DUCRAY LENOIR

AML – CASH LIMITATION PROCEDURE

ABSTRACT

Limitation of payment in cash

Anyone who makes or accepts any payment in cash in excess of 500,000 rupees or an equivalent amount in foreign currency, or such amount as may be prescribed, shall commit an offence.

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TABLE OF CONTENTS

1.0 Introduction 2

2.0 Scope and Objectives 2

2.1 Scope 2

2.2 Objectives 2

3.0 Statement Policy 3

4.0 Processes 3

4.1 Cashier Office 3

4.2 Finance Department 5

4.3 Internal Audit 6

4.4 Notification Form 7

DUCRAY LENOIR

1.0 Introduction

Pursuant to Section 5 of the Financial Intelligence against Money Laundering Act 2002 on the Limitation of payment in cash provides that any person who makes or accepts any payment in cash in excess of 500,000 rupees or an equivalent amount in foreign currency, or such amount as may be prescribed, shall commit an offence.

Criminals are, nowadays, very versed with the legal limitations of MUR. 500,000 cash payments.

The way to avoid triggering any warning alerts, they tend to layer payments in several small amounts of cash payments in numerous purchases over consecutive days which may total to MUR. 500,000 and above.

Any person who - (a) commits the above-mentioned offence; or (b) disposes or otherwise deals with property subject to a forfeiture order, shall, on conviction, be liable to a fine not exceeding 10 million rupees and to penal servitude for a term not exceeding 20 years.

The present Policy aims to ensure that Ducray Lenoir Ltd does not become a vector for money laundering by criminals.

2.0 Scope and Objectives

2.1 Scope

This Policy is to:

1. Promote strong governance and money laundering risk management throughout the Company.
2. Articulate the Company's risk-based approach to managing its money laundering risk mainly in its cash-intensive businesses
3. Define a clear and consistent foundation across the Company to deter, manage and identify money laundering-related risks.
4. Provide a uniform set of risk management principles and mandatory requirements throughout the Company in order to protect it from violating AML laws and regulations.

2.2 Objectives

The Company's Policy Framework requirements include but are not limited to:

1. Risk Management

The identification, assessment and measurement of risks, response and mitigation, monitoring and oversight.
To protect the Company against any reputational risks associated with the crime of money laundering in terms of adverse media hits.

2. Escalation and reporting
   The requirements to investigate and report on unusual/ suspicious activity, facilities to ***Raise Your Concern*** and deal with incidents.

3. Training to all employees.

4. Processes to ensure that customers who may not fall within the Financial Crime Risk Appetite are subject to risk acceptance or exit decision.

5. Identification of who the customer is and to identify and manage potential Financial Crime risks.

3.0 Statement Policy

The Company is not per se a Reporting Entities under the Financial Intelligence against Money Laundering Act 2002, nevertheless, the Company has a responsibility to its customers, shareholders and regulators to prevent it from being used to facilitate Money Laundering.

Having some cash-intensive businesses within the Company, it is committed to deter, manage and identify the financial crime risks that it may be exposed to and to take the proportionate measures required to manage these risks across all jurisdictions in which it operates.

The Board of Directors have approved the following policies:

- Cash Limitation Notice in a clearly visible place for all clients.
- Any person wishing to make cash payments less than the legal limit of MUR 500,000 will be requested to produce proof of identity in the form of either a National Identity Card or a valid Driving Licence or passport.
- Clients to be encouraged to effect payment through Bank Card/cheques/bank transfers.
- The Cashier to notify by filling in a Notification Form as per 4.4, at close of business, the Head of Finance of all cash payments between MUR 100,000 and MUR 499,999 received from specific clients in order to enable the Head of Finance to monitor any potential cases of money-laundering.

4.0 Processes

Certain processes have been put in place with regard to the cash limitation procedure as follows:

4.1 Cashier Office

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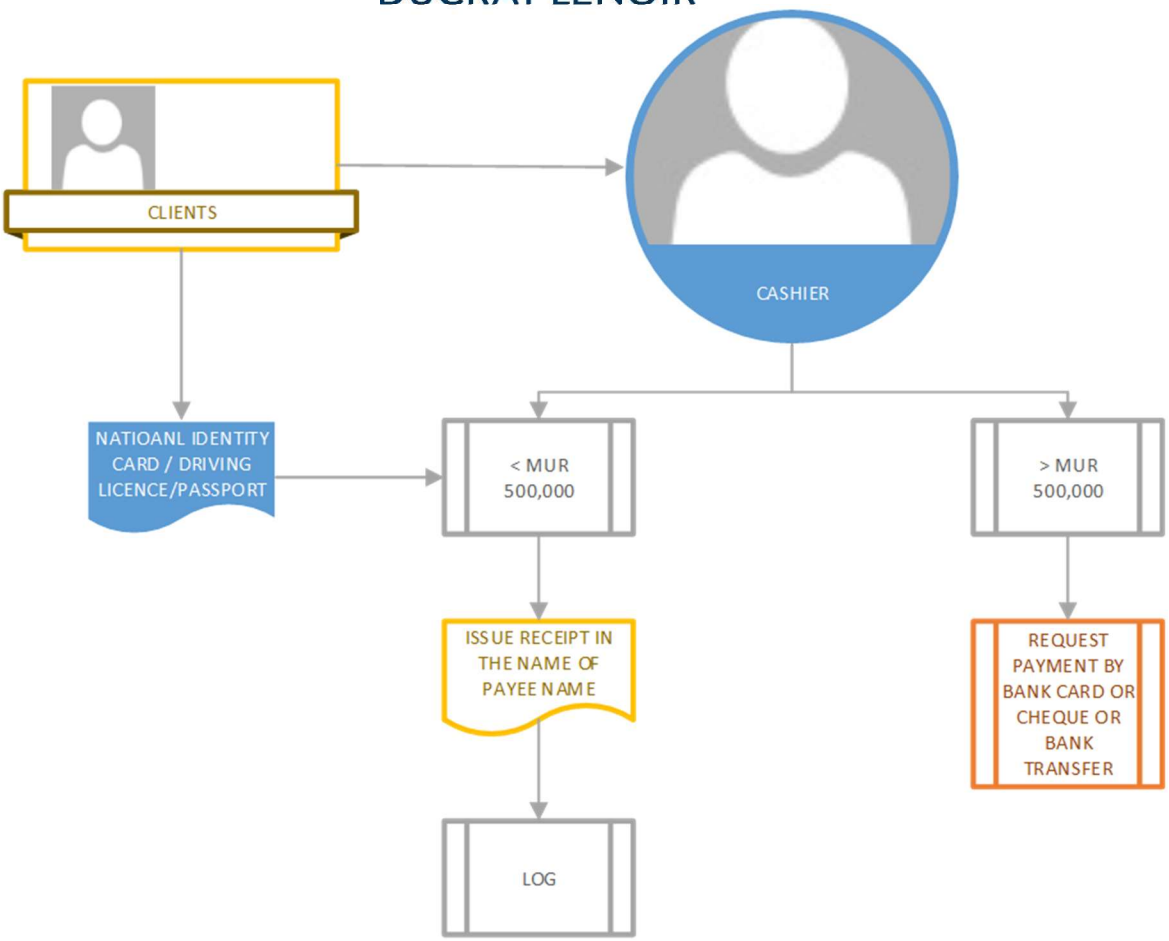
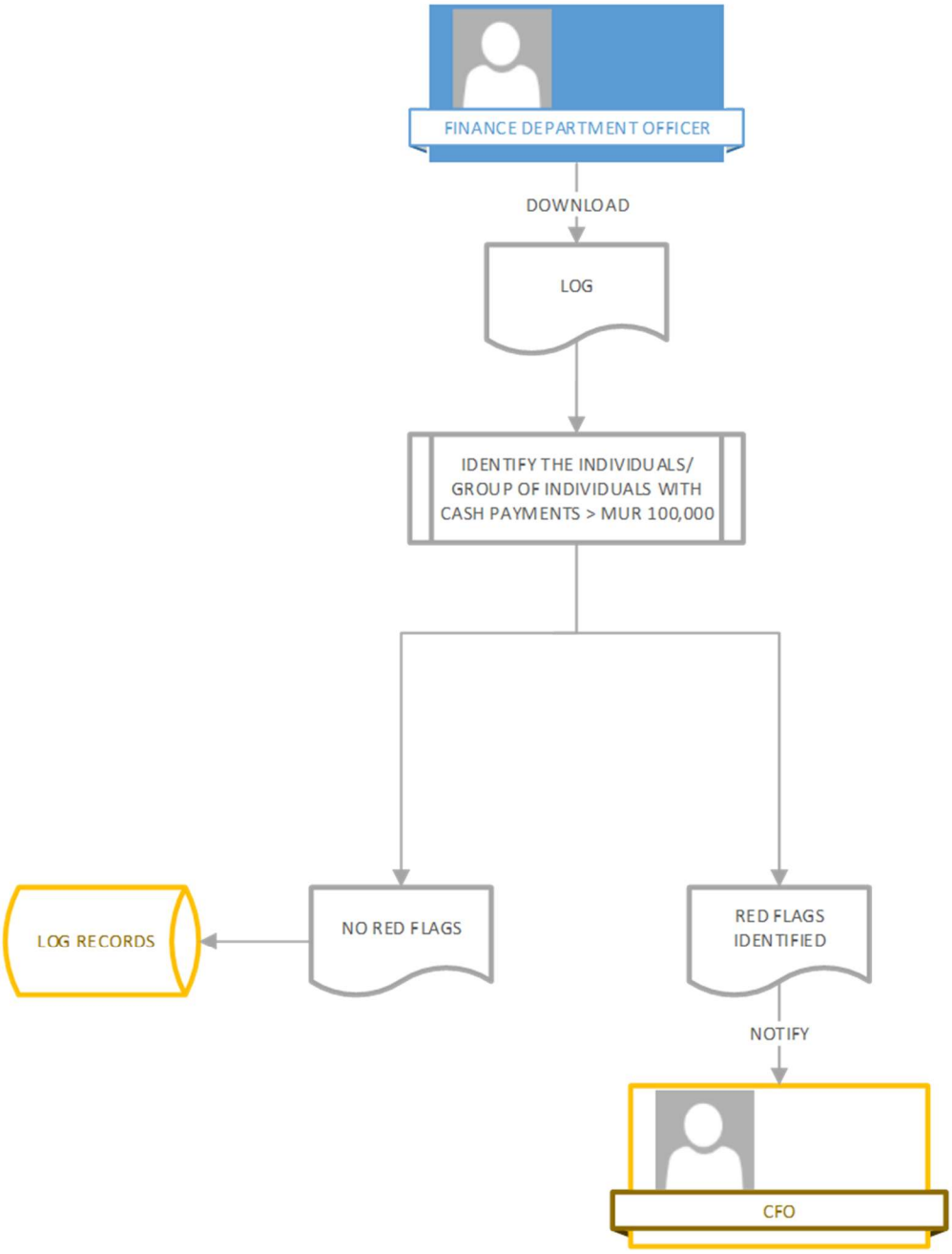
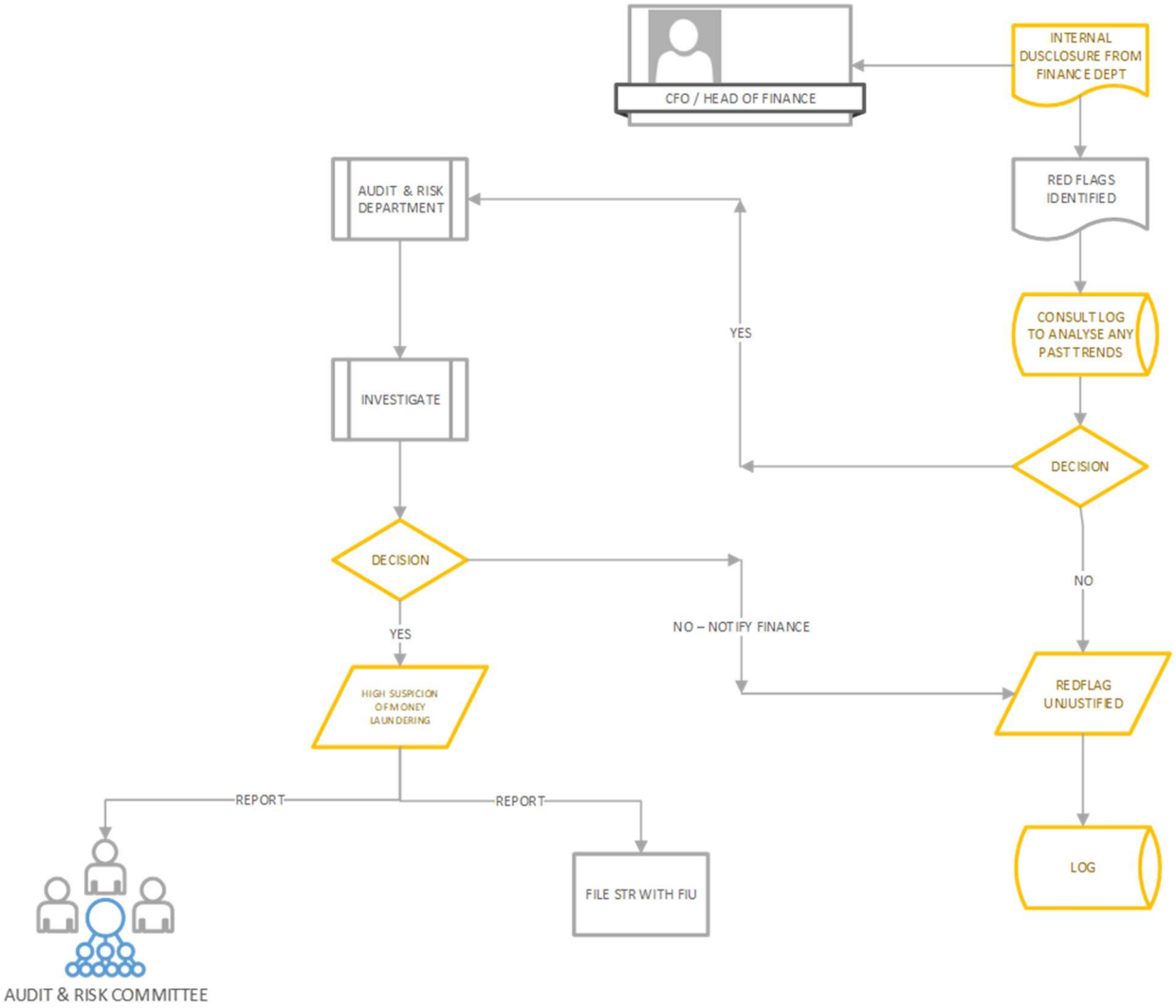


4.2 Finance Department



4.3 Internal Audit



4.4 Notification Form

Cashier Identity	Cash Amount	Client's Identity	Comments	Signature