KNOW YOUR CUSTOMER (KYC) POLICY

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KNOW YOUR CUSTOMER (KYC) POLICY

GTP Finance Limited had adopted the KMC and AML policy approved by the Board in its meeting dated 13.03.2014 Over a period of time the Reserve Bank of India and the Financial intelligence unit had modified the guidelines with aview to strengthen the systems and mitigate risks arising out of the lack of due diligence in customer acceptance and monitoring of the transactions relating to such customers.

The current KYC and AML policy needs to be reviewed and is to be aligned with the instructions contained in the Reserve Bank of India Master directions "RBI/DBR/2015-16/18 Master Direction DBR.AML.BC.No.81/14.01.001/201516February 25, 2016 with its updation and also to be in conformity with Prevention
Of Money Laundering Act 2002

The revised Policy on Know your Customer and Prevention of Money Laundering is detailed below,

Objectives:

i. To put in place systems and procedures for customer identification and verifying his/her identity and residential address; and

ii. To put in place a system of customer acceptance.

iii. To put in place systems and procedures to help control financial frauds,identify money laundering and suspicious activities and safeguarding the company from being unwittingly used for transfer or deposit of funds derived from criminal activity or for financing of terrorist activities.

iv. To monitor transactions of a suspicious nature.

v. Suitable system is put in place to ensure that the identity of the customer does not match with any person or entity, whose name appears in the sanctions lists circulated by Reserve Bank of India.

1. KEY ELEMENTS OF THE POILCY

The KYC policy shall include following four key elements:

a. Customer Acceptance Policy;
b. Risk Management;

c. Customer Identification Procedures (CIP); and
d. Monitoring of Transactions.

2. CUSTOMER ACCEPTANCE POLICY

a. No account is opened in anonymous or fictitious/benami name.
b. No account is opened where the company is unable to apply appropriate Customer Due Diligence (CDD) measures, either due to non-cooperation of the customer or non-reliability of the documents/information furnished by the customer.
c. No transaction or account based relationship is undertaken without following the CDD procedure.
d. The mandatory information to be sought for KYC purpose while opening an account and during the periodic updation is specified.
e. 'Optional'/additional information is obtained with the explicit consent of the customer after the account is opened.
f. The company shall apply the CDD procedure at the unique customer identification and code creation (UCIC) level. Thus, if an existing KYC compliant customer of a company desires to open another account with the same company, there shall be no need for a fresh CDD exercise.
g. CDD Procedure is followed for all the joint account holders, while opening a joint account.
h. Circumstances in which, a customer is permitted to act on behalf of another person/entity, is clearly spelt out.
i. Suitable system is put in place to ensure that the identity of the customer does not match with any person or entity, whose name appears in the sanctions lists circulated by Reserve Bank of India.

Customer Acceptance Policy shall not result in denial of financial facility to members of the general public, especially those, who are financially or socially disadvantaged.

3.CUSTOMER IDENTIFICATION

(I) Definition of Customer:

For the purpose of this KYC & PMLA policy, a Customer is:

i. A person or entity that maintains an account and/or has a business relationship with the company in respect of lending and investments and this includes individuals, companies partnership firms, banks, mutual funds, Limited Liability Partnership, unincorporated entities, trusts and/or overseas corporate bodies and in respect of its wind power business, its suppliers, vendors and consumers in any capacity, whether as an individual or otherwise as explained therein;

ii. Beneficial owner(s) of the above said entities; iii. Professional intermediaries, such as stock brokers, chartered accountants and solicitors as permitted under law; or

iv. Any other person or entity connected with a financial transaction, which can pose significant reputational or other risks to the company.

(II) The companyshall undertake identification of customers in the following cases:

a. Commencement of an account-based relationship with the customer.
b. Carrying out any international money transfer operation.
c. When there is a doubt about the authenticity or adequacy of the customer identification data it has obtained earlier.
d. Selling third party products as agents, selling their own products, payment of dues of credit cards/sale and reloading of prepaid/travel cards and any other product for more than rupees fifty thousand.
e. Carrying out transactions for a non-account based customer, that is a walk-in customer, where the amount involved is equal to or exceeds rupees fifty thousand, whether conducted as a single transaction or several transactions that appear to be connected.
f. When the company has reason to believe that a customer (account- based or walk-in) is intentionally structuring a transaction into a series of transactions below the threshold of rupees fifty thousand.

For the purpose of verifying the identity of customers at the time of commencement of an account-based relationship, the company will at their option, rely on customer due diligence done by a third party, subject to the following conditions:

a. Records or the information of the customer due diligence carried out by the third party is obtained within two days from the third party or from the Central KYC Records Registry.

b. Thatcopies of identification data and other relevant documentation relating to the customer due diligence requirements shall be made available from the third party upon request without delay.
c. The third party is regulated, supervised or monitored for, and has measures in place for, compliance with customer due diligence and record-keeping requirements in line with the requirements and obligations under the PML Act.
d. The third party shall not be based in a country or jurisdiction assessed as high risk.

Thecompany is fully aware that the ultimate responsibility for customer due diligence aenhanced due diligence measures lies on the company.

4. CUSTOMER DUE DILIGENCE (CDD) PROCEDURE

A.INDIVIDUALS

1. Procedure for obtaining Identification Information

For undertaking CDD, the company will obtain the following information from an individual while establishing an account based relationship or while dealing with the individual who is a beneficial owner, authorised signatory or the power of attorney holder related to any legal entity:

a) From an individual who is eligible for enrolment of Aadhaar, the Aadhaar number; the Permanent Account Number (PAN) or Form No. 60 as defined in Income-tax Rules, 1962, as amended from time to time;

I.Where an Aadhaar number has not been assigned to an individual, proof of application of enrolment for Aadhaar shall be obtained wherein the enrolment is not older than 6 months
In case PAN is not submitted, certified copy of an officially valid document (OVD)containing details of identity and address and one recent photograph shall be obtained.

Further in the case of Gold loans the company will also be guided by instructions contained in RBI circular “RBI/2013-14/260 DNBS.CC.PD.No.356 /03.10.01/2013-14

September 16, 2013 with regard to obtention of PAN cards for loans of 5 lacs and above."

4. 1. OFFICIALLY VALID DOCUMENTS (OVD)

"Officially Valid Document" (OVD) means,

1. The passport,
2. The driving licence,
3. The Voter's Identity Card issued by the Election Commission of India,
4. Job card issued by NREGA duly signed by an officer of the State Government,
5. Letter issued by the National Population Register containing details of name and address. (For the purpose of this clause, a document shall be deemed to be an OVD even if there is a change in the name subsequent to its issuance provided it is supported by a marriage certificate issued by the State Government or Gazette notification, indicating such a change of name)

"Obtaining a certified copy by the company shall mean comparing the copy of officially valid document so produced by the client with the original and recording the same on the copy by the authorised officer of the company".

Further, that from an individual, who is a resident in the State of Jammu and Kashmir or Assam or Meghalaya, and who does not submit Aadhaar or proof of application of enrolment for Aadhaar, the following shall be obtained:

i. Certified copy of an OVD containing details of identity and address and ii. One recent photograph

b) From an individual who is not eligible to be enrolled for an Aadhaar number, or who is not a resident, the following shall be obtained

i. PAN or Form No. 60 as defined in Income-tax Rules, 1962, as amended from time to time.

ii. One recent photograph and

iii. A certified copy of an OVD containing details of identity and address.

II. That in case the OVD submitted by a foreign national does not contain the details of address, in such case the documents issued by the Government departments of foreign

jurisdictions and letter issued by the Foreign Embassy or Mission in India shall be accepted as proof of address.

III. Further that, while opening accounts of legal entities ,in case, PAN of the authorized signatory or the power of attorney holder is not submitted, the certified copy of OVD of the authorized signatory or the power of attorney holder shall be obtained, even if such OVD does not contain address.

Aadhaar number shall not be sought from individuals who are not 'residents'. Howevera declaration to the effect of individual not being eligible for enrolment of Aadhaar may be obtained by the company.

2. Customers, at their option, shall submit one of the five Officially Valid Documents (OVD)s.

(c) In case the identity information relating to the Aadhaar number or Permanent Account Number submitted by the customer does not have current address, an OVD as defined in section 3(a) (xiv) OF RBI Master Direction on Know Your Customer shall be obtained from the customer for this purpose.

"That in case the OVD furnished by the customer does not contain updated address, the following documents shall be deemed to be OVDs for the limited purpose of proof of address:-

i. Utility bill which is not more than two months old of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill);
ii. Property or Municipal tax receipt;
iii. Pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address;
iv. Letter of allotment of accommodation from employer issued by State Government or Central Government Departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies and leave and licence agreements with such employers allotting official accommodation;

v. Further that the customer shall submit Aadhaar or OVD updated with current address within a period of three months of submitting the above documents.

At the time of receipt of the Aadhaar number, shall carry out, with the explicit consent of the customer, e-KYC authentication (biometric or OTP based) or Yes/No authentication where ever feasible.

i. Yes/No authentication shall not be carried out while establishing an account based relationship.
ii. In case of existing accounts where Yes/No authentication is carried out, the company shall ensure to carry out biometric or OTP based eKYC authentication within a period of six months after carrying out yes/no authentication.
iii. Yes/No authentication in respect of beneficial owners of a legal entity shall suffice in respect of existing accounts or while establishing an account based relationship.
iv. Where OTP based authentication is performed in 'non-face to face' mode for opening new accounts, the limitations as specified in Section 17 of the RBI Master Direction shall be applied

While seeking explicit consent of the customer, the consent provisions as specified in Section 5 and 6 of the Aadhaar (Authentication) Regulations, 2016, shall be observed.

The Company shall allow the authentication to be done at any of their branches.

(d) In case the customer eligible to be enrolled for Aadhaar and obtain a Permanent Account Number, does not submit the Aadhaar number or the Permanent Account Number/ form 60 at the time of commencement of an account based relationship with the company, the Customer shall submit the same within a period of six months from the date of the commencement of the account based relationship. In case the customer fails to submit the Aadhaarnumber or Permanent Account Number/form 60 within the aforesaid six months period, the said account shall cease to be operational till the time the Aadhaar number and Permanent Account Number/ form 60 is submitted by the customer.

Explanation: In case of asset accounts such as loan accounts, for the purpose of ceasing the operation in the account, only credits shall be allowed.

(e) The company shall duly inform the customer about this provision while opening the account.

(f) The customer, eligible to be enrolled for Aadhaar and obtain the Permanent Account Number, except one who is a resident in the State of Jammu and Kashmir or Assam or Meghalaya, already having an account based relationship with the company shall submit the Aadhaar number and Permanent Account Number/ form 60 by such date as may be notified by the Central Government. In case the customer fails to submit the Aadhaar number and Permanent Account Number/form 60 by such date, the said account shall cease to be operational till the time the Aadhaar number and Permanent Account Number/form 60 is submitted by the customer.

The company shall serve at least two notices for the compliance before such date.

(g) The company shall ensure that introduction is not to be sought while opening accounts.

(h) Obtain information and other documents pertaining to the nature of business or financial status.

(i) That information collected from customers for the purpose of opening of account shall be treated as confidential and details thereof shall not be divulged for the purpose of cross selling, or for any other purpose without the express permission of the customer.

CDD procedure, including Aadhaar authentication and obtaining PAN/ form 60 as applicable, shall be carried out for all the joint account holders.

Accounts opened using OTP based e-KYC, in non face to face mode will be subject to the following conditions:

i. There must be a specific consent from the customer for authentication through OTP.
ii. The aggregate balance of all the deposit accounts of the customer shall not exceed rupees one lakh.
iii. The aggregate of all credits in a financial year, in all the deposit taken together, shall not exceed rupees two lacs.

iv. As regards borrowal accounts, only term loans shall be sanctioned. The aggregate amount of term loans sanctioned shall not exceed rupees sixty thousand in a year.

v. Accounts, both deposit and borrowal, opened using OTP based e-KYC shall not be allowed for more than one year within which Biometric based e-KYC authentication Is to be completed.

vi. If the CDD procedure as mentioned above is not completed within a year, in respect of deposit accounts, the same shall be closed immediately. In respect of borrowal accounts no further debits shall be allowed.

vii. Company shall ensure that only one account is opened using OTP based KYC in non face to face mode and a declaration shall be obtained from the customer to the effect that no other account has been opened nor will be opened using OTP based KYC in non face to face mode. Further, while uploading KYC information to Central KYC Registry (CKYCR,) the company shall clearly indicate that such accounts are opened using OTP based e-KYC and other companies shall not open accounts based on the KYC information of accounts opened with OTP based e-KYC procedure in non face to face mode.

The account shall be monitored and when there is suspicion of money laundering or financing of terrorism activities or other high risk scenarios, the identity of the customer shall be established through the production of an OVD and Aadhaar Number or where an Aadhaar number has not been assigned to the customer through the production of proof of application towards enrolment for Aadhaar which is not more than six months old, along with an OVD.

Provided further that if the customer is not eligible to be enrolled for an Aadhaar number, the identity of the customer shall be established through the production of an OVD.

That if the client is not eligible to be enrolled for the Aadhaar number, the identity of client shall be established through the production of an OVD.

5. CDD MEASURES FOR SOLE PROPRIETARY FIRMS

For opening an account in the name of a sole proprietary firm, identificationinformation as mentioned under Section in respect of the individual (Proprietor) shall be obtained.

In addition to the above, any two of the following documents as a proof ofbusiness/activity in the name of the proprietary firm shall also be obtained:

(a) Registration certificate.

(b) Certificate/licence issued by the municipal authorities under Shop and Establishment Act.

(c) Sales and income tax returns.

(d) CST/VAT/GST certificate (provisional/final).

(e) Certificate/ registration document issued by Sales Tax/ServiceTax/Professional Tax authorities.IEC (Importer Exporter Code) issued to the proprietary concern by theoffice of DGFT/Licence/certificate of practice issued in the name of theproprietary concern by any professional body incorporated under astatute.

(f) Complete Income Tax Return (not just the acknowledgement) in the name of the sole proprietor where the firm's income is reflected, dulyauthenticated/acknowledged by the Income Tax authorities.

(g) Utility bills such as electricity, water, and landline telephone bills.

In cases where the company is satisfied that it is not possible to furnish two suchdocuments, the company may, at their discretion, accept only one of those documentsas proof of business/activity.

In such cases the company will undertake contact point verification and collect such otherinformation and clarification as would be required to establish the existence ofsuch firm, and shall confirm and satisfy itself that the business activity has beenverified from the address of the proprietary concern.

6. CDD MEASURES FOR LEGAL ENTITIES

i. For opening an account of a company, certified copies of each of thefollowing documents shall be obtained:

a. Certificate of incorporation.

b. Memorandum and Articles of Association.

c. A resolution from the Board of Directors and power of attorney granted to its managers, officers or employees to transact on its behalf.

d. Identification information as mentioned under Section 4.1in respect ofmanagers, officers or employees holding an attorney to transact on itsbehalf.

For opening an account of a partnership firm, the certified copies of each ofthe following documents shall be obtained:

(a) Registration certificate.
(b) Partnership deed.
(c) Identification information as mentioned under Sectionin respect of theperson holding an attorney to transact on its behalf.

For opening an account of a trust, certified copies of each of the followingdocuments shall be obtained:

(a) Registration certificate.
(b) Trust deed.
(c) Identification information as mentioned under Section in respect of theperson holding a power of attorney to transact on its behalf.

For opening an account of an unincorporated association or a body ofindividuals, certified copies of each of the following documents shall beobtained:

(a) Resolution of the managing body of such association or body of individuals;
(b) Power of attorney granted to transact on its behalf;
(c) Identification information as mentioned under Section 15 in respect of the person holding an attorney to transact on its behalf and
(d) Such information as may be required by the company to collectively establish thelegal existence of such an association or body of individuals.
(Unregistered trusts/partnership firms shall be included under theterm 'unincorporated association' and the Term 'body of individuals' includes societies.)

7.IDENTIFICATION OF BENEFICIAL OWNER

For opening an account of a Legal Person who is not a natural person, the beneficial owner(s) shall be identified and all reasonable steps in to verify his/her identity shall be undertaken keeping in viewthe following:

(a) Where the customer or the owner of the controlling interest , is a company listed on a stock exchange, or is a subsidiary of such a company, it is not necessary to identify and verify the identity of any shareholder or beneficial owner of suchcompanies.

(b) In cases of trust/nominee or fiduciary accounts whether the customer is acting on behalf of another person as trustee/nominee or any other intermediary isdetermined. In such cases, satisfactory evidence of the identity of theintermediaries and of the persons on whose behalf they are acting, as alsodetails of the nature of the trust or other arrangements in place shall beobtained.

8 . ON GOING DUE DELIGENCE

The company shall undertake on-going due diligence of customers to ensure that the transactions are consistent with the knowledge about the customers,customers' business and risk profile; and the source of funds.

Without prejudice to the generality of factors that call for close monitoringfollowing types of transactions will be monitored:

a) Large and complex transactions put through in the accounts,includingthosewith unusual patterns, inconsistent with the normal and expected activity ofthe customer, which have no apparent economic rationale or legitimatepurpose.

b) Transactions which exceed the thresholds prescribed for specific categories of accounts.

c) High account turnover inconsistent with the size of the balance maintained.

The extent of monitoring shall be aligned with the risk category of thecustomer.

(High risk accounts have to be subjected to more intensified monitoring.)

A system of periodic review of risk categorisation of accounts, with suchperiodicity being at least once in six months, and the need for applyingenhanced due diligence measures shall be put in place.

9.PERIODIC UPDATION

Periodic updation shall be carried out at least once in every two years for high riskcustomers, once in every eight years for medium risk customers and once in everyten years for low risk customers as per the following procedure:

The company shall carry out,

i. PAN verification from the verification facility available with the issuingauthority and
ii. Authentication, of Aadhaar Number already available with the company withthe explicit consent of the customer in applicable cases. iii. In case identification information available with Aadhaar does notcontain current address an OVD containing current address may beobtained.
iv. Certified copy of OVD containing identity and address shall be obtained at the time of periodic updation from individuals not eligible to obtainAadhaar, except from individuals who are categorised as 'low risk'. Incase of low risk customers when there is no change in status withrespect to their identities and addresses, a self-certification to thateffect shall be obtained.
v. In case of Legal entities, the company shall review the documents sought at the time of opening the accounts.

The company may not insist on the physical presence of the customer for furnishing OVD or furnishing consent for Aadhaar authentication unless thereare sufficient reasons that physical presence of the account holder/holders isrequired to establish their bona-fides. Normally, OVD/Consent forwarded by thecustomer through mail/post, etc., shall be acceptable.

The company shall ensure to provide acknowledgment with date of having performed KYC updation.

(d) The time limits prescribed above would apply from the date of opening of the account to reverification.

10. ENHANCED AND SIMPLIFIED DUE DILIGENCE PROCEDURE

A. Enhanced Due Diligence Accounts of non-face-to-face customers:

a. The company shall ensure that the first payment is to be effected through the customer's KYC-complied account with another entity, for enhanced due diligence of non-face to face customers.

11. ACCOUNTS OF POLITICALLY EXPOSED PERSONS (PEPS)

The company shall have the option of establishing a relationship with PEPs provided that:
a. Sufficient information including information about the sources of funds accounts of family members and close relatives is gathered on the PEP;
b. The identity of the person shall have been verified before accepting the PEP as a customer;
c. The decision to open an account for a PEP is taken at a higher level which would be with the approval of the Director (operations)
d. All such accounts are subjected to enhanced monitoring on an ongoing basis;
e. In the event of an existing customer or the beneficial owner of an existing account subsequently becoming a PEP, approval of the Director (operations) is obtained to continue the business relationship;
f. The CDD measures as applicable to PEPs including enhanced monitoring on an on-going basis will be followed
B. These guidelines shall also be applicable to accounts where a PEP is the beneficial owner.

12. CLIENT ACCOUNTS OPENED BY PROFESSIONAL INTERMEDIARIES:

The company shall ensure while opening client accounts through professional intermediaries, that:
a) Clients shall be identified when client account is opened by a professional intermediary on behalf of a single client.

b) The company shall have option to hold 'pooled' accounts managed by professional intermediaries on behalf of entities like mutual funds, pension funds or other types of funds.
c) The company shall not open accounts of such professional intermediaries who are bound by any client confidentiality that prohibits disclosure of the client details to the company.
d) All the beneficial owners shall be identified where funds held by the intermediaries are not co-mingled at the level of the company, and there are 'subaccounts', each of them attributable to a beneficial owner, or where such funds are co-mingled at the level of the company, the company shall look for the beneficial owners.
e) The company at its discretion, rely on the 'Customer Due Diligence' (CDD) done by an intermediary, provided that the intermediary is a regulated and supervised entity and has adequate systems in place to comply with the KYC requirements of the customers.

13. RISK MANAGEMENT

The company shall have a risk based approach which includes the following.

a. Customers shall be categorised as low, medium and high risk category, based on the assessment and risk perception of the company for which a standard template duly approved by the Risk management committee is made use of.
b. Risk categorisation shall be undertaken based on parameters such as customer's identity, social/financial status, nature of business activity, and information about the clients' business and their location etc
c. While considering customer's identity, the ability to confirm identity documents through online or other services offered by issuing authorities may also be factored in.
d. Other information collected from different categories of customers relating to the perceived risk, is non-intrusive .The FATF guidelines will also be followed in the risk categorisation exercise.

14. RECORD MANAGEMENT

The company shall follow the following steps regarding maintenance,preservation and reporting of customer account information, with reference to provisions of PML Act and Rules.

The company will,

(a) Maintain all necessary records of transactions between the company and the customer, both domestic and international, for at least five years from the date of transaction;

(b) Preserve the records pertaining to the identification of the customers and their addresses obtained while opening the account and during the course of business relationship, for at least five years after the business relationship is ended;

(c) Make available the identification records and transaction data to the competent authorities upon request;

(d) Introduce a system of maintaining proper record of transactions prescribed under Rule 3 of Prevention of Money Laundering (Maintenance of Records) Rules, 2005 (PML Rules, 2005);

(e) Maintain all necessary information in respect of transactions prescribed under PML Rule 3 so as to permit reconstruction of individual transaction,

15. REPORTING REQUIREMENTS TO FINANCIAL INTELLIGENCE UNIT – INDIA AND DESIGNATED OFFICERS UNDER THE ACT

1. The Director (operations) of the company will be the designated officer of the company under the provisions of the PMLA ACT.

The company will furnish (FIU-IND),information referred to in Rule 3 of the PML (Maintenance of Records)Rules, 2005 in terms of Rule 7 thereof.

2. The Managing Director will nominate a Principal Officer as prescribed under the act and his/her name will be uploaded to the website of FIU-IND.

The Principal Officer of the company willto cull out the transaction details from the software "SHAKTHI" and will feed the data into an electronic file with thehelp of the editable electronic utilities of CTR/STR as have been madeavailable by FIU-IND on its website http://fiuindia.gov.in.

3. The Principal Officer will ensure furnishing informationto the Director, FIUIND, without any delay and will be accountable to the Board for any delay.

4. The Suspicious Transaction report (STR)will be strictly confidential. It shall be ensured that there isno tipping off to the customer at any level.

5.Robust software, throwing alerts when the transactions are inconsistent with risk categorization and updated profile of the customers shall be developed for use as a part of effective identification and reporting of suspicioustransactions In due course under the guidance of Director (Technology).

16. REQUIREMENTS/OBLIGATIONS UNDER INTERNATIONAL AGREEMENTSCOMMUNICATIONS FROM INTERNATIONAL AGENCIES –

The company shall ensure that in terms of Section 51A of the Unlawful Activities (Prevention) (UAPA) Act, 1967, that we do not have any account in the name of individuals/entities appearing in the lists of individuals and entities, suspected of having terrorist links, which are approved by and periodically circulated by the United Nations Security Council (UNSC). The details of the two lists viz.,

(a) The "ISIL (Da'esh) &Al-Qaida Sanctions List", which includes names of individuals and entities associated with the Al-Qaida. The updated ISIL &AlQaida Sanctions List is available at https://scsanctions.un.org/fop/fop?xml=htdocs/resources/xml/en/consolidated.xml&xslt=htdocs/resources/xsl/en/al-qaida-r.xsl

(b) The"1988 Sanctions List", consisting of individuals (Section A of the consolidated list) and entities (Section B) associated with the Taliban which is available at

https://scsanctions.un.org/fop/fop?xml=htdocs/resources/xml/en/consolidated.xml&xslt=htdocs/resources/xsl/en/taliban-r.xsl

The soft copy of the list will also be circulated among the branches and the recommendations of the credit proposal must certify that the name (s) of neither the applicant nor the guarantor appear in the list.

Details of accounts resembling any of the Individuals/Entities in the lists shall be reported to FIU-IND apart from advising Ministry of Home Affairs as required under UAPA notification dated August 27, 2009.

In addition to the above, other UNSCRs circulated by the Reserve Bank in respect of any other jurisdictions/ entities from time to time shall also be taken note of.

17. FREEZING OF ASSETS UNDER SECTION 51A OF UNLAWFUL ACTIVITIES (PREVENTION) ACT, 1967

The procedure laid down in the UAPA Order dated August 27, 2009 (Annex I of this Master Direction shall be strictly followed and meticulous compliance with the Order issued by the Government shall be ensured.

Special attention shall be given to business relationships and transactions with persons (including legal persons and other financial institutions) from or in countries that do not or insufficiently apply the FATF Recommendations and jurisdictions included in FATF Statements.

The company shall maintain confidentiality of information as provided in Section 45NB of RBI Act 1934.

18. SHARING KYC INFORMATION WITH CENTRAL KYC RECORDS REGISTRY (CKYCR)

The company shall capture the KYC information for sharing with the CKYCR in the manner mentioned in the Rules, as required by the revised KYC templates prepared for 'individuals' and 'Legal Entities' as the case may be. Viz., CERSAI for the present as prescribed by Government of India.

19. HIRING OF EMPLOYEES AND EMPLOYEE TRAINING

(a) Adequate screening mechanism as an integral part of their personnel recruitment/hiring process shall be put in place.

(b) On-going employee training programme shall be put in place so that the members of staff are adequately trained in AML/CFT policy. The focus of the training shall be different for frontline staff, compliance staff and staff dealing with new customers. The front desk staff shall be specially trained to handle issues arising from lack of customer education. Proper staffing of the audit function with persons adequately trained and well-versed in AML/CFT policies of thecompanyregulation and related issues shall be ensured.

The approved policy will be widely publicized for strict implementation and will be published in the website of the Company.