

# National Stock Exchange of India Limited

## Circular

DEPARTMENT: INSPECTION	
<b>Download Ref No: NSE/INSP/57242</b>	<b>Date: June 22, 2023</b>
<b>Circular Ref. No: 57/2023</b>	

To All Members,

**Sub: Trading Preferences by Clients**

SEBI has issued circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/95 dated June 21, 2023, on the subject "Trading Preferences by Clients". A copy of the said SEBI circular is enclosed as Annexure A for your reference.

Members are advised to take note of the contents of the circular and comply.

**For and on behalf of  
National Stock Exchange of India Limited**

**Harinatha Reddy M  
Chief Manager**

In case of any clarifications, Members may contact our below offices:

Regional Office	CONTACT NO.	E MAIL ID
Ahmedabad (ARO)	079-49008632	inspectionahm@nse.co.in
Chennai (CRO)	044- 66309915/17	inspection_cro@nse.co.in
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**CIRCULAR**

SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/95

June 21, 2023

To

**All Recognized Stock Exchanges**

**Stock Brokers through Recognized Stock Exchanges**

Dear Sir/Madam,

**Subject – Trading Preferences by Clients**

1. SEBI, vide Annexure – 3 of the circular no. CIR/MIRSD/16/2011 dated August 22, 2011 (now rescinded due to issuance of [Master Circular for Stock Brokers dated May 17, 2023](#)), prescribed trading account related details, which clients would need to provide while opening a trading account with a stock broker.
2. Vide, Para C of the aforementioned Annexure, the format of Trading Preferences has been prescribed as under:

**C. TRADING PREFERENCES**

*\*Please sign in the relevant boxes where you wish to trade. The segment not chosen should be struck off by the client.*

<b>Exchanges</b>	<b>Segments</b>			
<b>Name of the Exchange -1</b>	Cash		Currency Derivative	
	F&O		Name of other Segment(s), if any	
<b>Name of the Exchange -2</b>	Name of the Segment(s) -1, 2...			

*# If, in future, the client wants to trade on any new segment/new exchange, separate authorization/letter should be taken from the client by the stock broker.*

3. Thus, currently, clients need to give separate authorization / letter in case they want to trade on different stock exchange for the same segment or on different segment.

4. Based on the representations received and in consultation with Stock Exchanges, it has been decided to standardize the format of “Trading Preferences” in order to ensure that clients are permitted to access all the stock exchanges in which the stock brokers are registered for the same segment.
5. Accordingly, Para C of Annexure – 8 of “Master Circular for Stock Brokers” with reference no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/71 dated May 17, 2023, stands modified as under:

<b>C. TRADING PREFERENCES</b>					
Please sign in the relevant boxes where you wish to trade. Please strike off the segment not chosen by you.					
Exchanges	NSE, BSE & MSEI				MCX, NCDEX, BSE & NSE
All Segments	Cash / Mutual Fund	F&O	Currency	Debt	Commodity Derivatives
If you do not wish to trade in any of segments / Mutual Fund, please mention here _____.					

6. All stock brokers are mandated to register their new clients on all the active stock exchanges after obtaining the trading preferences as per the aforementioned format. For existing clients, the stock brokers are mandated to offer them access on all the active stock exchanges for the segments already opted by them, as a default mode, within three months from the effective date of the circular and inform their respective clients through email / SMS. Clients shall be given a choice to opt out of such access by providing negative consent in this regard. Further, the stock brokers shall activate / deactivate the segments based on the preference of the clients.
7. The aforementioned provisions shall also be applicable to the clients registered in accordance with SEBI Circular No. SEBI/HO/MIRSD/DOP/CIR/P/2020/73 dated April 24, 2020.

8. Stock Exchanges are directed to:
- 8.1. bring the provisions of this circular to the notice of stock brokers and also disseminate the same on their websites;
  - 8.2. make amendments to the relevant bye-laws, rules and regulations for the implementation of the above provisions;
  - 8.3. monitor the implementation and compliance of this circular through half yearly internal audit and inspection of the stock brokers; and
  - 8.4. communicate to SEBI, the status of the implementation of the provisions of this circular in their monthly development report.
9. **Applicability:** The provisions of this circular shall come into force with effect from August 01, 2023.
10. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate, the securities market.
11. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the category "Circulars".

**Yours faithfully,**

**Aradhana Verma  
General Manager**

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