

cal Corporation of India Ltd., a subsidiary of STC.

(b) The quantity of polystyrene required to be imported is estimated between 1000 and 4000 M. Tons. The State Chemicals and Pharmaceutical Corporation has concluded a contract for import of a firm quantity of 1000 M. Tons from South Korean supplier with an option for 3000 M. Tons to be exercised by 31st July, 1978. The value of 1000 M. Tons of firm order in foreign exchange is Rs. 55 lakhs.

**Request to Commissioner of Income Tax, Bombay for supply of information in respect of Shri Kanti Morarji Desai**

1796. SHRI ARJUN SINGH BHADORIA: Will the Minister of FINANCE be pleased to state:

(a) whether Shri R. K. Karanjia, Editor, Blitz, Bombay had made any request to the Commissioner of Income Tax, Bombay, for supply of information under Section 138/IB in case of Shri Kanti Morarji Desai; and

(b) if so, the action taken in the matter?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIKARULLAH):** (a) and (b). Shri R. K. Karanjia, in his letter dated 24th June, 1978 made a request to the Commissioner of Income-tax, Bombay City-I for allowing his representative to inspect the assessment records for the period 1962 to 1973 of Shri Kanti Desai under section 138 (1) (b) of the Income-tax Act, 1961. He was informed that this request could not be acceded to since inspection of records does not fall within the ambit of the said section. In his letter dated 8th July, 1978, he requested for information whether the files in questions are available or not and if available, to allow his representative to inspect the records.

To this a reply was sent by the Commissioner of Income-tax on 19th July, 1978 reiterating that inspection of the I.T. records of an assessee by any other person is not permissible under the Income-tax Act, and that as regards furnishing information under section 138(1)(b) of the I.T. Act, if an application in the prescribed form is made, appropriate action will be taken.

**Indian Businessmen setting up Joint Ventures Abroad**

1797. SHRI G. Y. KRISHNAN: Will the Minister of COMMERCE, CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether Government's attention is drawn to 'Free Press Journal' dated 28th June, 1978 that an industrialist has criticised the Indian Government for its 'not-so helpful' attitude towards Indian businessmen who are setting up joint ventures abroad;

(b) whether it is also a fact that in Ethiopia, one of the Birla's concerns had been nationalised by the Local Government and not a Cent was paid as compensation; and

(c) if so, the reaction of Government thereon?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BEG):** (a) Yes, Sir. Far from adopting 'not-so helpful' attitude towards Indian businessmen who are setting up joint ventures abroad, Government have in fact liberalised further the guidelines governing the setting up of joint ventures abroad.

(b) and (c). Consequent on the announcement made in February, 1975 by the Provisional Military Government of Ethiopia nationalising some privately-owned industrial and commercial companies, the only Indian joint venture in that country viz., Indo-

Ethiopian Textiles was also nationalised. The Provisional Military Government in Ethiopia had also announced its commitment to pay compensation and had set up a Committee to study the question of compensation. This is still in the discussion stage.

#### Talks held with Head of E.E.C.

1798. SHRI M. KALYANASUN.

DARAM:

SHRI OM PRAKASH TYAGI:

Will the Minister of COMMERCE, CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether P.M. had discussions with Mr. Roy Jenkins, Head of the European Economic Commission, in Brussels recently; and

(b) if so, what are the deliberations that took place and with what results?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BEG): (a) Yes, Sir.

(b) Matters of mutual interest including trade relations were discussed. It was agreed that negotiations for the renewal of the Commercial Cooperation Agreement between India and the EEC, (due to expire in March, 1979) should commence soon. It was also decided to set up appropriate centres for India and the EEC in Brussels and New Delhi respectively.

#### U.S. Peace Corps Volunteers

1799. SHRI JYOTIRMOY BOSU:  
Will the Minister of FINANCE be pleased to state:

(a) when the American Peace Corps volunteers were allowed to start functioning in India;

(b) when they ceased their operation;

(c) what was the total strength of the Peace Corps Volunteers in India;

(d) what was the nature of operation of these volunteers;

(e) whether many of these volunteers were directly or indirectly connected with the US C.I.A., and if so, the details thereof;

(f) whether the US Government is now trying to find out whether these volunteers can again start functioning in this country; and

(g) if so, the facts thereof and Government's reaction thereto?

THE MINISTER OF FINANCE (SHRI H. M. PATEL): (a) December, 1961.

(b) 30 September, 1976.

(c) The strength of the American Peace Corps volunteers in India varied from time to time. The programme began with 26 volunteers; their number increased to 1256 in March, 1967 but stood at 7 in September, 1976 just before they ceased functioning in India.

(d) The volunteers provided trained manpower for projects and programmes mutually agreed upon between the Government of India and the Government of the United States of America mainly in the fields of agricultural extension, health and nutrition, small industries and education. An objective of the programme was to promote better understanding between the two countries.

(e) There is no report to connect the American Peace Corps volunteers or their activities with the US C.I.A.

(f) and (g). Government of India was sounded informally on the possibility of reintroducing the American Peace Corps into India. Government is of the view that it is not necessary to revive the programme.