PMLA POLICY

Passed in the Board Meeting held on 1st October, 2018

Radar Vision Limited

1.1. SEBI had issued the Guidelines on Know Your Customer (KYC) standards and Anti Money Laundering (AML) measures vide their notification No. ISD/CIR/RR/AML/1/06 dated 18th January, 2006. The Guidelines issued with the circular are in the context of the recommendation made by the Financial Action Task Force (FATF) on anti-money laundering standards. Compliance with these standards by all SEBI Registered intermediaries in the country has become imperative.

These guidelines lay down the minimum requirements / disclosures to be made with respect to clients.

2. Objective

The objective of this policy framework is to:

- Create awareness and provide clarity on KYC standards and AML Measures.
- Outline the obligations under PMLA.
- Provide a framework for systems and procedures.

3. What is Money Laundering?

3.1 Money Laundering can defined as engaging in financial transactions the involve income derived from criminal activity, transactions designed to conceal the true origin of criminally derived proceeds and appears to have been received through legitimate sources/origins.

3.2 This is done in three phases – Placement Phase, Layering Phase & Integration Phase.

- Placement Phase- the physical disposal of cash proceeds derived from illegal activity.
- Layering Phase-Separating illicit proceeds from their source by creating complex layers of financial transactions designed to hamper the audit trail, disguise the origin of such funds and provide anonymity to their owners.
- **Integration Phase**-Placing the laundered proceeds back into the economy in such a way that they re-enter the financial system appearing to be legitimate business funds.

Having identified these stages of the money laundering process, financial institutions are required to adopt procedures to guard against and report suspicious transactions that occur at any stage.

The ability to launder the proceeds of criminal activity through the financial systems of the world is vital of the success of criminal operations.

Consequently India, as one of the world's emerging financial markets, has a vital role to play in combating money laundering. Banks, Financial Institutions, Mutual Funds, Brokers, Depositories, Portfolio Managers and Intermediaries becoming involved in money laundering offences could face prosecution under PMLA leading to reputation and other risks.

4. Financial Intelligence Unit (FIU) - INDIA

4.1. The Government of India set up Financial Intelligence Unit-India (FIUIND) on November 18, 2004 as an independent body to report directly to the Economic Intelligence Council (EIC) headed by the Finance Minister.

4.2. FIU-IND has been established as the central national agency responsible for receiving, processing, analysing and disseminating information relating to suspect financial transactions, FIU-IND is also responsible for coordinating and stretching efforts of national and international intelligence and enforcement agencies in pursuing the global efforts against money laundering and related crimes.

5. **Basic Principles and Objectives of Money Laundering Prevention**

To assist in compliance with Indian Legislation, Rules and Regulations, the following are some of the basic principles & objectives of the guidelines:

a) Policies, procedures and controls should be established and maintained which aim to deter criminals from using the products and services of the Company for laundering the proceeds of crime.

b) In developing its policies, procedures and controls, the Company should be aware of the various risk levels.

c) Satisfactory "Know Your Customer" procedures must be formulated to identify the customers, the principal beneficial owners and the source of the funds obtained from the customer. It also includes knowing the nature of the business that the customer normally expects to conduct, and being alert to transactions that are abnormal within the relationship.

d) Principal Officer of sufficient seniority, competence and independence, must be appointed to act as the focal point for all the activity relating to money laundering, to

monitor compliance and to make regular compliance reports to the Board or Senior Management of the Company.

e) The Principal Officer must be appointed as the central point of contact with the law enforcement agencies. He may take assistance / guidance from other departments.

f) Unexplained, unusual or abnormal transactions which are not in line with the normal expected trend of transactions in the account including transactions suspected to being linked to criminal conduct should be reported to the Principal Officer who should then determine whether a report should be made to the appropriate authority.

g) The background including all documents *1* office records / clarifications sought pertaining to such transactions & purpose thereof shall also be examined carefully & finding shall be recorded in writing. Documents & records should be made available to auditors & SEBI / Stock Exchanges / FIU-IND etc. These records are required to be preserved for 5 years from the date of cessation of transaction between the Client and the Company as per Rule number 9 of PMLA 2002. "Date of Cessation" of transaction shall me& date "date of termination/closure of an account or business relationship".

h) Reporting lines for suspicious transaction should be clear an unambiguous. All reports should reach the Principal Officer without delay.

i) All staff should have access to information about their statutory responsibilities and relevant staff should be made aware of the antimony laundering policies and procedures. Relevant staff should be provided with Anti Money Laundering training that helps them to understand the money laundering risks involved in business. Records must be kept regarding persons trained.

j) Records confirming the identity of customers should be retained for 5 years following the cessation of business relationship. The records referred in Rule 3 of Prevention of Money Laundering Rules, 2005 shall be maintained for a period of 5 years from the date of cessation of the transactions between the Investor and the Company.

6. Customer Acceptance Policy

- **Each client should be met in person:** Company would accept client/s from whom we are able to meet personally. Either, the client should visit the office branch or concerned official may visit the client at his residence / office address to get the necessary documents filled in and signed.

- Preferably accept clients who live within the jurisdiction of the branch. As far as possible, ensure that the new client is introduced by an existing client or employee.

In case of accounts opened in the name(s) of NRI or FN's. (If the Company cannot personally verify the NRI.FN client), the Company/KYC Team shall ensure the photocopies of all the KYC documents/proofs and PAN card are attested by Indian Embassy or Consulate General in the Country where the NRI or FN's resides.

The attesting authority affix a "verified with originals" stamp on the said documents. The photocopies of the KYC documents and PAN card should be signed by NRI/FN. If the NRI or FN comes in person to open the account, the above attestation are required may be waived.

- **Accepts client on whom Company is able to apply appropriate KYC procedures:-** Obtain complete information from the client. It should be ensured that the initial forms taken by the client are filled in completely. All photocopies submitted by the client are checked against original documents without any exception. All supporting documents as specified by Securities and Exchange Board of India (SEBI) and Exchanges are obtained and verified.

- **Do not accept clients with identity matching persons known to have criminal background**:

  Check whether the client's identify matches 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 worldwide.

KYC team shall check following before admitting any person as client:

a) Client PAN should be checked in PMLA cum surveillance software 'Sharepro' which in turn checks SEBI debar list, Politically Exposed Person list, ANMI watch list, arbitration cases list. Further UNSC (United Nations Security Council) watch list is also checked by the above software.

b) A screening report to be generated for all new clients and enclosed along with the KYC form.

- **Be careful while accepting Clients of Special category:** We should be careful while accepting clients of special category like NRIs, HNIs, Trust, Charities, NGOs, Politically Exposed Persons (PEP) [Approval of Board of Directors is required for opening trading account of PEP] persons of foreign

origin, companies having closed shareholding/ownership, companies dealing in foreign currency, shell companies, overseas entities, clients in high risk countries, non face to face clients, clients with dubious background. Current/Former Head of State, Current/Former senior high profile politician, Companies offering foreign exchange etc.) or clients from high-risk countries (like **Libya, Pakistan, Afghanistan etc.)** or clients belonging to countries where corruption/fraud level is high (like Nigeria, Burma etc.).Scrutinize minutely the records/documents pertaining to clients belonging to aforesaid category.

General precautions:

- Do not accept client registration forms which are suspected to be fictitious.
- Ensure that no account is being opened in a fictitious / benami name or on an anonymous basis.
- Do not compromise on submission of mandatory information/documents.
- Client's account should be opened only on receipt of mandatory information along with authentic supporting documents as per the regulatory guidelines.
- Do not open the accounts where the client refuses to provide information/documents and we should have sufficient reason to reject the client towards this reluctance.
- Client of Special Category should be categorized as high risk client.
- The Company/employees shall closely examine the transaction in order to ensure that they are consistent with Client business and risk profile.
- Company deals with. Typically, risks are increased if the money launderer can hide behind corporate structures such as limited companies, offshore trusts, special purpose vehicles and nominee arrangements.

7. Money Laundering risk assessments

The Risk Assessment is required in order to assess and take effective measures to mitigate its money laundering and terrorist financing risk with respect to its clients, countries or geographical areas, nature and volume of transactions, payment methods used by clients etc.

The risk assessment shall also take into account any country specific information that is circulated by the government of India and SEBI from time to time, as well as, the updated list of individuals and entities who are subjected to sanction measures as required under the various United Nations Security Resolutions.

8. Risk classification

The level of Money Laundering (ML) risks that the Company is exposed to by an investor relationship depends on:

- Type of the customer and nature of business
- Type of product**/**service availed by the customer
- Country where the Customer is domiciled

Based on the above criteria, the customers may be classified into three Money laundering relationship depends on:

The guidelines define certain minimum standards of account documentation for all new customer relationships, to enable the Company to understand the nature of the customer's business, carry evidence of key data regarding the customer and its principal owners1 signatories and understand the type and level of activity that is to be considered as normal in the customer's account Customers may be classified in the following risk categories.

(i) High Risk

In addition to client defined in special category following clients are classified as high risk, provided their transaction value exceeds Rs. 1 Crore

a) Non resident clients

b) High Net-worth clients

c) Trust, Charities, NGOs and organizations receiving donations

d) Unlisted Companies

e) Companies having close family shareholding and beneficial ownership

f) Politically exposed persons (PEP): Politically exposed persons are individuals who are or have been entrusted with prominent public functions in a foreign country eg.: Senior politicians, Heads of States of Government, senior government/judicial/military/officials.

g) Clients who have defaulted in the past, have suspicious background and do not have any financial status.

h) Companies offering foreign exchange

i) Clients in high risk countries: (where existence *1* effectiveness of money laundering controls is suspect or which do not or insufficiently apply
FATF standards, where there is unusual banking secrecy, countries active in narcotics production countries where corruption (as per transparency international corruption index) is highly prevalent. Countries against which government sanctions are applied. Countries reputed to be any of the following - Havens1 sponsors of international terrorism, offshore financial centers, tax havens, Countries where fraud is highly prevalent.
j) Clients with dubious reputation as per public information available etc.
k) Non face to face Clients.

It should be to determined whether existing / potential customer is PEP. Such procedures would include seeking additional information from clients. Further approval of senior management is required for - establishment business relationships with PEP & to continue the business relationship with PEP. All transaction of Clients identified as High Risk Category should be put to counter measures. These measures may include further enhanced scrutiny of transactions, enhanced relevant reporting mechanisms or systematic reporting of transactions and applying enhanced due diligence.

(ii) Medium Risk

Client defined in above category having transaction value below 1 million and those Clients who are mostly intra-day Clients or speculative Clients.

Further based on business directive the clients who maintain running account continuously with the company may also be categorized as Medium risk clients as case to case basis.

(iii) Low Risk

Clients those pose Nil or low risk. They are Individuals/Corporate / HNI's who have respectable social and financial standing. These are the Clients who make a payment on time and take delivery of shares. 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.

9. Know Your Customer and Identification

Having sufficient information about the customer and making use of that information is the most efficient tool used to counter the efforts of laundering. the proceeds of crime. In addition to minimizing the risk of being used for illicit activities, adequate KYC information provides protection against fraud, and enables suspicious activity to be recognized, consequently protecting the Company from reputation and financial risks.

Where the investor is a new investor, an account must be opened only after ensuring that pre account opening KYC documentation and procedures are conducted.
A risk-based approach will need to be adopted towards client identification in respect of any additional information that might be required in specific cases. The Company shall periodically update all documents, data or information of all Clients and Beneficial Owners collected under the Client Disclosure Document (CDD) process.

The CDD process should necessarily be revisited where there are suspicious of money laundering or financing of terrorism. (MLIFT) SEBI vide its circular no. CIR/MIRSD/2/2013 dated January 24, 2013 has issued guidelines on identification of Beneficial ownership. Provisions with respect to the determination of beneficial ownership is annexed - as Annexure-

1, same needs to be followed while opening account and subsequently for identifying beneficial owner by KYC department.

10. Documents required for accepting Clients as per Rule 9 **of the Prevention of Money-laundering Individual**

- One certified copy of an 'officially valid document' containing details of his identity and address.
- One recent photograph
- Such other documents including in respect of the nature of business and financial status of the client (therefore proof of financial standing is also required for client dealing in cash segment)

Partnership Firm

- One certified copy of the following documents:
  Registration certificate;
  Partnership deed; and
  an officially valid document in respect of the person holding an attorney to transact on its behalf.

Trust

- Certified copy of the following documents:
  Registration certificate;
  Trust deed; and
  an officially valid document in respect of the person holding an attorney to transact on its behalf.

Company

- Certificate of incorporation;
- Memorandum and Article of Association;
- A resolution from the Board of Directors and power of attorney granted to its managers, officers or employees to transact on its behalf; and
- An officially valid document in respect of managers, officers or employees holding an attorney to transact on its behalf.

11. Application of Commercial Judgment

The company shall adopt a risk-based approach to the KYC requirements. Consequently, there will be circumstances when it will be both necessary and permissible to apply commercial judgment to the extent of the initial identification requirements. Decisions will need to be taken on the number verification parameters within a relationship, the identification evidence required, and when additional checks are necessary.

12. Establishing Identity

What is identity?

Identity generally means a set of attributes which together uniquely identify a natural or legal person. For example, an individual's identity comprises his/her name including all other names used, the residential address at which he/she can be located and higher photograph.

Date of birth is also important as an identifier in support of the name and is essential to law enforcement agencies in an investigation.

Whose Identity should be verified?

Identification evidence should usually be verified for:

- The named account holder(s)/ the person in whose name an investment is registered;

  Any principal beneficial owner of funds being invested who is not the account holder or named investor;

  e.g. no account should be opened by X for the benefit of Y. Account in the name of wife kids for the benefit of husband/father may or may not be operated by: later.

  The failure or refusal by an applicant to provide satisfactory identification evidence within a reasonable time scale and without adequate explanation may lead to a suspicion that the depositor or investor is engaged in money laundering.

13. Possible indication of Suspicion:

Identity of client

- False identification documents
- Identification documents which could not be verified within reasonable time
- Non face to face client
- Clients in high risk jurisdiction
- Doubt over the real beneficiary of the account
- Accounts opened with names very close to other established business entities
- Receipt back of well come kit undelivered at the address given by the client
- Bounced communication
- Frequent change of name, address and bank and demat account details.

Suspicious Background

- Suspicious backgrounds or links with criminals

Multiple Accounts

- Large number of accounts having a common parameters such as common partners / directors *1* promoters / address / email address / telephone numbers, introducer or authorized signatory
- Unexplained transfers between such multiple accounts.

Activity in Accounts

- Unusual activity compared to past transactions
- Use of different accounts by client alternatively
- Sudden activity in dormant accounts
- Activity inconsistent with what would be expected from declared income of Client

Nature of Transactions

- Unusual or unjustified complexity
- No economic rationale
- Source of funds are doubtful
- Appears to be case of insider trading
- Purchases made on own account transferred to a third party through an off market transactions through DP account
- Transactions reflect likely market manipulations
- Suspicious off market transactions

14. Identification Procedures: General Principles

The Company shall establish to its satisfaction that they are dealing with an individual or an entity and obtain identification evidence sufficient to establish that the applicant is that individual or entity. When reliance is being placed on any franchise to identity or confirm the identity of any applicant, the overall legal responsibility to ensure that the procedures and evidence obtained are satisfactory rests with the Company.

Certification and Copying Identification Documents

A risk-based approach will be adopted towards certification of Documents. For low risk clients, reliance will be placed on a self-certified copy of the documents required to prove identity **and** address, For high-risk and medium risk clients, the Company may adopt higher levels of verification procedures (such as requesting notarized copies or verification with

15. Customer Identification Procedure

Based on materiality and risk, verification of beneficial owners or directors may not be taken for significant and well established entities, companies listed on recognized investment / stock exchanges, government departments or their agencies, government linked companies.

All responsible officers of Radar Vision Limited including Principal Officers, Compliance and risk officials shall have access to identification data and other relevant Customer Disclosure Document (CDD) information, transaction records. Etc

The Customer Disclosure Documents (CDD) process should necessarily be revisited when there is suspicion of money laundering or financing of terrorism (ML/FT)

16. Recognizing and Reporting Suspicious Transaction / Activity

What is meant by "suspicion?"

The Rules notified under the PMLA defines a "suspicious transaction" as a transaction whether or not made in cash which, to a person acting in good faith-

Give rise to a reasonable ground of suspicion that it may involve the proceeds of crime; or

b) Appears to be made in circumstances of unusual or unjustified complexity; or
c) Appears to have no economic rationale or bonafide purpose.

The provisions of the PMLA place an obligation on the Company to furnish information in respect of suspicious transactions within seven working days from the date of arriving a conclusion of such transaction.

Suspicion is personal and subjective and falls far short of proof based on firm evidence. Suspicion may be defined as being beyond mere speculation and based on some foundation i.e. "A degree of satisfaction and not necessarily amounting to belief but at least extending beyond speculation as to whether an event has occurred or not"; and "Although the creation of suspicion requires a lesser factual basis than the creation of a belief, it must nonetheless be built upon some foundation."

The Principal Officer **/** Money Laundering Control Officer & other appropriate compliance, risk management & related staff members shall have timely access to customer identification data & other CDD information, transaction records & other relevant information.

Any suspicion transaction should be immediately notified to any designated officer within the Company i.e. to the Principal Officer.

A 'Client of Special Category' (CSC), being the client from a country where effectiveness of Money Laundering controls in suspect or which insufficiently apply Financial Action Task Force (FATF) standards. Radar Vision Limited shall ensure that such clients should also be subject to appropriate counter measures. These measures may include a further enhanced systematic reporting of financial

transactions & applying enhanced due diligence while expanding business relationships with the identified person

The background including all documents /office records / memorandums / clarifications sought pertaining to all transactions and purpose thereof shall also be examined carefully **and** findings shall be recorded in writing. Such findings shall be made available to auditors, SEBI / Stock Exchanges / FIU-IND / other relevant authorities for inspection and whenever requested. These records shall be preserved for five years.

17. Internal Reporting of Suspicious Transactions

There is a statutory obligation on all staff to report to the Principal Officers, transactions where they have knowledge, suspicion, or reasonable grounds for knowledge or suspicion of money laundering.

1) Any member of staff (like KYC team, dealers relationship Managers, DP team members of back office and accounts team) who handles or is responsible for handling transactions which may involve money laundering, makes a report promptly to the Principal Officer (PO) if he knows or suspects or has reasonable grounds to know or suspect that a client, or the person on whose behalf the client is acting, is engaged in money laundering.

2) Disciplinary proceedings may be initiated on any member of staff who fails, without adequate reason, to make a report of the kind envisaged in this section. It is desirable that any member of the staff should consult their immediate superior before sending a report to the Principal Officer. Where it is considered necessary for a report to be passed first to a supervisor or manager, there is a clear reporting chain under which those suspicions will be passed promptly, without delay, to the Principal Officer. Once an employee has reported his/her suspicions to the Principal Officer he/she has satisfied the obligation.

18. No Tipping Off

An important element to the success of the AML process is that the customers should not be informed (i.e. tipped off) that hislher accounts are being monitored for suspicious activities and ***/*** or that a disclosure has been made to the designated authority namely Financial Intelligence Unit, India. (FIU-IND)

The company can however make normal enquiries to learn more about the transaction or instruction to determine whether the activities of the customer arouse suspicion.

Where it is known or suspected that a suspicion report has already has been made internally or externally, and it then becomes necessary to make further enquiries, care must be taken to ensure that the suspicion is not disclosed either to the client or

to any other third party. Such enquiries shall normally be made as directed by the Principal Officer.

"Tipping Off" provisions extended not only to the filling of the STR and/or related information but even before, during and after the submission of STR.

19. The Role of the Principal Officer (PO)

Mr.Aditya Tulsyan is the Principal Officer of the Radar Vision Limited The PO is responsible for:

1) Receiving internal suspicious activity report
2) Taking reasonable steps to access any relevant KYC information on concerned parties

3) Making external report as required

3) Obtaining and using national and international findings concerning countries with inadequacies in their approach to money laundering prevention

4) Taking reasonable steps to establish and maintain adequate arrangements for awareness creation and staff training.

The Principal Officer, or any other person to whom the Principal Officer's duties have been delegated, shall have access to any information of the customer or transaction(s).

The Principal Officer shall have access to and be able **to** report to senior management above his/her next reporting level or the Board of Directors.

20. Appointment of Designated Director

As per SEBI circular No. CIR/MIRSD/1/2014 dated 2nd July, 2018, we have appointed Mr.Aditya Tulsyan as a designated director of Radar Vision Limited and the same has been informed to FIU-IND.

21. Procedure for Freezing

Under the Section 51A of the Unlawful Activities (Prevention) Act, 1967 (UAPA) 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.

In case, the results of the verification indicate that the properties are owned by or held for the benefit of the designated individuals entities, an order to freeze these assets under section 5 1A of the UAPA would be issued within 24 hours of such verification and conveyed electronically to the concerned depository under intimation to SEBI and FIU-TND and On receipt of this information after verification, Radar Vision Limited shall act immediately on the same.

22. Reporting Procedures under PMLA

The Principal Officer has been entrusted with the responsibility of collating and reporting transactions prescribed under the Rules notified. All internal reports of suspicious transactions shall be considered by the Principal Officer, and these shall be reported externally if the Principal Officer has reasonable grounds to suspect, as specified in the Rules notified.

In reaching a decision concerning a suspicion report, the Principal Officer, or in his/her absence a duly authorized delegate shall take reasonable steps to consider all relevant KYC information available within the Company concerning the person or business to which the initial report relates. This may include, as part of reviewing the KYC information/ customer profile:

a) Transaction patterns
b) Volumes through the account or accounts in the same name
c) The length of the business relationship
d) Reference to the KYC documents held, if required

As part of the review, the Principal Officer may choose to relate the transaction to other connected accounts or relationships.
If, after completing this review, he/she decides that there are grounds for knowledge, suspicion or reasonable grounds to suspect money laundering, then he/she must disclose the information as soon as practicable after the disclosure was received in order to avoid committing an offence of failure to disclose. Nevertheless, care should be taken to guard against the report being submitted as a matter of routine without undertaking reasonable internal enquiries to determine that all available information has been taken into account.

The officer will be expected to act honestly and reasonably and to make his**/**her decisions in good faith. The decision whether or not to report must not be subject to the consent or approval of any person other than the Principal Officer.

Accounts where suspicious transactions have been reported to the FIU-IND may be reclassified as High Risk/ monitored closely. Following the reporting of a suspicious transaction, the Company shall continue to be vigilant in monitoring his/her transactions in such accounts. However, the Principal Officer may, after period of time, based on further developments in the account, remove such accounts from a high risk classification.

23. Reporting to Financial Intelligence Unit-India (FIU-IND)

The Principal Officer will be responsible for timely submission of CTR & STR to FIU-IND.

The cash transaction report (CTR) for each month should be submitted to FIU-IND by 1 5th succeeding month.

STR should be submitted within 7 days of arriving at a conclusion that any transaction. The Principal Officer should record his reasons for treating any transaction or a series of transactions as suspicious.

It is clarified that the registered intermediaries, irrespective of the amount of transaction and/or the threshold limit envisaged for predicate offences specified in part B of schedule of PMLA 2002, should file STR if they have reasonable grounds to believe that the transactions involve proceeds of crime.

Extreme confidentiality should be maintained in filing of CTR & STR to FIUIND.
No nil reporting needs to be made to FIU-IND in case there are no cash or suspicious transactions to be reported.

Company & its directors, officers & employees (permanent & temporary) are prohibited from disclosing the fact that the STR / related information is being reported/provided to the FIU-IND.

24. PMLA POLICY WITH RESPECT TO EMPLOYEES' HIRINGITRAINING & INVESTOR EDUCATION

Policy on Hiring of key Employees:

At the time of screening key employees in the Company, the HR personnel should make sure that the key employees must be made aware about the AMLICFT requirement at the time of joining the organization and on such other time as they deem fit to ensure that **key employees* shall perform & discharge their duties efficiently and effectively to combat risk of money laundering which is considered to be a prominent area/aspect in an industry in which the company operates.

*Key *employees are employees as per the list maintained by* HR *personnel from time to time.*

Policy on Employees' training:

The company should have an ongoing employee training programme in terms of following:

Circulating information from time to time to the concerned employees pursuant to the PMLA requirement wherein all the employees are made aware about requirement of PMLA viz. procedures to be followed while dealing with potential clients, ongoing due diligence in terms of risk profile, clients' transactions etc.

Conducting presentations from time to time to create awareness amongst the concerned employees.

Policy on Investor Education:

With a view to discharge our responsibility in the view of PMLA requirement, the Company should endeavor to do the following:

Provide literature **to** potential clients which make them aware about the AML/CFT requirement.

Disseminating/spreading the information amongst the investors/clients via different modes.

25. **Suspicious Transaction Tracking**

At Radar Vision Limited the clients trading transactions are checked for suspicious activity as follows:

1. Client trading pattern
2. Trading in illiquid scrip
3. Concentration in one scrip if any,
4. Payment track record,
5. Client turnover Vs Exchange turnover.
6. Synchronised trading.
7. Client Purchase to his income/Net worth
8. Whether any off-market transfers are taking place from our demat account to other Demat accounts.

Radar Vision Limited is going to acquire for a software called "SHILPI" from Shilpi Computers Ltd to monitor Suspicious Transaction as per above parameters and also to file STR's with FIU. The said software tracks all the risk & suspicious parameters suggested by SEBI and FIU authorities.

Suspicious transactions encountered are raised to the Compliance officer who after consultation with Principal Officer decides to file a STR with FIU.

Principal Officer has been registered with FIU along with the Company - Radar Vision Limited

The PMLA policy of the company **is** reviewed once in a financial year. In case of regulatory change in between then it is reviewed and updated to comply with the new regulatory order/ guidance within the time frame specified by the regulators.

Annexure forming part of KYC Policy & Prevention of Money Laundering Policy		
Sr.No	**Nature of Client**	**BO Identification Criteria**
1.	person other than an individual or trust, viz., company, partnership or unincorporated association/body of individuals	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* * b) In cases where there exists doubt under clause above as to whether the 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 as senior managing official
2	For client which is a trust:	Where the client is a trust, the company 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.

	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- 4 Applicability for foreign investors:	
	Applicability for foreign investors: Intermediaries dealing with foreign investors viz. Foreign Institutional Investors, Sub Accounts and Qualified Foreign	

The provisions of this circular shall come into force with immediate effect.

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

a) More than 25% of shares or capital or profits of the juridical person**,** where the juridical person is a company;

b) More than 15% of the capital or profits of the juridical person, where the juridical person is a partnership; or

c) 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.

Designated /principal officer