

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1420  
ANSWERED ON:08.03.2002  
EXEMPTION TO COMPANIES INSTITUTIONS  
SUBODH ROY

**Will the Minister of FINANCE be pleased to state:**

- (a) Whether several companies are being given income tax exemption;
- (b) if so, the name of such companies alongwith the reasons therefor;
- (c) whether some of the above companies are involved in fraud cases;
- (d) if so, the details thereof;
- (e) whether the Government propose to withdraw the income tax exemption being given to such companies and various religious institutions and other action taken against them; and
- (f) if not, the reasons therefore?

**Answer**

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

- (a): Several companies are granted exemption from Income Tax subject to fulfillment of prescribed conditions under various provisions of Income Tax Act, 1961
- (b): No centralized information is maintained in Central Board of Direct Taxes regarding the exempted companies.
- (c), (d) , (e) & (f): Exemptions under the Income Tax Act, 1961 are allowed to fulfilment of prescribed conditions including certification from the Chartered Accountants regarding the correctness of the claim. Any company/religious institution indulging in irregular practices/fraud vis-a-vis the Income Tax Act, 1961 forfeits its exemption under the Income Tax Act, 1961.