



## ***My Dear Friend***

I am presenting **Thursday Article on 121 FAQ's on Legislation of Prevention of Money Laundering (PMLA) 2002 in India**

1. Any kind of offence attracting **Penalty + imprisonment (both)**.
2. It's humbly suggested to stop committing offence.
3. I trust that you will be enriched by reading this article

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● **With best wishes from CA. Satish Agarwal, New Delhi** ●



## 121 FAQ's on Legislation of Prevention of Money Laundering (PMLA) 2002

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## 121 FAQ's on Legislation of Prevention of Money Laundering (PMLA) 2002

### (A) Preliminary Introduction on PMLA, 2002 in India (Chapter-I)

#### 1. Introduction on PMLA, 2002 (Section 1)

- (i) PMLA, 2002 in India applicable to whole of India including J & K.
- (ii) PMLA, 2002 notified by Central Government (Govt.) through notification in Official Gazette.

### (A-1) Definition (meaning) for different terms under PMLA, 2002 (Chapter-I)

#### 2. Meaning of Adjudicating authority under PMLA, 2002 (Section 2(1) (a))

- Adjudicating authority appointed under section 6(1) of PMLA, 2002

#### 3. Meaning of attachment under PMLA, 2002 (Section 2(1) (d))

- Attachment through order to be issued under Chapter III of PMLA, 2002 like prohibition on transfer + conversion + disposition + movement of property (any)

#### 4. Meaning of authorized person under PMLA, 2002 (Section 2(1) (da))

- Authorized person defined under section 2(c) of Foreign Exchange Management Act (FEMA) 1999 (42 of 1999)

#### 5. Meaning of banking company under PMLA, 2002 (Section 2(1) (e))

- Banking company + co-operative bank (both) defined section 51 of RBI Act 1934.

#### 6. Meaning of beneficial owner under PMLA, 2002 (Section 2(1) (fa))

- Individual + non individual (juridical person) both are treated beneficial owner where ultimately owning + controlling + exercising ultimate effective control (any) against transaction already conducted.





**7. Meaning of chit fund company under PMLA, 2002 (Section 2(1) (h))**

(i) Chit Fund Company who managing + conducting + supervising as foreman + agent + in other capacity (any).

(ii) Chit defined under section 2 of Chit Funds Act, 1982 (40 of 1982)

**8. Meaning of client (person) under PMLA, 2002 (Section 2(1) (ha))**

- Person who engaged in financial transaction + activity (both) with reporting entity + also includes person acting on behalf other person who engaged in transaction + activity

**9. Meaning of corresponding laws under PMLA, 2002 (Section 2(1) (ia))**

- Corresponding laws in foreign country (outside India) for dealing with Money laundering offences similar to scheduled offences under PMLA, 2002 in India.

**10. Meaning of dealer under PMLA, 2002 (Section 2(1) (ib))**

- Dealer defined under section 2(b) of Central Sales Tax Act, 1956 (74 of 1956).

**11. Meaning of financial institution under PMLA, 2002 (Section 2(1) (l))**

- Financial institution defined under section 45-I(c) of RBI Act, 1934 (2 of 1934) + also include chit fund company + housing finance institution + authorized person + payment system operator + Non-Banking Financial Company (NBFC) + Department of Posts + etc. (all).

**12. Meaning of housing finance institution under PMLA, 2002 (Section 2(1) (m))**

- Housing finance institution defined under section 2 (d) of National Housing Bank Act, 1987 (53 of 1987)

**13. Meaning of intermediary under PMLA, 2002 (Section 2(1) (n)(i))**

- Intermediary registered under section 12 of Securities and Exchange Board of India (SEBI) Act, 1992 (15 of 1992) like stock broker + share transfer agent +



banker to issue + trustee to trust deed + registrar to issue + merchant banker + underwriter + portfolio manager + investment adviser + other intermediary associated with securities market (all) + also registered under section 12 of Securities and Exchange Board of India (SEBI) Act, 1992 (15 of 1992)

**14. Meaning of recognized association under PMLA, 2002 (Section 2(1) (n)(ii))**

- Recognized association + member of association (both) registered under Forward Contracts (Regulation) Act, 1952 (74 of 1952)

**15. Meaning of registered intermediary under PMLA, 2002 (Section 2(1) (n)(iii))**

- Registered intermediary specified by Pension Fund Regulatory and Development Authority (PFRDA)

**16. Meaning of recognized stock exchange PMLA, 2002 (Section 2(1) (n)(iv))**

- Recognized stock exchange defined under section 2 (f) of Securities Contracts (Regulation) Act, 1956 (42 of 1956)

**17. Meaning of Investigation under PMLA, 2002 (Section 2(1) (na))**

- Investigation where proceedings to be conducted by govt. appointed director of Enforcement Directorate (ED) or by govt. appointed authorized authority (any) for collection of evidences under PMLA, 2002 in India

**18. Meaning of money laundering offence under PMLA, 2002 (Section 2(1) (p))**

- Money-laundering defined under section 3 of PMLA, 2002 where money laundering offence already involved for conversion of non-legitimize money into legitimize money earned through 1 or more out of 29 scheduled offence in India + outside India (both) under PMLA, 2002.

**19. Meaning of NBFC under PMLA, 2002 (Section 2(1) (q))**

- NBFC defined under section 45-I (f) of RBI Act, 1934



## **20. Meaning of offence committed outside India PMLA (Section 2(1)(ra)(i))**

- (i) Money laundering already offence committed *outside India* by resident of India defined under *Part A + Part B + Part C (any)* of schedule of PMLA , 2002
- (ii) Hence offence already committed outside India + also proceed of offence (*proceeds of crime*) transferred to India (*both together*) be treated *cross border offence*
- (iii) Provisions under *section 2(1)(ra)(i)* not applicable for investigation + enquiry + trial + proceeding by PMLA authorities against offences specified under *Part A + Part B (any)* of Schedule to PMLA, 2002 before commencement of Prevention of Money laundering (*Amendment*) Act, 2009 (21 of 2009)

## **21. Meaning of offence committed in India PMLA, 2002 (Section 2(1)(ra)(ii))**

- (i) Money laundering offence already committed *by resident of outside India but executed in India (both together)* defined in *Part A + Part B + Part C (any)* of schedule of PMLA , 2002
- (ii) Hence offence executed in India + proceeds of offence transferred outside India (*both*) treated *cross border offence*
- (iii) Provisions under *section 2(1)(ra)(ii)* not applicable for investigation + enquiry + trial + proceeding by PMLA authorities against offence specified under *Part A + Part B (any)* of Schedule to PMLA, 2002 before commencement of Prevention of Money laundering (*Amendment*) Act, 2009 (21 of 2009)

## **22. Meaning of person under PMLA, 2002 (Section 2(1) (s))**

- (i) Individual
- (ii) Hindu undivided family (*HUF*)
- (iii) Domestic (*Indian*) Company
- (iv) Domestic (*Indian*) Partnership Firm + LLP (*both*)
- (v) Association of persons (*AOP*) + body of individuals (*BOI*) incorporated + *non-incorporated (both)*.



- (vi) Other artificial juridical person *not already covered* under *Para i to v* as abovementioned.
- (vii) Agency office + branch office (*both*) owned + controlled by persons under *Para i to vi* as abovementioned.
- (viii) Other legal entity (*if any*).

### **23. Meaning of *designated business or profession* under PMLA (Section 2(1)(sa))**

- Person carrying on activities for playing games of chance against cash or kind + *also activities* associated with casino (*both*) like :-
  - (i) Person as real estate agent + *activity already* notified by govt. (*both*)
  - (ii) Person as dealer in precious metals + precious stones + other high value goods (*any*) + *activity already* notified by govt. (*both*)
  - (iii) Person as engaged in safekeeping + administration of cash + liquid securities (*any*) + *activity already* notified by govt. (*both*)
  - (iv) Person as carrying other activity + *activity already* notified by govt. (*both*)

### **24. Meaning of *precious metal* under PMLA, 2002 (Section 2(1) (sb))**

- Precious metal *like* gold + silver + platinum + palladium + rhodium + other metal (*any*) + *already notified* by Govt.

### **25. Meaning of *precious stone* under PMLA, 2002 (Section 2(1) (sc))**

- Precious stone *like* diamond + emerald + ruby + sapphire + other stone (*any*) + *already notified* by Govt.

### **26. Meaning of *proceeds of crime* under PMLA, 2002 (Section 2(1) (u))**

- (i) Property derived + obtained + directly + indirectly (*any*) *through* money laundering offence under *1* or more out of *29* *scheduled offence* in India + outside India (*both*) under PMLA, 2002



Or

- (ii) (a) Value of *property already held outside India* to be taken in equivalent value against *property already held in India* under money laundering offence of PMLA, 2002
- (b) *Now authorized authority* with approval from Special court permitted to seize + confiscate *(any) Indian property in equivalent to foreign property* where *foreign property* already involved in money laundering offence outside India *through resident of India*
- (iii) *Hence meaning of proceeds* of crime to include a property derived + obtained + directly + indirectly *(any) through 1 or more out of 29 scheduled offence* in India + outside India *(both)* under PMLA, 2002.

### 27. **Meaning of property under PMLA, 2002 (Section 2(1) (v))**

- Property + asset of any description in cash or in kind used in committing any offence *1 or more out of 29 scheduled offence* in India + outside India *(both)* under PMLA, 2002 *like:*
  - (i) Corporeal + Incorporeal in India + *Outside India (both)*
  - (ii) Movable + Immovable in India + *Outside India (both)*
  - (iii) Tangible + Intangible in India + *Outside India (both)*
  - (iv) Deeds + Instruments documentary proof for titles in India + *Outside India (both)*
  - (v) Interest in any property + asset located in India + *Outside India (both)*

### 28. **Meaning of records under PMLA, 2002 (Section 2(1) (w))**

- Records maintained in form of books + stored in computer + other prescribed form *(any)* under PMLA, 2002

### 29. **Meaning of reporting entity under PMLA, 2002 (Section 2(1) (wa))**

- Banking company + financial institution + intermediary + person *(any)* carrying designated business or profession under PMLA, 2002



### 30. *Meaning of scheduled offence under PMLA, 2002 (Section 2(1) (y))*

- *Offence committed by resident of India prescribed under Part A where value already exceeding INR 0 + Part B where value exceeding INR 1 crore + Part C (any) of schedule under PMLA, 2002 like 29 scheduled offence in India + outside India (both) under PMLA, 2002.*
- (i) *Under Companies Act, 2013 for Corporate frauds (Section 447)*
- (ii) *Under Suppression of Unlawful Acts for Safety of Maritime Navigation and Fixed Platforms on Continental Shelf Act, 2002*
- (iii) *Under Biological Diversity Act, 2002*
- (iv) *Under Protection of Plant Varieties and Farmers' Rights Act, 2001*
- (v) *Under Information Technology Act, 2000*
- (vi) *Under Juvenile Justice (Care and Protection of Children) Act, 2000*
- (vii) *Under Trade Marks Act, 1999*
- (viii) *Under Transplantation of Human Organs Act, 1994*
- (ix) *Under SEBI Act, 1992*
- (x) *Under Prevention of Corruption Act, 1988*
- (xi) *Under Child Labor (Prohibition and Regulation) Act, 1986*
- (xii) *Under Environment Protection Act, 1986*
- (xiii) *Under NDPS Act, 1985*
- (xiv) *Under Emigration Act, 1983*
- (xv) *Under Air (Prevention and Control of Pollution) Act, 1981*
- (xvi) *Under Bonded Labor System (Abolition) Act, 1976*
- (xvii) *Under Water (Prevention and Control of Pollution) Act, 1974*
- (xviii) *Under Wildlife (Protection) Act, 1972*
- (xix) *Under Antiquities and Arts Treasures Act, 1972*
- (xx) *Under Passports Act, 1967*



- (xxi) Under Unlawful Activities (*Prevention*) Act, 1967
- (xxii) Under Custom Act, 1962
- (xxiii) Under Arms Act, 1959
- (xxiv) Under Copyright Act, 1957
- (xxv) Under Immoral Traffic (*Prevention*) Act, 1956
- (xxvi) Under Foreigners Act, 1946
- (xxvii) Under Explosive Substance Act, 1908
- (xxviii) Under Explosive Act, 1884
- (xxix) Under Indian Penal Code (*IPC*) 1860

**31. Meaning of special court under PMLA, 2002 (Section 2(1) (z))**

- Court *designated by govt.* as special court under *section 43 (1)* of PMLA, 2002

**32. Meaning of transfer under PMLA, 2002 (Section 2(1) (za))**

- Transfer *like* Sale + purchase + mortgage + pledge + gift + loan + other form of transfer of rights + title + possession + lien + *etc.* (*any*)

**33. Meaning of value under PMLA, 2002 (Section 2(1) (zb))**

- (i) Fair Market Value (*FMV*) of Property on date of *acquisition by money laundering offender.*

*Or*

- (ii) *FMV* of Property on date of *possession by authorized authority through permission from special court where date of acquisition not available.*



## **(B) Money Laundering Offence under PMLA, 2002 in India (Chapter-II)**

### **34. Meaning of offence for money laundering (Section 3)**

(i) Person directly + indirectly attempting to indulge + knowingly assisting + knowingly parting + actually involving in process + activity for proceeds of crime + concealment + possession + acquisition + use + projecting + claiming untainted property (any) be treated guilty of offence. Hence main activities covered under PMLA, 2002 summarized under:

(a) Concealing

Or

(b) Possessing

Or

(c) Acquisitioning

Or

(d) Using

Or

(e) Projecting untainted property

Or

(f) Claiming untainted property

(ii) Process + activity (both) for proceeds of crime be continued + also to continue till person already directly + indirectly enjoying proceeds of crime through concealing + possessing + acquisitioning + using + projecting untainted property + claiming untainted property (any).

### **35. Meaning of punishment for money laundering offence (Section 4)**

(i) Rigorous Imprisonment Minimum for 3 year + maximum for 7 year (any) against committing offence under PMLA, 2002.

Or

(ii) Rigorous imprisonment minimum for 3 year + maximum for 10 year (any) against committing money laundering offence specified under Para 2 of Part A of schedule of PMLA, 2002





## **(C) Attachment + Adjudication + Confiscation under PMLA (Chapter-III)**

### **36. Meaning of *attachment of property involved in PMLA, 2002 (Section 5)***

- (i) Director of ED or officer *not below rank of Deputy Director of ED* authorized by director of ED permitted *through recording reason in writing* to attest property alleged involved in money laundering offence *after having material in possession:*
- (a) Where person in *possession of proceeds of crime*  
+ (plus)
- (b) Where proceeds of crime *likely to be concealed + transferred + dealt for restricting against confiscation (any)*  
+ (plus)
- (c) Director of ED + officer *(any) permitted for passing order* in writing for attachment *not exceeding 180 day* from date of money laundering offence determined.
- (ii) (a) Director of ED + officer *(any) not permitted for passing order* in writing for attachment where *report not forwarded to Magistrate under section 173 of Code of Criminal Procedure, 1973 (2 of 1974)*  
Or
- (b) Where *complaint not received* from person authorized to investigate offence  
+ (plus)
- (c) Where report + complaint *(any) not forwarded to other country* before forwarding to Magistrate or court *for taking cognizance of scheduled offence* under PMLA, 2002 in India.
- (iii) Director of ED + officer *(any) required to send copy of order + material in possession (both)* in sealed envelope to adjudicating authority.
- (iv) Person interested for claiming + entitling *(any) permitted to enjoy attested immovable property.*
- (v) Director of ED + officer *(any) required to file complaint* before adjudicating authority in *30 day + also to state facts of attachment (both).*



### **37. Meaning of Adjudicating Authorities + compositions + etc. (Section 6)**

- (i) Govt. permitted to appoint adjudicating authority to exercise jurisdiction + powers + authority *(all) conferred* under PMLA, 2002
- (ii) Adjudicating authority be consisted with *1 chairman + minimum 2 member = 3 person*
- (iii) Member required to have *experience in laws + administration + finance + accountancy (any)*.

### **38. Meaning of staff of Adjudicating Authorities (Section 7)**

- (i) Govt. required to provide officers + employees *(both) considered necessary* for adjudicating authority.
- (ii) Officers + employees *(both) required to discharge their functions* under general superintendence of chairman of adjudicating authority.
- (iii) Salaries + allowances + terms and conditions of service of officers + employees of adjudicating authority *(all) determined by govt.*

### **39. Meaning of Adjudication under PMLA, 2002 (Section 8)**

- (i) (a) Adjudicating authority permitted to issue Show Cause Notice (SCN) in *30 day* to person for asking source of incomes + earnings + assets *(all)* after receipt of complaint under *section 5(5)* + application under *section 17(4)* + application *18 (10) (any)* where has reason to believe that person already committed offence specified under *section 3* + *also in possession* of proceeds of crime under PMLA, 2002 *(both)*.  
*+ (plus)*
- (b) Adjudicating authority permitted to issue SCN in *30 day* to person who acquired property through committing offence specified under *section 3* + *also already attached (both)* under *section 5(1)* + seized under *section 17* + frozen under *section 18 (any)*  
*+ (plus)*



- (c) SCN be based on evidences + other relevant information's + particulars (any) that why property involved in money laundering offence should not be confiscated by govt. ?
  - (d) SCN be issued to other person where property held by other person instead by original person
  - (e) SCN be issued to more than 1 person where property already held jointly.
- (ii) Role of Adjudicating Authority after issuing SCN
- (a) To consider reply received against SCN issued under section 8(1)
  - (b) To allow aggrieved person + director of ED + officer (any) for opportunity of being heard
  - (c) To take into account 100% relevant material placed on record + to record findings that property as referred in SCN already involved in money laundering offence or not involved in money laundering offence.
  - (d) To allow other person an opportunity of being heard to prove that property not involved in money-laundering where SCN already issued to other person.
- (iii) Effect of order passed by Adjudicating Authority after attachment
- (a) Adjudicating authority permitted to confirm attachment of property where attachment already made under section 5(1) + retention of property under section 17 + seized or frozen under section 18 (any) through order in writing
  - (b) Attachment of property to be continued not exceeding for 365 day during pendency of proceedings before special court in India + also before competent court of criminal jurisdiction outside India (any)  
+ (plus)
  - (c) Order of attachment be treated final when order of confiscation already passed under section 8 (5) or (7) + section 58B + section 60 (2A) (any) by special court in India.



- (iv) (a) Director of ED + officer (any) permitted to take possession of property already attached under section 5 + frozen under section 17 (1A) (any) where order of attachment already made under section 5 (1) + also confirmed under section 5(3) of PMLA, 2002  
+ (plus)
- (b) Director + officer (any) permitted to treat deemed possession when actual possession of frozen property under section 17(1A) not practical possible.
- (v) Powers of special court against already confiscated property by govt.  
Special court permitted to issue order after conclusion of trial against money laundering offence that alleged Property involved in committing offence be stand confiscated when offence already confirmed as committed by offender.
- (vi) Powers of special court against release of property by govt.  
Special court permitted to issue order after conclusion of trial against money laundering offence that alleged property involved in committing offence be released when concluded offence not committed by alleged offender.
- (vii) Powers of special court against death of alleged offender  
Special court permitted to issue order after conclusion of trial against money laundering offence that alleged property involved in committing offence be stand confiscated or be released when alleged offender already died during special court's proceedings after receipt of application from director of ED + officer (any) or from legal heir under section 8(3) of PMLA, 2002.
- (viii) Powers of special court where alleged offender suffered quantifiable loss
- (a) Special court permitted to issue order after conclusion of trial against money laundering offence that property involved in committing offence be released 100% or be released not 100% (partly) where alleged offender has suffered quantifiable loss due to money laundering offence + also property already confiscated under section 8(5) of PMLA, 2002 (both).  
+ (plus)



(b) Special Court required to satisfy that alleged *offender* has acted in good faith + *also suffered loss* despite having *100%* reasonable precautions + *not involved in money laundering offence* (all)

+ (plus)

(c) Special Court permitted to *release property during trial proceedings* where considered necessary + in prescribed manner (both).

#### 40. **Meaning of vesting of property in Govt. under PMLA, 2002 (Section 9)**

(i) Where govt. has *100%* rights + title in property + absolutely free (both) from *100%* encumbrance + *also order of confiscation already made* under section *10(5) + 8(7) + 58B + 60(2A)* (any).

(ii) *Powers of special court + Adjudicating authority* (any) against attached property  
Special Court + Adjudicating Authority (any) permitted to pass order to *declare encumbrance* + lease hold interest be void after giving opportunity of being heard when encumbrance property + lease hold interest (both) *already defeated provisions of Chapter III of PMLA, 2002*

#### 41. **Meaning of management of confiscated properties under PMLA (Section 10)**

(i) *Appointment of administrator for management of confiscated properties by govt.*

Govt. permitted to appoint officer *not below rank of Joint Secretary* to Govt. of India to perform functions as administrator for management of confiscated properties.

(ii) Appointed administrator under *section 10(1)* required to receive + manage confiscated properties against order *already passed under section 8 (5) or (6) or (7) + section 58B + section 60 (2A)* (any) in manner + on conditions (both) prescribed by govt.

(a) Administrator required to *take 100% measures* directed by govt. for disposing of property.

(b) Govt. permitted to direct for disposing of property under *section 9* of PMLA, 2002.



## 42. **Meaning of Power for summons + documents production + etc. (Section 11)**

- (i) Adjudicating Authority permitted **same powers** vested (available) in civil court under **Code of Civil Procedure, 1908** (5 of 1908) for **trying suit** against following matters:
  - (a) **For discovery + inspection (both)**
  - (b) **For enforcing attendance** of person + officer of banking company + financial institution + other company (**any**) for examining on oath
  - (c) **For compelling** production of records
  - (d) **For receiving** evidence on affidavit
  - (e) **For issuing** commissions for examination of witnesses + documents (**both**)
  - (f) **For any other matter** prescribed by govt.
- (ii) **100% summoned persons** already bound to **attend personally** or **through authorized agent (Authorized Representative)**
- (iii) Adjudicating Authority permitted to direct to **state 100% truth** against examination + to make statement + to produce document (**any**).
- (iv) Adjudicating Authority's proceedings under section 11 of PMLA, 2002 be **deemed judicial proceedings** within meaning of **section 193 + section 228 (both)** under Indian Penal Code (45 of 1860).

## 43. **Meaning of duty of reporting entity for verification of Identity (Section 11A)**

- (i) **Duty of banking company as reporting entity for verification of Identity of client**
  - **Banking company as reporting entity required to verify identity of client + also actual beneficial owner (both)** in following manner:
    - (a) **Through authentication** under Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016) where reporting entity already banking company



*Or*

(b) *Through offline verification under Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016)*

*Or*

(c) *Through use of passport issued under section 4 of Passports Act, 1967 (15 of 1967)*

*Or*

(d) *Through use of other officially valid document + mode of identification (any) to be notified by govt. from time to time.*

(ii) *Duty for verification of Identity of client by other than banking company*

(a) *Govt. permitted to allow in same manner specified under section 11(A)(i) for other than banking company as reporting entity where govt. satisfied + also considered necessary to verify identity of client + also actual beneficial owner (both).*

(b) *Govt. required to consult with Unique Identification Authority of India established under Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016) + also with appropriate regulator (both) before allowing for other than banking company.*

(iii) *Reporting entity permitted to perform authentication through verifying identity of client + also actual beneficial owner (both) specified under section 11(1A)(a) + (b) + (c) + (d) (any)*

(iv) *Client + also actual beneficial owner (both) voluntary permitted to choose mode specified under section 11(1A)(a) + (b) + (c) + (d) (any)*

(v) *Reporting entity not permitted to store client's + actual beneficial owner's core biometric information's + Aadhaar number (both).*

(vi) *Govt. permitted to notify additional safeguards for verification of identity of client + also actual beneficial owner (both).*



## **(D) Obligations of Banking Companies + Financial Institution + Etc. (Chapter-IV)**

### **44. Meaning of maintaining of records by 100% reporting entities (Section 12)**

- (i) *Meaning of Maintaining of records by 100% Reporting entities:*
- (a) *Maintaining of records for 100% transactions + information's specified under clause 12(b) + also in manner to enable to reconstruct individual transaction (both).*
  - (b) *Furnishing of information's in time against transactions attempted + executed + nature + value prescribed (all) to director under PMLA, 2002.*
  - (c) *Maintaining of records of documents an evidencing for identity of client + actual beneficial owner + account files + business correspondence of client (all).*
- (ii) *Reporting entity required to keep confidential information's already maintained + furnished + verified under laws for time being in force (all).*
- (ii) *Reporting entity required to maintain record for transactions already executed between client and reporting entity for minimum 5 year.*
- Or*
- (v) *After business relationship already closed between client and reporting entity whichever later.*
- (v) *Govt. permitted to exempt any reporting entity or class of entities from 100% obligations under chapter IV of PMLA, 2002*

### **45. Meaning of access of information's under PMLA, 2002 (Section 12A)**

- (i) *Director of ED permitted to call records + information's (both) from any reporting entity referred under section 11A + section 12(1) + section 12AA(1) + additional information's considered necessary.*
- (ii) *Reporting entity required to furnish information's in time + in manner (both) specified by director.*





(iii) Director of ED required to *keep confidential 100% information's received under laws for time being in force.*

#### **46. Meaning of Enhanced due diligence under PMLA, 2002 (Section 12AA)**

(i) *Enhanced due diligence by reporting entity before execution of specified transaction*

(a) *Reporting entity required to verify identity of client for executing specified transactions through authentication under Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016) + in manner + conditions specified by govt. (all).*

(b) *Reporting entity required to verify identity of client for executing specified transactions through other process + mode prescribed by govt. (any) where client not legally required to obtain Aadhar number like non-resident of India*

(c) *Reporting entity required to take additional steps to examine for ownership + financial position + source of fund of client prescribed (all).  
+ (plus)*

(d) *Reporting entity required to take additional steps to enquire for reasons against conducting specified transactions + nature of relationship between transaction parties.*

(ii) *Reporting entity not permitted to allow to carry specified transactions where client fails to fulfill conditions laid down under section 12AA(1).*

(iii) *Reporting entity required to increase future monitoring of business relationship with client + greater scrutiny of transactions in prescribed manner where specified transactions + series of specified transactions undertaken by client considered suspicious + likely to involve proceeds of crime (any).*

(iv) *Reporting entity required to maintain information's obtained under enhanced due diligence measures for minimum 5 year.*



**47. Meaning of specified transactions under PMLA, 2002 (Section 12AA)(v))**

- (i) (a) *Where transactions for cash withdrawals exceeding specified limit*
- (b) *Where transactions for cash deposits exceeding specified limit*
- (ii) *Where transactions for foreign exchanges exceeding specified limit*
- (iii) (a) *Where transactions for high value imports exceeding specified limit*
- (b) *Where transactions for remittances exceeding specified limit*
- (iv) *Where other transactions + class of transactions having high risk + money laundering offence + terrorist financing involved (any)*

**48. Meaning of powers of director of ED to impose fine under PMLA (Section 13)**

- (i) *Director of ED permitted his own motion + against application received from authority + officer + person (any) to make inquiry considered necessary under chapter IV of PMLA, 2002 like:*
  - (a) *Director of ED permitted to direct reporting entity to give specified records duly audited through list of chartered accountant Firms already empanelled with CAG where director of ED considered necessary due to nature + complexity of case (both).*
  - (b) *Audit expenses + audit fee (both) be paid by govt.*
- (ii) *Director of ED permitted to take certain actions where reporting entity + designated director + officer + employee (any) failed to comply obligations under Chapter IV of PMLA, 2002 without prejudice to any other action like:*
  - (a) *To issue warning in writing*
  - Or*
  - (b) *To direct reporting entity + designated director + officer + employee (any) to comply specified instructions*
  - Or*
  - (c) *To direct reporting entity + designated director + officer + employee (any) to send reports in specified intervals*



- (d) *To pass order to impose penalty not exceeding INR 1 lac per failure against reporting entity + designated director + officer + employee (any)*
- (iii) *Director of ED required to forward copy of order passed under section 13(2) to banking company + financial institution + intermediary + any person as party of proceedings (all).*

**49. Meaning of No civil + criminal proceedings + etc. (Section 14)**

- (i) *Director of ED not permitted to approach to special court for civil liability + criminal liability assigned under section 13 director + officer + employee (any) where failure to furnish required information's assigned under section 12(1)(b) of PMLA, 2002 (only).*
- (ii) *Hence exemption not permitted for other than section 12 (1)(b) of PMLA, 2002.*

**50. Meaning of procedures + etc. by reporting entities under PMLA (Section 15)**

- *Govt. permitted in consultation with RBI to prescribe procedure + also manner for maintaining + furnishing information's by reporting entity under section 11A + section 12(1) + section 12AA(1) for implementing provisions of PMLA, 2002.*



## **(E) Summons + Searches and Seizures + Etc. under PMLA, 2002 (Chapter-V)**

### **51. Authorized Authority powers for Survey under PMLA, 2002 (Section 16)**

- (i) Authorized authority under PMLA, 2002 permitted to pass order in writing after recording reason to belief + also having material in possession (both) for survey where scheduled offence assigned under section 3 of PMLA, 2002 already committed like:
  - (a) Permitted for survey within area limits already specified to him
  - (b) Permitted for survey to inspect required records as available at specific place
  - (c) Permitted for survey to check + verify (both) for proceeds of crime + transactions (all)
  - (d) Permitted for survey to have needed information's for proceedings under PMLA.
- (ii) Authority required to forward copy of recorded reasons + material in his possession (both) to Adjudicating Authority in sealed envelope.
- (iii) Powers of authorities for survey under PMLA, 2002
  - (a) To place marks of identification on inspected records + allow to take extracts + copies (any).
  - (b) To prepare inventory of checked + verified properties (both)
  - (c) To record statement of available person at place of survey when useful for proceedings under PMLA, 2002.

### **52. Authorized authority powers for search and seizure (Section 17)**

- (i) Director of ED + officer not below rank of Deputy Director (authorized authority) permitted to conduct search and seizure based on information's in his possession + reasons to belief already recorded in writing (both) under PMLA, 2002 like:



- (a) *Where money laundering offence / activity already committed*  
Or
- (b) *Where person in possession of proceeds of crimes already involved in money laundering offence /activity*  
Or
- (c) *Where person in already possession of records against money laundering offence /activity*  
Or
- (d) *Where person in already possession of property against money laundering offence / activity (crime).*
- (ii) *Powers of authorized authority*
- (a) *Permitted to enter +also to search a building + place + vessel + vehicle + aircraft (all) where he already has reason to suspect that records + proceeds of crime (any) kept*  
+ (plus)
- (b) *Permitted to open or break lock of door + box + locker + safe + almirah (all) + also to exercise power conferred under PMLA, 2002 where keys not available.*
- (c) *Permitted to seize any record or property already found after search completed*
- (d) *Permitted to place marks of identification on record + property + also allow to take extract or copy of records + property (both) seized.*
- (e) *Permitted to prepare inventory of already searched records + properties (both)*
- (f) *Permitted to examine on oath where person in possession + in control of records + properties (any) during investigation under PMLA, 2002*
- (iii) *Authorized authority Powers to freeze property under PMLA, 2002*
- (a) *Authorized authority permitted to freeze property where practically not possible to seize property*



(b) Authorized authority permitted to order to freeze property. Hence already freeze property not to be transferred + otherwise dealt (any) without prior permission of him

(iv) Authorized authority required to forward copy of reasons already recorded in writing + also material in his possession (both) be handover in sealed envelope to Adjudicating Authority.

### 53. Authorized authority powers for search a building + place (Section 17(4))

(i) Authorized authority permitted to search a building + place (any) where satisfied during survey conducted under section 16 of PMLA, 2002 that evidences likely to be concealed or tampered after recording reasons in writing.

+ (plus)

(ii) Authorized authority required to file application as request for retention of seized records + properties (both) before Adjudicating Authority in 30 day from date of seizure + freeze (any)

### 54. Authorized authority powers for search a person under PMLA (Section 18)

(i) (a) Authorized authority permitted to pass general order or special order where reason to belief recorded in writing that a person already secreted anything in his possession + ownership + control records + proceeds of crime (any) useful for proceedings under PMLA, 2002.

(b) Hence authorized authority permitted to search that person + to seize record + property (any) useful for proceedings under PMLA, 2002.

(ii) Authorized authority required to forward copy of recorded reasons + material in possession (both) to Adjudicating Authority in sealed envelope.

(iii) Authorized authority not permitted to retain person exceeding 24 hour before taking him to Gazetted officer + Magistrate (any) .



- (iv) *Gazetted Officer + Magistrate (any) permitted to discharge person where considered that grounds for search not reasonable.*
- (v) (a) *Authorized authority required to call minimum 2 or more persons to attend + witness (both) search.*  
(b) *Hence search be made by authorized authority in presence of minimum 2 or more persons.*
- (vi) *Authorized authority required to prepare list of records + properties (both) seized during search + to obtain signatures from witnesses on list.*
- (vii) (a) *Male authorized authority not permitted to search female.*  
(b) *Hence female authorized authority permitted to search female.*
- (viii) *Authorized authority permitted to record statement of searched person for records + proceeds of crimes found + seized (all) during search.*
- (ix) *Authorized authority required to file application in 30 day from date of closure of seizure before Adjudicating Authority for retention of records + property (both).*

## **55. Authorized authority powers for arresting a person (Section 19)**

- (i) (a) *Authorized authority permitted to pass general order or special order for arresting a person where he has material in possession + already recorded reason to belief in writing (both) that person be arrested for guilty of punishable offence*  
(b) *Authorized authority required to inform person for ground of arrest.*
- (ii) *Authorized authority required to forward copy of order + also material in possession (both) in sealed envelope to Adjudicating Authority.*
- (iii) *Authorized authority required to take arrested person to Judicial Magistrate + Metropolitan Magistrate (any) having jurisdiction in 24 hour from time of arrest.*



## **56. Authorized authority powers for retention of properties (Section 20)**

- (i) Authorized authority permitted for retention of *seized + frozen properties* where he has material in possession + *also recorded reason to belief in writing (both)* that retention of properties *needed for adjudication* by Adjudicating Authority for *not exceeding 180 day* from date of seizure or frozen.
- (ii) Authorized authority required to *forward copy of order + material in possession (both) in sealed envelope* to Adjudicating Authority.
- (iii) Authorized authority required to *return already retained property after expiry of 180 day* except Adjudicating Authority allow further continuity of retention.
- (iv) Adjudicating Authority required to satisfy himself that already retained property *prima facie involved in money laundering offence / activity + also needed for Adjudication* before adjudicating authority *(both)* under *section 8* of PMLA, 2002.
- (v) *Special court permitted* to allow to release already retained property where property *not involved in money laundering offence / activity*.
- (v) Authorized authority permitted to *withhold property for not exceeding 90 day* where considered necessary that needed for appellate proceedings *beside release order already passed by special court under section 8(6)* or by Adjudicating Authority under *section 58B or 62A (any)* of PMLA, 2002

## **57. Authorized authority powers for retention of records (Section 21)**

- (i) Authorized authority permitted to retain already seized records for *not exceeding 180 day* where he has reason to *belief that records are required* for further enquiry under PMLA, 2002.
- (ii) Authorized authority required to *copies of seized records to alleged offender*.
- (iii) Authorized authority required to *return already retained records after expiry of 180 day except* Adjudicating Authority permit for further continuity of retention of records.





- (iv) Adjudicating Authority required to *satisfy himself that records needed for adjudication* under *section 8* of PMLA, 2002 before passing order for further continuity of retention of records.
- (v) Adjudicating Authority permitted to *direct to release already retained records* where considered necessary *not required for further continuity* of retention of records.
- (vi) Authorized authority (*Authorized authority*) permitted for further continuity of retention of records where considered *necessary for appellate proceeding* under PMLA, 2002 beside special court or Adjudicating Authority already passed order to release already retained records.

### **58. Presumption against records or property found in possession (Section 22)**

- (i) Authorized Authority *permitted to presume* followings against records or property found in possession or control of a person *in India*:
  - (a) That found records or property *belongs to searched person*
  - (b) That contents of records *100% true and correct*
  - (c) That signatures on records *made by searched person himself*.
- (ii) *Special court + Appellate Tribunal + Adjudicating Authority (all)* *permitted to presume* followings against records received from *outside India*:
  - (a) That signatures on records *made by person (sender) himself*.
  - (b) That documents *be admitted as evidence* by Indian courts + by Indian authorities (*both*).

### **59. Presumption against inter-connected transactions (Section 23)**

- *Special court + Adjudicating Authority (both)* *permitted to presume* against inter-connected transactions already involved in money laundering offence / activity *consisting of more than 2 transactions*.



**60. Burden of proof on Special Court or Adjudicating Authority (Section 24)**

- *Burden of proof on Special Court or Adjudicating Authority during proceedings against proceed of crimes under PMLA, 2002 as below:*
  - (i) *Special Court or Adjudicating Authority may presumed that proceed of crimes already involved in money laundering offence / activity except specifically proved that proceed of crimes not involved in money laundering offence / activity specified under section 3 of PMLA, 2002.*
  - (ii) *Hence Special Court or Adjudicating Authority may presumed that proceed of crimes already involved in money laundering offence / activity except specifically proved that not involved.*



## ***(F) Appellate Tribunal under PMLA, 2002 in India (Chapter-VI)***

### ***61. Role of Appellate Tribunal under PMLA, 2002 in India (Section 25)***

- *Appellate Tribunal constituted under section 12(1) of Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 (13 of 1976) be permitted as Appellate Tribunal for hearing appeals against orders of Adjudicating Authority + also Special Court + etc. (all) established under PMLA, 2002.*

### ***62. Role of Appellate Tribunal against appeal filed by aggrieved (Section 26)***

- Authorized authority or any aggrieved person (both) permitted to file appeal before Appellate Tribunal against order of Adjudicating Authority under PMLA, 2002.*
- Aggrieved reporting entity permitted to file appeal before Appellate Tribunal against order of authorized authority under section 13(2) of PMLA, 2002.*
- Aggrieved person permitted to file appeal in 45 day from date of order received before Appellate Tribunal against order of Adjudicating Authority with filling fee in prescribed appeal form.*
- Appellate Tribunal permitted to allow to file appeal after expiry of 45 day where Appellate Tribunal already satisfied that sufficient reasons available for not filling in 45 day.*
- Appellate Tribunal permitted to pass order against already received appeal through confirming + modifying + setting aside (any) after giving an opportunity of being heard.*
- Appellate Tribunal required to send copy of order to aggrieved person + Adjudicating Authority + Authorized Authority (all) under PMLA, 2002.*

### ***63. Compositions + etc. by Appellate Tribunal under PMLA, 2002 (Section 27)***

- *Already omitted through Finance Act, 2016 from June 01, 2016.*



**64. Qualifications for appointment under PMLA, 2002 (Section 28)**

- Already *omitted* through Finance Act, 2016 from June 01, 2016.

**65. Term of office under PMLA, 2002 (Section 29)**

- Already *omitted* through Finance Act, 2016 from July 01, 2005.

**66. Conditions of service under PMLA, 2002 (Section 30)**

- Already *omitted* through Finance Act, 2016 from June 01, 2016.

**67. Vacancies under PMLA, 2002 (Section 31)**

- Already *omitted* through Finance Act, 2016 from June 01, 2016.

**68. Resignation and removal under PMLA, 2002 (Section 32)**

- Already *omitted* through Finance Act, 2016 from June 01, 2016.

**69. Member to act as Chairman under PMLA, 2002 (Section 33)**

- Already *omitted* through Finance Act, 2016 from June 01, 2016.

**70. Staff of Appellate Tribunal under PMLA, 2002 (Section 34)**

- Already *omitted* through Finance Act, 2016 from June 01, 2016.

**71. Powers + Procedures for Appellate Tribunal under FEMA (Section 35)**

- (i) (a) Appellate Tribunal *not bound through procedure* laid down by Code of Civil Procedure, 1908 (5 of 1908),
- (b) Appellate Tribunal *bound through principles of natural justice + provisions of PMLA, 2002 + to prepare own procedures (all)*.
- (ii) Appellate Tribunal permitted to discharge its functions under PMLA, 2002 having *same powers vested in civil court* under Code of Civil Procedure, 1908 (5 of 1908) *while trying suit* against following matters:
  - (a) *For summoning + enforcing attendance of person + also examining him on oath*



- (b) *For requiring discovery + also production of documents (both)*
  - (c) *For receiving evidence on affidavit*
  - (d) *For requisitioning any public record + document + copy of record and document (all) from any office after satisfaction of provisions of sections 123 + 124 (both) of Indian Evidence Act, 1872 (1 of 1872).*
  - (e) *For issuing commissions for examination of witnesses + documents (both)*
  - (f) *For reviewing its decisions*
  - (g) *For dismissing representation for default or deciding ex-parte*
  - (h) *For setting aside order of Dismissal of representation for default or order passed ex-parte (all)*
  - (i) *For any other matter prescribed by govt. from time to time.*
- (iii) *Appellate Tribunal's order be executable as decree of civil court + also with 100% powers of civil court (both).*
- (iv) (a) *100% proceedings before Appellate Tribunal be deemed judicial proceedings under section 193 + 228 (both) of Indian Penal Code (45 of 1860)*  
*+ (plus)*
- (b) *Appellate Tribunal be deemed civil court for section 345 + 346 (both) of Code of Criminal Procedure, 1973 (2 of 1974).*

## **72. Distribution of work of Appellate Tribunal between 2 bench (Section 36)**

- *Chairman permitted for distribution of appellate work between different benches from time to time through notification + also to provide matters to be dealt by each bench.*

## **73. Powers of Chairman for transferring cases to other bench (Section 37)**

- *Chairman permitted to transfer any case from 1<sup>st</sup> bench to 2<sup>nd</sup> bench against receipt of application from any party + also su-moto (both).*



**74. Appellate Tribunal's decision by majority of bench members (Section 38)**

- (i) Chairman permitted to hear himself or refer to 3<sup>rd</sup> member of Appellate Tribunal where 2 member of bench different in their opinion against any point
- (ii) Hence decision in matter before Appellate Tribunal be taken by chairman himself or by 3<sup>rd</sup> member against difference in opinion between 2 bench member.

**75. Rights of Appellant to take assistance from Govt. + etc. (Section 39)**

- (i) (a) Appellant permitted to appear himself or take assistance of Authorized Representative (AR) for appearing before Appellate Tribunal under PMLA, 2002.
- (b) Meaning of AR assigned under section 288(2) of Income Tax Act (ITA), 1961.
- (ii) (a) Govt. permitted to authorize 1 or more AR before Appellate Tribunal.
- (b) Govt. permitted to officer to act as presenting officer for appearing before Appellate Tribunal.

**76. Meaning of Public servant like chairman + members + etc. (Section 40)**

- Chairman + members + officers + employees of Appellate Tribunal + Adjudicating Authority + director of ED + officers of director of ED (all) deemed public servants assigned under section 21 of Indian Penal Code (45 of 1860).

**77. Civil court not permitted to have jurisdiction under PMLA, 2002 (Section 41)**

- Civil court not permitted to have jurisdiction like granting of injunction + entertain any suit or proceeding where Adjudicating Authority + special court + Appellate Tribunal (all) empowered under PMLA, 2002



**78. Filing of appeal by aggrieved person before High Court (Section 42)**

- (i) Aggrieved party like Director of ED + alleged accused person under PMLA, 2002 (any) permitted to file appeal before high court against order of Appellate Tribunal in 60 day from date of communication by Appellate Tribunal
- (ii) High Court permitted to allow to file appeal after expiry of 60 day where already satisfied that appellant actually prevented by sufficient reasons from filing of appeal in 60 day.



## **(G) Establishment of Special Courts by Govt. under PMLA, 2002 (Chapter-VII)**

### **79. Govt.'s powers to establish special courts under PMLA, 2002 (Section 43)**

- (i) Govt. permitted to establish special courts *in consultation with Chief Justice of India of High Court of state* for trial against punishable offence assigned under *section 4* of PMLA, 2002 through notification.
- (ii) Special court permitted for trying of offence under PMLA, 2002 + also under *Code of Criminal Procedure, 1973 (2 of 1974)* during same trial where same person also involved in *non money laundering* offence / activity.

### **80. Offences to be trialed by Special Courts (Section 44(1))**

- (i) Money laundering offences *be trialed by special courts* under PMLA, 2002. Hence *non money laundering offences be trialed* under Code of Criminal Procedure, 1973 (2 of 1974) like:
  - (a) Where money laundering offence punishable under *section 4* + also *punishable as scheduled offence* listed under *section 2(1) (y)* of PMLA, 2002 (*both*)
  - (b) Where *complaint made by authorized authority* to take cognizance of offence under *section 3* of PMLA, 2002.
  - (c) Authorized authority required to *file closure report before special court* after conclusion of investigation where he *could not find* any money laundering offence / activity.
  - (d) Authorized authority required to *file complaint before special court beside non special court already taken cognizance* of scheduled offence assigned under *section 2(1) (y)* of PMLA, 2002.
- Hence *Special court* permitted to trial from point of *committed money laundering offence (only)*.





(e) Special Court permitted to hold *trial against scheduled offence (only) beside already covered* under any provision of Code of Criminal Procedure, 1973 (2 of 1974).

**81. High court's special powers for granting anticipatory bail (Section 44(2))**

- High court permitted to grant bail as special power assigned under section 439 of Code of Criminal Procedure, 1973 (2 of 1974) *beside proceedings already pending before special court.*

**82. Cognizable + non-bailable (both) offences under PMLA, 2002 (Section 45)**

- (i) Offender against alleged money laundering offence / activity under PMLA, 2002 *not permitted to release* by special court on bail or own bond (any).
- However permitted to release by special court on bail or own bond (any) in following circumstances (only):
    - (a) Where special court *already given opportunity to public prosecutor to oppose* application for releasing on bail or own bond (any)  
+ (plus)
    - (b) Where special court *already satisfied that reasonable grounds existed to believe that applicant not guilty of money laundering offence + also not likely to commit* any money laundering offence (both) during period of bail.
    - (c) Special court permitted to release on bail where *person exceeding 60 year of age + woman + sick + infirm + also* money laundering offence *not exceeding 1 crore* (any).
- (ii) Special court *not permitted to take cognizance* against money laundering offence punishable under section 4 of PMLA, 2005 where application received in writing:
  - (a) From Director

Or

  - (b) From *officer of Central + State Government (both)* authorized in writing by Central Government through general or special order (any).



- (iii) *Police officer not permitted to investigate against money laundering offence under PMLA, 2002 except specifically authorized in writing by Central Govt. through general or special order (any).*
- (iv) *Limitation against granting of bail under PMLA, 2002 in addition to limitation assigned under Code of Criminal Procedure, 1973 (2 of 1974) + other laws (any).*

### **83. Meaning of Cognizable + non-bailable offences + also to arrest (Section 45)**

- (i) *Money laundering offences / activities already deemed cognizable and non-bailable (both) beside anything contrary contained (existed) under Code of Criminal Procedure, 1973 (2 of 1974)*
- (ii) (a) *Hence authorized authority under PMLA, 2002 permitted to arrest alleged offender without issue of warrant*  
*but*
- (b) *Authorized authority required to fulfill of conditions assigned under section 19 + also to fulfill of conditions assigned under section 45 of PMLA, 2002.*

### **84. Meaning + role of Public Prosecutor under PMLA, 2002 (Section 46)**

- *Person pleading for prosecution before Special Court be deemed Public Prosecutor:*
- (i) *Govt. permitted to appoint for case + class + group of cases (any) Special Public Prosecutor.*
- (ii) *Person not qualified for appointment as Public Prosecutor + Special Public Prosecutor (any) under section 46 of PMLA, 2002 until person in practice as advocate exceeding for 7 year under centre or state + also requiring special knowledge of laws.*
- (iii) *Person appointed as Public Prosecutor + Special Public Prosecutor (any) under section 46 of PMLA, 2002 be deemed as Public Prosecutor assigned under section 2(u) of Code of Criminal Procedure, 1973 (2 of 1974) + also provisions of Code be applied accordingly.*



**85. *Filing of Appeal + Revision by aggrieved before High Court (Section 47)***

- *High Court permitted to accept appeal + revision (both) from aggrieved person + authorized authority (any) under Chapter XXIX or Chapter XXX of Code of Criminal Procedure, 1973 (2 of 1974) against order of appellate tribunal.*



## ***(H) Structure of Authorized Authorities under PMLA, 2002 (Chapter-VIII)***

### ***86. Authorized Authorities for applicability of provisions of PMLA (Section 48)***

- *Classes of authorities for applicability of provisions of PMLA, 2002 like:*

*(i) Director of ED or Additional Director of ED or Joint Director of ED*

*(ii) Deputy Director of ED*

*(iii) Assistant Director of ED*

*(iii) Officers appointed for applicability of provisions of PMLA, 2002*

### ***87. Appointments + powers (both) of authorities and other officers (Section 49)***

*(i) Govt. permitted to appoint any person as authorized authority under PMLA, 2002.*

*(ii) Govt. permitted to appoint a person as director of ED + additional director of ED + joint director of ED + deputy director of ED + assistant director of ED + other authorities below rank of assistant director (all) under section 49.*

*(iii) Govt. permitted to prescribe conditions + limitations + powers + duties (all) conferred under section 49 of PMLA, 2002.*

### ***88. Powers for summons + production of documents + etc. (Section 50)***

*(i) Director permitted same powers vested in civil court under Code of Civil Procedure, 1908 (5 of 1908) while trying suit under section 13 for following matters:*

*(a) For discovery + inspection*

*(b) For enforcing attendance of person + officer of reporting entity + also to examine on oath*

*(c) For compelling production of records*

*(d) For receiving evidences on affidavits*

*(e) For issuing commissions for examination of witnesses + documents*

*(f) For any other matter prescribed.*



- (ii) Director of ED + additional director of ED + joint director of ED + deputy director of ED + assistant director of ED (all) permitted to send summon to a person whose attendance considered necessary for giving evidence + also producing any record (both) during course of any investigation or proceeding under PMLA, 2002.
- (iii) 100% summoned persons be bound to attend in person or through Authorized Representative (AR) + to state 100% truth against matters under examination + to make statement + also to produce documents required (all).
- (iv) 100% proceedings under section 50 (2) + (3) (both) deemed to be judicial proceedings assigned under section 193 + 228 (both) of Indian Penal Code (45 of 1860).
- (v) Authorized authority permitted to impound + to retain (both) records already produced before him for reasonable period under PMLA, 2002. Impounding permitted by followings:
  - (a) That impounding permitted by deputy + assistant director of ED (both) with recording reasons in writing
  - (b) That retention permitted by deputy + assistant director of ED (both) not exceeding 3 month without separate approval from joint director.

### 89. Jurisdiction of Authorized Authorities under PMLA, 2002 (Section 51)

- (i) Authorized authority permitted to exercise 100% powers + also to perform 100% functions conferred + assigned (all) under PMLA, 2002 + rules on money laundering offence.
- (ii) Govt. permitted to issue directions through 1 or more criteria's like:
  - (a) Territorial area criteria
  - (b) Class of persons criteria
  - (c) Class of cases criteria
  - (d) Any other criterion specified by govt.



**90. Govt.'s powers for issuing of directions + etc. under PMLA, 2002 (Section 52)**

- Govt. permitted to issue directions + orders + instructions (all) considered necessary to ED for proper administration + also to other persons employed for proper execution of PMLA, 2002. However govt. not permitted to issue directions + orders + instructions (all) in following circumstances:
  - (i) Requiring any authority to decide a particular case in particular manner  
+ (plus)
  - (ii) Interfering with discretion of Adjudicating Authority in exercising official functions.

**91. Govt.'s powers for empowerment of officers under PMLA, 2002 (Section 53)**

- (i) Govt. permitted through special + general order (any) to empower officers not below rank of director of Central or State Government (both) to act as authorized authority under PMLA, 2002
- (ii) Govt. permitted through special + general order (any) to empower officers below rank of director of Central or State Government (both) where officers not available in particular area to act as authorized authority under PMLA, 2002.

**92. List of officers to assist in investigations + inquiries + etc. (Section 54)**

- Govt. permitted to authorize followings officers + others (both) to assist in investigations + inquiries + etc (all):
  - (i) Officers from Customs and Central Excise department
  - (ii) Officers from Narcotic Drugs and Psychotropic department appointed under section 5(1) of Narcotic Drugs and Psychotropic Substances Act, 1985 (61 of 1985)
  - (iii) Officers from Income Tax department assigned under section 117(1) of Income Tax Act 1961 (43 of 1961)
  - (iv) Officers from stock exchange appointed under section 2(f) of Securities Contracts (Regulation) Act, 1956 (42 of 1956).



- (v) Officers from *RBI* appointed under *section 3(1)* of Reserve Bank of India Act, 1934 (2 of 1934)
- (vi) Officers from police
- (vii) Officers from *enforcement* appointed under *section 36(1)* of Foreign Exchange Management Act, 1999 (40 of 1999)
- (viii) Officers from *Securities and Exchange Board of India* appointed under *section 3* of Securities and Exchange Board of India Act, 1992 (15 of 1992)
- (ix) Officers from *Insurance Regulatory and Development Authority (IRDA)* appointed under *section 3* of Insurance Regulatory and Development Authority Act, 1999 (41 of 1999)
- (x) Officers from *Forward Markets Commission* appointed under *section 3* of Forward Contracts (*Regulation*) Act, 1952 (74 of 1952)
- (xi) Officers from *recognized association* appointed under *section 6* of Forward Contracts (*Regulation*) Act, 1952 (74 of 1952)
- (xii) Officers from *Pension Fund Regulatory and Development Authority (PFRDA)*
- (xiii) Officers from *Department of Posts* in Government of India
- (xiv) Officers from *Registrar of Companies (ROC)* office appointed by State Governments under *section 6* of Registration Act, 1908 (16 of 1908)
- (xv) Officers from *registering authority* appointed under *Chapter IV* of Motor Vehicles Act, 1988 (59 of 1988);
- (xvi) Officers from *Institute of Chartered Accountants of India (ICAI)* appointed under *section 3* of Chartered Accountants Act, 1949
- (xvii) Officers from *Institute of Cost and Works Accountants of India (ICWAI)* appointed under *section 3* of Cost and Works Accountants Act, 1959 (23 of 1959)



- (xviii) Officers from *Institute of Company Secretaries of India (ICSI)* appointed under *section 3* of *Company Secretaries Act, 1980 (56 of 1980)*
- (xix) Officers from *other body corporate* appointed under *Central Act + State Act (both)*
- (xx) Officers from *Central Government + State Government + local authorities + reporting entities (all)* authorized by *Central Government* through notification in official gazette.





## **(I) Arrangement for Attachment and Confiscation of Property (Chapter-IX)**

### **93. Meaning of contracting State or place outside India (Section 55(a))**

- Contracting state include country or place located outside India where arrangements already made between Govt. of India and Govt. of country or place located (any) outside India through treaty or otherwise

### **94. Meaning of Identifying of proof under PMLA, 2002 (Section 55(b))**

- Identifying include establishment of proof that property already derived from or used in commission of offence assigned under section 3 of PMLA, 2002.

### **95. Meaning of Tracing under PMLA, 2002 (Section 55(c))**

- Tracing include determining nature + source + disposition + movement + title + ownership of property (any).

### **96. Meaning of agreements with foreign countries outside India (Section 56)**

- (i) Govt. permitted to enter into agreement with govt. of foreign countries outside India:
- (a) For enforcing provisions of PMLA, 2002 of India.
- (b) For exchange of information's against prevention of money laundering offences + also to understand corresponding laws in force in foreign countries to investigate about money laundering offences under PMLA, 2002 through notification in official gazette (both).
- (ii) Govt. permitted to direct to apply provisions of chapter – IX through notification in official gazette against contracting state located outside India with reciprocal arrangements + also subject to satisfaction of conditions + exceptions + qualifications (any) specified in notification.

### **97. Special court's powers for sending request to contracting state (Section 57)**

- (i) Special court permitted to send letter of request to foreign court + foreign competent authority (any) in contracting state located outside India where



special court in India *considered necessary after receipt of application from investigating officer that certain evidences urgently needed for continuity of investigation in India those already available in contracting state (only):*

(a) For *examining facts* + circumstances of case (*both*)

(b) For *taking steps* specify in letter of request

(c) For *forwarding 100% evidences to India* by foreign court + foreign competent authority (*any*) already collected outside India.

(ii) Letter of request *be transmitted as specified* by govt.

(iii) *100% statements recorded* + documents + other things (*all*) already *received* outside India *be deemed as evidences collected in India.*

#### **98. Special court's duties for receiving request from contracting state (Section 58)**

- Special courts permitted to *receive letter of request from foreign court + foreign competent authority (any) in contracting state* located outside India where special court considered necessary after receipt of letter of request through govt.

#### **99. Special court's powers to release confiscated property (Section 58A)**

- Special court permitted to *release already confiscated property* after closure of criminal case or conclusion of trial in criminal *court outside India* where special court considered necessary that money laundering *offence not taken place in India + outside India (both)* or property in India *not involved in money laundering.*

#### **100. Special court's powers against request from contracting state (Section 58B)**

- Special court permitted to allow to Adjudicating Authority *for confiscation or release property* involved in money laundering *offence committed outside India* after receiving letter of request from contracting state through govt. of India where *trial under corresponding laws of contracting state cannot be conducted due to death of accused* + accused already declared proclaimed offender + other reason + having commenced *but could not be concluded (any).*



## 101. Reciprocal arrangements for transfer of accused persons (Section 59)

(i) Reciprocal arrangements needed where special court in India required to take following actions against offence punishable under section 4 of PMLA, 2002 in India like:

(a) Summoning to accused person outside India

Or

(b) Issuing warrant for arrest of accused person outside India

Or

(c) Summoning to any person for attendance + to produce document + to do other thing + to produce other thing (any) outside India.

Or

(d) Issuing search warrant to be exercised at any place in contracting state outside India.

(ii) Reciprocal arrangements needed where govt. through special court in India required to take following actions against offence punishable under section 4 of PMLA, 2002 outside India like:

(a) Summoning to accused person in India

Or

(b) Issuing warrant for arrest of accused person in India

Or

(c) Summoning to any person for attendance + to produce document + to do other thing + to produce other thing (any) in India.

Or

(d) Issuing search warrant to be exercised at any place in India against search warrant already issued by foreign court + judge + magistrate (any) in contracting state outside India:

(da) Where warrant of arrest already executed + also arrested (both) person be dealt in accordance with procedure specified under section 19 of PMLA, 2002 in India.



(db) Where search warrant already executed + *also things found in search (both) be dealt* in accordance with procedure specified under *sections 17 + 18 of PMLA, 2002 in India.*

- Authorized authority *required to forward documents + other things produced + things found (all) during search in India* to contracting state *outside India*
- (iii) Special court + govt. *(any) permitted to impose* conditions already considered necessary when accused person being *transferred to contracting state* outside India *under section 59 (2) deemed prisoner in India.*
- (iv) Special court required to *ensure that conditions be complied* when accused person being *transferred back to India under section 59(1) deemed prisoner in* contracting state outside India.

## **102. Powers for *attachment + etc. in contracting state or in India (Section 60)***

- (i) (a) Director of ED permitted *to issue order for attachment of property under section 5 + for freezing under section 17(1A) + Adjudicating Authority issued order under section 8 + special court issued order for confiscation of property under section 8 (5) or (6) (any) under PMLA, 2002 + also property already suspected to be in contracting state outside India.*
- (b) Special court in India permitted to *issue letter of request to appropriate foreign court + foreign authority in contracting state* outside India *(any) for execution of order after receipt of application from director of ED or administrator appointed under section 10(1).*
- (ii) (a) Director of ED required to *execute against letter of request received through govt. from appropriate foreign court or foreign authority in contracting state outside India* requesting for attachment + seizure + freezing + confiscation *property in India* derived + obtained + directly + indirectly *(any) by person from commission of offence outside India* under corresponding laws of contracting state under *similar provisions as PMLA, 2002 in India.*



- (b) Special court permitted to give notice to accused person that property located outside India already involved in money laundering offence + also used for commission of money laundering offence (any) treated confiscated to govt. of India after receipt of application from director of ED for execution of confiscation under section 60 (2) where foreign criminal court in contracting state outside India already concluded that money laundering offence committed in India accordance to their corresponding laws + also after closure of criminal case or conclusion of trial in foreign criminal court outside India
- (iii) Director of ED permitted to direct to authorized authority after receipt of letter of request under section 58 + 59 under PMLA, 2002 (any) to take 100% steps necessary for tracing + identifying property (both).
- (iv) Meaning of 100% steps necessary for tracing + identifying property (both)
- Include inquiry + investigation + survey of person + place + property + asset + document + books of accounts in bank + public financial institution + other relevant matters + etc. (any)
- (v) Authorized authority permitted for inquiry + investigation + survey (all) assigned under section 60(4) be carried out in accordance with section 60(3) of PMLA, 2002.
- (vi) Authorized authority permitted for attachment + adjudication + confiscation + vesting of property contained in Chapter III + also survey + searches + seizures contained in Chapter V (all) be applied against letter of request received from foreign court of contracting state outside India against attachment + confiscation of property (both) in India.
- Govt. permitted to deduct against reasonable expenses incurred in investigation + prosecution + judicial proceedings for return of properties outside India + disposal of confiscated property in India (all) where govt. taken action against request received from contracting state outside India under PMLA, 2002.



### **103. Procedure for receiving + sending letter of request under PMLA (Section 61)**

- Govt. of India permitted to prescribe procedures for receiving + sending letter of request against summons + warrants from *contracting state outside India + also sent by India to contracting state outside India (both)*.



## **(J) Miscellaneous Provisions under PMLA, 2002 in India (Chapter-X)**

### **104. Punishment against authority + officer for vexatious search (Section 62)**

- Authorized authority + officer *liable for punishment* against exercising powers under PMLA, 2002 + rules thereon (*both*) where certain actions already exercised by them *without recording reasons in writing like*:
  - (i) *Search or causes to be searched a building + place (any)*  
*Or*
  - (ii) *Detain + search + arrest alleged accused person (any) liable for imprisonment not exceeding 2 year or penalty not exceeding 50 thousand or imprisonment + penalty (both).*

### **105. Punishment for false or failure to give information's + etc. (Section 63(1))**

- Alleged accused person liable for *punishment against furnishing false information's* + also failure to furnish information's intentionally / willfully + maliciously (*all*) *for imprisonment not exceeding 2 year or penalty not exceeding 50 thousand or imprisonment + penalty (both).*

### **106. Punishment for specific reasons under PMLA, 2002 (Section 63(2))**

- (i) Where alleged accused person *refused to give answer against any answer asked* by authorized authority during exercising of his assigned powers for *offence specified under section 3 of PMLA, 2002.*  
*Or*
- (ii) Where person *refuse to sign any statement* made during proceedings under PMLA, 2002.  
*Or*
- (iii) Where person *fails to attend + produce books of accounts + documents + at place + at time (any) liable for penalty not exceeding INR 10 thousand per default or per failure.*
- (iv) Authorized authority *not permitted to pass order* without giving opportunity of being heard.



- (v) Authorized authority *permitted to proceed under section 174 of Indian Penal Code (45 of 1860) where alleged accused person intentionally disobeying directions issued under section 50 of PMLA, 2002.*

**107. Special court's power for cognizance of offence under PMLA (Section 64)**

- (i) Special court *not permitted to take cognizance of offence under section 62 + 63(1) (both) without previous approval from govt.*
- (ii) Govt. *permitted to give approval or refuse to give approval in 90 day from date of received of request.*

**108. Application of Code of Criminal Procedure 1973 under PMLA (Section 65)**

- Provisions of Code of Criminal Procedure, 1973 (2 of 1974) *applicable (only) where provisions not inconsistent for arrest + search and seizure + attachment + confiscation + investigation + prosecution + also for proceedings (all) under PMLA, 2002.*

**109. Director's duties for disclosure of information's under PMLA (Section 66)**

- (i) Director of ED + *also other authority specified by him through general or special order (both) required to disclose information's to followings:*

(i) *To any officer + authority + body performing functions under other laws to impose tax + duty + cess + dealing in foreign exchange + for prevention of illicit traffic in narcotic drugs and psychotropic substances under Narcotic Drugs and Psychotropic Substances Act, 1985 (61 of 1985)*

*Or*

- (ii) *To other officer + authority + body performing functions under other laws*
- (iii) *100% received + obtained (both) information's be used by director of ED + authorized authority specified by him for performance of their functions under PMLA, 2002.*





- (ii) *However director + other authority specified by him (both) permitted to share information's with concerned agency for necessary action where information's + material in his possession contravening provisions of other laws for being enforce.*

### **110. Applicability of civil courts for money laundering offences (Section 67)**

- (i) *Civil courts not permitted for set aside + modify any proceeding taken or ordered under PMLA, 2002*
- (ii) *Govt. not required to obey any prosecution + suit + other proceeding against govt. + officer of govt. (both) for anything already done or intended to be done in good faith under PMLA, 2002.*

### **111. Validity of notice + summon + order + etc. under PMLA, 2002 (Section 68)**

- *Notice + summon + order + document + other proceeding furnished + made + issued + taken + purported furnished in pursuance of provisions of laws be valid beside mistake + defect + omission (any) where substance + conformity with laws + intend + purpose (all) already bona fide under PMLA, 2002.*

### **112. Director's powers for recovery of penalty under PMLA, 2002 (Section 69)**

- (i) *Director of ED + other officer authorized by him permitted to recover amount of penalty already imposed under section 13 + 63 (both) where not paid in 6 month from date of imposition of penalty + in manner prescribed under Schedule II of Income Tax Act, 1961 (43 of 1961) for recovery of arrears.*
- (ii) *Director of ED + other officer authorized by him (both) permitted for powers available with Tax Recovery Officer (TRO) under Schedule II of ITA, 1961.*

### **113. Enforceability of provisions against offence by companies (Section 70)**

- (i) (a) *Every person liable for imprisonment + penalty (both) where he already responsible for conducting of business of company.*
- *Hence person deemed to be guilty of money laundering offence when disobeying of provisions of PMLA, 2002 + rules + directions + orders + etc. (all).*



(b) Person responsible for conducting of business of company *not liable for imprisonment + penalty (both) where he proves that contravention took place without his knowledge + also he exercised 100% due diligence to prevent contravention under PMLA, 2002.*

(ii) Director + manager + secretary + other officer be deemed to be guilty of contravention + *also liable for imprisonment + penalty (both) where proves that contravention took placed with consent + connivance + attributable to neglect on part of director + etc. (any).*

(iii) *Meaning of company*

- *Include Body corporate + Partnership firm + LLP + Association of Person (AOP)*

(iii) *Meaning of director*

- *Include partner of firm in partnership firm + designated partner in LLP.*

#### **114. PMLA, 2002 overriding provisions of other laws in India (Section 71)**

- *Provisions of PMLA, 2002 overriding provisions of other laws in India where provisions inconsistent with provisions of PMLA, 2002.*

#### **115. Proceeding's continuity after death under PMLA, 2002 (Section 72(1))**

(i) Continuation of proceedings *permitted after death* of alleged accused person where *property already attached under section 8 but appeal not filed against order already passed for attaching property before appellate tribunal established under PMLA, 2002*

*Or*

(ii) Where *appeal already filed* against order already passed for attaching property *before Appellate Tribunal*

(iii) Legal representative (*Heir*) *permitted to file appeal against order attaching property where already not filed by deceased person before appellate tribunal established under PMLA, 2002*



+ (plus)

- (iv) Legal representative (Heir) permitted to file appeal before appellate tribunal under section 26 of PMLA, 2002 where not already filed by deceased person before appellate tribunal established under PMLA, 2002

### **116. Proceeding's continuity after insolvency under PMLA, 2002 (Section 72(2))**

- (i) Continuation of proceedings permitted after insolvency of alleged accused person where property already attached under section 8 + also appeal against order attaching property not filed before appellate tribunal under PMLA, 2002

Or

- (ii) Where appeal already filed before Appellate Tribunal under section 26 of PMLA.
- (iii) Official receiver permitted to file appeal against order attaching property where not already filed by declared insolvent before appellate tribunal established under PMLA, 2002

+ (plus)

- (iv) Official receiver permitted to file appeal before appellate tribunal under section 26 of PMLA, 2002 where not already filed by declared insolvent before appellate tribunal established under PMLA, 2002.

### **117. Proceeding's continuity before high court under PMLA, 2002 (Section 72(3))**

- (i) Legal heir + official receiver (both) permitted to continue for appeal already filed before high court under section 42 where deceased alleged accused person + declared insolvent (any) already filed appeal before high court after passing of order by Appellate Tribunal
- (ii) Legal heir + official receiver (both) permitted to file appeal before high court under section 42 where deceased alleged accused person + declared insolvent (any) not filed appeal before high court after passing of order by Appellate Tribunal
- (iii) Powers of official assignee + official receiver be exercised under provisions of Presidency-towns Insolvency Act, 1909 (3 of 1909) or Provincial Insolvency Act, 1920 (5 of 1920) (any).



### **118. Formation of Inter-ministerial Co-ordination Committee (Section 72A)**

- Govt. permitted to *constitute Inter-ministerial Co-ordination Committee* for inter-departmental + inter-agency co-ordination (*both*) for following purposes:
    - (i) For *operational co-operation* between govt. and law enforcement agency + Financial Intelligence Unit (India) + regulators + supervisors (*all*) in India.
    - (ii) For *policy co-operation + co-ordination (both)* across 100% relevant + competent authorities (*all*) in India.
    - (iii) For *consultation between concerned authorities* and financial sector + other sectors (*both*) appropriate + also related to *Anti Money Laundering (AML)* + countering financing of terrorism + laws + regulations + guidelines (*all*) in India
    - (iv) For *developing + implementing policies (both)* on *AML* + countering financing of terrorism in India.
- + (plus)
- (v) For *any other matter specified by govt.* through notification in official gazette.

### **119. Govt.'s powers for making rules against implementation (Section 73)**

- (i) Govt. permitted for *making rules to implement provisions* of PMLA, 2002 in India.
- (ii) Rules under PMLA, 2002 to *provide standards for implementation* of following matters:
  - (a) Rules for *preparing forms* for records to be maintained of PMLA, 2002
  - (aa) Rules for preparing manner (*standards*) for *provisional attachment of property under section 5(1)* of PMLA, 2002.
  - (b) Rules for standards for *orders + material in possession (both)* to be maintained under *section 5(2)* of PMLA, 2002.
  - (c) Rules for mandatory *experience of members* specified under *section 6(3)* of PMLA, 2002.



- (d) Rules for *determination of salaries + allowances + other terms and conditions of services (all) for members of Adjudicating Authority under section 6(9) of PMLA, 2002.*
- (e) Rules for *determination of salaries + allowances + other terms and conditions of services (all) for officers + employees of Adjudicating Authority under section 7(3) of PMLA, 2002.*
- (ee) Rules for preparing standards against *seizing + taking possession of property attached under section 5 + frozen under section 17(1A) + 8(4) (any) of PMLA, 2002.*
- (f) Rules for preparing standards against *confiscated property to be received + managed (both) under section 10(2) of PMLA, 2002.*
- (g) Rules for additional matters against *powers of civil courts to be exercised by Adjudicating Authority under section 11(1) (f) of PMLA, 2002.*
- (i) Rules for preparing standards against *nature + value of transactions + timeline for information of transactions to be furnished under section 12(1)(b) of PMLA, 2002.*
- (jja) Rules for preparing standards against *authentication of identity of clients to be verified by reporting entities under section 12AA(1)(a) of PMLA, 2002.*
- (jjb) Rules for preparing standards against *identification of ownership + financial position of client (both) under section 12AA(1)(b) of PMLA, 2002*
- (jjc) Rules for preparing standards against *additional steps for recording purpose behind conducting specified transactions + also intended nature of relationship between different transaction parties under section 12AA(1)(c) of PMLA, 2002.*



- (jjd) Rules for preparing standards against *increasing future monitoring* under *section 12AA(3)* of PMLA, 2002.
- (jji) Rules for preparing standards against *period of interval for reporting* by reporting entities + *also employees of reporting entities (both)* under *section 13(2)(c)* of PMLA, 2002.
- (k) Rules for preparing standards against *determination of procedure for maintaining* + *furnishing information's (both)* under *section 12(1)* as required under *section 15* of PMLA, 2002
- (l) Rules for preparing standards against *maintaining of reasons* + *material in possession (both)* under *section 16(2)* of PMLA, 2002.
- (m) Rules for preparing standards against *search and seizure* under *section 17(1)* of PMLA, 2002
- (n) Rules for preparing standards against *maintaining of reasons* + *material in possession (both)* under *section 17(2)* of PMLA, 2002
- (o) Rules for preparing standards against *maintaining of reasons* + *material in possession (both)* under *section 18(2)* of PMLA, 2002
- (p) Rules for preparing standards against *maintaining of orders* + *material in possession (both)* under *section 19(2)* of PMLA, 2002
- (pp) Rules for preparing standards against *forwarding of orders for retention* or *continuation of freezing of property* + *period of keeping orders* + *also material in possession (all)* of *section 20(2)* of PMLA, 2002.
- (q) Rules for preparing standards against *already received records from outside India* to be authenticated under *section 22(2)* of PMLA, 2002.
- (r) Rules for preparing standards against *forms of appeal* + *fee for filing appeal (both)* before appellate tribunal under *section 26(3)* of PMLA, 2002.



- (u) Rules for preparing standards against *additional matters before Appellate Tribunal* where powers of civil court to be exercised under *section 35(2)(i)* of PMLA, 2002.
- (ua) Rules for preparing standards against *authorization for investigation by police* under *section 45(1A)* of PMLA, 2002.
- (v) Rules for preparing standards against *additional matters* where powers of civil court to be exercised by authorized authorities under *section 50(1)(f)* of PMLA, 2002.
- (w) Rules for preparing standards against *impounding + custody of records (both)* under *section 50(5)* of PMLA, 2002
- (x) Rules for preparing standards against *any other matter* to be prescribed by govt.

## **120. Parliament's approval for inserting in old + new + modify rules (Section 74)**

- *2 House of Parliament* (upper house + lower house) both simultaneously permitted to *approve for inserting in old rules + modifying old rules + deleting old rules + inserting new rules (all)* laid for approval in 30 day

## **121. Govt.'s powers to remove difficulties under PMLA, 2002 (Section 75)**

- (i) (a) Govt. permitted to *remove difficulties* through amending provisions where some provisions *not consistent with other provisions* under PMLA, 2002  
(b) Govt. required to *publish amendment in provisions* under PMLA, 2002 through official gazette.
- (ii) Govt. required to *present proposed amendment* in provisions under PMLA, 2002 before *2 House of Parliament* for approval.



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