

nicians have been allowed exemption from income-tax and,

(b) if so on what grounds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K R GANESH) (a) No Sir

The exemption from income-tax to foreign technicians is allowed under section 10(6) (vii)/(viii) of the Income-tax Act 1961. A Press Note copy laid on the Table of the House was released on 31st December 1972 explaining some of the features of this tax exemption as modified by the Taxation Laws (Amendment) Act 1970 and the changes made in the form of application for obtaining Government's approval of the contracts of service of foreign technicians for this purpose [*Placed in Library See No LT-4247/73*]

(b) Does not arise

Loan Sanctioned by a Nationalised Bank to Maruti and Co Ltd, Haryana

661 **SHRI JYOTIRMOY BOSU**
Will the Minister of FINANCE be pleased to state

(a) whether Maruti and Co Ltd, Haryana, has recently been sanctioned loans amounting to several millions of rupees by a nationalised bank,

(b) if so when the application was received and when the loan was sanctioned

(c) the total amount of loan sanctioned, and

(d) the other sources from which the Company has secured finance and the amount secured from each source?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) (a) to (c) In accordance with the law and practice and usage customary among bankers it is not possible for a bank to divulge information regarding its dealings with its individual constituents

(d) in so far as the all-India long term public financial institutions are concerned, none of them has so far sanctioned any financial assistance, to M/s Maruti Limited, Gurgaon

As per the audited balance sheet of the company as on 31st March, 1972 the company had availed secured loans to the extent of Rs 11.73 lakhs unsecured loans without interest to the extent of Rs 4 lakhs besides dues to a director of Rs 0.30 lakhs

Loss suffered by MMTC due to Iron-Ore Export to Japan during the last Three Years

662 **SHRI JYOTIRMOY BOSU**
Will the Minister of COMMERCE be pleased to state

(a) the value and quantity of iron ore export to Japan during the last three years year-wise

(b) the total loss suffered by the MMTC on this account during the last three years year-wise and the factors responsible for such loss,

(c) whether Japan has refused to compensate the MMTC for the loss in its export earnings as a result of dollar devaluation and

(d) if so, what action if any is proposed to be taken in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A C GEORGE) (a) and (b) Export of iron ore to Japan by MMTC during 1969-70 1970-71 and 1971-72 was of the order of 76.51 lakh tonnes valued at Rs 51.49 crores 85.98 lakh tonnes valued at Rs 56.51 crores and 76.97 lakh tonnes valued at Rs 50.62 crores, respectively. The total loss suffered by MMTC on this account during 1969-70 1970-71 and 1971-72 was Rs 3.76 lakhs, Rs 60.49 lakhs and Rs 81.45 lakhs respectively. Increase in procurement cost due to rise in cost of production, royalty, railway freight and port charges without any

corresponding increase in sales realisation due to stiff international competition has been responsible for these losses.

(c) and (b) It is not in public interest to disclose this information at this stage.

Evasion of Income Tax by Doctors, Advocates and others

663. SHRI K. SURYANARAYANA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that there is large scale evasion of income-tax by doctors, advocates and consultants in various spheres such as Income-tax Engineering, etc.;

(b) whether no correct records of their earnings are kept; and

(c) if so, the effective measures which Government propose to take to tap income-tax from these categories of flourishing assesses and check tax evasion?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) and (b). The Government are aware of the position.

(c) Instructions have recently been issued to the field officers on the method of checking tax evasion in such cases. Also, survey operations are being undertaken on a priority basis to locate such persons hitherto not assessed to tax.

Arrears of Income-Tax due from the Film Distributors and Cinema Owners of Delhi

664. SHRI K. SURYANARAYANA: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 938 on the 17th November, 1972 and state:

(a) the further measures taken to recover the arrears outstanding against the cinema-owners and film distributors in Delhi;

(b) the amount outstanding against each of them as on 31st December, 1972; and

(c) the difficulties which lie in the way of Government in recovering the long-outstanding arrears as 'land revenue'?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) Various measures such as issue of Show cause notices under section 221, imposition of penalty, issue of recovery certificates, etc. have been taken to recover the outstanding tax as a result of which tax has been fully recovered/adjusted in the case of 66 out of 89 cinema owners and film distributors in Delhi listed in the annexure to the reply to Lok Sabha Unstarred Question No. 938 for 17th November, 1972.

(b) the amount outstanding as on 31st December, 1972 against each of the remaining 23 assesses along with measures taken to recover the arrears outstanding are given in the statement laid on the Table of the House. [Placed in Library. See No. LT-4248/73].

(c) In the Union Territory of Delhi income-tax recovery work has been taken over by the Central Government which recovers income-tax by taking the various measures mentioned in the Second Schedule of the Income-tax Act, 1961. This Schedule does not mention recovery of income-tax as land revenue as one of the modes of recovery.

Textile Export Commitments by Big Industrialists

666. KUMARI KAMLA KUMARI: Will the Minister of COMMERCE be pleased to state:

(a) whether many textile industries of Tatas, Birlas and Mafatlal Group have failed to fulfil their export commitments; and

(b) if so, the action taken by Government against those Companies?