

amalgamated company, is being defeated by the above provision;

(d) If so, the facts thereof ; and

(e) whether Government propose to issue suitable clarifications to simplify the procedure and to encourage take-over of sick units by sound companies ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.M. KRISHNA) : (a) and (b) Section 141A of the Income-tax Act, 1961 lays down that in making a provisional assesment, due effect will be given only to those brought forward business losses depreciation which have already been computed by way of regular assessments in earlier years. These provisions cover cases arising under section 72A of the Income-tax Act, 1961 as well.

(c) and (d) No, Sir. The objectives of section 72A are not defeated by Section 141A of the Income-tax Act, 1961. The inputs for the revival of the amalgamating company include investment by the amalgamated company, internal generation of cash from the amalgamating company, loans from financial institutions, as well as tax benefits under section 72A. Since the requirements of section 72A(2) are to be satisfied before the tax benefits can be availed of, it is open to the amalgamated company to take prompt measures for revival of the sick unit and apply to the specified Authority for a certificate under section 72(A)2 (ii). The Specified Authority deals with such applications with the utmost expedition and despatch.

(e) The information is being collected.

Bilateral Trade Relations with Kabul

3708. SHRIMATI JAYANTI PATNAIK:
Will the Minister of COMMERCE be pleased to state :

(a) whether his Ministry had sent trade delegation to Kabul to explore the possibilities of bilateral trade between the two countries ;

(b) if so, the details of the outcome of India's trade delegation's visit to Kabul; and

(c) the steps taken to establish bilateral trade relations between both these countries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANJAN LASKAR) : (a) An Indian delegation visited Kabul from 17-20 February, 1984, for trade review talks.

(b) and (c) It was agreed to make necessary efforts to expand and diversify bilateral trade in the context of the declining trend of Indian exports to Afghanistan. The following decisions, *Inter-alia*, were arrived at :

(i) It was decided to establish direct correspondent relationship between the banks in the two countries and to open Afghan convertible currency amounts in overseas branches of Indian Banks, so as to facilitate trade. Implementation has already taken place.

(ii) The Afghan sides requested credits financing imports from India. EXIM Bank has offered a line of credit which has been conveyed to the Afghan Government.

(iii) Both sides agreed to make efforts for increasing Indian exports, especially items like cigarettes, buses, trucks, pharmaceuticals, pumps, diesel generators, agricultural machinery and light engineering goods.