NBFIs to give CTR to BB from June

Like the commercial banks the non-banking financial institutions (NBFIs) will have to submit their cash transaction report (CTR) to the Bangladesh Bank (BB) from June 01, officials said.

Under the new provision, the NBFIs have to report all single transactions worth Tk 1.0 million and above in form of withdrawal or deposit through the commercial banks.

Day-to-day transactions are not allowed for the NBFIs. They only collect term deposits from the clients.

The NBFIs will have to submit CTR on both withdrawal and deposit using 'goAML' software to Bangladesh Financial Intelligence Unit (BFIU) of BB within the third week of the next month, according to a central bank circular, issued on Tuesday.

The first report on CTR will be submitted by the NBFIs to BFIU by July 21 as per the latest directive, a BB senior official explained.

He also said they will have to preserve the report on CTR for at least five years from the date of submission to BFIU.

"We'll also preserve the information in a database of BFIU for cross-checking the mode of fund transfer, if
necessary," he added.

The central bank last year introduced the online system through installing 'goAML' software for collecting both suspicious transaction report (STR) and CTR from the commercial banks and the financial institutions.

The software is a standard one of the United Nations Office on Drugs and Crime (UNODC), available for financial intelligence units to check terror financing and money laundering.

Currently, the banks have to submit CTR, if an amount of Tk 1.0 million or above is deposited or withdrawn in cash from a particular account.

The central bank is empowered to penalise the banks and NBFIs fines ranging between Tk 50,000 and Tk 2.5 million, instead of the previous range between Tk 10,000 and Tk 0.5 million, for their failure in submitting reports related to money laundering, according to the provision of the Money Laundering Prevention Act 2012.

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