

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1660
ANSWERED ON:16.08.2013
ON LINE DATA BANK
Adhi Sankar Shri

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has set up/ proposes to set up online data bank to check black money and tax evasion and for effective coordination and dissemination of various inputs pertaining to illegal funds;
- (b) if so, the details thereof; and
- (c) the manner in which the said online data bank is likely to help the Financial Intelligence Unit-India?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JESUDASU SEELAM)

(a) Income Tax Department (ITD) collects information from various sources, inter alia, through the mechanism of Annual Information Return (AIR), Central Information Branch (CIB) as also from FIU-IND and pools such information through a networked system for facilitating investigation, assessment and recovery of taxes under Direct Taxes Laws. As regards Financial Intelligence Unit-India (FIU-IND), filing of statutory reports by the banks and other financial institutions and dissemination of the information by FIU-IND to the domestic agencies has been made online through an information technology based platform with effect from October, 2012.

(b) Access to the databank of ITD is available to its authorized users. The FIU-IND was set up in 2004 as the central national agency responsible for receiving, processing, analyzing and disseminating financial information relating to suspect financial transactions with a view to co-ordinate and strengthen collection and sharing of financial intelligence. Accordingly, FIU-IND maintains a database of financial information furnished to it by banks and other financial institutions under the provisions of the Prevention of Money Laundering Act, 2002 as well as information shared by domestic and foreign law enforcement agencies and foreign

FIUs. As submitted above, the filing of statutory reports by the banks and other financial institutions and dissemination of information by FIU-IND to the domestic agencies has been made online through an information technology based platform with effect from October, 2012.

(c) The use of information technology in its core activities is expected to significantly enhance FIU-IND's capacity to handle information, perform analysis and link diverse pieces of information and provide operational and strategic intelligence to the intelligence and law enforcement agencies.