



## **PREVENTION OF MONEY LAUNDERING**

### **INVESTOR EDUCATION**

1. Prevention of Money Laundering Act, 2002 (“PMLA”) along with SEBI Master Circular 2024 on Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules (“AML Guidelines”), as amended, is enacted to prevent the financing of terrorism and to prevent laundering of money.
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. Saphalata Investment Advisors Pvt Ltd (“Saphalata”) is registered as a Investment Manager with SEBI.
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. Saphalata 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. Saphalata 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



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amendments thereto from time to time and to co-operate with Saphalata 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 Saphalata 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.