

KRA CIRCULAR

KARVY/OPS/INTERM-1/GENRL/24-190

February 27, 2024

KYC FOR SARAL ACCOUNT OPENING FORM FOR RESIDENT INDIVIDUALS

1. Attention of Intermediaries is drawn to the Clause 80 of SEBI Master Circular No SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023 ("SEBI Master Circular on KYC norms for the securities market") pertaining to KYC for SARAL Account Opening Form for resident individuals.

2. Point no. 80 of SEBI Master Circular on KYC norms for the securities market - For individual clients participating in the cash segment without obtaining various other facilities such as internet trading, margin trading, derivative trading and use of power of attorney, the requirement of submission of 'proof of address' shall be as follows:
 - a) Individual client may submit only one documentary proof of address (either residence/correspondence or permanent) while opening a trading account and / or demat account or while undergoing updating.

 - b) In case the proof of address furnished by the said client is not the address where the client is currently residing, the intermediary may take a declaration of the residence/correspondence address on which all correspondence shall be made by the intermediary with the client. No proof is required to be submitted for such correspondence/residence address. In the event of change in this address due to relocation or any other reason, client may intimate the new address for correspondence to the intermediary within two weeks of such a change. The residence/ correspondence address and any such change thereof may be verified by the intermediary through 'positive confirmation' such as (i) acknowledgment of receipt Welcome Kit/ dispatch of contract notes / any periodical statement, etc. (ii) telephonic conversation; (iii) visits, etc.

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b) The registered intermediaries shall forward the KYC completion intimation letter through registered post/ speed post or courier, to the address of the client in cases where the client has given address other than as given in the officially valid document. In such cases of return of the intimation letter for wrong / incorrect address, addressee not available etc, no transactions shall be allowed in such account and intimation shall also sent to the Stock Exchange and Depository.

3. Please find the file format related changes

In KYC Mode master table, new kyc mode 6 would be introduced as follows.

Kyc mode	Description
6	SARAL KYC

These changes would be carried out in IOP1(KYC Inquiry), IOP2(KYC Fetch) and IOP3(KYC Modification)

The changes would be made live on April 01, 2024.

Intermediaries are required to take note of the above code for SARAL accounts and incorporate these changes. Intermediaries are required to adhere to SEBI directions as per clause no 80 of SEBI Master Circular dated October 12, 2023 while onboarding the clients in SARAL type of KYC.

SRLs queries related to this communique may be addressed to kra@karvydata.com or contact KARVY helpdesk 8121096850 / 8019355102.

Regards

Sd/-

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