

NISM CERTIFICATION POLICY

SHRI RAM COMMODITIES

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1. Objective

This policy outlines the framework for compliance, governance, and professional certification requirements related to **NISM-Series VII: Securities Operations and Risk Management Certification** as mandated by SEBI and applicable exchange regulations. The purpose is to ensure that employees handling securities market operations and risk management possess the necessary competency and certification to execute their duties effectively and compliantly.

2. Scope

This policy applies to:

- All **Approved Users (AUs)** of trading terminals
- Personnel involved in **securities operations, trade processing, clearing, settlement, and risk management**
- Employees working in roles where NISM-Series VII is mandated by SEBI, NSE, BSE, or other regulatory authorities
- Any **new joiner** or **internal transfer** into relevant roles within SHRI RAM COMMODITIES

3. Regulatory Background

The **Securities and Exchange Board of India (SEBI)** mandates certification under **NISM** for associated persons functioning as:

- Dealers in the trading system of recognized stock exchanges
- Risk management personnel associated with trading and clearing operations
- Employees of stock brokers who interface with the clearing corporation and back-office operations

As per **SEBI Circulars** and **Exchange Guidelines**, non-compliance may lead to penalties, suspension of trading terminals, or other regulatory actions.

4. Policy Provisions

4.1 Mandatory Certification

- All employees in eligible roles **must hold a valid NISM-Series VII certification**.
- The certification must be **obtained prior to taking charge** of operational or risk-related responsibilities.
- **Validity:** Certification is valid for **3 years** from the date of passing. Renewal is mandatory before expiry.

4.2 Renewal and Monitoring

- The **Compliance Officer** shall maintain a centralized record of certifications with expiry dates.
- Renewal reminders shall be issued **90 days prior** to the certificate expiry.
- Employees must appear for **renewal examination** at least **30 days before** the expiry of the existing certificate.

4.3 Onboarding of New Employees

- New hires for relevant roles shall be onboarded only if they:
 - a) Hold a valid NISM VII certificate, or
 - b) Agree to obtain it within **1 month** from the date of joining.
- Access to trading systems shall be **prohibited** until the certification is obtained.

4.4 Cost and Reimbursement

- The cost of initial certification and renewals shall be borne by **SHRI RAM COMMODITIES**, provided:
 - a) The employee passes the exam within the first attempt, and
 - b) The certification is essential to their job role
- Employees failing to pass after two attempts shall bear subsequent costs.

4.5 Non-Compliance

- Non-compliance or lapse in certification will lead to:
 - a) **Immediate deactivation** of trading terminal access
 - b) **Suspension from duties** involving operations or risk management
 - c) Disciplinary action as deemed appropriate by management

5. Roles and Responsibilities

Role	Responsibility
HR Department	Ensure certification requirements are communicated at the time of recruitment and onboarding
Department Heads	Identify roles requiring NISM-Series VII and ensure personnel are certified
Compliance Officer	Maintain certification records, track renewals, and report non-compliance
Employees	Ensure timely acquisition and renewal of certifications

6. Record Maintenance

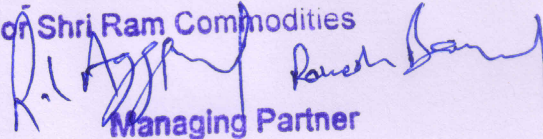
- Certification details shall be recorded in a **centralized NISM Register** maintained by the Compliance Officer.
- Records shall include:
 - Employee Name
 - Designation and Department
 - Certification Number
 - Date of Passing and Expiry
 - Renewal Status

7. Review and Amendments

This policy shall be reviewed **annually** or as and when required due to changes in regulatory guidelines. Any amendments shall be approved by the management of Shri Ram Commodities.

Approval Authority:

For Shri Ram Commodities

For Shri Ram Commodities

Managing Partner

Rattan Lal Aggarwal & Ramesh Bansal

(Managing Partner)