

Indians' Swiss bank stash tops Rs. 7,000 cr.

Money parked by Indians in Swiss banks rose more than 50% to 1.01 billion Swiss francs (Rs. 7,000 crore) in 2017, reversing a three-year downward trend amid India's clampdown on suspected black money stashed there.

In comparison, the total funds held by all foreign clients of Swiss banks rose about 3% to 1.46 trillion francs or about Rs. 100 lakh crore in 2017, according to the official annual data released on Thursday by the Swiss National Bank (SNB), the central banking authority of the Alpine nation.

Surge, a surprise

The surge in Indian money held with Swiss banks comes as a surprise given India's continuing clampdown on suspected black money stashed abroad, including in the banks of Switzerland that used to be known for their secrecy for years.

The Indian money in Swiss banks had fallen by 45% in 2016, marking their biggest-ever yearly plunge, to 676 million francs (about Rs. 4,500 crore) — the lowest ever since the European nation began making the data public in 1987. According to the SNB data, the total funds held by Indians directly with Swiss banks rose to 999 million francs (Rs. 6,891 crore) in 2017, while the same held through fiduciaries or wealth managers increased to 16.2 million francs (Rs. 112 crore). These figures stood at 664.8 million francs and 11 million francs, respectively, at the end of 2016.

As per the latest data, the Indian money in Swiss banks included 464 million francs (Rs. 3,200 crore) in the form of customer deposits, 152 million francs (Rs. 1,050 crore) through other banks and 383 million francs (Rs. 2,640 crore) as 'other liabilities' such as securities at the end of 2017.

The funds under all three heads have risen sharply, as against a huge plunge across all categories in the previous year, the SNB data showed.

The funds held through fiduciaries alone used to be in billions till 2007 but began falling after that amid fears of regulatory crackdown.

The total funds held by Indians with Swiss banks stood at a record high of 6.5 billion francs (Rs. 23,000 crore) at 2006-end, but came down to nearly one-tenth of that level in about a decade.

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