

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2539
ANSWERED ON:10.08.2010
ILLEGAL INFLOW OF FOREIGN FUNDS
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Will the Minister of HOME AFFAIRS be pleased to state:

- (a) whether foreign funds is being illegally pumped into Jammu and Kashmir State through various channels;
- (b) if so, the details thereof;
- (c) whether the Government has taken adequate measures to check this illegal inflow of foreign funds; and
- (d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MULLAPPALLY RAMACHANDRAN)

(a) & (b): Militants/terrorists active in India are funded by their respective outfit based abroad, particularly in Pakistan. The majority of expenditure on terrorist outfits is on infrastructure including training camps, safe houses etc., which are all located in Pakistan. However, our intelligence agencies are gathering information regarding the channels of funds. Pak based terrorist groups directed against India are reportedly provided assistance by the Pak ISI not only in terms of the infrastructure expenditure but also in terms of logistics such as weapons, communication equipment, etc. In so far as Jammuy & Kashmir is concerned, there have been several cases in the past highlighting the flow of funds through hawala channels from abroad to groups operating in Kashmir. These hawala transactions involve the use of human courier, some of whom have been intercepted by security agencies.

(c) & (d): The inflow of foreign funds, both through legal and illegal channels, are closely monitored by security agencies, as a result of which some interceptions of human couriers carrying money have been effected in recent years.