



Help the country in preventing Money Laundering /Terrorist Financing Let's make your Bank Anti-Money Laundering compliant

YES, ONLY YOU CAN DO IT!

What is money-laundering and how a customer can prevent it?

Money-laundering means 'washing' of the proceeds or profits generated from:

- (i) Tax evasion
- (ii) Corruption
- (iii) Smuggling & Drug trafficking
- (iv) Financial crimes
- (v) Illegal sale of wild life products and predicate offences

Your Bank is under statutory obligation, as per Prevention of Money Laundering Act, 2002, to monitor transactions in customer accounts. For effective monitoring, Bank, time to time, needs customer information like profile of the customer, source and use of income, etc.

By providing information to the Bank, at the time of account opening and subsequently, as and when required, you are assisting the Bank's efforts in prevention of money laundering / terrorist financing.

The following are the FAQs on 'Know Your Customer' & 'Anti-money Laundering' programme of the Bank:

1) What is Prevention of Money Laundering Act, 2002 and what it tries to achieve?

The Prevention of Money Laundering Act, 2002 (PMLA) forms the core of the legal framework put in place in India to combat money laundering. Its main objective is to prevent criminal elements from using the banking channels for money laundering activities and/or financing of terrorism related activities.

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The regulations require the Banks to adopt KYC procedures (KYC is an acronym for 'Know your Customer', a term commonly used for Client Identification Process). It assists the Banks to know / understand the customers and their financial dealings better to monitor their transactions for identification and prevention of suspicious transactions.

Compliance with AML (Anti-money Laundering) regulations helps the Banks and the society at large, in keeping a close watch on suspicious financial transactions and providing intelligence information (through reports) to the law enforcement authorities to deal with such transactions as per the applicable laws and regulations.

2) Why the Bank asks for documentary proof for identity and address for opening account.

The PMLA and the RBI guidelines require the Bank to establish the identity of the customer on the basis of documentary proof at the time entering into any business relationship. By submitting the required information, you help the Bank in discharging its statutory / regulatory obligation.

3) I am maintaining account with the Bank for the last 20 years. Yesterday, when I went to the Bank for a transaction, the concerned staff put before me a long form seeking my personal information like occupation, income, nationality etc. On enquiry, I was told that the information is required under KYC/AML programme. Was I not KYC compliant for the last 20 years?

Yes, you were KYC compliant but not AML compliant. Under AML, the Bank is required to know the economic profile of the customer and monitor transactions vis-à-vis their financial standing. The transactions beyond their profile are put to scrutiny.

4) What information I need to submit for opening new account?

You need to submit documentary proof to establish your identity and address credentials besides two copies of your latest photograph. You can provide copy of **any one** of the following documents, acceptable to the Bank :

For Identity proof (a) Passport, (b) Voter's Identity Card, (c) PAN Card, (d) Driving Licence, (e) Identity Card (subject to the Bank's satisfaction), (f) Letter from recognized public authority or public servant verifying identity and residence of the customer to the satisfaction of the Bank.

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For address proof : (a) Telephone Bill*, (b) Electricity Bill* (c) Bank account statement*, (d) Letter from recognized public authority to the satisfaction of the Bank, (e) Ration Card** , (f) Letter from employer (subject to the satisfaction of bank)

* Not more than 3 months old.

** Please note that in case any State Government has prohibited use of Ration Card for the purpose other than obtaining ration, the same will not be accepted as proof of address.

Besides copies, you will also be required to produce original documents for verification.

For your convenience, the list of documents required to establish identity and address for different types of customers is given at the end of the questionnaire.

5) I am maintaining Current account in the name of Sole Proprietorship concern, still I need to submit any other documents besides my personal ID/Address Proof.

While opening current account in the name of Sole Proprietorship concern, besides identification and address proof alongwith photograph of the Proprietor, any two of the following documents be submitted before opening of accounts in the name of proprietary concerns as Proof of name, address and activity of the concern:

Registration certificate (in the case of a registered concern); certificate/licence issued by Municipal authorities under Shop & Establishment Act; Sales and Income Tax Returns; CST / VAT certificate, certificate / registration document issued by Sales Tax / Service Tax / Professional Tax Authorities; Licence issued by the Registering Authority like Certificate of Practice issued by Institute of Chartered Accountants of India, Institute of Cost Accountants of India, Institute of Company Secretaries of India, Indian Medical Council, Food and Drug Control Authorities, etc; registration/licensing document issued by Central/State Govt/Depts; and Importer Exporter Code (IEC) issued by Director General of Foreign Trade (DGFT) as an identity document.

6) For opening accounts in legal capacity like Partnership Firm, Companies, Trust, etc, still I need to submit information mentioned in (4) above?

For legal persons, the Bank is required to obtain the proof of the existence of entity (such as copy of the Certificate of Incorporation, Memorandum / Articles of Association, Trust Deed, Partnership Deed, etc. as may be applicable) along with a copy of the resolution from the entity's managing body (such as Board of Directors or the Board of Trustees as may be applicable) to open the account. Further, the person interacting with the Bank for operating the account on behalf of the entity needs to obtain a mandate to that effect from the entity and establish his identity. However, KYC of the **persons authorized to operate** the account is also to be done as mentioned in (4) above.

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7) It means, if a person who is not having identity and address proof, will not be able to open account with the Bank.

If a person is not able to provide identity and address proof mentioned at (4) above, he / she can still open an account by providing the following :

✍ Introduction from another account holder who has been subjected to full KYC procedure. The introducer's account with the bank should be at least six months old and should show satisfactory transactions. Photograph of the customer who proposes to open the account and also his address need to be certified by the introducer,

OR

✍ Any other evidence as to the identity and address of the customer to the satisfaction of the bank. It could be a declaration by the customer which is duly attested by any of the local authorities at Village, Sub-Division, Municipality, viz., Member of Gram Sabha, Panchayat, BDO, Members of Self-Help Groups, State/Central Government Employee, Advocates, Doctors, Govt. Teachers, Notary Public, etc.

However, in such account, at any point of time, the balance in all his/her accounts with the bank (taken together) should not exceed Rs. 50,000/- (Rupees Fifty Thousand only) or total credit in the account should not exceed Rs.1,00,000/- (Rupees One Lac only) in a year, otherwise no further transactions will be permitted until the full KYC procedure is completed.

8) What does the Bank do with this information? Is this information shared with law enforcement agencies?

The customer profile / information collected by the Bank at the time of account opening or otherwise, are kept confidential and are not disclosed to any person, except when required under the provisions of applicable laws and regulations.

9) Why on large cash transactions Bank asks the source/purpose of transaction? After all it's my money.

As per regulatory guidelines, Banks are required to closely monitor the large cash transactions to identify unusual transactions and report the same to FIU-India. The staff is under obligation to scrutinize such transactions.

10) Is there anyone watching my transactions with the Bank?

Under the PMLA, Banks are required to submit large cash and suspicious transactions to the Financial Intelligence Unit, India (FIU-IND) Ministry of Finance, Government of India.



**INDICATIVE LIST OF DOCUMENTS REQUIRED FOR KYC COMPLIANCE
(FOR INDIVIDUALS & SOLE PROPRIETORSHIP CONCERNS)**

Documents Required	Individuals	Sole Proprietorship
		From Proprietor
(A) Identification Proof with authenticated photograph (copy of any one of the following documents)		
Passport	☞	☞
Voter's Identity Card	☞	☞
PAN Card	☞	☞
Driving Licence	☞	☞
Identity Card (subject to the Bank's satisfaction)	☞	☞
Letter from recognized public authority i.e. Gazetted Officer like Distt Magistrate/Divisional Commissioner/BDO/Tehsildar/Judicial Magistrate verifying identity and residence of the person (subject to the satisfaction of the Bank)	☞	☞
(B) Address Proof (copy of any one of the following documents)		
Telephone Bill*	☞	☞
Electricity Bill*	☞	☞
Bank Account Statement*	☞	☞
Ration Card**	☞	☞
Letter from Employer (subject to satisfaction of Bank)	☞	☞
* Not more than 3 months old		
** In case any State Government has prohibited use of Ration Card for the purpose other than obtaining ration, the same will not be accepted as proof of address.		
Letter from recognized public authority i.e. Gazetted Officer like Distt. Magistrate/Divisional Commissioner/BDO/Tehsildar/Judicial Magistrate verifying residence of the person (subject to the satisfaction of the Bank)	☞	☞
(C) Other Documents		
Recent Two Passport sized Photographs duly self attested	☞	☞
PAN Allotment Letter /GIR No./Form 60/61	☞	☞
2.Proof of Entity (certified copy of any two of the following documents)		From Firm
Registration Certificate giving Name, Address and Activity of the firm (in case of registered firm)		☞
Certificate/Licence issued by the Municipal authorities under Shop & Establishment Act		☞
Importer Exporter Code (IEC) issued by Director General of Foreign Trade (DGFT) in the name of firm as an Identity document		☞
Registration/Licensing document issued by Central Govt or State Govt Authority/Deptts.		☞
Sales and Income Tax Returns		☞
CST / VAT Certificate		☞
Certificate / Registration documents issued by Sales Tax / Service Tax / Professional Tax Authorities		☞



**INDICATIVE LIST OF DOCUMENTS REQUIRED FOR KYC COMPLIANCE
(OTHER THAN INDIVIDUALS & SOLE PROPRIETORSHIP CONCERNS)**

Documents Required	Partnership	Pvt./Public Ltd. Company	Trust/Club/Society/Association	HUF
1. For All Partners/Operating Trustees/All Directors in case of Private Ltd. Company / All Directors except nominated by Central/State Governments/Scheduled Commercial Banks/Financial Institutions in case of Public Ltd Company /Authorised Signatories / MC Members / Karta and Major Co-parceners				
(A) Identification Proof with authenticated photograph (copy of any one of the following documents)				
Passport	✍	✍	✍	✍
Voter's Identity Card	✍	✍	✍	✍
PAN Card	✍	✍	✍	✍
Driving Licence	✍	✍	✍	✍
Letter from recognized public authority i.e. Gazetted Officer like Distt Magistrate/ Divisional Commissioner/ BDO/Tehsildar/Judicial Magistrate verifying identity and residence of the person (subject to the satisfaction of the Bank)	✍	✍	✍	✍
(B) Address Proof (copy of any one of the following documents)				
Telephone Bill*	✍	✍	✍	✍
Electricity Bill*	✍	✍	✍	✍
Bank Account Statement*	✍	✍	✍	✍
Ration Card**	✍	✍	✍	✍
* Not more than 3 months old				
** In case any State Government has prohibited use of Ration Card for the purpose other than obtaining ration, the same will not be accepted as proof of address.				
Letter from recognized public authority i.e.Gazetted Officer like Distt. Magistrate/Divisional Commissioner/BDO/Tehsildar/Judicial Magistrate verifying residence of the person (subject to the satisfaction of the Bank)	✍	✍	✍	✍
2.Proof of Legal Entity (certified copy of following documents)				
Partnership deed/Trust Deed	✍		✍	
Shop & Establishment Certificate	✍			
Copy of Bye Laws			✍	
Certificate of Incorporation		✍		
Certificate of Commencement of Business (in respect of Public Ltd. Company)		✍		
Resolution of the Managing committee of trust/clubs/society/Associations			✍	
Resolution of Board of Directors		✍		
Memorandum & Article of Association		✍		
Registration Certificate	✍			
Telephone bill in the name of the Partnership/ Company/Trust/Club/Society/Association/HUF	✍	✍	✍	✍
Other Documents				
Recent Passport Photographs duly self attested	✍	✍	✍	✍
PAN Allotment letter/GIR No./Form 60/61	✍	✍	✍	✍
Names and Addresses of Partners/ Directors/ Trustees/Managing Committee members/Karta & Major co parceners/Authorised signatories	✍	✍	✍	✍