

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3129

ANSWERED ON:07.08.2015

Tax Evasion

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

- (a) the number of cases of evasion of Central Excise and Service tax which came to light during the last three years and current year, State-wise;
- (b) whether the Government proposes to formulate strict laws to check the evasion of Central Excise duty and service tax;
- (c) if so, the details thereof and the time by which it is likely to be formulated and implemented;
- (d) whether the Government has launched an investigation against some companies for possible tax evasion and money laundering; and
- (e) if so, the details thereof and the action taken thereon by the Government in this regard?

**Answer**

(a): The details of cases of evasion of Central Excise duty and Service Tax is not maintained State-wise. However, the details of cases of evasion of Central Excise duty and Service Tax during the last three years and current year, is provided below:

Cases of Central Excise Duty evasion

(Rs. in crore)

Year No. of SCNs issued Duty Demanded (Rs.)

2012-13 3470 6269.68

2013-14 1789 5170

2014-15 1427 4478.56

2015-16 (upto May, 2015) 250 1530.64

Cases of Service Tax evasion

(Rs. in crore)

Year No. of SCNs issued Duty Demanded (Rs.)

2012-13 12810 24768.42

2013-14 9215 14842.00

2014-15 6454 9840.92

2015-16 (upto May, 2015)

951 1907.34

(b) & (c): Presently, no such proposal to formulate strict laws to check evasion of Central Excise duty and Service Tax is under consideration. The existing provisions under Central Excise and Service Tax laws are adequate to check the evasion of these duty/tax.

(d) & (e): Detection of duty/tax evasion and consequent action therefor, is an ongoing process, which, inter-alia includes launching of investigations against such companies, issuing show-cause notice etc. However, evasion of Central Excise duty and Service Tax is not an offence under the Schedule to the Prevention of Money Laundering Act, 2002 (PMLA).

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