

Only those Development Officers who operate at uneconomic cost would attract the penal provisions of the new Scheme.

Rules Regulating a Subsidiary Company Borrowing Money from the Parent Company

687. SHRI S. S. DAS: Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) are there any rules regulating a subsidiary company borrowing money from the Parent Company where no sales are taking place from the Parent Company to the subsidiary; and

(b) if these loans are interest free is the subsidiary evading tax by not paying the interest on the loan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIQUARULLAH): (a) There are no such rules in the Income-tax Act, 1961.

(b) No, Sir.

आयात नीति को और उदार बनाना

688. श्री एस० एस० सोमानी : क्या वाणिज्य तथा नागरिक पूति और सहकारिता मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि भारत सरकार ने हाल ही में नई नीति के अधीन जारी किये गये लाईसेंस के अन्तर्गत अधिक आयात की अनुमति देने के विचार से आयात नीति को और उदार बनाने का निर्णय किया है ; और

(ख) यदि हां, तो तत्सम्बन्धी व्यौरा क्या है ?

वाणिज्य, नागरिक पूति तथा सहकारिता मंत्रालय में राज्य मंत्री (श्री आरिफ बेग) : (क) तथा (ख) आयात नीति में परिवर्तन राष्ट्रीय हितों को पूरा करने के लिए किये जाते हैं तथा इन की घोषणा सार्वजनिक नोटिसों द्वारा की जाती है जो समय समय पर राजपत्र में प्रकाशित किये जाते हैं।

Under Cutting in Air India Cargo Market

689. SHRI K. LAKKAPPA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government have seen the report appeared in *Times of India* dated 31st January, 1979 under caption "Under Cutting in Air India Cargo Market";

(b) what are the reaction of this Ministry; and any standard charge proposed in IATA to stop under cutting process in Air India; and

(c) action proposed?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI PURUSHOTTAM KAUSHIK): (a) to (c). The information is being collected and will be laid on the Table of the Sabha.

Agreement regarding Customs with Pakistan

690. SHRI K. T. KOSALRAM:

SHRI M. RAM GOPAL REDDY:

Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) the salient features of the customs agreement arrived at recently following the visit of the Pakistani delegation to India; and

(b) what is the extent of smuggling at present across the borders of the two countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): (a) The delegation of Customs officials from Pakistan, which visited India in January, 1979, held discussions with Indian Customs officials on matters of mutual interest. The two delegations identified the areas of mutual cooperation in tackling smuggling across the border between the two countries, and agreed to consolidate the progress