



Know Your Client (KYC)

What is the Regulation? Securities and Exchange Board of India (SEBI) has issued a guideline under The Prevention of Money Laundering Act, 2002 (PMLA) which requires Mutual Funds to follow enhanced Know Your Customer (KYC) norms.

What is the Prevention of Money Laundering Act (PMLA)? The Prevention of Money Laundering Act, 2002 ("PMLA") created under the aegis of Financial Action Task Force ("FATF") forms the core of the legal framework put in place by India to combat money laundering required to be followed by banking companies, financial institutions and intermediaries by administering KYC and other reporting requirements such as suspicious transactions reporting, etc

What is KYC? KYC is an acronym for "Know Your Customer", a term commonly used for Customer Identification Process. SEBI has prescribed certain requirements relating to KYC norms for Financial Institutions and Financial Intermediaries including Mutual Funds to 'know' their clients. This entails verification of identity and address, financial status, occupation and such other personal information as may be prescribed by guidelines, rules and regulation.

Why KYC Compliance Prevention of Money Laundering Act, 2002 (PMLA) came into effect from July 1, 2005 and consequently SEBI mandated that all intermediaries (which includes Mutual Funds) should formulate and implement a proper policy framework as per the guidelines on anti money laundering measures and also adopt a Know Your Customer (KYC) Policy. In view of this, effective January 01, 2011, KYC shall be mandatory for all category of investors who

wish to invest in the schemes of Birla Sun Life Mutual Fund irrespective of investment amount. **Applicability of KYC norms:**

Category of Investors	Upto December 31, 2010	w.e.f. January 01, 2011
Resident Individuals	Rs. 50,000 and more	Any Amount
Non Individual Investors (Corporates, Partnerships, Trusts, HUF, etc.)	Any Amount	Any Amount
Non Resident Investors(NRIs) / Persons of Indian Origin(PIOs)	Any Amount	Any Amount
Investors investing through Channel Partners / Channel Distributors	Any Amount	Any Amount

To further clarify, the above category of investors shall include:

- (i) their constituted Power of Attorney (PoA) holder, in case of investments through a PoA;
- (ii) each of the applicants, in case of investments in joint names; and
- (iii) Guardian in case of investments on behalf of minor.

What should the investor do? Birla Sun Life Asset Management Company Limited (BSLAMC) has made arrangements with CDSL Ventures Limited (“CVL”), to process KYC compliance. On submission of KYC application given below along with the prescribed documents “KYC Acknowledgement letter” will be issued by CVL to the applicant. Accordingly, investors need to provide the said “KYC Acknowledgement letter” along with applications for transactions in schemes of Mutual Fund.

We strongly recommend all our Investors to be KYC Compliant by completing the KYC formalities below at the earliest so they can

Step 1 continue to invest with us smoothly. Download and Fill-up the KYC form KYC Form for Individuals

Step 2 KYC Form for Non-Individuals Attach the following documents:

For Individuals

- ▶ **PAN Card:** The photocopy of the PAN with original. The Original PAN is for verification only and will be returned to you immediately.
- ▶ **Proof of Address Document:** (one for each distinct address). These should be either original + photocopies or attested / notarised photocopies. The documents may include one of the following: Latest Telephone /Electricity Bill, Passport, Driving License, Latest Bank Passbook or A/c Statement, Voter Identity Card, Ration Card, Latest Demat Account Statement, Registered Lease / Sale Agreement of residence

For Non-Individuals

Step 3

- ▶ Please refer to Point # C2 in the **KYC Form**.
Submit the **KYC form** alongwith necessary documents at the nearest Investor Services centre. **[Click here for a complete list.](#)** If you already have a Mutual Fund Identification Number ("MIN") (not valid anymore) and you have not provided PAN at the time of obtaining MIN, you are requested to complete the KYC formalities mentioned above.

What in case the investor is KYC compliant but KYC status is not updated with Birla Sun Life Mutual Fund? All investors whose KYC Status is not updated with us should submit the KYC Acknowledgement letter along with a list of folio(s) belonging to them. After verification, the KYC status shall be updated w.r.t the said folio(s) and investors shall be able to invest in schemes without any hindrances.

What are the consequences of non-KYC compliance? Applications by investors without valid KYC Acknowledgement letter are liable to be rejected.