

## Investor Risk Reduction Access platform (IRRA)

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India's stock exchanges, including BSE and NSE, have jointly developed the IRRA platform to reduce risks faced by investors due to certain technical glitches.



[ref- indianexpress]

### **About Investor Risk Reduction Access (IRRA):**

- IRRA is a platform that will **act as a safety net** for investors in case of **technical glitches** faced by a **trading member** or a **stock broker registered with SEBI**.
- It will provide investors an opportunity to **close open positions** and **cancel pending orders** using the **IRRA platform** in case of **technical glitches** or **unforeseen outages** that render the **trading member's site inaccessible**.
  - It is not meant for taking fresh positions or orders, but only to cancel the pending orders.
- Jointly developed by BSE, NSE, NCDEX, MCX and Metropolitan Stock Exchange of India (MSE).
- **Launched by SEBI.**
- IRRA is **not available for algo trading** and **Institutional clients**.
- **Securities available for trading and settlement** on a **Trade-for-Trade basis** will not be available for square-off.

### **Need for IRRA:**

- **Growing technology dependence** in the securities market **increases the risk of glitches**.
- **Instances of disruptions in trading services** and **investor complaints** prompted the need for a contingency service.
- In such instances, **investors with open positions** are at **risk of non-availability of avenues to close their positions**, particularly if **markets are volatile**.

### **How IRRA Works:**

- Trading members can **invoke IRRA** in the event of a **technical glitch affecting** their ability to serve clients across exchanges at both the primary site and the disaster recovery site.
- Stock exchanges can also **monitor parameters** like connectivity, order flow and social media posts, and suo moto initiate the enablement of the IRRA service, if needed, irrespective of any such request by the trading member.
  - Upon invocation, the **platform downloads trades**, **notifies investors via SMS/email**, and

provides a link for access.

- This service shall be **enabled by the exchanges**, suo moto, only in case of **disruption of trading services** of trading member across all the exchanges, where the trading member is a member.

#### Accessing the IRRA Platform:

- Once the **trading member** is migrated to the **IRRA platform**, the investors of the affected trading member will be enabled to **access the IRRA platform** through a **secure login system** using their **Unique Client Code (UCC) or investor's PAN number**.
- Investors receive access through a **one-time password (OTP)** sent to registered mobile numbers and email IDs.
- Access to the IRRA platform will be available to the investors over a **new Internet-based Based Trading (IBT) web URL and mobile application**.
- It is different from the **web URL / mobile application** used by the investor, as provided by the affected trading member.

#### Timeline and Procedures:

- **Trading members** must put efforts **restore primary** and disaster recovery sites before requesting stock exchanges to migrate to the IRRA platform.
- **Migration request** to IRRA must be made **before the market session or at least 2.5 hours before market closure**.
- Based on the **trading member's request and confirmation** from all exchanges, the IRRA system services will be **shut down to enable the trading member to resume business** from the **original trading system**.
  - The trading member will need to take a **full download** from the **exchanges** in order to get the **latest state of orders and trades**.

#### Reverse Migration Process:

- **Reverse migration** allowed once **during a trading day**, subject to certain conditions and procedures.
- A trading member will be required to fix the issue and perform sufficient testing subject to the satisfaction of all exchanges.
- In case the **trading member** is down again on the **same trading day**, and the TM moves to IRRA, then reverse **migration from IRRA** to the trading member will **not be allowed again**.
- **Trading members** can **request reverse migration** by informing all exchanges **at least 1 hour before market closure**.
- Once the **trading member** has **achieved normalcy** and informs the stock exchanges, the process for **reverse migration** will be **jointly evaluated by all the exchanges**.
- After the process for **reverse migration is started**, the IRRA platform will **send notifications to all mobile numbers and emails**.