

Profits of Foreign Companies

1878. **Shri Tangamani:** Will the Minister of Finance be pleased to refer to the decision of the Supreme Court as reported in 1953 Income Tax Reports Vol. XXIII on page 101 and state:

(a) whether the Government propose to assess the profits accrued abroad in the case of foreign companies; and

(b) if so, the action taken thereon?

The Minister of Finance (Shri T. T. Krishnamachari): (a) and (b). Foreign companies fall into two categories (i) resident in India and (ii) non-resident in India. Under the Indian Income-tax Act, resident companies are liable to tax on profits accruing in India as well as profits accruing outside India. Non-resident companies are assessable only on the profits which arise or are deemed to accrue in India and not profits which accrue outside India. This position is recognised by the judgment quoted by the Hon'ble Member. Therefore, the question of taxing the foreign profits of non-resident companies does not arise.

Displaced Persons in Andamans

1379. **Sardar A. S. Saigal:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that displaced persons who have gone to Andamans after 1953 have not been supplied with ploughing animals and cleared lands;

(b) if so, the reasons therefor;

(c) whether it is a fact that the lands allotted in middle and North Andamans to displaced persons are full of big stumps;

(d) if so, what has happened to the provision of Rs. 50 lakhs for uprooting of stumps;

(e) whether it is a fact that many displaced persons have not been given the full quota of land as yet; and

(f) if so, how many displaced persons; are there with less than the fixed quota of land?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) and (b). All the 1465 families, who have settled in Andamans after 1953, have been given cleared land; but ploughing animals have so far been supplied only to 572 families due to bottleneck of transport.

(c) No, but there are stumps of big trees scattered in all the land so far cleared for colonisation in North and Middle Andamans.

(d) The provision of Rs. 50 lakhs has been made for clearing of jungle and uprooting of stumps, but there is no separate provision for uprooting of stumps exclusively.

(e) and (f). In colonisation area, all settlers have been given full quota of cleared land, but the promised quota of 5 acres of hilly land per family for horticulture purposes could not be allotted so far to any one of them. Clearance and allotment of hilly land will start after the paddy land has been brought fully under cultivation.

Sale of Salt in Andamans

1380. **Sardar A. S. Saigal:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that salt was sold at Dighpur, North Andamans at Rs. 18/- per seer in June last; and

(b) if so, the reasons therefor?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) No, Sir. Salt was being sold at 31 Naya Paisa per 2 lbs.

(b) Does not arise.

Transport Arrangements in Andamans

1381. **Sardar A. S. Saigal:** Will the Minister of Home Affairs be pleased to state how many trunk and feeder roads have been laid in the middle