

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5261
ANSWERED ON:22.12.2000
PRBS SCHEME
NEPAL CHANDRA DAS

Will the Minister of FINANCE be pleased to state:

- (a) whether the Commissioner of Income Tax, Meerut, Uttar Pradesh has initiated action for cancellation of Tax exemption U/S 88 of the Income Tax Act, 1961 upon PRBS scheme in view of complaint of ONGC Employees Association, Calcutta;
- (b) if so, the details thereof;
- (c) whether forcible deduction from monthly salary of employees of ONGC without individual consent can attract benefit U/S 88(2)(vii) of the Income Tax Act, 1961; and
- (d) if so, the reasons for delay in cancellation of Tax exemption by the Commissioner of Income Tax, Meerut?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N.RAMACHANDRAN)

- (a) & (b) Yes Sir, proceedings for cancellation of recognition to PRBS Scheme of ONGC have been initiated on 13-8-1999. The matter is under consideration.
- (c) All contributions to any hitherto recognised funds like the PRBS Scheme are eligible for deduction u/s 88(2)(vii) of the Income-tax Act, 1961.
- (d) The related issues are technical and complicated in nature and are being examined in depth by the Commissioner of Income Tax, Meerut.