

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

**LOK SABHA
UN-STARRED QUESTION No. 1270
TO BE ANSWERED ON FRIDAY, THE 09th February, 2018/
Magha 20,1939 (Saka)**

Tax Evaders in Paradise Papers

1270. DR. ANSHUL VERMA:

Will the Minister of FINANCE be pleased to state:

- (a) whether several Indian citizens have been named as indulging in money laundering and tax evasion under the recent paradise papers leaks and if so the details thereof;***
- (b) the measures taken by the Government to authenticate the information provided vide the paradise papers leaks; and***
- (c) the details of total volume of money that have been evaded by Indian citizens through money laundering tax evasion and setting up bogus offshore companies ?***

ANSWER

**MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)**

(a), (b) & (c)

On November 6, 2017 and on subsequent dates the International Consortium of Investigative Journalists (ICIJ), a Washington based organization and their collaborating newspapers across the world, released what they called 'Paradise Papers', containing details of offshore entities set up by two law firms M/s Appleby and Asiaciti spread across 19 tax havens/foreign jurisdictions. The list of Indians in Paradise Papers is publicly available on the ICIJ website.

The ICIJ has put a caveat on its website (<https://offshoreleaks.icij.org>) by mentioning that it should not be assumed that everyone who appears in the database is involved in tax avoidance or evasion and there are legitimate reasons to create a company in an offshore jurisdiction and many people declare them to their tax authorities when that is required.

On the same day i.e. 6/11/2017, Government reconstituted the Multi Agency Group (MAG) comprising members of Central Board of Direct Taxes (CBDT), Enforcement Directorate (ED), Reserve Bank of India (RBI) & Financial Intelligence Unit (FIU) with Chairman, CBDT as convener to coordinate and monitor expeditious investigation in cases emanating out of Paradise Papers by each member organization.

The investigative authorities will use the provisions available under the respective statutes administered by them to authenticate the information that is available in the public domain. The

investigations in such cases also involve sending Exchange of information (EOI) references in deserving cases, to respective Foreign jurisdictions.

The ICIJ database on Paradise Papers does not contain any financial details including the bank account information. The investigations in Paradise papers are being carried out earnestly. The outcome of investigations are dependent, inter alia, on responses from foreign jurisdictions, usefulness of information received and at present no estimation of tax evasion has been arrived at.