

Circular No.: NSDL/POLICY/2024/0057

May 09, 2024

**Subject: SEBI Circular on 'Entities allowed to use e-KYC Aadhaar Authentication services of UIDAI in Securities Market as sub-KUA'.**

Attention of Participants is invited to SEBI circular no. SEBI/HO/MIRSD/SECFATF/P/CIR/2024/36 dated May 06, 2024 regarding "Entities allowed to use e-KYC Aadhaar Authentication services of UIDAI in Securities Market as sub-KUA" (copy enclosed).

Participants are requested to take note of the same.

**For and on behalf of  
National Securities Depository Limited**

**Arockiaraj  
Manager**

Enclosure: One

FORTHCOMING COMPLIANCE			
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10 <sup>th</sup> of the following month	Through e-PASS	1. Para 20 of NSDL Master Circular for Participants on 'Grievance Redressal' chapter. 2. Circular No.: NSDL/POLICY/2023/0161 dated November 13, 2023
Artificial Intelligence /Machine Learning Reporting Form (if offering or using such technologies as defined) (Annually)	Within three months of the end of the financial year	Through e-PASS	Circular No.: NSDL/POLICY/2024/0003 dated January 05, 2024
Internal/ Concurrent Audit Report (Half yearly)	By May 15 <sup>th</sup>	Through e-PASS	Para 20.4 of NSDL Master Circular for Participants on 'Internal Controls/Reporting to NSDL/SEBI' chapter and Circular No.: NSDL/POLICY/2024/0042 dated April 08, 2024



**CIRCULAR**

**SEBI/HO/MIRSD/SECFATF/P/CIR/2024/36**

**May 06, 2024**

To,

- 1. All Intermediaries registered with SEBI under Section 12 of the Securities and Exchange Board of India Act, 1992**
- 2. Stock Exchanges**

Dear Sir/Madam,

**Subject: Entities allowed to use e-KYC Aadhaar Authentication services of UIDAI in Securities Market as sub-KUA**

1. The Master Circular on Know Your Client (KYC) norms for the securities market SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023 inter alia has detailed the provision for the adaptation of Aadhaar based e-KYC process and e-KYC Authentication facility for Resident Investors under section 11A of the Prevention of Money Laundering Act, 2002 in securities market as sub-KUA and on-boarding process of sub-KUA by UIDAI.
2. Department of Revenue, Ministry of Finance (DoR-MoF) has from time to time issued gazette notifications notifying entities, to undertake Aadhaar authentication service of UIDAI under Section 11A of the Prevention of Money Laundering Act, 2002.
3. DoR-MoF has vide Gazette Notification S.O. 1863(E) dated April 30, 2024, notified one entity which is permitted to use Aadhaar authentication services of UIDAI under section 11A of the Prevention of Money-laundering Act, 2002. A copy of the notification is attached at [Annexure A](#)

4. The above mentioned entity shall follow the process as detailed in SEBI circular dated October 12, 2023 and as may be prescribed by UIDAI from time to time. The KUAs shall facilitate the on-boarding of the entity as sub-KUA to provide the services of Aadhaar authentication with respect to KYC.
  
5. This circular is 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 markets.

Yours faithfully,

**Sapna Sinha**  
**Deputy General Manager**  
**Market Intermediaries Regulation and Supervision Department**  
**Tel. no.:022 2644 9748**  
**email id: [sapnas@sebi.gov.in](mailto:sapnas@sebi.gov.in)**