

Sub: Summary of Order-in-Original No. 24/DIR/FIU-IND/2022 in the matter of Dr Panjabrao Deshmukh Urban Co-Operative Bank Ltd., Amravati – reg

The RBI has shared findings of its inspection of '**Dr Panjabrao Deshmukh Urban Co-Operative Bank Ltd.**', with FIU-IND, wherein it was pointed out that the Bank had not filed STRs pertaining to certain cash transactions.

2. Accordingly, vide Show-Cause Notice (SCN) dated March 15,2022, the Bank was called upon to explain as to why suitable directions including directions for imposition of penalty should not be passed against the Bank under section 13 of the Act read with section 12 of the Act and rules 3 and 7 of the Rules, 2005 for non-filing of valid CTRs, failure to evolve effective internal mechanisms for detecting and reporting of CTRs and STRs .

3. The Bank submitted its reply to the SCN and in accordance with the principles of natural justice the Bank was granted opportunity of personal hearing through its authorised representatives.

4. After considering the submissions of the Bank, vide Order-in-Original No. 24/DIR/FIU-IND/2022 dated 31<sup>st</sup> October, 2022, the Director, FIU-IND disposed of the adjudication proceedings instituted against the Bank vide the Show-Cause Notice dated March 15, 2022 and in exercise of the powers conferred under section 13(2)(d) of the Act imposed monetary penalty of **₹ Ten lakh twenty five thousand only (₹10,25,000/-)** for non-compliance of section 12 of the Act, read with rules 3 and 7 of the Rules, 2005 by the Bank, viz. non-filing of seven CTRs and delayed filing of 65 CTRs, failure to evolve effective internal mechanism for detection and reporting of CTRs and failure to evolve effective internal mechanism for detection and reporting of STRs, under section 12 of the Act, read with Rules 3(1)(A), 3(1)(B), 5(2), 7(2), 7(3), 7(4) and 8(1) of the PML Rules, 2005.

5. In terms of section 13(2)(b) of the Act, the Director, FIU-IND directed the Bank to file CTRs pertaining to the period April 2016 to October 2016, which were not reported till the date of the order within 30 days from the receipt of this penalty order. The Bank has also been directed to re-evaluate its internal mechanism based on the FIU-IND Guidelines on Detecting and Reporting of Suspicious Transactions and to implement a revised mechanism in accordance with said guidelines within 90 days from the date of receipt of this penalty order.

**Disclaimer: The summary of the instant Order-in-Original is only representational in nature and does not hold any legal significance or cannot be relied upon or referred to as a precedence in any other case.**