

# Supplier Onboarding & KYC Policy

**Urban PGM Recycler Pvt. Ltd.**

**Effective Date:** 1<sup>st</sup> May 2024

---

## 1. Purpose

The purpose of this Supplier Onboarding and Know Your Customer (KYC) Policy is to establish a structured framework for onboarding and verifying suppliers who engage in the supply of catalytic converters, spent catalysts, or other scrap materials containing precious metals to Urban PGM. The policy ensures compliance with regulatory requirements, prevention of illegal material sourcing, and promotes ethical and sustainable procurement practices.

---

## 2. Scope

This policy applies to:

- All new and existing suppliers, dealers, aggregators, and vendors
  - All types of supply contracts (spot, recurring, annual)
  - All Urban PGM business units, warehouses, and collection points PAN India
- 

## 3. Objectives

- To ensure the legitimacy of suppliers and the lawful origin of supplied materials
  - To minimize risks of receiving stolen, counterfeit, or non-compliant materials
  - To comply with legal, tax, and environmental regulations (including PMLA, GST, and E-Waste Rules)
  - To enable traceability and accountability in the supply chain
- 

## 4. Supplier Onboarding Process

### 4.1 Initial Evaluation

Suppliers are evaluated on:

- Type of supplier (Individual, Trader, Aggregator, Dismantler, MSME, Corporate)
- Nature and source of material (automotive scrap, industrial)
- Geographical location and coverage
- Legal standing and reputation
- GST Records

#### **4.2 Document Collection (KYC)**

All suppliers must submit the following mandatory documents:

##### **For Individual Suppliers:**

- PAN Card
- Aadhaar Card
- Address Proof (Utility Bill/Bank Statement)
- Bank Cancelled Cheque or Passbook Copy

##### **For Businesses / Firms / MSMEs:**

- PAN Card of Entity
- GST Registration Certificate
- UDYAM/MSME Registration (if applicable)
- Address Proof of Business Premises
- Company Incorporation Certificate (if Pvt. Ltd. or LLP)
- Bank Account Details (Cancelled Cheque)

##### **Additional (as per category):**

- Dismantler/Recycler License (if applicable)
- Pollution Control Board Consent / Authorization
- Photographs of Collection Yard/Office (Geotagged Preferred)

---

## **5. Verification Process**

Urban PGM will verify supplier identity and authenticity through:

- In-house team review of KYC documents
- Background checks from government registries (GST, MCA, IEC portals)
- Site visits or virtual inspections (for high-volume or new suppliers)
- Verification of source of material (especially for catalytic converters)

No supplier will be onboarded until the verification process is complete.

---

## 6. Classification of Suppliers

Suppliers will be classified based on:

- **Risk Category:** Low / Medium / High
- **Volume Tier:** Small / Medium / Large
- **Geographic Risk:** Based on origin of material

High-risk suppliers may be subject to Enhanced Due Diligence (EDD) and periodic audits.

---

## 7. Periodic Review and Renewal

- Supplier KYC must be updated every **2 years** or upon any significant change (address, ownership, bank, GST, etc.)
  - High-risk suppliers may be reviewed annually
  - Inactive suppliers (12+ months) will be re-verified before reactivation
- 

## 8. Supplier Code of Conduct

Upon onboarding, all suppliers must acknowledge and adhere to the Urban PGM **Supplier Code of Conduct**, which includes:

- Commitment to legal sourcing
- Zero tolerance for stolen, counterfeit, or hazardous waste
- Cooperation during inspections or audits

- Respect for environmental and labor laws
- 

## **9. Data Management & Confidentiality**

- All KYC records will be stored securely in Urban PGM's ERP/CRM system
  - Access will be restricted to the Procurement, Compliance, and Finance teams
  - Data will be handled in compliance with applicable Data Protection Laws (e.g., IT Act, 2000)
- 

## **10. Non-Compliance & Blacklisting**

Urban PGM reserves the right to suspend or blacklist any supplier in case of:

- False documentation
  - Supply of illegitimate or unauthorized material
  - Non-compliance with terms and policies
  - Refusal to cooperate in verification or audits
- 

## **11. Roles & Responsibilities**

### **Department    Responsibility**

Procurement    Initial onboarding, KYC collection

Compliance    Verification, classification, due diligence

Finance        Bank detail verification, GST matching

Legal           Review of contracts and licenses

IT/Admin        Secure storage of KYC records

---

## 12. Supplier Declaration & Indemnity

As a condition of onboarding and continuing supply, all suppliers must sign a **Supplier Declaration & Indemnity Agreement**, which includes the following clause:

### **Indemnity Clause:**

The supplier hereby declares that all materials supplied to Urban PGM are lawfully acquired, free from any encumbrance, and not obtained through theft, unauthorized dismantling, or illegal means.

The supplier shall fully indemnify and hold harmless **Urban PGM Pvt. Ltd.**, its directors, employees, and affiliates from any claims, losses, penalties, legal costs, or damages arising out of:

- The supply of stolen, counterfeit, or illegally sourced materials
- False, forged, or misleading documentation submitted during onboarding or transactions
- Any violation of local, state, or central laws related to environmental, taxation, recycling, or hazardous waste

This indemnity shall survive the termination of the supplier relationship and shall remain enforceable for any past transactions or regulatory actions initiated post-termination.

Suppliers must sign and submit this indemnity as part of the onboarding documentation. As Per the PO agreement, By Shipping the Material to URBAN PGM states that they have Agreed to The Supplier onboarding policy

## 12. Policy Review

This policy shall be reviewed annually or as required by regulatory changes.

---

*This policy reinforces Urban PGM's commitment to sustainability, legal compliance, and ethical sourcing in the precious metals recycling supply chain.*

# Supplier Declaration & Indemnity Form

---

**Urban PGM Recycler Pvt. Ltd.**

**141, Sector 6 IMT Manesar, Gurugram**

**Website: [www.urbanpgm.com](http://www.urbanpgm.com) | Email: [info@urbanpgm.com](mailto:info@urbanpgm.com)**

## 1. Supplier Information

Supplier Name:-

Any Supplier Who Has Supplied or willing to Supply as per Purchase Contract and KYC docs Submitted to Urban PGM

## 2. Supplier Declaration

I/We, the undersigned, hereby declare that:

1. All information and documents provided to Urban PGM Pvt. Ltd. during onboarding and transactions are true, accurate, and complete to the best of my/our knowledge.
2. All materials supplied to Urban PGM are:
  - Lawfully acquired and not stolen or sourced through illegal means.
  - Free from third-party claims, liens, or encumbrances.
  - Sourced in accordance with applicable laws including environmental, scrap handling, and recycling regulations.
3. I/We comply with all relevant laws including but not limited to:
  - The Environment Protection Act
  - The Hazardous and Other Wastes Rules
  - The Prevention of Money Laundering Act (PMLA)
  - GST and Income Tax regulations

### 3. Indemnity Clause

I/We hereby agree to fully indemnify, defend, and hold harmless Urban PGM Pvt. Ltd., its directors, officers, employees, and representatives, against any claims, liabilities, penalties, damages, or legal costs arising directly or indirectly from:

- The supply of stolen, counterfeit, or illegally acquired material
- Misrepresentation, fraud, or submission of false or forged documents
- Violations of environmental, customs, tax, or trade laws
- Any loss or damage caused due to my/our non-compliance with applicable legal and contractual obligations

This indemnity shall survive the termination of the business relationship and shall remain valid for all past and future transactions.

### 4. Undertaking

I/We understand that failure to comply with the above may result in:

- Suspension or termination of our supplier status
- Blacklisting from future business
- Legal action as per Indian laws

### 5. Signature & Date

Place

Date

Name of Authorized Signatory

Designation

Signature

Stamp / Seal

By Supplying any Product to Urban PGM means, the Supplier has Agreed to indemnity Clause. Whether they Send the Signed Docs or not.