

F. No. 9-94/2018/Compl./FIU-IND

Government of India
Ministry of Finance
Department of Revenue
Financial Intelligence Unit - India

6th Floor, Hotel Samrat
Kautilya Marg, Chanakyapuri
New Delhi - 110 021

ORDER-IN ORIGINAL NO. 6/DIR/FIU-IND/2019

Name & Address of the Reporting Entity: The Urban Co-operative Bank Limited,
Shikaripur
Old Santhe Maidana
Shikaripura - 577 427
Shivamogga District
Karnataka

Show Cause Notice No. & Date: F.No. 9-94/2018/Compl./FIU-IND
Dated April 5, 2019

Section under which order passed: Section 13 of the Prevention of Money
Laundering Act, 2002

Date of Order: July 15, 2019

Authority passing the order: Director, Financial Intelligence Unit -
India

This Order has been passed under Section 13 of the Prevention of Money Laundering Act, 2002 (hereinafter referred to as "the PMLA" or "the Act"). An appeal against this Order shall lie before the Appellate Tribunal, Prevention of Money Laundering Act at New Delhi within a period of forty five days from the date on which this Order is received by The Urban Co-operative Bank Limited, Shikaripur. The appeal should be in the form and manner prescribed under sub-section (3) of Section 26 of the Act.

1. The Urban Co-operative Bank Limited, Shikaripur (hereinafter referred to as the 'Bank') is a Reporting Entity as defined under Section 2 of the PMLA, 2002.
2. Section 12 of the PMLA, 2002 and the Prevention of Money Laundering (Maintenance of Records) Rules 2005 (hereinafter referred to as the 'Rules'), framed under the Act impose obligations on banking companies to *inter alia*, verify the identity of the clients, maintain records of specified transactions and report to the Director, Financial Intelligence Unit — India (hereinafter referred to as 'Director, FIU-IND') information relating to such transactions. These reports include reports on cash transactions, suspicious transactions and counterfeit currency transactions etc.
3. Rule 3 of the Rules specifies the transactions, the records of which are to be maintained; Rules 5, 7 and 8 of the Rules prescribe the procedure, manner and time of maintaining and furnishing such information; and Rule 9 of the Rules prescribes the procedure and manner of verification of records of identity of clients. Rule 7(3) requires that all reporting entities shall evolve an internal mechanism having regard to any guidelines issued by its Regulator, for detecting the transactions referred to in Rule 3 and for furnishing information about such transactions in such form as may be directed by its Regulator.
4. Further, Section 12A of the PMLA, 2002 empowers the Director, FIU-IND to call for from any RE any of the records referred to in sub-section (1) of Section 12 of the Act and any additional information as he considers necessary for the purposes of the Act. Further, every RE is obligated to furnish to the Director, FIU-IND such information within such time and in such manner as he may specify.
5. Section 13 of the PMLA, 2002 confers on the Director, FIU-IND powers to enquire into cases of failure to comply with the provision of Section 12 of the Act and the Rules thereunder and to:
 - (a) issue a warning in writing; or
 - (b) direct such reporting entity or its designated director on the Board or any of its employees, to comply with specific instructions; or

- (c) direct such reporting or its designated director on the Board or any of its employees, to send reports at such intervals as may be prescribed on the measures it is taking; or
- (d) by an order, impose a monetary penalty on such reporting entity or its designated director on the Board or any of its employees, which shall not be less than ten thousand rupees but may extend to one lakh rupees for each failure.

6. The Reserve Bank of India (RBI) had shared relevant extracts of its inspection report wherein, information pertaining to the violations of KYC / PMLA against the Bank had been reported as follows:

- a) The Bank had not reported few transactions above Rs. 10.00 lakh electronically to FIU-IND in respect of 12 accounts in the month of January 2016 as detailed below:

Sl. No.	Customer Details	Account Number	Credit Amount	Debit Amount
1.	Account No. 1	XXXXXXXXXX0441	1744255.00	2463495.00
2.	Account No. 2	XXXXXXXXXX5133	2000000	2000000.00
3.	Account No. 3	XXXXXXXXXX5139	1016500.00	1038900.00
4.	Account No. 4	XXXXXXXXXX5150	2958000.00	
5.	Account No. 5	XXXXXXXXXX5187	1599038.00	
6.	Account No. 6	XXXXXXXXXX2602	1025000.00	1025000.00
7.	Account No. 7	XXXXXXXXXX3404		2000000.00
8.	Account No. 8	XXXXXXXXXX5488	1500000.00	
9.	Account No. 9	XXXXXXXXXX6080		1200000.00
10.	Account No. 10	XXXXXXXXXX6832		1938000.00
11.	Account No. 11	XXXXXXXXXX7696		2000000.00
12.	Account No. 12	XXXXXXXXXX0217		2000000.00

b) The Bank had also not reported transactions above Rs. 10.00 lakh electronically to FIU-IND in respect of 22 accounts in the month of March 2016 as detailed below:

Sl. No.	Customer Details	Account Number	Credit Amount	Debit Amount
1.	Account No. 1	XXXXXXXXXX0441	4163069.00	3690479.00
2.	Account No. 2	XXXXXXXXXX5078	1040000.00	
3.	Account No. 3	XXXXXXXXXX5107	1046411.00	
4.	Account No. 4	XXXXXXXXXX5114	1055000.00	
5.	Account No. 5	XXXXXXXXXX5150	3898000.00	
6.	Account No. 6	XXXXXXXXXX5168		1075000.00
7.	Account No. 7	XXXXXXXXXX5196		1100000.00
8.	Account No. 8	XXXXXXXXXX5197	1800000.00	2400000.00
9.	Account No. 9	XXXXXXXXXX2397		2540000.00
10.	Account No. 10	XXXXXXXXXX2689		1000000.00
11.	Account No. 11	XXXXXXXXXX3611	1000000.00	
12.	Account No. 12	XXXXXXXXXX5488		1500000.00
13.	Account No. 13	XXXXXXXXXX6001		1000000.00
14.	Account No. 14	XXXXXXXXXX6170		1000000.00
15.	Account No. 15	XXXXXXXXXX6719		1025900.00
16.	Account No. 16	XXXXXXXXXX6922		1000000.00
17.	Account No. 17	XXXXXXXXXX7114		1000000.00
18.	Account No. 18	XXXXXXXXXX7134		1000000.00
19.	Account No. 19	XXXXXXXXXX7627		1000000.00

20.	Account No. 20	XXXXXXXXXX8379		1000000.00
21.	Account No. 21	XXXXXXXXXX8796		1500000.00
22.	Account No. 22	XXXXXXXXXX0798		1000000.00

c) Further, the Bank had generally adhered to KYC documentation. However, on a random verification, a few aberrations were observed as regards non-compliance with KYC / AML guidelines in respect of the following 10 saving bank accounts which are as follows:

- i. No ID proof and address proof in SB accounts- XXX60, XXX67, XXX79, XXX85, XXX95.
- ii. No photo in SB accounts - XXX46, XXX41, XXX46, XXX77, XXX79, XXX85.
- iii. No Address Proof in SB account- XXX65

7. Based on the above extract shared by RBI, vide letter number F. No. 9-94/2018/Compl./FIU-IND dated September 14, 2018, the Bank was advised to furnish its comments on the aforementioned non-compliances within 15 (fifteen) days of the receipt of the said letter.

8. The Bank vide its letter number 170/2018-19 dated October 1, 2018 had furnished its comments on the afore-mentioned non-compliances, a gist of which is as follows:

(a) The Bank had submitted that it was CBS enabled only since April 2016 onwards. Prior to April 2016, all the transactions were reported on a stand-alone computer system. The staff concerned were not aware that all the cash transactions of Rs. 10 lakh and above had to be reported to FIU-India monthly. In the absence of CBS, the Bank Head/the principal compliance officer (P.O.) also could not monitor the transactions to promptly report to FIU-India on a monthly basis.

(b) The Bank had contended that it got aware of the lapses only in April/May 2016 during the course of RBI inspection when it was pointed out by them that the Bank had not

reported 12 transactions in January 2016 and 22 transactions in March 2016. However, according to the Bank since April 2016 onwards, all the cash transactions of Rs. 10 lakh and above are being promptly reported to FIU-IND on a monthly basis.

(c) The Bank had further requested for condonation of its lapses with an assurance of prompt reporting to FIU-IND.

9. The relevant extract of the RBI's Inspection Report as detailed at para 6 above along with the comments furnished by the Bank vide its afore-mentioned letter dated October 1, 2018 were examined that revealed *inter alia*, the following:

(a) The allegations enumerated in the extracts of the RBI's Inspection Report *inter alia*, stated that the Bank had failed to report few transactions above Rs. 10.00 Lakh in 12 accounts in the month of January 2016 and in 22 accounts in the month of March 2016. However, few transactions of Rs. 10.00 Lakh only could be observed in the said 34 accounts that are not reportable in terms of Rule 3(1)(A) of the PML rules, 2005. Thus, 16 reportable cash transactions above Rs. 10.00 Lakh in respect of 11 accounts for the month of January 2016 and 14 reportable cash transactions above Rs. 10.00 Lakh in respect of 11 accounts for the month of March 2016 had not been reported by the Bank in terms of Section 12(1)(a) and 12(1)(b) Read with Rule 3(1)(A) of the PML rules, 2005.

(b) The Bank in its afore-mentioned letter dated October 1, 2018 had admitted its failure to report 12 reportable cash transactions above Rs. 10.00 lakh for the month of January 2016 and 22 reportable cash transactions above Rs. 10.00 lakh for the month of March 2016 as indicated in the extracts of the RBI's Inspection Report.

(c) The Bank had admitted that it had started reporting CTRs only since April 2016.

(d) Additionally, the afore-mentioned letter of the Bank was silent w.r.t its non-compliance with the AML guidelines to verify identity of its clients in terms of Section 12(1)(c) of the PMLA read with Rule 9 of the PML Rules, 2005.

10. In view of the foregoing, a show cause notice (SCN) dated April 5, 2019 was issued to the Bank on account of the deficiencies pointed out in the extracts of the RBI's inspection report. Vide the said SCN dated April 5, 2019 and in the interest of principles of natural justice, the Bank was granted an opportunity of personal hearing in the instant matter and was directed to submit its reply with regard to its following non-compliances with the provisions of PMLA 2002 and the Rules thereunder:

- (a) Alleged failure of the Bank to file 16 CTRs in respect of 11 accounts for the month of January 2016 and 14 CTRs in respect of 11 accounts for the month of March 2016 in terms of the provisions of Section 12 (1)(a) and 12 (1)(b) of the Act read with Rule 3(1)(A), 5(1), 7(2) and 8(1) of the PML Rules, 2005;
- (b) Alleged failure of the Bank to evolve an effective internal mechanism to identify, detect and report all cash transactions above Rs. 10.00 lakh in terms of Section 12 (1)(a) and 12 (1)(b) of the Act read with Rule 5(2) and 7(3) of the PML Rules, 2005; and
- (c) Alleged failure of the Bank to verify the identity of its clients in respect of 10 saving bank accounts in such manner and subject to such conditions as prescribed in terms of Section 12(1)(c) of the Act read with Rule 9(1)(a)(i) of the PML Rules, 2005.

11. The Bank vide its letter number 14/2019-20 dated April 12, 2019, which has been received by FIU-IND on April 22, 2019 has submitted its reply to the SCN contending *inter alia*, the following:

- (a) The Bank has claimed that the Bank was CBS enabled only since April 2016 onwards. The Bank has further asserted that prior to April, 2016, all the transactions were processed on a stand-alone computer system, due to which, the Bank's staff processing the data were not aware that all the cash transactions of Rs. 10 lakh and above had to be reported to FIU-IND on a monthly basis. As per the Bank, in the absence of CBS, the Bank Head / the Principal Compliance Officer could not monitor the transactions to enable the bank to promptly report all the cash transactions of Rs. 10 lakh and above to FIU-IND on a monthly basis.

- (b) The Bank has admitted to have failed to report cash transactions above Rs. 10.00 lakh and has claimed that to have initiated necessary corrective steps thereby, reporting to FIU-IND, New Delhi all cash transactions above Rs. 10.00 lakh since April 2016 on a monthly basis.
- (c) The Bank has averred that it has uploaded on the FIU-IND portal all the cash transactions above Rs. 10.00 lakh in 12 accounts for the month of January 2016 and cash transactions above Rs. 10.00 lakh in 22 accounts for the month of March 2016.
- (d) In addition, the Bank has claimed to have put in place proper systems to ensure that such lapses do not recur and that all cash transactions of Rs. 10 lakh and above are now promptly reported to FIU-IND on a monthly basis. The Bank has also asserted that it regularly monitors all transactions including suspicious transactions, and submits STR to FIU-IND as and when it comes across any suspicious transaction.
- (e) The Bank has also contended to have rectified the KYC / AML deficiency pointed out in the RBI's Inspection Report in respect of the following 10 SB accounts as follows:
- i. The Bank has claimed to have obtained ID proof and address proof for SB accounts XXX60, XXX67, XXX79, XXX85 and XXX95.
 - ii. Customer's photographs in respect of the SB accounts viz. XXX46, XXX41, XXX46, XXX77, XXX79 and XXX85 have claimed to be obtained by the Bank.
 - iii. The Bank has submitted to have collected address proof from customer of SB account no. XXX65.
- (f) Vide its afore-mentioned reply to the SCN, the Bank has requested to condone the lapses treating it as a special case and has not sought a personal hearing in the said matter.

12. The contentions / submissions of the Bank submitted vide its afore-mentioned letter dated April 12, 2019 were examined that revealed *inter alia*, the following:

- (a) The Bank failed to provide the details such as Batch IDs for the CTRs claimed to have been filed by it for 16 reportable cash transactions in respect of 11 accounts and 14 reportable cash transactions in respect of 11 accounts as claimed to have been uploaded by it for the months of January 2016 and March 2016 respectively in terms of Section 12(1)(a) and Section 12(1)(b) of the Act read with Rule 3(1)(A) and 8(1) of the PML Rules, 2005.
- (b) The Bank merely asserted to have rectified the deficiencies stated in the relevant extracts of the RBI's Inspection Report as regards its failure to report cash transactions above Rs. 10 lakh for the accounts mentioned therein.
- (c) The Bank further claimed to have adhered to KYC / AML guidelines by obtaining requisite KYC documentation for the accounts mentioned in the relevant extracts of the RBI's Inspection Report, however, it did not enclose any documentary evidence for the same.
13. Accordingly, vide e-mail dated April 29, 2019, the Bank was requested to furnish Batch ID details of the CTRs claimed to have been filed by it for the months of January 2016 and March 2016. The Bank vide its e-mail dated April 30, 2019 provided 2 Batch ID details which are as follows:
- **CTR for January 2016: Batch ID 190420316**
 - **CTR for March 2016: Batch ID 1904162361**
14. Based on the information furnished by the Bank, it was revealed that Batch ID details for the month of January 2016 furnished by the Bank were incorrect and no record of the CTR claimed to have been filed by the Bank was found in the FINnet database. Subsequently, vide e-mail dated May 15, 2019, the Bank was again requested to furnish the correct Batch ID details of the CTRs claimed to have been filed by it as per the above-mentioned reply to the SCN vide its letter dated April 12, 2019. Vide e-mail dated May 15, 2019, the Bank furnished the Batch ID for the CTR filed for the month of January 2016 as **1904204316**.
15. On perusal of the information provided by the Bank, the following has been revealed:
- (a) CTR for the month of January 2016, as claimed to have been filed by the Bank vide Batch ID

1904204316 is in rejected state due to 'Signature Verification of user and xml does not match'. The Bank has neither rectified the error nor has filed any updated CTR for the month of January 2016 since then.

- (b) CTR for the month of March 2016 has been filed by the Bank vide Batch ID 1904162361 on April 16, 2019 with a delay of 36 (thirty six) months. The Bank has filed 14 reportable cash transactions for the month of March 2016 in respect of 11 bank accounts in question with a delay of 36 months.

FINDINGS AND DISCUSSIONS

16. I have gone through the facts and circumstances of the case, charges levied in the SCN dated April 5, 2019, written submissions made by the Bank vide its letters dated October 1, 2018 and dated April 12, 2019 and additional information submitted by the Bank vide its e-mails dated April 30, 2019 and May 15, 2019. On considering all the aspects of the case, the following position emerges:

- (a) The first allegation against the Bank is w.r.t its failure to file cash transaction reports for the month of January 2016 and March 2016. In view of the analysis of the information provided by the Bank at para 15.a) above, the Bank has failed to comply with its statutory obligations under Section 12(1)(a) and 12(1)(b) of PMLA, 2002 read with Rule 3(1)(A), 7(2) and 8(1) of the PML Rules, 2005 to file 16 reportable cash transactions above Rs. 10.00 Lakh in respect of 11 bank accounts in question for the month of January 2016.
- (b) It has been brought to my notice that the Bank has filed 14 reportable cash transactions above Rs. 10.00 Lakh in respect of 11 bank accounts for the month of March 2016 on April 16, 2019 with a delay of 36 (thirty-six) months. The 14 reportable cash transactions for the month of March 2016 were not timely filed by the Bank by 15th of the succeeding month, i.e. April 15, 2016.

- (c) Considering the above, I deem it appropriate to state that in terms of Rule 3(1)(A) read with Rule 8(1) of the PML Rules, 2005, a reporting entity is obligated to furnish cash transaction reports to FIU-IND, New Delhi by the 15th day of the succeeding month in respect of all cash transactions exceeding Rs. 10.00 Lakh. It is trite to say that CTR report filing is a threshold based report and the obligation of a reporting entity to detect and report cash transactions exceeding the threshold limit is absolute and mandatory in terms of the relevant provisions of the Prevention of Money Laundering Act, 2002 and the Rules thereunder. Additionally, timely filing of such reports, as mandated under the Act and the Rules thereunder, is *sine qua non* and only on timely receipt of the filings/information from the reporting entity can such reports/information be analyzed by FIU-IND and disseminated to the relevant law enforcement agency for necessary action, if any. Thus, any failure by a reporting entity to file CTR reports, as in the instant case, adversely affects timely and holistic analysis and dissemination of data by FIU-IND which is crucial for effectively combating money laundering, terrorist financing, tax evasion, security threats and other grave crimes. Time, therefore, also becomes an essence in such cases and non-submission or late submission of reports is a violation of the provisions of the PMLA, 2002. In view of the above, I determine that the Bank has failed to furnish 16 reportable cash transactions in 11 bank accounts for the month of January 2016 and has failed to timely report 14 reportable cash transactions in 11 bank accounts for the month of March 2016 in terms of the provisions of the Act and the Rules thereunder.
- (d) The second allegation against the Bank is w.r.t its failure to have in place an effective internal mechanism to identify, detect and report all cash transactions above Rs. 10.00 Lakh in terms of Section 12(1)(a) and 12(1)(b) of the Act read with Rule 5(2) and 7(3) of the PML Rules, 2005.
- (e) I deem it appropriate to state that in terms of Rule 5(2) and 7(3) of the PML Rules, 2005, a reporting entity is mandated to evolve an effective internal mechanism having regard to the guidelines issued for detecting and reporting all transactions referred

to in sub-rule (1) of Rule 3 to FIU-IND according to the timeline prescribed under Rule 8(1) of the PML Rules, 2005. In the instant case, the relevant extract of the inspection report shared by the Reserve Bank of India revealed that the Bank had failed to report cash transaction reports electronically to FIU-IND, stating thereby, that the Bank had not complied with the instructions issued. The Bank in its submissions vide letters dated October 1, 2018 and April 12, 2019 has contended that it was CBS enabled only April 2016 onwards. The Bank has further contended that its staff was not aware that all cash transactions above Rs. 10.00 Lakh were mandatorily required to be reported to FIU-IND on a monthly basis. Further, on pursuing the information submitted by the Bank vide its above-mentioned e-mails dated April 30, 2019 and May 15, 2019, it has been revealed that CTR for the month of January 2016 is in a rejected state due to an error committed by the Bank and that, the Bank has not filed the corrected CTR since then. Also, CTR for the month of March 2016 has been filed on April 16, 2019 with a delay of 36 months. I also note that the Bank, vide its letters dated October 1, 2018 and April 12, 2019, has merely asserted to have rectified the deficiencies pointed out in the RBI's inspection report and taking corrective measures since the inspection by the Reserve Bank of India, without providing any evidentiary proof or a detailed response as regards the corrective measure being taken by it in evolving an effective mechanism in place in terms of the provisions of the PMLA and the Rules thereunder. By its own admission, the Bank had failed to evolve an effective internal mechanism prior to April 2016 so as to promptly report all cash transactions above Rs. 10.00 Lakh on a monthly basis, and therefore, ignorance of law, lack of resources etc. are not valid reasons for non-compliance with the provisions of the PMLA and its Rules. Further, a delay of 36 months in filing reportable cash transactions after the receipt of Show Cause Notice dated April 5, 2019 and despite of putting in place an internal mechanism subsequent to April 2016, as claimed by the Bank, indicates its lackadaisical approach in implementing an effective mechanism for detecting and reporting all cash transactions. In view of the above, it would be trite to state that the Bank has failed to put in place an effective internal mechanism to detect and report all cash transactions in terms of Rule 5(2) and 7(3) of the PML Rules, 2005.

- (f) The third allegation against the Bank is with regard to its failure to verify the identity of its clients in respect of 10 savings bank account in question in terms of Section 12(1)(c) of the PMLA, 2002 read with Rule 9(1)(a)(i) of the PML Rules, 2005. The relevant extract of the RBI's inspection report stated that the Bank had not complied with the AML guidelines by not obtaining ID proof, address proof and photographs in 10 of its saving bank accounts. The Bank in its written submissions vide letter dated April 12, 2019 has claimed to have rectified the KYC / AML deficiencies pointed out in the RBI's Inspection Report.
- (g) I deem it worthwhile to state that Section 12(1)(c) read with Rule 9(1)(a)(i) of the PML Rules, 2005 mandates a reporting entity to verify the identity of its clients by obtaining officially valid documents at the time of commencement of an account-based relationship with the clients. The objective behind providing detailed guidelines on KYC / AML is to prevent reporting entities from being used, intentionally or unintentionally, by criminal elements for money laundering or terrorist financing activities. KYC procedures also enable the reporting entities to know/understand their customers and their financial dealings better so as to manage their risks prudently. In the instant case, the Bank has failed to effectively apply client due diligence measures in respect of 10 savings bank accounts. In the instant case, the non-compliance of KYC/AML guidelines by the Bank pertain to the period of June-July 2017 when the inspection by the Reserve Bank of India revealed aberrations by the Bank in its KYC documentation procedures. The Bank, however, has claimed to have rectified the deficiencies since then as pointed out in the RBI's Inspection Report by obtaining the necessary officially valid documents from its customers. In view of the same, I, am inclined to take a lenient view and, therefore, in exercise of the power conferred upon me under Section 13(2)(a) of the Prevention of Money Laundering Act, 2002, I hereby issue a warning to the Bank for its failure to observe and effectively undertake client due diligence measures in respect of the 10 SB accounts in question at the time of the inspection undertaken by the Reserve Bank of India, i.e. June-July 2017.

17. In view of the foregoing, and considering all the facts and circumstances herein above, I determine that **The Urban Co-operative Bank Limited, Shikaripur** has failed to comply with the provisions of the Prevention of Money Laundering Act, 2002 and the Rules thereunder, and conclude the instant proceedings by imposing a monetary penalty on the Bank in the manner as summarised below:

Sl. No.	Failure of the Bank	Penalty	Amount
1.	Non-filing of 16 (sixteen) CTRs in 11 bank accounts for the month of January 2016 – violation of Section 12(1)(a) and 12(1)(b) of the Act read with Rule 3(1)(A), 5(1), 7(2) and 8(1) of the PML Rules, 2005	16 X Rs. 10,000/-	Rs. 1,60,000/-
2.	Delayed filing for 36 months in respect of 14 (fourteen) CTRs in 11 bank accounts for the month of March 2016 – violation of Section 12(1)(a) and 12(1)(b) of the Act read with Rule 3(1)(A), 5(1), 7(2) and 8(1) of the PML Rules, 2005	36 X Rs. 10,000/-	Rs. 3,60,000/-
3.	Failure to have effective internal mechanism in place for detection and reporting of cash transactions above Rs. 10.00 Lakh – violation of Section 12(1)(a) and 12(1)(b) of the Act read with Rule 5(2) and 7(3) of the PML Rules, 2005	Rs. 1,00,000/-	Rs. 1,00,000/-
Total			Rs. 6,20,000/-

18. In view of the above, I, in exercise of the powers conferred upon me under Section 13(2)(d) of the Prevention of Money Laundering Act, 2002 impose a total fine of **Rs. 6,20,000/- (Rupees Six Lakh Twenty Thousand only)** on **The Urban Co-operative Bank Limited, Shikaripur**

which will be commensurate with the violations committed by the Bank. The Bank shall pay the said amount of fine within **30 days** of receipt of this Order by way of Demand Draft in favour of “Pay & Account Officer, Department of Revenue” failing which the provisions of Section 69 of the Act shall apply.

19. Further, by virtue of powers conferred upon me under Section 13(2)(b) of the Prevention of Money Laundering Act, 2002, I, find it expedient to direct **The Urban Co-operative Bank Limited, Shikaripur** to file 16 CTRs in respect of 11 bank accounts for the month of January 2016 in terms of Rule 3(1)(A) of the Prevention of Money Laundering (Maintenance of Records) Rules, 2005 within **30 days** of the receipt of this Order.
20. I also find it expedient to advise The Urban Co-operative Bank Limited, Shikaripur to exercise caution in future regarding compliance with the obligations under the Prevention of Money Laundering Act, 2002 and the Prevention of Money Laundering (Maintenance of Records) Rules, 2005. The show cause notice dated April 5, 2019 is accordingly, disposed of.

(Pankaj Kumar Mishra)
Director
Financial intelligence Unit – India

Through:

The Principal Compliance Officer,
Urban Co-Operative Bank Limited, Shikaripur
Old Santhe Maidhana
Shikaripur – 577 427
Karnataka