

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2757
ANSWERED ON:09.12.2011
TAX EVASION OF GTL INFRASTRUCTURE COMPANIES
Singh Shri Sushil Kumar

Will the Minister of FINANCE be pleased to state:

- (a) whether an infrastructure company has admitted to evading rupees 500 crore of income tax and has agreed to pay additional tax liabilities to the Income Tax Authorities;
- (b) if so, the details thereof;
- (c) the action taken by the IT authorities on the promoters of the company for defrauding the Government and ensuring that the promoters do not sell their shares pledged with financial institutions; and
- (d) the action being taken by the Government to protect the interests of the shareholders?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (Shri S.S. Palanimanickam)

- (a) Yes, Sir.
- (b) In consequence to a search action conducted in 2010, a group had admitted undisclosed income of Rs.500.65 crore.
- (c) & (d) The Income Tax department only administers the direct tax laws, including actions to unearth unaccounted or undisclosed income and bring such amounts to taxation. It does not have the authority to prevent sale of shares by promoters, unless shares are attached or seized under the direct tax laws.