

VT CAPITAL MARKET PRIVATE LIMITED

Registered Office: 27AB Royd Street, Ground Floor, Kolkata-700016
Member-NSE-14759, BSE-4020 & MCX-35970 SEBI Reg no: INZ000168637

AML POLICY

VT CAPITAL MARKET PVT LTD

Introduction of VT Capital Market Pvt Ltd

VT Capital Market Pvt Ltd (VCMPL) is a member of National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Multi Commodity Exchange of India (MCX) a having SEBI Regn No.INZ000168637.

This Anti-Money-Laundering (AML) policy has been prepared in accordance Prevention of Money Laundering Act, 2002 (PMLA Act). This policy also takes into account the provisions of PMLA Act, Master circular issued by SEBI on July 04, 2018 and rules laid down by FIU.



ANTI MONEY LAUNDERING POLICY

Pursuant to the recommendations made by the Financial Action Task Force on anti-money laundering standards, SEBI had issued the guidelines on Anti Money Laundering Standards vide their Circular No. ISD/CIR/RR/AML/1/06 dated 18th January 2006, vide Circular No. ISD/CIR/RR/AML/2/06 dated 20th March 2006 and vide Circular No. CIR/MIRSD/1/2014 dated 12th March 2014 had issued the obligations of the intermediaries registered under section 12 of SEBI Act, 1992.

The Government of India has serious concerns over money laundering activities, which are not only illegal but anti-national as well. Money laundering is the process by which large amount of illegally obtained money (from drug trafficking, terrorist activity or other serious crimes) is given the appearance of having originated from a legitimate source. All crimes that produce a financial benefit give rise to money laundering.

As per these SEBI guidelines, all intermediaries have been advised to ensure that proper policy frameworks are put in place as per the Guidelines on Anti Money Laundering Standards notified by SEBI and they shall be able to satisfy themselves that the measures taken by them are **adequate, appropriate and abide by the spirit of such measures** and the requirements as enshrined in the PMLA.

As a market participant it is evident that strict and vigilant tracking of all transactions of suspicious nature required.

Accordingly the Company has laid down following policy guidelines:

Principal Officer (As per provision 2.11.1 of SEBI's AML Master Circular dated 4th July, 2018):

Mr Dhiraj Bhutoria is appointed as the Principal Officer. He will be responsible for implementation of internal controls & procedures for identifying and reporting any suspicious transaction or activity to the concerned authorities. Principle officer has the right of timely access to customer identification data, other CDD information and is able to report the same to senior management or the board of directors.



Designated Director (As per provision 2.11.2 of SEBI's AML Master Circular dated 4th July, 2018):

Mr Dhiraj Bhutoria is appointed as the Designated Director of the company in terms of rule 2 (ba) of the PML rules. He will be responsible for ensure overall compliance with the obligations imposed under chapter IV of the Act and the Rules.

In terms of section 13 (2) of PML Act (as amended by the Prevention of Money-laundering (Amendment) Act, 2012), the Director, FIU-IND can take appropriate action, including levying monetary penalty, on the designated director for failure of the intermediately to comply with any of its AML/CFT obligation.

Purpose & Scope:

As a Financial Market Intermediary (which includes a stock-broker, authorised person and any other intermediary associated with securities market and registered under Securities and Exchange Board of India) we need to maintain a record of all the transactions; the nature and value of which has been prescribed in the Rules under the PMLA. Accordingly all the back office and trading staff is instructed to observe the following safeguards:

- 1 No Cash transactions for trading in securities shall be allowed from any client in the normal course of business.
- 2 Maintain a record of all the transactions; the nature and value of which has been prescribed in the Rules notified under the PMLA. Such transactions include:
 - a) All Cash transactions of the value of more than Rs 10 lakhs or its equivalent in foreign currency.
 - b) All series of cash transactions integrally connected to each other which have been valued below Rs 10 lakhs or its equivalent in foreign currency where such series of transactions have taken place within a month and the monthly aggregate exceeds an amount of ten lakh rupees or its equivalent in foreign currency



- c) All suspicious transactions whether or not made in cash and including, inter-alia, credits or debits into from any non monetary account such as Demat account, security account maintained by us.
- 3 For the purpose of suspicious transactions reporting, apart from 'transactions integrally connected', 'transactions remotely connected or related' shall also be considered. (More stringent requirement applicable in case, there is a variance in CDD/AML standards prescribed by SEBI and the regulators of the host country, branches/overseas subsidiaries of intermediaries)
- 4 Frequent off Market transfers from one BO account to another shall be scrutinized and asked for. In absence of valid reason case or found suspicious, it shall be brought to the notice of Principal Officer / Designated Director.
- 5 Trading beyond ones declared income: The turnover of the clients should be according to their declared means of income. Any abnormal increase in client's turnover shall be reported to Principal Officer / Designated Director. The Back Office staff should take due care in updating the clients' financial details and shall periodically review the same.

Policies & Procedures:

A) Client identification procedure:

The 'Know your Client' (KYC) Policy: -

a) While establishing the intermediary - client relationship

- No account shall be opened unless all the KYC Norms as prescribed from time to time by the SEBI / Exchanges are duly complied with, all the information as required to be filled in the KYC form (including financial information, occupation details and employment details) is actually filled in and the documentary evidence in support of the same is made available by the client. Moreover all the supporting documents should be verified with originals and client should sign the KYC & MCA in presence of our own staff and the client should be introduced by an existing clients or the known reference.



