

Dr. Naresh Maheshwari
President

ANMI-PS/MEMB/0431

6th April, 2011

All Members
Association of National Exchanges Members of India

Sub : Marching towards Excellence

Honb'le Member,

Through this communication I wish to place on record my gratitude to the National Council of ANMI 2011-12 and thank all members, for reposing faith and confidence in me and bestowing upon me the responsibilities of President of your Association. In my most humble way, I wish to assure all members of the Association that your faith and confidence will strengthen my hands and determination to work for the Community with unflinching dedication, sincerity and to the best of my capability.

I feel privileged to have a very worthy Alternate President in Mr. Nav Ratan Tibrewala whose dedication, commitment and sincerity is unparalleled and is known to all of us.

Since its inception, ANMI has grown in its status and shown commitment to the fraternity in their cause and concern in the most ethical and professional manner. It is a highly respected body whose views are considered and deliberated upon by all statutory and regulatory authorities, be it Ministry of Finance, SEBI, the Exchanges and other institutions connected with Capital Market. Not only ANMI is a member on the Secondary Market Advisory Committee (SMAC) constituted by SEBI but also is a founder member of Asian Federation for Investors Education. Here, I would like to record my gratitude to our founding Past Presidents for their vision and regional chairmen who carried the torch enlightened with their relentless and innovative efforts.

On the International platform, ANMI has established productive links with many Global Associations like KOFIA, JSDA, ASCO, ICMA, ICSA, IOSCO etc. which are pursuing similar objectives. ANMI is regularly invited to participate in their annual events which provides our officials to interact with their counterpart across the globe. Investors Education and Protection would continue to be core focus of ANMI activities and would be pursued aggressively. Another major concern to be attended is the continuous shallowing of market depth, poorer retail participation coupled with increased cost of establishment and infra-structure.

No participant body can develop and create its niche unless it augments its resources, develops research facilities and enforce a strict Code of Conduct amongst its members. ANMI is making all necessary efforts to support member's cause to every extent possible. While we look forward to enhance the pace of our progress, it is pertinent that a focused effort is to be put in areas identified for implementation. This is possible by having a committed group of people to take

care of each of these areas by constituting specific Committees. Details of such Committees are placed as Annexure to this letter so that members can bring any matter of interest to capital market to the notice of respective committee and which shall provide valuable feedback through their regions/chapters.

We shall continue to articulate genuine needs and concerns of our members with various authorities and shall look forward to continued support and guidance from all members and particularly from our Past Presidents and Regional Chairmen.

I request all members and regional officials to share their views for larger benefit and continued growth of Capital Market in the most ethical ways to ensure proper service to our investors at large.

Once again, I thank you all for affording me this opportunity to serve you as your President and assure you my commitment to serve the Association to the best of my ability.

Thanking you,

Sd/-

Dr. Naresh Maheshwari

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Annexure

1. Financial & Compliance Committee

This Committee shall take care of indoor management of ANMI with specific focus on finance, accounting policies, corpus fund and consolidation of accounts, Income Tax, Service Tax etc.. It is expected that this committee shall create an accounting system commensurate to future needs of ANMI.

2. Guidance & Legal Aid Committee

A large number of members are facing arbitration, Income Tax, Service Tax issues related specific to our industry. The Committee shall explore legality of such issues, devise legal remedies and legal aid to affected members.

At different forums, the Government, SEBI and Exchanges have asked ANMI to find out an alternate mechanism and to focus on reduction and solutions to Investor's grievances. This Committee will explore the possibilities of setting up an alternative under ANMI banner.

This Committee will also negotiate for the Broker's Indemnity Insurance for ANMI members and offer guidance in case any member requires pre/post claims.

3. Market Development Committee

This Committee will take care of new products required in Capital Market and would study other OTC products across the Globe to analyze introduction of such product in Indian markets.

This Committee will also take care of analyzing effect of cross border trades like lifting of NIFTY in various Exchanges outside India; similarly listing of outside index in India.

4. SRO Committee

With the expectations of ANMI getting SRO status shortly, this Committee will take care of bye-laws, rules & regulations and other structural requirements of the regulations including changes required in existing SRO Regulations. This committee shall also develop, finalize and ensure implementation of 'Code of Conduct' by ANMI members.

5. Vision Committee

This Committee should comprise of current President, Alternate president and last three Presidents of ANMI. It will extend vision and direction to the activities of ANMI

6. Committee on Matters related to Government of India

This Committee shall keep a close watch on Exposure Draft on government web site relating to new policies etc. announced by govt. authorities and respond to the Exposure Draft. Also, it shall take up various matters relating to members with Govt. authorities. It shall organize periodical meetings with various Govt. officials to discuss issues relating to Capital Market and submit views of ANMI thereon.

7. SEBI & other Regulators Committee

This Committee shall keep a close watch on Exposure Draft/ Matters pertaining to Public Comments on SEBI & RBI web site relating to new policies, rules & regulations etc. announced by SEBI/RBI authorities and respond to the Exposure Draft. Also, it shall take up various matters relating to members with SEBI/RBI authorities. It shall organize periodical meetings with various SEBI officials to discuss issues relating to Capital Market and submit views of ANMI thereon.

This Committee will also develop liaison with other regulators like IRDA, AMFI, AMBI etc.

8. Exchanges Committee

This Committee shall be responsible to maintain close liaison with various officials of the Exchanges and strengthen the relations which are already in very good condition. It should take up the member's concern and causes with the Exchanges with a view to relieve hardships, if any, of the members.

This Committee should study all circulars issued by Exchange from time to time and project its concerted view to the Board for further communication/action to Regions/ members

To co-ordinate enrolment of new members and improve membership.

9. Education & Investors Awareness Committee

Under ANMI's Initiative on Education Programs of Investors, the Committee shall chart out a program for each Region for conducting Investors Education Programs regularly at various towns of the region. The registration with IEPF of MCA is at the final stages which this Committee would ensure completion so as to secure funds for such programs.

10. Publication & Publicity Committee

This Committee shall endeavor to look into the publication of ANMI News Letter, ANMI Member's Directory and other publications centrally. It shall identify topics related to Finance and stock market which need to be printed in ANMI News Letter and also identify professional and skilled authors from amongst members and outside for contributing articles in the ANMI publications and persuade the probable writers for forwarding their write-up/articles in time for publishing in the forthcoming issues. It may be necessary to focus and represent the activities and achievements of ANMI from time to time. Therefore, there may be a possibility of running a Advertisement/publicity campaign. It is also proposed to have a documentary film on "ANMI at Work".

11. Convention & Seminars Committee

This Committee shall finalise the schedule for ANMI International Convention with the prior approval of MoF for the convenient date of Chief Guest. Accordingly, it shall finalise the list of National & International faculties who should be invited to participate in the Convention. It shall prepare a draft balanced program for the Convention to be finalized by Govt./SEBI & Exchange.

Also, this Committee shall ensure that Regions organize regular conferences, seminars and workshops for the benefit of members and their staff and Investors. If required, it should identify topics related to stock market which need study and provide professional support for the same.

12. Technology & Web-site Committee

This Committee shall be responsible to identify new technology for networking and to take steps for reduction in costs. It should look into VPN, VSAT, Wireless and other modes of connectivity for the benefit of members in general and communicate to the regions. Also, it should identify vendors for Front & Back Offices software, trading and risk management software and to negotiate the price and other terms & conditions with them and communicate to the regions.

This Committee will also take care of updation of ANMI web-site including making it more comprehensive and relevant to Capital Market.

13. Committee on International Relations

Over the years, ANMI has established productive links with many International Organisations wherein ANMI Officials are invited to participate. This Committee shall be responsible to further ANMI relations with other Global Organisations to acquire a status of Global standing.

14. MIIs & Market Interface Co-ordination Committee

This committee shall be responsible to introduce and create rapport with all MIIs such as Depositories (NSDL, CDSL), Clearing Corporations, clearing Banks etc. It shall identify issues of common interest and to take up the matter with the respective institutions. The Committee shall explore feasibility of allowing members of other National Exchanges like MCX-SX, USE, OTCI etc. to become members of ANMI. The Committee will create a market image and face lift of ANMI and Capital Market by taking up the matters with influential groups whose opinion matters, like economists, various research bodies, political and consumer parties. It shall have close liaison with CII, PHDCCI, ASSOCHAM and other such All India Bodies.