

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
RAJYA SABHA
UNSTARRED QUESTION NO. 1658
ANSWERED ON 03/08/2021

STACKING OF MONEY IN SWISS BANKS

1658: SHRI ANIL DESAI :

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that there are several Indian nationals who have deposited huge money in various banks outside the country – specially in Swiss banks;
- (b) if so, the details of such accounts since 2010;
- (c) whether Government has obtained details of such accounts from the banks/Governments of these countries; and
- (d) if so, the details thereof and, if not, the reasons for not having such information?

ANSWER

THE MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) & (b): The Income Tax Department gets information with regard to deposits made by Indian nationals in various banks outside the country through various sources, which includes the following:

- Information available in public domain.
- Information obtained on specific request under Double Taxation Avoidance Agreements (DTAAs), Tax Information Exchange Agreements (TIEAs), Multilateral Conventions etc.
- Automatic Exchange of information (AEOI)
- Spontaneous Exchange of Information by various countries

As far as deposits in Swiss banks are concerned, certain media reports have stated that funds of Indians in Swiss Banks have risen in 2020. These media reports have also mentioned that the figures do not indicate the quantum of alleged black money held by Indians in Switzerland.

Further, in respect of these media reports, the Swiss authorities have recently, *inter alia*, conveyed that customer deposits held with Swiss banks are not necessarily located in Switzerland. Thus, the Swiss National Bank (SNB) annual banking statistics should not be used for analysing deposits held in Switzerland by residents of India.

Further, disclosure of information regarding specific tax payers is prohibited except as provided under section 138 of the Income Tax Act, 1961.

(c) & (d): The Government of India has entered into DTAA's /TIEAs /Multilateral Convention on Mutual Administrative Assistance in Tax Matters/SAARC Multilateral Agreement ("tax treaties") etc. with other countries which provide for exchange of information, which is foreseeably relevant for administration and enforcement of domestic laws concerning taxes. India has been proactively engaging with foreign governments, for exchange of information under these tax treaties. Wherever required, these Treaties/Agreements have been modified and updated to ensure steady and active exchange of information.

Further, India has also implemented Automatic Exchange of Information (AEOI) based on the Common Reporting Standard and receives, from 2017 onwards, financial account information of Indian residents in other countries with which the AEOI relationship is activated. India has also entered into an Inter-Governmental Agreement (IGA) with USA in 2015 for sharing of financial account information on automatic basis.
