Policy on NISM Series VII: SORM Certification

1. Objective

The objective of this policy is to ensure that employees engaged in core trading, operations, and risk management functions at **Yashwi Securities Pvt Ltd** ("Yashwi" or "the Company") possess the required certification under **NISM Series VII: Securities Operations and Risk Management (SORM)**, in accordance with **SEBI and Exchange mandates**.

This policy promotes:

- Regulatory compliance

- Operational efficiency

- Risk containment

- Enhanced investor protection

2. Regulatory Framework

This policy is aligned with:

- **SEBI Circular MIRSD/DPSIII/Cir-17/07** dated December 6, 2007

- **SEBI Circular CIR/MIRSD/1/2012** dated January 10, 2012

- SEBI Certification Requirements under **Regulation 7** of the SEBI (Stock Brokers) Regulations, 1992

- NSE/BSE/MCX circulars on employee competency requirements

- NISM Certification Guidelines by **NISM (National Institute of Securities Markets)**

3. Scope of Applicability

The following categories of employees **must mandatorily hold a valid NISM Series VII (SORM) Certificate**:

Category	Certification Requirement
Dealers placing orders on behalf of clients	Mandatory
RMS personnel handling exposure/margin	Mandatory
Back-office staff involved in settlement	Mandatory
Compliance team members	Recommended
Operations heads and trading terminal users	Mandatory

This applies to employees across **all segments** (Equity, Derivatives, Currency, Commodity).

4. Timeframe for Certification

- New employees must obtain the SORM certification **within 3 months** of joining a qualifying role.

- Employees must **renew the certificate before expiry** (typically valid for 3 years).

- Employees not completing certification within the timeline will be relieved from the role until compliance is achieved.

5. Internal Controls and Records

- HR and Compliance departments jointly maintain a **Certification Tracker**, recording:

    o Employee Name & Role

    o Certificate Number and Validity

    o Date of Expiry and Renewal Status

- Monthly audits are conducted to ensure all mandated staff hold valid certifications.

6. Incentives & Support

- Yashwi may reimburse exam fees (on first attempt) for eligible employees passing the exam.

- Internal training sessions and mock tests may be organized.

- Study materials are provided upon onboarding into covered roles.

7. Non-Compliance Handling

- Employees without valid SORM certification after the grace period:

    - Shall not be assigned client-handling or risk-related duties.

    - Will be flagged in internal audits and may face HR disciplinary action.

- A report of non-compliant staff (if any) is submitted to the **Principal Officer** and escalated to **exchange inspections** if required.

8. Training & Awareness

- Internal workshops are conducted annually to update staff on NISM requirements.

- New recruits receive a certification roadmap at the time of induction.

- Updates from NISM (new exam format, syllabus change, etc.) are shared via internal memos.

9. Client Assurance

Yashwi Securities assures its clients that their orders and data are handled by **qualified professionals** trained in:

- Trading lifecycle

- Settlement and clearing

- Risk management principles

- SEBI regulations

10. Review and Amendments

This policy shall be reviewed **annually** by the Compliance Team or earlier in case of:

- Change in SEBI/NISM norms

- Internal audit findings

- New business segments or operational changes

Any amendments shall be approved by the Principal Officer and noted in compliance records.

11. Contact Point

For certification support or queries, employees may contact:
✉ **hr@yashwi.com**