

## **FAQs – INVESTOR SERVICES**

### **❖ What is the role of an Investor Services Center and what services can I expect from it?**

Ans. Investor Services Center of the Exchange provides disputes redressal mechanism of the Exchange which includes the grievance/ complaints redressal by ISC official, counselling by ISC official.

Further, ISC extends administrative assistance for IGRP proceedings, where IGRP member (independent experts) deals with unresolved grievances/complaints. Furthermore, ISC officials also extend administrative assistance in all Arbitration and appellate arbitration matter referred to ISC directly or indirectly (post IGRP order).

A dedicated email id: [ig@ncdex.com](mailto:ig@ncdex.com) is displayed on website for ease of lodgment of grievance/complaints with the Exchange.

### **❖ What type of complaints can be taken up for resolution by the Exchange?**

Ans. Complaints against Trading Members which fall within the purview of the Exchange:

- Non-Issuance of the Documents by the Trading Member
- Non-receipt of balance funds from Trading member
- Close out / Square up of positions without intimation to client
- Non-receipt of margin/security deposit given to the Trading Member (TM)
- Execution of Trades without authorization/ Consent

### **❖ In case of complaint against a trading member/clearing member, whom do I address the complaint to?**

Ans. For grievances against trading member in case you prefer lodging an online complaint, you may address the same to [ig@ncdex.com](mailto:ig@ncdex.com) else you can send grievance/complaint by post/courier, same can be done by sending post/courier or personal visit for hand delivery to following address:

<b>Region</b>	<b>Location of client</b>	<b>Addressed of NCDEX ISC</b>
North	Delhi, Haryana, Uttar Pradesh, Uttarakhand Himachal Pradesh, Punjab, Jammu & Kashmir, Chandigarh	National Commodity & Derivatives Exchange Ltd. 2nd Floor, Jeevan Vihar , 3 Sansad Marg Parliament Street, New Delhi - 110 001 Tel : (+91-11) - 66114848
East	West Bengal, Bihar, Jharkhand, Orissa, Assam, Arunachal Pradesh, Mizoram, Manipur, Sikkim, Meghalaya, Nagaland, Tripura, Chhattisgarh, Andaman & Nicobar	National Commodity & Derivatives Exchange Ltd. Jasmine Tower, 5th Floor, Unit 503B, 31 Shakespere Sarani, Kolkata-700017 Tel : 033-44213500
West	Rajasthan, Maharashtra, Goa, Daman, Diu, Dadar & Nagar Haveli, Madhya Pradesh	National Commodity & Derivatives Exchange Ltd. Akruti Corporate Park, 1st Floor, Near G.E.Garden, L.B.S. Marg, Kanjurmarg (West), Mumbai - 400 078 Tel : 022 – 66406789
South	Andhra Pradesh, Karnataka, Kerala, Tamilnadu, Andaman & Nicobar, Lakshadweep, Pondicherry	National Commodity & Derivatives Exchange Ltd. 207, 2nd Floor, Ashoka Capitol, Opp. K.B.R. Park, Road No. 2, Banjara Hills, Hyderabad – 500 034. Tel : 040-66586700

❖ ***What factor is important to lodge complaint/grievance with the Exchange (NCDEX)?***

Ans. The grievance should pertain to:

- a. trades on the NCDEX Platform
- b. Client should be registered with registered member of the Exchange.

❖ ***Is there any specified on-line form for lodging the complaint?***

Ans. Aggrieved Investors can get this form on the Exchange website [www.ncdex.com](http://www.ncdex.com) -> Investors ->Investor Grievances.

❖ ***Is it mandatory to file the complaint in the prescribed format?***

Ans. Complaints filed in the prescribed format expedites the resolution of investor grievance within TAT period.

It is advisable to all investors to file complaints in the given format or at least shall consist the details sought in the format.

❖ ***What documents do I need to enclose for the same?***

Ans. The document relating to trading with the member including contract note, ledger, bank statement, correspondence exchanged with regards to disputed trade should be enclosed by the clients along with statement of claims (i.e. date wise calculation of claim)

❖ ***What are various stages followed for resolution of Investor grievances/complaints followed by the Investor Services Center (ISC) to ensure speedy redressal of the grievances?***

Ans. Grievances/complaints received at ISC is:

- i) Verified by ISC officials to see whether it contains necessary details and documents for further process.
- ii) If relevant documents are not enclosed then the same is intimated in writing to the complainant also advising complaint to give necessary details and documents.
- iii) If relevant information about grievance/complaint and documents are in place then the grievance is forwarded to the concerned Member to seeking their say/clarification on the grievance.
- iv) If the member fails to respond within reasonable time/time specified in letter, in that case a reminder letter/email is send to such member.

For completing investor grievance redressal activities the ISC official has time lines i.e. TAT of 15 days from the receipt of complete complaint/grievance.

In case the grievance is not redressed within 15 days' time then the same is shifted to next level by ISC official i.e. to member of IGRC/P (Investor Grievance Redressal Committee/Panel) who is external independent expert, who deals with such unresolved grievance/complaint within time line of 15 days. IGRC/P member calls meeting of the parties to understand their side of dispute and arrive at an amicable resolution.

IGRC member gives 'Order' with mention of 'Admissible Claim' amount, if any, to be paid by member to the complainant (if IGRP Order is in favour of complainant).

If the member is not agreed with IGRP Order in favour of complainant, member may opt for arbitration mechanism of the Exchange.

## **ARBITRATION RELATED**

### **❖ *What is "Arbitration"?***

Ans. Arbitration is a quasi-judicial process of dispute resolution extended by the Exchange at its all Investor Service Centers. The disputes between client and member which do not amicably settle at IGRC level can be referred to arbitration.

### **❖ *Under what legal provision arbitration mechanism is provided by Exchange?***

Ans. Arbitration mechanism is extended by the Exchange under the provisions of The Arbitration and Conciliation Act, 1996, Bye laws, Rules and Regulations of the Exchange (NCDEX) and SEBI circulars, directions issued from time to time.

### **❖ *Who can apply for arbitration?***

Ans.(a) Investors who have disputes against the Members/Authorised Persons with regard to trades and transactions done on the Exchange or anything incidental thereto;

(b) Members who have claim, dispute or difference against investors and vice versa, with regard to the trades and transactions done on the Exchange or anything incidental thereto.

### **❖ *Within what time are the parties required to approach the Exchange for filing arbitration?***

Ans. Within 03 years from the date on which the dispute has arisen/date of last trade the parties are required to approach the Exchange for filing arbitration.

### **❖ *Can an investor concurrently pursue complaint resolution with Investor Service Cell (ISC) as well as Arbitration?***

Ans. No. Arbitration is third stage of dispute resolution mechanism adopted by the Investor Service Cell (ISC) of the Exchange.

### **❖ *Can an investor file arbitration against a trading member who is expelled or declared defaulter by the Exchange?***

Ans. Yes. Even though a member is expelled/declared defaulter within a limitation period stated above a genuine arbitration claim can be lodged with the Exchange.

### **❖ *What are the required steps to be followed in filing an Arbitration application?***

Ans. The person/entity who wish to file arbitration shall be doing same in compliance with bye law and regulation pertaining to the "Arbitration". The same are available on the Exchange website [www.ncdex.com](http://www.ncdex.com) - > About us

### **❖ *How does an investor obtain arbitration application forms, if he/she wishes to apply for Arbitration?***

Ans. The arbitration forms are at the end of Arbitration Regulation which is available on the Exchange website [www.ncdex.com](http://www.ncdex.com) -> About us.

Even if prior to arbitration the complaint and documents are given in Investor grievance cell, yet a fresh set of three/five (as applicable) arbitration document is to be furnished to the Exchange for processing of arbitration application.

❖ **What is a statement of case?**

Ans. A statement of case is a date wise brief history of the dispute/claim and calculation of claim i.e. how the claim is arrived at by the applicant/claimant.

❖ **Where is the arbitration application filed?**

Ans. The arbitration application has to be filed in any Investor Service Centre which are referred above taking into account which center is near to client location.

❖ **Does Exchange have a panel of arbitrators?**

Ans. The Exchange has panel of arbitrators who can hear the parties to arbitration proceedings in compliance with provisions of arbitration regulation of the Exchange and give Award (Order) which is binding on parties.

❖ **Does Exchange have a panel of IGRC/P members?**

Ans. The Exchange has panel of IGRP members who conduct meeting with parties within 15 days from the date in case the grievance does not get resolved in spite of the intervention of the Exchange.

❖ **At the time of making arbitration application, is the applicant required to deposit any money/fees with the Exchange?**

Ans. Yes, only in case the applicant in client having claim amount below Rs.10 lakhs no fees are charged, else in all other situation fees are stipulated by the Exchange taking into account following guidelines for the same by SEBI.

<b>Amount of Claim / Counter Claim, whichever is higher (Rs)</b>	<b>If claim is filed within six months</b>	<b>If claim is filed after six months</b>	<b>If the claim is filed beyond the timeline prescribed in column 3, (only for member)</b>
≤ 10,00,000	1.3% subject to a minimum of Rs.10,000	3.9% subject to a minimum of Rs.30,000	Additional fee of Rs. 3,000/- per month over and above fee prescribed in column 3
> 10,00,000 – ≤ 25,00,000	Rs.13,000 plus 0.3% amount above Rs.10 lakh	Rs.39,000 plus 0.9% amount above Rs.10 lakh	Additional fee of Rs. 6,000/- per month over and above fee prescribed in column 3
> 25,00,000	Rs.17,500 plus 0.2 % amount above Rs.25 lakh subject to maximum of Rs.30,000	Rs.52,500 plus 0.6 % amount above Rs.25 lakh subject to maximum of Rs.90,000/-	Additional fee of Rs. 12,000/- per month over and above fee prescribed in column 3

❖ ***Are there any other charges payable apart from arbitration fees?***

Ans. In addition to arbitration applicable government taxes/duties are charged to participants.

❖ ***What is an Award?***

Ans. Award is judgment passed by the arbitral tribunal (i.e. sole arbitrator or panel of arbitrator).

❖ ***Can the Award be given on agreed terms?***

Ans. Yes, Arbitrator can give Award on agreed terms if parties wish to settle the dispute after appointment of the arbitral tribunal.

❖ ***Whether Arbitration appellate mechanism is provided in the Exchange?***

Ans. Yes, w.e.f. 01 April 2016 Arbitration appellate mechanism is provided by the Exchange where party aggrieved with Arbitration Award can challenge the same.

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