



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

[www.rbi.org.in](http://www.rbi.org.in)

RBI/2010-11/336

UBD.BPD. (PCB). No. 32 /12.05.001/2010-11

December 28 ,2010

The Chief Executive Officers  
All Primary (Urban) Co-operative Banks

Dear Sir,

**Know Your Customer (KYC) norms / Anti-Money Laundering (AML) standards / Combating of Financing of Terrorism (CFT) / Obligation of banks under Prevention of Money Laundering Act (PMLA), 2002.**

The Financial Intelligence Unit of the Ministry of Finance, Government of India have informed us that the UCBs have not been furnishing various reports such as Suspicious Transactions Reports (STRs), Cash Transactions Reports (CTRs) and Counterfeit Currency Reports (CCRs) to the FIU - INDIA within the time frame stipulated under the PML Act, 2002 and the Rules framed thereunder. The FIU-India have also informed us that while some of the UCBs have yet to appoint an officer in the senior management cadre as a Principal Officer (PO), a few UCBs have appointed a junior level officer as the PO of the bank.

2. As you are aware, the Government of India and the Reserve Bank have framed KYC / AML / CFT guidelines to prevent banks from being used intentionally or unintentionally by criminal elements for money laundering or terrorist financing activities. The guidelines of the Reserve Bank are issued under Section 35 A of the Banking Regulation Act, 1949 (AACS) and any contravention or non-compliance with the same attracts penalties under the relevant provisions of the Act. In this connection, we invite your reference to the instructions contained in our [circular UBD.PCB. Cir. 30/ 09.161.00 / 2004-05 dated December 15, 2004](#) and [UBD. BPD. \(PCB\). No. 38 / 09.16.100/2005-06 dated March 21, 2006](#) and subsequent circulars issued from time to time and advise that the instructions contained therein should be scrupulously adhered to.

3. Please acknowledge receipt to the Regional Office concerned.

Yours faithfully

(Uma Shankar)  
Chief General Manager