

the decision to give Dearness Allowance and scales of pay to their employees on the scale of the Central Government employees and the number of State Governments who have not yet done so ?

**THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) :** The information is being collected from the State Governments and will be laid on the Table of the House as soon as it becomes available

#### WESTERN KOSI CANAL PROJECT

1558. **SHRI BHOGENDRA JHA :** Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether Government have decided to advance as loan the full amount of more than Rs. 20 crores to the Government of Bihar for the speedy execution and completion of the Western Kosi Canal Project;

(b) if so, the details thereof; and

(c) if not, the reasons thereof ?

**THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) :** (a) to (c). It has already been agreed that cent per cent central assistance by way of loans will be afforded to the State Government for this Project within the State Plan Ceiling.

#### WATCHES SEIZED NEAR DAMAN BORDER

1559. **SHRI MAYAVAN :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that watches worth Rs. 6 lakhs have been seized by the Customs at Kapi near Daman border on the 25th October, 1967 ;

(b) if so, how these watches have been disposed of ;

(c) the total amount fetched after disposing them of ; and

(d) the procedure followed to dispose of these seized goods ?

**THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) :** (a) On 25th October, 1967 the Customs officers posted at Bhilad Checkpost near Vapi seized 3600 wrist watches worth about Rs. 6,20,000 from a truck.

(b) and (c). As the case is still under investigation the question of disposal of the watches does not arise at this stage.

(d) After confiscation watches are disposed of by retail sale through departmental shops for direct sale to users through registered co-operative societies and defence canteens.

#### RECOVERY OF INCOME-TAX

1560. **SHRI VIRENDRAKUMAR SHAH :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that though there has been a growth of 6 per cent in the number of assesses during the period from 1963-64 to 1966-67, the cost of collection of Income-tax during the same period has gone up by 58 per cent ;

(b) whether it is also a fact that the number of cases pending with the Income-Tax Department is more than 12 lakhs and the amount involved in such cases is more than Rs. 25 crores ;

(c) whether the percentage of disposals of assessments to the total number of assessments for disposals has progressively declined from 69.6 per cent. in 1959-60 to 54.7 per cent. in 1963-64 ;

(d) whether the arrears of income-tax has steeply increased to well-over Rs. 400 crores as on the 31st March, 1967 ; and

(e) if so, the steps taken by Government to streamline the procedure for early disposal of cases and the recovery of income-tax ?

**THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) :** (a) The number of assesses in 1966-67 (27,01,733) has increased by 79% as compared to number of assesses in 1963-64 (15,59,149). The cost of collection has gone up from 1.26% in 1963-64 to 1.63% in 1966-67 (Rs. 670 lakhs to Rs. 1,032 lakhs).

(b) Yes, Sir.

(c) Yes, Sir. The assessments for disposal had, however, increased from 16,72,001 in 1959-60 to 2,709,107 in 1963-64. The average annual disposal per Income-tax Officer had also increased progressively from 939 in 1959-60 to 1113 in 1963-64.