

- (za) "transfer" includes sale, purchase, mortgage, pledge, gift, loan or any other form of transfer of right, title, possession or lien;
- (zb) "value" means the fair market value of any property on the date of its acquisition by any person, or if such date cannot be determined, the date on which such property is possessed by such person.
- (2) Any reference, in this Act or the Schedule, to any enactment or any provision thereof shall, in relation to an area in which such enactment or such provision is not in force, be construed as a reference to the corresponding law or the relevant provisions of the corresponding law, if any, in force in that area.

CHAPTER II

OFFENCE OF MONEY-LAUNDERING

Offence of money-laundering.

3. Whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the ²¹[proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming] it as untainted property shall be guilty of offence of money-laundering.

^{21a}[Explanation.—For the removal of doubts, it is hereby clarified that,—

(i) a person shall be guilty of offence of money-laundering if such person is found to have directly or indirectly attempted to indulge or knowingly assisted or knowingly is a party or is actually involved in one or more of the following processes or activities connected with proceeds of crime, namely:—

- (a) concealment; or
- (b) possession; or
- (c) acquisition; or
- (d) use; or
- (e) projecting as untainted property; or
- (f) claiming as untainted property,

in any manner whatsoever,

(ii) the process or activity connected with proceeds of crime is a continuing activity and continues till such time a person is directly or indirectly enjoying the proceeds of crime by its concealment or possession or acquisition or use or projecting it as untainted property or claiming it as untainted property in any manner whatsoever.]

21. Substituted for "proceeds of crime and projecting" by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

21a. Inserted by the Finance (No. 2) Act, 2019, w.e.f. 1-8-2019.

Staff of Adjudicating Authorities.

7. (1) The Central Government shall provide each Adjudicating Authority with such officers and employees as that Government may think fit.

(2) The officers and employees of the Adjudicating Authority shall discharge their functions under the general superintendence of the Chairperson of the Adjudicating Authority.

(3) The salaries and allowances and other conditions of service of the officers and employees of the Adjudicating Authority shall be such as may be prescribed.

Adjudication.

8. (1) On receipt of a complaint under sub-section (5) of section 5, or applications made under sub-section (4) of section 17 or under sub-section (10) of section 18, if the Adjudicating Authority has reason to believe that any person has committed an offence under section 3²⁹[or is in possession of proceeds of crime], it may serve a notice of not less than thirty days on such person calling upon him to indicate the sources of his income, earning or assets, out of which or by means of which he has acquired the property attached under sub-section (1) of section 5, or, seized³⁰[or frozen] under section 17 or section 18, the evidence on which he relies and other relevant information and particulars, and to show cause why all or any of such properties should not be declared to be the properties involved in money-laundering and confiscated by the Central Government:

Provided that where a notice under this sub-section specifies any property as being held by a person on behalf of any other person, a copy of such notice shall also be served upon such other person:

Provided further that where such property is held jointly by more than one person, such notice shall be served to all persons holding such property.

(2) The Adjudicating Authority shall, after—

- (a) considering the reply, if any, to the notice issued under sub-section (1);
- (b) hearing the aggrieved person and the Director or any other officer authorised by him in this behalf; and
- (c) taking into account all relevant materials placed on record before him,

by an order, record a finding whether all or any of the properties referred to in the notice issued under sub-section (1) are involved in money-laundering:

Provided that if the property is claimed by a person, other than a person to whom the notice had been issued, such person shall also be given an opportunity of being heard to prove that the property is not involved in money-laundering.

(3) Where the Adjudicating Authority decides under sub-section (2) that any property is involved in money-laundering, he shall, by an order in writing, confirm the attachment of the property made under sub-section (1) of section 5 or

29. Inserted by the Prevention of Money-laundering (Amendment) Act, 2009, w.e.f. 1-6-2009.

30. Inserted by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

retention of property or ³¹[record seized or frozen under section 17 or section 18 and record a finding to that effect, whereupon such attachment or retention or freezing of the seized or frozen property] or record shall—

(a) continue during ³²[investigation for a period not exceeding ³³[three hundred and sixty-five days] or] the pendency of the proceedings relating to any ³⁴[offence under this Act before a court or under the corresponding law of any other country, before the competent court of criminal jurisdiction outside India, as the case may be; and]

³⁵[(b) become final after an order of confiscation is passed under sub-section (5) or sub-section (7) of section 8 or section 58B or sub-section (2A) of section 60 by the ³⁶[Special Court].]

³⁷[Explanation.—For the purposes of computing the period of three hundred and sixty-five days under clause (a), the period during which the investigation is stayed by any court under any law for the time being in force shall be excluded.]

(4) Where the provisional order of attachment made under sub-section (1) of section 5 has been confirmed under sub-section (3), the Director or any other officer authorised by him in this behalf shall forthwith take the ³⁸[possession of the property attached under section 5 or frozen under sub-section (1A) of section 17, in such manner as may be prescribed:

Provided that if it is not practicable to take possession of a property frozen under sub-section (1A) of section 17, the order of confiscation shall have the same effect as if the property had been taken possession of.]

(5) Where on conclusion of a trial of an offence under this Act, the Special Court finds that the offence of money-laundering has been committed, it shall order that such property involved in the money-laundering or which has been

¹ Substituted for "record seized under section 17 or section 18 and record a finding to that effect, such attachment or retention of the seized property" by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

² Inserted by the Finance Act, 2018, w.e.f. 19-4-2018.

³ Substituted for "ninety days" by the Finance Act, 2019, w.e.f. 20-3-2019.

⁴ Substituted for "scheduled offence before a court; and" by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

⁵ Substituted, *ibid.* Prior to its substitution, clause (b) read as under :

"(b) become final after the guilt of the person is proved in the trial court and order of such trial court becomes final."

⁶ Substituted for "Adjudicating Authority" by the Finance Act, 2015, w.e.f. 14-5-2015.

⁷ Inserted by the Finance Act, 2019, w.e.f. 20-3-2019.

⁸ Substituted for "possession of the attached property" by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

⁹ Sub-sections (5), (6) and (7) substituted for sub-sections (5) and (6) by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013. Prior to their substitution, sub-sections (5) and (6) read as under :

"(5) Where on conclusion of a trial for any scheduled offence, the person concerned is acquitted, the attachment of the property or retention of the seized property or record under sub-section (3) and net income, if any, shall cease to have effect.

(Contd. on page 2.20)

used for commission of the offence of money-laundering shall stand confiscated to the Central Government.

(6) Where on conclusion of a trial under this Act, the Special Court finds that the offence of money-laundering has not taken place or the property is not involved in money-laundering, it shall order release of such property to the person entitled to receive it.

(7) Where the trial under this Act cannot be conducted by reason of the death of the accused or the accused being declared a proclaimed offender or for any other reason or having commenced but could not be concluded, the Special Court shall, on an application moved by the Director or a person claiming to be entitled to possession of a property in respect of which an order has been passed under sub-section (3) of section 8, pass appropriate orders regarding confiscation or release of the property, as the case may be, involved in the offence of money-laundering after having regard to the material before it.]

⁴⁰[(8) Where a property stands confiscated to the Central Government under sub-section (5), the Special Court, in such manner as may be prescribed, may also direct the Central Government to restore such confiscated property or part thereof of a claimant with a legitimate interest in the property, who may have suffered a quantifiable loss as a result of the offence of money laundering:

Provided that the Special Court shall not consider such claim unless it is satisfied that the claimant has acted in good faith and has suffered the loss despite having taken all reasonable precautions and is not involved in the offence of money-laundering:]

⁴¹[**Provided further** that the Special Court may, if it thinks fit, consider the claim of the claimant for the purposes of restoration of such properties during the trial of the case in such manner as may be prescribed.]

Vesting of property in Central Government.

9. Where an order of confiscation has been made under ⁴²[sub-section (5) or sub-section (7) of section 8 or section 58B or sub-section (2A) of section 60] in respect of any property of a person, all the rights and title in such property shall vest absolutely in the Central Government free from all encumbrances:

Provided that where the ⁴³[Special Court or the Adjudicating Authority, as the case may be], after giving an opportunity of being heard to any other person interested in the property attached under this Chapter, or seized ⁴⁴[or frozen]

(Contd. from page 2.19)

(6) Where the attachment of any property or retention of the seized property or record becomes final under clause (b) of sub-section (3), the Adjudicating Authority shall, after giving an opportunity of being heard to the person concerned, make an order confiscating such property."

40. Inserted by the Finance Act, 2015, w.e.f. 14-5-2015.

41. Inserted by the Finance Act, 2018, w.e.f. 19-4-2018.

42. Substituted for "sub-section (6) of section 8" by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

43. Substituted for "Adjudicating Authority", *ibid.*

44. Inserted, *ibid.*

CHAPTER IV

OBLIGATIONS OF BANKING COMPANIES, FINANCIAL INSTITUTIONS AND INTERMEDIARIES

^{45a}[Verification of identity by reporting entity.]

11A. (1) Every reporting entity shall verify the identity of its clients and the beneficial owner, by—

- (a) authentication under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016) if the reporting entity is a banking company; or
- (b) offline verification under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016); or
- (c) use of passport issued under section 4 of the Passports Act, 1967 (15 of 1967); or
- (d) use of any other officially valid document or modes of identification as may be notified by the Central Government in this behalf:

Provided that the Central Government may, if satisfied that a reporting entity other than banking company, complies with such standards of privacy and security under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016), and it is necessary and expedient to do so, by notification, permit such entity to perform authentication under clause (a):

Provided further that no notification under the first proviso shall be issued without consultation with the Unique Identification Authority of India established under sub-section (1) of section 11 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016) and the appropriate regulator.

(2) If any reporting entity performs authentication under clause (a) of sub-section (1), to verify the identity of its client or the beneficial owner it shall make the other modes of identification under clauses (b), (c) and (d) of sub-section (1) also available to such client or the beneficial owner.

(3) The use of modes of identification under sub-section (1) shall be a voluntary choice of every client or beneficial owner who is sought to be identified and no client or beneficial owner shall be denied services for not having an Aadhaar number.

(4) If, for identification of a client or beneficial owner, authentication or offline verification under clause (a) or clause (b) of sub-section (1) is used, neither his core biometric information nor his Aadhaar number shall be stored.

(5) Nothing in this section shall prevent the Central Government from notifying additional safeguards on any reporting entity in respect of verification of the identity of its client or beneficial owner.

Explanation.—The expressions "Aadhaar number" and "core biometric information" shall have the same meanings as are respectively assigned to them in clauses (a) and (j) of section 2 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016).]

^{45a}. Inserted by the Aadhaar and Other Laws (Amendment) Act, 2019, w.e.f. 25-7-2019.

Reporting entity to maintain records.**12. (1) Every reporting entity shall—**

- (a) maintain a record of all transactions, including information relating to transactions covered under clause (b), in such manner as to enable it to reconstruct individual transactions;
- (b) furnish to the Director within such time as may be prescribed, information relating to such transactions, whether attempted or executed, the nature and value of which may be prescribed;
- (c) ^{46a}***]
- (d) ^{46a}***]
- (e) maintain record of documents evidencing identity of its clients and beneficial owners as well as account files and business correspondence relating to its clients.

(2) Every information maintained, furnished or verified, save as otherwise provided under any law for the time being in force, shall be kept confidential.

(3) The records referred to in clause (a) of sub-section (1) shall be maintained for a period of five years from the date of transaction between a client and the reporting entity.

46. Substituted by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013. Prior to its substitution, section 12, as amended by the Prevention of Money-laundering (Amendment) Act, 2009, w.e.f. 1-6-2009, read as under :

"12. Banking companies, financial institutions and intermediaries to maintain records.—

(1) Every banking company, financial institution and intermediary shall—

- (a) maintain a record of all transactions, the nature and value of which may be prescribed, whether such transactions comprise of a single transaction or a series of transactions integrally connected to each other, and where such series of transactions take place within a month;
- (b) furnish information of transactions referred to in clause (a) to the Director within such time as may be prescribed;
- (c) verify and maintain the records of the identity of all its clients, in such manner as may be prescribed:

Provided that where the principal officer of a banking company or financial institution or intermediary, as the case may be, has reason to believe that a single transaction or series of transactions integrally connected to each other have been valued below the prescribed value so as to defeat the provisions of this section, such officer shall furnish information in respect of such transactions to the Director within the prescribed time.

(2)(a) The records referred to in clause (a) of sub-section (1) shall be maintained for a period of ten years from the date of transactions between the clients and the banking company or financial institution or intermediary, as the case may be.

(b) The records referred to in clause (c) of sub-section (1) shall be maintained for a period of ten years from the date of cessation of transactions between the clients and the banking company or financial institution or intermediary, as the case may be."

46a. Omitted by the Aadhaar and Other Laws (Amendment) Act, 2019, w.e.f. 25-7-2019. Prior to their omission, clauses (c) and (d) read as under :

- (c) verify the identity of its clients in such manner and subject to such conditions, as may be prescribed;
- (d) identify the beneficial owner, if any, of such of its clients, as may be prescribed;"

S. 12AA

PREVENTION OF MONEY-LAUNDERING ACT, 2002

2.24

(4) The records referred to in clause (e) of sub-section (1) shall be maintained for a period of five years after the business relationship between a client and the reporting entity has ended or the account has been closed, whichever is later.

(5) The Central Government may, by notification, exempt any reporting entity or class of reporting entities from any obligation under this Chapter.]⁴⁷**[Access to information.**

12A. (1) The Director may call for from any reporting entity any of the records referred to in ⁴⁸[section 11A, sub-section (1) of section 12, sub-section (1) of section 12AA] and any additional information as he considers necessary for the purposes of this Act.

(2) Every reporting entity shall furnish to the Director such information as may be required by him under sub-section (1) within such time and in such manner as he may specify.

(3) Save as otherwise provided under any law for the time being in force, every information sought by the Director under sub-section (1), shall be kept confidential.]

⁴⁹**[Enhanced due diligence.**

12AA. (1) Every reporting entity shall, prior to the commencement of each specified transaction,—

(a) verify the identity of the clients undertaking such specified transaction by authentication under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (18 of 2016) in such manner and subject to such conditions, as may be prescribed:

Provided that where verification requires authentication of a person who is not entitled to obtain an Aadhaar number under the provisions of the said Act, verification to authenticate the identity of the client undertaking such specified transaction shall be carried out by such other process or mode, as may be prescribed;

(b) take additional steps to examine the ownership and financial position, including sources of funds of the client, in such manner as may be prescribed;

(c) take additional steps as may be prescribed to record the purpose behind conducting the specified transaction and the intended nature of the relationship between the transaction parties.

(2) Where the client fails to fulfil the conditions laid down under sub-section (1), the reporting entity shall not allow the specified transaction to be carried out.

(3) Where any specified transaction or series of specified transactions undertaken by a client is considered suspicious or likely to involve proceeds of crime, the reporting entity shall increase the future monitoring of the business rela-

47. Inserted by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

48. Substituted for "sub-section (1) of section 12" by the Finance (No. 2) Act, 2019, with effect from a date yet to be notified.

49. Inserted, *ibid*.

relationship with the client, including greater scrutiny or transactions in such manner as may be prescribed.

The information obtained while applying the enhanced due diligence measures under sub-section (1) shall be maintained for a period of five years from the date of transaction between a client and the reporting entity.

Explanation.—For the purposes of this section, "specified transaction" means—

- a) any withdrawal or deposit in cash, exceeding such amount;
- b) any transaction in foreign exchange, exceeding such amount;
- c) any transaction in any high value imports or remittances;
- d) such other transaction or class of transactions, in the interest of revenue or where there is a high risk of money-laundering or terrorist financing, may be prescribed.]

Powers of director to impose fine.

(1) The Director may, either of his own motion or on an application made by any authority, officer or person, ⁵⁰[make such inquiry or cause such inquiry to be made, as he thinks fit to be necessary, with regard to the obligations of the reporting entity, under this Chapter].

(1A) If at any stage of inquiry or any other proceedings before him, the Director having regard to the nature and complexity of the case, is of the opinion that it is necessary to do so, he may direct the concerned reporting entity to get its records, as may be specified, audited by an accountant from amongst a panel of accountants, maintained by the Central Government for this purpose.

(B) The expenses of, and incidental to, any audit under sub-section (1A) shall be borne by the Central Government.]

(2) If the Director, in the course of any inquiry, finds that a reporting entity or its designated director on the Board or any of its employees has failed to comply with the obligations under this Chapter, then, without prejudice to any other action that may be taken under any other provisions of this Act, he may—

- (a) issue a warning in writing; or
- (b) direct such reporting entity or its designated director on the Board or any of its employees, to comply with specific instructions; or

50. Substituted for "call for records referred to in sub-section (1) of section 12 and may make such inquiry or cause such inquiry to be made, as he thinks fit." by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

51. Sub-sections (1A) and (1B) inserted, *ibid*.

52. Substituted, *ibid*. Prior to its substitution, sub-section (2) read as under :

"(2) If the Director, in the course of any inquiry, finds that a banking company, financial institution or an intermediary or any of its officers has failed to comply with the provisions contained in section 12, then, without prejudice to any other action that may be taken under any other provisions of this Act, he may, by an order, levy a fine on such banking company or financial institution or intermediary which shall not be less than ten thousand rupees but may extend to one lakh rupees for each failure."

tion, designate one or more Courts of Session as Special Court or Special Courts for such area or areas or for such case or class or group of cases as may be specified in the notification.

Explanation.—In this sub-section, "High Court" means the High Court of the State in which a Sessions Court designated as Special Court was functioning immediately before such designation.

(2) While trying an offence under this Act, a Special Court shall also try an offence, other than an offence referred to in sub-section (1), with which the accused may, under the Code of Criminal Procedure, 1973 (2 of 1974), be charged at the same trial.

Offences triable by Special Courts.

44. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974),—

⁹¹[(a) an offence punishable under section 4 and any scheduled offence connected to the offence under that section shall be triable by the Special Court constituted for the area in which the offence has been committed :

Provided that the Special Court, trying a scheduled offence before the commencement of this Act, shall continue to try such scheduled offence; or]

(b) a Special Court may, ⁹²["*"] upon a complaint made by an authority authorized in this behalf under this Act take ⁹³[cognizance of offence under section 3, without the accused being committed to it for trial]:

^{93a}[**Provided** that after conclusion of investigation, if no offence of money-laundering is made out requiring filing of such complaint, the said authority shall submit a closure report before the Special Court; or]

⁹⁴[(c) if the court which has taken cognizance of the scheduled offence is other than the Special Court which has taken cognizance of the complaint of the offence of money-laundering under sub-clause (b), it shall, on an application by the authority authorised to file a complaint under this Act, commit

91. Substituted by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013. Prior to its substitution, clause (a) read as under :

"(a) the scheduled offence and the offence punishable under section 4 shall be triable only by the Special Court constituted for the area in which the offence has been committed:

Provided that the Special Court, trying a scheduled offence before the commencement of this Act, shall continue to try such scheduled offence; or"

92. Words "upon perusal of police report of the facts which constitute an offence under this Act or" omitted by the Prevention of Money-laundering (Amendment) Act, 2005, w.e.f. 1-7-2005.

93. Substituted for "cognizance of the offence for which the accused is committed to it for trial" by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

93a. Inserted by the Finance (No. 2) Act, 2019, w.e.f. 1-8-2019.

94. Clauses (c) and (d) inserted by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

the case relating to the scheduled offence to the Special Court and the Special Court shall, on receipt of such case proceed to deal with it from the stage at which it is committed; or

- (d) a Special Court while trying the scheduled offence or the offence of money-laundering shall hold trial in accordance with the provisions of the Code of Criminal Procedure, 1973 (2 of 1974), as it applies to a trial before a Court of Session.]

^{94a}[Explanation.—For the removal of doubts, it is clarified that,—

- (i) the jurisdiction of the Special Court while dealing with the offence under this Act, during investigation, enquiry or trial under this Act, shall not be dependent upon any orders passed in respect of the scheduled offence, and the trial of both sets of offences by the same court shall not be construed as joint trial;
- (ii) the complaint shall be deemed to include any subsequent complaint in respect of further investigation that may be conducted to bring any further evidence, oral or documentary, against any accused person involved in respect of the offence, for which complaint has already been filed, whether named in the original complaint or not.]

(2) Nothing contained in this section shall be deemed to affect the special powers of the High Court regarding bail under section 439 of the Code of Criminal Procedure, 1973 (2 of 1974) and the High Court may exercise such powers including the power under clause (b) of sub-section (1) of that section as if the reference to "Magistrate" in that section includes also a reference to a "Special Court" designated under section 43.

Offences to be cognizable and non-bailable.

45. (1) ⁹⁵[Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), no person accused of an offence ⁹⁶[under this Act] shall be released on bail or on his own bond unless—]

- (i) the Public Prosecutor has been given an opportunity to oppose the application for such release; and

94a. Inserted by the Finance (No. 2) Act, 2019, w.e.f. 1-8-2019.

95. The portion beginning with the words "Notwithstanding anything contained" and ending with the words "on his own bond unless—" substituted by the Prevention of Money-laundering (Amendment) Act, 2005, w.e.f. 1-7-2005. Prior to its substitution, the quoted portion read as under :

"Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974),—

- (a) every offence punishable under this Act shall be cognizable;
- (b) no person accused of an offence punishable for a term of imprisonment of more than three years under Part A of the Schedule shall be released on bail or on his own bond unless—"

96. Substituted for "punishable for a term of imprisonment of more than three years under Part A of the Schedule" by the Finance Act, 2018, w.e.f. 19-4-2018.

- (ii) where the Public Prosecutor opposes the application, the court is satisfied that there are reasonable grounds for believing that he is not guilty of such offence and that he is not likely to commit any offence while on bail :

Provided that a person, who, is under the age of sixteen years, or is a woman or is sick or infirm ⁹⁷[or is accused either on his own or along with other co-accused of money-laundering a sum of less than one crore rupees], may be released on bail, if the Special Court so directs :

Provided further that the Special Court shall not take cognizance of any offence punishable under section 4 except upon a complaint in writing made by—

- (i) the Director; or
 (ii) any officer of the Central Government or a State Government authorised in writing in this behalf by the Central Government by a general or special order made in this behalf by that Government.

⁹⁸[(1A) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), or any other provision of this Act, no police officer shall investigate into an offence under this Act unless specifically authorised, by the Central Government by a general or special order, and, subject to such conditions as may be prescribed.]

(2) The limitation on granting of bail specified in ⁹⁹[***] sub-section (1) is in addition to the limitations under the Code of Criminal Procedure, 1973 (2 of 1974) or any other law for the time being in force on granting of bail.

^{99a}[Explanation.—For the removal of doubts, it is clarified that the expression “Offences to be cognizable and non-bailable” shall mean and shall be deemed to have always meant that all offences under this Act shall be cognizable offences and non-bailable offences notwithstanding anything to the contrary contained in the Code of Criminal Procedure, 1973 (2 of 1974), and accordingly the officers authorised under this Act are empowered to arrest an accused without warrant, subject to the fulfilment of conditions under section 19 and subject to the conditions enshrined under this section.]

Application of Code of Criminal Procedure, 1973 to proceedings before Special Court.

46. (1) Save as otherwise provided in this Act, the provisions of the Code of Criminal Procedure, 1973 (2 of 1974) (including the provisions as to bails or bonds), shall apply to the proceedings before a Special Court and for the purposes of the said provisions, the Special Court shall be deemed to be a Court of Session and the persons conducting the prosecution before the Special Court, shall be deemed to be a Public Prosecutor :

Provided that the Central Government may also appoint for any case or class or group of cases a Special Public Prosecutor.

97. Inserted by the Finance Act, 2018, w.e.f. 19-4-2018.

98. Inserted by the Prevention of Money-laundering (Amendment) Act, 2005, w.e.f. 1-7-2005.

99. Words “clause (b) of” omitted, *ibid*.

99a. Inserted by the Finance (No. 2) Act, 2019, w.e.f. 1-8-2019.

²⁰[**Interministerial Co-ordination Committee.**

72A. The Central Government may, by notification, constitute an Inter-ministerial Co-ordination Committee for inter-departmental and inter-agency co-ordination for the following purposes, namely:—

- (a) operational co-operation between the Government, law enforcement agencies, the Financial Intelligence Unit, India and the regulators or supervisors;
- (b) policy co-operation and co-ordination across all relevant or competent authorities;
- (c) such consultation among the concerned authorities, the financial sector and other sectors, as are appropriate, and are related to anti money-laundering or countering the financing of terrorism laws, regulations and guidelines;
- (d) development and implementing policies on anti money-laundering or countering the financing of terrorism; and
- (e) any other matter as the Central Government may, by notification, specify in this behalf.]

Power to make rules.

73. (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) the form in which records referred to in this Act may be maintained;
- ²¹[(aa) the manner of provisional attachment of property under sub-section (1) of section 5;]
- (b) the manner in which the order and the material referred to in sub-section (2) of section 5 to be maintained;
- (c) matters in respect of experience of Members under sub-section (3) of section 6;
- (d) the salaries and allowances payable to and other terms and conditions of service of Members of the Adjudicating Authority under sub-section (9) of section 6;
- (e) the salaries and allowances payable to and other terms and conditions of service of the officers and employees of the Adjudicating Authority under sub-section (3) of section 7;
- ²²[(ee) the manner of seizing or taking possession of property attached under section 5 or frozen under sub-section (1A) of section 17 or under sub-section (4) of section 8;]

²⁰ Inserted by the Finance (No. 2) Act, 2019, with effect from a date yet to be notified.

²¹ Inserted by the Prevention of Money-laundering (Amendment) Act, 2012, w.e.f. 15-2-2013.

²² Inserted, *ibid.*