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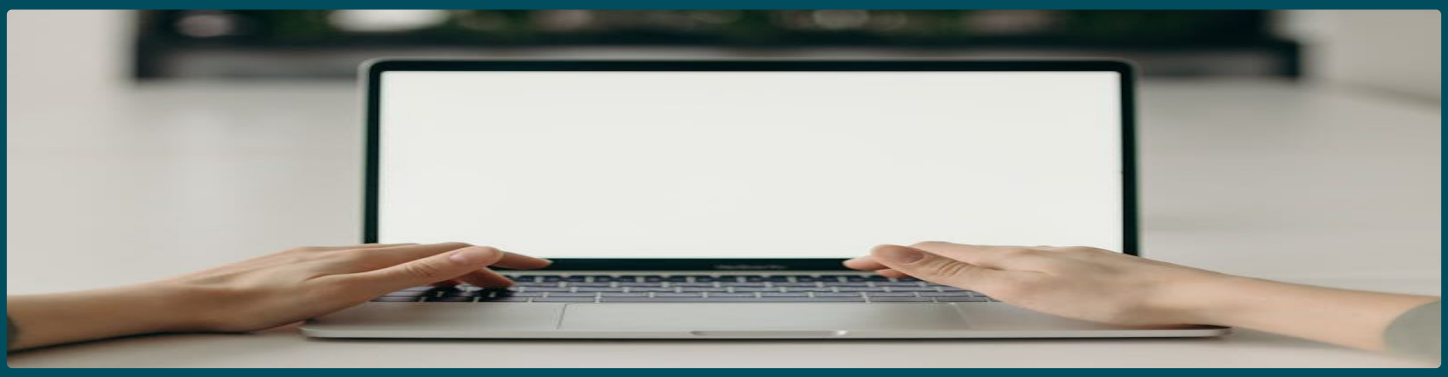

CIVIL

NCDEX Discontinues Nest Portal: Investor Grievances To Be Addressed Via SEBI's Smart ODR

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Introduction

The National Commodity & Derivatives Exchange Limited (NCDEX) has officially discontinued its web-based grievance redressal portal, NEST Portal(NCDEX Electronic System for Tracking grievances). This decision aligns with the broader framework established by the Securities and Exchange Board of India (SEBI) through its Online Dispute Resolution (ODR) mechanism. The change, formalized through NCDEX Circular No. NCDEX/INVESTOR SERVICES-003/2025 dated June 11, 2025, marks a crucial shift in how investor complaints and disputes are addressed in the commodities market.

Background: What Was NEST?

The NEST platform was introduced by NCDEX in January 2023 (via Circular No. NCDEX/INVESTOR SERVICES-001/2023) as a centralized system for investors and trading members to file:

- Complaints
- Arbitration applications
- Appellate arbitration requests

NEST Portal was designed to enhance transparency, traceability, and efficiency in handling investor grievances. It allowed real-time tracking of complaint statuses and enabled a paperless dispute resolution process directly through the Exchange's ecosystem.

Regulatory Shift: Emergence of SEBI's ODR Framework

While NEST Portal was a step forward, it functioned independently of SEBI's broader regulatory infrastructure. In line with the SEBI Master Circular for Stock Exchanges and Clearing Corporations and the push for centralized grievance redressal, SEBI launched its SMART ODR platform (Online Dispute Resolution system) under the provisions of the SEBI (Alternative Dispute Resolution Mechanism) (ADR) framework.

The SMART ODR platform is aimed at:

- Unifying complaint redressal across all exchanges and intermediaries
- Reducing timelines for dispute resolution
- Promoting mediation and arbitration in an online environment

With this new mechanism stabilized and operational across sectors, NCDEX has phased out its legacy system (NEST) to avoid duplication and ensure consistency with SEBI's centralized strategy.

What Changes for Investors and Market Participants?

As per the June 2025 circular, investors and members can no longer lodge new complaints on the NEST portal. Instead, the following updated mechanisms are now in place:

- 1. SMART ODR Portal – https://smartodr.in/login
  SEBI's unified ODR platform for filing complaints and initiating online arbitration/mediation.
- 2. SCORES Portal (SEBI Complaints Redress System) – https://scores.sebi.gov.in
  For submitting investor grievances directly to SEBI against listed entities or registered intermediaries.
- 3. NCDEX Website Complaint Registration
  Investors may use the NCDEX portal via: [https://ncdex.com >> Investor Service >> Investor Grievance >> Online Complaint Registration]
- 4. Email Submission
  Complaints can be emailed to the nearest Investor Service Center designated by NCDEX.
- 5. Physical Submission
  Hard copy complaints can still be sent to any of the NCDEX Investor Service Centers.

Impact and Significance

This move is more than just a technological upgrade as it reflects NCDEX's compliance with SEBI's evolving regulatory ecosystem and the shift toward digital-first, efficient, and uniform dispute resolution systems across financial and commodity markets.

For investors, this ensures:

- Faster complaint processing through a SEBI-regulated platform
- Integration into national-level mediation and arbitration systems
- Greater transparency and standardization

For trading members and intermediaries, the shift underscores the need to update internal compliance practices and client support systems in line with the new requirements.

Conclusion

The discontinuation of the NEST portal marks a clear shift in NCDEX's approach to investor grievance redressal, in line with SEBI's broader move toward centralized, tech-driven dispute resolution. By adopting the SMART ODR system, NCDEX aims to simplify the complaint process, reduce duplication, and ensure a consistent experience for investors across all market segments.

For investors and members, grievances must now be routed through the SEBI-approved channels, with SMART ODR and SCORES serving as the primary interfaces. It's essential that all stakeholders update their internal processes and client communication strategies to reflect this transition.

For any clarification, investors are encouraged to use the contact channels provided by NCDEX or reach out to their registered intermediaries.

For more details, write to us at: contact@indialaw.in

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