

# BRICS

CHAMBER OF COMMERCE & INDUSTRY



## **BRICS Chamber of Commerce & Industry CONFERENCE ON ANTI MONEY LAUNDERING**

BRICS Chamber of Commerce and Industry (BRICS-CCI) organized the **Conference on Anti Money Laundering** with the aim to initiate a dialogue on the same. Commenced by the welcome address by Mr. B. R.Saini, President, BRICS CCI, the objective behind this event was to provide a platform to eminent professionals from business houses, financial and legal institutions to conduct an integrated discussion on financial, economic and social issues and the significance of "wealth creation in an equitable manner", as mentioned by Dr. BBL Madhukar, Secretary General, BRICS CCI, in his opening address.

The Conference, lead by CA Anil Agarwal, who was the Program Director for the same, addressed the Anti-Money Laundering risk management challenges that most businesses face and the best practices for Anti Money Laundering and Financial Crime Compliance.

This event also gave businesses houses the opportunity to directly interact with the Enforcement Directorate and discuss with them the avenues through which they can curb financial crime within respective organizations. The suggested themes for the presentations were:

- ✍ The Prevention of Money Laundering Act (PMLA) and relevant Civil and Criminal Laws as applicable to Anti Money Laundering laws and procedures.
- ✍ Managing the reduction of Iran Sanctions and other Sanctions Compliance
- ✍ Overview of PMLA in India with focus on Enforcement Directorate.
- ✍ Financial Crime Compliance and managing cross border compliance

Mr. Karnal Singh, Director, Enforcement Directorate, Department of Revenue, Ministry of Finance, Govt. of India was the honorable chief guest and in his inaugural address, he talked about hawala operators, shell companies and other "washermen" who facilitated the money laundering process and the adverse economic and social impacts of money laundering. Adding to that, he also addressed the global collaborative initiatives taken to stop financial crime such as the Financial Intelligence Unit (FIU) and how FIU-India and Enforcement Directorate facilitate the enforcement of the Prevention of Money Laundering Act.

His keynote address was followed by a Q&A session during which he ascertained that "IICA should start self regulation" to stop the formation of shell companies. He concluded the session by stressing on the importance of reporting financial crime referring to the infamous Vijay Mallya case stating that "the ED is handicapped to go any further in the case because the banks have not reported fraud".

Also present was Mr. DK Gupta and Mr. Anil Ramteke, Special Director and Joint Director, Enforcement Directorate, Department of Revenue, Ministry of Finance, Govt. Of India along with CA Pranshu Goel, who gave an overview of PMLA in India with focus on Enforcement Directorate.

Ms. Radish Singh, Partner, Deloitte Forensic, Deloitte Singapore talked about Iran Sanctions via video conference wherein she discussed how the lifting of the Sanctions may lead to Iran becoming an "economic powerhouse" because of its large oil reserves and trade potential. Additionally, she talked about managing sanctions compliance and how the lifting of Iran Sanctions affect the global economy stating that banks are still hesitant to facilitate trade with Iran as it remains a high risk country because of its uncertain nuclear deal with US.

Well-known CA Anil Agarwal, CA Aseem Chawla and CA Pranshu Goel from ASC legal, Dr.Srinivas Yanamandra, Head of Personal Banking Compliance and Principal Officer for AML in IDFC bank, Mr. Rajeev Awasthi, Special Counsel for ED, and Mr. K.V Karthik, Partner, Financial Advisory, Deloitte conducted a joint session during which the following points were highlighted: KYC and AML policies to establish regulatory requirements, financial crime pillars, the lines of defence, financial crime systems and controls, good and bad practices, application of robust risk-based account management principles to promptly spot and resolve red flags.

Mr. Sajeve Deora, Director, Integrated Capital Services Limited, demonstrated how sovereigns create their independent systems for monitoring of suspicious transactions and what the uniform guidelines for monitoring of transactions are. He elaborated why tracing the flow of funds, determining the actual beneficiary and affixing liability thereon, is an important aspect to claw laundered funds.



## PHOTO GALLERY





## PHOTO GALLERY



## PM Narendra Modi's government to build Brand India during upcoming BRICS summit



NEW DELHI: It's the biggest buildup to an international summit to be hosted by India — 95 events lined up ahead of the BRICS Summit in mid-October in Goa.

A meeting of BRICS heads of antidrug agencies in New Delhi on July 8 was one such event that are being held, not only in the national capital but across the country, including tier-II cities.

The Modi government is keen to change the trend of holding foreign policy meetings and summits largely in the national capital.

It wants to popularise foreign policy in the states and build Brand India among the other members of BRICS — Brazil, Russia, India, China and South Africa — by hosting workshops and conferences in the run-up to the summit elsewhere in the country. "The idea is to build the public profile of BRICS through local participation.

The objective is to take BRICS to the common people. And involving the state governments for an international summit fulfils the PM's objective of cooperative federalism," a person familiar with the developments told ET. Effective partnership between Indian states and provinces abroad is among the priorities of the Modi government and through BRICS, more such partnerships are being explored, the person said.

Guwahati, Assam's biggest city considered the gateway to the landlocked Northeast, hosted the BRICS Youth Summit from July 1 to 3, generating significant enthusiasm among the local people. "The presence of representatives from different continents and two UN permanent Security Council members gave appropriate exposure to the youth of Assam," another person said.

India previously hosted the BRICS Summit in 2012 in New Delhi, with 25 events preceding it, most of them held in the national capital. The Bharatiya Janata Party-led Modi government is choosing other cities to host both political and economic summits.

<http://economictimes.indiatimes.com/news/politics-and-nation/pm-narendra-modis-government-to-build-brand-india-during-upcoming-brics-summit/articleshow/53163486.cms>



## BRICS bank to issue \$448 million of yuan green bonds



The New Development Bank (NDB), established by the BRICS group of emerging nations, plans to sell 3 billion yuan (\$448.37 million) of yuan-denominated, green bonds in China's interbank market.

The green bonds will be issued on July 18 with a 5-year tenor and will be the first such issuance by a bank of its type under guidelines issued by China's central bank in December, according to a news release sent to Reuters.

Bank of China Limited is the lead underwriter and book runner for the issue, while joint underwriters include the Industrial and Commercial Bank of China Limited, China Construction Bank Limited, HSBC Bank (China) Company Limited and Standard Chartered Bank (China) Limited.

Bond proceeds will be used to finance green projects in BRICS countries, the press release said.

"The NDB intends to obtain an international credit rating to broaden its access to global capital markets," said Leslie Massdorp, CFO of NDB.

<http://www.thehindu.com/business/brics-bank-to-issue-448-million-of-yuan-green-bonds/article8839615.ece>

## India to lend Kenya \$45 million for manufacturing sector



Indian Prime Minister Narendra Modi has ended a four-nation tour of Africa that took him to Mozambique, South Africa, Tanzania and Kenya.

On Monday at a news conference with Kenyan President Uhuru Kenyatta, Modi said India will lend Kenya \$45 million to help develop a textile factory and other smaller industries.

“India is Kenya’s largest trading partner and the second largest investor here. Even with that, there is a potential to achieve much more,” Modi said.

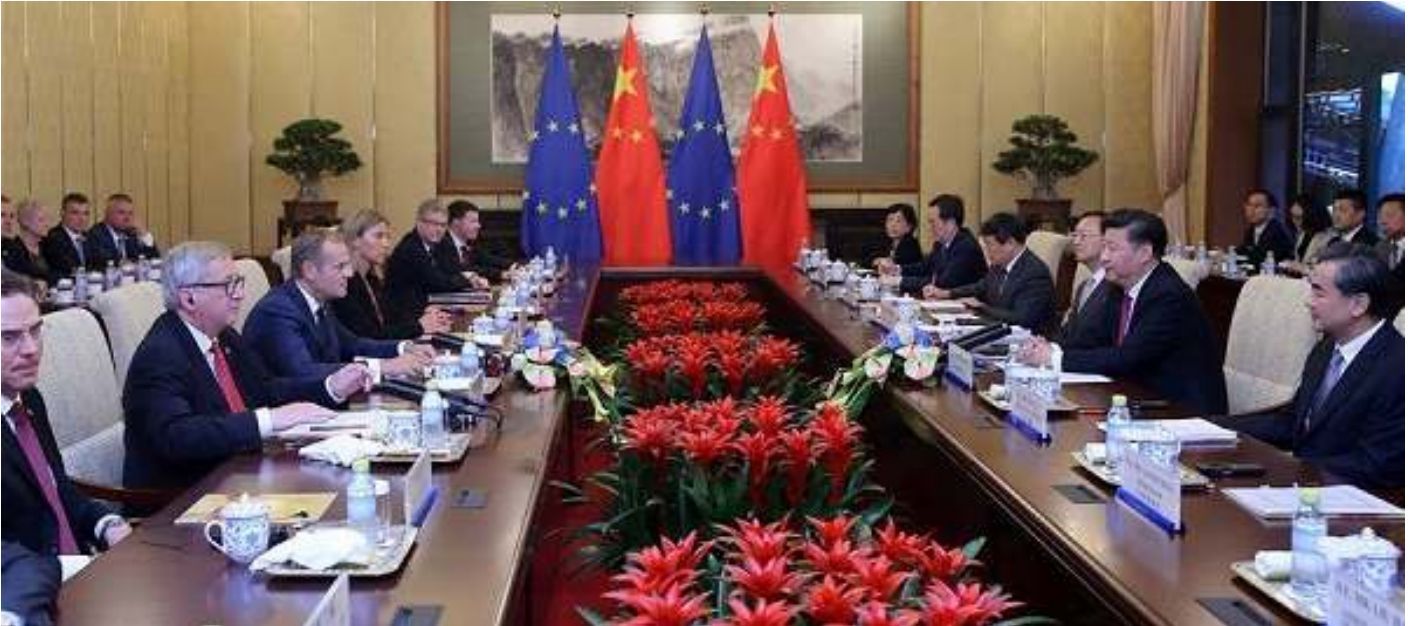
Kenyatta said \$30 million of the funds would be used to revive the Rift Valley Textiles Factory. India had evinced interest in reviving and expanding operations of the company in 2014.

India and Kenya on Monday signed seven pacts, including in the field of defence and security.

Modi and Kenyatta “agreed that terrorism and radicalisation are common challenges for our two countries, the region and the whole world. We have agreed to deepen our security partnership including in fields of cyber security, combating drugs and narcotics and human trafficking.”

<http://thebricspost.com/india-to-lend-kenya-45-million-for-manufacturing-sector/#.V4YhbNJ97IW>

## Market economy status, Silk Road dominates EU-China summit



Market economy status for China and European participation in China's ambitious One Belt One Road project are expected to be the highlights of the China-EU bilateral summit that began in Beijing on Tuesday.

Chinese President Xi Jinping met visiting European Council President Donald Tusk and European Commission President Jean-Claude Juncker on Tuesday.

Xi referred to both the Silk Road and the EU Commission's impending decision on market economy status for China during talks with the European leaders.

"China hopes the EU will carry out its obligations on Article 15 of the protocol on China's accession to the WTO as scheduled," Xi said.

Under the agreement that led China to join the World Trade Organization in 2001, WTO members pledged to scrap in December 2016 a shortcut for applying a non-market economy standard in calculating anti-dumping duties on China.

Whether the EU should recognize China as a market economy is a politically-charged debate within the 28-member bloc.

The issue has become a flashpoint in Europe as a sluggish EU economy, excess Chinese production capacity and a struggling European steel industry spark fears of a manufacturing decline and further job losses from the UK to Italy.



## Rajnath to inaugurate BRICS Heads of Drug Control Agencies Working Group Meeting today



Home Minister Rajnath Singh will inaugurate the second anti-drug Working Group meeting of Heads of Drug Control Agencies of BRICS countries today.

The meeting is being organized by the Narcotics Control Bureau (NCB).

Besides the delegates from the member countries, the Ambassadors of the respective countries shall also be attending the inaugural session.

The Directors General of Border Guarding Forces and the Paramilitary are also likely to attend the inaugural session along with the heads of the Intelligence and Investigative Agencies like the Intelligence Bureau and the Central Bureau of Investigation (CBI).

The BRICS, an association of five major emerging economies comprising of Brazil, Russia, India, China and South Africa, had started as a forum for future economic cooperation and for reforming Financial Institutions.

The seventh BRICS summit was held in July, 2015 in Russia and India shall be hosting the eighth BRICS summit in October, 2016 in Goa.

In accordance with the 'eThekweni Declaration' adopted during the BRICS summit in March 2013 at Durban, South Africa, it was decided to explore, besides economic issues, various new areas of cooperation among the member States, including drug related issues.