

the time when this decision was taken, it was found that so far as the wholesale price index was concerned, in respect of *anaj*, *moong* and *masoor*, it was going down by 1.0%, 2.6% and 3.3% respectively. If it is goes down and Government does not take steps immediately, then the remunerative prices of the farmers who produce for us, for the consumers, will suffer. So, step was taken and the import is only 4.5% of the total supply requirements in the country. Therefore, it was decided and recommended that there may be an increase between 25 and 30% in the import duty so that the price is balanced and the farmers do get remunerative prices.

(Interruptions)

MR. DEPUTY-SPEAKER : Shrimati Geeta Mukherjee. Are you not asking the question?

SHRIMATI GEETA MUKHERJEE : What I wanted to ask him is, for heaven's sake, do something about *Dal*. We are really getting mad absolutely about *dal*.

AN HON. MEMBER : The farmers are not getting remunerative prices.

SHRI A.K.PANJA : I do not want the hon. Member to get mad. Whatever doubt is there we will try to clear and we will try to see what price could be fixed so that the hon. Member gets *dal*.

[Translation]

SHRI BALKAVI BAIRAGI : Mr. Deputy Speaker, Sir, today Shri Tulsiram has not been able to make his point effectively.

SHRI V. TULSIRAM : I have had my say. But you have not been successful in your attempts. We will help you.

[English]

Tax Arrears Against Top Industrial Houses

*46. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state:

(a) the names of top ten large industrial houses with latest assets of those companies ;

(b) the total arrears of income tax, excise and customs duty which are pending realisation against these industrial houses; and

(c) the steps taken to speed up the realisation of outstanding taxes and duties?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE : (a) to (c). A statement is given below.

STATEMENT

(a) The names of the 10-Top Industrial Houses according to their assets as on 31.3.1988 are as under :

Sl.No.	Name of the Industrial House	Assets (Rs.in crores)
1	2	3
1.	Tatas	4939.88
2.	Birla	4771.38
3.	Reliance	2021.53

<i>1</i>	<i>2</i>	<i>3</i>
4.	J.K Singhanian	1426.67
5.	Thapar	1151.48
6.	Mafatlal	1050.50
7.	Modi	860.16
8.	Larsen & Toubro	830.56
9.	M.A. Chidambaram	807.50
10.	Bajaj	777.79

(b) The total arrears of Income tax, Central Excise and Customs duty pending against ten top Industrial Houses are as under:-

<i>S.No.</i>	<i>Name of the Industrial House</i>	<i>Income tax as on 30.6.88</i>	<i>Customs & Central Excise duty as on 30.6.88</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
1.	Tatas	40.02	49.39
2.	Birla	17.49	12.72
3.	Reliance	32.84	16.16
4.	J.K Singhanian	9.37	17.02
			(out of Rs 17.02 Crores Rs 10.50 crores are Customs duty arrears)
5.	Thapar	2.84	2.57
6.	Mafatlal	5.37	6.73
7.	Modi	48.63	25.34
8.	Larsen & Toubro	0.75	0.79
9.	M.A. Chidambaram	16.32	14.13
10.	Bajaj	0.74	36.82

(c) The recovery of Arrears of taxes in an on-going process and administrative, legal and other steps continue to be taken from time to time. These steps include moving the various Courts and appellate authorities for vacation of stays and early decisions and engaging eminent lawyers to defend Government interest effectively in important cases. There are two corrections of typographical error in the reply, if I may point out. In the statement in sub-division (b), under item No.9, M.A Chidambaram, so far as the Customs & Central Excise duty as on 30.6.88 is concerned, it is 0.14 crores and not 14.13. So far as item No.3 Reliance, is concerned, under the heading Customs & Central Excise duty, it is 0.16 crores and not 16.16 I am sorry for the mistake committed.

[*Translation*]

SHRI RAM BHAGAT PASWAN : Mr. Deputy Speaker, I want to offer my hearty thanks to the Finance Minister who furnished information about the evasion of income tax and excise duty by the big industrial houses. These figures include the figures with regard to Tata, Birla, Reliance, J.K. Singhania, Thapar, Mafatlal, Modi, Larsen and Tuobro, Chidambaram and Bajaj. An amount of billions of rupees of excise duty and income tax is outstanding against them. The Minister has himself stated in the reply that he has taken various steps for the realisation of this amount. I want to know from the Hon. Minister if any cases have been instituted so far against the ten big industrial houses for the recovery of the amount of taxes and if it has been done, the number of case which has been decided in favour of the Government and the number of cases which have been decided in favour of the Industrialists.

The second thing, I will like to know from the hon. Minister is whether he is going to enact a law requiring the industrialists to deposit the amount of excise duty and income-tax before resorting to the court procedure so that the Government dues may be recovered quickly and the development schemes of the country may be implemented? Whether the Government propose to enact such a law?

[*English*]

SHRI. A.K.PANJA : I have given the details of outstandings and I have checked up. So far as the figures given in respect of outstanding arrears of Customs and Central Excise duties are concerned, each one of the ten big houses obtained stay either from the Appellate Tribunals or from the honourable courts of law. Here also we are taking steps accordingly. We are engaging Senior consels on our panel and also applying to the court for vacating their stay. But under the law of the land, we have to obey and according to the Rules and the Procedure, we have to go by the orders of the court.

Similarly, so far as income-tax is concerned, many of the outstanding matters are sub-judice and therefore, we are taking steps to see that quick disposal of cases takes place.

[*Translation*]

SHRI RAM BHAGAT PASWAN : Mr. Speaker, Sir, I wanted a categorical reply from the Minister to the question if any cases have since been instituted against these industrialists and in case, the cases have been filed the number of cases decided in favour of the government and those decided in favour of the industrialists. Hon. Minister has not replied to this question.

The second thing is that shown generosity in giving some concessions in duty to some companies on nylon yarn viz. Rs. 40 per kg. so that small scale industrialists may get some relief but the industrialists have not reduced the prices inspite of these concessions. For example, companies like J. K and Singhania have not reduced their prices inspite of the concession is excise duty and they are still selling it in black. Whether the Government have conducted an inquiry in this regard and have taken or have proposed to be take any action against the companies which have not reduced the prices inspite of relaxations in excise duty and instead have sold their products in black.

[English]

SHRI A.K.PANJA : So, far as the information regarding the companies involved is concerned, as asked for by the hon. Member, there are 60 industrial companies involved under ten Commissioners of Income-tax. In respect of each one, as I said, steps were taken but under the law and also under Income-tax Act, they have got a specific right to prefer appeal. They did prefer appeal. In some cases stay has been obtained and, that is why these are not recovered right now.

So far as the steps taken against these companies are concerned we cannot take because they have obtained a stay from the honourable court which is permissible. Therefore, less preferential treatment is not at present possible because that will be affecting the pending proceedings in the court of law.

SHRI V. SOBHANADREESWARA RAO : A very important information is missing. The Government has computed thousand crores of rupees to be recovered from the Indian Tobacco Company as Central Excise arrears to the Government. It is not mentioned here. It also relates to the income-tax. Many a time, the Government is

saying that the matter is pending in the court. How long will it continue like this ? What concrete steps have been taken by this Government to collect those Excise arrears as well as income-tax computed on the basis of this information? I would like to categorically know from the hon. Minister.

SHRI A.K.PANJA : All steps were taken against the Tobacco Company. In fact, the hon. Member knows that they challenged even at the Show-Cause Notice stage. At the Show-Cause Notice stage, it was challenged in Madras where we engaged our Counsel and we had won. Government got the decision in its favour. They challenged in Calcutta. Day-to-day hearing took place in Calcutta High Court in the Single Bench and then again in the Division Bench. After that, we have got judgement from the Division Bench in our favour. Now the departmental proceedings are going on. The total days of hearing went at little more than 80 days so far. There, they are trying to cite 82 witnesses. Therefore, they are trying to delay as much as possible under the law of the land and we have to proceed according to law. Otherwise, the defaulters will escape. Therefore, we are taking all steps possible. I can assure this House that there has been no lapse on the part of the Department to recover these things.

[Translation]

DR. CHANDRA SHEKHAR TRIPATHI : Mr. Deputy Speaker, it has been admitted just now that action could not be taken against these big industrial houses because the courts have granted them stay on it. When special courts can be set up for the disposal of certain cases whether the Government propose to take action to set up special courts even in the case of evasion of income tax and excise duty worth billions of rupees or to withdraw the facilities being given to such persons by making legal provisions to that effect.

[English]

SHRI A.K.PANJA : Yes Sir, to overcome the delays, the Government have decided to expedite the cases pending before the courts of Customs, Excise and Revenue Appellate Tribunals. It is proposed to expedite the decisions in respect of the Excise and Customs disputes as also by the tribunals. We are trying to fill up those posts quickly and see that these cases; are expedited as quickly as possible. But even then if a constitutional point is involved or a fundamental point is involved, the courts are open to anyone under the law of the land. We cannot ask them not to go to a court of law. We are keeping our counsels alert. Whenever a stay is granted, we are asking the courts to serve notice on them. If they go to a court and obtain stay, that is a legal procedure which they are entitled to take. We cannot resist that. But, if they lose there, then the question of blacklisting does not arise. Then the system of less preferential treatment is there. We are taking such steps.

SHRI SURESH KURUP : There are already cases pending against some of the large industrial houses regarding customs and excise duty evasion. Regarding Reliance, the figure which has been given is only Rs 16 lakhs. But, already there were reports that cases are pending against them for import of machinery for there Patalganga factory in which they have completely evaded the customs duty. Do the figures include those arrears pending in such cases also? I would like to know the details with specific reference to Reliance.

SHRI A.K.PANJA : Hon. Members must have noticed that I have given the figures as on 30th June 1988. As soon as we get notice, we get only seven days' time. All over the country, there are businessmen. The question was regarding the assets of the 10 big industrial houses and also their outstanding. So, we could get this information up to 30th June, 1988.

So, far as Patalganga factory is concerned, I am not aware of. If the hon. Mem-

ber wants, I can find out the answer and give it to him.

SHRI MURLI DEORA : Sir, the hon. Minister has given the figures of the 10 large industrial houses about their arrears. He has also given the difficulties which are being faced by the Department. I would like to ask the Government whether the Government is contemplating to bring a special legislation which will streamline the legal proceedings and secondly, what are the total arrears in respect of excise, customs as well as income-tax up to 30th June 1988, all over the country.

SHRI A.K.PANJA: I am sorry that figure is not available with me. But I will supply the figures. As far as the special legislation is concerned, discussion took place, it appeared the action now being taken under the law is sufficient enough.

Some cases are pending in the courts. What I have done is that, it is for the information of the Hon. Members, I took a meeting of all the officers. First of all, we have taken up the cases which are pending in the Supreme Court. We have made a total list. We have found that by disposal of one case, 160 cases could be disposed of. We have made a total note of it so far as Supreme Court is concerned and handed over to our Counsel so that he could mention before the Hon. Chief Justice and get it heard.

So, far as Bombay, Calcutta, Madras and Delhi are concerned, the list is being prepared and after the list is prepared, we will ask our Council to mention it before the Hon. Chief Justices. (*Interruptions*)

SHRI MURLI DEORA : Do you have competent lawyers?

SHRI A.K.PANJA : Yes, we have got good and competent lawyers. If any competent lawyer is in the mind of the Hon. Member, please do supply to me, I will certainly take note of it.