

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

CONCEALMENT PENALTY PROCEEDINGS U/S 271(1)(C) OF INCOME TAX ACT 1961 INITIATED IN 128 CASES IN WHICH ASSESSMENTS WERE COMPLETED WHILE IN THE REMAINING CASES, ASSESSMENT PROCEEDINGS ARE AT ADVANCE STAGE; INFORMATION ABOUT HSBC FOREIGN BANK ACCOUNTS WAS RECEIVED FROM THE FRENCH AUTHORITIES IN RESPECT OF 628 INDIAN PERSONS/ENTITIES; NECESSARY INVESTIGATION AS PER THE PROVISIONS OF LAW WILL BE TAKEN UP IN ALL THE NEW CASES OF FOREIGN BANK ACCOUNTS HELD BY 1195 INDIANS AS REPORTED IN TODAY'S MEDIA REPORTS

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Information about HSBC foreign bank accounts was received from the French authorities in respect of 628 Indian persons/entities. Out of the said 628 persons, 200 were either non-residents or non- traceable, leaving 428 cases of residents which were found actionable. For these 428 actionable cases the net amount of peak balance was about Rs.4500 crore.

The Government of India has taken expeditious action in these cases as per law. Up-to 31st December 2014, assessments were completed in 128 cases, involving more than 350 assessments. In the remaining cases, assessment proceedings are at advance stage. Undisclosed income of about Rs.3150 crore was brought to tax on account of deposits made in unreported foreign bank accounts.

Out of the above-mentioned 128 cases in which assessments were completed, concealment penalty proceedings u/s 271(1)(c) of the Income Tax Act 1961 have been initiated in almost all the cases.

About 60 prosecutions have so far been launched for wilful attempt to evade taxes [S/276C(1)] and failure to furnish accounts and documents etc [S/276D]. Show Cause Notices before launching prosecutions have been issued in a large number of other cases wherein further action is underway.

Today's media reports carry news item about foreign bank accounts held by 1195 Indians. Top hundred names have been published in a newspaper. Some of these names already figure in the earlier list available with the Government. Necessary investigation as per the provisions of law will be taken up in all the new cases, expeditiously.

Income Tax Department is already in touch with the whistle blower who apparently brought out the names of persons holding undisclosed bank accounts in HSBC, Switzerland. He has been requested to share information available with him in regard to undisclosed bank accounts of Indians in HSBC, Switzerland and other destinations. His response is awaited.

During last 6 months, the Government has taken vigorous and pro-active measures to expedite investigations in the cases of Indians holding undisclosed foreign accounts/assets abroad. Useful contacts have been established with foreign governments who might have some further information in this regard. Based upon credible information of undisclosed foreign bank accounts, fresh references for obtaining further information in more than 600 cases have been made to foreign jurisdictions, under available treaties/agreements. The same are being pursued.
