Merchant KYC:

1) KYC Documents

Following is the list of Know Your Customer (KYC) details/documents PhonePe requires, to verify your KYC, based on your entity type.

Sr No	Entity Type	MDD requirements
1.	Sole Proprietor	1. CDD of the sole proprietor - as mentioned in "KYM process for - authorised signatory" and 2. Any two of the following documents or the equivalent e-documents: a. Registration certificate including Udyam Registration Certificate (URC) issued by the Government. b. Certificate/licence issued by the municipal authorities under Shop and Establishment Act. c. Sales and income tax returns. d. CST/VAT/ GST certificate. e. Certificate/registration document issued by Sales Tax/Service Tax/Professional Tax authorities. f. IEC (Importer Exporter Code). g. Complete Income Tax Return (not just the acknowledgement) in the name of the sole proprietor where the firm's income is reflected, duly authenticated/ acknowledged by the Income Tax authorities. h. Utility bills such as electricity, water, landline telephone bills, etc. which are not more than 2 months old.
2.	Company	Certified copies of each of the following documents or the equivalent e-documents: a. Certificate of incorporation. b. Memorandum of Association and Articles of Association. c. Permanent Account Number (PAN) of the company. d. A resolution from the Board of Directors and power of attorney granted to its managers, officers or employees to transact on Merchant's behalf. e. CDD of Individual (Authorised Signatory) - As mentioned in "KYM process for - authorised signatory" f. The names of the relevant persons holding senior management position; and g. The registered office and the principal place of its business, if it is different. h. At-least one Proof of Business (list shared above)
3	Registered Partnership/LLP	Certified copies of each of the following documents or the equivalent e-documents:

		a. Partnership registration certificate/ LLP incorporation certificate. b. Partnership deed. c. PAN of the partnership firm. d. CDD of individual (Authorised Signatory) -As mentioned in “KYM process for - authorised signatory”. e. The names of all the partners. f. Address of the registered office, and the principal place of its business, if it is different. g. Partners resolution/Power of attorney granted to its managers, officers or employees to transact on its behalf. h. At-least one Proof of Business (list shared above)
4	Registered Trust	Certified copies of each of the following documents or the equivalent e-documents: a. Trust Registration certificate. b. Trust deed. c. PAN or Form No.60 of the trust. d. CDD of individual (Authorised Signatory) - As mentioned in “KYM process for - authorised signatory”. e. The names of the beneficiaries, trustees, settlor, protector, if any and authors of the trust (as a part of beneficial owner declaration). f. The address of the registered office of the trust; and g. List of trustees. h. Trust resolution / Power of attorney granted to its managers, officers or employees to transact on its behalf. i. At-least one Proof of Business (list shared above)
5	Societies/ Body of Individuals/ Unincorporated association/ Unregistered Trust/ Unregistered Partnership	Certified copies of each of the following documents or the equivalent e-documents a. Legal establishment document of entity. b. Resolution of the managing body of such association or body of individuals c. PAN or Form No. 60 of the unincorporated association or a body of individuals. d. Power of attorney granted to transact on its behalf. e. CDD of individual (Authorised Signatory) - As mentioned in “KYM process for - authorised signatory” f. At-least one Proof of Business (list shared above)

6	Juridical person (Government, universities and local bodies like village panchayats, etc., or who purports to act on behalf of such juridical person or individual or trust)	Certified copies of the following documents or the equivalent e-documents thereof: a. Authorisation letter (Document showing name of the person authorised to act on behalf of the entity). b. CDD of individual (Authorised Signatory) - As mentioned in “KYM process for - authorised signatory”. c. Official gazette notification/Legal establishment document of entity/ / juridical person. d. At-least one Proof of Business (list shared above)
7	Hindu Undivided Family (“HUF”)	Certified copies of the following documents or the equivalent e-documents thereof shall be obtained and verified a. Authorisation letter (Document showing name of the person authorised to act on behalf of the entity). b. HUF Deed; (or) any legally binding document that formally establishes the existence of HUF c. CDD of Karta/Authorised signatory - As mentioned in “KYM process for - authorised signatory”. d. At-least one Proof of Business (list shared above)

2) Authorised Signatory Know Your Merchant (KYM):

An Authorized Signatory of a company is an individual who is authorized to sign documents and make legally binding decisions on behalf of the company

Elements	Type of documents / Information
1. Proof of Identity	PAN or Form 60
2. Proof of address	Any one of the following: 1. Aadhaar 2. Voter ID Card 3. Driving License 4. Passport

PhonePe shall undertake the Customer Due Diligence Procedure (CDD) for the Authorized Signatory either through the Video based Customer Identification Process (V-CIP) or face-to-face Customer Identification Process.

3) Beneficial Owner (“BO”) Identification- RBI guidelines for identification of Beneficial owners

Business entity	**Shareholding* %**
Companies (Public, Private) & LLP	>10%
Partnership Firm	>10%
Trust	>=10%

Unincorporated association/ Body of individual (including Societies)	>15%

4) Valid Bank Account:

Bank account number along with IFSC in the name of (i) proprietary firm or the proprietor, in case of sole proprietorship, and (ii) in name of the legal entity for all other legal entities.

5) Central KYC Records Registry (CKYCR):

For Merchant Onboarding, PhonePe will first attempt to retrieve the Merchant's Know Your Merchant (KYM) information from the Central KYC Records Registry (CKYCR). Additionally, PhonePe will ensure that the KYM details are updated in the CKYCR, in compliance with MD-KYC.

Annexure 1: <u>Prohibited Line of Business:</u>

SL No	Line of Business	Description
1	Adult goods, toys and services	Like pornography; escort or prostitution services; Sex toys, child pornography
2	Art / Antique item	Items older than 100 years including items detached from buildingOr Cave, craftsmanship, things of historical interest and any manuscript or other document of historical, literary or aesthetic value of 75 years or more. This excludes regular paintings
3	Body Parts	Body Organs or body parts
4	Cable descramblers	Devices intended to obtain/decode satellite codes or signals
5	Copyrighted devices (without legal documents)	Copyrights unlocking devices, Unauthorised copies of books/ media, music and other licensed products/ Software
6	Drugs and drug paraphernalia	Illegal drugs and drug accessories like Ganja, Cocaine
7	Drugs and drug paraphernalia	Illegal Herbal drugs like salvia and magic mushrooms Drug test circumvention aids- e.g. drug cleansing shakes, urine test additives
8	Endangered species/ Live animals	Animals or other organisms (including product derivatives) in danger of extinction
9	Gambling/ lottery/ Lotto	Lottery Tickets, sports bets, memberships/enrolment in online gambling sites, and related content

10	Government IDs or documents	Fake IDs, passports, government documents and medals
11	Hacking and cracking materials	Manuals, how-to guides, information, or equipment enabling hacking/ illegal access to software, servers, websites or patented/ protected property
12	Miracle cures	Magic remedy includes a talisman, mantra, kavacha, and any other charm of any kind which is alleged to possess miraculous powers for or in the diagnosis, cure, mitigation, treatment or prevention of any disease in human beings or animals or for affecting or influencing in any way the structure or any organic function of the body of human beings or animals. Unsubstantiated cures, remedies, or items marketed as quick health fixes prohibited under applicable laws.
13	Offensive goods	Literature, products or any materials that discriminate/ defame/slander groups based on race, ethnicity, national origin, religion, sex that encourage or incite violent acts or promote intolerance, hatred or crime.
14	Political donation	Donations catering to a political candidate or organisation regarding elections or campaigns
15	Pyrotechnic devices and hazardous materials	Fireworks including Crackers; toxic, flammable (Diesel, petrol and pure spirit), radioactive materials
16	Virtual currency and crypto products	Cryptocurrency, NFTs, prohibited investments for commercial gain, or credits that can be converted to physical/digital goods or exit the virtual world.
17	Traffic regulation devices	Radar Detectors/jammers, license plate covers, traffic signal changer and related products
18	Regulated goods	Batteries containing mercury; Freon or similar substances. Cooling/refrigerants, chemical/industrial solvents (Except Agricultural products); Government uniforms, Government car titles; Car licence plates; police badges and law enforcement equipment, lock picking devices, surveillance equipment except video based CCTV only, slot machines Any Unlawful, harmful, threatening, abusive, harassing, defamatory comes under its ambit
19	Weapons	Firearms, ammunition, knives, Gun, air gun, brass knuckles, gun parts, and armaments
20	Counterfeit and unauthorised goods	Replicas or imitations of patented products; items without a celebrity endorsement that would normally require such an association; fake autographs

21	Prohibited online Content *	Any Unlawful, harmful, threatening, abusive, harassing, defamatory content comes under the its ambit of cybercrime and prohibited online content
22	Home based earning scheme	Multi-Level marketing collection fees, Data entry Service provider, Work from home service provider
23	Illegal goods	Materials, products, or information promoting illegal goods or enabling illegal acts.
24	Association with offensive goods or crime	Crime scene photos or personal belongings associated with criminals.
25	Non-compliant products or services	Any product/service not in compliance with federal, state, local, or international laws, including laws of India.
26	Liquor*	Sale of Liquor, Alcohol, which includes Alcohol or alcoholic beverages such as beer, liquor, wine, or champagne. This prohibition is not applicable in states where selling liquor online is legally allowed
27	Tobacco*	Tobacco and cigarettes which includes cigarettes, cigars, chewing tobacco, and other tobacco products
28	Online Money Game and Online Money ming Services.*	“Online money game” means an online game, irrespective of whether such game is based on skill, chance, or both, played by a user by paying fees, depositing money or other stakes in expectation of winning which entails monetary and other enrichment in return of money or other stakes; but shall not include any e-sports or social games;
29	Businesses outrightly banned by law	Betting, gambling, publications leading to moral turpitude or inciting caste/communal tensions, and lotteries/sweepstakes.
30	Money laundering services	Services involved in money laundering activities.
31	Telecom prohibited activities	Activities prohibited by the Telecom Regulatory Authority of India.

* Only Applicable for Online Merchants (Merchants which provides its products or services through a website, Mobile application or such other online platforms)