

QRG Investments and Holdings Limited

KYC Policy

Version 8.0

Internal

QRG

INVESTMENTS AND
HOLDINGS LIMITED

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KYC Policy Version 8.0

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KNOW YOUR CUSTOMER' (KYC) POLICY

1. PREAMBLE

KYC procedures enable NBFCs to know/understand their customers and their financial dealings better which in turn help them manage their risks prudently and prevent NBFCs from being used, intentionally or unintentionally, by criminal elements for money laundering activities.

As per regulations on KYC policy issued by RBI, QRG Investments and Holdings Limited, a public limited company incorporated under the Companies Act, 1956 having its registered office at 14/3, Mathura Road, Faridabad, Haryana 121003 is required to have its KYC policy for its operations in line with extant guidelines framed therein. This KYC policy is also framed keeping in mind the same. The policy has the following four key elements:

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

2. ABBREVIATIONS

AML - Anti Money Laundering
CDD - Customer Due Diligence
CFT - Combating Financing of Terrorism
CTR - Cash Transaction Report
FATF - Financial Action Task Force
FIU - Financial Intelligence Unit
KYC - Know Your Customer
LE - Legal Entity
OVD - Officially Valid Document
PEP - Politically Exposed Person
PMLA- Prevention of Money Laundering Act
STR - Suspicious Transaction Report
UCIC - Unique Customer Identification Code
UNSC - United Nations Security Council

3. POLICY FUNDAMENTALS

- i) A Customer means:
- a person who is engaged in a financial transaction or activity with the Company and
 - includes a person on whose behalf the person who is engaged in the transaction or activity, is acting.

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- ii) "Person" has the same meaning assigned in the Act and includes:
- a) an individual,
 - b) 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).

4. APPOINTMENT OF PRINCIPAL OFFICER/DESIGNATED DIRECTOR:

Presently, the Company has designated Shri Surjit Kumar Gupta, Director, as Principal Officer. He shall be responsible for monitoring and reporting of all transactions and sharing of information as required under the law. The Company has also designated Shri Anil Rai Gupta as 'Designated Director' to ensure compliance with the obligations under the law.

The Board of Directors of the Company may appoint any other director(s) as the Principal Officer/Designated Director, whenever deemed necessary.

The name, designation, address and contact details of the Designated Director and Principal Officer shall also be communicated to the RBI upon any change.

5. GENERAL DECLARATION

The Company shall adopt and comply the KYC Norms as laid down in Reserve Bank of India (Know your customer (KYC)) Directions, 2016 and any further amendments thereof in this regard from time to time regarding Know Your Customer (KYC) Guidelines.

6. CUSTOMER ACCEPTANCE POLICY

- i. All transaction and/or accounts-based relationships shall be undertaken only after following CDD procedure.
- ii. CDD procedure shall be carried out at the UCIC level. If an existing KYC compliant customer of the company desires to open another account or avail any other product or service, there shall be no need for a fresh CDD exercise as far as identification of the customer is concerned.
- iii. The customer should not be any person or entity, whose name appears in the sanctions lists circulated by Reserve Bank of India.
- iv. Where Permanent Account Number (PAN) is obtained, the same shall be verified from the verification facility of the issuing authority.
- v. Where an equivalent e-document is obtained from the customer, the Company shall verify the digital signature as per the provisions of the Information Technology Act, 2000
- vi. Where Goods and Services Tax (GST) details are available, the GST number shall be verified from the search/verification facility of the issuing authority.
- vii. The company shall consider filing an STR, if necessary, when it is unable to comply with the relevant Customer Due Diligence measures in relation to the customer

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Customer Acceptance Policy shall not result in denial of banking/financial facility to members of the general public, especially those, who are financially or socially disadvantaged, including the Persons with Disabilities (PwDs). No application for onboarding or periodic updation of KYC shall be rejected without application of mind. Reason(s) of rejection shall be duly recorded by the officer concerned.

7. RISK MANAGEMENT

There will be three categories of customers i.e. Low risk, Medium risk and High risk. Such levels will be decided on the basis of risk element involved in each case which will be determined by considering the following information submitted by the customer:

- i. Nature of business of the Customer
- ii. Workplace of customer and of his clients
- iii. Social and financial status
- iv. Quantum & tenure of Loan facility applied for and proposed schedule for repayment of Loan.
- v. Customer Type (Partnership, Pvt. Ltd. Public Ltd., Trust, NGOs etc)
- vi. Transparency in ownership & control structure
- vii. Businesses / Industries with high AML Risk.
- viii. Presence of PEP (Politically Exposed Person)
- ix. Company's activities involving extensive import/export activities.
- x. Customer Identity, the ability to confirm identity documents through online or other services offered by issuing authorities may also be factored in.
- xi. Information about the customer's business and their location
- xii. Geographical risk covering customers as well as transactions.
- xiii. Type of products/services offered.
- xiv. Delivery channel used for delivery of products/services,
- xv. Types of transaction undertaken – cash, cheque/monetary instruments, wire transfers, forex transactions, etc.

8. CUSTOMER IDENTIFICATION PROCEDURES (CIP)

The Company shall undertake identification of customers upon commencement of a transaction or account-based relationship with the customer.

Customer Identification Documents - A list of the nature and type of documents/information required for customer identification is attached as **Annexure – I and Annexure- II**.

The documentation requirement shall be subject to the review of the management and may be altered or amended as the situation may require.

9. MONITORING OF TRANSACTIONS

Ongoing monitoring is an essential element of effective KYC procedures. The Company can effectively control and reduce their risk only if they have an understanding of the normal and reasonable activity of the customer so that they have the means of identifying transactions that fall outside the regular pattern of activity.

The extent of monitoring shall be aligned with the risk category of the customer. A system of periodic

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review of risk categorization 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.

High risk accounts have to be subjected to more intensified monitoring.

Enhanced Due Diligence (EDD) - for non-face-to-face customer onboarding

Non-face-to-face onboarding facilitates the the company to establish relationship with the customer without meeting the customer physically or through V-CIP. Such non-face-to-face modes for the purpose of this Section includes use of digital channels such as CKYCR, DigiLocker, equivalent e-document, etc., and non-digital modes such as obtaining copy of OVD certified by additional certifying authorities as allowed for NRIs and PIOs.

Following EDD measures shall be undertaken by the company for non-face-to-face customer onboarding

- a) In case the company has introduced the process of V-CIP, the same shall be provided as the first option to the customer for remote onboarding. It is reiterated that processes complying with prescribed standards and procedures for V-CIP shall be treated on par with face-to-face CIP for the purpose of this Master Direction.
- b) In order to prevent frauds, alternate mobile numbers shall not be linked post CDD with such accounts for transaction OTP, transaction updates, etc. Transactions shall be permitted only from the mobile number used for account opening. the company shall have a Board approved policy delineating a robust process of due diligence for dealing with requests for change of registered mobile number.
- c) Apart from obtaining the current address proof, the company shall verify the current address through positive confirmation before allowing operations in the account. Positive confirmation may be carried out by means such as address verification letter, contact point verification, deliverables, etc.
- d) The company shall obtain PAN from the customer and the PAN shall be verified from the verification facility of the issuing authority.
- e) First transaction in such accounts shall be a credit from existing KYC-complied bank account of the customer.
- f) Such customers shall be categorized as high-risk customers and accounts opened in non- face to face mode shall be subjected to enhanced monitoring until the identity of the customer is verified in face-to-face manner or through V-CIP.
- g) The liveness check conducted during Video-based Customer Identification Process (V-CIP) shall not result in exclusion of persons with special needs. The company shall formulate a clear workflow and standard operating procedure for V-CIP and ensure adherence to it. The V-CIP process shall be operated only by officials of the company specially trained for this purpose. The official should be capable to carry out liveness check and detect any other fraudulent manipulation or suspicious conduct of the customer and act upon it.

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- h) The company shall follow a 2-step confirmation process, with the second-step being a KYC confirmation carried by an official not below the rank of Deputy-General-Manager to ensure authenticity.

10. COMPLIANCE OF KYC POLICY

- i. ALCO will be the designated committee for the purpose of KYC compliance.
- ii. ALCO will be responsible for effective implementation of policies and procedures.
- iii. ALCO will do regular independent evaluation of the compliance functions, policies and procedures, including legal and regulatory requirements of the company.
- iv. Concurrent/internal audit system to verify the compliance with KYC/AML policies and procedures.
- v. Submission of quarterly audit notes and compliance to the Audit Committee.

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

11. ON-GOING DUE DILIGENCE

The company shall undertake on-going due diligence of customers to ensure that their transactions are consistent with their knowledge about the customers, customers' business and risk profile; and the source of funds/ wealth.

The following types of transactions shall necessarily be monitored:

- i. Large and complex transactions including RTGS transactions, and those with unusual patterns, inconsistent with the normal and expected activity of the customer, which have no apparent economic rationale or legitimate purpose.
- ii. Transactions which exceed the thresholds prescribed for specific categories of accounts.
- iii. High account turnover inconsistent with the size of the balance maintained.
- iv. Deposit of third party cheques, drafts, etc. in the existing and newly opened accounts followed by cash withdrawals for large amounts.

12. UPDATION/ PERIODIC UPDATION OF KYC

The company has adopted a risk-based approach for KYC updation where periodic updation is done:

- i. At least once in every two years for high risk customers,
- ii. At least once in every eight years for medium risk customers and
- iii. At least once in every ten years for low risk customers
- iv. The time limits prescribed above would apply from the date of opening of the account/ last verification of KYC
- v. The company 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 inform any change within 30 days of the update to the

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documents for the purpose of updating the records.

In respect of an individual customer who is categorized as low risk, the company shall allow all transactions and ensure the updation of KYC within one year of its falling due for KYC. The company shall subject accounts of such customers to regular monitoring. This shall also be applicable to low-risk individual customers for whom periodic updation of KYC has already fallen due.

a) Individuals:

- i. 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 the company, customer's mobile number registered with the company, letter, etc.
- ii. 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 the company, customer's mobile number registered with the company, 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.

The company may obtain at its option a copy of the OVD for the purpose of proof of address, declared by the customer at the time of updation/ periodic updation.

b) Customers other than individuals:

- i. No change in KYC information: In case of no change in the KYC information of the LE customer, a self-declaration in this regard shall be obtained from the LE customer through its email id registered with the company, letter from an official authorized by the LE in this regard, board resolution, etc. Further, the company shall ensure during this process that 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.
- ii. Change in KYC information: In case of change in KYC information, the Company shall undertake the KYC process equivalent to that applicable for on-boarding a new LE customer.

The company shall intimate its customers, in advance, to update their KYC. Prior to the due date of periodic updation of KYC, the company shall give at least three advance intimations, including at least one intimation by letter, at appropriate intervals to its customers through available communication options/ channels for complying with the requirement of periodic updation of KYC. Subsequent to the due date, the company shall give at least three reminders, including at least one reminder by letter, at appropriate intervals, to such customers who have still not complied with the requirements, despite advance intimations. The letter of intimation/ reminder may, inter alia, contain easy to understand instructions for updating KYC, escalation mechanism for seeking help, if required, and the consequences, if any, of failure to update their KYC in time.

13. RECORD MAINTENANCE AND PRESERVATION OF RECORDS

The Company has put in place a system of maintaining and preservation of proper record of transactions prescribed under rule 3 of Prevention of Money Laundering (Maintenance of Records)

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Rules, 2005 (PML Rules, 2005), as amended.

The Company shall maintain for at least five years from the date of transaction between the Company and the client, all necessary records of transactions, both domestic or international, which shall permit reconstruction of individual transactions

The Company shall ensure that 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 shall be made available swiftly to the competent authorities upon request.

14. MONEY LAUNDERING (ML) AND TERRORIST FINANCING (TF) RISK ASSESSMENT' EXERCISE

- i. The Company shall do '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 as per RBI's guidelines.
- ii. The risk assessment shall be properly documented.
- iii. The periodicity of risk assessment exercise shall be determined by the Board with minimum review at least annually.
- iv. The outcome of the exercise shall be put up to the Board or any committee of the Board to which power in this regard has been delegated and shall be available to competent authorities and self-regulating bodies.
- v. The Company shall frame a Board Approved Risk Based Approach (RBA) for mitigation and management of the identified risk and should have Board approved policies, controls and procedures in this regard.
- vi. The Company shall monitor the implementation of the controls and enhance them if necessary.
- vii. The company shall not deal with natural and legal persons from countries which are in the negative list of FATF and ensure compliance with any requirement of enhanced diligence

15. SHARING OF KYC INFORMATION WITH CENTRAL KYC RECORDS REGISTRY (CKYCR)

Company shall capture the KYC information for sharing with the CKYCR in the manner mentioned in the Rules, RBI KYC Direction issued from time to time, as required by the KYC templates prepared for 'individuals' and 'Legal Entities' as the case may be. CERSAI guidelines for uploading will be applicable. The Company shall ensure that the KYC identifier is communicated to the individual/LE as the case may be.

- i. In terms of provision of Rule 9(1A) of the PML Rules, the company shall capture customer's KYC records and upload onto CKYCR within 10 days of commencement of an account-based relationship with the customer.

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- ii. The company shall capture the KYC information for sharing with the CKYCR in the manner mentioned in the Rules, as per the KYC templates prepared for 'Individuals' and 'Legal Entities' (LEs), as the case may be. The templates may be revised from time to time, as may be required and released by CERSAI.
- iii. The company shall upload KYC records pertaining to accounts of LEs opened on or after April 1, 2021, with CKYCR in terms of the provisions of the Rules *ibid*. The KYC records have to be uploaded as per the LE Template released by CERSAI.
- iv. Once KYC Identifier is generated by CKYCR, REs shall ensure that the same is communicated to the individual/LE as the case may be.
- v. In order to ensure that all KYC records are incrementally uploaded on to CKYCR, REs shall upload/update the KYC data pertaining to accounts of individual customers and LEs, 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.
- vi. Also, whenever the company obtains additional or updated information from any customer as per clause (j) below in this paragraph or Rule 9 (1C) of the PML Rules, the company 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.
- vii. 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 the company regarding an update in the KYC record of an existing customer, the company shall retrieve the updated KYC records from CKYCR and update the KYC record maintained by the company.
- viii. The company shall ensure that during periodic updation, the customers are migrated to the current CDD standard.
- ix. For the purpose of establishing an account-based relationship, updation/ periodic updation or for verification of identity of a customer, the company 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-
 - a. there is a change in the information of the customer as existing in the records of CKYCR; or
 - b. the KYC record or information retrieved is incomplete or is not as per the current applicable KYC norms; or
 - c. the validity period of downloaded documents has lapsed; or
 - d. the company 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.

16. REPORTING TO FINANCIAL INTELLIGENCE UNIT-INDIA

All transactions of cash and suspicious as required under PML Act 2002 shall be reported to Financial Intelligence Unit (FIU) from time to time. The Principal Officer specified by the Company shall ensure that such reporting system is in place and shall monitor receipt of the reports.

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17. CUSTOMER EDUCATION AND EMPLOYEE TRAINING

Implementation of KYC procedures requires the Company to demand certain information from customers which shall be of personal nature or which have hitherto never been called for. This may sometimes lead to a lot of questioning by the customer as to the motive and purpose of collecting such information. The Company shall take all the necessary steps so as to educate the customer of the objectives of the KYC program. The front desk staffs shall be specially trained to handle such situations while dealing with customers.

Apart from this company would have an on-going employee training program with different focuses for frontline staff, compliance staff and staff dealing with new Customers and educating them with respect to the objectives of the KYC Program. At time of hiring of an employee adequate screening mechanism of employee is incorporated in the personnel recruitment/hiring process.

18. SECRECY OBLIGATION AND SHARING OF INFORMATION

The Company shall maintain secrecy regarding the customer information which arises out of the contractual relationship between the customer and itself. No details shall be divulged without the express permission of the of the customer. While considering the requests from Government, Banks or other agencies the Company shall satisfy that the information is not of such nature as will violate the provisions of laws. Company shall follow Section 45NB of RBI Act 1934 in the matter. Exceptions to this rule as mentioned in the Master Direction.

19. Compliance with the provisions of Foreign Contribution (Regulation) Act, 2010

Banks shall ensure adherence to the provisions of Foreign Contribution (Regulation) Act, 2010 and Rules made thereunder. Further, banks shall also ensure meticulous compliance with any instructions / communications on the matter issued from time to time by the Reserve Bank based on advice received from the Ministry of Home Affairs, Government of India.

20. REQUIREMENTS/OBLIGATIONS UNDER INTERNATIONAL AGREEMENTS

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

(a) The company shall ensure that in terms of Section 51A of the Unlawful Activities (Prevention) (UAPA) Act, 1967 and amendments thereto, 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:

The "ISIL (Da'esh) & Al-Qaida Sanctions List", established and maintained pursuant to Security Council resolutions 1267/1989/2253, which includes names of individuals and entities associated with the Al-Qaida is available at <https://scsanctions.un.org/ohz5jen-al-qaida.html>

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i. The “Taliban Sanctions List”, established and maintained pursuant to Security Council resolution 1988 (2011), which includes names of individuals and entities associated with the Taliban is available at <https://scsanctions.un.org/3ppp1en-taliban.htm>

The company 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, 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 the company for meticulous compliance.

(b) 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.

(c) Freezing of Assets under Section 51A of UAPA, 1967: The procedure laid down in the UAPA Order dated February 2, 2021 shall be strictly followed and meticulous compliance with the Order issued by the Government shall be ensured.

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

(a) The company shall ensure meticulous 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

(b) In accordance with paragraph 3 of the aforementioned Order, the company shall ensure not to carry out transactions in case the particulars of the individual / entity match with the particulars in the designated list.

(c) Further, the company shall run a check, on the given parameters, at the time of establishing a relation with a customer and on a periodic basis to verify whether individuals and entities in the designated list are holding any funds, financial asset, etc., in the form of bank account, etc.

(d) In case of match in the above cases, the company shall immediately inform the transaction details with full particulars of the funds, financial assets or economic resources involved to the Central Nodal Officer (CNO), designated as the authority to exercise powers under Section 12A of the WMD Act, 2005. A copy of the communication shall be sent to State Nodal Officer, where the account / transaction is held and to the RBI.

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(e) The company will refer to the designated list, as amended from time to time, available on the portal of FIU-India.

(f) 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, the company shall prevent such individual/entity from conducting financial transactions, under intimation to the CNO by email, FAX and by post, without delay.

(g) In case an order to freeze assets under Section 12A is received by the company from the CNO, the company shall, without delay, take necessary action to comply with the Order.

(h) 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 the company 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.

The Company shall undertake countermeasures when called upon to do so by any international or intergovernmental organisation of which India is a member and accepted by the Central Government.

1. Accounts of Politically Exposed Persons (PEPs)

The company shall have the option of establishing a relationship with PEPs (whether as customer or beneficial Owner) and/or their family members and Associates, provided that, apart from performing normal customer due diligence a prior approval from Asset Liability Management Committee (ALCO) is obtained. The company shall also:

- i. Put in place appropriate risk management systems to determine whether the customer or the beneficial owner is a PEP;
- ii. Take reasonable measures for establishing the source of funds / wealth;
- iii. Subject all such accounts to enhanced monitoring on an on-going basis
- iv. Take approval from Asset Liability Management Committee (ALCO) to continue the business relationship in the event of an existing customer or the beneficial owner of an existing account subsequently becoming a PEP

2. Validity and Document Management

- This updated policy is effective from the date of approval of the Board. This policy will be reviewed annually by the Board.
- Any amendment to this procedure or issue of any guidance or circular etc. under this procedure has to be incorporated in the policy on an ongoing basis by Shri Ramesh Kumar Sharma.
- If compliance with the policy ever conflicts with the applicable law, regulation and directives issued by the statutory and or regulatory authority, then such law, regulation and directives as may be applicable will take precedence over this policy.

Annexure - I CUSTOMER IDENTIFICATION PROCEDURE

FEATURES TO BE VERIFIED AND DOCUMENTS THAT MAY BE OBTAINED FROM CUSTOMERS

Individuals Proof of Identity and Address	• PAN Card/Form 60 (mandatory) A certified copy of any other OVD* containing details of his identity and address i. Proof of possession of Aadhaar Card ii. Biometric based e-KYC authentication, including Aadhaar Face Authentication can be done by company official. iii. Indian Passport iv. Voter Identity Card v. Driving License (Booklet Form Not Accepted) vi. Job card issued by NREGA duly signed by an officer of the State Government vii. Letter issued by the National Population Register containing details of name and address • One recent photograph • 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 Where 'simplified measures' are applied for verifying the identity of customers the following documents shall be deemed to be 'officially valid documents': i) identity card with applicant's Photograph issued by Central/State Government Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, and Public Financial Institutions; ii) letter issued by a gazetted officer, with a duly attested photograph of the person. Where 'simplified measures' are applied for verifying for the limited purpose of proof of address the following additional documents are deemed to be OVDs .: i) Utility bill which is not more than two months old of any service provider (electricity, telephone, postpaid mobile phone, piped gas, water bill); ii) Property or Municipal Tax receipt; iii) Bank account or Post Office savings bank account statement; iv) Pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address; v) Letter of allotment of accommodation from employer issued by State or Central Govt. departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies. Similarly, leave and license agreements with such employers allotting official accommodation; and vi) Documents issued by Govt. departments of foreign jurisdictions and letter issued by Foreign Embassy or Mission in India
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Sole Proprietary Firms	For opening an account in the name of a sole proprietary firm, identification information as mentioned under Individuals in respect of the individual (proprietor) shall be obtained mandatorily 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 shall also be obtained: (a) Registration certificate including Udyam Registration Certificate (URC) issued by the Government. (b) Certificate/licence issued by the municipal authorities under Shop and Establishment Act. (c) Sales and income tax returns. (d) CST/VAT/ GST certificate . (e) Certificate/registration document issued by Sales Tax/Service Tax/Professional Tax authorities. (f) 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. (g) 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. (h) Utility bills such as electricity, water, landline telephone bills, etc.
Companies	(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 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) Identification information as mentioned under individuals in respect of managers, officers or employees holding an attorney to transact on its behalf. (g) The names of the relevant persons holding senior management position; and (h) The registered office and the principal place of its business, if it is different.
Partnership Firms	(a) Registration certificate; (b) Partnership deed; (c) Permanent Account Number of the Partnership Firm and (d) Identification information as mentioned under Individuals in respect of the person holding an attorney to transact on its behalf (e) The names of all the partners and (f) Address of the registered office, and the principal place of its business, if it is different.

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Trusts & Foundations	(a) Registration certificate; (b) Trust deed; (c) Permanent Account Number or Form 60 (d) An officially valid document in respect of the person holding a power of attorney to transact on its behalf and (e) Identification information as mentioned under Individuals in respect of the person holding an attorney to transact on its behalf (f) The names of the beneficiaries, trustees, settlor, protector, if any and authors of the trust (g) The address of the registered office of the trust; and (h) List of trustees and documents, as specified for individuals, for those discharging the role as trustee and authorised to transact on behalf of the trust.
Unincorporated Association or a Body of Individuals	(a) Resolution of the managing body of such association or body of individuals; (b) Permanent Account Number or Form 60 of the unincorporated association or body of individuals (c) Power of attorney granted to him to transact on its behalf; (d) Identification information as mentioned under Individuals in respect of the person holding an attorney to transact on its behalf; and (e) Such information as may be required by the company to collectively establish the legal existence of such an association or body of individuals.
Juridical Person	For opening account of a customer who is a 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 authorised to act on behalf of the entity (b) Documents, as specified for individuals, of the person holding an attorney to transact on its behalf and (c) Such documents as may be required by the company to establish the legal existence of such an entity/juridical person. Provided that in case of a trust, the company shall ensure that trustees disclose their status at the time of commencement of an account-based relationship or when carrying out transactions as specified in clauses (b), (e) and (f) of Paragraph 13 of the Master Directions.
Self Help Groups	CDD of all the members of SHG may be undertaken at the time of credit linking of SHGs.

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Non-Profit Organization	The company shall ensure that in case of customers who are non-profit organizations, the details of such customers are registered on The DARPAN portal of NITI Aayog. If the same are not registered, the company shall register the details on the DARPAN Portal. The company shall also maintain such registration records for a period of five years after the business relationship between the customer and the company has ended or the account has been closed, whichever is later.

Annexure – II Beneficial Owner

Company	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.
Partnership Firm	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.
Unincorporated Association or Body of Individuals,	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 percent 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

Trust	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
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