

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UNSTARRED QUESTION 2398

TO BE ANSWERED ON MONDAY, AUGUST 04, 2025 / SRAVANA 13, 1947 (SAKA)

BLACK MONEY IN FOREIGN BANKS

2398. SHRI DEEPENDER SINGH HOODA

Will the Minister of Finance be pleased to state:

- (a) whether the Government is aware that Indian deposits in Swiss banks have increased over threefold in 2024, reaching approximately Rs. 37,600 crore, as per Swiss National Bank data;
- (b) if so, the details thereof and the reasons therefore;
- (c) the total quantum of black money held by Indians in foreign banks along with the details and quantum of money brought back during the last five years;
- (d) the steps taken since 2014 to identify, investigate and repatriate illicit foreign deposits held by Indian citizens and what measurable outcomes have been achieved; and
- (e) whether the Government acknowledges the failure of current mechanisms to curb the flight of black money abroad and if so, the measures being planned to prevent further outflows and ensure accountability.

ANSWER

MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a) and (b) There are some media reports based on Swiss National Bank (SNB) statistics which mention that Indian linked funds in Swiss banks have risen in 2024 as compared to previous year's amount. The media reports also mention that as per Swiss authorities, the data in respect of SNB statistics includes, inter alia, amounts due in respect of customer deposits (including in foreign branches of Swiss Banks located in any country), other liabilities as well as amounts due to banks,

and that the Swiss authorities have clarified that the SNB annual banking statistics should not be used for analysing deposits held by residents of India in Switzerland.

It is stated that Switzerland has been providing annual financial information about Indian residents since 2018 under the Automatic Exchange of Information (AEOI) framework. The first data transmission to Indian authorities occurred in September 2019, and the exchange has continued since then. Further, India receives information about foreign assets and income from 100 + foreign tax jurisdictions. Whenever any instance of tax evasion is detected, appropriate action under Direct Tax Laws, including searches, surveys, enquiries, assessment of income, levy of taxes, penalties etc. and filing of prosecution complaints in criminal court, wherever applicable, is taken.

(c) There is no expression as 'black money' in the Income Tax Act, 1961 (ITA) or in the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (BMA). Further, since the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 came into force on 1st July, 2015, 684 disclosures involving undisclosed foreign assets worth Rs. 4164 crores were made during the one-time three months compliance window, under BMA, from 1st July, 2015 to 30th September, 2015. The amount collected by way of tax and penalty in such cases was about Rs. 2476 Crores. Furthermore, till 31.03.2025, 1021 assessments have been completed under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (BMA) raising tax and penalty demand of over Rs. 35,105 crores approximately and 163 prosecutions complaints have been filed. The tax demand gets crystallized conclusively when appeals, if any, preferred before CIT(A), ITAT, Hon'ble High Court and Hon'ble Supreme Court are decided. Notably, from 01.07.2015 to 31.03.2025 recovery to the tune of Rs.338 Crores has been made against tax/ penalty/ interest demand raised under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.

(d) Steps taken since 2014 to identify, investigate and repatriate illicit foreign deposits held by Indian citizens are listed as below:

(i) Special Investigation Team (SIT) on Black Money under the Chairmanship and Vice-Chairmanship of two former Judges of the Hon'ble Supreme Court was constituted in May 2014, to coordinate policy and investigation across agencies in matters related to foreign stashing of unaccounted monies.

- (ii) Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 which has come into force w.e.f. 01.07.2015 has been enacted to specifically and effectively deal with the issue of black money stashed abroad.
- (iii) Effective enforcement actions have been undertaken including expeditious investigation in foreign assets cases. Such actions include searches, surveys, enquiries, assessment of income, levy of taxes, penalties, etc. and filing of prosecution in criminal courts, wherever applicable.
- (iv) The Government has taken pro-active and effective steps whenever any credible information has been received with regard to black money abroad, whether in HSBC cases, ICIJ cases, Paradise Papers or Panama Papers. These steps include constitution of Multi-Agency Group in relevant cases, calling for definite information from foreign jurisdictions, bringing the black money to tax under relevant law, launching prosecutions against the offenders etc.
- (v) The Fugitive Economic Offenders Act, 2018 has been enacted to provide for attachment and confiscation of the proceeds of crime associated with scheduled economic offences and the properties of the fugitive economic offenders and deter them from evading the process of Indian law by remaining outside the jurisdiction of Indian Courts.
- (vi) The Government of India has been proactively engaging with foreign governments, for exchange of information, and has entered into tax treaties including Double Taxation Avoidance Agreements, Tax Information Exchange Agreements, the Multilateral Convention on Mutual Administrative Assistance in Tax Matters and the SAARC Multilateral Agreement, with other countries which provide for mutual administrative assistance including exchange of information concerning taxes.
- (vii) India has also joined the Automatic Exchange of Information (AEOI) based on the Common Reporting Standard and receives 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.
- (viii) The NUDGE (Non-Intrusive Usage of Data to Guide and Enable) Taxpayers Campaign was launched by the Income Tax Department in November 2024 to improve taxpayers' voluntary compliance for declaration of foreign income and assets. Under the campaign, informational messages were sent via SMS and email to selected resident taxpayers in respect of whom information has been received under the Automatic Exchange of Information that they are holding foreign assets and/ or having income from foreign sources, to accurately report foreign assets and income from foreign sources in their Income Tax Returns. Total of 24,678 taxpayers reported their foreign assets and income in revised ITRs for AY 2024-25, while 5,483 taxpayers filed

belated returns reporting foreign assets worth ₹29,208 crore and foreign income of ₹1,089.88 crore.

(e) The current mechanisms have been successful in preventing the proliferation of black money, and have promoted a concerted global effort for curtailing bank secrecy for tax purposes and promoting tax transparency. These measures have further been accompanied by digitization and formalization of economy which have led to further reduction in the opportunities for proliferation of black money.
