

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

**LOK SABHA
UN-STARRED QUESTION NO. 2865**

TO BE ANSWERED ON MONDAY, THE 21ST MARCH, 2022

Changes in PMLA

2865. SHRIMATI MAHUA MOITRA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Hon'ble Supreme Court has recently warned the Enforcement Directorate (ED) for usage of the Prevention of Money Laundering Act (PMLA) reasonably or the Act will lose its relevance;
- (b) if so, whether the Government is considering suitable changes in PMLA and if so, the details thereof;
- (c) whether the Government proposes to lay down suitable rules and guidelines for ED to follow in the usage and enforcement of seizure rules and if so, the details thereof; and
- (d) the view of the Government in the event that a person whose assets have been seized by ED, is eventually found to be innocent along with the details of reparation that will be granted to the person?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

- (a) No such observation, in its written order or judgements, has been made by Hon'ble Supreme Court.
- (b) & (c) Changes in any law is a continuous process as per changing objectives and goals of the organization, judicial pronouncements and procedural requirements of implementation. As an enforcement agency, the Directorate of Enforcement has strong internal mechanism, safeguards, SOPs and robust investigation protocol. For this purpose, the Directorate issues various instructions, clarifications and standards keeping in view the requirements of money laundering investigations and risk involved. Further, the Directorate of Enforcement is also in the process of compiling/consolidating all such guidelines/instructions/circulars in the form of updated comprehensive Manual for the guidance of officers.
- (d) As per Section 8(6) of Prevention of Money Laundering Act, 2002 (PMLA) where on conclusion of trial, 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.
