

# Master Circular No. 1 on KYC norms in POSB/SC under AML/CFT regime

## Introduction

1.1 Know Your Customer (KYC) Norms/Anti Money Laundering (AML) Measures/Combating Financing of Terrorism (CFT)/Obligations under PMLA, 2002 (amended from time to time)

The objective of KYC/AML/CFT guidelines is to prevent money laundering or terrorist financing activities by use of Post Office Savings Bank intentionally or unintentionally by criminal elements. KYC procedures also enable to post office Savings Banks to know/understand their customers better which in turn help them manage their risks prudently.

## 1.2 Definition of Customer

For the purpose of KYC policy, a customer is defined as:-

- An individual that maintains an account and/or has a cash certificate or has a business relationship with the Post Office Savings Bank.
- An individual on whose behalf the account is maintained (i.e beneficial owner).

## 2. Guidelines

### 2.1 General

All Post Office Savings Banks should keep in mind that information collected from the customer for the purpose of opening of account or purchase of savings certificates is to be treated as confidential and details thereof are not to be divulged for cross selling or any other purposes.

### 2.2 KYC Policy

Under PMLA provisions, Post Office Savings Bank declares its KYC Policy on the following four elements:-

- (a) Customer Acceptance Policy.
- (b) Risk Management
- (c) Customer Identification Procedure.
- (d) Monitoring of Transactions; Record keeping and Reporting.

### 2.3 Customer Acceptance Policy (CAP)

- (i) No account is opened in anonymous or fictitious name/benami.
- (ii) Not to open an account or close an existing account where the Post Office Savings Bank is unable to apply appropriate Customer Due Diligence measures i.e unable to verify the identity and/or obtain documents required as prescribed due to non- cooperation of the customer or non-reliability of data/information furnished by the customer. However, the customer should not be harassed and any decision to close the account should be taken by head of the Postal Division by giving suitable notice to the customer.

### 2.4 Categorization of Customers i.e Risk categorization.

2.4.1 All customers according to the amount involved at the time of opening of account or purchase of Savings Certificates or credit into an existing account have been categorized with the perspective of risk involved. The categorization is as under:-

- (i) **Low Risk**

Where the customer opens account or applies for purchase of certificates or applies for credit of maturity/prematurity value of any existing savings instrument with an amount up to Rs.50,000/- and balance in all accounts and savings certificates does not exceed Rs.50,000/-.

(ii) **Medium Risk**

Where the customer opens account or applies for purchase of certificates or applies for credit of maturity/prematurity value of any existing savings instrument with an amount exceeding Rs.50,000/- but up to Rs.10 lakh and balance in all accounts and savings certificates does not exceed Rs.10 lakh.

(iii) **High Risk**

Where the customer opens account or applies for purchase of certificates or applies for credit of maturity/prematurity value of any existing savings instrument with an amount exceeding Rs.10 lakh and balance in all accounts and certificates does not exceed Rs.10 lakh.

**2.5 Customer Identification Procedure: Customer Due Diligence/Know Your Customer (KYC) norms**

2.5.1 Following will be the CDD/KYC norms to be followed in case of opening of new accounts/purchase of certificates falling under different types of accounts or Savings Certificates:-

**Applicable to all types of Savings schemes including Certificates excluding Pension and Workers Wage Accounts.**

**FOR LOW RISK CATEGORIES**

<b>PHOTOGRAPH</b>	
<b>One (two in case of EDBO) recent Passport Size Photographs are to be given. In case of Joint Account, photograph of all joint holders should be given.</b>	
<b>IDENTIFICATION PROOF</b>	<b>ADDRESS PROOF</b>
<b>Any one of the following documents</b>	<b>Any one of the following documents for Address Proof</b>
<ul style="list-style-type: none"> <li>• Electoral Photo Identity card,</li> <li>• Ration Card with photograph.</li> <li>• Passport,</li> <li>• Driving License,</li> <li>• POSB Identity card/ Post Office Identity Card, Identity card from Central/State Government or PSU e.g PPO, BPL card, Job card issued under MG-NREGA duly signed by an officer of State Government.</li> <li>• Photo Identity Card issued by recognized University/ Education Board/ /College/School.</li> <li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li> </ul>	<ul style="list-style-type: none"> <li>• Bank or Post Office Passbook/Statement with current address</li> <li>• Passport with current address.</li> <li>• Ration Card with current Address.</li> <li>• Electricity Bill of not more than three months old</li> <li>• Telephone Bill of not more than three months old</li> <li>• Salary Slip of reputed Employer with current address.</li> <li>• Certificate from any Public Authority/Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.</li> <li>• The letter issued by the Unique Identification Authority of India ( UIDAI) containing details of name, address and Aadhaar number.</li> </ul>
<b>ATTESTATION OF PHOTOCOPY OF DOCUMENTS</b>	
<b>Documents should be self-attested or in case of illiterate depositors should be attested by Gazetted Officer/Sarpanch/ Branch/Sub/Head/Chief Postmaster or Postman/Gram Dak Sewak Delivery Agent. In case of investment through agent, these documents should also be attested by the agent.</b>	

**In case of Joint Account, ID and Address proof of all depositors are required.**

**FOR MEDIUM RISK CATEGORIES**

<b>PHOTOGRAPH</b>	
<b>One (two in case of EDBO) recent Passport Size Photographs are to be given. In case of Joint Account, photograph of all joint holders should be given.</b>	
<b>IDENTIFICATION PROOF</b> Any one of the following documents	<b>ADDRESS PROOF</b> Any one of the following documents for Address Proof
<ul style="list-style-type: none"><li>• PAN card or letter issued by I T Authority quoting PAN or Declaration in Form 60 or 61.</li></ul> <p>If only Declaration in Form 60 or 61 is provided then <b>one of the following documents are to be given for Identification Proof.</b></p> <ul style="list-style-type: none"><li>• Electoral Photo Identity card</li><li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li><li>• Passport,</li><li>• Driving License,</li><li>• Ration Card with photograph.</li><li>• Photo Identity Card issued by recognized University/ Education Board/ /College/School.</li><li>• Identify card from Central/State Government or PSU.</li></ul>	<ul style="list-style-type: none"><li>• Bank or Post Office Passbook/Statement with current address</li><li>• Passport with current address.</li><li>• Ration Card with current Address.</li><li>• Electricity Bill of not more than three months old</li><li>• Telephone Bill of not more than three months old</li><li>• Salary Slip of reputed Employer with current address.</li><li>• Certificate from any Public Authority/Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.</li><li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li></ul>
<b>ATTESTATION OF PHOTOCOPY OF DOCUMENTS</b>	
<b>Documents should be self-attested or in case of illiterate depositors should be attested by Gazetted Officer/Sarpanch/ Branch/Sub/Head/Chief Postmaster or Postman/Gram Dak Sewak Delivery Agent. In case of investment through agent, these documents should also be attested by the agent.</b>	

**In case of Joint Account, ID and Address proof of all depositors are required.**

**FOR HIGH RISK CATEGORIES**

<b>PHOTOGRAPH</b> <b>One (two in case of EDBO) recent Passport Size Photographs are to be given. In case of Joint Account, photograph of all joint holders should be given.</b>	
<b>IDENTIFICATION PROOF</b> <b>Any one of the following documents</b>	<b>ADDRESS PROOF</b> <b>Any one of the following documents for Address Proof</b>
<ul style="list-style-type: none"><li>• PAN card or letter issued by I T Authority quoting PAN or Declaration in Form 60 or 61.</li></ul> <p><b>If only Declaration in Form 60 or 61 is provided then one of the following documents are to be given for Identification Proof.</b></p> <ul style="list-style-type: none"><li>• Electoral Photo Identity card</li><li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li><li>• Ration Card with photograph.</li><li>• Passport,</li><li>• Driving License,</li><li>• Photo Identity Card issued by recognized University/ Education Board/ /College/School.</li><li>• Identify card from Central/State Government or PSU.</li></ul> <p><b>Note:- In case of SCSS account, where interest payment in exceeding Rs 10,000/- in a financial year and declaration in Form 15G or 15H is not given, copy of PAN Card is mandatory.</b></p>	<ul style="list-style-type: none"><li>• Bank or Post Office Passbook/Statement with current address</li><li>• Passport with current address.</li><li>• Ration Card with current Address.</li><li>• Electricity Bill of not more than three months old</li><li>• Telephone Bill of not more than three months old</li><li>• Salary Slip of reputed Employer with current address.</li><li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li></ul>
<b>PROOF OF SOURCE OF FUND</b> <b>The customer has to submit copy of document showing source of receipt of funds tendered for investment</b>	
<b>ATTESTATION OF PHOTOCOPY OF DOCUMENTS</b> <b>Documents should be self-attested or in case of illiterate depositors should be attested by Gazetted Officer/Sarpanch/ Branch/Sub/Head/Chief Postmaster or Postman/Gram Dak Sewak Delivery Agent. In case of investment through agent, these documents should also be attested by the agent.</b>	

In case of Joint Account, ID and Address proof of all depositors are required.

## SPECIAL CATEGORIES OF ACCOUNTS

### PENSION ACCOUNT

<b>PHOTOGRAPH</b> One (two in case of EDBO) recent Passport Size Photographs are to be given. In case of Joint Account, photograph of all joint holders should be given.	
<b>IDENTIFICATION PROOF</b>	<b>ADDRESS PROOF</b> Any one of the following documents for Address Proof
Copy of PPO issued by competent Authority.	<ul style="list-style-type: none"><li>• Bank or Post Office Passbook/Statement with current address</li><li>• Passport with current address.</li><li>• Ration Card with current Address.</li><li>• Electricity Bill of not more than three months old</li><li>• Telephone Bill of not more than three months old</li><li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number</li><li>• Certificate from any Public Authority/Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.</li></ul>
<b>ATTESTATION OF PHOTOCOPY OF DOCUMENTS</b> Documents should be self-attested or in case of illiterate depositors should be attested by Gazetted Officer/Sarpanch/ Branch/Sub/Head/Chief Postmaster or Postman/Gram Dak Sewak Delivery Agent. In case of investment through agent, these documents should also be attested by the agent.	

### WORKERS WAGE ACCOUNTS

<b>PHOTOGRAPH</b> One (two in case of EDBO) recent Passport Size Photographs are to be given. In case of Joint Account, photograph of all joint holders should be given.	
<b>IDENTIFICATION PROOF</b>	<b>ADDRESS PROOF</b> Any one of the following documents for Address Proof

Copy of JOB card issued under MG-NREGA duly signed by an officer of State Government.	<ul style="list-style-type: none"> <li>• Bank or Post Office Passbook/Statement with current address</li> <li>• Ration Card with current Address.</li> <li>• Electricity Bill of not more than three months old</li> <li>• Telephone Bill of not more than three months old</li> <li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number</li> <li>• Certificate from any Public Authority/Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.</li> </ul>
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**ATTESTATION OF PHOTOCOPY OF DOCUMENTS**

Documents should be self-attested or in case of illiterate depositors should be attested by Gazetted Officer/Sarpanch/ Branch/Sub/Head/Chief Postmaster or Postman/Gram Dak Sewak Delivery Agent. In case of investment through agent, these documents should also be attested by the agent.

**INDIRA GANDHI NATIONAL OLD AGE/WIDOW/DISABLED PENSION ACCOUNTS.**

<p><b>PHOTOGRAPH</b></p> <p>One (two in case of EDBO) recent Passport Size Photographs are to be given. In case of Joint Account, photograph of all joint holders should be given.</p>	
<p><b>IDENTIFICATION PROOF</b></p>	<p><b>ADDRESS PROOF</b></p> <p><b>Any one of the following documents for Address Proof</b></p>
Copy of PPO issued by competent Authority.	<ul style="list-style-type: none"> <li>• Ration Card with current Address.</li> <li>• Electricity Bill of not more than three months old</li> <li>• Telephone Bill of not more than three months old</li> <li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number</li> <li>• Certificate from any Public Authority/Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.</li> </ul>

**ATTESTATION OF PHOTOCOPY OF DOCUMENTS**

Documents should be self-attested or in case of illiterate depositors should be attested by Gazetted Officer/Sarpanch/ Branch/Sub/Head/Chief Postmaster or Postman/Gram Dak Sewak Delivery Agent. In case of investment through agent, these documents should also be attested by the agent.

**Note:-** In case where the account/certificate holder is minor, the norms shall be applicable to the guardian. In case of joint account, the norms will be applied for all the joint account/certificate holders.

**3 Operating Procedure**

**3.1 Attestation of KYC Documents**

(i) At the time of opening of account/ Purchase of certificates or when maturity value of any saving instrument is credited into savings account, it should be ensured that all KYC documents submitted are as per risk categorization and have been self-attested. In case of illiterate customers, the documents are to be attested by any of the Gazetted Officer or Sarpanch Gram Panchyat or any Postal Staff or Gramin Dak Sewak.

(ii) If the account is opened through agent or certificate are purchase through agent, the concerned agent should also attest the documents by putting dated signatures alongwith agency number in addition to self attestation or attestation by other means as mentioned in clause (i) for illiterate depositors/holders. In case of Joint Accounts/investments, documents of all co-depositors or holders are required to be submitted.

(iii) It is the duty of BPM/SPM/Supervisor (APM/DPM) to see that all KYC documents are having attestation as per clause (i) and (ii).

### **3.2 Disposal of Photograph(s)**

(i) BPM/SPM/Supervisor (APM/DPM) will attest the photograph(s) after ensuring that the face impression of depositor/holder agrees with the photograph. In case depositor(s) is/are unable to attend post office for opening of account and all documents are submitted through a messenger or in case of investment through agent (in RD/TD/MIS only), the photograph should be attested by comparing the same with copy of Photo ID. If the photo on the photocopy is not legible, the agent should be asked to submit either legible copy or the original document.

(ii) In EDBO, BPM shall paste one photo in the SS Book and one on the account opening form or purchase application (in case BO is authorized to do certificate work).

(iii) In SOs, SPM shall ensure that one photo is pasted on the SS Book and on the Account opening form in case of RD/MIS/SCSS accounts. In case of certificates, one photo should be pasted on the Purchase application form.

(iv) In case of HPO, Supervisor/APM/DPM shall ensure that one photo is pasted on the Account opening form. In case of certificates, one photo should be pasted on the Purchase application form.

**Note:- In case of SCSS accounts, one additional photograph is required to be taken for pasting in the Passbook which is mandatory for SCSS accounts.**

### **3.3 Disposal of copies of KYC Documents**

(i) In HPOs, KYC Documents should be attached with Account opening form or Purchase application. In case of accounts opened at EDBOs in account with HO, documents will be received along with account opening form and preserved in the guard file of account opening forms of HO itself. In case of certificates, KYC documents should be attached with purchase applications.

(ii) In SOs, KYC Documents shall be attached with Account Opening forms in case of RD, MIS and SCSS accounts and concerned purchase application form in case of certificates. In case of SB/TD and PPF accounts, KYC documents should be filed in guard files at SO itself which shall remain in the custody of APM/SPM.

(iii) In EDBO, GDSBPM shall take attested copies of KYC Documents or attest the same after verifying with original, and send account opening form/Certificate Purchase application form to Account Office along with KYC documents.

### **3.4 Comparison of Address**

BPM/SPM/Supervisor (APM/DPM) shall ensure that address mentioned in the account opening form or purchase application is the same as mentioned in the address proof document.

### **3.5 Comparison of name**

BPM/SPM/Supervisor (APM/DPM) shall ensure that name of depositor mentioned in the account opening form or purchase application is the same as mentioned in the Identity proof document.

### **3.6 Recording of receipt of KYC Documents**

BPM/SPM/Supervisor (APM/DPM) shall record in writing under dated signatures on Account Opening Form or Purchase application as "KYC Documents verified & attached".

### **3.7 Procedure at the time of re-investment**

(i) In case of depositor/investor approaching the same post office for another account opening or purchase of certificates either directly or through agent who has already given CDD/KYC documents, there is no need to take these documents again unless the GDS BPM/SPM or Postmaster has any suspicion about him.

(ii) In above cases, the depositor or investor has to write account number or registration number of certificates through which CDD/KYC documents were given earlier. For this, in place of photograph in Account Opening form or on the top of purchase application, the depositor shall write under dated signatures as “ KYC Documents already submitted vide A/C No./Registration No.\_\_\_\_\_ dated\_\_\_\_\_.” If the depositor is carrying the passbook of that account or certificates in original or photocopy, the BPM/SPM/Postmaster shall verify from these documents, the name and address of the depositor or investor and attach the photocopy if available with the depositor/ investor with account opening form/purchase application of re-investment or the BPM/SPM/Postmaster shall verify the name and address of the depositor/investor from the Account Opening form or Purchase Application or Ledger or SS Book (in case of SO and EDBO) and put remark in red ink on the fresh Account opening form or Purchase Application “ KYCD already taken and verified” under his dated signatures. **If the account/certificates referred are found closed/discharged, fresh KYC documents should be taken.**

### **3.8 When maturity value is credited into savings account**

When any depositor or certificate holder requests for credit of maturity value into existing savings account, it should be allowed only after ensuring that concerned savings account was opened with due KYC documents applying risk category as per balance in the account after credit of maturity value. In case a new savings account is opened to credit maturity value, it should be ensured that due KYC documents of appropriate risk category are taken based on the maturity value being credited into the account.

### **3.9 General**

(i) In case any post office finds that depositor/investor is not co-operating in furnishing fresh KYC documents in case of any suspicion, the Postmaster will refer the matter to the head of Postal Division who will order closure of Account and intimate the depositor/investor the reasons of taking such decision.

(ii) In case, wife, son, daughter and parents etc. who live with the father/mother and son, as the case may be, ID proof and Address Proof of the relative with whom the prospective customer is living along with a declaration from the relative that the prospective customer who wants to open an account or purchase a certificate is staying with him/her.

## **4. Monitoring of Transaction:**

### **4.1 Maintenance of Records of Transactions**

**4.1.1** All post offices shall maintain the record of all transactions including the record of:-

(a) All cash transactions of the value of more than Rs.10 Lakh.

(b) All series of cash transactions which are less than Rs.10 lakh but are integrally connected and are carried out within one month period and totally exceed Rs.10 Lakh.

(c) Any transaction where cash is accepted and forged or counterfeit currency notes are used or where forgery of valuable Security or documents has taken place.

(d) Any attempted transaction involving forged or counterfeit currency notes, forged security or document.

(e) All suspicious transactions, involving deposit withdrawal, transfer of account, solvency certificate/ Idemnity certificate etc. irrespective of the amount of transaction.

### **4.1.2. Definition of suspicious transaction:-**

Suspicious Transaction means a transaction defined in clause (v) below, including an attempted transaction, whether or not made in cash which, to a person acting in good faith-

(i) gives rise to a reasonable ground of suspicion that it may involve proceeds of an offence specified in the schedule to the Act, regardless of the value involved: or

(ii) appears to be made in circumstances of unusual or unjustified complexity : or

(iii) appears to have no economic rationale or bonafide purpose; or



(iv) gives rise to a reasonable ground of suspicion that involves financing of the activities relating to terrorism;

#### 4.1.3 Definition of 'Transaction'

'Transaction' includes deposit, withdrawal, exchange or transfer of funds in whatever currency, whether in cash or by cheque, payment order or other instruments or by electronic or other non-physical means.

4.1.4 All Long Books, Ledgers, Specimen Signature Books, BO SB/RD/TD Journals, List of Transactions, BO Daily Accounts, Vouchers etc. need to be kept properly arranged at all levels i.e EDBO/SO/HO including SBCO so that any transaction can be re-constructed to know:-

- (a) The nature of transaction
- (b) The amount of transaction
- (c) The date on which transaction was conducted
- (d) Parties to the transaction.

#### 4.2 Reporting of Transactions.

Following types of transactions are to be reported:--

##### 4.2.1 Types of transactions

- (a) All **cash** transactions of value more than Rs.10 Lakh.
- (b) All series of cash transactions which are less than Rs.10 lakh but are integrally connected and are carried out within one month period and totally exceed Rs.10 Lakh.
- (c) Any account where cash is accepted and forged or counterfeit currency notes are used or where forgery of valuable Security or documents has taken place.
- (d) Any attempted transaction involving forged or counterfeit currency notes, forged security or document.
- (e) All suspicious transactions, involving deposit, withdrawal, transfer of account, solvency certificate/ Idemnity certificate etc. irrespective of the amount of transaction.

#### 5. Reporting schedule

Types of Transactions	Method of reporting of transactions.
<p><b>Cash</b> Transactions (CTR)</p> <p>(a) All cash transactions more than Rs.10 Lakh.</p> <p>(b) All series of cash transactions which are less than Rs.10 lakh but are integrally connected and are carried out within one month period and totally exceed Rs.10 Lakh.</p>	<ol style="list-style-type: none"> <li>1. In-charge of every departmental post office will be personally responsible for preparation of list of transactions (deposit/issue/withdrawal/discharge) mentioning nature of transaction, amount, name and address of depositor/holder, date of transaction, place of transaction, PAN No. (if given) of depositor/holder. He/She will be responsible for sending this list to Head of the Division on monthly basis <b>by 3<sup>rd</sup> working day</b> of the subsequent month.</li> <li>2. Head of the Division will be personally responsible for sending post office wise list of such transactions of his division to the Head of the circle <b>by 5<sup>th</sup> working day</b> of the subsequent month.</li> <li>3. Head of the circle will be responsible for sending the consolidated post office-wise list of such transactions to DDG(PCO) in Directorate <b>by 8<sup>th</sup> working day</b> of the subsequent month. <b>In case no such report is received from field units by due date, a NIL report should be sent to DDG (PCO), PMLA in Directorate.</b></li> </ol>

<p>Suspected Transaction (STR)</p> <p>(c) Any account where cash is accepted and forged or counterfeit currency notes are used or where forgery of valuable Security or documents has taken place.</p> <p>(d) Any attempted transaction involving forged or counterfeit currency notes, forged security or document.</p> <p>(e) All suspicious transactions, involving deposit withdrawal, transfer of account, solvency certificate/ Idemnity certificate etc. irrespective of the amount of transaction.</p>	<ol style="list-style-type: none"> <li>1. In-charge of every departmental post office will be personally responsible for preparation of list of transactions (deposit/issue/withdrawal/discharge) mentioning nature of transaction, amount, name and address of depositor/holder, date of transaction, place of transaction, PAN No. (if given) of depositor/holder and nature/reson of suspicion in detail and will be responsible for sending this list to the <b>Head of the Division (by name) on the very same day.</b></li> <li>2. The Head of the Division will be personally responsible for sending post office wise list of such transactions of his division to head of circle (by name) <b>on the very same day of the receipt of STR from PO.</b></li> <li>3. The Head of the Circle will be responsible for sending the consolidated post office-wise list of such STRs to DDG(PCO), PMLA (by name) at Directorate by <b>on the very same day of receipt of STR from D.O.</b></li> </ol>
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Note 1:- It is likely that in some cases transactions are abandoned/aborted by customers on being asked to give some details or to provide documents. **All such attempted transactions should also be reported like STRs irrespective of the amount of the transaction and even if the transaction is not completed by the customer.**

## 6. Record Keeping

6.1 All long books and List of Transactions either available in hard copy or in soft copy should be preserved for 10 years.

6.2 All ledger cards or account details either available in hard or soft copy, Account Opening Forms with CDD/KYC documents and SS Books should be preserved for 10 years after closure of the account.

6.3 All account closure vouchers are to be preserved for 10 years from the date of closure of accounts.

6.4 All purchase application forms alongwith KYC/CDD documents should be preserved for 10 years after discharge of certificates.

## 7 GUIDELINES TO BE FOLLOWED FOR EXISTING POSB/SC ACCOUNT/CERTIFICATE HOLDERS WITH EFFECT FROM THE DATE OF RECEIPT OF THIS ORDER.

For the purpose of implementation of the provisions on Prevention of Money Laundering (PML) Act 2002 and rules made under this act, Ministry of Finance, Department of Economic Affairs (Budget Division) has formulated following procedure for implementation of AML/CFT norms for the existing customers of Small Savings Schemes.

### 7.1 How to take KYC/CDD documents in existing accounts/certificates?

**(i) In case of Savings/PPF/MIS/SCSS/NSS/TD/Recurring Deposit Accounts**

A printed notice will be handed over to the depositor/messenger at the time of next transaction (deposit/withdrawal) after receipt of this SB Order. Appropriate KYC documents should be taken based on the balance in the account applying risk categorization given in Para 2.4. For maintenance of KYC documents same procedure as mentioned in Para 3 should be followed. If depositor/messenger fails to submit these documents up to 3<sup>rd</sup> next transaction, 4<sup>th</sup> transaction will not be allowed. In case of RD accounts opened through agents, the ID and Address proof should also be attested by agent concerned. If depositor(s) has already given KYC documents in case of any fresh investment, he will produce copy of the passbook or certificate as a proof. In such case necessary remarks may be given on the Account opening form or SS Book of old accounts.

CDD/KYC documents are also required to be taken in the existing accounts in case of Transfer of account, revival of silent account or when depositor's signatures not matched with existing specimen.

**(ii) In case of Certificates/KVP**

A notice will be displayed at the notice board placed in Public Hall to submit KYC documents as mentioned above. If these are not provided before maturity, at the time of Discharge of certificates/KVP, the depositor/messenger has to submit appropriate KYC documents of depositor(s) applying risk categories mentioned in Para 2.4. If depositor/messenger fails to submit these documents, discharge should not be allowed.

CDD/KYC documents are also required to be taken in the existing certificates when customer applies for transfer of certificates/KVP either from one post office to another or from one person to another wherever applicable and **when holder's signatures not matched with the existing specimen.**

**Note 1 :-** CDD/KYC documents are also required to be taken afresh in the existing accounts or certificates when there is a suspicion of money laundering or terrorist financing or when there is doubt about the veracity or adequacy of previously obtained customer identification data or where there is doubt over identity of the depositor/investor.

**8. Record Keeping**

All instructions issued in case of new accounts/certificates will also be applicable to old accounts/certificate.

**9. Reporting**

All instructions issued in case of new accounts/certificates will also be applicable to old accounts/certificate.

## Notice

### For SB/RD/TD/MIS/NSS/SCSS/PPF Account Holder/NSC and KVP Holder.

It is requested to provide following documents at the time of next transaction (deposit/withdrawal)/at the time of maturity of NSC/KVP as per following categorization:-

Sl. No.	Category	Definition
1	Low Risk	Where the customer is having account(s) and certificates with having balance in all accounts and certificates not exceeding Rs 50,000/-.
2.	Medium Risk	Where the customer is having account(s) and certificates with having balance in all accounts and certificates exceeding Rs 50,000 and up to Rs 10 Lakh.
3	High Risk	Where the customer is having account(s) and certificates with having balance in all accounts and certificates exceeding Rs 10 Lakh.

#### \*FOR LOW RISK CATEGORIES

<b>PHOTOGRAPH</b> <b>One (two in case of EDBO) recent Passport Size Photographs are to be given. In case of Joint Account, photograph of all joint holders should be given.</b>	
<b>IDENTIFICATION PROOF</b> <b>Any one of the following documents</b>	<b>ADDRESS PROOF</b> <b>Any one of the following documents for Address Proof</b>
<ul style="list-style-type: none"> <li>• Electoral Photo Identity card,</li> <li>• Ration Card with photograph.</li> <li>• Passport,</li> <li>• Driving License,</li> <li>• POSB Identity card/ Post Office Identity Card, Identity card from Central/State Government or PSU e.g PPO, BPL card, Job card issued under MG-NREGA duly signed by an officer of State Government.</li> <li>• Photo Identity Card issued by recognized University/ Education Board/ /College/School.</li> <li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li> </ul>	<ul style="list-style-type: none"> <li>• Bank or Post Office Passbook/Statement with current address</li> <li>• Passport with current address.</li> <li>• Ration Card with current Address.</li> <li>• Electricity Bill of not more than three months old</li> <li>• Telephone Bill of not more than three months old</li> <li>• Salary Slip of reputed Employer with current address.</li> <li>• Certificate from any Public Authority/Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.</li> <li>• The letter issued by the Unique Identification Authority of India ( UIDAI) containing details of name, address and Aadhaar number.</li> </ul>
<b>ATTESTATION OF PHOTOCOPY OF DOCUMENTS</b> <b>Documents should be self-attested or in case of illiterate depositors should be attested by Gazetted Officer/Sarpanch/ Branch/Sub/Head/Chief Postmaster or Postman/Gram Dak Sewak Delivery Agent. In case of investment through agent, these documents should also be attested by the agent.</b> <b>In case of Joint Account, ID and Address proof of all depositors are required.</b>	

#### \*FOR MEDIUM RISK CATEGORIES

<b>PHOTOGRAPH</b> <b>One (two in case of EDBO) recent Passport Size Photographs are to be given. In case of Joint Account, photograph of all joint holders should be given.</b>	
<b>IDENTIFICATION PROOF</b> <b>Any one of the following documents</b>	<b>ADDRESS PROOF</b> <b>Any one of the following documents for Address Proof</b>
<ul style="list-style-type: none"> <li>• PAN card or letter issued by I T Authority quoting PAN or Declaration in Form 60 or 61.</li> </ul> <p>If only Declaration in Form 60 or 61 is provided then <b>one of the following documents are to be given for Identification Proof.</b></p> <ul style="list-style-type: none"> <li>• Electoral Photo Identity card</li> <li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li> <li>• Passport,</li> <li>• Driving License,</li> <li>• Ration Card with photograph.</li> <li>• Photo Identity Card issued by recognized University/ Education Board/ /College/School.</li> <li>• Identify card from Central/State Government or PSU.</li> </ul>	<ul style="list-style-type: none"> <li>• Bank or Post Office Passbook/Statement with current address</li> <li>• Passport with current address.</li> <li>• Ration Card with current Address.</li> <li>• Electricity Bill of not more than three months old</li> <li>• Telephone Bill of not more than three months old</li> <li>• Salary Slip of reputed Employer with current address.</li> <li>• Certificate from any Public Authority/Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.</li> <li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li> </ul>

<p><b>ATTESTATION OF PHOTOCOPY OF DOCUMENTS</b>  Documents should be self-attested or in case of illiterate depositors should be attested by Gazetted Officer/Sarpanch/ Branch/Sub/Head/Chief Postmaster or Postman/Gram Dak Sewak Delivery Agent. In case of investment through agent, these documents should also be attested by the agent.</p> <p>In case of Joint Account, ID and Address proof of all depositors are required.</p>
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**\*FOR HIGH RISK CATEGORIES**

<p><b>PHOTOGRAPH</b>  One (two in case of EDBO) recent Passport Size Photographs are to be given. In case of Joint Account, photograph of all joint holders should be given.</p>	
<p><b>IDENTIFICATION PROOF</b>  Any one of the following documents</p>	<p><b>ADDRESS PROOF</b>  Any one of the following documents for Address Proof</p>
<ul style="list-style-type: none"> <li>• PAN card or letter issued by I T Authority quoting PAN or Declaration in Form 60 or 61.</li> </ul> <p><b>If only Declaration in Form 60 or 61 is provided then one of the following documents are to be given for Identification Proof.</b></p> <ul style="list-style-type: none"> <li>• Electoral Photo Identity card</li> <li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li> <li>• Ration Card with photograph.</li> <li>• Passport,</li> <li>• Driving License,</li> <li>• Photo Identity Card issued by recognized University/ Education Board/ /College/School.</li> <li>• Identify card from Central/State Government or PSU.</li> </ul> <p><b>Note:- In case of SCSS account, where interest payment in exceeding Rs 10,000/- in a financial year and declaration in Form 15G or 15H is not given, copy of PAN Card is mandatory.</b></p>	<ul style="list-style-type: none"> <li>• Bank or Post Office Passbook/Statement with current address</li> <li>• Passport with current address.</li> <li>• Ration Card with current Address.</li> <li>• Electricity Bill of not more than three months old</li> <li>• Telephone Bill of not more than three months old</li> <li>• Salary Slip of reputed Employer with current address.</li> <li>• The letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number.</li> </ul>
<p><b>PROOF OF SOURCE OF FUND</b>  The customer has to submit copy of document showing source of receipt of funds tendered for investment</p>	
<p><b>ATTESTATION OF PHOTOCOPY OF DOCUMENTS</b>  Documents should be self-attested or in case of illiterate depositors should be attested by Gazetted Officer/Sarpanch/ Branch/Sub/Head/Chief Postmaster or Postman/Gram Dak Sewak Delivery Agent. In case of investment through agent, these documents should also be attested by the agent.</p> <p>In case of Joint Account, ID and Address proof of all depositors are required.</p>	

**Note 1:-** In case where the account/certificate holder is a minor, the norms shall be applicable to the guardian. In case of joint account, the norms will be applied for all the joint account/certificate holders.

**If these documents are not provided, no further transaction will be allowed after 3<sup>rd</sup> transaction from this date.**

By Order  
Postmaster

**\*Please ignore the category which is not applicable.**

Date stamp of Post Office.