

# SHUBHAM STOCK BROKING SERVICES PRIVATE LTD

## SORM Policy

### Reference :

1. SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 published in the Gazette of India on 10/12/2010
2. NSE Circular No. NSE/INSP/16536 dated December 15, 2010
3. NSE Circular No. NSE/INSP/ 27495 dated September 2, 2014
4. BSE Notice No. 20101215-19 dated December 15, 2010 .
5. BSE Notice No. 20140902-8 dated September 2, 2014

### Brief :

SEBI issued Notification No. LAD-NRO/GN/2010-11/21/29390 dated December 10, 2010 according to which, following categories of associated persons i.e. 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 be required to have a valid certificate of NISM Series VII – Securities Operation & Risk Management (SORM) from National Institute of Securities Market (NISM). NSE & BSE has also issued circulars requesting the members to comply with the requirement of said SEBI Notification.

### Need for Policy :

Shubham Stock Broking Services Pvt. Ltd. (hereinafter referred to as "SHUBHAM") being a stock broker of National Stock Exchange of India (NSE), provisions of the aforesaid requirement is applicable to all its employees involved in the activities as mentioned above.

### Definition of 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

### Internal Policy w.r.t NISM Series VII – Securities Operation & Risk Management (SORM):

As required in the aforesaid notifications of SEBI, All existing persons associated with "SHUBHAM" as on date of publication and engaged in deal with

- (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 “SHUBHAM” 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.

**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, “SHUBHAM” considers following activities as basic elementary level / clerical level.

**• Internal Control or Risk Management**

1. Inwarding of collateral's / Cheques
2. Person performing market 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 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. Photocopying, printouts, scanning of documents
6. Dispatching documents to clients
7. Sending of letters / reports to clients, Exchanges, SEBI
8. 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.