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18	Satin Credit Care Network Ltd.
19	Share Microfin Limited
20	SKS Microfinance Pvt. Ltd.
21	Sonata Finance Pvt. Ltd.
22	Spandana Sphoorty Financial Ltd.
23	Ujjivan Financial Services Private Ltd.
24	Vedika Credit Capital
25	Village Financial Services Pvt. Ltd.

Tax benefits to SEZs in direct tax code

4178. SHRI SHANTARAM LAXMAN NAIK: Will the Minister of FINANCE be pleased to state:

- (a) whether the Special Economic Zones (SEZs) will be entitled for tax benefits under the proposed new Direct Tax Code;
- (b) whether Government has received any representation from the business community in this regard;
- (c) the demands made by business community in brief; and
- (d) the reaction of Government to the same?

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

(a) The draft Direct Taxes Code (DTC) proposes investment linked deduction for developers of SEZs as against profit linked deduction under the Income Tax Act, 1961. The draft DTC does not envisage any specific tax benefit for units located in SEZs as against the profit linked deduction currently available under the Income Tax Act.

(b) to (d) Yes, Sir. The Government has received representations from various quarters of the business community for providing similar deductions in the Direct Taxes Code as are currently available in the Income Tax Act, 1961. These representations along with others on the different provisions of the draft DTC will be considered by the Government before finalizing the Direct Taxes Code.

Payment of illegal commission by insurance companies

4179. SHRI D. RAJA:

SHRI M.P. ACHUTHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some insurance companies are paying illegal one time commission to the general public for referring prospective customers;

(b) if so, whether it is also a fact that the practice of engaging such lead generators and payments are illegal as the Insurance Regulatory and Development Authority (IRDA) says only license agents can receive such commission; and

(c) if so, what action is being taken against such insurance companies for violation of IRDA rules and to plug the loopholes, if any, in the IRDA guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) to (c) The information is being collected and will be laid on the Table of the House.

IT exemption for State Maritime Boards and Port Authorities

4180. SHRI KANJIBHAI PATEL:

SHRI VIJAYKUMAR RUPANI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government is aware that State Maritime Boards and Port Authorities have to incur additional expenditure on ISPS Code, dredging of Ports and hydrographic survey thus imposing of income tax is depriving them from smooth investment of infrastructural development of minor ports;

(b) if so, whether the Central Government has received a proposal from various States including Gujarat to amend section 2(15) of Income Tax Act, 1961 to exclude State Maritime Boards and Port Authorities from the purview of Income Tax Act, 1961; and

(c) by when the Central Government will consider necessary amendment in Income Tax Act, 1961?

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

(a) Yes Sir. The central government is aware that State Maritime Boards and Port Authorities have to incur certain expenditures to carry out their business activity. However the taxes are levied on the income of such authorities after allowing the expenditures incurred for the purpose of business. Revenue expenditure is allowed full deduction, whereas specific capital expenditures are eligible for deduction at specified rate as depreciation.

(b) Yes Sir. Government of India has received proposals from various States including Gujarat to exclude the State Maritime Boards and Port Authorities from the purview of the Income-tax Act, 1961.