

(b) if so, the agreements if any reached between India and Kuwait ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A C. GEORGE) (a) and (b) A Kuwaiti Trade Delegation under the leadership of H E Khalid Suleman Al Adsani, Minister of Commerce and Industry of Kuwait, visited India from 29th September to 6th October, 1972. Extensive talks were held during this visit to explore further avenues to expand trade and economic ties between the two countries, though no Trade Agreement as such was signed.

RISE IN PRICES ON ACCOUNT OF THE GRANT OF INTERIM RELIEF AND INCREASED MINIMUM QUANTUM OF BONUS

534. SHRI KOTA PUNNAIAH :  
SHRI K. L. N PRASAD :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that more than Rs. 70 crores has been injected into the economy of the country as a result of paying interim relief to Central Government employees and also because of the statutory increase in the minimum quantum of bonus; and

(b) the extent of rise in the wholesale and consumer price index after the payment of the interim relief and the bonus at the increased rates ?

THE MINISTER OF FINANCE (SHRI Y B CHAVAN) : (a) The third instalment of interim relief to Government employees involves a payment of about Rs 3 crores per month for the last seven months of the fiscal year. Bonus payments would also be staggered; their precise incidence is not known for lack of adequate data.

(b) The Wholesale Price Index (1971-62=100) rose from 207.5 for August 1972 to 207.8 for September and 210.1 for October. The Consumer Price Index (1949=100) was 252 for August 1972 and 253 for September.

REDUCTION IN THE RATES OF TAXES

535 SHRI SITARAM JAIPURIA : Will the Minister of FINANCE be pleased to state :

(a) whether it is fact that FICCI has recently suggested to Government on the basis of a seminar of tax executives, a substantial reduction in tax rates, strict anti-smuggling measures and replacement of sales tax by excise duty, to curb black money in the country, and

(b) if so, what decision has been taken by the Government in the matter ?

THE MINISTER OF FINANCE (SHRI K. R. GANESH) (a) Yes, Sir.

(b) The Government have already adopted strict anti-smuggling measures, which are reviewed from time to time.

The 5th Finance Commission had examined the suggestion to replace sales tax by excise duty. They recommended that in view of the general opposition of the States there was no scope for extending it to other commodities in the foreseeable future. The Government have accepted the Commission's recommendation.

Some of the other suggestions are in relation to the recommendations of the Wanchoo Committee, which are under consideration.

As regards reduction in tax rates, the Government will view it in the context of its social and economic objectives of growth, social justice and reduction of disparities.

PRICE OF RAW JUTE

536 SHRI SANAT KUMAR RAHA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government are considering to increase the minimum price of raw jute,

(b) if so, what would be the price, and

(c) the quantity to be procured by Government in 1972 ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A C GEORGE) : (a) A review of the minimum price has been undertaken.

(b) This would depend on the results of the review.