



Central Depository Services (India) Limited

Convenient ⊕ Dependable ⊕ Secure

COMMUNIQUE TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/POLCY/2018/294

June 07, 2018

AMENDMENTS TO PREVENTION OF MONEY-LAUNDERING (MAINTENANCE OF RECORDS) RULES, 2005

DPs are advised to refer to SEBI Circular no. **SEBI/HO/MIRSD/DOSR1/CIR/P/2018/93** dated **June 06, 2018** regarding **Amendments to Prevention of Money-laundering (Maintenance of Records) Rules, 2005** (refer Annexure).

DPs are advised to take note of the same and ensure compliance.

Queries regarding this communiqué may be addressed to **CDSL – Helpdesk**: on telephone numbers (022) 2305-8624, 2305-8639, 2305-8642, 2305-8663, 2305-8640, 2300-2041 or 2300-2033. Emails may be sent to: helpdesk@cdslindia.com.

Umesh Kambli
Asst. Vice President – Operations



CIRCULAR

SEBI/HO/MIRSD/DOSR1/CIR/P/2018/93

June 6, 2018

1. All Recognized Stock Exchanges
2. Stock Brokers through Recognized Stock Exchanges
3. All Recognized Depositories
4. Depository Participants through Depositories
5. Association of Mutual Funds in India
6. Mutual funds through AMFI
7. Portfolio Managers
8. KYC Registration Agencies (KRAs)
9. Alternative Investment Funds (AIFs)
10. Collective Investment Schemes (CIS)
11. Custodians
12. Investment Advisors

Dear Sir/Madam,

Sub: Amendments to Prevention of Money-laundering (Maintenance of Records) Rules, 2005

1. Government of India (GoI) had notified Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017 (PML Second Amendment Rules) on June 01, 2017 making the Aadhaar number issued by the Unique Identification Authority of India (UIDAI) and Permanent Account Number (PAN) or Form No. 60 as defined in Income-tax Rules, 1962 mandatory for both new and existing accounts with the financial market intermediaries including securities market intermediaries. Copy of the Gazette notification no. G.S.R.538(E) dated June 01, 2017 is attached as [Annexure 1](#).
2. Subsequently, GoI has issued the following notifications -
 - i. PML (Maintenance of Records) Fifth Amendment Rules, 2017, regarding explanation of the term “certified copy” and a list of deemed OVDs for limited purpose of proof of address (in case OVD submitted does not contain updated address). Copy of the Gazette notification no. G.S.R. 1300(E) dated October 16, 2017, is attached as [Annexure 2](#).
 - ii. PML (Maintenance of Records) Sixth Amendment Rules, 2017, regarding acceptable documents in case the OVDs presented by a foreign national does not contain address details. Copy of the Gazette notification no. G.S.R. 1318(E) dated October 23, 2017, is attached as [Annexure 3](#).
3. Further, as per PML notification dated March 31, 2018 issued by Department of Revenue, Ministry of Finance pursuant to the interim order dated March 13,



2018 of Hon'ble Supreme Court, the Central Government has extended the date of submission of Aadhaar Number, and Permanent Account Number or Form 60 by the clients to the reporting entity till a date to be notified subsequent to pronouncement of final judgment in W.P. (C) 494/2012 etc. Copy of the Gazette notification no. G.S.R. 314(E) dated March 31, 2018 is attached as [Annexure 4](#).

4. All the above notifications issued by GoI in relation to PML Rules are brought to notice for necessary compliance.
5. Further, as per Clause 2(b)(4) of PML Second Amendment Rules, in case PAN is not submitted by any client at the time of opening of account based relationship, one certified copy of an "officially valid document" (OVD) shall be submitted. However, it is hereby clarified that for securities market, in terms of SEBI circular dated April 27, 2007, the requirement of PAN would continue to be mandatory for completing the KYC process.
6. The Stock Exchanges and Depositories are directed to:
 - a. bring the provisions of this circular to the notice of the Stock Brokers and DPs, as the case may be, and also disseminate the same on their websites;
 - b. make amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision in co-ordination with one another, as considered necessary;
 - c. monitor the compliance of this circular through half-yearly internal audits and inspections; and
 - d. communicate to SEBI, the status of the implementation of the provisions of this circular.
7. In case of Mutual Funds, compliance of this circular shall be monitored by the Boards of Asset Management Companies and the Trustees and in case of other intermediaries by their Board of Directors.

Yours faithfully,

D Rajesh Kumar
General Manager
Email: rajeshkd@sebi.gov.in

Encl:

Annexure 1– G.S.R. 538(E) dated June 01, 2017

Annexure 2– G.S.R. 1300(E) dated October 16, 2017

Annexure 3– G.S.R. 1318(E) dated October 23, 2017

Annexure 4– G.S.R. 314(E) dated March 31, 2018