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#### TOPICS

- SEBI Master Circular on Anti Money Laundering Standards/Combating Financing of Terrorism/Obligations of Securities Market Intermediaries
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### » SEBI Master Circular on Anti Money Laundering Standards/Combating Financing of Terrorism/Obligations of Securities Market Intermediaries

Securities and Exchange Board of India (SEBI) has issued a Master Circular (Master Circular) on December 19, 2008 consolidating the guidelines on anti money laundering (AML) Standards, combating financing of terrorism (CFT) and the obligations/requirements to be adhered by securities market intermediaries with respect to recording specific type of transactions and procedure thereof. AML and CFT are dealt with under the Prevention of Money Laundering Act, 2002(Act) and rules issued along with the Act. As per the Act, every banking company, financial institution and intermediary is required to maintain a record of all such transactions, the nature of which has been prescribed in the rules framed there under. SEBI, being the securities market regulator, issues, from time to time circulars prescribing guidelines and procedural requirements to be adhered to by intermediaries in order to comply with the obligations of recording specific transactions under the Act. The Master Circular consolidates all the circulars prescribing guidelines/procedures issued so far by SEBI on this subject. Part I of the Master Circular lays down the broad guiding policies/procedures to combat money laundering and terrorist financing, and Part II sets out in detail the obligations which needs to be complied by the intermediaries for adhering to the broad guidelines.

The step taken by SEBI in issuing the Master Circular is appreciable and follows the practise which the Reserve bank of India (RBI) has in place whereby all the circulars, notifications issued on a particular subject are consolidated and yearly placed on RBI website.

In case of any clarifications please contact our Knowledge Management Team.

[\[TOP\]](#)

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