

Circular No.: NDML/POLICY/2024-0002

March 04, 2024

Sub: Circular - Introduction of new KYC Mode / KYC Type for SARAL Account Opening for Resident Individuals

SEBI Registered Intermediaries (SRIs) are requested to note that NDML KRA will be bringing in required changes in KRA system w.e.f. April 01, 2024 for facilitation of SARAL KYC as per point no. 80 of SEBI Master circular ref no. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023. The details of the changes are provided below.

- 1) New mode of KYC with code 6 will be made available which can be used by SEBI Registered Intermediaries (SRIs) to upload the KYC of Resident Individuals as "SARAL KYC", wherever the KYC has been performed as "Saral KYC" in terms of SEBI Circular in this regard. Updated KYC modes/types (Master) which would be available in KRA system w.e.f. April 01, 2024 are provided below: -

| Code for KYC Type/KYC Mode as per Master Table | Description |
|--|---------------------|
| 0 | NORMAL |
| 1 | e-KYC with OTP |
| 2 | KYC with Bio metric |
| 3 | Digital KYC |
| 4 | KYC Offline |
| 5 | Digilocker KYC |
| 6 | SARAL KYC |

- 2) The changes related to addition of new code 6 for KYC type / KYC mode would be carried out in KYC Inquiry, KYC download and KYC Modification executed directly with NDML KRA or executed through Interoperability (IOP1, IOP2 and IOP3).

SRI's are requested to note the above changes applicable / to be made live w.e.f. April 01, 2024 and also make related changes in their internal systems.

Salient points are mentioned below for SRI's to take into account before a KYC record under SARAL KYC mode/type is uploaded to KRAs

- a) SARAL KYC is applicable for individuals who can avail trading account related services for cash segment of a stock exchange without obtaining various other facilities such as internet trading, margin trading, derivative trading and use of power of attorney.
- b) The address of permanent residence and address for correspondence has to be separate/different for such investors for whom KYC data is uploaded under SARAL KYC mode/type in KRA.
- c) SRI has to upload permanent address proof as Officially Valid Document (OVD) and for correspondence address (which is different from permanent address) a proof in form of a declaration of the residence/correspondence address as submitted by the investor to the SRI needs to be uploaded to KRA alongwith duly filled and signed KYC application form as received from the investor.

KYC Validation would continue to be performed as per applicable guidelines in this regard with a relaxation of correspondence address validation

Further, the SRI's are also requested to ensure adherence with SEBI directions as provided in point no. 80 of SEBI Master Circular ref. no. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023 available on link https://www.sebi.gov.in/legal/master-circulars/oct-2023/master-circular-on-know-your-clientkyc-norms-for-the-securities-market_77945.html alongwith related directions from stock exchanges, if any, and carry out the due diligence in

onboarding an investor in SARAL KYC and also ensure SEBI's directions in uploading the KYC details in SARAL KYC mode to KRAs.

In case of any assistance, please contact NDML KRA helpdesk on 022 - 4914 2600/01/02/04/05/06 or send email on info.kra@nsdl.co.in

For and on behalf of NSDL Database Management Limited

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