

CCIL'S – FX-CLEAR RETAIL TRADING PLATFORM - AN INTERNET BASED FOREIGN EXCHANGE TRADING PLATFORM FOR RETAIL CUSTOMERS

The Reserve Bank of India, in its “Statement on Developmental and Regulatory Policies” dated October 04, 2017, had stated that a mechanism should be in place for improving the pricing outcome for the “Retail User” under which client pricing is directly determined in the market by providing customers with access to an inter-bank electronic trading platform where bid/offers from Retail clients and Authorized Dealer banks can be matched anonymously and automatically. According to RBI, a mechanism in the form of a trading platform will provide transparency and at the same time enhance competition and lead to better pricing for the customers. Further, direct execution of orders by the customer would also bring down the risk that banks face in warehousing transactions until they can be aggregated to a market lot.

CLEARCORP, a subsidiary of CCIL (The Clearing Corporation of India Limited) has developed a web based order matching trading platform for the Retail participants which includes Individuals, Corporates, SMEs etc. The web based platform shall provide for trading in Outright CASH, Outright TOM ,Outright SPOT and FORWARD instruments upto a period of 13 months including broken dates in the USD/INR currency pair. The customers are required to register with the platform through a separate registration module of CLEARCORP.

BRIEF FUNCTIONALITY OF FX-RETAIL PLATFORM

1. **Anonymous Order matching Platform:** The platform provides for an anonymous and order driven dealing for the Retail Customers wherein they can place orders and trade in the USD/INR currency pair.
2. **Internet** – The Customers can access the trading platform through the website,

<https://www.fxretail.co.in> .
3. **Registration process:** A customer can register using the Registration link available on the CCIL website www.ccilindia.co.in.

Any customer including Individuals, Corporate, Small and Medium enterprises (SMEs) etc can register in the FX-Clear Retail Trading platform. Presently, 27 customer category types are available in the drop down list of the Registration form.

During registration process, the customer has to specify the “Relationship Bank” with whom the customer holds an account relationship and is entitled to approve the registration of the customer for providing access to the FX-Clear Retail Trading platform. A customer can have multiple Relationship Banks in FX-Clear Retail Trading platform. In such case, customer has to select a specific “Relationship Bank” for each deal in FX-Clear Retail Trading platform.

The customer has to submit all the mandatory details which are indicated by an asterisk symbol (*) in the Customer Registration page like

(a) Customer Type

(b) Customer's First Name & Last Name

(c) PAN Number (Copy of PAN Card to be uploaded)

(d) DOB/Date of Incorporation

(e) Email Id & Mobile No. - which are verified through OTP

(f) Relationship Bank Name & Home Branch IFSC Code (branch where the Customer maintains the account with our Bank).

(g) Trading Branch IFSC Code (CNRB0001197) - This is common for all customers of our Bank.

The Customer has to accept the terms and conditions at the time of online registration in FX-Clear Retail Trading platform.

Once the customer submits the application for registration, the details as provided shall be forwarded to the "Relationship Bank" for approval. The customer can also check the status of the registration using the link sent to the email ID.

After submission of registration form online, customer has to approach his home branch and submit application form (as per Annexure-I) for authorization & fixation of limits. Application form should be signed by the authorized signatory with authorization letter. Branch has to verify the details submitted by the customer in the application form. Based on track record & financials of the customer, branch has to recommend suitable limit/s and forward the application form to Forex Accounting Section, Integrated Treasury Wing (Email id - fxretail@canarabank.com) for approval. On approval, the customer will be provided with the user credentials which would include a login name and password. Customers can visit CCIL website, <https://www.ccilindia.com> for more details.

4. Instruments: The Customers can trade in 4 instruments on the platform namely Outright Cash, Outright Tom , Outright Spot and Forwards.

5. Market watch: The Customers would have dealing access only for the Retail market on the platform. The FX-CLEAR Inter-bank Spot rates would be available to the customers only for view purpose.

6. **Trading limits:** Bank will set the trading limits for the customers as per the recommendation of branch/RO/CO. The customer would be allowed to place an order based on the limits set by the Bank. These Limits for customer can be an Only Sell Limit or Only Buy limit or Both depending on the customer profile

7. **Mark Up Settings:** Bank will set the mark up for the customers on the trading platform which would be adjusted with the traded rates.

8. **Swap Quote Settings:** Bank will set the Cash , Tom and Forward Swap quotes on the platform. The orders placed by the Customers in Cash and Tom instruments are translated into Spot orders by adjusting with the Swap Quotes.

9. Effective from 21.09.2020, Clearcorp Dealing Systems (India) has introduced following additional features on FX Retail platform on account of revision in FX Clear Dealing Segment Regulations.

- a. Booking of Forward Contracts
- b. Cancellation of booked Forward Contracts
- c. Rollover (Cancellation and Rebooking) of Forward Contracts
- d. Early delivery of Forward Contracts
- e. Swap quote implementation for Forwards

Contract Cancellation: Customers can cancel the Forward contracts on the platform till the maturity date of the contract.

10. Trading features of the FX-Retail Platform

- i. Orders shall be matched on the basis of Price time priority.
- ii. There is no cap on the number of transactions per customer during a day.
- iii. Total amount of transactions of a customer shall be subject to the limit assigned by the bank.
- iv. Size of a single transaction is not allowed to exceed \$5 million.
- v. No transaction charges shall be levied by the CCIL on transactions of customers if such transactions do not exceed USD 50000 per day.
- vi. A transaction charge of 0.0004% shall be charged by the CCIL for transactions in excess of USD 50000 per day.
- vii. A customer can place or hit, modify, cancel orders on the trading platform.
- viii. On conclusion of a trade, the counterparty for the customer would be the Relationship Bank selected at the time of order placement on the platform
- ix. The trading session timings shall be as per existing dealing hours for Customers.

x. The spread/tick size of the Retail market would be same as the Interbank market of FX-CLEAR platform. Currently, the tick size is quarter paise (0.0025)

xi. The customer would get a deal ticket with the Relationship Bank as the counterparty. Further, the deal ticket would also provide the mark up details as set by the Relationship Bank.

For further details please contact the nearest Branch of Canara Bank or call at 022-26725108, 26725134.

Annexure-I

APPLICATION CUM UNDERTAKING FROM CUSTOMER REQUESTING APPROVAL OF REGISTRATION AND FIXATION OF LIMITS IN FX-CLEAR RETAIL TRADING PLATFORM

(For other than individuals, to be submitted to the Home Branch in the official letter head of the Entity)

TO:
THE BRANCH MANAGER
CANARA BANK

Sir,

SUB: CUSTOMER REGISTRATION IN CCIL'S FX- CLEAR RETAIL TRADING PLATFORM - REQUEST FOR APPROVAL AND FIXATION OF TRADING LIMITS.

I/We am/are one of your constituents and have satisfactory dealings with your branch. I/We am/are interested to avail the facility offered by CCIL. Accordingly I/we have initiated the registration process in FX-Clear Retail Trading Platform and opted Canara Bank as my/our "Relationship Bank" and your branch as Home branch.

In the registration process, I/we have provided the following information.

APPLICATION REQUEST NUMBER	
CUSTOMER TYPE	
INDIVIDUAL/ENTITY NAME	
FULL ADDRESS	
DOB/ DATE OF INCORPORATION	
PAN NO.	
AADHAAR NO.	
IE CODE	
CIN NO.	
LEI & EXPIRY DATE	
GSTIN & STATE CODE	
PRIMARY CONTACT DETAILS	NAME : E-MAIL : MOBILE :
ALTERNATE CONTACT DETAILS	NAME : E-MAIL : MOBILE :
HOME BRANCH NAME & IFSC CODE	
ACCOUNT NUMBER	

I/We have read, understood and accepted the Terms and Conditions and also agree to make payment of all registration and other charges to the debit of our account with you.

Further, I/we request you to fix the following limits:

(a)

(in USD)

ON INSTRUMENT				
Outright CASH	Outright TOM	Outright SPOT	Forward	Gross Limit For ALL

(b)

Gross BUY	Gross SELL	Global BUY+SELL)	GROSS(Global NET (BUY-SELL)

I/We am/are agreeable to keep margin prescribed on the Gross limit either by way of Term Deposit or by keeping hold in our CASA account till the validity of limits.

Also, I/we hereby confirm that all the required Know Your Customer (KYC) formalities are complied with by us as per the applicable laws. I/We shall also ensure the ongoing compliance of KYC requirements as required under applicable laws. I/We hereby authorize you to recover all charges/taxes levied on concluded deals in FX-Clear Retail Trading Platform and any exchange loss incurred by the bank arising out of non- delivery of underlying transaction to you/due to non-compliance of FEMA guidelines.

I/We undertake not to put through the transaction in FX-Clear Retail Trading Platform towards Overseas Direct Investment (under LRS/Non-LRS) and remittances which attract provisions of FCRA.

I/We shall abide by the terms and conditions stipulated by your bank. In the event of our defaulting in delivery of underlying transaction for more than 3 times during the validity of limit/ non-payment of Transaction /any other charges / exchange loss on account of position reversal by the Bank shall render us ineligible to transact in FX-Clear Retail Trading Platform with Canara Bank as "Relationship Bank". In such a situation, I/we am/are agreeable to the Bank revoking all limits in FX-Clear Retail Trading Platform and shall not make any claim on the Bank whatsoever.

PLACE:

DATE:

AUTHORISED SIGNATORY

/OFFICE SEAL/