



CENTRAL REGISTRY OF SECURITISATION ASSET RECONSTRUCTION AND SECURITY INTEREST OF INDIA (CERSAI)

CERSAI/2023-24/4834.

Date – 29.01.2024

Nodal Officer/Admin Officers
of Reporting Entities in CKYCRR.

Dear Sir/Madam,

Sub : Implementation of recommendations of the Expert Committee.

An Expert Committee (EC) to recommend ways to make CKYC number the Single Source of Truth (SST) for KYC for all financial institutions was constituted by the Department of Financial Services (DFS), Ministry of Finance, Government of India, vide order dated May 6, 2022, under the Chairmanship of Shri. M. Rajeshwar Rao, Deputy Governor, Reserve Bank of India. The EC had representation from the four Financial Sector Regulators (FSRs) namely RBI, SEBI, IRDA & PFRDA and also from Department of Financial Services (DFS), Ministry of Finance (MoF), Government of India (GoI) and Department of Revenue (DoR), MoF, GoI, and CERSAI.

EC decided to make recommendations broadly under three intertwined threads - (i) Universal KYC framework for Indian financial sector; (ii) Optimisation of KYC processes and elements; and (iii) Framework necessary for CKYCR to emerge as a Single Source of Truth (SST) for KYC and to serve as a dynamic single repository under universal KYC framework.

There are 26 sections in the EC report under which the recommendations are made. Of these, the recommendations that do not require any amendment in any Rule/Master Direction may be implemented. Three such recommendations, as detailed below, may be implemented to achieve the objective of the EC :-

- i. **A one-time exercise may be undertaken by REs to inform the existing customers their KYC Identifiers through email / SMS messages, etc.** This will create awareness among the customers of RE and make KYC identifier more popular.
- ii. **REs need to mandatorily verify the mobile number and email ids**, if any, provided by customers (at the time of onboarding as well as update) before uploading to CKYCR to prevent frauds.
- iii. As per rule 9 (1A) of the PML Rules every reporting entity shall, within ten days after the commencement of an account-based relationship with a client, file the electronic copy of the client's KYC records with the CKYCRR. **EC recommended to reduce the turnaround time for CKYCR updation/upload and generation of KYC identifier and to make it on near to real time basis.** This can be achieved if the records are uploaded/updated in real time by REs as soon as the same is received by REs preferably by adopting the direct integration of document receiving office of REs with CKYCR Registry. Further, steps should also be taken at REs level itself to

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भारतीय प्रतिभूतिकरण परिसंपत्ति पुनर्निर्माण
और प्रतिभूति स्वत्व की केंद्रीय रजिस्ट्री
(भारत सरकार का उपक्रम)

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Central Registry of Securitisation Asset Reconstruction
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(A Government of India Undertaking)


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control uploading of KYC records which does not meet with specification and not confirming to the standard at the data uploading stage itself.

The improved process of de-duplication at CKYCRR level coupled with upload/update of legible documents, as per the specifications of CERSAI, by REs will make it possible to generate the KYC identifier on near to real time basis.

You are requested to implement the EC's recommendations as stated above at the earliest and also to bring it to the notice of your management.

Yours Sincerely,


Anuj Sinha 29/01/2024
Chief Operating Officer
CERSAI

- cc. 1. Deputy Secretary, DRT, DFS.
2. Assistant General Manager, Department of Regulation, Reserve Bank of India.