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CSE Data Usage and Data Sharing Policy

Overview:

The Calcutta Stock Exchange Limited (hereinafter referred to as “**CSE**” or the “**Exchange**”) and CSE Capital Markets Pvt. Ltd. (known as **CCMPL**), a 100% subsidiary of CSE, set up solely to provide the DP Services to Trading Members and individual investors, are committed to ensuring that all data usage, sharing and distribution is undertaken based on certain identified terms and conditions and on an arms-length basis. This document has been formulated to outline the key steps that the Exchange and its subsidiaries will implement internally, towards achievement of this objective.

Objective:

The objective of this policy is to set out the key principles and processes in relation to

- The use, sharing, distribution (and re-distribution),
- Dissemination, display and monitoring of market data products as mentioned on the CSE website, of the Market Data.

Scope:

This policy is applicable to data disseminated across all the segments of the Exchange, and any other segment which may be introduced by the Exchange time to time.

Live Feed Data to Trading Members:

1. Trading Members will be provided with live feed data by CSE as a part of their ongoing membership with CSE. Such data shall be provided using CSE’s infrastructure and in predetermined formats, as communicated on CSE’s website, circulars and other communication issued from time to time.
2. Other than the above, where a Trading Member proposes to subscribe to Market Data, it will be required to communicate the requirements through email/ phone call or in person submit the prescribed order form as available on the website of CSE from time to time, pursuant to which such data shall be provided by CSE Data. If the order is received by phone call or in person then the same shall be referred to in the email forwarding the necessary documentation / agreement and the said email shall be recorded by CSE.

Providing Market Data to External Data Vending Agencies:

1. Agencies proposing to access Market Data shall be required to communicate their requirements through email/letter.
2. Post receipt of the email/letter by CSE, the Agencies will be required to execute the Relevant Agreement, capturing, inter alia, the terms

and conditions of the subscription, such as intended use and the manner in which the Agency will receive, transmit, handle, disseminate, or deal with the CSE Live Market Data.

3. Any Market Data being accessed for commercial purposes shall be provided by CSE at a price approved by its Board or a committee acting on delegation of such Board.
4. CSE shall endeavour to ensure that all forms/types of Market Data are processed, packaged and distributed to Agencies in a similar manner, including the data structure and its depth.
5. CSE will provide Market Data online only, through a server designated by CSE and use of any offline modes like compact disks, hard drives, USB drives and any other removable storage media device shall not be permitted without the prior approval of MD & CEO of CSE. CSE shall not share or transmit any Market Data which is prohibited from being shared or transmitted under applicable law. This shall include personal information which is capable of rendering an individual identifiable.

Limitations on Usage of Data:

1. The Relevant Agreements shall clearly set out the manner in which the Market Data may be permitted to be used, transmitted, handled and disseminated in any manner whatsoever and will include end user restrictions.
2. Trading Members and Data Vending Agencies shall not be permitted to use Market Data, in whole or in part to create any financial index, whether custom or otherwise, including the creation of a composite index (index of indexes), or any financial instruments or contracts (listed or unlisted) unless separately licensed by the relevant CSE entity.
3. Trading Members and Subscribers shall not be permitted to reverse engineer or attempt to derive the composition or underlying information, structure or ideas of any Market Data.
4. Any form of access or usage of Market Data by Trading Members or Data Vending Agencies shall not confer any right of ownership being created over such data licensed by CSE or CCMPL. The ownership of all data shall at all times lie with CSE/CCMPL (if any).
5. Trading Members and Data Vending Agencies shall not be permitted to redistribute any Market Data, except as agreed in the Relevant Agreement between the parties.

Pricing and Fee Structure:

1. Pricing and fees for all Data Vending Agencies shall be fixed on an arm's length basis.
2. The pricing of Market Data licensed/ offered to Agencies by CSE shall be in accordance with the price approved by its Board or a committee thereof. The MD/ CEO of CSE, as authorised by the Board, may approve discounts as per business requirements which shall be noted in the subsequent board meeting. Similarly, MD/CEO may approve charging higher than standard price depending on the business rationale and the same will be noted in the subsequent board meeting.

3. Details in relation to such fee arrangements pertaining to discounts / higher than the standard pricing etc. as mentioned above, and the nature of the relevant Agencies shall be recorded in writing as a part of internal records, along with the underlying reasons for arriving at the relevant discounts and a confirmation that such decisions have been on an arm's length basis.
4. The Board of CSE may also consider introducing reduced fee arrangements or waivers for Non-Commercial Users.

Non-Commercial Users, Research Entities and Analysts:

1. In the event CSE commissions any Research Activity, CSE shall request such entity with access to Market Data, strictly for the purposes as outlined in the underlying Relevant Agreement or an undertaking as determined on a case by case basis which will be in accordance with the provisions of this policy. Any such Research Activity which is commissioned by CSE will be subject to prior approval of the managing director of the Exchange and in the manner as may be laid down by CSE from time to time. Similarly, if any Researcher or Research Institution requires data for research, then such request shall also be approved by the MD/CEO of CSE before such data is provided by CSE which shall be in accordance with the pricing norms as approved by its Board of CSE or a committee thereof.
2. In case any data is offered to a Non-Commercial User, Researcher or a Researcher Entity etc., the pricing for the same shall be pre-approved by a committee and the limitations on such use of data by Non-Commercial Users shall be clearly set out in the underlying documentation with the relevant counterparty.
3. All Non-Commercial Users, Research Entities and Analysts shall sign a declaration of confidentiality as part of their underlying documentation.

Conflict of Interest:

1. CSE shall ensure that all data usage and data distribution is undertaken at an arm's length basis.
2. CSE, prior to entering into an arrangement for a commissioned research that is not at an arm's length basis, shall perform a confirmation exercise to ensure that the entity which will undertake the commission research has no conflict of interest with CSE or any employee, who is part of the process relating to approving or provision of Market Data to the External Agency concerned, as the case may be. CSE, prior to entering into an arrangement for a commissioned research or data being sought by researcher will also seek a confirmation to the effect that the researcher or such entity which will commission the research shall have no conflict of interest with CSE or any of its directors or employees.
3. Directors shall disclose their business interest as per the applicable laws, rules, policies etc. of the Company. In case where any such Director or an employee has disclosed his interest, directly or indirectly, in relation to Market Data to be provided to the Agency under this policy, the said Director or employee shall recuse himself

from the process relating to approving or provision of Market Data to the Agency concerned.

4. In case of there being a conflict of interest of a Director with an Agency post receipt of disclosure of interest, in such case approval of the Board shall be sought in a Board meeting or if no such Board meeting is envisaged in the near future by passing a circular resolution before entering into the Relevant Agreement with the Agency. The Director who is conflicted shall recuse himself from approving the resolution or circular resolution.
5. The Relevant Agreement with the Agency will include CSE and CCMP's right to take any action, including termination, if, in the reasonable judgement of the Board, a conflict has arisen, or discovered subsequently with the Agency and the conflict has given rise to the contract not being on arm's length basis or on standard terms.
6. CSE and CCMP shall maintain a register recording all instances of conflicts of interest which has been brought to its notice and steps taken in relation to the same.

Rights and Obligations of CSE:

1. CSE shall maintain proper records of data being provided to Agencies as well as Trading Members and the records and processes including IT systems used for dissemination of data which will be subjected to periodic internal audit.
2. Where any misuse of data are brought to the knowledge or notice of CSE or CCMP, by way of any complaint or otherwise, the same shall be comprehensively evaluated and necessary action shall be initiated, where appropriate, subject to legal advice.
3. CSE and CCMP shall reserve the right to audit or inspect any books, records or other documents (including those stored in electronic form) of any entity that is in receipt of data in terms of this policy, to ensure compliance with relevant contractual terms and conditions and applicable law. The recipient entity shall agree to extend all necessary cooperation towards the above. The specific terms in relation to this will be appropriately captured and agreed to by the parties in their underlying agreement.
4. CSE and CCMP shall by providing reasonable notice reserve the right to carry out spot checks with regard to the manner of usage/distribution of the Market Data, including specific information in relation to End-Users and the recipient shall agree to extend all necessary cooperation towards the above. The specific terms in relation to this will be appropriately captured and agreed to by the parties in their underlying documentation.

Accountability:

1. Overall the Data related to trading system is the sole responsibility of the Exchange management as a whole. However the related departments are also responsible for safety and security of the data at the ground level.
2. The publicly distributed Trade and its related data is out of the purview of this policy as it is available in the public domain. The

sanctity can always be verified from the original source that is the Exchange where it is originated.

3. For other official and internal data, the users and the respective department is responsible and accountable for its safety (backup etc.) and security (prevention of leakage). The departmental head is finally accountable for any breach in security and in case of any leakage reported.

Interpretation:

The principles set out in this policy shall be read in conjunction with the specific terms and conditions of the Relevant Agreement entered into by the external Agency with CSE or CCMPPL.

Definitions:

- (a) **Board** means the Board of directors of CSE and/or CCMPPL and as applicable.
- (b) **Board Member** means a member of the Board of CSE and/or the Board of CCMPPL as applicable.
- (c) **End-User** means the person for whose benefit the Market Data is obtained by an Agency under the Relevant Agreement, and who is prohibited from disseminating the Market Data as may be set out under Relevant Agreement, as amended from time to time.
- (d) **Market Data** means any data and information (including any figures, statistics, numbers) in relation to any securities contracts (including price, identifiers, volume, trade related data) as well as any company. This includes, without limitation, on line streaming data, real time data, snapshot data, delayed data, end of day data, historical data and corporate data which may be transmitted to the Agency by CSE or CCMPPL.
- (e) **Non Commercial Users** means accredited academic institutions, members of academia and not for profit institutions/entities, Researchers, Students etc.
- (f) **CSE** means The Calcutta Stock Exchange Limited.
- (g) **CCMPPL** means CSE Capital Markets Pvt. Ltd.
- (h) **Relevant Agreement** means the agreement, in any form whatsoever, entered into between CSE and an Agency/Company outlining the terms, conditions and restrictions in relation to subscription to Market Data.
- (i) **Research Activity** means any research carried out by Non-Commercial Users, Research Entities and Analysts by subscribing to Market Data transmitted by CSE, for purposes other than trading or profit.

- (j) **Agency** means any person who has entered into the Relevant Agreement for pre-agreed use of the Market Data, including, but not limited to:
- 1) Other market intermediaries; 2) Media (Electronic and Print Media) 3) Data Vendors Non-Commercial Users 4) Research Entities and Analysts/ Researchers
 - 2) Overseas Entities: Including but not limited to recognised foreign stock exchanges, market participants, trading members, non-commercial users, research entities and analysts.
- (k) **Trading Member** means a stock broker and a member of the CSE registered in accordance with the CSE Bye Laws. Underlying Documentation means the Relevant Agreement or undertaking or both as applicable.

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Changes:

Inclusion of Accountability section