

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
RAJYA SABHA
UNSTARRED QUESTION NO. 1793
ANSWERED ON 14/12/2021

BLACK MONEY BROUGHT BACK TO INDIA

1793: CH. SUKHRAM SINGH YADAV

SHRI VISHAMBHAR PRASAD NISHAD :

Will the Minister of FINANCE be pleased to state:

- (a) the details of black money brought back to India from foreign countries since 2014 till 30th November, 2021, year-wise and country-wise;
- (b) the details of increase and decrease in black money in foreign accounts during last five years, year-wise; and
- (c) the details of action taken against persons/companies whose names were published in Panama Papers till date?

ANSWER

THE MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) & (b): Details of actions taken against black money stashed abroad are as under:

(i) 648 disclosures involving undisclosed foreign assets worth Rs.4164 crore were made in the one-time three months' compliance window closed on 30th September 2015, under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015. The amount collected by way of tax and penalty in such cases was about Rs.2476 crore.

(ii) On account of deposits made in unreported foreign bank accounts in HSBC cases, so far, undisclosed income of more than Rs. 8466 crores have been brought to tax and penalty of more than Rs. 1294 crores levied.

(iii) Sustained investigations conducted in the cases revealed by International Consortium of Investigative Journalists (ICIJ) have led to detection of more than Rs.11,010 crore of credits in the undisclosed foreign accounts so far.

(iv) Total undisclosed credits amounting to Rs. 20353 crores have been detected with respect to 930 India linked entities in the Panama and Paradise Paper Leaks. Taxes collected so far amount to Rs. 153.88 crores in the Panama and Paradise Paper Leaks.

There is no official estimation regarding the amount of black money in foreign accounts during last five years. However, the Government has taken various steps against the black money stashed abroad which have led to positive results. These steps include, *inter alia*, the following:

(i) India has been a leading force in the efforts to forge a multi-lateral regime for proactive sharing of financial information known as Automatic Exchange of Information (AEOI), which will greatly assist the global efforts to combat tax evasion. The AEOI based on Common Reporting Standard (CRS) has commenced from 2017 enabling India to receive financial account information of Indian residents in other countries.

(ii) A Special Investigation Team (SIT) on Black Money was constituted in May 2014 under the Chairmanship and Vice-Chairmanship of two former Judges of Hon'ble Supreme Court. Investigation into cases involving substantial black money/undisclosed income, particularly black money stashed abroad, is being extensively and intensively monitored by the SIT.

(iii) The Government enacted a comprehensive and a more stringent new law, namely, the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 that has come into force w.e.f. 01.07.2015. Apart from prescribing more stringent penal consequences, this law has included the offence of willful attempt to evade tax etc. in relation to undisclosed foreign income/assets as a Scheduled Offence under the Prevention of Money-laundering Act, 2002 (PMLA).

(iv) The Government has taken pro- active and effective steps whenever any credible information has been received with regard to black money stashed abroad, whether in HSBC cases, ICIJ cases, Paradise Papers or Panama Papers. These steps include constitution of Multi Agency Group in relevant cases, calling for definitive information from foreign jurisdictions, bringing the black money to tax under relevant law, launching prosecutions against the offenders etc.

Further, the year-wise and country-wise details of the black money, as sought for, are not maintained.

(c): Total undisclosed credits amounting to Rs. 20,353 crores have been detected with respect to 930 India linked entities in the Panama and Paradise Paper Leaks. Taxes collected so far amount to Rs. 153.88 crores in the Panama and Paradise Paper Leaks. Further, in 52 (Fifty-two) cases of Panama and Paradise Paper Leaks, Criminal prosecution complaints have been filed under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015. Further, in 130 cases proceedings under Black Money (Undisclosed Foreign Income and Assets) and Imposition of tax Act, 2015 have been initiated.

Further, disclosure of information regarding specific taxpayers is prohibited except as provided under section 138 of the Income-tax Act, 1961 and section 84 of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.
