

Recovery of black money after demonetisation

†2945. SHRI NARESH AGRAWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that very less amount of black money has been received as compared to the estimates by Government, if so, the reasons therefor;

(b) if not, the quantum of money in circulation till 8th November, 2016 and the amount of money that was earmarked as black money; and

(c) the total amount of money deposited in the banks after demonetisation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) There is no official estimate of the quantum of black money in India. Action against black money is an on-going process and was one of the goals of the demonetization. During the period 9th November, 2016 to 10th January, 2017, more than 1100 search and survey were conducted by the Income Tax Department, apart from issuing more than 5100 verification notices in the cases of suspicious high value cash deposits or related activities. These actions led to seizure of valuables of more than ₹ 610 crore which includes cash of ₹ 513 crore. Seizure of cash in new currency notes was about ₹ 110 crore. Further, the undisclosed income detected in these actions was more than ₹ 5400 crore.

Appropriate action against tax evasion is an on-going process. A number of effective measures have been taken by the Government to verify cash deposits in old ₹ 500 and ₹ 1000 notes made in the banks by those persons whose tax profiles are not in line with the amounts of cash deposited. Such action includes collection of information on cash transactions, collation and analysis of such information, extensive use of information technology and data analytics tools for identification of high risk cases, expeditious verification of suspect cases mostly in a non-intrusive manner, enforcement actions in appropriate cases, taking further actions of bringing to tax the income and levy of applicable penalties and filing prosecution complaints in appropriate cases.

(c) The value of notes in circulation reported by the Reserve Bank of India as on November, 4, 2016 was ₹ 17,974.6 billion. The value of Specified Bank Notes of ₹ 500 and ₹ 1000 returned to RBI and Currency Chests amounted to ₹ 12.44 lakh crore as of December, 10, 2016.

† Original notice of the question was received in Hindi.