



Curtailing money supply to anti-India activists

Posted On: 02 AUG 2017 9:15PM by PIB Bhubaneswar

As per reports of agencies, the demonetization of bank notes of Rs.500 and Rs.1000 denomination resulted in significant positive impact on most theatres of violence in the country including stone pelting incidents in J&K. Since illegally held cash forms the major chunk of terrorist funding, after the demonetization, most of the cash held with the terrorists turned worthless. Demonetization also led to instant extinguishment of Pak-printed high quality Fake Indian Currency Notes. It also adversely affected the hawala operators.

The decision of the Government to demonetize high denomination notes of Rs.500/- and Rs.1000/- caused disconcert among Left Wing Extremism (LWE) formations. LWE cadres tried to minimize their losses by having the money deposited into the accounts of the sympathizers or in the accounts of simple villagers on the basis of threats and coercion. Instances of such efforts of depositing of high denomination currency notes of Rs.500/- and Rs.1000/- worth several lacs by LWE cadres have come to notice in Jharkhand, Chhattisgarh, Bihar, Odisha, Maharashtra, Andhra Pradesh and Telangana and specific cases have also been reported. As per inputs, security forces seized nearly Rs.97.75 lakh from various LWE groups in Bihar, Chhattisgarh, Jharkhand and Telangana during demonetization. Besides, LWE affiliates also undertook protests against the demonetization decision.

The Government has constituted a Combating Financing of Terrorism Cell (CFT Cell) in the Ministry of Home Affairs to coordinate with the Financial Action Task Force (FATF), an inter-governmental international body dealing with anti-money laundering and CFT issues. National Investigation Agency (NIA) has also constituted a terror funding and fake currency cell to focus on terror funding and fake currency cases. Besides, various agencies such as Financial Intelligent Unit and regulatory and enforcement agencies under the Ministry of Finance keep a check on the inflow of foreign funds. In addition to above, a surveillance mechanism has been put in place by the State Government to check cases relating to foreign and suspicious funding, including Hawala and cases under Prevention of Money Laundering Act.

This was stated by the Minister of State for Home Affairs, Shri Hansraj Gangaram Ahir in a written reply to question by Shri Kiranmay Nanda in the Rajya Sabha today.

(Release ID: 1498467) Visitor Counter : 41

