

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4732
ANSWERED ON:04.05.2012
ACTION TAKEN U S OF THE IT ACT
Hazari Shri Maheshwar

Will the Minister of FINANCE be pleased to state:

- (a) the number of companies against which action has been taken under Section 132 of Income Tax Act, 1961 as per the direct tax laws during the last three years;
- (b) whether any group has not paid tax on undisclosed income of Rs. 500.65 crore causing heavy loss of revenue to the exchequer; and
- (c) if so, the details of the action taken against the said company for violation of income tax provisions?

Answer

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

- (a) The Income tax Department conducts search, seizure and survey operations based on the credible information on `persons` which includes individuals, Hindu undivided families (HUFs), firms, companies, association of persons (AoPs), body of individuals (Bols), local authorities and any artificial juridical person who are in possession of any money, bullion, jewellery, documents or any other valuable article or thing which represents undisclosed income of the person. These are carried out in cases of persons engaged in diversified businesses / professions spread all over the country. Person-wise/Group-wise details of such operations are not maintained centrally.
- (b) Taxes on undisclosed income are realised after the assessment and reassessment proceedings of such persons are completed. Such assessments / re-assessments are finalised when appeals before CIT (Appeals), ITAT, High Courts, Supreme Court are decided.
- (c) Penal proceedings are initiated and prosecution launched in appropriate cases under the provisions of Direct Tax Laws.