Policy for implementation of Red Flag Indicators as issued by FIU-IND

As per the direction issued by the Exchange / SEBI / FIU-IND, we have implemented certain Red Flag Indicators in our system as per the guidelines for detecting suspicious transactions for stock brokers:

1. The Client accesses accounts, in high risk jurisdictions (including cities or districts of concern), specific countries (and adjacent countries) under conflict and/or political instability or known to support terrorist activities and organizations.
2. The Client identified by media or law enforcement as having travelled, attempted/intended to travel to high risk jurisdictions (including cities or districts of concern), specific countries (and adjacent countries) under conflict and/or political instability or known to support terrorist activities and organizations.
3. The client mentions that they will be travelling to, are currently in, or have returned from, a high risk jurisdiction (including cities or districts of concern), specific countries (and adjacent countries) under conflict and/or political instability or known to support terrorist activities and organizations.
4. Individual/Entity's online presence supports violent extremism or radicalization.
5. Client utters threats of violence that could be of concern for National Security/Public Safety.
6. Law enforcement indicates to reporting entity that the individual/entity may be relevant to a law enforcement and/or national security investigation.

7. Client's transactions involve individual(s)/entity(ies) identified by the media or law enforcement as the subject of a terrorist financing or national security investigation.
8. The Client provides multiple variations of name, address, phone number or additional identifiers.
9. Funds are generated by a business owned by persons of the same origin or by a business that involves persons of the same origin from higher-risk countries (e.g., countries designated by national authorities and FATF as non cooperative countries and territories).
10. The stated occupation of the customer is not commensurate with the type or level of activity.
11. Persons involved in currency transactions share an address or phone number, particularly when the address is also a business location or does not seem to correspond to the stated occupation (e.g., student, unemployed, or self-employed).
12. Regarding nonprofit or charitable organizations, financial transactions occur for which there appears to be no logical economic purpose or in which there appears to be no link between the stated activity of the organization and the other parties in the transaction.
13. A large number of incoming or outgoing funds transfers take place through a business account, and there appears to be no logical business or other economic purpose for the transfers, particularly when this activity involves higher-risk locations.
14. Funds transfers are ordered in small amounts in an apparent effort to avoid triggering identification or reporting requirements.
15. Funds transfers do not include information on the originator, or the person on whose behalf the transaction is conducted, when the inclusion of such information would be expected.

16. Multiple personal and business accounts or the accounts of nonprofit organizations or charities are used to collect and funnel funds to a small number of foreign beneficiaries.
17. Multiple accounts are used to collect and funnel funds to a small number of foreign beneficiaries, both persons and businesses, particularly in higher-risk locations.
18. The parties to the transaction (owner, beneficiary, etc.) are from countries known to support terrorist activities and organizations.
19. Use of false corporations, including shell-companies.
20. Inclusion of the individual in the United Nations 1267 Sanctions list.
21. Beneficial owner of the account not properly identified.