

Tax evasion possibility of insurance companies

†2216. SHRI DHARMENDRA PRADHAN : Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that notice has been given by Government in view of the possibility of tax evasion by some insurance companies of private sector;
- (b) the details of the companies which have been served the notice in allegation of tax evasion;
- (c) the number of the companies who have submitted their reply to Government; and
- (d) the details of the action taken against them by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) Yes, Sir.

(b) The names of the companies which have been served upon Show Cause Notices in 2012-13 (up to October) are as follows:

1. M/s. Bharat Reinsurance Co.;
2. M/s. IFFCO TOKIO General Insurance Services Ltd.;
3. M/s. Apollo DKV Insurance Co. Ltd.;
4. M/s. DLF Premierico Life Insurance Co.;
5. M/s. AVIVA Life Insurance Co. India Ltd.
6. M/s. Sri Ram Life Insurance;
7. M/s. Sahara India Life Insurance Corporation; and
8. M/s. Reliance Life Insurance Co. Ltd.

(c) Out of the 8 companies mentioned at (b) above, the following 4 companies have submitted their reply to Government:

1. M/s. Bharat Reinsurance Co.;
2. M/s. IFFCO TOKIO General Insurance Services Ltd.;

†Original notice of the question was received in Hindi.

3. M/s. DLF Premierico Life Insurance Co.;
4. M/s. Reliance Life Insurance Co. Ltd.

(d) In cases where the companies have submitted the reply, a personal hearing will be held and adjudication orders passed. In cases where the reply is yet to be submitted, personal hearings will be conducted after receipt of the replies of the companies.

Agreement to seek information on black money

2217. SHRI BAISHNAB PARIDA : Will the Minister of FINANCE be pleased to state:

- (a) whether India proposes to sign agreement with various countries to seek information on money that has been deposited by Indians in those countries;
- (b) if so, the details thereof;
- (c) whether Government has identified such tax heavens abroad;
- (d) if so, the details thereof;
- (e) whether any kind of negotiations have since been organized to know the results of such black money; and
- (f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (d) Yes, Sir. India has entered into Double Taxation Avoidance Agreements (DTAAs) with 84 countries. In addition, DTAAs have been signed with 3 countries, *viz.* Colombia, Uruguay & Ethiopia and will enter into force after completion of necessary formalities in these countries. Proposal to sign DTAAs with 12 more countries/jurisdictions is under process. These countries/jurisdictions are Albania, Bhutan, Chile, Croatia, Fiji, Hong Kong, Iran, Latvia, Senegal, Venezuela, Cuba and Macedonia.

The Government has also identified priority countries/jurisdictions for negotiation of Tax Information Exchange Agreements (TIEAs). At present, India has TIEAs with 9 jurisdictions *viz.* Bahamas, Bermuda, British Virgin Islands, Cayman Islands, Isle of Man, Jersey, Guernsey, Liberia and Macau which are in force. In addition, three more TIEAs have been signed with Argentina, Bahrain and Monaco which will enter into force after completion of necessary formalities in these countries/jurisdictions. The