

Regulatory Update in KYC



1.Name and Date of Birth/Incorporation (DOB/I) as per PAN card/Proof of Identity (POI) – Effective from April 30, 2024

As per recent Master circular on KYC requirements of SEBI and changes advised by Income Tax Department in PAN validation process, now it is mandated to quote your Name(s) and DOB/I as per PAN card/POI. All Mutual Funds are mandated to validate the Name and DOB/I against the PAN available with Income tax department. To avoid any failure in such validations, we request investors to quote the Name(s) and DOB/I of all the holders including Guardian, Power of Attorney [POA] holders as per PAN card in all new application forms (physical and digital) and KYC forms.

2.Independent validation by KRAs (KYC Registration Agency) - Effective from 1st April 2024

As per the recent Master circular on KYC requirements and various directives from SEBI,

a) KRAs are required to independently validate documents submitted with KYC applications against the source of issuance of the document. For example, Aadhaar should be validated with UIDAI.

b) Email and/or Mobile registered in the KYC records, are to be validated by KRAs basis delivery status.

c) If the Email and/or Mobile are found to be invalid or delivery status is negative, KYC status is changed to On-Hold, restricting both financial and non-financial transactions for Mutual Fund investors.

d) Investors should register their valid Email and/or Mobile in the KYC database through any one of the SEBI registered intermediaries to maintain a valid KYC status for seamless transactions.

Registered intermediaries must periodically update all client and beneficial owner documents collected during the Client Due Diligence (CDD) process.

KRAs have classified investor KYC status after the above due diligence. [Check KYC status](#)

A. Investors who have carried out KYC using OVD which is not in the current/updated OVDs list - KYC Status will reflect as 'On-Hold' in the KRA portals for investor PANs in this category. [Click here to remediate.](#)

Investors who have completed KYC using an outdated OVD (not falling in the list of allowed OVDs given below) are advised to undergo re-KYC using the below list of allowed OVDs to maintain a valid/live KYC status for Mutual Fund transactions.

- 1) Passport
- 2) Driving licence
- 3) Proof of possession of Aadhaar number
- 4) Voter's Identity Card issued by Election Commission of India
- 5) Job card issued by NREGA duly signed by an officer of the State Government
- 6) Letter issued by the National Population Register containing details of name and address
- 7) (or)
- 8) Any other document as notified by the Central Government in consultation with the Regulator.

Investors are requested to re-do the KYC process by submitting any of the above referred OVD to the nearest AMC/RTA branches. They can do the re-KYC process using the method detailed in Point C. They can also download the re-KYC form from the AMC websites or from the Intermediaries website or [download here](#).

Investors with 'on-Hold KYC' status won't be allowed to transact in Mutual Funds.

B. Investors with KYC done using OVD which is part of the current/updated OVDs list (other than Aadhaar) - KYC Status will reflect as 'Registered' in the KRA portals for investor PANs in this category. [Click here](#) to remediate.

Investors whose KYC status is registered with an allowed OVD other than Aadhaar and whose Email and/or Mobile is validated can continue to transact with the existing fund house(s). If they wish to invest in a new Mutual Fund or with any new SEBI Registered Intermediary, the investors are mandated to submit the set of KYC documents with allowed OVD again in the new MF/intermediary, as per new requirement.

C. Suggested re-KYC Method – using Aadhaar as OVD - KYC Status will reflect as 'Validated' for investor PANs in this category

To avoid inconvenience of submission of KYC documents repeatedly and to ensure seamless transactions across securities market, we suggest investors to complete the KYC using Aadhaar as OVD (preferably in online mode or latest Aadhaar card copy) and have Email and/or Mobile validated.

For additional clarifications/queries, please refer [FAQ document](#).