

per cent that for manufactured products shows a rise of 5.9 per cent. However, if the food products group (which includes edible oils and sugar, khandari and gur) is eliminated, the price rise in manufactured goods would be only 4.0 per cent.

It will thus be seen that higher prices of raw materials have not resulted in any undue increase in the prices of finished products, nor should they have exerted any adverse influence on industrial production. Industrial output has been affected to a certain extent by shortage of coal and electricity and bottle necks in rail transport. These are being tackled and, with improvement in these sectors industrial production should do better. In the meantime, Government has been undertaking sizable imports of critical items like iron and steel, cement, soda ash and rubber to relieve shortages.

Guidelines regarding cash in hand by a company

764. SHRI S S DAS: Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) what are the rules and guidelines, under the Income-tax Act or Company Law as to how much "cash in hand" a company can keep; and

(b) what is the system to check that the so called cash in hand, is actually in possession of the company and not used for illegal purposes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIQARULLAH): (a) Under the Income-tax Act or Company Law, there are no rules or guidelines as to how much "cash in hand" a company can keep.

(b) Under the Income-tax Act, 1961, and the Company Law, there is no system to check that the so called cash in hand is actually in the possession of the company at any given point of time. The only exceptions to this under the Income-tax Act are when search and seizure or survey operations are carried on in the case of a company under section 139/139A of the Income-tax Act, 1961 when actual cash balance could be taken and tallied with the position reflected in the books of accounts. In case of any difference in the cash balance as per the books of accounts and the cash balance found on actual tally necessary enquiries and investigations are made to find out how the difference is accounted for. Under Company Law, the only check on cash balance is as per the established auditing practice at the time of audit when cash is physically verified by the auditors.

Assets of Indians and Companies seized by Pakistan

765. SHRI KIRTI BIKRAM DEB BURMAN: Will the Minister of COMMERCE, CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) what percentage of the Indian Nationals/Companies whose assets were seized by Government of Pakistan during Indo-Pak conflict of 1965 as "enemy property" ad hoc grant of 25 per cent of the value of verified claims has so far been paid;

(b) the total amount of such grants paid so far; and

(c) in how many cases the claims have not so far been verified and the reasons for the delay?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE, CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BAIG): (a) So far payments have been made in respect of, approximately, 10% of the claim cases of Indian nationals/companies whose assets in Pakistan were seized by the Government of Pakistan during Indo-Pak conflict, 1965.

(b) The total amount of ex-gratia grants paid so far is Rs. 23 80 crores.

(c) The number of claim cases pending verification are 26475. For computing the verification of claims, location of property, area of the property, the year of construction of the building, nature of forest, bank balances etc. are taken into consideration. Hence the verification of claims is a complicated and time consuming process. However, all out efforts are being made to verify claim cases, expeditiously.

Dagli Committee report on control and subsidies

766. SHRI VASANT SATHE: Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) whether Vadilal Dagli Committee on control and subsidies have submitted its report to the Government;

(b) if so, what are the important findings and recommendations made by the Committee;

(c) details of action/decision by Government on the report; and

(d) the names of the Ministries involved in follow-up action and their reaction to the recommendations made by the committee?