

**Negotiations with the LIC class I
Officers' Federation**

*38. SHRI R. RAMAKRISHNAN:
Will the Minister of FINANCE be pleased to state:

(a) whether in the light of withdrawal of the case filed by the L.I.C. class I Officers' Federation in the Supreme Court, Government propose to settle all issues concerning Class I Officers including pay revision, release of withheld allowances, etc. immediately; and

(b) whether it is a fact that withdrawal of the case by officers was made a precondition for negotiations with them; if so, whether Government propose to call their representatives for discussion within a period of two months as promised?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY); (a) and (b) Government have welcomed the decision of the Class I. Officers Federation of L.I.C. to withdraw their case from the Supreme Court as a pre-condition to release of *ad-hoc* dearness allowance with effect from 1st May, 1983 and 1st October, 1983. Discussions for revision of the pay scales etc. will be conducted by the L.I.C. Management with the Class I Officers as with other Class III and Class IV employees of L.I.C.

**Excise duty and other taxes held up
by large companies**

*39. SHRI CHATURANAN MISH-
MISHRA
SHRI SURAJ PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that large companies very often go to courts to hold up payment of excise duty and other taxes;

(b) if so, what is the total amount of such taxes at present held up pending courts' decision; and

(c) whether Government have any proposal to charge interest on the held up amount of taxes after a decision is taken by the courts in favour of Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. M. KRISHNA); (a) Many large companies have gone to courts to hold up payments of excise duty and other taxes.

(b) The total amount of custom¹-duty held up to court cases is about Rs. 260 crores. As regards the amount of excise duty locked up in litigation in various court cases, it is not possible to quantify the same as the amounts in such cases involve judicial determination of issues like valuation, classification and interpretation of notifications etc. However, the total amount of arrears of Central Excise revenue* as on 31-3-84 is approximately Rs. 460 crores. The requisite information about total amount of Corporation Tax pending court decisions is not readily available. However, the total amount of arrears due to stay orders by courts was Rs. 61.69 crores

(c) No Sir.

Black money

*40. SHRI SURAJ PRASAD:

SHRI CHATURANAN MISH-

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that according to an estimate the quantum of black money in the country now ranges as high as half of the declared GNP;

(b) whether Government have any special cell to estimate it, and if so, what is Government's estimate about black money; and

Ct;J if so, what now measures Government propose to take to unearth black money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. M. KRISHNA): (a) The Government do not have any reliable estimate of black money.

(b) The Government has entrusted a study on black money to the National Institute of Public Finance & Policy, New Delhi in July, 1982. Report from the Institute is awaited.

« (c) All possible measures to check circulation and prevent further proliferation of black money, including administrative, legislative and institutional, are taken from time to time, after a constant review.

Income-Tax Proceedings against Apparels Export Promotion Council

156. SHRI GULAM MOHI-UD-DIN SHAWL: Will the Minister of FINANCE be pleased to state:

(a) what is the present position of income-tax proceedings relating to the Apparels Export Promotion Council, New Delhi, in respect of the years 1979-80 onwards giving separately for each year; (i) income-tax returns filed and tax payable thereon; (ii) income assessed by the Income Tax Officer/Inspecting Assistant Commissioner or Commissioner and the details of disallowances or additions and tax

payable thereon and (hi) income assessed by the Commissioner of Income-tax (Appeals) and tax payable thereon;

(bj) whether taxes determined by the Commissioner of Income-tax (Appeals) have been paid;

(c) whether the assessee or the income-tax authorities have gone in appeal against the orders of CIT (Appeals); anti

(d) what is the progress of these proceedings at present?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. M. KRISHNA): (a) to (d) Returns of income have been filed by the Apparels Export Promotion Council, New Delhi, for the assessment years 1979-80 to 1988-84 declaring 'Nil' incomes. As such, no tax was payable on the basis of these returns. The return of income for assessment year 1984-85 has not so far been filed.

Assessments for the years 1979-80, 1980-81 and 1981-82 have been completed on total incomes of Rs. 38,050, Rs. 16,20,459 and Rs. 7,12,980 respectively. Tax demand raised in these years is Rs. 12,595, Rs. 16,76,646 and Rs. 6,17,774 respectively. The details of disallowances/additions in respect of assessments for the assessment years 1980-81 and 1981-82 are as under:—

| Items | Assessment | Assessment |
|---|--------------|--------------|
| | year 1980-81 | year 1981-82 |
| | Rs. | Rs. |
| 1. Receipts from Cotton, Textile Export Promotion Council . | 22,00,000 | — |
| 2. Forfeited earnest money deposits | 11,45,370 | 26,48,276 |
| 3. Disallowance out of expenditure incurred outside India . | 4,05,314 | 7,02,303 |
| 4. Entrance Fee | 2,14,000 | 1,78,000 |
| 5. Disallowance out of depreciation claimed | 93,291 | 1,00,679 |