

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2857  
ANSWERED ON:24.07.2009  
RE ASSESSMENT OF THE ASSESSEES  
Sudhakaran Shri K.

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

- (a) whether IT authorities have noticed cases of investors buying insurance policies worth crores of rupees; and
- (b) if so, the details thereof and the action taken/proposed to be taken thereon?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

- (a) Yes, sir. Instances of purchase of insurance policies involving large amounts have come to the notice of Income Tax Department.
- (b) Information in this regard is received from various sources including Central Information Branches (CIB) in the income-tax Department and Financial Intelligence Unit of India (FIU-IND). The data regarding such cases are not centrally maintained in the Ministry. Necessary investigations are conducted in these cases and if any undisclosed investment is detected, the same is brought to tax as per the provisions of Income Tax Act, 1961.