

**Arrears of Taxes**

3413. SHRI VASANT SATHE: Will the Minister of FINANCE be pleased to state:

(a) whether attention of Government has been drawn to the news report appearing in an English daily dated 14th February, 1975 under the caption "Tax arrears mount to record high";

(b) if so, what is the reaction of Government to the observations made therein; and

(c) steps taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a). Yes, Sir. The Government's attention has been drawn to the news report appearing in The Economic Times dated 14th February, 1975.

(b). As Table I of the news report itself shows, the arrears of tax demands under all direct taxes which stood at Rs. 916.5 crores at the end of 1969-70 came down to Rs. 834.4 crores at the end of 1972-73, registering a decline of Rs. 82.1 crores in the arrears.

Some of the observations in the report are based on inaccurate and/or incomplete data. For example, column 1 of Table II titled "Assessed Income" purports to give ranges of income assessed while, actually, the ranges relate to arrears of tax. Again, in Table HI, while the figures under column 2 titled "Tax payable" give the total amount of income-tax and corporation-tax, the figures under column 3 titled "Tax collected" are confined to collection of income-tax and exclude collection of corporation-tax. Obviously, therefore, columns 2 and 3 of Table III are not comparable.

(c). Such steps provided in the various Direct Taxes Acts as are appropriate to the circumstances of each case have been/are being taken.

**Export-Import Bank**

3414. SHRI VASANT SATHE: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering a proposal for setting up an Export-Import Bank with a view to getting past the present cumbersome procedure in export promotion, particularly for project exports; and

(b) if so, the progress made in the matter so far?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): (a). The question whether there is a need for an Export-Import Bank for the country and, if so, what should be its functions, is under the consideration of a Committee appointed by the Government.

(b) The report of the Committee is expected shortly.

**Avasion of Excise Duty by Tobacco Traders**

3414. SHRI VASANT SATHE: Will the Minister of FINANCE be pleased to state:

(a) whether All India Tobacco Federation has brought to the notice of Government large scale evasion of excise duty by tobacco traders;

(b) whether the Commissions appointed by Government supported the trade's stand and suggested methods to plug the loopholes;

(c) if so, the salient features thereof; and

(d) the action taken by Government to check the excise duty evasion effectively?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). During the course of discussions held by the Tobacco Ex-