

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
LOK SABHA  
UNSTARRED QUESTION NO.- 821**

TO BE ANSWERED ON MONDAY, DECEMBER 12, 2022/21 AGRAHAYANA 1944 (SAKA)

**NON-PAYMENT OF INCOME TAX BY GAMING COMPANIES**

**821. SHRI BALASHOWRY VALLABHANENI:**

**SHRI LAVU SRI KRISHNA DEVARAYALU:**

Will the Minister of FINANCE be pleased to state:

- (a) whether online gaming companies are not paying income tax and the Income Tax Department has issued notices to many gaming companies and if so, the details thereof;
- (b) whether various gaming companies have not paid tax of nearly Rs. 58,000 crores and if so, the details thereof and the action taken by the Government in this regard;
- (c) whether gaming companies have allegedly become route to launder money and if so, the details thereof and the reaction of the Government thereto; and
- (d) whether the Government proposes to ban such gaming companies and if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

**(a) & (b):** The information regarding online Gaming companies, which are not paying income tax and where the Income tax Department has issued notices to such gaming companies, is not available, since no specific identification code for online gaming entities is available in Income Tax Return.

The disclosure of information about specific taxpayer is prohibited except as provided under section 138 of the Income Tax Act, 1961.

In so far as evasion of Goods and Services Tax (GST) is concerned, CBIC formations have initiated investigations against some gaming companies (including Online gaming companies) located in India as well as abroad. The estimated evasion of GST by these companies works out of Rs. 22936 crores, relating to period April 2019 to Nov. 2022.

**(c)** The Directorate of Enforcement is investigating several cases related to Cyber & Crypto assets frauds wherein online gaming etc. have been used for committing fraud and siphoning of the proceeds generated thereof. In these cases, as on 06.12.2022, proceeds of crime of more than Rs.1000 crore have been attached / seized / freezed under the provisions of Prevention of Money Laundering Act, 2002 (PMLA). Also, 10 Prosecution Complaints (PCs) including 02 supplementary PCs have been filed before the Special Court, PMLA. Further, assets amounting to Rs.289.28 crores have been seized under section 37A of Foreign Exchange Management Act, 1999.

**(d)** Necessary action as per provisions of law is taken against such companies, as mentioned above.

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