



KYC/AML POLICY

Zeal Holdings Pvt. Ltd.



The Policy was approved by the Board of Directors in its meeting held on
23rd of August 2024

Documents Details

Particulars	Details
Title	KYC/AML Policy
Classification	Public
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Approved by	Board of Directors
Custodian	Operation

1. Preamble

In line with the Reserve Bank of India's (RBI) guidelines on Know Your Customer (KYC) and Anti-Money Laundering (AML) measures, Zeal Holdings Pvt Ltd ("Company") is committed to preventing its services from being misused for money laundering or financing terrorism activities. This policy outlines the comprehensive framework for customer identification and transaction monitoring, as required by the RBI and relevant regulations.

2. Objectives, Scope, and Application of the Policy

The primary objectives of this Policy are:

- To prevent the Company from being used for illegal money laundering or financing terrorism.
- To establish clear criteria for the acceptance of MSME B2B merchant customers.
- To define procedures for verifying customer identities and monitoring transactions.
- To outline measures for due diligence and reporting suspicious transactions.

3. Definition of Customer

For the purposes of this policy, a 'Customer' refers to any individual or entity engaged in business with the Company, as defined by the RBI's KYC norms and AML guidelines.

4. Customer Acceptance Policy ("CAP")

The Customer Acceptance Policy mandates that all potential and existing customers must complete the Zeal Holdings Application Form, providing necessary information and supporting documents. This process is essential for customer identification and compliance with KYC requirements.

5. Customer Identification Procedures ("CIP")

Customer identification involves verifying the identity of customers through reliable, independent sources. Zeal Holdings will gather sufficient information like type of constitution of the applicant entity etc. to verify the identity of each new customer, including details about the business's owners and management. This process will be adapted based on the perceived risk level.

6. KYC Document Requirements

Customers must submit the following documents:

- **Identity Proof:** Aadhar Card (mandatory), PAN (mandatory)
- **Address Proof:** Electricity Bill (not older than 3 months), Water Bill, Aadhar Card, Passport, Bank Passbook, Ration Card, Sarpanch Letter, or any other government-issued proof of identity.
- **Banking Details:** Bank account details of the applicant or co-applicant, which should be active and show at least one financial transaction (deposit or withdrawal) in the past 6 months.

7. Monitoring and Reporting of Transactions

Transaction monitoring will be conducted based on the risk profile of each account. Zeal Holdings will review customer transactions to identify unusual patterns, especially large or complex transactions without apparent economic or lawful purpose. The risk categorization of loan assets will be reviewed at

least every 6 months. Customer identification data, including photographs, will be updated regularly, with a minimum review period of five years for low-risk customers and two years for high-risk customers.

To comply with the Prevention of Money Laundering Act, 2002, Mr. Vikas Garg, Director is designated as the Company's "Designated Director" for KYC/AML. Mr. Rahul Saini, will serve as the Principal Officer responsible for monitoring and reporting KYC/AML activities.

8. Principal Officers for KYC/AML/CFT

The Principal Officer(s) will operate independently and report directly to the Designated Director. Their responsibilities include overseeing compliance with KYC/AML/CFT regulations and ensuring adherence to the Prevention of Money Laundering Act, 2002.

9. Risk Management

All customers are subject to this policy, with exceptions only for statutory bodies such as RBI-registered banks or government entities. Customers will be categorized based on risk levels into:

- **Category A:** Low Risk
- **Category B:** Medium Risk
- **Category C:** High Risk

No exemptions will be made from Zeal Holdings' KYC procedures regardless of the customer's status or relationship with the Company. Risk categorization will be adjusted based on risk assessments.

10. Periodic Reporting

The Principal Officer may present periodic reports to the Board of Directors for high-risk cases requiring further assessment. An independent consultant with relevant expertise may be consulted if necessary. All risk-related discussions will be confidential and not disclosed to third parties.

11. KYC for Existing Accounts

KYC guidelines apply to all customers and are also enforced for existing customers based on materiality and risk. Continuous monitoring of existing accounts will detect any unusual activity. Information collected from customers will be securely retained and treated as confidential, with no use for cross-selling or other unauthorized purposes.

12. Employee Training

Zeal Holdings will maintain an ongoing training program to ensure employees are well-versed in KYC/AML/CFT procedures. Training will be tailored for frontline staff, compliance staff, and those handling new customers, emphasizing the importance of understanding and implementing KYC policies.

13. Policy Updates

The Board of Directors is authorized to amend or modify this KYC/AML/CFT Policy as needed to align with RBI regulations and other statutory requirements.