

documents etc. seized at the time of the search. It is only the Commissioner who authorises filing of prosecution.

(b) The assessee who are subjected to searches and seizures can, subject to the provisions of law, apply to the Settlement Commission to have their cases settled. However, where any books of accounts, other documents, money, bullion, jewellery or other valuable article or thing belonging to an assessee are seized under section 132 of the Income-tax Act, 1961, the assessee is not entitled to make an application for settlement under sub-section (1) of Section 245C of the Income-tax Act, 1961 before the expiry of one hundred and twenty days from the date of the seizure. Similarly, under the Wealth-tax Act, 1957, the assessee is not entitled to make an application for settlement under sub-section (1) of Section 22C before the expiry of one hundred and twenty days from the date of the seizure under section 37A of the Wealth-tax Act, 1957 of any books of accounts or other documents belonging to the assessee.

(c) There are provisions in the Income-tax Act, 1961 and the Wealth-tax Act, 1957 which ensure that cases in which concealment of income or wealth or evasion of tax has been established or is likely to be established by an income-tax or a wealth-tax authority are not settled by the Settlement Commission. The Commissioner can object to the admission of an application for settlement on the ground that concealment of particulars of the income or, as the case may be, of the net wealth, on the part of the applicant or perpetration of fraud by him for evading any tax or other sum chargeable or imposable under the Income-tax Act, or, as the case may be, the Wealth-tax Act, has been established or is likely to be established, by any income-tax authority or, wealth-tax authority in relation to the case. However, where the Settlement Commission is not satisfied with the correctness of the Commissioner's objections, it may, after giving the Commissioner an opportunity of being heard, allow the application for settlement to be proceeded with.

(d) No, Sir.

(e) The mere fact that search and seizure operations have been conducted in a case does not necessarily mean that the assessee is guilty of evasion of tax. The Department can come to a definite conclusion in this regard only after the seized material has been scrutinised and the necessary enquiries and investigations have been made. Even under the existing provisions of law it is open to the Commissioner to object to a settlement application being proceeded with as stated in the part (c) above.

Tax Holiday to 100 per cent Export Oriented Units

6419. SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to extend a five-year tax holiday to 100 per cent export-oriented units in the country; and

(b) if so, the details and objectives thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) A proposal to extend a 5 year tax holiday to 100% export-oriented units in the country is under the consideration of Government.

(b) The proposal has been made by the Ministry of Commerce to the Department of Revenue (CBDT).

The objective is to make the 100% EOU Scheme more attractive to the enterpreneurs to boost the foreign exchange earning of the country.

Diversion of Wheat Meant for Distribution Among Tribals

6420. SHRI N. TOMBI SINGH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of complaints received by Government from Members of Parliament and others about the diversion of

wheat meant for distribution among the tribals;

(b) whether it is a fact that the flour mills located in the tribal areas are buying wheat at cheaper price from the tribals and using that for mill grinding; and

(c) if so, the steps taken to check such diversion ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) and (b). Three complaints alleging diversion of subsidized wheat to chakki owners and flour mills have been received. Since it is the responsibility of the State Government to ensure proper distribution of grain to the beneficiaries under the scheme, these complaints have been forwarded to the concerned State Governments for investigation and necessary action.

(c) The State Governments/Union Territories have already been advised to activate their enforcement machinery to ensure that the foodgrains reach the target group.

Incentives to Sugar Mills to Increase Production

6421. SHRI N. TOMBI SINGH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the total quantum of sugar with its money value that had to be imported to meet the internal requirements of the country during the last three years, year-wise;

(b) whether Government have considered the desirability of giving better incentives to our own sugar mills to produce more so that dependence on import can be cut down substantially and thus conserving valuable foreign exchange;

(c) the target of imports for the next three years; and

(d) the growth rate in sugar production

in the country and the detail of incentives scheme, if any, to augment it ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) The quantity of sugar imported during the last 3 years and the CIF value thereto are as under :

Financial Year	Quantity (Lakh tonnes)	CIF value (Rs./Crores)
1983-84	Nil	Nil
1984-85	*4.96	113.62
1985-86 (Prov.)	**19.49	433.07

*Actual arrival was 4.83 lakh tonnes.

**Actual arrival is expected to be 19.36 lakh tonnes.

(b) Yes, Sir.

(c) There is no target fixed to import sugar for the next three years.

(d) The total sugar production upto 22.3.86 during the current 1985-86 sugar season is 56.95 lakh tonnes as against 50.66 lakh tonnes on the corresponding date last year thus showing an increase of 6.29 lakh tonnes. There are wide variations in the production of sugarcane from year to year due to variety of reasons including weather conditions, rainfall etc. leading to fluctuations in sugar production from season to season. In order to augment the sugar production during the current 1985-86 season the Government has announced the following incentives :

(i) increase in the statutory minimum price of sugarcane payable by sugar factories by Rs. 2.50 per quintal, fixing it at Rs. 16.50 per quintal linked to 8.5% recovery for the current season 1985-86