

Import of newsprint from foreign countries

5317. SHRI R. V. SWAMINATHAN: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have finalised some deals in November, 1974 for import of newsprint from foreign countries;

(b) whether any agreements have been signed with Soviet Union, Bangladesh and Canada; and

(c) if so, the main features of the agreements? *

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):

(a) The State Trading Corporation has finalised a contract in November, 1974 with a Canadian firm for import of approximately 12000 M.T. of newsprint for supply during the period January to August, 1975.

(b) and (c). The State Trading Corporation had earlier finalised contracts with suppliers in Canada, USSR and Bangladesh for the supply of 1,12,669 M/Ts., 95,000 M/Ts. and 17,000 M/Ts. respectively of newsprint for shipments during the period from July, 1973 to May, 1975.

Pending cases of Income Tax defaulters

5318. SHRI RAMCHANDRAN KADANNAPALLI: Will the Minister of FINANCE be pleased to state:

(a) the total number of cases pending against Income-tax defaulters all over the country at the end of November, 1974;

(b) the number of cases in which the amount involved is Rs. 25,000 and below; Rs. 25,000 to one lakh; Rs. one lakh to five lakhs and above Rs. five lakhs; and

(c) a brief outline of the steps taken by Government for the speedy disposal of these cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) The latest information regarding Income-tax (including Corporation-tax) cases is available only as on 31st March, 1974. As on that date the total number of cases in which demand (including demand not fallen due or not otherwise enforceable) was standing in the registers of the Department, was 21,48,096.

(b) The information regarding the number of Income-tax and Corporation-tax cases involving demand of Rs. 25,000 and below and between Rs. 25,000 and one lakh is not separately available. The information to the extent available is as under:

Amount of Income-tax (including Corporation-tax)	No. of cases
Upto Rs. 1 lakh in each case	21,41,533
Over Rs. 1 lakh and upto Rs. 5 lakhs in each case	4,934
Over Rs. 5 Lakhs in each case.	1,629
	21,48,096

(c) All appropriate steps provided in law, including the following, are taken depending on the circumstances of each case, for speedy disposal of such cases:—

(1) Levy of penalty u/s 221 of the Income-tax Act, 1961 for non-payment of tax.

(2) Attachment of money to the assessee u/s 226(3).

(3) Attachment of money in courts u/s 226(4).

(4) Distraint and sale of movable property u/s 226(5).

(5) Issue of Recovery Certificate u/s 222.

(6) Attachment/sale of movable/immovable property.

(7) Detention of assessee in Civil Prison.

Apart from the above, the following administrative steps have also been taken for the same purpose:

(1) Commissioners of Income-tax are required to ensure early disposal of appeals pending with Appellate Assistant Commissioners in cases of disputed demand and to contact Members of Income-tax Appellate Tribunals and Chief Justices of the High Courts for early disposal of appeals/references in which large amounts of revenue are involved.

(2) Cases involving arrears between Rs. 1 to 10 lakhs are being watched by Commissioners of Income-tax.

(3) The Central Board of Direct Taxes reviews cases involving demand of more than Rs. 10 lakhs in each case and issues guidelines to the field officers for effective action.

Raising of Capital by Companies

5319. SHRI P. VENKATASUBAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that a large number of private and **Government companies** are raising their capital by inviting fixed deposit loans from the public through notices in the Press;

(b) the rules under which these companies are permitted to accept fixed deposit loans from the public and whether a copy thereof will be laid on the Table of the House; and

(c) whether Government are contemplating to make certain changes

and thereby imposing restrictions on the companies for accepting fixed deposit loans from the general public, and if so, the broad outlines thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) While fixed deposits/loans from the public have been a traditional source of funds in the case of certain companies for a long time, Government have noticed that, of late, there is an increasing resort to this source by companies for meeting their requirements of funds.

(b) Under the powers vested in it by Chapter IIIB of the Reserve Bank of India Act, 1934, the Reserve Bank of India has issued the following sets of directions for regulating the deposit-acceptance activities of non-banking companies:—

(i) Non-Banking Financial Companies (Reserve Bank) Directions, 1966;

(ii) Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1966; and

(iii) Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 1973.

These directions and amendments made thereto by the Reserve Bank from time to time have been published in the Gazette of India. The Reserve Bank has informed that copies of the aforesaid three sets of directions, and of the brochure issued by it in March, 1974 which explains the principal features of the directions, have been sent by it to the Parliament Secretariat for being kept in the Parliament Library.

(c) The Banking Commission had made certain recommendations for a restructuring of the existing scheme of control over the deposit-acceptance activities of non-banking companies. On considering these recommendations Government have, *inter alia*, decided