

RESERVE BANK OF INDIA
Foreign Exchange Department
Central Office
Mumbai - 400 001

RBI/2013-14/ 455
A.P. (DIR Series) Circular No.97

January 20, 2014

To,

All Authorised Persons

Madam/ Sir,

Know Your Customer (KYC) norms/Anti-Money Laundering (AML) standards / Combating the Financing of Terrorism (CFT) Obligation of Authorised Persons under Prevention of Money Laundering Act, (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009 Money changing activities

Attention of Authorised Persons is invited to F-Part-II of the Annex to the [A.P. \(Dir Series\) Circular No. 17 \[A.P. \(FL/RL Series\) Circular No. 04\] dated November 27, 2009](#), as amended from time to time.

2. Based on several representations received from Authorised Money Changers (AMCs), regarding difficulties in submitting Resolution of the Board of Directors for undertaking foreign exchange transactions with an AMC and also Power of Attorney granted to its officials to conduct forex transactions on behalf of the company, it has been decided to rationalise the same. Accordingly, the requirement of Resolution of the Board of Directors is being done away with and a corporate may now submit to the AMC a list of officials with names and signatures authorized by the Managing Director / Chief Financial Officer of the company to conduct forex transactions on its behalf. The amended instructions are given in the **Annex**.

3. All the other instructions contained in the A.P. (DIR Series) Circular No. 17 [A.P. (FL/RL Series) Circular No. 04] dated November 27, 2009, as amended from time to time shall remain unchanged.

4. Authorised Persons may bring the contents of this circular to the notice of their constituents concerned.

5. These guidelines are also applicable mutatis mutandis to all agents/ franchisees of Authorised Persons and it will be the sole responsibility of the franchisers to ensure that their agents / franchisees also adhere to these guidelines.

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

7. The directions contained in this Circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and also under the, Prevention of Money Laundering Act, (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009 and 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 as amended from time to time and are without prejudice to permission /approvals, if any, required under any other law.

Yours faithfully,

Rudra Narayan Kar
Chief General Manager-in-Charge

Annex

[Annex to A.P. (DIR Series) Circular No.97 dated January 20, 2014]

Extant Guidelines		Revised Guidelines	
Features	Documents	Features	Documents
Establishment of Business Relationship - Corporate	<p>Certified copy each of the following documents.</p> <p>(i) Certificate of incorporation (ii) Memorandum & Articles of Association (iii) Resolution of the Board of Directors for undertaking forex transactions with the AP (iv) Power of attorney granted to its managers, officers or employees to conduct forex transactions on behalf of the corporate and their identification. (v) PAN Card (vi) Telephone Bill</p>	Establishment of Business Relationship - Corporate	<p>Certified copy each of the following documents.</p> <p>(i) Certificate of incorporation (ii) Memorandum & Articles of Association (iii) List of officials with names, designation and signatures authorized by the Managing Director / Chief Financial Officer of the company to conduct forex transactions on behalf of the company (iv) PAN Card (v) Telephone Bill</p> <p>Note: Corporate should invariably pay to AMCs towards rupee leg of forex transactions through a cheque/bank account of corporate irrespective of the amount of forex transaction</p>