



CIRCULAR

CIR/MIRSD/ 07 /2013

September 12, 2013

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

Dear Sir/Madam,

Sub: Know Your Client Requirements for Eligible Foreign Investors

1. This has reference to SEBI circular No CIR/MIRSD/ 11 /2012 dated September 5, 2012 whereby certain clarifications were issued on 'Know Your Client' requirements in case of foreign investors viz. Foreign Institutional Investors, Sub Accounts and Qualified Foreign Investors. This circular is issued in partial modification to the provisions of circular dated September 5, 2012.
2. Eligible foreign investors investing under Portfolio Investment Scheme ('PIS') route shall be classified as Category I, II and III as provided in Annexure A. The intermediary shall follow risk based Know Your Client norms. Accordingly, certain clarifications are hereby issued, as given in Annexure B, based on the category of these investors.
3. Eligible foreign investors investing under PIS route shall be subject to KYC review as and when there is any change in material information / disclosure.
4. The provisions of this circular are applicable for both the new and existing clients.



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

5. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Sub Rule 14(i) of Rule 9 of the Prevention of Money-laundering (Maintenance of Records) Rules, 2005 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

A.S.Mithwani
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Encl:

- 1) Annexure A - Category of eligible foreign investors investing under PIS route**
- 2) Annexure B - Clarifications**



Annexure A

Category	Eligible Foreign Investors
I.	Government and Government related foreign investors such as Foreign Central Banks, Governmental Agencies, Sovereign Wealth Funds, International/ Multilateral Organizations/ Agencies
II.	a) Appropriately regulated broad based funds such as Mutual Funds, Investment Trusts, Insurance / Reinsurance Companies, Other Broad Based Funds etc. b) Appropriately regulated entities such as Banks, Asset Management Companies, Investment Managers/ Advisors, Portfolio Managers etc. c) Broad based funds whose investment manager is appropriately regulated d) University Funds and Pension Funds e) University related Endowments already registered with SEBI as FII/Sub Account
III.	All other eligible foreign investors investing in India under PIS route not eligible under Category I and II such as Endowments, Charitable Societies/Trust, Foundations, Corporate Bodies, Trusts, Individuals, Family Offices, etc.



Annexure B

Document Type		Category - I	Category - II	Category - III
Entity Level	Constitutive Docs	Required	Required	Required
	Proof of Address	Required Power of Attorney, mentioning the address, is acceptable as address proof	Required Power of Attorney, mentioning the address, is acceptable as address proof	Required - Address proof other than Power of Attorney should be submitted.
	PAN Card	Required	Required	Required
	Financials	Exempt	Exempt	Risk based - Financial data sufficient.
	SEBI Registration Certificate	Required	Required	Required
	Board Resolution	Exempt	Required	Required
	KYC Form	Required	Required	Required
Senior Management (Whole Time Directors/ Partners/ Trustees/ etc.)	List	Required	Required	Required
	Proof Of Identity	Exempt	Exempt	Entity declares on letterhead - full name, nationality and DoB OR Photo-identity proof'
	Proof of Address	Exempt	Exempt	Declaration on letter head
	Photographs	Exempt	Exempt	Exempt
Authorized Signatories	List & Signatures	Required - List of Global Custodian ('GC') signatories can be given in case of POA to GC	Required - List of GC signatories can be given in case of POA to GC	Required
	Proof Of Identity	Not required	Not required	Required
	Proof of Address	Not required	Not required	Not required
	Photographs	Not required	Not required	Required
Ultimate Beneficial Owner ('UBO')	List	Exempt	Required - Can declare "no UBO over 25%"	Required
	Proof Of Identity	Exempt	Exempt	Required
	Proof of Address	Exempt	Exempt	Exempt
	Photographs	Exempt	Exempt	Exempt

Note: Copies of all the documents, wherever applicable, to be submitted by the applicant should be self attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents, as per the SEBI circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011.