

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1411
ANSWERED ON:18.07.2014
IRREGULARITIES IN PROVIDING TAX CONCESSION
Devi Smt. Rama;Khaire Shri Chandrakant Bhaurao

Will the Minister of FINANCE be pleased to state:

- (a) whether irregularities are being committed in providing exemptions and concessions in direct taxes;
- (b) if so, the details thereof, and the reaction of the Government thereto;
- (c) the monitoring system set up by the Government in this regard; and
- (d) the number of cases arising therefrom and action taken thereon and the outcome therefrom during the last three years and the current year?

Answer

MINISTER OF FINANCE (SHRI ARUN JAITLEY)

Part (a) & (b): Exemptions and tax concessions under the Income-tax Act, 1961 ('Act') are provided in accordance with the provisions of the Act. However, any exemption or tax concession wrongly claimed in the returns of income filed by the tax payers are liable to be detected during processing of such returns or their scrutiny.

Part (c): The monitoring mechanism prevalent as of now includes system of Audit (both Internal and C&AG) and inspections/reviews done by supervising authorities.

Part (d): No such data is maintained in a centralized manner