



भारतीय रिजर्व बैंक

RESERVE BANK OF INDIA

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RBI / 2009-10/468

RPCD.CO.RF.AML.BC. No. 84 /07.40.00/2009-10

May 14, 2010

**The Chairmen/CEOs of all State / Central Co-operative Banks**

Dear Sir,

**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) Amendment Rules, 2010 - Obligation of banks/All India Financial institutions**

Government of India vide its Notification No. 7/2010-E.S.F.No.6/8/2009-E.S dated February 12, 2010 has amended the 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. [A copy of the Notification is enclosed for ready reference.](#)

2. The salient features of the amendment *inter alia* require State and Central Co-operative Banks:

- to maintain the records of all transactions including the records of transactions detailed in rule 3 sub-rule (1).
- the records referred to in rule 3 should contain all necessary information specified by the Regulator to permit reconstruction of individual transactions including the information detailed in rule 4.

3. Further, in rule 9 in sub-rule (1A) an explanation of 'beneficial owner' has been inserted in terms of which " 'Beneficial Owner' shall mean the natural person who ultimately owns or controls a client and or the person on whose behalf a transaction is being conducted, and includes a person who exercise ultimate effective control over a juridical person".

**4. State and Central Cooperative Banks are advised to strictly follow the amended provisions of PMLA Rules and ensure meticulous compliance to these Rules.**

Yours faithfully,

(R.C.Sarangi)  
Chief General Manager

Encl: As above