

## Preface

1. **Author has felt when he qualified as Chartered Accountant (CA) in Year 1985 that legal provisions' interpretations are big challenge for legal professionals, govts' officials and public at large in India and outside India.**
2. **Author has realized that something should be developed to resolve this challenge in India and outside India.**
3. **Author has started compiling Frequently Asked Questions (FAQs) on many subjects where his 100% answers are precisely based on Yes or No i.e. white or black nothing is grey**
4. **Author has compiled approximately 150 +(plus) research papers / books with 25 thousand +(plus) pages on many prevailing subjects / acts in India and outside India.**
5. **Author's 1<sup>st</sup> paper book is now being published under head FAQs on Enforcement Directorate (ED) where 571 FAQs are replied based on Yes or No i.e. white or black nothing is grey**
6. **This book is also containing**
  - (i) Foreign Exchange Management Act (FEMA) 1999 and rules / regulations
  - (ii) Prevention of Money Laundering Act (PMLA) 2002 and rules / regulations
  - (iii) Fugitive Economic Offenders Act (FEOA) 2018 and rules / regulations
7. **This book is published with Sai Kripa and dedicated to my father (late) Mr. M.R. Agarwal, Mother Mrs. R.D. Agarwal, wife Mrs. Snigdha Agarwal, daughter Ms. Soumya Agarwal, daughter Ms. Sanya Agarwal and dedicated team headed by Rajat Kumar**

● **I trust that you will be enriched by reading this book**

With best wishes,  
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## ***Author's Profile***

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***He is regularly advising on several matters to Institute of Chartered Accountant of India (ICAI) and also to Ministry of Commerce (MoC) for Foreign Trade Agreements (FTAs) and World Trade Organization (WTO) for securing India's best interests.***

***He is continuously advising on Foreign Investments (FIs) in India and also on Overseas Direct Investments (ODIs) outside India.***

***He is known for his expertise in incorporating companies in most of countries across the world.***

***He has written around 150 +(plus) Research papers / books containing 25 thousand +(plus) pages available "freely" on certain portals like:***

[https://taxguru.in/author/satishagarwal307\\_1957](https://taxguru.in/author/satishagarwal307_1957)

Or

[www.femainindia.com](http://www.femainindia.com)

***Few out of abovementioned Research papers / books are as under:***

1. *Book on Enforcement Directorate (ED) in India- (Book with 617 pages)*
2. *Director of Revenue Intelligence (DRI) in India*
3. *Central Bureau of Investigation (CBI) in India*
4. *National Investigation Agency (NIA) in India*
5. *Serious Fraud Investigation Office (SFIO) in India*
6. *Financial Intelligence Unit (FIU-IND) in India*
7. *Central Vigilance Commission (CVC) in India*
8. *Narcotics Control Bureau (NCB) in India*
9. *Research & Analysis Wing (R&AW) in India*
10. *Economic Offence Wing (EOW) in India*
11. *Intelligence Bureau (IB) in India*
12. *Director General of Income Tax Criminal Investigation (DGITCI) in India*
13. *National Company Law Tribunal (NCLT) in India*
14. *Security Exchange Board of India (SEBI) in India*
15. *Prevention of Corruption (PC) Act,1988 in India*

16. *Foreign Assets Investigation Unit (FAIU) in India*
17. *Book on International Financial Services Center (IFSC) in India (Book with 290 pages)*
18. *Replacement of Indian Penal Code (IPC) Criminal Procedure (CP) & Evidence Act (EA) in India*
19. *Undisclosed Foreign Income & Asset (UFIA)-Black Money Act, 2015*
20. *Statutory provisions for General Anti Avoidance Rule (GAAR) in India*
21. *Reserve Bank of India (RBI) Act, 1934*
22. *Foreign Exchange Management Act (FEMA) 1999 in India*
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55. *Expatriates + Foreign Citizens in India*
56. *Book on Foreign Investments (FIs) by Non-Residents of India (Non-RoI) (Book with 346 pages)*



## 85 FAQs on Statutory Powers of Financial Intelligence Unit- India (FIU-IND)

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## **85 FAQs on Statutory Powers of Financial Intelligence Unit- India (FIU-IND)**

*(Source for FAQ's [www.fiuindia.gov.in](http://www.fiuindia.gov.in))*

### **(A) Statutory Powers of Financial Intelligence Unit- India (FIU-IND)**

#### **1. Overview on FIU-IND**

- (i) *FIU-IND established by Government of India (Govt.) vide O.M. dated November, 18, 2004 as central national agency for receiving + processing + analyzing + also disseminating information's against suspect financial transactions (all).*
- (ii) *FIU-IND responsible for coordinating + strengthening efforts against national intelligence + international intelligence + investigation + enforcement agencies for pursuing global towards money laundering + also financing of terrorism (all).*
- (iii) *FIU-IND independent body for reporting directly to Economic Intelligence Council (EIC) headed by Finance Minister Govt. of India.*

#### **2. Definition of FIU provided by Egmont Group**

- (i) *Central + national agency responsible for receiving + analyzing + disseminating for competent authorities + also for disclosures of financial information's (all) like:*
  - (a) *Relating to suspect proceeds of crime + potential financial for terrorism*
  - (b) *Requiring under national legislation like PMLA, 2002 + etc. in India + for regulations to combat money laundering + also terrorism financing (all).*
- (ii) *FIU to match with international standards + also with recommendations of Financial Action Task Force (FATF) both.*

### **3. *FATF's Recommendations for member countries + also specifically for India***

- (i) *Member countries required to establish FIU to serve as national Centre for receipt + analysis of certain information's + reports + also etc. (all) like :*
  - (a) *Receipt + also analysis of Suspicious Transaction Reports (STRs) both + (plus)*
  - (b) *Receipt + analysis of other information's for money laundering + associated predicate offences + terrorist financing + also dissemination of results against analysis (all).*
- (ii) *FIU required to obtain additional information's from Reporting Entities (REs) + to access on periodical basis for financial administration + also law enforcement purpose (all)*
- (iii) (a) *FIU-IND required for coordinating + strengthening + collecting + sharing of financial intelligence through effective national + regional + global network to combat money laundering + also related crimes (all).*
- (b) *FIU-IND required to perform operational + strategic analysis + to identifies key money laundering trends + typologies + also developments based on analysis of its database (all).*

### **4. *Role of Egmont Group for FIU-IND***

- (i) *FIU-IND already member of Egmont Group of FIUs from 2007.*
- (ii) *Egmont Group formed in 1995 as informal network for 24 country's FIUs through taking its name from Egmont Palace in Brussels where group's founding meeting took place.*
- (iii) *Egmont group provide forum for FIUs around world + to improve cooperation for fighting against money laundering + financing of terrorism + also to foster implementation of domestic programs (all).*

- (iv) *165 FIUs countries already agreed to subscribe Egmont Group's principles + to work for co-operation + to exchange of information's based on reciprocity + mutual agreement + also to follow up basic theme laid in Egmont charter (all).*
- (v) *FIU-IND already played active role in activities of Egmont Group through participating in meetings of Working Groups like Membership Support & Compliance working group (MSCWG) + Information Exchange Working Group (IEWG) + also Policy & Procedure Working Group (PPWG) of Egmont Group (all).*

## **5. Roles of Financial Action Task Force (FATF) for FIU-IND**

- (i) *India already part of 37 member jurisdictions + 2 regional organizations like European Commission + also Gulf Co-operation Council as member of FATF (all).*
- (ii) *Officers from FIU-IND already taking part of Indian delegation to FATF on regular basis + actively participated in activities of FATF + also its working groups (all).*

## **6. Roles of FATF Style Regional Bodies (FSRBs) for FIU-IND**

- (i) *FATF have certain FATF-Style Regional Bodies (FSRBs) + also having similar form equivalent to FATF (both).*
- (ii) (a) *India already member of 2 FSRBs out of 9 FSRBs*  
 (b) *India member of 2 FSRBs like Asia Pacific Group (APG) + Eurasian Group (EAG)*  
 (c) *FIU-IND already active participant in activities of APG + also EAG (both).*
- (iii) *APG facilitates adoption + implementation + enforcement of internationally accepted anti-money laundering + also anti-terrorist financing standards prepared based on recommendations of FATF (all).*
- (iv) *EAG playing important role for ensuring effective interaction + cooperation at regional level + integration of EAG member states into international system of anti-money laundering + combating financing of terrorism based on recommendations of FATF + anti-money laundering + also combating financing of terrorism standards of other international organizations (all).*

## 7. ***Brief on Mission + Vision + Strategic Goals (all) for FIU-IND***

- *FATF defined about FIU-IND through its mission statement + vision + strategic objectives to provide framework for organization wide performance management + also to enhance its effectiveness (all).*
- (i) *Mission for FIU-IND*  
*To provide qualitative financial intelligence for safeguarding financial system from abuses of money laundering + terror financing + also other economic offences (all).*
- (ii) *Vision for FIU-IND*  
*To become highly agile + trusted organization + be globally recognized as efficient + also effective FIU around world (all).*
- (iii) *Goals for FIU-IND*
  - (a) *To combat money laundering + financing of terrorism + also other economic offences (all)*
  - (b) *To deter Money Laundering + also Countering Financing of Terrorism (both)*
  - (c) *To build + also strengthen organizational capacity (both)*
- *Abovementioned objectives be achieved through certain thrust areas like:*
  - (a) *Effective collection + analysis + also dissemination of information's (all)*
  - (b) *To enhance domestic + also international co-operations (both)*
  - (c) *To build capacity of REs*
  - (d) *To ensure compliance for reporting obligations under PMLA, 2002*
  - (e) *To build organizational resources*
  - (f) *To strengthen IT infrastructure for FIU-IND.*

## **8. FIU-IND's powers for Collection of information's**

- (i) FIU-IND permitted to receive Cash and Suspicious Transaction Report (CSTR) + to analyses appropriately + to disseminate valuable financial information's to intelligence + to enforcement agencies + also to regulatory authorities (all).
- (ii) FIU-IND known central reception point for receiving Cash Transaction reports (CTR's) + Non-Profit Organization Transaction Reports (NTR's) + Cross Border Wire Transfer Reports (CBWTR's) + Reports on Purchases or Sales of Immovable Properties (IPR's) + also Suspicious Transaction Reports (STR's) from various REs in India.

## **9. FIU-IND's powers for Analysis of Information's**

- FIU-IND permitted to analyze against already received information's for discovering patterns of transactions + to find suspicious money laundering offences + also related crimes (all).

## **10. FIU-IND's powers for Sharing Information's**

- FIU-IND permitted to share information's with national intelligence + law enforcement agencies + national regulatory authorities + also Foreign Financial Intelligence Units (FFIU) across world (all).

## **11. FIU-IND's powers for working Central Repository**

- FIU-IND permitted for establishing + also maintaining national data's based on reports received from REs (both).

## **12. FIU-IND's powers for Co-ordinations**

- FIU-IND permitted for coordinating + strengthening collection + sharing financial intelligence information's through effective national + regional + global network to combat money laundering + also related crimes (all).

### **13. FIU-IND's powers for Research + Analysis (both)**

- FIU-IND permitted for monitoring + identifying strategic key areas against money laundering trends + typologies + also developments (all).

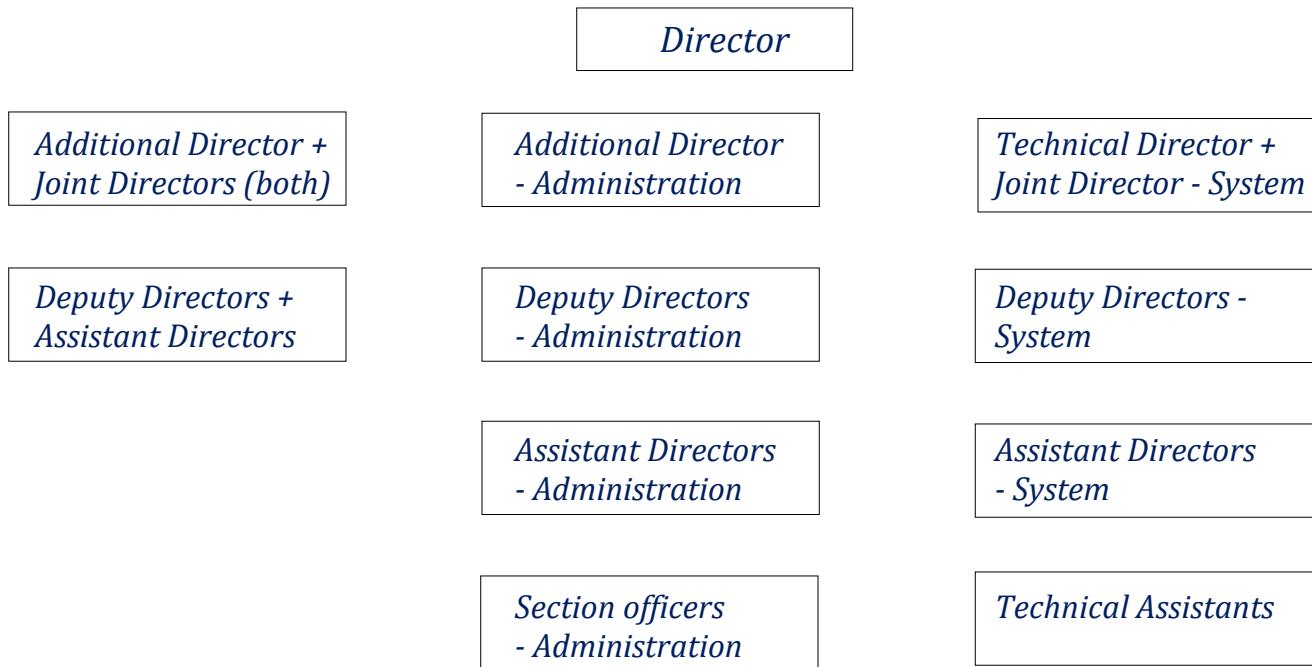
### **14. FIU-IND's powers to appoint maximum (sanctioned) 75 strength of staff**

- (i) FIU-IND presently multi disciplinary body having 75 sanctioned staff (personnel).
- (ii) 75 sanctioned staff being inducted from different organizations like Central Board of Direct Taxes (CBDT) + Central Board of Excise and Customs (CBEC) + Reserve Bank of India (RBI) + Securities Exchange Board of India (SEBI) + Department of Legal Affairs + also Intelligence agencies (all).
- (iii) FIU-IND headed by Director equivalent to rank of Additional Secretary in govt.
- (iv) FIU-IND's administrative department is not investigating cases.
- (v) FIU-IND being officers oriented + technology intensive multidisciplinary organization where 37 officials actually working out of 75 sanctioned strength on March 31, 2022 including 5 financial sector's experts + also 10 consultants (all).
- (vi) Distribution of 75 sanctioned staff

S.No.	Name of Post of staff	Sanctioned Staff
(a)	Director	1
(b)	Additional Director + Joint Director (both)	10
(c)	Technical Director	1
(d)	Joint Director - Systems (earlier known Principal System Analyst)	1
(e)	Deputy Director – Systems	2
(f)	Deputy Director + Assistant Director (both) (earlier known Senior Technical Officer)	21
(g)	Assistant Director –Systems (earlier known System Analyst or Programmer)	6

<i>S.No.</i>	<i>Name of Post of staff</i>	<i>Sanctioned Staff</i>
(h)	<i>Section Officers</i>	2
(i)	<i>Private Secretary</i>	1
(j)	<i>Personal Assistants</i>	10
(k)	<i>Technical Assistants</i>	4
(l)	<i>Other Assistants</i>	2
(m)	<i>Data Entry Operators</i>	3
(n)	<i>Upper Division Clerks</i>	3
(o)	<i>Lower Division Clerk</i>	1
(p)	<i>Peons</i>	4
(q)	<i>Messengers</i>	2
<b>Total</b>		<b>75</b>

## **15. FIU-IND's Organization Structure in India**



**16. FIU-IND's 41 officer's name + designation (both) working in India**

<i>S.No</i>	<i>Designation of officer</i>	<i>Name of Officer</i>
(i)	<i>Director</i>	● Pankaj Kumar Mishra
(ii)	<i>Additional Directors (ADs)</i>	(a) Manoj Kaushik (b) Manish Kumar Hairat (c) Srujan Mohanty (d) Shailesh Thakur (e) Chaitanya Shukla (f) Vinod Kumar (g) Nikhil Verma
(iii)	<i>Joint Directors (JDS)</i>	(a) Salil Bijur (b) Amrit Agrahari (c) Himanshu Roy
(iv)	<i>Technical Director - NIC</i>	● Hemant Kumar
(v)	<i>Deputy Directors (DDs)</i>	(a) Satyeshwar Prasad Uniyal (b) Jasvinder Singh (c) Vasud Torsekar (d) Swati Bhanwala (e) Ved Prakash (f) Vidhi Chowdhary (g) Arjun Pradhan JMT (h) Ibu Sanjeeb Garg (i) Nitin Kuraien (j) Sumit Jha (k) Keshav Kishore Anand (l) KM Guru Rajesh (m) Gaurav Singh
(vi)	<i>Deputy Directors - Systems</i>	(a) Rajeev Kumar (b) Sweta Pratap

(vii)	<i>Financial Sector Experts</i>	<ul style="list-style-type: none"> <li>(a) <i>Sushil Kumar</i></li> <li>(b) <i>Kumar Binay Singh</i></li> <li>(c) <i>Manish Kumar</i></li> <li>(d) <i>Rajat S Yadav</i></li> <li>(e) <i>Sanjay Ghosh</i></li> </ul>
(viii)	<i>Consultants</i>	<ul style="list-style-type: none"> <li>(a) <i>SD Sharma</i></li> <li>(b) <i>Onkar Tripathi</i></li> <li>(c) <i>Rajbir Singh Dhankar</i></li> <li>(d) <i>Rajan Kannojia</i></li> <li>(e) <i>Anoop Kumar Gupta</i></li> <li>(f) <i>Shekhar Tripathi</i></li> <li>(g) <i>Anilkumar Gharai</i></li> <li>(h) <i>Tarun Krishnakumar</i></li> <li>(i) <i>TV Paulose</i></li> <li>(j) <i>VK Singh</i></li> </ul>

## **(B) Roles of Prevention of Money Laundering Act (PMLA) 2002 for FIU-IND**

### **17. Overview on Role of PMLA, 2002 for FIU-IND**

- (i) PMLA, 2002 applicable from July 01, 2005 in India as legislation for combating money laundering + to criminalize money laundering activities + for facilitating attachments + seizures + confiscation of properties which already obtained + derived directly + also indirectly through money laundering activities (all).
- (ii) (a) PMLA, 2002 incorporating 2 sets of provisions like 1<sup>st</sup> for maintenances + also for furnishing of information's through REs to FIU-IND (both)  
+ (plus)  
(b) 2<sup>nd</sup> for investigations + searches + seizures + collection of evidences + prosecutions + also etc. against money laundering offences (all).
- (c) Director FIU-IND known prescribed authority for enforcing provisions against maintenance of records + also furnishing of information's through REs (both).
- (d) Director of Enforcement (ED) known prescribed authority for investigating + searching + seizure + confectioning properties + also prosecutions against money laundering offences (all).
- (iii) (a) Predicate offences already listed under 31 different laws in schedule of PMLA, 2002.  
(b) Section 3 of PMLA, 2002 for criminalizing money laundering activities + also Section 4 of PMLA, 2002 permitting for punishment against money laundering offences (both).  
(c) Offenders liable for rigorous imprisonment for minimum 3 year + for maximum 7 year + also financial fine against money laundering offences (all).  
+ (plus)

(d) Offenders liable for rigorous imprisonment for minimum 3 year + maximum 10 year + also financial fine against committed offences under Narcotic Drugs and Psychotropic Substances Act, 1985 (all).

#### **18. Roles for Identification of clients under section 11A of PMLA for FIU-IND**

- Section 11A of PMLA, 2002 permitted that 100% REs like banking companies + financial institutions + intermediaries + designated non-financial businesses + professions required to verify identity of clients + beneficial owners through using Aadhaar + passport + also other officially valid documents (OVDs) all.

#### **19. Roles for maintaining records against transactions under sec. 12 of PMLA**

- (i) Section 12 of PMLA, 2002 permitted that 100% REs required to maintain records for 100% transactions + also to furnish information's against specified transactions to FIU-IND's Director (both)  
+ (plus)
- (ii) To verify identity of their clients + also beneficial ownership in prescribed manner.  
+ (plus)
- (iii) REs required to preserve records for transactions + records for identity of clients for minimum 5 year under PML (Maintenance of Records) Rules which prescribes requirement for maintenance of records + also to furnish reports to FIU-IND (all)

#### **20. Roles for director's powers against calling information's under section 12A**

- (i) Section 12A of PMLA, 2002 empowering FIU-IND's director to call for additional information's from REs
- (ii) REs required to maintain confidentiality against their clients.

#### **21. Roles for Reporting Entities against due diligence under sec. 12AA of PMLA**

- Section 12AA required 100% REs to conduct enhanced due diligence before commencement of any specified transaction already notified by govt.

**22. Roles for FIU-IND's director against issuing warning under sec. 13 of PMLA**

- Section 13 of PMLA empowering FIU-IND's director to enquire into cases against REs's obligations like to issue warnings for compliances + to impose sanctions + to impose monetary penalties on REs + on designated director(s) + also employee(s) (all).

**23. Roles for exempting reporting entities from criminal suit under section 14**

- Section 14 of PMLA, 2002 exempting REs + its Directors + its employees from civil proceedings + criminal proceedings for furnishing information's to FIU-IND (all).

**24. Roles for Civil court's powers against Code of Civil Procedure under sec. 50**

- Section 50 of PMLA, 2002 empowering FIU-IND's director under Civil court's powers against Code of Civil Procedure, 1973 like to enforce attendance of any person + to compel production of records + to receive evidences on affidavits + also issuing commission for examination of witnesses (all).

**25. Roles for dissemination of information's by FIU-IND under section 66**

- Section 66 of PMLA, 2002 empowering for dissemination of information's by FIU-IND to any officer + authority + other body performing any function under laws for imposing taxes + duties + cesses + to deal in foreign exchanges + to prevent illegal trafficking in drugs + to officers + authorities + bodies already notified by Govt. + also to share information's with other agencies (all).

**26. Roles for recovery of fines imposed by FIU-IND's director under section 69**

- (i) Section 69 of PMLA, 2002 empowering for recovery of fines already imposed by FIU-IND's director if not paid in maximum 6 month from date of imposition of fines + (plus)
- (ii) Poses powers of Tax Recovery Officer (TRO) available under Income-tax Act, 1961. + (plus)
- (iii) Fines be recovered in prescribed manner provided through Schedule II under Income- tax Act, 1961 against recovery of arrears.

## **(C) Roles of Unlawful Activities (Prevention) Act (UAPA) 1967 for FIU-IND**

### **27. Overview on Role of UAPA, 1967 for FIU-IND**

- (i) *UAPA, 1967 legislation inserted for combating terrorism financing in India + for criminalizing terrorist acts + also for raising funds against terrorist acts in India (all).*
- (ii) *UAPA, 1967 further amended in 2013 for making more effective provisions against preventing unlawful activities + also to meet FATF standards (both).*
- (iii) *UAPA, 1967 giving effect to United Nations Security Council Resolutions 1267 + 1373 for freezing + seizing + attaching funds + other financial assets already held by designated individuals + also entities (all).*
- (iv) *Offences under UAPA already included in predicate offences like 1 out of 31 under PMLA, 2002.*

### **28. Special features of UAPA, 1967 for FIU-IND**

- (i) *UAPA, 1967 required 5 year's time for declaring association as unlawful.*
- (ii) *Meaning of Terrorist Act to include producing + smuggling + circulating for high-quality counterfeit Indian paper currency + coins + also other material (all).*
- (iii) *UAPA 1967 to include raising + collecting + providing funds from legitimate + illegitimate sources through terrorist organizations + terrorist gangs + also through individual terrorists be criminalized (all).*
- (iv) *UAPA, 1967 to include offences through companies + societies + also trusts (all)*
- (v) *UAPA, 1967 to include scope for proceeds of terrorism like property intended to be used for terrorism purpose.*

**29. Special court's powers under UAPA, 1967 for FIU-IND**

- (i) *Special court permitted to issue orders for attachments + also for forfeitures of properties equivalents to counterfeits Indian currencies already involved in offences (both)*
- (ii) *Special court permitted to issue orders for attachments + also for forfeitures of properties equivalents to value for proceeds of terrorisms already involved in offences (both)*
- (iii) *Special court permitted to issue orders for confiscations of movable properties + also immovable properties based on material evidences when court's trial can't be concluded (both).*

**(D) Roles of Weapons of Mass Destruction (WMD) Act, 2005 for FIU-IND**

**30. Roles for WMD Act, 2005**

- (i) *Weapons of Mass Destruction and Their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 ("WMD Act") serving for proscribe various activities against weapons of mass destruction like nuclear weapons + chemical weapons + biological weapons + also etc. weapons (all).*
- (ii) *Prohibitions under WMD Act, 2005 covering 100% activities for weapons of Mass destruction like manufacturing + acquisitioning + possessing + developing + also transporting of mass destruction weapons (all).*

**31. Amendments under WMD Act, 2005 passed in 2022**

- (i) *Amendments made to WMD Act, 2005 in 2022 to strengthen India's counter proliferation legal framework through introducing additional prohibitions against financing of WMD activities.*
- (ii) *Amendments already approved by 2 Houses of Parliament + also to be notified shortly (both).*

## **(E) List of Reporting Entities under FIU-IND**

### **32. Category of Reporting Entities (REs) in India**

- (i) *Public sector banks in India*
- (ii) *Private Indian banks in India*
- (iii) *Foreign banks in India*
- (iv) *Co-operative banks in India*
- (v) *Regional Rural banks in India*
- (vi) *Insurance companies in India*
- (vii) *Hire purchase companies in India*
- (viii) *Chit fund companies in India*
- (ix) *Housing finance institutions (HFIs) in India*
- (x) *Non-banking financial companies (NBFCs) in India*
- (xi) *Payment system operators in India*
- (xii) *Authorized persons in India*
- (xiii) *India Post in India*
- (xiv) *Stockbrokers in India*
- (xv) *Share transfer agents in India*
- (xvi) *Registrars to issue in India*
- (xvii) *Merchant bankers in India*
- (xviii) *Underwriters in India*
- (xix) *Portfolio managers in India*
- (xx) *Investment advisers in India*
- (xxi) *Depositories + DPs in India*
- (xxii) *Custodian of securities in India*
- (xxiii) *Foreign institutional investor(FII) in India*

- (xxiv) *Venture capital funds (VCFs) in India*
- (xxv) *Mutual funds in India*
- (xxvi) *Intermediary regulated by PFRDA in India*
- (xxvii) *Recognized stock exchanges in India*
- (xxviii) *Insurance Brokers in India*
- (xxix) *DNFBP Notified by Central Govt. in India*
- (xxx) *Casino in India*
- (xxxi) *Inspector General of Registration in India*

- *Abovementioned list of REs not exhaustive but indicative (only)*

## **(F) Collecting + processing + analysis of information's by FIU-IND**

### **33. Types of Reports for FIU-IND**

- FIU-IND collecting information's from REs through various mandatory reports to be submitted 100% reports online through digital signature of Principal Officer like:
  - (i) Suspicious Transaction Reports (STRs)
  - (ii) Cash Transaction Reports (CTRs)
  - (iii) Cross Border Wire Transfer Reports (CBWTRs)
  - (iv) NPO Transaction Reports (NTRs)
  - (v) Counterfeit Currency Reports (CCRs)

### **34. Briefs on Suspicious Transaction Reports from reporting entities by FIU-IND**

- (i) STR already defined under Rule 2(1)(g) + also meaning of suspicious transaction (both) referred under rule 2(1) of PMLA Rules, 2005 like attempted transaction in cash or not in cash (any) with person acting in good faith like :
  - (a) When reasonable ground existed that suspicion already existed + also may or may not involve proceed of 1 out of 31 Scheduled offences under PMLA, 2002 beside quantum of value involved in it (both).

Or
  - (b) When appears that transaction already made in unusual circumstances or unjustified complexity involved (any)

Or
  - (c) When appears to have no economic rationale or bona fide purpose (any)

Or
  - (d) When gives rise to reasonable ground for suspicion that transaction may involve financing of activities for terrorism.
- Transactions be involved financing of activities for terrorism like transactions involving suspected funds to be linked or related or to be used for terrorism +

*terrorist acts by terrorists + terrorist organizations + for terrorism financing + also to attempt for terrorism financing (all).*

*(ii) STRs to be furnished by principal officers of REs in maximum 7 working day + also be satisfied that transactions actually suspicious (both).*

### **35. *Briefs on Receipt of STRs from reporting entities by FIU-IND***

- *FIU-IND receiving STRs against reportable transactions from notified date like March 2006 for receipts + processings + also disseminating of STRs to different Law Enforcement Agencies (LEAs) in last 13 year:*

<i>S.No</i>	<i>Year ending on</i>	<i>No. of STRs received</i>
<i>(i)</i>	<i>March 31, 2010</i>	<i>10,067</i>
<i>(ii)</i>	<i>March 31, 2011</i>	<i>20,698</i>
<i>(iii)</i>	<i>March 31, 2012</i>	<i>31,317</i>
<i>(iv)</i>	<i>March 31, 2013</i>	<i>31,731</i>
<i>(v)</i>	<i>March 31, 2014</i>	<i>61,953</i>
<i>(vi)</i>	<i>March 31, 2015</i>	<i>58,646</i>
<i>(vii)</i>	<i>March 31, 2016</i>	<i>1,05,973</i>
<i>(viii)</i>	<i>March 31, 2017</i>	<i>4,73,006</i>
<i>(ix)</i>	<i>March 31, 2018</i>	<i>14,36,340</i>
<i>(x)</i>	<i>March 31, 2019</i>	<i>3,23,162</i>
<i>(xi)</i>	<i>March 31, 2020</i>	<i>5,47,013</i>
<i>(xii)</i>	<i>March 31, 2021</i>	<i>6,02,057</i>
<i>(xiii)</i>	<i>March 31, 2022</i>	<i>4,33,761</i>

### **36. *Briefs on Cash Transaction Reports (CTR) from reporting entities by FIU-IND***

- *PMLA, 2002 + also PMLR, 2005 (both) required that 100% banking companies be furnished details of certain cash transactions like:*

- (i) *100% cash transactions when exceeding INR 10 Lac + also equivalent to INR 10 lac in foreign currency in 1 month (both).*  
+ (plus)
- (ii) *100% series of cash transactions those integrally connected with each other when exceeding INR 10 lac + also equivalent to INR 10 lac in foreign currency in 1 month (both).*

### **37. *Briefs on Receipt of CTRs from reporting entities by FIU-IND***

- *FIU-IND receiving CTRs against reportable transactions from notified date like March 2006 for receipts + also processings of CTRs (both) in last 9 year:*

<i>S.No</i>	<i>Year ending on</i>	<i>No. of CTRs received</i>
<i>(i)</i>	<i>March 31, 2014</i>	<i>87,79,082</i>
<i>(ii)</i>	<i>March 31, 2015</i>	<i>80,08,237</i>
<i>(iii)</i>	<i>March 31, 2016</i>	<i>1,63,93,289</i>
<i>(iv)</i>	<i>March 31, 2017</i>	<i>1,59,29,176</i>
<i>(v)</i>	<i>March 31, 2018</i>	<i>1,33,64,476</i>
<i>(vi)</i>	<i>March 31, 2019</i>	<i>1,39,75,397</i>
<i>(vii)</i>	<i>March 31, 2020</i>	<i>1,54,59,804</i>
<i>(viii)</i>	<i>March 31, 2021</i>	<i>1,29,34,750</i>
<i>(ix)</i>	<i>March 31, 2022</i>	<i>1,42,75,771</i>

### **38. *Briefs on Cross Border Wire Transfer Reports from reporting entities***

- *PMLA, 2002 + PMLR, 2005 required that 100% REs to maintain + also to furnish records of 100% cross-border wire transfers when transfers exceeding INR 5 lac or equivalent in foreign currency if origin or destination of fund be India (only).*

### **39. *Briefs on Receipt of CBWTRs from reporting entities by FIU-IND***

- *FIU-IND receiving CBWTRs against reportable transactions from notified date for receipts + also processings of CBWTRs (both) in last 9 year:*

<i>S.No</i>	<i>Year ending on</i>	<i>No. of CBWTRs received</i>
(i)	<i>March 31, 2014</i>	61,231
(ii)	<i>March 31, 2015</i>	63,32,016
(iii)	<i>March 31, 2016</i>	1,53,05,924
(iv)	<i>March 31, 2017</i>	90,91,149
(v)	<i>March 31, 2018</i>	94,07,903
(vi)	<i>March 31, 2019</i>	1,07,19,253
(vii)	<i>March 31, 2020</i>	3,95,53,003
(viii)	<i>March 31, 2021</i>	3,61,24,141
(ix)	<i>March 31, 2022</i>	1,36,85,250

#### **40. *Briefs on NPOs Transaction Reports from reporting entities by FIU-IND***

- (i) *PMLA, 2002 + PMLR, 2005 required that 100% reportable transactions for receipts by Non-Profit Organizations (NPOs) when value exceeding INR 10 Lac or equivalent in foreign currency be reported through monthly NTRs to FIU-IND's director up to 15<sup>th</sup> of succeeding month + also be in prescribed format (all).*
- (ii) *Meaning of NPOs to include entities + also Organizations duly registered as Trust or Society under Societies Registration Act, 1860 or under similar State Legislation or under section 8 of Companies Act, 2013 (any).*

#### **41. *Briefs on Receipt of NTRs from reporting entities by FIU-IND***

- *FIU-IND receiving NTRs against reportable transactions from notified date for receipts + also processings of NTRs (both) in last 10 year like:*

<i>S.No</i>	<i>Year ending on</i>	<i>No. of NTRs received</i>
(i)	<i>March 31, 2013</i>	22,019
(ii)	<i>March 31, 2014</i>	1,39,826
(iii)	<i>March 31, 2015</i>	4,97,998

(iv)	March 31, 2016	6,41,168
(v)	March 31, 2017	6,78,786
(vi)	March 31, 2018	4,95,243
(vii)	March 31, 2019	4,39,412
(viii)	March 31, 2020	9,40,882
(ix)	March 31, 2021	7,91,307
(x)	March 31, 2022	8,16,113

#### **42. Briefs on Counterfeit Currency Reports (CCRs) from reporting entities**

- (i) PMLR, 2005 required that 100% REs to report 100% reportable cash transactions when forged + counterfeit currency notes + also bank notes used as genuine (all).
  - + (plus)
- (ii) When forgery of valuable securities + also documents already took placed (both).

#### **43. Briefs on Receipt of CCRs from reporting entities by FIU-IND**

- FIU-IND receiving CCRs against reportable transactions from notified date for receipts + also processings of CCRs (both) in last 9 year:

S.No	Year ending on	No. of CCRs received
(i)	March 31, 2014	3,01,804
(ii)	March 31, 2015	3,53,837
(iii)	March 31, 2016	4,10,899
(iv)	March 31, 2017	7,33,508
(v)	March 31, 2018	3,53,795
(vi)	March 31, 2019	3,31,682
(vii)	March 31, 2020	2,62,164
(viii)	March 31, 2021	1,88,184
(ix)	March 31, 2022	2,20,538

**44. *Briefs on analysis of Crypto currencies + virtual assets by FIU-IND***

- FIU-IND permitted to analysis STRs against virtual assets + crypto currencies available through difference sources against deemed recognized fraudulent scheme vendors using virtual currencies + international e-wallets + also virtual prepaid cards for better understanding about regulatory issues (all).

**45. *Briefs on Currency Declaration Forms (CDF) for FIU-IND***

- (i) Data of CDF providing details of cash declared by individuals arriving at international airports being received from Indian Customs by FIU-IND
- (ii) Data of CDF being analyzed to identify high risk individuals + matching with information's through receipt of databases from other FIU's + also information's available in public domain (all).

**46. *Briefs on Multi-level Marketing + Ponzi Schemes for FIU-IND***

- (i) FIU-IND receiving STRs from REs against identified suspected multi-level marketing (MLM) schemes + also Ponzi schemes (both).
- (ii) FIU-IND revealed that several localized MLM + also Ponzi schemes found where similar patterns + corroboration existed to fraud with public (both).

**47. *Briefs on Online Gaming for FIU-IND***

- FIU-IND receiving STRs against online gaming + betting where identified + analyzed + found several cases of fraud + also money laundering offences (all).

**48. *Briefs on International Forex Brokers for FIU-IND***

- (i) FIU-IND receiving STRs revealed that association of certain Indian persons operating with international forex brokers as agent or partner under forex trading platforms in India.
- (ii) Abovementioned forex trading platforms widely promoted through social networking sites + also following referral-based incentive models for acquiring users (both).

(iii) Funds being collected from users through banking channels that suspected to be channelized through dummy entities + layered with multiple accounts + also domestically transferred to other banks through cross border transactions (all).

#### **49. *Briefs on Gift Cards for FIU-IND***

- (i) Gift cards treated semi closed + pre-paid instruments to facilitate purchase of goods + also services against value stored in instruments (all).
- (ii) Observed that gift cards being procured in large numbers by certain entities whose existence could not be verified at registered or given address (any).
- (iii) FIN-IND revealed that KYC verification by issuers of gift cards not properly exercised.
- (iv) FIN-IND already shared their findings with LEAs + also Indian regulators (both).

#### **50. *Briefs on GST frauds for FIU-IND***

- FIN-IND revealed that several cases involving fake invoices identified where similar pattern being followed for GST refund frauds against suspected securities + stock manipulation through routing of funds from outside India + forgery + also misrepresentation (all).

#### **51. *Briefs on Trade + service based money laundering for FIU-IND***

- (i) FIN-IND revealed that international trading activities identified for possible trade-based money laundering.
- (ii) FIN-IND observed similar pattern being followed for fraudulent Duty Drawback (DDB) + over-invoicing + under-invoicing + fraudulent GST refund + also etc. (all).  
+ (plus)
- (iii) FIN-IND observed that high value outward remittances being made for services like logistics + freight + consultancy + media services + also etc. (all).
- (iv) FIN-IND already shared analysis with global LEAs + Indian regulators (both).

**52. *Briefs on already sanctioned countries for FIU-IND***

- *FIN-IND revealed that financial transactions being executed with already sanctioned countries + also found forged documents being used for same (both).*

**53. *Briefs on several bank accounts linked with Common Mobile for FIU-IND***

- (i) *FIN-IND revealed that several bank accounts being linked with common mobile numbers + also proved dummy bank accounts (both).*
- (ii) *FIN-IND observed that similar patterns being used for certain cases like:*
  - (a) *Falsification of bank account details for submitting false proofs to Visa authorities*
  - (b) *Creation of large number of bank accounts for fraudulently claiming tax refunds*
  - (c) *Creation of large number of bank accounts for laundering proceeds of cybercrime*

**54. *Briefs on Foreign Inward Remittances for FIU-IND***

- (i) *FIN-IND revealed that many transactions for foreign inward remittances concluded Where*
- (ii) *FIN-IND identified that high value foreign inward remittances received by housewives having no economic rationale.*

**55. *Briefs on COVID-19 Pandemic for FIU-IND***

- (i) *FIU-IND revealed that financial transactions linked to COVID-19 pandemic + found identification of frauds against contracts for supply of medicines + medical equipments where frauds conducted through misuse of COVID-19 relief schemes allowed by Indian govt. + foreign govts. + also employers (all)*
- (ii) *FIU-IND found that recruitments related frauds increased through large-scale unemployment during early months of pandemic + also misuse of MTSS*

*channel for remittances made fraudulently to unrelated persons deemed under COVID-19 assistance (both).*

*(iii) FIU-IND found that substantial increases in transactions + routing of funds by tour and travel companies + foreign entities + foreign nationals + money transfer agents + etc. in early lockdown period which inconsistent during disruption of businesses + also global supply chains (all).*

#### **56. *Briefs on Registered Unrecognized Political Parties (RUPP)***

- (i) FIU-IND found that several Indian political parties duly registered but not recognized by Election Commission of India (ECI).*
- (ii) FIU-IND found that bank accounts of unrecognized political parties being fraudulently misused for claiming Income tax exemption + also for illegally routing of funds (both).*

#### **57. *Briefs on Online Scam App + Scam Website (both) for FIU-IND***

- (i) FIU-IND already received input from global LEAs that online scam app being used for duping large number of peoples under head crypto-currency investments.*
- (ii) FIU-IND analyzed + also found that 2 Indian companies already linked in these operations with another 36 Indian companies (both).*
- (iii) FIU-IND found further that out of above 36 Indian companies 28 Indian companies exceptionally had 1 or more than 1 foreign national directors*

#### **58. *Briefs on Strategic Analysis by FIU-IND***

- (i) FIU-IND routinely carrying strategic analyses against existing databases for received reports to understand reporting behavior already provided by REs to identify themes + also sectors for further operational analyses (both).*

- (ii) FIU-IND identifying deficiencies + also providing suitable guidelines (both) to REs after analysis against already received STRs.
- (iii) FIU-IND identifying deficiencies in regulatory framework + also preparing recommendations for amendments through legal provisions against reportable information's through REs (both).

#### **59. Briefs on Reports on Global FIUs by FIU-IND**

- (i) FIU-IND studying + assessing best practices already adopted by FIUs outside India against fighting for money laundering + terror financing + other financial crimes to suggest recommendations for enhancement in existing processes + also procedures for FIU-IND (all).
- (ii) FIU-IND studying to include already studied by FATF + Egmont group + also use of publications published by other regional bodies (all).

#### **60. Briefs on CTR Trend Analysis by FIU-IND**

- FIU-IND required to identify trends + patterns in reporting + compliance gaps + quality of reporting + to collect relevant insights through analysis of CTRs already submitted in last 2 financial year starting from April 2019 to March 2021 + also to recommend suggestions for improving quality of reporting (all).

#### **61. Briefs on New Target Identifications of CBWTRs + STRs**

- FIU-IND required to identify new potential targets through analysis of CBWTRs + STRs to identify foreign entities in high-risk jurisdictions + also recipients of high value outward remittances (both).

#### **62. Briefs on CTR Analysis for Election-bound States by FIU-IND**

- FIU-IND required to identify bank accounts having unusual increases in cash deposits + also in cash withdrawal during state legislature's election (both).

### **63. *Briefs on Reporting Compliances by Reporting Entities for FIU-IND***

- (i) *FIU-IND required to assess level of compliances already exercised by REs based on specific parameters like timelines for submission of reports + completion of reports + also etc. (all)*
- (ii) *FIU-IND required to provide recommendations for improvements.*
- (iii) *FIU-IND required to prepare monthly report for identifying deficiencies in reports already filed by REs + also be taken quick action for corrections (both).*

## **(G) FIU-IND domestic cooperation from law enforcement + intelligence agencies**

### **64. Briefs on domestic Cooperation from Law enforcement + Intelligence agencies**

- (i) FIU-IND have nodal officers for coordinating with law enforcement agencies + also intelligence agencies against 100% matters pending with them (both).
- (ii) FIU-IND's nodal officers organizing bi-monthly meetings with law enforcement agencies + intelligence agencies for better coordination in sharing + also handling of information's (all)
- (iii) FIU-IND participating in meetings of Economic Intelligence Council (EIC) + Regional Economic Intelligence Councils (REICs) to be organized by CEIB + to interact with agencies of State govts. + also Union Territories (all) on regular basis.
- (iv) FIU-IND's database on cash + suspicious transactions already found very useful for domestic law enforcement agencies + also intelligence agencies (all).
- (v) Law enforcement + intelligence agencies relying on information's already available in FIU-IND's data bank for developing intelligence + also for strengthening ongoing investigations (all).
- (vi) FIU-IND already provided information's against references received for money laundering + terrorism financing + corporate frauds + organized crimes + Fake Counterfeit Indian Currency Notes (FCICN) + tax evasion + also etc. (all) like :

S.No	Year ending on	Request received from Intelligence Agencies	Request received from Law Enforcement Agencies
(i)	March 31, 2014	373	221
(ii)	March 31, 2015	374	96
(iii)	March 31, 2016	583	267
(iv)	March 31, 2017	754	132
(v)	March 31, 2018	989	463

(vi)	March 31, 2019	802	906
(vii)	March 31, 2020	1263	1035
(viii)	March 31, 2021	1648	999
(ix)	March 31, 2022	2851	1729

## **65. *Briefs on cooperation with Regulators + Intelligence agencies by FIU-IND***

- (i) *FIU-IND already developed close relationship with financial sector regulators like Reserve Bank of India (RBI) + National Bank for Agricultural and Rural Development (NABARD) + Securities and Exchange Board of India (SEBI) + Insurance Regulatory Development Authority (IRDA) for strengthening AML + also CFT regulations (all)*
  - + (plus)*
- (ii) *Holding regular meetings with regulators to discuss matters for common interest.*
- (iii) *Cooperation + interaction required to ensure against guidelines already issued by regulators for actions on KYC + AML + CFT norms + also to address FIU-IND's concerns (all).*
- (iv) *FIU-IND required to upload circulars already issued by abovementioned regulators like RBI + SEBI + also etc. (all) for quick references.*
- (v) *FIU-IND required to continue regular interactions with industry associations + Self-Regulatory Organizations (SROs) to develop common understanding for obligations + to improve compliances + also reporting obligations under PMLA, 2002 (all).*
- (vi) *FIU-IND required to interact with Regulators for developing indicators for industry specific suspicious transactions.*
- (vii) *FIU-IND required to identify sector specific issues from trend analysis of STRs + also to be shared with concerned regulators for interventions (both).*
- (viii) *FIU-IND required to assist regulatory authorities for training their staffs to improve better understanding for AML + also CFT issues (both).*

## **66. *Briefs on Other Avenues used for better efficiencies by FIU-IND***

- (i) *FIU-IND already entered into Memorandums of Understanding (MoUs) with partner agencies to provide structural framework for enhancing co-operations + also understanding (both).*
- (ii) *FIU-IND already entered into MoUs for providing protections against disseminated information's from unauthorized use + also proliferation (both).*
- (iii) *FIU-IND already signed MoUs with RBI + MCA + SFIO + CBI + NCB + CBDT + CBIC + NIA + SEBI + IRDA + also etc. (all).*
- (iv) *FIU-IND presently member + also attending daily meetings of Multi Agency Centre (MAC) set up in Ministry of Home Affairs (MHA) for exchange of terror related information's (both).*
- (v) *FIU-IND presently member of FICN Coordination Group (FCORD) formed by MHA to share intelligences + information's among security agencies of Central + also State govt.'s to counter problem for circulation of Fake Currency Notes (FCN) all.*

## **(H) FIU-IND's International co-operations from global intelligence agencies**

### **67. Briefs on Co-operations + exchange of information's with FIUs outside India**

(i) (a) FIU-IND continuing to improve strong relationship with FIUs outside India.  
+ (plus)

(b) FIU-IND presently member of Egmont Group to adopt Egmont's principles for free exchange of information's + also actively exchange of information's with FIUs outside India (both).

(ii) FIU-IND to ensure that 100% requests for information's be replied in time beside information's not found in data bank.

(iii) (a) FIU-IND's statistical information's against number of cases for requests already made by FIU-IND to FIUs outside India.  
+ (plus)

(b) Number of cases for requests already received by FIU-IND from FIUs outside India (both) like:

S.No	Year ending on	Number of requests received from FIUs outside India	Number of requests sent to FIUs outside India	Number of disclosures received from FIUs outside India
(i)	March 31, 2016	100	140	120
(ii)	March 31, 2017	123	138	125
(iii)	March 31, 2018	109	177	129
(iv)	March 31, 2019	111	288	160
(v)	March 31, 2020	135	485	180
(vi)	March 31, 2021	137	405	209
(vii)	March 31, 2022	149	483	164

(iv) FIU-IND not required for signing of MoUs with FIUs outside India agianst exchange of information's + permitted for exchange information's based on reciprocal MoUs already negotiated to formalize nature + scope of mutual co-operations to provide structured framework for better understanding + also enhance level of co-operations (all).

- (v) FIU-IND already initiated MoUs with several countries outside India from 2008
- (vi) FIU-IND already signed MoUs with 47 countries outside India up to March 31, 2021
- (vii) FIU-IND already signed MoUs with Laos + also under various stages of negotiations with other countries outside India up to March 31, 2022 (both).

**68. Briefs on Joint Working Groups (JWGs) for Countering Terrorism by FIU-IND**

- FIU-IND participating in JWGs for countering terrorism already set up by govt. with several countries outside India for evaluating AML + CFT vulnerabilities + also national risk assessment for India (all).

**69. Briefs on Leadership of India in Egmont Group by FIU-IND**

- (i) Mr. Manoj Kaushik additional director with FIU-IND already elected chairman for Egmont's Membership, Support, and Compliance Working Group (MSCWG) from year 2020 to 2022 (3 year).
- (ii) Mr. Manoj Kaushik from India 1<sup>st</sup> time assumed chairmanship to enhance role of FIU-IND for policy matters in Egmont Group of FIUs + reflecting FIU-IND's global credibility + validation + acceptance of practices + also procedures (all).
- (iii) Mr. Chaitanya Shukla, additional director with FIU-IND already elected Vice-Chairman for Information Exchange Working Group (IEWG) of Egmont Group of FIUs for year 2022 (1 year).
- (iv) FIU-IND already attended several online meeting of Egmont Asia Pacific Regional (EAPR) through Video Call (VC) with Egmont vertical officers.

**70. Briefs on Participation of India in FATF meetings by FIU-IND**

- Director FIU-IND + other officers virtually attending in plenary meeting during June 2021 + physically attended in October 2021 + February 2022 + also 100% meetings held in Paris, France (all).

## 71. *Briefs on Memorandum of Understandings (MoUs) signed by FIU-IND*

- *List of MoUs signed up to March 31, 2022*

<i>Sr. No.</i>	<i>Name of Foreign FIU</i>	<i>Date of signing of MOU</i>
(i)	<i>Mauritius</i>	<i>February 11, 2008</i>
(ii)	<i>Philippines</i>	<i>March 11, 2008</i>
(iii)	<i>Brazil</i>	<i>May 27, 2008</i>
(iv)	<i>Malaysia</i>	<i>October 21, 2008</i>
(v)	<i>Russia</i>	<i>December 05, 2008</i>
(vi)	<i>Australia</i>	<i>May 26, 2009</i>
(vii)	<i>Canada</i>	<i>October 21, 2009</i>
(viii)	<i>USA</i>	<i>March 03, 2010</i>
(ix)	<i>Sri Lanka</i>	<i>March 26, 2010</i>
(x)	<i>Georgia</i>	<i>April 26, 2010</i>
(xi)	<i>San Marino</i>	<i>June 30, 2010</i>
(xii)	<i>Bermuda</i>	<i>October 12, 2010</i>
(xiii)	<i>Nigeria</i>	<i>October 12, 2010</i>
(xiv)	<i>Japan</i>	<i>November 08, 2010</i>
(xv)	<i>Indonesia</i>	<i>January 25, 2011</i>
(xvi)	<i>Israel</i>	<i>July 12, 2011</i>
(xvii)	<i>Poland</i>	<i>July 12, 2011</i>
(xviii)	<i>Singapore</i>	<i>October 24, 2011</i>
(xix)	<i>Nepal</i>	<i>November 17, 2011</i>
(xx)	<i>Thailand</i>	<i>May 30, 2013</i>
(xxi)	<i>Guernsey</i>	<i>July 04, 2013</i>
(xxii)	<i>Montenegro</i>	<i>July 04, 2013</i>
(xxiii)	<i>South Africa</i>	<i>July 04, 2013</i>
(xxiv)	<i>Ukraine</i>	<i>February 18, 2014</i>
(xxv)	<i>Bangladesh</i>	<i>June 03, 2014</i>
(xxvi)	<i>Fiji</i>	<i>June 03, 2014</i>
(xxvii)	<i>Belarus</i>	<i>June 20, 2014</i>
(xxviii)	<i>Uzbekistan</i>	<i>June 20, 2014</i>
(xxix)	<i>Senegal</i>	<i>June 10, 2015</i>
(xxx)	<i>Saudi Arabia</i>	<i>April 03, 2016</i>
(xxxi)	<i>Togo</i>	<i>June 02, 2016</i>

<i>(xxxii)</i>	<i>Qatar</i>	<i>June 05, 2016</i>
<i>(xxxiii)</i>	<i>Kazakhstan</i>	<i>November 11, 2016</i>
<i>(xxxiv)</i>	<i>Tazikistan</i>	<i>December 17, 2016</i>
<i>(xxxv)</i>	<i>Bahrain</i>	<i>February 01, 2017</i>
<i>(xxxvi)</i>	<i>Vatican City State</i>	<i>February 01, 2017</i>
<i>(xxxvii)</i>	<i>Macedonia</i>	<i>April 07, 2017</i>
<i>(xxxviii)</i>	<i>Myanmar</i>	<i>July 15, 2017</i>
<i>(xxxix)</i>	<i>Kyrgyz Republic</i>	<i>November 24, 2017</i>
<i>(xl)</i>	<i>Egypt</i>	<i>June 24, 2018</i>
<i>(xli)</i>	<i>United Arab Emirates</i>	<i>June 24, 2018</i>
<i>(xlii)</i>	<i>Bhutan</i>	<i>July 19, 2018</i>
<i>(xlvi)</i>	<i>Cyprus</i>	<i>September 03, 2018</i>
<i>(xliv)</i>	<i>Maldives</i>	<i>December 13, 2019</i>
<i>(xlv)</i>	<i>Macao</i>	<i>March 18, 2020</i>
<i>(xlvi)</i>	<i>Cambodia</i>	<i>September 08, 2020</i>
<i>(xlvii)</i>	<i>Laos</i>	<i>June 11, 2021</i>

## **(I) FIU-IND's powers for Reporting Obligations from REs under PMLA, 2002**

### **72. Overview on FIU-IND's powers for Reporting Obligations from REs**

- (i) FIU-IND permitted for ensuring reporting obligations (compliances) from REs like banking companies + financial institutions + intermediaries + etc. under PMLA, 2002 + also PMLR, 2005 (all).
- (ii) FIU-IND permitted for conducting workshops + seminars + also reviews meetings for increasing awareness among REs (all).
- (iii) FIU-IND permitted for undertaking about reporting obligations through issuing new guidelines + new warnings + also imposing financial penalties (all).

### **73. Briefs on Red Flag Indicators by FIU-IND**

- (i) FIU-IND permitted for making Red Flag Indicators for different sectors to facilitate process of STR reportings.
- (ii) Meaning of Red Flag Indicators
  - (a) To create common + shared understanding about STR detection + also reporting systems (all).
  - (b) To provide indicative lists for high-risk customers + products + services + also geographies (all).
  - (c) To provide commonly used alerts for detection of suspicious transactions.
  - (d) To provide guidance's for alert management + also preparation of STRs both.

### **74. Briefs on Issuance of guidelines by FIU-IND**

- FIU-IND's director empowered to issue guidelines in consultation with regulators for detecting + also reporting STRs through issue of guidelines to REs from time to time under Rule 7 (3) of Prevention of Money Laundering (Maintenance of Records) Rules 2005 (both).

## **75. *Briefs on Working Group to review RFIs on Capital Markets by FIU-IND***

- (i) *FIU-IND permitted to take steps to mitigate + to address AML + CFT risks against significant increases in trading volumes in capital markets + also rapid pace of transformation's (all).*
- (ii) *FIU-IND permitted to adopt FATF's Risk Based Approach (RBA) to conduct comprehensive risk assessment in sector of capital markets + also to define supplement guidelines about new alert indicators (both).*
- (iii) *FIU-IND already constituted own working group in October, 2022 consisting members from different organizations like:*
  - (a) *From SEBI*
  - (b) *From Stock Exchanges like NSE + BSE + MCX + MSEI + also NCDEX (all)*
  - (c) *From Depositories like CDSL + also NSDL (both)*
- (iv) *FIU-IND prepares consolidated agenda for reviewing risks + defining new alert indicators + conducting several virtually participatory meetings of working group + already conducted 2 day physical participating meetings in February, 2022 held at BSE + also NSE in Mumbai (all).*
- (v) *FIU-IND's supplement guidelines still under discussion at draft stage + also working group already identified certain main issues to address for guidelines (both) like:*
  - (a) *Synchronized Trading + also Reversal Trades (both)*
  - (b) *Order book manipulation (Order Spoofing)*
  - (c) *Handling of Client Funds + also Securities by Trading Members (both)*
  - (d) *Suspicious Off-market transfers*
  - (e) *Adverse observations already made by stock exchanges during inspections*
- (vi) *FIU-IND's Working Group required to finalize new supplement guidelines up to end of 1<sup>st</sup> quarter of financial year ending on March 31, 2023.*

## **76. *Briefs on Proceedings under PMLA, 2002 + PMLR, 2005 by FIU-IND***

- (i) (a) Director FIU-IND permitted under section 13 of PMLA, 2002 to enquire when REs fails to comply with obligations already imposed under section 12 of PMLA, 2002 + also under PMLR, 2005 (both)
  - (b) Meaning of obligations imposed under section 12 of PMLA, 2002 for REs  
Obligations include verification of clients + maintaining 100% records of transactions + reporting for STRs + CTRs + CBWTRs + also etc. (all)
  - (c) Penalties on REs for failure to comply obligations under section 13 of PMLA FIU's director empowered to impose financial penalty on REs for failure to comply with obligations already imposed under PMLA, 2002 + also PMLR, 2005 (both).
- (ii) FIU-IND's compliance vertical to assist directors for exercising of powers already available under section 13 of PMLA, 2002 like issuance of Show Cause Notices (SCNs) + advisories + also levy of financial penalties (all).

## **77. *Briefs on Statistics on FIU-IND director's actions for March 31, 2022***

- (i) Already issued 21 SCNs to different REs
- (ii) Already issued 40 compliance orders including 8 financial penalties orders (both)
- (iii) Already imposed financial penalty aggregating INR 18.4 lac
- (iv) Already made more than 30 calls for calling information's from REs under section 12A of PMLA, 2002.
- (v) Already issued specific directions to review historical reporting (look-back) + also needing for AML + also CFT training in 2 cases (all).

## **78. *Briefs on Additional compliances by FIU-IND's director for March, 2022***

- FIU-IND's compliance vertical started taking up potential compliances of cases based on examination for open sources + public domain like news media's

reports against disclosures like frauds + also criminal activities already covered for obligations under Chapter IV of PMLA, 2002 (all).

- (v) *Source of additional compliances by FIU-IND's compliance vertical*
  - *FIU-IND's compliance vertical taking compliance actions based on diverse sources of information's like RBI + SEBI + LEAs + IAs + also internal referrals from FIU-IND's review vertical (all).*

## **79. Briefs on Role of FIU-IND's compliance vertical for March 31, 2022**

- (i) *FIU-IND's compliance vertical laid its foundation for commencement of comprehensive review to streamline compliances + FIU-IND's enforcement mandate for engaging with internal + external stakeholders to review + to suggest improvements to discharge for enforcement + compliance functions by FIU-IND against developments in financial intelligence + also financial services ecosystems (all).*

+ (plus)
- (ii) *FIU-IND's compliance vertical regularly engaged with various internal + external stakeholders for legislative matters + policy matters like providing legal analysis + comments on legislative + regulatory proposals shared by various departments + ministries of govt. + proactively suggesting policy interventions for various domain threats based on observed areas of concern + also emerging threats (all).*

+ (plus)
- (iii) *FIN-IND's compliance vertical working for cross-domain visibility to submit recommendations for unique advantage points at inter-section of financial regulations + law enforcement + also intelligence (all).*

## **80. Briefs on Compliance vertical for coverage of key areas for March 31, 2022**

- (i) *Key areas for coverage of entities to leverage extant legal framework to expand under financial intelligence net*

- (ii) *FIU-IND's compliance vertical made efforts to study + to engage appropriately when considered necessary compliance actions against various categories of financial sector to constitute those involving + emerging technologies + also business models (all).*
- (iii) *FIU-IND's compliance vertical already coordinated + supervised effective representations before various courts + also tribunals during March 31, 2022 (all).*

**(J) FIU-IND's important amendments in Rules + Notifications under PMLA, 2002**

**81. FIU-IND's Rules + Amendments through notifications issued under PMLA**

<i>S.No</i>	<i>Effective Date</i>	<i>Notification Number</i>	<i>Brief on amendments in Act and in Rules</i>
(i)	July 01, 2005	1/2005	<i>Notified date for applying of provisions</i>
(ii)	July 01, 2005	2/2005	<i>Notified date for providing powers to adjudicating authority like chairperson + also 2 members (both)</i>
(iii)	July 01, 2005	3/2005	<i>Notified date for specifying jurisdiction at New Delhi to adjudicating authority</i>
(iv)	July 01, 2005	4/2005	<i>Notified date for establishing Appellate Tribunal at New Delhi</i>
(v)	July 01, 2005	5/2005	<i>Notified date for providing certain exclusive + also concurrent powers to director FIU-IND (both)</i>
(vi)	July 01, 2005	6/2005	<i>Notified date for providing certain exclusive + also concurrent powers to Director of Enforcement (ED) (both)</i>
(vii)	July 01, 2005	7/2005	<i>Notified date for specifying rules against forwarding copy of order of provisional attachment of property + material in possession + also copy of reasons (all) to adjudicating authority (all)</i>
(viii)	July 01, 2005	8/2005	<i>Notified date for specifying rules against receipt + also management of confiscated properties (both)</i>
(ix)	July 01, 2005	9/2005	<i>Notified date for specifying rules for maintenance of records of nature + value of transactions + procedure + manner of maintaining + time for furnishing of information's + verifications of records of identity of clients of banking companies + financial institutions + also intermediaries of securities market (all)</i>

(x)	July 01, 2005	10/2005	Notified date for specifying rules against Forms + search and seizure + manner of forwarding copy of reasons + material about search and seizure + search of person to Adjudicating Authority + impounding + custody of records + also period of retention (all)
(xi)	July 01, 2005	11/2005	Notified date for specifying rules against manner of forwarding copy of order of arrest of person + material to Adjudicating Authority + also period of retention by Adjudicating Authority (all)
(xii)	July 01, 2005	12/2005	Notified date for specifying rules against manner of forwarding copy of order of retention of seized property + material to Adjudicating Authority + also period of retention by Adjudicating Authority (all)
(xiii)	July 01, 2005	13/2005	Notified date for specifying rules against manner of receiving records authenticated outside India
(xiv)	July 01, 2005	14/2005	Notified date for specifying rules for purpose of appeals
(xv)	December 13, 2005	15/2005	Notified date for specifying amended rules 5 + 7 + 8 + also Rules 10 already notified vide notification No. 9/2005 under PMLA, 2002 (all)
(xvi)	June 27, 2006	6/2006	Notified date for specifying authority to whom FIU-IND's director to furnish information's under Section 66 of PMLA, 2002
(xvii)	May 24, 2007	4/2007	Notified date for amending dentitions : (a) For suspicious transaction under rule 2 (b) For Counterfeit currency transaction under rule 3(1)(c) (c) For due dates for furnishing reports under rule 8 (d) For requirement of verification of records of identity of clients under rule 9 .

(xviii)	November 12, 2009	13/2009	Notified date for amending Rule 2 + 3 + 5 + 6 + 7 + 8 + 9 + also Rules 10 already notified vide Notification No. 9/2005 under PMLR, 2005 (all)
(xix)	February 12, 2010	67/2010	Notified date for amending requirements of maintenance of accounts + also definition of beneficial owner (both).
(xx)	June 16, 2010	10/2010	Notified date for amending in Rule 2 + 9 + 10 to include explanation to definition of Suspicious Transaction treated transaction involving for financing of activities about terrorism + obligation to determine beneficial owner + ongoing due diligence + prohibition for keeping + opening anonymous + also fictitious accounts + etc (all).
(xxi)	December 16, 2010	14/2010	Notified date for amending in Rule 2 + 9 to expand list of officially valid documents under rule 2 by including letter issued by NREGA + Aadhaar Number issued by UIDAI + also inserted provisions to enable opening of small account (all).
(xxii)	June 24, 2011	6/2011	Notified date for amending in name of PML rule already notified vide Notification No 9/2005 to The Prevention of Money Laundering (Maintenance of Records) Rules, 2005.
(xxiii)	August 27, 2013	12/2013	Notified date for introducing Prevention of Money-laundering (Maintenance of Records) Amendment Rules, 2013.
(xxiv)	September 24, 2014	DL33004/ 1999	Notified date for carrying on business by person on his behalf or on behalf of REs for storing + safeguarding + also retrieving records of documents be deemed to carry on designated business or profession by person (all).

(xxv)	April 01, 2015	Finance Act,2015 (20 of 2015)	<p>Notified date for definition of proceeds of crime be widened to include property taken or held outside India through criminal activity like:</p> <p>(a) Offences specified under Part B of PMLA, 2002 when value involved in offence increased from INR 30 Lac to INR 100 Lac</p> <p>(b) Abovementioned amendments made in sections 5 + 8 + 20 + 21 + also 60 of PMLA, 2002 (all)</p> <p>(c) Schedule to PMLA, 2002 after Part A then Part B added to include Section 132 of Customs Act, 1962 for false declaration + false documents + also etc (all).</p>
(xxvi)	July 07, 2015	GSR, 544(E) + 730(E)	<p>(a) Notified date for definition of Central KYC Records Registry incorporated in rule 2(1)(aa) + changes made in rules 2(1)(ca) + 9(1) + 9(2) + 9A + 10(1) + also 10(2) (all).</p> <p>(b) Notified date for other changes included in explanation of Managing Director (MD) + also Whole time Director (WTD) under Companies Act, 2013 (both).</p> <p>(c) Notified date for inclusion of National Population Register (NPR) in list of officially valid document for validity of documents like utility bill + electricity bill + telephone bill + postpaid mobile phone bill + piped gas bill + water bill + also etc. (all) for simplified measures.</p> <p>(d) Notified date for empowering FIU-IND's director to issue guidelines in consultation with regulators for detecting transactions already referred in Rule 3(1) through amendment in Rule 7(3) of PMLR, 2005</p>

(xxvii)	September 11, 2015	GSR 693(E)	Notified date for setting up of Central KYC Records Registry period for receiving + storing + safeguarding + also retrieving copies of KYC obtained by REs from their client increased from 30 day to 90 day (all).
(xxviii)	September 22, 2015	GSR 730(E)	Notified date for officially valid document to be provided under rule 2(1(d) of Prevention of Money laundering (Maintenance of Records) Ruled, 2005
(xxix)	November 18, 2015	GSR 882(E)	Notified date for setting Central KYC Records Registry period for receiving + storing + safeguarding + also retrieving copies of KYC obtained by REs from their client increased from 90 day to 180 day (all).
(xxx)	February 17, 2016	GSR 136(E)	Notified date for adding Defense Intelligence Agency under section 66 of PMLA, 2002 to whom information's be disseminated.
(xxxi)	April 12, 2017	GSR 347(E)	(a) Notified date for amending in Rule 2(1)(fa) for inserting in definition of Regulator + (plus) (b) Notified date for amending in Rule 9B for inserting Inspection by RBI under Prevention of Money laundering (Maintenance of Records) Ruled, 2005
(xxxii)	June 01, 2017	GSR 538(E)	(a) Notified date for submitting Aadhaar + Permanent Account Number (PAN) in stipulated time on commencement of account-based relationship with REs by clients + also for those clients already having account-based relationship with REs prior to date of notification no. GSR 538(E) (all).  (b) Notified date for cessation from operation of account when failure in compliance of rules by clients.

(xxxiii)	May 04, 2018	3/2018	Notified date for designating Multi-State Co-operative Society registered under Multi-State Co-operative Societies Act, 2002 (39 of 2002) as person carrying on designated business or profession.
(xxxiv)	May 08, 2018	GSR 437(E)	Notified date for adding National Technical Research Organization (NTRO) under section 66 of PMLA, 2002 to whom information's be disseminated.
(xxxv)	July 25, 2018	GSR 674(E)	Notified date for adding Military Intelligence under section 66 of PMLA, 2002 to whom information's be disseminated
(xxxvi)	February 13, 2019	GSR 108(E)	Notified date for amending against Aadhar Number in Prevention of Money-laundering (Maintenance of Records) Rules, 2005
(xxxvii)	July 23, 2019	Ins. by Act 14 of 2019, S.27 (w.e.f. 25.07.2019)	Notified date for inserting against Verification of identity by REs under section 11A of PMLA, 2002.
(xxxviii)	August 01, 2019	Ins. by Act 23 of 2019, S195(w.e.f. 01.08.2019)	Notified date for inserting against enhanced due diligence under section 12A of PMLA, 2002.
(xxxix)	August 01, 2019	Ins. by Act 23 of 2019, S195(w.e.f. 01.08.2019)	Notified date for inserting against constitution of Inter Ministerial Coordination Committee under section 72A of PMLA, 2002
(xl)	September 22, 2021	GSR 650(E)	Notified date for Aadhar authentication service of UIDAI under section 11A of PMLA 2002.
(xli)	January 04, 2022	G.S.R 5(E)	Notified date for not applicability to Foreign Portfolio Investor (FPI) of provisions under section 9 (1A) Prevention of Money-laundering (Maintenance of Records) Rules, 2005

## 82. *Briefs on FIU-IND's obligations from REs under PMLA, 2002*

S.No	Nature of Obligation	Event for obligation
(i)	To communicate name + designation + address of Designated Director + also Principal Officer (all) to FIU-IND	At time of appointment + change of Designated Director + also Principal Officer (all)
(ii)	To Formulate + also implement Client Due Diligence (CDD) Programme to determine true identity of clients (both)	For initially changes + also for changes as prescribed by regulator (both)
(iii)	To identify client + verify identity + to obtain information's + also intended nature of relationship (all)	At time of commencement of account-based relationship + also after commencement of account-based relationship (both)
(iv)	To verify identity of client	At time of carrying transaction for minimum INR 50 thousand + also international money transfer (both)
(v)	To determine client acting on behalf of beneficial owner + to identify beneficial owner + also to take 100% steps to verify identity of beneficial owner (all)	At time of commencement of relationship + at time of any change in beneficiary + also authorized person (all)
(vi)	To obtain certified copy of documents for evidencing of identity + address + recent photograph + other documents for nature of business + financial status of client + also to be prescribed by Regulator in future (all)	At time of commencement of account-based relationship + also after commencement of account-based relationship (both)
(vii)	To evolve internal mechanism for maintaining + also furnishing information's (both)	Continuously (ongoing)
(viii)	To maintain record of 100% transactions when allows reconstruction of individual transactions + nature of transaction + amount + currency of transaction + also date of transaction parties of transaction (all)	Continuously (ongoing)

(ix)	To examine transactions + to ensure consistency with business + also risk profile of client (all)	Continuously (ongoing) due diligence
(x)	To furnish Cash Transaction Report (CTR) to FIU-IND for 100% specified cash transactions	Monthly up to 15 <sup>th</sup> day of succeeding month
(xi)	To furnish report for Counterfeit Currency Report (CCR) to FIU-IND	Monthly up to 15 <sup>th</sup> day of succeeding month
(xii)	To furnish report for Non-Profit-Organizations (NPOs) to FIU-IND	Monthly up to 15 <sup>th</sup> day of succeeding month
(xiii)	To furnish Suspicious Transaction Report (STR) to FIU-IND for 100% details of suspicious transactions made in cash + not in cash + also attempted suspicious transactions (all)	In 7 working day when satisfied that transaction already suspicious.
(xiv)	To furnish report Cross Border Wire Transfer (CBWT) to FIU-IND for specified cross border transactions	Monthly up to 15 <sup>th</sup> day of succeeding month
(xv)	To furnish report on Registration of Properties to FIU-IND by Registrar + also Sub-Registrar of Properties (both)	Quarterly up to 15 <sup>th</sup> day of succeeding quarter
(xvi)	To maintain records of identity of clients	For minimum 5 year after business relationship ended between client and REs or account closed whichever later.
(xvii)	To maintain records of 100% transactions	For minimum 5 year after business relationship ended between client and REs
(xviii)	To keep maintain information's + to furnish + also to verify confidential (all)	Continuously (ongoing)

## **(K) Information Technology (IT) Infrastructure in FIU-IND**

### **83. Overview on Existing IT infrastructure (FINnet 1.0)**

- (i) FIU-IND's Information Technology (IT) known Financial Intelligence Network (FINnet 1.0) already launched in October 2012 to support functioning through robust technological backbone + to set up efficient system to aid collections + processings + also to dissemination of financial data's (all)
- (ii) Objectives of FINnet 1.0
  - (a) To build efficient system for collecting data's from REs + also to reduce lead time in processing data's (both).
  - (b) To build capacity for effectively analyzing large number of reports + also to produce quality intelligence (both).
  - (c) To build efficient system for disseminating + exchanging of information's with other agencies in India + also outside India (all).
  - (d) To build adequate internal capacity for administrating support + also knowledge to make FIU-IND agile organization to meet changing needs.
  - (e) To adopt array of security measures + also internal controls (both).

### **84. Overview on Future's IT infrastructure (FINnet 2.0)**

- FINnet 2 will be future's pioneer IT systems to provide end-to-end solution for 100% IT based needs for FIU-IND + receiving + analyzing + disseminating of information's + also to provide 2 way electronic communication system between FIU-IND and REs on 1<sup>st</sup> hand and enforcement agencies on 2<sup>nd</sup> hand (other hand) through secure network (all).

### **85. Overview on 3 functions of existing IT infrastructure (FINnet 1.0)**

- (i) 3 Functions of existing IT infrastructure (FINnet 1.0) based on information's sourced through FIU-IND + global FIU-IND + also through other data base (all).

(ii) (a) *FINnet 1.0 enable REs to furnish reports online using FINgate portal.*

(b) *FINcore portal of FINnet processes reports already received from REs + also to link 100% relevant reports available in database (data bank) using rules of Identity and Relationship Resolution (IRR) both.*

(iii) *Information Security Management (ISM)*

- *ISM include Collection of information's + Compliance management against processing of information's to analyze STR for detecting new targets + trend analysis through exchange of information's to law enforcement agencies + also intelligence agencies in India (all).*

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