

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2645
ANSWERED ON:08.08.2003
COMPANIES USING MAURITIUS ROUTE
PRIYA RANJAN DASMUNSI

Will the Minister of FINANCE be pleased to state:

(a) the names of the Mauritius route companies which were detected by SEBI in the recent times for violating all norms to enjoy double Tax Avoidance Treaty; and

(b) the details of the action has been taken against such companies?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) and (b): Government has not received from the Securities and Exchange Board of India any details regarding names of the Mauritius route companies violating norms to enjoy Indo-Mauritius Double Taxation Avoidance Convention (DTAC). However, a circular was issued by the Government on 10.2.03 wherein it has been clarified that if a company has its place of effective management in India, then notwithstanding its being incorporated in Mauritius, it would be taxed under the Indo-Mauritius DTAC in India.