

[अधिसूचना सं०. 12/2013/ फा. सं. पी-12011/1/2013-एसओ (ईएस (सेल))

बिप्लब कुमार नसकर, अवर सचिव

टिप्पण : मूल नियम भारत के राजपत्र में असाधारण, भाग II, खंड 3, उपखंड (i) में सा.का.नि. सं. 444 (अ) तारीख 1 जुलाई, 2005 द्वारा प्रकाशित किए गए और तत्पश्चात संख्या सा.का.नि. 717(अ) तारीख 13 दिसंबर, 2005, सा.का.नि. सं. 389(अ) तारीख 24 मई, 2007, सा.का.नि. सं. 816 (अ) तारीख 12 नवंबर, 2009, सा.का.नि. सं. 76 (अ) तारीख 12 फरवरी, 2010, सा.का.नि. सं. 508(अ) तारीख 16 जून, 2010, सा.का.नि. सं. 980 (अ) तारीख 16 दिसंबर, 2010 और सा.का.नि. सं. 481(अ) तारीख 24 जून, 2011 द्वारा संशोधित किये गए।

MINISTRY OF FINANCE

(Department of Revenue)

NOTIFICATION

New Delhi, the 27th August, 2013

G.S.R. 576(E).— In exercise of the powers conferred by sub-section (1) read with clauses (i), (j) and (k) of sub-section (2) of section 73 of the Prevention of Money-laundering Act, 2002 (15 of 2003), the Central Government in consultation with the Reserve Bank of India hereby makes the following rules further to amend the Prevention of Money-laundering (Maintenance of Records) Rules, 2005, namely:—

1. (1) These rules may be called the Prevention of Money-laundering (Maintenance of Records) Amendment Rules, 2013.
- (2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Prevention of Money-laundering (Maintenance of Records) Rules, 2005, —
 - (a) in rule 2, in sub-rule (1), —
 - (I) for clause (b), the following clause shall be substituted, namely : —
‘(b) “client due diligence” means due diligence carried out on a client referred to in clause (ha) of sub-section (1) of section 2 of the Act;’;
 - (II) after clause (b), the following clause shall be inserted, namely : —
‘(ba) “Designated Director” means a person designated by the reporting entity to ensure overall compliance with the obligations imposed under chapter IV of the Act and the Rules and includes —
 - (i) the Managing Director or a whole-time Director duly authorized by the Board of Directors if the reporting entity is a company,
 - (ii) the managing partner if the reporting entity is a partnership firm,
 - (iii) the proprietor if the reporting entity is a proprietorship concern,
 - (iv) the managing trustee if the reporting entity is a trust,
 - (v) a person or individual, as the case may be, who controls and manages the affairs of the reporting entity if the reporting entity is an unincorporated association or a body of individuals, and
 - (vi) such other person or class of persons as may be notified by the Government if the reporting entity does not fall in any of the categories above.

Explanation. — For the purpose of this clause, the terms “Managing Director” and “Whole-time Director” shall have the meaning assigned to them in the Companies Act, 1956 (1 of 1956):;

- (III) in clause (c), for the words and numbers “sections 12 and 13”, the words, numbers and letter “sections 12, 12A and 13” shall be substituted;
- (IV) in clause (d), for the words “Reserve Bank of India or any other document as may be required by the banking companies, or financial institution or intermediary”, the word “Regulator” shall be substituted;
- (V) after clause (d), the following proviso shall be inserted, namely : —
“Provided that where simplified measures are applied for verifying the identity of the clients the following documents shall be deemed to be ‘officially valid documents’:
 - (a) identity card with applicant’s Photograph issued by Central/State Government Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, and Public Financial Institutions;
 - (b) letter issued by a gazetted officer, with a duly attested photograph of the person;”;
- (VI) in clause (f), for the words “banking company, financial institution or intermediary, as the case may be”, the words “reporting entity” shall be substituted;

- (VII) in clause (fa), for the words "banking companies, financial institutions or intermediaries, as the case may be", the words "reporting entities or the Director as may be notified by the Government for a specific reporting entity or a class of reporting entities or for a specific purpose" shall be substituted;
- (VIII) after clause (fa), the following clause (faa) shall be inserted, namely:—
'(faa) "Rules" means the Prevention of Money-laundering (Maintenance of Records) Rules, 2005;'
- (IX) For the clause (h), the following shall be substituted, namely: —
'(h) "transaction" means a purchase, sale, loan, pledge, gift, transfer, delivery or the arrangement thereof and includes —
(i) opening of an account;
(ii) deposits, withdrawal, exchange or transfer of funds in whatever currency, whether in cash or by cheque, payment order or other instruments or by electronic or other non-physical means;
(iii) the use of a safety deposit box or any other form of safe deposit;
(iv) entering into any fiduciary relationship;
(v) any payment made or received in whole or in part of any contractual or other legal obligation;
(vi) any payment made in respect of playing games of chance for cash or kind including such activities associated with casino; and
(vii) establishing or creating a legal person or legal arrangement.' —
- (b) in rule 3, —
(I) for the portion beginning with "(1) Every banking Company" and ending with "taken place within a month", the following shall be substituted, namely: —
'Every reporting entity shall maintain the record of all transactions including, the record of—
(A) all cash transactions of the value of more than ten lakh rupees or its equivalent in foreign currency;
(B) all series of cash transactions integrally connected to each other which have been individually valued below rupees ten lakh or its equivalent in foreign currency where such series of transactions have taken place within a month and the monthly aggregate exceeds an amount of ten lakh rupees or its equivalent in foreign currency;';
(II) after clause (D), the following clauses (E) and (F) shall be inserted, namely: —
'(E) all cross border wire transfers of the value of more than five lakh rupees or its equivalent in foreign currency where either the origin or destination of fund is in India;
(F) all purchase and sale by any person of immovable property valued at fifty lakh rupees or more that is registered by the reporting entity, as the case may be.'.
- (c) for rule 5, the following rule shall be substituted, namely: —
'5. Procedure and manner of maintaining information. — (1) Every reporting entity shall maintain information in respect of transactions with its client referred to in rule 3 in accordance with the procedure and manner as may be specified by its regulator from time to time.
(2) Every reporting entity shall evolve an internal mechanism for maintaining such information in such form and manner and at such intervals as may be specified by its regulator from time to time.
(3) It shall be the duty of every reporting entity, its designated director, officers and employees to observe the procedure and the manner of maintaining information as specified by its regulator under sub-rule (1).'
- (d) rule 6 shall be omitted;
- (e) for rules 7, 8, 9, and 10, the following rules shall be substituted, namely: —
'7. Procedure and manner of furnishing information.— (1) Every reporting entity shall communicate to the Director the name, designation and address of the Designated Director and the Principal Officer.
(2) The Principal Officer shall furnish the information referred to in clauses (A), (B), (BA), (C), (D), (E) and (F) of sub-rule (1) of rule 3 to the Director on the basis of information available with the reporting entity. A copy of such information shall be retained by the Principal Officer for the purposes of official record.
(3) Every reporting entity shall evolve an internal mechanism having regard to any guidelines issued by regulator, for detecting the transactions referred to in clauses (A),(B),(BA),(C),(D), (E) and (F) of sub-rule (1) of rule 3 and for furnishing information about such transactions in such form as may be directed by its Regulator.
(4) It shall be the duty of every reporting entity, its designated director, officers and employees to observe the procedure and the manner of furnishing information as specified by its Regulator.'

