BANWASI VIKAS ASHRAM (BVA)

New Barganda, Giridih, Jharkhand, India

ANTI-MONEY LAUNDERING POLICY

1. Introduction

1.1 BVA aims at highest ethical and moral standards in the professional and personal life of all associates. **BVA**'s Anti-Money Laundering Policy (**"this Policy"**) aims to ensure that the organization operates with, and is in compliance with applicable laws, regulations, ethical business practices, and is not used as a conduit for suspicious or money laundering activities or for funding illegal activities including the financing of terrorism.

2. Applicability

2.1 This Policy applies to all Employees/staff on rolls of the Organization, Trustees, Directors, Consultants and third parties such as volunteers, interns acting on our behalf (**"Associates"**) while discharging their functions and should be read in conjunction with the existing applicable laws and guidelines, as issued by relevant statutory authorities from time to time.

3. Background

3.1 'Money Laundering' is the processing of criminal proceeds[1] i.e. money generated from criminal acts *inter alia* drug and human trafficking, terrorism, smuggling, corruption, tax evasion, sale of weapons, organized crime, fraud and many other crimes with the objective of hiding its source and rendering it in legally usable form. It is any act or attempted act to conceal or disguise the identity of illegally obtained proceeds so that they appear to have originated from legitimate sources. The process involves creating a web of financial transactions so as to hide theorigin ownership and true nature of these funds. These proceeds may also be exchanged for money or assets that are 'clean'.

3.2 'Terrorist financing' is the use of legally or illegally obtained funds to facilitate terrorist activities and organizations. Money laundering and terrorist financing may involve a wide variety of financial products, services, and transactions including lending and investment products, and the financing of equipment and other property that could be used to facilitate terrorism and other criminal activity.

3.3 Money laundering is largely understood to mean any act or attempt (directly or indirectly and even by association and assistance in one step or a series of transactions) to convert, move, transfer, use, possess, acquire proceeds from illegal/criminal origins or assisting persons in doing it so that they appear to be legally acquired; thereby avoiding the detection, prosecution, conviction and confiscation of such proceeds. It includes terrorist organizations, tax evaders, smugglers, persons involved in bribery or any persons that becomes aware of, or suspects that

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[1] Clause 2(u), PMLA Act, 2002 defines "proceeds of crime" as- any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a scheduled offence or the value of any such property or where such property is taken or held outside the country, then the property equivalent in value held within the country or abroad.
Explanation — For the removal of doubts, it is hereby clarified that "proceeds of crime" include property not only derived or obtained from the scheduled offence but also any property which may directly or indirectly be derived or obtained as a result of any criminal activity relatable to the scheduled offence.

the money they haveused or receivedis derived from illegal activities and/or through illegal means.

3.4 Generally, the money laundering process involves three (3) stages: placement, layering and integration. As illegal funds move from the placement stage through the integration stage, theybecome increasingly harder to detect and trace back to the illegal source.

- **Placement:**The stage where funds generated from illegal/criminal activities, commonly in the form of cash, first enter the financial system.This may be done by making deposits with financial institutions or convertingthe proceeds into negotiable instruments.
- **Layering:**After illegal funds have entered the financial system, layers are created by closing and opening bank accounts, purchasing and selling various financial products, transferring funds among financial institutions and across national borders. The criminal's goal is to create layers of transactions to make it difficult to trace the illegal origin of the funds.
- **Integration:**When the criminal believes that there are sufficient number of layers hiding the origin of the illegal funds, they reintroduce and safely invest the funds or apply them towards purchasing a legitimate service or asset in the economy, fund legitimate businesses, or conduct other criminal activity.

4. Money Laundering and Non-Profit Organizations

4.1 India is amongst the six countries that are being actively monitored by Interpol and International banking watchdogs after the detection of massive money-laundering cases in the last few years due to inadequate internal compliance procedures.

4.2 Nonprofit organizations (**"NPOs"**) play a pivotal role in many national economies and social systems.As per Rule 2(cf), PMLA Rules, NPOs are organizations that are registered as a trust or societies. For the purposes of Recommendation, NPO is referred to as a legal person or arrangement or an organization that primarily engages in raising or disbursing funds for charitable, religious, cultural, educational, social or fraternal purposes, or for the carrying out of other types of "good works".

4.3 The Financial Action Task Force (**"FATF"**), an intergovernmental international organization, recognizes the vital importance of NPOs in providing charitable services, as well as the difficulty of providing assistance to those in need, often in high risk areas and conflict zones, and applauds the efforts of NPOs to meet such needs. The FATF also recognizes the intent and efforts of NPOs to promote transparency within their operations and to prevent terrorist financing, including through the development of programmes aimed at discouraging radicalization and violent extremism.

4.4 Despite these efforts, NPOs are particularly vulnerable to be misused to raise and move proceeds, provide logistical support, and to facilitate terrorist activities and operations. The ongoing international campaign against terrorist financing has identified cases in which terrorists exploit some NPOs in the sector as a front for money laundering. Thus, protecting NPOs from terrorist financing abuse is both a critical component of the global fight against terrorism, and a necessary step to preserve the integrity of NPOs and the donor community. Measures to protect NPOs from potential terrorist financing abuse should be adopted and be in line with the risk-based approach. Further, since NPO's catch the attention of philanthropists as well as thieves

alike, it is becoming necessary that NPO's be monitored with respect to their source of funds, its utilization, purposes for which they were formed and the persons who carry out these activities. The FATF has therefore paid special attention to the NPO sector realizing the grey areas in NPOs andlaid down Recommendation 8, "Combating abuse of Non Profit Organizations" **("Recommendation")**[2].

4.5 Since becoming a part of the FATF in 2010, India has accorded the Recommendation 8 into reality. Finance Intelligence Unit – India (**"FIU-IND"**) has prescribed filing of a separate report for Reporting Entities (banks, insurance companies, stock market intermediaries) for filing details of transactions carried out by NPO's. Also, basis the Recommendations, India undertook a series of amendments in the FCRA laws (including the 2020 amendments) to ensure that the money laundering risk is curbed and adequately addressed in the NPO sector.

4.6 Prevention of Money Laundering Act, 2002 (**"Act"**), was also enacted to aptly cover the reporting and monitoring obligations of entities and organizations covered therein. By way of the Gazette Notification dated 12th November 2009, the Act was enhanced to cover the NPO's in India. NPO's are required to adhere strictly to Know-Your-Customer (**"KYC"**) norms in case of any donations they receive, according to banking standards, and will have to regularly maintain detailed statements of their funds received and investments made.[3]

5. Policy Statement

5.1 **BVA** has resolved that it would, as an internal policy, take adequate measures to prevent money laundering and shall put in place a framework to identify, monitor and report suspected money laundering or terrorist financing transactions to FIU IND as per the guidelines of the Act and Prevention of Money Laundering Rules, 2005 as amended from time to time **("Rules")**.

6. Scope& Objective of this Policy

6.1 Indian NPOs may become target for laundering the money because of several reasons, though one of the most significant reason is the Income tax benefits available to Indian NPOs involved in charitable activities. Income derived from property registered as a Trust, wholly for charitable or religious purposes is exempt from payment of taxes to the extent such income is utilized towards the objects of the Trust in India.

6.2 The objective of this Policy framework is to:

i. To create awareness and provide clarity on KYC standards and Anti-money laundering measures in the Organization;
ii. To follow proper Donor Due Diligence (DDD) procedures before registering them;
iii. To monitor financial activities, conduct regular scrutiny of the transactions involved and maintain records of all financial transactions involving receipts of more than Rs. 10 lakh, or its equivalent in foreign currency as in accordance with Rule 3(1)(BA), PMLA Rules 2005;

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[2] https://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf

[3] With the amendments to PML Rules, notified by the Government of India vide Notification No. 12 of 2013 dated August 27, 2013, in terms of amended Rule 3, Banks should maintain proper record of all transactions involving receipts by non-profit organizations of value more than rupees 10 lakh or its equivalent in foreign currency and to forward a report to FIU-IND of all such transactions in a prescribed format by the 15th of the succeeding month.

iv. To maintain records of cash donations received from the same donor or donors connected with each other within a given financial year, and as a practice to insist upon electronic payments;
v. To monitor and report suspicious financial transactions;
vi. To discourage and identify money laundering or terrorist financing activities;
vii. To take adequate and appropriate measures to implement and comply with the Act and other regulations in force from time to time, and establish processes to check and prevent breaches of such laws;
viii. To detect systemic 'Red Flags' regarding unacceptable or suspicious forms of payment;
ix. To ensure that the Organization is not involved in any transactions that are known or suspected to be means of laundering money. If any suspicious activity is noticed, Associates to promptly intimate the Chief Operations Officer **("COO")**.

7. Red-Flags

7.1Recognizing transactions involving money laundering requires awareness of possible suspicious activities which may arise at any time. According to Rule 2(g), PMLA Rules, 2005, suspicious activities and transactions may include transactions and attempted transactions, in cash and other modalities, that give rise to reasonable suspicion that it may involve proceeds from illegal/criminal activities, are unusually or unjustifiably complex, serve no visible economic or lawful purpose, and/or are not for a bonafide purpose.

7.2Below is an indicative list of actions about which Associates should be careful. This list is not exhaustive, as every circumstance is not foreseeable. However, regardless of appearing conjointly or individually, Associates need to be wary of the following situations that may be indicative of money laundering activities:

i. Donors/Users that are reluctant to provide complete information, and/or provide incomplete, false, or suspicious information, and/or are unwilling to comply with the Organizations identification requirements;
ii. Donors/Users that appear as agents or representatives for other individuals or organizations, but are reluctant and/or unwilling to provide complete information about such individuals or organizations;
iii. Any person, including an Associate, that is concerned about or insists on avoiding any reporting requirements required by law or refuses to maintain records mandated by law;
iv. High volume payments made in cash or cash equivalents only (such as money orders, traveler's cheques, internet currencies or prepaid cash cards) that are commonly used for laundering money;
v. Donations of large amounts that appear to be out of place or inconsistent with normal donation patterns, in the absence of any legitimate purpose for such donation. For instance, particular Donor donates a substantially high amount in 2021, as compared to past 5 years while the project and purpose remained same;
vi. Requests for payments to be made through unrelated countries or to unrelated third parties;
vii. Multiple partial payments from various parties on behalf of a single user and/or multiple partial payments from various locations;
viii. Donors/Users making payments in one form, then requesting refunds in other forms (for example, making payments by credit card, but requesting refunds in cash or by wire transfers);



ix. Donors/Users making contributions, followed by immediate requests to wire out or transfer the funds to a third party or firm, without connected purposes;

x. Users requesting for donations to be paid in cash or wired to a third party or firm, without connected purposes;

xi. Donors/Users connected to countries and/or persons identified as non- cooperative by the Reserve Bank of India, Financial Action Task Force[4] on Money Laundering established by the G-7 Summit in 1987, Office of Foreign Assets Control, US Department of Treasury and international organizations against money laundering. A list of black listed and grey listed countries (countries and territories having "significant strategic deficiencies in their regimes to counter money laundering, terrorist financing, and financing of proliferation) have been included as **Annexure A- 1**;

xii. Where the acceptance of foreign contribution is not prohibited under Sec. 12(4) FCRA, 2010. FCRA. The list of circumstances where acceptance of foreign contribution has been prohibited under this Act has been included as **Annexure A- 2;**

xiii. A donor makes a large contribution which does not seem to be commensurate with the donor's known background or income;

xiv. Unusual or substantial one-off donations;

xv. A donation that appears to be funded by someone other than the donor (eg. Donation is made by a cheque drawn on an account in the name of someone who is not a donor);

xvi. Conditions are attached to a donation which would mean that BVA is being used as a vehicle for transferring funds from one individual or organization to another without the trustees being able to verify that the donation is being put to an appropriate use;

xvii. Corporate donations made using a personal account, as in that case the donation will have to be returned and accepted through corporate account;

xviii. A beneficiary that is a shell company or that is established as a trust, is unwilling to provide additional information about its beneficial owners or underlying beneficiaries in response to a request for such information.

8. Checks to be observed

8.1 Associates must ensure that the Organization is in no way involved in any activity that falls under money laundering activities and that the Organization is not used as a conduit for transferring funds to a third person. Organization needs to adopt the following **"know-your"** principles along with the KYC norms listed above:

- **Know Your Donor:** For instance, charities may be used by donors to launder proceeds from a crime, or stolen credit cards may be used to make a donation to test whether it still operates. A template for a Donor Declaration Form has been attached in **Annexure A- 3**.
- **Know Your Beneficiaries:** For instance, false grant applications or inflated/false numbers of beneficiaries may be provided for claims and to undertake identity fraud in.
- **Know Your Partner:** For instance, false or inflated purchase orders for funds may be submitted to be paid for by NPOs.

8.2 These 'know-your' principles also complement and are in line with the Recommendations which require that **"NPOs should make best efforts to confirm the identity, credentials and good standing of their beneficiaries and associates undertake best efforts to document the identity of their significant donors"**.

[4] https://www.fatf-gafi.org/publications/high-risk-and-non-cooperative-jurisdictions/more/about-the-non-cooperative-countries-and-territories-ncct-initiative.html?hf=10&b=0&s=desc(fatf_releasedate)

8.3 The following are the core elements of 'Know-your Customer' that must be satisfied by the Organization:

- **Identify the Donor** - know who your donor is by collecting their government issued identity proofs- Aadhaar and PAN, and filling of the Donor Declaration Form (attached in Annexure A-3).
- **Verify their Identity**–by carrying out appropriate checks from government portals like MCA, government identity proofs, donor's website, and filling of the Donor Due Diligence Form (attached in Annexure A-4)
- **Know their business**-tobe assured this is an appropriate and legitimate organization for us to be involved with by verifying their terms of operation.
- **Know their business with the Organization**– to ensure that any individuals, contracts, MoUs, and business are not influenced directly or indirectly by the receipt of the donation.
- **Watch for unusual or suspicious activities**–so that any transactions, conduct, requests, or activities that qualify as red flags are not created by the Organization.

9. Steps to Ensure Compliance

9.1 Compliance with Applicable Law: Users/Donors must at all times, ensure that they access and/or utilize **BVA**'s platform in compliance will all applicable laws. Users contributing or donating should also ensure that funds used to contribute or donate to a campaign should not originate from any unlawful activity. Similarly, it must be ensured that the funds collected for a campaign should only be used for the purpose and objects specifically agreed between the parties. Relevant terms and conditions should be incorporated as part of the Donations form in case of sundry Donors, and the Donor due-diligence form, in case of Institutional Donors.

9.2Maintenance and Disclosure of Records: BVA shall maintain complete and accurate records confirming the identity of its Donors/users and the transactions under taken in such a manner, intervals and maintain the records till such time-period as is specified under the applicable regulations. **BVA** will also disclose the information to government authorities, as required under the Act or in case of any inquiry, investigation or other proceedings initiated by them. **Additionally, as per the amended Rules and RBI Guidelines[5] issued from time to time, Banks are responsible to maintain a record of all transactions involving receipts by NPOs of value more than Rupees Ten lakh, or its equivalent in foreign currency to forward to the FIU-IND every month.[6] This report is called as Non-Profit Organizations Transaction Report (NTR). Detailed information on submission of the NTR is provided under Annexure A – 5 of this Policy document.**

9.3Reporting Suspicious Activity: Any suspicious activity or red flag that **BVA** comes across must be reported to the **Secretary, Mr. Suresh Kumar Shakti** at **banwasi1990@gmail.com** or +91 9431167518 who shall take prompt and necessary actions in this regard and report to the FIU.

10. Amendment and Modification

[5] https://rbidocs.rbi.org.in/rdocs/notification/PDFs/92MY30062014FS.pdf

[6] Rule 3 (1) Every reporting entity shall maintain the record of all transactions including, the record of:
(BA) all transactions involving receipts by non-profit organisations of value more than rupees ten lakh, or its equivalent in foreign currency

10.1 BVA reserves the right to modify and amend this Policy at any time. Associates are advised to review **BVA**'s AML Policy from time to time, for the most up-to-date version.

11. Violations of this Policy

11.1 An Associate who violates this Policy or knowingly engages in activities specifically prohibited under this Policy, regardless of whether financial loss to the Organization results or not, may be subject to appropriate disciplinary action up to, and including termination. This shall be in addition to other rights and remedies available under the applicable laws.

12. Governing Law

12.1 Any dispute or claim relating in any way to this Policy is subject to the exclusive jurisdiction of the courts in **Giridih, Jharkhand**. Laws prevailing in India, without regard to principles of conflict of laws, will govern this Policy and any dispute related to/arising from this Policy, between **BVA** and the concerned Donor/user.

This policy was unanimously confirmed in the BVA Executive Committee meeting on dated 24/04/2023. And this policy was adopted.

25/4/23

Suresh Kumar Shakti

Secretary

ANNEXURE A – 1

High-Risk and Other Monitored Jurisdictions Identified by the FATF

High Risk Jurisdictions subject to a Call for Action as onMarch 2022(often referred to as the Black List)[7]:

1. North Korea
2. Iran

Jurisdictions under Increased Monitoring as on June 2022 (often referred to as the Grey List)[8]:

1. Albania
2. Barbados
3. Burkina Faso
4. Cambodia
5. Cayman Islands
6. Gibraltar
7. Haiti
8. Jamaica
9. Jordan
10. Mali

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[7] https://www.fatf-gafi.org/countries/d-i/democraticpeoplesrepublicofkorea/documents/call-for-action-march-2022.html

[8] https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-june-2022.html

11. Morocco
12. Myanmar
13. Nicaragua
14. Pakistan
15. Panama
16. Philippines
17. Senegal
18. South Sudan
19. Syria
20. Turkey
21. Uganda
22. United Arab Emirates
23. Yemen

Annexure A- 2
Acceptance of Foreign Contribution

Rule 12(4)(f), FCRA Act 2010 provides that the acceptance of foreign contribution by the association/person is permissible where it is not likely to affect prejudicially:

- the sovereignty and integrity of India;
- the security, strategic, scientific or economic interest of the State;
- the public interest;
- freedom or fairness of election to any Legislature;
- friendly relation with any foreign State;
- harmony between religious, racial, social, linguistic, regional groups, castes or communities.

Rule 12(4)(g) further provides that the acceptance of foreign contribution is permissible if it-

- shall not lead to incitement of an offence;
- shall not endanger the life or physical safety of any person.

Annexure A – 3
Template for Donor Declaration Form (to be filled by the Donor)

I, _____ do hereby solemnly declare that following are the details relating to my donation:

1.Recipient		
2.Date		
3.Currency of Donation		
4.Amount in Indian Rupees		
5. Mode of Payment	☐ Cash ☐ Bank Transfer	☐ Cheque ☐ Draft
6. Purpose/ Reason for Donation		
7. Nature of Donation	☐ Individual	☐ Corporate
8. Frequency of Donation	☐ One-time	☐ Recurring- one of multiple regular donations
9. Type of Donation	☐ Corpus ☐ Others _____	☐ Specific Donation for _____

I, further declare that the following are the details relating to my person and business:

1.Registered Office		
2.Country		
3.PAN		
4.TAN		
5.DIN		
6.AADHAR No.		
7.If neither PAN or Aadhaar are available, any other Identity Proof		
8.Legal Status of the Donor	☐ Individual ☐ Incorporated	☐ Company ☐ Association
9. Registration No. (if any)		
10. Date of Incorporation/ Establishment		
11. Specifics of Work Done/ Activities/ Engagements of business		
12.Type of Governing Document (attach where donation is more than Rs. 50,000)		
13.Other Relevant Policy Documents (attach where donation is more than Rs. 50,000)		

VERIFICATION

I, _____ solemnly declare that to the best of my knowledge and belief, the information given in this certificate is correct and complete, and is in accordance with the provisions of the Income-tax Act, 1961. I further declare that I am making this certificate in my capacity as _____ and I am also competent to issue this certificate.

Date: _____

Signature: _____

Annexure A – 4

Template for Donor Due Diligence Form (to be filled by the Donee after verification)

DETAILS OF VERIFICATION DONE		
1. BASIC INFORMATION		
1.1 Name of the Donor		
1.2 Registered Name, if any		
1.3 Registered Address		
1.4 Address for Communication		
1.5 Website		
2.CONTACT DETAILS		
2.1 Name of Contact Person		
2.2 Designation		
2.3 Telephone number		
2.4 Email		
3. TRUSTEES		
3.1 NameTrustee 1		
3.2 Address		
3.3 NameTrustee 2		
3.4 Address		
3.5 NameTrustee 3		
3.6 Address		
4.BANK DETAILS		
4.1 Name of Bank		
4.2 IFSC		
4.3 Account Holder		
4.4 Account Number		
4.5 Type of Account	☐ Individual/Personal	☐ Corporate
5. PARTNERSHIPS WITH OTHER ORGANIZATIONS		
5.1 Name of Partner Organization		
5.2 Registration details of Partner Organization		
5.3 Outline of Project		
6. ROC DATA		
6.1 CIN Number		
6.2 COI Number		
6.3 Company Name		
6.4 ROC Code		
6.5 Registration Number		
6.6 Company Category		
6.7 Date of Incorporation		
6.8 Registered Office		
6.9 Address other than r/o		
6.10 Email ID		
6.11 Whether company is listed/unlisted	☐ Listed	☐ Unlisted
6.12 Compliance Status (Active/Inactive)	☐ Active	☐ Inactive
6.13 Whether suspended at Stock Exchange	☐ Yes	☐ No
6.14 Date of last AGM		

6.15 Date of last Balance Sheet		
6.16 Company Status (for e-filling) – Active/ Inactive	Active	Inactive
7. DIRECTOR'S/ SIGNATORY DETAILS		
7.1 DIN/ PAN and Name of Director 1 a/w Begin Date		
7.2 DIN/ PAN and Name of Director 2 a/w Begin Date		
7.3 DIN/ PAN and Name of Director 3 a/w Begin Date		
8. ASSURANCE		
8.1 Summary and Sources of Due Diligence checks carried out		
8.2 Is the donation consistent with all reporting requirements?	Yes	No
8.3 Are there any other national, local laws affecting the donation?		
8.4 Is the donation consistent with our purpose and intent?	Yes	No
8.5 Is the donor reluctant or unwilling to provide any information?	Yes	No
8.6 Is the donor insisting on making the donation in cash and cash equivalents only (money orders, travelers cheques, internet currency, prepaid cash cards)?	Yes	No
8.7 Is the donation routed from various locations?	Yes	No
8.8 Is the donation received from a known donor or unknown donor?	Yes	No
8.9 Is a corporate donation been made through a personal account?	Yes	No
8.10 Is there any indication that the donation is not commensurate with the income/ background of the donor?	Yes	No
8.11 Is the donation made by someone unconnected to the donor organization?	Yes	No
8.12 Is the donation in the form of multiple partial payments from various parties on behalf of a single user?	Yes	No
8.13 Is the donor/ any of the directors in their business based outside India?	Yes	No
8.14 Is there any indication that the money originated outside India? If so, what is the country of origin?	Yes	No
8.15 Is the country of the origin of funds- black listed or grey listed by the FATF, RBI, or any other organization?	Yes	No
8.16 Has the donation been barred from acceptance as the FCRA 2010, attached in Annexure A-2?	Yes	No

8.17 Where the donation is recurring, is the mode of payment unusual?	
8.18 Where the donation is recurring, is the frequency of donation unusual?	
8.19 Where the donation is recurring, is the donation of an unusually bigger amount?	
8.20Would the donation influence only 1 individual in particular, directly or indirectly?	
8.21Would the donation influence any contract or engagement, directly or indirectly?	
8.22Are there any third parties like agents, representatives facilitating in the donation? Who are they?	
8.23 Are the third parties reluctant to provide any information?	
8.24 Is there any cause for concern/ unusual conditions attached the donation?	
8.25 Is the donation conditional on any terms? What are these terms?	
8.26 Have any concerns/inquiries been raised against the donor or this donation?	
8.27 Have any conditions to not use the donated amount for a certain period of time been attached?	
8.28 Have any conditions to return the donated amount to the donor been attached, specifically if requested to be returned in another mode of payment/ to another individual or organization?	
8.29 Have any conditions to forego reporting requirements been attached?	
8.30 Have any conditions to provide favorable/beneficial services to any individual or entity been attached?	
8.31 Have any condition to route the payment through unrelated countries been attached?	
8.32 Have any condition to involve unrelated parties been attached?	
8.33 Is any other indication that donor is a shell company or trust?	
8.34 Is there any other indication that the Organization is being used as a conduit to launder funds?	

Annexure A – 5
Not for Profit Transaction Report (NTR)

The Bank is required to submit details of:

(a) All cash transactions involving receipts of value more than Rs.10 lakhs or its equivalent in foreign currency by clients who are non-profit organizations.

(b) NTRs must contain details of legal persons as per definition under Rule 2(1)(ca) of the Money Laundering (Maintenance of Records) Rules, 2005. Non-profit organization (NPO) means any entity or organization that is registered as a Trust or a society under the Societies Registration Act, 1860 or any similar State legislation or a company registered under section 8 of the Companies Act, 2013.

(c) Transactions of an account should be given in report along with details of the legal entity, individuals, account and transaction on lines similar to those for CTRs.

(d) The report is to be filed in the format prescribed by FIU-IND.

(e) NTR for every month should be submitted to FIUIND, by the 15th day of the succeeding month.[9]

If the reporting entity has account-based relationship, they should use account based reporting format (ARF) for submitting CTR, STR and NTR. Transaction based reporting format (TRF) can be used for transactions without account based relationship with the customer. E.g. money transfer service, money exchange.

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[9] As per Rule 8(1), PMLA Rules, 2005. See also, https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=9625&Mode=0