



RBI/2011-12/131

DBOD. AML.No. 1454 /14.01.001/2011-12

July 27, 2011

The Chairmen/CEOs of all Scheduled Commercial Banks(Excluding RRBs)/  
Local Area Banks / All India Financial Institutions

Dear Sir,

**Anti-Money Laundering (AML)/Combating of Financing of Terrorism (CFT) -  
Standards**

Please refer to our letter [DBOD. AML.No.15007 /14.01.001/ 2010-11 dated March 24, 2011](#) on risks arising from the deficiencies in AML/CFT regime of Iran and Democratic People's Republic of Korea (DPRK).

2. Financial Action Task Force (FATF) has updated its Statement on June 24, 2011 on the subject ([copy enclosed](#)) calling its members and other jurisdictions to apply counter-measures to protect the international financial system from the ongoing and substantial money laundering and terrorist financing (ML/FT) risks emanating from Iran and Democratic People's Republic of Korea (DPRK).

3. This advisory does not preclude Indian banks or financial institutions entering into legitimate trade and business transactions with Iran.

4. FATF has also identified Jurisdictions with strategic AML/CFT deficiencies that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies. The FATF calls on its members to consider the risks arising from the deficiencies associated with each jurisdiction as described in the Statement: Bolivia ,Cuba, Ethiopia, Kenya, Myanmar, Sri Lanka and Syria, Turkey.

5. All banks and All India Financial Institutions are accordingly advised to take into account risks arising from the deficiencies in AML/CFT regime of these countries,



while entering into business relationships and transactions with persons (including legal persons and other financial institutions) from or in these countries/ jurisdictions.

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

Yours faithfully,

(Deepak Singhal)  
Chief General Manager

Encl: As above