

(c) whether Government departments are still deducting income-tax from such employees in respect of the amount received by them as encashment of leave because they have not received any instructions from Government in this regard;

(d) whether Government have examined the matter and issued or propose to issue any instructions in this regard;

(e) if so, the details of the instructions issued;

(f) if not, the reasons therefor; and

(g) when a decision is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): (a) Yes, Sir.

(b) The Income-tax Appellate Tribunal has held that the amount received as encashment of leave due during the service period is not taxable after retirement from service as it cannot be categorised as 'income'.

(c) to (e). Yes, Sir. Circular No. 298 dated 15th April, 1981 issued by the Ministry to all State Governments and endorsed to all employers requires deduction of tax at source on the amount received on account of encashment of leave due to an employee on retirement as it is includible as salary. The Government have examined the position in the light of the Income-tax Appellate Tribunal's decision and issued a public circular dated 31st August, 1981 stating that the Income-tax Department has not accepted the Tribunal's decision and is in reference before the Madras High Court. The stand of the Department is that the amount received on

encashment of leave salary due to an employee either in service or at the time of his retirement is taxable as part of salary income.

(f) to (g). In view of replies to parts (c), (d) and (e), parts (f) & (g) do not arise.

Import of rubber

1008. **SHRI GHULAM MOHAMMAD KHAN:** Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to import rubber during the current financial year;

(b) the estimated quantity of rubber production during 1981-82 and the likely consumption in the country;

(c) the quantity of rubber imported in 1980;

(d) whether Government had sought consultation with the local interests before deciding upon the import of rubber; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KHURSHEED ALAM KHAN): (a) Government's decision to import natural rubber is based on a continual assessment of the likely gap between production and consumption, which may have to be bridged through imports.

(b) The revised estimates of production and consumption of natural rubber during 1981-82 are 1,50,000 tonnes and 1,86,000 tonnes respectively.

(c) A quantity of 1000 tonnes of natural rubber was imported by STC during the calendar year 1980.

(d) and (e). The recommendations of the Rubber Board, on which the growers and rubber goods manufacturers are also represented, and those of the Ministry of Industry are taken into account while deciding on the quantity of rubber that may have to be imported each year.

(d) what steps Government propose to take to safeguard the interest of the jute growers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KHURSHEED ALAM KHAN): (a) Yes, Sir.

News-item captioned "growers selling Jute at low price"

1009. SHRI NARAYAN CHOUBEY:
SHRI R. P. DAS:

(b) The statutory minimum price for W5 in Assam has been fixed at Rs. 175/-per quintal. All the purchases by the Jute Corporation of India have been made at the Statutory minimum prices. A statement on ruling market prices of jute in selected markets is given in attached statement.

Will the Minister of COMMERCE be pleased to state:

(c) JCI has purchased a total quantity of 12.11 lakh bales during 1981-82 season upto 14-11-81. As reported by Chairman, Indian Jute Mills Association, jute mills have purchased 21.56 lakh bales in this season upto 7-11-81. but how much of it is 'ready' purchase and how much, 'forward' is difficult to say.

(a) whether the attention of Government has been drawn to the report appearing in the 'Statesman', Calcutta edition, dated 27th October, 1981 stating "Growers selling jute at low price";

(d) JCI is progressively increasing the volume of its procurement, Government have also accepted the liability to subsidise losses incurred by JCI on price support operations for raw jute in the interest of growers. The State Governments have also been alerted to exercise vigilance in the enforcement of statutory minimum price of raw jute through official machinery.

(b) if so, what is the price fixed by Government and what is the average price for which jute as sold by the growers;

(c) what amount of jute has been bought upto date by the JCI; what is the amount of jute bought by the mills in this period; and

Statement

Statement showing grade-wise market rates of raw jute at certain selected markets ruling on 14-11-1981:

State/Centre	Grades			
	W-4 TD-4	W-5 TD-5	W-6 TD-6	W-7 TD-7
North Bengal				
Dinbata				
White				
Statutory Minima	197.00	182.00	172.00	162.00