

Dated 31st March, 2021

NOTICE

All Entities are hereby informed that the Exchange has received a Circular from SEBI Vide Ref. No. SEBI/HO/MIRSD/DOP/CIR/P/2021/36 dated March 25, 2021 regarding Combating Financing of Terrorism (CFT) under Unlawful Activities (Prevention) Act, 1967 – Directions to Stock Exchanges, Depositories and all registered intermediaries. The contents of the said circular are reproduced hereunder for your information.

Quote:

CIRCULAR

SEBI/HO/MIRSD/DOP/CIR/P/2021/36

March 25, 2021

To,

All Intermediaries Registered with SEBI under Section 12 of the Securities and Exchange Board of India Act, 1992

(Through the Stock Exchanges for Stock Brokers, Depositories for Depository Participants and Association of Mutual funds in India (AMFI) for Asset Management Companies)

Dear Sir/Madam,

Subject: Combating Financing of Terrorism (CFT) under Unlawful Activities (Prevention) Act, 1967 – Directions to Stock Exchanges, Depositories and all registered intermediaries

1. The Government of India (GOI) had issued an Order dated August 27, 2009 detailing the procedure for implementation of Section 51A of the Unlawful Activities (Prevention) Act, 1967 (UAPA), relating to the purpose of prevention of, and for coping with terrorist activities. Accordingly, SEBI had issued circular ISD/AML/CIR-2/2009 dated October 23, 2009 on “Combating Financing of Terrorism (CFT) under Unlawful Activities (Prevention) Act, 1967” and subsequently master circular SEBI/HO/MIRSD/DOS3/CIR/P/2018/104 dated July 04, 2018 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 framed there under”.

2. In view of the reorganization of Divisions in the Ministry of Home Affairs and allocation of work relating to countering of terror financing to the Counter Terrorism and Counter Radicalization (CTCR) Division, GOI has modified the earlier order dated August 27, 2009 by the order dated March 14, 2019. Accordingly, SEBI had issued circular SEBI/HO/MIRSD/DOP/CIR/P/2019/69 dated May 28, 2019 on “Combating Financing of Terrorism (CFT) under Unlawful Activities (Prevention) Act, 1967” and subsequently master circular SEBI/HO/MIRSD/DOP/CIR/P/2019/113 dated October 15, 2019 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 framed there under”.

3. In order to ensure expeditious and effective implementation of the provisions of Section 51A, GOI has outlined a revised procedure through an order dated February 02, 2021 (Annexure 1) superseding the earlier orders and guidelines given on the subject.

4. The enclosed order dated February 02, 2021 issued by GOI in relation to implementation of Section 51A of the UAPA, 1967 is brought to notice for strict compliance.

5. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.

Yours faithfully,
Narendra Rawat
General Manager
Market Intermediaries Regulation and Supervision Department

Unquote: -

All Entities are requested to take note of the aforesaid guidelines of SEBI and act accordingly.

Dhiraj Chakraborty
Compliance Officer