



KYC Registration Agency (KRA)

Q & A

1. What is KRA?

Ans: A KYC Registration Agency (KRA) is an agency registered with SEBI under the Securities and Exchange Board of India {KYC (Know Your Client) Registration Agency} Regulations, 2011. The KRA maintains KYC records of an investor centrally, on behalf of SEBI registered capital market intermediaries.

2. Why is KRA required?

Ans: A KRA enables an investor to undergo the KYC process only once through an intermediary with whom a broking/demat account is being opened. This helps in avoiding duplication of KYC process and inconvenience to investors and eliminates the need to submit KYC documents each time he opens an account with another intermediary. KRA process also results in uniformity of data of investors maintained across intermediaries, which would enhance compliance standards.

3. What are functions and obligations of KRA?

Ans: A KRA accepts the KYC form and documents pertaining to proof of identity and proof of address received from the Intermediaries. It scans, digitalizes the documents and thereafter issues acknowledgements/ conveys rejections to the investor. KRA also records any updates on KYC details of investors, which are submitted through an intermediary. KRA not only prevents duplication and inconvenience to investors, it also enables a single point change management.

4. What is the role of intermediaries in KRA?

Ans: An intermediary collects the KYC form and documents only for its clients and verifies with the originals, enters the details of the same in the KRA system and thereafter forwards the authenticated copies of documents to the KRA. Further, in case of any changes in the demographic details submitted to the intermediary by an investor, the intermediary will update the same in the KRA system and thereafter forward the documents to the KRA. The intermediary can also download the KYC details of clients who have signed up with him.

5. How does an investor register his/her KYC details with CVL-KRA?

Ans: When an investor approaches any intermediary registered with CVL-KRA to establish a business relationship, he/she should take the following steps to register his KYC details with CVL-KRA:

- Submit the duly filled KYC form, which would be available with the intermediary or which can be downloaded from www.cvlkra.com.



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- Submit the copy of Proof of Identity (POI) and Proof of Address (POA) (along with other documents as specified by SEBI in respect of non-individual entities)
- Intermediary will carry out the In Person Verification (IPV) of the investor.
- Intermediary will then update the investor's KYC details on www.cvlkra.com and courier the KYC form along with the KYC documents to CVL-KRA's office.
- The investor will receive a KYC confirmation letter from CVL-KRA once the KYC documents are verified.

6. Is the investor required to get his/her IPV every time he/she establishes a business relationship with an intermediary?

Ans: As per SEBI circular MIRSD / Cir - 26/2011, dated December 23, 2011, in-person verification carried out by one SEBI registered intermediary can be relied upon by another intermediary. Hence the investor need not get his/her IPV every time he/she establishes a business relationship with an intermediary.

7. Would there be any change in the KYC procedure for Corporates, FIIs and other Non-individual entities?

Ans: The procedure for KYC, as specified under SEBI Circular no. MIRSD/SE/CIR-21/2011, dated 5/10/11 would continue for Non-individual entities as well.

8. Can the investor open a demat/trading account even if the KYC is under process?

Ans: Yes, even if the KYC is under process, the investor can go ahead and open the account. In case of any discrepancy or rejection, the Intermediary will contact the investor and get his/her KYC details rectified.

9. Will the entire KYC information be made available by CVL-KRA?

Ans: Yes, all the KYC details, including signatures, which are incorporated in the KYC form, will be made available to intermediaries.

10. If the documents are valid at the time of acceptance at Intermediary and expires before it reaches the KRA what will be the status of the clients KYC?

Ans: Any document which is valid at the time of submission to the Intermediary will be considered for KYC. The validity of the documents for the purpose of KYC would be as on date of acceptance by the Intermediary.



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11. What should an investor who is registered under CVL-KRA do to modify his/her KYC details?

Ans: An investor can register changes in the KYC details (eg. demographic details) by submitting a modification form and the necessary supporting documents to any one of the intermediaries with whom he/she has established a business relationship. The intermediary should update the KYC details on the CVL-KRA website and send the modification form and the necessary documents to CVL-KRA. Once CVL-KRA verifies the modification the updated KYC record will be made available to all the intermediaries who have earlier downloaded the KYC of with the investor.

12. Will the investor receive any intimation about his KYC details being entered in CVL-KRA system?

Ans: Yes, the investor will receive an SMS from CVL-KRA once his/her KYC details are entered in the CVL-KRA system by an intermediary. If the KYC application of any such investor is rejected by CVL-KRA after verification, he/she will be sent another SMS, subsequently.