

### **Investors Education - Prevention of Money Laundering / CFT**

1. Prevention of Money Laundering Act, 2002 (PMLA) is enacted to prevent the financing of terrorism and to prevent money laundering activities.
2. Under the PMLA Act, it is an obligation of individual/entities to whom PMLA is applicable, to report certain kind of transactions routed through them to Financial Intelligence Unit (FIU).
3. PMLA is, inter-alia, applicable to various SEBI/RBI regulated intermediaries.
4. Nuvama Custodial Services Limited (Nuvama) is registered as Custodian, Designated Depository Participant, Depository Participant and Custodian Clearing Member.
5. Regulatory authorities have issued circulars wherein intermediaries are instructed to adopt written procedures to implement the anti- money laundering provisions which inter-alia includes Client Due Diligence Process, Policy for acceptance of clients and Procedure for identifying the clients.
6. Nuvama has adopted the Anti-Money Laundering and Combating of Financing of Terrorism Policy ("Policy") in compliance with the afore-said guidelines issued by SEBI.
7. Nuvama has adequate system of complying with the PMLA requirements which inter-alia includes due diligence and complete documentation from clients. Further, while opening new accounts, all the prescribed procedures of KYC, Client Identifications and Client Due Diligence are strictly adhered to in compliance with the guidelines issued by SEBI / other Regulatory Authorities.
8. Further, record of transaction(s) and client identifications documents are appropriately maintained as part of record retention measures.
9. Clients are advised to be fully conversant with the provisions of PMLA and any amendments thereto from time to time and to co-operate with Nuvama by providing the additional information(s)/document(s), if asked for, to ensure the compliance requirements under PMLA.
10. Clients are advised to provide certain information which may be of personal nature or has hitherto never been called for. Clients are advised to co-operate with Nuvama whenever such information is sought for from PMLA perspective.
11. Clients are advised to be vigilant and to refrain from temptation of easy monetary gains, by knowingly or unknowingly supporting the people who are involved in the activities which are endangering freedom and causing damage to the nation. Clients are supposed to provide their active co-operation in the due compliance of the law.
12. Please visit the website of FIU ([www.fiuindia.gov.in](http://www.fiuindia.gov.in)), SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and RBI ([www.rbi.org.in](http://www.rbi.org.in)) for any further information on the subject. Clients are further advised to regularly visit the said websites for regulatory updates and information on AML/CFT.

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