
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all members of the Exchange

Circular No : NCDEX/COMPLIANCE-069/2025

Date : December 15, 2025

Subject :Ease of Doing Compliance - Submission of Action Taken Report for non - compliance(s) reported in the Internal Audit Report.

This is with reference to Exchange Circular Ref. No. NCDEX/COMPLIANCE-067/2025 dated December 3, 2025, on "Ease of Doing Compliance- Submission of Action Taken Report for non-compliance(s) reported in the Internal Audit Report".

In accordance with the aforesaid Circular, Trading Members are required to close all the non-compliances reported in the internal audit report within 2 months from the end of due date of submission of Internal Audit Report i.e., for the half year ended September 30, 2025, the due date for submission of Action Taken Report is January 31, 2026.

In this regard, Action Taken Reports shall be submitted through email to iar_submission@ncdex.com as per **Annexure I & II**.

Members are further advised to note that prescribed monetary penalty/disciplinary actions shall be initiated in accordance with Exchange Circular Ref. No. NCDEX/COMPLIANCE-056/2025 dated October 10, 2025, in case the observations are not closed in the Action Taken Report or Action Taken Report is not submitted within the due date.

Further in cases where critical non-compliances viz; shortfall of client funds/securities/commodities/ networth/incorrect reporting of networth to the Exchange resulting in shortfall and offering fixed/assured/periodic returns to clients / mobilizing deposits from investors are reported in the internal audit report, immediate action shall be taken in accordance with Exchange Circular Ref. No. NCDEX/COMPLIANCE-056/2025 dated October 10, 2025 without waiting for submission of Action Taken Report.

Members are requested to note that submission of Action Taken Report shall be considered complete only after Member submits the action taken report to the Exchange on iar_submission@ncdex.com. Action Taken Report submitted only by Auditor shall not be considered as final submission to Exchange.

Please find enclosed the following Annexures applicable for the submission of Action Taken Report for the half year ended September 30, 2025:

- Annexure I - Certificate On Action Taken Report for Non-Compliances Reported in Internal Audit (PDF format with Digital signature & UDIN)
- Annexure II - Action Taken Report (PDF format with Digital signature & UDIN)

All Members are advised to take note of the above and bring the provisions of this Circular to the notice of their respective internal auditors and ensure compliance with the above requirement.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Pranesh Shetty
Senior Vice President – Inspection & Enforcement

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

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Annexure I

CERTIFICATE ON ACTION TAKEN REPORT FOR NON-COMPLIANCES REPORTED IN INTERNAL AUDIT

We have examined the relevant books of accounts, records and documents maintained by M/s. _____, (name of the member) having SEBI registration number _____) a member of the National Commodity & Derivatives Exchange Ltd (NCDEX) with TMID _____ to verify and certify the compliance on action taken by the Member for the non-compliances reported in the internal audit report for the half year ended _____. Details of compliance as per Annexure II.

Segment	Activity (Trading / Trading and Clearing)	SEBI registration number
Commodity Derivative Segment		

The purpose of this Audit is to examine that the processes, procedures followed and the operations carried out by the Trading Member/Clearing Member are as per the applicable Acts, Rules, Regulations, Bye-laws and Circulars prescribed by SEBI and the Exchange.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this Audit. In our opinion proper books of accounts, records and documents, as per the regulatory requirement have been maintained by the member, so far as it appears from examination of the books.

We have conducted the audit within the framework provided by SEBI/ Exchange/ for the purpose of this Internal Audit.

Based on the scrutiny of relevant books of accounts, records and documents, and to the best of our knowledge and belief and according to the information and explanations given to us, we certify that the Member has complied with the relevant provisions of SEBI Act, 1992, Securities Contracts (Regulation) Act 1956, Securities Contracts (Regulation) Rules 1957, SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and various circulars of SEBI and with the Rules, Bye laws, Regulations and various circulars issued by the Exchange except otherwise mentioned in the **Annexure II** of this report.

We declare that the audit firm is meeting the prescribed eligibility criteria as per Exchange circulars NCDEX/COMPLIANCE-103/2023 dated October 06, 2023 and NCDEX/COMPLIANCE-023/2024 dated March 26, 2024

We declare that our firm / company/ any of its directors/partners/proprietor do not have any direct / indirect interest in or relationship with the member or its shareholders / directors / partners / proprietors / management, other than the proposed audit assignment and also confirm that we do not perceive any conflict of interest in such relationship / interest while verifying non-compliances reported in internal audit of the said member. We also confirm that no regulatory action was taken against our firm / company/ any of its directors/partners/proprietor.

In our opinion and to the best of our information and according to the explanations given to us by the proprietor/partner (s)/director (s)/ compliance officer, the Action Taken Report provided by us as per the Annexure II and subject to our observations, which covers the entire scope of the Audit, is true and correct.

Signature of Auditor

For (*Name of Firm*)

Firm Registration Number:

Firm PAN:

(*Name of the Proprietor / Partner / Person Signing*)

(*Auditor Designation*)

Membership no. / CP. No:

PAN of Auditor:

Place:

Date:

UDIN:

ACTION TAKEN REPORT

Action Taken Report of Trading Member -----for the non-compliances reported in Internal Audit Report for the half year ended September 2025

Sr. No	Area of Verification	Observations of Internal Auditor						management Comments	
		Compliance Status	Remarks in case of observation	Sample size verified	Details of sample where non-compliance observed	Percentage of instance	Amount of instance	Whether Auditor comments accepted (Y=Yes, N=No)	Remark(Para wise, where auditor has reported compliance)
1	Non-compliance 1 as submitted in Internal audit report								
2	Non-compliance 2 as submitted in internal audit report								

QSB NON COMPLIANCE CLAUSES

[illegible]

We do not validate the management comments provided by the member in the above report. We have taken the management explanations wherever the information available on the underlying documents were not sufficient to arrive at a decision on the level of compliance.

Signature of Auditor

For *(Name of Firm)*

Firm Registration Number:

Firm PAN:

(Name of the Proprietor / Partner / Person Signing)

(Auditor Designation)

Membership no. / CP. No:

PAN of Auditor:

Place:

Date:

UDIN: