

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2122
ANSWERED ON:05.12.2014
BASE EROSION AND PROFIT SHIFTING
Reddy Shri Ponguleti Srinivasa

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has issued instructions to companies regarding additional reporting requirements in the wake of new global taxes coming into force over the next few years and if so, the details thereof;
- (b) whether the Base Erosion and Profit Shifting (BEPS) is being formulated to increase reporting burden on companies if so, the details thereof and the status of implementation;
- (c) whether many companies are shutting down their plants in the country due to aggressive taxation if so, the details thereof; and
- (d) the corrective measures taken by the Government in this regard?

Answer

MINISTER OF FINANCE (SHRI ARUN JAITLEY)

- (a) : No, Madam.
- (b) : No, Madam. The Base Erosion and Profit Shifting (BEPS) project is an initiative of the G-20 countries to prevent double non-taxation of income through shifting of profits to low or no tax jurisdictions.
- (c): There is no empirical evidence of many companies shutting down their plants in India due to taxation.
- (d): Does not arise.