

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 2555

ANSWER ON MONDAY, MARCH 9, 2026/PHALGUNA 18, 1947 (SAKA)

Simplification of KYC Norms

2555. SHRI BAIJAYANT PANDA:

Will the Minister of FINANCE be pleased to state:

- (a) the steps taken by the Government in coordination with financial sector regulators, to simplify Know Your Customer (KYC) processes for retail investors and Non-Resident Indians, including measures to reduce duplication and promote digital, paperless compliance;
- (b) whether any review has been undertaken to assess the impact of these measures on financial inclusion, ease of investing and retail participation in financial markets;
- (c) if so, the key findings thereof; and
- (d) the future roadmap for further streamlining KYC procedures, including timelines for achieving universal KYC interoperability across financial institutions?

ANSWER

MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (d) In order to prescribe uniform KYC norms and inter-usability of the KYC records across the entire financial sector, Central KYC Records Registry (CKYCRR) was established in the year 2016 under Prevention of Money Laundering (Maintenance of Records) Rules, 2005 (PMLR), which assigns a unique 14-digit number or code to a customer whose records are uploaded onto CKYCRR known as Central KYC Identifier. The regulated entities (REs) of various financial sector regulators (FSRs) may retrieve the KYC records of a customer with the unique identifier rather than asking citizens to re-submit the KYC documents.

As per amendments made to the PMLR in July, 2024, the REs shall seek the CKYC identifier from the client or retrieve the KYC identifier, if available, from the CKYCRR and proceed to obtain KYC records online by using KYC identifier and shall not require a client to submit the same KYC records or information. In effect, this amendment mandates CKYCRR as the first option for KYC information during customer onboarding.

The CKYC downloaded data by REs has significantly increased over the years and has grown with a Compound Annual Growth Rate (CAGR) of 87.0 % during the last five years from 31st March, 2020 to 31st March, 2025, indicating the growing use of CKYCR identifier by REs as the customer records are fetched from CKYCRR rather than asking the customers to furnish the KYC information.
