

# **KANCO STOCK & SECURITIES PRIVATE LIMITED**

**Policy on Prevention of Money Laundering (PMLA)  
(Effective Date: 01<sup>st</sup> February, 2026)**

**KANCO STOCK & SECURITIES PRIVATE LIMITED**



**DIRECTOR**

## **PMLA POLICY**

***This Policy is applicable for all the segments in relation to all the Exchange related to Kanco Stock & Securities Private Limited as members, NSE, BSE, MCX, and as Depository Participant of CDSL.***

### **1. Introduction**

1.1 The Prevention of money Laundering Act, 2002 (PMLA) was brought into force with effect from 1st July 2005. Necessary Notifications / Rules under the said Act were published in the Gazette of India on July 01, 2005. Subsequently, SEBI issued necessary guidelines to all securities/commodities market intermediaries as registered under Section 12 of the SEBI Act, 1992 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 intermediaries and the country has become imperative for international financial relations. The PMLA and rules notified there under impose obligation on banking companies, financial institution and intermediaries to verify identity of clients, maintain records and furnish information to FIU-INDIA. PMLA defines money laundering offence and provides for the freezing, seizure and confiscation of the proceeds of crime

### **2. What is Money Laundering?**

2.1 Money Laundering may be defined as a process of hiding/camouflaging the source of dirty money obtained from illegitimate activities including drug trafficking, terrorism, organized crime, fraud and through many other crimes, and rendering such money legal. The process of money laundering involves creating a web of financial transactions so as to hide the origin of and true nature of these funds.

### **3. Financial Intelligence Unit (FIU)- INDIA**

3.1 The government of India set up Financial Intelligence (FIU-INDIA) on November 18, 2004 as an independent body to report directly to the Economic Intelligence Council (EIC) headed by the Finance Minister.

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

### **4. Policy of Kanco Stock & Securities Private Limited [KSSPL]**



- 4.1 Kanco Stock & Securities Private Limited has resolved that it would, as an internal policy, take adequate measures to prevent money laundering and shall put in place a frame work to report cash and suspicious transactions to FIU as per the guidelines of PMLA Rules, 2002 & amendments in the said policy by FIU/Other Regulatory Authorities The PMLA policy will be applicable to all the employees and Authorized Persons of the company.

## 5. Implementation of this Policy

- 5.1. The Principal Officer will be responsible for compliance of the provision of the PMLA and AML Guidelines, acting as a central reference point and play an active role in identification & assessment of potentially suspicious transactions.

He shall ensure that KSSPL discharges its legal obligations to report suspicious transactions to the concerned authorities.

### 5.2. The main aspect of this policy is Customer Due Diligence which means:

- a) Obtaining sufficient information about the client in order to identify who is the actual/ultimate beneficial owner of securities/commodities/ monies or on whose behalf transaction is conducted in accordance with the guidelines of exchanges/SEBI.
- b) Verify the customer's identity using reliable, independent source document, data or information.
- c) Conduct on-going due diligence and scrutiny of the account/client to ensure that the transactions conducted are consistent with the client's background/financial status, its/his/her activities and risk profile.

### 5.3 Human Resource:

As per Exchange circulars on the subject matter "Measures to Instill confidence in Securities market – Broker's Institutional mechanism for Prevention and detection of fraud or Market abuse" dated 31-12-2024, Mid and Senior level staff handling KYC and Surveillance activity shall mandatorily have the following NISM e-certification.

- a) Staff handling KYC - KYC and Customer Due Diligence;
- b) Staff handling Transaction monitoring – AML Transaction monitoring and



- Suspicious transaction reporting;
- c) The principal officer – Certified Anti-Money laundering Manager (CALM).

#### 5.4 System of Alert generation

As per Exchange guidelines, we shall have System Driven Alert generation system.

#### 5.5 The Customer Due Diligence includes three specific parameters:

- a) Policy for Acceptance of clients
- b) Client Identification Procedure
- c) Suspicious Transaction identification & reporting

#### 6. Customer Acceptance Policy

##### 6.1.

- a) **Each client should be met in person:** In-person verification of all the individual clients will, mandatorily, be done by the employee/Authorized Person of the Company in accordance with the rules, regulations & bylaws of the exchange/SEBI.
- b) **Accept client on whom we are able to apply appropriate KYC procedures:** Obtain complete information about the client. It should be insured 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. Ensure that the 'Know Your Client' guidelines are followed without any exception. All supporting documents, as specified by Securities and Exchange Board of India (SEBI) and Exchange, are obtained and verified.
- c) **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.
- d) **Be careful while accepting Clients of Special category:** We should be careful while accepting clients of special category. Clients of special category (CSC) includes clients like NRIs, HNIs, Trust, Charities, NGOs, Politically Exposed Persons (PEP), persons of foreign origin, companies having closed shareholding/ownership, companies dealing in foreign currency, shell companies, overseas in high risk countries, non face to face clients, clients with dubious background, 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). Apart from the above, CSC also includes

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accounts of family members or close relatives/associates of Politically Exposed Persons (PEP). PEP are defined as individuals who are or have entrusted with prominent public function in a foreign country e.g. Heads of States or of Governments or Senior Politicians, Senior Govt./Judicial/Military Officials, Senior Executives of the State owned Corporations, important political party officials, etc. Scrutinize minutely the records/documents pertaining to clients belonging to aforesaid category. The company shall specifically apply EDD measures, proportionate to the risks, to business relationships and transactions with natural and legal persons (including financial institutions) from countries for which this is called for by the FATF.

- e) **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. The persons authorized to deal with the company must be duly authorized by the client through a board resolution/authorization duly signed by the client. The relationship of the person so authorized in case of an individual client should be checked and the same should not be the employee of the company.
- f) **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.
- g) **Mandatory CDD process in case of suspicious transactions:** The CDD process shall necessarily be revisited in case of transactions suspicious of money laundering or financing terrorism (ML/FT).

## 6.2 Customer Identification Procedure (FOR NEW CLIENTS)

**Objective:** To have a mechanism in place to establish identity of the client along with proof of address to prevent opening of any account which is fictitious / benami / anonymous in nature.

### 6.2.1. Documents which can be relied upon:

Documents pertaining to the identity & address proof in accordance with the rules, regulations & byelaws of the exchange/SEBI as per the instructions given in the KYC-Part-1 or as amended from time to time as per the guidelines of the exchange/SEBI. Further, we have to collect updated financial proof from individual clients who trade in derivatives segments and also from all non-individual clients. The following documents are to be taken from the client:



1. **PAN Card:** PAN Card is mandatory and is most reliable documents as only one card is issued to an individual and we can independently check its genuineness through IT website.
2. **IDENTITY Proof:** PAN card itself can serve as proof of Identity. However, in case PAN card carries an old photograph of the holder which does not match current facial features of the client, we should take other Identity proof in form of Voter's identity card, Aadhaar card, Passport, Ration Card or any Government/PSU/Bank issued photo identity card.
3. **ADDRESS Proof:** For valid address proof we can rely on voter's identity card, Aadhaar card Passport, Bank Statement (for non-individual clients), ration card and latest Electricity/telephone bill in the name of the client.

**Note :** In case Aadhaar card is taken as identity or address proof of the client, the Aadhaar number must be redacted.

4. **Financial proof:** Income and Networth details (not more than one year old) are required to be collected from the clients and the same shall be updated annually. Networth details are mandatory for non-individual client at the time of opening of their trading/demat account and latest details should be updated every year. We have to collect updated financial proof from Individual clients trading in derivatives segments and also from all non-individual clients (to be submitted every financial year)
5. Apart from above, sufficient information shall be sought to identify the potential client or the beneficial owner of the client (as defined by SEBI/Exchanges from time to time), whether the client is politically exposed person or related to PEP (RPEP), including publicly available information or accessing other available database, if any and enhanced due diligence should be done in cases of PEP clients or accounts of family members or close relatives/associates of PEPs which includes approval of designated senior management official, collection & checking of documents related to sources of funds as well as wealth of clients and beneficial owners identified as PEP or close relative/associates of PEP. Where the client is a person other than an individual viz., company, partnership or unincorporated association/body of individuals, Trust, we shall identify the beneficial owners of the client and take reasonable measures to verify the identity of such persons, through the following information:

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. Controlling ownership interest means ownership of/entitlement to:

- i. more than 10% of shares or capital or profits of the juridical person, where the juridical person is a company;
- ii. more than 10% of the capital or profits of the juridical person, where the juridical person is a partnership; or
- iii. 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
- iv. In case of trust, verify the identity of such persons, through the identity of the settler of the trust, the trustee, the protector, the beneficiaries with 10% 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.

In cases where there exists doubt under aforesaid clauses 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 viz. through voting rights, agreement, arrangements or in any other manner or the identity of the relevant natural person who holds the position of senior managing official.

6. The company shall periodically update all documents, data or information of all clients and beneficial owners collected under the CDD process.
7. We may rely on a third party like KYC Registration Agencies (KRA) etc. for the purpose of (a) identification and verification of the identity of a client and (b) determination of whether the client is acting on behalf of a beneficial owner, identification of the beneficial owner and verification of the identity of the beneficial owner. Such third party shall be regulated, supervised or monitored for, and have measures in place for compliance with CDD and record-keeping requirements in line with the obligations under the PML Act. Such reliance shall be subject to the conditions that are specified in Rule 9(2) of the PML Rules and shall be in accordance with the regulations and circulars/ guidelines issued by SEBI from time to time.

#### **6.2.2. Documents to be obtained as part of customer identification procedure for new clients:**

**a) In case of individual, one copy of the following documents has to be obtained:**

- ❖ As PAN is mandatory, verify its genuineness with IT website and cross verify the PAN card copy with the original. [put "verified with original" stamp as proof of verification], however, for proofs for identity, one of the documents, viz. voter's identity card,



Aadhaar card, Passport, Ration Card or any Government/PSU/bank issued photo identity card or any other documents prescribed by the regulatory authorities has to be obtained.

- ❖ Address proof in the form of voter's identity card, Aadhaar card, Passport, Bank Statement, Ration Card and latest Electricity/telephone bill in the name of the client or any other document prescribed by the regulatory authorities.

**b) In case of corporates, one certified copy of the following documents must be obtained:**

- ❖ Copy of the Registration/Incorporation Certificate,
- ❖ Copy of the Memorandum & Articles of the Association,
- ❖ Copy of the last 2 financial years audited Annual Statement of the corporate client,
- ❖ Latest Net worth Certification,
- ❖ Latest Income Tax return filed,
- ❖ Copy of latest share holding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations,
- ❖ Latest list of Directors,
- ❖ Board Resolution for appointment of the Authorized Person who will operate the account,
- ❖ Photograph, PAN, address and identity proof of Authorized Person. Address of both Registered and Principal place of business, if they are different,
- ❖ Photograph, PAN, address proof, identity proof and Director index No.(DIN) of two directors in charge of day-to-day operations,
- ❖ names of the relevant persons holding senior management positions,
- ❖ List of Authorized signatories with specimen signatures.

**Note:** In case of Corporate clients having corporate shareholders holding shares 10 % or more, shareholding pattern of such corporate shareholder(s) is also required

**c) In case of partnership firm one certified copy of the following must be obtained:**

- ❖ Registration certificate,
- ❖ Partnership Deed,
- ❖ Authorization letter for the person authorized to open and operate the account,
- ❖ List of all partners along with sharing pattern, including list of all those holding control,
- ❖ Photograph, PAN, Proof of identity and address of partners,
- ❖ Photograph, PAN, Proof of identity and address of Authorised person. Address of both Registered and Principal place of business, if they are different.

*X. P. Jethava*

- ❖ Copy of the last 2 financial years audited Annual Statement/return of the partnership firm,
- ❖ List of Authorised signatories with specimen signatures.
- d) In case of a Trust, one certified copy of the following must be obtained:**
  - ❖ Registration certificate,
  - ❖ Trust Deed,
  - ❖ PAN card,
  - ❖ Authorization letter for the entity authorized to act on their behalf,
  - ❖ Photograph and officially valid documents like PAN card, voters ID, Passport, etc. of Trustees and person(s) authorized to transact on behalf of the trust,
  - ❖ List of the beneficiaries, trustees, settler and authors of the trust certified by managing trustees/CA and the address of the registered office of the trust.
- e) In case of unincorporated association or a body of individuals, one certified copy of the following must be obtained:**
  - ❖ Resolution of the managing body of such association or body of individuals,
  - ❖ PoA in favour of person authorized to transact,
  - ❖ Photograph and officially valid documents like PAN Card, Voters ID, passport, etc of the person(s) authorized to transact,
  - ❖ Any document required by MCSL to establish the legal existence of such an association or body of individual.
- f) In case of an NRI account- Repatriable /non-repatriable, the following documents are required:**
  - ❖ Copy of the PIS permission issued by the bank (optional for NRO account)
  - ❖ Copy of the passport
  - ❖ Copy of PAN card
  - ❖ Proof of overseas address and Indian address
  - ❖ Copy of the bank statement copy of the demat statement
  - ❖ If the account is handled through a mandate holder, copy of the valid PoA/mandate
  - ❖ All the documents should be verified with the original and stamp/remarks "verified with original" as proof of verification shall be put by the official/SB/AP verifying the same. Alternatively, the documents duly notarized by the notary public or attested by the Gazetted Officer/Bank Manager/Court Magistrate or by Consulate General/Indian Embassy in case of NRI can be accepted.
  - ❖ Failure by prospective client to provide satisfactory evidence of identity shall be noted and reported to the designated senior management official.



7. No transaction or account-based relationship shall be undertaken without following the CDD procedure.

8. **Registration of Non-Profit Organization on the DARPAN Portal of NITI Aayog**

We shall register the details of a client, in case of client being a non-profit organization, on the DARPAN Portal of the NITI Aayog, if not already registered, and maintain such registration records for a period of five years after the business relationship between a client and a reporting entity has ended or the account has been closed, whichever is later.

9. **Policy on conducting ML/TF risk assessment prior to launch of new Products and business practices**

We shall identify and assess the ML/TF risks that may arise in relation to the development of new products and new business practices, including new delivery mechanisms, and the use of new or developing technologies for both new and existing products. We shall undertake the ML/TF risk assessments prior to the launch or use of such products, practices, services, technologies and adopt a risk based approach to manage and mitigate the risks.

10. **Risk Profiling of the Client**

10.1 We should accept the clients based on the risk they are likely to pose. The aim is to identify clients who are likely to pose a higher than the average risk of money laundering. For this purpose, we need to classify the clients as Low risk, Medium risk and High risk clients. By classifying the clients, we will be in a better position to apply appropriate customer due diligence process. That is, for high risk client we have to apply higher degree of due diligence.

10.2 In order to achieve this objective, all new clients should be classified in the following category:

**Low Risk Clients - Category 0**

- ❖ This category of clients having income below Rs. 5 lacs or net worth below Rs. 25 lacs.



**Medium Risk Clients - Category 1**

- ❖ This category of clients having income Rs. 5 lacs to Rs. 25 lacs or net worth between Rs.25 lacs to Rs. 1 crore.

**High Risk Clients - Category 2**

- ❖ This category of clients includes following:-
  - i. Clients having income above Rs 25 lacs or having net worth above Rs 1 crore
  - ii. Clients of Special Category (CSC) which includes NRI, Trust, Societies, Non-profit / Charitable Organization etc.
  - iii. Politically exposed Persons (PEP) & Related PEP

The above categorization shall not be influenced by what value the services or other facilities, Company envisages to provide the respective client.

- 10.3 Apart from this we need to exercise extra caution while monitoring the transactions of clients of special category (CSC).
- 10.4 On regular basis, the client risk profile shall be changed with change in client income detail, status or any other risk criteria as set out in point no 10.2 above.
- 10.5 re-KYC shall be done once in every two years for High Risk clients, once in every five years for Medium Risk clients, and once in every 7 years for Low Risk clients.

## 11. Suspicious Transactions

All concerned officers are required to analyze documents/information received and furnish details of any suspicious transactions, without undue delay in analysis and arriving at a conclusion.

### 11.1 What is Suspicious Transaction:

Suspicious transaction means a transaction including an attempted transaction, whether or not made in cash, which to a person acting in good faith gives rise to a reasonable ground of suspicion that it may involve the proceeds of crime; or appears to be made in circumstance of unusual or unjustified complexity; or appear to have no economic rationale or bonafide purpose: or gives rise to a reasonable ground of suspicion that it may involve financing of the activities relating to terrorism.

### Reasons for Suspicion:

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### **Identity of 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
- ❖ Suspicious background or links with criminals
- ❖ Client appears not to be cooperative

### **Nature of Transactions**

- ❖ Account used for circular trading
- ❖ Unusual or unjustified complexity
- ❖ Source of funds is doubtful
- ❖ Appears to be case of insider trading
- ❖ Purchases made on own account transferred to a third party through an off market
- ❖ Transaction through DP account
- ❖ Transactions reflect likely market manipulation
- ❖ Suspicious off market transaction

### **Value of Transaction**

- ❖ Value just under the reporting threshold amount in an apparent attempt to avoid reporting
- ❖ Large sums being transferred from overseas for making payments
- ❖ Inconsistent with the clients apparent financial standing
- ❖ Large deal which is not at market price or price appears to be artificially inflated/deflated

### **Whistle-blower Policy**

If any employee /Authorised Person observes any suspicious trading activity on the part of any client or has any other information about a client which may indicate his/her involvement in ML/TF activities, the same shall be informed at the earliest on the designated email id – [compliance@kancosecurities.com](mailto:compliance@kancosecurities.com)

### **Policy on monitoring of transactions & other records, Identifying and Reporting suspicious transaction:**

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We shall carry out risk assessment to identify, assess and take effective measures to mitigate the money laundering and terrorist financing risk with respect to our clients, on the basis of their countries or geographical areas, nature and volume of transactions, payment methods used by clients, etc. The risk assessment carried out shall consider all the relevant risk factors before determining the level of overall risk and the appropriate level and type of mitigation to be applied. For this purpose, the monitoring of transactions & other records will be done on continuous basis based on the predefined alert filters. These filters will be reviewed regularly for any updations and modifications to make the system more robust and effective. The PMLA team, for identifying any suspicious transaction, will filter out the records based on the pre-defined filters and client due diligence will be done in detail. The Principal Officer will review all the transactions thrown out by the filters and decides on a case-to case basis to report to FIU with in stipulated time with complete details.

If we encounter any transaction that we find suspicious, potentially linked to money laundering or terrorist financing, and have a reasonable belief that proceeding with the CDD process will tip-off the client, we shall refrain from continuing with the CDD process, and shall file a STR with FIU-IND.

Verification and denial in taking the person as a client if the person is in updated list of individuals and entities which are subject to various sanction measure such as freezing of assets/accounts, denial of financial services etc. as approved by the U N Security Council Resolutions (UNSCRs) uploaded from the following link:

<http://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list>

## 11.2 What to Report:

The Suspicious transactions will be reported to the Director Financial Intelligence Unit-India (FIU-IND) as per the procedure laid down by FIU-IND by the designated officials in the PMLA/ Compliance Team. All the required information/document related to STRs, as per prescribed formats, shall be uploaded to the FINGate 2.0 portal of FIU-IND online.

STRs shall be submitted within 7 days of arriving at a conclusion that any transaction or series of transactions integrally connected are of suspicious nature. The details inter alia include the following apart from the other details required as per aforesaid procedure and the record shall be maintained:

- ❖ The nature of the transactions
- ❖ The amount of the transaction and the currency in which it was denominated
- ❖ The date on which the transaction was conducted
- ❖ The parties to the transaction.



❖ The grounds of suspicion

No nil reporting needs to be made to FIU-IND in case there are no cash/suspicious transactions to be reported. The Principal Officer shall ensure that utmost confidentiality shall be maintained in filing of STR to FIU-IND. We shall not put any restrictions on operations in the accounts where an STR has been made. The officials of the company are prohibited from disclosing (“tipping off”) the fact that a STR or related information is being reported or provided to the FIU-IND. This prohibition on tipping off extends not only to the filing of the STR and/or related information but even before, during and after the submission of an STR. Thus, it shall be ensured that there is no tipping off to the client at any level. It is clarified that irrespective of the amount of transaction and/or the threshold limit envisaged for predicate offences specified in part B of Schedule of PMLA, 2002, STR will be filed if there are reasonable grounds to believe that the transactions involve proceeds of crime.

The Non-Profit Organization Transaction Reports (NTRs) for each month shall be submitted to FIU-IND by 15th of the succeeding month.

The Principal Officer, shall send all the information/reports with respect to his observations regarding the analysis/due diligence, STR, NTR, CTR etc. to the Designated Director before forwarding the same to FIU-IND.

**12. Training of staff on AML guidelines:**

Staff Members to be trained about Anti Money Laundering & Combating Financing of Terrorism from time to time. Training should be provided to the staff members, particularly, of Compliance, Accounts, Sales & Risk Department.

**13. Record keeping & retention of Records**

The Company shall maintain and preserve the record of documents evidencing the identity of its clients and beneficial owners (e.g., copies or records of official identification documents like passports, identity cards, driving licenses or similar documents) as well as account files and business correspondence for a period of five years after the business relationship between a client and intermediary has ended or the account has been closed, whichever is later. The records shall be maintained & preserved for a period of 5 years from the date of cessation of the transaction. Records shall be in a manner, facilities its easy retrieval as and when required to enable reconstruction of any transaction.

Where the Company does not have records of the identity of its existing clients, it shall obtain the records forthwith, failing which the account shall be closed after giving due notice to the



client.

In situations where the records relate to on-going investigations or transactions which have been the subject of a suspicious transaction reporting, the same shall be retained until it is confirmed that the case has been closed.

All the records pertaining to CDD shall also be preserved for 5 years, easily retrievable and made available to the competent authorities as & when required. However, the records pertaining to the company as Depository Participant of CDSL shall be preserved for a minimum period of 8 years in line with the SEBI circular SEBI/HO/MRD2/DDAP/CIR/P/2020/153 dated 18-08-2020.

#### **14. Principal Officer & Designated Director**

**Mr. Niket R Thacker** is appointed by the Board of Directors of the company at its meeting held on 15<sup>th</sup> February, 2025 as the Principal Officer of the company in accordance with Clause 10 of the guidelines issued on Prevention of Money Laundering Act (PMLA), 2002 by SEBI vide its circular Ref. No. ISD/CIR/RR/AML/1/06 dated January 18, 2006.

Pursuant to the issuance of SEBI Circular CIR/MIRSD/1/2014 dated 12-03-2014, **Mr. Kamleshkumar P Thakkar** has been appointed by the Board of Directors of the Company at its meeting held on 15<sup>th</sup> February, 2025, as Designated Director in terms of the Rule 2(ba) of the PMLA Rules to ensure overall compliance of the obligations imposed under Chapter IV of the Act.

#### **15. Surveillance in sync with AML**

The Surveillance Team will work in tandem with compliance and will randomly examine a selection of transactions undertaken by client and take care of all the activities of clients, branches, authorized persons and other concerned persons of the organization who are in access of any kind of information or are in any way related to the Company. The due diligence will be done with respect to the alerts generated from time to time as per surveillance policy of the company, which includes guidelines of FIU regarding Red Flag Indicators (RFI) and shall be disposed-off/ reported to FIU in accordance with the existing procedure in this regard.

#### **16. Hiring of Employees:**

Proper due diligence and screening should be done while recruiting the new employee by



the HR Department.

### **17. Investor Education:**

Specific literature / pamphlets/ mailer etc. shall be prepared & circulate from time to time to educate the client of the objectives of the AML/CFT/program.

### **18. Review Policy**

This policy will be reviewed by the concerned officials of PMLA/ Compliance team, as and when there are any changes introduced by any statutory authority or at least once in a year to ensure that same is updated and in-line with market trends, updated regulations and practices.

**For, Kanco Stock & Securities Private Limited**



**Kamleshkumar Prahladbhai Thakkar**  
**DIN: 10368089**

