

(a) whether Government have come across any reports of suppression and manipulations of tax returns during the last three years by cinema stars and film producers ;

(b) if so, how many cases have been investigated and the amount of tax and penalty recovered giving details thereof ;

(c) the particulars of cinema stars who have committed evasion of tax to the extent of rupees one lakh and more ; and

(d) whether any criminal action has been initiated against any of them, if so, details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. M. KRISHNA) : (a) to (c) There is evidence of tax evasion among persons connected with the film industry. During the period 1-4-1980 to 31-3-83, Income-tax Department conducted 231 searches in the cases of persons connected with film industry. The extent of tax evasion and the amount of tax, penalty etc. leviable in these cases will be known only after assessments have become final.

(d) During the period of 3 years i. e. 1-4-1980 to 31-3-1983 prosecutions have been launched in the case of following persons connected with film industry for evading income-tax :

- (i) M/s, Bombay Picture Circuits.
- (ii) M/s, Prakash Mehta Combines.
- (iii) Miss Rekha Ganeshan.
- (iv) Shri Rajesh Khanna.

Replenishment of IDA Quota Opposed by India

2268. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have informed the World Bank that it would not give up its "pre-emptive" right to hold its quota of 3.09 per cent shareholding under the Bank's charter ;

(b) if so, whether Government opposed the proposed arrangement for the replenishment of IDA and a selective capital increase which will drop India's shareholding by 19 percentage points from 3.09 to 2.90 ; and

(c) if so, the outcome thereof ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : (a) to (c) The World Bank management had circulated a proposal for a Selective Increase in Capital of IBRD, by and large, in line with the Eighth General Review of Quotas. This proposal would have resulted in decline in the voting power of developing countries from 42 per cent to 40 per cent and in India's voting power by 19 points. Government of India are in touch with the World Bank management and other member countries with a view to safeguard the voting strength of developing countries and in particular our voting strength to the extent possible.

Government have not opposed the proposed arrangement for the Seventh IDA Replenishment.

Alleged Violation of NRI Scheme by Caparo Group of Companies

2269. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the total investments under Non-Resident Indian scheme made in Escorts and DCM on behalf of the Caparo group of companies upto August 1983 are Rs. 16.22 crore ;

(b) if so, whether out of these investments, the foreign exchange remittances had been only of Rs. 12 crore and Rs. 4.22 crore of Indian money was invested under the repatriable NRI scheme ;

(c) if so, whether this is a violation of the Foreign Exchange Regulation Act ; and

(d) if so, the action taken in this regard ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : (a) to (d) M/s Escorts Ltd. have filed a writ petition before

the court seeking to challenge the vires of Reserve Bank's circular on NRI schemes. One of the issues before the court relates to purchase of shares by the Caparo Group of Companies and the legality of purchase. Since the matter is sub judice it is not feasible to comment on these aspects at this stage.

Reintroduction of Gold Jewellery Export Replenishment Scheme

2270. PROF. MADHU DANDA-VATE : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have decided to reintroduce the Gold Jewellery Export Replenishment Scheme which was introduced in 1978 and subsequently suspended in 1980 ;

(b) if so, the considerations that led to the review of Government's policy ; and

(c) when the gold order is expected to be revised ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANJAN LASKAR) : (a) Yes, Sir.

(b) On a review of the working of the present scheme Government came to the conclusion that the present procedure, specially for importing gold used in manufacture of jewellery, needed to be liberalised and that, in the circumstances, the scheme which operated in August, 1978 to January, 1980 could meet the requirements of the trade.

(c) Modalities of the gold jewellery export replenishment scheme have yet to be finalised.

Improvement of Calcutta Airport

2271. SHRI CHITTA BASU : Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether it is a fact that Calcutta Airport requires multi-faceted improvement for its survival ; and

(b) if so, what specific programmes have been taken up and implemented during the last ten years ?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KHURSHEED ALAM KHAN) : (a) The survival of Calcutta Airport is not in jeopardy in any manner.

(b) However, to meet the operational requirements, the following major programmes were implemented during the last ten years :-

- (i) Apron area has been enlarged to cater for 20 aircraft parking stands
- (ii) A new parking plan segregating the national and international flights in relation to terminal facilities has been implemented to facilitate handling of passenger cargo and mail.
- (iii) A new integrated cargo complex has been set up to promote import and export of cargo.
- (iv) Car park area has been enlarged to accommodate an additional number of 200 cars.
- (v) Approach road to the terminal building has been widened.
- (vi) The extension of the airside of the International Arrival Hall has been completed to increase the peak-hour passenger handling capacity.
- (vii) Four Crash Fire Tenders and two Water Tenders have been provided.
- (viii) A new fire station has been commissioned in September, 1982.