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

†Original notice of the question was received in Hindi.

Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 which has come into force *w.e.f.* 01.07.2015 to specifically and more effectively deal with the issue of black money stashed away abroad, (iii) Introduction of the Benami Transactions (Prohibition) Amendment Bill, 2015 to amend the Benami Transactions (Prohibition) Act, 1988 with a view to, *inter alia,* enable confiscation of Benami property and provide for prosecution, (iv) While focusing upon non-intrusive measures, due emphasis on enforcement measures in high impact cases with a view to prosecute the offenders at the earliest for credible deterrence against tax evasion/black money, (v) Proactively furthering global efforts to combat tax evasion/black money, *inter-alia,* by joining the Multilateral Competent Authority Agreement in respect of Automatic Exchange of Information and having information sharing arrangement with USA under its Foreign Account Tax Compliance Act (FATCA).

(ii) Looking at the multi-dimensional aspects of the Fake Indian Currency Notes (FICNs) menace, several stakeholders like the Ministry of Finance, Ministry of Home Affairs, Reserve Bank of India, Security and Intelligence Agencies at the Centre and States are making efforts to curb the illegal activities related to FICNs.

(iii) A special FICN Co-ordination (FCORD) Group has been formed in the Ministry of home Affairs (MHA) to share intelligence/information amongst the different Security Agencies of States/Centre to counter the menace of circulation of Fake Currency Notes in the country.

(iv) The Government has also constituted a Terror Funding & Fake Currency Cell (TFFC) in National Investigation Agency (NIA) to investigate Terror Funding and Fake Currency cases.

(v) The legal regime has been strengthened by amendments in the section 15 of the Unlawful Activities (Prevention) Act, 1967 (UAPA) (effective from 01.02.2013), wherein the damage to the monetary stability of India by way of production or smuggling or circulation of High Quality Fake Indian Paper currency, coin or any other material has been declared as a "terrorist act".

Discriminatory provisions in Seventh Pay Commission against armed forces

1832. SHRI TARUN VIJAY: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware of the serious resentment among members of armed forces due to the alleged anomalies and discriminatory provisions in Seventh Pay Commission against them; and