

ARYA FIN-TRADE SERVICES (INDIA) PRIVATE LIMITED

POLICY W.R.T NISM SERIES VII-SECURITIES OPERATION & RISK MANAGEMENT (SORM) CERTIFICATION

Version: 2023/01.01

Version Date: 20/06/2023

Applicability: Stock Broker & Commodity Broker

Brief

SEBI issued Notification no. LAD-NRO/GN/2010-11/21/29390 dated December 10, 2010 according to which, following categories of associated persons associated with a registered stock broker/trading member/clearing member in any recognized stock exchanges, who are involved in, or deal with any of the following:

- a. Assets or Funds of investors or clients
- b. Redressal of investor grievances
- c. Internal control or risk management
- d. Activities having a bearing on operational risk shall obtain the valid certification of NISM Series VII - Securities Operation and Risk Management (SORM) within two years from the date of such notification. Simultaneously, whenever the company employs any associated person specified as mentioned above, the said associated person shall obtain valid certification of NISM Series VII – Securities Operation and Risk Management (SORM) within one year from the date of his / her employment.

Definition - Associated Person

“Associated Person” means a principal or employee of an intermediary or an agent or distributor or other natural person engaged in the securities business and includes an employee of a foreign institutional investor or a foreign venture capital investor working in India.

Exemption

Associated persons handling the basic clerical / elementary functions in the aforesaid specified areas shall be exempted from obtaining the certification of NISM Series VII – Securities Operation and Risk Management (SORM). For this purpose, the company considers following activities as basic elementary level / clerical level.

S. No.	Internal Control or Risk Management.	Redressal of Investor Grievances	Activities having a being on operational risk and dealing with assets of funds of investors of clients
1	Inwarding or collateral's /Cheques	Inwarding of complaints	Person performing maker entries
2	Person performing market entries	Seeking documents from clients	Maker entry in the database
3	Maker entry in the database Photocopying, printouts, scanning of documents	Person performing maker entries Maker entry in the database	Preparing of MIS Generating of reports, Files
4	Preparing of MIS	Photocopying, printouts, scanning of documents	Photocopying, printouts, scanning of documents
5	Sending of letters/reports to clients, Exchanges, SEBI	Preparing of MIS	Dispatching documents to clients
6	Attending Calls, etc.	Sending of letters/reports to clients, Exchanges, SEBI Updation, data entry, uploading on SCORES Attending calls, etc.	Sending of letters / reports to clients, Exchanges, SEBI Attending calls, etc.

However, any of the work (as stated herein above) being performed by such persons, obtaining, NISM-SORM Certification shall be optional provided that they are supervised by his / her supervisor who shall have to obtain / continue to have NISM – SORM Certification or such other prescribed certification at all times. In case of any query, employees are requested to obtain clarification from the Compliance Officer of the Company.

Disclaimer & Review

This policy & Procedure must be reviewed as and when there are regulatory amendments and in absence of any amendment, on yearly basis. The information contained in this material is intended only for the use of the entity to whom it is addressed and others authorized to receive it. It may contain confidential or legally privileged information. The addressee is hereby notified that any disclosure, copy, or distribution of this material or the contents thereof may be unlawful and is strictly prohibited.