

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) ITDC is not running any hotel/restaurant in foreign countries.

(b) and (c). Does not arise.

(d) No, Sir.

(e) Does not arise in view of (d) above.

**Permission to Hindustan Lever Limited to Retain Subsidiary Status to Unilever**

8484. SHRI SODE RAMAIAH : Will the Minister of FINANCE pleased to state :

(a) whether Government have received any representation demanding reconsideration of the permission granted to Hindustan Lever Limited to retain its subsidiary status to Unilever PLC (U.K.), and

(b) if so, the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. Suggestions have been received from some quarters for reconsideration of the permission granted to M/s. Hindustan Lever Limited under Section 29(2)(a) of FERA, 1973 to retain 51% non-resident interest.

(b) There is no provision for review or reconsideration of a permission given under FERA, either in the Act or in the guidelines framed thereunder, except if the company violates the stipulation/conditions of the approval.

**Measures to Prevent Income tax Evasion**

8485. SHRI SANAT KUMAR MANDAL :  
SHRI ANAND SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news item captioned "Biggest

IT catch in decades" appearing in the 'Economic Times' New Delhi of the 16 February, 1986;

(b) if so, the facts of the case;

(c) the reason why the local Income-Tax authorities remained dormant over all these years and such fraud could not be detected by them earlier; and

(d) the remedial measures at departmental level proposed to be taken to prevent such Income-Tax evasion and fraud ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Yes, Sirs. On the basis of information gathered that substantial share holding was allotted in fictitious names by M/s. Nagarjuna Fertilizers & Chemicals Ltd., Hyderabad in their private placement issue, searches were conducted by the Income Tax Department on 13th February, 1986 at Bombay and Hyderabad in the cases of M/s. Nagarjuna Fertilizers & Chemicals Ltd. and other connected persons. Searches resulted in the discovery of, *prima facie*, manipulation in issue of share scripts of face value of over Rs. 2.54 crores apart from the seizure of other, *prima facie*, unaccounted assets worth Rs. 5 lakhs approximately.

(c) and (d). Preliminary investigations were carried out by the Income Tax Department in December, 1985 and the fraudulent transactions were detected even before the formal commencement of business by the company. Hence, there is no delay in taking the necessary action.

As and when specific information is received or collected otherwise about such tax evasion, Income Tax Department conducts survey/search operations to unearth the same.

**Financial Assistance Sought by Government of Orissa for New Scheme of Floating of Bonds**

8486. SHRI ANADI CHARAN DAS : Will the Minister of FINANCE be pleased to state :