



RESERVE BANK OF INDIA
Foreign Exchange Department
Central Office
Mumbai - 400 001

RBI/2011-12/186
A.P. (DIR Series) Circular No. 22

September 19, 2011

To,

All Authorised Persons, who are Indian Agents under Money Transfer Service Scheme.

Madam/ Sir,

Anti-Money Laundering (AML) standards/Combating the Financing of Terrorism (CFT) Standards - Cross Border Inward Remittance under Money Transfer Service Scheme

Attention of all the Authorised Persons, who are Indian Agents under Money Transfer Service Scheme (MTSS) is invited to [A.P.\(DIR Series\) Circular No.64 dated May 20, 2011](#) on risks arising from the deficiencies in AML/CFT regime of Iran and Democratic People's Republic of Korea (DPRK).

2. Financial Action Task Force (FATF) has issued a further Statement on June 24, 2011 on the subject ([copy enclosed](#)) calling its members and other jurisdictions to apply counter-measures to protect the international financial system from the ongoing and substantial money laundering and terrorist financing (ML/FT) risks emanating from Iran and Democratic People's Republic of Korea (DPRK).

3. This advisory does not preclude Authorised Persons (Indian Agents) entering into legitimate trade and business transactions with Iran.

4. FATF has also identified Jurisdiction with strategic AML/CFT deficiencies that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies. The FATF calls on its members to consider the risks arising from the deficiencies associated with each jurisdiction as described in the Statement : Bolivia, Cuba, Ethiopia, Kenya, Myanmar, Sri Lanka, Syria and Turkey.

5. Authorised Persons (Indian Agents) are accordingly advised to take into account risks arising from the deficiencies in AML/CFT regime of these countries, while entering into business relationships and transactions with persons (including legal persons and other financial institutions) from or in these countries/ jurisdictions.

6. Authorised Persons (Indian Agents) may bring the contents of this circular to the notice of their constituents concerned.

7. Please advise your Principal Officer to acknowledge receipt of this circular letter.

8. The directions contained in this Circular have been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and also under the Prevention of Money Laundering Act (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009 and Prevention of Money-Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 as amended from time to time. Non-compliance with the guidelines would attract penal provisions of the Acts concerned or Rules made there under.

Yours faithfully,

(Meena Hemchandra)

Chief General Manager-in-Charge