

**MUTHOOT HOUSING FINANCE COMPANY LIMITED**

**KNOW YOUR CUSTOMER AND ANTI MONEY LAUNDERING POLICY**

**KYC AND AML POLICY**

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## **KNOW YOUR CUSTOMER AND ANTI MONEY LAUNDERING GUIDELINES**

The objective of 'Know Your Customer (KYC) Guidelines' is for Muthoot Housing Finance Company Ltd (MHFL) Housing Loan Business to know / understand its customers and their financial dealings and help the company to manage its risks prudently; It is also to prevent MHFL (hereinafter referred to as the Company) from being used, intentionally or unintentionally, by criminal elements for money laundering / anti-national activities.

### **1.0 INTRODUCTION:**

Muthoot Group ('The Group') commits itself to the highest standards of transparency, compliance and fair practices while meeting the business loan needs of Housing in a timely and effective manner. The Group intends that the HFC's ('The Company') business, be conducted in accordance with the prevailing statutory and regulatory requirements with due focus on efficiency, customer-orientation and corporate governance principles.

The Company shall adopt all the best practices prescribed by NHB from time to time and shall make appropriate modifications if any necessary to this code to conform to the standards so prescribed. This policy is applicable across all branches / business segments of the company, and its financial subsidiaries as well as all the persons authorized by the Company including agents / intermediaries, or brokers collecting public deposits on behalf of the HFC (presently we do not accept public deposits and this will be applicable as and when we are authorized to do so). The Policy is to be read in conjunction with related operational guidelines issued from time to time and necessarily read with reference to the changes / modifications as advised by NHB from time to time.

MHFL's KYC policy has the following four key elements:

- Customer Acceptance Policy
- Customer Identification Procedure
- Monitoring of Transactions
- Risk management

### **2.0 KEY WORDS:**

#### **Customer/Client**

- A person or individual that maintains or is desirous of maintaining an account and/or has a business relationship with MHFL;
- One on whose behalf an account is maintained (i.e. the beneficial owner);
- Any person or individual connected with a financial transaction which can pose significant reputational or other risks to the MHFL, say, a wire transfer or issue of a high value demand draft as a single transaction.

## **Transaction**

- A "transaction" means a purchase, sale, loan, pledge, gift, transfer, delivery or the arrangement thereof and includes-
  - Opening of an account for the purpose of availing a loan / having a financial arrangement;
  - Deposits, withdrawal, exchange or transfer of funds in whatever currency, whether in cash or by cheque, payment order or other instruments or by electronic or other non-physical means;
  - Entering into any fiduciary relationship;
  - Any payment made or received in whole or in part of any contractual or other legal obligation;
  - Any payment made in respect of playing games of chance for cash or kind including such activities associated with casino; and
  - Establishing or creating a legal person or legal arrangement.

## **3.0 APPLICABILITY**

It may be noted that KYC – AML policy as stated in this document shall prevail over anything else contained in any other document / process/circular/letter/instruction in this regard (KYC-AML). This policy shall be applicable to all verticals/products of the Company whether existing or rolled out in future.

## **4.0 OFFICIALLY VALID DOCUMENT (OVD)**

OVD is defined to mean any one of the following:

- the passport,
- the driving license,
- the Permanent Account Number (PAN) Card,
- the Voter's Identity Card issued by Election Commission of India,
- job card issued by NREGA duly signed by an officer of the State Government,
- the letter issued by the Unique Identification Authority of India containing details of name, address and Aadhaar (Including E-Aadhaar) number or any other document which may be specified by Government/ Regulator.
- We may also accept e-Aadhaar downloaded from UIDAI website as an OVD subject to the following:
  - If the prospective customer knows only his / her Aadhaar number, the company may print the prospective customer's e-Aadhaar letter in the company branch/ office directly from the UIDAI portal
  - If the prospective customer carries a copy of the e-Aadhaar downloaded elsewhere, the company may print the prospective customer's e-Aadhaar letter in the company branch/office directly from the UIDAI portal

No other document will be accepted as OVD for ID proof. An OVD having record of present address if submitted by a client, he/she shall not be insisted for additional address proof, provided he resides in the address as mentioned in the OVD.

However, for customers belong to priority sector/affordable housing sector category, Government approved Election photo identity card and driving license shall also be treated as OVD for identity/address proof and ration card as address proof."

## **5.0 PERIODICAL UPDATION OF KYC DOCUMENTS**

Based on the risk profile of a client, clients shall be asked to update his/her KYV documents periodically. Full KYC exercise will be required to be done

- At least every two years for high risk individuals and entities. (Definition of Risk category of client are mentioned below in customer acceptance policy)
- At least every ten years for low risk and
- At least every eight years for medium risk individuals and entities taking in to account whether and when client due diligence measures have previously been undertaken and the adequacy of data obtained. Physical presence of the clients may, however, not be insisted upon at the time of such periodic updations.

It is the duty of the client to advise immediately any change of his registered address. In case a client is found not residing in his recorded address, he/she shall be asked to submit updated KYC documents along with current address proof at the earliest.

Customer Acceptance Policy

## **6.0 THE CUSTOMER ACCEPTANCE POLICY**

The Customer Acceptance Policy of MHFL is aimed at ensuring that explicit guidelines are in place on the following aspects of customer relationship in the MHFL:-

- No account is opened in anonymous or fictitious/benami name(s);
- Parameters of risk perception are clearly defined in terms of the location of customer and his clients and mode of payments, volume of turnover, social and financial status, etc. to enable categorization of customers into low, medium and high risk.
- Not to open an account or close an existing account where the company is unable to apply appropriate customer due diligence measures, i.e. the company is unable to verify the identity and /or obtain documents required as per the risk categorization due to non-co-operation of the customer or non-reliability of the data/information furnished.
- Circumstances, in which a customer is permitted to act on behalf of another person/entity, should be in conformity with the established law and practices, and the customer should be able to explain satisfactorily the reason/ occasion why an account is required to be operated by a mandate holder or where an account may be opened by an intermediary in a fiduciary capacity; and

- Necessary checks before opening a new account so as to ensure that the identity of the customer does not match with any person with known criminal background or with banned entities such as individual terrorists or terrorist organizations, etc.
- A profile is required to be prepared for each new customer based on risk categorization. The customer profile may contain information relating to the customer's identity, social/financial status, nature of business activity, information about his clients' business and their location, etc. The nature and extent of due diligence will depend on the risk perceived. While preparing customer profile the care is to be taken to seek only such information which is relevant to the risk category and is not intrusive. Any other information from the customer should be sought separately with his/her consent and after opening the loan account. The customer profile is a confidential document and details contained therein shall not be divulged for cross selling or any other purposes.
- For the purpose of risk categorization, individuals (other than High Net Worth) and entities whose identities and sources of wealth can be easily identified and transactions in whose accounts by and large conform to the known profile, are to be categorized as low risk. Illustrative examples of low risk customers could be salaried employees whose salary structures are well defined, cash salaried & self-employed customers belonging to lower economic strata of the society whose accounts show small balances, Government departments & Government owned companies, regulators and statutory bodies, etc. In such cases, only the basic requirements of verifying the identity and location of the customer are to be met.
- Customers that are likely to pose a higher than average risk may be categorized as medium or high risk depending on customer's background, nature and location of activity, country of origin, sources of funds and his client profile, etc. In such cases enhanced due diligence measures are required to be applied based on the risk assessment, thereby requiring intensive 'due diligence' for higher risk customers, especially those for whom the sources of funds are not clear. Examples of customers requiring higher due diligence may include
  - Non-resident customers,
  - Trusts, charities, NGOs and organizations receiving donations,
  - Firms with 'sleeping partners',
  - Politically exposed persons (PEPs) of foreign origin,
  - Non-face to face customers, and
  - Those with dubious reputation as per public information available, etc.

As regards the accounts of PEPs it is advised that in the event of an existing customer or the beneficial owner of an existing account subsequently becoming a PEP, the Company would obtain senior management approval in such cases to continue the business relationship with such person, and also undertake enhanced monitoring.

## **7.0 CATEGORISATION OF CLIENTS**

While accepting and executing a client relationship the Company has adopted a risk based approach as per Annexure 1.

It is important to bear in mind that the adoption of Customer Acceptance Policy and its implementation should not become too restrictive and must not result in denial of the company's services to general public, especially to those, who are financially or socially disadvantaged.

## **8.0 CUSTOMER IDENTIFICATION PROCEDURE**

Customer identification means identifying the customer and verifying his/ her identity by using prescribed documents, data or information. Rule 9 of the Prevention of Money -Laundering (Maintenance of Records of the Nature and Value of Transactions, The Procedure and Manner of Maintaining and Time for Furnishing information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 (hereinafter referred to as PML Rules), requires the Company to:

- At the time of commencement of an account-based relationship, identify its clients, verify their identity and obtain information on the purpose and intended nature of the business relationship, and
- In all other cases, verify identity & collect pan / form 60 while carrying out transaction of an amount equal to or exceeding rupees fifty thousand, whether conducted as a single transaction or several transactions that appear to be connected, or

In terms of proviso to rule 9 of the PML Rules, the relaxation, in verifying the identity of the client within a reasonable time after opening the account/ execution of the transaction, stands withdrawn. Also, as directed in Rule 9 the officials shall identify the beneficial owner and take all reasonable steps to verify his identity. As required in this Rule the officials have to exercise ongoing due diligence with respect to the business relationship with every client and closely examine the transactions in order to ensure that they are consistent with their knowledge of the customer, his business and risk profile.

Therefore, the Customer Identification Policy approved by the Board has to be strictly adhered to at different stages, i.e. while establishing a relationship; carrying out a financial transaction or when the Company has a doubt about the authenticity/veracity or the adequacy of the previously obtained customer identification data.

The Company needs to obtain sufficient information necessary to establish, to their satisfaction, the identity of each new customer, whether regular or occasional and the purpose of the intended nature of relationship. Rule 9 (Maintenance of Records) of the PML Rules and NHB and NHB directives provide for the documents/information to be obtained for identifying various types of customers i.e. individuals, companies, partnership firms, trusts, unincorporated association or a body of individuals and juridical persons. All staff and officials of MHFL are advised to take note of the provisions of the above rule and ensure compliance.

A list of the nature and type of documents/information that may be relied upon for customer identification is given in the Annexure 2. Officials have to follow these guidelines based on their experience of dealing with such persons/entities, normal prudence and the legal requirements as prescribed here and as amended from time to time by regulators and laws.

In addition to the due diligence requirements, under KYC norms, it is advisable to obtain Permanent Account Number (PAN) or Aadhar Number

## **9.0 MONITORING OF TRANSACTIONS**

Ongoing monitoring is an essential element of effective KYC procedures. The officials have to effectively control and reduce the risk by having an understanding of the normal and reasonable activity of the customer so that they have the means of identifying transactions that fall outside the regular pattern of activity. However, the extent of monitoring will depend on the risk sensitivity of each account. Officials

should pay special attention to all complex, unusually large transactions and all unusual patterns which have no apparent economic or visible lawful purpose. The Company may prescribe threshold limits for a particular category of accounts and pay particular attention to the transactions which exceed these limits. Transactions that involve large amounts of cash inconsistent with the normal and expected activity of the customer should particularly attract the attention of the officials. Very high account turnover inconsistent with the means of the customer may indicate that funds are being 'washed' through/into the account. High-risk accounts have to be subjected to intensified monitoring. The Company should put in place a system of periodical review of risk categorization of accounts and then apply enhanced due diligence measures wherever required.

#### **10.0 RISK MANAGEMENT**

The aim of this policy is to ensure that an effective KYC programme is in place by establishing appropriate procedures and ensuring their effective implementation. Officials involved with day to day functioning and interaction with the clients including those at administrative offices supervising them need to have proper management oversight, systems and controls, segregation of duties, training and other related matters to ensure statutory compliance with the KYC program. Responsibility should be explicitly allocated within the Company for ensuring that the policies and procedures are implemented effectively. Accordingly, MHFL has detailed, through its Credit Risk management and Policy, the Underwriting criteria, that are enhanced due diligence and customer identification and acceptance procedure. Through Authority delegation matrix the responsibility lies with the Credit Manager as a maker and Operations as checker.

#### **11.0 CUSTOMER EDUCATION**

Implementation of KYC procedures requires the company to demand certain information from customers which may be of personal nature or which have hitherto never been called for. This can sometimes lead to questioning by the customer as to the motive and purpose of collecting such information. There is, therefore, a need for the company to educate the customer about the objective of the KYC programme. The front desk staff needs to be specially trained to handle such situations while dealing with customers.

#### **12.0 INTRODUCTION OF NEW TECHNOLOGIES**

The Company officials have to be aware of any money laundering threats that may arise from new or developing technologies including on-line transactions that might favour anonymity, and take measures, if needed, to prevent their use in money laundering schemes.

#### **13.0 APPOINTMENT OF PRINCIPAL OFFICER**

The Board hereby proposes Head Credit, as the Principal Officer who would be based out of the Corporate Office of the Company. He will be responsible for monitoring and Reporting of all transactions and sharing of information as required under the Law. He will also liaison with the enforcement agencies, HFC's and other institutions involved in fight against money laundering & combating financing of terrorism.



The company's system of maintaining proper record of transactions is in conformity with the requirement under section 12 of PMLA read with Rule 3 of PML Rules, as mentioned below:

- All cash transactions of the value of more than rupees ten lakh or its equivalent in foreign currency;
- All series of cash transactions integrally connected to each other which have been individually valued below rupees ten lakhs or its equivalent in foreign currency where such series of transactions have taken place within a month and the monthly aggregate exceeds rupees ten lakhs or its equivalent in foreign currency
- All transactions involving receipts by non-profit organizations of rupees ten lakhs or its equivalent in foreign currency;
- All Cash transactions (in terms of Rule 3 (c)) where forged or counterfeit currency notes or bank notes has been used as genuine or where any forgery of valuable security or a document has taken place facilitating the transactions, had to be reported by the 15th day of the succeeding month.
- All suspicious transactions whether or not made in cash and by way of as mentioned in the Rule 3(1) (D).

#### **14.0 RECORDS TO CONTAIN SPECIFIED INFORMATION**

Records referred to above -as per Rule 3 of the PMLA Rules to contain the following information:-

- The nature of the transactions;
- The amount of the transaction and the currency in which it was denominated;
- The date on which the transaction was conducted; and
- The parties to the transaction.

#### **15.0 MAINTENANCE AND PRESERVATION OF RECORDS**

Section 12 of PMLA requires every HFC to maintain records as under:

Records of all transactions referred to in clause -(a) of Sub-section (1) of section 12 read with Rule 3 of the PML Rules is required to be maintained for a period of ten years from the date of last transaction and closure of the account of the customer

Records of the identity of all clients of the HFC are required to be maintained for a period of ten years from the date of cessation of transactions between the clients and the HFC.

Other records not related to identity of clients or records of transaction are to be preserved for at least for five years from the date of the record.

The Company should take appropriate steps to evolve a system for proper maintenance and preservation of information in a manner (in hard and soft copies) that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities. The Company shall maintain records of the identity of clients, and records in respect of transactions with its client referred to in rule 3 in hard or soft format.

#### **16.0 REPORTING TO FINANCIAL INTELLIGENCE UNIT OF INDIA**

As required in Section 12 of PMLA the company has to report information of transaction referred to in clause (a) of sub-section (1) of section 12 read with Rule 3 of the PML Rules relating to cash and suspicious transactions etc. to the Director, Financial Intelligence Unit -India (FIU-IND). The proviso to the said section also provides that where the principal officer of a MHFL has reason to believe that a single transaction or series of transactions integrally connected to each other have been valued below the prescribed value to so to defeat the provisions of this section, such officer shall furnish information in respect of such transactions to the Director within the prescribed time.

The information has to be furnished at the following address by the Principal Officer of the MHFL :  
Director, FIU-IND, Financial Intelligence Unit-India, 6th Floor, Hotel Samrat, Chanakyapuri,  
New Delhi-110021 Website: <http://fiuindia.gov.in>

A copy of information furnished shall be retained by the Principal Officer for the purposes of official record.

The information in respect of the transactions referred to in clause(A), (B) and (BA) of sub-rule (1) of rule 3 of the PML Rules ( i.e. clauses (i) , (ii) and (iii) referred to in Paragraph 19 supra) is to be submitted to the Director every month by the 15th day of the succeeding month.

The information in respect of the transactions referred to in clause(C) of sub-rule (1) of rule 3 of the PML Rules (i.e. clause (iv) in Paragraph 19 supra) is to be furnished promptly to the Director in writing, or by fax or by electronic mail not later than seven working days from the date of occurrence of such transaction.

The information in respect of the transactions referred to in clause(D) of sub-rule (1) of rule 3 of the PML Rules ( i.e. clause(v) in Paragraph 19 supra) is to be furnished promptly to the Director in writing, or by fax or by electronic mail not later than seven working days on being satisfied that transaction is suspicious.

Provided the company and its employees maintain strict confidentiality of the fact of furnishing/ reporting details of suspicious transactions.

It has to be noted that in terms of Rule 8, while furnishing of information to the Director FIU-IND, delay of each day in not reporting a transaction or delay of each day in rectifying a misrepresented transaction beyond the time limit as specified in this rule shall constitute a separate violation.

As advised by the FIU-IND, New Delhi the Company need not submit 'NIL' reports in case there are no Cash/Suspicious Transactions, during a particular period.

The required information is to be furnished by the Company directly to the FIU-IND, through the Principal Officer designated by the HFC under the Prevention of Money Laundering Act, 2002.

## **17.0 GENERAL**

In short the KYC and AML policy of the company is to ensure that the provisions of PML, Rules framed there under wherever applicable, are adhered to strictly.

Where the Company is unable to apply appropriate KYC measures due to non-furnishing of information and /or non-cooperation by the customer, MHFL may consider closing the account or terminating the business relationship after issuing due notice to the customer explaining the reasons for taking such a decision. Such decisions need to be taken at a reasonably senior level.

#### **18.0 COMMUNICATION**

Each version of modified policy must be communicated to all staff and all associates person viz branch, Authorised Persons, DSA's. This communication is mandatory in addition to the training session to be given to the staff and associates person from time to time.

**Annexure 1**

	<b>Low Risk Customer</b>	<b>Medium Risk Customer</b>	<b>High Risk Customer</b>
<b>Definition</b>	<p>(a) Customers like Salaried people–</p> <p>(b) Customer like Self-employed people belonging to lower economic strata of the society whose accounts show small balances</p> <p>(c) Wherein only customers basic requirements of verifying the identity and location are to be met.</p>	<p>Customers those are less risky in nature as compare to high risk customers – can be categorized as Medium Risk.</p>	<p>Customers that are likely to pose a higher than average risk may be categorized as medium or high risk depending on customer's background, nature and location of activity, country of origin, sources of funds and his client profile, etc.</p>
<b>List of Customers as per Risk category</b>	<p>(a) Salaried employees whose salary structures are well defined,</p> <p>(b) Salaried employees with cash salary structures</p> <p>(c) self employed People belonging to lower economic strata of the society whose accounts show small balances and low turnover,</p> <p>(d) Government departments &amp; Government owned companies, regulators and statutory bodies, etc.</p> <p>(e) Micro/Small/Medium enterprises filing regular ITR, good banking relationship, existing trade records with any Financial institutions etc.</p>	<p>(a) Client with over investment of Rs. 50 Lakh where identity and sources of wealth are not supported by public documents like income returns, registered conveyance deeds etc.</p> <p>(b) Clients with sudden spurt in volumes or investment without apparent reasons.</p> <p>(c) Clients who trade in derivatives.</p> <p>(d) Customers having speculative income.</p> <p>(e) Person in business/industry or trading activity where scope or information history of unlawful trading / business activity dealings is more, etc.</p>	<p>(a) Non-resident customers,</p> <p>(b) Trusts, charities, NGOs and organizations receiving donations,</p> <p>(c) Companies having close family shareholding or beneficial ownership,</p> <p>(d) Firms with 'sleeping partners',</p> <p>(e) Politically exposed persons (PEPs) of foreign origin,</p> <p>(f) Non-face to face customers, and</p> <p>(g) Those with dubious reputation as per public information available, etc.</p> <p>(h) NPA customers</p>

#### **ILLUSTRATIVE LIST OF SUSPICIOUS TRANSACTIONS PERTAINING TO LOANS:**

- Customer is reluctant to provide information, data and documents;
- Submission of false documents, data, purpose of loan, details of accounts;
- Refuses to furnish details of source of funds by which initial contribution is made, sources of funds is doubtful etc;
- Reluctant to meet in person, represents through a third party/Power of Attorney holder without sufficient reasons;
- Approaches a branch/office of a MHFL, which is away from the customer's residential or business address provided in the loan application, when there is MHFL branch/office nearer to the given address;
- Unable to explain or satisfy the numerous transfers in the statement of account/ multiple accounts;
- Initial contribution made through unrelated third party accounts without proper justification;
- Availing a top-up loan and/or equity loan, without proper justification of the end use of the loan amount;
- suggesting dubious means for the sanction of loan;
- Where transactions do not make economic sense;
- There are reasonable doubts over the real beneficiary of the loan and the flat to be purchased;
- Encashment of loan amount by opening a fictitious bank account;
- Applying for a loan knowing fully well that the property/dwelling unit to be financed has been funded earlier and that the same is outstanding;
- Sale consideration stated in the agreement for sale is abnormally higher/lower than what is prevailing in the area of purchase;
- Multiple funding of the same property/dwelling unit;
- Request for payment made in favour of a third party who has no relation to the transaction;
- Usage of loan amount by the customer in connivance with the vendor/builder/developer/broker/agent etc. and using the same for a purpose other than what has been stipulated.
- Multiple funding / financing involving NGO / Charitable Organisation / Small / Medium Establishments (SMEs) / Self Help Groups (SHGs) / Micro Finance Groups (MFGs)
- Frequent requests for change of address;
- Overpayment of installments with a request to refund the overpaid amount.

#### **ILLUSTRATIVE LIST OF SUSPICIOUS TRANSACTIONS PERTAINING TO INDIVIDUALS:**

- Legal structure of client has been altered numerous times (name changes, transfer of ownership, change of corporate seat).
- Unnecessarily complex client structure.
- Individual or classes of transactions that take place outside the established business profile, and expected activities/ transaction unclear.
- Customer is reluctant to provide information, data, and documents

- Submission of false documents, data, purpose of loan, details of accounts;
- Refuses to furnish details of source of funds by which initial contribution is made, sources of funds is doubtful etc.
- Reluctant to meet in person, represents through a third party/Power of Attorney holder without sufficient reasons
- Approaches a branch/office of a HFC, which is away from the customer's residential or business address provided in the loan application, when there is HFC branch/office nearer to the given address;
- Unable to explain or satisfy the numerous transfers in the statement of account/ multiple accounts;
- Initial contribution made through unrelated third party accounts without proper justification;
- Availing a top-up loan and/or equity loan, without proper justification of the end use of the loan amount;
- Suggesting dubious means for the sanction of loan;
- Where transactions do not make economic sense;
- Unusual financial transactions with unknown source.
- Payments received from un-associated or unknown third parties and payments for fees in cash where this would not be a typical method of payment.
- There are reasonable doubts over the real beneficiary of the loan and the flat to be purchased;
- Encashment of loan amount by opening a fictitious bank account;
- Applying for a loan knowing fully well that the property/dwelling unit to be financed has been funded earlier and that the same is outstanding;
- Sale consideration stated in the agreement for sale is abnormally higher/lower than what is prevailing in the area of purchase;
- Multiple funding of the same property/dwelling unit;
- Request for payment made in favour of a third party who has no relation to the transaction;
- Usage of loan amount by the customer in connivance with the vendor/builder/developer/broker/agent etc. and using the same for a purpose other than what has been stipulated.
- Multiple funding / financing involving NGO / Charitable Organisation / Small/ Medium Establishments (SMEs) / Self Help Groups (SHGs) / Micro Finance Groups (MFGs)
- Frequent requests for change of address;
- Overpayment of installments with a request to refund the overpaid amount.
- Investment in real estate at a higher/lower price than expected.
- Clients incorporated in countries that permit bearer shares.

## Annexure 2

### Customer Identification Procedure

#### Documents that may be obtained from customers

Customers/Clients	Documents (Certified copy of any one of the following officially valid document)
<b>Accounts of individuals</b>	Any one document from the Officially Valid Document is only allowed. They are: (i) Passport ; (ii) PAN card; (iii) Voter's Identity Card issued by Election Commission (iv) Driving License; (v) Job Card issued by NREGA duly signed by an officer of the State Govt;(vi) Aadhaar card ; (vii) If the prospective customer knows only his / her Aadhaar number, the company may print the prospective customer's e-Aadhaar letter in the branch/ office directly from the UIDAI portal or If the prospective customer carries a copy of the e-Aadhaar downloaded elsewhere, the company may print the prospective customer's e-Aadhaar letter in the branch/office directly from the UIDAI portal.
	Where 'simplified measures' are applied for verifying the identity of customers the following documents shall be deemed to be 'officially valid documents: i. identity card with applicant's Photograph issued by Central/State Government Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, and Public Financial Institutions; ii. letter issued by a gazetted officer, with a duly attested photograph of the person.
	Where 'simplified measures' are applied for verifying the D.O.B Proof of the customers the following documents shall be deemed to be 'officially valid documents. They are: (i) School leaving Certificate ; (ii) SSC / HSC Certificate;
	Where 'simplified measures' are applied for verifying the Signature Proof of the customers the following documents shall be deemed to be 'officially valid documents. They are: (i) Photo Attested Banker SV ; (ii) Cheque Clearance with Reflection in bank ST;
	Where 'simplified measures' are applied for verifying for the limited purpose of proof of address the following additional documents are deemed to be OVDs :(i) Utility bill which is not more than two months old of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill);(ii) Property or Municipal Tax receipt; (iii) Bank account or Post Office savings bank account statement; (iv) Pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address;(v) Letter of allotment of accommodation from employer issued by State or Central Government departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies. Similarly, leave and license agreements with such employers allotting official accommodation; vi. Documents issued by Government departments of foreign jurisdictions and letter issued by Foreign Embassy or Mission in India.

<b>Accounts of Companies</b>	(a) Certificate of incorporation; (b) Memorandum and Articles of Association; (c) A resolution from the Board of Directors ;and power of attorney granted to managers, officers or employees to transact on its behalf; (d) An officially valid document in respect of managers, officers or employees holding an attorney to transact on its behalf.
<b>Accountsof Partnership firms</b>	(a) Registration certificate; (b) Partnership deed; and (c) An officially valid document in respect of the person holding an attorney to transact on its behalf. (c) An officially valid document in respect of the person holding an attorney to transact on its behalf
<b>Accounts of Trusts and foundations</b>	(a) Registration certificate; (b) Trust deed; and (c) An officially valid document in respect of the person holding an attorney to transact on its behalf. (c) An officially valid document in respect of the person holding an attorney to transact on its behalf
<b>Accountsof unincorporated association or a body of individuals</b>	(a) Resolution of the managing body of such association or body of individuals; (b) Power of attorney granted to him to transact on its behalf; (c) An officially valid document in respect of the person holding an attorney to transact on its behalf; and (d) Such information as may be required by the bank/company to collectively establish the legal existence of such an association or body of individuals.
<b>Accountsof Proprietorship Concerns</b>  Proof of the name, address and activity of the concern Apart from Customer identification procedure as applicable to the proprietor	<p>Apart from Customer identification procedure as applicable to the proprietor any two of the following documents in the name of the proprietary concern would suffice. (1) Registration certificate (in the case of a registered concern) (2) Certificate/licence issued by the Municipal authorities under Shop &amp; Establishment Act, (3) income tax returns (4) Certificate/registration document issued by Professional Tax authorities (6) Licence/certificate of practice issued in the name of the proprietary concern by any professional body incorporated under a statute. The complete Income Tax return (not just the acknowledgement) in the name of the sole proprietor where the firm's income is reflected, duly authenticated/ acknowledged by the Income Tax Authorities.</p> <p>In cases where the Company are satisfied that it is not possible to furnish two such documents, they would have the discretion to accept only one of those documents as activity proof. In such cases, the Company, however, would have to undertake contact point verification, collect such information as would be required to establish the existence of such firm, confirm, clarify and satisfy themselves that the business activity has been verified from the address of the proprietary concern.</p>



**Full forms:**

- NHB - National Housing Bank
- CAP - Customer Acceptance Policy / Procedures
- CIP - Customer Identification Requirements / Procedures
- PML Act / PMLA - Prevention of Money Laundering Act
- CDD - Customer Due Diligence
- FATF - Financial Action Task Force
- CFT - Combating Financing of Terrorism
- NOC - No Objection Certificate
- PEP - Politically Exposed Person
- POA - Power of Attorney
- KYC - Know Your Customer
- AML - Anti-Money Laundering
- BO – Beneficial Owner
- FIU-IND - Financial Intelligence Unit – India
- NREGA - National Rural Employment Guarantee Act
- DBOD - Department of Banking Operations and Development of Reserve Bank