

the budget and selective credit control and to regulate prices and/or distribution, of essential commodities. This anti-inflationary policy was further elaborated when an Ordinance, called the Taxation Laws (Amendment) Ordinance, 1967, was promulgated on September 14, 1967 so as to make provision in the taxation laws for mobilising additional savings through annuity deposits on current incomes, curbing entertainment expenditure in businesses and professions, and for expediting payment of tax dues. Another Ordinance was promulgated on September 16, 1967 to amend the Essential Commodities Act in order to make its penal provisions more stringent and its enforcement more effective. Additional D.A. accruing during the period February 1, 1967 to August 31, 1967, to Central Government employees as a result of the All-India Working Class Consumer Price Index (1949=100) reaching the twelve-monthly averages of 185 at end-January 1967 and 195 at end-May, 1967, was deposited in their provident fund accounts to minimise cash outlays during the current fiscal year.

2. Government keeps its economic policies under constant review and takes appropriate steps in the light of the emerging situation. The latest assessment of the economic situation is contained in the Economic Survey presented to Parliament. The various proposals contained in the Budget as also the recent downward adjustment of the Bank Rate together with the related decisions in the field of credit policy represent Government's response to the current situation.

REFINING OF CRUDE OIL BY CALTEX

940. SHRI K. SUNDARAM : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether Government have authorised Caltex to refine 1.5 million tons of crude oil for one year ; and

(b) If so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND OF SOCIAL WELFARE (SHRI K. RAGHURAMIAH):

(a) Yes, Sir. Caltex have been authorised to process upto 1.55 million tons crude oil during 1968.

(b) To meet the increased demand for petroleum products, particularly furnace oil, which cannot otherwise be satisfied except by imports of such products.

FOREIGN EXCHANGE FOR M.P.'s

941. SHRI D. THENGARI : Will the Minister of FINANCE be pleased to state:

(a) whether any foreign exchange was granted to the Members of Parliament during the year 1968-69, for their foreign tours other than those sponsored by Government ;

(b) If so, what was the amount of foreign exchange so sanctioned ? and

(c) how many M. Ps. got the benefit of the same ?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI R. DESAI): (a) Yes, Sir.

(b) Foreign exchange equivalent of Rs. 14,497 has been sanctioned so far during 1968, i.e. from 1st January to 14th March, 1968.

(c) 10.

SUSPENSION OF L.I.C. LOANS IN PUNJAB

942. SARDAR RAM SINGH : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the L.I.C. has suspended giving loans against the L.I.C. policies in Punjab ;

(o) if so, what are the reasons for the same; and

(c) when such loan payments will likely to be resumed ?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI R. DESAI) : (a) to (c) No, Sir. All schemes of loans, whether they are against the L.I.C. policies or otherwise, continue to be in operation in the State of Punjab. It is only in the case of "Own Your Home" Scheme which continues to be in operation that disbursement of loans is not being made at the moment pending disposal by the Punjab Government of a representation from the L.I.C., that it should be exempted from the newly imposed requirement that registration documents should be either in Punjabi or be accompanied by a translation in that language. Apart from the difficulty in translating in Punjabi legal terminology, the cost of such translation, which has to be borne by the policy-holder, will be high. The Corporation has stated that it will resume disbursements as soon as the Punjab Government waives this requirement.

A.R.C. REPORT ON DIRECT TAXES

943. SAKDAB RAM SINGH : Will the Minister of FINANCE be pleased to state :

(«) whether it is a fact that the Administrative Reforms Commission has submitted a report to Government on direct taxes ;

(b) if so, what are the main recommendations of the report; and

the decision taken by Government in this regard %

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI R. DESAI) : (a) It is learnt that the Working

Group appointed by the Administrative Reforms Commission has submitted the report of the Group on Central direct taxes administration to the Chairman of the Commission. However, the Government have not so received the report of the Administrative Reforms Commission on this subject.

(/«) and (c) Do not arise.

RETURN OF THE CONTRABAND GOLD TO THE B.O.A.C.

944. DR. (MRS.) ANGLADEVI TALWAR : Will the Minister of FINANCE be pleased to state :

(a) whether any decision has been taken by Government to return the contraband gold to the B.O.A.C. which was seized by the Customs Authorities on the 15th September, 1967 at Palam Airport; and

(h) if so, what are the details thereof \

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI R. DESAI) : (a) and (b) The seized gold weighing 1218.6 Kgs. has been found under the Customs Act, 1962, by the Collector of Customs and Central Excise, New Delhi. However, considering that the gold was in transit through India and was meant for another country, the Collector has permitted the gold to be redeemed on payment of a fine of Rs. 25,25,000 in lieu of confiscation, for release to the lawful owners on production of a written permission from the Reserve Bank of India. A personal penalty of Rs. 5,00,000 has also been imposed on M/s B.O.A.C. The aircraft has been confiscated and in lieu thereof a redemption fine of Rs. 1,00,000 has been allowed.