

## Term of the Month

### Specially Designated Nationals and Blocked Person List (SDN List)

A list of individuals and companies, published by OFAC, that are owned, controlled by, or acting on behalf of a targeted country. The list also includes groups and people, such as terrorists or drug traffickers, who are associated with a specific crime as opposed to a country. The US Department of the Treasury maintains the list and may name a person or company as an SDN. When the government identifies a person or company as an SDN, it blocks their assets and forbids US persons to do business with them. The government may also impose fines and imprison lawbreakers. Also, individuals may lose their export privileges. The US government may put the person or business on a list of blocked, denied, or debarred individuals and institutions.

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## News Update

IntelleWings soared to new heights with their outstanding performance at the BSE (Bombay Stock Exchange), This achievement is even more impressive when considering that IntelleWings won two out of the five awards presented to startups.

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## News from the **AML world**

### [Govt brings crypto under money laundering law](#)

The Centre has brought crypto trading, safekeeping and related financial services under the ambit of the Prevention of Money Laundering Act. The Union finance ministry issued a gazette notification to this effect on Tuesday. Crypto exchanges and intermediaries dealing with virtual digital assets (VDA) will now be required to perform KYC of their clients and users of the platform. Besides, exchanges will have to report suspicious activity to the Financial Intelligence Unit India

### [Government amends anti-money laundering rules, brings PEP under PMLA](#)

The government has amended rules under the anti-money law, making it mandatory for banks and financial institutions to record financial transactions of politically exposed persons (PEP). Banks and financial institutions, firms engaged in real estate and jewelry sectors will now have to also collect the details of the registered office address and principal place of business of their clients.

### [UAE's MoE imposes fines worth \\$6.15mln on 29 DNFBP firms](#)

The UAE Ministry of Economy (MoE) has imposed fines worth AED22.6 million (\$6.15 million) on 29 companies operating in the UAE's designated non-financial business or professions (DNFBP) sector. The fines were for failure to comply with the anti-money laundering and combating the financing of terrorism (AML/CFT) legislation.

### [Central banks of UAE, India sign agreement to boost collaboration](#)

The central banks of the UAE and India have signed a memorandum of understanding (MoU) in Abu Dhabi on March 15. The Central Bank of the UAE and Reserve Bank of India will collaborate on various emerging areas of fintech especially Central Bank Digital Currencies (CBDCs) and explore interoperability between the CBDCs of CBUAE and RBI, reported the state news agency, WAM. The central banks will jointly conduct proof-of-concept (PoC) and pilot(s) of a bilateral CBDC bridge to facilitate cross-border CBDC transactions of remittances and trade.

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## [UAE Central Bank cancels Russia's MTS Bank license: closing down Abu Dhabi branch](#)

The UAE Central Bank is cancelling the license to operate for Russia's MTS Bank, which will now have to wind down operations within six months from the date of the decision. MTS operates one branch in Abu Dhabi. "This decision comes after considering the available options regarding the new status of the MTS Bank, and taking into account the sanctions risks associated with the bank after the designation," the UAE Central Bank said in a statement. In the winding down process, the MTS Bank branch will be prohibited from opening new accounts and conducting transactions, 'except for clearing prior obligations and the bank's use of Central Bank's payment systems will be restricted to this purpose.

## [UAE Added to FATF's Grey List for Failing to Comply with AML Standards](#)

The United Arab Emirates (UAE) was recently added to the FATF's grey list for failing to comply with global AML standards. Here we come across UAE's targeted financial sanctions. The UAE, one of the region's major economies, has relatively lax anti-money laundering rules, which enable criminals to exploit gaps and commit financial crimes. In the year 2021 alone, the UAE confiscated \$625 million in connection with money laundering and terrorism financing. All of these instances of monetary fraud in the UAE prompted global authorities to impose penalties on the country and request that the national government develops a comprehensive framework to combat financial irregularities. AML transaction monitoring is a critical function in this process.

## [Financial Action Task Force Suspends the Membership of the Russian Federation, and Identifies Jurisdictions with Anti-Money Laundering and Combating the Financing of Terrorism and Counter-Proliferation Deficiencies](#)

The Financial Crimes Enforcement Network (FinCEN) is informing U.S. financial institutions that the Financial Action Task Force (FATF), an intergovernmental body that establishes international standards for anti-money laundering, countering the financing of terrorism, and countering the financing of proliferation of weapons of mass destruction (AML/CFT/CPF), issued a public statement on February 24 at the conclusion of its plenary meeting announcing its suspension of the Russian Federation's membership from FATF. The statement notes that "the Russian Federation's actions unacceptably run counter to the FATF core principles aiming to promote security, safety, and the integrity of the global financial system."

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## Regulatory Information from the **AML world**

### [FATF publishes report on countering ransomware financing](#)

The Financial Action Task Force (FATF) has released a report on the methods used by criminals in carrying out ransomware attacks and how payments are made and laundered. The report proposes several actions to disrupt ransomware-related money laundering, including leveraging international cooperation mechanisms, developing necessary skills and tools, and extending collaboration beyond traditional counterparts. The FATF also finalized a list of potential risk indicators to help public and private sector entities identify suspicious activities related to ransomware.

### [Sebi Issues New Norms for Processing Investors' Service Requests, PAN, KYC Details By Registrars](#)

The Securities and Exchange Board of India (Sebi) has issued new simplified norms for registrars, listed companies, and recognised stock exchanges and depositories for processing service requests and PAN card, know-your-customer (KYC) details of investors, aimed at enhancing the ease of doing business, it said. As per the new rules, furnishing a Permanent Account Number (PAN card), KYC details, and nomination are mandatory for holders of physical securities. Investors can lodge a grievance or avail of service requests from the RTA only after furnishing all the documents.

### [Guidance on Beneficial Ownership of Legal Persons](#)

In March 2022, the FATF agreed on tougher global beneficial ownership standards in its Recommendation 24 by requiring countries to ensure that competent authorities have access to adequate, accurate and up-to-date information on the true owners of companies. The FATF has now updated the guidance that will help countries implement the revised Recommendation 24.

### [SEBI makes KYC mandatory for maintaining e-wallets in mutual funds from May 1](#)

SEBI has urged fund companies to make sure that investors should complete mutual fund transactions using KYC-compliant e-wallets. This will take effect on May 1, 2023. "It should be ensured that all e-wallets are fully compliant with KYC norms as prescribed by Reserve Bank of India," SEBI said in a circular.

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## [New EU measures against money laundering and terrorist financing](#)

MEPs approved stricter rules to close existing gaps in combating money laundering, terrorist financing and evasion of sanctions in the EU. On Tuesday, MEPs from the Economic and Monetary Affairs and Civil Liberties, Justice and Home Affairs committees adopted their position on three pieces of draft legislation on the financing provisions of EU Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) policy.

## [US updates AML laws to create new database](#)

In an effort to fight money laundering, the United States Congress has passed the Corporate Transparency Act (CTA) as part of its anti-money laundering efforts. New regulations are set to come into effect in the US, requiring businesses to submit personal identification documents to the federal government to aid in the prevention of money laundering. Under the Corporate Transparency Act, passed as part of the Anti-Money Laundering Act in the National Defence Authorisation Act for Fiscal Year 2021, a federal database containing personal and business information will be created. The database will be used to store information about who owns and operates legal entities within the United States.

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