



Bhogilal Trikamlal Securities Pvt. Ltd.

MEMBER: BSE LTD. & NSE LTD.

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Policy for prevention of Business Disruption & Standard Operating Procedure (SOP) to be adopted upon incident of technical glitches –Bhogilal Trikamlal Securities Pvt.Ltd.(BTSP)

Background

Members of the Exchanges, through various circulars, guidelines, issued from time to time, have been required to put in place various measures/controls, to prevent system failures and to ensure provision of seamless service/facilities to their clients.

Accordingly, as per the BSE Notice No. 20211215-63 & NSE Circular No.NSE/COMP/50610 dated December 15, 2021, BTSP framed a policy/SOP w.r.t. the above.

Objectives

The objective of this policy is to outline the technology infrastructure and system requirements that a BTSP shall put in place to prevent any incident of business disruption resulting from technical glitches. These policies also include the Standard Operating Procedures (SOP) for reporting of technical glitches.

Definition

- **“Technical Glitch”** - is any malfunction of the systems of the member which includes malfunction in its hardware or software or any products/services provided by the member, whether on account of any inadequacy or non –availability of infrastructure/network/other system or others which may lead to business disruption.
- **“Business Disruption”** –is the stoppage or variance in the normal functions/operations of systems of the member due to a technical glitch, w.r.t. login, order placement (includes modification & cancellation), order execution, order confirmation, for a continuous period of more than 15 minutes in any segment of the Exchange.

Preventive Measures

1. BTSP shall have robust systems and technical infrastructure in place in order to provide essential facilities, perform systemically critical functions relating to securities market and do best to provide seamless service to the clients.
2. As per the various guidelines prescribed and advisory given by the SEBI/Exchanges from time to time, BTSP have resiliency/redundancy in the systems to ensure continuity of services to the clients. Further as per the various redundancy options

provided by the Exchange for connectivity, which enable to create network resilience to help /support, BTSPL to ensure to continuity of business operation.

3. BTSPL shall comply with the requirements under the framework for Cyber Security & Cyber Resilience prescribed by SEBI vide its Circulars, CIR/MRD/DMS/34/2013 dated November 06,2013 and SEBI/HO/MIRSD/CIR/PB/2018/147 dated December 03,2018 respectively and any other circulars/regulations & guidelines issued by SEBI/Exchange in this regard from time to time.

4. BTSPL also ensure about the following:

i. System Controls & Network Integrity

- a. Sufficient level of redundancy shall deploy and available at primary site for all critical systems including network and data center infrastructure.
- b. BTSPL shall implement and deploy suitable monitoring tools to monitor the data traffic within the organization network and to & from the organization network.

ii. Backup and Recovery

- a. BTSPL shall have response and recovery plans for the timely restoration of systems affected by incidents of technical glitch.
- b. BTSPL shall define the Recovery Time Objective (RTO) i.e. the maximum time taken to restore the operations, and the Recovery Point Objective (RPO) i.e. the maximum tolerable period for which data lost, for each of their business processes/services and the said shall be inform to the clients.

Business Continuity Planning (BCP)/Disaster Recovery (DR)

In order to ensure that there is continuity of business and stability in operations of members in case of any technical glitches, so that interest of investors and market at large is not adversely impacted, therefore **those members having a client base of more than 50,000 unique registered clients** across all Exchanges shall require to mandatorily establish Business Continuity/DR set up to ensure that there is well defined continuity plan in case of such Business Disruptions.

Since the BTSPL do not fall in the above category shall inform to the existing clients within a period of one month from the date of this SOP, that, BTSPL is not require to have a Business Continuity/DR plan under the existing regulatory provisions. BTSPL shall disclose this information upfront to the new clients at the time of on boarding.

Reporting Requirements

Members shall be required to report to the Exchange if any technical glitches, resulting in Business Disruption as per the guidelines prescribed by the Exchanges/SEBI. This reporting requirement shall be applicable to those members who are providing internet and wireless technology-based trading facility to their clients.

All cases of technical glitches if any, shall be examined by the concerned Exchanges jointly along with the report/RCA submitted by the member and appropriate action may be taken including suggestion of suitable recommendations for implementation.

However, at present BTSP is not following in the above mentioned criteria.