

Annexure A

(On Company's Letter Head)

UNDERTAKING

I _____ do hereby undertake the following:

1. I/We have applied for the Private Wire/ Data Circuit vide application No. _____
2. This Circuit will work on Network basis between two addresses mentioned in the application.
3. This circuit will not be interconnected to any of the Leased Line/ PW/ Data Circuit/ Network/ EPABX/ EPAX/ Dealer Board of MTNL/ DoT/ Private at both ends.
4. I/We do hereby agree to indemnify the Govt. of India/ DoT/ MTNL and keep them indemnified against any loss damage claim, cost, charges, expenditure incurred by or made against them in respect of loss of rent/ call charges due to misuse of the circuit or otherwise whatsoever in the matter
5. I/We further indemnify that I/We shall abide by Indian Telegraph Act amended from time to time and rules made thereon, in general and section 20-A and section 25-C in particular.

Dated

Place:

Authorised Signatory
Name, Address & Tel. No.

with rubber stamp

Authorised Signatory
National Commodity & Derivatives Exchange
Limited
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 51
Tel. No.: 022-56406789

(of "B" end user)

(of "A" end user)

Extract of Indian Telegraph Act

1. Section 20-A Breach of condition of license – If the holder of a license granted under Section 4 contravenes any condition in his license; he shall be punished with fine, which may extended to five hundred rupees for every week during which the breach of the condition continues.
2. Section 25: Intentionally damaging or tampering with telegraphs – If any person intending to commit mischief, damages, removes, tampers with or touches any battery, machinery, telegraph lines, post or other thing whatever, being part of or used in or about any telegraph or in the working thereof, he shall be punished with imprisonment for a term which may extend to three year, or with fine, or with both.

Leased Line - Undertaking

This Undertaking cum Indemnity is made on this the _____ day of _____ 2003 by _____, admitted as a Trading Member with National Commodity and Derivatives Exchange Limited (NCDEX) and having his address/its registered office at _____ (hereinafter referred to as "Trading Member" which expression shall unless repugnant to the context or meaning thereof include his/its heirs, successors, assigns and legal representatives) to and in favor of National Commodity and Derivatives Exchange Ltd, company incorporated under the Companies Act, 1956 with its registered office at Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai-400051(hereinafter referred to as " NCDEX " which expression shall unless repugnant to the context or meaning thereof include its successors or assigns).

WHEREAS

1. NCDEX has introduced a trading system, for the purpose of screen based trading facility for the whole territory of India, known as NCDEX_AT for Automated Trading (hereinafter referred to as "NCDEX_AT").
2. NCDEX through its NCDEX_AT system has established trading facilities in the whole territory of India by setting up a central computer at Mumbai connected to the Trading Members work stations through appropriate communication network using Leased Line to be provided by Mahanagar Telephone Nigam Ltd. (MTNL)/ Department of Telecommunications (DOT) (hereinafter referred to as "Leased Line") and VSATs.

3. NCDEX has been granted a license by DOT, for the installation and operation of the said network, known as NCDEX-NET, subject to certain restrictions and conditions.
4. The Trading Member intends to be connected to the NCDEX-NET through Leased Line and NCDEX agrees to provide the said facility among other conditions, on the execution of this Undertaking.

NOW IN CONSIDERATION OF NCDEX permitting me/us as a trading member to use the above mentioned NCDEX-NET, I/WE UNCONDITIONALLY AND IRREVOCABLY UNDERTAKE AND AGREE

- i. That ownership of the NCDEX-NET will remain with NCDEX and will not be transferable to me / us in any manner.
- ii. That Closed User Group for the NCDEX-NET will consist of NCDEX and its authorized members/users.
- iii. To procure the 64 Kbps Leased Line(s) in the name of NCDEX and make all the necessary payments to MTNL/DOT and follow up from time to time with MTNL/DOT for installation, commissioning and shall submit all the original documents to NCDEX immediately.
- iv. To take all the necessary measures to shift the Leased line at my/our own cost (including the cost of any extra equipment, if required) to the new location of NCDEX as and when intimated and shall not hold NCDEX responsible for any stoppage of trading through Leased Line during the shifting period for any reason whatsoever.
- v. That I/We shall do all necessary follow-ups with MTNL/DOT in case of shifting of our operation to other locations and shall pay the necessary charges to MTNL/DOT for shifting of the Leased Line.
- vi. To hire the Leased Line circuit for a minimum period as may be prescribed by MTNL/DOT from time to time.
- vii. To use NCDEX-NET and all related or connected equipment only for the purposes prescribed or approved by NCDEX.
- viii. To provide the necessary equipment for the purpose of being connected to the NCDEX-NET.
- ix. To procure and use only MTNL/NCDEX approved equipment for the purpose of being connected to the NCDEX-NET.
- x. To follow up solely by myself/ourselves with MTNL/DOT authorities for the restoration of the Leased Line link, in case of any malfunctioning or failure of my/our Leased Line.
- xi. To use NCDEX-NET subject to the condition that the license issued by the Director General, Department of Telecommunication may be amended or altered from time to time and is issued only for the specific approved systems / equipment / circuits / services and users and subject to the condition that the Director General, Department of Telecommunication, reserves the right to revoke the license suo moto at any time.
- xii. To use NCDEX-NET subject to the provisions of the Indian Telegraph Act, 1885, The Indian Telegraph Rules, The Indian Wireless Telegraphy Act 1933 and all other Rules and Regulations and relevant laws which shall be applicable and shall be complied with.

- xiii. To use all communications through NCDEX-NET for the exclusive in house communication of only approved users of the NCDEX-NET and in no way, at no place and at no time to connect to Public Telecommunications/Telex/Data/Telephone Network of Department of Telecommunication/MTNL/VSNL or any network of any other party unless permitted to do so by NCDEX upon permission to do so being granted to it by Department of Telecommunication.
- xiv. To use the services provided on NCDEX-NET for the bonafide use of authorized users only.
- xv. To ensure that the operation of the systems/Equipment installed by me/us does not cause any harm/loss to the Department of Telecommunication/MTNL or NCDEX
- xvi. That in case of problems related to the connectivity with the trading system, I/We agree to diagnose with help of MTNL/ DOT officials and confirm to NCDEX that the Leased Line link is functioning normally. In case NCDEX is not satisfied about the same, I/We also agree to send a representative to NCDEX to demonstrate the same, if required.
- xvii. To ensure that no communication/message which is prejudicial to the interests of the nation or to the security of India is passed over, through or on the Leased Line or any part of NCDEX-NET.
- xviii. Notwithstanding anything contained in the terms and conditions applicable for operation of NCDEX-NET, I/We agree not to carry such messages (e.g. Electronic Transfer of Funds), which are prohibited by law on any part of NCDEX-NET.
- xix. That NCDEX does not give any commitments/guarantees towards Leased Line link performance like response time, uptime etc.
- xx. Not to hold the DOT/MTNL or NCDEX responsible for any direct/indirect/consequential, harm/loss/damage of any kind to the user/users of NCDEX-NET on account of any interruption on DOT/MTNL/NCDEX systems or network.
- xxi. To use NCDEX-NET subject to and in accordance with the Bye-laws, Rules, Regulations of NCDEX and such other conditions as may be prescribed by DOT/MTNL or NCDEX from time to time.
- xxii. To ensure that the Leased Line and related equipment are installed and used only in the approved premises under my/our control only by persons authorized or approved by NCDEX and to take all responsibility for authorized or unauthorized use of the NCDEX-NET through the Leased Line and related equipment.
- xxiii. To ensure that the data communication link between the Exchange's equipment and Member's Trader Workstation shall be used on point-to-point basis only. The Member shall further ensure that the above link will not be connected to any other telecommunication network and shall indemnify the Exchange against any loss or damage including liabilities arising out of failure to comply with the above.
- xxiv. That in case of NCDEX running its live trading operations or conducting tests from its disaster backup site, I/We agree that I/We am/are not entitled to and shall not be provided with the connectivity to NCDEX's trading facility through the Leased Line.
- xxv. That I/We shall lay the cables and provide conduits for the cables at my/our own cost as per the specifications of NCDEX or its representative.

- xxvi. That NCDEX shall not be liable for any stoppage in my/our trading activities owing to objections from any regulatory authorities. NCDEX shall also not be liable for any direct or indirect damages or losses suffered by me/us, for whatsoever reason including owing to system failure or loss of connectivity.
- xxvii. That I/We shall not alienate or part with any portion of the equipment /equipment of the NCDEX-NET or any equipment connected with the NCDEX-NET in any manner whatsoever including by way of Mortgage, Hypothecation, Pledge, Exchange, Gift, Lease, License, Agency etc.
- xxviii. I/we agree to provide the Telecom Engineering Centre (TEC) approved equipment and cables at my/our end for the leased connectivity between the trading system and my/our premises.
- xxix. I/We agree that the Leased Line connectivity may be deactivated at any point of time on failure of compliance with the above conditions, till such time the necessary corrections are incorporated.
- xxx. I/We agree that the trading facility through the Leased Line may be withdrawn by NCDEX at any point of time at its own discretion without assigning any reason whatsoever.

To indemnify and keep indemnified NCDEX to the extent of the damage, loss, harm, costs or which shall be incurred by NCDEX as a consequence of any.

- a. Contravention of any of the clauses mentioned above for which I/We am/are giving this undertaking to comply with or
- b. Contravention of any of the Bye-laws, Rules, Regulations framed by NCDEX upon which NCDEX may adopt any course of action which may be either disciplinary or legal or impose any other penalty which NCDEX may deem necessary, which shall include the right of NCDEX to demand any amount of monetary compensation for any default on the part of Trading Member/from the Trading Member, and which amount in the case of a default in payment, may be adjusted by NCDEX at his discretion against my/our security deposit with NCDEX.

Signed and delivered by the within named Trading Member

WITNESSES

Signature

(1) NAME
ADDRESS:

Signature

(2) NAME :
ADDRESS:

BEFORE ME