

ED approaches IT dept over secret LGT bank accounts

Stepping up its offensive against Indians whose names figured in secret LGT Bank accounts abroad, the Enforcement Directorate (ED) has approached the Income Tax department to provide it with I-T returns and other financial statements of these entities.

The Directorate, across various cities including Delhi, Mumbai and Ahmedabad, has also recorded the statements of about 15 entities under the provisions of the Foreign Exchange Management Act (FEMA). The ED, according to sources today, is planning to build a strong case and hence has approached both the I-T department and a competent court where the department has filed prosecution in these cases.

A total of 18 cases, which the Central Board of Direct Taxes (CBDT) has already probed after it got the information from German authorities, are under the scanner of the ED. The agency, according to top sources, is looking at suspected contraventions of foreign exchange rules and also money laundering instances through these accounts. "In some cases, the individuals have not turned up even after being served summons for appearance and production of documents. They are being pursued," the sources said.

The government has imposed a penalty of Rs 24.66 crore on 18 individuals who have bank accounts with Liechtenstein's LGT Bank on the basis of information provided by German authorities. Germany had last year provided the names of some Indians having secret accounts in the bank.

These names were allegedly part of about 1,400 stolen bank account details obtained by Germany. India, according to the Finance Ministry, has so far received over 9,900 pieces of information from several countries regarding suspicious transactions by Indian citizens, which are now under different stages of processing and investigation.