

Impact of Supreme Court judgement on overseas tax recovery

38. SHRI K.E ISMAIL:
SHRI R.C. SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Supreme Court judgement in the Vodafone case holding that tax authorities do not have jurisdiction on an overseas transaction, will have its effect on many such cases pending in various courts where the income tax department has made huge revenue demands; and

(b) if so, the details of such cases pending and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) (a) Yes sir, the Supreme Court judgement in the Vodafone case will have its effect on many similar (though not identical) cases.

(b) Similar cases which are pending before various Court, or other appellate authorities, include cases of Cairns UK Holding Ltd, Unilever HPC Finance Services Inc. USA, Accenture Services Pvt. Ltd., Euro Pacific Security Ltd., Tata Industries Ltd/AT&T, Mcleod Russel India Ltd., SAB Miller (A&A), Sanofi Pasteur Holding SA. In addition there are other similar cases which are under investigation/assessment. The Government has filed review petition before Supreme Court requesting Supreme Court to review the judgement.

Utilisation of unproductive cash by public sector companies

39. SHRI PARIMAL NATHWANI:
SHRI SANJAY RAUT:
SHRI BAISHNAB PARIDA:
SHRI SABIR ALI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government is taking measures to utilize unproductive cash on the balance-sheets of the public sector companies;

(b) whether it is also a fact that public sector companies are sitting on a cash pile of around Rs. 2.15 lakh crore which they are neither spending adequately nor leveraging the cash and bank balances sufficiently; and

(c) if so, the steps Government is taking to utilize unproductive cash?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) No, Sir.

(b) As per available information, the total cash and bank balances with the central public sector enterprises as on 31st March, 2011 is Rs. 2.84 lakh crore.

(c) Does not arise.