

AML POLICY

The Company has in place its own Policies and Procedure for Prevention of Money Laundering pursuant to the requirements of the PMLA Act 2002 and amendments thereof.

This is must read/ understood and to be complied by everybody dealing/ desirous in dealing in Capital Market.

1. Prevention of Money Laundering Act, 2002 (PMLA) is enacted to prevent the financing of terrorism and to prevent laundering of money i.e. to prevent legalizing or officializing or canalizing the money generated from illegal activities like drug trafficking, organized crimes, hawala rackets and other serious crimes etc.
2. PMLA is a part of the Global measures being taken by all the countries under the initiatives of United Nations.
3. It is an obligation of individual/entities to whom PMLA is applicable, to report certain kind of transactions routed through them to Financial Intelligence Unit (FIU), a department specially set up to administer PMLA under the Ministry of Finance.
4. PMLA is, inter-alia, applicable to various intermediaries which includes stock brokers, commodity brokers, sub-brokers, authorised person and depository participant etc.
5. As per PMLA the following type of transaction are to be reported to FIU: -
(A). All cash transactions of the value of more than Rs.10 Lacs or its equivalent in foreign currency.
(B). All series of cash transactions integrally connected to each other which have been valued below Rs.10 Lacs or its equivalent in foreign currency where such series of transactions takes place within one calendar month and the monthly aggregate exceeds an amount of ten lakh rupees or its equivalent in foreign currency. (C). All suspicious transactions whether or not made in cash and including, inter-alia, credits or debits into any non monetary accounts such as demat account.
6. Any such above transaction(s), though not executed but attempted and failed are also required to be reported.
7. Clients of Special Categories includes: - (A). Non-resident client; (B). High net-worth client; (C). Trust, Charities NGOs and organizations receiving donations; (D). Company having close family shareholdings or beneficial ownership; (E). Politically Exposed Persons (PEP) Politically exposed persons are individuals who are or have been entrusted with prominent public functions in a foreign country, e.g., Heads of States or of Governments, senior politicians, senior government/judicial/military officers, senior executives of state-owned corporations, important political party officials, etc. (F). Companies offering foreign exchange earnings. (G). Clients in high risk countries where existence / effectiveness of money laundering controls is suspect, where there is unusual banking secrecy, countries active in narcotics production, countries where corruption (as per Transparency International Corruption Perception Index) is highly prevalent, countries against which government sanctions are applied, countries reputed to be any of the following – Havens / sponsors of international terrorism, offshore financial centers, tax havens, countries where fraud is highly prevalent. (H). Non face to face clients. (I). Clients with dubious reputation as per public information available etc.

8. While opening the new account all the prescribed procedures of KYC and Client Identifications should strictly be followed in the context of ensuring the compliance under PMLA.
9. All the record of transaction(s) and client identifications must be preserved in a manner which can be retrieved promptly and reported to the authorities in the specified format as and when required.
10. The Clients are advised to be fully conversant with the provisions of PMLA and any amendments thereto from time to time and to cooperate with intermediaries by providing the additional information(s)/document(s), if asked for, to ensure the compliance requirements under PMLA.
11. The Client are advised to provide certain information which may be of personal nature or has hitherto never been called for such information can include documents evidencing source of funds/income taxreturns/bank records etc. You are advised to co-operate with us whenever such information is sought for from PMLA perspective.
12. The Clients are advised to be vigilant and to refrain from temptation of easy monetary gains, by knowingly or unknowingly supporting the people who are involved in the activities which are endangering freedom and causing damage to the nation. The Clients are supposed to provide their active co-operation in the due compliance of the law.
13. Please visit the website of Financial Intelligence Unit (www.fiuindia.gov.in) and Securities and Exchange Board of India (www.sebi.gov.in) for any further information on the subject.

- BY MANAGEMENT ORDER