
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all members of the Exchange

Circular No. : NCDEX/MEMBERSHIP-040/2024

Date : September 10, 2024

Subject : Guidelines in pursuance of amendment to SEBI KYC (Know Your client)
Registration Agency (KRA) Regulations, 2011

This is with reference to SEBI/HO/MIRSD/FATF/P/CIR/2023/0144 dated August 11, 2023, NCDEX/COMPLIANCE-086/2023 dated August 14, 2023, NCDEX/MEMBERSHIP-041/2023 dated August 18, 2023, NCDEX/MEMBERSHIP-043/2023 dated September 07, 2023, NCDEX/MEMBERSHIP-051/2023 dated October 23, 2023, NCDEX/MEMBERSHIP-007/2024 dated February 8, 2024, NCDEX/MEMBERSHIP-013/2024 dated March 15, 2024, NCDEX/MEMBERSHIP-020/2024 dated April 10, 2024, NCDEX/MEMBERSHIP-029/2024 dated June 18, 2024, NCDEX/MEMBERSHIP-031/2024 dated July 05, 2024, NCDEX/MEMBERSHIP-033/2024 dated July 15, 2024 and NCDEX/MEMBERSHIP-037/2024 dated August 16, 2024 on "Simplification of KYC process and rationalization of Risk Management Framework at KYC (Know Your Client) Registration Agencies (KRAs)" and "Guidelines in pursuit of the amendment to SEBI KYC (Know Your client) Registration Agency (KRA) Regulations, 2011.

In continuation of the above circulars, clients whose KYC details are not found validated by KRAs for the following reasons will be affected:

- KYCs which are "On Hold" for any reasons (both AADHAAR and Non-AADHAAR based OVD) uploaded to the KRA from August 01, 2024 to August 31, 2024.

Such UCCs shall **neither be permitted to trade on the Exchange, nor be able to square up their open position, if any, with effect of September 23, 2024**, until they comply with the aforementioned requirement. Eventually, such open positions will naturally expire on the expiry date of the respective contract.

All PANs that become KRA compliant subsequently, will be permitted to trade on T+1, based on the information received from the KRA by the Exchange on T day.

The list of non-validated clients, as mentioned above is provided under the below mentioned Path: **WEB Extranet - Download files screen - Reports- Dnld**

In view of the above, all members are advised to take note and ensure that clients whose KYCs are not found to be validated by KRAs are not permitted to trade. Further, the members are also advised to specifically monitor open positions, if any, of such clients and take appropriate measures to ensure compliance.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Kanti Pal
Assistant Vice President
Membership

For further information / clarifications, please contact

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