

Date of Policy : 8TH September 2014.

Policy on requirement of passing of NISM Series VII-Securities Operations and Risk Management Certification

SEBI has vide Notification No. LAD-NRO/GN/2010-11/21/29390 dated December 10th 2010, has notified specified category of Associated Persons as defined in SEBI (Certification of Associated Persons in the Securities Markets) Regulations, 2007 to obtain a valid certification from National Institute of Securities Market (NISM) by passing NISM Series -VIII: Securities operations and Risk Management certification examination.

In view of the above, it shall be **mandatory** for the following category of Associated Persons i.e., persons associated with our Broking operations who are involved in, or deal with, **any of the following** namely:

- (a) assets or funds of investors or clients,
- (b) redressal of investor grievances,
- (c) internal control or risk management, and
- (d) activities having a bearing on operational risk

shall be required to have a valid certification from the National Institute of Securities Markets (NISM) by passing the NISM-Series-VII: Securities Operations and Risk Management Certification Examination as mentioned in the NISM communiqué/Press Release NISM/Certification/Series-VII: SORM/2010/01 dated November 11, 2010, read with Annexures-I and II thereto.

As it is **optional** for those Associated persons who are handling basic clerical/elementary functions (indicative list provided below) in the above stated areas and are being supervised by NISM Series: VII certified persons, they may be exempted from obtaining the NISM Series-VII. However, in order to improve the internal control and risk management along with better service delivery to our clients, we shall encourage the said exempted Associated Persons also to obtain the certification.

Indicative activities falling under basic elementary level/clerical level

Internal control or risk management

1. Inwarding of collateral's/cheques
2. Person performing maker entries
3. Maker entry in the database
4. Photocopying, printouts, scanning of documents
5. Preparing of MIS
6. Sending of letters/reports to clients, Exchanges, SEBI
7. Attending calls, etc.

Redressal of investor grievances

1. Inwarding of complaints,
2. Seeking documents from clients
3. Person performing maker entries

4. Maker entry in the database
5. Photocopying, printouts, scanning of documents
6. Preparing of MIS
7. Sending of letters/reports to clients, Exchanges, SEBI Updation, data entry, uploading on SCORES.
8. Attending calls, etc.

Activities having a bearing on operational risk and dealing with assets or funds of investors or clients

1. Person performing maker entries
2. Maker entry in the database
3. Preparing MIS
4. Generating reports, Files
5. Photocopying, printouts, scanning of documents
6. Dispatching documents to clients
7. Sending of letters/reports to clients, Exchanges, SEBI
8. Attending calls, etc.

Timelines for obtaining valid certification:

As per the regulations:

- (a) all persons associated with us and carrying on any activity specified above as on the date of the abovementioned notification (i.e., 10th December 2010) shall obtain valid certification within two years from the said date of notification i.e., 09th December 2012; and
- (b) all associated persons as specified above who are employed by after the date of this notification (i.e., 10th December, 2010) should obtain a valid certification within one year from the date of their employment.

It shall be the responsibility of the compliance officer or any other senior staff of the company as authorized by him to maintain proper records and monitoring system to ensure that all the Associated Persons for whom it is mandatory to obtain the NISM: Series VII certification has been obtained and the certificates are renewed well before the expiry dates.

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