

## Know Your Customer (KYC) Documentation for Merchants

### 1.0. Minimum document requirements to be followed for sourcing merchants

- KYC of the authorised signatories as per Schedule A below.
  - Merchant Application Form duly signed and stamped by the authorized signatories.
  - Merchant Establishment Agreement duly signed and stamped by the authorized signatory.
  - Business License / Registration copy (any one of the following in the name of entity)
    - GST registration.
    - Small Scale Industries registration certificate / Entrepreneurs Memorandum (Part II).
    - Importer Exporter Code number certificate (IEC).
    - Registration under Software Technology Park scheme.
    - Tax Deduction and Collection Account Number certificate.
    - Certificate issued by 'State' Pollution Control Board.
    - Certificate issued by Agricultural & Processed Food Products Export Development Authority
    - Registration-cum-Membership Certificate in name of entity which is issued by competent authority set-up by Ministry (Government of India).
    - Registration certificate issued by the Securities and Exchange Board of India (SEBI).
    - Certificate / license Issued by the Municipal authorities under Shops and Establishment Act
    - Certified Income Tax (IT) Return\*/ Certified Advance Tax Challan /Certified Professional Tax return.
    - NOC/License issue by Local Panchayat of Goa (applicable only in case of setting up merchants in Goa)
- \*(The complete Income Tax return (not just the acknowledgement) in the name of the sole proprietor where the firm's income is reflected, duly authenticated/ acknowledged by the Income Tax Authorities).
- Application form for a Govt. License acknowledged by the authority containing merchant name and address and a Receipt of payment to authority.
  - Documents showing relationship with any other acquirer of more than 12 months.
  - Confirmed by the following two documents - one statement of greater than 12 months and other not earlier than the previous two months at the time of enrollment.

For the purpose of the below section term certified copy means" clear and legible copy signed by Authorised signatory of the respective entity"

### For Sole Proprietorship Entities: Following documents in the name of the proprietorship entity may also be accepted.

- For opening an account in the name of a sole proprietary firm, identification information as mentioned in Annexure A below in respect of the individual (proprietor) shall be obtained.
- In addition to the above, any two of the following certified documents as a proof of business/ activity in the name of the proprietary firm shall also be obtained:
  - Registration Certificate – A document issued by the state/central government reflecting the full trading name ('Doing Business As' name) / Legal Name (Legal entity under which the business operates) and name of the Proprietor.
  - Certificate / license Issue d by the Municipal authorities under Shops and Establishment Act. (along with validity)
  - IEC (Importer Exporter Code) issued to the proprietary concern by the office of Directorate General of Foreign Trade (DGFT)/ License/certificate of practice issued in the name of the proprietary concern by any professional body incorporated under a statute.
  - 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.

Though the default rule is that any two documents, mentioned under point (ii) above, should be provided as activity proof by a proprietary concern, in cases where the Sales Manager is satisfied that it is not possible to furnish two such documents, they would have the discretion to accept only one of those documents as activity proof. In such cases, however, it is mandatory to undertake contact point verification, collect such information as would be required to establish the existence of such firm, confirm, clarify and be satisfied that the business activity has been verified from the address of the proprietary concern.

*An additional proof of address as listed below would be required in the name of the proprietorship entity if the business address as mentioned on MCAF does not match with Business /Registration document.*

- Utility bills such as electricity, water, and landline telephone bills in the name of the proprietary concern.(not more than 90 days old)
- Letter from existing banker (scheduled commercial bank) verifying entity's name, address & signature on bank's letterhead.
- Latest bank statement/ bank transaction payment advice in the name of the proprietorship entity.(not more than 90 days old)

iii. Contact Point Verification shall be mandatory

iv. Merchant negative database check using Credit Information Companies (CIC's) bureau – The purpose of this is to minimize instances of concurrent and serial defaults in case of non individual clients.

v. Signature verification of the authorized signatory is required to be done from the following any of the documents:

- Driving License front and back copy (Driving License which explicitly states that it cannot be used for address proof should not be used for purpose of address proof)
- Passport Copy
- Banker's Verification
- Permanent Account Number (PAN) card (to be accompanied with an approved address proof)

### 1.1 ESTABLISHMENTS WHICH MAY BE WAIVED OFF FROM GST REGISTRATION

- Central or State Government undertakings for e.g. Railways, Airways, Government Emporiums, Government Hospitals, Customs
  - Petroleum Merchants: A copy of the agreement with the Petroleum Company or a delivery challan would suffice
- Note: In the above document, the Merchant Name and the address to be the same as per the Account Opening Documents (AOD)
- Note: If the business license has been expired and the expiry is less than 3 months from the date of sourcing of Merchant Establishment application, visitation from the local credit officer / Relationship Manager along with a copy of the expired business license would suffice and in any other circumstances the acknowledgement copy for renewal of license is mandatory.

### 1.2 CLIENT INFORMATION/ KYC DOCUMENTS FOR REGISTERED ENTITY TYPE MERCHANTS

#### 1.2.1 Companies

- Certificate of Incorporation (COI)
- Board Resolution categorically authorizing the signatory of the MCAF to execute/ transact on behalf of the company
- Power of attorney (if applicable); required if Board Resolution states that a separate POA should be executed in favor of authorized signatory
- Memorandum of Association
- Articles of Association
- Identification information as mentioned in Annexure A below in respect of managers, officers or employees holding an attorney to transact on its behalf.
- PAN/ Copy of Form 60 (as applicable) of Legal Entity
- FCRA – FCRA Registration Certificate along with designated FCRA Bank Account, if applicable

#### 1.2.2 Partnership Firms

- Partnership Deed /Limited Liability Partnership (LLP) Agreement (in case of LLP Partnership)
- Registration Certificate/ Certificate of Incorporation (in case of LLP Partnership)
- Board Resolution/ Partnership Deed categorically authorizing the signatory of the MCAF to execute/ transact on behalf of the firm
- Power of attorney/ Partnership Authority/ Resolution granted to Authorized Signatory (if applicable); required if Board Resolution/Partnership Deed states that a separate POA should be executed in favor of authorized signatory
- Identification information as mentioned in Annexure A below in respect of managers, officers or employees holding an attorney to transact on its behalf.
- PAN/ Copy of Form 60 (as applicable) of Legal Entity
- FCRA – FCRA Registration Certificate along with designated FCRA Bank Account, if applicable

#### 1.2.3 Trusts & Foundations

- Certificate of Registration issued by Charity Commissioner /Sub Registrar of Assurance/ Registrar of Trusts / Provident Fund Commissioner etc. (If registered)
- Trust Deed
- Board Resolution categorically authorizing the signatory of the MCAF to execute/ transact on behalf of the trust/ foundation OR Consent Letter from the Governing Body
- Power of attorney (if applicable); required if Board Resolution states that a separate POA should be executed in favor of authorized signatory
- Identification information as mentioned in Annexure A below in respect of managers, officers or employees holding an attorney to transact on its behalf.
- PAN/ Copy of Form 60 (as applicable) of Legal Entity
- FCRA – FCRA Registration Certificate along with designated FCRA Bank Account, if applicable

#### 1.2.4 Hindu Undivided Family (HUF) (documents to be signed by Karta of HUF)

- Declaration by all members of HUF
- Identification information as mentioned in Annexure A below in respect of managers, officers or employees holding an attorney to transact on its behalf.
- PAN/ Copy of Form 60 (as applicable) of Legal Entity
- FCRA – FCRA Registration Certificate along with designated FCRA Bank Account, if applicable

#### 1.2.5 An association of person or a body of individuals, whether incorporated or not (unregistered partnership firm/trust, including societies)

- Board Resolution categorically authorizing the signatory of the MCAF to execute/ transact on behalf of AOP/ BOI OR Consent Letter from the Governing Body
- Power of attorney (if applicable); required if Board Resolution/ Consent Letter states that a separate POA should be executed in favor of authorized signatory
- Such information as may be required by the Bank to collectively establish the legal existence of such an association or body of individuals
- Identification information as mentioned in Annexure A below in respect of managers, officers or employees holding an attorney to transact on its behalf.
- PAN/ Copy of Form 60 (as applicable) of Legal Entity
- FCRA – FCRA Registration Certificate along with designated FCRA Bank Account, if applicable

#### 1.2.6 Other Juridical persons such as Government or its departments, societies, universities and local bodies like village panchayats

- Any document/ Power of Attorney granted to Authorized Signatory to transact on its behalf
- Such information as may be required by the Bank to collectively establish the legal existence of such an entity such as a registration or a license copy
- Identification information as mentioned in Annexure A below in respect of managers, officers or employees holding an attorney to transact on its behalf.
- PAN/ Copy of Form 60 (as applicable) of Legal Entity
- FCRA – FCRA Registration Certificate along with designated FCRA Bank Account, if applicable

### ANNEXURE: A

#### Know Your Customer (KYC) Documentations for Individuals

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

- One recent Photograph\*1"
- a certified copy of any OVD containing details of his identity and address
- the Permanent Account Number or Form No. 60 as defined in Income-tax Rules, 1962, and .
- such other documents pertaining to the nature of business or financial status specified by the bank in it's KYC policy\*

**\* The list of acceptable financial documents as referred above will be governed by India Credit Risk.**

Please refer definition of certified copy of OVD below.

Bank may carry out offline verification of a customer if he/she is desirous of undergoing Aadhaar offline verification for identification purpose voluntarily. Offline verification needs to be carried out with explicit consent of the customer.

<sup>1</sup>Wherever applicable, fresh photographs will be required to be obtained from a minor on becoming a major

#### Note – Currently, AEBC does not open accounts using OTP based e-KYC in non face to face mode.

- An existing customer already having an account based relationship with AEBC, shall submit his Permanent Account Number or Form No.60, on such date as may be notified by the Central Government, failing which the account shall temporarily cease to be operational till the time the Permanent Account Number or Form No. 60 is submitted by the customer
- Provided that before temporarily ceasing operations for an account, AEBC shall give the customer an accessible notice and a reasonable opportunity to be heard.
- Further, as per internal policy Bank may provide appropriate relaxation(s) for continued operation of accounts for customers who are unable to provide Permanent Account Number or Form No. 60 owing to injury, illness or infirmity on account of old age or otherwise, and such like causes. Such accounts shall, however, be subject to enhanced monitoring
- Explanation.– For the purpose of this clause, "temporary ceasing of operations" in relation an Account means the temporary suspension of all transactions or activities in relation to that account by AEBC till such time the customer complies with the provisions of this clause. For the purpose of ceasing the operation in the account, only credits shall be allowed.
- If a customer having an existing account based relationship with AEBC gives in writing that he does not want to submit his Permanent Account Number or Form No.60, as the case may be, the customer's account with AEBC shall be closed and all obligations due in relation to the account shall be appropriately settled after establishing the identity of the customer by obtaining the identification documents as applicable to the customer

**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,

- 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.
- where the OVD furnished by the customer does not have updated address, the following documents shall be deemed to be OVDs for the limited purpose of proof of address:-
  - utility bill which is not more than two months old of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill);
  - property or Municipal tax receipt;
  - pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address;
  - 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;
- the customer shall submit OVD with current address within a period of three months of submitting the documents specified at 'b' above
- 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.

\*Proof of possession of Aadhaar means

- Aadhaar letter: Issued by the Authority carries name, address, gender, photo and date of birth details of the Aadhaar number holder.
- Downloaded Aadhaar (e-Aadhaar): Carries name, address, gender, photo and date of birth details of the Aadhaar number holder in similar form as in printed Aadhaar letter. This is digitally signed by the Authority as per Information Technology Act (Act No. 21 of 2000), which provides for legal recognition of electronic records with digital signature.
- Aadhaar Secure QR Code: A quick response code generated by the Authority containing name, address, gender, photo and date of birth details of the Aadhaar number holder. This is digitally signed by the Authority as per Information Technology Act (Act No. 21 of 2000), which provides for legal recognition of electronic records with digital signature.
- Aadhaar Paperless Offline e-KYC: An XML document generated by the Authority containing name, address, gender, photo and date of birth details of the Aadhaar number holder. This is digitally signed by the Authority as per Information Technology Act (Act No. 21 of 2000), which provides for legal recognition of electronic records with digital signature.

Furnishing of proof of possession of Aadhaar for identity verification purposes is voluntary and customers should not be insisted for furnishing the same.

Further in case customer submits Aadhaar number, AEBC shall ensure that customer redact/ blackout his/her Aadhaar number through appropriate means where the authentication of Aadhaar number is not required Offline Verification as defined in the Aadhaar and Other Law (Amendment) Ordinance, 2019, means the process of verifying the identity of the Aadhaar number holder without authentication, through such offline modes as may be specified by the Aadhaar regulations Certified Copy of OVD - Obtaining a certified copy by regulated entity shall mean comparing the copy of officially valid document so produced by the customer with the original and recording the same on the copy by the authorised officer of the regulated entity.

Provided that in case of Non-Resident Indians (NRIs) and Persons of Indian Origin (PIOs), as defined in Foreign Exchange Management (Deposit) Regulations, 2016 {FEMA 5(R)}, alternatively, the original certified copy of OVD, certified by any one of the following, may be obtained:

- Authorised officials of overseas branches of Scheduled Commercial Banks registered in India,
- Branches of overseas banks with whom Indian banks have relationships,
- Notary Public abroad,
- Court Magistrate,
- Judge,
- Indian Embassy/Consulate General in the country where the non-resident customer resides.