

FMC/ 2/ 2012/C/ 2
No.6/1/2012-MKT-I

Dated the 10th January, 2012

To,

i) Shri J. Sampath, Chief Compliance Officer, National Commodity & Derivatives Exchange Ltd, Akruti Corporate Park, LBS Road, Kanjur Marg (W), **Mumbai – 400 078.**

ii) Shri P. Ramanathan, Chief Compliance Officer, Multi Commodity Exchange of India Ltd., Exchange Square, CTS No. 255, Suren Road, Andheri (East), **Mumbai – 400093.**

iii) Shri Anil Mishra, Managing Director and CEO, National Multi Commodity Exchange of India Ltd., 5, 4th Floor, H. K. House, B/h, Jivabhai Chambers, Ashram Road, **Ahmedabad – 380 009.**

(iv) Managing Director, Indian Commodity Exchange Limited, Romell Technology Park, 8th Floor, Nirlon Compound, Western Express Highway, Goregoan East, **Mumbai – 400 063.**

(v) Managing Director, ACE Derivatives and Commodity Exchange Limited, 401 B, 4th Floor, Building No.4, Infiniti IT Park, Gen. AK Vaidya Marg, Dindoshi, Malad (E), **Mumbai – 400 097.**

Sub : Clubbing of open positions

Sir,

This has reference to this office letter No.1/1/2004/NCDEX-PER (PO) dated the 20th July, 2005 wherein Guidelines were issued for clubbing of open position. Subsequently, vide office letter No.6/1/2007-MKT-II (Vol-II) dated the 26th July, 2007, Guidelines were issued in respect of different Co-operative Societies and Companies having common Directors with no financial interest. However, it has been observed that there have been instances of parties acting in concert in order to circumvent open position limits.

2. Since it is not feasible to define all parameters / criteria for clubbing of open interest, the National Commodity Exchanges are therefore directed to take suitable measures for clubbing of open interest on the basis of the criteria laid down in the aforesaid guidelines and also include such other criteria as PAN Nos, patterns such as “acting in concert” through common ownership and control structures and any other relevant criteria to club open interest that may be observed during the course of regular monitoring and surveillance that may appear to compromise market integrity.

3. These directives may be implemented with immediate effect and compliance of the same may be reported to the Commission.

Yours faithfully,

Sd/-
(Usha Suresh)
Director