

# **GEV FOCUS CAPITAL PRIVATE LIMITED**

## **Know Your Customer (KYC) Policy**

# GEV FOCUS CAPITAL PRIVATE LIMITED

## Version Control

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# GEV FOCUS CAPITAL PRIVATE LIMITED

GEV Focus Capital Private Limited (hereinafter referred as “the Company” or “GEV Focus”) a Non-Banking Financial Company (‘NBFC’) holding a valid Certificate of Registration (“CoR”) from Reserve Bank of India (‘RBI’) vide registration no. N-07-00917 dated 20<sup>th</sup> June 2025 under current RBI classification norms as Type II NBFC - Investment and Credit Company (NBFC-ICC) – Non Deposit taking Non-Systemically Important (‘ICC-ND-NSI’) under the provisions of Section 45 IA of Reserve Bank of India Act 1934, is focused on offering finance to MSME, Loan against property, etc., however catering mainly to MSME segment.

Reserve Bank of India (RBI) has issued comprehensive ‘Know Your Customer’ (KYC) Master Directions to all Non-Banking Financial Companies (NBFCs) in the context of the recommendations made by the Financial Action Task Force (FATF) and based on Anti Money Laundering (AML) standards and Combating Financing of Terrorism (CFT) policies vide notification RBI/DBR/2015-16/18 Master Direction DBR.AML.BC. No.81/14.01.001 /2015-16 dated February 25, 2016 and amended the same from time to time, the latest being Notification RBI/ 2025-26/51 DOR.AML.REC.30/14.01.001/2025-26 dt 12<sup>th</sup> June 2025.

This policy is made based on the instructions / guidelines issued by Reserve Bank of India vide the above said directions.

## **1. Preamble:**

KYC policy of GEV Focus Capital Limited (herein after called “the Company” or “GEV Focus”) has been prepared in accordance with Reserve Bank of India (RBI) Master Directions.

This policy also takes into account the provisions of the PMLA and the Prevention of Money-Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining, Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions, and Intermediaries) Rules, 2005 (Rules).

This policy only supplements the existing RBI guidelines relating to KYC/AML and any subsequent RBI guidelines from the date of the policy on KYC/AML would be implemented immediately, with subsequent ratification by the Board. Any time-to-time amendments/changes in RBI’s Master Directions - Know Your Customer (KYC) shall override this policy.

## **2. Objective:**

The objective of KYC guidelines is to prevent the Company from being used, intentionally or unintentionally, by criminal elements for money laundering or terrorist financing activities. KYC procedures should also enable the Company to know/understand the customers and their financial dealings better and manage the risks prudently.

The strategies adopted for "money-laundering prevention" and "knowing your customer" shall be viewed as part of the risk management strategies and not simply as standalone requirements that are being imposed by legislation/regulators.

## **3. Definitions:**

- (i) Act” and “Rules” means the Prevention of Money-Laundering Act, 2002 and the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005, respectively and amendments thereto.

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(ii) "Aadhaar number" and "Authentication" means an identification number and identification process as defined under sub section (a) and (c) of Section 2 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016, henceforth the 'Aadhaar Act' as amended from time to time, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force;

(iii) "Beneficial Owner" ('BO') in relation to a customer is: -

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-

(i) "Controlling ownership interest" means ownership of/entitlement to more than 10 per cent of the shares or capital or profits of the company.

(ii) "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 shareholder's 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 per cent of capital or profits of the partnership. Control shall also include 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 15 per cent 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% 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.

Exemption from identification of BO: The exemption from BO identification has been aligned with that provided in the PML Rules, 2005, such that where the customer or the owner of the controlling interest is

- (i) an entity listed on a stock exchange in India, or
- (ii) is an entity resident in jurisdictions notified by the Central Government and listed on stock exchanges in such jurisdictions, or
- (iii) is a subsidiary of such listed entities; it is not necessary to identify and verify the identity of any shareholder or beneficial owner of such an entity.

(iv) "Customer" means a person who is engaged in a financial transaction or activity with a reporting entity and includes a person on whose behalf the person who is engaged in the transaction or activity, is acting.

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- (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) “Customer Due Diligence (CDD)” means identifying and verifying the customer and the beneficial owner using reliable and independent sources of information. Further, the company may obtain KYC Identifier with explicit customer consent to download KYC records from CKYCR, for the purpose of CDD.

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, 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.
- (vii) “Customer identification” means undertaking the process of CDD.
  - (viii) “Designated Director” means a person designated by the Company to ensure overall compliance with the obligations imposed under chapter IV of the PML Act and the Rules.
  - (ix) “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 authorised officer of the RE as per the provisions contained in the Act.
  - (x) “Digital Signature” shall have the same meaning as assigned to it in clause (p) of subsection (1) of section (2) of the Information Technology Act, 2000 (21 of 2000).
  - (xi) “Domestic and cross-border wire transfer”: When the originator bank and the beneficiary bank are located in the same country, such a transaction is a domestic wire transfer, and if the ‘originator bank’ or ‘beneficiary bank’ is located in different countries such a transaction is cross-border wire transfer.
  - (xii) “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.
  - (xiii) “FATCA” means Foreign Account Tax Compliance Act of the United States of America (USA) which, inter alia, requires foreign financial institutions to report about financial accounts held by U.S Tax payers or foreign entities in which U.S Tax payers hold a substantial ownership interest.
  - (xiv) “Know Your Client (KYC) Identifier” means the unique number or code assigned to a customer by the Central KYC Records Registry.
  - (xv) “KYC Templates” means templates prepared to facilitate collating and reporting the KYC data to the CKYCR, for individuals and legal entities.
  - (xvi) “Non-profit organisations” (NPO) means any entity or organisation, constituted for religious or charitable purposes referred to in clause (15) of section 2 of the Income-tax

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Act, 1961 (43 of 1961), that is registered as a trust or a society under the Societies Registration Act, 1860 or any similar State legislation or a company registered under Section 8 of the Companies Act, 2013 (18 of 2013).

- (xvii) "Officially valid document" (OVD) means the passport, the driving license, proof of possession of Aadhar 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 Aadhar 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;

The customer shall however submit OVD with current address within a period of three months of submitting the documents specified at 'b' above

- (xviii) "On-going Due Diligence" means regular monitoring of transactions in accounts to ensure that they are consistent with the customers' profile and source of funds. For ongoing due diligence, company may consider adopting appropriate innovations including artificial intelligence and machine learning (AI & ML) to support effective monitoring.

- (xix) "Offline verification" means the process of verifying the identity of the Aadhaar number holder without authentication, through such offline modes as may be specified by regulations.

- (xx) "Principal Officer" means an officer nominated by the company responsible for ensuring compliance, monitoring transactions, and sharing and reporting information as required under the law/regulations.

- (xxi) "Periodic Updation" means steps taken to ensure that documents, data or information collected under the CDD process are kept up-to-date and relevant by undertaking reviews of existing records at periodicity prescribed by the Reserve Bank.

- (xxii) "Politically Exposed Persons" (PEPs) are individuals who are or have been entrusted with prominent public functions in a foreign country, e.g., Heads of States/Governments,

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senior politicians, senior government/judicial/military officers, senior executives of state-owned corporations, important political party officials, etc.

**(xxiii)** "Person" has the same meaning as defined in the Act and includes:

- an individual,
- a Hindu undivided family,
- a company,
- a firm,
- an association of persons or a body of individuals, whether incorporated or not,
- every artificial juridical person, not falling within anyone of the above persons (a to e),
- and any agency, office or branch owned or controlled by any of the above persons (a to f)

**(xxiv)** "Regulated Entities" (REs) means

- a. All Scheduled Commercial Banks (SCBs)/ Regional Rural Banks (RRBs)/ Local Area Banks (LABs)/ All Primary (Urban) Co-operative Banks (UCBs) /State and Central Co-operative Banks (StCBs / CCBs) and any other entity which has been licenced under section 22 of Banking Regulation Act, 1949, which as a group shall be referred as 'banks'
- b. All India Financial Institutions (AIFIs)
- c. All Non-Banking Finance Companies (NBFCs), Miscellaneous Non-Banking Companies (MNBCs) and Residuary Non-Banking Companies (RNBCs)
- d. Asset Reconstruction Companies (ARCs)
- e. All Payment System Providers (PSPs)/ System Participants (SPs) and Prepaid Payment Instrument Issuers (PPI Issuers)
- f. All authorised persons (APs) including those who are agents of Money Transfer Service Scheme (MTSS), regulated by the Regulator.

**(xxv)** "Senior Management" shall include Designated Director, Principal Officer, Key Managerial Personnel, Compliance Officer and National/Functional Heads of the Company.

**(xxvi)** "Suspicious Transaction" means a transaction as defined below, including an attempted transaction, whether or not made in cash, which, to a person acting in good faith:

- gives rise to a reasonable ground of suspicion that it may involve proceeds of an offence specified in the Schedule to the Act, regardless of the value involved; or
- appears to be made in circumstances of unusual or unjustified complexity; or
- appears to not have economic rationale or bona-fide purpose; or
- 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.

**(xxvii)** "Transaction" means a purchase, sale, loan, pledge, gift, transfer, delivery or the arrangement thereof and includes:

- opening of an account;

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- deposit, withdrawal, exchange or transfer of funds in whatever currency, whether in cash or by cheque, payment order or other instruments or by electronic or other non-physical means;
- the use of a safety deposit box or any other form of safe deposit;
  - entering into any fiduciary relationship;
  - any payment made or received, in whole or in part, for any contractual or other legal obligation; or
  - establishing or creating a legal person or legal arrangement.

(xxviii) “Video based Customer Identification Process (V-CIP)”: an alternate method of customer identification with facial recognition and customer due diligence by an authorised official of the RE by undertaking seamless, secure, live, informed-consent based audio-visual interaction with the customer to obtain identification information required for CDD purpose, and to ascertain the veracity of the information furnished by the customer through independent verification and maintaining audit trail of the process. Such processes complying with prescribed standards and procedures shall be treated on par with face-to-face CIP for the purpose of this Policy.

(xxix) “Wire transfer” related definitions: for purpose of this policy, wire transfer and its related definitions would have the same meaning as assigned to it under the RBI’s Guidelines on the Know Your customer and Anti-Money Laundering Measures, as amended from time to time.

## 4. What is KYC (Know Your Customer):

KYC means “Know Your Customer”. It is one of the sound methods of preventing and deterring money laundering and to have a good knowledge of a customer’s business and pattern of financial transaction and assessing potential risks of illegal intentions.

It is a process by which REs obtain information about the identity and address of the customers. This process helps to ensure that the RE’s services are not misused. The KYC procedure is to be mandatorily followed by the banks and financial institutions while onboarding new customers for various products or services. The updating of KYC is also done periodically based on the account type and risk categorization.

Reserve Bank of India introduced KYC guidelines for all banks in 2002. In 2004, RBI directed all Regulated Entities (REs), which includes NBFCs to ensure that they are fully compliant with the KYC provisions before December 31, 2005.

This policy aims to ensure compliance with PML Act/Rules, including regulatory instructions in this regard and aims to ensure provision of a defensive wall against threats arising from money laundering, terrorist financing, proliferation financing and other related risks.

The Company shall adopt appropriate KYC procedures and internal controls to:

- Determine and document the identity of the customers who establish relationships, open accounts, or conduct significant business and obtain basic background information on customers.
- Assess the money laundering risk posed by customers’ expected use of Company’s products and services.

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- Protect the Company from the risks of doing business with individuals or entities whose identity is not proper with significant inconsistencies which cannot be resolved after due diligence.

## 5. Compliance of KYC Policy

- The Company will 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 towards clients, countries or geographic areas, products, services, transactions or delivery channels, etc.

The assessment process will consider all the relevant risk factors before determining the level of overall risk and the appropriate level and type of mitigation to be applied.

While preparing the internal risk assessment, the Company will take cognizance of the overall sector-specific vulnerabilities, if any, that the regulator/supervisor may share with the Company from time to time.

- The risk assessment by the Company will be properly documented and be proportionate to the nature, size, geographical presence, complexity of activities/structure, etc. of the Company. Further, the periodicity of risk assessment exercise shall be determined by the Board of the Company, in alignment with the outcome of the risk assessment exercise, however it shall be at least reviewed annually.
- The outcome of the exercise will be put up to the Board or any delegated committee of the Board, and the same will be available to competent authorities.
- The Company will adopt a Risk Based Approach (RBA) for mitigation and management of the identified risk and will have Board approved policies, controls and procedures in this regard. Further, the Company will monitor the implementation of the controls and improve them if necessary.

. **Appointment of Designated Director:** Mr. Vignesh Gurudas is designated as "Designated Director" to ensure overall compliance with the obligations imposed under chapter IV of the PML Act and rules, vide Company's Board resolution dated 28<sup>th</sup> Jun 2025

The name, designation, address and contact details of the Designated Director will be communicated to the FIU-IND and Reserve Bank of India.

. **Appointment of Principal Officer:** Mr. Murugan Govindsamy has been nominated as Principal Officer of the Company, who will be responsible for ensuring compliance, monitoring transactions, sharing and reporting information as required under PML Act/ KYC Policy, vide Board Resolution dated with 28<sup>th</sup> Jun 2025. The name, designation, address and contact details of the Principal Officer shall be communicated to the FIU-IND and Reserve Bank of India.

. Besides, compliance with KYC Policy will be ensured through:

- (i) The functional heads of the company who will constitute as 'Senior Management' for the purpose of KYC compliance.
- (ii) Allocation of responsibility for effective implementation of policies and procedures at Corporate / Branch Office level.

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(iii) All Departments at CO will ensure compliance of KYC guidelines in their respective areas of operation, products, services, activities etc.

(iv) Independent evaluation of the compliance functions of the Company's policies and procedures, including legal and regulatory requirements.

(v) Compliance with KYC / AML policies and procedures shall also be evaluated by an officer other than the Principal Officer who shall submit audit notes and compliance to the Audit Committee/ Board on periodic basis.

. The company will ensure that decision-making functions of determining compliance with KYC norms are not outsourced.

## 6. Key Elements of KYC Policy

This KYC policy includes the following elements:

A Customer Acceptance Policy (CAP)

B Customer Identification Procedures (CIP)

C Monitoring of Transactions

D Risk Management

### 6A. Customer Acceptance Policy (CAP):

The policy will ensure that

- (a) No account is opened in anonymous or fictitious/benami name.
- (b) No account is opened where the Company is unable to apply appropriate CDD measures, either due to non-cooperation of the customer or non-reliability of the documents/information furnished by the customer.
- (c) No transaction or account-based relationship is undertaken without following the CDD procedure.
- (d) The mandatory information to be sought for KYC purpose while opening an account and during the periodic updation, is specified and documented.
- (e) Additional information, where such information requirement has not been specified in the KYC Policy of the Company, is obtained with the explicit consent of the customer.
- (f) the CDD procedure is adopted at the Unique Customer Identification Code (UCIC) level. Thus, if an existing KYC compliant customer of the Company desires to open another account with us, there will be no need for a fresh CDD exercise.
- (g) CDD Procedure is followed for all the joint account holders, while opening a joint account.
- (h) Circumstances in which, a customer is permitted to act on behalf of another person/entity, like sickness, injury etc. is clearly spelt out.
- i) Suitable system is put in place to ensure that the identity of the customer does not match with any person or entity, whose name appears in the sanctions lists indicated in Chapter

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IX of the Master Direction - Know Your Customer (KYC) Direction, 2016 ie prohibited persons / entities as per international agreements.

- (j) Where Permanent Account Number (PAN) is obtained, the same is verified from the verification facility of the issuing authority.
- (k) Where an equivalent e-document is obtained from the customer, Company verifies the digital signature as per the provisions of the Information Technology Act, 2000 (21 of 2000).
- (l) Where Goods and Services Tax (GST) details are available, the GST number is verified from the search/verification facility of the issuing authority.
- (m) If there is any suspicion of money laundering or terrorist financing, the CDD process is not pursued, stopped and STR filed with FIU-IND.

## **6B. Risk Management:**

### **6B(i) – General:**

- (i) It will be ensured that
  - (a) Board of Directors of the Company approved effective KYC program is in place which has spelt out established appropriate procedures and is overseeing its effective implementation. The KYC program covers proper management oversight, systems and controls, segregation of duties, training and other related matters; responsibility has been explicitly allocated to management personnel to ensure that Company's policies and procedures are implemented effectively.
  - (b) Customers are categorised as low, medium and high-risk category, based on the assessment and risk perception of the Company.
  - (c) Broad principles are laid down by the Company for risk-categorisation of customers.
  - (d) Risk categorisation is undertaken 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, cheque/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 will also be factored in.
  - (e) The risk categorisation of a customer and the specific reasons for such categorisation is kept confidential and not revealed to the customer to avoid tipping off the customer.
  - (f) the Sales, Operational and Credit staff are aware that no loan accounts will be created unless the KYC procedures are adhered to completely.
  - (g) Examples of customers requiring Lower due diligence will include: -
    - i. Salaried employees with well-defined salary structures;
    - ii. People working with government owned companies, regulators and statutory bodies, etc;

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- iii. People belonging to lower economic strata of the society whose accounts show small balances and low turnover;
- iv. People working with Public Sector Units;
- v. People working with reputed Public Limited Companies and Multinational Companies

(h) Examples of customers requiring medium due diligence will include: -

- i. Salaried applicant with variable income/ unstructured income receiving salary in cheque;
- ii. Salaried applicant working with Private Limited Companies related to travel agents, telemarketers, internet café and International direct dialling (IDD) call service.
- iii. Applicant who does not have a bank account till date
- iv. Companies having close family shareholding or beneficial ownership

(i) Examples of customers requiring higher due diligence will include: -

- i. non-resident customers,
- ii. high net worth individuals,
- iii. trusts, societies, charities, NGOs and organizations receiving donations,
- iv. firms with 'sleeping partners',
- v. politically exposed persons (PEPs) of foreign origin,
- vi. non-face to face customers, and
- vii. those with dubious reputation as per public information available, etc.
- viii. Individuals and entities listed or identified in – various United Nations' Security Council Resolutions (UNSCRs) such as UN 1267, schedule to the order under section 51A of the Unlawful Activities (Prevention) Act, 1967, in watch lists issued by Interpol and other similar international organizations, regulators, FIU and other competent authorities as high-risk etc.
- ix. Customers conducting their business relationship or transactions in unusual circumstances, such as significant and unexplained geographic distance between the institution and the location of the customer, frequent and unexplained movement of accounts to different institutions, etc.
- x. Gambling/gaming including “junket operators” arranging gambling tours.
- xi. Jewellers and Bullion Dealers

(j) adoption of customer acceptance policy and its implementation shall not become too restrictive not to inconvenience the general public, especially those who are financially or socially disadvantaged.

**6B(ii) Obtaining Guarantor on credit facilities:** The Company will generally insist on “Guarantee” of a known person to the customer (who becomes guarantor to a particular credit facility). Guarantor is legally responsible to the Company for the repayment of the credit facilities availed by the customer and is expected to be in a position to identify/trace the customer in case of need.

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The Guarantor will be required to sign on the agreement entered into by the Company with the Customer at various places provided in the loan agreement form.

Obtaining Guarantee is also a process of ascertaining the identity of the customer and his acceptability for establishing business relationship.

The guarantor will undergo the same process of CDD like that of the customer.

**6B(iii) Closure of accounts:** Where the company is unable to apply appropriate KYC measures due to non-furnishing of information and /or non-cooperation by the customer, the company will consider closing the account or terminating the business relationship after issuing due notice to the customer explaining the reasons for taking such a decision. Such decisions will be taken at a reasonably senior level.

## **6C. Customer Identification Procedure (CIP):**

### **6C1. General:**

Company will undertake identification of customers in the following cases and will not obtain introduction while opening accounts:

- (a) Commencement of an account-based relationship with the company.
- (b) Carrying out any international money transfer operations for a person who is not an account holder of the Company.
- (c) When there is a doubt about the authenticity or adequacy of the customer identification data it has obtained.
- (d) 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.
- (e) When there is 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.
- (f) When the customer is represented by a third party

**6C2.** For the purpose of verifying the identity of customers at the time of commencement of an account-based relationship, Company will 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 is obtained within two days from the third party or from the Central KYC Records Registry.
- (b) 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.

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(d) The third party is not based in a country or jurisdiction assessed as high risk.

(e) The ultimate responsibility for customer due diligence and undertaking enhanced due diligence measures, as applicable, will be with the Company only.

## **6C3. Customer Due Diligence (CDD) procedure:**

Customer Due Diligence means identifying and verifying the customer and the beneficial owner using reliable and independent trustworthy source of identification. The Company will obtain documents as per the nature of customers as mentioned below:

➤ **6C3(i)Accounts of Individuals:** In case of customers that are natural persons, the Company will obtain sufficient identification data to verify

(a) the identity of customer

(b) his/her address/ location and

(c) his/her recent photograph.

For the above purpose, any of the Officially Valid Documents (OVD) viz.,

- Passport
- Driving Licence
- Proof of possession of Aadhaar number
- Voter Identity Card issued by the Election Commission of India
- Job card issued by NREGA duly signed by an Officer of the State Government
- Letter issued by the National Population Register containing name and address

Aadhaar details, where the individual voluntarily submits the same to the Company for the purposes of his identification.

The individual may also submit KYC Identifier with an explicit consent to download records from CKYCR.

AND

PAN or it's equivalent e-document or form no.60

AND

such other document in respect of the nature of business and financial status, wherever applicable.

While taking the above documents Company will safeguard like verifying Aadhaar number with e KYC, digital signature in case of e-document and retrieving KYC data online from CKYCR with the consent of the customer.

The Company will also undertake Video based Customer Identification Process (V-CIP) to carry out CDD in case of on-boarding of individual customers, and shall adhere to the standards as prescribed under PML Act/ RBI guidelines/KYC Policy.

“Video based Customer Identification Process (V-CIP)”: is an alternate method of customer identification with facial recognition and customer due diligence by an authorised official of the RE by undertaking seamless, secure, live, informed-consent based audio-visual interaction with the customer to obtain identification information required for CDD purpose, and to ascertain the veracity of the information furnished by the customer through independent

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verification and maintaining audit trail of the process. Such processes complying with prescribed standards and procedures shall be treated on par with face-to-face CIP for the purpose of this Policy.

It will be ensured that the authorised official of the company performing the V-CIP records audio-video as well as capture photograph of the customer and obtain the following information using any one of the following:

- a) OTP based Aadhaar e-KYC authentication
- b) Offline verification of Aadhaar for identification
- c) KYC records downloaded from CKYCR using the KYC identifier provided by the customer
- d) Equivalent e-document of OVD

The true identity and bonafides of the existing customers and new potential customers opening credit accounts with the Company and obtaining basic background information would be of paramount importance.

## ➤ **6C3(ii) Other than accounts of individuals:**

For customers that are legal persons or entities, the Company will

- (a) verify the legal status of the legal person/entity through proper and relevant documents,
- (b) verify that any person purporting to act on behalf of the legal person/entity is so authorized and identify and verify the identity of that person,
- (c) understand the ownership and control structure of the customer and determine who are the natural persons who ultimately control the legal person.
- (d) The Company will also undertake V-CIP to carry out CDD in case of new customer onboarding for authorised signatories and Beneficial Owners (BOs) in case of Legal Entity (LE) customers and shall adhere to the standards as prescribed under PML Act/ RBI guidelines/KYC Policy.

## ➤ **6C3(iii) Accounts of companies and firms:**

Due vigilance will be done in the case of business entities being used by individuals as a 'front' for maintaining accounts with the company. Control structure of the entity shall be examined, source of funds shall be determined and the natural persons who have a controlling interest and who comprise the management will be identified. However, these requirements will be moderated according to the risk perception on a case to case basis e.g. in the case of a public company identification of all the shareholders may not be taken up and instead promoters, directors and its executives will be identified adequately.

➤ **6C3(iv) Accounts of Politically Exposed Persons (PEPs):** They are residents outside India and are individuals who are or have been entrusted with prominent public functions in foreign country, e.g., Heads of States or of Governments, senior politicians, senior government/judicial/military officers, senior executives of state-owned corporations, important political party officials etc.

Identity of the person will be verified and information about the sources of funds shall be ascertained before accepting the PEP as a customer.

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Sufficient information on any person/customer of this category intending to establish a relationship will be gathered and all the information available on the person in the public domain will also be checked.

## ➤ **6C3(v) Accounts of proprietary concerns:**

The Company will undertake V-CIP to carry out CDD of a proprietorship firm, by obtaining the equivalent e-document of the activity proofs with respect to the proprietorship firm, as mentioned in Section 28 of Master Direction, apart from undertaking CDD of the proprietor and shall adhere to the standards as prescribed under PML Act/ RBI guidelines/KYC Policy.

The Company will call for and verify the following documents before opening of accounts in the name of a proprietary concern and any two will be considered as sufficient proof

- Proof of the name, address and activity of the concern, like registration certificate (in the case of a registered concern),
- Certificate/licence issued by the Municipal authorities under Shop & Establishment Act,
- Sales and income tax returns,
- CST/VAT/GST certificate,
- Certificate/registration document issued by Sales Tax/Service Tax/Professional Tax authorities,
- Licence issued by the Registering authority like Certificate of Practice issued by Institute of Chartered Accountants of India, Institute of Cost Accountants of India, Institute of Company Secretaries of India, Indian Medical Council, Food and Drug Control Authorities, registration/licensing document issued in the name of the proprietary concern by the Central Government or State Government Authority/Department.
- IEC (Importer Exporter Code) issued to the proprietary concern by the office of DGFT,
- 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 and
- Utility bills such as electricity, water, and landline telephone bills in the name of the proprietary concern as required documents for opening of bank accounts of proprietary concerns.
- "Registration certificate" as a proof of business/ activity in the name of the proprietary firm includes "Udyam Registration Certificate (URC) issued by the Government".

## **6D. Monitoring of Transactions:**

### **6D1.Ongoing Due Diligence:**

(i) Ongoing monitoring is an essential element of effective KYC procedures. Company can effectively control and reduce risk by having an understanding of the normal and reasonable activity of the customers. However, the extent of monitoring will depend on the risk sensitivity of the account. Since GEV Focus is a Non Deposit Accepting NBFC and will not have any deposit accounts, this situation will hardly arise, but GEV Focus will in any case pay special attention to all complex, unusually large transactions and all unusual patterns which have no apparent economic or visible lawful purpose, or transactions that involve large amounts of cash inconsistent with the normal and expected activity of the customer.

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For ongoing due diligence, company will also consider adopting appropriate innovations including artificial intelligence and machine learning (AI & ML) to support effective monitoring.

(ii) Company will put in place a system of periodical review of risk categorization of accounts and the need for applying enhanced due diligence measures.

(iii) The Company will ensure that a record of transactions in the accounts is preserved and maintained as required in terms of section 12 of the PML Act, 2002 (and the Amended Act, 2009).

(iv) The Company will also ensure that transactions of suspicious nature and/or any other type of transaction notified under section 12 of the PML Act, 2002 (and the Amended Act, 2009), is reported to the appropriate law enforcement authority.

(v) A system of periodic review of risk categorisation of accounts, with such periodicity being at least once in six months, and the need for applying enhanced due diligence measures shall be put in place.

## **6D2.Periodic Updation of KYC data:**

The Company will adopt a risk-based approach for periodic updation of KYC. However, periodic updation will be carried out at least once in every two years for high risk customers, once in every eight years for medium risk customers and once in every ten years for low-risk customers from the date of opening of the account / last KYC updation.

However, in respect of individual customer who is categorised as low risk, Company will allow transactions and ensure updation of KYC within one year.

### **CDD requirements for periodic updation:**

**6D2(i) For Individual Customers where there is no change in KYC information:** In case of no change in the KYC information, a self-declaration from the customer in this regard will be obtained through customer's email-id registered with the Company, customer's mobile number registered with the Company, a letter from the customer etc.

**6D2(ii) For Individual customers where there is change in address alone:** In case of a change only in the address details of the customer, a self-declaration of the new address will be obtained from the customer through customer's email- id registered with the Company or a letter from the customer and the declared address will be verified through positive confirmation within two months, by any means such as address verification letter, contact point verification, deliverables etc.

Further, Company will obtain a copy of OVD or deemed OVD or the equivalent e-documents thereof, for the purpose of proof of address, declared by the customer at the time of periodic updation.

Aadhaar OTP based e-KYC in non-face to face mode has been permitted to be used for periodic updation. Declaration of current address, if the current address is different from the address in Aadhaar, shall not require positive confirmation. Company shall, however, ensure that the mobile number for Aadhaar authentication is same as the one available in the customer's profile with the Company, in order to prevent any fraud.

Company will 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, customers shall submit to

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the Company the update of such documents. This shall be done within 30 days of the update to the documents.

**6D2(iii) For Customers other than individuals where there is no change in KYC information:** In case of no change in the KYC information of the non-individual customer/s, a self-declaration in this regard shall be obtained from the customer through its email id registered with the Company / by a letter from an official authorized by the customer's board resolution etc. Further, it will be ensured during this process that Beneficial Ownership (BO) information available with the Company is accurate and will update the same, if required, to keep it as up to date as possible.

**6D2(iv) For all types of Customers where there is Change in KYC information:** In case of change in KYC information, Company will undertake the KYC process equivalent to that applicable for on-boarding a new customer.

## **6D3 - Additional Measures:**

### **6D3(i) In addition of the above, it will be ensured that**

- the KYC documents of the customer as per the current CDD standards are available with the Company. This is applicable even if there is no change in customer information but the documents available with the Company are not as per the current CDD standards. Further, in case the validity of the CDD documents available with the Company has expired at the time of periodic updation of KYC, the KYC process equivalent to that applicable for on-boarding a new customer will be undertaken.

- Customer's PAN details are verified from the database of the issuing authority at the time of periodic updation of KYC.

- Acknowledgment is provided to the customer mentioning the date of receipt of the relevant declaration from the customer, for carrying out periodic updation.

- the information/documents obtained from the customers at the time of periodic updation of KYC are promptly updated in the records / database of the Company and an intimation, mentioning the date of updation of KYC details, is provided to the customer.

### **6D3(ii) Obligations on the part of the customer:**

The customers are required to submit the updated KYC Documents to the company promptly in a timeframe. 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 to the company the update of such documents. This should be done within 30 days for updation. Customers will be advised by the Company accordingly.

In addition to the above mentioned key elements, the following aspects connected to the KYC policy will also be adopted.

E. Management of Records

F. Reporting Mechanism

G. Other relevant matters

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## 6E. Maintenance of Records

### **Maintenance of records of transactions/Information to be preserved/Maintenance and preservation of records/Cash and Suspicious transactions reporting to Financial Intelligence Unit- India (FIU-IND)**

Government of India, Ministry of Finance, Department of Revenue, vide its notification dated July 1, 2005 in the Gazette of India, has notified the Rules under the Prevention of Money Laundering Act (PMLA), 2002. In terms of the said Rules, the provisions of PMLA, 2002 came into effect from July 1, 2005. Section 12 of the PMLA, 2002 casts certain obligations on the banking/Financial companies in regard to preservation and reporting of customer account information.

The Company will implement a system of maintaining proper record of transactions as required under Prevention of Money Laundering Act and follow the guidelines regarding value of transactions, the procedure and manner of maintaining and verification.

#### **6E(i) Maintenance and Preservation of Records**

. The Company will adopt an appropriate 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.

. The necessary records of transactions, both domestic or international which permits reconstruction of individual transactions (including the amounts and types of currency involved if any) so as to provide, if necessary, evidence for prosecution of persons involved in criminal activity are maintained for at least five years from the date of cessation of transaction between the Company and the client.

. All the records pertaining to the identification of the customer and his address (e.g. copies of documents like passports, identity cards, driving licenses, PAN, utility bills etc.) obtained while opening the account and during the course of business relationship, are properly preserved for at least five years after the business relationship is ended. The identification records and transaction data will be made available to the competent authorities upon request.

. The Company will ensure that in case of customers who are non-profit organisations, which are not registered on the DARPAN Portal of NITI Aayog, the company registers the details on the DARPAN Portal. The Company will also maintain such registration records for a period of five years after the business relationship between the customer and the the Company has ended or the account has been closed, whichever is later.

#### **6E(ii) Maintenance of records of transactions:**

The company shall maintain proper record of transactions prescribed under Rule 3 of PML Rules, 2005, as mentioned below:

- a) all cash transactions of the value of more than Rupees Ten Lakh or its equivalent in foreign currency;
- b) all series of cash transactions integrally connected to each other which have been valued below Rupees Ten Lakh or its equivalent in foreign currency where such series of transactions have taken place within a month and the aggregate value of such transactions exceeds Rupees Ten Lakh or its equivalent in foreign currency;

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- c) all transactions involving receipts by non-profit organizations of value more than rupees ten lakh or its equivalent in foreign currency;
- d) all cash transactions, where forged or counterfeit currency notes or bank notes have been used as genuine and where any forgery of a valuable security or a document has taken place facilitating the transaction;
- e) All suspicious transactions whether or not made in cash and by way of as mentioned in the Rules.
- f) all cross border wire transfers of the value of more than five lakh rupees or its equivalent in foreign currency where either the origin or destination of fund is in India;
- g) all purchase and sale by any person of immovable property valued at fifty lakh rupees or more that is registered by the reporting entity, as the case may be.

## **6E(iii) Information to be preserved:**

The company will maintain all necessary information in respect of transactions referred to in Rule 3 to permit reconstruction of individual transaction, including the following information:

- (i) the nature of the transactions;
- (ii) the amount of the transaction and the currency in which it was denominated;
- (iii) the date on which the transaction was conducted; and the parties to the transaction.

## **6E(iv) V-CIP Records and Data Management:**

The entire data and recordings of V-CIP will be stored in a system / systems in a safe and secure environment located in India. Date and time of data will also be stamped for easy retrieval. The activity log along with the credentials of the official performing the V-CIP will also be preserved.

## **6F. Reporting System**

### **6F(i) CDD Procedure and sharing KYC information with Central KYC Records Registry (CKYCR)**

Company will capture and preserve the KYC information for sharing with the CKYCR in the manner mentioned in the Rules of CERSAI as required by the KYC templates prepared for 'individuals' and 'Legal Entities' as the case may be.

### **6F(ii) Combating financing of terrorism:**

In terms of PMLA Rules, suspicious transaction shall include inter alia transactions which give rise to a reasonable ground of suspicion that these may involve financing of the activities relating to terrorism. The company, therefore, will develop suitable mechanism through appropriate policy framework for enhanced monitoring of accounts suspected of having terrorist links and swift identification of the transactions and making suitable reports to the Financial Intelligence Unit – India (FIU-IND) on priority.

As and when list of individuals and entities, approved by Security Council Committee established pursuant to various United Nations' Security Council Resolutions (UNSCRs), is circulated by Reserve Bank, the company will ensure to update the consolidated list of

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individuals and entities as circulated by Reserve Bank. The company will, before opening any new account, ensure that the name/s of the proposed customer does not appear in the list. Full details of accounts bearing resemblance with any of the individuals/entities in the list will be immediately intimated to RBI and FIU-IND. KYC norms/AML standards/CFT measures have been prescribed to ensure that criminals are not allowed to misuse the financial channels. Adequate screening mechanism will be put in place by the company as an integral part of recruitment/hiring process of personnel.

Periodic reporting will be made as per the prescribed periodicity to FIU – IND.

## 6F(iii) Filing of Suspicious Transaction Report (STR)

The Company will not open an account when it is unable to apply appropriate CDD measures. In the circumstances when it believes that the true identity of the account holder is doubtful, the Company will also file an STR with FIU-IND.

## 6F(iv) Reporting to Financial Intelligence Unit – India:

Following transactions mentioned hereunder shall be filed with FIU-IND:

Snapshot of various Transactions Reporting Formats to Financial Intelligence Unit India				
S. No	Report	Description	Amount ₹ in lakhs	Frequency & Due date
1	<b>Cash Transaction Report (CTR)</b>	All cash transactions of the value of more than rupees ten lakhs or its equivalent in foreign currency.  All series of cash transactions integrally connected to each other which have been valued below rupees ten lakhs or its equivalent in foreign currency where such series of transactions have taken place within a month	10.00	Event Based and 15th day of the succeeding month
2	<b>Non-Profit Organization Transaction Report (NTR)</b>	All transactions involving receipts by nonprofit organizations of value more than Rs. Ten lakhs or, its equivalent in foreign Currency		
3.	<b>Cross Border Wire Transfer Reports (CBWTR)</b>	All cross border wire transfers of the value of more than five lakh rupees or its equivalent in foreign currency where either the origin or destination of fund is in India.	5.00	
4	<b>Suspicious Transaction Reports (STR)</b>	All suspicious transactions whether or not made in cash		Event Based and Not later than seven working days on being satisfied that the transaction is suspicious.

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5	<b>Counterfeit Currency Reports (CCR )</b>	All cash transactions where forged or counterfeit currency notes or bank notes have been used as genuine or where any forgery of a valuable security or a document has taken place facilitating the transactions	--	Event Based and 15th day of the succeeding month
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**In terms of the PMLA rules, the Company shall report information relating to cash and suspicious transactions in the prescribed formats to the Director, Financial Intelligence Unit-India (FIU-IND) at the following address**

*Director, FIU-IND, Financial Intelligence Unit-India, 6th Floor, Hotel Samrat, Chanakyapuri, New Delhi-110021*

**And report in the portal**

<http://fiuindia.gov.in/>

## **6G. Other relevant matters**

**6G(i) Secrecy obligations:** Company will maintain secrecy with regard to customer information arising out of contractual relationship between Company and customer. Information collected about the customer will be treated confidential and will not be divulged for the purpose of cross selling or for any other purpose without the express permission of the customer. Company will ensure disclosures to Government or other agencies are within the permitted laws.

**6G(ii) Recruitment of staff:** While recruiting staff, adequate screening including Know Your Employee mechanism will be put in place. It will also be ensured that staff have high level of integrity and ethical standards as well as understanding of various roles. Adequate training will also be imparted to the staff depending upon the role.

## **6H. Review of the Policy**

The Board of the Company will review and amend this policy as and when required.

If at any point a conflict of interpretation / information between the policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities ("Regulatory Provisions") arises, then interpretation of the Regulatory Provisions shall prevail.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions.

"This policy was approved by the Board of the company in its meeting held on 03.10.2025"

Company Secretary  
GEV Focus Capital P Ltd  
Chennai  
03.10.2025