

[AS PASSED BY THE SENATE]

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BILL

further to amend the Anti-Money Laundering Act, 2010

WHEREAS it is expedient further to amend the Anti-Money Laundering Act, 2010 (VII of 2010) for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. Short title and commencement.- (1) This Act may be called the Anti-Money Laundering (Amendment) Act, 2020.

(2) It shall come into force at once.

2. Amendment of section 4, Act VII of 2010.- In the Anti-Money Laundering Act, 2010 (VII of 2010), hereinafter referred to as "the Act", in section 4, for the words "not be less than one year but may extend to" the words "be upto" shall be substituted and for the words "one million" the words "five million" shall be substituted.

3. Amendment of section 6, Act VII of 2010.- In the Act, in section 6, in sub-section (4), in clause (e), the words "after due administrative process" shall be omitted.

4. Amendment of section 7, Act VII of 2010.- In the Act, in section 7,-

(a) in sub-section (1), in the proviso, for the words and comma, "immediately, but not later than seven working days after forming that suspicion" the word "promptly" shall be substituted; and

(b) in sub-section (4), for the word "five" the word "ten" shall be substituted.

5. Amendment of section 8, Act VII of 2010.- In the Act, in section 8, in sub-section (1), for the word "ninety" the words "one hundred and eighty" shall be substituted and for the full stop at the end a colon shall be substituted and thereafter the following proviso shall be added, namely:-

"Provided that the Court may grant further extension for a period up to one hundred and eighty days."

6. Amendment of section 9, Act VII of 2010.- In the Act, in section 9, in sub-section (5), for the word "or", occurring for the first time, the word "and" shall be substituted.

7. Amendment of section 33, Act VII of 2010.- In the Act, in section 33, in sub-section (1), for the words "three" and "one" the words "five" and "five" shall respectively be substituted.

8. Amendment of section 34, Act VII of 2010.- In the Act, in section 34, in sub-section (2), for the words "three" and "five hundred thousand" the words "five" and "two million" shall respectively be substituted.

STATEMENT OF OBJECTS AND REASONS

In order to bring further improvements in the Anti-Money Laundering Act, 2010 (AML, Act) and in line with suggestions of AML/CFT stakeholders particularly Law Enforcement Agencies responsible for the enforcement of AML Act, 2010, amendments in the AML Act, 2010 are being proposed. The proposed amendments will reflect the Government's firm resolve to strengthen its Anti-Money Laundering regime. These amendments are aimed at streamlining the existing AML law in line with international standards and suggest enhancing the punishment of offence of money laundering to make it more dissuasive and deterrent. The amendments suggest to make the offence punishable under the AML Act, 2010 as "cognizable offence". These amendments would also allow Financial Monitoring Unit to seek Egmont Group Membership (Group of Financial Intelligence Unit) which is the requirement under the Financial Action Task Force Recommendations.

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