

**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Direct Taxes**

**PRESS RELEASE**

**18<sup>th</sup> October, 2014**

**Press Release on the filing of I.A. No. 14 in WP(C) No. 176 of 2009 (Ram Jethmalani & Ors V. Union of India), by Union of India**

Union of India has filed I.A. No. 14 seeking the following clarifications with regard to the orders dated 4.7.2011 and 1.5.2014, passed by the Hon'ble Supreme Court of India in WP(C) 176 of 2009 (Ram Jethmalani & Ors V. Union of India):

- (i) Clarify that despite laying down the general principle that “no treaty can be entered into or interpreted, such that constitutional fealty is derogated from”, this Hon'ble Court has not prohibited the Government of India to enter into a treaty wherein a commitment may be made by the Government to maintain the confidentiality of information received as per international standards
- (ii) Clarify that right to privacy is an integral part of right of life and accordingly information received under a tax treaty cannot be disclosed even under a proceeding under Article 32(1) of the Constitution unless there is prima facie evidence of wrongdoing which can be based on complaint filed by the Income Tax Department in a Competent Criminal Court, or a public court, for launching Prosecution for Tax Evasion
- (iii) Clarify that as per International Standards on maintaining confidentiality, the information is public when quoted in public court proceedings arising out of tax related issues arising from complaints, prosecutions, etc in a Competent Court and only that information which the tax authorities choses to produce in the Court to substantiate its case. Once the information becomes public this way, the same can be accessed by other law enforcement agencies and/or can be made available to public at large at the discretion of the said Court

2. The I.A.No.14 was mentioned in the Court of Chief Justice of India, Hon'ble Supreme Court, on 17<sup>th</sup> October 2014, by the Ld. Attorney General of India, and the Hon'ble Chief Justice of India has decided that the matter may be heard on the 28<sup>th</sup> of October 2014.

3. The Government of India is taking all necessary steps to access tax related information from foreign Governments. If the Government of India is not able to give a commitment to maintain confidentiality of information exchanged under tax treaties as per international standards, including under the new global standards for automatic exchange of information, it will not receive information about Indians hiding their money in other countries including offshore financial centers and tax havens through multilayered entities with non-transparent ownership. Thus the clarification sought is to facilitate collection of information about illegal money stashed abroad.

**(Rekha Shukla)**  
**Commissioner of Income Tax**  
**(M & T P)**  
**Official Spokesperson, CBDT**