

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1916
ANSWERED ON:26.07.2002
MONEY LAUNDERING ACTIVITIES
NARESH KUMAR PUGLIA;SHYAMA SINGH

Will the Minister of FINANCE be pleased to state:

- (a) whether a group constituted by Reserve Bank of India has urged the Government to strengthen the existing framework against money laundering activities in the country;;
- (b) if so, the reaction of the Government thereon;
- (c) whether the financial action task force norms had not been adopted to check money laundering activities; and
- (d) if so, the reasons therefor?

Answer

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

- (a): An internal technical group on 'Market Integrity' was constituted by the Standing Committee on International Financial Standards and Codes in RBI for making an assessment of India's position vis-à-vis international standards on market integrity. The Report, inter-alia, has recommended measures to prevent money laundering including enactment of the prevention of money laundering Bill.
- (b): A comprehensive legislation to prevent money laundering, namely, the Prevention of Money Laundering Bill is under consideration of the Parliament.
- (c) & (d): The recommendations of the Financial Action Task Force (FATF) on anti-money laundering have been taken into account while framing the Prevention of Money Laundering Bill.