

ORDINANCE TO AMEND THE PREVENTION OF MONEY-LAUNDERING ACT, 2002

REGISTERED NO. Che Gazette o *dia 181 EXTRAORDINARY II—aug 1 PART 11 — Section 1
 PUBLISHED BY AUTHORITY 02, 11, 1940 No. 181 NEWDELHI, SATURDAY, MARCH 02,
 2019/PHALGUNA 11, 1940 (SAKA) Separate paging is given to this Part in order that it may filed as a
 separate compilation. MINISTRY OF LAW AND JUSTICE (Legislative Department) New Delhi, the 2nd
 March, 019/Phalguna I I, 1940 (Saka) THE AADHAAR AND OTHER LAWS (AMENDMENT)
 ORDINANCE, 2019 NO 9 OF 2019 Promulgated by the President With the Seventieth year of the Republic of
 India. An Ordinance to amend the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits
 and Services) Act, 2016 and further to amend the Indian Telegraph Act, 1885 and the Prevention of Money
 -laundering Act, 2002. WHEREAS the Aadhaar and Other Laws (Amendment) Bill, 2019 was passed by
 the House of the People on the 4th day of January, 2019 and is pending in the Council of States; AND
 WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it
 necessary for him to take immediate action; Now, THEREFORE, in exercise of the powers conferred by
 clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following
 Ordinance:— PART I PRELIMINARY 1.(1) Ordinance may be called the (Amendment) Ordinance, 2019.
 (2) It shall come into force at once. Aadhaar and Other Laws (Amendment) Bill, 2019. SEC. 11 18 of 2016. 15
 of 2002. IS of 2016. 18 of 2016. .15 of 1961. 18 of 2016. THE GAZETTE OF INDIA EXTRAORDINARY
 (6) If, for identification of a person, authentication under clause (a) of sub-section (3) is used, neither his
 core biometric information nor the Aadhaar of the person shall be (7) Nothing contained in sub-sections (4)
 (4) and (5) shall prevent the Central Government from specifying further safeguards and conditions for
 compliance by any person who is granted a license under the first proviso to sub-section (1) in respect of
 identification of person to whom it provides its services. Explanation.—The expressions "number" and
 "core biometric information" shall have the same meanings as are respectively assigned to them in clauses
 (a) and of section 2 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and
 Services) Act, 2016.'

PART IV AMENDMENT TO THE PREVENTION OF MONEY-LAUNDERING ACT, 2002 25. In
 chapter IV of the Prevention of Money-laundering Act, 2002 (hereafter in this Part, referred to as the principal
 Act), before section 12, the following section shall be inserted, namely:— '11A. (1) Every Reporting Entity
 shall verify the identity of its clients and the beneficial owner, by— (a) authentication under the Aadhaar
 (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 if the reporting
 entity is a banking company; (b) offline verification under the Aadhaar (Targeted Delivery of Financial and
 Other Subsidies, Benefits and Services) Act, 2016; or (c) use of passport issued under section 4 of the
 Passports Act, 1967; or (d) use of any other officially valid document or modes of identification as may be
 notified by Central Government in this behalf: Provided that the Central Government may, if satisfied that a
 reporting entity other than banking company, complies with such standards of privacy and security under
 the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016, and it
 is necessary and expedient to do so, by notification, permit such entity to perform authentication under
 clause (a): Provided further that no notification under the first proviso shall be in force until the
 authentication of the Reporting Entity. issued without consultation with the Unique Identification
 Authority of India established under sub-section (1) of section 11 of the Aadhaar (Targeted Delivery
 of Financial and Other Subsidies, Benefits and Services) Act, 2016 and the appropriate regulator.
 12 of section 12. Amendment of section 73. THE GAZETTE OF INDIA EXTRAORDINARY [PART 11—
 (2) If any reporting entity performs authentication under clause (a) of sub-section (1), to verify the identity
 of its client or the beneficial owner it shall make other modes of identification under clauses (b), (c) and (d)
 of sub-section (1) also available to such client or the beneficial owner. (3) The use of modes of
 identification under sub-section (1) shall be a voluntary choice of every client or beneficial owner who is
 sought to be identified and no client or beneficial owner shall be denied services for not obtaining an Aadhaar
 number. (4) If, for identification of a client or beneficial owner, authentication or offline verification under
 clause (a) or clause (b) of sub-section (1) is used, neither his core biometric information nor his Aadhaar
 number shall be stored. (5) Nothing in this section shall prevent the Central Government from notifying
 safeguards on any reporting entity in respect of verification of the identity of its client or beneficial owner.

Explanation.— The expressions "Aadhaar number" and "core biometric information" shall have the same meanings as are respectively assigned to them in clauses (a) and (j) of section 2 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) 2016. Act, 18 of 2016

26. In section 12 of the principal Act, in sub-section (1), clauses (c) and (O) shall be omitted

21. In section 73 of the principal Act, in shall be omitted.•on (2), clauses O) and (D RAM NATH KOVIND, President. DR. G. NARAYANA RAJU, Secretary to the Govt. of India. UPLOADED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, MINTO ROAD, NEW DELHI-110002 AND PUBLISHED BY THE CONTROLLER OF PUBLICATIONS, DELHI-110054.

