

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4785
ANSWERED ON:07.08.2009
FROZEN DEMAT ACCOUNT
Rao Shri Sambasiva Rayapati

Will the Minister of FINANCE be pleased to state:

- (a) whether Income Tax Department has found crores of rupee lying unaccounted in frozen demat accounts;
- (b) if so, the details thereof;
- (c) whether the Department has taken any action to investigate these accounts; and
- (d) if so, the details thereof?

Answer

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

(a): Yes, sir.

(b) to (d): Income Tax Department is conducting investigations regarding frozen Demat-Accounts which had balances of value in excess of approximately Rs. 10 lakhs as on December 2008. These accounts are 6385 in number with total approximate value of shares of Rs.6,709.21 crores as in December 2008 and an approximate value of Rs.16,230 crores when the Demat Accounts were frozen. The details have been forwarded to the respective Investigation Directorates for taking necessary action in accordance with the provisions of Income Tax Act, 1961.