

Funds released under selected schemes for Himachal Pradesh

Scheme	Amount released (₹ in crore)		
	2014-15	2015-16	2016-17
MGNREGA	355.43	396.10	388.61 (^)
PMGSY	99.40	314.44	175.95 (\$)
PMAY (Gramin)	14.34	21.92	31.00 (*)

(^): as on 20.03.2017; (\$): till 14.03.2017; (*): reported as on 22.03.2017.

Source: Ministry of Rural Development

Action against shell companies

2930. SHRI DILIP KUMAR TIRKEY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large number of private companies have been found operating as shell firms; and

(b) if so, the details thereof and what action has been taken against these shell firms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) Investigations conducted by the Income-tax Department have led to identification of a number of entities including private companies which existed and operated only in form but not in substance and were used as conduits for non-genuine transactions such as bogus purchases, sales, expenses, donations, loans, advances, long term capital gains in shares, layering of transactions etc. Such entities/companies are generally called shell entities/companies.

During last three financial years (2013-14 to 2015-16), investigations led to detection of more than 1155 shell companies/entities which were used as conduits by over 22,000 beneficiaries. The amount involved in non-genuine transactions of such beneficiaries was more than ₹ 13,300 crore. Disclosure of information in respect of specific persons, however, is prohibited except as provided under section 138 of the Income-tax Act, 1961.

Action against such entities/companies as also against the beneficiaries of non-genuine transactions is a continuous process under the Direct Taxes law. Such action includes searches, surveys, enquiries, assessment of income, levy of taxes, penalties, etc. and filing of prosecution complaints in criminal courts, wherever applicable.

The Government has also constituted a 'Task Force on Shell Companies' in

February, 2017 for tackling this menace in a comprehensive manner. The Task Force has been set up under the joint Chairmanship of Revenue Secretary and Secretary, Ministry of Corporate Affairs. The other members of the Task Force are from Department of Financial Services, Central Board of Direct Taxes, Central Board of Excise and Customs, Central Bureau of Investigation, Enforcement Directorate, Serious Fraud Investigation Office and Financial Intelligence Unit.

Imposition of tax under GST

†2931. SHRI SURENDRA SINGH NAGAR: Will the Minister of FINANCE be pleased to state :

(a) whether Government proposes to impose Goods and Services Tax (GST) on insurance premium, if so, the details thereof;

(b) whether Government has received any representations from insurance companies to keep insurance premium out of the ambit of GST. If so, the details thereof;

(c) whether Government proposes to impose GST on foreign e-commerce companies and tax on e-commerce related companies besides an additional tax; and

(d) if so, the details thereof and the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) Goods and Services Tax Council has recommended model CGST/SGST laws wherein GST will be levied on services. The supply of services shall generally be taxed at 18%. However, GST Council is yet to recommend the tax rate on supplies of various goods or services or the supplies that may be subjected to, or exempted from GST.

(b) Various representations have been received from insurance companies through General Insurance Council (GIC), European Business Group Federation (EBG), American Chamber of Commerce in India (AMCHAM), Life Insurance Council (LIC) requesting for zero rating, exemption from GST, levy of lower rate of GST on various types of insurance services.

(c) and (d) The supply of services shall be taxed under CGST/SGST laws. However, GST Council is yet to recommend the goods or services that may be subjected to, or exempted from GST.

† Original notice of the question was received in Hindi.