

this applicable and impose income-tax on them also? Or, are you only considering the question of TTD?

SHRI A.K.PANJA: It applies to all. Section 80F applies to all, not only to Tirupati. As Tirupati was enjoying the exemption, this question came.

SHRI K.S.RAO: As the hon. Minister said, it is true that, in regard to certain voluntary organisations or charitable trusts, certain individuals are misusing and in some other cases Government themselves are misusing. In any case, we all agree that the faith in God is a great check on the evil thinking of any individual. Lord Balaji was very popular and supposed to be a very powerful deity. And it is the duty of the Government, whether it is the State Government or the Central Government, to see that this faith is not taken away. This is one thing. I am putting the question. There are certain incidents where Acts of the State Government have affected this faith. Similarly, now this Act is also going to do the same thing. I request the Hon. Minister to give a categorical reply that this will not be amended in such a manner that it will not be affected by amending this Act as well as by putting certain restrictions on the State to perform in a way that it should not be affected.

MR. SPEAKER: That is all. Have you

got to say something?

SHRI A.K.PANJA: I have already answered that all these aspects are being examined. I do not want to give any assurance as it is going to come in this session.

Pending Income Tax Cases

*248. SHRI NARAYAN CHOUBEY†:
SHRI INDRAJIT GUPTA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item captioned "Many go scot-free after I-T raids" appearing in the "Hindustan Times" of 18 July, 1988;

(b) if so, whether it is a fact that the disposal of the cases is very slow and the number of pending cases go in increasing year after year; and

(c) if so, the action proposed to be taken for the speedy disposal of the cases?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA) : (a) Yes, Sir.

(b) and (c). A statement is given below.

STATEMENT

9303 prosecutions in respect of tax offences were pending in courts as on 31.3.1986. Details regarding prosecutions launched and decided since then are given below:-

<i>Financial Year</i>	<i>No. of prosecutions</i>		<i>pendency at the end of the financial year</i>
	<i>launched</i>	<i>decided</i>	
1986-87	5258	396	14165
1987-88	7361	433	21093

With a view to securing speedy disposal of prosecution cases launched by the Income-tax Department, the Government took the initiative for persuading the State Governments to set up special courts for trying economic offences or to earmark certain courts exclusively for dealing with such cases. As a result, special courts for trying economic offences have been set up at Hyderabad, Muzaffarpur, Bangalore, Ernakulam, Indore, Cuttack, Jaipur, Madras, Madurai, Allahabad, Kanpur and Delhi. The State Government of Gujarat, Maharashtra and West Bengal have been requested to similarly set-up special courts, or earmark certain courts, for exclusively dealing with economic offences. Continued efforts in this direction will be necessary to achieve speedy disposal of such cases.

SHRI NARAYAN CHOUBEY: You will be surprised to see the column 'Number of prosecutions, launched and decided' in the Statement. Cases are increasing and pending cases are also increasing. Cases pending in 1986-87 was 14165 and in 1987-88 it is 21093. It is a good thing that since the pending cases are increasing, for securing speedy disposal of prosecution cases launched by the Income-tax Department, the Government took the initiative for persuading the State Governments to set up special courts for trying economic offences etc. etc. As a result, special courts have been set up at Hyderabad, Muzaffarpur, Bangalore, Ernakulam, Indore, Cuttack, Jaipur, Madras, Madurai, Allahabad, Kanpur and Delhi. My first question is what do you mean by cases decided? And how many cases have been prosecuted? How many cases you could not prosecute? What is the main factor? You caught hold of 5258 cases and you have decided 396 cases. What is the meaning of the cases you have decided?

Another thing is that when did you move to the State Government for which special

courts have been set up? What is the result of setting up these courts? If you have set up special courts on the advice or on the suggestion of the State Government, even then the pending cases have been increasing. What is the reason for that?

SHRI A.K.PANJA: The meaning of 'decided' is the decision given by the court in a prosecution case. So far as the number of prosecution is concerned, if the Hon. Member reads it carefully he will find that we have given the number of prosecution in the first column and out of those, cases decided by the court is 396 and then comes pendency at the end of the financial year. In 1986-87 we could find out a case for prosecution in 5258 cases. In 1987-88 we would find out good evidence, cogent evidence, for launching prosecution against the offenders in 7361 cases. The courts have decided 433 cases.

So far as setting up of the courts is concerned, the States are being asked since 1980. Some of the States have readily agreed to it and have set up the courts. Andhra Pradesh has set up on 5th June 1980. Like that, I have got the full statement. Unfortunately many cases are there in West Bengal and I hope the Hon. Member will talk to the Hon. Chief Minister of West Bengal to set up these courts immediately. Otherwise cases are pending there for a long time.

[*Translation*]

SHRI NARAYAN CHOUBEY : Sir, that is no answer. He simply read out the note

[*English*]

How many have been convicted as yet?

[*Translation*]

MR. SPEAKER: He has already told. The number is 433.

SHRI NARAYAN CHOUBEY: I do not know what he has told.

[*English*]

SHRI A.K.PANJA: In the question that was not there. If the Hon. Member wants-it is a long statement- I can give the 1987-88 figure. In 1987-88 prosecution launched, which I have already mentioned, 7361, cases decided 433, conviction 53, acquittal, 189, compounded 191. It does not depend on us, it depends on the Court.

SHRI NARAYAN CHOUBEY: The Hon. Minister advised me to advise the State Government of West Bengal to set up a court. I will oblige him. But I will just request him to tell me as to who is to request the Government of Gujarat and Maharashtra in this regard who are not implementing what you have decided in 1980. It is not my agency. Our agency will try to do there. The result shows that the report as it has come in the Press is very correct. Whenever income tax officers raid, whenever some amount is found, it comes in the Press that so much has been found and so much has been done. But ultimately parvatasiy mushika prasowa;

You yourself have said that so many cases have been launched, the number of decisions are much less and the number of convictions are much more less. Naturally going scot free of people who are doing all these illegal activities is a fact.

[*Translation*]

MR. SPEAKER: Put your question Mr. Choubey. You linger on the question. In fact, you are answering the question yourself.

[*English*]

SHRI NARAYAN CHOUBEY: What action do you propose to take in this matter?

The Report is very much correct that many go scot free after IT raids. What do you want to do to see that many do not go scot free in this regard?

SHRI A.K.PANJA: The guilty may escape but the innocent must not suffer. That is the law of the land. It is the court which decides. If we fail to prove it, we cannot interfere with the freedom of a citizen. We cannot dictate the court saying that we have to convict them. We have taken all steps to find out the cogent evidence, oral and documentary, and prosecution is launched. Thereafter if the court decides otherwise, I don't think we can interfere in this respect.

So far as the Hon. Member's duty towards Gujarat and Maharashtra is concerned, I think he is a Member of Indian Parliament and he has an equal duty everywhere in India.

SHRI NARAYAN CHOUBEY: This should have been mentioned earlier.

SHRI SRIBALLAV PANIGRAHI: It is common knowledge that the crusade against such evasion is going on in our country vigorously for some time. Thanks to the Government of India for that. I would like to know whether it is a fact that the proceeding with cases in the competent forum against the tax evaders is getting hampered is being obstructed by frequent issue of stay orders by certain courts. I mean, West Bengal seems to be very famous in this respect. Particularly some Benches of the High Court have the distinction of having issued a large number of stay orders. That is causing obstruction in proceeding with the cases expeditiously. If so, I would like to know whether the Government have analysed the reasons for this situation and what steps the Government are contemplating to overcome this situation in the interest of speedy disposal of such cases and larger recovery of these amounts.

SHRI A.K.PANJA: In our country judiciary is absolutely independent and functioning independently. Therefore, I cannot comment on the stay orders granted by the courts of law. But we are taking steps. We are briefing panel counsels so that they go in time and if any stay is granted they make a proper application for getting it vacated. Now courts are also usually issuing notice to the Government before granting *ad interim* stay.

Recovery of Government Taxes

*249. SHRI HANNAN MOLLAH: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to recover taxes from tax dodgers in the manner in which land revenues are recovered;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA) : (a) to (c). A statement is given below:-

STATEMENT

(a) to (c).

Central Excise and Customs

The Central Excise and Salt Act, 1944 and Customs Act, 1962 already provides for recovery of arrears of duties as arrears of land revenue.

Income Tax

Provisions for recovery of taxes due under the various direct tax Acts are contained in sections 220 to 232 of the Income Tax Act read with its Second and Third

Schedule. these provisions are quite exhaustive and there is no proposal to recover taxes in any other manner.

SHRI HANNAN MOLLAH: Sir, already lot of discussion has taken place on tax evasion. In this Section we have also seen how tax evaders and even those who fail to submit their returns before the last date have been exempted from payment of interest and other fine. In spite of Government's assertion here I would like to say they are not sincere to bring those evaders to book. Can you tell the House out of the total amount of your direct tax what is the amount that you collect from business people, professionals, etc. What is their share in this total tax that you collect? From corporate tax you more or less make the collection and so also from the salaried people. But how much you collect from these businessmen, professionals, etc.

SHRI A.K.PANJA: Unless the hon. Member specifies share of which class and upto what amount, it is very difficult to say. But at the beginning when the hon. Member commented that the Government is not sincere, I contradict that. Government is sincere. If you take the law as it is then the amnesty granted once in a life-time is given in the law passed by this House. There are decisions also. It has been decided by several courts that three points are to be satisfied. These are: No notice has been given to him; that it has been done in good faith and whether he has made arrangement for payment. Those are the points which have to be satisfied. So you please detach yourself from political propaganda and then you will find that the officers have done correctly in deciding and giving the decision.

SHRI HANNAN MOLLAH: The Minister has still not clarified. This largest section of the people, flourishing middlemen, businessmen and film stars they are not paying tax properly. These people are investing their blackmoney. Government is accusing