

# **Policy Document On**

## **Anti Money Laundering**

**Approved and Adopted By  
YUVA Youths Union For Voluntary Action  
Hazaribag, Jharkhand**



**About YUVA:-** YUVA Youths Union For Voluntary Action is a professionally managed and transparency certified (GSN 4808- Gold Certification By Guide Star) development organization Strikes out Strategic Alliances with a Vision to Accomplishing SDGs by tapping youth energy, Innovation and creativity. It wishes to utilize optimally the potential of youth for the development of an open access society. YUVA Joined hands with stakeholders to prevent our youth from giving into violence and terrorism by providing them better options through strengthening and empowering them. It aims to break the generational chain of poverty, extreme hunger in order to ensure that the socially excluded lead a life of respect, dignity and opportunity through affirmative action.

### **Policy Statement and Purposes of Policy On Anti Money Laundering**

YUVA adopts a zero-tolerance approach to money laundering and terrorist financing activities and is committed to implementing and enforcing effective internal controls to counter such activities. Our policy is to apply at a minimum the standards set out in this Policy.

#### **The Purpose of this Policy is to:**

Set out the responsibilities of YUVA and its Board Members, all staff working for the society, whether on a paid or voluntary basis, in respect of observing, complying with, and upholding policies on anti-money laundering ("AML") and counter-terrorist financing ("CTF"); and

Provide information and guidance to the team YUVA on the money laundering/terrorist financing risks arising in relation to YUVA's activities, YUVA's due diligence procedures, and how to recognise and deal with any potential money laundering/terrorist financing issues if they arise.

This Policy may be amended from time to time to reflect updates to the laws and regulations on which it is based.

#### **Application of this Policy**

This Policy applies to all YUVA Team members, Individuals, including those working with YUVA on a purely voluntary basis. YUVA will terminate its involvement with any Individuals who fail to comply with this Policy.

This policy has been formed in the light of SEBI Circulars—on Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT) as amended – obligations of Intermediaries under the **Prevention of Money Laundering Act, 2002 ('Act')** and **Rules** framed the Anti-Money Laundering Policy of the **YUVA (Youths Union For Voluntary Action )**, Hazaribag, Jharkhand.

In pursuance of above said circular and the provisions of the Act, the policy of the organization is to prohibit and actively prevent money laundering and any activity that facilitates money laundering or terrorist financing. Money



Laundering (ML) is generally understood as engaging in acts designed to conceal or disguise the true origins of criminally derived proceeds or assets so that they appear to have been derived from legitimate origins or constitute legitimate assets.

### **1. Initiatives by YUVA:**

The basic purpose of the AML Policy is to establish a system for YUVA to participate in the international efforts against ML and to duly comply with the guidelines as detailed in the above circular of SEBI, as amended and other legal provisions and to ensure that YUVA is not used as a vehicle for ML. The AML framework of YUVA would meet the extant regulatory requirements.

### **2. Scope:**

This AML Policy establishes the standards of AML compliance and is applicable to all activities of YUVA.

### **3. Key Objectives of the Policy On AML :**

- i. To establish a framework for adopting appropriate AML Procedures and controls in the operations / Business processes of YUVA.
- ii. To put in place appropriate controls for detection and reporting of suspicious activities in accordance with applicable laws/laid down procedures.
- iii. To comply with applicable laws and regulatory guidelines.
- iv. To take necessary steps to ensure that the concerned staff are adequately trained in KYC/AML procedures.
- v. To assist law enforcement agencies in their effort to investigate and track money launderers.

### **4. Principal Officer – Designation and Duties:**

The organization has designated the Secretary to the organization as the Principal Officer for due compliance of its AML measures. He will act as a central reference point in facilitating onward reporting of suspicious transactions and for playing an active role in the identification and assessment of potentially suspicious transactions. The duties of the Principal Officer will include monitoring the organization's compliance with AML obligation and overseeing maintenance of AML records, communication and training for employees.





## **5. Maintenance of records:**

The Principal Officer shall ensure the maintenance of the records:

The records shall contain the following information:

- 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.

## **6. Monitoring Accounts for Suspicious Activity:**

The following kinds of activities are to be treated as red flags and reported to the Principal Officer:

- i. Parties whose identity verification seems difficult or Parties appear not to cooperate
- ii. Where the source of the funds is not clear or not in keeping with clients apparent standing /organization activity;
- iii. Unusually large cash deposits made by an individual or business;

The above mentioned list is only illustrative and whether a particular transaction is suspicious or not will depend upon the background, details of the transactions and other facts and circumstances.

When any functionary of the organization detects any red flag, he or she will cause it to be further investigated for his/her satisfaction or report the same to the Principal Officer for further investigation and necessary action.

Secretary

YUVA Youths Union For Voluntary Action

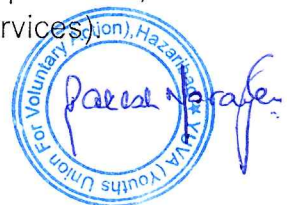
## **APPENDIX A**

Examples of situations involving donors, beneficiaries and/or partners which may indicate a higher risk for money laundering and/or terrorist financing include (but are not limited to) the following:

1. Donation from known donor but which comes through an unknown party or unusual payment mechanism (e.g. donation made using a large number of fund transfers in small amounts, perhaps to avoid triggering reporting requirements).



2. Unusual or substantial one time donations, or a series of smaller donations or interest-free loans, from a source that cannot be adequately identified.
3. YUVA is asked by a donor to engage in specific work and/or deliver work product for the exclusive use of the donor, particularly in cases where that work is outside YUVA's area of focus.
4. YUVA is requested by a beneficiary or partner to whom it intends to provide funds to instead remit those funds to a third party.
5. In the case of a donation from a donor on whom client due diligence has been undertaken, YUVA unexpectedly receives funds from a third party payor/account instead of directly from the donor.
6. YUVA is asked to act as a conduit for passing a donation to second individual or body, which may or may not be another charity.
7. Conditions are attached to a donation such that YUVA is effectively only serving as a vehicle for transferring funds from one source to another without the charity serving any other role.
8. A donation is provided to YUVA for a defined period of time during which the charity can retain any interest earned; however, the principal sum is required to be returned at the end of the defined period.
9. Same as the preceding example but the donation is in a foreign currency and the principal sum is to be returned in a different currency.
10. YUVA is asked to provide services or benefits on favorable terms to the donor or a person nominated by the donor.
11. A donor, partner or beneficiary who is unusually secretive or reluctant to provide information for the due diligence or post-donation monitoring process.
12. Donor who is using a network of trusts and/or shell companies through which to make its donation.
13. The donor, partner or beneficiary is a citizen or resident of a high risk country, and/or the donation is being sent from a bank account in a high risk country.
14. The source of wealth for a donor is unclear and/or not commensurate with the donor's known background or income.
15. The donor or partner is or is closely connected to a PEP; this would be particularly high risk if the underlying PEP position is connected with a high risk country for corruption.
16. The donor, partner or beneficiary is or is closely connected an individual or entity on a sanctions list.
17. The donor, partner or beneficiary is associated with activities which could be considered to fall under the NSL.
18. The donor's source of wealth is derived from/closely associated with an industry sector which is higher risk for ML (e.g. cryptocurrency platforms, cash-intensive businesses such as restaurant or other hospitality services).



19. The donor, partner or beneficiary is the subject of material negative news – e.g. arising from legal, regulatory or enforcement actions; allegations of fraud, money laundering, corruption or other crimes; unscrupulous business practices.

  
Secretary

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