MONEY LAUNDERING ACTS

Money laundering is the common issue around the world irrespective of its economic and financial status. Every government seek their best way to stop money laundering with a broad objective to stop terror funding. However, combating money laundering remains a primary challenge for nations and financial institutions. India is also not an exemption from this.

Our government has taken several measures to prevent money laundering with the major objective to prevent financial crimes. India fights the money laundering by The Prevention of Money Laundering Act (PMLA), 2002 along with The Prevention of Money Laundering Rules (2005) with the major objectives as

i. To prevent and control money laundering

ii. To confiscate and seize the property acquired from the laundered money

iii. To deal with any other issue in relation to money laundering in India.

Top financial regulators like Reserve Bank of India and the Securities Exchange Board of India advises and regulates the same as and when the need arises.

The Financial Action Task Force on Money Laundering (FATE)

FATF is an intergovernmental body introduced by G-7 Summit in Paris in 1989 for setting global standards on anti-money laundering. India has become part of it in 2010 as 34th nation with the same objective to prevent terrorism funded and carried out by money laundering.