

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2476
ANSWERED ON:12.03.2013
TERRORIST FUNDING
Swamygowda Shri N Cheluvarya Swamy

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) whether the Government is aware that funds for terrorism are flowing into the real estate mining and manufacturing sectors;
- (b) if so, the details thereof;
- (c) whether the Ministry has enquired into the flow of large scale terrorists funds into the real estate sector and nexus of real estate builders and terrorist organisations;
- (d) if so, the details of those real estate builders found involved therein; and
- (e) the concrete steps proposed to be taken by the Government to check the nexus of real estate and manufacturing sectors with terrorist organisations?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI R.P.N. SINGH)

(a) to (e): As per the available inputs from Central Intelligence and Investigating Agencies, no systemic vulnerability or targeting of real estate, mining and manufacturing sectors per se has been reported or assessed. No such nexus between the terrorist organizations and these sectors has been reported. However, Central Intelligence and Investigating agencies have taken action under the Unlawful Activities (prevention) Act, 1967 (UAPA) whenever specific instances of funds/property being proceeds of terrorism or intended to be used for terrorism are detected including through purchase of specific properties/plots of land in the real estate sector or extortion from legitimate entities operating in the mining and the manufacturing sectors.

The existing provisions of the UAPA and the Prevention of Money laundering Act (PMLA) comprehensively cover various facets of both terrorist funding and benefits from proceeds of terrorism. UAPA empowers both the Union Government and the State Government agencies to take action wherever specific cases come to light.

As per the recommendation of the FATF and the assessment made by the Central Intelligence / Security agencies, certain amendments have been made to the Unlawful Activities (Prevention) Act, 1967 which strengthens the legal regime further to combat terrorism in all its manifestations including financing of terrorism.

To address the multi-dimensional aspects of illegal inflow of funds for terrorist activities, several agencies such as RBI, Ministry of Finance, Ministry of Home Affairs, Security and Intelligence agencies of the Centre and States etc. are working in tandem to have effective check. Further, based on the experience gained and gaps identified, Government continuously upgrades technical, coordination and forensic capabilities of the Central Intelligence and Investigation Agencies to effectively deal with the threat.