

Concealment of taxes by Shri Pran Prasad and M/s. Bird and Company Ltd.

2639. SHRI SURAJ PRASAD : Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 2386 given in the Rajya Sabha on the 17th March, 1981 and state :

(a) what are the details of the report received by the Income Tax authorities from the Company Law Board regarding tax evasion by Pran Prasad and M/s. Bird & Company Ltd.;

(b) when was it investigated and by whom; and

(c) what are the reasons for which no follow-up action was taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA) : (a) and (b). On receipt of reports from Company Law Board in September, 1973 and February, 1979, alleging inter-alia siphoning off the profits of M/s. Bird and Company through certain transactions receipt of large remuneration, perquisites and allowances by the Directors and the sale of 500 shares to a Charitable Society at nil value being colourable, the Income Tax authorities made thorough investigations from tax angle. The investigations however, did not lead to detection of significant concealment.

(c) Does not arise.

Assam Pay Commission

2640. SHRI SUKOMAL SEN :
SHRI ARABINDA
GHOSH :
SHRI DIPEN GHOSH :

Will the Minister of FINANCE be pleased to state :

(a) whether the Pay Commission appointed by the Government of

Assam submitted its report to that Government on the 28th June, 1982; and

(b) whether the Government of Assam received letters from the Assam State Employee's Federation demanding a copy of the report to offer their views, if any, before Government take final decision on the recommendation of the Pay Commission ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) :
(a) Yes, Sir.

(b) Yes, Sir.

Practice by sons of the officers of the IRS (Income-tax) cadre at Delhi

2641. SHRI RAMSINGBHAI PATILYABHAI RATHVAKOLI : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that sons of some officers belonging to IKS (Income-tax) cadre at Delhi have set up practice on the direct taxes side at Delhi ;

(b) if so, the names of such officers and whether they have taken the required permission under the conduct rules ;

(c) whether Government have laid down any policy to transfer the officers whose sons have set up practices on the direct taxes side at the place of their postings ; and

(d) if not, what are the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA) : (a) to (d). Government are aware that sons of some officers belonging to IRS (IT) are practising on the Direct Taxes Side at Delhi. No

Government permission is required to be taken for setting up such a practice. However, it will be unbecoming of an officer if he permits his own son to practice before him. Action under the Conduct Rules can be taken if such a case comes to the notice of the Government.

Survey of Palika Bazar by Income Tax Department

2642. SHRI RAMSINGHBHAI PATTLIYABHAI RATHVAKOLI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Palika Bazar in Connaught Place area in New Delhi is being surveyed by the Income Tax Department, Delhi during these days, if so, the names of the Income Tax Inspectors undertaking the survey;

(b) whether it is a fact that Palika Bazar was also surveyed by the Income Tax Department, Delhi during the year 1980 and 1981; if so, the names of Inspectors who surveyed at that time;

(c) what are the circumstances under which Palika Bazar is surveyed by the Income Tax Department, Delhi so frequently;

(d) what is the criteria for re-surveying areas; and

(e) whether it is also a fact that the entire business area of Delhi has not been covered by the Income Tax Department, Delhi so far ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA) : (a) Palika Bazar, New Delhi has been partially surveyed by the Income Tax Inspectors S/Shri K. K. Malhotra, S. C. Mittal & Vijay Soni during June to July, 1982.

(b) It was not surveyed during 1980 & 1981. However, its survey was conducted by the Income Tax Department earlier during June to August, 1979.

(c) and (d). Survey is a continuous process which *inter-alia* contemplates re-survey of commercially expanding/growing areas. Accordingly Palika Bazar is included in areas marked for re-survey in Delhi during the current year, as the market was not fully developed in 1979 when the first survey took place.

(e) Yes, Sir.

Constitution of A New Pay Body for Central Government Employees.

2643. SHRI SYED AHMAD HASHMI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that some representatives of the Central Government employees and some Members of the J- C. M. met him sometime in the month of May, 1982 regarding setting up of a pay commission.

(b) whether it is also a fact that he had promised to set up a Pay Body instead of a Pay Commission and had assured the representatives that the pay body would submit its report before April, 1983; and

(c) if so, what are the details in this regard and by when the pay body is proposed to set up ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : (a) to (c). The demand for revision of pay scales (Wage Parity) and setting up of a Pay Body was raised by the Staff Side in 26th Ordinary Meeting of the National Council (JCM) held on the 13th & 14th May, 1982. Having regard to past experience of