

**Evasion of Excise Duty and Income Tax**

2616. SHRI V.S. VIJAYARAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) the total amount involved in excise duty and Income-tax evasion by various tax payers, up-to-date;

(b) the amount involved in litigation both in respect of excise duty as well as Income tax;

(c) the percentage of amount of arrears which is not involved in litigation collected during the last two years; and

(d) the action taken to expedite the process of litigation?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) During the years 1987, 1988 and 1989 (upto June, 1989) the Excise duty evasion is Rs. 1198.72, Rs. 355.43 and Rs. 179.15 crores (provisional) respectively.

The value of assets seized and the amount of concealed income surrendered during search operations by Income Tax authorities is given as under:-

Year	Value of assets seized (Rs. in crores)	Amount of concealed income surrendered. (Rs. in crores)
1987-88	145.02	147.49
1988-89	152.07	249.35
1989-90	24.22	24.21

(b) and (c). Information is being collected and will be laid on the Table of the House.

(d) The recovery of arrears of taxes including arrears involved in litigation is ongoing process and administrative, legal and other steps continue to be taken from time to time. These steps include moving the various Courts and appellate authorities from avation of stays and early decisions and engaging eminent lawyers to defend Government interests effectively in important Cases.

**Conversion of Quilon-Madras Railways Line**

2617. SHRI K. KUNJAMBU: Will the Minister of RAILWAYS be pleased to state:

(a) whether there is any proposal to convert the Quilon-Madras line via Shenkottai into a broad gauge line in phases; and

(b) if so, the details therefor?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). No, Sir. However, only Dindigul-Madurai-Virudhungan section on Madras-Quilon MG route is being converted into BG as part of Karur-Dindigul-Madurai-Maniyachchi Tuticorin sanctioned BG new line project as under:-

- i. Dindigul-Madurai; Parallel BG line.
- ii. Madurai-Virudhunagar; Straight

conversion.

### **Uniform Sales Tax**

2618. PROF. P.J. KURIEN : Will the Minister of FINANCE be pleased to state:

(a) whether there are requests from some of the State Governments to bring uniformity in sales tax in all over the country;

(b) if so, the names of the States which have made this request; and

(c) the reaction of Government thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c) Some State Governments had brought to the notice of Central Government the rate cuts on certain high value added items and consequent diversion of trade and loss of sales tax revenue. This problem was discussed at various forums with State Governments and a Committee of Sales Tax Commissioners was set up which identified 29 items on which it recommended minimum floor level rates. The report of the Committee was circulated to the States and Union Territories.

2. The issue was also discussed at the Chief Ministers' Conference held in February 1989 wherein it was resolved to end the differentials in rates of sales tax in respect of 29 identified items. The Finance Minister has also written to all Chief Ministers of States and Administrators of Union Territories for taking necessary follow-up action.

3. As levy of sales tax is a State subject of taxation under the Constitution, the Central Government can only persuade the States in the matter and uniformity in sales tax rates can be achieved only with the consent and cooperation of all States and Union Territories.

### **Passenger amenities at Katni Railway Station**

2619. SHRI AJAY MUSHRAN : Will the Minister of RAILWAYS be pleased to state:

(a) the quantum of funds provided for improving the passenger amenities at Katni railway station during 1989-90;

(b) the projects proposed to be undertaken for extension of passenger amenities at Katni railway station; and

(c) the progress of the work in hand?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (c). The works proposed to be undertaken during 1989-90 for improving the passenger amenities at Katni railway station and the funds required thereof are under finalisation.

### **Floatation of Joint Sector Mutual Funds**

2620. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry has decided in principle to allow the floatation of Joint Sector mutual funds as a Prelude to eventual privatisation of mutual funds;

(b) if so, the broad features of this scheme;

(c) whether some measure of security has been provided to an investor's funds and prevent a quick erosion of the fund amount; and

(d) if so, the details thereof and if not, reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI