

Income Tax paid by M/s Hindustan Lever, Bombay

2790. SHRI MOHAMMED AFZAL *alias* MEEM AFZAL: Will the Minister of FINANCE be pleased to state:

(a) what is the amount of income tax paid by M/s. Hindustan Lever, Bombay along with their sister concerns during the period 1988-89, 1989-90 and 1990-91; and

(b) what are the total assets of the company?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The amount of income tax paid by M/s. Hindustan Lever Ltd., Bombay for the assessment years 1989-90, 1990-91 and 1991-92 (relating to the immediately preceding financial years) are given below:—

Assessment year	Amount of tax (in Rs.)
1989-90	32,43,00,130
1990-91	44,57,94,892
1991-92	53,99,17,979

Since the expression 'sister concern' is not a legally defined term in the Income tax Act, it is not possible to furnish information about tax paid by sister concerns.

(b) The total assets of M/s. Hindustan Lever Ltd. (including fixed assets as well as current assets) were as follows:—

	Assets (Rs. in crores)
As on 31-3-1989	356.72
As on 31-3-1990	414.44
As on 31-3-1991	434.04

Bank for International settlements observation on Liberalisation of Indian economy

2791. SHRI V. NARAYANASAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Bank of International Settlements (BIS) has observed that there is stagnation despite reforms introduced by Government in liberalising the economy;

(b) whether it is also a fact that privatisation and liberalisation of economy have very little to reduce the weight on Public Sector in the country; and

(c) if so, what redifical measures Government proposes to implement to achieve full benefits of the liberalisation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The Bank for International Settlement (BIS) in its 62nd annual report covering the period 1st April 1991 to 31st March, 1992 has observed that "in India, by contrast (with China) GDP growth fell to only 2 per cent, reflecting stagnation in the industrial sector..." and the Government of India introduced "two policy packages aimed at opening up the economy to foreign competition and deregulating and privatising the domestic economy." The report does not say that the stagnation is despite the reforms.

(b) and (c) The above BIS report observes that "so far, however the reforms have done little to reduce the weight of the public sector." It is also observed elsewhere in the report that "India then announced a radical change in its development strategy, for saking its inward looking approach in favour of one based on gradual liberalisation and the reduction of the role of the state in commercial and industrial activity." The factual position is that the liberalised industrial policy and the structural adjustment programmes of the Government clearly envisage a gradual reduction in the relative weight of the public sector in industrial development and an increasing role for the private sector in the economic growth of the country. Many of the areas earlier reserved for