RBI/2011-12/131
DBOD. AML.No. 1454 /14.01.001/2011-12   **July 27, 2011**

**The Chairmen/CEOs of all Scheduled Commercial Banks(Excluding RRBs)/
Local Area Banks / All India Financial Institutions**

Dear Sir,

**Anti-Money Laundering (AML)/Combating of Financing of Terrorism (CFT) -
Standards**

Please refer to our letter DBOD. AML.No.15007 /14.01.001/ 2010-11 dated March
24, 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 updated its 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 Indian banks or financial institutions entering
into legitimate trade and business transactions with Iran.

4. FATF has also identified Jurisdictions 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 and Syria, Turkey.

5. All banks and All India Financial Institutions are accordingly advised to take into
account risks arising from the deficiencies in AML/CFT regime of these countries,

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Mumbai,400001
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हिंदी आसान है, इसका प्रयोग बढ़ाइए

while entering into business relationships and transactions with persons (including legal persons and other financial institutions) from or in these countries/ jurisdictions.

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

Yours faithfully,

(Deepak Singhal)
Chief General Manager

Encl: As above