



Guidelines on Know Your Customer (KYC) & Anti-Money Laundering (AML) Measures (as per RBI Updatations till 6th Nov. 2024)

Background

In order to prevent banks and other financial institutions from being used as a channel for Money Laundering (ML)/ Terrorist Financing (TF) and to ensure the integrity and stability of the financial system, the Government brought in legal framework on Anti-Money Laundering (AML) and Countering Financing of Terrorism (CFT) by introducing, the Prevention of Money-Laundering Act, 2002 and the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005.

The Reserve Bank of India in exercise of its powers came out with Know your Customer (KYC) Directions, 2016 which are applicable on Regulated entities which inter-alia included all Non-Banking Finance Companies (NBFCs).

HUDCO in terms of the PMLA guidelines framed the policy on KYC and AML measures which was approved by HUDCO Board on 22nd December 2010. The guidelines were further updated in line with the RBI Master Directions-Know your Customer (KYC) Directions 2016 dated February 25, 2016 on 26th July 2016 and thereafter in May 2023. The said guidelines are being further revised as per updations done by RBI up to November 06, 2024.

Objectives

The KYC Policy has been framed in line with RBI Master Directions 2016 as amended from time to time to develop a strong mechanism for achieving the following objectives:

- KYC procedures would enable HUDCO to know and understand its customers and their financial dealings, which in turn will help it to manage the associated risks prudently.
- To enable HUDCO to comply with all the legal and regulatory obligations in respect of KYC norms/AML standards and to cooperate with various government bodies dealing with related issues.
- To prevent HUDCO from being used, intentionally or unintentionally, by criminal elements for Money Laundering or Terrorist Financing activities.

Chapter I - Key Definitions

For the purpose of KYC Policy, the following terms shall bear the meaning assigned to them below:

- i. **“Customer”** means a person who is engaged in a financial transaction or activity with a Regulated Entity (RE) and includes a person on whose behalf the person who is engaged in the transaction or activity, is acting.

- ii. **“Customer Due Diligence (CDD)”** means identifying and verifying the customer and the beneficial owner using reliable and independent sources of identification.

Explanation – The CDD, at the time of commencement of an account-based relationship or while carrying out occasional 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 any international money transfer operations, shall include:

- (a) Identification of the customer, verification of their identity using reliable and independent sources of identification, obtaining information on the purpose and intended nature of the business relationship, where applicable.
- (b) Taking reasonable steps to understand the nature of the customer's business, and its ownership and control.
- (c) Determining whether a customer is acting on behalf of a beneficial owner and identifying the beneficial owner and taking all steps to verify the identity of the beneficial owner, using reliable and independent sources of identification.

iii. Beneficial Owner (BO)

- a) Where the customer is a company, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical persons, has/have a controlling ownership interest or who exercise control through other means.

Explanation- For the purpose of this sub-clause-

- 1) Controlling ownership interest means ownership of/entitlement to more than 10 percent of the shares or capital or profits of the company.
- 2) Control shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders' agreements or voting agreements.

- b) Where the customer is a partnership firm, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has/have ownership of/entitlement to more than 10 percent of capital or profits of the partnership or who exercises control through other means.

Explanation - For the purpose of this sub-clause, “control” shall include the right to Control the management or policy decision.

- c) Where the customer is an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has/have ownership of/entitlement to more than 15percent of the property or capital or profits of the unincorporated association or body of individuals

Explanation: Term ‘body of individuals’ includes societies. Where no natural person is identified under (a), (b) or (c) above, the beneficial owner is the relevant natural person who holds the position of senior managing official.

- d) Where the customer is a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with 10 percent

or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

- iv. **“Customer identification”** means undertaking the process of CDD.
- v. **Central KYC Records Registry (CKYCR)** means an entity defined under Rule 2(1) of the Rules, to receive, store, safeguard and retrieve the KYC records in digital form of a customer.
- vi. **“Equivalent e-document”** means an electronic equivalent of a document, issued by the issuing authority of such document with its valid digital signature including documents issued to the digital locker account of the customer as per rule 9 of the Information Technology (Preservation and Retention of Information by Intermediaries Providing Digital Locker Facilities) Rules, 2016.
- vii. **Know Your Client (KYC) Identifier”** means the unique number or code assigned to a customer by the Central KYC Records Registry.
- viii. **KYC Templates”** means templates prepared to facilitate collating and reporting the KYC data to the CKYCR, for individuals and legal entities.
- ix. **Officially Valid Document” (OVD)** means the passport, the driving license, proof of possession of Aadhaar number, the Voter's Identity Card issued by the Election Commission of India, job card issued by NREGA duly signed by an officer of the State Government and letter issued by the National Population Register containing details of name and address. Provided that,
 - (a) where the customer submits his proof of possession of Aadhaar number as an OVD, he may submit it in such form as are issued by the Unique Identification Authority of India.
 - (b) where the OVD furnished by the customer does not have updated address, the following documents or the equivalent e-documents thereof shall be deemed to be OVDs for the limited purpose of proof of address: -
 - 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. pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address;
 - iv. letter of allotment of accommodation from employer issued by State Government or Central Government Departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies and leave and license agreements with such employers allotting official accommodation;
 - (c) the customer shall submit OVD with current address within a period of three months of submitting the documents specified at ‘b’ above
 - (d) where the OVD presented by a foreign national does not contain the details of address, in such case the documents issued by the Government departments of foreign jurisdictions and letter issued by the Foreign Embassy or Mission in India shall be accepted as proof of address.

Explanation: For the purpose of this clause, a document shall be deemed to be an OVD even if there is a change in the name subsequent to its issuance provided it is supported by a marriage certificate issued by the State Government or Gazette notification, indicating such a change of name.

- x. **“Digital KYC”** means the capturing live photo of the customer and officially valid document or the proof of possession of Aadhaar, where offline verification cannot be carried out, along with the latitude and longitude of the location where such live photo is being taken by an authorized officer of the RE as per the provisions contained in the Act.
- xi. **“Periodic Updation”** means steps taken to ensure that documents, data or information collected under the CDD process is kept up-to-date and relevant by undertaking reviews of existing records at periodicity prescribed by the Reserve Bank.
- xii. **Person** has the same meaning assigned in the Act and includes:
 - a. an individual,
 - b. a Hindu undivided family,
 - c. a company,
 - d. a firm,
 - e. an association of persons or a body of individuals, whether incorporated or not,
 - f. every artificial juridical person, not falling within any one of the above persons (a to e), and
 - g. any agency, office or branch owned or controlled by any of the above persons (a to f).
- xiii. **Politically Exposed Person:** Politically exposed persons are individuals who are or have been entrusted with prominent public functions by a foreign country, including Heads of State\Government, senior politicians, senior government or judicial or military officers, senior executives of state owned corporations and important political party officials.
- xiv. **Suspicious Transaction:** means a "transaction" as defined below, whether or not made in cash, which, to a person acting in good faith:
 - a. gives rise to a reasonable ground of suspicion that it may involve proceeds of an offence specified in the Schedule to the Prevention of Money Laundering Act, regardless of the value involved; or
 - b. appears to be made in circumstances of unusual or unjustified complexity; or
 - c. appears to not have economic rationale or bona-fide purpose; or
 - d. gives rise to a reasonable ground of suspicion that it may involve financing of the activities relating to terrorism.

Explanation: Transaction involving financing of the activities relating to terrorism includes transaction involving funds suspected to be linked or related to, or to be used for terrorism, terrorist acts or by a terrorist, terrorist organization or those who finance or are attempting to finance terrorism.

- xv. **Unique Customer Identification Code (UCIC):** means unique customer-ID allotted to individual customers while entering into new relationships.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under Master Direction-Know Your Customer Direction, 2016, the Banking Regulation Act, 1949, the Reserve Bank of India Act, 1935, the Prevention of

Money Laundering Act 2002, the Prevention of Money Laundering (Maintenance of Records) Rules 2005, the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and regulations made there under, any statutory modification or re-enactment thereto as used in commercial parlance, as the case may be.

Chapter II- General

HUDCO's policy framework seeks to ensure compliance with PML Act/Rules, including regulatory instructions in this regard and would provide a bulwark against threats arising from money laundering, terrorist financing, proliferation financing and other related risks. While ensuring compliance of the legal/regulatory requirements as above, HUDCO would also consider adoption of best international practices taking into account the FATF standards and FATF guidance notes, for managing risks better.

The KYC policy provides for following four key elements:

- a. Customer Acceptance Policy.
- b. Risk Management.
- c. Customer Identification Procedures (CIP); and
- d. Monitoring of Transactions

As per RBI Master Directions, the designated officials for compliance of KYC/AML policy are as follows:

> Designated Director

"Designated Director" means a person designated to ensure overall compliance with the obligations imposed under chapter IV of the PML Act and the Rules and shall include the Managing Director or a whole-time Director, duly authorized by the Board of Directors, if the Regulated Entity is a company,

In view of the aforesaid

- a) Director Finance shall act as a Designated Director to ensure overall compliance with the obligations imposed under Chapter IV of PML Act and the rules.
- b) The name, designation and address of the Designated Director shall be communicated to the FIU-IND and also to the RBI.
- c) In no case, the Principal Officer be nominated as the 'Designated Director'

> Principal Officer

For ensuring compliance, monitoring transactions and sharing and reporting information as required under the law/regulations Head of Internal Audit Wing, is appointed at Head Office as a Principal Officer. The name, designation and address of the Principal Officer shall be, communicated to the FIU-IND and also to the RBI. The principal officer would obtain confirmation regarding compliance of KYC policy from Regional Heads and the respective In-charge of the section.

> Compliance Officer

The Head of Internal Audit Wing will also act as Compliance Officer for independent evaluation of the compliance function of HUDCO's KYC policy.

Modality for implementation of KYC Policy

At Regional Office level, Regional Heads would be responsible for ensuring proper compliance of KYC guidelines and procedures. At Head Office level, the respective In-charge of the section will be responsible for ensuring the compliance of KYC guidelines.

The Internal Audit Wing of HUDCO would carry out periodical inspection of Head Office & Regional Offices with respect to compliance of KYC guidelines as per RBI Master Direction on Know Your Customer and also point out serious lapses and intentional circumvention, if any. The compliance report by RO's and HO to compliance officer should be filed before 5th of each month; in addition, quarterly report by regional offices, and departments at HO like Resource, PDS, Operations, Retail shall give compliance report which would be placed before audit committee through Principal Officer. The HRD or Training division of HUDCO would ensure the ongoing training on awareness and implication of KYC guidelines be imparted at regular intervals.

Chapter III - Customer Acceptance Policy (CAP)

The following aspects shall be considered for acceptance of customer:

1. The customer due diligence procedure would be applied at the Unique Customer Identification Code (UCIC) level, thus if an existing KYC compliant customer of HUDCO desires to open another account with it, or avail any other product or service from HUDCO, there shall be no need for a fresh customer due diligence exercise subject to no change in KYC information as far as identification of the customer is concerned.
2. Circumstances in which a customer is permitted to act on behalf of another person/entity, are clearly spelt out during the process.
3. No relationship with a customer is established where identity of the customer matches with any person or entity whose name appears in the sanctions list circulated by the Reserve Bank of India from time to time.
4. Where Permanent Account Number is obtained, the same shall be verified from the verification facility of the issuing authority.
5. Where an equivalent e-document is obtained from the customer, then digital signature shall be verified as per the provisions of the Information Technology Act, 2000 (21 of 2000).
6. Where Goods and Services Tax (GST) details are available, the GST number shall be verified from the search/verification facility of the issuing authority.

Where HUDCO forms a suspicion of money laundering or terrorist financing, and it reasonably believes that performing the CDD process will tip-off the customer, it shall not pursue the CDD process, and instead file an STR with FIU-IND.

HUDCO would ensure that -:

1. No account is opened in anonymous or fictitious/benami name.
2. No account would be opened where HUDCO is not able to apply appropriate CDD measure, either due to non-cooperation of the customer or non-reliability of the documents/information furnished by the customer.
3. No transaction or account-based relationship is undertaken without following the CDD procedure.

4. No transaction or account-based relationship would be undertaken without following the CDD procedure and the mandatory information to be sought for KYC purpose while opening an account and during the periodic updation would be specified

As part of customer acceptance policy necessary templates (Forms placed as annexures to policy document) have been prescribed for different type of customers for collection of information and other relevant documents.

Information taken from the customer would be in conformity with the guidelines issued and any other information required from the customers should be sought separately with his/her consent.

Chapter IV - Risk Management

For Risk Management, HUDCO shall have a risk-based approach which includes the following.

- a. Risk assessment of customers both at the time of entering into account based relationship and for periodic assessment, based on parameters such as customer's identity, social/financial status, nature of business activity, and information about the customer's business and their location, geographical risk covering customers as well as transactions, type of products/services offered, delivery channel used for delivery of products/services, types of transaction undertaken – cash, cheques / monetary instruments, wire transfers, forex transactions, etc. while considering customer's identity, the ability to confirm identity documents through online or other services offered by issuing authorities would also be given due weightage.

Detailed risk assessment and re-categorization criteria for KYC at appraisal stage both for Institutional and Individual borrowers is outlined below:-

➤ Classification or Risk Categorization of *Institutions* based on various Parameters:

Parameters	Low	Medium	High
Institution Structure	Government Departments, Government Agencies, Public Sector Enterprises, Well established Corporates with good track record.	Cooperative Societies, Associations, Trusts, NGOs, Private Institutions with limited information	Institutions closely linked to Politically Exposed Persons or Complex ownership structures.
Corporate Governance Structure	Establishments having proper corporate governance structures and transparent business practices,	Institutions not having well-defined corporate governance structures.	Institutions lacking Corporate Governance structures, Adverse Regulatory Observations in Financial Statements on Corporate Governance Issues.

Geographical & Jurisdictional Risk-	Operating within the country, no presence of Holding-Subsidiary abroad especially in tax haven states.	Operating within and outside the country.	Operating abroad with poor FATF Compliance or monitoring countries.
KYC Verification & Type of Product	Face-to-Face verification ,Verifiable and consistent KYC Documentation, Non-digital product	Non-face to face verification with digital product	Non- face to face verification with digital product. Unverifiable or discrepancies in KYC documentation
Sectoral Risk	Functioning in regulated sectors .	Involvement in loosely regulated sectors, and having inherent risks.	Engaged in non- regulated sectors or cash intensive businesses.
Sanction List	Not included in United Nations Settlement Commission (UNSC), Unlawful Activities (Prevention) Act, Not flagged by Financial Intelligence Unit (FIU)	Not included or flagged by major sanctions but may be on watch lists.	Included in United Nations Settlement Commission (UNSC), Unlawful Activities (Prevention) Act, flagged by Financial Intelligence Unit (FIU).

➤ **Classification or Risk Categorization of *Individuals* based on various Parameters:**

Parameters	Low	Medium	High
Customers' Identity	Government employees; individuals with stable employment in reputable private organizations.	Self-employed individuals or part of co-operatives, small-scale businesses, Individuals with varied employment history.	Politically Exposed Persons, High-Net-Worth Individuals, Non-Resident Indians having limited physical presence.
Verifiable Official Valid Documents (OVD)	Online Verifiable and consistent Official Valid Documents	Lack of Online verification of Official Valid Documents	Unverifiable or discrepancies in KYC documentation.
Sectoral Risk	Employed in Regulated sectors.	Involvement in loosely regulated sectors and having inherent risks	Engaged in non- regulated sectors or cash intensive businesses.

Sanction List	Not included in United Nations Settlement Commission (UNSC), Unlawful Activities (Prevention) Act, Not flagged by Financial Intelligence Unit (FIU)	-	Included in United Nations Settlement Commission (UNSC) list , Unlawful Activities (Prevention) Act, flagged by Financial Intelligence Unit (FIU) or on watch list.
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KYC Risk Assessment Periodical Review- The periodical review will be conducted after *every six months*. During the review, the aforementioned parameters will be carefully assessed. If any factors indicate a need for reclassification, appropriate adjustments to the risk category will be made.

Reclassification of KYC Risks for Periodical Review-

KYC risk classification is periodically reviewed and may be adjusted based on changes in the customer's profile, financial activities, or regulatory requirements every half year. Key factors that may trigger reclassification include:

FOR INSTITUTIONAL BORROWERS-

- **Change in Shareholding Pattern:** Significant alterations in shareholding or management structure resulting in change in the organizational identity.
- **Corporate Governance Lapses:** Material Corporate Governance lapses reported in Annual reports, MCA, media reports specifically pertaining to KYC/ AML.
- **Change in Geographical Location:** If the location of the registered office of the company changes except in case for Government Companies; or there is change in geographical areas of operation except Govt. Companies from easily accessible to remote or border areas.
- **Inclusion in Sanction Lists:** If an institution appears on sanction lists or watch list such as those from the UNCS, UAPA, UNCHS, it will require reclassification from its previous risk category. This requires enhanced due diligence and regular reviews.
- **Account Declaration as Fraud:** If an account is declared fraudulent, it will be reclassified to High Risk to limit potential damage.
- **Willful Default Declaration:** An institution identified as a willful defaulter will require re-classification.
- **Adverse Public Dissemination:** Negative media reports about unethical conduct, legal disputes, or regulatory violations raises the risk profile, leading to and necessitating enhanced due diligence.

FOR INDIVIDUAL BORROWERS-

- **Unreachable or Untraceable:** If an individual becomes unreachable or untraceable, it necessitates the need for its reclassification.
- **Verification Issues:** If KYC documents (such as identity proof or address proof) cannot be verified online—due to expiration, invalidity, or mismatched information—it will trigger its re-classification.
- **Fraud cases:** Detected or probable Fraud cases would necessitate the need for its reclassification.
- **Unverified Prepayments:** Prepayments from third party accounts
- **Change of Citizenship:** A change in citizenship can impact the ability to trace the individual, leading to reclassification due to difficulties in monitoring and enforcing compliance.

- **Inclusion in Sanction Lists:** Inclusion of an individual or entity in sanction lists (e.g. United Nation Security Council (UNSC), UAPA (Unlawful Activities (Prevention) Act), etc. would necessitate the need for its reclassification.
- b) Based on risk policy, customers would be categorized in low, medium and high-risk category, at the time of sanction of proposal which would be duly considered by sanctioning authority, while sanctioning the scheme, further the categorization would be periodically reviewed (period not exceeding 6 months), based on laid down criterion by Regional offices by filling the data on Online Portal being developed for this purpose. The risk profile of customers would be reviewed by Operations and Retail Finance Wing, for further review for KYC compliance by HOD (IA), which shall be further informed to Operational Risk Management Committee and Audit Committee.
 - c) The risk categorization of a customer and the specific reasons for such categorization shall be kept confidential and shall not be revealed to the customer to avoid tipping off the customer.

Provided that various other information collected from different categories of customers relating to the perceived risk would be non-intrusive.

Chapter V - Customer Identification Procedure (CIP)

1. HUDCO shall undertake identification of customers in the following cases:
 - (a) Commencement of an account-based relationship with the customer.
 - (b) When there is a doubt about the authenticity or adequacy of the obtained customer identification data.
 - (c) Selling third party products as agents, selling their own products, payment of dues of credit cards/sale and reloading of prepaid/travel cards and any other product for more than rupees fifty thousand
 - (d) When HUDCO has reason to believe that a customer (account- based or walk-in) is intentionally structuring a transaction into a series of transactions below the threshold of rupees fifty thousand.
 - (e) HUDCO shall ensure that introduction is not to be sought while opening accounts.
2. For the purpose of verifying the identity of customers at the time of commencement of an account-based relationship, HUDCO, may rely on customer due diligence done by a third party, subject to the following conditions:
 - (a) Records or the information of the customer due diligence carried out by the third party would be obtained immediately from the third party or from the Central KYC Records Registry.
 - (b) Ensuring that copies of identification data and other relevant documentation relating to the customer due diligence requirements are made available by the third party upon request without delay.

- (c) The third party is regulated, supervised or monitored for, and has measures in place for, compliance with customer due diligence and record-keeping requirements in line with the requirements and obligations under the PML Act.
- (d) The third party shall not be based in a country or jurisdiction assessed as high risk.

Chapter VI - Customer Due Diligence(CDD) Procedure

Customer Due diligence means identifying the customer and verifying his/her identity by using reliable, independent source documents, data or information including identifying and verifying the customer and the beneficial owner, on the basis of officially valid document. HUDCO shall obtain sufficient information necessary to verify the identity of each customer and the purpose of the intended nature of relationship. HUDCO shall ensure that due diligence undertaken is based on risk profile of the customer in compliance with the extant guidelines in place. The requirement of documents for the type of Customer (individual, Sole proprietary firm, legal entities etc.) would be different.

Part I - Customer Due Diligence (CDD) in case of individuals:

For undertaking CDD, HUDCO shall obtain the following from an individual while establishing an account-based relationship or while dealing with the individual who is a beneficial owner, authorized signatory or the power of attorney holder related to any legal entity:

- a) the Aadhaar number were,
 - (i) he is desirous of receiving any benefit or subsidy under any scheme notified under section 7 of the Aadhaar (Targeted Delivery of Financial and Other subsidies, Benefits and Services) Act, 2016 (18 of 2016); or
 - (ii) he decides to submit his Aadhaar number voluntarily in compliance of statute (Masking would be done as mandated by Law) or
 - (iii) (aa) the proof of possession of Aadhaar number where offline verification can be carried out; or
 - (ab) the proof of possession of Aadhaar number where offline verification cannot be carried out or any OVD or the equivalent e-document thereof containing the details of his identity and address;
 - (ac) the KYC Identifier with explicit consent to download records from CKYCR.
- b) The Permanent Account Number or the equivalent e-document thereof or Form No.60 as defined in Income-tax Rules, 1962; and
- c) Such other documents like Voters ID card, Passport, Driving License, office ID Card would be accepted as Identity document, for address verification Landline Bill, Electricity Bill, Letter from Employer (Subject to HUDCO satisfaction), Ration Card can be accepted, additional documents in respect of Employment, nature of business and financial status of the customer, or the equivalent e-documents thereof as may be required will be obtained.

Provided that where the customer has submitted,

- i) Aadhaar number under clause (a) above notified under first proviso to sub- section (1) of section 11A of the PML Act, HUDCO shall carry out authentication of the customer's

Aadhaar number using e-KYC authentication facility provided by the Unique Identification Authority of India. Further, in such a case, if customer wants to provide a current address, different from the address as per the identity information available in the Central Identities Data Repository, he may give a self-declaration to that effect.

- ii) proof of possession of Aadhaar under clause (aa) above where offline verification can be carried out, HUDCO shall carry out offline verification.
- iii) an equivalent e-document of any OVD, HUDCO shall verify the digital signature as per the provisions of the Information Technology Act, 2000 (21 of 2000) and any rules issues thereunder and take a live photo as specified in Annexure-1 of Master Directions.
- iv) any OVD or proof of possession of Aadhaar number under clause (ab) above where offline verification cannot be carried out, HUDCO shall carry out verification through digital KYC as specified in Annexure-1 of Master Directions.
- v) KYC Identifier under clause (ac) above, HUDCO shall retrieve the KYC records online from the CKYCR in accordance with Section 56 (for the sake of Brevity section 56 has not been reproduced here. The same may be referred from RBI KYC Master Direction dated 2016.

Video based Customer Identification Process (V-CIP): HUDCO carries out its KYC process through offline/ face to face method. As and when the need for V-CIP shall arise for HUDCO, the directions as contained in the Chapter VI point no. 18 of the RBI Master Direction-Know Your Customer (KYC) Direction 2016 dated February 25, 2016 shall be followed for V-CIP.

Part II - CDD Measures for Sole Proprietary firms:

Presently HUDCO is not extending credit to Sole Proprietary firms, however in case if any such proposal is considered KYC would be undertaken in accordance with Master Directions on KYC as applicable.

Part III - CDD Measures for Legal Entities

HUDCO would ensure obtaining the following documents for entering into account-based relationship:-

In case of a Company:-

- 1) Certified copies of each of the following documents or the equivalent e-documents thereof shall be obtained:
 - a) Certificate of incorporation
 - b) Memorandum and Articles of Association
 - c) Permanent Account Number of the company

- d) A resolution from the Board of Directors and power of attorney granted to its managers, officers or employees to transact on its behalf
- e) Documents, as specified in Section 16, relating to beneficial owner, the managers, officers or employees, as the case may be, holding an attorney to transact on the company's behalf
- f) The names of the relevant persons holding senior management position; and
- g) The registered office and the principal place of its business, if it is different.

In case of Trust

- 1) Certified copies of each of the following documents or the equivalent e-documents thereof shall be obtained:
 - a) Registration certificate
 - b) Trust deed
 - c) Permanent Account Number or Form No.60 of the trust
 - d) Documents, as specified in Section 16, relating to beneficial owner, managers, officers or employees, as the case may be, holding an attorney to transact on its behalf
 - e) the names of the beneficiaries, trustees, settlor, protector, if any and authors of the trust
 - f) the address of the registered office of the trust; and
 - g) list of trustees and documents, as specified in Section 16, for those discharging the role as trustee and authorized to transact on behalf of the trust.

In case of **juridical person** (not specifically covered in the earlier part) such as societies, universities and local bodies like village panchayats, etc., or who purports to act on behalf of such juridical person or individual or trust, certified copies of the following documents or the equivalent e-documents thereof shall be obtained and verified:

- (a) Document showing name of the person authorized to act on behalf of the entity
- (b) Documents, as specified in Section 16, of the person holding an attorney to transact on its behalf and
- (c) Such documents as may be required by HUDCO to establish the legal existence of such an entity/juridical person

In case customer is **Partnership Firm**, unincorporated association or a body of individuals, HUDCO would ensure obtaining documents as contained in Master Directions.

Part IV - Identification of Beneficial Owner

For entering into account-based relationship of a Legal Person who is not a natural person, the beneficial owner(s) shall be identified and all reasonable steps to verify his/her identity shall be undertaken keeping in view the following:

- (a) Where the customer or the owner of the controlling interest is (i) an entity listed on a stock exchange in India, or (ii) it is an entity resident in jurisdictions notified by the Central Government and listed on stock exchanges in such jurisdictions or (iii) it is a subsidiary of such listed entities; it would not be necessary to identify and verify the identity of any shareholder or beneficial owner of such entities.
- (b) In cases of trust/nominee or fiduciary accounts whether the customer is acting on behalf of another person as trustee/nominee, or any other intermediary is determined. In such cases, satisfactory evidence of the identity of the intermediaries and of the persons on whose behalf they are acting, as also details of the nature of the trust or other arrangements in place would be obtained.

Part V - Ongoing Due Diligence

HUDCO shall make endeavors to understand the normal and reasonable activity of the customer so that the transaction that fall outside the regular pattern can be identified. However, the extent of monitoring will depend on the risk sensitivity of the transaction. Complex, unusually large transactions which have no apparent economic or visible lawful purpose should attract the attention for monitoring the transaction and the customer. Background of the customer, country of origin, sources of funds and other risk factors shall determine the extent of monitoring. Deposit of third-party cheques, drafts, RTGS would be monitored. The extent of monitoring shall be aligned with the risk category of the customer. High risk accounts shall be subjected to more intensified monitoring. HUDCO shall carry out periodic review of the risk categorization of customers and the need for applying enhanced due diligence measures at a periodicity of not less than once in six months.

On-going due diligence is an essential element of effective KYC/AML procedures. On-going due diligence of customers to be undertaken to ensure that their transactions are consistent with their knowledge about the customers, customers' business and risk profile; and the source of funds. Though the main line of business of HUDCO presently is with Government and its agencies which reduces risk significantly but in case of diversification, HUDCO would consider adopting appropriate innovations including artificial intelligence and machine learning (AI and ML) technologies to support effective monitoring.

Periodic Updation

HUDCO shall adopt a risk-based approach for periodic updation of KYC. However, periodic updation shall be carried out at least once in two years for high-risk customers, once in eight years for medium risk customers and once in ten years for low-risk customers from the date of opening of the account/last KYC updation or earlier when the updated KYC information is obtained/received from the customer.

a. Individual Customers:

- **No change in KYC information:** In case of no change in the KYC information, a self- declaration from the customer in this regard shall be obtained through customer's Email-ID registered with HUDCO, letter etc.
- **Change in address:** In case of a change only in the address details of the customer, a self-declaration of the new address shall be obtained from the customer through

customer's Email-ID registered with HUDCO, letter etc., and the declared address shall be verified through positive confirmation within two months, by means such as address verification letter, contact point verification, deliverables etc.

Further HUDCO, at its option, may obtain a copy of OVD or the equivalent e-documents thereof for the purpose of address, declared by the customer at the time of periodic updating.

b. Customers other than individuals:

- **No change in KYC information:** In case of no change in the KYC information of the legal entity customer, a self-declaration in this regard shall be obtained from the legal entity customer through its E-mail ID registered with HUDCO, letter from authorized official of the legal entity in this regard, board resolution etc. HUDCO shall ensure during this process the Beneficial Ownership (BO) information available with them is accurate and shall update the same, if required, to keep it as up-to-date as possible.
- **Change in KYC information:** In case of change in KYC information, HUDCO shall undertake the KYC process equivalent to that applicable for on-boarding a new legal entity customer.

Additional Measures: In addition to the above, HUDCO shall ensure that,

- The KYC documents of the customer as per the current CDD standards are available with it. This is applicable even if there is no change in customer information but the documents available with HUDCO are not as per the current CDD standards. Further, in case the validity of the CDD documents available with HUDCO has expired at the time of periodic updating of KYC, HUDCO shall undertake the KYC process equivalent that applicable for on-boarding a new customer.
- Customer's PAN detail, if available with HUDCO, is verified from the database of the issuing authority at the time of periodic updation of KYC. In case of non-availability of PAN or equivalent e-document thereof, HUDCO shall temporarily cease operations in the account (only credit transactions will be allowed) till documents are submitted, further reasonable notice before taking action and opportunity to be heard shall be provided.
- HUDCO shall advise the customers that in order to comply with the PML rules, in case of any update in the documents, submitted by the customer at the time of establishment of business relationship/account-based relationship and thereafter, as necessary; customers shall submit the update of such documents, and this shall be done within 30 days of the update to the documents for the purpose of updating the records at HUDCOs' end.
- Customer Aadhaar detail, if available with HUDCO, shall be verified by scanning QR code available on all forms of Aadhaar using m Aadhaar app or Aadhaar QR scanner.
- Acknowledgement is provided to the customer mentioning the date of receipt of the relevant document(s), including self-declaration from the customer for carrying out the periodic updation. Further, it shall be ensured that the information/documents obtained from the customers at the time of periodic updation of KYC are promptly updated in the records/database of HUDCO and an intimation, mentioning the date of updation of KYC details, is provided to the customer.

- Any additional and exceptional measures, wherever applicable which otherwise are not mentioned under above instructions, can be adopted by HUDCO such as requirement of obtaining the recent photograph, requirement of physical presence of the customer, requirement of physical presence of the customer specifically in the office where account- based relationship was established etc.

Part VI - Enhanced and Simplified Due Diligence Procedure

➤ Client accounts opened by professional intermediaries:

- a) HUDCO will ensure that intermediaries authorized by HUDCO for fund mobilization is a regulated and supervised entity and has adequate systems in place to comply with the KYC requirements of the customers. Further HUDCO will not engage with intermediaries who are bound by client confidentiality that prohibit disclosure of the client details to HUDCO.
- b) Details of Beneficial owners shall be identified.
- c) HUDCO shall rely on Customer due diligence (CDD) done by an intermediary and ensure that it has adequate systems in place to comply with the KYC, however the ultimate responsibility will lie with HUDCO.
- d) The Resource Mobilization Wing will ensure that intermediary complies with SEBI directives on KYC (including CKYC) and it includes obtaining confirmation of the same from Registered Transfer Agent (RTA).

➤ Politically Exposed Persons (PEPs)

HUDCO shall have the option of establishing a relationship with PEPs provided that, apart from performing normal customer due diligence, the following would also be ensured in such cases:

- HUDCO will have in place appropriate risk management systems to determine whether the customer or the beneficial owner is a PEP.
- Reasonable measures are taken by the HUDCO for establishing the source of funds/ Wealth.
- The approval to open an account-based relationship for a PEP shall be obtained from the senior management.
- All such accounts are subjected to enhanced monitoring on an on-going basis.
- In the event of an existing customer or the beneficial owner of an existing account subsequently becoming a PEP, senior management's approval is obtained to continue the business relationship.
- These instructions shall also be applicable to family members or close associates of PEPs.

Chapter VII - Maintenance and preservation of records

The following steps shall be taken regarding maintenance, preservation and reporting of customer account information, with reference to provisions of PML Act and Rules. It is to be ensured to,

- maintain all necessary records of transactions between the Company and the customer, both domestic and international, for at least five years from the date of transaction.
- preserve the records pertaining to the identification of the customers and their addresses obtained while opening the account and during the course of business relationship, for at least five years after the business relationship is ended;
- make available swiftly, the identification records and transaction data to the competent authorities upon request.
- introduce a system of maintaining proper record of transactions prescribed under Rule 3 of Prevention of Money Laundering (Maintenance of Records) Rules, 2005 (PML Rules, 2005).
- maintain all necessary information in respect of transactions prescribed under PML Rule 3 so as to permit reconstruction of individual transaction, including the following:
 - a. the nature of the transactions.
 - b. the amount of the transaction and the currency in which it was denominated.
 - c. the date on which the transaction was conducted; and
 - d. the parties to the transaction.
- evolve a system for proper maintenance and preservation of account information in a manner that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities.
- maintain records of the identity and address of their customer, and records in respect of transactions referred to in Rule 3 in hard or soft format.
- In respect of non-profit organizations dealing with HUDCO it would be ensured that the details are registered on the DARPAN Portal of Niti Aayog.

Chapter VIII

Reporting Requirements to Reporting to Financial Intelligence Unit- India

HUDCO shall furnish to the Director, Financial Intelligence Unit-India information referred to in Rule 3 of the PML (Maintenance of Records) Rules, 2005 in terms of rule 7 thereof. HUDCO is required to furnish information relating to all suspicious transactions whether not made in cash to the Director, Financial Intelligence India Unit as per the directions of KYC guidelines. While determining suspicious transactions, HUDCO should be guided by definition of suspicious transaction contained in Prevention of Money Laundering Act Rules as amended from time to time. HUDCO shall make suspicious transaction reports if it has reasonable ground to believe that transaction involve proceeds of crime irrespective of the amount of the transaction.

Where a single transaction or series of transactions integrally connected to each other have been valued below the prescribed value so as to defeat the provisions of Section 12 of PMLA, principal officer would furnish information in respect of such transactions to the Director, Financial Intelligence Unit-India (FIU-IND) within the prescribed time.

The reporting formats and comprehensive reporting format guide, prescribed/ released by FIU-IND and Report Generation Utility and Report Validation Utility developed to assist in the preparation of prescribed report shall be taken note of. The editable electronic utilities to file electronic Suspicious Transaction Reports (STR) which FIU-IND has placed on its website shall be made use of by HUDCO as it is yet to install/adopt suitable technological tools for extracting STR from their live transaction data. As all branches are not fully computerized, the principal officer shall have suitable arrangement to cull out the transaction details from branches and to feed the data into an electronic file with the help of the editable electronic utilities of STR as have been made available by FIU-IND on its website <http://fiuindia.gov.in>.

The Suspicious Transaction Report (STR) should be furnished within 7 days of arriving at the conclusion that any transaction, whether cash or non-cash, or a series of transactions integrally connected are of suspicious nature. The principal officer should record his reasons for treating any transaction or a series of transactions as suspicious. It should be ensured that there is no undue delay in arriving at such a conclusion once a suspicious transaction report is received from a regional office. Such report should be made available to the competent authorities on request.

While furnishing information to the Director, FIU-IND, delay of each day in not reporting a transaction or delay of each day in rectifying a mis-represented transaction beyond the time limit as specified in the Rule shall be constituted as a separate violation. HUDCO shall not put any restriction on operations in the accounts where an STR has been filed. HUDCO shall keep the fact of furnishing of STR strictly confidential. It shall be ensured that there is no tipping off to the customer at any level.

Chapter IX

Requirements/Obligations Under International Agreements Communication from International Agencies

➤ Obligations under the Unlawful Activities (Prevention) (UAPA) Act, 1967:

HUDCO shall ensure that in terms of Section 51A of the Unlawful Activities Prevention Act (UAPA), 1967, and amendments thereto, that it does not have any account in the name of individuals / entities appearing in the lists of individuals and entities, suspected of having terrorist links, which are approved by and periodically circulated by the United Nations Security Council (UNSC). The details of the two lists are as under:

1. The **“ISIL (Da’esh) & Al-Qaida Sanctions List”**, which includes names of individuals and entities associated with the Al-Qaida. The updated ISIL & Al- Qaida Sanctions List is available at: [a https://scsanctions.un.org/ohz5jen-al-qaida.html](https://scsanctions.un.org/ohz5jen-al-qaida.html)
2. The **“Taliban Sanctions List”**, consisting of individuals (Section A of the consolidated list) and entities (Section B) associated with the Taliban which is available at <https://scsanctions.un.org/3ppp1en-taliban.htm>

Details of accounts resembling any of the individuals/entities in the lists shall be reported to FIU-IND apart from advising Ministry of Home Affairs (MHA) as required

under UAPA notification dated February 2, 2021 as per annexure of the Master Direction). HUDCO shall leverage latest technological innovations and tools for effective implementation of name screening to meet the sanctions requirements.

In addition to the above, other United Nations Security Council Resolutions (UNSCRs) circulated by the Reserve Bank in respect of any other jurisdictions / entities from time to time shall also be taken note of. HUDCO shall also ensure to refer to the lists as available in the Schedules to the Prevention and Suppression of Terrorism (Implementation of Security Council Resolutions) Order, 2007, as amended from time to time. The aforementioned lists, i.e., UNSC Sanctions Lists and lists as available in the Schedules to the Prevention and Suppression of Terrorism (Implementation of Security Council Resolutions) Order, 2007, as amended from time to time and UNSCR 1718 Sanctions List of Designated Individuals and Entities, as available at <https://www.mea.gov.in/Implementation-of-UNSC-Sanctions-DPRK.htm>, to take into account any modifications to the list shall be verified on daily basis and any modifications to the lists in terms of additions, deletions or other changes shall be taken into account by for meticulous compliance.

3. Freezing of Assets under Section 51A of Unlawful Activities (Prevention) Act (UAPA), 1967

The procedure laid down in the UAPA Order dated February 2, 2021 (Annexure-II of Master Direction-Know Your Customer (KYC) Directions, 2016) shall be strictly followed and meticulous compliance with the Order issued by the Government shall be ensured. The list of Nodal Officers for UAPA is available on the website of Ministry of Home Affairs. In accordance with paragraph 3 of the aforementioned Order, further it will be ensured that no transaction is carried out in case the particulars of the individual / entity match with the particulars in the designated list.

➤ Obligations under Weapons of Mass Destruction (WMD) and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 (WMD Act, 2005):

HUDCO will ensure compliance with the "Procedure for Implementation of Section

12A of the Weapons of Mass Destruction (WMD) and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005" laid down in terms of Section 12A of the WMD Act, 2005 vide Order dated September 1, 2023, by the Ministry of Finance, Government of India as annexed in the Master Directions. Further countermeasures will be taken when called upon to do so by any international or intergovernmental organization of which India is a member and accepted by the Central government.

- a) In case there are reasons to believe beyond doubt that funds or assets held by a customer would fall under the purview of clause (a) or (b) of sub-section (2) of Section 12A of the WMD Act, 2005. HUDCO shall prevent such individual/entity from conducting financial transactions, under intimation to the CNO by email, FAX and by post, without delay.

- b) In case an order to freeze assets under Section 12A is received from the CNO, HUDCO shall, without delay, take necessary action to comply with the Order.
- c) The process of unfreezing of funds, etc., shall be observed as per paragraph 7 of the Order. Accordingly, copy of application received from an individual/entity regarding unfreezing shall be forwarded by RE along with full details of the asset frozen, as given by the applicant, to the CNO by email, FAX and by post, within two working days.
- d) HUDCO shall undertake countermeasures when called upon to do so by any international or intergovernmental organization of which India is a member and accepted by the Central Government

➤ Jurisdictions that do not or insufficiently apply the FATF Recommendations

Special attention shall be given to business relationships and transactions with persons (including legal persons and other financial institutions) from or in countries that do not or insufficiently apply the FATF Recommendations and jurisdictions included in FATF Statements. Further such details shall be made available to Reserve Bank/other relevant authorities, as per the requirements.

Chapter X - Money Laundering and Terrorist Financing Risk Assessment

HUDCO shall carry out 'Money Laundering (ML) and Terrorist Financing (TF) Risk Assessment' exercise periodically to identify, assess and take effective measures to mitigate its money laundering and terrorist financing risk for clients, countries or geographic areas, products, services, transactions or delivery channels, etc.

The recent RBI guidance document on Internal Risk Assessment for Money Laundering and Terrorist Financing Risks (dated October 10, 2024) provides guidance on conducting a risk-based approach for mitigating ML/TF risks which would be followed by HUDCO.

Key Principles for Internal Risk Assessment exercise:

The enterprise level risk assessment forms the bedrock of HUDCO's Risk Based Approach (RBA). It enables HUDCO to understand the scope and extent of its exposure to Money Laundering (ML), Terrorist Financing (TF), and Proliferation Financing (PF) risks. Identification of these vulnerabilities help in allocation of the attention and resources necessary to mitigate the risk.

Dual-level Internal Risk Assessment (IRA) for ML/TF risks

HUDCO would manage ML/TF/PF risks through a dual-level approach to Internal Risk Assessment. A team to carry out IRA exercise consisting of one member each from Internal Audit, Risk / Fraud Department and Operations would carry out risk assessment exercise at least once in a financial year.

(a) Business-Level IRA

The ML/TF/PF risk exposure at HUDCO is influenced by its specific business model, including the nature and complexity of the business.

(b) **Individual-Level IRA**

HUDCO has to perform an individual-level assessment to evaluate ML/TF risks associated with each business relationship or occasional transaction. This involves assessing the specific risk profile of each customer, considering factors such as the customer's identity, location, and the types of products, services, and channels used.

Assessment of IRA Results in Customer Due Diligence (CDD)-

HUDCO will use outcomes of Business-Level and Individual-Level IRAs to determine the appropriate level of Customer Due Diligence (CDD) for specific customers, products, services and delivery channels. Outcomes of individual customer risk assessments are factored in the business level IRA to guide allocation of weights during the IRA exercise.

Steps for HUDCO's Risk Assessment Levels-

Each risk assessment level would consist of two key steps-

- i. **Identification** of ML/TF Risk Factors
- ii. **Assessment** and **Impact** of ML/TF Risks

Identification and assessment of HUDCO's ML/TF risks include a range of key-risk factors which include-

INHERENT RISK FACTORS-

Inherent Risk Factors	Particulars	Risk Weights
Nature, Scale, Diversity, Complexity of business	HUDCO is mainly engaged in financing of housing and infrastructure projects, consultancy, capacity building activities and jurisdiction is limited to operations within the country and thus, has simple business structure.	Low
Profile of Customers served	HUDCO is primarily funding to Government and government entities with a negligible exposure to legacy private sector agencies and individual housing loans constituting a miniscule portion of loan outstanding.	Low
Type of onboarding	Face -to-face and there are no walk-in customers or non- face to face on-boarding	Low
Type of Customers	The exposure is primarily to legal entities that too Government and Government entities and small exposure to private	Low for Government agencies and private sector entities with good corporate governance. Other

	sector agencies and to individuals.	private sector entities to be assigned Medium or High Risk weights based on IRA exercise. Similarly, Individuals employed in government / well established private sector companies would typically be assigned low risk weights and other individuals who are self-employed would be assigned medium/ high risk weights based on the IRA exercise.
PEP/ NRI Status	Primarily, the financing is provided to Government and government entities.	Low
Product and services offered to customers	HUDCO is extending financial assistance to housing and infrastructure projects along with consultancy and capacity building to Government and Government agencies constituting bulk loans of more than 99 %; rest constitutes towards individual loans; the services are routed through banking channels and there are no non face-to –face and digital products and restricted to operations within the country and all activities are carried out in-house.	Low
Level of Transparency	Since dealing with Government , Government entities ; level of transparency is very high with clearly defined beneficial ownership and sources of fund.	Low
New Technology Products/ Payment methods etc.	The payment is routed through banking channels and no digital offerings.	Low

CONTROL RISK FACTORS-

Control Risk Factors	Particulars	Risk weights
Jurisdiction	Operations are confined within the country	Low
Outsourcing, third party reliance, Dependence on unregulated intermediaries	No outsourcing and reliance on third party and no exposure to unregulated intermediaries.	Low
Special relaxation provided in due diligence	No special relaxations granted	Low
Internal Audit and Regulatory Observations	No material or significant observations	Low

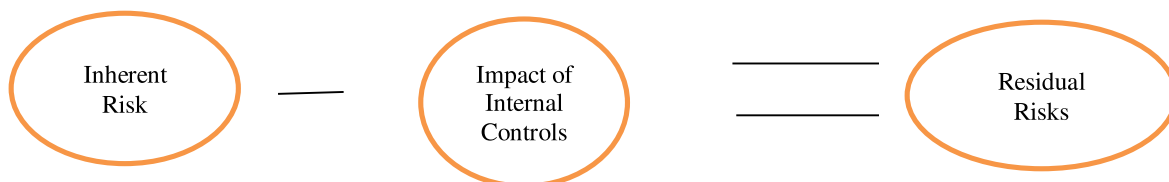
OTHER RISK FACTORS-

Risk Factors	Particulars	Risk Weights
Enforcement Actions by LEA due to AML/CFT lapses	Enforcement actions would be monitored and appropriate actions with enhanced due diligence would be undertaken.	Such identified cases would be placed under High Risk Weights.
Inclusion in Sanction List	Included in United Nations Settlement Commission (UNSC), Unlawful Activities (Prevention) Act, flagged by Financial Intelligence Unit (FIU).	Such identified cases would be assigned High Risk Weights.
Identified Fraud Cases	Monitoring of fraud cases would be done and identified fraud cases would be appropriately classified.	High Risk Weights will be assigned.
Independent Information sources for Customer Background	Credible media reports and relevant sources of information	Weightage would be given based on the analysis of the information.

INTERNAL CONTROL MEASURES-

Internal Controls	Particulars	Strength of Control Measures
Governance and Assurance Function	Strong governance and assurance practices are in place. Since, there is Internal Audit, Statutory Audit , CAG Audit and Compliance monitoring to keep a watch on governance functions.	Strong
Integrity of staff and compliance culture	High integrity and compliance culture among staff. Further, vigilance Department oversees vigilance functions and identified staff are not placed in sensitive positions. Further, there is a transfer and staff rotation policy.	Strong
Policies and procedures	Comprehensive, well documented and established policies and procedures are in place	Strong
KYC due diligence	Conducted In-house with quarterly reviews along with certifications from CAs appointed for Internal Certifications.	Strong
On-going monitoring	End use of funds is monitored through technical inspections and thus, eliminating risk of fund diversion and ML/TF funding. Further, payments are received through Banking channels from identified sources. Hence, there is Continuous monitoring of transactions and accounts.	Strong
Suspicious transactions	Monitoring of suspicious transactions are in place and any irregularities are reported immediately.	Strong
Screening of Sanction List	Regular screening and monitoring of Sanction List is conducted.	Strong
Record Keeping/ Retention	Proper records are maintained	Strong
Training	Training of KYC/AML is conducted to sensitize staff	Strong

RESIDUAL RISK-The risk remaining after applying internal controls to mitigate inherent risk is termed as Residual Risks. Residual risk will be calculated based on weights given to inherent risk factors and effectiveness of control factors. The weight assignment to inherent risks and strength of control factors will be decided during IRA exercise. However, the same has been broadly covered above in the analysis. During the IRA exercise, inherent risk factors are assigned specific weights and scores (e.g., Low, Medium, High) based on their potential contribution to overall ML/TF/PF risks. Similarly, the effectiveness of internal controls is assessed, with weights / score (Strong, Satisfactory or Weak) is given. Weights for each risk factor are determined based on expert judgment, available information, and their impact on the overall risk environment at the time of assessment. The scores for inherent risks and the effectiveness of internal controls are then mapped onto a Residual Risk Matrix to calculate the residual risk. Finally, enterprise-wide residual risks are determined by taking the weighted average of the residual risks on the basis of which action plan/ risk mitigation plan will be laid out. For a strong control environment, residual risk is to be kept at low level which would require reducing the inherent risk or strengthen the AML/CFT controls.



In case of launch of new products/ services/ expansion to new jurisdiction/sectors/ risk or vulnerabilities observed by regulators, a team constituted for IRA exercise will assess its impact and the outcome of IRA exercise would be placed before the ORM and Audit Committee for its review annually.

Chapter XI - Other Instruction

➤ **Secrecy Obligations and Sharing of Information:**

- a) HUDCO shall maintain secrecy regarding the customer information which arises out of the contractual relationship between HUDCO and customer.
- b) Information collected from customers for the purpose of entering into account based relationship shall be treated as confidential and details thereof shall not be divulged for the purpose of cross selling, or for any other purpose without the express permission of the customer.
- c) While considering the requests for data/information from Government and other agencies,

HUDCO shall satisfy themselves that the information being sought is not of such a nature as will violate the provisions of the laws relating to secrecy in the transactions.

➤ The exceptions to the said rule shall be as under:

- i. Where disclosure is under compulsion of law
- ii. Where there is a duty to the public to disclose
- iii. the interest of HUDCO requires disclosure
- iv. Where the disclosure is made with the express or implied consent of the customer.

d) HUDCO shall abide by the RBI Master directions 2016 to Wire transfers as applicable for both domestically and cross border transfers.

e) CDD Procedure and sharing KYC information with Central KYC Records (CKYCR)

- a) The Govt. of India has authorized the Central registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) to act as and perform the functions of CKYCR as per the notification dated November 26, 2015.
- b) In terms of provision of Rule 9(1A) OF PML Rules, HUDCO shall capture customer's KYC records and upload onto CKYCR within 10 days of commencement of an account-based relationship with the customer.
- c) HUDCO shall capture the KYC information for sharing the CKYCR in the manner mentioned in the rules as per the KYC templates prepared for 'Individuals' and 'Legal Entities' as the case may be.
- d) RBI, has mandated uploading the KYC data pertaining to all new individual accounts opened on or after April 1, 2017 and Legal Entities opened on or after April 1, 2021, with CKYCR. The KYC records have to be uploaded as per the prescribed Template released by CERSAI.
- e) Once KYC Identifier is generated by CKYCR, HUDCO shall ensure that the same is communicated to the individual/LE as the case may be.
- f) In order to ensure that all KYC records are incrementally uploaded on to CKYCR, HUDCO shall upload/update the KYC data pertaining to accounts of individual customers and Legal Entities (LEs) whose accounts were opened prior to the date mentioned in clause (d) at the time of periodic updation as specified in paragraph 38 of this Master Direction, or earlier, when the updated KYC information is obtained/received from the customer. Also, whenever HUDCO obtains additional or updated information from any customer as per clause (h) below in this paragraph or Rule 9 (1C) of the PML Rules, HUDCO shall within seven days or within such period as may be notified by the Central Government, furnish the updated information to CKYCR, which shall update the KYC records of the existing customer in CKYCR. CKYCR shall thereafter inform electronically all the reporting entities who have dealt with the concerned customer regarding updation of KYC record of the said customer. Once CKYCR informs HUDCO regarding an update in the KYC record of an existing customer, HUDCO shall retrieve the updated KYC records from CKYCR and update the KYC record maintained by HUDCO.
- g) HUDCO shall ensure that during periodic updation, the customers are migrated to the current CDD standard.
- h) For the purpose of establishing an account-based relationship, updation/ periodic updation or for verification of identity of a customer, HUDCO shall seek the KYC

Identifier from the customer or retrieve the KYC Identifier, if available, from the CKYCR and proceed to obtain KYC records online by using such KYC Identifier and shall not require a customer to submit the same KYC records or information or any other additional identification documents or details, unless—

- ❖ there is a change in the information of the customer as existing in the records of CKYCR; or
- ❖ the KYC record or information retrieved is incomplete or is not as per the current applicable KYC norms; or
- ❖ the validity period of downloaded documents has lapsed; or
- ❖ HUDCO considers it necessary in order to verify the identity or address (including current address) of the customer, or to perform enhanced due diligence or to build an appropriate risk profile of the customer.

➤ **Reporting Requirement under Foreign Account Tax Compliance Act**

Under FATCA and CRS, all offices shall adhere to the provisions of Income Tax Rules

114F, 114G and 114H and determine whether they are a Reporting Financial Institution as defined in Income Tax Rule 114F and if so, shall take following steps for complying with the reporting requirements:

- Register on the related e-filing portal of Income Tax Department as Reporting Financial Institution at <https://incometaxindiaefiling.gov.in/> post login My Account Register as Reporting Financial Institution,
- Submit online reports by using the digital signature of the 'Designated Director' by either uploading the Form 61B or 'NIL' report, for which, the schema prepared by Central Board of Direct Taxes (CBDT) shall be referred to.

Explanation: All offices shall refer to the spot reference rates published by Foreign Exchange Dealers Association of India (FEDAI) on their website at <http://www.fedai.org.in/RevaluationRates.aspx> for carrying out the due diligence procedure for the purposes of identifying reportable accounts in terms of Rule 114H.

- Develop Information Technology (IT) framework for carrying out due diligence procedure and for recording and maintaining the same, as provided in Rule 114H.
- Develop a system of audit for the IT framework and compliance with Rules 114F, 114G and 114H of Income Tax Rules.
- A "High Level Monitoring Committee" under the chairmanship of Designated Director or any other equivalent functionary to ensure compliance comprising of ED(LA), ED (Corporate Accounts and Taxation), ED(RM) shall be constituted.
- Ensure compliance with updated instructions / rules / guidance notes / Press releases / Issued on the subject by Central Board of Direct Taxes (CBDT) from time to time and available on the web site <http://www.incometaxindia.gov.in/Pages/default.aspx>. HUDCO may take note of the following:
 - a. Updated Guidance Note on FATCA and CRS
 - b. A press release on 'Closure of Financial Accounts' under Rule 114H (8).

➤ Hiring of Employees and Employee Training

- Adequate screening mechanism including Know Your Employee/ staff as an integral part of their personnel recruitment/ hiring process are put in place by HR Wing.
- HUDCO shall endeavor to ensure that the staff dealing with / being deployed for AML/CFT matters have high integrity and ethical standards, good understanding of extant KYC/AML/CFT standards, effective communication skills and ability to keep up with the changing KYC/AML/CFT landscape, nationally and internationally.
- On-going employee training programme shall be put in place so that the members of staff are adequately trained in AML / CFT policy. The focus of the training shall be different for frontline staff, compliance staff and staff dealing with new customers. The front desk staff shall be specially trained to handle issues arising from lack of customer education. Proper staffing of the audit function with persons adequately trained and well-versed in AML / CFT policies of HUDCO, regulation and related issues shall be ensured.

Chapter XII - Updation in KYC Policy of HUDCO

HUDCO shall amend/modify the KYC & AML policy to be in line with RBI or such other statutory authority's requirements/updates/amendments from time to time.

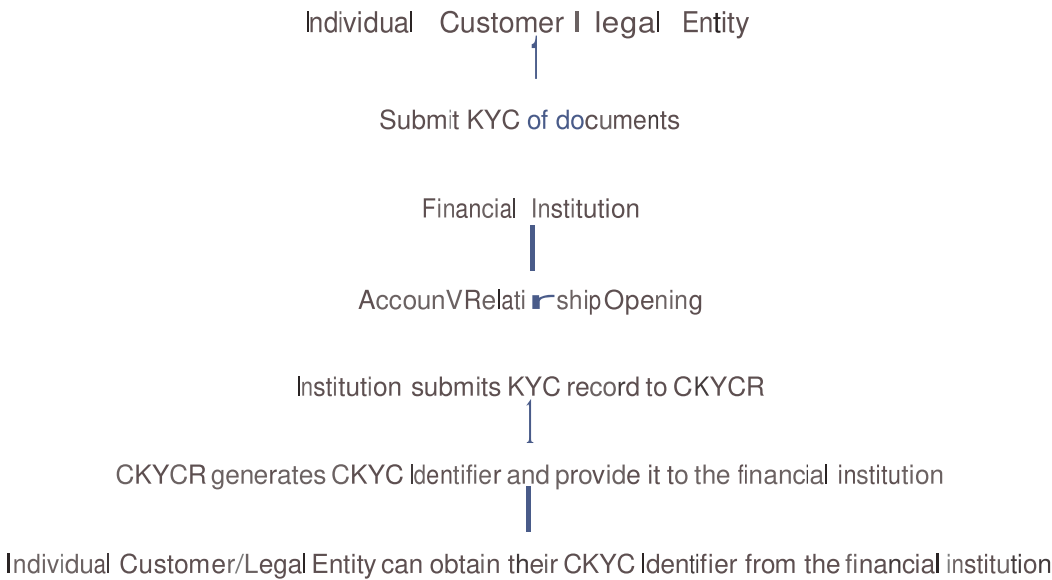
Note: The terms & conditions contained in the policy document have been simplified for the sake of better understanding of the subject matter, however in case of any variation of opinion/understanding; the contents contained in the RBI master directions 2016 and amendments thereto shall prevail.

Flowchart depicting Process of obtaining and use of CKYC forms part of the policy and attached as Annexure-1

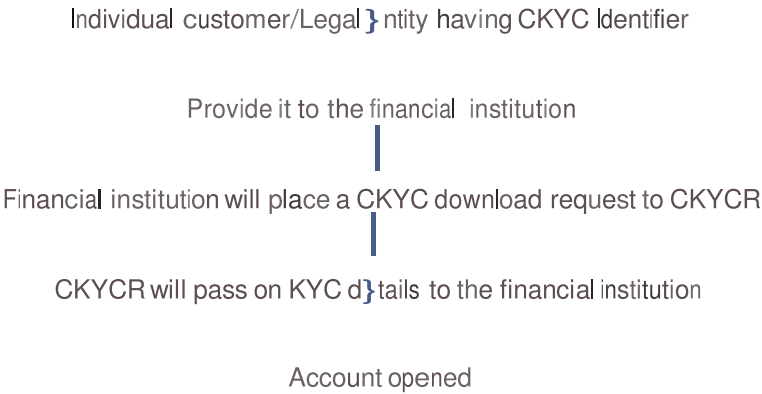
Customer Due Diligence form both for Individuals and Legal entities forms part of the policy and attached as Annexure-2

How to obtain use CKYC Identifier

First time a person start a financial relationship



Next time a person start a financial relationship



CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Individual

Important Instructions:

- A) Fields marked with '*' are mandatory fields.
 B) Tick '✓' wherever applicable.
 C) Please fill the form in English and in BLOCK letters.
 D) Please fill the date in DD-MM-YYYY format.
 E) For particular section update, please tick (✓) in the box section number and strike off the sections not required to be updated.
 F) Please read section wise detailed guidelines / instructions at the end.
 G) List of State / U.T code as per Indian Motor Vehicle Act, 1988 is available at the end.
 H) List of two character ISO 3166 country codes is available at the end.
 I) KYC number of applicant is mandatory for update application.
 J) The 'OTP based E-KYC' check box is to be checked for accounts opened using OTP based E-KYC in non-face to face mode



For office use only

Application Type* ☐ New ☐ Update
 (To be filled by financial institution) KYC Number (Mandatory for KYC update request)
 Account Type* ☐ Normal ☐ Minor ☐ Aadhaar OTP based E-KYC (in non-face to face mode)

1. PERSONAL DETAILS* (Please refer instruction A at the end)

☐ Name* (Same as ID proof) Prefix First Name Middle Name Last Name
 Maiden Name
 Father / Spouse Name
 Mother Name
 Date of Birth* DD MM YY YY
 Gender* ☐ M- Male ☐ F- Female ☐ T-Transgender
 PAN* ☐ Form 60 furnished

2. PROOF OF IDENTITY AND ADDRESS* (Please refer instruction B at the end)

I. Certified copy of OVD or equivalent e-document of OVD or OVD obtained through digital KYC process needs to be submitted (anyone of the following OVDs)

- ☐ A- Passport Number
☐ B-Voter ID Card
☐ C-Driving Licence
☐ D-NREGA Job Card
☐ E-National Population Register Letter
☐ F-Proof of Possession of Aadhaar
 II ☐ E-KYC Authentication
 III ☐ Offline verification of Aadhaar

☐ PHOTO*



Address

Line 1*
 Line 2
 Line 3
 District* Pin/Post Code* State/U.T Code* City / Town / Village* ISO 3166 Country Code*

3. CURRENT ADDRESS DETAILS (Please refer instruction B at the end)

☐ Same as above mentioned address (In such cases address details as below need not be provided)

I. Certified copy of OVD or equivalent e-document of OVD or OVD obtained through digital KYC process needs to be submitted (anyone of the following OVDs)

- ☐ A- Passport Number
☐ B-Voter ID Card
☐ C- Driving Licence
☐ D-NREGA Job Card
☐ E- National Population Register Letter
☐ F - Proof of Possession of Aadhaar
 II ☐ E-KYC Authentication
 III ☐ Offline verification of Aadhaar
 IV ☐ Deemed Proof of Address - Document Type code
 V ☐ Self Declaration

Address

Line 1*
 Line 2
 Line 3
 District* Pin / Post Code* State/U.T Code* City / Town / Village* ISO 3166 Country Code*

☐ **4. CONTACT DETAILS** (All communications will be sent to Mobile number/ Email-ID provided) (Please refer instruction **C** at the end)

Tel. (Off) [] [] [] — [] [] [] [] Tel. (Res) [] [] [] — [] [] [] [] Mobile [] [] — [] [] [] [] [] []
Email ID [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] []

☐ 5. REMARKS (If any)

6. APPLICANT DECLARATION

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.
- I hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/email address.

Date : D D — M M — Y Y Y Y Place:

Signature / Thumb Impression of Applicant

7. ATTESTATION / FOR OFFICE USE ONLY

Documents Received ☐ Certified Copies ☐ E-KYC data received from UIDAI ☐ Data received from Offline verification ☐ Digital KYC Process
☐ Equivalent e-document ☐ Video Based KYC

KYC VERIFICATION CARRIED OUT BY

[illegible]

INSTITUTION DETAILS

[illegible]

A Clarification / Guidelines on filling 'Personal Details' section

- 1 Name: The name should match the name as mentioned in the Proof of Identity submitted failing which the application is liable to be rejected.
- 2 One the following is mandatory : Mother's name, Spouse's name, Father's name.

B Clarification / Guidelines on filling 'Current Address details' section

- 1 In case of deemed PoA such as utility bill, etc. or self declaration, the document need not be uploaded on CKYCR
- 2 PoA to be submitted only if the submitted Pol does not have current address or address as per Pol is invalid or not in force.
- 3 State / U.T Code and Pin / Post Code will not be mandatory for Overseas addresses.
- 4 In Section 2, one of I, II, and III is to be selected. In case of online E-KYC authentication, II is to be selected.
- 5 In Section 3, one of I, II, III and IV is to be selected. In case of online E-KYC authentication, II is to be selected.
- 6 List of documents for 'Deemed Proof of Address':

Document Code	Description
01	Utility bill which is not more than two months old of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill).
02	Property or Municipal tax receipt.
03	Pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address.
04	Letter of allotment of accommodation from employer issued by State Government or Central Government Departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies and leave and licence agreements with such employers allotting official accommodation.

- 7 Regulated Entity (RE) shall redact (first 8 digits) of the Aadhaar number from Aadhaar related data and documents such as proof of possession of Aadhaar, while uploading on CKYCR.
- 8 "Equivalent e-document" means an electronic equivalent of a document, issued by the issuing authority of such document with its valid digital signature including documents issued to the digital locker account of the client as per rule 9 of the Information Technology (Preservation and Retention of Information by Intermediaries Providing Digital Locker Facilities) Rules, 2016.
- 9 'Digital KYC process' has to be carried out as stipulated in the PML Rules, 2005.
- 10 REs may use the Self Declaration check box where Aadhaar authentication has been carried out successfully for a client and client wants to provide a current address, different from the address as per the identity information available in the Central Identities Data Repository

C Clarification / Guidelines on filling 'Contact details' section

- 1 Please mention two- digit country code and 10 digit mobile number (e.g. for Indian mobile number mention 91-9999999999).
- 2 Do not add '0' in the beginning of Mobile number.

D Clarification / Guidelines on filling 'Related Person details' section

- 1 Provide KYC number of related person, if available.

E Clarification on Minor

- 1 Guardian details are optional for minors above 10 years of age for opening of bank account only
- 2 However, in case guardian details are available for minor above 10 years of age, the same (or CKYCR number of guardian) is to be uploaded.

List of two digit state / U.T codes as per Indian Motor Vehicle Act, 1988

State/U.T	Code	State / U.T	Code	State / U.T	Code
Andaman & Nicobar	AN	Himachal Pradesh	HP	Pondicherry	PY
Andhra Pradesh	AP	Jammu & Kashmir	JK	Punjab	PB
Arunachal Pradesh	AR	Jharkhand	JH	Rajasthan	RJ
Assam	AS	Karnataka	KA	Sikkim	SK
Bihar	BR	Kerala	KL	Tamil Nadu	TN
Chandigarh	CH	Lakshadweep	LD	Telangana	TS
Chattisgarh	CG	Madhya Pradesh	MP	Tripura	TR
Dadra & Nagar Haveli and Daman & Diu	DD	Maharashtra	MH	Uttar Pradesh	UP
Ladakh	LA	Manipur	MN	Uttarakhand	UA
Delhi	DL	Meghalaya	ML	West Bengal	WB
Goa	GA	Mizoram	MZ	Other	XX
Gujarat	GJ	Nagaland	NL		
Haryana	HR	Orissa	OR		

List of ISO 3166 two digit Country Code

Country	Country Code	Country	Country Code	Country	Country Code	Country	Country Code
Afghanistan	AF	Dominican Republic	DO	Libya	LY	Saint Pierre and Miquelon	PM
Aland Islands	AX	Ecuador	EC	Liechtenstein	LI	Saint Vincent and the Grenadines	VC
Albania	AL	Egypt	EG	Lithuania	LT	Samoa	WS
Algeria	DZ	El Salvador	SV	Luxembourg	LU	San Marino	SM
American Samoa	AS	Equatorial Guinea	GO	Macao	MO	Sao Tome and Principe	ST
Andorra	AD	Eritrea	ER	Macedonia, the former Yugoslav Republic of	MK	Saudi Arabia	SA
Angola	AO	Estonia	EE	Madagascar	MG	Senegal	SN
Anguilla	AI	Ethiopia	ET	Malawi	MW	Serbia	RS
Antarctica	AQ	Falkland Islands (Malvinas)	FK	Malaysia	MY	Seychelles	SC
Antigua and Barbuda	AG	Faroe Islands	FO	Maldives	MV	Sierra Leone	SL
Argentina	AR	Fiji	FJ	Mali	ML	Singapore	SG
Armenia	AM	Finland	FI	Malta	MT	Sint Maarten (Dutch part)	SX
Aruba	AW	France	FR	Marshall Island	MH	Slovakia	SK
Australia	AU	French Guiana	GF	Martinique	MQ	Slovenia	SI
Austria	AT	French Polynesia	PF	Mauritania	MR	Solomon Island	SB
Azerbaijan	AZ	French Southern Territories	TF	Mauritius	MU	Somalia	SO
Bahamas	BS	Gabon	GA	Moyotte	YT	South Africa	ZA
Bahrain	BH	Gambia	GM	Mexico	MX	South Georgia and the South Sandwich Islands	GS
Bangladesh	BD	Georgia	GE	Micronesia, Federated States of	FM	South Sudan	SS
Barbados	BB	Germany	DE	Moldova, Republic of	MD	Spain	ES
Belarus	BY	Ghana	GH	Monaco	MC	Sri Lanka	LK
Belgium	BE	Gibraltar	GI	Mongolia	MN	Sudan	SD
Belize	BZ	Greece	GR	Montenegro	ME	Suriname	SR
Benin	BJ	Greenland	GL	Montserrat	MS	Svalbard and Jan Mayen	SI
Bermuda	BM	Grenada	GD	Morocco	MA	Swaziland	SZ
Bhutan	BT	Guadeloupe	GP	Mozambique	MZ	Sweden	SE
Bolivia, Plurinational State of	BO	Guam	GU	Myanmar	MM	Switzerland	CH
Bonaire, Sint Eustatius and Saba	BQ	Guatemala	GT	Namibia	NA	Syrian Arab Republic	SY
Bosnia and Herzegovina	BA	Guernsey	GG	Nauru	NZ	Taiwan province of China	TW
Botswana	BW	Guinea	GN	Nepal	NP	Tajikistan	TJ
Bouvet Island	BV	Guinea-Bissau	GW	Netherlands	NL	Tanzania, United Republic of	TZ
Brazil	BR	Guyana	GY	New Caledonia	NC	Thailand	TH
British Indian Ocean Territory	IO	Haiti	HT	New Zealand	NZ	Timor-Leste	TL
Brunei Darussalam	BN	Heard Island and McDonald Islands	HM	Nicaragua	NI	Togo	TG
Bulgaria	BG	Holy See (Vatican City State)	VA	Niger	NE	Tokelau	TK
Burkina Faso	BF	Honduras	HN	Nigeria	NG	Tonga	TO
Burundi	BI	Hongkong	HK	Niue	NU	Trinidad and Tobago	TT
Cabo Verde	CV	Hungary	HU	Norfolk Island	NF	Tunisia	TN
Cambodia	KH	Iceland	IS	Northern Mariana Islands	MP	Turkey	TR
Cameroon	CM	India	IN	Norway	NO	Turkmenistan	TM
Canada	CA	Indonesia	ID	Oman	OM	Turks and Caicos Islands	TC
Cayman Islands	KY	Iran, Islamic Republic of	IR	Pakistan	PK	Tuvalu	TV
Central African Republic	CF	Iraq	IQ	Palau	PW	Uganda	UG
Chad	TD	Ireland	IE	Palestine, State of	PS	Ukraine	UA
Chile	CL	Isle of Man	IM	Panama	PA	United Arab Emirates	AE
China	CN	Israel	IL	Papua New Guinea	PG	United Kingdom	GB
Christmas Island	CX	Italy	IT	Paraguay	PY	United States	US
Cocos (Keeling) Islands	CC	Jamaica	JM	Peru	PE	United States Minor Outlying Islands	UM
Colombia	CO	Japan	JP	Philippines	PH	Uruguay	UY
Comoros	KM	Jersey	JE	Pitcairn	PN	Uzbekistan	UZ
Congo	CG	Jordan	JO	Poland	PL	Vanuatu	VU
Congo, the Democratic Republic of the	CD	Kazakhstan	KZ	Portugal	PT	Venezuela, Bolivarian Republic of	VE
Cook Islands	CK	Kenya	KE	Puerto Rico	PR	Viet Nam	VN
Costa Rica	CR	Kiribati	KI	Qatar	QA	Virgin Islands, British	VG
Cote d'Ivoire (Cote d'Ivoire)	CI	Korea, Democratic People's Republic of	KP	Reunion (Reunion)	RE	Virgin Island, U.S.	VI
Croatia	HR	Korea, Republic of	KR	Romania	RO	Wallis and Futuna	WF
Cuba	CU	Kuwait	KW	Russian Federation	RU	Western Sahara	EH
Curacao (Curacao)	CW	Kyrgyzstan	KG	Rwanda	RW	Yemen	YE
Cyprus	CY	Lao People's Democratic Republic	LA	Saint Barthelemy (Saint Barthelemy)	BL	Zambia	ZM
Czech Republic	CZ	Latvia	LV	Saint Helena, Ascension and Tristan da Cunha	SH	Zimbabwe	ZW
Denmark	DK	Lebanon	LB	Saint Kitts and Nevis	KN		
Djibouti	DJ	Lesotho	LS	Saint Lucia	LC		
Dominica	DM	Liberia	LR	Saint Martin (French Part)	MF		

CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Related Person

- A) Fields marked with '*' are mandatory fields.
- B) Tick '✓' wherever applicable.
- C) Please fill the form in English and in BLOCK letters.
- D) Please fill the date in DD-MM-YYYY format.
- E) For particular section update, please tick (✓) in the box section number and strike off the sections not required to be updated

-

<input type="checkbox"/>	A- Passport Number	
<input type="checkbox"/>	B-Voter ID Card	
<input type="checkbox"/>	C- Driving Licence	
<input type="checkbox"/>	D-NREGA Job Card	
<input type="checkbox"/>	E- National Population Register Letter	
<input type="checkbox"/>	F - Proof of Possession of Aadhaar	
II <input type="checkbox"/>	E-KYC Authentication	
III <input type="checkbox"/>	Offline verification of Aadhaar	
IV <input type="checkbox"/>	Deemed Proof of Address - Document Type code	
V <input type="checkbox"/>	Self Declaration	

[illegible][illegible]

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. Incase any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.
- I hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/email address.

Date : D D — M M — Y Y Y Y Place:

Signature /Thumb Impression of Applicant

Documents Received ☐ Certified Copies ☐ E-KYC data received from UIDAI ☐ Data received from Offline verification ☐ Digital KYC Process
☐ Equivalent e-document ☐ Video Based KYC

[illegible]

Name

Code

**Important Instructions:**

- A) Fields marked with ** are mandatory fields.
 B) Tick '✓' wherever applicable.
 C) Please fill the date in DD-MM-YYYY format.
 D) Please fill the form in English and in BLOCK letters.
 E) KYC number of applicant is mandatory for update application.
 F) List of State / U.T code as per Indian Motor Vehicle Act, 1988 is available at the end.
 G) List of two character ISO 3166 country codes is available at the end.
 H) Please read section wise detailed guidelines / instructions at the end.
 I) For particular section update, please tick (✓) in the box available before the section number and strike off the sections not required to be updated.

For office use only Application Type* ☐ New ☐ Update

(To be filled by financial institution) KYC Number (Mandatory for KYC update request)

☐ **1. ENTITY DETAILS*** (Please refer instruction **A** at the end)

☐ Name*

Entity Constitution Type* ☐ Others (Specify) (Please refer instruction B at the end)

Date of Incorporation / Formation* - - Date of Commencement of Business - -

Place of Incorporation / Formation* Country of Incorporation / Formation* TIN or Equivalent Issuing Country

PAN * ☐ Form 60 furnished

TIN / GST Registration Number

☐ **2. PROOF OF IDENTITY (Pol)*** (Please refer instruction **B** at the end)

☐ Officially valid document(s) in respect of person authorised to transact

☐ Certificate of Incorporation / Formation ☐ Registration Certificate Regn Certificate No.

☐ Memorandum and Articles of Association ☐ Partnership Deed ☐ Trust Deed

☐ Resolution of Board / Managing Committee ☐ Power of attorney granted to its manager, officers or employees to transact on its behalf

☐ Activity Proof - 1 (For Sole Proprietorship Only) ☐ Activity Proof - 2 (For Sole Proprietorship Only)

☐ **3. ADDRESS*** (Please see instruction **C** at the end)

3.1 Registered Office Address / Place of Business*

Proof of Address* ☐ Certificate of Incorporation / Formation ☐ Registration Certificate ☐ Other Document

Line 1*

Line 2

Line 3 City / Town / Village*

District* PIN / Post Code* State / U.T Code* ISO 3166 Country Code*

3.2 Local Address in India (If different from Above)*

Line 1*

Line 2

Line 3 City / Town / Village*

District* PIN / Post Code* State / U.T Code* ISO 3166 Country Code*

☐ **4. CONTACT DETAILS** (All communications will be sent to Mobile number/ Email-ID provided" may be used) (Please refer instruction **D** at the end)

Tel. (Off) - FAX -

Mobile - Email ID

Mobile - Email ID

☐ **5. NUMBER OF RELATED PERSONS** (Please refer instruction **E** at the end)

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.
- I/we hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/email address.

[illegible]

Signature / Thumb Impression of Authorised Person(s)

Documents Received ☐ Certified Copies ☐ Equivalent e-document ☐

INSTITUTION DETAILS

Name _____

Code

A Clarification / Guidelines for filing Entity Details section

1 Entity Constitution Type

A - Sole Proprietorship	H - Trust	O - Artificial Jurisdictional Person
B - Partnership Firm	I - Liquidator	P - International Organisation or Agency /Foreign
C - HUF	J - Limited Liability Partnership	Embassy or Consular Office etc.
D - Private Limited Company	K - Artificial Liability Partnership	Q - Not Categorized
E - Public Limited Company	L - Public Sector Banks	R - Others
F - Society	M - Central/State Government Department or Agency	S - Foreign Portfolio Investors
G - Association of Persons (AOP) / Body of Individuals (BOI)	N - Section 8 Companies (Companies Act, 2013)	

2 In case of companies and partnerships, PAN of the entity is mandatory. In case of other entities, FORM 60 may be obtained if PAN is not available.

B Clarification / Guidelines for filling 'Proof of Identity[Pol]' section

- 1 Activity Proof - 1 and Activity Proof - 2 are applicable for accounts in case of proprietorship firms. Please refer to relevant instructions issued by the Reserve Bank of India in this regard.
- 2 Please refer to the relevant instructions issued by the regulator regarding applicable documents for the legal entity.
- 3 Certified copy of document or equivalent e-document or OVD obtained through Digital KYC process to be submitted.
- 4 'Equivalent e-document' means an electronic equivalent of a document, issued by the issuing authority of such document with its valid digital signature including documents issued to the digital locker account of the client as per rule 9 of the Information Technology (Preservation and Retention of Information by Intermediaries Providing Digital Locker Facilities) Rules, 2016.
- 5 'Digital KYC process' has to be carried out as stipulated in the PML Rules, 2005.
- 6 KYC requirements for Foreign Portfolio Investors (FPIs) will be as specified by the concerned regulator from time to time.

C Clarification / Guidelines for filling 'Proof of Address [PoA]' section

- 1 State / U.T Code and Pin / Post Code will not be mandatory for Overseas addresses.
- 2 Certified copy of document or equivalent e-document to be submitted.

D Clarification / Guidelines for filling 'Contact Details' section

- 1 Please mention two- digit country code and 10 digit mobile number (e.g. for Indian mobile number mention 91-9999999999).
- 2 Do not add '0' in the beginning of Mobile number.

E Clarification / Guidelines for filling 'Related Person Details' section

- 1 Personal Details
 - The name should match the name as mentioned in the Proof of Identity submitted failing which the application is liable to be rejected.
- 2 Proof of Address [PoA]
 - PoA to be submitted only if the submitted Pol does not have an address or address as per Pol is invalid or not in force.
 - State / U.T Code and Pin / Post Code will not be mandatory for Overseas addresses.
 - In case of deemed PoA such as utility bill, the document need not be uploaded on CKYCR
 - REs may use the Self Declaration check box where Aadhaar authentication has been carried out successfully for a client and client wants to provide a current address, different from the address as per the identity information available in the Central Identities Data Repository.
- 3 If KYC number of Related Person is available, no other details except 'Person Type' and 'Name of the Related Person' are required.
- 4 Regulated Entity (RE) shall redact (first 8 digits) of the Aadhaar number from Aadhaar related data and documents such as proof of possession of Aadhaar, while uploading on CKYCR.

F Provision for capturing signature of multiple authorised persons is to be made by the RE.

List of two digit state / U.T codes as per Indian Motor Vehicle Act, 1988

State/U.T	Code	State / U.T	Code	State / U.T	Code
Andaman & Nicobar	AN	Himachal Pradesh	HP	Pondicherry	PY
Andhra Pradesh	AP	Jammu & Kashmir	JK	Punjab	PB
Arunachal Pradesh	AR	Jharkhand	JH	Rajasthan	RJ
Assam	AS	Karnataka	KA	Sikkim	SK
Bihar	BR	Kerala	KL	Tamil Nadu	TN
Chandigarh	CH	Lakshadweep	LD	Telangana	TS
Chattisgarh	CG	Madhya Pradesh	MP	Tripura	TR
Dadra and Nagar Haveli	DN	Maharashtra	MH	Uttar Pradesh	UP
Daman & Diu	DD	Manipur	MN	Uttarakhand	UA
Delhi	DL	Meghalaya	ML	West Bengal	WB
Goa	GA	Mizoram	MZ	Other	XX
Gujarat	GJ	Nagaland	NL		
Haryana	HR	Orissa	OR		

List of ISO 3166 two digit Country Code

Country	Country Code	Country	Country Code	Country	Country Code	Country	Country Code
Afghanistan	AF	Dominican Republic	DO	Libya	LY	Saint Pierre and Miquelon	PM
Aland Islands	AX	Ecuador	EC	Liechtenstein	LI	Saint Vincent and the Grenadines	VC
Albania	AL	Egypt	EG	Lithuania	LT	Samoa	WS
Algeria	DZ	El Salvador	SV	Luxembourg	LU	San Marino	SM
American Samoa	AS	Equatorial Guinea	GO	Macao	MO	Sao Tome and Principe	ST
Andorra	AD	Eritrea	ER	Macedonia, the former Yugoslav Republic of	MK	Saudi Arabia	SA
Angola	AO	Estonia	EE	Madagascar	MG	Senegal	SN
Anguilla	AI	Ethiopia	ET	Malawi	MW	Serbia	RS
Antarctica	AQ	Falkland Islands (Malvinas)	FK	Malaysia	MY	Seychelles	SC
Antigua and Barbuda	AG	Faroe Islands	FO	Maldives	MV	Sierra Leone	SL
Argentina	AR	Fiji	FJ	Mali	ML	Singapore	SG
Armenia	AM	Finland	FI	Malta	MT	Sint Maarten (Dutch part)	SX
Aruba	AW	France	FR	Marshall Island	MH	Slovakia	SK
Australia	AU	French Guiana	GF	Martinique	MQ	Slovenia	SI
Austria	AT	French Polynesia	PF	Mauritania	MR	Solomon Island	SB
Azerbaijan	AZ	French Southern Territories	TF	Mauritius	MU	Somalia	SO
Bahamas	BS	Gabon	GA	Moyotte	YT	South Africa	ZA
Bahrain	BH	Gambia	GM	Mexico	MX	South Georgia and the South Sandwich Islands	GS
Bangladesh	BD	Georgia	GE	Micronesia, Federated States of	FM	South Sudan	SS
Barbados	BB	Germany	DE	Moldova, Republic of	MD	Spain	ES
Belarus	BY	Ghana	GH	Monaco	MC	Sri Lanka	LK
Belgium	BE	Gibraltar	GI	Mongolia	MN	Sudan	SD
Belize	BZ	Greece	GR	Montenegro	ME	Suriname	SR
Benin	BJ	Greenland	GL	Montserrat	MS	Svalbard and Jan Mayen	SI
Bermuda	BM	Grenada	GD	Morocco	MA	Swaziland	SZ
Bhutan	BT	Guadeloupe	GP	Mozambique	MZ	Sweden	SE
Bolivia, Plurinational State of	BO	Guam	GU	Myanmar	MM	Switzerland	CH
Bonaire, Sint Eustatius and Saba	BQ	Guatemala	GT	Namibia	NA	Syrian Arab Republic	SY
Bosnia and Herzegovina	BA	Guernsey	GG	Nauru	NZ	Taiwan province of china	TW
Botswana	BW	Guinea	GN	Nepal	NP	Tajikistan	TJ
Bouvet Island	BY	Guinea-Bissau	GW	Netherlands	NL	Tanzania, United Republic of	TZ
Brazil	BR	Guyana	GY	New Caledonia	NC	Thailand	TH
British Indian Ocean Territory	IO	Haiti	HT	New Zealand	NZ	Timor-Leste	TL
Brunei Darussalam	BN	Heard Island and McDonald Islands	HM	Nicaragua	NI	Togo	TG
Bulgaria	BG	Holy See (Vatican City State)	VA	Niger	NE	Tokelau	TK
Burkina Faso	BF	Honduras	HN	Nigeria	NG	Tonga	TO
Burundi	BI	Hongkong	HK	Niue	NU	Trinidad and Tobago	TT
Cabo Verde	CV	Hungary	HU	Norfolk Island	NF	Tunisia	TN
Cambodia	KH	Iceland	IS	Northern Mariana Islands	MP	Turkey	TR
Cameroon	CM	India	IN	Norway	NO	Turkmenistan	TM
Canada	CA	Indonesia	ID	Oman	OM	Turks and Caicos Islands	TC
Cayman Islands	KY	Iran, Islamic Republic of	IR	Pakistan	PK	Tuvalu	TV
Central African Republic	CF	Iraq	IQ	Palau	PW	Uganda	UG
Chad	TD	Ireland	IE	Palestine, State of	PS	Ukraine	UA
Chile	CL	Isle of Man	IM	Panama	PA	United Arab Emirates	AE
China	CN	Israel	IL	Papua New Guinea	PG	United Kingdom	GB
Christmas Island	CX	Italy	IT	Paraguay	PY	United States	US
Cocos (Keeling) Islands	CC	Jamaica	JM	Peru	PE	United States Minor Outlying Islands	UM
Colombia	CO	Japan	JP	Philippines	PH	Uruguay	UY
Comoros	KM	Jersey	JE	Pitcairn	PN	Uzbekistan	UZ
Congo	CG	Jordan	JO	Poland	PL	Vanuatu	VU
Congo, the Democratic Republic of the	CD	Kazakhstan	KZ	Portugal	PT	Venezuela, Bolivarian Republic of	VE
Cook Islands	CK	Kenya	KE	Puerto Rico	PR	Viet Nam	VN
Costa Rica	CR	Kiribati	KI	Qatar	QA	Virgin Islands, British	VG
Cote d'Ivoire (Cote d'Ivoire)	CI	Korea, Democratic People's Republic of	KP	Reunion (Reunion)	RE	Virgin Island, U.S.	VI
Croatia	HR	Korea, Republic of	KR	Romania	RO	Wallis and Futuna	WF
Cuba	CU	Kuwait	KW	Russian Federation	RU	Western Sahara	EH
Curacao (Curacao)	CW	Kyrgyzstan	KG	Rwanda	RW	Yemen	YE
Cyprus	CY	Lao People's Democratic Republic	LA	Saint Barthelemy (Saint Barthelemy)	BL	Zambia	ZM
Czech Republic	CZ	Latvia	LV	Saint Helena, Ascension and Tristan da Cunha	SH	Zimbabwe	ZW
Denmark	DK	Lebanon	LB	Saint Kitts and Nevis	KN		
Djibouti	DJ	Lesotho	LS	Saint Lucia	LC		
Dominica	DM	Liberia	LR	Saint Martin (French Part)	MF		

CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Related Person

Important Instructions:

- A) Fields marked with '*' are mandatory fields.
 B) Tick '✓' wherever applicable.
 C) Please fill the date in DD-MM-YYYY format.
 D) Please fill the form in English and in BLOCK letters.
 E) KYC number of applicant is mandatory for update application.
 F) List of State / U.T code as per Indian Motor Vehicle Act, 1988 is available at the end.
 G) List of two character ISO 3166 country codes is available at the end.
 H) Please read section wise detailed guidelines / instructions at the end.
 I) For particular section update, please tick (✓) in the box available before the section number and strike off the sections not required to be updated



For office use only Application Type* ☐ New ☐ Update ☐ Delete
 (To be filled by financial institution) KYC Number (Mandatory for KYC update and delete request)

1. DETAILS OF RELATED PERSON* (Please refer instruction E at the end)

☐ Addition of Related Person ☐ Deletion of Related Person ☐ Update Related Person Details

KYC Number of Related Person (if available*) If KYC number is available, only 'Related Person Type' & 'Name' is mandatory

Related Person Type* ☐ Director ☐ Promoter ☐ Karta ☐ Trustee ☐ Partner ☐ Court Appointment Official ☐ Proprietor
☐ Beneficiary ☐ Authorised Signatory ☐ Beneficial Owner ☐ Power of Attorney Holder ☐ Other (Please specify)

DIN (Director Identification Number) (Mandatory if Related Person Type is Director)

1.1 PERSONAL DETAILS (Please refer instruction E at the end)

	Prefix	First Name	Middle Name	Last Name
Name* (Same as ID proof)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Maiden Name	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Father / Spouse Name	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Mother Name	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of Birth*	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Gender*	<input type="checkbox"/> M- Male	<input type="checkbox"/> F- Female	<input type="checkbox"/> T-Transgender	
Nationality*	<input type="checkbox"/> IN- Indian	<input type="checkbox"/> Others (ISO 3166 Country Code <input type="text"/>)		
PAN*	<input type="text"/>	<input type="checkbox"/> Form 60 furnished		

1.2 PROOF OF IDENTITY AND ADDRESS* (Please refer instruction E at the end)

I Certified copy of OVD or equivalent e-document of OVD or OVD obtained through digital KYC process needs to be submitted (anyone of the following OVDs)

- ☐ A- Passport Number
☐ B-Voter ID Card
☐ C- Driving Licence
☐ D-NREGA Job Card
☐ E- National Population Register Letter
☐ F - Proof of Possession of Aadhaar
 II ☐ E-KYC Authentication
 III ☐ Offline verification of Aadhaar

☐ PHOTO*



Address

Line 1*
 Line 2
 Line 3 City / Town / Village*
 District* Pin / Post Code* State / U.T Code* ISO 3166 Country Code*

☐ 1.3. CURRENT ADDRESS DETAILS (Please refer instruction E and the end)

☐ Same as above mentioned address (In such cases address details as below need not be provided)

I Certified copy of OVD or equivalent e-document of OVD or OVD obtained through digital KYC process needs to be submitted (anyone of the following OVDs)

- ☐ A- Passport Number
☐ B-Voter ID Card
☐ C- Driving Licence
☐ D-NREGA Job Card
☐ E- National Population Register Letter
☐ F - Proof of Possession of Aadhaar
 II ☐ E-KYC Authentication
 II ☐ Offline verification of Aadhaar
 IV ☐ Deemed PoA
 V ☐ Self Declaration

Address

Line 1*																												
Line 2																												
Line 3																												
District*									Pin / Post Code*					State / U.T Code*			City / Town / Village*									ISO 3166 Country Code*		

1. 4 CONTACT DETAILS (All communication will be sent on provided mobile no. / Email-ID) (Please refer instruction D at the end)

Tel. (Off)											Tel. (Res)											Mobile										
Email ID																																

2. APPLICANT DECLARATION

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.
- I/we hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/email address.

Date : DD - MM - YYYY Place:

Signature /Thumb Impression of Applicant

3. ATTESTATION / FOR OFFICE USE ONLY

Documents Received ☐ Certified Copies ☐ E-KYC data received from UIDAI ☐ Data received from Offline verification
☐ Digital KYC process ☐ Equivalent e-document

KYC VERIFICATION CARRIED OUT BY

Date DD - MM - YYYY
Emp. Name
Emp. Code
Emp. Designation
Emp. Branch

INSTITUTION DETAILS

Name
Code

Employee Signature]

[Institution Stamp]