

Prevention Of Money-Laundering (Restoration Of Confiscated Property) Rules, 2016

[26th September, 2016]

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In exercise of the powers conferred by sub-section (1) and clause (x) of subsection (2) of section 73, read with sub-section (8) of section 8 of the Prevention of Money-laundering Act, 2002 (15 of 2003), the Central Government hereby makes the following rules, namely:-

Prevention Of Money-Laundering (Restoration Of Confiscated Property) Rules, 2016

26th September, 2016

1. Short title and commencement.

(1) These rules may be called the Prevention of Money-laundering (Restoration of Confiscated Property) Rules, 2016.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.

In these rules, unless the context otherwise requires,-

(a)"Act"means the Prevention of Money-laundering Act, 2002 (15 of 2003);

(b)"claimant"means a person who has acted in good faith and has suffered a quantifiable loss as a result of the offense of Money-laundering despite having taken all reasonable precautions, and is not involved in the offense of money-laundering;

(c) Words and expressions used in these rules and not defined but defined in the Act, shall have the meanings respectively assigned to them the Act.

3. Manner for restoration of confiscated property.

(1) The Special Court, within forty-five days from the date of passing the order of confiscation under sub-section (5) section 8 of the Act in respect of property, shall cause to be published a notice in two daily newspapers, one in English language and one in vernacular language, having sufficient circulation in the locality where the property is situated calling upon the claimants, who claim to have a legitimate interest in such property or part thereof, to submit and establish their claims, if any, for obtaining restoration of such property or part thereof.

(2) When the confiscated property is insufficient to meet the loss suffered by the claimants as a result of the offense of money-laundering, the Special Court, as it thinks fit, may pass an order of restoration of property on a pro-rata basis in accordance with the share of loss suffered by each claimant.

(3) No claimant shall be entitled to claim restoration of confiscated property before the Special Court beyond thirty days from the date of publication of the notice referred to in sub-rule (1):

Provided that the Special Court may entertain any claim not exceeding further thirty days, upon the satisfaction that the claimant was prevented by sufficient cause.

4. Interpretation.

If any question arises relating to the interpretation of these rules, the matter shall be referred to the Central Government.