

RBI *vide* circular DNBS(PD) CC. No. 36 /SCRC/26.03.001/2013-14 dated March 19, 2014 has permitted the ARCs to utilize 25% of the funds raised from Qualified Institutional Buyers (QIBs) for restructuring of financial assets acquired out of such funds subject to the assets acquired is in excess of ₹ 500 crore. ARCs have got the similar rights to that of the banks for the recovery mechanism, where matter is taken up with DRTs and action is initiated under SARFAESI.

### **Progress on Tracking Black Money**

1020. PROF. M. V. RAJEEV GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry has heeded to Supreme Court's directive to make a quick decision on what it will do with the recommendations of the SIT on black money;

(b) if so, details thereof;

(c) whether the Ministry has made any progress on tracking or recovering the traceable "black money" on which the SIT's 15th May, 2015 report gave details and recommendations; and

(d) if so, details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (d) The steps taken by the Government on the basis of recommendations of SIT reports have been given in the Statement.

### ***Statement***

#### ***Steps taken by the Government on the basis of recommendations of SIT reports***

**Amendment made in Income Tax Act:** *Vide* Finance Act, 2015, Income Tax Act, 1961 was further amended to prohibit acceptance or payment of an amount of ₹ 20,000 or more in cash as advance or otherwise in relation to transfer of an immovable property. Provisions are also being made to tackle splitting of reportable transactions. To improve enforcement, CBDT and CBEC are leveraging technology to have access to information in each other's database.

**Amendments made in PMLA:** Similarly, *vide* the Finance Act, 2015, Section 132 of the Customs Act, 1962, which deals with offence relating to false declaration/ documents in the transaction of any business relating to Customs has been made predicate offence under Prevention of Money-laundering Act, 2002 to curb trade based

money laundering. Further, *vide* the Finance Act, 2015, the definition of 'proceeds of crime' under PMLA has been amended. Under the revised definition 'proceeds of crime' would also include "where such property is taken or held outside the country, then the property equivalent in value hold within the country". This provision will enable action in those cases where 'proceeds of crime' is taken or held outside the country and enable action to be taken for attachment of equivalent asset located in the country.

**Amendments made in FEMA:** The Foreign Exchange Management Act, 1999 (FEMA) has also been amended *vide* Finance Act, 2015 to the effect that if any foreign exchange, foreign security of any immovable property situated outside India is held in contravention of the provisions of this Act, then action may be taken for seizure and eventual confiscation of assets of equivalent value situated in India. These contraventions are also being made liable for levy of penalty and prosecution with punishment of imprisonment up to five years.

**Enactment of Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015:** The Government has passed 'The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Bill, 2015'. This Act provides for separate taxation of any undisclosed income in relation of foreign income and assets. It *inter alia* includes stringent provisions for penalties in relation to undisclosed foreign assets/income. Further, the offence of tax evasion under the new law has been made non-compoundable and the offenders will not be permitted to approach the Income-tax Settlement Commission. The new law has also amended the Prevention of Money-laundering Act, 2002 (PMLA) to include offence of tax evasion as a scheduled offence under PMLA.

**Establishment of a Central Know Your Customer (KYC) Registry.** The Government has notified the Rules for Central KYC Registry under PMLA and steps are being taken to establish it.

#### **Taxes on online shopping**

1021. SHRI MAHENDRA SINGH MAHRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware that Central Government and State Governments are not getting amounts collected through tax owing to online sale of products by companies;

(b) if so, whether Government has framed any rules to recover tax on online shopping;