

and printing of bank notes of ₹10 denomination on plastic banknote substrates has been conveyed to RBI. No foreign company is involved in printing of currency.

Recovery of black money from abroad

2143. SHRIMATI KAHKASHAN PERWEEN: Will the Minister of FINANCE be pleased to state:

(a) whether there are reports of irregularities in exchanging old currency in banks/post offices during demonetisation, if so, the details thereof; and

(b) whether Government has formulated any effective action plan to bring back black money from abroad and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) Post-demonetisation, investigations including surveys have been conducted by the Income Tax Department in cases of large number of entities including certain banks, on allegations of their involvement in manipulations concerning unaccounted money and irregularities in exchanging old currency. Besides taking appropriate action under the Income-tax Act, 1961, information collected during such actions has been shared with the appropriate regulatory authorities/enforcement agencies for further action. Disclosure of information in respect of specific entities, however, is prohibited except as provided under section 138 of the Income-tax Act, 1961.

RBI has conveyed that it is important to keep in context that the withdrawal of legal tender character in respect of ₹500 and ₹1000 bank notes resulted in tremendous work pressure on the entire banking system. Banks were required to both withdraw Specified Bank Notes and issue new currency notes, across the length and breadth of the country.

RBI had kept a tab on the concerns emanating from various banks in the implementation process. Specific instructions were issued by the RBI to the banks advising them to track the complete trail of cash movements in large quantities so as to ensure that the extant instructions of Reserve Bank of India are followed both in letter and spirit.

Further, the CBI has also registered 42 regular and 4 Preliminary Enquiries relating to irregularities in currency conversion by Banks and Postal Department. The amount involved in these cases is ₹ 186 crores approximately.

(b) The Government has taken several measures to effectively tackle the issue of

black money, particularly black money stashed away abroad. Such measures include policy-level initiatives, effective enforcement actions on the ground, putting in place robust legislative and administrative frameworks, systems and processes with due focus on capacity building and integration and mining of information through increasing use of information technology. Recent initiatives 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) Constitution of Multi-Agency Group (MAG) consisting of officers of Central Board of Direct Taxes (CBDT), Reserve Bank of India (RBI), Enforcement Directorate (ED) and Financial Intelligence Unit (FIU) for investigation of recent revelations in Panama paper leaks.
- (iii) Proactive engagement with foreign Governments to facilitate and enhance the exchange of information under Double Taxation Avoidance Agreements (DTAAs)/Tax Information Exchange Agreements (TIEAs)/Multilateral Conventions and 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 (AEOI) and having information sharing arrangement with USA under its Foreign Account Tax Compliance Act (FATCA).
- (iv) Enactment of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015' to specifically and more effectively deal with the issue of black money stashed away abroad.
- (v) Enabling attachment and confiscation of property equivalent in value held within the country where the property/proceeds of crime is taken or held outside the country by amending the Prevention of Money-laundering Act, 2002 through the Finance Act, 2015.
- (vi) According high priority to the cases involving black money stashed away abroad for investigation and other follow-up actions including prosecutions in appropriate cases.

Prepayment of loan by Odisha

2144. SHRI NARENDRA KUMAR SWAIN: Will the Minister of FINANCE be pleased to state whether Government has accepted the request of Government of