

Circular No.: NSDL/POLICY/2020/0126

September 20, 2020

Subject: SEBI advisory on Cyber Security - Prevention of DDoS Cyber-attacks and Cyber Security preparedness.

Attention of Participants is invited to SEBI Circular No. SEBI/HO/MIRSD/CIR/PB/2018/147 dated December 03, 2018 (NSDL circular no. NSDL/POLICY/2018/0069 dated December 6, 2018) regarding Cyber Security & Cyber Resilience framework of Depository Participants. Participants were communicated vide Circular No. NSDL/POLICY/2020/0047 dated April 9, 2020 regarding Cyber Security Advisory from National Critical Information Infrastructure Protection Centre (NCIIPC) to take requisite precautions.

In accordance with SEBI email dated September 18, 2020 regarding Cyber Security Advisory - Prevention of DDoS Cyber-attacks and Cyber Security preparedness, Participants are advised as under:

- a) Review cyber security safeguards put in place for protecting the business operations and fix the identified gaps on priority.
- b) Review security of communication links like MPLS lines, point to point leased lines, Internet leased lines etc. provisioned for trading, communications and other services exposed to the customers and partners on the internet/private networks.
- c) Ensure all the internet links and services are adequately protected from cyber-attacks including DoS/DDoS attacks.
- d) Ensure enough safeguards are put in place to protect private networks from man in the middle type of attacks and shall use end to end encryption for communication channels/protocols.
- e) Ensure adequate redundancy and high availability for private networks provisioned for business operations availing services from multiple service providers.
- f) Review vulnerabilities of business applications and ensure enough safeguards for targeted application attacks.
- g) If employees/outsourced staff managing business operations are working from home, ensure adequate safety and security measures (such as hardening of employees home PCs/laptops, ensuring licensed version of anti-virus, secure VPN access with 2 FA etc.) before providing access to corporate network/office systems.
- h) Continuously monitor applications and services for their availability and good response time.

Further, Participants shall ensure adherence to cyber security guidelines / advisories issued by SEBI, follow best industry practices and comply with other guidelines issued by CERT-In and NCIIPC from time to time and shall give utmost importance to the cyber security preparedness and in case of any cyber security breach/incident/deficiency, reporting shall be done as per the Standard Operating Procedure for reporting of cyber security breaches, incidents and deficiencies.

Participants are requested to take note of the above and ensure compliance.

For and on behalf of
National Securities Depository Limited

Chirag Shah
Senior Manager



FORTHCOMING COMPLIANCE

| Particulars | Deadline | Manner of sending | Reference |
|---|---|---------------------------------------|---|
| Investor Grievance Report (Monthly) | By 10 th of the following month. | Through e-PASS | Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015 |
| Internal/ Concurrent Audit Report (October 2019 – March 2020) | September 30 th , 2020 | Through e-PASS | 1. Circular No. NSDL/POLICY/2020/0045 dated April 7, 2020 2. Circular No. NSDL/ POLICY/2020/0056 dated April 29, 2020 3. Circular No. NSDL/ POLICY/2020/0062 dated May 7, 2020. 4. Circular No. NSDL/POLICY/2020/0083 dated June 16, 2020 5. Circular No. NSDL/POLICY/2020/0086 dated June 30, 2020 6. Circular No. NSDL/POLICY/2020/0105 dated July 31, 2020 7. Circular No. NSDL/POLICY/2020/0106 dated July 31, 2020 |
| Networth Certificate and Audited Financial Statements. | September 30th every year. | By hard copy to Inspection Department | Circular No. NSDL/PI/98/414 dated September 1, 1998 |
| System Audit Report (Annual) | September 30 th , 2020 | Through e-PASS | 1. Circular No. NSDL/ POLICY/2020/0056 dated April 29, 2020 2. Circular No. NSDL/POLICY/2020/0071 dated May 19, 2020 3. Circular No. NSDL/POLICY/2020/0106 dated July 31, 2020 |