

STATEMENT ON BEHALF OF DEPARTMENT OF REVENUE, MINISTRY OF FINANCE,
GOVERNMENT OF INDIA

Information was received in June, 2011 by the Government of India from the Government of France relating to certain bank accounts reportedly held by certain individuals/non-individuals in a foreign bank. Reference to this matter was made by the then Finance Minister during the course of the debate on an adjournment motion in the Lok Sabha on 14.12.2011. Subsequently, answers to questions on this matter were furnished in the Rajya Sabha on 23.8.2012.

Information received from the Government of France has been analysed and investigations into the information have been undertaken by the different jurisdictional authorities under the Income Tax Act. Investigations in the matter are under progress including with the foreign tax authorities to obtain more information with regard to the reported account-holders. Appropriate action has been taken on these cases and further action including assessment, tax collection and levy of penalty will be taken as per the provisions of the Income Tax Act, 1961 and based on the facts of each case.

It would be pertinent to point out that the information received from the Government of France is covered by the confidentiality clause under the Double Taxation Avoidance Convention (DTAC) between India and France and can be used only for the tax purposes specified therein.