



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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RBI/2013-14/625

DPSS. CO. AD. No. 2501/02.27.005/2013-14

May 30, 2014

To
All Payment System Providers, System Participants
and prospective prepaid payment Instrument Issuers

Madam/Dear Sir

**Know Your Customer (KYC) Norms /Anti-Money Laundering (AML) Standards/
Combating of Financing of Terrorism (CFT)/Obligation of PSOs under Prevention of
Money Laundering Act (PMLA), 2002 – Amendment to Section 13(2)**

Please refer to para 3 of our [circular DPSS No.2174/02,14.004/2010-11 dated March 23, 2011](#) on Issuance and Operation of pre-paid payment instruments in India – Clarification which states that letter issued by the Unique Identification Authority of India (UIDAI) containing details of name, address and Aadhaar number as quoted under para 2 (d) of PML Rules, 2005 may be accepted as on 'Officially Valid Document'.

2. With the enactment of Prevention of Money Laundering (Amendment) Act, 2012 and amendment to Section 13 of the Act which provides for "Powers of Director to impose fine", the Section 13(2) now reads as under:

"If the Director, in the course of any inquiry, finds that a reporting entity or its designated director on the Board or any of its employees has failed to comply with the obligations under this Chapter, then, without prejudice to any other action that may be taken under any other provisions of this Act, he may—

- (a) issue a warning in writing; or*
- (b) direct such reporting entity or its designated director on the Board or any of its employees, to comply with specific instructions; or*
- (c) direct such reporting entity or its designated director on the Board or any of its employees, to send reports at such interval as may be prescribed on the measures it is taking; or*

(d) by an order, levy a fine on such reporting entity or its designated director on the Board or any of its employees, which shall not be less than ten thousand rupees but may extend to one lakh rupees for each failure.”

3. In view of the above amendment, Payment System Operators may nominate a Director on their Boards as “designated director” to ensure compliance with the obligations under the Prevention of Money Laundering (Amendment) Act, 2012.

Yours faithfully

(K.C.Anand)
General Manager

Withdrawn w.e.f November 16, 2021