

(ii) Cluster Development Programme

NABARD supports revival of the traditional arts/crafts through its Cluster Development programme. These Clusters help in preserving traditional products of the country. NABARD has so far sanctioned 43 handicraft clusters in different States of which two handicraft clusters *i.e.* Natural Fibre cluster in Chitradurga district and Bidri craft cluster in Bidar district are in Karnataka. A sum of Rs. 7.99 lakh and Rs. 5.89 lakh have so far been disbursed to these clusters in Karnataka. More than 200 artisans have been covered under the cluster programme in both the Clusters and they mostly belong to the backward class.

Tax evasion by Government departments and private companies

60. SHRI ARVIND KUMAR SINGH:
SHRI PRABHAT JHA:

Will the Minister of FINANCE be pleased to state:

(a) whether tax evasion by various Government departments and private companies during Commonwealth Games amounted to around one thousand crore, have been detected recently;

(b) if so, the details thereof, company-wise and department-wise alongwith the details of tax evaded by them;

(c) whether Government has enquired into the matter and has fixed responsibility in this regard;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) So far as evasion of direct taxes are concerned, search and survey action have been undertaken under Income Tax Act, 1961 in cases of certain entities that have executed contracts in respect of Commonwealth Games, 2010. These actions have resulted in recovery of unaccounted assets and incriminating documents.

(b) Income Tax Department conducts search and survey actions on the basis

of credible information in cases of various 'persons' defined in the Income Tax Act, 1961. Search and survey proceedings are followed by quasi judicial proceedings, which involved detailed examination of the seized/impounded documents. The evidences gathered during the proceedings are used in assessment and re-assessment of incomes of such persons. The amount of tax evaded can be quantified after completion of assessment/re-assessment.

(c) and (d) Taxes on undisclosed income/assets detected during search and seizure are realized on the completion of assessment/reassessment, proceedings of the persons searched/surveyed and further proceedings are initiated in appropriate cases.

(e) In view of the reply to part (c) and (d) above, the question does not arise.

However, the information in respect of reply to part (a) to (e) of the Question relating to cases of evasion of indirect taxes is being collected and will be laid on the Table of the House.

Company involved in tax evasion

61. SHRI ARVIND KUMAR SINGH:
SHRIMATI KUSUM RAI:
SHRI PRABHAT JHA:

Will the Minister of FINANCE be pleased to state:

(a) whether as per the enquiry of Directorate of Central Excise Intelligence, chocolate and confectionery companies, particularly Cadbury India Limited has been involved in tax evasion of at least 100 crores;

(b) if so, the details thereof;

(c) whether Government has taken steps against the company;

(d) if so, the details thereof, company-wise;

(e) if not, the reasons therefor; and

(f) by when tax evaded by above companies would be recovered?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Yes, Madam/Sir. Two cases of tax evasion by Cadbury India Limited has been detected by the Directorate General of Central Excise