

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

RAJYA SABHA
UNSTARRED QUESTION NO. 2300

TO BE ANSWERED ON TUESDAY, 06 DECEMBER, 2016

AGRAHAYANA 15, 1938 (SAKA)

SIT data on Indian exports

2300. Shri Anil Desai:

Will the Minister of FINANCE be pleased to state:

- (a) whether the RBI data compiled by Special Investigation Team (SIT) on black money gave details of exports made;
- (b) whether exports proceeds during 1998-2015 were not remitted back to India; and
- (c) if so, the quantum of black money stashed abroad, and pro-active steps being taken by Government to retrieve it and award exemplary punishment to exporters who have violated the rules?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

- (a) & (b) RBI had provided data to SIT regarding export remittance outstanding for period upto March 2015. The same has been shared with Enforcement Directorate and Directorate of Revenue Intelligence for further examination and necessary action.
- (c) The Government has taken several steps to effectively tackle the issue of black money, particularly black money stashed away abroad. Such measures include policy-level initiatives, more effective enforcement action on the ground, putting in place robust legislative and administrative frameworks, systems and processes with due focus on capacity building and integration of information and its mining through increasing use of information technology. Recent major initiatives in this regard include -
 - (i) Constitution of the Special Investigation Team (SIT) on Black Money under Chairmanship and Vice-Chairmanship of two former Judges of Hon'ble Supreme Court,
 - (ii) Enactment of a comprehensive law – 'The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015' which has come into force w.e.f. 01.07.2015 to specifically and more effectively deal with the issue of black money stashed away abroad,

- (iii) Constitution of Multi-Agency Group (MAG) consisting of officers of Central Board of Direct Taxes (CBDT), Reserve Bank of India (RBI), Enforcement Directorate (ED) and Financial Intelligence Unit (FIU) for investigation of recent revelations in Panama paper leaks,
- (iv) Proactively engaging with foreign governments with a view to facilitate and enhance the exchange of information under Double Taxation Avoidance Agreements (DTAAs)/Tax Information Exchange Agreements (TIEAs)/Multilateral Conventions,
- (v) According high priority to the cases involving black money stashed away abroad for investigation and other follow-up actions including prosecutions in appropriate cases,
- (vi) While focusing upon non-intrusive measures, due emphasis on enforcement measures in high impact cases with a view to prosecute the offenders at the earliest for credible deterrence against tax evasion/black money,
- (vii) Proactively furthering global efforts to combat tax evasion/black money, *inter alia*, by joining the Multilateral Competent Authority Agreement in respect of Automatic Exchange of Information (AEOI) and having information sharing arrangement with USA under its Foreign Account Tax Compliance Act (FATCA),
- (viii) Renegotiation of 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 TIEAs with many jurisdictions to facilitate the exchange of information and to bring transparency,
- (ix) Enabling attachment and confiscation of property equivalent in value held within the country where the property/proceeds of crime is taken or held outside the country by amending the Prevention of Money-laundering Act, 2002 through the Finance Act, 2015,
- (x) Enactment of the Benami Transactions (Prohibition) Amendment Bill, 2015 to amend the Benami Transactions (Prohibition) Act, 1988 with a view to, *inter alia*, enable confiscation of Benami property and provide for prosecution,
- (xi) Initiation of the information technology based 'Project Insight' by the Income Tax Department for strengthening the non-intrusive information driven approach for improving tax compliance and effective utilization of available information.

Action against tax evasion /black money, including in respect of black money stashed away abroad, is an on-going process. Such action under direct tax laws includes searches, surveys, enquiries, assessment of income, levy of penalties and filing of prosecution complaints before criminal courts, wherever applicable.

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