

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:387

ANSWERED ON:03.02.2017

Seizures after Demonetisation

Birla Shri Om; Dhruvanarayana Shri Rangaswamy; Kashyap Shri Virender; Kushwaha Shri Ram Kumar Sharma; Mohammed Shri Faizal P.P.; Mullappally Shri Ramachandran; Raghavan Shri M. K.; Reddy Shri Ch. Malla; Sahu Shri Chandu Lal; Sawant Shri Arvind Ganpat; Singh Shri Lallu; Venugopal Shri K. C.

Will the Minister of FINANCE be pleased to state:

(a) whether the policy of demonetization has MET its goals to curb out black money and undisclosed assets including deposits in gold in the economy, if so, the details and the value of black money in form of old/new currency notes and gold seized during demonetization move;

(b) the total value of notes demonetized, the demonetized currency returned back as on date;

(c) whether the Government has seized new notes as part of its operations against black money hoarders during the course of demonetization and if so, the details thereof along with the amount of black money and undisclosed assets unearthed during these raids, State/UT-wise including Andhra Pradesh; and

(d) the action taken/proposed to be taken by the Government against the offenders in this regard?

Answer

MINISTER OF STATE FOR FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

(a): As part of on-going actions against black money post demonetization, the Income Tax Department conducted more than 1100 searches, seizures and surveys and issued more than 5100 notices, during the period 9th November 2016 to 10th January 2017, for verification of suspicious high value cash deposits in old high denominations. These actions led to seizure of valuables of more than Rs. 610 crore which includes cash of Rs. 513 crore. Rest of the seized valuables is mainly in the form of gold, jewellery and silver. Seizure of cash included new currency notes of about Rs 110 crore. The undisclosed income detected till 10th January 2017 in these on-going investigations was more than Rs. 5400 crore. Relevant information has been shared by the Income Tax Department with other law enforcement agencies such as Enforcement Directorate and Central Bureau of Investigation, for appropriate action.

(b): As on November 8, 2016 there were 17165 million pieces of Rs. 500 and 6858 million pieces of Rs. 1000 in circulation. The value of Specified Bank Notes of Rs. 500 and Rs. 1000 returned to RBI and Currency Chests amounted to Rs. 12.44 lakh crore as of December 10, 2016.

(c): The particulars of seizures etc of valuables including new notes in the searches conducted by Income Tax Department post demonetization are submitted in answer to part (a). As the territorial jurisdiction of Income Tax authorities does not necessarily coincide with boundaries of States/Union Territories, information in that format is not maintained.

(d): Appropriate action against offenders is an on-going process. A number of effective measures have been taken by the Government to verify cash deposits in old Rs 500 and Rs 1000 notes made in the banks by those persons in whose case deposits were not in line with their existing profile based upon filings with the Income Tax Department. Such measures include e-verification process of cash deposits under 'Operation Clean Money' which includes collection of relevant information on cash transactions, collation and analysis of such information, extensive use of information technology and data analytics tools for identification of high risk cases, expeditious verification of suspect cases mostly in a non-intrusive manner and enforcement actions in appropriate cases, which include searches, surveys, enquiries, assessment of income, levy of taxes, penalties, etc. and filing of prosecution complaints in criminal courts, wherever applicable.