

THE CLEARING CORPORATION OF INDIA LIMITED (CCIL)

Business Continuity Management (BCM) – Disclosure Statement

Version 2.4

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CCIL and its subsidiaries (Clearcorp and LEIL) are committed to ensure continuity and timely recovery during any crisis to maintain the services / operations in the event of a major incident or crisis.

1. Purpose

The purpose of this disclosure statement is to present a summary about CCIL's BCM approach.

2. Introduction

The Clearing Corporation of India Ltd. (CCIL) provides an institutional infrastructure for the Clearing and Settlement of transactions in Government Securities, Money Market instruments, Foreign Exchange, Derivatives instruments and other related products. CCIL has set up a 100% subsidiary, The Clearcorp Dealing Systems (India) Ltd. (Clearcorp), which operates various trading platforms for the market. CCIL has also set up another 100% subsidiary, Legal Entity Identifier India Limited (LEIL) to provide Legal Entity Identifier (LEI) business. As a pre-LOU (Local Operating Unit), LEIL has the status of ROC (Regulatory Oversight Committee) endorsed LOU and will issue LEIs to legal entities in India that are globally acceptable.

CCIL and its subsidiaries are certified under ISO/IEC 27001:2013 for securing critical IT and information assets of the organisation.

3. CCIL – A Financial Market Infrastructure (FMI)

An FMI, which facilitate the clearing, settlement and recording of monetary and other financial transactions, can strengthen the markets they serve and play a critical role in fostering financial stability. An FMI should have comprehensive BCM framework that addresses events posing a significant risk of disrupting operations, including events that could cause a wide-scale or major disruption.

CCIL, as one of the systemically important financial services entity regulated by Reserve Bank of India (RBI) has enormous responsibilities in providing uninterrupted services to the Indian Financial market. To fulfill this responsibility; CCIL (including its subsidiaries) has put in place a comprehensive BCM framework for disaster recovery (DR) in the event of any failure of its critical business operations.

4. Business Continuity Management (BCM) Framework

Since, its inception CCIL has laid great importance to business continuity. Over a period of time, a comprehensive BCM framework has been developed to provide business continuity and timely recovery of its critical operations / activities in the event of an incident or crisis, which impacts, or has the potential to impact business functions / operations. Key objectives of the CCIL BCM framework are:

- Safety of all employees and other people presents in the premises,
- Timely recovery and maintain continuity of critical services to its members / external entities
- To comply with Regulatory and legal requirements.

CCIL has a well-documented Business Continuity Plan (supported by departmental BCP team plans), approved by its Board of Directors and also shared with RBI as Regulator. The BCP related documents are reviewed and updated periodically.

5. Crisis Management Process

CCIL has implemented an incident and crisis management framework in order to facilitate the coordinated and rapid reaction to a disruption incident or crisis in a controlled and effective manner to minimise its impact and start normal operations as quickly as possible.

6. Business Continuity Management Team

Board of Directors (BOD) is responsible for the continuity of businesses / services. The responsibility is further delegated to various teams who are directly responsible for continuity, operational resilience and disaster recovery.

In the event of a disruption / disaster, the Steering Committee (SC) makes the decision with respect to declaration of disaster and invocation of BCP. The SC consists of the Managing Director, Heads of Departments and Members of BCM team [i.e. Head of BCP, BCP in-charge (Business), BCP in-charge (IT) etc.].

CCIL has a dedicated BCM team comprising of Chief Risk Officer (CRO), BCP in-charge (Business & IT), Alternate BCP in-charge (Business & IT) and BCP Coordinators (Business) who coordinates the organisation level incident management business continuity related activities and/or new initiatives. Apart from that each department have representatives towards business continuity who are named as departmental BCP coordinators.

7. Present Locations/Infrastructures

CCIL has three business locations with fully functional data centres. CCIL's Primary Data Centre (PDC) and active business centre located at Mumbai. CCIL has an additional data centre as On-city Data Centre (ODC) within Mumbai which is also used as local Alternate User Location (AUL). The Disaster Recovery Data Centre (DRDC) including User Location (UL) is sufficiently remote from its primary location and at the same time, easily accessible for relocation of manpower in case of urgency.

All the CCIL locations are interconnected with a robust and resilient backbone network. Members of CCIL and RBI are connected to CCIL through INFINET (Indian Financial Network) connectivity (*CUG: For Indian Financial Entities*). IT infrastructures available at all three data centres / sites, in terms of hardware, software, security, networking equipment etc. are identical. Necessary support staffs are available in both the alternate locations to provide uninterrupted services during any crisis.

8. Replication Strategy

CCIL has implemented robust data replication solution coupled with dedicated, redundant network bandwidth between the data centres for all business critical applications.

9. Recovery Strategies

CCIL has a number of recovery strategies in place to ensure recovery of critical services / operations within the stipulated Recovery Time Objective (RTO). Currently, in most of disruption scenarios, CCIL is capable of recovering and restarting the critical operations within a very short period. RTO of CCIL meets the required international standards.

10. Business continuity Testing

CCIL's BCM arrangements are tested on a regular basis and in a comprehensive manner, covering all its data centres and infrastructure. CCIL always encourages members to participate in its drills / testing. The overall goal of the testing approach is to simulate situations as close as possible to real life. CCIL also provides necessary support to its members / Regulators during their respective drills / testing. CCIL regularly participates in the drills / testing conducted by Regulator.

11. Audit of BCP

The BCP processes, documents of CCIL are reviewed by various internal or external Auditors (like Operational Auditors, System Auditors, and ISO Auditors etc.) on regular basis. Apart from that, Regulator also reviews business continuity processes and developments, regularly.
