

**Sub.: Summary of Order-in-Original No. 17/DIR/FIU-IND/2023 in the matter of Dhule and Nandurbar Jilha Sahakari Nokaranchai Sahakari Bank Ltd.. reg.**

The RBI shared its findings of its inspection of **Dhule and Nandurbar Jilha Sahakari Nokaranchai Sahakari Bank Ltd.(the Bank)** with FIU-IND pertaining to its failure to file cash transaction reports and failure to file CCR and evolve an effective internal mechanism to detect and report suspicious transactions in terms of the provisions of the Act.

2. Vide Show Cause Notice dated August 22, 2016, the Bank was called upon as to why action including direction of 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, 7 and 8 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, vide Order-in-Original No. 17/DIR/FIU-IND/2023 dated September 19, 2023, the Director, FIU-IND disposed of the adjudication proceedings initiated against the Bank vide the Show Cause Notice dated August 22, 2016, by imposing **monetary penalty to the tune of Rs One Lakh** on Dhule and Nandurbar Jilha Sahakari Nokaranchi Sahakari Bank Ltd, under section 13(2)(d) of the Act, for failure to file cash transaction report in terms of Section 12 of the Act read with Rules 3(1)(A), 3(1)(B), 7(2), Rule 7(3) and 8(1) of the PML Rules, 2005 & for failure to file CCR and evolve an effective internal mechanism to detect and report suspicious transactions in terms of Section 12(1)(a) and 12(1)(b) of the Act read with Rules 3(1)(C), 3(1)(D), 7(3) & 8 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.

4.3 Further, Dhule and Nandurbar Jilha Sahakari Nokaranchi Sahakari Bank Ltd. was directed under Section 13(b) of the Act **to file reportable cash transaction reports and evolve an effective internal mechanism to detect and report suspicious transactions** in terms of Section 12 of the Act read with Rule 7(3) of the PML Rules, 2005 within **30 days** of the receipt of the Adjudication 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.**