

SHRI P. A. SANGMA : Other items of exports from us at the moment are : articles of apparel and clothing, floor covering, leather and leather manufacturers, even cotton fabrics, gems, metal manufactures. These are the main items of exports to Austria.

MR. CHAIRMAN : You cannot export unless they want to buy.

श्री जगदीश प्रसाद माथुर : अभी मंत्री जी ने बताया कि गारमेंट्स भी इसमें हैं। तो जो रेडिमेड गारमेंट्स हैं, उनके लिए आप हर पार्टी और देश के लिए कोटा फिक्स करते हैं। तो क्या इस हालत में जो कोटा है रेडिमेड गारमेंट्स का, उसको कुछ आप बढ़ाना चाहेंगे ?

MR. CHAIRMAN : Quota of exports of garments, readymade garments.

SHRI JAGDISH PRASAD MATHUR : Normally, there is a quota granted to different parties who export and to different countries. Have you been able to increase the percentage? Have you got any other idea about it?

SHRI P. A. SANGMA : It is an international agreement. We also encourage. We certainly try to increase our quota. But it is a question of multi-fibre agreement, MFA.

Evasion of excise duty on processed Powerloom Fabrics

*385. SHRI VEERSHETTY MOGLAPPA KUSHNOOR:†
SHRI SATCHIDANANDA :

Will the Minister of FINANCE be pleased to refer to the answer to Starred Question 22 given in the Rajya Sabha on the 26th July, 1983 and state the steps Government have taken or propose to take to plug evasion of excise duty on processed powerloom fabrics by big cotton fabric processors?

†The question was actually asked on the floor of the House by Shri Veershetty Moglappa Kushnoor.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAT-TABHI RAMA RAO) : Preventive measures to check any possible evasion of excise duty by the hand processing sector of the cotton textile industry are being continued. However, Government do not have under consideration at present any change in the existing scheme of the concession.

SHRI VEERSHETTY MOGLAPPA KUSHNOOR : Sir, this question has been framed after getting a reply to Starred Question No. 22, replied to on the 26th July, 1983. In that answer, it has been stated in reply to (b) and (c) parts of the question, that Government have received several representations stating that some processors of cotton fabrics have rearranged their operation in the context of notification number 130/82/CE dated 20th April, 1982 and consequently able to avail of the benefit of the said exemption notification. My question is, once the Government have got their representations, which they have already stated in their answer to Question No. 22, referred to by me earlier, have they made an enquiry as to how many people are there, who are not entitled to this concession but who have got benefit from this notification? How many people are involved, how many units have got benefit and how much benefit they have derived even though they were not entitled to that.

SHRI PRANAB KUMAR MUKHERJEE : Whenever we receive this type of enquiry, not enquiry as such but complaint, we go into it. Apart from receiving complaints this is the normal job of the Central Excise Department to check the type of evasion and avoidance of excise duty that takes place. But this is a question on which, as the hon. Member is aware, even the Members of Parliament are divided. Whenever I bring any proposal—normally we do it at the time of the Budget—we receive representations from both sides. No doubt the process is complicated and in our system of the excise duty where we want to give concessions to particular industries or particular group of industries. I cannot rule out the possibilities of having some

sort of misuse also but I can give you one readymade example of which the hon. Members are fully aware. When we give concession by saying that the turnover up to Rs. 7-1/2 lakhs would be exempted from paying excise duty, the tendency is, even the units having more than Rs. 7-1/2 lakh or the prescribed limit of turnover, when they reach that level they simply squeeze themselves and instead of showing one unit they show two units. If we detect them, we take action against them, but sometimes it becomes impossible. So, this is the case where there are representations and the representations are from both the sides. Some want to continue the scheme and some do not want to continue the scheme. A large number of persons are genuinely involved in the hand processing units. Sometimes we are getting complaints that the processors are taking advantage of the concessions given to the smaller units who are not using power or steam or who are operating manually. We take note of it and perhaps it would not be proper for me at this time to indicate what course of action would be taken. Let the hon. Member wait till the Budget.

SHRI GHULAM RASOOL MATTO :
One small point, Sir, The question reads: "...and state the steps Government have taken or propose to take to plug evasion of excise duty on processed powerloom fabrics by big cotton above processors." What is this 'above processors'? Is it a typographical mistake?

MR. CHAIRMAN: Substitute the word 'fabric' for the word 'above'. I was also wondering and, in fact, I corrected it myself.

SHRI PRANAB KUMAR MUKHERJEE : A corrigendum was issued.

Income-tax Employees' demand against upgradation of 'Group B' Income-tax Officers'

*386. **SHRI ASAD MADNI:**

SHRI NAND KISHORE

BHATT:†

Will the Minister of FINANCE be

The question was actually asked on the floor of the House by Shri Nand Kishore Bhatt.

pleased to state:

(a) whether Government have seen the press reports appearing in the *Indian Express* of 3rd December, 1983 under the heading 'Rally by Income-tax Employees' against the upgradation of 258 posts of Income-tax Officers 'Group B' to Income-tax Officers, Group-A in the Income-tax Department;

(b) if so, what is Government's reaction thereto; and

(c) whether Government propose to refer the whole matter to the Fourth Central Pay Commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAT-TABHI RAMA RAO): (a) Yes, Sir.

(b) The proposal to convert a few (258 out of 2196) posts of ITOs Group 'B' to ITOs Group 'A' has been formulated keeping in view the Govts.' requirement for ITOs Group 'A' and ITOs Group 'B'. The proposal will improve the working of the Department and provide better promotion prospects to ITOs Group 'B'. It is not likely to adversely affect the chances of promotion of Non-Gazetted Staff in any appreciable manner.

(c) No, Sir.

SHRI NAND KISHORE BHATT :
Sir, the proposed conversion of 258 Class II Income Tax Officers into Class I is being done at the cost of Class III employees, since Class II posts are meant for promotees in the Income Tax Department. As such, with the upgrading of so many posts the promotion prospects of 50,000 Income Tax employees will be curtailed. If the proposed conversion is allowed to take place, the waiting period of all the Class III employees will increase. As such there will be a lot of discontentment among them because of this decision. Moreover, conversion of 258 posts of Class II ITOs to Class I is bound to create imbalance in the Income-tax Service. So in the interests of the entire Central Services and the Government employees, may I know from the hon. Minister if they would not encourage this