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**NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED**

Circular to all members of the Exchange  
Circular No : NCDEX/COMPLIANCE-066/2024  
Date : September 11, 2024  
Subject : Online Closure of Trading Account

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This is with reference to Exchange circular no. NCDEX/COMPLIANCE-035/2021 dated July 27, 2021 and NCDEX/COMPLIANCE-039/2021 dated August 18, 2021 on “Guidelines for Online Closure of Trading Accounts.

Based on representation from Brokers’ Industry Standards Forum and in consultation with SEBI, and to simplify and harmonize the online account closure process of the trading account with that of demat accounts, the guidelines for online closure of trading accounts as prescribed under Annexure A of Exchange Circular No. NCDEX/COMPLIANCE-035/2021 dated July 27, 2021 has been revised. The modifications apply to points nos. 3, 4, 7 & 9. The updated guidelines are provided in the enclosed Annexure A.

All Members are advised to take note of the same and ensure compliance.

For and on behalf of  
**National Commodity & Derivatives Exchange Limited**

Pranesh Shetty  
Vice President – Inspection & Enforcement

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For further information/clarifications, please contact

1. Customer Service Group on toll free number: 1800 26 62339
2. Customer Service Group by e-mail to : [askus@ncdex.com](mailto:askus@ncdex.com)

**Guidelines for online closure of trading accounts**

1. Client shall be entitled to close the trading account through online mode without giving any reasons to the trading member. Clients shall not be restricted from requesting, through online mode or offline mode, for the closure of trading account maintained with a member, subject to the compliance requirements as stipulated by SEBI / Stock Exchange from time to time.
2. Online request for closing of trading accounts shall be made available for the clients who have opened their accounts offline or online, by those trading members which provide facility of opening account online and provide various services to their clients in online mode. Those trading members that do not provide any services online and do not open accounts online may not be required to offer online closure of trading accounts.
3. In case of trading account, the client can request for account closure through web portal / app of the trading member through secured access with 2 factor authentication or by sending the trading account closure request on email through his/her/its registered email ID. The closure request received through SMS, other messaging apps, etc. shall not be entertained by the trading member.
4. Once the application for closure of trading account is received, the member shall provide acknowledgement to the client on registered email id and / or mobile number about the receipt of closure request and shall not permit any further request for execution of trades by the client.
5. Trading account can be closed only if the client doesn't have a negative account balance and / or client do not have any open position and there are no pending arbitration matters / orders prohibiting the release of the client funds & securities at the time of account closure request. In case the client has debit balance (after considering balance across Stock Exchanges) or open positions and applies for closure of trading account, the member shall send a written response to client asking him to clear the debit balance / open positions prior to initiating the process for closure of broking account.
6. On closure request, the member shall return funds and release all collateral and pledged securities back to the clients and close the trading account within 3 working days, subject to conditions mentioned in paragraph 5 above. Client needs to ensure that there are no securities / commodities available in the trading member's demat account at the time of account closure request.
7. If the member authorises the request received, the trading account will get closed. Once the trading account is closed, thereafter trading member shall inform the same to the client and update the client status in the UCC database of the Stock Exchange as inactive / deleted, as applicable and thereafter the member is not required to report details of such client in segregation and monitoring of collateral at client level reporting.
8. If the member rejects the client request for online closure of trading account received, the member shall mention the reason for such rejection and communicate the same to the client.

9. Members shall ensure that the applications are processed as per the timelines mentioned above. Trading Member shall maintain and store system logs of the closure instructions received in electronic form in a secured manner and the same shall be subject to 100% internal audit.
10. Notwithstanding any such closure of trading account, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the closure of trading account shall continue to subsist and vest in / be binding on the respective parties or his / its respective heirs, executors, administrators, legal representatives or successors, as the case may be.
11. Exchanges shall continue its complaint redressal mechanism to address complaints related to online closure of trading accounts.