

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:919

ANSWERED ON:29.07.2005

HAWALA TRANSACTION

Gangwar Shri Santosh Kumar;Malhotra Prof. Vijay Kumar

Will the Minister of FINANCE be pleased to state:

(a) the number of cases of Hawala transactions detected during the last two years and the complete details thereof; and

(b) the details of the steps taken by the Government to stop Hawala transactions?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a) The number of cases of Hawala transactions detected during the last two years where Show Cause Notices have been issued on completion of investigation and the amount involved in these cases are as under :

Year	No. of cases	Amount (Rs. Crores)
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2003	230	71.85
2004	224	3261.36

(b) Hawala offences are civil in nature. Therefore, on completion of investigations, Show Cause Notices are issued to the offenders and penalties are levied on the persons found guilty. However, in serious cases of Hawala transactions where the amount involved is very high, the cases are referred to the Central Screening Committee to consider invoking COFEPOSA on such violators.

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