

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:824  
ANSWERED ON:19.07.2002  
RAIDS ON HAWALA DEALERS  
SULTAN SALAHUDDIN OWAISI;VILAS BABURAO MUTTEMWAR

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government raided hawala dealers all over the country recently;
- (b) if so, the total amount found to be involved in hawala dealings;
- (c) the number of arrests made and total amount seized from the dealers; and
- (d) the remedial steps taken or being taken by the Government to stop the hawala dealings?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

- (a) Yes, Sir. Fortyfour searches have been conducted during the period 1.7.2001 to 30.6.2002 against Hawala dealers under the provisions of Foreign Exchange Management Act (FEMA), 1999.
- (b) An amount of about Rs.8.25 crore has been found to be involved in the hawala cases covered by these searches.
- (c) The Foreign Exchange Management Act, 1999 does not have provisionsfor arrest in cases of contravention of its prohibitory provisions. An amount of Rs.61 lakh (approximately) has been seized during the searches.
- (d) For dealing with Hawala cases in accordance with the provisions of the FEMA, the Enforcement Directorate is taking various steps, including gathering of intelligence relating to suspected hawala cases.