

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3509
ANSWERED ON:14.12.2012
TAX RAIDS
Agarwal Shri Rajendra

Will the Minister of FINANCE be pleased to state:

- (a) the number of raids conducted by the Central Excise and the Income Tax Department during the years 2010-11, 2011-12 and the current year;
- (b) the details of the persons and Commercial and industrial establishments raided during the aforesaid period;
- (c) the details of movable and immovable properties and cash seized each year during the said raids;
- (d) the details of the seized movable and immovable properties returned to the accused persons during the last three years and the current year; and
- (e) the details of the movable and immovable properties and cash deposited in the Government exchequer?

Answer

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

(a): The numbers of search warrants executed under the Income tax Act, 1961 during the years 2010-11, 2011-12 and the current year are as under:

Period	Number of warrants executed
2010-11	4852
2011-12	5260
2012-13 (Upto Sept. 2012)	1540

Figures are provisional

(b): The Income tax Department conducts search and seizure actions 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 satisfy any of the conditions specified in Sec 132(1) of the Income tax Act, 1961. As these persons are engaged in diversified businesses/professions across different sectors spread all over the country, Person-wise/Sector-wise details of such operations are not separately maintained. However, data regarding number of search warrants executed is maintained as per the particulars given in answer to part (a) above.

(c): As per the provisions of the Income Tax Act 1961, immovable properties cannot be seized during search and seizure actions. The details of assets seized by the Income Tax department during search and seizure actions during the above mentioned financial years are as under:

Assets Seized					
Financial Year	Cash (In Rs.)	Jewellery (In Rs.)	Other Assets (In Rs.)	Total Assets (In Rs.)	
2010-11	440.28	184.15	150.55	774.98	
2011-12	499.9	271.39	134.3	905.60	
2012-13 # (up-to Sept. 2012)	179.39	71.29	39.61	290.29	

#Figures are provisional

(d): Search proceedings are followed by quasi judicial proceedings, which involve detailed examination of the seized documents. The evidences gathered during the search proceedings are used in assessment and re-assessment of incomes of the persons in whose cases, search actions are undertaken. The amount of tax evaded is quantified after completion of assessment/ re-assessment. Any existing liability and the demand arising out of tax/interest/penalty on account of undisclosed income detected during search action, is recovered from the assets seized during search operations. Any assets or its proceeds, which remain after these liabilities have been discharged, are released. Assets may be released with the prior approval of the Commissioners of Income tax if conditions specified in Sec 132B of the Income tax Act, 1961 are met. Such details are available with Assessing Officers, spread all over the country and thus, not maintained centrally.

(e): The cash seized during searches is deposited in the Government exchequer. However, other assets are dealt with, for application towards the liability as per provisions of Sec 132 B of the Income tax Act, 1961.

Information, with regard to reply to part (a) to (e) of the Question with regard to Central Excise raids, is being collected and will be laid on the Table of the House.