

[English]

Export Inspection Agencies

1410. PROF. P.J. KURIEN: Will the Minister of COMMERCE be pleased to state:

(a) whether the staff of Export Inspection Agencies (EIA) is becoming surplus as a result of implementation of In-Process Quality Control System;

(b) whether any expansion and development programme has been drawn up under the Export Inspection Agencies; and

(c) if not, the measures proposed to be taken to utilise the EIA staff profitably and to improve the efficiency of the Agencies?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAM DAS PATEL): (a) to (c). If EIA employees are found surplus to the requirement in the area of compulsory pre-shipment inspection activities, efforts would be made to utilise, as far as possible, the services of such employees for providing technical assistance and consultancy services to trade and industry with a view to create greater quality awareness amongst the manufacturers and exporters and also to enable them to upgrade the quality of Indian products.

Income-Tax Cases

1411. SHRI JANAK RAJ GUPTA: Will the Minister of FINANCE be pleased to state:

(a) the number of cases where details/information have been called for by the income-tax authorities during 1989-90 and 1990-91, region-wise; and

(b) the criteria for fixing up cases for

detailed information by the department; and

(c) the justification thereof and the steps taken by the Government to ensure that wide power given to officers are not misused for harassment?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) Statistics are not being maintained by the Government in this regard. The time and effort in collection of the data would not be commensurate to the result sought to be achieved; and

(b) the criteria, some of which are given in the statement below, have been framed by the Government from time to time. These criteria are only illustrative in nature and are not exhaustive; and

(c) the rationale for the criteria is to ensure that there is objectivity in selection of cases and that there is no misuse of the power with the Assessing Officer or harassment of the assessee. For this, the selection is made by the Assessing Officer after the approval of his supervisory authority.

STATEMENT

Criteria for Selection of Cases

1. Low gross profit/decline in gross profit/turnover.
2. Adverse points in the past history of the case, including existence of material points on which the assessee or the Department is in appeal/reference in earlier years.
3. Specified Outside information e.g.

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| a. | Complaints | possibility of establishing concealment |
| b. | Local enquiries | |
| c. | Surveys u/s 133A or cases having potential for such surveys. | 12. Cases recommended for scrutiny by the Investigation Wing. |

[*Translation*]

4. Existence of qualifications in Auditor's Report including Compulsory Tax Audit Report u/s 44AB.

Production of Opium

1412. SHRI MITRA SEN YADAV: Will the Minister of FINANCE be pleased to state:

5. Industries/Trades making abnormal profits in the accounting year.

(a) whether Government propose to increase the cultivation area of opium, and raise its production in order to earn foreign exchange; and

6. Claims of material inadmissible deductions, or exemptions which cannot be disallowed u/s 143 (1) (a), or exempted income (e.g. abnormal increase in agricultural income).

(b) the total area of opium under cultivation at present in the country and the total production thereof, the percentage of the total production exported and the amount of foreign exchange earned through its exports during the last three years?

7. Large scale investments or increase in assets or increase in loan liabilities (e.g. cash credits, investment in properties etc.)

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) Government do not propose to increase the cultivation area of opium as Indian opium has been facing stiff competition in the international market from alternate raw material, namely, concentrate of poppy straw which has, *inter alia*, resulted in decline in opium exports and accumulation of stocks.

8. Expansion in cases belonging to one group.

9. Low withdrawals for household expenses.

10. Inordinate delay in filing the return.

(b) Total area of opium under cultivation, and the total production thereof, the percentage of the total production exported and the amount of foreign exchange earned through its exports during the last three years are as follows:

11. Arrear assessments where investigation so far conducted indicates