



Date: April 21, 2023

To
All the Regulated Entities in GIFT IFSC

Sir/Madam,

Sub: Procedure for implementation of Section 51A of the Unlawful Activities (Prevention) Act, 1967 ('UAPA, 1967')

The Ministry of Home Affairs issued an order dated 02 February 2021 (herein referred as UAPA Order) on procedure for implementation of Section 51A of UAPA Act. Subsequently, the UAPA Order was modified vide a Corrigendum dated 15 March 2023 (herein after referred as Corrigendum). Through the Corrigendum, the UAPA Order 2021 is made applicable to IFSCA also, therefore the 2021 UAPA Order and Corrigendum are now applicable to all the REs in IFSC.

2. Prior to the issuance of Corrigendum, the UAPA Order was included under the under Clause 11.1 and Clause 11.2 of the IFSCA (Anti Money Laundering and Countering Terrorist Financing) Guidelines ('IFSCA Guidelines') to counter terrorist financing. The Clause 11.1 and Clause 11.2 under Chapter-XI of the IFSCA Guidelines, specifies the "Requirements/obligations under International Agreements Communications from International Agencies" and "Freezing of Assets under Section 51A of Unlawful Activities (Prevention) Act, 1967 respectively. Under sub-clause (b) of Clause 11.1 of the IFSCA Guidelines the RE's are required to report the details of accounts resembling any of the individuals/entities mentioned in the lists stated in clause 11.1 (a) (i) & (ii) to FIU-IND apart from advising Ministry of Home Affairs as required under UAPA Order 2021.

3. In view of applicability of UAPA Order dated 02.02.2021, Mr. E.S.S.R. Ramachander, Head – FATF Cell is designated as UAPA Nodal Officer.

4. In addition to Clause 11.1 and Clause 11.2 of IFSCA Guidelines, the Regulated Entity ('RE') shall adhere to the UAPA Order dated 02 February 2021, which is available at https://www.mha.gov.in/sites/default/files/ProcedureImplementationSection51A_30032021.pdf, and also Corrigendum dated 15th March 2023. The relevant extract of modification/insertion made by Ministry of Home Affairs through Corrigendum dated 15th March 2023 is reproduced below:

“(iii) Para 10 of the MHA's order dated 02.02.2021 is modified by inserting Para 10.3 as under:



“10 3 (a): The designated individual or organisation may submit a request to the Central [Designated] Nodal Officer for UAPA under the provisions of Para 101 above. The Central [Designated] Nodal Officer for UAPA may be approached by post at "Additional Secretary (CTCR), North Block, New Delhi 110001" or through email to jsctcr-mha@gov.in.

(b) The Central [Designated] Nodal Officer for UAPA shall examine such requests, in consultation with the Law Enforcement Agencies and other Security Agencies and Intelligence Agencies and, if accepted, communicate the same, if applicable, to the Ministry of External Affairs, Government of India for notifying the Committee established pursuant to UNSC Resolution 1267 (1999) of the intention to authorize, access to such funds, assets or resources in terms of Para 10.1 above."

(iv) Below Para 11 of the MHA's order dated 02.02.2021. Para 11A is inserted as under

“11A. Regarding procedure for unfreezing of funds, financial assets or economic resources or related services of individuals/organisations in the event of delisting by the UNSCR 1267 (1999), 1988 (2011) and 1989 (2011) Committee

Upon making an application in writing by the concerned individual/organisation, to the concerned bank, stock exchanges/ depositories intermediaries regulated by SEBI, insurance companies, Registrar of Immovable Properties, RoC, Regulators of DNFBPs, Department of Posts and the UAPA Nodal Officers of all States/UTS, who in turn shall forward the application along with the full details of the assets frozen to the Central [Designated] Nodal Officer for UAPA within two working days. The Central [Designated] Nodal Officer for UAPA shall examine the request in consultation with the Law Enforcement Agencies and other Security Agencies and Intelligence Agencies and cause such verification as may be required and if satisfied, shall pass an order, without delay, unfreezing the funds, financial assets or economic resources or related services owned or held by the applicant under intimation to concerned bank, stock exchanges/ depositories intermediaries regulated by SEBI, insurance companies, Registrar of Immovable Properties, RoC, Regulators of DNFBPs, Department of Posts and the UAPA Nodal Officers of all States/UTs."

Please acknowledge.

ESSR Ramachander
(Head, FATF Cell)