

STEPS involved in the entire process of concluding a trade on web based OM

Various steps involved in the whole exercise of buying/selling the G-Sec on web based OM are as follows (in the sequence):

- GAH approaches PM with a request for direct access to the NDS-OM Web.
- PM validates GAH for compliance with KYC norms and also ensures that GAH has adequate IT infrastructure and related preparedness. Once satisfied, PM requests CCIL for client creation and activation in the System.
- CCIL creates and activates the GAH in the system.
- Once in system, PM then creates say users A and B of GAH.
- PM procures Digital Certificates and e-tokens for GAH users.
- PM sends the details of GAH user to CCIL administration for authorisation and for generating log-in and passwords using digital signature and token.
- CCIL generates the login ID and password for GAH user and forwards the same to PM.
- PM in turn, forwards the login ID and password to ultimate user i.e. GAH.
- PM sets the risk parameters for GAH and users of GAH.
- PM through its administrative terminal can monitor/update balances/limits of their constituents. GAH's users enter the application through login, password and digital signature with e-token and place their orders (within the limits set by PM).
- Once validated against pre-set risk controls, the orders placed by GAH finally merges in main order book of existing NDS-OM matching system and NDS-OM workflow takes over. NDS-OM successful orders will flow to CCIL in a STP environment for settlement.
- GAH gets an automated system generated popup/ notification on his successful executed orders. Deal ticket can be printed by GAH.

Operating procedure for access to web-based NDS-OM system

NDS OM Administration = CCIL; Primary Member = ABCD (it has the CSGL account with RBI);

GAH of ABCD = XYZ Industries (XYZ; it has gilt and current account with HDFC)

GAH users = Authorised employees A & B of XYZ; Screen for submitting bids – ndsind.com

1. XYZ approaches ABCD with a request for direct access to the NDS-OM-Web in the secondary market of G-Secs.

2. ABCD completes KYC requirement for XYZ and also ensures the adequate IT infrastructure and related preparedness of the concerned GAH. Once satisfied, ABCD requests CCIL to create XYZ Client in the System.

4. Once in system, ABCD then creates say users A and B of XYZ.
5. ABCD procures Digital Certificates and e-tokens for XYZ users if not already.
6. ABCD sends the details to CCIL administration for authorisation and for generating log-in and passwords using digital signature and token.

7. CCIL generates the login ID and password and forwards the same to ABCD.
8. ABCD in turn, forwards the login ID and password to XYZ.

9. ABCD sets the risk parameters for XYZ and users of XYZ.
Risk parameter includes 'Single Order Limit (SOL), Price/Yield Range Setting, Activity Controls, Security Stock Balance, Turnover Limit and Funding Limit'.

10. XYZ's users login to application and place their orders (buy/sell) within the limits set by ABCD. ABCD can view the orders of XYZ and hold/cancel the same in case it finds that XYZ do not have sufficient funds/security balance etc.

11. Once validated with set risk controls, the orders placed by XYZ finally lands in main order book of existing NDS-OM and NDS-OM workflow takes over.

12. XYZ gets an automated system generated popup/ notification on his successful deals. Deal ticket can be printed by XYZ.