

**MILI CONSULTANTS & INVESTMENT  
PRIVATE LIMITED**

**Policies and Procedures under Prevention of Money Laundering Act  
(PMLA)**

**1. Background**

- 1.1 The Prevention of Money Laundering Act, 2002 has come into effect from 1<sup>st</sup> July 2005 and amended thereafter if any. Necessary Notifications / Rules under the said Act have been published in the Gazette of India on 1<sup>st</sup> July 2005 by the Department of Review, Ministry of Finance, Government of India and amended thereafter if any.
- 1.2 Securities and Exchange Board of India has issued necessary directives vide circulars, from time to time, covering issues related to Know Your Client (**KYC**) norms, Anti- Money Laundering (**AML**), Client Due Diligence (**CDD**) and Combating Financing of Terrorism (**CFT**). SEBI has also issued a Master Circular No. CIR/ ISD/AML/3/2010 on December 31, 2010 and amended thereafter if any to all intermediaries registered with SEBI u/s 12 of the SEBI Act providing Guidelines on Anti money Laundering Standards (Guidelines). This Master circular consolidates all the requirements/instructions issued by SEBI with regard to AML/CFT till January 31 2010 and supersedes the earlier circulars, dated September 01, 2009, December 19, 2008, March 20, 2006 and January 18, 2006. This Master Circular is divided into two parts; the first part is an overview on the background and essential principles that concern combating money laundering (**ML**) and terrorist financing (**TF**). The second part provides a detailed account of the procedures and obligations to be followed by all registered intermediaries to ensure compliance with AML/CFT directives and regularly updating/amending if needed.
- 1.3 **MILI CONSULTANTS & INVESTMENT PRIVATE LIMITED** being a registered intermediary will maintain a record of all the transaction; the nature & value of which has been prescribed under the Prevention of Money Laundering Act. Such transactions include:
  - All cash transactions of the value more than Rs. 100 lacs or its equivalent in foreign currency and in FNO 1000 Crore or its equivalent in foreign currency.
  - All series of cash transactions integrally connected to each other which have been valued below Rs. 100 lacs or its equivalent in foreign currency where such series of transactions take place within one calendar month / year.

- All suspicious transactions whether or not made in cash and including inter-alia, credits or debits into from any non monetary account such as d-mat account, security account maintained by us.
  - For the purpose of suspicious transactions reporting, apart from transactions integrally connected, transactions remotely connected or related are also to be considered
- 1.4 \*\*\*\*\* As per the SEBI circular dated July 04, 2018, essential principles has been outlined under the head 'Policies and Procedures to Combat Money Laundering and Terrorist Financing' which is opted by Company in the spirit of the suggested measures in Section II and the requirements as laid down in the PMLA. SEBI has issued circular no. SEBI/HO/MIRSD/DOP/CIR/P/2019/69 dated May 28, 2019 where in it is informed that 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, the Government has modified the earlier order dated August 27, 2009 by the order dated March 14, 2019.
- 1.5 As per the SEBI new circular SEBI/ HO/ MIRSD/ DOP/ CIR/ P/ 2019/113 dated 15<sup>th</sup> October 2019 are accepted by our Board Meeting dated 24<sup>th</sup> October, 2019 and this circular and procedures will supersede earlier circulars issued by SEBI /Exchanges in regard to Policies and Procedures to Combat Money Laundering and Terrorist Financing'

## **2 Obligation to establish Policies and Procedures**

- 2.1 In order to fulfill these requirements under the said PMLA Act and the said SEBI Guidelines, there is a need for us to have a system in place for identifying, monitoring and reporting suspected money laundering or terrorist financing transactions to the law enforcement authorities.
- 2.2 In light of the above, we are fully committed to establishing appropriate policies and procedures for the prevention of money laundering and terrorist financing and ensuring their effectiveness and compliance with all relevant legal and regulatory requirements.
- 2.3 It is obligatory on our part to:
- a. issue a statement of policies and procedures for dealing with money laundering and terrorist financing reflecting the current statutory and regulatory requirements;
  - b. ensure that the content of these Guidelines are understood by all our staff members, authorised persons, authorised persons and remisiers;
  - c. regularly review the policies and procedures etc. on prevention of money laundering and terrorist financing to ensure their effectiveness.

Further in order to ensure effectiveness of policies and procedures, the person doing such a review is different from the one who has framed such policies and procedures;

- d. adopt customer acceptance policies and procedures which are sensitive to the risk of money laundering and terrorist financing;
- e. undertake customer due diligence (“CDD”) measures to an extent that is sensitive to the risk of money laundering and terrorist financing depending on the type of customer, business relationship or transaction; and
- f. develop our authorised persons / associates / staff members’ awareness and vigilance to guard against money laundering and terrorist financing etc.
- g. \*\*\*\*\*have in system a place for identifying, monitoring and reporting suspected money laundering and terrorist financing transactions to the law enforcement authorities.

### **3. Scope of Policies and procedures**

Our Policies and procedures to combat Money Laundering cover:

- a. Communication of our policies/procedures relating to prevention of money laundering and terrorist financing to all authorised persons / associates, management and relevant staff that handle account information, securities transactions, money and customer records etc.
- b. Customer acceptance policy and customer due diligence measures, including requirements for proper identification;
- c. Maintenance of records;
- d. Compliance with relevant statutory and regulatory requirements;
- e. Co-operation with the relevant law enforcement authorities, including the timely disclosure of information; and
- f. Role of internal audit or compliance function to ensure compliance with policies, procedures, and controls relating to prevention of money laundering and terrorist financing, including the testing of the system for detecting suspected money laundering transactions, evaluating and checking the adequacy of exception reports generated on large and/or irregular transactions, the quality of reporting of suspicious transactions and the level of awareness of front line staff of their responsibilities in this regard.

### **4. Written Anti Money Laundering Procedures**

- 4.1 MILI CONSULTANTS & INVESTMENT PRIVATE LIMITED hereby has adopted the written procedures given herein below to implement the anti money

laundering provisions envisaged under the said PMLA Act and the said SEBI Guidelines.

4.2 These procedures include inter alia, the following three specific parameters which are related to the overall '**Client Due Diligence Process**':

- a. Policy for acceptance of clients
- b. Procedure for identifying the clients
- c. Transaction monitoring and reporting especially Suspicious Transactions Reporting (STR)

## **5. Customer Due Diligence**

5.1 The customer due diligence ("CDD") measures comprise the following:

- a. Obtaining sufficient information in order to identify persons who beneficially own or control securities account. Whenever it is apparent that the securities acquired or maintained through an account are beneficially owned by a party other than the client, that party is identified using client identification and verification procedures. The beneficial owner is the natural person or persons who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted. It also incorporates those persons who exercise ultimate effective control over a legal person or arrangement.
- b. Verify the customer's identity using reliable, independent source documents, data or information;
- c. Identify beneficial ownership and control, i.e. determine which individual(s) ultimately own(s) or control(s) the customer and/or the person on whose behalf a transaction is being conducted;
- d. Verify the identity of the beneficial owner of the customer and/or the person on whose behalf a transaction is being conducted, corroborating the information provided in relation to (c);
- e. Understand the ownership and control structure of the client;
- f. Conduct ongoing due diligence and scrutiny, i.e. perform ongoing scrutiny of the transactions and account throughout the course of the business relationship to ensure that the transactions being conducted are consistent with our knowledge of the customer, its business and risk profile, taking into account, where necessary, the customer's source of funds; and
- g. Registered intermediaries shall periodically update all documents, data or information of all clients and beneficial owners collected under the CDD process.

- h. \*\*\*\*In the process of client due diligence we may rely on third party for the purpose of (a) identification and verification of the identity of a client and (b) determination of whether the client is acting on behalf of a beneficial owner, identification of the beneficial owner and verification of the identity of the beneficial owner. Such third party shall be regulated, supervised or monitored for, and have measures in place for compliance with CDD and record-keeping requirements in line with the obligations under the PML Act.

Such reliance shall be subject to the conditions that are specified in Rule 9 (2) of the PML Rules (if modified time and again) and shall be in accordance with the regulations and circulars/ guidelines issued by SEBI from time to time. **The amendment is carried out as per the amended circular issued by SEBI on March 12, 2014 and if anything updated thereafter.**

**The below amendment is carried out as per the circular issued by SEBI on 4<sup>th</sup> July, 2018 and if any thereafter:**

**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, the intermediary 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.

**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 (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 (a) or (b) above, the identity of the relevant natural person who holds the position of senior managing official.

**6. Acceptance of clients:**

- 6.1 The following safeguards are to be followed while accepting the clients:
  - a. No account is opened in a fictitious / benami name or on an anonymous basis.
  - b. Factors of risk perception (in terms of monitoring suspicious transactions) of the client are clearly defined having regard to clients' location (registered office address, correspondence addresses and other addresses if applicable), nature of business activity, trading turnover etc and manner of making payment for transactions undertaken. The parameters enable classification of clients into low, medium and high risk. Clients of special category (as given below) require higher degree of due diligence and regular update of KRA / KYC profile / FATCA and CKYC.
  - c. Documentation requirements and other information are to be collected in respect of different classes of clients depending on perceived risk and having regard to the requirement to the Prevention of Money Laundering Act 2002 and thereafter if modified, guidelines issued by RBI and SEBI from time to time. A detailed checklist for each class of clients is given in the KYC /CKYC and other forms.
  - d. We ensure that an account is not opened where we are unable to apply appropriate clients due diligence measures KRA / KYC profile / FATCA and CKYC policies. This may be applicable in cases where it is not possible to ascertain the identity of the client, information provided to us is suspected to be non-genuine, perceived non-cooperation of the client in providing full and complete information. Such cases are reported to the Principal Officer.
  - e. We are cautious to ensure that we do not return securities or money that may be from suspicious trades. However, we consult the relevant authorities in determining what action it will take when we suspect suspicious trading.
  - f. With respect to the accounts being operated under a Power of Attorney, adequate verification of a person's authority to act on behalf the customer is also carried out.

- g. Before opening an account we have 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 agency. Any such case is brought to the notice of the Principal Officer.
- h. When there are suspicions of money laundering or financing of terrorism etc the CDD process shall necessarily be revisited.

7. **Risk – based approach to CDD\*\***

In order to achieve this objective, we classify all clients in the following category:

Low Risk  
Medium Risk  
High Risk

Low Risk: clients are those pose low or nil risk. They are clients who have a respectable social and financial standing. These are the clients who make payment on time and take delivery of shares. Senior Citizens, Salaried Employees and a major portion of client who indulge in delivery based trading. The low risk provisions should not apply when there are suspicions of Money Laundering / Financing Terrorism (ML/FT) or when other factors give rise to a belief that the customer does not in fact pose a low risk

Medium Risk: clients are those who are intra-day clients or speculative clients. These are the clients who maintain running account with JCSL.

High risk: clients are those who have defaulted in the past, have suspicious background, do not have any financial status, etc. Includes all clients mentioned under Special category of clients and any client against whom any order is passed by regulatory authorities or any investigation is launched which is pending, any client against whom any regulatory order is passed for accessing market then such client will automatically be black listed and no further trading has been done for those accounts.

We have to be careful while monitoring the transactions of High risk category clients. We also monitor Medium Risk Clients on some intervals.

Apart from this we need to exercise extra caution while monitoring the transactions of NRI/NRE/PIO and foreign national

clients/FI/FII etc, especially when the payment is being made in foreign currency.

Any change in the risk profile of the client/mandate holder, has to be ascertained by the concerned branch officials, and reported to the Department Head immediately.

#### **8. Clients of Special Category (CSC):**

Such clients include the following:

- a. Non resident clients
- b. High networth clients,
- c. Trust, Charities, NGOs and organizations receiving donations
- d. Companies having close family shareholdings or beneficial ownership
- e. Politically exposed persons (PEP) of foreign origin
- f. Current / Former Head of State, Current or Former Senior High profile Politicians and connected persons (immediate family, Close advisors and companies in which such individuals have interest or significant influence)
- g. Companies offering foreign exchange offerings
- h. Clients in high-risk countries.
- i. Non face-to-face clients
- j. Clients with dubious reputation as per public information available etc.

The above-mentioned list is only illustrative and we exercise independent judgment to ascertain whether new clients are to be classified as CSC or not.

#### **9. Client identification procedure:**

- 9.1 Our 'Know your Client' KYC/KRA/CKYC policy clearly spells out the client identification procedure to be carried out at different stages i.e. while establishing our relationship with the client, while carrying out transactions for the client or when we have doubts regarding the veracity or the adequacy of previously obtained client identification data.
- 9.2 The client is identified by using reliable sources including documents / information. We obtain adequate information to satisfactorily establish the identity of each new client and the purpose of the intended nature of the relationship.
- 9.3 Each original document is seen prior to acceptance of a copy.



- 9.4 Failure by prospective client to provide satisfactory evidence of identity is noted and reported to the Principal Officer.
- 9.5 Further, we also maintain continuous familiarity and follow-up where we notice inconsistencies in the information provided.
- 9.6 Where the beneficial owner of a client is a Politically Exposed Person (PEP), approval of the senior management for establishing business relationship with PEPs is to be obtained. Where a client has been accepted and the client or the beneficial owner is subsequently found to be or subsequently becomes a PEP, approval of the senior management for continuing business relationship with PEPs is to be obtained.
- 9.7 Reasonable measures are to be taken to verify the sources of funds as well as wealth of clients and beneficial owners identified as PEPs.
- 9.8 The company shall obtain sufficient information in order to identify persons who beneficially own or control the securities account. Whenever it is apparent that the securities acquired or maintained through an account are beneficially owned by a party other than the client, that party shall be identified using client identification and verification procedures. The beneficial owner is the natural person or persons who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted. It also incorporates those persons who exercise ultimate effective control over a legal person or arrangement.

In order to follow uniform approach towards determination of beneficial ownership for clients other than individuals or trusts, viz., Company, Partnership or unincorporated association/body of individuals or for client which is a trust, the company shall take reasonable measures to verify the identity of such persons as per guidelines on identification of beneficial ownership issued by **SEBI vide its circular no. CIR/MIRSD/2/2013 dated January 24, 2013 and thereafter if any.**

- 9.9 \*\*\*\*\*In order to implement **SEBI circular no CIR/MIRSD/66/2016 dated July 21, 2016** and thereafter if any, for operationalisation of Central KYC Records Registry (CKYCR). In view of the above we have started uploading KYC data with CKYCR, in respect of all individuals accounts opened on or after August 1, 2016. As per Prevention of Money – Laundering (Maintenance of Records) Amendment Rules 2015 Rule 9(1A) and thereafter if any, we upload the client's KYC records with KRA / CKYC Registry before or within 3 days after the opening of account. Before this SEBI has issued circulars to obtain from existing and news clients FATCA Declaration and emailing circulars in regard to KRA for uploading and regular updation.

9.10 \*\*\*\*\*In order to implement the Notification issued on 1<sup>st</sup> June, 2017 regarding the further amendments to the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005. In view of the above, for new client account we collect the Aadhaar copy at the time of opening the account. For existing client accounts we have started collecting the copy of Aadhaar Card duly self attested.

#### **10. Record Keeping**

10.1 We ensure compliance with the record keeping requirements contained in the SEBI Act, 1992, Rules and Regulations made thereunder, PMLA as well as other relevant legislation, Rules, Regulations, Exchange Bye laws and Circulars.

10.2 We maintain such records as are sufficient to permit reconstruction of individual transactions (including the amounts and types of currencies involved, if any)

10.3 To enable this reconstruction, we retain the following information for the accounts of our customers in order to maintain a satisfactory audit trail:

- a. the beneficial owner of the account;
- b. the volume of the funds flowing through the account; and
- c. for selected transactions,
  - the origin of the funds;
  - the form in which the funds were offered or withdrawn, e.g. cash, cheques, NEFT, RTGS etc.;
  - the identity of the person undertaking the transaction;
  - the destination of the funds;
  - the form of instruction and authority.

10.4 All client and transaction records and information are made available on a timely basis to the competent investigating authorities. We have a backup system on regular basis and the same are stored at safe place. We provide details to the investigating agencies as and when asked in manner they required. We have put in place a system of maintaining proper record of transactions prescribed under Rule 3 of PML Rules.

#### **11. Information to be maintained**

We are required to maintain and preserve the following information in respect of transactions referred to in Rule 3 of PML Rules:

- a. the nature of the transaction;
- b. the amount of the transaction and the currency in which it is denominated;
- c. the date on which the transaction was conducted; and
- d. the parties to the transaction.

## **12. Retention of Records**

- 12.1 An internal mechanism for proper maintenance and preservation of such records and information in a manner that allows easy and quick retrieval of data as and when required by the competent authorities has been evolved.
- 12.2\*\*\*\* It is our policy to maintain all necessary records on transactions, both domestic and international, for a period of 8 years from the date of cessation of the transactions **as per the amended circular issued by SEBI on February 05, 2021 and thereafter if any.**
- 12.3\*\*\*\*Records on of documents evidencing the identity of clients and beneficial owners (e.g. copies or records of official Identification documents like passports, identity cards, driving licenses or similar documents), account files and business correspondence are also kept for the period of eight years after the business relationship between a client and Company has ended or the account has been closed, whichever is later. **The amendment is carried out as per the amended circular issued by SEBI on February 05, 2021 and thereafter if any.**
- 12.4 In situations where the records relate to on-going investigations or transactions which have been the subject of a suspicious transaction reporting, they are retained until it is confirmed that the case has been closed.
- 12.5\*\*\*\* We maintain and preserve the record of information related to transactions, whether attempted or executed, which are reported to the Director, FIU-IND, for a period of eight years from the date of the transaction between the client and the Company **as per the amended circular issued by SEBI on February 05, 2021 and thereafter if any .**

## **13 Monitoring of transactions**

- 13.1 As a policy, we will not accept cash and third party cheques from any of our clients. Where a client brings a DD/PO/NEFT/RTGS, we have to insist on a covering letter duly signed by the client, stating that the DD/PO/NEFT/RTGS mentioned therein has been issued from his bank account at his instance. A draft of the covering letter is annexed herewith.
- 13.2 Regular monitoring of transactions is vital for ensuring effectiveness of the Anti Money Laundering procedures.
- 13.3 We pay special attention to all complex, unusually large transactions / patterns which appear to have no economic purpose.
- 13.4 We pay special attention to the transaction, which exceeds the threshold limits if any, for each class of client accounts.

- 13.5 We ensure that records of all transactions are preserved and maintained.
- 13.6 Suspicious transactions are regularly reported to the Principal Officer.
- 13.7 Further, our Compliance Department shall randomly examine a selection of transactions undertaken by clients to comment on their nature i.e. whether they are suspicious or not.
- 13.8 Any findings, records and related documents shall be made available to auditors and also to SEBI / Stock Exchanges / FIU – IND / other relevant authorities, during audit, inspection or as and when required.

#### **14 Suspicious Transaction Monitoring & Reporting**

- 14.1 A list of circumstances which may be in the nature of suspicious transactions is given below. This list is only illustrative and whether a particular transaction is suspicious or not will depend upon the background, details of the transactions and other facts and circumstances:
  - a. Clients whose identity verification seems difficult or clients appears not to cooperate
  - b. Asset Management Services for clients where the source of the funds is not clear or not in keeping with clients apparent standing /business activity;
  - c. Clients in high-risk jurisdictions or clients introduced by offshore banks or affiliates or other clients based in high risk jurisdictions;
  - d. Substantial increases in business without apparent cause ;
  - e. Unusually large cash deposits made by an individual or business;
  - f. Attempted transfer of investment proceeds to apparently unrelated third parties; and
  - g. Unusual transactions by CSCs and businesses undertaken by offshore banks / financial services, businesses reported to be in the nature of export – import of small items.
- 14.2 Any suspicious transaction is immediately notified to the Principal Officer. The notification is done in the form of a detailed report with specific reference to the clients, transactions and the nature /reason of suspicion. However, it is ensured that there is continuity in dealing with the client as normal until told otherwise and the client is not told of the report/suspicion. In exceptional circumstances, consent is given to continue to operate the account.
- 14.3 It is likely that in some cases transactions are abandoned or aborted by clients on being asked to give some details or to provide documents. We should report all such attempted transactions in

STRs, even if not completed by clients, irrespective of the amount of transaction.

14.4 Enhanced scrutiny of transactions, enhanced relevant reporting mechanisms or systematic reporting of financial transactions and enhanced due diligence to be applied to clients of high-risk countries which do not or insufficiently apply FATF standards.

14.5\*\*\* For monitoring the transactions and reporting the suspicious transactions, if any, to the PMLA authorities, we have constituted a PMLA Committee consisting of Four members. At present, Mr. Jigar Kumar Darji Principal Officer, Mr. Manak Chand Daga, Mrs. Vijaya Devi Nahar, & Mr. Nitin Uttam Sawane are the members of the PMLA Committee. For the effective functioning of the Committee, we have implemented the Maker – Checker concept and we also interchange the roles played by the members of the Committee if required as per rules.

#### **15. List of Designated Individuals / Entities**

An updated list of individuals and entities which are subject to various sanction measures such as freezing of assets/accounts, denial of financial services etc., as approved by the Security Council Committee established pursuant to various United Nations' Security Council Resolutions (UNSCRs) can be accessed at its website at <http://www.un.org/sc/committees/1267/consolist.shtml>. Registered intermediaries are directed to ensure that accounts are not opened in the name of anyone whose name appears in said list. Registered intermediaries shall continuously scan all existing accounts to ensure that no account is held by or linked to any of the entities or individuals included in the list. Full details of accounts bearing resemblance with any of the individuals/entities in the list shall immediately be intimated to SEBI and FIUIND.

#### **16. Procedure for freezing of funds, financial assets or economic resources or related services:**

Effective and expeditious implementation of SEBI circular dated 23<sup>rd</sup> October, 2009 and amended thereafter if any, is required to be complied with.

#### **17. Appointment of Designated Director\***

**Mr. Manak Chand Daga, Whole time Director, has been appointed as the Designated Director (Capital and Depository) for compliance of PML Act & Rules framed thereunder in terms of SEBI circular dated 12<sup>th</sup> March, 2014.**

## **18. Appointment of Principal Officer**

18.1. **Mr.Jigarkumar Darji has been appointed as the Principal Officer** of Depository and Capital market to report suspicious transactions to the relevant authorities

18.2 The Principal Officer's responsibilities are given hereunder:

- Communicating the Policy and Procedures on Prevention of Money Laundering to all our employees, authorised persons and associates.
- Receiving reports from our employees, authorised persons and associates for any suspicious dealings noticed by them.
- Clarifying any queries from them on this matter.
- Ensuring that the employees dealing with the clients / prospective clients are aware of the KYC /KRA / FATCA / CKYC guidelines of the Company and are advised to follow the same strictly.
- Conducting a sample test of client dealings, by himself or through an internal audit process, to satisfy himself that no suspicious activities exist.
- Reporting any suspicious transactions to appropriate authorities.

## **19 Reporting to Financial Intelligence Unit – India**

19.1 Reporting of STR is to be done within the stipulated time and can be through manual or electronic mode.

19.2 Utmost confidentiality is to be maintained

19.3 We do not put any restrictions on operations in the accounts where the STR has been made and employees and others are prohibited from disclosing (tipping off) the fact that STR has been filed.

## **20 High standards in hiring policies and training with respect to anti-money laundering**

20.1 We have adequate screening procedures in place to ensure high standards when hiring employees.

20.2 It is also planned to provide proper anti money laundering and anti-terrorist financing training to all our authorised persons, authorised persons remisers and staff members.

## **21 Investors Education**

Implementation of AML/PMLA/CFT measures requires us to demand certain information from investors, which may be of personal nature or has hitherto never been called for. Such information includes documents evidencing source of funds/income tax returns/bank records etc. This sometimes leads to raising of questions by the client with regard to the motive and purpose of collecting such information. There is, therefore, a

need for us to sensitize our clients about these requirements as the ones emanating from AML / PMLA and CFT framework.

We have kept a copy of our PMLA Policies and Procedures on our website [www.joindre.com](http://www.joindre.com), so as to educate the client of the objectives of the AML/PMLA / CFT programme.

In order to educate the clients of the objectives of the AML /PMLA and CFT programme, we will prepare specific literature / pamphlets etc.

**22. Employees' Training:**

Ongoing training of AML /PMLA and CFT procedures is given to frontline staff, back office staff, compliance staff, risk management staff and staff dealing with new clients.

**23. Review of Policy and Review of CDD:**

Board of Directors or any other authorized official shall have the authority to give directions for review of the policy and to undertake additions, changes, modifications etc., as directed by SEBI / FIU-IND and all the changes shall be deemed to be incorporated in this policy from their effective date. The PMLA Policy and CDD is reviewed periodically once in a year.

**\*Clause 17 has been added in board meeting 17.04.2014**

**\*\*Clause 8 is altered in the board meeting held on 13<sup>th</sup> February, 2015**

**\*\*\*Clause 14.5 has been altered in board meeting held on 13.02.2015**

**\*\*\*\* Clauses 5.h, 12.2, 12.3, 12.5 amended as per the circular issued by SEBI on 12.03.2014**

**\*\*\*\*\* CKYCR has been added as per the circular issued by SEBI dated 21.07.2016**

**\*\*\*\*\* Clause 9.10 collection of Aadhaar Card has been added as per the notification issued dated 01.06.2017.**

**\*\*\*\*\*Clause 1.4 - Essential Principles to Combat Money Laundering and Terrorist Financing has been added as per the circular issued by SEBI dated 04.07.2018 and in the board meeting held on 13.02.2019.**

**\*\*\*\*\*Clause 2.3 has been altered in board meeting held on 13.02.2019.**

**\*\*\*\*\*Clause 12.2, 12.3 and 12.5 amended as per the circular issued by SEBI on 05.02.2021**

**\*\*\*\*\*Clause 14.5 has been altered in board meeting held on 13.05.2021**

**The PMLA Policy is reviewed in the Board Meeting 11.01.2023.**

**Prepared by: Mr.Jigarkumar Darji, Principal Officer**

**Reviewed by: Mr. Manak Chand Daga, Designated Director**