

Empanelment process for Assayer

NSE Clearing Limited (NCL) follows a process for accreditation of an Assayer by issuing open advertisement in leading newspaper or putting the same on NCL website as and when required.

The process followed by the NSE Clearing Limited (NCL) for accreditation of Assayer is given below:

1. The applicant will have to submit an application in mentioned format to NCL for empanelment.
2. The applicant will be required to submit a letter/ undertaking indicating compliance/ noncompliance with each aspect of the norms specified by the Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CDMRD/DMP/P/CIR/2021/551 dated April 16, 2021 on “Guidelines for warehousing norms for agricultural/agri-processed goods and non-agricultural goods (only base/industrial metals) underlying a commodity derivatives contract having the feature of physical delivery” and the norms specified by Clearing Corporation. Assayer shall submit an application in prescribed format along with supporting documents as mentioned in Annexure 1. The applicant will be required to selfcertify the documents.
3. Once the documents are received, NCL shall review such submission and wherever deviations/ shortfalls are observed, shall call upon the Assayer for submission of additional information/ declaration until compliance to the requisite standards. NCL shall conduct independent pre-empanelment due diligence of Assayers by visiting the laboratories and assessing the testing and certification facilities.
4. Submission of application and compliance to the applicable norms and eligibility criteria shall not be deemed as approval to the Assayer unless unambiguously conveyed by the NCL. NCL reserves the right to modify/ amend/ upgrade some of the requirements in the interest of development of market / practical ground level issues/ regulatory reasons, etc.
5. Thereafter, the same shall be referred to the Member Committee of NCL. The Committee reserves the right to call for more information as well as have discussions with any applicant/s and seek clarification on any issue as may be required by it. The Committee may also seek additional undertaking from the Assayer. NCL’s decision will be final.
6. Selected applicant will be issued in-principle approval (Annexure-2) subject to conditions specified therein.

7. The compliance of terms and conditions laid down by NCL/NSEIL is an essential condition of grant of approval.
8. Assayer will be bound by all the directives issued by the Regulator, NCL and NSEIL from time to time.

Additionally Assayer should also meet the following criteria:

- a) The assayers, Promoters of assayer, Key Management Personnel (KMP) of assayers shall be responsible for business operation relating to the exchanges / Clearing Corporations shall always be 'fit and proper' to carry out business of assaying.
- b) Such persons have adequate knowledge of, and experience in assessment and handling practices for the goods concerned.
- c) Such person shall be competent and willing to operate such an assessment facility for which the Assayers has a valid license/expertise under the appropriate state testing laws in respect of the assessment concerned.
- d) The Assayers shall be preferably certified by one or more national/international agencies like NABL (National Accreditation Board for calibration and testing Laboratories), BIS etc.
- e) The Assayers who are having testing and certification facilities at various locations across India.
- f) The Assayers should have Industry Standard Laboratory Equipment's and testing and certification facilities.

List of Documents required at the time of submission of Application.

The applicant shall be required to submit the “self-certify” documents.

| | |
|----|---|
| 1 | Company Profile |
| 2 | Details of Management and profile of Management |
| 3 | Organization structure |
| 4 | Quality Assaying Experience |
| 5 | Quality Assaying Operational Details/Standard Operating Procedure |
| 6 | Accreditation/Membership Certificate |
| 7 | NABL certificates with scope for testing |
| 8 | Network of Lab Business & its operations across the country/outside country |
| 9 | Details of manpower and technology adopted/available |
| 10 | Major Client details |
| 11 | List of Group Companies |
| 12 | PAN Card of all the authorized signatories in the Company |
| 13 | Financial Statement for last two years |
| 14 | Undertaking to not have any trading interest in commodities traded on NSEIL platform for which it is accredited by Clearing Corporation |
| 15 | Details of Pending Litigations/grievances/criminal proceedings/dispute etc. as on date |
| 16 | Any other documents if required |

Applications along with other details as mentioned above, shall be delivered to NCL on following address:

NSE Clearing Limited,
Exchange Plaza,
C-1, Block G, Bandra Kurla Complex,
Bandra (E) Mumbai - 400 051
E-mail: DL-NSCCL-COMM-CNS@nsccl.co.in

Annexure 1

Application for Empanelment as “Assayer”

To,
NSE Clearing Limited,
Exchange Plaza, C-1,
Block G, Bandra Kurla Complex,
Bandra (E) Mumbai - 400 051
E-mail: DL-NSCCL-COMM-CNS@nsccl.co.in

Subject: Application for empanelment as “Approved Assayer” with NSE Clearing Limited (NCL).

Dear Sir

We M/s. _____ (Company Name) having registered office at _____ (Complete address with Pin code) hereby submit our application for empanelment as “Approved Assayer” with NCL. We are submitting herewith all the relevant documents in line with the requirement of the NCL.

Request you to consider our request for empanelment as ‘Approved Assayer’ for NCL.

Yours Sincerely,
Authorised Signatory
(Name and Designation)

Date:

Place:

Annexure -2

Ref.No:NCL/COM/YYYY/nmn
DD/MMM/YYYY

To,
<Name of Assayer>
<Address of Assayer>

Subject: Empanelment of <Name of Assayer> as an independent assayer for NSE Clearing Ltd.

Dear Sir,

With reference to your application dated <dd/mmm/yyyy> for empanelment as an independent assayer with NSE Clearing Ltd. and based on the information and documents submitted by you to the clearing corporation and laboratory visit conducted by officials of NSE Clearing Ltd on <dd/mmm/yyyy>, we are pleased to empanel you as independent assayer for quality sampling and / or testing of following commodities stored at accredited warehouse/s across various locations.

| Sr. No. | Type of Commodity | Description of Commodity |
|---------|-------------------|--------------------------|
| | | |

As an independent assayer for undertaking quality sampling and/or testing of above mentioned commodities, you shall be required to perform the functions of assaying/testing of commodities in accordance with the norms/guidelines/directives/circulars issued by Exchange/Clearing Corporation from time to time. Further as an independent assayer:

1. Assaying shall be done as per the norms specified by Exchange/Clearing Corporation by applying the test methods as specified by the Exchange/clearing corporation from time to time.

2. You shall witness the sampling as per the sampling norms prescribed by Exchange/Clearing Corporation at accredited warehouse. The samples shall be sealed and you shall be required to sign on all the sealed samples.
3. You shall issue quality/assaying certificate comparing the results obtained vis a vis quality specifications mentioned in the circular issued by Exchange/Clearing Corporation.
4. Officials of Clearing Corporation shall do lab visit from time to time for which all support shall be provided by you.

In consideration of the services you are entitled to such fees and charges to be directly billed and collected from the market participants/clients availing such services. The fees and any changes to the same shall be made known in advance to the clearing corporation and the same shall be made available on the website of the clearing corporation.

The empanelment is subject to compliance of relevant provisions of Rules, Bye-laws, Regulations and Circulars of Exchange/Clearing Corporation and directions issued by SEBI from time to time.

We look forward to working with your esteemed organization. We request you to kindly sign and return a copy of this letter as a consent of your acceptance.

Thanking you,
Yours faithfully,

For NCL Ltd,

Head Clearing and Settlement