

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4321  
ANSWERED ON:19.05.2006  
RECOVERY OF TAXES FROM OIL REFINERIES  
Saroj Shri Tufani

**Will the Minister of FINANCE be pleased to state:**

- e:
- (a) whether a huge amount of taxes are outstanding against the oil refineries of the country;
  - (b) if so, the break-up of the amount of taxes both direct and indirect outstanding against each oil refinery;
  - (c) whether the Government has waived/decided to waive the said tax arrears;
  - (d) if so, the reasons therefor; and
  - (e) if not, the steps being taken by the Government to recover the tax arrears?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) & (b): As far as direct taxes are concerned, the amount of taxes over Rs.1 crore outstanding against the oil refineries of the country are as under:

The Mangalore Refineries Ltd - Rs.105 cr  
The Bongaigaon Refineries Ltd - Rs.22 cr

So far as indirect taxes are concerned, the information is being collected and will be laid on the Table of the House.

(c) to (e): So far as direct taxes are concerned, there is no provision in law to waive any income-tax, except in the cases of sick industrial companies under the Sick Industrial Companies Act, 1985. As such, question of waiver of income-tax arrears in the case of oil refineries does not arise. All legal measures of recovery including attachment of assets of defaulting companies are regularly taken, except in cases where the demands are disputed and stayed by Courts or the Department, or the company is before BIFR, or it is in liquidation, or there are no assets to enforce recovery.

In so far as indirect taxes are concerned, the information is being collected and will be laid on the Table of the House.