

Money Laundering Prevention Act, 2063 (2008)

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Preamble: Whereas, it is expedient to provide for legal provisions to prevent laundering of criminally earned money (assets), the Legislature-Parliament has enacted this Act.

Act No. 34 of the Year 2064 (2008)

Chapter - 1 Preliminary

1. **Short Title, Extent, and Commencement:** (1) This Act may be called " Money (Asset) Laundering Prevention Act, 2008".

(2) The Act shall be applicable throughout Nepal and to any individual or corporate body, wherever may be residing, or located remitting, transferring or sending assets from Nepal to abroad or abroad to Nepal obtained by the act which is offence under this Act.

(3) The Act shall come into force immediately.

2. **Definition:** Unless the subject or context otherwise requires, in this Act,-

(a) "Investigation Officer" means a personnel appointed or designated as per pursuant to Section 15.

(b) "Offence" means the offence prescribed under chapter-2.

(c) "Transactions" means any act or agreement made in order to carry out any economic or business activities and the term also includes the transactions purchase, sale, distribution, transfer or investment and possession of any assets.

(c) "Non-Financial Institution" means the following institutions:-

(1) Any firm or company registered as per prevailing laws to carry out any trade or business including casino, precious metals or other than those firm, company or institution as prescribed in Clause (h)

- (2) Any institution whether or not organized or registered as per the laws,
- (3) Any institution prescribed by Nepal Government by publishing notice in the Nepal Gazette.
- (d) "Prescribed or as prescribed" means prescribed or as prescribed in this Act or rules framed under therein.
- (e) "Department" means the Asset Laundering Investigation Department pursuant to Section 11.
- (f) "Bank" means a bank licensed by Rastra Bank for carrying out 'A' class financial transactions under the prevailing bank and financial institution law.
- (g) "Financial Institution" means financial institution licensed by Rastra Bank for carrying out 'B', 'C', and 'D' class financial transactions under the prevailing bank and financial institution law and the term also denotes the cooperatives, person, firm, company or institution holding license to purchase and sale of foreign currency or any other transactions, company holding license for insurance business, insurance broker and also securities market or business as per prevailing laws.
- (h) "Financial Information Unit" means the Financial Information Unit constituted pursuant to Section 9.
- (i) "Rastra Bank" means Nepal Rastra Bank established under the prevailing Nepal Rastra Bank law.
- (j) "Public Servant" means any individual supposed to be public servant as per prevailing laws.
- (k) "Doubtful Transactions" means transactions appearing improbable economically, commercially or by business in general situation.
- (l) "Assets" means all kinds of moveable, immovable, tangible or intangible properties.
- (m) "Government Office" means the Land Revenue Office, Office of the Company Registrar and the term also denotes entity prescribed by the

Government of Nepal by publishing notice in the Nepal Gazette.

Chapter-2

Provisions Relating to Offences

3. **Assets not to Be Laundered:** (1) Nobody shall launder or cause to launder assets.
(2) Any one committing acts pursuant to Sub-Section (1) shall be deemed to have committed offence as per this Act.
4. **Assets Supposed to Have Laundered:** Assets shall be supposed to have laundered in case anyone, directly or indirectly, earns from tax evasion or terrorist activities or invests in such activities or acquires, holds, possesses or utilizes assets by committing any or all offences stipulated as follows and in case assets acquired, held or accumulated from investment of such assets is possessed, held or used, utilized or consumed or committed any other act so as to present such assets as legally acquired or earned assets or conceals sources of origin of such assets or assists any one to transform, conceal or transfer such assets with an objective of avoiding legal actions to the person having such assets:-
 - (a) Offences under the prevailing arms and ammunitions laws,
 - (b) Offences under the prevailing foreign exchange regulation laws,
 - (c) Offences of murder, theft, cheating, forgery documents, counterfeiting, kidnap or abduction under the concerned prevailing laws,
 - (d) Offences under the prevailing drug control laws,
 - (e) Offences under the prevailing national park and wild animals conservation laws,
 - (f) Offences under the prevailing human trafficking and transportation control laws,
 - (g) Offences under the prevailing cooperatives laws,
 - (h) Offences under the prevailing forest laws,

- (i) Offences under the prevailing corruption control laws,
- (j) Offences under the prevailing bank and financial institution laws,
- (k) Offences under the prevailing banking offence and punishment laws,
- (l) Offences under the prevailing ancient monuments conversation laws,
- (m) Other offences under any other law that Government of Nepal prescribes by publishing a notice in the Nepal Gazette.

Clarification: For the purpose of this Section, in case any one has committed any act supposed to be an offence under the following conventions or provided or collected any money by any means for murdering or physically disabling any person knowingly or with grounds that such money is being used for committing such offence, he/she shall be supposed to have invested in terrorist activities:-

- (1) Tokyo Convention on Offences and Certain Other Acts Committed on Board Aircraft, 1963,
- (2) Hague Convention for the Suppression of Unlawful Seizure of Aircraft, 1970,
- (3) Montréal Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, 1971,
- (4) Convention on the Prevention and Punishment of Crime Against Internationally Protected Persons Including Diplomatic Agents, 1973,
- (5) International convention Against the Taking of Hostages, 1979,
- (6) SAARC Regional Convention on Suppression of Terrorism, 1987,
- (7) Any Convention against Terrorist Activities to which Nepal is a party.

5. **Not to Attempt, Support or Provoke**: No one should attempt, support or provoke others to commit offences stipulated in this chapter.

Chapter -3

Provision Relating to Identity, Transactions and Details of the Customers

6. **Customers to be Identified**: (1) Any bank, financial institution or nonfinancial institutions shall maintain clear identity of a person while establishing any kind of business relationship with him/her or transacting the amount more than the limit at one or several transactions as prescribed by Rastra Bank from time to time by publishing notice.

(2) Bank, financial institution or non-financial institution, while getting identification of the customer as per Sub-Section (1), shall require the person establishing business relationship or having transactions with it to submit the documents as follows:-

- (a) In case of a natural person his/her name, family surname, copy of citizenship or passport including other necessary documents evidencing his/her permanent residential address and profession or business,
- (b) In case of the person or firm except provided in Clause (a), copy of the document certifying incorporation, establishment or registration of the institution, documents that presenting name, surname, address, profession, business of board of directors and executive director or proprietor of firm or partners of partnership firm,
- (c) In case of business relation or transactions to be established or made on behalf of someone else, documents relating to principal's identity, address including power of attorney clarifying his/her business,
- (d) Name, surname, address of close relative, person or institution benefiting from the transaction of the business relationship,

(e) In case of transactions made through negotiable instruments, name, surname and address of the issuer and payee of or from such instrument,

(f) Other documents as prescribed by the Financial Information Unit from time to time.

(3) Bank, financial institution or non-financial institution shall keep a separate record of documents and transactions of each customer, pursuant to Sub-Section (2), including date and nature of transactions, type of account if any and symbol number.

7. Liability of Government Entity, Bank, Financial Institution and Non-Financial Institution:-(1) The government entity, bank, financial institution and non financial institution shall fulfill the following liabilities for the purpose of this Act:-

(a) To maintain records of amount transacted beyond the limit prescribed by Rastra Bank at a single or in a series of transactions by a person,

(b) To investigate and inquire any transactions which seem to be doubtful or transacted with the motive of assets laundering or so laundered or there are reasonable grounds for getting into suspicion,

(c) To inform the Financial Information Unit about the transactions made under Clause (a) within seven days of event and immediately for the transactions made under clause (b).

(2) In case, any information has not been supplied to the Financial Information Unit pursuant to Sub-Section (1) or something different in details or information has been received after the supply of details or information in the course of transaction, the concerned entity, bank, financial institution or non financial institution shall inform such details to the Financial Information Unit immediately.

(3) Notwithstanding anything in Sub-Section (1), in case, there is any

suspicion in the transactions of persons having regular business relation or transactions, the concerned entity, bank, financial institution or non-banking financial institution shall inform the Financial Information Unit after making an inquiry.

(4) The records of transaction referred to in this Section shall be maintained secured at least for a period of five years from the date of such transaction.

Chapter – 4

Provisions for Coordination Committee and Financial Information Unit

8. **Formation of Coordination Committee:** (1) There shall be a Coordination Committee to coordinate inter-related entities and to provide essential suggestions to the Government of Nepal in regard to the prevention of assets laundering as follows:-

- | | | |
|-----|---|---------------|
| (a) | Secretary, Ministry of Finance | - Coordinator |
| (b) | Secretary, Ministry of Law, Justice and
Parliamentary System | -Member |
| (c) | Secretary, Ministry of Home | -Member |
| (d) | Secretary, Ministry of Foreign Affairs | -Member |
| (e) | Deputy Governor, Nepal Rastra Bank | - Member |

(2) The chief of the Financial Information Unit shall act as a secretary of the Coordination Committee pursuant to Sub-Section (1) and the Financial Information Unit shall work as Secretariat of the Coordination Committee.

(3) The procedures of meeting of the Coordinate Committee pursuant to Sub-Section (1) shall be as determined by the committee itself.

9. **Financial Information Unit:** (1) There shall be a Financial Information Unit in Rastra Bank for collection and analysis of information relating to assets laundering.

(2) The Governor of Rastra Bank shall appoint the chief of the Financial

Information Unit from among the first class officers, at the least, of Rastra Bank.

(3) The Office of the Financial Information Unit shall be placed in Rastra Bank and the Rastra Bank shall manage the staffs required for it.

10. **Functions, Powers and Duties of Financial Information Unit:** (1) In addition to the functions, powers and duties mentioned at other places of this Act, the functions, powers and duties of the Financial Information Unit shall be as follows:-

- (a) To obtain details of transactions under Section 7 from government entities, bank, financial institution and non-financial institution regularly and maintain records of those details by scrutinizing them,
- (b) To conduct preliminary inquiry, in case the notice, details and documents available to it requires inquiry and investigation on assets laundering and send its details to the concerned Department, government entity, bank, financial institution and non-financial institution,
- (c) To communicate the Department the details received pursuant to Clause (a) or including the extensive details if it appears doubtful or arises any doubt or prevails reasonable ground not to believe the transaction upon conducting the inquiry pursuant to Clause (b) . write to the Department with extensive details, should there appear doubtful transactions or looks dubious or there are reasonable grounds to doubt in the details received pursuant to clause (a) or from the inquiry made pursuant to clause (b),
- (d) To send notice, details and documents regarding assets laundering to the Financial Information Units of other country and international organization, institutions reciprocally and receive such notice from concerned country and international organization and institution,
- (e) To inspect transactions and records of bank, financial institution and non financial institution, to obtain any information or clarification

about such transactions and records and their copies if necessary,

(f) To manage required training programs for the staffs of government entities, Departments and Financial Information Unit for prevention of assets laundering,

(g) To carry out other functions as prescribed.

(2) The entity authorized to regulate bank, financial institution and non-financial institution under prevailing laws may receive information from the Financial Information Unit and may provide information available with it to the Unit.

(3) The Financial Information Unit may give necessary directives to the concerned bank, financial institution and non-financial institution about the method, form, time and other procedures regarding the submission of details, statistics, notices and information pursuant to Clause (a) of Sub-Section (1) and it shall be the duty of such bank, financial institution and non-financial institution to abide by such directives.

Chapter -5

Provisions for Formation of the Department and its Functions, Duties and Powers

11. **Establishment of the Department:** (1) The Government of Nepal shall establish an Asset Laundering Prevention Department to make investigation and inquiry of offences under this Act.

(2) The chief of the Department shall be a first class officer of civil service.

(3) The organizational structure of the Departmental and required number of staffs shall be as prescribed by the Government of Nepal.

(4) The Government of Nepal may prescribe any entity to conduct investigation and inquiry of the offences pursuant to Sub-Section (1) before the establishment of the Department.

12. **Powers of the Department for Investigation and Inquiry:** (1) The Department

may exercise the following powers in course of investigation and inquiry of the offences under this Act:-

- (a) To issue order to any concern government entity, bank, financial institution or non-financial institution to submit the concerned document, evidence or other required detail remained with such entity, bank, financial institution and non-financial institution to the Department within a particular time limit,
- (b) To conduct search operation of any concerned government entity, bank, financial institution or non-financial institution or of any other places, to seize, take control of concerned document, deed, material evidence and other evidence and hand its receipts to the concerned official,
- (c) To get present and inquire, call explanation or clarification from the concern official of the concerned government entity, bank, financial institution or non-financial institution, other staff or a concerned person supposed to have obtained information of related facts as deemed by the Department,
- (d) To release a person with a written condition to present at requirement or on dated attendance, or release with guarantee or bail in case there are reasonable grounds that he/she may disappear or to keep under custody at the failure of providing guarantee or bail with the permission of the court after the inquiry, explanation or clarification as per Clause (c),

Provided that the concerned person shall not be placed under custody for more than the period punishable for offences under this Act when decision is given against him/her.

- (e) To order the concerned entity to freeze assets, located in Nepal, of a concerned person at the request of another nation where the offence

under this Act has occurred or any other international organization or in accordance with bilateral or multilateral treaty or agreement or on the other grounds like that,

- (f) To require to freeze assets related to the offence under this Act in the course of inquiry and investigation of the offence.

(2) In case any government entity, bank, financial institution or non-financial institution is communicated by the Department to submit any documents or any other matters, freeze assets or provide information about any matter in the course of investigation and inquiry of the offences under this Act, the entity, bank, financial institution, concerned official, staff or agent of the non-financial institution not submitting such document or other matters, not freezing assets or not providing information and any official or staff of such entity, bank, financial institution or non-financial institution absented even at the order of the Department to be present, the Department may require him/her to submit documents or matter or to freeze assets or to provide required information by arresting him/her and may fine him/her up to one thousand rupees.

Chapter-6

Provisions for Investigation and Inquiry

- 13. Complaint:** (1) Any person, who has information that somebody has committed, going to committee or committing any act supposed to be an offence under this Act, may submit a complaint, application, information or notice to the Department in written or oral form.

(2) The Department shall register complaint, application, information or notice in written form and oral complaint, application, information or notice shall be registered after giving it to a written form, obtained pursuant to Sub-Section (1).

14. **Investigation and Inquiry:** (1) The Department shall conduct necessary investigation and inquiry if it receives information from a complaint pursuant to Section 13 or information pursuant to Clause (c) of Sub-Section (1) of Section 10 or from any other method or source that any offence under this Act has been committed, being committed or going to be committed.

(2) The Department, if it receives information that any offence under this Act has been committed, being committed or going to be committed and there is reasonable ground that the person involved in the offence may abscond or destroy evidence or document, hide or alter, may take control of any document or asset or arrest the person involved in the offence by conducting search operation at the place where offence was committed, being committed or going to be committed immediately.

(3) The Department shall obtain opinion of government attorney while conducting such immediate investigation and inquiry pursuant to Sub-Section (1).

15. **To Appoint or Designate Investigation Officer:** (1) The Department may appoint or designate any officer of the Department or other officer in the service of government or of any public corporate body as an investigation officer, in order to conduct investigation and inquiry of the offences under this Act.

(2) The Department, while appointing or designating any other staff in the service of government or public corporate body as an investigation officer, shall consult the chief of the concerned entity or corporate body.

16. **Functions, Duties and Powers of the Investigation Officer:** (1) The functions, powers and duties of the investigation officer, appointed or designated pursuant to Section 15, shall be as follows:-

- a) To take necessary action by arresting the offender (suspect) immediately,
- b) To conduct search or cause to conduct search operation of any office, residence, building, storage, vehicles or of any place in the course of investigation and inquiry,

c) To exercise other powers vested to the Department.

(2) The investigation officer, while proceeding pursuant to Sub-Section (1), may keep the offender (suspect) on date, release him/her by obtaining bail or guarantee or keep under custody with the permission of the court if he/she fails to provide bail or guarantee.

17. **To Keep Under Custody for Investigation and Inquiry:** (1) The investigation officer may detain the person against whom proceedings have been initiated as per this Act, if there are sufficient grounds that he/she may extinct or destroy any evidence or create obstacles or perverse effects in the proceedings of investigation and inquiry providing him/her a warrant as per prevailing laws.

(2) In case the investigation and inquiry could not be completed within twenty four hours and it is deemed necessary to continue the investigation and inquiry by detaining him/her further under custody, the investigation officer shall detain the offender with the approval of the adjudicating officer presenting the offender before such officer.

(3) The Department, while requesting for permission as stipulated under Sub-Section (2), shall clearly mention the charges against the detainee, reasons and grounds thereon, description of the affidavit of statement if any obtained and justification for continuing the investigation and inquiry proceedings by detaining him/her under custody before the adjudicating officer.

(4) If request is made to carry out investigation and inquiry continuing detention pursuant to Sub-Section (3), the adjudicating officer, after reviewing the concerned documents and process of investigation and inquiry whether satisfactory or not, may grant permission for detaining him/her up to ninety days at a time or time by time but not-exceeding thirty days at a time.

(5) In case permission is requested to keep under custody as per Sub-Section (2), the detainee may file a petition to the adjudicating officer for his/her release with reasons and grounds thereof.

18. **To Order for Freezing Assets:** (1) The Department or investigation officer may give order to the concerned entity to prevent any transfer, pledge, sale/disposal of the assets collected by offence for a time period fixed, if it is deemed in the course of investigation and inquiry or there are reasonable grounds at hand that he/she may transfer, sale/dispose or conceal or transform such assets by any manner.
- (2) In case a written request is made to freeze assets pursuant to Sub-Section (1), the concerned entity shall freeze/withhold such assets preventing its transfer or pledge or sale/disposal.
- (3) The Department may impose fine to the chief of the concerned entity, who does not freeze the assets in contravention to the order pursuant to Sub-Section (1), up to fifty thousand rupees as per the report of the investigation officer.
19. **Suspension of Account or Transactions:** Notwithstanding anything mentioned in the prevailing laws, the Department may issue an order, in the course of a inquiry and investigation of an offence under this Act, to prevent transactions or freeze bank account of a person transacting with a bank, financial institution or non-financial institution if any information is obtained that he/she has maintained transactions or account with such bank, financial institution or non-financial institution.
- Provided that such transaction or account operated with a bank, financial institution, non-financial institution situated or person living abroad, the Department shall make a request of freezing such transactions or account through a diplomatic channel.
20. **Seized Assets and Documents to Be Kept Secured:** The investigation officer should keep the assets and documents seized in course of inquiry and investigation under this Act safe.
21. **Support of Other Entities May Be Obtained:** (1) The Department may demand support of any entities or public corporate bodies in the course of conducting inquiry and investigation of offence under this Act and it shall be the duty of such

entities and bodies to provide support to the Department at the time of demand.

(2) The Department may also demand support of Nepal police in course of inquiry and investigation of offence under this Act. It shall be the duty of the concerned police officer or of the police staff to provide support to the Department if such support is demanded.

(3) The Department, if it deems by the nature of offence under investigation and inquire, consult with the specialist belonging with an entity or involve him/her in investigation and inquiry and such entity shall have to avail or depute such specialist to the Department notwithstanding whatever has been mentioned in prevailing laws.

22. **Filing of a Case:** (1) If any one, whosoever, is deemed to have committed an offence under this Act from investigation and inquiry, the Department shall write to the concerned government attorney for taking decision whether a case is to be filed against him/her or not.

(2) In case the concerned government attorney decides to file a case, in response to writing pursuant to Sub-Section (1), the Department shall file the case with the court prescribed by the Government of Nepal by publishing notice in Nepal Gazette.

23. **Limitation:** There shall be no limitation to file a case relating to the offence under this Act.

24. **Government to Be Plaintiff:** The Government of Nepal shall be plaintiff in the case relating to an offences under this Act.

25. **No Obstacle to Sue Under Prevailing Laws:** (1) A case may be filed under other prevailing laws if the offence under this Act is also punishable under any other prevailing law.

(2) In case a person involved in the offence under any prevailing law is found to have committed offence under this Act, the entity or officer conducting investigation and inquiry of such offence shall inform the same to the Department.

26. **Not to Violate Confidentiality:** (1) No Investigation Officer or staff or person involved in the investigation and inquiry shall violate confidentiality of any matter or submitted document that came to his/her notice in the course of investigation and inquiry or in performing his/her duty, unless the prevailing law so requires.
27. **Automatic Suspension:** Any official or staff of any bank, financial institution or non-financial institution or civil servant shall be deemed to be in automatic suspension for a period he/she is under custody as per this Act or for a period the case is decided if any case has been filed against such staff, official or civil servant pursuant to Section 22.
28. **Assets Deemed to Have Gained by Laundering:** In case assets of a person sued for an offence under this Act is found to be unnatural in comparison to the income source or financial condition or one is living a life unnaturally high in standard or proved to have donated, granted, gifted, provided loans, contribution or endowment more than his/her capacity, he/she is required to prove the source of earnings and in case he/she fails to prove so he/she shall be deemed to have earned such assets by committing offences under this Act.
29. **Offence not Required to be Proved:** Notwithstanding whatever mentioned in this Act or in the prevailing law, it shall not be necessary to have the acts or offence occurred as mentioned in the Section 4 for penalizing the offence under Section 3 and it shall not be deemed to be barred to penalize for the offence under Section 3 simply because there was not filed against such act or offence or the case was dismissed in case it was filed or charge therein was not proved.

Chapter-7 Punishment

30. **Punishment to the Offender:** (1) Anyone committing offence under Section-3 shall be punished as follows, in accordance with the degree of offence committed:-
- (a) Fine equal to the amount involved in the offence or imprisonment from one year to four years or both punishments to any person or

staff of a bank, financial institution or nonfinancial institution who has committed offence or in case such staff is not identified for the person working as a chief at the time of committal,

- (b) In case an office bearer, chief or staff of a bank, financial institution or non-financial institution or public servant has committed offence, ten percent more than the punishment mentioned in Clause (a).

(2) The person assisting or provoking to commit or causing to commit an offence under this Act shall be punished half of the punishment to be done to the offender.

31. **Imposing Fines:** (1) There shall be a fine of five hundred thousands rupees to a bank or financial institution and from twenty five thousands to one hundred thousands Rupees to a non-financial institution as per the degree of offence for the act of not submitting documents to the Financial Information Unit pursuant to Section 7 and Clause (a) of Section 10.

(2) The Financial Information Unit shall punish pursuant to Sub-Section (1) and person not satisfied with the punishment may appeal to the Appellate Court within thirty five days of such punishment.

32. **Punishment for Concealing or Destroying Evidences:** Any person who commits the offence of concealing or destroying evidence related to acts deemed to be an offence under this Act shall be liable for the imprisonment from one month to three months or fine from fifty thousand rupees to one hundred thousands rupees fine or both in accordance with the degree of offence committed and person assisting for committing such act shall be punished half of such punishment.

33. **Punishment for Creating Obstacles:** If any person creates obstacles in the proceedings of investigation and inquiry undertaken under this Act, the adjudicating officer may punish him/her with an imprisonment up to six months or a fine up to five thousand rupees or both based on the report of investigation Officer.

34. **Assets to be Confiscated:** (1) Any assets obtained from an offence under this Act

and assets accumulated thereof and assets utilized for committing such offence shall be confiscated.

(2) In case entitlement to assets pursuant to Sub-Section (1) has been transferred to someone else and an amount has been quoted in such act of transfer, the amount shall be dealt as per the deed with security (*Kapali*).

Chapter -8 Miscellaneous

35. **Seizure of Passport:** Notwithstanding anything mentioned in prevailing laws, the Department may issue an order to the concerned office for not issuing new passport or to seize already issued passport if so required as per the circumstance, and degree of the offence.
36. **Assets to Be Released:** In case the asset withheld pursuant to Section 18 found that it was not obtained by committing an offence under this Act, the Department if case has not been filed, or the court hearing the case if the case has been filed, shall order to release such assets to the entity withholding such assets and the entity shall release such assets if such order is made.
37. **Not to be Liable for Providing Information:** In case any loss occurs to a person because of submission of information to the Financial Information Unit by a government entity, bank, financial institution or non-financial institution or by a staff, official or agent of such bank, financial institution or non-financial institution subject to the provisions mentioned in Section 7 and Clause (a) of Section 10, no such entity, bank, financial institution or non-financial institution or staff, official or agent of such entity, bank, financial institution or non-financial institution shall be taken any action in against.
38. **Auction to be Made:** (1) The goods seized in course of taking action against an offence under this Act may be auctioned by fulfilling the procedures as prescribed by the prevailing laws, if there is possibility of damage by rust or loss of any kind or breakage or rotting or loss of price due to ageing or lack of maintenance and protection due to lack of appropriate placement.

(2) The proceeds obtained from auction sale pursuant to Sub-Section (1) shall be balanced in the deposit account and if it is decided to provide such goods to the owner later, the amount received from such auction sale shall be handed over to the person concerned.

39. **Departmental Action to the Staff involved in Investigation and Inquiry:** If any Investigation officer or staff of the Department acts with a view to cause troubles or tension to others knowingly in the course of investigation and inquiry of the offences under this Act or in doing any other acts, notwithstanding whatever mentioned in prevailing laws, the secretary of the concerned Ministry if such staff is chief of the Department or the chief of the Department if one is other staff shall take Departmental action against him/her.

40. **Provisions Relating to Delivery of Notice:** (1) Notwithstanding anything written in the prevailing laws, a notice to be delivered in the name of a foreign person in connection with an offense under this Act shall be delivered in the name of an office or representative of such person in Nepal, if any, and the notice so delivered shall be deemed to have been duly delivered.

(2) In case the office or representative as stipulated under Sub-Section (1) does not exist, the notice shall be delivered at the main place of business of such person or his/her permanent residential address or at the mailing address if provided by him/her in the course of business, through telex, telefax or other means of telecommunication or through post by registration and the notice so delivered shall be deemed to be duly delivered.

(3) Notwithstanding anything mentioned in Sub-Section (1) or (2), if there is a separate provision in any treaty where Government of Nepal or Nepal is a party, there shall be no obstruction in delivering the notice in the name of a person residing in foreign country in the manner as specified in the same.

41. **Notice to be Published:** In case a report is received, in connection with the dispatch or delivery of a notice to any person under this Act or other prevailing laws, that the notice could not be dispatched or delivered for the reason that the

address of such person could not be identified or for any other reasons, notwithstanding anything contained in the prevailing laws, a public notice to this effect shall be published in a national level newspaper (in an English daily in regard to a foreigner) at least two times extending him/her a time period of thirty days and furnishing thereon the abridged particulars of the case, whether the case is investigated or is already lodged with the adjudicating officer. If such notice is so published, it shall be deemed to be duly delivered or delivered to such person, notwithstanding anything contained under this Act or other prevailing laws.

42. Order to Freeze the Assets of a Foreigner: (1) If any foreign person does not appear in front of the investigation officer as per the notice or even after such notice is delivered to him/her pursuant to Section 40, the investigation officer may issue an order to keep his/her assets, entitlement, interest or concern within Nepal in status quo or to prevent it to take outside Nepal if he/she has any such assets, entitlement, interest or concern in the form as determined by the investigation officer till he/she presents him/herself before the investigation officer and it shall be the duty of the all concerned to comply with such order.

(2) Person not complying with the order issued pursuant to Sub-Section (1) shall be punished with a fine up to Rupees one hundred thousand by the investigation officer. The losses or harm caused to the Government of Nepal or public institution, if any, due to such non compliance of the order, shall also be recovered from such person.

43. No Obstruction to Adjudication and Decision Proceedings: Notwithstanding anything mentioned under the prevailing laws, the adjudication and decision proceedings of a case under this Act shall no longer be affected even if the offender dies before or after the date of filing a case.

44. Waiver May Be Given in Punishment: The investigation officer may provide waiver in the claim of punishment, in full or part, to a person extending cooperation in regard to the investigation and inquiry proceedings initiated under the Act presenting such person as his witness.

Provided, notwithstanding anything mentioned in this Act or in prevailing laws a lawsuit may be reregistered against such person if his cooperation could not be established from other evidence or if he/she makes statement before the adjudicating officer against the cooperation extended by him/her to the investigation and inquiry officer

45. **Reward:** (1) Any person may be given an amount equal to ten percent of the amount claimed or one million rupees whichever is lesser as reward if he/she has made a complaint against an offence under this Act along with cooperation extended for investigation and inquiry or in collection of other evidence and proof.

(2) In case the persons pursuant to Sub-Section (1) are more than one, such amount shall be distributed proportionately.

46. **Rules May be Formulated:** The Government of Nepal may frame necessary Rules for implementation of the objectives of this Act.