

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:400

ANSWERED ON:20.11.2009

INCOME TAX RAIDS

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Will the Minister of FINANCE be pleased to state:

(a) whether the Enforcement Directorate and the Department of Income Tax have conducted raids in various States of the country recently and confiscated incriminating documents and seized property worth crores of rupees;

(b) if so, the details thereof and reaction of the Government thereto;

(c) whether cases related to Hawala transaction and acquisition of properties disproportionate to the known sources of income have come to light at the time of Income Tax raids during the years 2008-09 and 2009-10 till date; and

(d) if so, the details thereof and the action taken against the guilty persons?

Answer

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

(a) & (b): The Income Tax Department, assisted by the Enforcement Directorate, has conducted searches and seizure operation recently in various States of the country. Various lockers, bank accounts and premises are under prohibitory orders as per the provisions of the Income Tax Act, 1961. The seized documents/ materials are being further investigated.

(c) & (d): The search actions in some cases, prime-facie, indicate Hawala transactions and that the properties are more than the income earned. Search and Seizure action, as per the Income Tax Act, 1961, are a continuous and ongoing process based on information in the possession of the Income Tax Department. The evidences gathered during search and seizure actions are used in assessment or re-assessment proceedings of the relevant persons, as per Income Tax Act, which becomes final when assessments before the Assessing Officer and appeals before CIT (Appeals), ITAT, High Courts or Supreme Court are completed. Suitable action as per Law would be taken against those found guilty.