

Know Your Customer (KYC) and Prevention of Money Laundering (PML) Policy

(Formulated in terms of Para 4 of the Master Direction - Know Your Customer (KYC) Direction, 2016; approved and adopted by the Board of Directors at their meeting held on 31.03.2024)

EXECUTIVE SUMMARY

Our company, M/s. JALAN CHEMICAL INDUSTRIES PVT LTD, is an Investment and Credit Company "NBFC-ICC", as defined in Para 5.1.19 of Chapter II of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, issued by the Reserve Bank of India on 19th October, 2023. The company is engaged in the business of providing finance by way of making loans and trading/investments in securities.

The primary objective of "**Know Your Customer**" (KYC) policy is to prevent JCIPL ('the Company or RE or the Reporting entity) from being used, intentionally or otherwise, by unscrupulous elements for fraudulent/money laundering and terrorist financing activities as enunciated in the "**Customer Acceptance Policy**" of JCIPL and various circulars issued by the Reserve Bank of India (RBI) on the subject matter from time to time. KYC procedures also enable to know/understand customers and their financial dealings better which, in turn, help to manage their risks prudently.

These guidelines are issued to reinforce the existing checks and controls developed by the JCIPL and to ensure due diligence while starting/extending relationship with/to a new/existing customer.

1. INTRODUCTION

The Reserve Bank of India (RBI) had issued vide its Master Direction DBR.AML.BC.No.81/14.01.001/2015-16 dated February 25, 2016 (updated till October 17th, 2023) under Prevention of Money-Laundering Act, 2002 and Prevention of Money-laundering (Maintenance of Records) Rules, 2005 advising all NBFCs to frame their KYC policies in accordance with the said directions.

Based on the above framework provided by RBI, KYC policy has been revised incorporating the Standard Operating Procedures on KYC and AML requirements (hereinafter referred to as the "KYC Policy") for strict implementation.

2. APPOINTMENT OF PRINCIPAL OFFICER (PO)

As required under the Prevention of Money Laundering Act, 2002 (PMLA), Rajesh Jain, director of the Company, has been appointed as the Principal Officer of the Company. The Principal Officer shall *inter alia* be responsible for ensuring compliance, Monitoring



transaction, and sharing and reporting information as required under the law and regulation reporting and of all Cash Transactions exceeding Rs.10 lakh and Suspicious Transactions to the Financial Intelligence Unit, India (FIU-IND) within the periodicity provided by the PMLA and the Rules thereunder. Roles and responsibilities of the Principal Officer would also include overseeing and ensuring overall compliance with regulatory guidelines on KYC/AML/CFT issued from time to time and obligations under the Prevention of Money Laundering Act, 2002, rules and regulations made thereunder, as amended from time to time. The name, designation and address of the Principal Officer shall be communicated to FIU-IND. Pursuant to this clause, Legal and Compliance department shall separately notify the PO with his roles and responsibilities under KYC and PMLA.

3. APPOINTMENT OF DESIGNATED DIRECTOR

Mr. Dhiraj Bhutoria, director of the company, has been appointed as Designated Director for ensuring compliance with the obligations under the PML Act. The name, designation and address of the Designated Director shall be communicated to FIU-IND. Pursuant to this clause, Legal and Compliance department shall separately notify the Designated Director with his roles and responsibilities under KYC and PMLA.

4. CONSTITUTION OF SENIOR MANAGEMENT

As required under KYC Directions issued by RBI, Senior Management is constituted for KYC Policy. Senior Management shall comprise of directors of the company. The responsibility is for effective implementation of policies and procedures with the respective departments. Pursuant to this, Legal and Compliance department shall separately notify the Designated Director with his roles and responsibilities under KYC.

5. MONEY LAUNDERING AND TERRORIST FINANCING RISK ASSESSMENT BY REs

- (a) REs shall 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 for clients, countries or geographic areas, products, services, transactions or delivery channels, etc.

The assessment process should 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, REs shall take cognizance of the overall sector-specific vulnerabilities, if any, that the regulator/supervisor may share with REs from time to time.

- (b) The risk assessment by the RE shall be properly documented and be proportionate to the nature, size, geographical presence, complexity of activities/structure, etc. of the RE. Further, the periodicity of risk assessment exercise shall be determined by the Board of the RE, in alignment with the outcome of the risk assessment exercise. However, it should be



reviewed at least annually.

- (c) 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 should be available to competent authorities and self-regulating bodies.

REs shall apply a Risk Based Approach (RBA) for mitigation and management of the identified risk and should have Board approved policies, controls and procedures in this regard. Further, REs shall monitor the implementation of the controls and enhance them if necessary.

6. SCOPE

These procedures shall be applicable for all new and existing customer and business partner relationships of JCIPL.

7. HIRING AND TRAINING

Human Resource to have in place the screening mechanism as an integral part of their personnel recruitment/hiring process. Compliance department to arrange an on-going training program for the different categories of members of staff and to ensure they are adequately trained in KYC/AML procedures. Specific training program is required from focus point of view for field staff, processing staff, compliance staff and audit staff. Effectiveness of the training to be documented with training department. It is crucial that all those concerned fully understand the rationale behind the KYC/AML policies and implement them consistently.

8. CUSTOMER EDUCATION

Implementation of KYC procedures requires JCIPL to demand certain information from a customer which may be of personal nature or which has hitherto never been called for. This can sometimes lead to a lot of questioning by the customer as to the motive and purpose of collecting such information. There is, therefore, a need to prepare specific literature/pamphlets etc. so as to educate the customer of the objectives of the KYC program. The front desk staff needs to be specially trained to handle such situations while dealing with customers. The same should be done as specified in this policy.

9. CONCURRENT / INTERNAL AUDIT

Compliance Department to verify for compliance of KYC/AML policies and procedures on a quarterly basis. Independent evaluation of the compliance functions pertaining to KYC and PMLA and submission of quarterly audit notes, annual KYC Audit and compliance to the Board of the company shall be done.



10. CUSTOMER DUE DILIGENCE

Customer Due Diligence means identifying and verifying the customer and beneficial owner using “Officially Valid Documents (OVD)” as a proof of identity and a proof of address.

11. OUTSOURCING:

Decision making function of determining compliance with KYC Norm shall not be outsourced.

12. CENTRAL KYC RECORDS REGISTRY-

CKYCR means an entity to receive, store, safeguard and retrieve the KYC record in digital form of a customer. JCIPL Operations Department shall take necessary steps to comply with the norms of CKYCR within specified timelines. Government of India authorizes the Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI), to act as, and to perform the functions of the CKYCR.

13. REPORTING REQUIREMENT UNDER FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA).

Under FATCA and CRS, JCIPL shall take steps for complying with the reporting requirements:

- Registration to be done on the URL <https://incometaxindiaefiling.gov.in> or any other site as designated for filing the returns.
- Submit e-filing report by using digital signature of the designated director either uploading form 61B or NIL report (if required under relevant provisions).
- Reference can be taken from <http://www.fedai.org.in/RevaluationRates.aspx> for carrying out due diligence procedure for the purpose of identifying reportable accounts under section 114H of Income Tax Act.
- Help of IT framework for carrying out due diligence procedure, for recording and maintaining the information.
- Develop a system of audit for the IT framework and compliance with Rules 114F, 114G and 114H of Income Tax Rules.
- Constitute a “High Level Monitoring Committee” under the Designated Director or any other equivalent functionary to ensure compliance.
- Ensure compliance with updated instructions/ rules/ guidance notes/ Press releases/ issued on the subject by Central Board of Direct Taxes (CBDT) from time to time and available on the web site <http://www.incometaxindia.gov.in/Pages/default.aspx>. REs may take note of the following:
 - updated Guidance Note on FATCA and CRS
 - a press release on ‘Closure of Financial Accounts’ under Rule 114H (8).



Module 1 – COVERS THE CUSTOMER ACCEPTANCE PROCEDURE AND RISKMANAGEMENT.

Module 2 – Annexures

MODULE I – CUSTOMER ACCEPTANCE PROCEDURE

1. KYCPROCESS

1.1. Customer Identification Process: The following aspects are covered in the customer identification process:

CUSTOMER IDENTIFICATION (KYC Process)

Every employee of JCIPL shall establish a customer relationship only after the identity and address of the customer and all those who represent the customer have been verified and found satisfactory.

Step 1

The process of customer acceptance begins with meeting/interaction with the customer.

Step 2

The customer is required to complete the Application Form wherein details on the background and facilities opted by the customer are recorded. All applicable fields should be completed. (Not applicable fields should be marked as “NA”)

Step 3

The details furnished in the Application Form shall be supported by Photograph (applicable in case of individual) Proof of Identity, Proof of Address and Relationship Proof. The documents that can be accepted to support the identity, address and signature of all parties signing the agreement i.e. applicant, co-applicant, guarantor and Ultimate beneficial owner (UBO) are listed in the attached **Annexure A2– List of Important Instructions, Documents Accepted as Proof of Identity, Proof of Address, and Relationship Proof (as applicable)**

The customer should sign across the photograph and should sign on all the photocopies of the KYC documents.

Identity and address proof documents are collected to identify the customers and confirm their stay at a particular address with the help of reliable, independent source documents, data or information. Photograph should be a recent color passport size photograph.

Step 4

The photocopies of supporting documents obtained as Proof of Identity and Proof of Address and relationship proof should be verified with originals and certified by the person verifying the same as ‘True Copy’ i.e. Original, Seen and Verified (OSV). The JCIPL Employee or



JCIPL Representative who meets the customer should perform the verification. (OSV stamp with name, signature and employee / representative code).

Step 5

Necessary de-duplication check to be done before opening a new account as well as check to be done to ensure as far as possible that the identity of the applicant does not match with any person with known criminal background or with the willful defaulters as per the list published by the RBI or with banned entities such as individual terrorists or terrorist organizations or list of individuals and entities, approved by Security Council Committee established pursuant to various United Nations' Security Council Resolutions (UNSCRs) etc. Deduplication Check (Internal Dedup) and Credit Bureau Check should be mandatorily done on the basis of ID number mentioned on the valid KYC document as mentioned in Annexure A1.

Step 6

Verification of customer information (which includes Tele-verification) should be conducted by JCIPL employee.

RCU checks are primarily done on the pre-sanction documents submitted by the customer / applicant to verify the authenticity of documents submitted.

It must be noted that Tele-verification checks and fraud checks are only in the nature of confirmation of the customer's contact details for deriving comfort on such cases and such checks cannot act as a substitute for KYC documents.

Step 7

The welcome letter/ sanction letter or otherwise, should be sent to the customer within 15 working days from the date of receipt of complete KYC with requisite documents.

1.2. RISK MANAGEMENT

A. CUSTOMER SCREENING

The risk assessment procedure begins with screening of the Negative/ Freeze lists. On receipt of any caution lists being provided by the Reserve Bank of India to the Legal/ Compliance Department, the same shall be provided by the Business Intelligence Department to the IT department for uploading in Internal Dedupe Database. The procedure for screening of lists is as follows:

- (i) The Internal database will be enhanced with various lists to screen the name, date of birth and /or relevant data of the customer (for non-individuals),
- (ii) When information of an existing customer or the beneficial owner of an existing account, subsequently becoming PEP is obtained either from information available in public domain or customer interaction at branch or during servicing of accounts, senior management approval would be required to continue the business relationship and the account shall be subject to enhanced CDD measures.



*-Politically exposed persons are individuals who are or have been entrusted with prominent public functions in a 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.

JCIPL will not allow opening and/or holding of an account on behalf of a client/s by professional intermediaries, like Lawyers and Chartered Accountants, etc., who are unable to disclose true identity of the owner of the account/funds due to any professional obligation of customer confidentiality. Further, any professional intermediary who is under any obligation that inhibits JCIPL ability to know and verify the true identity of the client on whose behalf the account is held or beneficial ownership of the account or understand true nature and purpose of transaction/s, should not be allowed to open an account on behalf of a client.

It should be also noted that information collected from the customer for the purpose of opening of account should be kept confidential and not divulged for cross selling or any other purpose. Any other information if required from the customer shall be sort separately.

B. CUSTOMER RISK CATEGORIZATION

Risk Profile

As per the Company's "Know Your Customer (KYC) and Anti Money Laundering Measure" policy customer will be categorized into Low Risk, Medium Risk, High Risk and Unacceptable based on the risk profile of the customer.

Process of Risk Profiling

Assessing customer-related risks is a critical component of a Company's internal risk analysis. In classifying customer-related risk, business relationships and the persons associated with them are assigned to different categories of risk depending on various risk factors.

In this note, the term "risk" is considered in the context of money laundering and financing terrorism (not credit risk, loan default risk, etc.). The goal of risk classification is to identify low, medium and high-risk business relationships and, in accordance with our risk-based approach, take appropriate measures, such as increased due diligence. Risk profiling of customer is based on customer's identity, social/financial status & nature of business activity.

Process for Customer Risk Categorization for new customers:

1. Each customer need to fill and sign the Know Your Customer (KYC) Application Form.
2. Details specified in Know Your Customer (KYC) Application Form shall be verified and signed by JCIPL Employee.



3. Risk categorization of customers into Low (Category A), Medium (Category B) & High Risk (Category C) shall be done by JCIPL Employee based on information submitted by the customer in Know Your Customer (KYC) Application Form.
4. For the customers categorized as "High risk (Category C)" it is mandatory that:
 - (a) JCIPL Employee to visit the customer's premises to ascertain the real existence of such a business/industrial unit/financial status person and its scale of operations commensurate with its turnover.
 - (b) Case needs to be approved by the Senior Management/ Board after review of customer visit report, financial documents & source of funds.
5. Operations shall ensure that no disbursement is made unless the duly filled and signed Know Your Customer (KYC) Application Form is in the file.
6. Operations shall also ensure that the respective approvals for customers classified as High Risk customer are in the file before disbursement.
7. Operations to also ensure that correct risk categorization is mentioned in the Know Your Customer (KYC) Application Form.
8. It is to be noted that the customer profile will be a confidential document and details contained therein shall not be divulged for any other purposes. Adequate care should also be taken to seek only such information from the customer, which is relevant to the risk category and is not intrusive.

Based on the framework provided by RBI, the Company will adopt following classification for risk categorizations of its customers.

Definition of Customer Risk: 'Customer risk ' in the present context refers to the money laundering risk associated with a particular customer from a Company's perspective.

High Risk Customers (Category C):-

Characteristics of High Risk Customer: Customers whose source of funds are not clear or are not convincing will be categorized as High risk customer. Higher due diligence shall be applied for this category of customers.

Indicative List:

- Multi-level Marketing firms
- Customer reported to FIU under Suspicious transaction reporting/cash transaction reporting as per PMLA norms.

Medium Risk Customers (Category B):

Characteristics of Medium Risk Customer: Customers that are likely to pose a higher than average risk to the Company may be categorized as medium risk customer.

Indicative List:

- Trust unaudited books of accounts Other than Educational Trust, charities, NGO's and Organization receiving donations.
- Politically Exposed Persons (PEPs) as per RBI (i.e. Individuals who are or have been entrusted with prominent public functions in a 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, the family members or close relatives of PEPs etc.)

Low Risk Customers (Category A):

Characteristics of Low Risk Customer: Individuals and entities whose identities and source of wealth can easily identifiable and transactions in whose accounts by and large conform to the known profile will come under this category. Customers not Covered in the High Risk and Medium Risk category definition will be categorized as low risk customer.

Indicative List:

- Customer Occupation: Salaried Employees/Pensioners
- Economic profile: People belonging to lower economic strata of the society whose accounts show small balances and low turnover.
- Government Departments, Government owned Companies, Regulators and statutory bodies.
- All entities with Income documents like Balance sheet, P&L from which source of income/capital can be easily ascertained.

Unacceptable Customers:

Customers that are likely to pose a highest risk to us may be categorized Unacceptable Customers, such as:

- Match against the Terrorist list, RBI watch list & Country list ((indicative list provided by IBA and United Nations) in Dedupe check.
- Accounts opened by professional intermediaries (the client account opened by a professional intermediary on behalf of a single client or 'pooled' accounts managed by professional intermediaries on behalf of entities like mutual funds, pension funds or other types of funds). JCIPL at their discretion to rely on the CDD done by the intermediary.
- Lending to Non-Resident Indians (NRI).
- Lending to Private Finance companies not registered with RBI.

For existing customers

- In the event of any change in the risk profiling the latest risk profiling will prevail.
- Customer reported to FIU under Suspicious transaction reporting/cash transaction reporting as per PMLA norms to be classified as high risk customer if earlier classification is different.

1.3. CUSTOMER DUE DILIGENCE (CDD) MEASURES

CDD measures are applied based on the risk profile of the customer. The risk ratings and the related due diligence measures are summarized below:



Risk Profile	Due diligence Measures
Low & Medium risk	Standard Measures
High risk	Enhanced Measures
Unacceptable	Exit Procedures

I. Standard measures (Applicable to customers falling within the category of Low & medium risk)

Where the customer presents a Low & Medium risk to JCIPL, standard due diligence measures are applied. The requirements of the standard measures have been made as a part of the data collected in the Application form and Due Diligence is performed by the JCIPL Employee at the time of sourcing/credit approval/disbursement of the case.

Following standard measures (Applicable for Low & Medium Risk Customers) have to be complied as below:

- i. Identification and verification (reliable, independent source documents, data or information). List of documents for identification and verification in line with the guidelines of RBI as per **Annexure A1**.
- ii. Screening of all relevant Freeze / negative lists for prospective customers / UBO / Designated POA
- iii. Assessment in line with this policy document, even when the customer has been dealing with other financial institution.
- iv. Understand the customer's business and the structure of the organization.
- v. Record economic rationale for having account relationship with JCIPL.
- vi. Record the source of capital.
- vii. Record the source of income.
- viii. Record justification if place of customer's domicile and branch where account is opened is different.
- ix. Whether there has been any adverse publicity about the customer and his / her relationship with crime, if yes, reasons for the same.

II. Enhanced Measures (Applicable to customers falling within the category of high risk)

Where the customer profile is high risk, enhanced measures are applied. In case of lending business, the JCIPL Employee as explained in section of Risk Screening need to certify in the Credit Appraisal Memo/and for other business Application form due diligence has been completed and the following enhanced measures have been complied with:

EDD for High Risk customers (Category C):

- ✓ In the case of high risk Customers, it is mandatory that JCIPL Employee visits the customer's premises to ascertain the real existence of such a business/industrial unit person, its scale of operations and financial status commensurate with its turnover.
- ✓ Case needs to be approved by the Senior Management/ Board.



Monitoring:

Review of Risk Categorization Indicative list for each category shall be done once in 6 months by the Senior Management.

Compliance department will periodically update customer identification data after the account is opened. The periodicity (from the date of account opening/last verification of KYC) of such Updation should not be less than once in ten years in case of Low Risk category customers, not less than eight years for Medium Risk category and not less than once in two years in case of high risk categories subjected to following conditions:

- (a) Fresh proofs of identity and address shall not be sought at the time of periodic Updation, from customers who are categorized as 'low risk', when there is no change in status with respect to their identities and addresses and a self-certification to that effect is obtained.
- (b) A certified copy of the proof of address forwarded by 'low risk' customers through mail/post, etc., in case of change of address shall be acceptable.
- (c) Physical presence of low risk customer at the time of periodic Updation shall not be insisted upon.
- (d) The time limits prescribed above would apply from the date of opening of the account/ last verification of KYC.
- (e) Fresh photographs shall be obtained from customer for whom account was opened when they were minor, on their becoming a major.

Other points shall be noted w.r.t CDD:

- **High Risk Customers** - With a view to preventing JCIPL from being used, intentionally or unintentionally, by criminal elements for money laundering or terrorist financing, it is clarified that whenever there is suspicion of money laundering or terrorist financing or when other factors give rise to a belief that the customer does not, in fact, pose a low risk, The JCIPL Employees are advised to carry out full scale customer due diligence (CDD) before opening an account.
- **Suspicious Transaction** - An account should not be opened (or should consider closing an existing account) when it is unable to apply appropriate CDD measures. When JCIPL is no longer satisfied that it knows the true identity of the account holder, an STR (Suspicious Transaction Report) with FIU-IND in the prescribed format.
- **Exit Procedure** - (Applicable to customers falling within the category of Unacceptable customers). In case the customer has been rated as 'Unacceptable', an Intimation letter as required under Fair Practice Code should be sent to the customer.



- Decision-making functions of determining compliance with KYC norms shall not be outsourced.

2. AML PROCESS

2.1 Transaction Monitoring

Ongoing monitoring is an essential element of effective KYC procedures. Effective control and reduction of risks is possible only if there is a clear understanding of the normal and reasonable activity of the customer. This would in turn enable JCIPL to identify the transactions that fall outside the regular pattern of activity. However, the extent of monitoring shall be dependent on the risk sensitivity of the account.

Type of transactions to be monitored

Following are some types of transactions which should be closely monitored:

1. all cash transactions of the value of more than rupees ten lakh or its equivalent in foreign currency;
2. all series of cash transactions integrally connected to each other which have been individually valued below rupees ten lakh or its equivalent in foreign currency where such series of transactions have taken place within a month and the monthly aggregate exceeds rupees ten lakh or its equivalent in foreign currency
3. 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 has taken place;
4. all suspicious transactions whether or not made in cash and in manner as mentioned in the Rules framed by Government of India under the Prevention of Money Laundering Act, 2002.

***Instructions on Accepting Cash**

No loans shall be accepted or granted in cash.

2.2 INFORMATION TO BE PRESERVED

Following information in respect of above transactions have to be preserved:

1. the nature of the transactions;
2. the amount of the transaction and the currency in which it was denominated;
3. the date on which the transaction was conducted; and
4. the parties to the transaction.

2.3 REPORTING OF TRANSACTIONS

The PMLA and the Rules framed there under have imposed an obligation on the Principal Officer to report all cash transactions and suspicious transactions to the Financial Intelligence Unit (FIU-IND). There shall be no restrictions on operations in the accounts



where an STR has been made. It should be ensured that there is no tipping off to the customer at any level. It is likely that in some cases transactions are abandoned/ aborted by customers on being asked to give some details or to provide documents. JCIPL should report all such attempted transactions in STRs, even if not completed by customers, irrespective of the amount of the transaction.

The types of transactions to be reported and the manner of reporting shall be done as detailed hereunder:

I. Reporting of Cash Transactions

The following types of transactions shall be reported to the FIU-IND:

- i) All cash transactions of Rs.10 Lakhs and above or its equivalent in foreign currency;
- ii) all series of cash transactions integrally connected to each other which have been individually valued below rupees ten lakh or its equivalent in foreign currency where such series of transactions have taken place within a month and the monthly aggregate exceeds rupees ten lakh or its equivalent in foreign currency

II. Time of Reporting

- i) The reporting of Cash Transactions to the FIU-IND shall be made only through the Principal Officer appointed by the Company.
- ii) Upon the receipt of the documents referred above, the Principal Officer shall report the Cash Transaction/s referred to in above Para) to the Director, FIU-IND immediately not later than 15th of the succeeding month to which the transaction relates while doing so individual transactions below rupees fifty thousand may not be included.
- iii) This reporting shall be done in the format prescribed by RBI.
- iv) Utmost confidentiality should be maintained in filing of CTR with FIU-IND.

III. Reporting of Suspicious Transaction

Apart from reporting Cash transactions of the above nature, the Principal Officer is also under an obligation to report all transactions of a suspicious nature to the Director, FIU-IND. STRs should be made if there are ground to believe that the transaction involves proceeds of crime generally irrespective of the amount of transaction and/or the threshold limit envisaged for predicate offences in part B of Schedule of PMLA, 2002. The delay in furnishing of information to Director FIU-IND from the prescribed period (even for one day) will be construed as non-compliance.

Indicative List of Suspicious Activities

1. Transactions Involving Large Amounts of Cash:

Company transactions, that are denominated by unusually large amounts of cash, rather



than cheques/Electronic payments etc.

2. Transactions that do not make Economic Sense

Transactions in which assets are withdrawn immediately after being deposited without adequate justification.

3. Activities not consistent with the Customer's Business

Accounts with large volume of credits whereas the nature of business does not justify such credits.

4. Attempts to avoid Reporting/Record-keeping Requirements

- a. A customer who is reluctant to provide information needed for a mandatory report.
- b. Any individual or group that coerces/induces or attempts to coerce/induce a JCIPL employee not to file any reports or any other forms.
- c. An account where there are several cash transactions below a specified threshold level to avoid filing of reports.

5. Unusual Activities

Funds coming from the countries/centers which are known for money laundering.

6. Customer who provides Insufficient or Suspicious Information

- a. A customer/company who is reluctant to provide complete information regarding the purpose of the business, prior business relationships, officers or directors, or its locations.
- b. A customer/company who is reluctant to reveal details about its activities or to provide financial statements.
- c. A customer who has no record of past or present employment but makes frequent large transactions.

7. Certain Employees arousing Suspicion

- a. An employee whose lavish lifestyle cannot be supported by his or her salary.
- b. Negligence of employees/willful blindness is reported repeatedly.

8. Some examples of suspicious activities/transactions to be monitored by the operating staff-

- a. Large Cash Transactions
- b. Multiple accounts under the same name
- c. Placing funds in term Deposits and using them as security for more loans
- d. Sudden surge in activity level
- e. Same funds being moved repeatedly among several accounts

Please Note: This is not an exhaustive list but is merely an indicative list.



Time of Reporting

- i. The reporting of Suspicious Transactions to the FIU-IND shall be made only by the Principal Officer appointed by the Company.
- ii. Upon receipt of the above referred annexures the Principal Officer shall report the Suspicious Transaction/s to the Director, FIU-IND within 7 days from arriving at a conclusion that a Suspicious Transaction has taken place.
- iii. This reporting shall be done in the format prescribed by RBI.
- iv. The Principal Officer shall record his reasons for treating any transaction or a series of transactions as suspicious. It should be ensured that there is no undue delay in arriving at such a conclusion once a suspicious transaction report is received from a branch or any other office. Such report shall be made available to the competent authorities on request.
- v. It should be further noted that, Suspicious Transaction Reports shall also be filed if there are reasonable ground to believe that the transaction involve proceeds of crime generally irrespective of the amount of transaction and/or the threshold limit envisaged for predicate offences in part B of Schedule of PMLA, 2002.
- vi. Utmost confidentiality should be maintained in filing of STR with FIU-IND.

IV. REPORTING OF FORGED OR COUNTERFEIT CURRENCY NOTES OR BANK NOTES

All cash transactions were forged or counterfeit Indian currency notes or bank notes have been used as genuine and where any forgery of a valuable security has taken place shall be reported to the **Principal Officer** in the manner prescribed hereunder.

Time of Reporting

- i) The reporting of the above referred transactions to the FIU-IND shall be made only through the Principal Officer appointed by the Company.
- ii) Upon the receipt of the CCR, the **Principal Officer** shall report the said transaction/s to the Director, FIU-IND by the 15th day of the succeeding month of occurrence of such transaction in the format prescribed for Summary Counterfeit Currency Report (CCR). The delay in reporting such transaction shall be construed as non-compliance.

2.4 Record keeping

Compliance Department shall be responsible for record keeping and retention of all documents as per the PMLA, 2002 Rules. Records of all transactions shall be maintained for a period of 5 years from the date of cessation of transaction between the customer and the JCIPL. The documents are to be preserved in a hard copy/ digitized manner (as may be intimated) so as to enable reconstruction of individual transactions (including the types and



currency of transaction involved, if any) and provide, if necessary, evidence for prosecution of persons involved in criminal activity.

Records pertaining to the identification of the customer and his / her 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, would be properly preserved as mentioned above for **at least five years** after the business relationship is ended. The following types of transactions are to be recorded and reported in the manner provided under the Reporting section of this policy:

- i) all cash transactions of the value of more than rupees ten lakh or its equivalent in foreign currency;
- ii) all series of cash transactions (pertaining to one customer or link account i.e. code and Group code 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;
- iii) 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 has taken place;
- iv) all suspicious transactions whether or not made in cash and in manner as mentioned in the Rules framed by Government of India under the Prevention of Money Laundering Act, 2002.

3. FREEZING OF ASSETS UNDER SECTION 51A of UNLAWFUL ACTIVITIES (PREVENTION) ACT, 1967

The procedure laid down in the UAPA Order dated February 2, 2021 [Annex II of the Master Direction – Know Your Customer (KYC) Direction, 2016] shall be strictly followed and meticulous compliance with the Order issued by the Government shall be ensured.

4. CDD Procedure and sharing KYC information with Central KYC Records Registry (CKYCR)

- (a) Government of India has authorised the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI), to act as, and to perform the functions of the CKYCR vide Gazette Notification No. S.O. 3183(E) dated November 26, 2015.
- (b) In terms of provision of Rule 9(1A) of PML Rules, the REs shall capture customer's KYC records and upload onto CKYCR within 10 days of commencement of an account-based relationship with the customer.
- (c) Operational Guidelines for uploading the KYC data have been released by CERSAI.
- (d) REs 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.

- (e) The 'live run' of the CKYCR started from July 15, 2016 in phased manner beginning with new 'individual accounts'. Accordingly, Scheduled Commercial Banks (SCBs) are required to invariably upload the KYC data pertaining to all new individual accounts opened on or after January 1, 2017, with CKYCR. SCBs were initially allowed time up to February 1, 2017, for uploading data in respect of accounts opened during January 2017. REs other than SCBs were required to start uploading the KYC data pertaining to all new individual accounts opened on or after from April 1, 2017, with CKYCR in terms of the provisions of the Rules *ibid*.
- (f) REs 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.
- (g) Once KYC Identifier is generated by CKYCR, REs shall ensure that the same is communicated to the individual/LE as the case may be.
- (h) 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 opened prior to the above mentioned dates as per (e) and (f) respectively at the time of periodic Updation as specified in Section 38 of this Master Direction, or earlier, when the updated KYC information is obtained/received from the customer.
- (i) REs shall ensure that during periodic Updation, the customers are migrated to the current CDD standard.
- (j) Where a customer, for the purposes of establishing an account based relationship, submits a KYC Identifier to a RE, with an explicit consent to download records from CKYCR, then such RE shall retrieve the KYC records online from the CKYCR using the KYC Identifier and the customer shall not be required to submit the same KYC records or information or any other additional identification documents or details, unless

- (i) there is a change in the information of the customer as existing in the records of CKYCR;
- (ii) the current address of the customer is required to be verified;
- (iii) the RE considers it necessary in order to verify the identity or address of the customer, or to perform enhanced due diligence or to build an appropriate risk profile of the client.
- (iv) the validity period of documents downloaded from CKYCR has lapsed.



MODULE II – ANNEXURES

Annexure A1

List of important instructions pertaining to documents specified in KYC Documentation section:

Important Instructions:

- The KYC requirement will be applicable for Applicant, Co-Applicant, Guarantor, UBO including Business Partners.
- Copies of the OVD and Relationship proof should be verified with originals and certified by the person verifying the same as 'True Copy' i.e. Original, Seen and Verified (OSV). The JCIPL Employee or JCIPL Representative who meets the customer should perform the verification (OSV stamp with name, signature and employee / representative code).
- Each of the KYC (OVD, Photograph and Relationship Proof) document obtained from customer should be self - certified by all types of customer.
- OVD of Ultimate Beneficial Owner (UBO) has to be mandatorily collected. UBO is defined as per AnnexureA2.
- OVD issued in incomplete names (only personal names (first names) as in the case of Voter ID in certain states) cannot be accepted.
- OVD should contain the complete address as captured in the application form. If there is any difference or if incomplete another document containing the address as per application form should be asked for from the applicant.
- Marriage Certificate issued by state govt. or gazette notification to be used in case of name change along with certified copy of OVD in existing name to be obtained for identity and address proof of the person and can be used for relationship proof.
- In case of a partnership between individual(s) and entity(s) or between entity(s), the KYC requirements for such entity(s) also need to be complied with in addition to the KYC requirements of the partnership. Partnership firm, HUF & Private limited firm cannot become partners in any partnership firm.
- **Address Proof** – For customer identification following norm to be followed:
 - a. The customers shall not be required to furnish separate proof of address for permanent and current addresses, if these are different. In case the proof of address furnished by the customer is the address where the customer is currently residing, a declaration shall be taken from the customer about her/his local address on which all correspondence will be made by the JCIPL.
 - d. The local address for correspondence, for which their proof of address is not available, shall be verified through 'positive confirmation' through personal visit.
 - e. In case it is observed that the address mentioned as per 'proof of addresses has undergone a change, Sales shall ensure that fresh proof of address is obtained



within a period of six months.

- **Re-Use of OVD for KYC**– If the same customer comes for repeat funding within a period of six months from last Loan Application date then collection of fresh OVD is not mandatory, provided:
 - i. Last file was KYC compliant (Physical file and scanned copies in DMS) and
 - ii. The address mentioned in Application Form for proposed funding matches with the downloaded OVD and
 - iii. A declaration shall be provided by JCIPL Employee that the OVD has been downloaded from DMS. The employee downloading the document shall sign all OVD mentioning name, employee id, date and
 - iv. If the OVD has been pre-written by customer for restricted use, then fresh OVD would be required to be collected.
- In case Field Investigation / customer interaction reports that customer address does not match with the downloaded OVD then fresh OVD shall be obtained.

KYC Documentation

Customer Type	Documents
Individual	<p>Following documents are required from an individual applicant: -</p> <ul style="list-style-type: none">• Recent color passport size photograph• Valid OVD: Includes self-attested copy of following documents:<ol style="list-style-type: none">1. Permanent Account Number (PAN) Card issued by Income Tax (IT) authority.2. Aadhaar Card (Letter issued by the Unique Identification Authority of India containing details of Name, Address and Aadhaar number).3. Passport issued in India.4. Voters' Identity Card Issued by Election Commission of India.5. Valid Permanent Driving License (unexpired)6. Valid Job Card issued by NAREGA duly signed by Officer of State Government. <p><u>From the above, self-attested copy of both the following documents are mandatory:</u></p> <ol style="list-style-type: none">1. Permanent Account Number (PAN) Card issued by Income Tax (IT) authority AND Aadhaar Card (Letter issued by the Unique Identification Authority of India containing details of Name, Address and Aadhaar number). <p>This requirement of both PAN as well as Aadhaar is applicable to – Individuals (Applicant, Co-Applicant, Guarantor and UBO) and the Individual having Power of Attorney (such as managers, officers or employees, partners, etc.) to transact on behalf of Company, Proprietorship,</p>



Partnership Firms, HUFs, Trust, Unincorporated association or a body of individuals.

Note:

- i. Where the Aadhaar number has not been allotted, proof of application for Aadhaar enrollment will be mandatory. In such cases, self-attested copy of the acknowledgement issued by the UIDAI as well as an alternate Officially Valid Document (OVD) for Identity proof and address proof would be mandatory.
- ii. Where the Permanent Account Number is not available, the applicant would need to mandatorily submit Form 60; also one of the OVDs would be required for Identity Proof.
- iii. If the address as recorded in the PAN / Aadhaar card is different from the current address or in case of a mismatch in name / address, a self-attested copy of OVD any 1 from the other OVDs or documents as specified for Low Risk Customers below would be required.

For "Low Risk" customers, following are also acceptable:

Identity Proof:

- 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.

Address Proof

- a. Utility bill, which is not more than two months old, of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill).
- b. Latest Property or Municipal Tax receipt. The tax receipt should not be more than one calendar year old from the bill issuance date.
Post Office Savings Pass Book bearing the accountholder's address with entries of at least three months from the date of application Log in.
- d. Bank Account or Post Office savings bank account statement of account in name of applicant with existing Banker (Scheduled Bank or Post Office) bearing the account holder's address with entries of at least one month from the preceding 3 calendar months from the date of Log In.
- e. Pension or family pension payment order (PPOs) issued to retired employees by Government Department or Public



	<p>Sector under takings – Only if they contain the address.</p> <p>f. Letter of allotment of accommodation from employer issued by State or Central Government departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies. Leave and License agreements with such employers allotting official accommodation.</p> <p>Customer living with relative* and does not have address proof-</p> <ul style="list-style-type: none"> • <i>A declaration from the relative* mentioning the relation and confirmation that customers is staying with him/her at his/her house and</i> • <i>Relationship proof**and</i> • <i>OVD of the relative specifying the address.</i> <ul style="list-style-type: none"> ○ <i>*Relative for this purpose means – Father, step father, mother, step mother, son, step sons, daughter, daughter’s husband, brother, step brother, sister and stepsister.</i> ○ <i>**Relationship Proof: Any one of the following documents can be accepted as Relationship proof:</i> <ul style="list-style-type: none"> • Aadhaar Card • Bank Statement/Passbook • Valid Passport • Pension Payment Order issued by Central or State Government • Marriage certificate issued by government authority and not by any religious body. • Ration Card • Life insurance Policy (Not restricted to LIC) • Voter ID card • Date of Birth Certificate issued by government authority and not by hospitals, etc. • PAN Card • Secondary School leaving certificate • AnnexureB3
<p>Proprietorship</p>	<p>OVD collected for Identity Proof should bear name and photograph of the applicant and be valid as on date.</p> <ul style="list-style-type: none"> • OVD collected for Address Proof should contain name and valid residential address. • <u>OVD in the name of proprietor (Individual)</u> as mentioned in “Individual” Section above, containing details of identity and address of the individual (proprietor)and • In addition to the above, any two of the following documents as a proof of business/ activity <u>in the name of the proprietary firm</u> shall



	<p>also be obtained:</p> <ul style="list-style-type: none"> - Latest & Complete Income Tax return (not just the acknowledgement) in the name of the sole proprietor where the firms income is reflected. duly acknowledged by the Income Tax Authorities - Utility bills such as electricity, water, gas and landline telephone bills in the name of proprietorship concern. - Proof of the name, address and activity of the concern, like registration certificate (in the case of a registered concern), certificate/license issued by the Municipal authorities under Shop & Establishment Act, sales and income tax returns, CST / VAT certificate, certificate/ registration document issued by Sales Tax / Service Tax / GST / Professional Tax authorities, License 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, etc. - Any registration / licensing document issued in the name of the proprietary concern by the Central Government or State Government Authority /Department. - Importer-Exporter Code with PAN Card/ PAN quoted on the IEC issued to the proprietary concern by the office of DGFT as an identity document for opening of account. - Bank statement/passbook in the name of the proprietorship concern <p>In cases where JCIPL is satisfied that it is not possible accept only one of those documents as activity proof then: Subject to field verification by JCIPL employee OR Assistant Manager Recovery (AMR) - E-nxt OR FI done by FI Agencies to collect such information as would be required to establish the existence of such firm, confirm, clarify and satisfy themselves that the business activity has been verified from the address of the proprietary concern</p> <ul style="list-style-type: none"> - In instances where Field verification is not done by JCIPL employee, Tele- verification by JCIPL Employee needs to be mandatorily documented in the file pre-login.
<p>Registered Partnership firms</p>	<p>One certified copy of each of the following documents shall be obtained:</p> <ol style="list-style-type: none"> 1. Registration certificate, 2. Copy of Partnership Deed (partnership deed should contain a provision for borrowing clause covering hypothecation / creating charge on the asset belonging to the firm and giving guarantee) executed on stamp paper or franked and signed by all partners at least on last page under authority stamp (for capacity)



	<ol style="list-style-type: none"> 3. Partnership Authority Letter (PAL): All pages of the Partnership letter to be signed by minimum one partner. All Partners should sign and authenticate at least last page of the PAL under rubber seal (for capacity). The PAL should be on the Firm's Letterhead. Any alterations on any page to be signed by all the partners. Certified copy of OVD in respect of the person holding a PAL to transact on its behalf. 4. Copy of PAN Card in the name of partnership firm 5. OVD for the partner, UBO and authorized signatories signing the loan documents shall be collected as specified in "Individual" Section above. 6. Notarized Power of Attorney granted to managers, officers or employees of the firm to transact business on its behalf, if such managers, officers or employees are entering into the contract, on behalf of the firm. Certified copy of OVD of PoA holder has to be obtained. Notarized PoA would not be required if one or more partners of the firm are directly executing the contract. Annexure B4.
<p>Public Limited / Private Limited companies</p>	<p>One certified copy of each of the following documents shall be obtained:</p> <ol style="list-style-type: none"> 1. Board Resolution to apply and avail the loan. Ensure the certifying Director name is in the List of Directors submitted by the Company. 2. Latest List of all Directors with their addresses signed and dated by the Company Secretary / Director(s). Refer Annexure B2. 3. Copy of PAN Card 4. Copy of Certificate of incorporation (COI), Memorandum of Association (MOA), Articles of Association (AOA) verified with original. Copy of certificate of commencement of business in case of public limited companies. The AOA should permit the company to borrow and give a guarantee. 5. OVD as applicable for individuals for Authorized Signatories and UBO as specified in "Individuals" Section above. 6. A certificate from the Company Secretary/Managing Director to the effect that the person signing the loan document has the authority to execute the deal on behalf of the company along with the extract of the Board Resolution in this respect. 7. Notarized Power of Attorney granted to managers, officers or employees of the firm to transact business on its behalf, if such managers, officers or employees are entering into the contract, on behalf of the firm. Certified copy of OVD of PoA holder has to be



	<p>obtained. Notarized PoA would not be required if one or more directors of the company are directly executing the contract. (AnnexureB4).</p> <p>8. Information to be collected about the shareholding/ownership Share/ profit share/beneficiary for establishing percentage holding.</p>
Trust/Association / Society/Club Registered	<p>One certified copy of each of the following documents shall be obtained:</p> <ol style="list-style-type: none"> 1. Registration Certificate. 2. Certified "True and updated" copy of Trust Deed / Bye Laws / MOA attested by Secretary/ Managing Trustee/Chairperson. 3. Certified " True and Updated" Copy of Certificate of Registration (For Club / Society / Association/ Trust) signed by the secretary. 4. List of all Office Bearers / Trustees, along with Settlers (including any person settling assets into the Trust), grantors, protectors, beneficiaries (when they are defined) and in case of Foundations the founders / managers / directors, to be obtained on the letterhead With their addresses. 5. Certified copy of Resolution to borrow facility / loan signed by managing trustee/chairperson/secretary. 6. OVD of Trustee, UBO and authorized signatory signing the facility / loan documents as specified in "Individuals" Section above. 7. Notarized Power of Attorney granted to managers, officers or employees of the firm to transact business on its behalf, if such managers, officers or employees are entering into the contract, on behalf of the firm. Certified copy of OVD of PoA holder has to be obtained. Notarized PoA would not be required if one or more member of the Trust/Society/etc. are directly executing the contract. (AnnexureB4). <p>Information to be collected about the shareholding/ownership share/profit share/beneficiary for establishing percentage holding.</p>
Hindu Undivided Family (HUF)	<p>One certified copy of each of the following documents shall be obtained:</p> <ol style="list-style-type: none"> 1. HUF letter with specimen signatures of the Karta and all adult coparceners as per HUF Declaration Format provided in AnnexureB1. 2. PAN Card in the name of HUF. 3. OVD of Karta. (As applicable for Individuals) 4. Address proof of the HUF: <ol style="list-style-type: none"> a. Latest available Income Assessment order OR Bank statement of account with existing Banker (Scheduled Bank) bearing the account holder's address with entries of preceding 3 calendar months from the date of Login.



**Unregistered
Association/Body
of Individual,
Unregistered
trusts,
Unregistered
Partnership firm.**

One certified copy of each of the following documents shall be obtained:

1. Partnership Authority Letter (PAL): All pages of the Partnership letter to be signed by minimum one partner. All Partners should sign and authenticate at least last page of the PAL under rubber seal (for capacity). The PAL should be on the Firm's Letterhead. Any alterations on any page to be signed by all the partners. Certified copy of OVD in respect of the person holding a PAL to transact on its behalf.
2. Notarized Power of Attorney granted to managers, officers or employees of the firm to transact business on its behalf, if such managers, officers or employees are entering into the contract, on behalf of the firm. Certified copy of OVD of PoA holder has to be obtained. Notarized PoA would not be required if one or more partners of the firm are directly executing the contract. (Annexure B4).
3. Proof of legal existence of such entity in the form of PAN Card/ /Service Tax/VAT/Sales Tax Registration/ CST/VAT/GST certificate/ Certificate of registration document issued by Sales Tax/Service Tax/Professional Tax authorities.
4. Information to be collected about the shareholding/ownership Share / profit share/beneficiary for establishing percentage holding.



Annexure A2

Process of determination of UBO:

1. Where the client is a person other than an individual or trust:
 - a. UBO is the person exercising control through ownership interest. Where the Non individual client is-
 - i. **Company:**
 1. Person having ownership of/entitlement to more than 25 percent of shares or capital or profits of the said Company or
 2. Person having 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 shall be the UBO of the company
 - ii. **Partnership Firm:** Person having ownership of/entitlement to more than 15% of the capital or profits of the partnership firm shall be the UBO
 - iii. **Unincorporated association or body of individuals:** Person having ownership of/entitlement to more than 15% of the property or capital or profits of the unincorporated association or body of individuals shall be the UBO
 - b. Where no natural person exerts control through ownership interests, UBO shall be the person exercising control over the non-individual client through other means like control over voting rights, agreements, arrangements etc.
 - c. Where no natural person is identified under (a) or (b) above, UBO shall be the person who holds the position of senior managing official of the non-individual client.
2. Where the client is a trust: UBO shall be-
 - a. Author of the trust, the trustee, the beneficiaries with 15% or more interest in the trust
 - b. Any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.
3. Where the client or the owner of the controlling interest is a company listed on a stock exchange, or is a majority-owned subsidiary of such a company, it is not necessary to identify and verify the identity of any shareholder or beneficial owner of such companies.



Annexure B1

HINDU UNDIVIDED FAMILY LETTER

Date:

To,
Jalan Chemical Industries Pvt Ltd

Dear Sir,

The business of _____ carried on in the firm name and style of _____ at _____ is the ancestral business of the Joint Hindu family governed by the Mitakshara / Dayabhaga Law of which I/we the undersigned am/are the present Karta or Managing Member(s) and we the undersigned are the present adult members. As the aforesaid joint family business by the nature thereof cannot be carried on without credit facilities, we have requested you to finance the aforesaid joint family business of the firm and to grant to the firm all or some or any of the credit facilities that may be agreed upon from time to time between the you and the Joint Hindu family firm for sums not exceeding at any one time in the aggregate sum of Rs. _____ (Rupees only).

The following members viz

- 1.
- 2.

are authorized jointly or severally to represent and sign on behalf of the said joint family business in manner as appears below and have full unrestricted authority to bind all the members of the joint family however constituted from time to time.

In the event of you acceding to our request and granting us the facility applied for financing we, the undersigned, undertake with the intention of binding not only the present members of the said joint family (both adults and minors) but also all future members thereof (both adults and minors) and all persons entitled to a share therein and ourselves personally and our respective interest in the joint family properties as well as our separate estates:-



1. whenever any change occurs in the manager ship or in the nature of the said ancestral business or in the constitution of the said joint family or said ancestral business caused by the death of a co-parceners whether or not resulting in the share devolving on his widow or widows or by the birth of a co-parceners or if at any time any of us desire to give up or sever his connection with the said ancestral business or if we desire to close the said ancestral business or if any minor member of the said family attains majority to give notice thereof to us at once in writing and that
2. Until receipt of such notice by us and whether any provisions of the Partnership Act, 1932 shall apply or not you shall be entitled to regard each of us as partners in respect of all dealings or transactions with you which may be found to be outside the scope of the said ancestral business and that such dealings and transactions shall be binding on each of us as such partner and our respective estates and that
3. Notwithstanding any provisions of the said Act or any change in the membership of the said firm all acts purporting to be done on behalf of the said joint family business before you shall have received notice in manner aforesaid, shall be binding on the said joint family and its properties and on each of us and our respective estates and the liability of the said firm and of each of us and of our respective estates shall continue until all liabilities in respect of such acts shall have been discharged.

The names and dates of birth of the present minor* members of the aforesaid joint family are given below:

Yours faithfully,

His personal signature here

1. Shri

.....



Will sign on behalf of the firm as follows:

Karta

2. Shri

His personal signature here

Will sign on behalf of the firm as follows:

.....

*Particulars of the minor members of the joint family.

Name Father's name Date of birth



Annexure B2

**DECLARATION CUM INDEMNITY (Confirming
list of Directors)**

To,

Jalan Chemical Industries Pvt Ltd,

Kind Attn: _____

Dear Sir,

_____, a company,
registered under _____ and having its
registered office at _____ (Complete office
address) (hereinafter "the Company") do hereby declare and state as under:

As on the date of this Declaration cum Indemnity the following are the directors of the
Company:

1. _____
2. _____

The Company hereby confirms that all the requisite legal formalities for appointment of the
above mentioned Directors have been complied with including filing of Form 32 or Form
DIR 12 with the Office of Registrar of Companies.

The Company hereby confirms that the Company has applied to JCIPL for
obtaining a..... (type of loan / facility) at the ___ (Branch) and the Company
has to submit various documents to JCIPL with respect to the application for the said account.
The Company hereby states that the Company is unable to furnish to JCIPL a copy of Form
32 or Form DIR 12 filed with the Office of Registrar of Companies with respect to the
appointment of Mr. _____

as a director on the account of the same having been misplaced / change in directors since
incorporation.



The Company hereby agrees and undertakes to hold harmless and keep JCIPL fully indemnified against claims and damages which may be made in respect hereof by reason of JCIPL relying and acting upon the faith of this Declaration cum Indemnity.

The Company further agrees and undertakes to pay and make good all such losses, damages or expenses, upon demand being made, and also to comply with such requirements including furnishing or execution of such further deeds, documents or writings as JCIPL may require.

Signed and delivered by-----by the hand of its authorized signatory Mr.
_____ in the presence of

- 1.
- 2.

(Stamp and Seal of Company)

Place:

Date:



Annexure B3

**NOC Format of declaration for Blood Relative /
Spouse**

Declaration by the address proof holder:

I, the address proof holder solemnly affirm:

I, have no objection to allow the Applicant/Co-Applicant use my address for communication purposes.

The said applicant/co-applicant resides with me at my residential address for which I have provided a valid proof as per JCIPL requirements.

The information given above is correct and nothing has been concealed and I am aware it is illegal and a criminal offence to deliberately furnish false information or suppress information.

(Signature of address proof holder)

Place:

Date:

Note on clauses which are not applicable.



Annexure B4 – Format for Power of Attorney (Stamp Duty as per state Laws and to be Notarized)

SPECIFIC POWER OF ATTORNEY

Be it known to all to whom it may concern that We, _____, s/o _____, aged about _____, residing at _____, We, _____, s/o _____, aged about _____, residing at _____, We, _____, s/o _____, aged about _____, residing at _____, We, _____, s/o _____, aged about _____, residing at _____, presently acting as Partners for the Partnership Firm M/s _____ bearing registration no. _____ (In case of registered Partnership Firm) having its place of business/address at _____ do hereby nominate, constitute and appoint _____ s/o _____ aged about _____ presently a Partner, as our Attorney to do the following acts, deeds and things on all of us jointly and severally in our name in respect of the Loan:

- 1 That we are the Partners for the Partnership firm, M/s _____.
- 2 That the Partnership firm is considering availing a loan / giving guarantee for loan of Rs. _____ from Jalan Chemical Industries (hereinafter to be known as "JCIPL") to purchase Motor Vehicle(s)/Vehicle Chassis/ and / or for constructing body on the chassis / equipment / Refinance of Motor Vehicle(s)/ Repurchase of Motor Vehicle(s) and / or Balance Transfer.
- 3 That we hereby jointly and severally appoint and authorize Mr. _____, s/o _____, aged about _____ years, who is presently a Partner to do all or an/ of the above acts, or any other acts which have not been specifically mentioned herein above, and in the opinion of our attorney, ought to be done, executed or performed in respect of the said loan or any matter incidental thereto.
- 4 That all the acts done and documents executed by the aforesaid Partner shall bind the firm and each of us as it each of us had ourselves done such acts and executed such documents.



- 5 The acts, deeds and things done or got to be done by our attorney for the purpose, shall be construed as acts, deeds and things done by the firm and all of us jointly and severally. That all of us will be jointly and severally responsible for the liabilities of the said firm and JCIPL, may recover its claims and dues from any or all of the partners of the firm and the estate of the deceased partners.
- 6 This power of Attorney supersedes all previous Power of Attorney, or any other authorization in relation to this loan.

IN WITNESS WHEREOF, We the Executants have put our hands on these presents on the date, month and year herein below mentioned in the presence of the following witnesses:

Signature of the Partner: _____

Name of the Partner: _____

Signature of the Partner: _____

Name of the Partner: _____

Signature of the Partner: _____

Name of the Partner: _____

Signature of the Partner: _____

Name of the Partner: _____

Place: _____

DATE: _____

Witness:

- 1.
- 2.

