

CODE OF CONDUCT FOR WAREHOUSE SERVICE PROVIDERS (WSPs) AND WAREHOUSES

In pursuance to the directives as contained in the directives of SEBI as notified vide SEBI Circular no. SEBI/HO/CDMRD/DMP/CIR/P/2016/103 dated September 27, 2016, the NCCL approved and empanelled Warehouse Service Providers (WSPs) are required to adhere to the following Code of Conduct while providing its services to the market participants of the Exchange. This Code of Conduct shall be in addition to the obligations stipulated by the Warehousing Development Regulatory Authority (WDRA) under its Acts, Rules and Regulations or such other like regulatory or statutory authorities and the obligations of the WSPs under the WSP Agreement executed by the NCCL and the WSP.

This Code shall come into effect immediately and shall remain in force unless modified or rescinded by the NCCL or the SEBI, as the case may be.

CODE OF CONDUCT:

1. The WSP shall provide the warehousing services to the participants of the Exchange as per the directives and norms issued by the NCCL and the regulatory authorities from time to time.
2. The WSP shall comply with the corporate governance norms prescribed by the NCCL from time to time.
3. The WSP shall not directly or indirectly trade in the commodities for which it has been permitted by the NCCL for providing warehousing services to the participants of the Exchange.
4. The WSP shall exercise due care to ensure to maintain the confidentiality of information in its possession relating to the market participants and the NCCL.
5. The WSP shall not disseminate any misleading information which shall be prejudicial to the interest of the Commodity Derivatives Market.
6. The WSP shall not differentiate among depositors or lawful owners regarding use of and access to warehousing services;
7. The WSP shall deal in a fair and equitable manner with all the market participants while providing its services.

8. The WSP shall at all times possess necessary licenses required for carrying on the warehousing business and for storage of commodities under the relevant Central and State laws.
9. The WSP shall diligently and promptly follow the procedure prescribed by the Exchange/NCCL while accepting deposits, storage and effecting the physical delivery of the goods to the market participants.
10. The WSP shall enter into appropriate agreements with the Depositors/Sellers as may be prescribed by the Exchange from time to time.
11. The WSP shall adhere to the standard storage and preservation practices and applicable statutory and regulatory guidelines, norms and procedures.
12. The WSP shall ensure that the warehousing infrastructure and goods stored are adequately insured and the same is maintained at all times.
13. The WSP shall ensure that customer complaints are accorded high priority and are redressed in such manner, if prescribed by the Exchange/NCCL or the Regulatory Authority as the case may be. The WSP shall maintain necessary registers for recording of such complaints which should contain all necessary details as to the depositor of the goods, lots nos, no of bags, stack no/bay no, date of inward, date of assaying, name and address of complainant, nature of complaint, manner of closing of complaint etc and shall be produced before the NCCL or the Authority as the case maybe, whenever, demanded.
14. The WSP shall ensure that the premises and surroundings are kept clean and tidy.