
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all members of the Exchange

Circular No. : NCDEX/COMPLIANCE-030/2023

Date : March 27, 2023

Subject : Clarification on Nomination for Eligible Trading and Demat Accounts

This is with reference to SEBI circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2021/601 dated July 23, 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/23 dated February 24, 2022 & Exchange circular no. NCDEX/MEMBERSHIP-007/2023 dated February 06, 2023 on the captioned matter, wherein it was stated that all trading and demat account holders would be required to provide choice of nomination by March 31, 2023.

In this regard, para 7 of SEBI's circular dated July 23, 2021, as updated by SEBI's circular dated February 24, 2022 reads as follows:

*“Further, all existing eligible trading and demat account holders **shall provide choice of nomination** as per the option given in paragraph 2 above, on or before March 31, 2023, failing which the trading accounts shall be frozen for trading and demat account shall be frozen for debits.”*

It has come to the notice that the market participants are updating the nomination field on their own and marking the same as 'opting out of nomination' in case the investor has not updated/submitted the choice of nomination. It may be noted that updating the '**choice of nomination**' without the explicit consent of the investor is against the intention of the circulars and the same has been viewed seriously. Also, this requirement emanates from regulatory requirement and hence no fee may be charged for the same.

Members are hereby requested to get the 'choice of nomination' updated either by the investors or by obtaining their explicit consent. In any other case, the field of 'choice of nomination' shall not be updated by the trading members on their own.

Members are advised to ensure compliance with the above regulatory requirements.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Kunal Sanghani
Assistant Vice President – Audit & Inspection

For further information / clarifications, please contact

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