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**Shri Narendra Modi,
Prime Minister,
South Block,
New Delhi.**

Dear Narendrabhai:

We are all very sorry for the unnecessary and avoidable disappointment of party supporters and general public regarding the handling of the black money issue in the Supreme Court.

The first error committed by the Government in the Court was to cite DTAA (Double Taxation Avoidance Agreement) by bilateral Treaty with Government as an obstacle to disclosure of names having illegal foreign bank accounts. DTAA applies only to accounts of those earning abroad as residents but avoiding paying taxes. The lists supplied by the Governments of France and Germany is of all Indians who have opened account in HSBC and LGT respectively. These two lists were obtained by these Governments by bribing senior officials of the two banks to obtain illegal accounts of their civil servants and in the process got the entire data which enabled them to send the Indian names to our Government.

DTAA only applies when there is an income tax issue. The bulk of black money arises however from corruption, drug trafficking, terrorist financing and other fraudulent activities.

In the meantime till the SIT proceeds to do its work under the Supreme Court monitoring, Government may assist the process and ensure the black money return by implementing the following six steps:

Step 1. Pass an ordinance (adopt Fali Nariman's private member's Bill introduced in the Rajya Sabha when he was MP) declaring all illicit wealth stashed abroad as national wealth and conveying to all foreign account holders that they are obliged to bring back all such monies into Indian

financial system and subjected to thorough investigation of any illegal transactions leading upto such accumulation of illicit wealth by Special Investigation Team (SIT) set up by Hon'ble Supreme Court. This will greatly help in bringing black money which is about Rs. 120 lakh crores, back to the country.

Step 2. Review the reasons why the Exchange Earner's Foreign Currency (EEFC) Account authorised by RBI has been bypassed leading to black money accumulated mostly in tax havens such as Switzerland, Mauritius, Cayman Islands, Singapore etc. Revise this EEFC to authorise the Indian banks to operate the required accounts in foreign currencies and to refuse permission to Indian citizens seeking to open such accounts outside financial system of India.

Step 3. Scrap the Participatory Notes scheme, which scheme was opposed by the Tarapore Committee. All monies held by Indian citizens under the Participatory Notes Scheme should be declared as black money by the Ordinance as suggested in Step 1.

Step 4. Direct CBI to probe the disclosure that I made in a letter to the Finance Ministry about Ms Sonia Gandhi and her son's accounts in Sarasin and Pictet Banks in Zurich.

Step 5. Specific instances of black money like those of Hassan Ali, and Moin Qureshi should be specially investigated.

Step 6. Please ask all your Ministers to give an affidavit to you declaring that they do not operate on their own behalf or through their immediate family members, any undisclosed or illegal foreign bank accounts.

Warm Regards

Yours sincerely,



(SUBRAMANIAN SWAMY)