

Intelligence Cell to deal with Income Tax Evasion and Smuggling

967. SHRI D. K. PAND: Will the Minister of FINANCE be pleased to state:

(a) whether Government have a proposal under consideration to set up a full-fledged intelligence cell to deal with Income-tax evasion and smuggling; and

(b) if so, the salient features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). On the Customs side, the Customs formation already have intelligence units for collection and follow-up of intelligence regarding smuggling. The Directorate of Revenue Intelligence assists the Customs authorities in co-ordination and dissemination of intelligence.

On the Income-tax side, the Intelligence Units which were initially set up at Bombay, Delhi, Madras and Calcutta for tackling cases of substantial tax evasion have been created at the headquarters of other Commissioners of Income-tax. Lately, Special Units have been set up at Ahmedabad, Bombay, Madras, Calcutta and Delhi to deal with the cases of smugglers detained under COFEPOSA Act and their associates etc. The work of these Units is being coordinated by a Cell in the Directorate of Inspection (Investigation) Income-tax.

Impact of Anti-Inflationary Measures on Prices

*968. SHRI D. D. DESAI:
SHRI RAGHUNANDAN LAL BHATIA:

Will the Minister of FINANCE be pleased to state:

(a) whether the annual rate of inflation has steadily decelerated;

(b) if so, whether the index of wholesale prices is maintaining a downward trend from January, 1975;

(c) whether Government are considering to take any further anti-inflationary measures, and

(d) if so, the facts thereof?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) and (b). As a result of a steady decline in the Index of Wholesale Prices, the annual rate of inflation has come down from 31.9 per cent during the week ended September 21, 1974 to 7 per cent by the week ended April 5, 1975. Although the Wholesale Price Index has risen marginally in the following two weeks, the rate of annual inflation has further declined to 5.9 per cent.

(c) and (d) While the strength of inflationary forces has considerably weakened as a result of the measures taken so far, the Government is keeping a close watch on the situation and further action will be taken as and when considered necessary. However, the only lasting solution lies in increased production. In the annual plan 1975-76 outlay in the public sector has accordingly, been stepped up by 23 per cent and larger allocations have been made for the core sectors such as food and energy.

Arrest of Indian Nationals in Bangladesh Border Districts

*970. SHRI JHARKHANDE RAI:
Will the Minister of FINANCE be pleased to state:

(a) whether some of the Indian Nationals were arrested in Bangladesh border districts on charges of possessing large sums of demonetized 100 taka notes; and