

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

LOK SABHA

UNSTARRED QUESTION NO: 1068

ANSWERED ON:28.11.2014

BLACK MONEY

MD. BADARIDDOZA KHAN

- (a) the amount of black money unearthed by the Government during each of the last three years and the current year till date sector-wise and the details of names involved in it;
- (b) whether the Government has any plan to bring black money stashed abroad and if so, the details thereof and progress made so far in this regard;
- (c) whether the Government has noticed that a large amount of black money stashed abroad has been withdrawn by account holders;
- (d) if so, the reaction of the Government thereto;
- (e) whether the Special Investigation Team (SIT) on black money has submitted report to the Government and if so, the details thereof and if not, the reasons therefor and the time by which the SIT is likely to submit the report to the Government and bring back black money into the country; and
- (f) the other steps taken or being taken to bring back black money?

Will the Minister of FINANCE be pleased to state:-

ANSWER

MINISTER OF STATE FOR FINANCE (SHRI JAYANT SINHA)

(a) Details of undisclosed income admitted and detected during searches and surveys conducted by the Income Tax Department (ITD) in the last three financial years and the current financial year (up-to September 2014) are as under:

Searches

F.Y. Number of Total assets Undisclosed income admitted u/s.
groups seized (in 132(4) of Income-tax Act, 1961
searched Rs. crore) [in Rs. crore]

2011-12	621	905.6	15070.64
2012-13	422	575.08	10291.61
2013-14	569	807.84	10791.63
2014-15	273	283.37	3370.93 (up-to September 2014)

#Figures are provisional

Surveys

Financial Year No. of surveys Undisclosed income
conducted detected (in Rs. crore)

2011-12	3706	6572.75
2012-13	4630	19337.46
2013-14	5327	90390.71
2014-15##	506	3381.19

(up-to
September 2014)

Figures are provisional

Disclosure of information regarding specific taxpayers is prohibited except as provided under section 138 of the Income-tax Act, 1961 (the Act). Further, information received under the provisions of Double Taxation Avoidance Agreements/Tax Information Exchange Agreements is governed, inter alia, by the confidentiality clause in such instruments.

Sectoral analysis in respect of seizure of valuables and admission of undisclosed income during searches conducted by ITD in the last three financial years indicates that the main sectors are real estate, trading & manufacturing, contractors, service, jewellery, mining, etc.

(b) The Government has taken every possible measure to effectively deal with the issue of black money. Measures taken by the Government in this regard include (i) Setting up of a Special Investigation Team (SIT), Chaired and Vice-Chaired by two former judges of the Hon'ble Supreme Court (ii) Joining the global efforts to combat cross-border global tax evasion and tax fraud and to promote international tax compliance, including supporting the implementation of a uniform global standard on automatic exchange of information on a fully reciprocal basis facilitating exchange of information regarding persons hiding their money in offshore financial centres and tax havens through multilayered entities with non-transparent ownership (iii) Taking appropriate legislative measures which include amendment in section 139 of the Act and relevant rules requiring reporting of assets (including bank accounts) located outside the country in Income-tax return (ITR) and filing of ITR by every person resident in India who has any asset located outside India or signing authority in any account located outside India; introduction of General Anti-Avoidance Rule (GAAR) enabling the tax authorities to neutralize the tax advantage sought to be obtained through shell companies/companies in tax havens; introduction of section 94A of the Act providing for counter measures against a non co-operative jurisdiction once such a jurisdiction is notified; etc. (iv) Renegotiation of Double Taxation Avoidance Agreements (DTAAs) with other countries to bring the Article on Exchange of Information to International Standards and expanding India's treaty network by signing new DTAAs and by entering into Tax Information Exchange Agreements (TIEAs) with many tax jurisdictions to facilitate the exchange of information and to bring transparency (v) Joining the Multilateral Convention on Mutual Administrative Assistance in Tax Matters (vi) Proactively engaging with foreign governments for exchange of information under the provisions of DTAAs/TIEAs/Multilateral Convention (vii) Effectively utilizing the information received from treaty partners to combat tax evasion and avoidance (viii) Strengthening and streamlining the information collection and enforcement mechanism, inter alia, through extensive use of information technology; capacity building; etc.

(c) No such information is available with the Government.

(d) Does not apply in view of reply to part (c) above.

(e) As per the Government's Notification dated 29th May 2014 in respect of the constitution of the SIT, the SIT is responsible to the Hon'ble Supreme Court and that it is charged with the duty to keep the Hon'ble Supreme Court informed of all major developments by filing of periodic status reports and following of any special orders that Supreme Court may issue from time to time. The SIT has submitted its first report to the Hon'ble Supreme Court on 20th August 2014.

(f) Details are as per reply to part (b) above.