



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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UBD.BPD (PCB) Cir. No. 32/14.01.062/2013-14

October 22, 2013

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

Madam / Dear Sir,

Know Your Customer (KYC)/Anti Money Laundering (AML) Standards/Combating Financing of Terrorism (CFT)/ Obligation of banks under Prevention of Money Laundering Act (PMLA), 2002 – ‘At par’ cheque facility extended to Cooperative Banks by Scheduled Commercial Banks

It has been observed that UCBs are utilizing ‘at par’ cheque facility extended by Scheduled Commercial Banks not only for their own use but also for their customers, including walk-in customers.

2. Keeping in view the systemic and supervisory concerns that emanate from such an arrangement, UCBs are advised to utilize the ‘at par’ cheque facility only for the following purposes:

- i) for their own use.
- ii) for their account holders who are KYC compliant provided that all transactions of ₹. 50,000.00 or more should be strictly by debit to the customer’s account.
- iii) for walk-in customers against cash for less than ₹. 50,000.00 per individual.

3. In order to utilise the ‘at par’ cheque facility in the above manner, UCBs should maintain

- i) records pertaining to issuance of ‘at par’ cheques covering inter alia applicant’s name and account number, beneficiary’s details and date of issuance of the ‘at par’ cheque.

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बैंक हिन्दी में पत्राचार का स्वागत करता है —

चेतावनी: भारतीय रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन कॉल के जरिये कोई भी व्यक्तिगत जानकारी जैसे बैंक खाते का ब्यौरा, पासवर्ड आदि नहीं माँगा जाता है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी प्रकार से जवाब मत दीजिए।

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.



- ii) sufficient balances/drawing arrangements with the commercial bank extending such facility for purpose of honouring such instruments.

UCBs should also ensure that all 'at par' cheques issued by them are crossed 'account payee' irrespective of the amount involved.

4. UCBs are advised to make use of more efficient means of remittances for the customers like NEFT or RTGS by providing such services directly or by becoming sub-members of banks providing such services as per regulations in this regard issued by RBI from time to time.

Yours faithfully,

(P.K. Arora)
General Manager