

**GOVERNMENT OF INDIA
ENVIRONMENT AND FORESTS
LOK SABHA**

UNSTARRED QUESTION NO:127
ANSWERED ON:05.07.2004
AGREEMENT BETWEEN ICFRE AND IDA
Mane Smt. Nivedita;Singh Shri Kirti Vardhan

Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

- (a) whether Indian Council of Forestry Research and Education (ICFRE) has entered into an agreement with International Development Association (IDA);
- (b) if so, the details thereof;
- (c) the details of payments made to IDA by ICFRE according to the agreement till 1998;
- (d) whether on pursuing by ICFRE the Income Tax authorities have agreed to revise the earlier tax assessed by them;
- (e) if so, the details thereof;
- (f) the amount of refund due to ICFRE; and
- (g) the steps taken to refund the dues without any further delay?

Answer

MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI NAMO NARAIN MEENA)

- (a) Yes, sir.
- (b) In order to strengthen the capacity of National and State Forest Institutions to plan and undertake priority research programmes, Indian Council of Forestry and Research Education (ICFRE) entered into an agreement with International Development Association (IDA) in March, 1994 for obtaining loan of US\$47.00 million under Forestry Research Education and Extension Project (FREEP). The main components of the project were civil works, purchase of equipment, material and consultant's services and training.
- (c) No payments were due to IDA by the ICFRE.
- (d) Yes.
- (e) & (f) An appeal was made by ICFRE before the Chief Commissioner, Income Tax, Meerut for relief under Section 264 of Income Tax. Rates of Income Tax were revised from 30% to 15%. Thus, ICFRE became eligible for a refund of Rs. 61,19,338 on account of Income Tax and Rs. 16,78,190 on account of interest in February 2001. ICFRE has succeeded in getting part of the refund as interest paid amounting to Rs. 16,29,494 on 31.3.2003.
- (g) ICFRE has moved the Central Board of Direct Taxes (CBDT) seeking 0% tax liability in view of the double taxation avoidance agreement between Government of India and the Government of USA.