

accumulated in India when they finally leave the country ?

**THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) :** (a) and (b). Foreign nationals can be employed only after obtaining approval of competent authorities. Before granting approval, an examination is made about the essentiality of such engagement with reference to the availability of Indian personnel, needs of the project and financial implications.

No remittance from India can be made without prior approval of the Reserve Bank. Recurring remittance facilities are however granted by the Bank on being satisfied about the need for and the nature of the commitments abroad. Normally these recurring remittance facilities are not to exceed 50% of monthly salary or Rs. 2360 whichever is less.

Separate statistics are not maintained regarding remittances made by such foreigners since these form a part of the total overall remittances made by all foreigners and which also include other items like remittance of savings, capital transfers etc.

(c) Retiring foreign nationals are granted full repatriation facilities in respect of currently repatriable assets such as savings in Bank, gratuity, provident fund, insurance policies and sale proceeds of personal effects. Capital assets, if any, can be repatriated only in instalments, the first instalment being of Rs. 75,000 and the balance in annual instalments not exceeding Rs. 20,000.

**Furnishing of Returns of Income-tax by Indian Employees in Embassies**

8735. **SHRI BABURAO PATEL :** Will the Minister of FINANCE be pleased to state :

(a) the names of foreign missions who is not furnish the names and annual returns of their Indian employees for the purposes of income-tax and the number of years they have done so, Embassy-wise ;

(b) the steps taken by Government to enforce the taxation laws of the State on these foreign Embassies ;

(c) the reasons why Indian employees of the foreign missions cannot be called upon by a public notice to submit their returns directly to the State on pain of being punished under the taxation laws ; and

(d) the steps Government propose to take to prevent the escape of these Indian employees from taxation ?

**THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) :** (a) The following Foreign Missions have not furnished names and particulars of their Indian employees for any year :—

- (1) Afganistan.
- (2) Algeria.
- (3) Chile.
- (4) Cuba.
- (5) Finland.
- (6) Federal Republic of Germany.
- (7) Hungary.
- (8) Ireland.
- (9) Democratic Peoples Republic of Korea.
- (10) Nepal.
- (11) Rumania.
- (12) Vietnam(D).

(b) and (d). Under International Law Foreign Missions enjoy immunity from the application of tax laws of the country. However, efforts are being made through the Ministry of External Affairs to persuade these Foreign Missions to co-operate with the Income-tax Department and to furnish the lists and particulars of their Indian employees and also to deduct tax at source, wherever due, from the salaries paid to the Indian employees.

(c) Section 139(1) of the Income-tax Act, 1961 requires every person whose total income exceeds the maximum amount which is not chargeable to income-tax, to furnish a return of his income to the Income-tax Department and section 271 contains a provision for the levy of penalty for failure to comply with this requirement. These Sections apply to employees of foreign missions as much as to others who are assessable in India. Definite action is possible only where the names and addresses of the employees are known to the

Department. Wherever such information is available, action is being taken.

**Raid on Premises of Film Financiers and Distributors**

8736. SHRI BABURAO PATEL : Will the Minister of FINANCE be pleased to state :

(a) the names of film producers, film financiers, film distributors and other connected with the film industry whose premises were raided for finding out black money transactions during the year ending the 31st December, 1967 with dates of such raids ;

(b) the particulars of money and material seized in each raid ; and

(c) the action taken in each case by Government ?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : (a) M/s Key Productions, Film Producers, raided on 29-6-1967.

M/s United Enterprises, Film Financiers, raided on 30-6-1967.

(b) No money or other valuables have been seized during either of the above raids. Books of accounts and documents indicating payment of 'on money' to film artistes have been seized.

(c) The documents seized have been scrutinised. The assessments of the artistes, to whom black money payments are alleged to have been made by the film producers, have been reopened. The assessments of the film financiers have also been reopened. Those of the film producers are already pending. Investigations in all the cases are in progress, and the assessments will be completed after taking into account the material seized by the Department during the search.

**Installation of Sulphuric Acid Plant at Sindri**

8737. SHRI N. K. SANGHI : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether Government examined similar collaborations proposals from other countries with regard to the capital outlay and terms of collaboration before entering

into a pact with the Techno Export of Bulgaria for the installation of a sulphuric acid plant at Sindri ; and

(b) if so, the reasons for accepting the offer of the Bulgarian firm over others?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND OF SOCIAL WELFARE (SHRI RAGHU RAMAIAH) : (a) Yes, Sir. The Fertilizer Corporation of India Ltd., received another proposal from a Belgian party which was also examined before entering into a pact with the Techno Exports of Bulgaria.

(b) The reasons for accepting the Bulgarian offer are as follows :

- (i) Comparatively lower price *vis-a-vis* the Belgian offer.
- (ii) Supply of technical know-how for the design of complete Sulphuric Acid Plant based on pyrites and use of this know-how in future plants without any payment.
- (iii) Extension of credit on liberal terms.

**Idikki Project**

8738. SHRI R. R. SINGH DEO :

SHRI B. N. SHASTRI :

Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether it is a fact that the Assistant General Manager of the Hindustan Construction Company said that his company would not resume work till Idikki project area is declared 'protected area' and sense of security is created on the project site ; and

(b) the reaction of Government thereto ?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDESHWAR PRASAD) : (a) and (b). The Hindustan Construction Company have been given the contract for the construction of the Cheruthoni and Idikki dams of the Idikki Hydro-Electric Project in Kerala State. It is reported that there was a dispute between the Hindustan Construction Co. and the Idikki Project Construction Workers Union which has been functioning in other areas of the