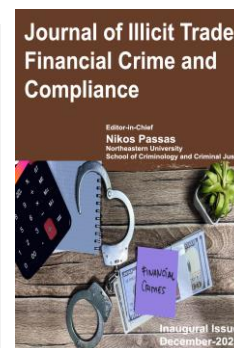


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## Absence of Period of Limitation in India's Prevention of Money Laundering Act, 2002: Analysing Its Impact on Legal Certainty and Fundamental Rights

G.S. Bajpai <sup>1</sup> and Garima Pal <sup>2,\*</sup>

<sup>1</sup>National Law University, Delhi, India

<sup>2</sup>Maharashtra National Law University, Mumbai, India

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\*Corresponding Author

Email: [garima.pal@mnlumumbai.edu.in](mailto:garima.pal@mnlumumbai.edu.in)

Tel: +(91) 9623148211

### ABSTRACT

Under the Prevention of Money Laundering Act, 2002 (PMLA), there is no statutory limitation period for initiating an investigation, attachment of property, or filing of prosecution complaints under Sections 3, 5, or 8, even though money laundering is considered a "continuing offence". Critics suggest that it leads to violation of fundamental rights enshrined in the Constitution. Absence of time bar, prolonged pendency of cases and enhanced power to the Enforcement Directorate ("ED") are some of the major issues surrounding this legal framework. The researchers have used a Doctrinal approach to analyse this issue, relying on secondary sources. The researchers, through this article, analyse the evolution and judicial interpretation of the "continuing offence" as per Section 3 PMLA, discuss the consequences of the absence of temporal bounds on pending cases, conviction rates, pre-trial detention through ED Annual Reports (2005–2025). The researchers have tried to study global models and propose suggestions that are workable.

# 1. Introduction

In the case of *Senthil Balaji* under PMLA for a 2011-2015 scam, the Supreme Court stated that the Act cannot become a tool for a yearlong detention [1]. After a prolonged incarceration of 471 days, he was granted bail by the highest court. Merely due to the seriousness of the offences under the Act, it somehow violated his right under Article 21. This case clearly highlights that in the absence of a limitation period, the investigation and trial process is a form of punishment, thereby undermining both legal certainty and fundamental rights. Thus, the authors, through this paper, discuss that the absence of statutory limitation wears down legal certainty (unpredictable liability) and fundamental rights (prolonged uncertainty violating Article 21), despite SC's validation as necessary for anti-money laundering goals.

Even before the introduction of the Prevention of Money Laundering Act, 2002, India relied heavily on other existing laws to combat money laundering, like the Income Tax Act, 1961, the Narcotics Drugs & Psychotropic Substances Act, 1958 ("**NDPS**"), Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 and many more. But the establishment of the Financial Action Task Force ("**FATF**") and a 1990 UN General Assembly resolution led countries to develop specific legislation like the PMLA in India [2]. The Prevention of Money Laundering Act ("**PMLA**") was enacted in 2002, but came into force on July 1, 2005. It is a special legislation to prevent money laundering and to provide for confiscation of property derived from, or involved in, money laundering and for matters connected therewith or incidental thereto.

Despite its crucial objectives, the PMLA remains silent on one essential procedural safeguard, the statute of limitations for initiating proceedings. A shift through the Finance (No. 2) Act, 2019, amended the Explanation to section 3, declaring that money laundering continues "as long as the person is in possession, concealment, acquisition, use or projecting as untainted or enjoying the proceeds of crime." This 2019 clarification removed any form of judicial doubt and statutorily entrenched the offence as a "continuing offence" until the enjoyment of proceeds ceases. This eliminated any possibility of a limitation period.

This legislative gap poses serious concerns under the principle of 'legal certainty' and 'fairness' which are crucial elements of the rule of law and the protection of personal liberty under Article 21 of the Indian Constitution [3]. In comparison to PMLA, the other financial legislation highlights a significant inconsistency. Section 49 of The Foreign Exchange Management Act, 1999, ("**FEMA**") [4], and Section 153 of The Income Tax Act, 1961 [5], provide clear limitation guidelines for initiating proceedings. Furthermore, it empowers ED to fight "latent" illicit flows (e.g., trade mis-invoicing generating 5% of GDP in hidden wealth) however, fostering unpredictability in a fraud-riddled landscape. The absence of the same provision under PMLA allows or gives these authorities unchecked discretion, enabling indefinite initiation of proceedings. Therefore, the current article is an attempt to highlight this issue and argue that the absence of it contravenes constitutional principles.

## 1.1. Statement of Problem

The Prevention of Money Laundering Act, 2002 (PMLA) prescribes no statutory limitation period to initiate investigation, attachment of property, or filing of prosecution complaints under Sections 3, 5, or 8 even though money laundering is considered a "continuing offence" [6]. Due to this absence of a time bar, it gives the Enforcement Directorate ("**ED**") power to commence proceedings or revive at any given time, without fresh evidence of ongoing enjoyment or possession of proceeds of crime.

As a result, people and entities suffer unpredictable liability from past financial transactions, violating the right to equality and the rule of law principle. It can be observed in the latest judgement of the Delhi High Court in *Directorate of Enforcement v. Prakash Industries Ltd.* (Delhi HC, 3 Nov 2025) [7]. Here, the court cited the COVID-19 extensions and the doctrine of "continuing offence". Furthermore, the prolonged pendency of cases, with hampered evidence, hostile or unavailable witnesses and subjects accused, to indefinite pre-trial detention under Section 45's twin bail conditions, violates the constitutional mandate of speedy trial. The ED's Annual Report (2024-2025) backs the argument here with more than 99% of 7,771 Enforcement Case Information Reports (ECIR) from 2005 to 2025 remain unresolved, with only 40 convictions in 5,294 cases from 2014 to 2024, and 77% of cases never reaching prosecution [8].

From 2024-25, ED had launched around 775 investigations under the PMLA Act, specifically targeting trade-based laundering and cryptocurrency-related schemes (e.g., offshore exchanges like Binance facing FIU-IND penalties for AML lapses). The 2024 Mutual Evaluation Report of FATF praised the robust asset deprivation measures of India for combating illicit flows. However, critiqued the enforcement gaps, low conviction rate and delays in proceedings.

Due to absent temporal bounds, the Act risks transforming a vital anti-corruption instrument into a mechanism of arbitrary jeopardy, enabling revival of decade-old illicit trades like coal scams, leading to an increase in financial crime. It erodes the legal certainty by subjecting past transactions to perpetual scrutiny and compliance risks. Thus, the Act is inclined to be misused and incompatible with constitutional guarantees of 'fairness' and 'liberty'. This article critically analyses these implications, suggesting reforms to restore balance, though a comprehensive model remains a subject for future deliberation.

## 2. Research Methodology

The current research article is Doctrinal in approach, where the researchers have used Theoretical and analytical methods with an explanatory research design. As the doctrinal research involves rigorous analysis, creative synthesis, and extracts general principles from primary sources, the researchers used this research methodology to answer the questions. Case laws and government reports were also used for secondary data.

### 2.1. Research Questions

1. To what extent has the statutory characterisation of money laundering as a "continuing offence" expanded the Enforcement Directorate's jurisdiction over trade-based money laundering and cryptocurrency-related offences in 2024–25?
2. How has the absence of a limitation period contributed to the low conviction rate and high pendency, and its implications for the constitutional guarantee of speedy trial under Article 21?
3. In what manner do the limitation regimes in global money laundering laws function (FATF-compliant jurisdictions) in balancing effective pursuit of illicit financial flows with principles of legal certainty and proportionality?

#### 2.1.2. Objectives

1. To analyse the legislative evolution and judicial interpretation of the "continuing offence" as per Section 3 PMLA, with special reference to the Finance Act, 2019, amendment and its impact on limitation.
2. To understand the consequences of absent temporal bounds on case pendency, conviction rates, and pre-trial detention through ED Annual Reports (2005–2025) and recent judicial decisions.
3. To do a comparative analysis of the limitation regimes globally and propose policy-oriented strategies to address the issue.

## 3. Discussions and Analysis

### 3.1. Understanding the Concept of Limitation Period

Indian Law defines a period of limitation as a period prescribed in the Limitation Act, 1963, for institutions of any suit, appeal, or application. The prescribed period is the period of limitation computed in accordance with the provisions of the Limitation Act [10]. The limitation period prevents deteriorated evidence and unreliable witness memory, promotes finality, fairness, while it protects prompt investigation and prosecution.

#### 3.1.1. Under Criminal Law Legal Framework for Limitation

In criminal law, a statute of limitations, as outlined in Chapter XXXVI (Sections 467–473) of the Code of Criminal Procedure, 1973 ("CrPC") [10], and maintained under Chapter XXXVII (Sections 514–520) of the Bharatiya Nagarik

Suraksha Sanhita, 2023 (“**BNSS**”) [11], is essential for guaranteeing prompt prosecution and shielding people from permanent exposure to legal risk. By avoiding the pursuit of stale claims, where the evidence may have deteriorated, and witnesses' memory may no longer be trustworthy, it embodies the concept of fairness enshrined in Article 21 of the Constitution [2]. On the other hand, regardless of how long it takes to investigate an alleged offence, the Prevention of Money Laundering Act, 2002 (PMLA) allows the start of proceedings at any time [12]. The idea of legal certainty requires predictability and finality, which could be compromised by such a lack of temporal limitation [13].

### 3.1.2. PMLA'S Position – No Limitation Period

Despite the gravity of the offence, the Act does not prescribe any limitation period for initiating proceedings, prosecution, or attachment proceedings under its provisions. However, it is crucial to note that provisions of BNSS, specifically Section 514 (previously Section 468 of the CrPC), govern the limitation periods for categories of offences in India [14,15]. According to Section 514 of BNSS, offences punishable with imprisonment exceeding three years are not subject to any limitation period [14]. Since the term “offence” under the BNSS encompasses any act or omission punishable by law, the offence of money laundering under the PMLA falls within this purview. As money laundering carries a penalty of imprisonment ranging from three to ten years, it aligns with Section 468 of the CrPC, now Section 514 of the BNSS, thereby rendering it exempt from any limitation period [16]. This in itself exposes to state coercion violating Article 21 and infringing the right to fair and speedy trial as observed in *Hussainara Khatoon v. State of Bihar*, which extended to *Abdul Rehman Antulay v. R.S. Nayak*, (1992) 1 SCC 225, which laid down eleven guidelines mandating expeditious disposal at all stages, including investigation [17]. This principle was applied to pretrial delays where the court granted bail due to an eight year lag in ED summons in *Vakamulla Chandrashekar v. Directorate of Enforcement* [18]. The court further stated that prolonged uncertainty leads to a violation of Article 21.

The discretionary power vested in the ED to selectively revive stale cases — as evidenced by 2024 ECIRs linked to scheduled offences from 2005–2010 (CAG Performance Audit Report No. 4 of 2023, para 3.2.1) breeds **manifest arbitrariness**, failing the rational nexus test laid down in *E.P. Royappa v. State of Tamil Nadu*, and in modern arbitrariness doctrine in *Shayara Bano v. Union of India*, in 2024 ECIRs linked to scheduled offences 2005–2010 (as CAG Performance Audit Report No. 4 of 2023, para 3.2.1) infringing Article 14 of the constitution [19, 20]. The researchers furthermore argue that **Article 19(1)(g)** gets violated due to indefinite asset freeze as per Section 5 under the Act which not only cripple trade and profession front but also not satisfy the **proportionality stricto sensu** prong of the four-part test in *K.S. Puttaswamy (II) v. Union of India*, as mentioned in judicial quashing of a **14-year-old attachment** in *Parvez Noordin Lokhandwalla v. State of Maharashtra*, and while setting aside delayed action in *Seema Sarkar v. Union of India* [21].

The confusion persists as the PMLA depends on a scheduled offence. The Courts have given varying opinions on the subject. The shifting times make it difficult. While some courts have held that one cannot register a PMLA case if the scheduled offence took place before the PMLA Act came into force. However, the very same Courts in other cases held that if the investigation under the scheduled offence was ongoing and not complete when the PMLA Act came into force, then one can register under PMLA.

### 3.1.3. Evolution of Section 3 Under PMLA

**Section 3 of PMLA, “Money laundering” is defined as** “Whosoever directly or indirectly attempts to indulge or knowingly assists or is a party or is actually involved in any process or activity connected with the proceeds of crime, including its concealment, possession, acquisition or use and projecting or claiming it as untainted property shall be guilty of the offence of money-laundering” [5]. While **Section 4 of the Act defines its punishment as** “Whoever commits the offence of money-laundering shall be punishable with rigorous imprisonment for a term which shall not be less than three years but which may extend to seven years and shall also be liable to fine”, Provided that where the proceeds of crime involved in money-laundering relates to any offence specified under paragraph 2 of Part A of the Schedule, the provisions of this section shall have effect as if for the words which may extend to seven years, the words which may extend to ten years had been substituted” [9].

Prior to 2019, this was treated as an **instantaneous offence** that crystallised upon successful projection/integration, thus attracting Section 468(2)(c) CrPC limitation or analogous Limitation Act, 1963 bars in delayed cases (*Babulal v. ED; Gautam Kundu v. ED*) [22]. This shift happened due to the insertion of Clause 83 of Clause **83 of the**

**Finance (No. 2) Act, 2019.** The explanation made money laundering a “continuing offence” as long as the accused enjoys, conceals, possesses, or uses the proceeds effectively abolishing any limitation period. This interpretation was upheld in **Vijay Madanlal Choudhary v. Union of India**, (2022) 10 SCC 1 (paras 188–196), holding the amendment as merely clarificatory and Article 20(1) was not violative. Post 2022, similar principles were applied in the cases of **Pradeep Sharma v. Directorate of Enforcement & Directorate of Enforcement v. Prakash Industries Ltd.** [22]. All these rulings entrench Enforcement Directorate’s probes, aiding 2024–25 surges (775 cases, crypto/trade focus), however low convictions (1%) as “process as punishment.”

### 3.2. Perpetual Liability vs. Constitutional Tensions

As a result, the non obstante clause under Section 71 overrides Section 468 of CrPC(now Section 514 BNSS) and the Limitation Act, 1963, giving indefinite temporal jurisdiction to ED, enhancing its ability to probe long-latency illicit trade and cryptocurrency laundering, but simultaneously poses a threat to compliance, eliminates traditional limitation safeguards, and increases risks of arbitrary and protracted enforcement.

## 4. Consequences in an Absence of Temporal Bounds

The absence of a limitation period in PMLA, as stated by ED annual performance statistics reports (2005-2025), highlights the systemic failure, especially conviction efficacy, pendency of cases, and increase in pre-trial detentions that erode the essence of innocence until proven guilty.

PMLA empowers the Enforcement Directorate to investigate money laundering linked to predicate offences; however, the Act remains silent on statutory time bars for investigation, prosecution or trial. This has led to a total of 7,771 Enforcement Case Information Reports (ECIRs) filed by ED (March 2025), while prosecution filed only 1,739 cases (approximately 22% of total ECIRs), 1,739 cases in trial stages, pointing to a pendency rate where new filings are surging pre-2014 under 200 annually to 775 in the year 2024-25. This clearly suggests that the outpace disposal is quite low due to procedural hurdles associated with predicate offence resolutions and judicial backlogs.

This issue, due to law’s complex nature requires synchronization with underlying criminal probes, develops a cycle where investigations drag for many years, as stated by ED Director Rahul Navin in May 2025, calling the delays to “inherent complexities” and broader judicial bottlenecks, causing in an economic drag via frozen assets exceeding ₹1.54 lakh crore provisionally attached by March 2025, however, the victims await restitution of over ₹34,000 crore recovered yet undisbursed [23].

Thousands of other cases are still stuck in court. In August 2025, the Supreme Court strongly criticised the ED, pointing out that in one batch of 400 cases, fewer than 10 ended in convictions. The Court told the ED to stop filing huge numbers of cases just for show and to focus instead on strong evidence and real quality. It also noted that although only about 3% of the cases involve politicians, these high-profile cases create a widespread feeling that the law is being misused to harass people.

Claims have been made by ED in terms of a high conviction rate -93%-96% in the cases it finishes. For instance, it got 50 convictions from 53 completed trials by September 2025. However, it looks good only on paper. With 7,700 cases registered since 2005, only 53 reached a final verdict by mid-2025. Approximately, thousands of cases are still in court. The Supreme Court in the month of August 2025 questioned and criticised ED, pointing out why fewer convictions were seen. The court directed ED to stop the huge filing of cases and rather focus on strong, substantial evidence and quality. Even though only about 3% of the cases involve politicians, such cases lead to a feeling that the law is being misused to harass people [24].

The Pre-trial detention is the hardest part, as the Act makes bail hard. Section 45 of the Act clearly states that a person can be granted bail if the court is sure, one is not guilty and will not indulge in any crime. Due to this rule, a number of people languish in jails for years even before the trial starts. More than 76% of prisoners are Undertails with overcrowded Jails. The majority have already served half of their sentence if found guilty. Due to this long wait, one suffers mentally, job loss and broken families. Some even plead guilty to get out sooner. On various occasions, the Supreme Court has repeatedly criticised such situations as seen in the case of *V.Senthil Balaji, S. Sridhya v. Assistant Director* [25].

However, the situation still remains the same. With no time bars to the law, by 2030, almost 2,000 PMLA cases will still be waiting for trial. To overcome this, more judges are needed for special PMLA courts, faster trials, automatic bail after a certain period and clear deadlines at every stage; else there would be a violation of the right to life and personal liberty.

#### 4.1. Analysing Judicial Interpretation

It is interesting to note that in *Vijay Madanlal Chaudhary v. Union of India* [13], the Supreme Court observed that the offence of money laundering is independent of the predicate offence and continues as long as the proceeds of crime are concealed, used or presented as untainted property [26]. Although money laundering is a continuing offence and can not be set limitations, there should still be outer time limits to initiate proceedings under PMLA, because indefinite liability creates uncertainty. It does leave a critical constitutional void.

Legal certainty, being the fundamental principle of the rule of law, requires the law to be clear, predictable, and consistently applied. When there is predictability in law, it's a legal certainty because citizens should know their legal position, duty, and rights clearly. If there is legal certainty, it will not lead to arbitrary state action and in criminal law, the legal certainty assumes a limitation period. However, in PMLA, the complete absence of a limitation period directly contravenes the principle of legal certainty. There are no temporal boundaries, wherein the accused face a perpetual threat of prosecution, which violates legitimate expectation. The courts are also not able to resolve the matter of whether PMLA operates retrospectively or prospectively, creating further uncertainty [27]. As stated in Article 20(1) says " No person shall be convicted of any offence except for violation of law in force at the time of commission of the Act charged as an offence" [28] but absence of limitation in PMLA creates the problem - prosecution occur decades after the offence done, whenever legal provision may have changed substantially. This violates the constitutional principle that a person should when their conduct will lead to an offence [29].

While the principle of fairness in criminal proceedings is an essential element, recognised both internationally and under constitutional law [30]. Article 21 of the Indian Constitution guarantees that no person shall be deprived of life or personal liberty except through a procedure that is 'just, fair and reasonable' [31]. The principle of fairness requires multiple interrelated elements: presumption of offence, opportunity to present a defence, adequate notice of charges, opportunity to present a defence, access to evidence and most importantly free from undue delay [32]. Among all the essential elements of fairness, the right to a speedy trial holds particular significance. As the Supreme Court explained in *Hussainara Khatoon v. State of Bihar* [33], that prolonged delay and delay in trial violate the right to life under Article 21, the judicial recognition that fairness requires a limitation period is in contrast to the unlimited prosecution period of PMLA. The absence of a limitation period also raises fairness concerns regarding arbitrary prosecution. Without limitation, authorities can revive the old case on current considerations rather than contemporaneous evidence or public interest. and it leads to the misuse of the provision by authorities [34].

Interestingly, in a recent judgement, *Pardeep Nirankar Nath Sharma V. Directorate Enforcement &Anr,2025* [35], the Court emphasised that the PMLA was enacted to combat money laundering, which by its very nature involves transactions spanning over time. Therefore, the PMLA could be applied to activities that continued after its enactment, even if the predicate offences occurred earlier. Further, the Court clarified that the relevant date for determining the offence is not the date of the predicate offence but the date on which the accused engages in activities connected to the proceeds of crime [26]. This case is the most recent one, but its critique still relies on the same arguments against the PMLA. The court did not substantively deal with legal certainty and fairness principles requiring a limitation period, even though the court explained that the PMLA is a continuing offence. There is a complete constitutional analysis required to balance the legitimate goal or object of combating money laundering against the fundamental rights of the citizens, that is, legal certainty and fairness – the gap that remains incomplete in current jurisprudence should be fixed.

## 5. Through the Global lens

The Act is also violating the international instrument, which India is a signatory that is the International Covenant on Civil and Political Rights (ICCPR) & Article 21 of the Constitution of India, solidified with the jurisprudence of fair trial rights enshrined under Article 14 ICCPR, should not be narrowly construed so as to limit the right to equality of

arms provided to the accused. The right to equality before courts and tribunals, which is a facet of Article 21, guarantees equal access and equality of arms, and ensures that the parties to the proceedings in question are treated without any discrimination. Furthermore, Article 14(3)(b) ICCPR provides that accused persons must have adequate time and facilities for the preparation of their defence and to communicate with their defence counsel. This provision is an important element of the guarantee of a fair trial and an application of the principle of equality of arms [36].

Globally, for the anti-money laundering framework, the Financial Action Task Force (FATF) sets 40 Recommendations, highlighting a risk-based approach to detect, investigate, and prosecute money laundering while focusing on promoting international cooperation. However, FATF does not suggest any strict temporal limitations for such offences while allowing jurisdictions flexibility to align with domestic criminal law principles. Nonetheless, it prioritises "timeliness" during investigations and prosecutions as per Recommendation 29. It needs competent authorities to have adequate resources and powers for prompt action, assessed via mutual evaluations that review both technical compliance and real-world effectiveness.

The above stated approach balances effective pursuit of illicit financial flows through parallel financial investigations for major proceeds-generating crimes with legal certainty and proportionality. Every 4–6 years the FATF mutual evaluations are conducted rating the countries on their effectiveness (e.g., IO.6 for financial intelligence use) and compliance (e.g., R.29 for investigative powers), where the latest global data shows moderate overall effectiveness (average rating of "moderate" across 11 immediate outcomes) however the gaps in timeliness due to resource constraints. In the UK, Singapore and the US (FATF compliant jurisdictions, limitation regimes function primarily through statutes of limitations, with the absence of time bars or extended for laundering itself to deter concealment. This helps with the aggressive pursuit of hidden flows, however incorporates proportionality through risk based due diligence and judicial safeguards.

**United Kingdom:** While referring to various laws globally, like the Proceeds of Crime Act 2002 (POCA) (Sections 327–329) in the United Kingdom, has no statutory limitation. However, it is tempered by procedural safeguards - the Serious Fraud Office's pre-charge disclosure requirements and judicial oversight to prevent any abuse, thus ensuring fairness without undermining efficacy [37].

The National Crime Agency acts quickly in money laundering cases. As per POCA, the NCA can freeze the assets or take them without any conviction. To avoid any misuse of the Act, the UK uses a "risk-based" system. Banks and companies in the UK only have to do heavy checks ie. due diligence of the customer, when the risk is high. The UK government has made clear guidelines so that everyone is aware of what to do. As per the new Economic Crime and Corporate Transparency Act 2023, things are made clearer. If someone's account has both white and black money (mixed), the law clearly explains that white money could be protected even if criminal proceedings are ongoing.

**Singapore:** Singapore's Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (CDSA) (Section 43-47), too, forgoes limitations, yet it incorporates mandatory risk assessments, due diligence for high-risk entities. With penalties up to 10 years and a fine of \$500,000. The Monetary Authority of Singapore's (MAS) supervisory guidelines that avoid any kind of arbitrariness and focus on proportionate sanctions and international cooperation [38]. In 2024, Singapore's 2024 FATF follow-up rated it "largely compliant" on R.29 and "substantially effective" on IO.7, while praising the investigation process, but also urged for better coordination in transnational cases. As per MAS Notice 626, proportionality is embedded, giving legal certainty with the help of detailed guidelines while targeting flows from corruption and trade-based laundering, with recent amendments on "rash and negligent offences" to deter mules without over-criminalising inadvertence.

**United States:** In United States, the US Money Laundering Control Act (18 U.S.C. §§ 1956-1957) has a more balanced approach with a general five-year statute of limitations from the offence's discovery, extended to seven years for foreign predicate crimes, which promotes timely prosecutions and evidentiary integrity under Article III due process while permitting extensions (up to three additional years for international evidence requests) to capture sophisticated laundering, thus safeguarding justice without perpetual liability. As per the Department of Justice and FinCEN, suspicious activity reports have to be submitted within 30 days, supporting parallel probes under FATF

Recommendation 30. As per the US's 2016 FATF evaluation (with 2021 follow-up) rated it "compliant" on R.29 but only "partially effective" on IO.6, mainly due to pendency in prosecutions, though "highly effective" on IO.7 for high conviction rates. It achieves a balance through the Bank Secrecy Act's risk-based framework, where CDD is proportionate. This ensures not only certainty with clear FinCEN guidance but also targets flows like virtual asset laundering; the Federal Sentencing Guidelines further calibrate penalties to offence gravity, avoiding excessiveness under the Eighth Amendment [39].

### 5.1. What could India Take Away?

The Indian Legal System can draw practical insights from the UK, Singapore, and the United States to fix the PMLA's biggest problems - endless delays, backlogs, misuse of law - without weakening the fight against real money laundering. First and foremost, India could set a limited time frame of 12 to 18 months (extendable only once by a court for recorded reasons) for the Enforcement Directorate to finish their work and file the prosecution complaint after registering an ECIR, similar to the UK and Singapore follow tight internal deadlines, and the US has a clear five-year limitation period. Section 45 could be amended for making the bail as rule and jail the exception after a fixed period of like if trial has begun within two to three years, or if the accused has already spent more than half the maximum possible sentence in custody, bail must be granted automatically as interpreted in the *V. Senthil Balaji* case (2024) and which mirrors the speedy-trial protections in the US and the normal bail practices in the UK and Singapore.

One could also adapt to Singapore's procedural layers for PEPs and non-face-to-face transactions to bolster FATF compliance. This practice could maintain the legal certainty and fairness under Articles 14 and 21 without diluting asset recovery. The model of the UK's judicial pre-charge mechanisms could also be referred to reduce the misuse of the Act. With the introduction of time-bound mechanisms, a balance could be maintained while safeguarding constitutional rights. A dedicated PMLA court with a larger bench and fast-track timelines could be quite effective in this issue. Internal reforms within ED for accountability, where the ED Director could issue SOPs for ECIR closure within 2-3 years. More training and coordination between CBI and ED is a must.

These changes, like time-bound investigations, default bail after prolonged custody, fast-track courts with proper staff, and a stronger parallel civil recovery process, would bring speed, fairness, and credibility to India's money-laundering law while remaining fully compliant with global FATF standards.

## Conflict of Interest

The author confirms that there are no conflicts of interest concerning the content of this manuscript.

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