

Statement-I

Details of the persons arrested for indirect tax evasion during the last two years

Central Excise & Service Tax			
Year	No. of individuals arrested for evasion of Central Excise & Service Tax	No. of individuals arrested for evasion of Central Excise & Service Tax of above ₹ 50 crore	Details of the individuals who have evaded Central Excise & Service Tax above ₹ 50 crore
2014-15	49	-	Nil
2015-16	56	2	1. Shri M.K. Pallai, M/s Makemytrip (India) Pvt. Ltd., Gurgaon, 2. Shri Rajesh Kumar, M/s Dharampal Satyapal Ltd., Noida
Customs			
Year	No. of individuals arrested for evasion of Customs Duty	No. of individuals arrested for evasion of customs duty of above ₹ 50 crore	Details of the individuals who have evaded customs duty above ₹ 50 crore
2014-15	1828	0	NIL
2015-16	1229	01	Sh. Kishan S. Lounganj, Proprietor of M/s R. Kishin & Company, Bhelumal House, 149, Zaveri Bazar, Mumbai-400002.

Reduction of interest rates on small savings schemes

†1830. SHRI NARESH AGRAWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has reduced the rate of interest by 1.5 on small savings schemes;

†Original notice of the question was received in Hindi.

- (b) if so, the reasons therefor;
- (c) if not, the initial and current rates of interest on small savings schemes started by the current Government; and
- (d) whether these schemes have been started to collect money from the public?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (d) Sir, high small savings interest rates limit the banking sector's ability to lower deposit rates in response to the monetary policy (lowered repo rate) of the Reserve Bank of India.

In the context of easing the transmission of the lower interest rates in the economy, the Government has taken a comprehensive view on the social goals of certain National Small Savings Schemes. Accordingly, from 1.4.2016, the rates of interest stand revised as under:

Instrument	Rate of interest w.e.f. 01.04.2015 to 31.3.2016 (effective annual rates)	Rate of interest w.e.f. 01.04.2016 to 30.6.2016 (effective annual rates)
Savings Deposit	4.0	4.0
1 Year Time Deposit	8.7	7.3
2 Year Time Deposit	8.7	7.4
3 Year Time Deposit	8.7	7.6
5 Year Time Deposit	8.7	8.1
5 Year Recurring Deposit	8.7	7.6
5 Year Senior Citizens Savings Scheme	9.6	8.9
5 Year Monthly Income Account Scheme	8.7	8.1
5 Year National Savings Certificate	8.7	8.1
Public Provident Fund Scheme	8.7	8.1
Kisan Vikas Patra	8.7	7.8
Sukanya Samriddhi Account Scheme	9.2	8.6

The interest rates of all savings schemes would henceforth be recalibrated on a quarterly basis, to align the small saving interest rates with the recent market rates of the relevant Government securities.

This is expected to help the economy move to a lower overall interest rate regime eventually and thereby help all, particularly, the poor and middle class.

The objectives of Small Savings Schemes are to promote economic growth and ensure availability of safe and secure financial products to the small savers.

Minimising cash transactions for curbing black money

†1831. DR. SANJAY SINH: Will the Minister of FINANCE be pleased to state:

(a) whether Government has issued any guidelines regarding minimising daily financial transactions in cash to curb money laundering, black money and so on, if so, the details thereof;

(b) whether it would cause inconvenience to the citizens, especially people living in rural areas doing small transactions, if so, the reaction of Government thereto; and

(c) the plans of Government to render black money and fake notes circulating in the market ineffective?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) No, Sir.

(b) Does not arise.

(c) The plans of Government to render black money and fake notes circulating in the market ineffective are as under:-

- (i) Appropriate action against evasion of taxes, including black money circulating in the market, is an on-going process. Such action under the laws includes searches, surveys, enquiries, assessment of income, levy of taxes, penalties, etc. and filing of prosecution complaints in criminal courts, wherever applicable. Such taxes, penalties, etc. form part of the total tax liability of each assessee and is enforced accordingly. The Government has taken several measures to effectively deal with the issue of black money. Such measures include policy-level initiatives, more effective enforcement action on the ground, putting in place robust legislative and administrative frameworks, systems and processes with due focus on capacity building and integration of information and its mining through increasing use of information technology. Recent major initiatives of the Government in this regard include -
- (i) Constitution of the Special Investigation Team (SIT) on Black Money under Chairmanship and Vice-Chairmanship of two former Judges of Hon'ble Supreme Court, (ii) Enactment of a comprehensive new law - The Black

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