

CIRCULAR

SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/109

July 29, 2025

To,
All Recognized Stock Exchanges
All Clearing Corporations

Madam / Sir,

Sub: Operational Efficiency in Monitoring of Non-Resident Indians (NRI)
Position Limits in Exchange Traded Derivatives Contracts - Ease of Doing
Investment

1. SEBI, vide Para II of Circular no. [SEBI/DNPD/Cir-17/2003/10/29 dated October 29, 2003](#) (hereinafter mentioned as 'circular'), inter alia, specified the operational modalities of monitoring of NRI position limits which required NRIs to notify the names of the Clearing Member/s for clearing derivative trades to the Exchange and assignment of a unique client code i.e. Custodial Participant (CP) Code to the NRI by the Exchange. The Exchange, in turn, would use this information to monitor the position limits of such NRI clients.
2. As a step towards ease of doing investment and convenience to NRIs for trading in exchange traded derivatives contracts, to bring in operational efficiency and in line with the recommendation received from Brokers' Industry Standards Forum, it has been decided to do away with the mandatory requirement of NRIs having to notify the names of the Clearing Member/s and subsequent assignment of CP Code to the NRIs by the Exchange. Accordingly, for NRIs trading in exchange traded derivative contracts without CP code, the Exchange/Clearing Corporation shall monitor the NRI position limits in the manner similar to the client level position limits monitored by them. Position limits for NRIs shall be same as the client level position limits specified by SEBI from time to time.

3. The Stock Exchanges/Clearing Corporations are directed to:
- 3.1. bring the provisions of this circular to the notice of their members and also disseminate the same on their websites;
 - 3.2. make necessary amendments to the relevant Bye-laws, Rules, Regulations, Circulars, SOPs and FAQs for the implementation of the above decision;
 - 3.3. evolve the necessary guidelines for changing the current operational processes and issue the same on or before 30 days from the date of issuance of this circular.
 - 3.4. advise their members to provide an option to existing NRI clients to exit from CP code on submission of request through email communication within 90 days from issuance of this circular.
 - 3.5. advise their members to make operational changes to provide an option to such NRI clients who initially opt for CP code but later decide to exit from CP code, on submission of request through email communication.
4. This circular is issued in exercise of powers conferred under Section 11(1) of Chapter IV of the Securities and Exchange Board of India Act, 1992, read with Regulation 30 of Chapter VII of SEBI (Stock Brokers) Regulations, 1992 and Regulation 51 of Chapter IX of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, and to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.
5. This circular is available on SEBI website at www.sebi.gov.in under the category: 'Legal → Circulars'.

Yours faithfully,
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Department: Surveillance	Segment: Equity Derivative
Circular No: MSE/SURV/17580/2025	Date : July 30, 2025

Subject: Operational Efficiency in Monitoring of Non-Resident Indians (NRI) Position Limits in Exchange Traded Derivatives Contracts – Ease of Doing Investment

To All Members,

This is with reference to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/109 dated July 29, 2025, regarding Operational Efficiency in Monitoring of Non-Resident Indians (NRI) Position Limits in Exchange Traded Derivatives Contracts- Ease of Doing Investment.

The copy of the circular issued by SEBI is enclosed as Annexure.

Members are requested to take note of the above.

For any clarifications kindly contact Surveillance Department on 022-61129060/61 or send an email to surveillance@msei.in.

For and on behalf of
Metropolitan Stock Exchange of India Limited

Shweta Mhatre
Asst. Vice President

Metropolitan Stock Exchange of India Limited