

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5242  
ANSWERED ON:10.12.2010  
RAID IN THE PREMISES OF CWG CONTRACTORS  
Kumar Shri Vishwa Mohan

**Will the Minister of FINANCE be pleased to state:**

- (a) whether Income Tax Department has carried out raids in the premises of contractors/sub-contractors relating to building infrastructure for the XIXth Commonwealth Games;
- (b) if so, the details thereof and cases detected thereon alongwith action taken against the guilty persons in each case zone-wise;
- (c) whether Government has taken any concrete steps to make the revenue departments more effective; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a) & (b): Yes, Sir. Income Tax Department has carried out search and seizure actions as per the statutory provisions. The persons searched include Individuals, Hindu Undivided Family (HUF), Firms, Companies, Association of Persons(AOP), Body of Individuals (BOI), Local Authorities, Artificial Juridical Person who are in possession of any money, bullion, jewellery or any other valuable article or thing which represents wholly or partly income or property which has not been or would not be disclosed for the purpose of Income Tax and related Acts.

The steps in Search proceedings include quasi-judicial post-search proceedings which involve detailed examination of the seized material, post-search enquiries and giving proper opportunity to individuals/entities searched to explain their income in accordance with the principles of natural justice and equity. The evidences gathered during the search and post search proceedings are used in assessment and reassessment proceedings of such individuals/ entities. Such assessments/ reassessments become final when all appeals before CIT(Appeals), ITAT, High Courts or Supreme Court are completed.

As per the Income tax Act and related Acts, an individual/entity can be accused of being guilty after the proceedings become Final and conviction order by the Courts is passed in case prosecution proceedings are initiated.

(c) & (d) : Steps are taken periodically to strengthen the Income Tax-Department to improve legal and administrative procedures as well as service delivery to taxpayers.