

## Fin Min detects tax evasion of over Rs 4,500 cr

Increased efforts to check revenue leakage by the Finance Ministry have resulted in detection of over Rs 4,500 crore in service tax, excise and customs duty evasion during last year.

Out of the total Rs 4,744.92 crore of indirect tax evasion detected during April and December last year, officials made a recovery of Rs 531 crore, according to official data.

As many as 592 cases involving service tax evasion of Rs 3,055 crore were detected during 2012-13 up to December. Sustained investigation via issuance of show cause notices among others had resulted in recovery of Rs 435 crore, it said.

The Finance Ministry officials had registered 321 cases of central excise duty evasion involving an amount of Rs 571 crore during the same period of last fiscal, it said.

The officials also made recovery of Rs 96 crore being evaded as excise duty after due investigation into the matter, the data said.

A total of 710 cases of customs duty evasion involving Rs 1,118.92 crore were detected between April-September last year, it said.

The Finance Ministry is following a zero tolerance policy against tax evaders and has cautioned customs, central excise and service tax defaulters of stringent action.

Ministry officials say sustained efforts had resulted in detection and recovery of such a huge amount in evasion of indirect tax comprising service tax, excise and customs duty.

Investigations have found that companies and individuals were fudging data to avoid service tax. "In some cases, we found that a service provider has not acquired service tax registration number," said a Revenue department official involved in these cases.

Similarly, in case of excise duty evasion, companies were maintaining wrong data of finished goods so as to evade tariff, the official said.

In cases of customs duty evasion, the officials could lay their hands on many 'fly-by-night' exporters and importers.

A number of evaders were found to be misusing export promotion schemes such as duty drawback among others, he said.

The Ministry has introduced and implemented a first-of-its-kind amnesty scheme for service tax defaulters.

According to the 'Voluntary Compliance Encouragement Scheme' (VCES), a defaulter may declare his due tax liabilities, including the cess charges, for a period between October 1, 2007 and December 31, 2012 and pay it to the government after making a truthful declaration and avoid penalty, interest or any other penal proceedings.

The officials have also booked 1,646 cases of narcotics and seized contraband goods worth Rs 164.25 crore between April-September last year.

*(Zee News)*