

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5876
ANSWERED ON:03.05.2002
TAXABLE INCOME
VILAS BABURAO MUTTEMWAR

Will the Minister of FINANCE be pleased to state:

- (a) whether the PHD Chamber of Commerce and Industry have proposed to the Government that a group of companies owned or controlled by the same set of the group of companies be assessed to tax as a group and the losses incurred by any group of companies be allowed to be set off against the taxable income of any other company in the group;
- (b) if so, whether the proposed arrangement has been suggested to encourage greater private investment;
- (c) if so, whether such an arrangement exist in many other countries; and
- (d) if so, the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

- (a) No such suggestion has been made in the Pre-Budget Memorandum and the Post-Budget Memorandum forwarded by the PHD Chamber of Commerce and Industry to this Ministry.
- (b), (c) & (d) : In view of (a) above does not arise.