



Harendra D. Mehta Share & Stock Broker Pvt. Ltd.

MEMBER > NSE Equity Segment > BSE Equity Segment

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Policy for NISM Series VII - Securities Operation & Risk Management (SORM)

REFERENCE

1. SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 published in the Gazette of India on December 10, 2010
2. NSE Circular no. NSE/ INSP/16536 December 15, 2010
3. NSE Circular no. NSE/ INSP/27495 September 02, 2014
4. BSE Notice no.20101215-19 dated December 15, 2010
5. BSE Notice no. 20140902-8 dated September 02, 2014

Introduction

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 activities mentioned below shall be required to have a valid certificate of NISM Series VII - Securities Operation & Risk Management (SORM) from National Institute of Securities Market (NISM):.

1. Activities having a bearing on operational risk
2. Assets or Funds of clients
3. Redressal of Investor Grievances
4. Internal control or Risk Management

The Stock Exchanges namely NSE and BSE has also issued circulars requesting the members to comply with the requirement of said SEBI Notification.

Policy

HARENDRA D. MEHTA SHARE & STOCK BROKER PVT. LTD. (herein after referred to as "The Company") being a stock broker of National Stock Exchange of India (NSE) & Bombay Stock Exchange of India (BSE), provisions of the aforesaid requirement is applicable to all its employees involved in the activities as mentioned above.

Private and Confidential



Definition of Associated Persons

"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.

As per the above requirement following employees of the Company would mandatorily require to pass the NISM VII certification:

1. CEO
2. COO
3. Head Operations
4. Compliance Officer
5. Dealing Head
6. RMS Head
7. Head KYC
8. HEAD DP
9. Head Settlements
10. Head dealing (Retail as well as Institution)
11. Dealers
12. All Employees from KYC, DP, RMS, Operations, Settlements and Dealers.

Exemption

The 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.

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

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



Internal Control or Risk Management

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

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. Preparing of MIS
6. Attending of calls etc.
7. Sending of letters / reports to clients, Exchanges, SEBI updation, data entry, uploading on SCORES
8. Photocopying, printouts, scanning of documents

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.

Review of Policy

The policy may be reviewed from time to time as and when any changes introduced by SEBI or Stock Exchanges or depending on the business needs of the Company.

The policy may be reviewed by the CEO, COO or Compliance Officer and place the changes in policy before the Board at the meeting.

Approving Authority

The policy is approved by the Board vide their meeting held on 29th December 2020

