

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) and (b) Yes, Sir, A project proposal for Infrastructure Development for ECO Tourism and Cultural Exchange, Orissa was posed to the OECF of Japan through the Department of Economic Affairs, Ministry of Finance for assistance under OECF (Overseas Economic Cooperation Fund) 1998-99 loan package. The total investment involved in the project was about Rs. 348 crores. The project had specific schemes for the improvement of tourist facilities and attractions in various locations such as Dhauli, Nandankanan Complex, Udaygiri, Lalitagiri, Ratnagiri, Pathrajpur, Langudi, Kendraparha, Hukitola, Gupti, Bhitarkanika, Chandbali and Aradi.

A fact finding mission from Japan visited India on 10th Feb, 1998 to discuss the project. Later the Department of Economic Affairs communicated to Ministry of Tourism in April, 1998 that the Govt. of Japan have identified Orissa Project as "not suitable to be financed"

Tax to GDP Ratio

1045. SHRI P.R. KYNDIAH : Will the Minister of FINANCE be pleased to state:

(a) whether the 'tax-to-GDP ratio' has come down in India in comparison with higher tax-to-GDP ratio' in many least developed countries;

(b) whether the record of tax compliance of the Indian Industry is not commensurate with the incentives and concessions announced in the current budget; and

(c) if so, the steps taken by the Government to ensure that the industry reciprocates the Government's gestures in terms of tax compliance?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The ratios of current tax revenue to GDP in India and selected low income countries in 1980 and 1996 are indicated below:

Tax/GDP ratio (percent)

Country	1980	1996
1. Burundi	13.2	11.2
2. Cameroon	15.0	9.4
3. India	9.8	10.3
4. Kenya	19.1	20.2
5. Madagascar	12.9	8.4
6. Nepal	6.6	8.8
7. Pakistan	13.3	15.3
8. Sri Lanka	19.1	16.9
9. Zambia	23.1	16.7

(b) and (c) The tax compliance is affected not only by incentives and concessions given to several sectors but

also by a number of factors such as tax structure, tax base and rules and procedures. Over the last few years Government has simplified and rationalised the complex and opaque tax structure in a calibrated way with the objective of moderating rates, reducing number of exemptions, simplifying procedural rules and regulations, achieving better compliance and widening the tax base. The budget for 1998-99 continued the emphasis on simplification, lower rates and greater buoyancy.

Subsidy to State Government

1046. SHRI K. KRISHNAMOORTHY : Will the Minister of FINANCE be pleased to state:

(a) whether any study was made with regard to giving subsidies to State Governments for procurement of food products recently;

(b) if so, the details thereof;

(c) the amount of subsidy has been released to the Government of Tamil Nadu in this regard so far;

(d) whether any suggestions were given by the Ministry of Agriculture and Ministry of Food and Consumer Affairs in this regard;

(e) if so, the details thereof and the action thereon?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) No, Sir.

(b) In view of (a) above question does not arise.

(c) No subsidy has been given to Government of Tamil Nadu in this regard.

(d) and (e) Government of West Bengal has been procuring rice under decentralised scheme from Kharif Marketing season 1997-98. Proposals from Madhya Pradesh, Uttar Pradesh, Rajasthan and Bihar have been received by the Deptt. of Food and Civil Supplies. The responsibility of the Govt. of India is limited to reimbursement of the differential between the economic cost of foodgrains of FCI and the Central Issue Price.

[Translation]

Offices of Tourism Department in Foreign Countries

1047. SHRI PRADEEP KUMAR YADAV : Will the Minister of TOURISM be pleased to state:

(a) the details of the offices of the Department of Tourism functioning in the foreign countries;

(b) the achievements made by these offices during the last three years;

(c) whether their performance has been found satisfactory;

(d) if so, the details thereof;

(e) whether the Government have decided to open some more such offices abroad; and