

KYC & KRA Awareness

Investor Awareness about Know Your Client (KYC) and Understanding of KRA Status

Understanding Know Your Client (KYC)

The Know Your Client (KYC) rule is an ethical requirement for those in the securities industry dealing with customers during the opening and on-going maintenance of accounts. It is implemented at the onset of the customer-broker relationship to establish the essential personal profile of each customer before any financial recommendations are made. The customer is also made aware of the need to comply with all the laws, regulations, and rules of the securities industry.

What is KYC?

Know Your Client (KYC) means identifying and verifying the client's identity and the identity of the beneficial owner through documents submitted for Proof of identity (POI) and Proof of Address (POA) and compliance with rules, regulations, guidelines prescribed under Prevention of Money Laundering Act from time to time.

What Is KYC Verification?

The Know Your Client (KYC) verification is a set of standards and requirements used in the investment and financial services industries to ensure brokers have sufficient information about their clients, their risk profiles, and their financial position.

Why is KYC compulsory?

The Prevention of Money Laundering Act, 2002 (PMLA) along with the Prevention of Money Laundering (Maintenance of Records) Rules, 2005 (PML Rules) are the principal laws enacted to prevent money laundering activities in India. As per PMLA rules, brokers and depository participants are required to perform client due-diligence and required KYC records of the clients.

What are the different modes of KYC verification available to clients?

Client can complete their KYC verification through physical & online KYC process. Raghunandan Capital Private Limited provided both online & physical KYC facility to the investors.

More about KYC investor refer SEBI's KYC Norms – [SEBI – FAQs](#)

Understanding of KRA Status

KYC Registration Agencies (KRAs) is a unique centralized KYC framework developed and operated by Institutional & SEBI Registered entities under SEBI KRA Regulations 2011 which ensures a central storage of undated and verified KYC information and documents of every investor so that;

- Uniform KYC information can be used by any intermediary with investor consent to on-board the investor without asking for the same KYC data / documents again
- If investor information is updated at any intermediary touch point, the same is updated across all his / her accounts / relationships in securities' markets such as Demat accounts / trading accounts / mutual fund folios etc.

What is KRA?

KRA (Know Your Client) Registration Agency is a SEBI registered intermediary to maintain KYC records of clients and provides centralization of KYC of the client.

What is KRA Validation?

KRA Validation refers to the process of verifying and validation the KYC attributes of KYC records stored in the KRA.

How can a client find the status of his KYC?

KRAs facilitate the clients to check their KYC status on the KRA website. The different KYC status and implications thereto are also available on the KRAs website.

How to check your KYC Status and Validation of KYC?

- Visit KRAs portal via below link
- Enter your 10-digit Pan and captcha and click on submit
- Your KYC Status will be displayed as “KYC Validated / Registered / on-Hold/ or Rejected”

KRAs	KYC Status Link	KYC Validation Link
CVL	https://www.cvlkra.com/	https://validate.cvlindia.com/CVLKRAVerification_V1
NDML	https://www.nsekra.com	https://kra.ndml.in/ClientInitiatedKYC-webApp/#/ClientinitiatedKYC
DOTEX	https://www.nsekra.com	https://www.nsekra.com
CAMS	https://www.camsonline.com/Investors/Transactions/KYC/About-KYC	https://camskra.com/PanDetailsUpdate.aspx
KARVY	https://www.karvykra.com/KYC_Validation/Default.aspx	https://www.karvykra.com/KYC_Validation/Default.aspx

What does each KYC status imply?

KYC Validated

- Relax! You have to do nothing at all!
- Over 73% of investors are KYC Validated; you too are one of them.
- You can do any transaction in any mutual fund, anytime

KYC Registered

- You can continue making transactions (like Purchases, Redemptions, Switches, SIPs, etc.) in all your existing Mutual Fund investments without any hassle.
- Only if you want to invest in a mutual fund where you don't have any investment already, you will have to do your KYC once again.
- You can get your KYC status changed to 'KYC Validated' by doing the KYC Update/ KYC Modification process using PAN and Aadhaar from XML, Digi-locker or M-Aadhaar.
- The process to do this is simple, available on all Mutual Fund/RTA websites and takes few minutes to complete.
- Once your KYC status changes to Validated, you can invest in any Mutual Fund of your choice without any requirement of re-KYC.

KYC On-Hold/Rejected

- The KYC status on the Mutual Fund /RTA website will show the reason for ‘KYC On-Hold’/Rejected status; it could be: Mobile or Email not validated / PAN is not linked with Aadhaar / Deficiency in the KYC documents, etc.
- You simply have to remediate the reason for KYC On-Hold/Rejected by following the steps given on the Mutual Fund Website. Once your KYC status changes to Registered/Validated you will be all set to start transacting, as per the KYC status.
- The steps to resolve any KYC issues are easy and can be done from the comfort of your home. In case of any difficulties, feel free to contact your intermediaries or KRAs office/ helpline (available on their website) for further assistance.