

**GOVERNMENT OF INDIA  
HOME AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:2607  
ANSWERED ON:10.08.2010  
FINANCIAL TRANSACTION BY TERRORIST GROUPS  
Bhagat Shri Sudarshan;Pandey Saroj

**Will the Minister of HOME AFFAIRS be pleased to state:**

(a) whether the Government has received any complaints that terrorists groups/organisations are making financial transaction through Private Trust, Non-Governmental Organisations (NGOs) and Charitable Trusts functioning in the country as well as Indian Organisations functioning abroad;

(b) if so, the details thereof alongwith the total number of such cases registered including the action taken against such organisations during each of the last three years; and

(c) the action taken by the Government to check such cases in future?

**Answer**

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

(a) & (b): So far instances of terrorist groups/organizations making financial transaction through private trusts, NGOs etc. functioning in the country as well as Indian organizations functioning aboard, has not come to notice. However, from a terrorism financing risk perspective, foreign organisations and trusts, especially those based in countries which provide a safe haven to terrorists acting against India, are considered a potential source of terrorist financing.

(c): NGOs in India, desirous of receiving funds from abroad, need to be 'registered' under the Foreign Contribution (Regulation) Act, 1976. While the Unlawful Activities (Prevention) Act, 1967 has provisions to deal with the financing of terrorism, inflow of funds from abroad to NGOs is regulated under The Foreign Contribution (Regulation) Act, 1976. Towards greater transparency and strengthening the reporting & regulatory mechanism, it is proposed to have amendments in the extant Act.