

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