

RAJESH BAHETI

1303, 13th Floor Lodha Supremus, Dr. E. Moses Road, Worli Naka, Worli, Mumbai 400 018
Tel. No.: (022) 24825700 Fax No.: (022) 24901323

PMLA POLICY

First Made on 22nd December, 2008

Last Reviewed on 01st February, 2023

M/s Rajesh Baheti, Commodity Broker having membership with MCX bearing registration No. 16460 (hereby referred to as "RB" in this document).

The policy was first made on 22nd December, 2008 and has been later reviewed at various occasion with the latest reviewing being done on 04th October 2018 covering the various circular issued by SEBI.

The below mentioned policy on PMLA has been approved by the Proprietor. All the employees are required to follow the same and take due care for its proper implementation and efforts are to be made to make this known to the clients who deal with the Proprietorship.

Procedures with respect to implementation of Anti Money Laundering Measures under the Prevention of Money Laundering Act, 2002.

1. Objective:

The objective of these measures is to discourage and identify any money laundering or terrorist financing activities. These measures are intended to place a system for identifying; monitoring and reporting suspected money laundering or terrorist financing transactions to the law enforcement authorities.

2. Appointment of Principal Officer:

The RB shall appoint a Principal Officer, as required under the Prevention of Money Laundering Act, 2002. The Principal Officer is responsible to discharge the legal obligations to report suspicious transactions to the authorities. The Principal officer will act as a central reference point in facilitating onward reporting of suspicious transactions and assessment of potentially suspicious transactions. In case of any change in the Principal Officer, the information regarding the same would be immediately informed to FIU.

3. Appoint a Designated Director:

As defined in Rule 2 (ba) of the PML Rules, the company shall appoint a Designated Director who should be responsible for ensuring the compliance with the PMLA requirements;

"Designated Director" means a person designated by the reporting entity to ensure overall compliance with the obligations imposed under chapter IV of the Act and the Rules and includes the Proprietor duly authorized by the Board of Directors.



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4. Information's to be recorded:

- The nature of the transactions.
- The amount of the transaction and the currency in which it was denominated.
- The date on which the transaction was conducted.
- The parties to the transaction.
- The origin of the transaction.

5. Transactions to Record:

- All cash transactions of the value of more than rupees ten lakhs or its equivalent in foreign currency.
- All series of cash transactions integrally connected to each other, which have been valued below rupees ten lakhs or its equivalent in foreign currency where such series of transactions have taken place within a month.
- All cash transactions where forged or counterfeit currency notes or bank notes have been used as genuine and where any forgery of a valuable security has taken place.
- All suspicious transactions whether or not made in cash and including, inter-alia, credits or debits into from any non-monetary account such as demat accounts.

Note: For recording all the suspicious transactions "transactions integrally connected", "transactions remotely connected or related" should also be considered in records.

6. Records Maintenance:

- All necessary records on transactions, both domestic and international, should be maintained at least for the minimum period of 05 years as prescribed in PMLA, 2002 or in any other legislations, regulations, exchange byelaws or circulars.
- In situation where the records relate to on-going investigations or transactions, which have been the subject of a suspicious transaction reporting, they should be retained until it is confirmed that case has been closed.
- RB should record and maintain and preserve the information regarding the transaction as provided in Rule 3 of the PML rules and the information of the same should be maintained for a period of 05 years from the date of cessation of transaction between client and intermediary.

7. Procedure and manner of maintaining information:

- RB shall maintain information in respect of above transactions with its client in hard and soft copies and in accordance with the procedure and the Reserve Bank of India or the Securities and Exchange Board of India may specify manner as, as the case may be, from time to time.
- RB shall maintain such information in form specified above and at such intervals as may be specified by the Reserve Bank of India, or the Securities and Exchange Board of India, as the case may be, from time to time.
- RB to observe the procedure and the manner of maintaining information as specified by the Reserve Bank of India or the Securities and Exchange Board of India, as the case may be.



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8. Monitoring & Reporting of Transactions:

- The RB has a system of monitoring the transactions by the principal officer which are required to be review. The principal officer also considers the alerts provided by the exchanges, & SEBI and the same are reviewed so as to enquire the genuinity of the transaction. Additional alerts through back office system & manual working are made and the details for the same are enquired so as to determine the authenticity of the trade.
- The RB should carry out due diligence and scrutiny of transactions to ensure that the transactions being conducted are consistent with the business and risk profile of the client and the information are periodically updated with the data/information of the clients.
- The person responsible for the department shall immediately notify to the principal officers or any other designated officer within the intermediary giving details of the alerts and the nature of suspicious activity. The principal officer would further investigate the transactions and call for further information to assess the genuinity of the transaction. If felt suspicious the principal officer would inform immediately the Financial Intelligence Unit (FIU) giving details of the transaction in the Suspicious Transaction Report (STR).
- The proper documents and supporting for the transaction should be maintained with the intermediary and forward the details as may be called by the regulators.

9. Customer Due diligence:

a. Identification / Verification of clients:

The RB has very strong system in place for acceptance of new client. The main measures which RB has implemented for acceptance of new client keeping in view the PMLA requirements are as follows:

1. The Application forms for opening an account are issued only when the prospective client provides the valid reference & introducer for his account.
2. All accounts are opened only when the prospective client is present in person before the Proprietor/ Employees.
3. The RB collects the details of location (permanent address, correspondence address and registered office address), occupation details, nature of business activities, financial details etc. before new clients is registered.
4. RB shall collect the various mandatory documents as required by law, including the proof of identity of the client. RB should check the reliability of the document by reviewing/ checking the same from independent source.
 - a. Following documents are to be collected from individual clients:
 - i. Individual Client Registration Form;
 - ii. Member and Client Agreement;
 - iii. Risk Disclosure Document;
 - iv. All other supporting documents for identity and residence of the individual;



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- v. PAN Card copy;
 - vi. Bank Account proof.
 - vii. Photo identity proof of client should be verified against originals. In case of a non-individual client, photo identities of the directors/authorized persons should be verified against originals and taken on record.
 - b. If all the documents and form are in order, client should be allotted a Unique Client Code (UCC).
 - c. Clients can start transacting only after they have been allotted UCC.
 5. RB has a procedure to determine whether existing/ potential client are not Politically Exposed Person (PEP) and in case of any person found to be a PEP entity then approval of senior management is necessary and systems to verify the source of funds of clients.
 6. Check that the identity of the clients does not match with any person having known criminal background or is not banned in any other manner, whether in terms of criminal or civil proceedings by any enforcement agency worldwide
 7. RB has a system in place to ensure that accounts are not opened in the name of anyone whose name appears in the UN or other specified list and the scan of all existing accounts has been carried out and the same is to be regularly reviewed.
 8. RB periodically reviews the trading volumes of the clients and their financial strength in terms of annual income, net worth etc.
 9. RB also monitors the financial transactions with clients for pay in payout of funds and securities.
 10. RB has the policy not to deal in cash with any of the clients, all transactions, receipt or payment, are carried out only through account payee cheque or Electronic Fund Transfer only.
 11. RB transacts only in Indian Rupees and no other currencies are being used for trades with clients.
 12. All funds are released to the client by account payee cheques and with details of the bank account of the client written on the cheque so as to restrict the client to deposit cheques in only those bank accounts for which details are provided to us.

b. Policy for acceptance of Customers

RB has developed customer acceptance policies and procedures which aim to identify the types of customers that are likely to pose a higher than the average risk of money laundering or terrorist financing. The following safeguards are followed while accepting the customers.

- i. No Trading account is opened in a fictitious/ benami name, Suspended / Banned Organization and person.
- ii. Factors of risk perception (in terms of monitoring suspicious transactions) of the client are clearly defined having regard to Customers' location (registered office



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address, correspondence addresses and other addresses if applicable), nature of business activity, trading turnover etc. and manner of making payment for transactions undertaken. These parameters enable classification of Customers into low, medium and high risk. Customers of special category (as given below) are classified under higher risk. Higher degree of due diligence and regular update of Know Your Clients profile are carried for these Customers.

- iii. RB shall collect documentation requirements and other information required in respect of different classes of clients depending on the perceived risk and having regard to the requirements of Rule 9 of the PMLA Rules, Directives and Circulars issued by SEBI from time to time.
- iv. RB shall ensure that an account is not opened where it is unable to apply appropriate CDD measures/ KYC Policies.

Clients of special category (CSC) include the following:

- Non-resident clients
 - High net-worth clients,
 - Trust, Charities, Non-Governmental Organizations (NGOs) and organizations receiving donations,
 - Companies having close family shareholdings or beneficial ownership
 - Politically Exposed Persons (PEP)
 - Companies offering foreign exchange offerings
 - 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 any of the following – Havens / sponsors of international terrorism, offshore financial centers, tax havens, countries where fraud is highly prevalent.
 - Non face to face clients
 - Clients with dubious reputation as per public information available etc.
- v. It should be specified in what manner the account should be operated, transaction limits for the operation, additional authority required for transactions exceeding a specified quantity/ value and other appropriate details. Further the rights and responsibilities of both the persons (i.e. the agent-client registered with RB).
 - vi. Necessary checks and balance to be put into place before opening an account so as to ensure that the identity of the client does not match with any person having known criminal background or is not banned in any other manner, whether in terms of criminal or civil proceedings by any enforcement/ regulatory agency.



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- vii. In case of non-individual clients the intermediary would call for information regarding the shareholding/ ownership of the entity and also the details regarding the persons operating the account so as to identify the persons who are the decision makers and who are the beneficiary of the account.

c. Know your Customer information

- i. Know Your Customer information should be obtained prior to commencing the relationship and should be updated on a regular basis during the course of the business relationship. A risk based approach should be applied depending on the type of customer, nature of the business relationship, product and any other risk factor that may be relevant, as well as any specific local requirements.
- ii. The client should be identified by RB by using reliable sources including documents/ information. Adequate information to satisfactorily establish the identity of each new client and the purpose of the intended nature of the relationship should be obtained by RB.
- iii. The information to be adequate enough to satisfy competent authorities (regulatory/ enforcement authorities) in future that due diligence was observed by RB in compliance with the SEBI Guidelines. Each original document should be seen prior to acceptance of a copy and all copies of the documents should be self-certified by the customer.
- iv. The information would be shared within the group and with the regulators as required to the extent permitted as per law.

d. Identification/ Verification Measures - Where a potential client has not dealt with RB in the past and wishes to open a trading account, the procedure is that:

- i. The client provides the necessary information required, including relevant documents
- ii. The client account opening form/ client registration form is duly completed by the dealer/ sales executive/ client (for private clients)
- iii. The client account opening form is approved by Dealing (for institutional Customers)
- iv. Information on the new client is given to Operations who will only effect settlement if the KYC form duly filled and signed, is in place.
- v. The client registration form together with the Risk Disclosure Document duly filled and signed.
- vi. All material amendments or alterations to client data (e.g. financial information or standing instructions) are in writing.

Note: Photo proofs for identification of the client to be verified against originals and taken before opening a trading account with a new individual client. In case of non-



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individual client, photo identities of the directors/ authorised persons are to be verified against original and taken on record.

e. Risk Profiling of Customers

- i. Customer's acceptance to the potential money laundering risk associated to it. Based on the risk assessment, customers should be grouped into the following three categories viz:
 1. Low Risk
 2. Medium Risk
 3. High Risk
- ii. All customers should be assigned one of these categories.
- iii. The category of risk assigned to an account/customer will determine the applicable Customer Identification Procedures, subsequent monitoring & risk management.
- iv. Customers who may pose risk to RB or to Money Laundering Deterrence Programme and can affect the RB's reputation, should be treated as high risk and should be subject to enhanced Customer Due Diligence, include, but are not limited to the following:-

Members of the RB must not establish accounts or relationships involving unregulated money service businesses or unregulated businesses involved in aiming/ gambling activities.

- Offshore Trusts, Special purpose Vehicles, International Business Companies which are established in locations with strict bank secrecy or confidentiality rules, or other legislation that may impede the application of prudent money laundering controls.
- Private companies or public companies not subject to regulatory disclosure requirements that are constituted in full or in part by bearer shares.
- Customers with complex account relationships - e.g. multiple accounts in one, customers with high value and/ or high frequency transactional behavior.
- No account should be opened in anonymous or fictitious/benami name(s) i.e. to say the anonymous or fictitious / benami customers shall not be accepted.
- No account should be allowed to do further transactions if any judgment has been issued by SEBI or FIU regarding any order against them and thus will Effectively and expeditiously implement the order.
- No account should be opened if appropriate due diligence measures cannot be applied to a customer for want of verification documents on account of non-cooperation of the customer or non-reliability of the data/information furnished of the RB.



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- f. **Non Face to Face Businesses** Members of the RB should apply Customer Due Diligence procedures which ensure that the process is equally as effective for non-face to face customers as for face to face customers. Financial services and products are now frequently provided to non-face to face customers via postal, telephone and electronic facilities including the Internet. Customer identification procedures in these circumstances should include appropriate measure to mitigate the risks posed by non face to face business. Ongoing due diligence and scrutiny of transactions and trading account should be conducted.
- g. **Correspondent Accounts** RB is not permitted to open or maintain "payable through accounts", (being correspondent accounts that are used directly to transact business on their own behalf) without the written and ongoing annual approval of the Head of Compliance.

10. **Hiring of Employees:**

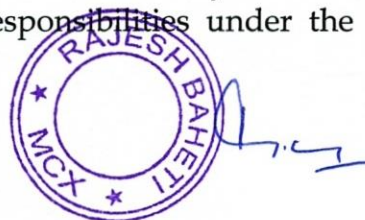
RB has a sufficient system of screening the employees before their appointment so that they are suitable and competent to perform their duties. RB would also carry out on going employee training programme so that the members are adequately trained in AML and CFT procedures.

11. **Training**

All new and existing staffs who are involved in customer business must receive suitable and timely induction training and further ongoing training to ensure that they understand the RB's approach to money laundering deterrence to provide them clarity on some points like:

- What money laundering is?
- The RB's requirements under the Policy, RB Policies & Procedures and additional policy and standards issued under the RB's Money Laundering Deterrence Programme, as appropriate.
- Legal or regulatory requirements and the risk of sanctions for themselves, the RB.
- Reporting requirements as prescribed by SEBI.
- The role played by their Principal/ Compliance Officer in money laundering deterrence.
- The need to protect the RB's reputation.
- The RB should also carryout Investors' Education by preparation of AML and CFT specific literature/ pamphlets which would be forming a part of the KYC or will be separately give to the clients for their educate about PMLA.
- Updation on the PMLA requirements after considering the circulars issued by the Financial Action Task Force (FATF), SEBI, Exchanges, DP's, etc. as applicable to the broking operations.

Staff in high-risk areas should receive appropriate training to enable them to understand the money laundering techniques which are likely to be used in their area, and to remind them of their personal responsibilities under the Policy, BR



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Policies & Procedures other applicable RB Policy and standards and local legal requirements.

Refresher training should be provided as appropriate and should as a minimum remind staff in high-risk areas annually of their responsibilities and alert them to any amendments to the RB's Money Laundering Deterrence Programme or local legal and/ or regulatory requirements, as well as any new money laundering techniques being used.

12. Reporting to Financial Intelligence Unit-India

Principal Officer of the Company shall act as a central reference point in facilitating onward reporting of transactions to FIU-IND and for playing an active role in the identification and assessment of potentially suspicious transactions. Principal Officer of the Company shall submit Cash Transaction Reports (CTRs) and Suspicious Transaction Reports (STRs) as prescribed under Rule 3, notified under the PMLA to

Director, FIU-IND,
Financial Intelligence Unit-India,
6th Floor, Hotel Samrat,
Chanakyapuri,
New Delhi-110021.
Website: <http://fiuindia.gov.in>

and shall adhere to the following instructions given in SEBI Master Circular no. SEBI/ HO/ MIRSD/ DOP/ CIR/ P/ 2019/113 dated October 15, 2019 while reporting

- a. Cash Transaction Reports (CTRs):
 - The CTRs (wherever applicable) for each month should be submitted to FIU-IND by 15th of the succeeding month;
- b. Suspicious Transaction Reports (STRs):
 - All suspicious transactions shall be reported by the Principal Officer to Director, FIU-IND within 7 working days of establishment of suspicion at the level of Principal Officer. The Principal Officer should record his reasons for treating any transaction or a series of transactions as suspicious. It should be ensured that there is no undue delay in arriving at such a conclusion.
- c. The Principal Officer will be responsible for timely submission of CTRs and STRs to FIU-IND;
- d. Utmost confidentiality should be maintained in filing of CTRs and STRs to FIU-IND. The reports may be transmitted by speed/registered post/fax at the notified address.
- e. No NIL reporting needs to be made to FIU-IND in case there are no cash/suspicious transactions to be reported.



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Every control system should be established in the organization to take care that the reporting of suspicious activity should be done to the regulators only and no client should be informed to the suspicious reporting being done about themselves or about anybody else. The Company and its staff are strictly required to ensure that there is no 'tipping-off' to any customers about any suspicious transaction reporting that has been made to the regulators. The organization may use the learning from the suspicious activity to train the staff for controlling any suspicious activity and use the information for investor / clients awareness about the suspicious transactions

13. Procedure for freezing & unfreezing of funds, financial assets or economic resources or related services

Section 51A of the Unlawful Activities (Prevention) Act, 1967 (UAPA), relating to the prevention of, and coping with terrorist activities was brought into effect through UAPA Amendment Act, 2008. In this regard, the Central Government had issued an Order dated March 14, 2019 detailing the procedure for the implementation of Section 51A of the UAPA, in view of the reorganization of Divisions in the Ministry of Home Affairs and allocation of work relating to countering of terror financing to the Counter Terrorism and Counter Radicalization (CTCR) Division. Under the aforementioned Section, the Central Government is empowered to freeze, seize or attach funds and other financial assets or economic resources held by, on behalf of, or at the direction of the individuals or entities listed in the Schedule to the Order, or any other person engaged in or suspected to be engaged in terrorism. The Government is also further empowered to prohibit any individual or entity from making any funds, financial assets or economic resources or related services available for the benefit of the individuals or entities listed in the Schedule to the Order or any other person engaged in or suspected to be engaged in terrorism. The obligations to be followed by intermediaries to ensure the effective and expeditious implementation of said Order has been issued vide SEBI Master Circular ref. no: SEBI/ HO/ MIRSD/ DOP/ CIR/ P/ 2019/113 dated October 15, 2019, which needs to be complied with scrupulously. Accordingly, in order to ensure compliance with the Order the company shall follow the following procedure.

In case if any client is found to be guilty under the PMLA provisions then the following procedure to be followed by the Company will be as under:

- 1) If the particulars of any of customer/s match the particulars of designated individuals/entities, the Company shall immediately, not later than 24 hours from the time of finding out such customer, inform full particulars of the funds, financial assets or economic resources or related services held in the form of securities, held by such customer on their books to the Joint Secretary (IS.I), Ministry of Home Affairs, at Fax No.011-23092569 and also convey over telephone on 011-23092736. The Company would also convey the information through e-mail at jsctcr-mha@gov.in



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- 2) The Company would inform the ISI Division of MHA so that they may take effective action like informing the State Police and /or the Central Agencies for conducting the verification of the individuals/ entities identified by the registered intermediaries.
- 3) The Company to provide full support to the appointed agency for conducting of the verification so that the verification gets completed within a period of 5 working days.
- 4) The Company would not provide any prior notice to the designated individuals/entities.

Procedure for unfreezing of funds, financial assets or economic resources or related services of individuals/entities inadvertently affected by the freezing mechanism upon verification that the person or entity is not a designated person

- i. Any individual or entity, if it has evidence to prove that the freezing of funds, financial assets or economic resources or related services, owned/held by them has been inadvertently frozen, shall move an application giving the requisite evidence, in writing, to the broker. Broker shall inform and forward a copy of the application together with full details of the asset frozen given by any individual or entity informing of the funds, financial assets or economic resources or related services have been frozen inadvertently, to the nodal officer of CTCR Division of MHA as per the contact details given above within two working days.
- ii. The Joint Secretary (CTCR), MHA, being the nodal officer for (CTCR) Division of MHA, shall cause such verification as may be required on the basis of the evidence furnished by the individual/entity and if he is satisfied, he shall pass an order, within fifteen working days, unfreezing the funds, financial assets or economic resources or related services, owned/held by such applicant under intimation to the broker. However, if it is not possible for any reason to pass an order unfreezing the assets within fifteen working days, the nodal officer of CTCR Division shall inform the applicant.

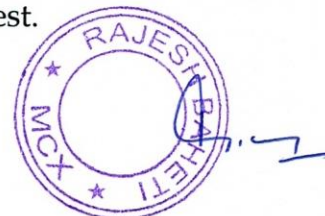
14. Identification of Beneficial Ownership:

The guidelines are to be followed to verify the identity of persons who beneficially own or control the securities:

A. For clients other than individuals or trusts:

Where the client is a person *other than an individual or trust*, viz., company, partnership or unincorporated association/body of individuals, RB shall identify the beneficial owners of the client and take reasonable measures to verify the identity of such persons, through the following information:

- a. The identity of the natural person, who, whether acting alone or together, or through one or more juridical person, exercises control through ownership or who ultimately has a controlling ownership interest.



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Explanation: Controlling ownership interest means ownership of/entitlement to:

- i. more than 25% of shares or capital or profits of the juridical person, where the juridical person is a company;
 - ii. more than 15% of the capital or profits of the juridical person, where the juridical person is a partnership; or
 - iii. more than 15% of the property or capital or profits of the juridical person, where the juridical person is an unincorporated association or body of individuals.
- b. In cases where there exists doubt under clause 4 (a) above as to whether the person with the controlling ownership interest is the beneficial owner or where no natural person exerts control through ownership interests, the identity of the natural person exercising control over the juridical person through other means.
- Explanation: Control through other means can be exercised through voting rights, agreement, arrangements or in any other manner.
- c. Where no natural person is identified under clauses 4 (a) or 4 (b) above, the identity of the relevant natural person who holds the position of senior managing official.

B. For client which is a trust:

Where the client is a *trust*, RB shall identify the beneficial owners of the client and take reasonable measures to verify the identity of such persons, through the identity of the settler of the trust, the trustee, the protector, the beneficiaries with 15% or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

C. Exemption in case of listed companies:

Where the client or the owner of the controlling interest is a company listed on a stock exchange, or is a majority-owned subsidiary of such a company, it is not necessary to identify and verify the identity of any shareholder or beneficial owner of such companies.

D. Applicability for foreign investors:

Dealing with foreign investors' viz., Foreign Institutional Investors, Sub Accounts and Qualified Foreign Investors, may be guided by the clarifications issued vide SEBI circular CIR/MIRSD/11/2012 dated September 5, 2012, for the purpose of identification of beneficial ownership of the client.

Before opening an account, it must be ensured that the identity of the prospective client does not match with a person having known criminal background and that



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there are no prohibitory orders / sanctions against the prospective client by any enforcement/ regulatory agency.

Before accepting any person as a client, it must be ensured that such person's name does not appear and is not linked in any way to the individuals and entities listed in the consolidated list of individuals and entities maintained by Security Council Committee established pursuant to United Nations Security Council Resolution 1267 (1999). The consolidated list can be accessed from the UN website at http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml and <http://www.un.org/sc/committees/1988/list.shtml>. All existing accounts should be scrutinized to ensure that no account is held by or linked to any of the individuals or entities included in the aforesaid consolidated list. The Company shall intimate full details of accounts bearing resemblance to any of the individuals/entities in the aforesaid consolidated list to SEBI and FIU-IND.

15. Implementation of Aadhaar:

As per notification given by the Ministry of Finance (Department of Revenue) on 1st June, 2017 under Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017 Aadhaar has become mandatory and we have a policy to collect Aadhaar number along with supporting documents from all the clients.

Applicability of Aadhaar:

Definitions:

- "Aadhaar number/ Aadhaar" means an identification number as defined under sub-section (a) of Section 2 of the Aadhaar (Target Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016;
- "Authentication" means the process as defined sub-section (c) of Section 2 of the Aadhaar (Target Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016;
- "Resident" means an individual as defined under sub-section (v) of Section 2 of the Aadhaar (Target Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016;
- "Identity Information" means the information as defined under sub-section (n) of Section 2 of the Aadhaar (Target Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016;
- "e-KYC authentication facility" means authentication facility as defined in Aadhaar (Authentication) Regulations, 2016;



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- “Yes/ No authentication facility” means as authentication facility as defined in Aadhaar (Authentication) Regulations, 2016;

The organization is required to comply with important requirements as mentioned in the notification on two types of clients:

- Individual
- Other than Individual i.e. Entities

In case of Individual:

The client shall submit to us the Aadhaar number issued by the Unique Identification Authority of India.

In case of other than Individual i.e. Entities:

Client is a Company/Partnership firm/Trust/ Unincorporated association or body of individuals, shall submit to us certified copies of Aadhaar Numbers; Issued to managers, officers or employees in case of company and the person in case of partnership firm/trust/unincorporated association or a body of individuals holding an attorney to transact on behalf of the client entity.

At the time of receipt of Aadhaar number under provisions of this Rule, shall carry out authentication either using e-KYC authentication facility or Yes/ No authentication facility provided by Unique Identification Authority of India. If the client does not submit the Aadhaar number, at the time of commencement of an account based relationship with RB, then they submit the same within a period of six months from the date of the commencement of the account based relationship.

If client fails to submit the Aadhaar number within the aforesaid time limits the said account shall cease to be operational till the time Aadhaar number is submitted by the client.

In case the identity information relating to the Aadhaar number submitted by the client does not have current address of the client, the client shall submit an officially valid document to RB.

However, in view of the Supreme Court judgment dated 26.09.2018 regarding Aadhaar Card not being mandatory for registration of clients in the Capital Market, the provision of the above point is not applicable and hence the above point is no longer valid.

16. Monitoring and Review of the Company's AML Policy & Procedures

- 1) The Company shall undertake regular monitoring of its operations through line management and/or Compliance to check that all businesses are complying with



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the Company's AML Policy & Procedures as well as local legal and regulatory requirements as prescribed under the PMLA and by SEBI.

- 2) Operational and functional review work shall be undertaken by Compliance and/or Audit functions, as appropriate. Compliance Officer shall liaise with their relevant Audit function counterpart to arrive at appropriate review programme and responsibility.
- 3) The level and frequency of monitoring and review work shall be undertaken having regard to materiality and risk in relation to the business and customer base.
- 4) The review of the policies and procedures, should be done by a person who is different than the one who has framed such policies and procedures so as to check the effectiveness.

17. Further Information

Any queries or doubts concerning Company AML Policy & Procedures or any local legislation or regulation or Circulars or Guidelines relating to Anti Money Laundering and/or Combating Financing of Terrorism shall be referred to the Principal Officer of the Company.

Other Points:

The Policy/ documents in relation to CDD will be reviewed once in a year or as per any regulatory changes as and when required and will be finalized by the proprietor as applicable for the entity.

---XXX---



A handwritten signature in blue ink, appearing to be 'R. S.' or similar, written next to the stamp.