POLICY FRAMEWORK AS REQUIRED UNDER PREVENTION OF MONEY LAUNDERING ACT, 2002 GLOBALWORTH SECURITIES LTD
DP ID: 70300

VERSION NUMBER 2026-1.0

REVIEWED BY: Compliance Officer

BackGround

The Prevention of Money Laundering Act, 2002 has come into effect from 1st July 2005. Necessary Notifications / Rules under the said Act have been published in the Gazette of India on 1st July 2005 by the Department of Revenue, Ministry of Finance, Government of India. As per the provisions of the Act, every banking company, financial institution (which includes chit fund company, a co-operative bank, a housing finance institution and a non- banking financial company) and intermediary (which includes a stock-broker, sub-broker, share transfer agent, banker to an issue, trustee to a trust deed, registrar to an issue, merchant banker, Depository Participant, underwriter, portfolio manager, investment adviser and any other intermediary associated with securities market and registered under section 12 of the Securities and Exchange Board of India Act, 1992) shall have to maintain a record of all the transactions; the nature and value of which has been prescribed in the Rules under the PMLA.

Company Policy

It is the policy of the company to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities. Money laundering is generally defined as engaging in acts designed to conceal or disguise the true origins of criminally derived proceeds so that the unlawful proceeds appear to have derived from legitimate origins or constitute legitimate assets.

Policy and procedures to Combat Money Laundering and Terrorist Financing

Company has resolved that it would, as an internal policy, take adequate measures to prevent money laundering and shall put in place a frame work for identifying, monitoring and reporting suspected money laundering or terrorist financing transactions to FIU as per the guidelines of PMLA Rules, 2002. Further, member shall regularly review the policies and procedures on PMLA and Terrorist Financing to ensure their effectiveness.

To be in compliance with these obligations, the senior management of GLOBALWORTH shall be fully committed to establishing appropriate policies and procedures for the prevention of Money Laundering and Terrorist Financing and ensuring their effectiveness and compliance with all relevant legal and regulatory requirements. The Registered Intermediaries shall:

(a) Issue a statement of policies and procedures, on a group basis where applicable, for dealing with ML and TF reflecting the current statutory and regulatory requirements;

(b) Verify the client's identity using reliable, independent source documents, data or information. Where the client purports to act on behalf of juridical person or individual or trust, GLOBALWORTH shall verify that any person purporting to act on behalf of such client is so authorized and verify the identity of that person.

(c) Ensure that the content of these Directives are understood by all staff members;

(d) Regularly review the policies and procedures on the prevention of ML and TF to ensure their effectiveness. Further, in order to ensure the effectiveness of policies and procedures, the person doing such a review shall be different from the one who has framed such policies and procedures;

(e) Adopt client acceptance policies and procedures which are sensitive to the risk of ML and TF;

(f) If GLOBALWORTH is suspicious that transactions relate to money laundering or terrorist financing and reasonably believes that performing the CDD process will tip-off the client, GLOBALWORTH shall not pursue the CDD process, and shall instead file a STR with FIUIND.

(g) Undertake client due diligence ("CDD") measures to an extent that is sensitive to the risk of ML and TF depending on the type of client, business relationship or transaction;

(h) Have a system in place for identifying, monitoring and reporting suspected ML or TF transactions to the law enforcement authorities; and

(i) Develop staff members' awareness and vigilance to guard against ML and TF

Principal Officer Designation and Duties

The company has designated **Mr. Mickin Mukund Sheth** as the Principal Officer and Designated Director for its Anti-Money Laundering Program, with full responsibility for the company AML program is qualified by experience, knowledge and training. The duties of the Principal Officer will include monitoring the company compliance with AML obligations and overseeing communication and training for employees. The Principal Officer will also ensure that proper AML records are kept. When warranted, the Principal Officer will ensure filing of necessary reports with the Financial Intelligence Unit (FIU – IND)

The company has provided the FIU with contact information of the Principal Officer, including name, title, mailing address, e-mail address, telephone number and facsimile number. The company will promptly notify FIU of any change to this information.

Customer Due Diligence :-

The customer due diligence ("CDD") measures would cover the following:

(a) Obtain sufficient information in order to identify persons who beneficially own or control the demat account. Whenever it is apparent that the securities acquired or maintained through an account are beneficially owned by a party other than the client, that party should be identified using client identification and verification procedures.

The beneficial owner is the natural person or persons who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted. It also incorporates those persons who exercise ultimate effective control over a legal person or arrangement.

(b) Conduct an ongoing due diligence and scrutiny of the transactions and account throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the DP's knowledge of the customer, its business and risk profile, taking into account, where necessary, the customer's source of funds / securities.

(c) All the documents obtained from the client will be updated on an annual basis.

(d) The customer due diligence will be carried out by us and not by any third party.

Policy for acceptance of clients:

The organization needs to follow the following policy and procedure in order to identify the types of customers that are likely to pose a higher than the average risk of money laundering or terrorist financing. By establishing these policies and procedures, the organization will be in a better position to apply customer due diligence on a risk sensitive basis.

Accordingly, the following safeguards are required to be followed while accepting the clients.

a) No account is opened in a fictitious / benami name or on an anonymous basis.

b) Know Your Client form to be filled completely. Special attention is to be given to items which are marked **mandatory.**

c) Documents submitted for our records should be diligently verified with the originals. More importantly PAN card, proof of address, proof of identity needs to be verified with the originals. Further, details of PAN card should be compared with the income tax web site.

d) The client name and the names of directors and shareholders to be verified at various databases like CIBIL database, SEBI Prosecution database, NSE's database of regulatory actions against various entities as may be available from time to time.

e) No client account to be opened where the important / mandatory details are not furnished by the client even after repeated follow ups. Further client account not to be opened in cases where information provided to us is suspected to be non genuine, there is a perceived non-cooperation of the client in providing full and complete information specially in respect of mandatory and / or important information.

f) Documentation requirement and other information to be collected in respect of different classes of clients would depend on the perceived risk and having regard to the requirement to the Prevention of Money Laundering Act 2002, guidelines issued by RBI and SEBI from time to time.

g) To ensure that the clients identity does not match 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 agency worldwide.

h) Special attention to be given to clients who tend to open multiple accounts (say 20 or more) in various combinations of its first name, surname and middle name.

i) We also need to check that the list of individuals and entities put up on the United nations website http:/www.un.org/sc/committees/1267/consolist.shtml which are subject to various sanction measures such as freezing of assets/accounts, denial of financial services etc as approved by Security Council Committee established pursuant to various United Nations Security Council Resolutions (UNSCRs) are included in the SEBI debarred list and the clients with similar details would be reviewed through IPV, address and background verification.

j) The kind of documents and care to be taken in case of various categories of clients should be as mentioned in the table below.

a. Non resident clients
b. High net worth clients,
c. Trust, Charities, NGOs and organizations receiving donations
d. Companies having close family shareholdings or beneficial ownership
e. Companies offering foreign exchange offerings
f. Politically Exposed Persons **(PEP)** are individuals who are or have been entrusted with prominent public functions in a foreign country, e.g., Heads of States or of Governments, senior politicians, senior government/judicial/military officers, senior executives of state-owned corporations, important political party officials, etc. The additional norms applicable to PEP as contained in the subsequent para 5.5 of this circular shall also be applied to the accounts of the family members or close relatives of PEPs.
g. Clients in high risk countries (where existence / effectiveness of money laundering controls is suspect, where there is unusual banking secrecy, Countries active in narcotics production, Countries where corruption (as per Transparency International Corruption Perception Index) is highly prevalent, Countries against which government sanctions are applied, Countries reputed to be any of the following – Havens / sponsors of international terrorism, offshore financial centers, tax havens, countries where fraud is highly prevalent.
h. Non face to face clients
i. Clients with dubious reputation as per public information available etc.

Risk-based Approach:- The customer due diligence measures should be on a risk sensitive basis. Accordingly the customer due diligence process should be different for a high risk category client as compared to those made applicable for clients appearing in low risk category.

Risk history: It is to be noted that the risk profile would be given a date based concept, so that we know that initially the client was in low risk when the account was opened on 20-06-2008 and then in 11-05-2011 the client was upgraded to medium because some unusual trading pattern was observed and then later upgraded to high on 14-02-2012 by an RMS team member for the reason which may be specified by the user.

Medium Risk: The clients can be classified could be classified into the medium risk category depending on a lot of things like Client wise Large Turnovers, particular Script exposure / trading, client's income range, trading pattern. If any of the client would satisfy the above criteria, depending on the criteria satisfied the same would be classified into medium or high risk.

High Risk: The clients of medium risk could be classified into the high risk category depending on excessive and further unusual, patterns like Client wise Large Turnovers, particular Script exposure / trading, client's income range, trading pattern. If any of the client would satisfy the above criteria, depending on the criteria satisfied the same would be classified into high risk.

Very High Risk: The Clients for whom STR's have been files may be moved to very High Risk.

The above list is only illustrative and shall be amended as and when deemed fit.

Precautions related to Delivery Instruction slips:- As a DP we need to depute an authorized official who would verify the following details from the instruction slips :

- Whether the instruction slip received from the BO is from the range of instruction slips issued to the same BO.
- Whether all the account holders / authorized signatories / duly constituted POA, if any, have signed the instruction slip.
- Whether the signature(s) of the BO(s) on the instruction slip tallies with the signature(s) of the BO(s) recorded in the CDSL system.
- Instruction slip having transactions with value more than 5 lakhs have to be additionally verified by a senior official of the DP.
- In case the signature(s) on the instruction slip do not match with the CDSL records, then the DP shall reject the instruction slip.
- Utmost care shall be exercised while storing Instruction Slips for future reference.

Transaction monitoring and reporting especially Suspicious Transactions Reporting (STR)

Using our analytical skills and by exercising due precaution we need to monitor and report about the suspicious transactions:-

- ❖ Clients whose identity verification seems difficult or clients appears not to cooperate
- ❖ Clients in high-risk jurisdictions or clients introduced by other clients based in high risk jurisdictions;
- ❖ Substantial increases in business without apparent cause ;
- ❖ Further, it should be ensured that there is no tipping off to the client at any level

Responsibilities of the Principal Officer:

1. The Principal Officer should record his reasons for treating any transaction or a series of transactions as suspicious. It should be ensured that there is no undue delay in arriving at such a conclusion.

2. The Principal Officer will be responsible for timely submission of Cash Transaction Report (CTR) and Suspicious Transaction Report (STR) to FIU.

Broad categories of reason for suspicion and examples of suspicious transactions are indicated as under:

(A) Identity of Client

- ➢ False identification documents
- ➢ Identification documents which could not be verified within reasonable time
- ➢ Doubt over the real beneficiary of the account

(B) Suspicious Background

- ➢ Suspicious background or links with known criminals

(C) Multiple Accounts

- ➢ Large number of accounts having a common account holder, introducer or authorized signatory with no rationale
- ➢ Unexplained transfers between multiple accounts with no rationale

(D) Activity in Accounts

- ➢ Unusual activity compared to past transactions
- ➢ Use of different accounts by client alternatively
- ➢ Pay in for a client coming from different accounts
- ➢ Sudden activity in dormant accounts
- ➢ Activity inconsistent with what would be expected from declared business

Steps must be taken to ensure that the securities bought under suspicious transactions are not returned to the client

Retention of Records :- All necessary records on transactions, both domestic and international, should be maintained for the minimum period of 5 years as required under the relevant Act (PMLA, 2002 as well SEBI Act, 1992 and corresponding regulations) and all other applicable legislations, Regulations/ Circulars of Exchange/Depository.

➢ Records on customer identification including account opening forms, agreements with beneficial owners and instructions received from beneficial owners, as also copies of dematerialization request forms and rematerialization request forms and all business correspondence should also be kept for the period of Five years.

➢ If any document is required for any investigative purpose, then the document should be retained till the conclusion of the audit / investigation.

➢ Records on customer identification (e.g. copies or records of official identification documents like passports, identity cards, PAN Card copy, address proof copy, driving licenses or similar documents), account files and business correspondence should also be kept for the period as required statutorily.

➢ If any document is required for any investigative purpose, then the document should be retained till the conclusion of the audit / investigation. • all cash transactions of the value of more than rupees ten lakhs or its equivalent in foreign currency;

• all series of cash transactions integrally connected to each other which have been valued below rupees ten lakhs or its equivalent in foreign currency where such series of transactions have taken place within a month;

• all cash transactions where forged or counterfeit currency notes or bank notes have been used as genuine and where any forgery of a valuable security has taken place;

• all suspicious transactions whether or not made in cash. Suspicious transaction means a transaction whether or not made in cash which, to a person acting in good faith - o gives rise to a reasonable ground of suspicion that it may involve the proceeds of crime; or

o appears to be made in circumstances of unusual or unjustified complexity; or

o appears to have no economic rationale or bonafide purpose; or

o gives rise to a reasonable ground of suspicion that it may involve financing of the activities relating to terrorism

• 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; and
• the parties to the transaction."
• Registered intermediaries may rely on a third party for the purpose of (a) identification and verification of the identity of a client and (b) determination whether the client is acting on behalf of a beneficial owner, identification of beneficial owner and verification of the identity of the beneficial owner.
• Such reliance shall be subject to the conditions that are specified in Rule 9

Maintenance of records

The Principal Officer will be responsible for the maintenance for following records The records shall

contain the following information:

The records will be updated on daily basis, and in any case not later than 5 working days

Reliance on third party for carrying out Client Due Diligence (CDD)

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. (2) of the PML Rules and shall be in accordance with the regulations and circulars/ guidelines issued by SEBI from time to time. Further, it is clarified that the registered intermediary shall be ultimately responsible for CDD and undertaking enhanced due diligence measures, as applicable

Responsibility for AML Records and STR Filing

Principal Officer will be responsible to ensure that AML records are maintained properly and that STRs are filed as required

Records Required

As part of our AML program, our company will create and maintain STRs and CTRs and relevant documentation on customer identity and verification. We will maintain STRs and their accompanying documentation for at least Five years.

Hiring policies and training with respect to anti-money laundering To have adequate screening procedures in place to ensure high standards when hiring employees. To identify the key positions within the organization structures having regard to the risk of money laundering and terrorist financing and the size of its business and ensure the employees taking up such key positions are suitable and competent to perform their duties.

Procedure for freezing of funds, financial assets, economic resources or related services .The client accounts should be scrutinised regularly for determining nature of transaction taken place. In case any suspicious transaction arisen, the account should be freezed or securities/money should not be delivered to client. The suspicious transactions shall be reported to the FIU as well as the respective exchanges or depository where transactions have taken place.

Annexure I

INDIVIDUALS

The documents to be collected from individuals at the time of registration as a BO are as mentioned below:- The documents are by and large as prescribed by SEBI from time to time:

(A) Proof of Identity:

I Passport

II Voter ID Card

III Driving license

IV PAN card with photograph

V MAPIN card

VI Birth certificate of minor.

VII Proof of address and identity documents of the Guardian, as specified above.

VIII One passport size photograph of minor and one of guardian with guardian's signature across the photograph. Guardian should sign across the photograph of the minor.

IX. (A) Identity card/document with applicant's photo, issued by any of the following -
   a) Central/State Government and its Departments,
   b) Statutory/Regulatory Authorities,
   c) Public Sector Undertakings,
   d) Scheduled Commercial Banks,
   e) Public Financial Institutions,
   f) Colleges affiliated to Universities,
   g) Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council, etc., to their Members,
   h) Credit cards/Debit cards issued by Banks with photographs.

(B) **Proof of Address**
   I. Ration card
   II. Passport
   III. Voter ID Card
   IV. Driving license
   V. Bank passbook
   VI. Verified copies of
      a) Electricity bills (not more than two months old),
      b) Residence Telephone bills (not more than two months old),
      c) Leave and License Agreement / Agreement for sale.

X. Self-declaration by High Court & Supreme Court judges, giving the address in respect of their own accounts.

XI. Identity card/document with address, issued by:
   a) Central/State Government and its Departments,
   b) Statutory/Regulatory Authorities,
   c) Public Sector Undertakings,
   d) Scheduled Commercial Banks,
   e) Public Financial Institutions,
   f) Colleges affiliated to universities,
   g) Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council, etc., to their Members

XII PAN Card for minor as well as guardian should be obtained.

XIII ***Correspondence address*****:** This is applicable to all types of investors. If the correspondence address of the BO is not the same as permanent address, then we need to obtain proof of permanent address as well as correspondence address and both must be entered in the system.

Further, if BOs wish to receive their correspondence at the address of some other entity - such as POA holder for NRI, for IPO / Margin financing, etc., the above mentioned proof of address documents in the name of such other entities may be accepted as proof of correspondence address of the BO, provided the same is mentioned in the account opening form. In all such cases, we need to ensure that proof of permanent address for the BO has been obtained and the same has been entered in the system.

Minor :- The minor could be either the sole, first holder and/or second holder and/or third holder. Documents to be obtained in case of a minor opening a demat account are as follows :-
It may be noted that according to the Hindu Guardians and Wards Act, natural parent i.e. Father, and in his absence, Mother, only can be the guardians. In any other event, the guardian has to be appointed by the court.
Once the minor attains the age of a major, following process is to be followed:

- The account holder should submit proof of identity and proof of address as per CDSL requirements.
- The account holder should submit a photograph with signature across the photograph and the account opening form. Photograph must be pasted on the form.
- The account holder should submit a specimen signature.
- The guardian's signature should be deleted and account holder's signature should be scanned.

The above procedure can be followed only if the word 'minor' is not present in the "Account Holder's name" when the account was opened. If "minor" word is present, then the existing account has to be closed and a new account should be opened.

Annexure II

HUF (Hindu Undivided Family)

All the documents, as applicable in case of an individual investor, will be applicable in case of HUF (for the Karta). However the following HUF specific details are also to be collected.

▪ PAN Card and Bank Pass Book indicating the existence of HUF entity.

Further a declaration by Karta giving details of the family members of the HUF with their names, sex (male/ female), date of birth and relationship with the Karta has to be obtained. It may be noted that HUF accounts cannot be opened with joint holder(s) and that HUF accounts cannot appoint a nominee and also cannot be a nominee.

It may further be noted that in the Account opening form, the Karta should sign under the HUF stamp and thus the account has to be opened in the name of HUF only and not in the name of Karta.

The name of the BO in the DP database should be as it appears in the PAN card, e.g. Rajiv Sharma (HUF).

Process to be followed in case of death of the Karta. HUF, being a Hindu Undivided Family, the property of the family is managed by the Karta, i.e. the head of the family, and all the family members are the beneficiaries. Accordingly, HUF does not come to an end in the event of death of the Karta. In such a case, the members of the HUF appoint the new Karta, who will be heading the family.

➢ On the death of an existing Karta, the new Karta shall submit the new list of members and a no objection from the members for him to act as Karta of the HUF.

➢ The new Karta will submit to the DP the account modification form and record change in signature of the new Karta to operate the account.

Procedure to be followed in case of partition of HUF: In case of a partial partition of the HUF, if one or two members of the HUF have left, the others can still continue the HUF in the existing name. In case of full partition, the entire HUF is dissolved.

In both the cases above, the Karta can transfer shares to the members who seek partition. If the issue of transfer cannot be amicably settled, the family members can go to court and transfer of shares can then be based on the Court directions.

Annexure III Corporates

In case of Corporates, certified true copy of Board Resolution, duly certified by Managing Director / Company Secretary, authorizing opening of demat account and specifying the name of persons authorized by the Board to operate the said demat account should be collected. The resolution must specify the manner of operation of the account and authority given to the authorised signatories to open and operate the account.
Further the names of the authorized signatory(ies), designation, photograph and their specimen signatures duly verified by Managing Director/Company Secretary has to be collected .
A certified true copy of Memorandum and Articles of Association of the Corporate BO should be collected.

Annexure IV
Non- Resident Indian (NRI)
In case of a Non-Resident Indian, over and above the documents collected for an individual, the following are also required.
✓ Proof of Identity (copy of passport / driving license).

✓ Proof of foreign address and Indian address (if any). [In the case of an NRI A/c without repatriation, proof of Indian address has to be given.]

✓ Bank account details.

✓ Power of Attorney, if any.

Change of status from NRI to Resident and vice versa : It may be noted that it is the responsibility of the NRI to inform the change of status to the DP with whom he / she has opened the demat account. Subsequently, a new demat account in the resident status will have to be opened, securities should be transferred from the NRI demat account to resident account and then only the NRI demat account can be closed.

Further, in case of a Foreign National the over and above the requirements given above a certificate from the Bank or a Passport Copy is required.

Annexure V
Clearing Member (CM)

If the Clearing Member is a corporate body, then the following needs to be collected:-

- • Certified true copy of certificate of registration with SEBI, certified by Managing Director/Company Secretary.

- • Certified true copy of Board Resolution duly certified by the Managing Director / Company Secretary authorizing opening of demat accounts and specifying the name of person(s) authorized by the Board to operate the said demat account. The resolution must specify the manner of operation of the account and authority given to open and operate the demat account.

- • Names of the authorized signatories, designation, and their specimen signatures duly verified by the Managing Director/Company Secretary.

- • Memorandum and Articles of Association of the Company.

- • One passport-size photograph of each of the authorised signatory(ies) with their signature/s across the photograph.

If the Clearing Member is not a corporate body then the following needs to be ensured:-

- • The account has to be opened in the name of individuals.

- • Photocopy of Certificate of Registration with SEBI, duly notarized.

- • One passport-size photograph of each applicant with signature across the photograph.

Annexure VI
Foreign Institutional Investor (FIIs)

In case a Foreign Institutional Investor, wants to become a BO we need to collect the following:-

➢ Certified true copy of Certificate of Registration with SEBI, certified by Managing Director/Company Secretary.

➢ Certified true copy of Board Resolution, duly certified by Managing Director/Company Secretary, authorizing opening of demat account, specifying names of persons authorized by the Board to open the demat account. The resolution must specify the manner of operation of the account and authority given to authorized signatory(ies), to open and operate the demat account.

➢ Names of the authorized signatory(ies), designation, photograph and their specimen signatures, duly certified by Managing Director/Company Secretary.

➢ Memorandum and Articles of Association of the Company.

Annexure VII

Overseas Corporate Body (OCBs)

In case of an Overseas Corporate Body, the following details must be collected:-

➢ Certified true copy of Board Resolution, certified by Managing Director/Company Secretary for persons authorized by the Board to act as authorized signatory(ies).

➢ Names of the authorized signatory(ies), designation, photographs and their specimen signatures, certified by Managing Director/Company Secretary.

➢ Certified copy of the Memorandum and Articles of Association of the Company.

➢ A certified copy of RBI Registration Certificate.

Annexure VIII

Societies:

Registered Society: In case of a registered society the following needs to be adhered to:-

➢ Copy of Certificate of Registration under the Societies Registration Act, 1860.

➢ List of Managing Committee members.

➢ Certified true copy of Committee Resolution for persons authorized by the Committee to act as Authorized Signatory (ies).

➢ Names of Authorized Signatories, Designation, and their Specimen Signatures.

➢ Certified true copy, by the Chairman/Secretary, of Society Rules and Bye Laws.

➢ One passport-size photograph of each authorized signatory with signature across the face of the photograph.

Unregistered Society: In case of unregistered societies the following should be ensured to implement better compliance

➢ The account should be opened in the names of the members under “Individual” category (maximum three account holders).

➢ All the documents, as applicable for account opening under individual category, should be obtained.

➢ The proof of address and identity documents of the members should be obtained for account opening.

Annexure IX
Trust
Registered Trust (Public Trust): In case of a registered trust, the following should be ensured.

➢ Account should be opened in the name of the Trust.

➢ Obtain a certified copy of Certificate of Registration of Trust under the Societies Registration Act/ Public Trust Act, 1860.

➢ Obtain a certified copy of Trust Deed and Rules.

➢ List of Members on the Board of Trustees.

➢ Certified true copy of Board Resolution to open the demat account and specifying the persons authorized by the Board to act as Authorized signatory(ies) to operate the demat account.

➢ Names of the authorized signatories, designation, and their specimen signatures duly verified by the Managing Trustee.

➢ One passport-size photograph of each of the authorized signatory(ies) with their signatures across the face of the photograph. ➢ The Board of Trustees shall specify the names of the trustee/s who shall hold/ operate the demat account.

➢ The account should be opened in the names of the trustees under "Individual" category (maximum three account holders).

➢ The proof of address and identity documents of the trustees should be obtained for account opening.

Unregistered Trust (Private Trust): In case of an unregistered trust, the following should be ensured:-

Annexure X
Banks

In case of Banks, the following documents need to b e collected while registering a BO.

➢ Letter on the letterhead of the bank, signed by the Chairman/MD authorizing opening of account and authority given to authorized signatories to open and operate the demat account.

➢ Names of the authorized signatories, designation, photograph and their specimen signatures, certified by Chairman/Managing Director.

➢ Certified copy of Memorandum and Articles of Association, if any.

➢ Certified copy of RBI Registration Certificate in case of Scheduled/Co-operative banks.

Annexure XI

Association of Persons (AOP):

In case of an Association of Persons the most important thing to check is the object or purpose of the Association. Over and above the documents to be collected while making an AOP a BO are as follow:-

- ➢ Powers of the Managing Committee.
- ➢ Resolution to open a demat account in CDSL.
- ➢ Names of authorized signatories with the specimen signatures duly authorized by the governing Board Member.
- ➢ Copy of the PAN Card in the name of AOP
- ➢ Copy of the Bye Laws.

Notes:-

1. If a potential or existing customer either refuses to provide the information described above when requested, or appears to have intentionally provided misleading information, our firm will not open the new account.
2. All PAN Cards received will verified form the Income Tax/ NSDL website before the account is opened
3. The firm will maintain records of all identification information for five years after the account has been closed

In addition, beneficial ownership will be determined as under:-

For clients other than individuals or trusts:

Where the client is a person *other than an individual or trust*, viz., company, partnership or unincorporated association/body of individuals, the intermediary 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.

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

➢ more than 10% of shares or capital or profits of the juridical person, where the juridical person is a company;

➢ more than 10% of the capital or profits of the juridical person, where the juridical person is a partnership; or

➢ 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.

Where no natural person is identified, the identity of the relevant natural person who holds the position of senior managing official needs to be obtained.

For client which is a trust:

Where the client is a trust, the intermediary 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 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.

15. Employees' Hiring/Employee's Training/ Investor Education

The registered intermediaries shall have adequate screening procedures in place to ensure high standards when hiring employees. They shall identify the key positions within their own organization structures having regard to the risk of money laundering and terrorist financing and the size of their business and ensure the employees taking up such key positions
are suitable and competent to perform their duties.

15.1 Employees' Training

Intermediaries must have an ongoing employee training programme so that the members of the staff are adequately trained in AML and CFT procedures. Training requirements shall have specific focuses for frontline staff, back office staff, compliance staff, risk management staff and staff dealing with new clients. It is crucial that all those concerned fully understand the rationale behind these directives, obligations and requirements, implement them consistently and are sensitive to the risks of their systems being misused by unscrupulous elements.

15.2 Investors Education

Implementation of AML/CFT measures requires intermediaries to demand certain information from investors which may be of personal nature or has hitherto never been called for. Such information can include documents evidencing source of funds/income tax returns/bank records etc. This can sometimes lead to raising of questions by the client with regard to the motive and purpose of collecting such information. There is, therefore, a need for intermediaries to sensitize their clients about these requirements as the ones emanating from AML and CFT framework. Intermediaries shall prepare specific literature/ pamphlets etc. so as to educate the client of the objectives of the AML/CFT programme.

14.2 Appointment of a Designated Director

i i. In addition to the existing requirement of designation of a Principal Officer, the registered intermediaries shall also designate a person as a 'Designated Director'. In terms of Rule 2 (ba) of the PML Rules, the definition of a Designated Director reads as under:

"Designated Director means a person designated by the reporting entity to ensure overall compliance with the obligations imposed under chapter IV of the Act and the Rules and includes —
(i) the Managing Director or a Whole-time Director duly authorized by the Board of Directors if the reporting entity is a company,
(ii) the managing partner if the reporting entity is a partnership firm,
(iii) the proprietor if the reporting entity is a proprietorship concern,
(iv) the managing trustee if the reporting entity is a trust,
(v) a person or individual, as the case may be, who controls and manages the affairs of the reporting entity if the reporting entity is an unincorporated association or a body of individuals, and
(vi) such other person or class of persons as may be notified by the Government if the reporting entity does not fall in any of the categories above."

ii. In terms of Section 13 (2) of the 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 intermediary to comply with any of its AML/CFT obligations.

iii. Registered intermediaries shall communicate the details of the Designated Director, such as, name, designation and address to the Office of the Director, FIU-IND.

11. List of Designated Individuals/Entities

An updated list of individuals and entities which are subject to various sanction measures such as freezing of assets/accounts, denial of financial services etc., as approved by the Security Council Committee established pursuant to various United Nations' Security Council Resolutions (UNSCRs) can be accessed at its website at http://www.un.org/sc/committees/1267/consolist.shtml. Registered intermediaries are directed to ensure that accounts are not opened in the name of anyone whose name appears in said list. Registered intermediaries shall continuously scan all existing accounts to ensure that no account is held by or linked to any of the entities or individuals included in the list. Full details of accounts bearing resemblance with any of the individuals/entities in the list shall immediately be intimated to SEBI and FIU-IND.

12. Implementation of Section 12A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005

An updated list of individuals and entities as per government notification needs to be maintained. We will Verify all parties to financial transactions to detect any matches with the Designated List. If a match is found, the same will be informed to Financial Intelligence Unit-India (FIU-IND). We will conduct periodic checks to identify whether any existing clients are included in the Designated List. If a client is found on the Designated List, the same will be reported to FIU for necessary action. Our Principal Officer shall coordinate with regulatory authorities for further actions such as freezing of assets.

5.3.2 Risk Assessment

i. Registered intermediaries shall carry out risk assessment to identify, 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 Council Resolutions (these can be accessed at http://www.un.org/sc/committees/1267/aq_sanctions_list.shtm and http://www.un.org/sc/committees/1988/list.shtml).

ii. 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. The assessment shall be documented, updated regularly and made available to competent authorities and self regulating bodies, as and when required.

Notes:-

1. If a potential or existing customer either refuses to provide the information described above when requested, or appears to have intentionally provided misleading information, our firm will not open the new account.
2. All PAN Cards received will verified form the Income Tax/ NSDL website before the account is opened
3. GLOBALWORTH shall register the details of a client, in case of client being a non-profit organization, on the DARPAN Portal of 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 the registered intermediary has ended or the account has been closed, whichever is later.
4. The company will maintain records of all identification information for five years after the account has been closed
5. Subject to the provisions of any other law the depository shall preserve records and documents for a minimum period of eight years.

THIS POLICY IS SUBJECT TO REVISION EVERY YEAR OR EARLIER IN CASE OF ANY AMENDMENTS REQUIRED BY SEBI AND/OR CDSL AND/OR ANY OTHER REGULATORY AUTHORITIES.

List of Persons Designated for PMLA

Name of Designated Director: Mr. Mickin Mukund Sheth
Contact No: 022 – 69190000 Email ID: dp@globalworth.in

Name of Principal Officer: Mr. Mickin Mukund Sheth
Contact No: 022 – 69190000 Email ID: dp@globalworth.in

For Globalworth Securities Ltd

Director

Dated: 30th September 2026