

from 1.8.2014. The amended TAAA provides for exception from prior notification to the persons entitled to appeal in Switzerland in certain cases. The amended TAAA also has provision of administrative assistance for group requests on two or more people with identical behavior patterns identifiable by means of precise details.

(c) and (d) Exception from prior notification and administrative assistance in group requests in the amended Swiss law may facilitate receiving information under the India-Swiss Double Taxation Avoidance Agreement (DTAA) in black money cases.

#### **KYC requirements of KVP**

2608. SHRI SANJAY RAUT: Will the Minister of FINANCE be pleased to state:

(a) whether Government has re-launched Kisan Vikas Patra (KVP) to promote savings in the country;

(b) if so, the salient features thereof;

(c) whether many experts raised concerns over KYC requirements and express fear that the KVP Scheme might be used for routing unaccounted money back into the system; and

(d) if so, the details thereof and Government's response thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) Yes Sir.

(b) Amount invested in Kisan Vikas Patra doubles in 100 months at the present rate's. The certificates can be purchased by an adult for himself or on behalf of a minor or to a minor. It can also be purchased jointly by two adults. In both the cases Post Office/Banks will follow KYC modalities.

KVP can be transferred from one person to another with consent in writing to an officer of the Post Office or Bank. Under the scheme the transferee has to be eligible to purchase the certificate. The certificate can be prematurely encashed any time after two years and a half from the date of purchase or in the event of death of holder or any holder in case of joint holder, on order of court of Law and forfeiture by a pledge. Amounts as notified shall be paid to the investor in such cases.

(c) and (d) The Government had constituted a committee under chairmanship of Shyamala Gopinath, then Deputy Governor, Reserve Bank of India, for comprehensive review of National Small Saving Fund (NSSF). In view of developments observed by the Committee in 2011 on AML/CFT front the KVP was recommended to be discontinued by the Committee. KVP has been re-notified by the Government on 23-9-2014. Under the re-notified KVP the investor has to undergo the Know Your Customer (KYC) modalities at Post Office or Bank.

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