

महाराष्ट्र MAHARASHTRA ◐ 2023 ◐ CF 314093

प्रधान मुद्रांक कार्यालय, मुंबई.
प.मु.वि.क्र. ८०००००८
21 DEC 2023
सक्षम अधिकारी

श्री. अतुल कि. किरड

IN THE MATTER OF ARBITRATION UNDER BYE-LAWS, OF THE MULTI COMMODITY EXCHANGE CLEARING CORPORATION LIMITED (MCXCCL) BEFORE THE SOLE ARBITRATOR MR. SUNIL DALAL

ARBITRATION MATTER NO. MCXCCL/GRD/ARB-01/2023-24

BETWEEN

M/s Yamada Logistics Limited

Through its Authorized Representative

Sdalal.

Having its office at-

13-B SECTOR.A, INDUSTRIAL AREA,

SANWER ROAD, INDORE (M.P) 452015 ... APPLICANT

AND

SKRK Cotton Pvt. Ltd Through its Authorized Representative

Having its office at-

Ward No. 30, Jain Villa, Kahan Nagar,

Indore Road,

Khandwa (M.P.) 450001 ... RESPONDENT

Snehlal.

AWARD

1. This Arbitration reference arises out of an application received by the Multi Commodity Exchange Clearing Corporation Ltd. (MCXCCL) from the Applicant M/s. Yamada Logistics Limited against the Respondent SKRK Cotton Private Limited under the Bye- Laws of MCXCCL. In accordance with the Bye- Laws of MCXCCL the matter has been assigned to me as a Sole Arbitrator.

2. The matter was previously referred to Grievance Redressal Committee as per the request received from the Applicant SKRK Cotton Private Limited for resolving its Grievance. The matter was referred to sole member of GRC and GRC order was passed on April 27, 2023, in favour of SKRK Cotton Private Limited with admissible claim of Rs. 2,02,000/-.

   Applicant M/s. Yamada Logistics Limited had requested to invoke arbitration due to dissatisfaction

with the GRC Order dated April 27, 2023, and has submitted the arbitration application to MCXCCL.

3. Admittedly, the Applicant is a Warehousing Service Provider (WSP) and is empanelled as a WSP with Multi Commodity Exchange Clearing Corporation Ltd. (MCXCCL). The application is filed through their authorised representative Mr. Kanhaiya Nand Jha, who is designated as their Business Head.

4. The Respondent had taken delivery (passed through the Clearing and Settlement Mechanism) of Cotton Bales from the warehouse of Yamada Logistics Limited.

5. It is alleged by the Applicant, that the Respondent had lifted the goods from the warehouse post Final Expiry Date (FED). The Applicant has also stated that they had sent communications to the Respondent for lifting of commodity post FED. Respondent has stated that they had lifted the Cotton Bales from Yamada Logistics Limited (WSP) post Final Expiry Date (FED)

and that the WSP had charged amount of weight gain from them on the FED stocks which they had paid to the WSP. The Respondent has filed Statement of Defence.

6. The matter was proceeded and the 1st hearing was conducted through video conferencing on 13.10.2023 during which the arguments were heard.
7. Mr. Navin Mukati argued for the Applicant, while Mr. Shubham Jain argued for the Respondent.
8. For reasons recorded in the minutes of the 1st hearing, the matter was adjourned to 03.11.2023. The Clearing Corporation reported that, due notices were issued and served to both parties for 2nd hearing dated 03.11.2023. Both the parties were heard at length.
9. Perused the papers submitted by the Applicant and the Respondent. It is seen from the first document that the Respondent was aware of Circular issued by MCXCCL on the Procedure for deposit of Cotton Bales at MCXCCL Accredited Warehouses and the clauses

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pertaining to delivery of the commodity post Final Expiry Date (FED).

10. I have heard both the parties in detail and matter is now taken up for Award. I have also taken note of the various circulars issued by MCXCCL including the circular no MCXCCL/WHL/222/2022 dated October 14, 2022 relating to Cotton procedures. I am of the opinion that the GRC has not appreciated the fact that the MCXCCL has the powers to lay down the guidelines for the clearing and settlement of trades and that all participants have to comply within the parameters of those guidelines. MCXCCL has vide its circulars laid down that it is not responsible in any manner whatsoever for those goods which have crossed the FED. This clearly, means that once the goods have crossed FED, the platform of MCXCCL is not available for recourse. Having heard both the parties and taking the facts into consideration, I pass the following award.

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There is no substance and justification in the GRC order passed on April 27, 2023 in favour of SKRK Cotton Pvt. Ltd. with the admissible claim of Rs. 2,02,000/-.

I therefore set aside the GRC order passed on April 27, 2023 in favour of SKRK Cotton Pvt. Ltd. The case is dismissed without any cost to both the parties.

11. Award accordingly at Mumbai, This the 27th day of December, 2023.

Shdalal.

Mr. Sunil Dalal
Sole Arbitrator