



Indian Commodity Exchange Ltd.

Circular No: ICEX/Tech/2009/014

Date: 01/12/2009

Dept.: Technology

Sub: Automated Trading through CTCL Software

In terms of provisions of the Rules, Bye-Laws and Regulations of the Exchange the Members of the Exchange are notified as under:

The Exchange is pleased to announce its decision to allow 'Automated Trading' through CTCL subject to conditions as specified in this circular and other conditions as may be specified by the Exchange from time to time.

The term '**Automated Trading Software**' for the purpose of this circular shall mean any software or program facility by the use of which, upon the fulfillment of certain specified parameters, without the necessity of manual entry of orders, buy/sell orders are automatically generated and entered by the software/ program facility through CTCL software into the Trading System of Exchange.

Members may avail the **Automated Trading Facility (ATF)** through CTCL solutions subject to following conditions:

- Members shall install the ATF through CTCL software only at the specified location of the member after ensuring all the requirements stipulated by the Exchange in this regard have been complied with.
- Members shall obtain prior written permission of the Exchange for any changes in the software for the purpose of availing Automated Trading Facility through CTCL.
- All automated trading orders need to be placed through specified CTCL Id(s) allotted for the purpose and all automated trading orders should be placed in the system through these id's only.
- The Member shall carry out system audit of automated trading software in conjunction with CTCL.

- The Members shall also execute, sign, and subscribe, to such other documents, papers, agreements, covenants, bonds, and / or undertakings as may be prescribed or required by the Exchange from time to time.
- Exchange reserves the right to withdraw or modify this facility in respect of all or any commodity, generally or specifically for any Member or for any client of any Member.
- All the members are also subject to all Circulars, guidelines and/ or such terms as may be prescribed by the Exchange and Forward Market Commission from time to time.

The Exchange shall provide to the members the technical specifications (message formats/protocols etc.) i.e API for the interface with the Exchange Trading System after submission of Undertaking (Annexure A), Application Form (Annexure B), Technical Details (Annexure C) and Network Diagram (Annexure D) as mentioned in this circular and the applicable charges for In-house CTCL software development. Members who already have API for in-house CTCL development can use the same API for developing Automated Trading software without additional charges after submitting documents as mentioned above.

For **Indian Commodity Exchange Ltd.**

Technology Deptt

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Kindly contact Technology Helpdesk on 0124-3925900 or send an E-mail at icex_techsupport@icexindia.com for any assistance.

Guidelines for submitting undertaking for Automated Trading Facility using CTCL.

1. The Undertaking is to be executed on a Non-judicial stamp paper/s or on a paper franked from Stamp Office/ authorized banks, worth of **Rs.300/-** if executed in the State of Maharashtra. If this Undertaking is executed outside the State of Maharashtra, then it must be executed on a non judicial stamp paper stamped in accordance to the duty as payable in the place of execution or on a paper franked from Stamp Office/ authorized banks.
2. Further the Undertaking (including all annexures) has to be notarized before a Notary Public.
3. Please use Annexure-A. (Please do not retype the undertaking)
4. All the pages of the Undertaking (including all annexures) have to be signed in full. The persons signing should also sign in full at all places.
5. Please type the following on the non -judicial stamp paper as the first page and sign.

This non-judicial stamp paper of Rs. _____ forms part and parcel of the Undertaking executed by me / us. Mr. /Mrs. / M/s. _____ having my / our residence/office at _____
_____ on _____ day of _____ 200 at _____ IN FAVOUR of Indian Commodity Exchange Limited

Signature**

(**To be signed by the person(s) signing the Undertaking)

Undertaking – Automated Trading Through CTCL

I _____ /
We....., _____,
an individual /a firm registered under the Indian Partnership Act, 1932 / a Company / body
corporate incorporated under the Companies Act of 1956 /..... Act,
19....., and residing at / having registered office.....
at.....

.....
..... - give this UNDERTAKING on this day of
200.... at IN FAVOUR of Indian Commodity Exchange Limited., a
company incorporated under the Companies Act of 1956, having its Operations Headquarter
and Corporate Office at 8th Floor, building No. 2, Romell Technology Park, Nirlon Compound,
Goregaon(E), Mumbai-400063

WHEREAS

- a) Indian Commodity Exchange has provided the trading software to enable its Members to trade.
- b) Indian Commodity Exchange provides a Computer – to –Computer Link (hereinafter referred to as the ‘CTCL’) facility for order entry, receipt of order and trade confirmation and also for receipt of data relating to its trade quotations by using their own trading front end software in order to trade on Indian Commodity Exchange trading system.
- c) Indian Commodity Exchange also decides to permit the users of CTCL, an AUTOMATED TRADING facility (hereinafter referred to as the “ATF”) which mean any software or facility by the use of which, upon the fulfillment of certain specified parameters, without the necessity of manual entry of orders, buy/sell orders are automatically generated and entered by the software/program facility into the Indian Commodity Exchange trading system to be matched by the Exchange’s system and such permission is subject to terms and conditions as may be specified by Indian Commodity Exchange from time to time.
- d) Indian Commodity Exchange allows to avail the ATF by fulfilling all the terms and conditions as may be prescribed from time to time at its discretion.

NOW THEREFORE IN CONSIDERATION OF INDIAN COMMODITY EXCHANGE having agreed to allow me / us to avail the ATF, I / we hereby IRREVOCABLY AND UNCONDITIONALLY UNDERTAKE and agree to abide by and be bound by the following terms and conditions.

1. That I / We shall make the ATF available to the Approved Persons only after obtaining the prior written permission of Indian Commodity Exchange and subject to such terms and conditions as may be prescribed by Indian Commodity Exchange from time to time.
2. That in addition to such other terms and conditions as may be prescribed from time to time by the Indian Commodity Exchange, all the provisions of the Byelaws, Rules, Regulations and Circulars relating to use and operation of the Indian Commodity Exchange Trading System shall also mutatis mutandis become applicable to the use and operation of the ATF.
3. That notwithstanding anything contained in this Undertaking all my / our liabilities and obligations as a Member of Indian Commodity Exchange shall not be affected nor shall be prejudiced in any manner whatsoever, by using ATF for entering orders on the trading system of Indian Commodity Exchange.
4. That without prejudice to the generality of above clause (3) of this Undertaking, I / we shall be responsible to settle all the trades executed by the Approved Persons on my / our behalf whether such trades were executed with or without my permission / knowledge and that I shall be bound to complete / fulfill all my / our obligations / liabilities / commitments arising out of the trades executed by the Approved Persons on my behalf, including the trades executed by using ATF.
5. I/We shall not modify the software/algorithm for ATF as approved by Indian Commodity Exchange without prior approval of Indian Commodity Exchange.
6. I/We shall be solely responsible for the network infrastructure and connectivity for availing ATF made available to me.
7. I/We shall be solely responsible for all the losses, damages or other costs and consequences arising in any manner for the use of ATF and shall not hold Indian Commodity Exchange responsible in any manner whatsoever.
8. I/We shall adhere to the connectivity diagram approved by Indian Commodity Exchange and shall not make any changes in the same.
9. I/We shall be solely responsible and liable for the consequences in case of any breach of this undertaking and Indian Commodity Exchange shall be entitled to take such appropriate action as deem fit against me/us.
10. I/We shall not extend ATF to any other person/entity and/or premises unless I/We obtain prior written permission from Indian Commodity Exchange.
11. That Indian Commodity Exchange, at its absolute discretion, to make the ATF available to me / us only from the date of enabling the ATF, till such time as it may deem fit and further that

the ATF may at any time be withdrawn by Indian Commodity Exchange at its discretion without giving me / us any notice or any reasons whatsoever.

12. This Undertaking shall be binding upon my / our heirs, successors, legal representatives and assigns.

13. I / We shall execute, sign, and subscribe, to such other documents, papers, agreement, covenants, bonds, and / or undertakings as may be prescribed or required by Indian Commodity Exchange and Forward Market Commission from time to time.

IN WITNESS WHEREOF this Undertaking is executed by the undersigned on the day, month, year and the place first mentioned above.

Signed by, for and on behalf of:

Before me



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Application Form

(On the letterhead of the Member)

To
Chief Technology Officer,
Indian Commodity Exchange Limited.
8th Floor, building No. 2,
Romell Technology Park,
Nirlon Compound,
Goregaon(E),Mumbai-400063

Dear Sir,

I/We _____ (Name of Member) do hereby communicate that we would be using Automated Trading facility through CTCL _____ (Name of the Automated Trading Product along with version No.) on below mentioned CTCL ID.

1. Name of the Member:
2. Membership/Registration No:
3. Registered Office address:
4. Telephone No (with STD code):
5. Fax No:
6. Email Id:
7. Nature of Office: Regd. Office / Head Office / Dealing Office
8. Address of the office where:
Automated Trading facility
is extended
9. Technical details
 - a. Hardware:
 - b. Software:
10. Mode of connectivity between the:
CTCL server and the Exchange
(VSAT/ Leased Line)

11. Contact Person:

12. CTCL ID for using Automated:
Trading facility

I / We declare that the information so furnished is true and correct.

Date:

Place:

Stamp & Signature of
the authorized representative
of the member



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Annexure C

Technical Details (On the Letterhead of the Member)

In continuation of the undertaking given by us in favour of the Exchange and the below conditions are acceptable to me.

- That I/we shall ensure that the ATF is used only by the persons in the manner as approved in writing by Indian Commodity Exchange. We shall be limiting the inflow of up to **8 requests per second and 50 overall pending** requests (overall pending requests are requests for which response is not received from Exchange) per CTCL-ID. These parameters are subject to changes as per Indian Commodity Exchange's discretion.
- That Indian Commodity Exchange, at its absolute discretion, may suspend / withdraw the ATF available to me / us at any time.

Date:

Place:

Stamp & Signature of
the authorized representative
of the Member

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NETWORK DIAGRAM for Automated Trading through CACL

(Provide network diagram for ATF through CTCL facility).

**Application for change of Authorised User from TWS to CTCL (On
letterhead of the member)**

From: (Name of Member)
Member ID:

To,
Indian Commodity Exchange Limited.
4th Floor, 448-451 Udyog Vihar Phase-V Gurgaon
Tel.: 0124-3925900 FAX-0124-3925950

Dear Sir,

I/We.....(Name of Member) hereby
apply for change of Authorised User ID of **Indian Commodity Exchange** Trading System to
CTCL ID.

User ID

Name of User

Address

Tel. No.

Fax No.

Email

We hereby agree and bind ourselves to be responsible for all acts, quotations and transactions done, trades made, or affected by such user on the CTCL Trading System. We shall ensure that he/she will not execute any order on his/her own account or on account of anyone without such order having been approved by us in writing prior to execution.

For
(Name of the Member)

Authorised signatory
(Name and designation)

Date:
Place: