



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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**Reserve Bank of India (Know Your Customer (KYC)) (Amendment)
Directions, 2025**

Reserve Bank had issued [Reserve Bank of India \(Know Your Customer \(KYC\)\) Directions, 2016](#) (hereinafter referred to as Master Direction) in compliance of the provisions of the PML Act, 2002 and the Rules made thereunder. There is a need to further amend the same in order to enhance consumer protection and service.

2. Accordingly, in exercise of the powers conferred by sections 35A of the Banking Regulation Act, 1949, read with section 56 of the Act *ibid*, sections 45JA, 45K and 45L of the Reserve Bank of India Act, 1934, section 10(2) read with section 18 of Payment and Settlement Systems Act, 2007, section 11(1) of the Foreign Exchange Management Act, 1999, Rule 9(14) of Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and all other laws enabling the Reserve Bank in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest to do so, hereby issues the Amendment Directions hereinafter specified.

3. (i) These Directions shall be called the Reserve Bank of India (Know Your Customer (KYC)) (Amendment) Directions, 2025.

(ii) These directions shall come into force with immediate effect.

4. These Amendment Directions modify the [Reserve Bank of India \(Know Your Customer \(KYC\)\) Directions, 2016](#) as under:

(i) In the paragraph 38 of the Master Direction, a new clause shall be inserted before paragraph 38(a), namely:

“Notwithstanding the provisions given above, in respect of an individual customer who is categorized as **low risk**, the RE shall allow all transactions and ensure the updation of

KYC within one year of its falling due for KYC or upto June 30, 2026, whichever is later. The RE shall subject accounts of such customers to regular monitoring. This shall also be applicable to low-risk individual customers for whom periodic updation of KYC has already fallen due.”.

(ii) After paragraph 38(a)(ii), the following paragraph 38(a)(iia) shall be inserted, namely:-

“38(a)(iia) Use of Business Correspondent (BC) by banks for Updation/ Periodic Updation of KYC

Self-declaration from the customer in case of no change in KYC information or change only in the address details may be obtained through an authorized BC of the bank. The bank shall enable its BC systems for recording these self-declarations and supporting documents thereof in electronic form in the bank’s systems.

The bank shall obtain the self-declaration including the supporting documents, if required, in the electronic mode from the customer through the BC, after successful biometric based e-KYC authentication. Until an option is made available in the electronic mode, such declaration may be submitted in physical form by the customer. The BC shall authenticate the self-declaration and supporting documents submitted in person by the customer, and promptly forward the same to the concerned bank branch. The BC shall provide the customer an acknowledgment of receipt of such declaration /submission of documents.

The bank shall update the customer’s KYC records and intimate the customer once the records get updated in the system, as required under paragraph 38(c) of the Master Direction *ibid*. It is, however, reiterated that the ultimate responsibility for periodic updation of KYC remains with the bank concerned.”.

(iii) After paragraph 38(d), the following paragraph 38(e) shall be inserted, namely: -

“38(e) Due Notices for Periodic Updation of KYC

The RE shall intimate its customers, in advance, to update their KYC. Prior to the due date of periodic updation of KYC, the RE shall give at least three advance intimations,

including at least one intimation by letter, at appropriate intervals to its customers through available communication options/ channels for complying with the requirement of periodic updation of KYC. Subsequent to the due date, the RE shall give at least three reminders, including at least one reminder by letter, at appropriate intervals, to such customers who have still not complied with the requirements, despite advance intimations. The letter of intimation/ reminder may, inter alia, contain easy to understand instructions for updating KYC, escalation mechanism for seeking help, if required, and the consequences, if any, of failure to update their KYC in time. Issue of such advance intimation/ reminder shall be duly recorded in the RE's system against each customer for audit trail. The RE shall expeditiously implement the same but not later than January 01, 2026.”.

(Usha Janakiraman)
Chief General Manager-in-Charge