Prevention of Money Laundering (Appointment and Conditions of Service of Chairperson and Members of Appellate Tribunal) Rules, 2007 dated 1st August, 2007, as amended.

G.S.R. 519 (E),-In exercise of the powers conferred by clause (s) of sub-section(2) of section 73 read with section 30 of the Prevention of Money-Laundering Act, 2002 (15 of 2003), the Central Government hereby makes the following rules regulating the appointment and conditions of service of persons appointed as Chairperson and Members of the Appellate Tribunal, namely:-

1. Short title and commencement.- (1) These rules may be called the **Prevention of Money Laundering (Appointment and Conditions of Service of Chairperson and Members of Appellate Tribunal) Rules, 2007.**

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

2. Definitions.- (1) In these rules, unless the context otherwise requires,-

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

(b) "Appellate Tribunal" means an Appellate Tribunal established under section 25 of the Act;

(c) "Chairperson" means the Chairperson of the Appellate Tribunal;

(d) "Member" means a Member of the Appellate Tribunal.

(2). All other words and expressions used in these rules and not defined but defined in the Act, shall have the meaning respectively assigned to them in the Act.

3. Qualifications for Appointment as Chairperson.- A person shall not be qualified for appointment as Chairperson unless he is or has been a Judge of the Supreme Court or of a High Court or is qualified to be a Judge of the High Court.

4. Method of Appointment as Chairperson.— The appointment of Chairperson shall be made on the recommendation of the Chief Justice of India.*

5. Qualifications for Appointment as Member.- (1) The Accountant Member will be from the following category:-

A person who has been in the practice of accountancy as a Chartered Accountant under the Chartered Accountants Act, 1949 or as a registered accountant under any law for the time being in force or partly as a registered accountant and partly as a Chartered Accountant for at least ten years

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* substituted vide amendment notification No.G.S.R.255(E) dated 31.3.2008.

(2) For the other Member, a person shall not be qualified for appointment unless he:-

(a) (*omitted*) #

(b) has been a member of the Indian Legal Service and has held a post in Grade-I of that Service for at least three years; or

(c) has been a member of the Indian Revenue Service and has held the post of Commissioner of Income Tax or equivalent post in that Service for at least three years; or

(d) has been a member of the Indian Economic Service and has held the post of Joint Secretary or equivalent post in that Service for at least three years; or

(e) has been a member of the Indian Customs and Central Excise Service and has held the post of Joint Secretary or equivalent post in that Service for at least three years; or

(f) has been a member of the Indian Audit and Accounts Service and has held the post of Joint Secretary or equivalent post in that Service for at least three years.

6. Method of Appointment as Member.- (1)** Selection shall be made on the recommendation of a Selection Committee comprising of—

(i)	A Judge of the Supreme Court nominated by the Chief Justice of India	Chairperson
(ii)	Revenue Secretary	Member
(iii)	Secretary, Department of Legal Affairs, Government of India.	Member
(iv)	Chairperson, Appellate Tribunal	Member

(2) The Selection Committee shall recommend persons for appointment as Accountant Member from amongst the persons on the list of candidates prepared by the Ministry of Finance after inviting applications therefore by advertisement.$

(3) The Selection Committee shall evolve its own procedure for making selection.

(4)*** Any three Members of the Selection Committee including the Chairperson, shall form a quorum for meeting of the said Committee.

7. Appointment of Chairperson and One Member of an existing Appellate Tribunal.- The Chairperson or a Member holding a post as such in any other Tribunal, established under any law for the time being in force, in addition to his being a Chairperson or a Member of that Tribunal, may be appointed as Chairperson or Member, as the case may be, of Appellate Tribunal.

** substituted vide amendment notification No.G.S.R.255(E) dated 31.3.2008.
*** inserted vide amendment notification No.G.S.R.255(E) dated 31.3.2008.
# omitted vide amendment notification No.G.S.R.375(E) dated 1.6.2009.
$ amended vide amendment notification No.G.S.R.375(E) dated 1.6.2009

8. Salary, allowance, etc. of the Chairperson.- (1) A serving Judge of the Supreme Court or of High Court appointed as Chairperson shall be entitled to a monthly salary at the same rate as is admissible to him as a judge of the Supreme Court or of a High Court, as the case may be and he shall be entitled to such allowances and other benefits as are admissible to a judge of the Supreme Court or of a High Court, as the case may be.

(2) A retired Judge of the Supreme Court or of a High Court appointed as Chairperson, shall be paid for the period he serves as Chairperson such salary which, together with his pension and pension equivalent of any other form of retirement benefits shall not exceed the last pay drawn by him before retirement and he shall be entitled to such allowances and other benefits as are admissible to a serving judge of the Supreme Court or of a High Court, as the case may be.

(3) A person who is not a serving judge, or a retired Judge of the Supreme Court or of a High Court appointed as Chairperson, shall be paid a salary of Rs.26,000/- (fixed) per mensem and shall be entitled to draw such allowances as are admissible to a Government officer of equivalent pay:

Provided that if the pay scale of the officers of the Central Government of equivalent pay [i.e., officers in the pay-scale of Rs.26,000/-(fixed)] is revised, the person appointed as Chairperson referred to in this sub-rule shall be entitled to the revised pay-scale applicable to the said officers of the Central Government of equivalent pay;

Provided further that if such a person at the time of his appointment as Chairperson is in receipt of a pension in respect of his previous service under the Government or any local body or authority owned or controlled by the Government, such salary shall be reduced by the amount of pension and pension equivalent of any other form of retirement benefits.

(4) Where a Chairperson of any other Tribunal, established under any law for the time being in force, is appointed in addition to his being the Chairperson of that Tribunal, as the Chairperson of the Appellate Tribunal, he shall not be entitled to any salary or allowances in the Appellate Tribunal.

(5) Neither the salary and allowances nor the other terms and conditions of service of the Chairperson shall be varied to his disadvantage after his appointment.

9. Salary, allowances, etc. of members.- (1) A Judge of the High Court appointed as member shall be entitled to a monthly salary at the same rate as is admissible to him as a judge of the High Court and he shall be entitled to such allowances and other benefits as are admissible to a judge of the High Court.

(2) Where the member retires from service as Judge of the High Court during the term of office of such member or a retired Judge of the High Court is appointed as such, he shall be paid for the period he serves as member such salary which, together with his pension and pension equivalent of any other form of retirement benefits shall not exceed the last pay drawn by him before retirement and he shall be entitled to such allowances and other benefits as are admissible to a serving judge of the High Court.

(3) A person, not being a serving or retired Judge of the High Court, appointed as member shall be paid a salary in the scale of pay of Rs.22,400-24,500 per mensem and shall be entitled to draw such allowances as are admissible to a Government officer of equivalent pay:

Provided that if the pay scale of the officers of the Central Government of equivalent pay [i.e., officers in the pay-scale of Rs.22,400-525-24,500)] is revised, the person appointed as Member referred to in this sub-rule shall be entitled to the revised pay-scale applicable to the said officers of the Central Government of equivalent pay:

Provided further that if such a person at the time of his appointment as member is in receipt of a pension in respect of any previous service under the Government or any local body or authority owned or controlled by Government, such salary shall be reduced by the amount of pension and pension equivalent of any other form of retirement benefits.

(4) Where a member of any other Tribunal, established under any law for the time being in force, is appointed in addition to his being the member of that Tribunal, as a member of the Appellate Tribunal, he shall not be entitled to any salary or allowances in the Appellate Tribunal.

(5) Neither the salary and allowances nor the other terms and conditions of service of the member shall be varied to his disadvantage after his appointment.

10. Fixation of pay of member.- Where a person retired from service under the Government or any local body or authority owned or controlled by the Government appointed as member, his salary as member after such retirement shall be reduced by the amount of pension and pension equivalent of any other form of retirement benefits.

11. Provident Fund.- (1) The Chairperson, if he is a sitting Judge of the Supreme Court or of a High Court, shall be entitled to make contributions towards General Provident Fund Account under the General Provident Fund (Central Services) Rules, 1960, in the same manner as any other Central Government servant.

(2) The retired Judge of the Supreme Court or of a High Court, who has been appointed as a Chairperson of the Appellate Tribunal, shall be entitled to make contributions to the Contributory Provident Fund Account under the Contributory Provident Fund Rules (India), 1962.

(3) If a person qualified to be a Judge of the High Court is appointed as the Chairperson, he shall be entitled to make contributions to the Contributory Provident Fund Account under the Contributory Provident Fund Rules (India), 1962.

(4) If the Chairperson of any other Tribunal, established under any law for the time being in force, is appointed in addition to his being the Chairperson of that Tribunal, as the Chairperson of the Appellate Tribunal, he shall not be entitled to make any contributions to the General Provident Fund Account or the Contributory Provident Fund Account.

(5) A Member, if he is a sitting Judge of a High Court, shall be entitled to make contributions towards General Provident Fund Account under the General Provident

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Fund (Central Services) Rules, 1960, in the same manner as any other Central Government servant.

(6) A retired Judge of a High Court, who has been appointed as a Member, shall be entitled to make contributions to the Contributory Provident Fund Account under the Contributory Provident Fund Rules (India), 1962.

(7) If a member of any other Tribunal, established under any law for the time being in force, is appointed in addition to his being a member of that Tribunal, as a member of the Appellate Tribunal, he shall not be entitled to make any contributions to the General Provident Fund Account or the Contributory Provident Fund Account.

(8) A Member who is a Member of the Indian Legal Service, the Indian Revenue Service, the Indian Economic Service, the Indian Customs and Central Excise Service or the Indian Audit and Accounts Service, shall be entitled to make contributions towards Provident Fund Account under the All India Services (Provident Fund) Rules, 1955.

(9) A Member who has retired from the Services referred to in sub-rule (5) of this rule shall be entitled to make contributions to the Contributory Provident Fund Account under the Contributory Provident Fund Rules (India), 1962.

(10) A Member who has been in the practice of accountancy as a Chartered Accountant under the Chartered Accountants Act, 1949 (38 of 1949) or as a registered accountant shall be entitled to make contributions to the Contributory Provident Fund Account under the Contributory Provident Fund Rules (India) 1962.

12. **Traveling allowances.**- (1) If the Chairperson is a serving Judge or a retired Judge of the Supreme Court or of a High Court, he shall be entitled to draw traveling allowance under the Supreme Court Judges (Traveling Allowance) Rules, 1959, or as the case may be, the High Court Judges (Traveling Allowance) Rules, 1956, in respect of journeys performed by him in connection with the work of the Tribunal at the rates as are admissible to a Judge of the Supreme Court or of a High Court, as the case may be. However, a retired Judge of the Supreme Court or of a High Court shall not be entitled to the benefit of higher daily allowance admissible to a serving Judge of the Supreme Court or of a Higher Court, as the case may be, for performing functions outside their nominal duties in localities away from their headquarters.

(2) The Chairperson, not being a Judge or a retired Judge of the Supreme Court or of a High Court or any member shall be entitled to draw traveling allowance in respect of journeys performed by him in connection with the work of the Tribunal at the same rates as are admissible to a Central Government officer of equivalent pay.

13. **Leave.**- (1) Where the Chairperson is a serving Judge of the Supreme Court or of a High Court, he shall be entitled to such leave as may be admissible to him under the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958 (41 of 1958), or as the case may be, the High Court Judges (Salaries and Conditions of Service) Act, 1954 (28 of 1954). The serving Judge of the Supreme Court or of a High Court retiring during the tenure of appointment as Chairperson, he would be governed by Central Civil Service (Leave) Rules, 1972, with effect from his date of retirement from service.

(2) Where the Chairperson is a retired Judge of the Supreme Court or of a High Court, he shall be entitled to such leave as is admissible to an officer of the Government under the Civil Court Services (Leave) Rules, 1972.

(3) A person appointed as a member shall be entitled to such leave as is admissible to an officer of the Government under the Central Civil Services (Leave) Rules, 1972:

Provided that where a person to whom the Central Civil Services (Leave) Rules, 1972, are not applicable, is appointed as the Chairperson or a member, he shall be eligible for the grant of leave under the rules applicable to him before such appointment.

14. Vacation.- (1) Where the Chairperson is a serving Judge, he shall be entitled to vacation in accordance with the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958 (41 of 1958), or as the case may be the High Court Judges (Salaries and Conditions of Service) Act, 1954 (28 of 1954).

(2) The Chairperson, who is not a serving Judge of the Supreme Court or of a High Court and a Member shall not be entitled to vacation.

15. Accommodation.- (1) A serving Judge or a retired Judge of the Supreme Court or of a High Court who is appointed as Chairperson shall be entitled, without payment of rent, to the use of an official residence in accordance with Supreme Court Judges (Salaries and Conditions of Services) Act, 1958 (41 of 1958), or as the case may be, the High Court Judges (Salaries and Conditions of Service) Act, 1954 (28 of 1954).

(2) The Chairperson, who is not a serving Judge or a retired Judge of the Supreme Court or of a High Court, and a member shall not be entitled for allotment of General Pool accommodation. However, they will be entitled to draw House Rent Allowance at the rates as are admissible to other Central Government officers of equivalent pay.

16. Medical attendance.- (1) A serving Judge or retired Judge of the Supreme Court or of a High Court shall be entitled to medical attendance in accordance with the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958 (41 of 1958), or as the case may be High Court Judges (Salaries and Conditions of Service) Act, 1954 (28 of 1954).

(2) The Chairperson, who is not a serving Judge or a retired Judge of the Supreme Court or of a High Court, and a Member of the Tribunal shall be entitled to medical facilities admissible to a Central Government officer of equivalent pay.

17. Tenure.- (1) Chairperson:- (a) Where a serving Judge of the Supreme Court or of a High Court is appointed as Chairperson, he shall hold office as Chairperson for a period of five years or till he attains the age of seventy years or sixty-seven years, as the case may be, whichever happens earlier:

(b) Where a person not falling under clause (a) is appointed as Chairperson, he shall hold office for a period of five years, or till he attains the age of sixty-five years, whichever happens earlier.

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(c) Notwithstanding anything contained in clause (b), where a person appointed as Chairperson is due to retire on attaining the age of superannuation under the relevant rules applicable to him within a period of one year after completion of the period of five years referred to in that clause, such person shall continue to hold office as Chairperson till the date of his superannuation under the said rules.

(2) Member:- (a) Wherever a retired service / judicial / technical officer is appointed as Member he/she shall hold office for a term of five years or till he / she attains the age of sixty five years, whichever is earlier.

(b) Wherever a serving service / judicial / technical officer is appointed as Member he / she shall hold office for a term of five years or till he / she attains the age of sixty five years, whichever is earlier, provided the selected officer shall seek retirement or shall be deemed to have retired from service on entering upon the office in the Tribunal.

Provided that the tenure of Chairperson and Member of another Tribunal who are holding additional charge of this Tribunal, shall be governed by the Rules applicable to them in Tribunal where they are holding substantive charge.

Provided further that the Chairperson or a Member appointed under sub-section (4) of Section 28, read with Rule 7, to hold additional charge of the Appellate Tribunal under these rules, shall cease to act as such, when the Chairperson or a Member, as the case may be, has been appointed on full time basis to the Appellate Tribunal established under this Act in accordance with the provisions of rule 4 and rule 5 of these Rules:*

Provided also that the Chief Justice India shall be consulted before removal of the Chairperson or a Member who was appointed on the recommendation of the Chief Justice of India.*

18. Other Conditions of Service.- The conditions of service of Chairperson and members in respect of matters for which no provision is made in these rules shall be the same as may for the time being be applicable to other officers of the Central Government of a corresponding status.

19. Power to Relax.- Where the Central Government is of the opinion that it is necessary or expedient so to do, it may by order for reasons to be recorded in writing relax any of the provisions of these rules with respect to any class or category of persons.

20. Saving.- In respect of any matter not covered by these rules, the Chairperson and a member shall be governed by such rules or orders as may be applicable to a Central Government Officer of equivalent status.

21. Interpretation.- If any question arises relating to the interpretation of rule, the matter shall be referred to the Central Government who shall decide the same.

[Notification No.5/2007/F.No.6/11/2005-E.S.]

V.P.Arora, Under Secretary.

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* inserted vide amendment notification No.G.S.R.375(E) dated 1.6.2009.