

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

**LOK SABHA
UNSTARRED QUESTION NO. 1971
TO BE ANSWERED ON FRIDAY, 21ST DECEMBER, 2018
AGRAHAYANA 30, 1940 (SAKA)**

BLACK MONEY UNEARTHED POST-DEMONETIZATION

1971: SHRI MUTHAMSETTI SRINIVASA RAO (AVANTHI):

Will the Minister of FINANCE be pleased to state:

- (a) whether the demonetization did not help in checking misuse of black money in polls as it was expected to do and if so, the details thereof;*
- (b) whether some States reported more seizures compared to previous years of demonetization and if so, the details thereof;*
- (c) whether money used in this manner is black money and if so, the details thereof; and*
- (d) the steps being taken by the Government to check black money by introducing stringent laws?*

**ANSWER
MINISTER OF STATE FOR FINANCE
(SHRI SHIV PRATAP SHUKLA)**

(a) : Eliminating Black Money was one of the objectives of demonetisation as stated in the Government of India 'Press Release' dated 8th November, 2016 in this regard.

During the period from 9th November, 2016 to 10th January, 2017, more than 1,100 search & seizure and survey actions have been conducted, which led to seizure of valuables of more than Rs. 610 crore including cash of Rs. 513 crore. New currency of more than Rs 110 crore is part of the cash seizure. The undisclosed income detected in these actions (as on 10th January 2017) was more than Rs. 5,400 crore.

(b) :CBDT does not centrally maintain State-wise data of seizure made by the Income-tax Department. However, the details of the seizure during the year of demonetization and the previous three years is as under:

F.Y.	No. of groups searched	Value of assets seized (in crores)
2013-14	569	808
2014-15	545	762
2015-16	447	712
2016-17	1152	1470

(c): The cash is seized by the Income-tax Department in those cases, including those during the polls, where the source of the cash is unexplained.

(d): The Government has taken several concrete actions to check black money in the country by introducing stringent laws. Recent major initiatives in this regard include –

- (i) Enactment of ‘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.
- (ii) Enactment of the Benami Transactions (Prohibition) Amendment Act, 2016 to amend the Benami Transactions (Prohibition) Act, 1988 with a view to, inter alia, enable confiscation of benami property and prosecution of benamidar and the beneficial owner.
- (iii) Restriction on cash transaction of Rs. 2 lakh or more (Section 269ST of the I.T. Act) were imposed.
- (iv) Further, no deduction under section 80G allowed w.e.f. 01.04.2018 if cash donation exceeds Rs. 2000, and restriction imposed on donations of Rs.2000/- or more to political parties otherwise than by a bank account or through electoral bonds.
