

Know Your Customer norms

- KYC means Know your Customer, a term used for Customer Identification Process.
- It is a process by which all regulated entities including HFCs / NBFCs have to obtain information about the identity, address, source of funds, business/income profile of the customers which helps to ensure that financial services are not misused. As per KYC guidelines, HFCs / NBFCs have to collect documents known as KYC documents before entering into any transactions with the customers.
- As per RBI - Master Directions on Know Your Customer (KYC) Direction, 2016, as amended from time to time, all regulated entities are required to follow certain customer identification procedures while undertaking a transaction either by establishing an account-based relationship or otherwise and monitor transaction and a policy framework for KYC has to be formulated and put in place.
- The KYC policy includes following four key elements:
 - a. Customer Acceptance Policy;
 - b. Risk Management;
 - c. Customer Identification Procedures (CIP); and
 - d. Monitoring of Transactions.
- Customer Acceptance Policy refers to the guidelines followed by BHFL for acceptance of customers. The relationship should not be established or loan not to be granted where BHFL is not able to verify the identity and/or obtain documents of identity and address proof as per Company's Policy.
- Customer Identification means identifying the customer and verifying his/her identity through reliable and independent documents, data and other procedures as per company policy.
- Indicative list of documents collected under KYC:

Mandatory Document

Sr. No.	Document	Identity	Address
1	PAN Card / Form 60 in case of no PAN Card	Y	N

Identity and Address Proof:

Sr. No.	Document	Identity	Address
1	Passport	Y	Y
2	Driving License	Y	Y
3	Voter's Identity Card issued by Election Commission of India	Y	Y
4	Proof of possession of Aadhaar Number	Y	Y
5	Job card issued by NREGA duly signed by the officer of the State Government	Y	Y
6	Letter issued by the National Population Register containing details of name, address.	Y	Y

Deemed Proof of Address*:

Sr. No.	Document	Identity	Address
1	Utility bill, which is not more than two months old of any service provider (Electricity, Telephone, Post-paid Mobile Phone, Piped Gas, Water bill)	N	Y
2	Property or Municipal tax receipt	N	Y
3	Pension or Family Pension Payment Orders (PPOs) issued to retired employees by Government Departments or Public-Sector Undertakings, if they contain the address	N	Y
4	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 & License Agreements with such employers allotting official accommodation	N	Y

*The customer shall submit OVD with current address within a period of three months of submitting the documents specified above

For Sole Proprietary firms:

In addition to the above, any two of the following documents or the equivalent e-documents there of as a proof of business/ activity in the name of the proprietary firm:

Sr. No.	Documents required
1	Registration certificate including Udyam Registration Certificate (URC) issued by the Government
2	Certificate/licence issued by the municipal authorities under Shop and Establishment Act
3	Sales and income tax returns
4	CST/VAT/ GST certificate

5	Certificate/registration document issued by Sales Tax/Service Tax/Professional Tax authorities
6	IEC (Importer Exporter Code) issued to the proprietary concern by the office of DGFT or Licence/certificate of practice issued in the name of the proprietary concern by any professional body incorporated under a statute
7	Complete Income Tax Return (not just the acknowledgement) in the name of the sole proprietor where the firm's income is reflected, duly authenticated/acknowledged by the Income Tax authorities
8	Utility bills such as electricity, water, landline telephone bills, etc.

For Legal Entities:

1. Company:

Sr. No.	Documents required
1	Certificate of incorporation
2	Memorandum and Articles of Association
3	Permanent Account Number of the company
4	A resolution from the Board of Directors and power of attorney granted to its managers, officers or employees to transact on its behalf
5	Documents, identity and address proof as specified above of major shareholders of the company and of authorised signatories.
6	The names of the relevant persons holding senior management position; and
7	The registered office and the principal place of its business, if it is different.

2. Partnership firm:

Sr. No.	Documents required
1	Registration certificate
2	Partnership deed
3	Permanent Account Number of the partnership firm
4	Documents, identity and address proof as specified above of partners and persons holding power of attorney.
5	The names of all the partners and
6	Address of the registered office, and the principal place of its business, if it is different.

3. Trust:

Sr. No.	Documents required
1	Registration certificate
2	Trust deed
3	Permanent Account Number or Form No.60 of the trust
4	Documents, identity and address proof as specified above of trustees, settlors, beneficiaries, founders, managers, persons holding power of attorney, etc.
5	The names of the beneficiaries, trustees, settlor and authors of the trust
6	The address of the registered office of the trust; and

7	List of trustees and documents for those discharging the role as trustee and authorised to transact on behalf of the trust.
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Please note that the above list is not an exhaustive list, the Company reserves the right to seek additional documents from its customers.