

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:323

ANSWERED ON:16.12.2011

BLACK MONEY

Roy Shri Arjun;Sukur Shri Jadhav Baliram

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

- (a) whether the Government has constituted any committee to examine ways and means to strengthen laws to curb generation and illegal transfer of black money and its recovery;
- (b) if so, the details of the terms of reference thereof alongwith its composition;
- (c) whether the committee has submitted its report to the Government and if so, the recommendations made by the committee alongwith the follow-up action taken by the Government thereon;
- (d) if not, the time by which the committee is likely to submit its report; and
- (e) the updated position regarding the action taken by the Government to unearth black money?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB MUKHERJEE)

(a)to(e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO SH REPLY TO LOK SABHA STARRED QUESTION NQ. 323 FOR REPLY ON 16.12.2011

(a) Yes, Sir.

(b) Government has constituted a Committee headed by the Chairman, CBOT to examine ways to strengthen laws to curb generation of black-money in India, its illegal transfer abroad and its recovery. The Committee is to examine the existing legal and administrative framework to deal with the menace of generation of black money through illegal means including, inter alia

- (i) declaring wealth generated illegally as national asset;
- (ii) enacting/ amending laws to confiscate and recover such assets; and
- (iii) providing for exemplary punishment against its perpetrators.

The composition of the Committee is as under-

- i. Chairman, CBDT - Chairman
- ii. Member (investigation), CBDT - Co-Chairman
- iii. Member (Legislation & Computerization), CBDT
- iv. Director of Enforcement
- v. Director General, DRI
- vi. Director General (Currency)
- vii. Director, FIU-IND
- viii Joint Secretary, Ministry of Law
- ix Joint Secretary (FT&TR), CBDT
- x. Commissioner of Income Tax (investigation), CBDT- Member Secretary

(c) No, Sir.

(d) The Committee is likely to submit its report by 31.01.2012.

(e) The Government has framed a comprehensive five pronged strategy in order to bring back the country's money illegally stashed abroad. The strategy comprises:

- (i) Joining the global crusade against black money;
- (ii) Creating an appropriate legislative framework;
- (iii) Setting up institutions for dealing with Illicit money;
- (iv) Developing systems for implementation; and
- (v) Imparting skills to the manpower for effective action.

Drive against tax evasion is a continuous and ongoing process. The Income Tax Department takes several punitive and deterrent steps to unearth unaccounted money and curb tax evasion. These include scrutiny of tax returns; surveys, search and seizure actions; imposition of penalty; and launching of prosecution in appropriate cases. Information technology is used in a systematic way for collection and collation of information for taking anti-evasion action against tax evaders.