

Sub: Summary of Order-in-Original No. 04/DIR/FIU-IND/2024 in the matter of
The Balasore Urban Co-operative Bank Ltd. reg.

The RBI shared the findings of its inspection report in respect of **the Balasore Urban Co-operative Bank Ltd. (the Bank)** with FIU-IND pertaining to its failure to file Cash Transaction Reports (CTRs) in the month of January and March 2015 in three SB accounts and failure to follow KYC guidelines in terms of the provisions of the PML Act and the PML Rules.

2. Vide Show Cause Notice dated September 02, 2016, the Bank was called upon as to why action should not be taken against the Bank under Section 13 of the Act read with Section 12 of the Act and rule rules 3, 7 and 9 of the Rules, 2005 for non-compliance as enumerated in para 1 above.

3. The Bank submitted its reply to the SCN and in compliance of the Principles of Natural Justice, the Bank was granted opportunity of Personal Hearing (PH) through its Authorised Representative (AR).

4. After considering the submissions of the Bank, the Director, FIU-IND disposed of the adjudication proceedings initiated against the Bank vide Order-in-Original No. 04/DIR/FIU-IND/2024 dated January 09, 2024 by imposing **monetary penalty to the tune of Rs. Twenty five thousand only** on the Balasore Urban Co-operative Bank Ltd., under Section 13(2)(d) of the Act, for failure to file Cash Transactions Reports (CTRs) and for failure to follow the KYC guidelines and submission of reports in the procedure and manner prescribed under the PML Act and Rules in terms of Section 12 of the Act read with Rules 3(1)(A), 3(1)(B) and 7(3) of the PML Rules, 2005.

4.2. The Director FIU also directed the Bank to **ensure suitable training in AML/CFT for the concerned staff** so as to ensure smooth discharge of obligations under the PML Act and rules thereof.

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.