additional documentation to MCCIL and ICEX as and when required, for smooth conduct of operations.
6. Please note that the undertaking given by Clearing Members to ICEX and all the circulars and notification issued by ICEX from time to time regarding clearing and settlement functions shall mutatis mutandis apply in favour of MCCIL, until, they are otherwise modified by MCCIL.

Clearing Members are requested to take note of the same and ensure compliance.

For clarifications, Members may contact us on:

Department	Contact Person	Telephone Nos.	Email Ids
Risk Management	Ms. Anshu Bharti	022-40381549	<a href="mailto:risk_com@mcclar.in">risk_com@mcclar.in</a>
Clearing & Settlement, Collaterals, Spot & Delivery	Mr. Saroj Nanda	022-40381540	<a href="mailto:clearing_com@mcclar.in">clearing_com@mcclar.in</a> <a href="mailto:collateral_com@mcclar.in">collateral_com@mcclar.in</a>
Member Compliances	Mr. Ganesh Kanaujiya	022-61129073	<a href="mailto:membercompliance@mcclar.in">membercompliance@mcclar.in</a>

For and on behalf of

**Metropolitan Clearing Corporation of India Ltd.**

**Authorized Signatory**