

SEBI eases the Know Your Client (KYC) Process by enabling online KYC, use of Technology/ App by the registered intermediary



भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

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PRESS RELEASE

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Apr 29, 2020

PR No.: 25/2020

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SEBI has from time to time, taken steps to simplify the process of KYC for investors and intermediaries. SEBI has allowed the use of technological innovations which can facilitate online KYC. The use of technology would facilitate the investors to complete the KYC without the requirement of physically visiting the office of the intermediary.

SEBI has enabled the usage of eSign, Digilocker and electronic signature as permitted by the Government of India under the Information Technology Act, 2000 and the Rules made thereunder. The enablement of eSign, Digilocker and electronic signature would facilitate investor to submit their Officially Valid Documents (OVDs) (proof of identity and proof of address), for the purpose of KYC to the SEBI intermediary's online / digital platform, App, through e-mail or electronic means. SEBI has also allowed eSign mechanism for affixing cropped signature on the KYC form and on the copy of OVD of the investor.

Intermediary is required to verify the copy of the OVD provided by the investor with the original OVD. However, for ease of the investor, the OVD shall be deemed to be seen and verified with the original, where the investor through the eSign mechanism provides the OVD as a clear photograph/ scanned copy of the original or provides the same as digitally signed document issued to the DigiLocker by the issuing authority.

SEBI has allowed the investor to complete the KYC process by filling the online KYC form. The completed online KYC form could be submitted by the investor to the intermediary:

- By taking a print out of the completed KYC form and after affixing their wet signature, send the scanned copy / photograph of the same to the intermediary under Esign, or
- Affix online the cropped signature on the filled KYC form and submit the same to the intermediary under Esign.

SEBI has also enabled the implementation of the App by the intermediary, which would be used for the purpose of online KYC and video in-person verification. The App shall facilitate taking photograph, scanning, acceptance of OVD through Digilocker, end-to-end encrypted live audiovisual interaction with the customer, usage of the App only by authorized person of the RI. The App shall have safety features including guard against spoofing and such other fraudulent manipulations. The enablement of usage of App would facilitate the intermediary to undertake KYC in a seamless, real-time, secured manner as well as save time and money.

While enabling usage of technology, the intermediary is also required to verify the investor mobile number, e-mail id and the bank details (through penny drop) to cross verify the information provided by the investor.

(SEBI Circular No.SEBI/HO/MIRSD/DOP/CIR/P/2020/73 dated April 24, 2020 may be seen)

Mumbai

April 29, 2020



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