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MENACE OF BLACK MONEY IN INDIA AND ITS MITIGATION

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Abstract

This paper endeavours to study the Concept of black money in India. The mounting size of black money in India has been drawing attention since last many decades. The black money affects the macroeconomics variables as well as the microeconomic variables, makes government policies failure. The mounting size of black economy is mainly due to the weak regulations and administration of taxes, loopholes in existing enforcement system. Taking the benefits of such weak system, the tax evaders have been concealing their wealth from being taxed and parking those undisclosed income over the illegal activities or impermissible activities which further increases the black wealth and yields no tax revenue to government exchequer. Until now several estimates have been initiated to estimate the actual size of black economy and various measures have been undertaken by the Government of India to curb the back money. This paper discusses the several such estimates of black money, causes of generation of black money, its impact on the key sectors of the economy and the recent measures or schemes that have been undertaken to curb the black money of India.

Keywords: Black money, Black Economy, Demonetization, Project Insight, Income Declaration Scheme.

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Introduction

Black money is a significant problem of Indian Economy; the issue transcends the borders and has now become a global predicament. It is a significant obstacle in the growth and development of a country. In the literature or economic theory to define “black money” several terms with similar connotation have been in used such as ‘black income’, ‘unaccounted income’, ‘black economy’, ‘parallel economy’, ‘shadow economy’, ‘dirty money’, ‘black wealth’, ‘underground wealth’, ‘unofficial economy’ etc. The black money encompasses two types of income: (a) income which is illegal such as income from crime and corruption and (b) income which evades taxes or income generated through activities which are legally recognized but not accounted for leading to an evasion of tax. It means the black money does not only encompass the income generated from illegal activities, it includes all the income generated legitimately but hidden from the taxation. The table -1, below summarizes some specific definitions of black money.

Table 1: Illegal income as well as income earned from legal activities that evades comprise ‘black money’

Source	Definition
White paper on black money, Ministry of Finance, India (2012)	In addition to wealth earned through legal means, the term black money would also include legal income that is concealed from public authorities: (1)To evades payment of taxes (income tax, excise duty, sale tax, stamp duty etc.); (2) To evades payment of other statuary contributions; (3) To evades compliance with the provisions of industrial law such as the Industrial Dispute Act 1947, Minimum Wage Act 1948, (4) Payment of Bonus Act 1936, Factories Act 1948 and contract labour (Regulation and Abolition) Act 1970; and to evades compliance with other laws and administrative procedures.
The Undisclosed Foreign Income and	The total undisclosed foreign income and asset of an individual would include: (1)Income, from a source located outside India that has not been

Assets (imposition of tax act), 2015	disclosed in the tax return fields; (2) Income from a source outside India for which no tax return has been filed; and (3) Value of undisclosed asset , located outside India
The World Bank	The World Bank defines the black economy or shadow economy as that which includes all market based legal productions of goods and service that are deliberately concealed from public authorities for any of the following reasons: (1) To avoid payment of income, value added and other taxes, (2) To avoid payment of social security contributions, (3) To avoid having to meet certain legal labour market standards, such as minimum wages, maximum working hours, safety standard etc., and (4) To avoid complying with certain administrative procedures such as completing statistical questionnaires or other administrative forms.
Voluntary Disclosure of Income Scheme (VDIS), 2016	Any undeclared income from any source whether legal or illegal on which tax has been evaded will be called 'black income' and would attract penalty and prosecution.

Review of Literature

To proceed with the analyses on black money several journals have been reviewed as –

Agarwal (2012) edited the White Paper on Black Money in India studied that violation of laws by Central and State governments lead to criminal activities which in turn leads to generation of black money in Indian Economy.

Black money affects policymaking, directly and also making difficult to obtain correct data thereby leading to policy failure (Kumar 2016). All macro economics variables such as the rate of growth, savings, and investment and microeconomics variables such as the quality of education and health ate affected by black economy (Kumar 1999). Kumar (2016) pointed out that control of inflation by monetary policy changes is not feasible if a large liquidity exists beyond the control of the RBI. The effect of tightening money supply is countered by flow of black liquidity looking for opportunities to invest in commodities in short supply. Smuggling and 'hawala' have been rampant in India and affect money supply (Chattopadhyay 2012).

The urge to make profits never stops which is the main reason why people are tempted to commit fraud. The extensive refinement of various laws couple with anti-corruption strategies and anti money laundering regulations it is possible for India to show any sign of improvement in trimming down black economy (Srivastava 2015).

Significant amount of black money is generated through legally permissible economic activities which are not accounted for and disclosed or reported to the public authorities as per the law or regulations thereby converting such income into black money. Failure to report such income may be with the objective of evading taxes (White Paper on Black Money 2012).

Objectives

1. To delineate the present scenario of black money in India.
2. To find the sources of black money in Indian perspective.
3. To know the status of the latest measures undertaken by Government of India to curb the black money.

Research Methodology

This paper is descriptive in nature and the research data are collected from different secondary sources like official publication - White Paper on Black Money, Aspects of Black Economy in India and Schemes, Act & Laws introduced by Government of India.

Generation of Black Money

Black money is a menace to the society. The black money arising from illegal activities such as crime and corruption has an extremely underlying anti-social element (White Paper on Black Money in India 2012). The 'criminal components' of black money generally include proceeds from a range of activities which include trafficking in counterfeit and contraband, forgery, racketeering, smuggling, production and trade in narcotics, illegal mining, illegal use of forest, securities fraud, sexual exploitation and prostitution, embezzlement, bank frauds, cheating and financial fraud and illegal trade in prohibited goods like arms. The 'corruption' component of black money stems from bribery, theft by the public officials – such as by leakages from government social spending programmes, grant of businesses, bribes to alter land use or regularized unauthorized construction, speed money to circumvent or fast-track procedure, black marketing of price control mechanism etc. the ‘commercial’ component of black money arises from tax evasion by pursuing concealing actual transactions and any audit trail relating thereto, leading to evasion of one or more taxes. The reasons for such black money is underreporting revenues/receipts/production, inflating expenses, incorrect reporting data relating to workers employed to avoid statutory norms. In all the three forms of black money Viz. ‘Crime’, ‘Corruption’ and ’Commercial’ – maneuvers are created that includes false documentation, benami entities, sham transactions, mispricing and collusion. These are often executed by layering transactions to conceal their origin.

There are two different modus operandi involved in generation of black money. The first is the crude approach of not declaring or reporting the whole of the income or activities leading to generation of black income. This is typical approach to deal all cases of criminal, illegal and impermissible activities. The other approach known as Financial Statement Approach deals with the financial records and accounting. This approach elaborates different means by which the accounts prepared for reporting and presenting before the authorities are manipulated to misrepresent and under-disclose income thereby generating undeclared, unaccounted and unreported income that amounts to black income. Tax evasion involves misreporting or non-reporting of the transactions in the book of account or balance sheet.

Estimates of the size of black money

In India, the extent of black economy or parallel economy is extremely significant. To measure the size of black economy of India several attempts have been done and broadly speaking, the estimates made so far have followed two different approaches:

(i) Kaldor’s approach of quantifying non-salary incomes above the threshold limit of income tax;

(ii) The Edgar L. Feige method of working out transaction income on the basis of currency-deposit ratio deriving from it the ‘black income’ of the economy.

The table 2 portrays the share of black money of India in its gross domestic product (GDP) in percentage from 1970-2007 estimated by different Committees and authorities.

Table 2: Estimated size of India's black economy (as a share of India's GDP, in %)

Year	Chopra's methods	Gupta and Gupta's estimates	Gupta and Mehta's estimates	Ghosh et. Al's estimates	Rangnekar's estimates	NIPFP studies	World Bank
1970-71	5.2	22.3		7.6			
1971-72	3.2	28.7		7.8			
1972-73	3.8	31.9		7.8			
1973-74	8.1	27.1		7.4	9.9		
1974-75	12.4	20.9	13.8	8.1	9.3		
1975-76	9.9	25.0		8.4	10.0	15-18	
1976-77	10.2	37.6		8.7	11.3		
1977-78		38.4		8.7	12.1		
1978-79		48.1	19.8		13.5		
1979-80					14.4		
1980-81						18-21	
1983-84						19-21	
1999							23.2
2007							20.7

Source: Ambit Capital Research (May 2016)

Economist N. Kaldor in his report on India Tax Reform had assessed the black income to the extent of Rs. 600 crores in FY 1953-54, it was around 6.0% of GDP of the country. O.P. Chopra prepared a series of estimates of unaccounted money for a period of seventeen years where it increased from Rs. 916 crores in 1960-61 (6.5% of GNP)at factor cost, to Rs. 8,098 crores (11.4% of GNP) in 1976-77. While the Direct Taxes Enquiry Committee (Wanchoo Committee) estimated the size of black income at Rs.700 crores in 1961-62 (4.4% of GNP) then to Rs. 1000 crore in 1965-66. Estimate of Black money by Poonam Gupta and Sanjeev Gupta revealed an increase in its amount Rs. 3,034 crore (9.5% of GNP) in 1967-68 to Rs.46,487 crore (48.8% GNP). The National Institute for Public Finance and Policy (NIPFP) has found black income ranging from Rs. 9,958 crore to Rs. 11,870 crore (15% to 18% of GDP) in 1975-76 to the ranges from Rs. 20,362-Rs. 23,678 crore (18%-21% of GDP) in 1980-81 and from Rs. 31,584 – Rs. 36,784 crore (19%-21% of GDP) in 1983-84. Economist G.B. Gupta estimated the black economy to be worth 42% of GDP for 1980-81and 51% for 1987-88. The World Bank Development Research Group on Poverty and Inequality and Europe and Central Asia Region Human Development Economics Unit in July 2010 estimated 'Shadow Economies" of 162 countries from 1999-2007 and found that the weighted average size of the shadow economy of the 162 countries in 2007 was 31% of GDP as compared to 34% in 1999. In case of India, these figures were 20.7% in 2007 and 23.2% in 1999. Economist Arun Kumar estimated the black economy in 1995 at 40% of GDP and further he has estimated black money roughly be 50% of GDP for 2012-13 at current price (about Rs.50 lakh crore or $1 trillion), in further estimate he has found black money in 2012 is about 62.02% of GDP (2016), the average growth rate of black economy in the five-year period up to 2012 was about 20% (Kumar 2016).

In 2011 Government of India had commissioned a joint study by three think-tanks Viz. NIPFP, National Institute of Financial Management (NIFM) and National Council of Applied Economic Research (NCAER) to estimate the India's unaccounted wealth both at home and abroad. However the final report has not yet been submitted. Some of the estimates of black money in abroad available –

(i) According to Global Financial Integrity (GFI), a Washington-based think-tank, Indians salted away $462 billion (about Rs.28 lakh crore) in overseas tax havens between 1948 and 2008.

(ii) According to a report 'Illicit Financial Flows from Developing Countries: 2002-2011' (2013) India ranked fifth largest exporter of illicit money between 2002-2011, with a total of $343.04 billion and in 2011 it was placed third when $84.93 billion was sent abroad.

(iii) According to A P Singh former director of Central Bureau of Investigation $500 billion (about Rs. 31.4 lakh crore) money is stashed away in the tax havens by Indians.

(iv) Swiss Banking Association report in 2006 revealed that the bank deposit in the territory of Switzerland by India was US$1456 billion (occupying the top most deposits), Russia US$470 billion, UK US$390 billion, Ukraine US$100 billion, China US$96 billion.

(v) According to the report "White Paper on Black Money in India" (May 2012), Swiss National Bank estimated that the total amount of Indian deposits in Swiss Banks (located in Switzerland) at the end of 2010 were 1.945 billion Swiss Francs (about Rs. 9295 crore) which was 0.13% of Total Swiss Bank deposits of all citizens of all countries. This deposit was Rs. 23,373 crore in 2006 (0.29 % of Total Swiss Ban

Impact of black money in key sectors

The extent of the impact of black economy or parallel economy on a country's life depends on its size. If its size is large as the case of India, its impact on the country's economic health will be significant and cannot be avoided. This part of the paper discusses the impact of black economy on some key sectors of the country.

(i) Real estate: the real estate sector in India constitutes around 11% of GDP (White paper on black money in India 2012). The investment in common property is a rife way for parking unaccounted money and a huge portion of transactions in real estate are not reported or under-reported. This happens mainly due to very high level of property transaction taxes, commonly in the form of stamp duty and capital gain tax. In the FY 2012-13 real estate sector has been placed at the highest parking space for black money

(ii) Bullion and Jewellery sector: This is an important sector for both generation and consumption of black income and is mostly targeted by black income holders looking to protecting the value of their illegal income from inflationary depreciation. Around 70%-80% of the transactions involving jewellery are made using cash (Black Money Laws in India). Tax authorities have estimated, investment in jewellery is the second largest parking-space for black money.

(iii) Consumer goods: The Fast Moving Consumer Goods (FMCG) sector deals in variety of consumer goods such as soft drinks, toys, processed food, toiletries, other consumable items. Generally such goods are sold over the counter to the consumers. According to FICCI's study, counterfeit brands in India have resulted in a loss of Rs. 16,546 crore to the exchequer in FY2012. E-commerce transactions are also becoming an important source of parking black money. The ‘Cash on Delivery’ payment system over the online transaction is also fuelling the parking of black income.

(iv) Hotel & Hospitality: The extent of tax evasion in small and midsized hotels and restaurants is lager. These business institutions convince the customers to pay bill in the form of cash thereby making some or whole transaction black income for them and make untraceable to the tax authorities.

(v) Betting: Betting in sports is outlaws in the country and it spaces for parking black income.

(vi) Financial Market Transactions: Black money generation takes place in Initial Public Offers (IPOs) through manipulations such as rigging of markets by market operators that can yield illegal income for the operators. This may involve use of shell companies and offshore companies or investors in foreign tax jurisdictions who invest in shares offered by IPO and through manipulated trading escalate their price artificially only to offload them later at the cost of ordinary investors. FDI is one of the legal channels to park money in Indian financial and Stock Exchange. Department of Industrial Policy and Promotion (DIPP) reported two of the topmost sources of the cumulative inflows of FDI are Mauritius (41.80 per cent, US$54.227 billions) and Singapore (9.17 per cent, US$11.895 billions) from April 2000 to March 2011. According to the report, Mauritius and Singapore with relatively small economies cannot be the origin of such huge investments in abroad and it is also apparent that the investments are routed through these jurisdictions to evade taxes and to hide the identities from the tax authorities of the ultimate investors, many of whom might actually be Indian residents, who have invested in their own companies.

(vii) Non-Profit Sector and Education: Misuse of tax incentives available for indulging in charitable activities and manipulations through entities claimed to be constituted for non-profit motives is among the sources of black income generation in the non-profit sector. Indian Education Sector generates about Rs. 48,400 crore of black money every year (Black Money Laws in India). The major source of unaccounted money is the capitation fee used for getting admission to UG, PG, medical, engineering and other professional courses.

Recent status of various measures on curbing black money

Government of India has introduced a series of measures in the forms of Laws, Acts and Schemes such as Income Tax Act 1961, Special Bearers Bond's(Immunities and Exemptions) Act 1981, Narcotics Drugs and Psychotropic Substances Act 1985, Preventions of Corruption Act 1988, Foreign Exchange Management Act 1999, The Prevention of Money Laundering Act 2002, SIT 2014, The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act 2015, Income Declaration Scheme 2016, Goods and Services Act 2016 and Project Insight 2017. In this section the paper attempts to present the most recent scenes of curbing black money.

1. SIT for Capping Cash Transactions: The Special Investigative Team on black money has been constituted in 2014. The recommendations made by SIT are -

i. No cash transaction above Rs 3 lakh, the commission said "an Act be framed to declare such transactions as illegal and punishable under law."

ii. Banks should deem cash withdrawal of more than Rs 3 lakh as suspicious activity. The report recommends that for such transactions banks should report it to Financial Intelligence Unit and Income Tax department.

iii. The SIT recommends a cash-holding cap of 10-15 lakhs. If a company or individual needs to keep more cash, it can take permission from Commissioner of Income Tax of the area.

iv. All banks including co–operative banks should be directed to notify any income or withdrawals of more than Rs. 3,00,000/– to the Directorate General of Income Tax (Investigation) Authorities of the State and to the FIU. The SIT believes it will increase disclosure of black money under the IDS scheme.

v. The recommendation also includes Amendment in the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.

vi. SIT has suggested that before investing any amount or purchasing any property outside the country, the assessee must inform the concerned jurisdictional Commissioner of Income. This recommendation has been made in the wake of the Panama paper revelation (Tax Department).

2. Income Declaration Scheme: The IDS scheme had provided an opportunity to illegal income and asset holders to come clean by declaring their assets under the four-month window and pay 45 per cent tax and penalty that started from July 1, 2106 to September 30, 2016. In the biggest ever black money disclosure, at least Rs 65,250 crore of undisclosed assets were declared in the one-time compliance window by 64,275 declarants, yielding the government Rs 29,362 crore in taxes. FM reiterated that the government had conducted search operations to uncover black money and Rs 56,378 crore- undetected income has been uncovered through search operations. In 2015, under a similar scheme for foreign black money holders, 644 declarations of undisclosed foreign income and assets were received, and just Rs 2,428 crore was collected in taxes.

3. Demonetization Scheme: On the night of 8 November 2016 the Indian Government has decided to ban old high domination notes 500 and 1000 and changed them with new 500 and 2000 rupee notes. Rs 14 lakh crore or $217 billion, 86 % of the value of Indian currency has been currently in circulation -- became useless from midnight of November 8, 2016, part of the government's crackdown on black or unaccounted money. Rs 500 notes amount to Rs 7.85 lakh crore (approx. $120 billion) while Rs 1,000 notes add up to Rs 6.33 lakh crore ($97 billion), according to Reserve Bank of India data. Till December 19, 2016, over Rs 3,185 crore of un-disclosed income has been detected while Rs 86 crore worth new notes have been seized by the Income Tax department as part of its country-wide operations against black money hoarders. According to the I-T department, the taxman carried out a total of 677 search, survey and enquiry operations under the provisions of the Income Tax Act since the note ban was declared on 8 November, even as the department has issued over 3,100 notices to various entities on charges of tax evasion and hawala-like dealings. The I-T department has seized cash and jewellery worth over Rs 428 crore during the same period even as the new currency seized (majorly Rs 2000 notes) is valued at about Rs 86 crore. The I-T department has been keeping sharp vigil on the bank accounts opened under the Pradhan Matri Jan Dhan Yojana as in post demonetization unexpected surge in deposits has been noticed, large portion this deposited amount might be suspicious money.

4. Cashless Economy: In the aftermath demonetization there has been a surge in the digital transactions through use of credit/debit cards and mobile phone applications/e-wallets etc. To further accelerate this process, the Central Government has announced a package of incentives and measures for promotion of digital and cashless economy in the country. PM unveiled Lucky *Grahak Yojana and Digi Dhan Vyapaar Yojana* — for customers and traders alike to promote mobile banking and e-payments.

5. Penalty on Real Estate Transactions: In cage of Real Estate Transactions undertaken in Cash exceeding Rs 20,000 the Narendra Modi Government has imposed a penalty of 20 per cent on all cash transactions exceeding Rs 20,000 to purchase or sell a property (real estate). This was aimed at curbing the role of black money in real estate transactions.

6. Benami Transaction (Prohibition) Amendment Bill: The Parliament passed the Benami Transactions (Prohibition) Amendment Act, 2016 (BTP Amendment Act) in August. It came into force from November 1, 2016. The new law seeks to give more teeth to the authorities to curb benami transactions. The notification issued by the Income Tax department, stated that after coming into effect, the BTP Amendment Act, the existing Benami Transactions (Prohibition) Act, 1988, shall be renamed as Prohibition of Benami Property Transactions Act, 1988 (PBPT Act).

7. Project Insight: The Income Tax Department initiated Project Insight to strengthen the non–intrusive information driven approach for improving tax compliance and effective utilization of information in tax administration. The Project will be rolled out in May 2017. This integrated platform would play a key role in widening of tax-base and data mining to track tax evaders. The new technical infrastructure will also be leveraged for implementation of Foreign Account Tax Compliance Act Inter Governmental Agreement (FATCA IGA) and Common Reporting Standard (CRS). Implementation of reporting compliance management system will ensure that the third party reporting by reporting entities is timely and accurate. A streamlined data exchange mechanism will also be set up with other Government Departments and exchange partners. A new Compliance Management Centralized Processing Centre (CMCPC) will also be setup as part of the Project for handling preliminary verification, campaign management, generation of bulk letters/notices and follow-up.

8. Goods and Services Tax: GST is indirect tax, will be levied on all goods and services across supply from July 1, 2017. It will raise the tax base; reduce cascading effect of taxes and so on. According to tax administrators, GST will help in curbing domestic black money. Though it is a reform for indirect taxes, there are filers who understate incomes by not reporting each and every transaction. By doing this, they save excise, VAT, Octroi etc, and more importantly, are able to furnish under reporting of their incomes. Since, GST will have a paper trail which can be accessed by the income tax department such practices will discourage generation of black money in the system," said an income tax official. Usage of PAN and Aadhar will be more frequent and will be required to file GST returns, this will help the income tax department to track transactions. There can be more data mapping for audit by the revenue authorities. Bringing real estate and precious metals such as gold sectors within the ambit of GST will help curb black money generation in these sectors. Under GST regime if a retailer has purchased goods from a whole seller and is not showing that purchase today, then he will not be able to do so after GST. Thus, to substantiate his purchase he will have to maintain the books of sales for which proper bills will be generated. So any trader after GST will not be able to sell products or goods without bills. Once a bill exists in the system, scope for black money reduces automatically. Creating self-policing environment." In real estate, a sector which absorbs and generates maximum amount of black money, the uniform tax structure will improve tax compliance by developers, local builders, property dealers, investors and occupiers. The mandatory paper trail that GST will create will go a long way in improving tax compliance.

9. **Pradhan Mantri Garib Kalyan Yojana**: GoI has offered a "last window" to people with unaccounted wealth to come clean or face stringent penalties while inviting others to blow the whistle on those suspected to be holding black money as it launched the scheme that had been announced earlier. PMGKY 2016 has been started on December 17, 2016 and remains open until March 31, 2017. Those who declare cash deposits under this will be levied a charge of 50%, which breaks down into 30% tax, 33% surcharge and 10% penalty. In addition to this, 25% of the amount declared will go into the noninterest-bearing Pradhan Mantri Garib Kalyan Deposit Scheme, 2016, for four years.

10. **Tax Information Exchanges:** To curb the unaccounted money stashed abroad the information exchange pacts with other countries has been initiated. In this regard, the Indo-US Foreign Account Tax Compliance Act which enacted last year is aimed to ensure that tax is paid on income generated from wealth abroad. India has already received under Automatic Exchange of Information (AEOI) under FATCA. GoI will receive information from other countries to from 2017. The GoI has filed 164 prosecution cases of the 175 cases of black money stashed abroad in HDFC bank's accounts worth Rs. 8,000 crore. Based on investigation by International Consortium of Investigative Journalists undisclosed deposits in foreign accounts worth Rs. 5000 crore have been detected by GoI and 55 prosecution cases have been fied.

India amended the Double Taxation Avoidance Agreement (DTAA) with Mauritius in April 2016, allowing GoI to levy capital gains tax on shares. Companies routing funds into India through Mauritius from next fiscal will have to pay short term capital gain tax at 50% prevailing rate during two year transition period starting from April 2017. The Singapore treaty amendments are being negotiated by both governments. It will be amended from April 1, 2017. India has DTAA with 82 countries, including the popular tax haven countries. GoI has expanded agreement with 30 countries that needs mutual effort to collect taxes on behalf of each other. Cyprus has agreed to give taxation right to India over shares in return for removal from the blacklists.

Conclusion

The size of black money in India is found significant as the various estimates reveals. According to World Bank estimate on black money in 2007 India's black economy is about 20.7% of GDP. This mounting black economy is mainly due to the weak regulations and administration of taxes, loopholes in existing enforcement system. Taking the benefits of such weak system the tax evaders have been concealing their wealth from being taxed and parking those undisclosed income over the illegal activities or impermissible activities which further increases the black wealth yielding no tax revenue to government exchequer. Further, they have been investing their money in foreign banks, tax haven countries leading to huge flight of capitals; even most of such black wealth holders pursue round tripping processes and invest in India in the form of FDI. The impact of the black economy is severe that influences all the macro-economic variables such as rate of growth, saving, investment, employment, inflation and microeconomics variables thereby making policy failure. The Government of India has been making consistent effort to curb the black money; it has undertaken series of measures in the form of Act, Laws and Schemes. For the first time the GoI submitted the 'White Paper on Black Money in India' in May 2012 which discusses the extent of black money, generations of black money, measures of tackling black money etc. Recently, PM Norendra Modi led government has declared '*War on black money'* and accordingly various steps have been taken such as Amendment in the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015, levy of GST, Demonetization, Income Declaration Scheme etc, Tax Information Exchange to curb unaccounted money stashed abroad etc.

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