



Norms relating to the Monitoring of Warehouses

These norms relating to the monitoring of warehouses are laid down by Indian Clearing Corporation Ltd (MCCIL) as per norms outlined by SEBI circular SEBI/HO/CDMRD/DMP/CIR/P/2016/103 dated September 27,2016 under the heading “Revised Warehousing Norms in the Commodity Derivatives Market for Agricultural and Agri-processed Commodities Traded on the National Commodity Derivatives Exchanges”.

The norms relating to the monitoring of warehouses as follows:

1. Daily MIS

Daily MIS of the stocks in the form of routine reporting to MCCIL

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 WSP for onward transmission to MCCIL. The WSP is also required to give details like stock holder details, FED, rejected and valid stocks, lien marked stock to MCCIL. A summary of the MIS is displayed on the website of MCCIL/ICEX.

2. Inspection and Audit of the warehouse

Towards Inspection and Audit of the warehouse and stock, MCCIL conducts various types of inspection and audit of the warehouse:

1. Periodic planned Inspection and Audit by the official inspection team.
2. Surprise Inspection and Audit by the MCCIL officials
3. Inspection and Audit through external agencies appointed by the MCCIL.

The scope for warehouse inspection includes Physical verification of goods, Infrastructure, SOP adherence, security status, Facilities available in warehouse, record keeping, stack maintenance activity, demarcation of rejected/post FED goods etc.

3. Performance Review of warehouse

MCCIL shall review and appraise operational performance of each WSP every year. Based on the operational review the MCCIL 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.

MCCIL would carried out biennial and quarterly taking into account various performance areas 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 MCCIL may deem necessary for its review.