भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

CIRCULAR

HO/38/30/12(3)2026-MIRSD-POD2/I/25175/2026 **November 04, 2026**

To,

All intermediaries registered with SEBI under Section 12 of the Securities and Exchange Board of India Act, 1992;
Recognised Stock Exchanges;
Recognised Clearing Corporations; and
All Depositories

Dear Sir/ Madam,

Subject: Review of Know Your Client process for individual Person Resident Outside India clients

1. SEBI vide Master Circular SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023 ('KYC Master Circular'), *inter-alia*, specifies the Know Your Client (KYC) requirements for on-boarding client by an intermediary and a framework for validation of KYC records by a KYC Registration Agency (KRA)[1].

2. The extant provisions of the KYC Master Circular, *inter-alia*, requires an intermediary to ensure that, during digital KYC, the physical location of the client is in India. This requirement in effect restricts a client outside India, at the time of on-boarding, to submit the KYC documents and complete the KYC process digitally.

3. In order to ease the process of on-boarding of an individual Person Resident Outside India (PROI)[2] client, it has been decided to review the existing provisions governing the KYC process. Individual PROI client shall mean Non-Resident Indian (NRI)[3], Overseas Citizen of India (OCI)[4] or foreign national.

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[1] *KYC Registration Agencies as per SEBI (Know Your Client Registration Agencies) Regulations, 2011;*

[2] *PROI is defined under section 2(w) of the Foreign Exchange Management Act, 1999, as a "person who is not resident in India";*

[3] *In terms of section 2(30) read with section 2(42) of the Income Tax Act, 1961, "non-resident" means a person who is not a "resident", and for the purposes of sections 92, 93 and 168, includes a person who is not ordinarily resident within the meaning of clause (6) of section 6 thererof; "resident" means a person who is resident in India within the meaning of section 6 thereof;*

[4] *OCI cardholder is defined under section 2 (ee) of the Citizenship Act, 1955, as a person registered as an Overseas Citizen of India Cardholder by the Central Government under section 7A thereof;*

4. Upon review of the said framework, and after taking into account the representations from market participants, the modifications being introduced, *inter-alia,* includes the following:

   4.1. The requirement of a client being in India during digital on-boarding is being relaxed for an individual PROI client located in a Financial Action Task Force (FATF) compliant country[5] and the intermediary may accept digital submission of KYC information and supporting documents from such client.

   4.2. KRA shall tag individual attributes in the KYC record as "validated", if verified with official or source database. All KYC records shall be portable i.e. can be shared with another intermediary, irrespective of every individual attribute being validated or not.

   4.3. The intermediary may rely on the KYC undertaken by a SEBI registered intermediary or by an entity regulated by other financial sector regulators, based on record obtained from KRA or Central KYC Records Registry (CKYCRR).

   4.4. The authorised official of the intermediary shall be present during Video In Person Verification of a client and the VIPV process shall be subject to concurrent audit.

5. Accordingly, the on-boarding of individual PROI clients through intermediaries and KRAs, are being detailed below:

   5.1. The intermediary shall, at the time of commencement of an account based relationship, identify its client, verify the identity and obtain information on the purpose and intended nature of the business relationship.

   5.2. When the client approaches an intermediary to initiate an account based relationship or update KYC, the intermediary shall seek the PAN and CKYC ID[6] from the client, if available. Thereafter, the intermediary shall retrieve the KYC records (i.e. information and documents) from KRA and CKYCRR.

   5.3. If the client record already exists, the intermediary shall obtain additional details from the client only when:

      5.3.1. there is a change in the existing records of the client;

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[5] *As per details published by FATF;*
[6] *The unique number or code assigned to a client by CKYCRR;*

5.3.2. details retrieved are incomplete or are not as per extant norms;

5.3.3. the validity of the Officially Valid Document or deemed officially valid document[7] has lapsed;

5.3.4. the intermediary considers it necessary to verify the identity or address; or

5.3.5. to perform enhanced due diligence (EDD) or to build an appropriate risk profile of the client.

5.4. The intermediary shall provide the updated KYC information of the client to KRA, which shall update the existing KYC record and inform all intermediaries that avail of the services of the KRA in respect of that client, in line with the provisions of the SEBI {KYC (Know Your Client) Registration Agencies) Regulations, 2011 ('KRA Regulations').

5.5. The KYC process shall involve the following aspects:

5.5.1. PAN:

a. The intermediary shall collect the PAN of the client and verify the same with the Income Tax Database, without insisting on producing the original PAN or providing a copy thereof.

b. The KRA shall also verify the PAN and the name of the client, as mentioned in the KYC form, with the Income Tax Database. Accordingly, the said attribute shall be tagged as "validated" in the KYC record.

5.5.2. Passport:

a. The intermediary shall collect a copy of the Passport from the client.

b. The intermediary shall also collect Overseas Citizen of India (OCI) card from the client, as applicable.

c. The intermediary shall verify the passport of the client, if feasible.

[7] *OVD and deemed to be OVD, as defined under the Prevention of Money Laundering (Maintenance of Records) Rules, 2005 (PMLR);*

d. KRA shall verify the passport of the client, if feasible. Accordingly, the said attribute shall be tagged as “validated” in the KYC record.

5.5.3. KYC form:

a. The intermediary shall collect the KYC information from the client, as per CKYCRR template[8] prescribed for “individuals”, in physical or through app, website or digital mode.

b. The intermediary can collect the filled KYC form in any of the following manners:

i. original physical form; or

ii. scanned copy of physical form, under electronic signature[9]; or

iii. digital KYC form, under electronic signature.

5.5.4. Specimen signature:

a. The intermediary shall collect specimen signature from the client in any of the following forms:

i. wet signature on the physical KYC form; or

ii. cropped image of specimen signature, under electronic signature.

b. In case of digital submission of specimen signature, the client shall do wet signature before the intermediary during Video In Person Verification (VIPV), and the intermediary in turn shall verify if the said signature matches with the client’s submission.

5.5.5. Proof of Identity and Proof of Address:

a. The intermediary shall collect any one of the specified officially valid documents or deemed officially valid documents, for proof of identity and proof of address, from the client. For this purpose, the current address for an individual PROI client shall be an overseas address.

[8] *KYC template provided by Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI);*
[9] *“electronic signature” shall have the meaning as defined under the Information Technology Act, 2000;*

b. In case the officially valid documents presented by a foreign national does not contain the details of address, a document issued by a Government department of a foreign jurisdiction and letter issued by a Foreign Embassy or Mission in India can be collected by the intermediary as proof of address.

c. The intermediary shall verify the address mentioned in the KYC form with the address mentioned in the officially valid document or deemed officially valid document submitted by the client and with the official or source database, if feasible.

d. The KRA shall also verify the address mentioned in the KYC form with the address mentioned in the officially valid document or deemed officially valid document submitted by the client and with the official or source database, if feasible. Accordingly, the said attributes shall be tagged as “validated” in the KYC record.

5.5.6. Original, Seen and Verified (OSV):

a. The intermediary shall see and verify the original of the officially valid document or deemed officially valid document submitted by the client, for proof of identity and proof of address, and collect the physical self-attested copies of the same.

b. In case the original of the officially valid document or deemed officially valid document is not produced for verification, then the intermediary shall collect any of the following:

i. equivalent e-document of officially valid document or deemed officially valid document through Digi Locker; or

ii. equivalent e-document of officially valid document or deemed officially valid document, issued by the issuing authority through any verifiable mechanism; or

iii. One Time Password (OTP) or biometric or face authentication based Aadhaar e-KYC authentication; or

iv. copy of officially valid document attested by any of the certifying authorities (i.e. Notary Public, authorised official of overseas branch of Scheduled Commercial Banks registered in India, branches of overseas banks with whom Indian banks have

relationships, Court Magistrate, Judge, Indian Embassy or Consulate General of the country where the client resides).

c. The intermediary shall ensure that the details of the authorised official undertaking the OSV and the date and time stamp are recorded at the time of OSV.

d. The intermediary shall ensure that the copy of the certified OVD provided by the client contains the date, location, name and license number/ employee code, if any, of the certifying authority.

5.5.7. Mobile number and email id:

a. The intermediary shall collect the mobile number (Indian or international) and the email id of the client. The mobile number and email id recorded in Aadhaar may be preferred.

b. The intermediary shall verify the mobile number, if feasible, and the email id of the client through OTP or any other verifiable mechanism.

c. If the mobile number of the client cannot be verified, then the intermediary shall ensure that all communications are sent on the verified email id of such client.

d. The KRA shall also verify the mobile number, if feasible, and the email id of the client through OTP or any other verifiable mechanism. Accordingly, the said attributes shall be tagged as “validated” in the KYC record.

5.5.8. In-Person Verification (IPV):

a. The intermediary shall carry out IPV of the client and ensure that the details of the authorised official undertaking the IPV and the date and time stamp are recorded at the time of IPV.

b. In case the physical IPV is not feasible, the intermediary shall undertake VIPV of the client, while ensuring the following:

i. the client consent is recorded in an auditable and alteration proof manner;

ii. the VIPV infrastructure has features of random action initiation for client response to establish that the interactions are not pre-recorded;

iii. the uninterrupted video recording contains the live GPS co-ordinates (geo-tagging) of the client and the date and time stamp through use of tamper proof technology;

iv. the VIPV infrastructure prevents connection from spoofed IP addresses, using VPNs or proxy servers;

v. the IP address of the client, as captured, emanates from India or from any of the FATF compliant country and matches with the country specified by the client in the KYC form and officially valid document or deemed officially valid document;

vi. the photo of the client is clearly captured in the VIPV process and matches with the photo submitted by the client in the form and officially valid document or deemed officially valid document;

vii. there is end to end encryption of data between customer device and the hosting point of application/ digital platform at the intermediary;

viii. the authorised official of the intermediary is present during the VIPV process;

ix. the VIPV infrastructure uses components which verify face liveness and detect spoofs, if any; such liveliness check does not result in exclusion of person with special needs; and

x. the VIPV process is subject to concurrent audit, to ensure the integrity of process and its acceptability of the outcome.

c. The intermediary may incorporate additional safety and security features in the VIPV process, as per its risk management policy.

5.6. Reliance of third party KYC:

5.6.1. The intermediary may rely on the KYC undertaken by another SEBI registered intermediary, as per record obtained from the KRA. The KYC record shared by KRA with intermediary shall have each attribute wise tagging for whether it is “validated” or not.

5.6.2. The intermediary may also rely on the KYC undertaken by an entity regulated by any of the other Financial Sector Regulators[10], as per record obtained from the CKYCRR.

5.6.3. The intermediary shall have the ultimate responsibility for the KYC of its clients, including undertaking enhanced due diligence appropriate to the risk profile of the clients.

5.7. Upon completion of the KYC of individual PROI client, the intermediary shall provide the KYC information to KRA within 3 working days from the date of completion of KYC process.

5.8. The intermediary shall ensure that the infrastructure being used for the KYC process is in compliance with the Cyber Security and Cyber Resilience Framework issued by SEBI.

5.9. All documents submitted by an individual PROI client to the intermediary should be in English. In case the document is in any other language, then the client shall get the document translated to English and attested by a certifying authority, before submission to the intermediary.

5.10. The aforementioned process shall also be applicable for re-KYC of the client in a FATF compliant country.

6. In cases where an individual foreign national seeks registration as a Foreign Portfolio Investor (FPI), the provisions of Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors ref. no. SEBI/HO/AFD/AFD-PoD-2/P/CIR/2024/70 dated May 30, 2024 or amendments thereof, shall be applicable.

7. The provisions of this circular shall come into effect, for on-boarding of every individual PROI client except client in a FATF non-compliant country, thirty (30) days from the date of issue of this circular i.e. from December 03, 2026.

8. Upon this circular coming into effect, the following shall also be effected:

8.1. the provisions of the KYC Master Circular shall stand superseded, to such extent;

[10] *Financial Sector Regulator includes the Reserve Bank of India, Insurance Regulatory and Development Authority of India, Pension Fund Regulatory and Development Authority and International Financial Services Centres Authority;*

8.2. the provisions of the circular ref. no. CIR/MIRSD/16/2011 dated August 22, 2011, regarding, "*Simplification and Rationalization of Trading Account Opening Process*", shall stand superseded, to such extent;

8.3. the provisions of the circular ref. no. HO/38/30/12(1)2025-MIRSD-SEC-FATF dated December 10, 2025, regarding, "*Relaxation on geo tagging requirement in India for NRIs while undertaking re KYC*", shall stand superseded;

8.4. for clients residing in FATF non-compliant countries, the extant KYC process shall continue to be applicable; and

8.5. for KYC undertaken by intermediaries prior to the date of this circular coming into effect, shall continue to be governed by the extant KYC provisions.

9. This circular is being issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

10. This circular is available on the SEBI website at www.sebi.gov.in, under the category, 'Legal → Circulars'.

Yours faithfully,

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