

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Directorate of Enforcement as on 28.2.2010 has registered 914 cases under the Prevention of Money Laundering Act, 2002 (PMLA). Out of these, 09 cases are pending trial in the Competent Courts. No case has so far been decided by the Courts.

(b) and (c) Under the provisions of the Income Tax Act, the Income Tax Department takes several steps to unearth unaccounted money and detect tax evasion. These include scrutiny of returns, surveys, search and seizure action, imposition of penalty and launching of prosecution in appropriate cases. Tax Information Network (TIN) has been set up as a depository of important tax related information which can be accessed by the Department. The basic components of TIN are information relating to Tax Deduction at Source (TDS), payment of taxes and high value transactions reported in Annual Information Returns (AIR). The information collected from various sources is collected electronically to create a 360 degrees profile of the high net worth assesseees so as to detect unaccounted income/assets. Information as regards suspicious transactions and large cash transactions is also investigated by the Income Tax Department. Appropriate action under the provisions of Direct Tax Laws is taken in cases where tax evasion is detected. The efforts made by the Department have resulted in substantial increase in Direct Tax revenue collections in past few years indicating success of the Department in curbing black money and tax evasion. Presently, there is no specific proposal for any change in the Income-tax Act, 1961 in this regard.

Increase in GDP and inflation

†3403. SHRI NARESH CHANDRA AGRAWAL: Will the Minister of FINANCE be pleased to state:

- (a) the percentage growth in Gross Domestic Product (GDP) and increase in inflation in country in last three years;
- (b) whether it is a fact that ratio of growth in GDP and increase in inflation is one to five;
- (c) if so, the steps taken by Government to check the inflation; and
- (d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAYAN MEENA): (a) and (b) The estimates of GDP are brought out by the Central Statistical Organisation (CSO) at constant prices (adjusted for inflation) and at current prices. The growth of GDP at factor cost at constant and current prices, and the overall inflation measured from the aggregate deflator of GDP at factor cost, based on the new series (base = 2004-05), are furnished below:—

†Original notice of the question was received in Hindi.

Item	2007-08	2008-09	2009-10
	(PE)	(QE)	(AE)
GDP growth at constant prices	9.2	6.7	7.2
GDP growth at current prices	15.2	15.1	10.8
Overall inflation (measured by the aggregate deflator of GDP at factor cost)	5.5	7.9	3.3

Source: Central Statistical Organisation

PE = Provisional estimates; QE = Quick estimates; AE = Advance estimates.

GDP growth at current prices was considerably above the rate of inflation during 2007-08 to 2009-10.

(c) and (d) The Government has taken several measures to control inflation, which, *inter alia*, include: reducing import duties to zero for rice, wheat, pulses edible oils (crude) and sugar; reducing import duties on refined and hydrogenated oils and vegetable oils; allowing import of raw sugar at zero duty under open general licence; removing levy obligation of all imported raw sugar at zero duty under open general licence; removing levy obligation of all imported raw sugar and white/refined sugar; banning export of non-basmati rice, edible oils and pulses (except kabuli chana); and, imposing stock limit orders in the case of paddy, rice, pulses, sugar, edible oils and edible oilseeds. In addition, a Core Group of Chief Ministers and concerned Central Ministers has been constituted on 15th March, 2010 to discuss issues related to prices of essential commodities with Ministry of Agriculture as nodal agency. As the inflationary pressures developed, the Reserve Bank of India has progressively raised the repo rate and reverse repo rate under LAF and the Cash Reserve Ratio of scheduled banks to anchor inflationary expectations and to contain inflation going forward.

Audit by CAG

3404. SHRI VIJAY JAWAHARLAL DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Rs. 210 crore was recovered during 2007-08 at the instance of CAG audit report in about 1474 cases;

(b) if so, whether the officials responsible for these short-levying were asked to explain;

(c) whether disciplinary action was also taken against those found guilty;

(d) if so, the number of such officials, circle-wise;

(e) whether stern steps have been taken since then so as to avoid recurrence of such short-levying; and

(f) if so, the details thereof?