



RESERVE BANK OF INDIA
Mumbai - 400 001

RBI/2015-16/174
A.P. (DIR Series) Circular No.12

September 10, 2015

To
All Authorised Persons

Madam/Sir,

**Guidelines for Grant of Authorisation for Additional Branches of
FFMC/AD Cat. II**

Attention of FFMC/AD Cat. II licence holders is invited to paragraph (B) of Annex- I to [A.P. \(DIR Series\) Circular No. 57 dated March 9, 2009](#) on Memorandum of Instructions governing money changing activities, wherein guidelines for grant of authorization for additional branches had been given.

2. As part of further simplification of the guidelines, it has now been decided to incorporate the changes in the guidelines in respect of submission of documents by the applicant FFMC/AD Cat. II while applying for authorization for an additional branch. The existing guidelines in respect of required documents and revised position are provided in the table below:--

Sr. No.	Documents required to be submitted as per existing guidelines	Revised Position
1	Copy of latest audited accounts with a certificate from Statutory Auditors regarding position of NOF as on date of application.	Only a certificate from Proprietor/Partner/Director /CFO of the entity as regards the position of NOF is required to be submitted.
2	Confidential Report from applicant's banker.	This requirement shall be dispensed with.
3	Declaration to the effect that no	The declaration has to be submitted

	proceedings have been initiated or are pending with DoE/DRI	every time an application for authorisation of a new branch is made, as per existing instructions.
4	A copy of KYC/AML/CFT policy framework existing in the company	Only a declaration to be submitted that there is no change in the KYC/AML/CFT policy framework since its last submission to RBI. However, in case there is a change, a copy of the revised/latest version of the policy shall be required to be submitted.
5	Brief write-up on the internal control systems, including internal and external audit.	Only a declaration to be submitted to the effect that there is no change in the internal control systems including internal and external audit since submission of the last write-up to RBI. However, in case there is a change, the revised/latest write-up shall be required to be submitted.

3. The revised guidelines will come into force with immediate effect.

4. The directions contained in this circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully,

(B. P. Kanungo)

Principal Chief General Manager