

## **“ANMI – Learning” Initiative Advanced Seminar on Compliance Management dated 4/12/2010**

“ANMI-Learning” organized the above one-day seminar with the WIRC of ANMI for the members on 4<sup>th</sup> December, 2010 at National Stock Exchange of India Limited auditorium which was held on Saturday between 9.30 am and 5.30 pm. The subjects that were covered were as under:



### **“Operations Management in a Broking Organization” by Mr. Uday Tardalkar, Vice President - Operation of Tata Securities limited:**



Mr. Uday Tardalkar explained how Standard Operating Procedures (SOP) can improve efficiency in a broking organization in all the departments. He laid emphasis on Setting up Policies & procedures for improving efficiency of the organization and stated that the procedures and processes should be dynamic as to meet the organization’s requirement.

### **“Controls Management in a Broking Organization” by CA Bhavesh Vora of BRV & Associates:**



Mr. Vora stressed on Controls Management and Control Procedures. He stated that various Procedures can be set in place by indentifying and understanding the operations design, identifying risks involved and the relevant controls required. Internal audit process should cover all the activities during the audit review. Internal controls should be properly evaluated during the audit process. He explained the importance of maintaining and updating Risk Register along with regular MIS reporting.

### **“Market Risk and Operations Risk and Risk Management” by Mrs. Deena Mehta, Managing Director of Asit C. Mehta Investment Intermmediates Limited:**



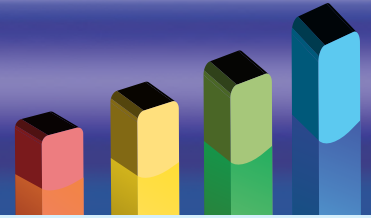
Mrs. Mehta initiated the session highlighting the changes that have taken place in the structure of capital markets since 2001 after the ban of badla trading and introduction of NBFCs. She explained the risks involved in the settlement process of the clients demat account due to lack of complete knowledge of the client. She explained it with the practical examples. She elaborated on the various aspects where the client lacks knowledge due to which disputes occur amongst the brokers and the client. She also suggested advising the clients on their portfolio management to enhance their gain in a dynamic market.



### **“IT in Investment Operations – Information Risk Management” by Mr. Shankar Gawade, Vice President - IT Infrastructure of Enam Securities Pvt. Ltd:**

Mr. Shankar Gawade explained the concepts of Risks and Information Risk

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Management & its importance and Best practices of Information Risk Management. He explained that information in possession of the company should be treated “As A VALUABLE ASSET” which could be well utilized effective risk management. He explained that Risk Management is a responsibility of management personnel across the organization which should develop a project plan for Risk Assessment activity. He stated that such a plan should identify the various risks that could be faced by the organization and the counter measures for mitigating such risks when implemented in a stream lined manner, it will bring about organizational discipline.

## **“Dealings with Client - The Account Opening Procedures & Trading Related Compliances” by Mr. C N Upadhyay, Asst Vice President – NSEIL Inspection and Compliance:**

Mr. C N Upadhyay spoke in detail about how a broking organization should facilitate their clients in respect of account opening procedures; which mainly involves KYC & PMLA requirements and the risk management perspective in the account opening procedures. He stated that trading related compliances broadly covers Order and trade processing, Pay in and Pay out processing, requirements related to contract notes, settlement procedures & risk management.



## **“Prevention of Money Laundering - Effectiveness of Sanctions List” by Mr. Jay Jhaveri, Head from World-Check, Asia:**

Mr. Jhaveri in his address focused on the effectiveness of “Sanctions List” which needs to be constantly referred to by Broking Organization to check the criminal background of the individual entity before entering into a financial transaction with the said client. He said that Sanctions List gives the organization the list of the suspected persons linked with terrorism. There are various bodies which bring out a Sanctions List, namely HM Treasury UKHMT (Formerly Bank of England), European Union (EU), Office of Foreign Assets Control (OFAC), the United Nations (UN) and also M/s World-Check themselves. He explained how money laundering also leads to use of gains from illicit activity for terrorism and creating instability of the financial system.



## **“Prevention of Money Laundering - Identification of Suspicious Transactions and Clients” by Mr. Sagar Tanna, Director of Tanna Software Solutions Pvt. Ltd.:**

Mr. Sagar Tanna elaborated the process for analyzing and detection of suspicious trading patterns on the trading platforms. He also stressed as to how an analysis should be done of trades occurring on the exchanges as well as the DP transactions. The session also focused on various types of suspicious transactions that can be tracked by use of softwares. He emphasized the need for a flexible system which could comply with regulatory requirements and also be a low cost and high efficiency tool to cover high risk transactions.



The days’ Seminar received an overwhelming response from the members. Nearly 200 participants from the members’ office attended the seminar. The participants requested ANMI to conduct such informative seminars regularly.

