



(Approved by the Board as on 28th August 2020)

VARA FINANCE PRIVATE LIMITED

KNOW YOUR CUSTOMER (KYC) POLICY

Introduction:

The Company will broadly follow the KYC norms guidelines as applicable for NBFCs issued by the Reserve Bank of India vide circular DBR.AML.BC.No.81/14.01.001/2015-16 dated February 25, 2016(updated as on April 20, 2020). This will include reporting of cash transactions, suspicious transactions, blocking accounts in the names of banned entities, persons with criminal background etc. as advised by RBI from time to time.

KYC Procedure

The broad guidelines to conduct the KYC:

- Photo of the customer would be captured at the time of creation of Customer ID.
- Scanned images of the original KYC document submitted by the customer are uploaded and maintained in central digital repository.
- KYC documents before being accepted will be checked for validity and customer would be required to furnish an alternate document, if expiry date is less than 6 months from date of any new loan disbursement. System based controls will be put in place.
- In case of customers whose accounts have not been operated (or who have not been transacting) for more than 12 months fresh KYC documents or biometric authentication through Aadhaar (UIDAI) services will need to be taken before undertaking any new transactions. System based control will be put in place.
- Customer's would be informed through SMS / Call about the KYC documents nearing expiry and should be requested to furnish renewed version of their expired KYC documents or an alternate document. No new loans would be disbursed to the customer without a valid KYC.
- Accounts in the names of individuals having a track record of criminal offence, if in the knowledge of the Company, should not be opened under any circumstances. Further, the system should block the opening of accounts in the names of individuals / organizations engaged in activities which are illegal (e.g. terrorism) and circulated by the United Nations.
- 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 Regulated Entities as per the provisions contained in the Act.
- 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.

- Video based Customer Identification Process (V-CIP)”: will be a method of customer identification by an official of the Regulated Entity by undertaking seamless, secure, real-time, consent based audio-visual interaction with the customer to obtain identification information including the documents required for CDD purpose, and to ascertain the veracity of the information furnished by the customer. Such process shall be treated as face-to-face process for the purpose of this Master Direction.

KYC Documents for Individuals/Natural Persons:

KYC document for individuals shall comprise of 2 aspects viz.

- (i) Proof of Identity &
- (ii) Proof of Address.

Proof of Identity:

Proof of Identity will carry clear photograph of the customer (KYC holder). These are the list of documents which can be accepted as Proof of Identity.

- Passport
- Driving Licence
- PAN Card
- Ration Card with photo
- Voter ID Card
- Aadhaar Card

Proof of Address:

Proof of address will carry the current / permanent address of the customer (KYC holder). These are the list of documents which can be accepted as Proof of Address.

For current / permanent address proof:

- Passport
- Driving Licence
- PAN Card
- Ration Card with photo
- Voter ID Card
- Aadhaar Card

For current address proof:

- Landline / Postpaid Mobile bill
- Bank account / Credit card statement or Passbook
- Electricity bill Municipal / Local / House tax bill/ receipt
- Water bill
- Authentic rental lease agreement
- LPG Gas bill

The prima facie genuineness of both the documents must be verified by the staff. Some documents may serve as both Proof of Identity and Proof of Address, but in such cases it must be ensured that the document mentions the present/current address of the customer otherwise a separate Proof of Address will be required.

As a policy, Gold loans will be granted only to individuals and not to companies, HUF's, firms or trusts. Etc.

KYC UPDATION:

Customers are recommended and advised to update their KYC details like their phone number, address and KYC documents by following the KYC updation process. Alternately they can submit the updation request by sending us duly signed KYC updation form through email on mail@varafinance.com or through sending registered post to the below mentioned address.

Back Office Team

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