
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all members of the Exchange

Circular No. : NCDEX/COMPLIANCE-027/2023

Date : March 17, 2023

Subject : Reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications and systems offered and used by market intermediaries.

This is with reference to the Exchange Circular no. NCDEX/COMPLIANCE-001/2019 dated January 07, 2019 issued on 'Reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications and systems offered and used by market intermediaries.'

The members are required to submit Artificial Intelligence (AI) and Machine Learning (ML) applications and systems details as on March 31, 2023 to the Exchange latest by **April 15, 2023**.

The details are to be submitted through NCFE portal of the Exchange in below mentioned module:
Compliance → AI/ML

Further, members are requested to note the following with respect to submission of AI and ML details:

1. A separate form is required to be submitted for each of the AI / ML application and system in case of multiple AI / ML applications and systems are deployed.
2. The guidelines for referred submission are detailed in Annexure-1 and FAQs' for the same are given in Annexure-2.
3. It is hereby notified that the referred link will be activated on April 01, 2023 and will remain open for next 15 days only. Members are, therefore, requested to submit details on or before due date i.e. **April 15, 2023**.

Members are advised to ensure compliance with the above requirements.

For and on behalf of
National Commodity & Derivatives Exchange Limited

Pranesh Shetty
Vice President – Audit & Inspection

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

Annexure 1

Guidelines for submission

- A. Login to NCFE
- B. Go to menu Compliance ->AI/ML
- C. Fill in basic membership details and verify email id (based on OTP that will be received on the email id filled)
- D. Once email id is verified, submit the AI/ML application/system details on the screen directly against each head and click on "Submit" button.
- E. Repeat the process in case of multiple AI/ML applications/systems used.
- F. All fields are mandatory. Data once submitted cannot be edited again. Please check the details before finally submitting the data.

Annexure 2

FAQs for submission

Q1. What is the due date for the Submissions under AI/ML?

Ans. Due date for the submission is 15 calendar days from the end of the reporting quarter.

Q2. Which application/system are considered as AI/ML technologies?

Ans. Refer Annexure B of the Exchange Circular no. NCDEX/COMPLIANCE-001/2019 dated January 07, 2019.

Q3. We do not use AI/ML applications/systems. Do we need to submit the details?

Ans. Yes, you will have to inform the same to Exchange by selecting “No” as your answer to the question “Do you use any AI or ML in any area/software/application”.

Q4. We use multiple applications/systems with AI/ML technology. How do we submit the details using a single form?

Ans. You will have to make multiple submissions. The details of only one software/system/application can be submitted through the screen at one time.

Q5. We do only pro trading. Do we need to submit the details?

Ans. Yes.