

(c) the steps taken to find a permanent customer for Rustom Crude as also to make use of the same in Indian refineries ?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI P. C. SETHI) :

(a) A Japanese trading company has entered into an agreement to buy about 200,000 long tons of Rustom Crude from Hydrocarbons India Private Limited, a fully-owned subsidiary of Oil and Natural Gas Commission.

(b) The crude will be lifted during last quarter of 1971 and first quarter of 1972. The Price is competitive.

(c) It is not advisable to make any long term sale commitment because of

- (i) possible hardening of crude price in international oil market ;
- (ii) election of National Iranian Oil Co. (who are 50% share holders), to lift their share of crude production in a particular year is not known well in advance, thus making it impracticable to assess quantity available to Hydrocarbons India Pvt. Limited for long term sale.
- (iii) Feasibility of refining Rustom crude in public sector Indian refineries is being studied.

Disposal of Income-tax Appeals and Assessment Cases

*287. SHRI HARI KISHORE SINGH ;
SHRI D. B. CHANDRA
GOWDA :

Will the Minister of FINANCE be pleased to state :

(a) the progress made in clearing Income-tax appeals and assessment cases ; and

(b) the administrative measures adopted for expediting disposal of such cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) The number of appeals disposed of by Income-tax Appellate Tribunal and Appellate Assistant Commissioners has gone up from 23,097 and 1,84,217 in 1967-68 to 33,600 and 2,38,231 in 1970-71 respectively.

The number of Income-tax assessments completed has similarly increased from 25,56,554 in 1967-68 to 34,28,924 in 1970-71.

Year-wise detailed statement of disposal of appeals and assessments for the last four financial years is given in the statement laid on the table of the House.

(b) The requisite information is given in the statement laid on the Table of the House.

Statement

(a) PROGRESS MADE IN CLEARING INCOME-TAX APPEALS AND ASSESSMENT CASES :

(i) *Appeals before Income-tax Appellate Tribunal.*

Year	Opening balance of pending appeals.	Institution during the period.	Disposal during the period.	Closing balance.
1967-68	47,558	31,042	23,097	55,503
1968-69	55,503	31,929	24,098	63,334
1969-70	63,334	39,429	28,092	74,671
1970-71	74,671	43,513	33,600	84,584

(ii) Appeals before Appellate Assistant Commissioners.

Year	Opening balance of pending appeals.	Institution during the period.	Disposal during the period.	Closing balance.
1967-68	1,61,092	2,09,336	1,84,217	1,86,211
1968-69	1,86,211	2,16,691	1,94,424	2,08,478
1969-70	2,08,478	2,39,792	2,31,485	2,16,785
1970-71	2,16,785	2,44,796	2,38,231	2,23,350

(iii) Income-tax Assessments.

Year	No. of cases for disposal arrear and current.	No. of cases disposed of.	No. of assessments pending at the end of the year.
1967-68	48,86,204	25,56,554	23,29,650
1968-69	49,99,237	34,14,580	15,84,657
1969-70	48,79,697	35,57,890	13,21,807
1970-71	47,80,992	34,28,924	12,38,823

(b) THE ADMINISTRATIVE MEASURES ADOPTED FOR EXPEDITING DISPOSAL OF SUCH CASES :

The following measures have been adopted in the last few years for expediting disposal of assessment cases :—

- (i) Augmenting the strength of Income-tax Officers by 500.
- (ii) Introduction of Functional System of work in the Income-tax Department under which assessment work is segregated from the other work of the Income-tax Officer for quick and concentrated attention on this work.

(iii) Progressive reduction in the statutory timelimit for completion of Income-tax assessments from four years to two years.

(iv) Increasing the number of Income-tax Officers in Central charges so that the Income-tax assessments in important cases requiring investigation are disposed of expeditiously.

(v) Increasing the number of company circles to quicken the pace of disposal of company assessments.

(vi) Fixation of targets of disposal of assessments by the Commissioners of Income-tax and their review by the Central Board

of Direct Taxes. This is to ensure optimum output from the existing manpower resources at the disposal of the Income-tax Department.

- (vii) To quicken the pace of disposal of assessments still further, the Taxation Laws (Amendment) Act, 1970 has, with effect from 1st April, 1971, radically altered the procedure of assessments. Under this scheme it will be open to the Income-tax Officer, after receipt of the return of income to make a regular assessment in a summary manner in most of the cases by rectifying certain arithmetical inaccuracies and making certain statutory adjustments in the total income returned without requiring the presence of the assessee or the production by him of any evidence in support of the return of income.

Increase in the Business of Life Insurance Corporation

*288. SHRI H. M. PATEL : Will the Minister of FINANCE be pleased to state :

(a) the anticipated increase in the Life Insurance business during the current financial year ;

(b) whether there are proposals to give relief to the policyholders by reducing premium ; and

(c) if so, the nature thereof ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : (a) New life business of Rs. 1750 crores is expected to be completed by the L. I. C. during the current financial year representing an increase of about 34.3% over the business completed during the last financial year.

(b) No, Sir.

(c) Does not arise.

Advertisement by Public Sector Undertakings

*289. SHRI S. C. SAMANTA : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to an article appearing in "*The National Herald*" of October 17, 1971 under the Heading 'Public Sector Advertising' ;

(b) the reasons for which the Bureau of Public Enterprises is not recommending for immediate establishment of a Public Sector Public Relations Consultancy Agency and also for an Advertising Agency in the public sector to serve public sector corporations and companies ; and

(c) whether the Bureau of Public Enterprises has advised the public undertakings to make greater use of Directorate of Advertising and Visual Publicity ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) Yes, Sir.

(b) A suggestion has been made for the setting up of an independent and adequately staffed Public Relations Consultancy Organisation to advise the Public Enterprises on public relations strategy and its implementation. The merits and demerits of such a proposal are now being gone into, in consultation with the Ministries/Departments concerned with Public Enterprises. There is, however, no recommendation for the setting up of a central advertising agency in the public sector to serve public sector corporations and companies.

(c) Advertising normally falls within the purview of day-to-day management of the Public Enterprises. However, strict instructions exist that the Public Enterprises should utilise advertising agencies owned and controlled by Indians in entrusting their publicity work. A panel of advertising agencies approved by the Directorate of Advertising and Visual Publicity has also been forwarded to the Public Enterprises for their use. DAVP also figures in this panel, and some of the Public Enterprises are already utilising the Directorate for their advertising.