

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:188

ANSWERED ON:03.07.2009

DEPOSITS IN FOREIGN COUNTRIES

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**Will the Minister of FINANCE be pleased to state:**

- (a) whether sizeable amount of money of Indian nationals has been deposited in foreign countries as black money including the German and Swiss banks;
- (b) if so, the details thereof;
- (c) whether the Government is contemplating any action to bring back the money deposited in foreign banks by Indian nationals;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

**Answer**

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

- (a) & (b) : There is no authentic figure of the amount of money of Indian nationals deposited in foreign countries as black money.
- (c), (d) & (e) : As per the provisions of Foreign Exchange Management Act, 1999 (FEMA) and Regulations made there-under, no person resident in India can maintain/operate any account outside India, except with the general or special permission of Reserve Bank. Whenever, any case of suspected unauthorized maintenance of account abroad by any person resident in India comes to the notice of the Directorate of Enforcement, appropriate action, as warranted under Foreign Exchange Management Act 1999 (FEMA) and Regulations made there under, is taken.

Whenever unauthorized retention of funds in foreign bank accounts is reported, appropriate directions are issued to the concerned individuals/parties for repatriation of the funds so held, to India.

Further, the Government has intensified its efforts to negotiate/re negotiate Double Taxation Avoidance Agreements (DTAA) having an article on exchange of information through which tax related information can be obtained from foreign countries for appropriate action under the Indian tax laws.