



EC No. /DoS/23/205-3/2019-20

20<sup>th</sup> January 2020

Ref. No. NB. DoS/ POL/2896/J-1/2019-20

The Chairman, All RRBs  
The Managing Director, All State Cooperative Banks  
The Managing Director / Chief Executive Officer,  
All District Central Cooperative Banks

Dear Sir

**Know Your Customer (KYC) Directions, 2016**

Please refer to NABARD Circular No.NB.DoS.HO.Pol/4302/J-1/2019-20 (circular No.51/DoS-7/2016) dated 21 March 2016 on the captioned subject, wherein the Banks were advised to strictly adhere to Know Your Customer (KYC) Directions, 2016, issued by the Reserve Bank of India under the provisions of Section 35A of the B.R. Act, 1949/1949 (AACS) vide DBR.AML.BC.No.81/14.01.001/2015-16 (RBI/DBR/2015-16/18) dated 25 February 2016 applicable to every entity regulated by the RBI including your bank.

2. In this connection, it is advised that the Reserve Bank of India is periodically amending the said Directions and issuing updated **Know your Customer (KYC) Directions, 2016 in its website i.e., [www.rbi.org.in](http://www.rbi.org.in)** which needs to be placed before your Board for immediate adherence on the updated requirements.

3. Banks are advised to verify their compliances with reference to updated version of RBI Master Directions on Know Your Customer (KYC) 2016 vide RBI notification as on 29 May 2019 and confirm strict compliance.

4. Banks may acknowledge the receipt of this circular and also self-evaluate their additional compliances as per Annexure enclosed and furnish a copy by e-mail to [dos@nabard.org](mailto:dos@nabard.org) latest by 31 January 2020.

Yours faithfully

(K.S. Raghupathi)  
Chief General Manager  
Encl: One sheet

राष्ट्रीय कृषि और ग्रामीण विकास बैंक  
National Bank for Agriculture and Rural Development

पर्यवेक्षण विभाग

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## Know Your Customer (KYC) Directions - Status of compliance (as on \_\_\_\_\_)

Name of the Bank : \_\_\_\_\_

State : \_\_\_\_\_

Sl. No.	Particulars	Status/Comments of the Bank	Remarks
1	<b>KYC Policy</b>		
	(i) Whether the Bank has KYC Policy duly approved by the Board of Directors	Yes / No	
	(ii) If yes, Date of Board Meeting approving the Policy		
2	<b>The approved policy contains the following key elements</b>		
	(i) Customer Acceptance Policy	Yes / No	
	(ii) Risk Management	Yes / No	
	(iii) Customer Identification Procedure	Yes / No	
	(iv) Monitoring of Transactions	Yes / No	
	<b>Designated Director</b>		
3	Whether 'Designated Director' has been nominated by Board & is in place	Yes / No	
	(i) Name/ Designation /Address of the present Designated Director		
	(ii) Date of appointment		
	(iii) Date of Board Meeting nominating the Designated Director		
	<b>Principal Officer</b>		
4	Whether Principal Officer has been nominated & is in place	Yes / No	
	(i) Name, Designation & Address of present Principal Officer		
	(ii) Date of appointment		
	(iii) Date of Board Meeting nominating the Principal Officer		
5	<b>Risk Categorisation</b>		
	Whether the Bank has the system in place of risk categorisation of customers as 'low', 'medium' and 'high' risk	Yes / No	
	If yes, then when such categorisation last completed		
6	Whether Risk Categorisation is reviewed and updated periodically?	Yes / No	
	(i) Low Risk Category	(Indicate periodicity like annual, half-	
	(ii) Medium Risk Category	Indicate Periodicity	
	(iii) High Risk Category	Indicate Periodicity	
7	<b>Record Management System - Whether necessary record management system has been introduced?</b>	Yes / No	
	Details of existing instructions issued (Date/Ref. No. and important features)		
8	Whether the bank is registered with FIU-IND?	Yes / No	
	(ii) If yes, furnish registration number		
	(iii) If no, reasons for non-registration.		
9	Whether the bank has necessary software throwing alerts for transactions inconsistent with risk categorisation	Yes / No	
	If Yes, details (name of software, if any, date of acquiring, date of operationalising etc.) thereof		



## Know Your Customer (KYC) Directions - Status of compliance (as on \_\_\_\_\_)

Name of the Bank : \_\_\_\_\_

State : \_\_\_\_\_

Sl. No.	Particulars	Status/Comments of the Bank			Remarks
	Whether necessary parameterisation therefor has been approved by the Board?	Yes / No			
	If yes, details of Board Meeting approving such parameterisation				
	Whether the bank is getting alerts?	Yes / No			
	Whether the alerts are being examined further to decide whether the transactions can be considered as 'suspicious transactions' or not	Yes / No			
10	Whether following Reports are being furnished to FIU-IND electronically?	Yes / No	Periodicity	Date of last report furnished to FIU-IND	
	CTR				
	STR				
	CCR				
	NTR				
11	Total Number of Staff				
12	No. of staff trained in AML/CFT policy.				

