

MINISTRY OF FINANCE

(Department of Revenue)

ORDER

New Delhi, the 31st October, 2018

S.O. 5602(E).—WHEREAS, section 71 of the Prohibition of *Benami* Property Transactions Act, 1988 (45 of 1988) (hereinafter referred to as the *Benami* Act) states that the Central Government may, by notification, provide that until the Adjudicating Authorities are appointed and the Appellate Tribunal is established under the *Benami* Act, the Adjudicating Authority appointed under sub-section (1) of section 6 of the Prevention of Money-laundering Act, 2002 (15 of 2003) (hereinafter referred to as the PML Act) and the Appellate Tribunal established under section 25 of the PML Act may discharge the functions of the Adjudicating Authority and Appellate Tribunal, respectively, under the *Benami* Act;

AND, whereas, the Central Government, in exercise of the powers conferred under section 71 of the *Benami* Act has appointed the Adjudicating Authority and established the Appellate Tribunal under the provisions of the PML Act *vide* notification number S.O. 3288 (E), dated 25th October, 2016 with effect from 1st day of November, 2016;

AND, whereas, on appointment of the Adjudicating Authority and establishment of the Appellate Tribunal under the *Benami* Act, the Adjudicating Authority and the Appellate Tribunal notified under section 71 of the *Benami* Act shall cease to discharge the functions under the *Benami* Act, and whereas, there shall be a time gap between the appointment of the Adjudicating Authority and establishment of the Appellate Tribunal under the *Benami* Act and discharging the functions of the said Authority and the said Appellate Tribunal under the *Benami* Act;

AND, whereas, a difficulty has arisen in respect of the reference and appeal filed under the *Benami* Act which are pending before the Adjudicating Authority and the Appellate Tribunal respectively and in respect of receiving references from the Initiating Officer by the Adjudicating Authority and filing of appeal

against the order of the Adjudicating Authority under the *Benami* Act, there is a need to remove the difficulty arising from the time gap between the appointment of the Adjudicating Authority and establishment of the Appellate Tribunal under the *Benami* Act and discharging the functions of the said Authority and the said Appellate Tribunal under the *Benami* Act;

AND, whereas, sub-section (7) of section 26 of the *Benami* Act provides that the Adjudicating Authority shall not pass order after the expiry of one year from the end of the month in which the reference has been received by it from the Initiating Officer and whereas, on the date on which the Adjudicating Authority under the *Benami* Act shall discharge the functions under the *Benami* Act, there may be references pending before the Adjudicating Authority notified under section 71 of *Benami* Act in which order under sub-section (3) of section 26 may be required to be passed in a short period of time;

AND, whereas, a difficulty has arisen in view of the fact that the Adjudicating Authority appointed under the *Benami* Act may not have sufficient time for passing an order in respect of said references and there is a need to remove the difficulty arising from the availability of limited time for passing such order under the *Benami* Act;

NOW, therefore, in exercise of the powers conferred by sub-section (1) of section 70 of the Prohibition of *Benami* Property Transactions Act, 1988 (45 of 1988) the Central Government hereby makes the following Order to remove the aforesaid difficulties, namely:-

1. **Short title and commencement.**—(1) This Order may be called the Prohibition of *Benami* Property Transactions (Removal of Difficulties) Second Order, 2018.

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

2. In section 71 of the Prohibition of *Benami* Property Transactions Act, 1988, after the words “under this Act” occurring at the end, the words “for such period and in respect of such cases or class of cases as may be specified in the said notification” shall be inserted.

[F. No. 370149/194/2017-TPL]

PRAVIN RAWAL, Director (Tax Policy & Legislation)