

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Yes, Sir. The new scheme for grant of reward to officers and staff of the Income Tax Department has been introduced only with effect from 1st April, 1985. However, it was seen that an error had crept in while framing the Reward Scheme ; in the para relating to rewards for scrutiny assessments, prosecution was an essential pre-requisite except where the assessee had voluntarily disclose the income. But where income is disclosed under the Amnesty Scheme no prosecution is to be launched as the disclosure has to be voluntary. Hence where income is disclosed by the assessee under the Amnesty Scheme before detection by the Assessing Officer, the question of giving any reward for scrutiny to the officer does not arise. This anomaly has been since clarified.

(c) and (d) In view of (a) and (b) above, the question does not arise.

Evolving a Code for TNCs

4967. DR. G. VIJAYA RAMA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the United Nations have failed so far to evolve a code of conduct for the Transnational Corporations (TNCs) as reported in the Times of India dated 27th October, 1986 ; and

(b) whether Government propose to devise such a code for use by TNCs both of other countries operating in India as well as Indian Corporations operating in other countries ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The United Nations Commission on Transnational Corporations, of which India is a member, has been discussing a Code of Conduct on Transnational Corporations (TNCs) for some years now. While agreement has been possible in respect of a substantial part of this Code, disagreement persists in respect of certain vital areas. Negotiations are in progress for resolving these differences.

(b) The Code, when finalised, will apply to Transnational Corporations to the extent and in the manner to be defined in the Code itself. However, well established legislation exists for regulating the entry and conduct of NTCs operating in our country.

NRI Contribution for Development Work

4968. DR. K.G. ADIYODI : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to encourage the Non-Resident Indians for contribution for various development works in the country ; and

(b) if so, the steps taken in this regard and success so far met, state-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Government have announced several Schemes since April, 1982 under which Non-Resident Indians can make investments in India. These include investment in new and existing industrial units, bank deposits, units of UTI, National savings certificates, etc. Certain tax concessions have been given under the Income-tax Act and Wealth-Tax Act. Special facilities have also been provided in the Import-Export Policy for import of capital goods/raw materials by NRIs who propose to set up industrial units in India. As regards Government approvals, a special Approvals Committee has been set up in the Department of Industrial Development to provide 'single window' clearance to industrial proposal received from NRIs.

2. Since, November, 1983 upto 30th June, 1986, 151 LIOs/permission/SIA registration have been issued to NRIs for setting up industrial units in India. The projects are located in the States of Andhra Pradesh, Gujarat, Haryana, Maharashtra, Madhya Pradesh, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal, Union Territories of Dadar & Nagar Haveli, Delhi, Goa Daman and Diu.