

National Stock Exchange Of India Limited**Department: INVESTOR SERVICES CELL**

Download Ref No: NSE/ISC/58200

Date: September 02, 2023

Circular Ref. No: 31/2023

To All Members,

Sub: Guidelines in pursuance of amendment to SEBI KYC (Know Your client) Registration Agency (KRA) Regulations, 2011

This is with reference to SEBI circular-SEBI/HO/MIRSD/DoP/P/CIR/2022/46 dated April 06, 2022, SEBI/HO/MIRSD/FATF/P/CIR/2023/0144 dated August 11, 2023, NSE/ISC/56457 dated April 21, 2023 and NSE/ISC/57977 dated August 16, 2023, and NSE/ISC/58027 dated August 18, 2023 on “Guidelines in pursuance of amendment to SEBI KYC Registration Agency (KRA) Regulations, 2011” and “Simplification of KYC process and rationalisation of Risk Management Framework at KYC (Know Your Client) Registration Agencies (KRAs).”

Your attention is again hereby drawn to point 11 of the SEBI Circular SEBI/HO/MIRSD/DoP/P/CIR/2022/46 dated April 06, 2022, which states the following:

“Clients whose KYC records are not found to be valid by KRA after the validation process shall be allowed to transact in securities market only after their KYC is validated.”

In continuation to above vide Exchange circular reference no. NSE/ISC/58027 dated August 18, 2023 states that “clients whose KYC are not found valid by KRA, such UCCs shall neither be Permitted to Trade on the Exchange, nor will they be able to square up their open positions, if any, w.e.f. September 02, 2023, until they comply with the aforesaid requirement.”

In view of the above, the Exchange shall flag the non-compliant PANs provided by the KRAs, as Not permitted to trade starting from September 04, 2023. It may be noted that these PANs

shall also not be allowed to square off their open positions, if any. All PANs that become KRA compliant subsequently, will be permitted to trade on T+1, based on the information received from KRA by the Exchange on T day.

Further, the Exchange had received multiple requests from TMs to provide them an additional file containing a list of UCCs which are Not Permitted to Trade.

In view of the above, segment wise files containing the details of UCCs which are Not Permitted to Trade shall now be provided on a daily basis on the extranet along with the second set of files containing list of UCCs Permitted to Trade. This file shall contain the KRA flag w.e.f. September 03, 2023. The file shall be available at the below location:

File Name:

SEG_TM CODE_RECORDS_NOT_PERMITTED_TO_TRADE_DDMMYYYY.CSV

Path:

Segment	Path
CM	/Reports
FO	/FAOFTP/Reports
CDS	/CDSFTP/Reports
CO	/COMTFTP/Reports
DEBT	/DEBTFTP/Reports
SLB	/SLBFTP/Reports

Please make a note of the above.

**For and on behalf of
National Stock Exchange of India Limited**

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