

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

Download Ref No: NSE/ISC/63231

Date: August 04, 2024

Circular Ref. No: 39/2024

To All Members,

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

This is further with reference to the circular download reference no. NSE/ISC/62767 dated July 04, 2024 wherein, it was informed that the clients whose KYCs are not found to be validated by KRAs i.e. where the KYCs are "On Hold" for records (both Non-AADHAAR and Non-OVD based) uploaded to the KRA until August 31, 2023, 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. August 03, 2024 until they comply with the aforesaid requirement.

Based on the representations received from the Trading Members it has been decided to provide extension on the following conditions:

1. The Trading Members shall put such non-compliant clients in "Risk Reduction Mode". (i.e. Those clients shall not be allowed to take any fresh positions and that they shall only square off open positions.)
2. The above facility is only for **three days** i.e. from Monday – August 05, 2024, to Wednesday – August 07, 2024. It may be noted that no further extensions / request shall be entertained.
3. It shall be the responsibility of the Trading Members to implement this risk reduction mode for its non-compliant clients.
4. The Trading Members shall submit a report to the Exchange at the end of the day depicting the reduction in positions of the respective clients till the position is zero (the format shall be issued as an update to this circular).

5. Exchange shall take suitable disciplinary action for non-compliance by the Trading Members with respect to the circular issued on July 4, 2024, for failing to comply with the guidelines.

Members are requested to take note and ensure compliance.

In case of any query kindly contact uci@nse.co.in

For and on behalf of
National Stock Exchange of India Limited

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