

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2849  
ANSWERED ON:29.08.2012  
USE OF BLACK MONEY IN PRODUCTION OF FILMS  
Kashinath Shri Taware Suresh

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

- (a) whether cases of production of films by the use of black money in the country have come to the notice of the Government;
- (b) if so, the details thereof; and
- (c) the reaction of the Government thereto?

**Answer**

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

(a): Tax evasion has been detected in various sectors of the economy, including in the film industry.

(b): The Income tax department investigates violations of direct tax laws based on credible information relating to tax evasion and brings undisclosed amount to tax. Information is used for scrutiny of returns, surveys, search and seizure actions. Search and seizure is conducted in the case of `person3, 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 is in possession of any money, bullion, jewellery, documents or any other valuable article or thing which represents undisclosed income. These persons are engaged in diversified business activities across different sectors, including film industry, spread all over the country, and sometimes internationally also. Therefore, sector-wise details are not separately maintained.

(c): The drive against tax evasion is a continuous and ongoing exercise. On receipt of credible information, appropriate action is taken under provisions of the direct tax laws and any undisclosed amount detected is brought to tax. Penal proceedings are invariably initiated in such cases, and prosecution is also launched in appropriate cases.