

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1771  
ANSWERED ON:22.08.2012  
TAX EVASION OF CEMENT COMPANIES  
Chaudhary Shri Arvind Kumar;Singh Shri Vijay Bahadur

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

- (a) whether major cement companies have indulged in various malpractices including tax evasion; and
- (b) if so, the details thereof and the action taken thereon during each of the last three years and the current year, company-wise;

**Answer**

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

(a): So far as detection of evasion of direct taxes are concerned, the Income tax Department conducts search, seizure and survey operations based on credible information relating to '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. As these persons are engaged in diversified business/ professions spread all over the country, sector-wise details are not separately maintained.

(b): Taxes on undisclosed income detected during search and seizure are realized on completion of assessment/reassessment proceedings of the persons searched. Penalty proceedings are initiated in such cases and prosecution is also launched in appropriate cases under the provisions of Direct Tax Laws.

Information in respect of reply to part (a) & (b) of the Question, pertaining to detection of evasion of indirect taxes against major cement companies, if any, is being collected from field formations of the Central Board of Excise & Customs (CBEC) and will be laid on the Table of the House.