

Taxes Stayed Under orders of various Courts

5819. SHRI SHIKIHO SEMA: Will the Minister of FINANCE be pleased to state:

(a) whether the recovery of huge amounts of central taxes such as Customs, Excise, Income and Wealth Tax has been stayed under the orders of various Hon'ble Courts;

(b) if so, the amount of each taxes stayed as on 31 December, 1989:

(c) whether Government have taken

adequate steps to vacate such stay orders or made concerted efforts to settle such cases expeditiously;

(d) whether Government propose to settle such cases out of Court at appropriate forum under time-bound programme; and

(e) if so, the details thereof?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) and (b). The arrears of Central Excise, Customs and Income Tax linked with the Court cases are as under:—

(Rs. in crores)

| <i>Central Excise</i> | <i>Customs</i> | <i>Income-tax including Corporation Tax.</i> |
|-------------------------|-------------------------|--|
| <i>(as on 31.12.89)</i> | <i>(as on 31.12.89)</i> | <i>(as on 30.9.89)</i> |
| 1 | 2 | 3 |
| 305.31 | 943.23 | 129.82 |

(c) Appropriate administrative legal and other steps as considered necessary are being taken. Efforts are being made to get the cases listed for early hearings and stays against the recovery vacated.

(d) and (e). No such proposal is under consideration at present.

Setting up of Subsidiaries by Banks to Provide Factoring Services

5820. SHRI K.S. RAO: Will the Minister of FINANCE be pleased to state:

(a) the particulars of the commercial banks which had approached the Reserve Bank of India with proposals for setting up subsidiaries to provide factoring services;

(b) whether all these proposals have been approved by the Reserve Bank of India; and

(c) if so, the details thereof and the zones where these banks will operate?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) to (c). Reserve Bank of India (RBI) has reported that it has so far received proposals from State Bank of India (SBI), Canara Bank, Bank of India and Allahabad Bank (jointly with United Bank of India and UCO Bank) to set up subsidiaries for undertaking factoring services. "In-principle" approval has been given by the RBI to SBI for Western zone and Canara Bank for Southern zone to facilitate the banks going ahead with preparatory work in this behalf.