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**Tax Revenue Contribution by Top 50 Private Indian
Companies**

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Tata's Lead largest Tax Paying Business Houses: ASSOCHAM

Tata Group has emerged as the largest taxpayer contributing 10.3 per cent to the total corporate tax kitty of the government, amounting to Rs.15,130.83 crore in the financial year 2006-07 as revealed by ASSOCHAM Financial Pulse (AFP).

According to AFP Study on “**Tax Revenue Contribution by Top 50 Private Indian Companies**”, major fifty companies of India Inc. shelled out Rs.29,748 crore, with 20.3 per cent share in the corporate tax collection in the last fiscal and it is further expected to grow at the rate of 18 per cent in the current financial year.

Despite witnessing a negative growth rate of 39 per cent in tax cost, Reliance Industries (Mukesh Ambani Group) was the second highest taxpaying company, carving up to Rs.2, 372 crore with 1.6 per cent to government's collections.

Aditya Birla Group has emerged as the third largest tax paying business house after Reliance, with 0.93 per cent share in the corporate tax revenue of the government. The consolidated amount of tax paid by all the companies in the Group was Rs.1, 364.1 crore.

Government collected Rs. 1, 46, 497 crore by means of corporate tax imposed at the rate of 30 per cent. Presently corporate tax is the largest contributor to gross tax revenue of the government at 31 per cent. Union Excise Duties, which till the FY 2005-06 had the maximum share, have recorded a decline by five per cent with the current share of 25 per cent.

Strong economic growth for consecutive four years, robust demand, huge investment in the domestic sector, acquisition activities at high radar have fuelled the growth performance of corporate India leading to expansion in their tax share, says the ASSOCHAM President, Mr. Venugopal N. Dhoot.

Among the Indian private companies paying corporate tax to government, Tata Steel emerged as the leader with a share of 5.75 per cent amounting to Rs. 8, 426.76 crore and recording a growth rate of 22 per cent in 2006-07.

Tata Tea is the second largest taxpayer accounting for 2 per cent share at Rs.3, 037.54 crore, registering 28 per cent growth rate in the period analyzed.

Top 5 Tax Paying Indian Companies in the Private Sector

Company	Revenue from tax (2006-07) (In Rs. Crores)	Contribution to total tax (Per cent)
Tata Steel	8426.76	5.75
Tata Tea	3037.54	2
ITC	1472.84	1
Tata Motors	1364.32	0.91
HDFC	1341.93	0.87

ITC Limited stood as the third largest contributor of Rs.1, 472.84 crore accounting to one per cent share in the corporate tax revenue, appending a growth of six per cent from the last year.

Tata Motor grew at 12 percent contributing Rs.1, 364.32 crores, and was the fourth largest taxpayer with 0.91 per cent of input in the total tax revenue of Rs.1, 68, 401 crore to the government corporate revenue for FY 2006-07.

While HDFC was the highest contributor among private banks, it has emerged as fifth largest corporate taxpayer with Rs. 1341.93 crore for 0.87 per cent of share in the total corporate tax, confirming year on year growth of 21 per cent.

Among the Aditya Birla Group of Industries, Hindalco was the highest payer of tax revenue to the Government as it contributed 0.86 per cent to total tax kitty of the Government. With a growth rate of 34 per cent from the previous fiscal its contribution was Rs.1, 284.14 crore and was sixth largest tax payer among the top 10 private companies.

Telecom major Bharti Airtel indicated 134 per cent growth in its profit tax payments ranking as the seventh largest taxpayer of Rs.1, 262.33 crore, with a share of 0.86 per cent in total amount.

L & T, TCS and Wipro fall at eight, ninth and tenth positions respectively in the league of top 10 highest tax paying companies, according to ASSOCHAM analysis.

L & T contributed Rs.1, 180.13 crore recording a growth of 15 per cent while TCS contribution amounted Rs. 9, 04.05 crore intensifying at the rate of 67 per cent with a share of 0.80 per cent and 0.61 per cent respectively in the governments tax collections.

Wipro contributed Rs.765.2 crore with negative growth rate of 0.65 per cent and with a share of 0.52 per cent in the governments total corporate tax collections.

