CAPACITY MANAGEMENT PLAN

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Review & Approved by	Reviewed by Technology Committee & Approved by Board of Directors

1. Introduction:

Capacity management is a crucial aspect of the operations of a stock broker and depository participant, ensuring the efficient allocation of resources to meet client demands while maintaining optimal performance and service quality. This policy and procedure document outlines the detailed Capacity Management Plan for a mid-size stock broker and depository participant, aiming to effectively manage and scale infrastructure, systems, and human resources to meet current and future capacity requirements.

2. Objectives:

a. Optimize Resource Allocation: Ensure efficient allocation of infrastructure, systems, and human resources to meet client demands while minimizing costs and maximizing performance.

b. Scalability: Plan for the future growth of the organization by anticipating and addressing capacity needs in advance.

c. Performance Management: Monitor and manage the performance of critical systems, infrastructure, and resources to ensure optimal performance and minimize disruptions.

d. Risk Mitigation: Identify and mitigate risks associated with capacity constraints, system failures, and performance bottlenecks.

2. Capacity Planning:

a. Data Collection and Analysis: Collect and analyze historical and current data on transaction volumes, client demands, system utilization, and performance metrics. Use this data to forecast future capacity requirements accurately.

for, Genuine Stock Brokers Pvt. Ltd.

Manager / Director

b. Demand Forecasting: Utilize statistical analysis, market trends, and business projections to estimate future demand for services, transactions, and account volumes. Collaborate with relevant departments, such as sales, marketing, and finance, to gather inputs for accurate demand forecasting.

c. Scenario Planning: Develop multiple capacity scenarios based on different growth projections and market conditions. Evaluate the impact of each scenario on infrastructure, systems, and human resources to determine the most suitable approach.

d. Risk Assessment: Identify potential risks and challenges associated with capacity management, such as system failures, network congestion, increased regulatory requirements, or unexpected market events. Assess the potential impact of these risks and develop appropriate risk mitigation strategies.

e. Capacity Allocation: Allocate capacity resources based on the forecasted demand, system requirements, and risk assessment. Determine the optimal balance between infrastructure investment and operational efficiency.

3. Infrastructure and System Management:

a. Scalability Assessment:

Regularly assess the scalability of existing infrastructure and systems to accommodate future growth. Evaluate the capacity limits of hardware, software, network resources, and data storage systems.

b. Performance Monitoring:

Implement robust monitoring tools and systems to continuously monitor the performance and utilization of critical infrastructure components. This includes servers, networks, databases, and trading platforms.

c. System Upgrades and Enhancements:

Regularly review and upgrade hardware, software, and network components to ensure they can handle increasing transaction volumes and evolving technology requirements. Conduct thorough testing and risk assessment before implementing any changes.

d. Failover and Redundancy:

Implement redundancy and failover mechanisms to minimize service disruptions in case of system failures or unexpected events. This includes backup servers, network redundancy, data replication, and disaster recovery plans.

e. Vendor Management:

Establish effective relationships with vendors and service providers to ensure timely support and capacity upgrades when needed. Regularly evaluate vendor performance and compliance with service level agreements (SLAs).

4. Human Resource Management:

a. Workforce Planning:

Anticipate future staffing requirements based on capacity forecasts and business projections. Conduct regular workforce assessments to identify skill gaps and training needs.

b. Training and Development:

Provide ongoing training and development opportunities to employees to enhance their skills and knowledge in line with evolving technologies and market requirements. Ensure employees are well-versed in capacity management principles and procedures.
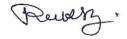
c. Succession Planning:

Develop a succession plan to ensure continuity in key roles within the organization. Identify individuals who can assume critical responsibilities during planned or unplanned absences.

d. Performance Management:

Regularly evaluate employee performance, provide feedback, and recognize achievements. Link performance goals with capacity management objectives to align individual efforts with organizational goals.

e. Communication and Collaboration:

Foster a culture of open communication and collaboration among employees to share insights, challenges, and innovative ideas related to capacity management.

5. Review and Continuous Improvement:

a. Performance Review:

Conduct periodic reviews of the Capacity Management Plan to assess its effectiveness and alignment with organizational objectives. Analyze key performance indicators (KPIs) to evaluate the success of capacity management efforts.

b. Lessons Learned:

Capture and document lessons learned from capacity management initiatives, including successes and areas for improvement. Incorporate these lessons into future planning and decision-making processes.

c. Continuous Monitoring:

Continuously monitor changes in market conditions, regulatory requirements, technology advancements, and client demands that may impact capacity management. Update the plan and procedures accordingly to adapt to changing circumstances.

d. Compliance:

Ensure compliance with relevant regulatory guidelines and industry standards related to capacity management, data security, and client confidentiality.

Conclusion& Review:

This Plan is essential to effectively allocate resources, ensure scalability, and maintain optimal performance. By following this policy and procedure, we can proactively plan for future growth, mitigate risks, and provide high-quality services to clients while maintaining regulatory compliance. This policy shall be reviewed on each year or upon regulatory changes, whichever is earlier.