



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2012-13/420

UBD CO PCB Cir.No.37/14.01.062/2012-13

February 25, 2013

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

Dear Sir,

Know Your Customer (KYC) Norms / Anti-Money Laundering (AML) Measures - Combating of Financing of Terrorism (CFT) / Obligations of Banks under Prevention of Money Laundering Act (PMLA), 2002

Please refer to the guidelines on KYC and Cash Transactions issued vide our [circular UBD No. DS.PCB. Cir.17/13.01.00/2002-03 dated September 18, 2002](#) and the subsequent circulars issued from time to time on the captioned subject, last being [circular UBD BPD \(PCB\) Cir. No.8/14.01.062/2012-13 dated September 13, 2012](#). Despite advising Urban Co-operative Banks (UCBs) to ensure strict adherence to the guidelines on the captioned subject, instances of UCBs being used as conduits for money laundering / other unlawful activities primarily due to non-adherence to KYC/AML guidelines, including absence of risk profiling of customers and lack of proper monitoring of transactions, continue to be observed during inspections / scrutinies by the Reserve Bank.

2. With a view to ensuring that the banking channels are not used for unlawful / illegal activities, it is reiterated that all UCBs may put in place a system of periodic review of risk categorization of customers and updation of customer identification data to ensure strict adherence to the KYC / AML / CFT guidelines issued by Reserve Bank from time to time. As

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हिंदी आसान है, इसका प्रयोग बढ़ाइए—

चेतावनी: भारतीय रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्ति की जानकारी जैसे बैंक के खाते का ब्यौरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।
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already advised vide our circular dated September 13, 2012 *ibid*, Primary (Urban) Co-operative banks are once again advised to complete the process of risk categorization and compiling/updating profiles of all their existing customers by end- March 2013.

Yours faithfully,

(A. Udgata)
Chief General Manager in-Charge

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