

# LOK SABHA DEBATES

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**LOK SABHA SECRETARIAT  
NEW DELHI.**

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11705

11706

## LOK SABHA

Wednesday, 4th September 1957

*The Lok Sabha met at Eleven of the Clock.*

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### All India Council for Secondary Education

\*1442. **Shri D. C. Sharma:** Will the Minister of Education and Scientific Research be pleased to lay the statement on the Table showing the action taken by Government on the recommendations made by the All India Council for Secondary Education at its meeting held in Simla on the 14th and 15th June, 1957?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** The minutes have been approved only recently and are receiving the attention of the Government of India.

**Shri D. C. Sharma:** What are the main items of those minutes which have taken about three months to be approved?

**Dr. K. L. Shrimall:** The minutes had to be approved through circulation. The main items with which the Government of India are concerned are: that the extension services which were set up at the training colleges for a period of three years should be further continued. That was one of the recommendations. Then, certain changes were made in the bye-laws of the

Council and it was also suggested that an examination unit should be set up in the Council. These, I think, are the three main recommendations.

**Shri D. C. Sharma:** What will be the functions of the examination unit and what specific problems of secondary school education will it deal with?

**Dr. K. L. Shrimall:** The hon. Member is aware that the Ministry has been suggesting from time to time various reforms in the examination system, and it has been felt that it would be an advantage to have one unit in the Council which might advise and guide the reforms in the examination system.

**Shri D. C. Sharma:** I wanted to know what were the reforms. The hon. Minister is giving me a general lecture on it. I want to know the specific reforms which this examination unit is going to deal with.

**Shri K. L. Shrimall:** I would refer the hon. Member to the recommendations in the Secondary Education Commission's report and the University Education Commission's report with regard to the reforms in the examination system.

**Shri D. C. Sharma:** This is simply an evasion of the question that I have put. I want to know what specific problems were discussed at this conference, and he refers me to these reports. I have studied these reports, but I want to know what specific problems have been studied by this conference.

**Mr. Speaker:** Is the report available?

**Dr. K. L. Shrimall:** The hon. Member first asked me what were the main items which were discussed in the Council and I mentioned the main items. I do not know what further the hon. Member wants to know. I thought he wanted to know what the functions of the examination unit would be, and I explained to him what their functions would be.

**Shri D. C. Sharma:** I want to know the specific points the examination unit will deal with. Those reports were published several years ago.

**Dr. K. L. Shrimall:** I am afraid the hon. Member has not listened to my answer. I said that the examination unit would try to advise and guide the reforms in the examination system. The Ministry of Education has been suggesting to the State Governments and the school boards the bringing about of certain reforms in examinations. It was felt by the Council that it would be an advantage to set up an examination unit in the Council itself which would co-ordinate the reforms in the examination system. I do not know what further information I can give to the hon. Member.

**Shri D. C. Sharma:** What are those special reforms that the hon. Minister is talking about?

**Mr. Speaker:** A detailed examination of the proceedings of the meeting is not called for in the House. Shall we go into details as to why the matter was not discussed. I am really sorry. What is the difficulty, when a meeting is held, to place a statement of the proceedings of the meeting before the House?

**Dr. Ram Subhag Singh:** That is the point in question.

**Mr. Speaker:** I would impress on hon. Members, and the Ministers in particular that it is a public matter with which they are dealing. Unless there is something exceptionally secret, as soon as a meeting is over, the proceedings shall be published, may be published, for the information of the House.

**Dr. K. L. Shrimall:** I will place the proceedings of the Council on the Table of the House.

**Shri D. C. Sharma:** I asked the hon. Minister to lay a statement on the Table of the House. That is my question.

**Dr. Ram Subhag Singh:** It is mentioned in the question that a statement may be laid on the Table of the House.

**Mr. Speaker:** Unless there is anything particularly secret, some crucial matters which ought not to be disclosed, as in the case of External Affairs or Defence, it may be placed on the Table of the House.

**Dr. K. L. Shrimall:** There is nothing secret. I will place it.

**Mr. Speaker:** That will be the best thing to avoid all further supplementaries on this matter.

बिस्वी की राजभाषा

†

१४४३. { श्री राधा रमण :  
श्री म० ला० द्विवेदी :

क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि दिल्ली प्रदेश हिन्दी साहित्य सम्मेलन ने गत जून में दिल्ली प्रशासन की भाषा के बारे में एक जापन प्रस्तुत किया था ।

(ख) क्या सरकार ने उस पर विचार किया है ; और

(ग) यदि हा, तो इस सम्बन्ध में क्या निर्णय किया गया है ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री बातार) : (क) जो हां ।

(ख) तथा (ग). जापन पर विचार किया जा रहा है ।

श्री राधा रमण : क्या मैं यह जान सकता हूँ कि दिल्ली सरकार ने कुछ समय पहले एक कमेटी बिठायी थी इसी सिलसिले में कि दिल्ली

एडमिनिस्ट्रेशन की क्या जवान होनी चाहिये, उस कमेटी ने अपना काम पूरा कर लिया है या नहीं और उसकी रिपोर्ट क्या सरकार के पास आयी है ?

श्री बातार जी हा रिपोर्ट आयी है ।

श्री राधा रमण क्या मैं जान सकता हूँ कि उस रिपोर्ट का सारांश क्या है ?

श्री बातार अभी तो वह रिपोर्ट मेरे पास नहीं है ।

**Shri Shree Narayan Das:** What were the specific subjects in this memorandum?

**Shri Datar:** The specific subject was with regard to the need, according to them, of making Hindi the official language in the Delhi administration

श्री राधा रमण क्या मैं यह जान सकता हूँ कि इस रिपोर्ट के शायद करने में और इसका सारांश बताने में इतनी जो देरी लग रही है उसका क्या कारण है और कब तक यह उम्मीद की जा सकती है कि उस रिपोर्ट का फैसला हम लोगों के सामने रखा जा सकेगा ?

श्री बातार उस रिपोर्ट के सम्बन्ध में कुछ और विषय भी हैं जिन पर विचार करना जरूरी है ।

श्री भक्त दर्शन . क्या इस सम्बन्ध में निर्णय करते समय इस बात का पता लगाने की कोशिश की जायेगी कि दिल्ली राज्य में किस भाषा के पढ़ने वाले छात्र कितने हैं यानि हिन्दी के पढ़ने वाले छात्र कितने हैं और उर्दू के कितने हैं ?

श्री बातार उस पर भी विचार होगा

**Shri T. K. Chaudhuri:** Is it a fact that for more than a century Urdu has been the local language of Delhi, and is there any proposal to oust that language from Delhi?

**Shri Datar:** Urdu has also been in use in Delhi That also will have to be taken into account. That was the

reason why I stated that there were certain connected questions.

**Dr. Ram Subhag Singh:** The question was whether for more than a century English was the official language and whether that must continue...

**Shri T. K. Chaudhuri:** That was not at all my question.

**Mr. Speaker:** I have followed the question Hon Members want to elicit answers from the Ministers But they are making themselves Ministers. Why should they answer? Hon. Members must allow the Minister to answer. They should also hear patiently the question that is asked.

**Shri Datar:** It is true that Urdu was a language of the administration for some time I do not know whether it was so for 100 years as the hon. Member suggests Therefore, the question of Urdu has also to be considered. That was the reason why I stated that in considering this question of the representation, we have to take other connected questions into account as well

संस्कृत शिक्षा आयोग

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१४४४ { श्री भक्त दर्शन  
श्री दी० च० शर्मा  
श्री राम कृष्ण  
श्री नवदेव स्नातक

क्या शिक्षा और वैज्ञानिक गवेषणा मंत्री २६ मई, १९५७ के तारांकित प्रश्न संख्या ५८८ के उत्तर के सम्बन्ध में यह प्रश्न की कृपा करेंगे कि

(क) क्या संस्कृत शिक्षा आयोग ने अपना कार्य समाप्त कर दिया है ,

(ख) यदि हा, तो क्या उसके प्रतिवेदन की एक प्रति सभा-पटल पर रखी जायेगी और

(ग) अगर नहीं, तो आयोग को अपना प्रतिवेदन प्रस्तुत करने में कितना समय और लगेगा ?

शिक्षा और वैज्ञानिक ज़रूरतों मंत्रालय में राज्य-मंत्री (डा० का० ला० श्रीमाली) :

(क) जी नहीं ।

(ख) प्रश्न नहीं उठता ।

(ग) भाषा की जाती है कि आयोग अपनी रिपोर्ट अक्टूबर 1957 तक पेश कर देगा ।

An Hon. Member: In English also.

Mr. Speaker: Yes.

Dr. K. L. Shrivastava: (a) No, Sir.

(b) Does not arise.

(c) The Commission is expected to submit its report by October, 1957.

श्री भक्त बर्मा : पिछली बार इस प्रश्न का उत्तर देते हुए माननीय मंत्री जी ने बताया था कि यह आयोग अगस्त तक अपना कार्य समाप्त कर लेगा । मैं जानना चाहता हूँ कि फिर इसमें इतनी देरी होने का क्या कारण है?

डा० का० ला० श्रीमाली : वह सत्य है कि कमिशन का यह विचार था कि वह अगस्त तक अपनी रिपोर्ट दे सकेंगे, लेकिन बाद में उन्होंने लिखा कि उन के पास इतना ज्यादा काम है, उन को इतने लोगों की गवाहियाँ लेनी पड़ी हैं, उन के पास इतना मसाला है कि वह अगस्त तक अपनी रिपोर्ट नहीं दे सकेंगे । उन्होंने दरखास्त की कि अवधि अक्टूबर तक बढ़ा दी जाये ।

श्री भक्त बर्मा : क्या इस आयोग ने विभिन्न भागों का दौरा करने का कार्यक्रम पूरा कर लिया है और क्या अब वह एक जगह पर बैठ कर रिपोर्ट तैयार कर रहा है ?

डा० का० ला० श्रीमाली : जी हाँ, दौरा करीब करीब समाप्त हो गया है ।

राजनैतिक पीड़ित

\*१४४५. श्री बिभूति मिश्र : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार दिल्ली के राजनैतिक पीड़ितों को सहायता देने के लिये एक योजना बना रही है ;

(ख) यदि हाँ, तो उस योजना का स्वरूप क्या है ; और

(ग) वह कब तक लागू कर दी जायेगी ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री बातार) : (क) दिल्ली राज्य सहायकार समिति ने हाल ही में इस विषय पर विचार करके कुछ सुझाव दिए हैं :

(ख) राजनैतिक पीड़ितों को छोटे उद्योग बंधे या फिर से कारोबार शुरू करने के लिए कर्ज के रूप सहायता, रोजगार दिलाने की उचित सुविधाएँ और उनके आश्रितों को छात्र-वृत्तियाँ दिए जाने का प्रस्ताव है ।

(ग) दिल्ली प्रशासन से कहा गया है कि जितनी जल्दी सम्भव हो सके वह विस्तृत विवरण तैयार करके इन प्रस्तावों को भ्रमल में लाए ।

An Hon. Member: In English also.

Mr. Speaker: Yes.

Shri Datar: (a) The Delhi State Advisory Committee has considered this matter recently and made certain suggestions.

(b) It is proposed to grant relief in the form of loans for rehabilitation in business or small scale industry, reasonable facilities for employment, and educational stipends for the dependents of political sufferers.

(c) Delhi Administration have been asked to work out the details and give effect to these proposals as early as possible.

श्री बिभूति मिश्र : क्या सरकार और स्टेट्स के राजनैतिक पीड़ितों को भी इसी तरह की सहायता देने की बात सोच रही है ?

श्री बातार : सरकार इन सब प्रश्नों पर विचार कर रही है और दिल्ली प्रशासन को जल्दी से सूचना देने के लिए कहा गया है ।



**Shri Geray:** What is the definition of political sufferers?

**Shri Datar:** Political sufferer is one who took part in the movement for the freedom of the country.

**Dr. Ram Subhag Singh:** The hon. Minister has said that Government are considering all aspects of the matter relating to political sufferers. May I know whether they are contemplating to give relief to the dependents of such sufferers who will die in the meantime?

**Mr. Speaker:** And who have already died?

**Shri Datar:** Government are considering to what extent it is possible under the law to grant relief to the dependents of the sufferers. So far as political sufferers themselves are concerned, the matter is easy. But there are certain constitutional questions which have to be considered.

**Shri Goray:** Does this definition include those people who had taken part in the struggle in Goa?

**Shri Raghunath Singh:** Sure.

**Shri Datar:** That is a different question, but that case also will be considered.

**Shri Tangamani:** May I know whether this scheme for political sufferers, which is being adopted in Delhi, is being communicated to the State Governments also for adoption?

**Shri Datar:** So far as the other States are concerned, it is entirely for them to take such action as they consider proper. Delhi is a Territory and, therefore, we are directly seized of this question.

**Shri Ranga:** May I know whether Government are taking into consideration the inadvisability of granting any such relief or assistance to those people who have already got good enough property or who are placed in good enough jobs?

**Shri Datar:** The hon. Member's suggestion is perfectly right. Now we are giving grants to those political

sufferers who are in indigent circumstances.

**Shri B. K. Galkwad:** May I know whether the persons who have suffered in the movement for the removal of untouchability will be included in the category of political sufferers?

**Shri Datar:** That is not a movement for the attainment of freedom.

**Shri Radha Raman:** Is it a fact that various States in India have taken good care of their political sufferers, whereas in Delhi there is no such scheme so far? If so, will the Central Government look into it and bring it in line with the position obtaining in the adjoining States?

**Shri Datar:** There are some States that have made provision for grant of land or some assistance to political sufferers. So far as the Delhi Administration is concerned, Government are considering to what extent they should be helped. That was the reason why I pointed out that loans and other facilities were being given to them.

**Shri R. Ramanathan Chettiar:** May I know whether there is a proposal before the Central Government to have a uniform policy in order to extend it to other States?

**Shri Datar:** It may not be necessary for us to have a uniform policy.

श्री बिभूति मिश्र : जो राजनीतिक पीड़ित अपने शरीर से कुछ करने लायक नहीं हैं, क्या सरकार उन को पेन्शन देने की बात सोच रही है ?

श्री दातार : पेन्शन देने की बात बहुत मुश्किल है ।

Publication of 'Who is Who' in Indian Literature

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\*1447. { Shri Wodeyar:  
Shri Vasudevan Nair:  
Shri Kunhan:  
Shri E. Narayanasamy:

Will the Minister of Education and Scientific Research be pleased to state the progress made so far regarding

the compilation and publication of 'Who is Who' in Indian literature?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** A statement is laid on the Table of the Lok Sabha. [See Appendix IV, annexure No. 38.]

**Shri Wedeyar:** What is the procedure adopted by the Sahitya Akademi to compile literature about writers—will a few selected authors be approached or the writers themselves will have to write to the Sahitya Akademi?

**Dr. K. L. Shrimall:** The procedure that is adopted by the Sahitya Akademi is to contact all Indian writers in Indian languages as well as English. They are requested to fill in the printed forms. These are checked by the Advisory Boards in various languages, and they make final selection.

**Shri R. Narayanasamy:** I want to know whether they have advertised in newspapers sufficiently in getting to know about intellectuals and writers who are unknown in some places.

**Dr. K. L. Shrimall:** I do not have that information, whether this was advertised. But I expect the Sahitya Akademi has taken adequate steps to see that all the writers are informed.

**Shri Ranga:** Will Government at least issue a Press Note instead of depending on the Sahitya Akademi taking some steps that they wish to?

**Dr. K. L. Shrimall:** The Sahitya Akademi is an autonomous body and I would communicate that suggestion to the Sahitya Akademi.

**Shri R. Narayanasamy:** I want to know how they are collecting the sketches of the scholars and learned persons living in the remote places.

**Dr. K. L. Shrimall:** The Sahitya Akademi contacts these writers in various languages, whether they are remote or near. I think it is their function to do it.

**Shri Tangamani:** May I know whether the Sahitya Akademi receives

these forms from the individuals or through various recognised organisations, because I find 3,400 forms have been received?

**Dr. K. L. Shrimall:** From the individuals.

**श्री मन्मथ बर्तन :** यह जो "कौन है कौन" नामक पुस्तक तैयार की जा रही है, इसमें जो साहित्यकार लोग इस समय जीवित हैं या जो १२ मार्च, १९५४ को जीवित थे उनका परिचय दिया जा रहा है। मैं जानना चाहता हूँ कि यह जो खास तिथि १२ मार्च, १९५४ की निर्धारित की गई है, यह किस आधार पर निश्चित की गई है?

**डा० का० ला० श्रीमाली :** यह तो साफ जाहिर है कि १९५४ के बाद यह पता लगाना बड़ा मुश्किल था कि प्राया वे जीवित हैं या नहीं। इसलिए १९५४ तक जो जीवित थे या जो जीवित हैं उनकी नामावलि बनाई गई है। कोई तारीख तो निश्चित करनी ही थी और सब से अधिक सुविधा इसी में थी कि १९५४ तक के जो नाम हैं वे ही इसमें लिए जायें।

**Shri R. Narayanasamy:** Who is the Editor-in-Chief of this 'Who is Who'?

**Dr. K. L. Shrimall:** The Sahitya Akademi itself edits it.

**Mr. Speaker:** The hon. Member wants to know who is the Editor-in-Chief.

**Dr. K. L. Shrimall:** Formerly, there was a proposal that it should be edited by Shri R. R. Telkikar of Bombay; but, later on the Sahitya Akademi decided that they would edit it in consultation with their Advisory Board.

#### Administrative Tribunals

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\*1448. { **Shri Shivananjappa:**  
**Dr. Ram Subhag Singh:**

Will the Minister of Law be pleased to state:

(a) whether it is a fact that Government have under consideration a

proposal to set up administrative tribunals in different States as Central Government agencies to decide revenue disputes and matters relating to conditions of service and discipline of Government employees;

(b) if so, when these tribunals will be set up; and

(c) their main features?

**The Minister of Law (Shri A. K. Sen):** (a) Yes, Sir.

(b) and (c). Since the matter is only under consideration and the recommendations of the Law Commission are awaited in the matter no final decision has been reached. It is not possible for me to say when these tribunals will be set up or what will be their main features.

**Shri Shivananjappa:** May I know whether Government proposes to introduce a Bill in this House incorporating these views?

**Shri A. K. Sen:** Once the Government reaches final conclusions in the matter, Government will undoubtedly undertake necessary legislation.

**Mr. Speaker:** Dr. Ram Subhag Singh.

**Dr. Ram Subhag Singh:** Because the recommendations of the Law Commission are awaited, I do not think it necessary to put any further question.

**Shri Ayyakannu:** In case they set up a Tribunal will the hon. Minister instruct the body to keep in view the representation of Scheduled Castes in the services?

**Shri A. K. Sen:** As I have already stated, the entire matter is under the consideration of Government. Once final decisions are reached in the matter, the question of personnel will certainly be taken into account.

#### Factories in Rourkela Project Area

\*1449. **Shri Sanganna:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that the Government of Orissa have proposed

to open factories in the Rourkela Steel Project area;

(b) if so, what are these factories; and

(c) whether the Government of India have approved the proposal?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) Yes, Sir.

(b) At present, the State Government have started a temporary Saw Mill at Rourkela.

(c) The Saw Mill was started with the approval of Hindustan Steel Private Limited, Rourkela.

**Shri Sanganna:** Will the Government of India be giving any assistance to the Government of Orissa for this?

**Sardar Swaran Singh:** I do not think they asked for any financial assistance for a saw mill because they were utilising local timber and they do not require much of an investment either.

**Shri Panigrahi:** What are the proposals that the Government of Orissa have submitted to the Government of India with regard to other factories in the Rourkela area?

**Sardar Swaran Singh:** One of the proposals which have been put forward by the Orissa Government is to have an Industrial Estate established there where they could afford facilities to intending industrialists who might be wishing to start some small scale industry in that locality.

**Shri Supakar:** The answer to part (a) is not complete. The hon. Minister does not say what other facilities are going to be given. He says, 'Yes'. May I know what factories the Government of India themselves are proposing to open at this place?

**Sardar Swaran Singh:** The Government of India have no proposal to start any other industry at the moment outside the perimeter of the Steel Works proper; inside the Steel Works there are a number of ancillary industries also.

**Shri Supakar:** May I know what are they?

**Sardar Swaran Singh:** Inside the perimeter we have got the Gases Utilisation Scheme, the Coke-oven and we have got a number of others. If a separate question is tabled, I will give the hon. Member a complete list.

**Shri C. D. Pande:** May I know if the manufacture of fertilizers is also included in that list?

**Sardar Swaran Singh:** Yes, Sir; that is also being considered.

**Shri Sanganna:** May I know what is the estimated cost of this proposal?

**Sardar Swaran Singh:** I really do not follow which proposal the hon. Member has in his mind.

**Shri Sanganna:** I want to know the estimated cost of the saw mill proposed to be set up.

**Sardar Swaran Singh:** I have already stated that it is being set up by the Orissa Government and I have not got the estimated cost of that.

### Foreign Exchange

\*1450. **Qazi Matin:** Will the Minister of Finance be pleased to state:

(a) what proportion of the total foreign exchange expenditure incurred during 1956-57 was attributed to foreign travelling for business purposes; and

(b) whether business travels to foreign countries will remain, as in the past, free from embargo in the interest of maintaining or expanding existing sources of earning foreign exchange?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) The information as available from the statistics maintained by the Reserve Bank of India is as follows:—

	(Rupees in crores)	
	Total foreign exchange expenditure (both visible & invisible)	Foreign exchange for business travel only
1956	1089.3	0.395
1957 (Jan-April)	427.7	0.280

(b) Yes, Sir.

**Shri P. R. Patel:** May I know the achievement of these business travels?

**Mr. Speaker:** The hon. Member wants to know the achievements of these travels.

**Shri B. R. Bhagat:** It is mainly to develop their business and establish contacts and get more investments or collaboration.

**Shri P. R. Patel:** Has the Government got any record of their achievements or were the business travels merely for pleasure?

**Mr. Speaker:** The hon. Member perhaps wants to know whether care is being taken to see that these business travels are not used for pleasure trips and how far has the country benefited by spending this foreign exchange. That is the purport of the question.

**Shri B. R. Bhagat:** Up till a few months ago when the restrictions were placed, there was a basic quota of £750 and everybody who went outside was allowed £750, whether tourist or businessman. But when the restrictions were imposed we took care to see that only travel for business purposes are permitted and all pleasure trips and tourist travels are not permitted.

**Shri R. Ramanathan Chettiar:** May I know how much of this foreign exchange relates to the dollar area?

**Shri B. R. Bhagat:** I am sorry I do not have the break-up for the dollar area.

**Shri Kamalnayan Bajaj rose—**

**Mr. Speaker:** I see the hon. Member sitting at one place one day and another place another day. Hon. Members will please stick to their seats. I associate the places with faces.

**Shri Kamalnayan Bajaj:** The hon. Member from the other side put a question. I think it might be helpful if the question is put in this way. How much of foreign exchange has been curtailed because of the expansion of

the private sector in the last 5 years and especially in the year 1956?

**Shri B. R. Bhagat:** That is a question of evaluation. The hon. Member may put a separate question.

#### Mazdoor Wages in Andamans

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\*1451. { **Dr. Ram Subhag Singh:**  
**Shrimati Renu Chakravartty:**

Will the Minister of Home Affairs be pleased to state:

(a) whether Government have sanctioned an increase in the basic monthly wages of mazdoors in Andamans from Rupees 17 to Rupees 30 from the 23rd February, 1957; and

(b) if so, whether order to this effect has been communicated to the Andaman Island Authorities?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) and (b). Yes, Sir.

**Dr. Ram Subhag Singh:** The order was perhaps passed on 23rd February, 1957. May I know when this was communicated to the Chief Commissioner of Andamans?

**Shrimati Alva:** Immediately after the 23rd February.

**Dr. Ram Subhag Singh:** May I know whether this order has been given effect to and all the mazdoors are getting the increased wages?

**Shrimati Alva:** Yes, Sir; this has been given effect to.

**Shrimati Renu Chakravartty:** May I know if the labour legislations which apply to India, for instance, the Minimum Wages Act etc., are implemented there, and what is the machinery through which they are implemented?

**Shrimati Alva:** That legislation does not apply there.

**Shrimati Renu Chakravartty:** Since Andamans and Nicobars are part of India, and if in the legislation itself nothing has been stated that these two

areas are excluded, may I know why it does not apply to those areas?

**Shrimati Alva:** In view of the peculiar conditions we have a particular notification which applies in that area.

**Shrimati Renu Chakravartty:** Why is it, Sir, that there is a separate notification?

**Mr. Speaker:** It is a matter for law. I am not able to decide now.

**Sardar A. S. Saigal:** May I know whether any increased payment has since been made in the Forest Department up to July, 1957?

**Shrimati Alva:** Increased payments are given according to the classifications of labour.

#### Vegetable Curds

\*1452. **Shri S. C. Samanta:** Will the Minister of Education and Scientific Research be pleased to state:

(a) whether it is a fact that the Council of Scientific and Industrial Research has recently purchased a small plant from Messrs Cashewnut Plantation Ltd., Trichur, for the production of vegetable curds;

(b) if so, the exact purpose for which the machine has been purchased; and

(c) whether any experiment has been carried out with the machine for the production of vegetable curds?

**The Deputy Minister of Education and Scientific Research (Shri M. M. Das):** (a) Yes, Sir.

(b) For demonstration purposes.

(c) Yes, Sir.

**Shri S. C. Samanta:** May I know what was the price of the plant when it was imported into India?

**Shri M. M. Das:** The price of the plant is Rs. 6,000, and the plant was manufactured in the Indian Cashewnut Plantation Company. Some parts were imported to India from foreign countries and some parts were designed and fabricated by our research laboratory on food in Mysore.

**Shri S. C. Samanta:** May I know how the quality of the curd prepared by this plant compares with the natural curd from milk?

**Shri M. M. Das:** It is very difficult to answer that question, but because this curd was first prepared in our research laboratory on food we think that the nutritive elements of this curd are fair.

**Shri S. C. Samanta:** May I know how much can be produced daily and how the production will be utilised.

**Shri M. M. Das:** The information with regard to the first part of the question, what is the maximum production, is not at my disposal at present. The plant is now being erected in the premises of the Ramakrishna Mission Vidyalaya, Perianaicken Palayam, and the production will be taken by the students of that Vidyalaya.

**Shri Radhelal Vyas:** What is the selling price of this curd?

**Shri M. M. Das:** This much I can say, that the cost of this vegetable curd is less than the cost of curd prepared from natural milk, but it is more than the cost of curd prepared from imported skimmed milk powder.

**Shri Goray:** Can this curd be taken with the artificial rice that we are producing?

**Mr. Speaker:** I am afraid the hon. Minister will have to prepare dahi-bath.

Some hon. Members rose—

**Mr. Speaker:** If it is so sweet let us taste and then ask questions. After all it only costs Rs. 6,000; any hon. Member can afford to purchase.

#### Survey for Mica and Manganese

\*1453. **Shri B. S. Murthy:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether any survey has been undertaken recently for mica and manganese deposits in the country; and

(b) if so, the agency under which it is being done and the results thereof?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** (a) and (b). The Geological Survey of India has been carrying on investigation into the occurrences of Manganese and Mica in various parts of the country.

As a result of the detailed survey of the manganese belt in Madhya Pradesh and Bombay, the reserves in the region of Nagpur-Bhandara and Balaghat have been estimated at 100 million tons.

**Shri B. S. Murthy:** May I know the quality of the material obtained?

**Shri K. D. Malaviya:** I could not follow the question, Sir.

**Mr. Speaker:** He wants to know the quality of the mica that has been recovered from that particular area.

**Shri K. D. Malaviya:** The quality of the mica is just the average. There is no special quality of mica discovered in this area, but there are various types which have been surveyed and discovered blocks, condensed form and all that. There is nothing special which I can say with regard to this question.

**Shri P. R. Patel:** May I know whether any survey has been done in Gujarat; if so, at what places?

**Shri K. D. Malaviya:** As I said the Geological Survey of India has an annual programme which is spread throughout the country. In Gujarat also there is a programme of survey. If the hon. Member tables a separate question I will answer that.

Some hon. Members rose—

**Mr. Speaker:** Am I to allow a question on survey with respect to each State? If there is any general question I will allow that to be put.

**Shri T. K. Chaudhuri:** The hon. Minister just said that the estimated deposit of manganese in the area surveyed is about 100 million tons. May



I know whether these ore deposits have been proved by borings and all that?

**Shri K. D. Malaviya:** There are three types of investigations in order to prove reserves. Detailed investigations have not been carried out. Generally, they are carried out only when somebody is willing to exploit the mines. The Geological Survey of India is interested in mapping out the area and establishing the reserves of that area in a general way. Our estimates in respect of this area previously were to the extent of 80 million tons. As against this, now we find that we can produce about 100 million tons.

**Shri T. K. Chaudhuri:** Am I to understand that this is only as a result of surface survey?

**Shri K. D. Malaviya:** The hon. Member is right generally.

**Shri T. B. Vittal Rao:** The hon. Minister has stated that the deposits that have been proved in Madhya Pradesh are about 100 million tons. What about the other areas like Andhra Pradesh, Mysore etc? What is the total quantity of manganese available in India?

**Shri K. D. Malaviya:** The question put was whether any survey has been undertaken recently for mica and manganese deposits. In answer to that question I said that recently a detailed survey of manganese belt of Madhya Pradesh and Bombay was undertaken.

**Shri Ranga:** How many years do Government propose to take in order to complete this survey?

**Shri K. D. Malaviya:** It is a continuous process. It may take 20 years, 30 years or, perhaps, more in order to establish the reserves of all the mineral ores that we have.

**Shri Ranga:** Is that the practice followed in all other countries, or at least most other countries?

**Shri K. D. Malaviya:** So far this is the usual practice followed in almost all parts of the world. Recently aerial method of survey have been introduced, which have to a certain extent expedited and economised survey pro-

cesses. We have introduced this system at one or two places, but because it is too expensive just now for us we are hesitating to adopt this in a general way.

**Shri Jangde:** What are the percentages of the present output of mica and manganese ores that are used in various industries of India, and what are the percentages that are exported outside India?

**Shri K. D. Malaviya:** So far as manganese is concerned, more than 80 per cent of the production is exported, and very little quantity is used here by steel plants that exist here.

सरदार अ० वि० सागल : माननीय मंत्री महोदय ने यह बतलाया कि उन्होंने मध्य प्रदेश में माइका और मैंगनीज डिपॉजिट्स का सर्वे कराया है। मैं पूछना चाहता हूँ कि मध्य प्रदेश में सर्वे के दौरान में क्या उन्होंने वस्तर में भी सर्वे कराया, और यदि कराया, तो उस में उन को कितने परसेन्ट माइका और कितने परसेन्ट मैंगनीज मिला ?

**Mr. Speaker:** In what mines of Bastar and how much percentage may also be asked. How is it possible to....

**Sardar A. S. Saigal:** Bastar is full of mica and iron ores. I want to know whether any survey has been made there. The hon. Minister said that they have surveyed Madhya Pradesh, and that is why I have put this question, and I want to know it.

**Mr. Speaker:** I shall avoid further trouble by allowing the hon. Minister to give the answer.

श्री के० डे० मलवीया : हम को नहीं मालूम है कि वस्तर क्षेत्र में माइका बड़ी तादाद में है या नहीं। परसेन्टेज का प्रश्न तो बाद में आया। लेकिन वस्तर क्षेत्र में भी सर्वे करने का गवर्नमेंट का इरादा है।

**Shri T. B. Vittal Rao:** May I know if this survey will be slow down so that we can save Rs. 1 crore by postponing the drilling operations during this year?

**Shri K. D. Malaviya:** We are not postponing the drilling operations

anywhere if we know that we can earn foreign exchange. It is a question of exploiting it and finding out the parties and finding out the finances.

Mr. Speaker: Next question.

Shri B. S. Murthy: I want to put one question.

Mr. Speaker: Why did he not rise in his seat earlier?

Shri B. S. Murthy: Sir, your ruling is that the Member who tables the question would get the last chance. I thought you would stick to that ruling.

Mr. Speaker: I also watch the interest with which the hon. Member who puts the question gets up.

Shri B. S. Murthy: The hon. Minister said that if any agency comes forward for drilling purposes, then they will know the exact nature of the manganese. Is it the intention of the Government to wait until such an agency comes up, or, will there be any governmental agency to find out the specific nature of the manganese ore available?

Shri K. D. Malaviya: The areas are so vast that Government cannot take up the entire work of detailed investigation in a short time. We have adopted a programme and we go according to that programme. If, out of turn, somebody wants a detailed exploitation in a particular area, he is either free to do the investigation himself or negotiate with the Government to carry out the detailed investigation by the Government. We can go out of our way only when there is a certain extraordinary demand on us.

Girls High School in Andamans

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\*1455. { Shrimati Renu Chakravartty:  
Shri Raghunath Singh:  
Sardar A. S. Saigal:

Will the Minister of Education and Scientific Research be pleased to state:

(a) whether there is any separate Girls High School in the Andamans;

(b) whether there is any Intermediate College in the island; and

(c) if not, whether any representations have been received by Government in this regard?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall): (a) and (b). No, Sir.

(c) Yes, Sir.

Shrimati Renu Chakravartty: May I know, in view of the fact that if a girl in the Andamans wants to study in a high school or a college she will have to come all the way out to India, what is the opinion of the Government about the representation that was made in this respect and may I know whether any allotment has been made for it in the second Five Year Plan?

Dr. K. L. Shrimall: A girls' school is being opened.

Shrimati Renu Chakravartty: May I know whether this is for the south islanders or for the north islanders?

Dr. K. L. Shrimall: I am afraid I cannot give that information, but I expect this is for both the islands.

Sardar A. S. Saigal: May I know whether the recommendations of the Government of India Secondary Education Committee have since been implemented and, if so, the details may kindly be given.

Dr. K. L. Shrimall: There were about 50 to 60 recommendations as far as I can see. About the Andamans, a committee was appointed and it had made several recommendations. Most of the recommendations have been implemented. If the hon. Member is interested, I will place the whole statement on the Table of the House.

Mr. Speaker: He will place it in the Library. Whatever is placed in the Table of the Lok Sabha will have to be printed as an appendix.



श्री रघुनाथ सिंह : वहाँ जो शिक्षा का इन्तजाम है उसके रिजल्ट को देखने से मालूम होता है कि वहाँ रिजल्ट २० पर सेंट है। मैं यह जानना चाहता हूँ कि वहाँ शिक्षा की यह अवस्था क्यों हो रही है ?

डा० का० ला० श्रीवास्ती : इसकी मैं जांच करूँगा कि वहाँ अवस्था हो रही है या उत्थति हो रही है। इसके बारे में अभी मैं कुछ नहीं कह सकता।

श्री रघुनाथ सिंह : क्या मंत्री महोदय २० परसेंट के रिजल्ट को अच्छा समझते हैं ?

डा० का० ला० श्रीवास्ती : २० परसेंट कब हुआ यह मुझे ठीक मालूम नहीं है। इसका जवाब देने के लिए मुझे नोटिस चाहिए।

**Shrimati Benu Chakravarty:** In view of the fact that there are no girls schools or any intermediate colleges in the island, may I know whether the Government proposes, in the interim period, to give any stipends for hostel accommodation in certain specified schools and colleges in India?

**Dr. K. L. Shrimali:** The Government are proposing to raise the high schools to higher secondary schools. In the new scheme of reorganisation intermediate colleges do not have a place. As far as the girls' schools is concerned, as I said, administrative sanction has already been sent to the administration for setting up a separate girls' school.

**Shri Ranga:** In view of the fact that there are quite a number of islands there and people are living on them all, and they have to send their children to the high school, situated in one place alone, is it proposed to associate it with a hostel so that the girls from other places also can be accommodated there?

**Dr. K. L. Shrimali:** This is a suggestion for action. It will be examined.

सरदार ब० ति० लक्ष्मण : मैं यह जानना चाहता हूँ कि सम्मान्य श्री निकोबार के स्कूलों में ट्रेन टीचर कितने हैं और पांच पांच बच्चों में कितने टीचर्स को ट्रेन किया गया है, और इससे हमारी एप्लीकेंसी बड़ी है या नहीं ?

**Mr. Speaker:** Only, the hon. Member has not asked the syllabus. Questions like 'how many teachers, schools', etc., need not be asked in Parliament here, which disposes of all matters from end to end of this country.

**Sardar A. S. Saigal:** There are very few trained teachers, and for this reason, I put this question.

**Mr. Speaker:** I agree, the hon. Member will take up that matter with Dr K L Shrimali.

**Shri Raghunath Singh:** One question.

**Mr. Speaker:** No more questions. I am sorry. After all, it is a small matter—a girls' school. They have opened a girls' school.

#### Committee for Re-organisation of Services

\*1456. **Shri Shree Narayan Das:** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No 1608 on the 31st August, 1956 and state

(a) whether any and if so, what progress has been made by the officer appointed to go into question relating to re-organisation of services, their recruitment, training etc; and

(b) what are the precise terms of reference to this officer?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** (a) The Officer on Special Duty has almost completed the study of most of the subjects relating to the structure and organisation of the public services, including the system of recruitment, probation, and promotion; the composition of various cadres; the question of training and further education

of different classes of public servants; and arrangements for staffing posts at the Centre. He is likely to take a few weeks more to complete the drafting of his conclusions and recommendations. Thereafter, the recommendations will be considered by a Committee of Secretaries.

(b) There are no precise terms of reference but the purpose of the enquiry is to make a study of the question relating to the structure and organisation, including system of recruitment, principles and procedures of promotion, training etc., of the public services under the Central Government and to report whether any modifications, and if so what, are necessary in these matters.

**Shri Shree Narayan Das:** May I know whether all the Secretaries of all the Ministries will be appointed to this committee?

**Shri Datar:** A small committee of senior Secretaries.

**Shri Shree Narayan Das:** How many Secretaries?

**Shri Datar:** May be about three or four; not more.

**Shri C. R. Pattabhi Raman:** Will the Government consider the publication of the report of the Wheeler Committee of the thirties and that of the Gopalswami Ayyangar Committee of the forties in this connection?

**Shri Datar:** So far as the Gopalswami Ayyangar Committee's recommendations were concerned, the specific proposals, with the action taken by Government on them, have been placed already on the Table of the House.

**Shri Shree Narayan Das:** The hon. Home Minister gave certain indications that a special committee will be appointed for this purpose. May I know whether, besides this committee of Secretaries, there will be another committee appointed to scrutinise this?

**Shri Datar:** There is no proposal to appoint any other committee except the committee of Secretaries.

## Nicobar Islands

\*1457. **Shri Raghubar Singh:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that Indians are not permitted to go to Nicobar Islands;

(b) if so, the reasons therefor;

(c) whether it is also a fact that the local traders of Andamans are not allowed to trade in the Nicobar and Nancowry Islands;

(d) if so, the reasons therefor;

(e) whether it is fact that the local Administration having permitted trade rights to one monopolist firm in Nicobar do not allow others to go there; and

(f) if so, whether Government intend allowing the new traders facilities to go there for trade purposes and settlement?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) Entry of outsiders to Nicobar Islands is regulated by the provisions of the Andaman and Nicobar Islands (Protection of Aboriginal Tribes) Regulation, 1956.

(b) The object of the Regulation is to provide for the protection of the interests of the socially and economically backward aboriginal tribes in the Andaman and Nicobar Islands.

(c) and (d). No; but intending traders are required to obtain a permit from the Andamans Administration for the purpose.

(e) and (f). No, Sir. The local Administration have not vested monopoly trade rights in any firm. Persons wishing to trade in the Nicobar Islands can do so after obtaining the requisite permit from the Administration.

**श्री रघुनाथ सिंह :** क्या यह सत्य है कि एक फर्म को पांच लाख का लोन दिया गया है ?

**श्रीमती अल्वा :** जी हाँ यह सत्य है कि पांच लाख का कॅपिटल चाहिए ।

श्री रघुनाथ सिंह : आपने जो पांच लाख रुपये का लोन दिया तो क्या उससे पहले आपने जांच कर ली थी कि उस फर्म के पास क्या जायदाद है, क्या प्रापर्टी है या क्या सम्पत्ति है ?

श्री मंत्री महोदय : एक बात तो यह है कि वह सालवेंट है और दूसरी बात यह है कि इतना माल उसके पास जाता है ।

श्री रघुनाथ सिंह : पांच लाख रुपये जो उस फर्म को दिया गया तो मैं जानना चाहता हूँ कि उस के पास क्या जायदाद है क्या सीक्योरिटी है ?

Shrimati Alva: Rs 5 lakhs are involved in this, because, first of all, it is a question of solvency. When so much goods are taken out, it is necessary.

Dr. Ram Subhag Singh: Is it true that a person—

Mr. Speaker: The hon. Member wanted to know whether Rs. 5 lakhs have been advanced to a firm or some other person who is sufficiently solvent for Rs. 5 lakhs?

Shrimati Alva: Yes, Sir

Mr. Speaker: That is all that he wanted

Shri Gajendra Prasad Sinha: May I know how many firms applied to trade with Nicobar and what was the condition—and why—a single firm was allowed to have that facility and was advanced Rs. 5 lakhs?

Shrimati Alva: The same conditions apply to all the firms. At present there are two firms that are equal partners operating in this territory. There is one more application pending. This Rs 5 lakhs condition is to be reconsidered in that case, because the permit is wanted for Nancowry Island whose population consists of 320 people.

Shri Gajendra Prasad Sinha: May I know whether any application was invited to appoint or authorise traders for that purpose?

Shrimati Alva: Applications are invited; people who are interested can apply.

Dr. Ram Subhag Singh: May I know whether it is a fact that the Andaman Administration invited a person sent from India and that person is there for the last six months and he is not allowed to go out of the Nancowry island? If it is so, why?

Shrimati Alva: No; that application is pending and is being considered by the Administration there.

सरदार म० सि० सहगल : क्या निकोबार के लोकल ट्रेडर्स ने यह प्रार्थना की थी कि यहाँ का व्यापार हम लोगों को दिया जाय और उन लोगों को न दिया जाय ?

Shrimati Alva: Indians are allowed to go there if the permits are granted. I do not know how this arises.

Sardar A. S. Saigal: What about the local people?

Shrimati Alva: Local people are given preference. We have a central co-operative society there which helps the local people.

#### Lime-Stone Deposits in Manipur

\*1458. Shri L. Achaw Singh: Will the Minister of Steel, Mines and Fuel be pleased to state

(a) the estimated quantity of lime-stone deposits in the Manipur territory,

(b) the annual quantity produced; and

(c) the quality as compared with the lime-stone produced in Assam?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) 45 million tons.

(b) 1955—147 tons.

1956—74 tons approximately.

(c) The Manipur lime-stone is comparatively inferior to the lime-stone found in the Khasi and Garo Hills of Assam

**Shri L. Achaw Singh:** May I know in which parts of Manipur the deposits are mainly available and whether there is any proposal to find out further deposits?

**Shri K. D. Malaviya:** In all, six lime-stone localities have been found in Manipur. Of these, three are located in the vicinity of Imphal-Ukhrul road towards Ukhrul. The other three are located in isolated localities round about Manipur. There is no immediate proposal to make further search for lime-stone in Manipur.

#### Untouchability

\*1459. { **Shri B. C. Mullick:**  
           **Shri Kumbhar:**

Will the Minister of Home Affairs be pleased to state:

(a) whether the State Government of Orissa was asked to maintain a list of villages, where untouchability is practised in one form or the other, in order to assess the progress achieved in its removal;

(b) if so, whether the State Government has already submitted its report to the Central Government; and

(c) if so, the progress achieved in this respect?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) and (b). Yes, Sir. A suggestion to this effect was made to the State Government on the basis of a recommendation made by the Commissioner for Scheduled Castes and Scheduled Tribes in his report for the year 1951.

(c) The Orissa Government did not find this suggestion feasible.

**Shri B. C. Mullick:** In view of the fact that for the removal of untouchability, the State Governments were requested by the Central Government to appoint small committees at the headquarters, may I know whether the Orissa Government appointed such a committee and if so, whether the Government have received the report from the State Government?

**Shrimati Alva:** The Orissa Government have not appointed any committee; they did not find it feasible to undertake this work.

**Shri Ayyakannu:** May I know whether any instruction has been given to other States also to submit reports?

**Shrimati Alva:** That was the recommendation made by the Commissioner for Scheduled Castes and Scheduled Tribes, but most of the States felt that it was not possible to do it.

**Shri Balakrishnan:** In spite of the various legislations enacted by the Centre and State Governments, several big temples like the Kasi Vishwanath Temple, are not open to Harijans. May I know what action the Government have taken to open the temples?

**Shrimati Alva:** It is left to the State Governments. Besides, this is a very large question he is asking.

**Shri Thimmalah:** May I know whether the Government propose to publish a consolidated support showing the steps taken by different States for the eradication of untouchability and to what extent untouchability is eradicated and to what extent it is still existent?

**Shrimati Alva:** For that purpose, we have the annual report from the Commissioner for Scheduled Castes and Scheduled Tribes.

**Shri B. K. Gaikwad:** May I know whether it is a fact that the Scheduled Castes and Scheduled Tribes Commissioner requested the State Governments to furnish information as to the number of villages in each State where untouchability is observed and that information is not supplied by the State Governments? Will the hon. Minister say what action the Central Government has taken in this behalf?

**Shrimati Alva:** The Commissioner for Scheduled Castes and Scheduled

Tribes make recommendations annually and it is left to the State Governments to implement them. If they are not able to implement, they say so. If they implement, then also they tell us.

**Shri B. K. Gaikwad:** Is it only for making recommendations?

**Mr. Speaker:** The hon. Member wants to know what the Central Government is doing or has done in cases where the State Government has expressed its inability or unwillingness to tackle the problem.

**Shrimati Alva:** What can the Centre do? We can only request the State Governments to do it.

**Shri B. S. Murthy:** On a point of order, Sir.

**Mr. Speaker:** What is the point of order, during Question Hour?

**Shri B. S. Murthy:** The Scheduled Castes Commissioner has found that there is untouchability in such and such places and he has mentioned it in his report. On the basis of the report, the Government of India has asked the Orissa Government to do something and the Orissa Government is unwilling to do it. Is there no other remedy?

**Shrimati Alva:** It is not unwillingness; it is a question of feasibility. After all, if one individual practises touchability or untouchability in a village, how are we going to do it village-wise?

**Shri Manay:** Which are the States which have been asked to maintain such lists?

**Shrimati Alva:** I do not follow the question.

**Mr. Speaker:** Is there a list of States specially chosen for that or is it general?

**Shrimati Alva:** It is in the recommendations made by the Commissioner.

**श्री रघुनाथ सिंह:** काशी विश्वनाथ मन्दिर में आज तक हरिजन नहीं जाने पाते हैं, और अगर वे जाते हैं तो अरेस्ट कर लिए जाते हैं। मैं यह जानना चाहता हूँ कि उसके विषय में सरकार की ओर से आज तक क्या किया गया है।

**Shrimati Alva:** It is for him and me to see that this is abolished.

**Shri Raghunath Singh:** Why does the Government arrest the Harijans entering the temple?

**Mr. Speaker:** That is the U.P. Government. What is the use of asking this Government?

**श्री जंगड़े:** अभी माननीय मंत्री महोदय ने कहा कि अनुसूचित जातियों के कमिश्नर की रिपोर्ट के आधार पर बहुत से राज्यों से ये आकड़े मागे गए हैं कि किन किन गांवों में छुआ-छूत बरती जाती है। क्या मैं समझ सकता हूँ कि राज्य सरकारों ने इस सम्बन्ध में अपनी असमर्थता प्रकट की है, उसका कारण यह है कि छुआ-छूत बहुत से गांवों में मानी जाती है और अगर सरकार ने इस बात के आकड़े मांगे होते कि किन किन गांवों में छुआ-छूत हुआ हो गई है, तो राज्य सरकारें आकड़े देने में समर्थ हो गई होती?

**Shrimati Alva:** I have not followed the question. It is so long.

**Mr. Speaker:** There is so much of noise in the House. Hon. Members will kindly hear what is said.

**Shri Jangde:** Just now the hon. Deputy Minister has answered that as per the recommendation of the Scheduled Castes Commissioner, the Government of India has asked the various State Governments to assess the extent to which of untouchability is practised in the various villages in the different States. Is it because that untouchability prevails in such a large number of villages that it is very difficult to assess the progress of the

removal of untouchability? If the Minister has asked in how many villages in each State untouchability has completely gone out, then they would have given the figures.

**Shrimati Alva:** That is a suggestion.

#### **Cantonment Board, Ambala**

\*1480. **Shrimati Sucheta Kripalani:** Will the Minister of Defence be pleased to state:

(a) whether the Industrial Disputes Act, 1947 is applicable to the Cantonment Fund Employees; and

(b) if so, the reasons why the dispute between the Cantonment Board, Ambala, and the employees has not so far been referred to the Industrial Tribunal for adjudication when negotiations and conciliations have failed?

**The Parliamentary Secretary to the Minister of Defence (Shri Fatesingh Rao Gaekwad):** (a) Yes.

(b) Certain demands about their terms and conditions of service were made by the employees of the Cantonment Board Ambala and the decisions/views of the Government regarding these have been communicated to them on more than one occasion. The appropriate Government, under the Industrial Disputes Act, 1947, is the State Government. The question of Government of India making a reference to the Industrial Tribunal, therefore, does not arise.

**Shrimati Sucheta Kripalani:** May I know whether the Centralisation of the services of the cantonment employees is under the consideration of the Government?

**The Deputy Minister of Defence (Shri Raghuramiah):** A separate question may be put on that. If a separate question is put, I would be glad to furnish the answer.

**Shrimati Sucheta Kripalani:** May I know whether gratuity is being paid to cantonment board employees at the time of retirement, as in the case of other government employees?

**Shri Raghuramiah:** These are all completely unconnected with the question.

**Dr. Ram Subhag Singh:** What right has the Deputy Minister to say that they are unconnected?

**Mr. Speaker:** That is only for the information of the Chair, so that it may decide.

What does the dispute relate to?

**Shri Raghuramiah:** So far as the Central Government is concerned, we are aware that certain points of difference between the Cantonment Board in question and the employees have come up for consideration. Most of the items were disposed of satisfactorily to our knowledge. Only in regard to two items, one relating to revision of scales of pay and the other, the merger of 50 per cent. of dearness allowance with pay, a decision is pending. No final decision has been taken on these two matters. In regard to pay scales, I might say that the pay scales have been revised there again except in regard to two or three categories of employees, the question has been completely settled; these two matters are, however, still pending consideration.

**Shrimati Sucheta Kripalani:** I asked whether these people are paid gratuity at the time of retirement as other government servants are paid?

**Mr. Speaker:** Gratuity is not one of the points at issue, it appears.

**Shrimati Sucheta Kripalani:** It comes under the dispute.

**The Minister of Defence (Shri Krishna Menon):** This question relates to the demands made by the employees of a particular cantonment board. I wonder whether you would allow hon. Members to reopen the whole question.

**Mr. Speaker:** I only want to know about the question of gratuity to the employees within the purview of this question.

**Shri Raghuramiah:** The question of pay and merger of dearness allowance only is now under consideration.



**Mr. Speaker:** So, gratuity is not included.

Question Hour is over.

### Bombay State

**Shri Yajnik:** I request that Question No. 1471 standing in my name may be answered.

**Mr. Speaker:** Is the hon Minister agreeable to answer.

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** If you desire.

\*1471. **Shri Yajnik:** Will the Minister of Home Affairs be pleased to state:

(a) whether Government are aware that the Bombay Government has divided the whole State into several divisions for which they are about to set up Divisional Development Boards;

(b) whether Government are aware that Surat District has been excluded from the Gujarat Division in contravention of Article 371(2)(a) of the Constitution of India which provides for Development Board for "the rest of Gujarat"; and

(c) whether these steps are being taken in pursuance of the directives of the Central Government under Article 371(2) and whether Government have authorised the Bombay State to take any steps as are being taken and contemplated by it in this matter?

**Shri Datar:** (a) The Bombay Government have divided the State into six divisions for administrative convenience, in conformity with the decision taken by the Inter-State Committee of Ministers in 1956. They have also decided to set up Divisional Development Councils in order to advise the Government in all matters affecting developmental activities and to co-ordinate these activities in the various Districts;

(b) The Surat district has been included in the Bombay division. As no

order has been made under Article 371(2) of the Constitution, the question of contravening provisions of that Article does not arise.

(c) No directive has been issued under Article 371(2). The Bombay Government are competent to take the steps they have taken.

**Shri Yajnik:** May I know if the cutting and chopping of the different parts of the Bombay State is not in contravention, if not of the letter, of the spirit of article 371, clause 2(a)? Even if the Bombay State was to have been divided, this should have been kept in mind.

**Mr. Speaker:** The hon. Member is not allowed to make a speech. Further, hon. Members will kindly bear in mind that the question of interpretation of a statute can not be the subject matter of a question. There may be differences of opinion. What is the fact that the hon. Member wants to elicit?

**Shri Yajnik:** I want to ask whether the chipping and chopping of the Bombay State would not be in contravention of a specific provision of the Constitution, at least the spirit of that article which specifically lays down that Bombay State would be only divided into Vidarbha, Marathwada, and the rest of Maharashtra, Saurashtra, Kutch and the rest of Gujarat, because it is on these lines that the development councils are sought to be established under the article.

**Mr. Speaker:** Hon Members put the question in such a manner that it is difficult for the Ministers to answer. If the hon Member instead of using the expressions "chipping, chopping", cutting, sizing and scissoring, had only asked whether such sub-divisions are or are not in the spirit of the general direction given, or that a larger zonal area should have been created or kept independently according to the existing territories, it could have been answered. What is the answer of the hon. Minister.

**Shri Datar:** It is only for the purpose of administrative convenience

that the State has been divided into six Divisions. So far as Surat is concerned, it has been included in the Bombay Division, because in this division there is a large concentration of tribal population.

**Shri Yajnik:** In the same way Colaba and Ratnagiri have also been excluded from Maharashtra. Is it a fact?

**Shri Datar:** They have been included in the Bombay division because of the same reasons.

### WRITTEN ANSWERS TO QUESTIONS

#### Abolition of Dual System in High Courts

\*1338. **Shri Naushir Bharucha:** Will the Minister of Law be pleased to state:

(a) whether the question of abolishing the dual system of counsel and solicitor now prevailing on the original sides of the Bombay and the Calcutta High Courts is under consideration of Government;

(b) whether Government have received representations from Bar Associations in Bombay or Calcutta; and

(c) if so, the decision of Government in this regard?

**The Minister of Law (Shri A. K. Sen):** (a) and (c). The All India Bar Committee which reported in 1953 were not agreed in their recommendation on this question. While the majority of the Committee considered that no case had been made out for abolition of the dual system in Calcutta or Bombay, two members were of the view that the system should be made optional. All the recommendations of the Committee, including this, are under active consideration, but no decision has been reached.

(b) Government have not received any representations on this question from the Bar Associations in Calcutta or Bombay.

#### Defence Ministry Purchases

\*1448. **Shrimati Tarkeshwari Sinha:** Will the Minister of Defence be pleased to lay a statement showing:

(a) the amount spent in various purchases by the Defence Ministry in the last two years;

(b) the percentage of purchased goods utilised during the same period;

(c) the value in terms of money of goods purchased but not utilised;

(d) how much of the unutilised goods have been disposed of; and

(e) the loss incurred in the disposal of unutilised goods?

**The Deputy Minister of Defence (Shri Raghuramalah):** (a) The value of stores purchased during the years 1955-56 and 1956-57 is Rs. 6,358.81 lakhs and Rs. 8,302.99 lakhs respectively. The latter figure represents the expenditure compiled upto March 1957.

(b) and (c). The stores purchased in any particular year are merged with existing stocks and it is not possible to estimate how much of the fresh purchases have been used in that year.

(d) No separate statistics are maintained about the value of unutilised stores alone.

(e) Does not arise.

#### Teaching of Foreign Languages in Universities

\*1454. **Shri Damani:** Will the Minister of Education and Scientific Research be pleased to state:

(a) the number of Universities in India which provide for the teaching of one foreign language among other subjects; and

(b) the attitude of Government towards teaching of foreign languages in the Indian Universities, specially, at the graduate and post-graduate level?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** (a) Apart



from English, according to the information available, 29 Universities provide for the teaching of more than one foreign languages among other subjects. The Universities of Roorkee and Jadavpur do not provide for studies in any foreign language other than English.

(b) A statement is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 39.]

### I.A.S.

\*1461. **Shri J. R. Mehta:** Will the Minister of Home Affairs be pleased to state:

(a) whether there is any proposal to recruit more officers than was originally announced on the basis of Indian Administrative Service (Emergency Recruitment) Examination; and

(b) whether there is any proposal to absorb the successful candidates in this examination in services other than I.A.S.?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** (a) No.

(b) It is proposed to recruit a few candidates to the Central Secretariat Service Grade III on the basis of this examination.

### Hired Accommodation

\*1462. **Shri S. M. Banerjee:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that the concession of hired accommodation being provided to the civilian employees in the Defence installations of Calcutta and Allahabad since 1948 has since been withdrawn;

(b) if so, what steps are being taken by the Ministry to restore those orders; and

(c) if not, whether all employees are going to be provided with Government accommodation?

**The Deputy Minister of Defence (Shri Raghuramsiah):** (a) No, Sir. What has been decided is that no more fresh accommodation should be hired in Allahabad and Calcutta for allotment to the civilian employees of Defence Installations. Accommodation hired prior to 1st April 1957 will however continue to be available to these employees.

(b) There is at present no proposal to revise this decision.

(c) Does not arise in view of the reply given to part (a) above.

### Expenditure on Second Five Year Plan

\*1463. **Shri Tyabji:** Will the Minister of Finance be pleased to state how Government propose to keep a check to see how far the investment expenditure is being made according to the Second Five Year Plan?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** The annual Plan, both for the Centre and the States is drawn up in consultation with the Planning Commission and provision in the Central Budget in regard to expenditure met directly by the Centre and in the form of assistance to States, is made according to this plan. The State Budgets also follow broadly the pattern indicated in the Annual Plan. The Centre does not keep a direct check on State Governments' expenditure other than those financed from Central assistance, but the Planning Commission gets periodic data on the progress of Plan expenditure and reviews them in its Progress Reports. On the major investment projects like the river valley schemes, the steel plants, etc, the Central Ministries get direct reports. Investment expenditure in organised industries comes up for approval before the licensing Committee under the Industries (Development and Regulation) Act and subsequently before the Capital Issues Control.

**Loans to State for Development Schemes**

\*1464. **Shri E. M. Rao:** Will the Minister of Finance be pleased to state:

(a) the steps taken so far to pursue and follow up the loans that have been granted to different State Governments for their development schemes to ensure that they are properly utilised and not diverted to purposes other than those for which they are meant;

(b) the conditions of repayment of loans granted for developmental purposes;

(c) the names of States, if any, that have defaulted in respect of fulfilment of the conditions governing grant of such loans regarding payment of interest, repayment of loan etc.;

(d) action taken or proposed to be taken in respect of such defaulters;

(e) whether there is any proposal to rationalise loan policy consistent with the aims and objectives of the Second Five Year Plan; and

(f) if so, the details of such rationalisation scheme?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) At the time of the sanction of the loan the sanction letter invariably indicates the purpose for which the loan is to be utilised. Utilisation of the loan amount is thereafter checked by audit in the normal course.

(b) The conditions of repayment are determined after taking into consideration various relevant factors e.g., the purpose of the loan, the market rate of interest prevailing at the time of sanction, etc.

(c) No instance of major default has come to the notice of the Finance Ministry.

(d) Does not arise.

(e) and (f). It is not quite clear what the hon. Member has in mind.

**Compensatory Allowance for Government Employees in Tripura**

\*1465. **Shri Bangshi Thakur:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Tripura Administration have recommended increased scale of Compensatory Allowance to be paid to the lower grade Government employees of Tripura to cope with the situation arising out of high price of essential commodities etc. in Tripura;

(b) whether it is also a fact that the payment of Compensatory Allowance to the lower grade Government employees of Tripura is going to be discontinued from the month of September, 1957 and

(c) if so, the steps Government are going to take in the matter and when?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) Yes

(b) No

(c) The sanction for the Compensatory Allowance has been extended upto the 28th February, 1958.

**Research on Mahabharata and Ramayana**

\*1466. **Shri N. R. Munisamy:** Will the Minister of Education and Scientific Research be pleased to state:

(a) whether the University Grants Commission has done anything by way of encouragement for research work on classics such as Mahabharata and Ramayana in the Madras and Annamalai Universities; and

(b) if so, the amounts that have been paid so far by it to each of these universities for the purpose?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimali):** (a) and (b). A statement is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 40].

### Removal of Ugly Statues

\*1467. **Shrimati Laxmi Bai:** Will the Minister of Home Affairs be pleased to state:

(a) whether the Government of India have taken any steps to prevent the erection of ugly looking and in-artistic statues of national leaders; and

(b) if not, the reasons therefor?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) and (b). The matter is entirely one for the State Governments and Local Bodies. So far as Central Government is concerned an Advisory Committee has been set up to advise the Government on the installation of statues at suitable places in Delhi.

### Backward Classes

\*1468. **Shri Siddiah:** Will the Minister of Home Affairs be pleased to state:

(a) whether Government have taken any action to determine the precise criteria for the classification of Backward Classes in India; and

(b) if so, the progress made so far?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) and (b). Yes, Sir. Government have decided to hold ad hoc survey on an all-India basis for the purpose. This is being conducted by the Deputy Registrar General. The survey is already in progress in West Bengal and preparations have been made to start work in Madras, Bombay and Uttar Pradesh.

### Pakistani Nationals in India

\*1469. **Shri Naldurgker:** Will the Minister of Home Affairs be pleased to state:

(a) whether the Government are aware of the fact that nearly 13,000 Pakistani Nationals are staying on in U.P. in spite of the expiry of their visas;

(b) whether the Government of U.P. have sought any advice from the Central Government on the subject; and

(c) the steps Government propose to take in the matter?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) to (c). The information is being collected and will be laid on the Table of the Lok Sabha as soon as it is available.

### Enquiry Committee on the Banaras Hindu University

\*1470. **Shri Vajpayee:** Will the Minister of Education and Scientific Research be pleased to state:

(a) the grounds on which an Enquiry Committee has been appointed by the Visitor under sub-section (2) of Section 5 of the Banaras Hindu University Act, 1915 as amended in 1951;

(b) whether a notice under sub-section (3) of Section 5 of the Banaras Hindu University Act, 1915, of the intention to cause an enquiry to be made was given by Government to the University before the appointment of the said Enquiry Committee; and

(c) if so, whether a copy of the letter giving such notice will be laid on the Table?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall): (a) to (c). A statement is laid on the Table of Lok Sabha (See Appendix IV, annexure No 41).

### Admissions in Delhi Schools

\*1472. { Shri D. C. Sharma:  
Shri A. K. Gopalan:  
Shri Kadiyan:  
Shri Vajpayee:

Will the Minister of Education and Scientific Research be pleased to state what steps have been taken so far to remove the difficulty of school-going children of Delhi who are not able to get admissions in any educational institution?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrivallab):** The Implementation Committee on admission to schools in Delhi, which was appointed by the Chief Commissioner, Delhi, has recommended opening of schools at various levels viz., Primary, Middle and Higher Secondary. 34 Government Middle and Higher Secondary Schools and 39 Primary Schools, opened by various local bodies, have started functioning from July 15th, 1957 onwards.

#### Housing in Flood Affected Areas

**\*1473. Shrimati Tarkeshwari Sinha:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Government have undertaken the responsibility of financing the construction of houses in rural areas which have been devastated by floods;

(b) if so, the States whose schemes have been approved and the amount of aid given to each of them; and

(c) the estimated amount expected to be spent for working out the scheme?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) to (c). Under the existing pattern of Central assistance to States on account of natural calamities (e.g. floods), an expenditure on repairs upto Rs. 300 per house is eligible as an item of gratuitous relief. Central Government meets 50 per cent of such gratuitous relief expenditure upto Rs. 2 crores and 75 per cent when the expenditure exceeds Rs. 2 crores. There is no Central responsibility for financing any fresh construction of houses. In the scheme for village housing sanctioned by the Ministry of W.H. & S. dated 14-8-57, however, it has been provided, *inter alia*, that villages which are situated in the flood-affected areas and are proposed to be re-built on sites free from the danger of floods may receive special consideration subject to their fulfilling the prescribed conditions.

#### Discovery of Stone and Copper Culture near Poona

**\*1474. Shri Wodeyar:** Will the Minister of Education and Scientific Research be pleased to state:

(a) whether it is a fact that traces of Stone and Copper Culture have been found on the banks of the Mula-Mutha river in Poona; and

(b) whether these findings give proof of the existence of Stone and Copper culture by the banks of the river running from Poona to Chitaldrug?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrivallab):** (a) Stone Age tools have been found in the gravel-bed of the Mula Mutha river at Poona, while remnants of the Chalcolithic Culture have been found on the bank of Bhima river, about 11 miles North of Poona, at a place called Koregaon.

(b) Yes, Sir.

#### Construction of a Steel Plant

**\*1475. Shri Sanganna:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that the American firm "Koppers" offered terms and conditions to construct a steel plant in this country in the year 1949 at a cost of Rs. 50 crores within two years; and

(b) if so, the reasons for rejecting the offer?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) No, Sir. Messrs. Koppers Co. Inc. of the United States of America were one of the three Consultants who were appointed by the Government of India in 1948 to make a preliminary survey and prepare a scheme for the establishment of a steel plant. They estimated that it would cost approximately Rs 50 crores for a plant with a capacity of 500,000 tons of ingot steel.

(b) Does not arise.

**Life Insurance Corporation Fund**

- \*1476. { Dr. Ram Subhag Singh:  
Shri Shree Narayan Das:  
Shri Sanganna:

Will the Minister of Finance be pleased to refer to a report in the Statesman (Delhi Edition) of 3rd August, 1957 to the effect that a sum of Rs. 1 crore from the funds of the Life Insurance Corporation had been invested in a private enterprise with its headquarters in Kanpur and state:

(a) the name of the private enterprise in which the funds have been invested;

(b) the total amount invested so far; and

(c) the reasons for investing the funds in a private enterprise?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) to (c). It is understood that the Life Insurance Corporation has not invested, as stated in the report referred to, a crore of rupees in any single private enterprise with headquarters in Kanpur.

**National Atlas Organisation**

- \*1477. { Shri S. C. Samanta:  
Shri Naushir Bharucha:  
Shri R. S. Lal:

Will the Minister of Education and Scientific Research be pleased to state:

(a) the purpose for which the National Atlas Organisation has been set up;

(b) the details of the progress made so far by it in achieving that purpose;

(c) when the National Atlas will be available to the public; and

(d) the main features thereof?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall): (a) The National Atlas Organisation has been set up for the purpose of compiling a National Atlas of India.

(b) Necessary data for the English edition of the Atlas is being collected and the data for the Hindi edition has already been collected.

(c) The Hindi edition of the National Atlas is likely to be published by the end of the year.

(d) The National Atlas will contain a number of detailed maps calculated to show the important physical, geological, climatic and socio-economic features of the country. It will also show the political and administrative boundaries.

**Training of Librarians**

- \*1477- { Shri Shree Narayan Das.  
Shri Ram Saran:

Will the Minister of Education and Scientific Research be pleased to refer to the reply given to Starred Question No. 529 on the 29th May, 1957 and state:

(a) whether the proposal regarding the establishment of an Institute for training of librarians has been finalised;

(b) if so, the main outlines of composition, management, administration and finance; and

(c) the qualifications prescribed for the trainees and the duration of the training course?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall): (a). Not yet, Sir.

(b) and (c). Do not arise.

**Dearness Allowance for Cantonment Board Employees**

\*1478. Shrimati Sucheta Kripalani: Will the Minister of Defence be pleased to state:

(a) whether the minimum wages of the Cantonment Board Employees were fixed by Central Government; and

(b) if so, the reasons why dearness allowance to such employees is being

paid according to State scale and not according to the scale of the Central Government employees of the like category?

**The Deputy Minister of Defence (Shri Raghuramalaiah):** (a) and (b). A statement is placed on the Table of Lok Sabha. [See Appendix IV, annexure No. 42].

#### **Manufacture of Railway Coaches in Ordnance Factories**

**\*1479. Shri S. M. Banerjee:** Will the Minister of Defence be pleased to state:

(a) whether there is a proposal to manufacture Railway coaches in Ordnance Factories; and

(b) if so, the names of the Ordnance Factories which are likely to take up this job?

**The Deputy Minister of Defence (Shri Raghuramalaiah):** (a) No, Sir.

(b) Does not arise.

#### **Ajanta Paintings**

**\*1480. Shri Raghunath Singh:** Will the Minister of Education and Scientific Research be pleased to state what progress has been achieved so far in copying of the Ajanta Paintings?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** A statement showing the progress made so far in copying the Ajanta Paintings is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 43].

#### **Levy of Income Tax on Tribals in Manipur**

**\*1481. Shri L. Achaw Singh:** Will the Minister of Finance be pleased to state:

(a) whether tribals in Manipur have to pay income-tax whereas tribals in districts of Assam are exempted from payment of income tax; and

(b) if so, whether steps have been taken to rectify this distinction?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) and (b). Yes, Sir. Tribesmen of Assam are exempt from tax only so long as they reside in their own areas. Recently representations have been received by the Government of India on behalf of tribals residing in Manipur Area and it is proposed to extend the concession to these tribals also. Proposals for amending Section 4(3) of the Income-tax Act with retrospective effect will be placed before the Lok Sabha as soon as possible.

#### **Coal Board and Coal Price Revision Committee**

**\*1482. Qazi Matin:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) the reasons why the private sector is not represented on the Coal Board; and

(b) the reasons why the private sector is not represented on the Coal Price Revision Committee?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) The Coal Board has been set up under the Coal Mines (Conservation and Safety) Act, 1952. At the time of its enactment Government considered that the objects underlying the above Act would be best served if the Coal Board were to remain an official executive body.

(b) The Coal Price Revision Committee is purely an *ad-hoc* departmental Committee set up to examine the cost structure of coal and to make recommendations to Government in this matter.

#### **Mica Mines**

**\*1483. Shri B. S. Murthy:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) the number of mica mines closed in the Andhra Pradesh during 1955-57;

(b) the reasons therefor; and

(c) the steps taken to reopen these mines?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** (a) Seven mines have been closed during this period.

(b) One mine has been closed for want of machinery another one has been closed due to water trouble; while 2 mines were temporarily closed. The cause of the closure of the remaining 3 mines is being investigated.

(c) These mines are worked in the private sector and under the normal circumstances, Government cannot compel the owner to reopen them.

#### **Text Books in Tripuri Dialect**

**\*1484. Shri Bangshi Thakur:** Will the Minister of Education and Scientific Research be pleased to state:

(a) whether Tripuri Dialect is one of the eight tribal dialects taken up to prepare special Text Books for facilitating teaching of tribal students; and

(b) if not, whether Government propose to choose Tripuri Dialect to prepare Text Books for facilitating teaching of tribal students in Tripura?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** (a) and (b) The information is being collected and will be furnished later

#### **International Council of Scientific Unions**

**\*1486. Shri S. C. Samanta:** Will the Minister of Education and Scientific Research be pleased to state:

(a) the advantages and benefits derived by India from the membership of International Council of Scientific Unions; and

(b) whether any contribution has to be made by India for such membership?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** (a) and (b). A statement giving the information is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 44].

#### **Clothing Factories under Defence Ministry**

**\*1487. Shri S. M. Banerjee:** Will the Minister of Defence be pleased to state whether there is any proposal to manufacture ready made garments for civilian use in some of the clothing factories under Defence Ministry?

**The Deputy Minister of Defence (Shri Raghuramiah):** Yes, for Railway staff only.

#### **Lime-stone Deposits in Andhra Pradesh**

**\*1488. Shri B. S. Murthy:** Will the Minister of Steel, Mines and Fuel be pleased to state the quality and quantity of limestone discovered by the Geological Survey of India in Andhra Pradesh?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** A statement is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 45].

#### **Copper Deposits in Rajasthan**

**1176. Shri Karni Singhji:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that there is a proposal to work the copper deposits at Khetri and Dariba in Rajasthan;

(b) if so, when this proposal is likely to be implemented; and

(c) if not, whether Government propose to consider the question now?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** (a) to (c). Investigations are being carried out in these two areas by the Geological Survey of India and the Indian Bureau of Mines. If these should show that the deposits can be exploited economically—and the indications so far are quite encouraging—Government propose to do so.



**Statutory Bodies under the Ministry of Steel, Mines and Fuel**

**1177. Shri Shree Narayan Das:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) the names of the statutory and *ad-hoc* bodies functioning under his Ministry giving reference to the resolutions or enactments under which these bodies were constituted and are functioning;

(b) the names of statutory bodies as have ceased to function after 1955;

(c) the names of *ad-hoc* bodies including Committees and Commissions which were constituted by the Ministry for specific purposes and which have already completed their works and submitted their reports since 1955, giving the dates of their constitutions, the date of submission of reports by each of them;

(d) the names of such reports which have been considered and decisions already taken;

(e) the names of such reports which are still under the consideration of the Government; and

(f) the names of such *ad-hoc* bodies which are still functioning giving the dates of their appointment and the dates on or before which they have to submit their reports to Government?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) to (f). The statements giving the required information are laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 46].

**Statutory Bodies under the Ministry of Law**

**1178. Shri Shree Narayan Das:** Will the Minister of Law be pleased to state:

(a) the names of statutory and *ad-hoc* bodies functioning under his Ministry giving reference to the resolutions and enactments under which these bodies were constituted and are functioning;

(b) the names of such statutory bodies as have ceased to function after 1955;

(c) the names of *ad-hoc* bodies including Committees and Commissions which are constituted by the Ministry for specific purposes and which have already completed their works and submitted their reports since 1955, giving the date of their constitution, the date of submission of reports by each of them;

(d) the names of such reports which have been considered and decisions already taken;

(e) the names of such reports as are still under the consideration of Government; and

(f) the names of such *ad-hoc* bodies which are still functioning, giving the dates of their appointment, and the dates on or before which they have to submit their reports to Government?

**The Minister of Law (Shri A. K. Sen):** (a) Statutory Bodies:

(i) the Election Commission—constituted in accordance with the provisions of article 324 of the Constitution;

(ii) the Income-tax Appellate Tribunal—constituted under section 5A of the Indian Income-tax Act, 1922 (11 of 1922);

(iii) the East Punjab Special Tribunal—constituted under section 3 of the Criminal Law Amendment Ordinance, 1943.

**Ad-hoc Bodies**

(i) the Law Commission—constituted by executive order.

(b) The second Delimitation Commission which was constituted in accordance with the provisions of section 43 of the States Reorganisation Act, (Act No. 37 of 1956) finished its work and ceased to function at the end of the year 1956.

(c) None.

(d) None.

(e) None.



(f) *The Law Commission*—The Law Commission started functioning from the 16th September, 1955. No time limit has been prescribed for the submission of reports by the Commission. The Commission was in the first instance appointed till the end of the year 1956. For the present, the life of the Commission is extended upto the 31st December, 1957.

#### **Statutory Bodies under the Ministry of Home Affairs**

**1179. Shri Shree Narayan Das:** Will the Minister of Home Affairs be pleased to state:

(a) the names of statutory and ad-hoc bodies functioning under his Ministry at present giving reference to the resolutions or enactments under which these bodies were constituted and are functioning;

(b) the names of such statutory bodies as have ceased to function after 1955;

(c) the names of ad-hoc bodies including Committees and Commissions which are constituted by the Ministry for specific purposes and which have already completed their works and submitted their reports since 1955, giving the date of their constitution, the date of submission of reports by each of them;

(d) the titles of such reports which have been considered and decisions already taken;

(e) the names of such reports as are still under the consideration of Government; and

(f) the names of such ad-hoc bodies which are still functioning giving the dates of their appointment and the dates on or before which they have to submit their reports to Government?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** (a) to (f). A statement is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 47].

#### **Statutory Bodies under the Ministry of Finance**

**1180. Shri Shree Narayan Das:** Will the Minister of Finance be pleased to state:

(a) the names of statutory and ad-hoc bodies functioning under Ministry of Finance giving reference to the resolutions or enactments under which these bodies were constituted and are functioning;

(b) the names of such statutory bodies as have ceased to function after 1955;

(c) the names of ad-hoc bodies including Committees and Commissions which were constituted by the Ministry for specific purposes and which have already completed their works and submitted their reports since 1955, giving the date of their constitution the date of submission of reports by each of them;

(d) the names of such reports which have been considered and decisions already taken;

(e) the names of such reports as are still under the consideration of Government; and

(f) the names of such ad-hoc bodies which are still functioning, giving the dates of their appointment and the dates on or before which they have to submit their reports to the Government?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) to (f). A statement containing the requisite information is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 48].

#### **Statutory Bodies under the Ministry of Education and Scientific Research**

**1181. Shri Shree Narayan Das:** Will the Minister of Education and Scientific Research be pleased to state:

(a) the names of statutory and ad-hoc bodies functioning under his Ministry giving reference to the resolutions or enactments under which

these bodies were constituted and are functioning;

(b) the names of such statutory bodies as have ceased to function after 1955;

(c) the names of *ad-hoc* bodies including Committees and Commissions which were constituted by the Ministry for specific purposes and which have already completed their works and submitted their reports since 1955, giving the date of their constitution, the date of submission of reports by each of them;

(d) the names of such reports which have been considered and decisions already taken;

(e) the names of such reports as are still under consideration of Government; and

(f) the names of such *ad-hoc* bodies which are still functioning, giving the dates of their appointment and the dates on or before which they have to submit their reports to Government?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** (a) The required statement is placed on the Table of Lok Sabha. [See Appendix IV, annexure No. 49].

(b) There is no such body.

(c) to (f). The requisite statements are placed on the Table of Lok Sabha. [See Appendix IV, annexure No. 50].

#### **Statutory Bodies under the Ministry of Defence**

**1182. Shri Shree Narayan Das:** Will the Minister of Defence be pleased to state:

(a) the names of statutory and *ad-hoc* bodies functioning under his Ministry giving reference to the resolutions or enactments under which these bodies were constituted and are functioning;

(b) the names of such statutory bodies as have ceased to function after 1955:

(c) the names of *ad-hoc* bodies including Committees and Commissions which were constituted by the Ministry for specific purposes and which have already completed their works and submitted their reports since 1955, giving the date of their constitution, the date of submission of reports by each of them;

(d) the names of such reports which have been considered and decisions already taken;

(e) the names of such reports as are still under the consideration of Government; and

(f) the names of *ad-hoc* bodies which are still functioning, giving the dates of their appointment and the dates on or before which they have to submit their reports to Government?

**The Deputy Minister of Defence (Shri Raghuramaiah):** (a) to (f). A statement is placed on the Table of Lok Sabha. [See Appendix IV, annexure No. 51].

#### **Mica**

**1183. Shri R. Narayanasamy:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that Mica is found near Sithayankottai Madurai District;

(b) whether any geological survey has been undertaken in Madurai District, and

(c) if so, the action Government propose to take on the report of the Geological Survey of India?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** (a) It has not been possible to locate Sithayankottai in Madurai District on the map.

(b) Some portions of Madurai district have been geologically mapped during the years 1948—54. The work will be continued by the Geological Survey of India in the ensuing field season beginning from November, 1957. Only one occurrence of mica so

far been recorded in Madurai District viz., near Batlagundu (10°10' : 77°46').

(c) The exploitation of minerals is the concern of the State Government

#### Regional Record Office, Bhopal

1184. Shri H. N. Mukerjee: Will the Minister of Education and Scientific Research be pleased to state:

(a) the total cost of the establishment and the recurring expenses incurred by Government since the Regional Record Office, Bhopal was set up;

(b) whether the records housed there pertain to the Central Government;

(c) if so, the names of the Ministries and Departments to which they refer;

(d) whether the Regional Record Office is popular with research workers;

(e) the total number of requisitions received for study of records in the Bhopal Office since its inception; and

(f) the name of the present keeper of the records and what are his qualifications?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall): (a) Rs 1,33,332 upto 31st July, 1957.

(b) No, Sir

(c) Does not arise

(d) Research workers are not at present visiting the Office and there are no facilities for them

(e) Nil

(f) Shri M H Rizawi He is M.A. (History)—U Class, M A (Persian)—I Class

#### National Archives Building

1185. Shri H. N. Mukerjee: Will the Minister of Education and Scientific Research be pleased to state:

(a) whether it is a fact that in the National Archives of India there is

acute shortage of space for housing the records of the different departments of the Central Government;

(b) whether the building of the National Archives is being extended and accommodation for records expanded; and

(c) whether the Central Government are contemplating cessation of expenditure on building for Regional Record Offices as in Bhopal till the needs of the National Archives are met?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall): (a) Yes, Sir

(b) Yes, Sir The plans and estimates of the proposed annexe are under preparation

(c) No, Sir.

#### Burmese Pagoda near Eden Gardens

1186. Shri H. N. Mukerjee: Will the Minister of Defence be pleased to state:

(a) whether his attention has been drawn to the deteriorating condition of the Burmese pagoda situated in the grounds of Eden Gardens, Calcutta; and

(b) whether there is any scheme to maintain the Gardens and the lake inside it in proper order?

The Deputy Minister of Defence (Shri K. Raghuramalah): (a) and (b). No The control over the Eden Gardens has been delegated to the Government of West Bengal since 1921 subject to certain conditions and the responsibility for maintaining the gardens and any structures in them does not therefore rest on the Central Government.

#### India Office Library, U.K.

1187. Shri H. N. Mukerjee: Will the Minister of Education and Scientific Research be pleased to state:

(a) whether it is a fact that on the recent winding up of the United

Services Club at Calcutta, many valuable books, pamphlets etc. in its Library were purchased by the India Office Library of the United Kingdom; and

(b) whether Government was aware of such transaction and whether any effort was made to acquire the books?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** (a) Government have no information in the matter. Information, however, is being collected and will be laid on the Table of the House if and when it can be obtained.

(b) No, Sir.

#### Cultural Institutions

**1188. Shri H. N. Mukerjee:** Will the Minister of Education and Scientific Research be pleased to refer to the reply given to Unstarred Question No 415 on the 29th May, 1957 and state:

(a) the amount granted to each of the All-India institutions working in the field of culture referred to therein, during the year 1956-57; and

(b) how much of the said amount was spent by the said institutions during the same period?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** (a) and (b) A statement is laid on the Table of Lok Sabha [See Appendix IV, annexure No. 52].

#### Reservation of Posts for Anglo-Indians

**1189. Shri Frank Anthony:** Will the Minister of Finance be pleased to state:

(a) the number of posts reserved for Anglo-Indians in the Customs Department for the calendar years 1946, 1947, 1950, 1951, 1952, 1953, 1954 and 1956;

(b) the number of Anglo-Indian applicants for the above posts in each of the above years; and

(c) the number of above posts actually filled by Anglo-Indians during the above years?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) to (c). The information is being collected and will be placed on the Table of Lok Sabha as soon as possible.

#### Gold in India

**1190. Shri Morarka:** Will the Minister of Finance be pleased to state whether any estimate has been made of the total quantity of gold in the country?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** No, Sir.

#### Grants for Housing Schemes for Scheduled Castes and Scheduled Tribes

**1191. Shri Onkar Lal:** Will the Minister of Home Affairs be pleased to state:

(a) the amount allotted to Rajasthan State for construction of houses for Scheduled Castes and Scheduled Tribes during 1956-57 and 1957-58 and the respective amounts spent during the said periods so far;

(b) whether the Rajasthan Government have recommended any housing scheme for the Scheduled Castes and Scheduled Tribes for the year 1957-58; and

(c) if so, the details thereof?

**The Deputy Minister of the Home Affairs (Shrimati Alva):** (a) During 1956-57 an amount of Rs. 3.43 lakhs was allotted to Rajasthan State for construction of houses for Scheduled Castes and Scheduled Tribes. A sum of Rs. 3.09 lakhs has so far been allocated for the same purpose during 1957-58. The information about the amounts spent has been sought from the State Government and will be laid on the Table of Lok Sabha as soon as received.

(b) and (c). Yes, Sir. They propose to construct 335 houses for Scheduled Castes and 510 houses for Scheduled Tribes during 1957-58.

**Bombay State Social Welfare  
Advisory Board**

**1192. Shri Pangarkar:** Will the Minister of Education and Scientific Research be pleased to state:

(a) the amount granted by the Central Social Welfare Board to the State Social Welfare Advisory Board of Bombay during 1955-56 and 1956-57; and

(b) the target fixed for developing the social welfare services in Bombay State during the Second Five Year Plan period?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimali): (a) 1955-56. . . . Rs. 3,58,768/4/-  
1956-57 . . . . Rs. 4,14,677/6/-

(b) Under its scheme of after-care services, the Board has fixed a target to establish five Homes at State level and a Shelter for each district during the Second Five Year Plan period.

No targets have been fixed for giving grants to voluntary social welfare organisations and for establishing Welfare Extension Projects.

**Multipurpose Schools in  
Marathwada**

**1193. Shri Pangarkar:** Will the Minister of Education and Scientific Research be pleased to state the number of High and Higher Secondary Schools to be converted into Multi-purpose Schools in each of the districts of Marathwada region of Bombay during 1957-58?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimali): According to the information available 2 schools are to be converted into Multipurpose schools in the whole of the Marathwada region of the State of Bombay. District-wise distribution is not available.

**Coir Industry in Laccadive and  
Amindivi Islands**

**1194. Shri Nallakoya:** Will the Minister of Home Affairs be pleased to state:

(a) the rate of profit for Government in the exchange of rice for coir products from the Laccadive and Amindivi Islands; and

(b) the steps taken by Government to encourage the coir industry in the said islands?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) The profit for the year ending 30th June, 1957, was Rs. 2,47,099.

(b) The following schemes proposed under the Five Year Plan are under examination:

- (i) Experimental scheme for making mats and carpets from coir.
- (ii) Training of island boys in Coir School, Beypore.
- (iii) Scheme for supply of coir charkhas to islanders at 50 per cent. of the cost for improving production.

**Expenditure on Universities**

**1195. Shri D. C. Sharma:** Will the Minister of Education and Scientific Research be pleased to state:

(a) the expenditure incurred by the Centre on each University during 1956-57;

(b) whether any new Universities have been established during this period; and

(c) the increase in the number of students, male and female, during the same period?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimali): (a) A statement is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 53.]

(b) Yes, Sir.

(c) Necessary information will be collected when it is made clear as to which year is to be adopted as the year of comparison for the purpose of calculating the increase during the period 1956-57.

#### Dacoities in Delhi

1196. Shri D. C. Sharma: Will the Minister of Home Affairs be pleased to state:

(a) how many dacoities took place during 1956-57 in Delhi State; and

(b) in how many such cases fire-arms were used?

The Deputy Minister of Home affairs (Shrimati Alva): (a).

1956 1957 (upto 31-7-57).

3 1  
(b) 2 NIL

#### Non-Industrial Personnel of Defence Department

1187. Shri M. R. Krishna: Will the Minister of Defence be pleased to state:

(a) whether any time limit has been prescribed by Government to confirm the non-industrial personnel in the Defence Department; and

(b) what is the total number of non-industrial personnel of the Defence Department who have been confirmed during 1956?

The Deputy Minister of Defence (Shri Raghuramaiah): (a) No.

(b) The total number of non-industrial civilian employees in the various lower formations under the Ministry of Defence who were confirmed during 1956 is 3,287.

#### Bonus Salary for Bharat Insurance Inspectors

1198. Shri Narayanankutty Menon: Will the Minister of Finance be pleased to state:

(a) whether it is a fact that the bonus salary, merged into the basic

salary of the Bharat Insurance Inspectors by the Administrator, was cut by the Corporation after the appointed day; and

(b) whether it is not a fact that provident fund contribution used to be calculated on this part of the basic salary also?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) The bonus salary merged into the basic salary of the Bharat Insurance Inspectors was continued by the Life Insurance Corporation after the appointed day, excepting in the South Zone where it was discontinued; the bonus salary has since been restored in the South Zone.

(b) Yes, Sir.

#### Corruption

1199. Shri Dasaratha Deb: Will the Minister of Home Affairs be pleased to state:

(a) whether there is any Governmental machinery in Tripura to check corrupt practices;

(b) if so, what it is;

(c) in how many cases corrupt practices have been detected by this machinery during the last year; and

(d) in how many cases the corrupt elements have been punished?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Yes.

(b) The Anti-Corruption Advisory Committee, Tripura.

(c) None.

(d) Does not arise.

#### Smuggling

1200. Shri Raghunath Singh: Will the Minister of Finance be pleased to state how many foreigners (excluding Pakistani nationals) were arrested in connection with smuggling in India during 1956 and 1957 so far?

The Deputy Minister of Finance (Shri B. R. Bhagat): Sixty two

foreigners (excluding Pakistani nationals) were arrested by the Customs authorities in connection with smuggling in India during 1956 and 1957 (upto July, 1957).

### Expenditure on Contesting Cases

1201. Shri N. R. Munisamy: Will the Minister of Law be pleased to state:

(a) in how many cases Government have been made party to litigation in the years 1955-56 and 1957 so far;

(b) the amount of cost incurred in defending or prosecuting such cases both criminal and civil; and

(c) the amount involved in the suits?

The Minister of Law (Shri A. K. Sen): (a) to (c). The information is not readily available. I am getting it collected from the various Ministries and Departments of Government, but this will take time.

### पेटलावद में प्राचीन मूर्ति

१२०२. श्री डाक्टर : क्या शिक्षा और ब्रह्म निष्ठा गवेषणा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि मध्य प्रदेश के जिला झाबुआ के पेटलावद नगर में एक प्राचीन मूर्ति पाई गई है; और

(ख) यदि हाँ, तो उसका व्यौरा क्या है ?

शिक्षा और ब्रह्म निष्ठा गवेषणा मंत्रालय में राज्य-मंत्री (डा० का० ला० श्रीमानी):

(क) जी, हाँ।

(ख) यह एक देवी की पीतल की बनी हुई, जो आठ इंच से दस इंच तक ऊँची है, मूर्ति है। यह एक खेत में अकस्मात् ही मिल गई थी और आज कल इन्दौर के संग्रहालय में रखी है।

### Lapakshi and Sompalle Temples

1203. Shri Ramakrishna Reddy: Will the Minister of Education and Scientific Research be pleased to state:

(a) the reasons why there is no branch of Archaeological Department for the districts of (i) Anantpur (ii) Kurnool (iii) Nellore (iv) Cuddapah (v) Chittoor (vi) Guntur (vii) Krishna (viii) Godavari and (ix) Visakhapatnam in Andhra Pradesh;

(b) whether the temples of Lapakshi and Sompalle are looked after by the Union Department of Archaeology;

(c) if so, whether Government propose to construct a quarter for the watchman at the Sompalle temple; and

(d) whether it is also proposed to tar the road leading from the Sompalle temple to the Madras-Bombay road?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall): (a) The monuments in the Districts referred to by the Hon'ble Member and in the rest of Andhra Pradesh are looked after by the South Eastern Circle, Office of the Department of Archaeology

(b) Yes, Sir.

(c) Yes, Sir

(d) No, Sir Maintenance of roads outside the protected area is not the responsibility of the Department of Archaeology.

### सीमा की रक्षा

१२०४. श्री ह० चं० शर्मा : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) भारत के विभिन्न राज्यों की कुल कितने मील लम्बी सीमा की रक्षा का भार केन्द्रीय सरकार पर है;



(ख) केन्द्रीय सरकार इस पर कितना खर्च कर रही है; और

(ग) राज्य सरकारों का इस खर्च में क्या भंडारण है ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री बातार): (क) से (ग). इस सूचना को प्रकट करना लोक हित में ठीक नहीं होगा।

### Police Guards

1265. **Shri B. C. Kamble:** Will the Minister of Home Affairs be pleased to state:

(a) whether any person has been granted police guard in Delhi (Old and New) during 1956; and

(b) if so, the names of the persons and the reasons therefore, and who bore the expenses of the said guard, if any?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):**  
(a) Yes.

(b) It would not be in the public interest to disclose the names of all persons who have been provided police guards or the reasons therefor. Police guards are provided where Government consider that there is such need. The question of cost depends on the circumstances of each case.

### Scheduled Tribes

1206. **Shri Sanganna:** Will the Minister of Home Affairs be pleased to state whether all the State Governments have sent schemes for the socio-economic development of the Adivasis in their respective States for the Second Five Year Plan?

**The Deputy Minister of Home Affairs (Shrimati Alva):** Yes, Sir. The revised plans from the States affected by reorganisation are, however, awaited.

भारत के संविधान का हिंदी संस्करण

१२०७. श्री लक्ष्मण राय: क्या विधि मंत्री यह बताने की कृपा करेंगे कि सारे संशोधनों सहित भारत के संविधान का हिन्दी संस्करण कब तक प्रकाशित होगा ?

विधि मंत्री (श्री अ० कु० सेन): सारे संशोधनों सहित भारत के संविधान का संस्करण जिसमें हिन्दी अनुवाद के साथ साथ अंग्रेजी मूलपाठ भी होगा, उस समय छप रहा है। इस वर्ष के अन्त तक इसके प्रकाशित होने की सम्भावना है।

### Manufacture of Vehicles

1208. **Shri Viswanatha Reddy:** Will the Minister of Defence be pleased to state:

(a) whether there is any proposal to set up a factory for the manufacture of trucks and such other mobile vehicles, for the use of Armed forces; and

(b) if so, what decisions if any have been taken in this regard?

**The Deputy Minister of Defence (Shri Raghuramiah):** (a) No

(b) Does not arise.

### Confirmation of Displaced Government Employees

1209. **Shri Ramji Verma:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that displaced Government employees included in the initially constituted Regular Temporary Establishment of Assistants under the liberalised rules have not been confirmed so far;

(b) whether it is also a fact that about 400 persons who qualified in the Assistants Examination of 1956 have been appointed on substantive basis, and

(c) if so, the reasons for mitigating the benefit granted to displaced Government employees and making them junior to fresh hands?



**The Minister of State in the Ministry of Home Affairs (Shri Datar):**  
 (a) 130 out of the 220 displaced Government servants appointed to the Regular Temporary Establishment of Assistants as initially constituted have been confirmed in Grade IV of the Central Secretariat Service. The remaining persons also will be confirmed as soon as vacancies in the promotion quota become available for them

(b) No examination was held in 1956. On the result of the Assistants' Grade Examination held in November, 1955, 400 persons have been appointed on probation against substantive vacancies.

(c) Does not arise, as the 400 persons referred to in (b) have been appointed in the direct recruitment quota whereas the displaced Government servants appointed to the Regular Temporary Establishment at the initial constitution can be confirmed only in the quota of vacancies earmarked for being filled by promotion.

#### **Pragati Vidyabhawan Agartala**

**1210. Shri Dasaratha Deb:** Will the Minister of Education and Scientific Research be pleased to refer to the reply given to Unstarred Question No. 465 on the 30th July, 1957, in respect of Donation to Pragati Vidyabhawan, Agartala and state:

(a) the benefit apart from the usual benefit open to the residents of the Hostel that are being derived by tribal students from such Government aided hostels;

(b) the steps that are being taken to provide monetary assistance to the tribal students of Tripura residing in High School Boarding Hostels;

(c) whether any sum has been made available for providing educational facilities exclusively to the tribal students; and

(d) if so, the amount thereof and on what major items it is being spent?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** (a) None.

(b) No special steps, except those indicated in (d) below.

(c) Yes, Sir

(d) Under the Tribal Welfare Scheme for 1957-58, the following amounts have been sanctioned:—

(i) Construction of 8 Boarding Houses	Rs. 40,000
(ii) Subsidy to 20 Primary Schools at Rs. 750 each	Rs. 15,000
(iii) Reimbursement of Tuition fees, payment of book grants and examination fees	Rs. 29,000
	<hr/> Rs. 84,000

#### **Emergency Relief Organisations**

**1211. Shri Shree Narayan Das:** Will the Minister of Home Affairs be pleased to lay a statement on the Table showing:

(a) the manner and extent to which the Emergency Relief Organisations set up in the country to deal with situations arising out of natural calamities have functioned so far;

(b) the overall picture of these organisations at different levels and their present strength of volunteers and paid staff;

(c) whether any suggestions to improve the organisations at different levels have been received and considered; and

(d) if so, the nature of suggestions received and decision taken thereon?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):**  
 (a) and (b). The Emergency Relief Organisation has been set up so far only in Bombay, Bihar, Orissa, Punjab, Uttar Pradesh, West Bengal, Madras, Mysore and Pondicherry and in the Union Territories of Delhi,

Himachal Pradesh, Manipur and Tripura. It is expected that the Organisation will start functioning on a country-wide basis shortly. A clear picture of resources mobilised by the Organisation in each State, in terms of trained personnel, supplies and equipment, and the manner and extent of co-ordinated assistance it can render in given situations would emerge only after the district and State plans have been formulated. This would take some time, as certain data in regard to the frequency and intensity of natural calamities that have occurred in the past have to be collected and examined.

(c) No such suggestions have been received so far from the State Governments.

(d) Does not arise.

#### **All India Cantonment Board Employees' Federation**

1212. **Shri Kodiyar:** Will the Minister of Defence be pleased to state:

(a) whether the Government have received any representation from the All India Cantonment Board Employees' Federation, Ambala regarding their pay and service conditions; and

(b) if so, what are their demands and what steps Government have taken to meet them?

**The Deputy Minister of Defence (Shri Raghuramiah):** (a) Yes

(b) A statement is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 54]

#### **Stainless Steel**

1213. **Shri S. C. Samanta:** Will the Minister of Education and Scientific Research be pleased to state whether a nickel-free composition for producing stainless steel has been evolved at the National Metallurgical Laboratory at Jamshedpur?

**The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimall):** Yes, Sir.

#### **Grants for Retiring and Retired Scientists**

1214. **Shri S. C. Samanta:** Will the Minister of Education and Scientific Research be pleased to state:

(a) whether it is a fact that the Government of India propose to start a scheme to give grants-in-aid to the retiring and retired scientists; and

(b) if so, the details of this scheme?

**The Minister of State in the Ministry of Education and Scientific Research (Shri K. L. Shrimall):** (a) The Council of Scientific and Industrial Research have a scheme to give financial assistance to the retiring or retired scientists.

(b) A statement giving the required information is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 55.]

#### **Ramjas College Society, Delhi**

1216. **Swami Ramanand Shastri:** Will the Minister of Education and Scientific Research be pleased to state:

(a) the number of Higher Secondary Schools in Delhi run by the Ramjas College Society;

(b) the number of fully qualified Principals in these schools;

(c) the number of Principals who though not fully qualified were granted exemption to work in these schools (i) at the time of introduction of the Higher Secondary Scheme and (ii) thereafter; and

(d) the number of present Principals in these schools (not fully qualified) (i) who were refused exemption (ii) who were considered to be unqualified for holding the post (iii) whose cases are under consideration for exemption?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrivastava): (a) Six.

(b) One.

(c) (i) Three.

(ii) One.

(d) (i) One.

(ii) Five.

(iii) Two.

### भारतीय प्रशासन सेवा की परीक्षा

१२१७. श्री क० भे० बालाजीय : क्या गृह-कर्म मंत्री यह बनाने की कृपा करेंगे कि वर्ष १९५६ में भारतीय प्रशासन सेवा में विशेष भर्ती के योजना के अन्तर्गत जो भर्ती की गई थी, क्या उसी की भांति भविष्य में उसके लिये भर्ती करने की कोई प्रस्थापना है ?

गृह-कार्य मन्त्रालय में राज्य-मंत्री (श्री बातार) : विशेष भर्ती योजना के अन्तर्गत भर्ती अभी की जा रही है। द्वितीय पंचवर्षीय योजना की आवश्यकताओं को ध्यान में रखते हुए राज्यों के आई० ए० एस० कडर में जो वृद्धि करनी पड़ी उससे हुई कमी को पूरा करने के लिए ही यह भर्ती की जा रही है। भविष्य में ऐसी भर्ती की जाने की तब तक कोई सम्भावना नहीं है जब तक कि ऐसी ही परिस्थितियाँ उत्पन्न न हो जाएँ जिससे सामान्य प्रतियोगी परीक्षा के आधार पर सामान्य रूप से की गई भर्ती काफी न हो। फिलहाल ऐसा कोई प्रस्ताव नहीं है।

### Representations from Descendants of Sufferers of 1857 Struggle

1218. { Pandit Thakur Das Bhargava:  
Dr. Ram Subhag Singh:  
Shri Raghunath Singh:  
Shri R. S. Lal:

Will the Minister of Home Affairs be pleased to state:

(a) how many representations have been received State-wise from the

descendants of those who suffered as a result of their participation in the War of Independence 1857;

(b) whether Government have made enquiries into such representations;

(c) if so, in how many cases such enquiries have been finalised;

(d) whether Government have framed any rules or principles for the purpose of determining what compensation or relief should be granted by way of restoration of confiscated properties or otherwise in lieu of their sufferings;

(e) if not whether the Government propose to appoint any Committee to go into these cases and propose proper steps or compensation;

(f) by what time Government propose to finally deal with these representations;

(g) whether Government have so far given any relief or compensation to the descendants of those who fought the British or whose ancestors were executed or whose properties were confiscated by the British as a result of participation in the war of Independence; and

(h) if so, in how many cases?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) 14—5 from Uttar Pradesh.

4 from Madhya Pradesh,

2 from Bihar,

1 from West Bengal,

1 from Punjab and,

1 from Bombay.

(b) Yes.

(c) 3.

(d) to (f). Government have advised the State Governments to make enquiries and afford suitable relief in deserving cases.

(g) and (h). Six such persons are in receipt of pensions. Relief has been recently sanctioned in the case of two more persons.

#### **Financial Assistance to West Bengal Authors**

1219. **Shri Ghosal:** Will the Minister of Education and Scientific Research be pleased to state:

(a) whether the West Bengal Government has recommended any books of literary and historical importance for granting financial assistance to their authors; and

(b) if so, the number thereof?

**The Minister of State in the Ministry of Education and Scientific Research (Dr K. L. Shrimall):** (a) Yes, Sir.

(b) Five.

#### **Madras High Court**

1220. **Shri Tangamani:** Will the Minister of Home Affairs be pleased to refer to reply given to Unstarred Question No 485 on 2nd August, 1956, and state:

(a) the number of Judges of the Madras High Court as on the 31st March, 1956, and the number of Civil Appeals, Criminal Appeals and Writ Petitions pending on that date;

(b) the number of judges as on 31st March, 1957, and cases pending on that date; and

(c) whether the pending cases have increased since the States Re-organisation?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** (a) 11 Judges were working on the Bench of the Madras High Court on 31st March, 1956, and 6863 Civil Appeals, 263 Criminal Appeals and 892 Writ Petitions were pending on that date.

(b) 9 Judges were working on 31st March, 1957 and 5561 Civil Appeals.

357 Criminal Appeals and 937 Writ Petitions were pending on that date.

(c) No.

#### **Bonus for Cantonment Fund Employees**

1221. **Shrimati Sucheta Kripalani:** Will the Minister of Defence be pleased to state:

(a) whether the bonus paid to the Cantonment Fund Employees is on wage only or on the total emoluments; and

(b) if on wage, the reason why dearness allowance is not included in the wages while computing the amount of bonus?

**The Deputy Minister of Defence (Shri Raghuramalah):** (a) under Rule 39(2) of the Cantonment Fund Rules, 1937, bonus is paid in terms of pay only.

(b) The item "pay" is generally distinct from "allowances" unless special orders exist for treating a portion or whole of any of the allowances as merged in "pay". Such special orders do not exist at present regarding dearness allowance. Hence its exclusion while computing the amount of bonus.

#### **Payment of Gratuity to Cantonment Board Employees**

1222. **Shrimati Sucheta Kripalani:** Will the Minister of Defence be pleased to state:

(a) whether gratuity is being paid to the Cantonment Board Employees at the time of retirement; and

(b) if not, the reasons for the same?

**The Deputy Minister of Defence (Shri Raghuramalah):** (a) and (b). Under Rule 16 of the Cantonment Fund Servants' Rules, 1937, only those Cantonment Board employees who are not eligible to subscribe to the Cantonment Provident Fund qualify to receive gratuity. For others, the Cantonment Board makes

a contribution to the deposit account of each depositor at the rate of 3½ per cent. of the employees' salary. In addition, cumulative bonus is also paid

### M.E.S. Employees

1223. **Shri S. M. Banerjee:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that confidential reports on Class IV employees are being introduced in the M.E.S.; and

(b) if so, the reasons therefor?

**The Deputy Minister of Defence (Shri Raghuramiah):** (a) Yes; they have been introduced in respect of non-industrial Class IV employees in the M.E.S. from 1956.

(b) Annual Confidential reports have been introduced in respect of non-industrial Class IV employees in all lower formations of the Ministry of Defence. They are meant to enable a record to be kept of the work and conduct of the employees as assessed by their superior officers. They will be taken into account whenever questions of confirmation, quasi-permanency, promotion or retrenchment arise.

### Violation of Customs Regulations

1224. **Shri N. R. Munisamy:** Will the Minister of Finance be pleased to state:

(a) how many instances of infringements of various customs regulations were detected during the year 1956-57, by the Madras customs;

(b) what is the value of goods involved;

(c) how the goods were disposed of; and

(d) whether the culprits were punished?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) One

thousand two hundred and eighty instances of infringements of various customs regulations were detected during the year 1956-57 (1st April, 1956 to 31st March, 1957) by the Madras customs.

(b) The value of the goods involved was Rs. 37,01,550

(c) In 411 cases, goods were released with a warning. In 176 cases, goods were confiscated absolutely. In 693 cases, goods were confiscated with an option to redeem them on payment of fine in lieu of confiscation. In the case of goods confiscated absolutely or where the importers failed to redeem the goods on payment of fine in lieu of confiscation, the goods were mainly disposed of through auctions taken into use for Government purposes. Some goods were disposed of by private sale and a small part of the goods had to be destroyed. Some of the confiscated goods still remain to be disposed of.

(d) In addition to confiscation of goods, in 20 cases the culprits were also punished by way of imposition of personal penalty. Prosecutions were also launched in 12 cases involving 20 persons. Eleven of these cases were successful and convictions were obtained against 13 persons

### Decimal Coinage

1225. **Shri Manabendra Shah:** Will the Minister of Finance be pleased to state:

(a) the total value of the naya paise coins of all denominations which have been put into circulation so far; and

(b) whether it is a fact that these coins are getting defaced much earlier than the old coins?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) The total value of all denominations of decimal coins put into circulation during the period April to July 1957, is about Rs. 1.6 crores.

(b) No, Sir.

### **Agra Cantonment Board**

**1226. Seth Achal Singh:** Will the Minister of Defence be pleased to state:

(a) whether it is fact that the Command Headquarters with the sanction of the Government of India decided to classify Agra Cantonment Board as 2nd class local body for the purpose of payment of remunerations to its employees in 1949;

(b) whether it is a fact that on the 16th July, 1952 the teachers of the Agra Cantonment Board primary schools moved an application before the Board that a discrimination was being made in their case in as much as they were being paid a D.A. at the rate of Rs. 12 p.m. while chaprasis were drawing Rs. 20 p.m. and clerks Rs. 22 and the teachers of the neighbouring Municipality paid at the rate of Rs. 22 p.m. as D.A.; and

(c) whether it is a fact that on the above application, the Cantonment Board decided that the dearness allowance of the teachers be paid at the rate at which other Cantonment employees were being paid?

**The Deputy Minister of Defence (Shri Raghuramiah):** (a) Yes.

(b) Yes, but the petition is dated the 25th March, 1952 and not 16th July, 1952.

(c) Yes.

### **Tribal Institute in Tripura**

**1227. Shri Bangshi Thakur:** Will the Minister of Home Affairs be pleased to state:

(a) whether there is any Tribal Institute in Tripura wherefrom Government can have trained personnel who have specialised themselves in matters of Tribal needs and problems of Tripura;

(b) if so, how many tribal personnel of Tripura have been trained so far to serve the purpose and to what capacity they have been engaged;

(c) if the answer to part (a) be in the negative, whether Government have any proposal to establish such an institute in Tripura in near future; and

(d) whether Government have sent or propose to send tribal personnel of Tripura to the Institutes of Madhya Pradesh or Bihar for field workers training?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Yes. The Administration propose to get their tribal welfare workers trained in West Bengal or Bihar and some are already receiving training at Ranchi.

### **Aid to Political Sufferers**

**1228. Shri L. Achaw Singh:** Will the Minister of Home Affairs be pleased to refer to the reply given to Unstarred Question No. 460 on the 2nd August, 1957 and state:

(a) when the cases of the political sufferers who have applied for help will be disposed of and what kind of relief is to be granted to them; and

(b) what is the reason for rejecting the four applications?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) Their cases will be decided as early as possible. It is proposed to give them monetary or other assistance for rehabilitation in productive work.

(b) In two cases the financial condition of the applicants did not justify any assistance. In the third case, the applicant had asked for specific plots of land which were not available. The fourth applicant had rendered no service to the nation.

### **Sales Tax Exemption on Handlooms in Manipur**

**1229. Shri L. Achaw Singh:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that handloom products have been exempted

from the payment of sales tax in Manipur;

(b) the estimated amount of annual exemption; and

(c) which are the handloom products exempted?

The Minister of State in the Ministry of Home Affairs (Shri Datar):

(a) Yes.

(b) Rs. 2,000 per year.

(c) All cloth woven on handlooms is exempted.

#### Rural University in Delhi

1230. Shri Damani: Will the Minister of Education and Scientific Research be pleased to state:

(a) whether there is a move to start a Rural University in Delhi; and

(b) if so, the nature of such university?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimali): (a) and (b). Statement is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 56.]

#### Madras Medical College

1231. Shri Warrior: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that a press note has been issued by the Government of Madras State justifying their action in refusing seats in the Madras Medical College to students from former Malabar District of that State;

(b) if so, whether it is not in disregard of the instructions of the Central Government; and

(c) the action Government propose to take in the matter?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Yes.

(b) and (c). The Central Government's direction reserving 27 seats in the Madras Medical Colleges for the Kerala students was issued on 24-6-57. The Government of Madras pointed out that according to the information received by them the Medical College at Kozhikode would start functioning immediately, and requested the Central Government to reconsider the decision as there was a heavy rush for seats in all the Madras Medical Colleges. After reconsidering the matter, the Central Government suggested that if the Kozhikode Medical College was opened, the 27 students from Kerala may be recalled to Kerala and that, till then, 27 additional seats may be created for them in the Madras Colleges. This was conveyed by the Government of Madras to the Kerala Government on 31-7-57. As the Kozhikode Medical College has been opened, the question of taking any further action in the matter does not arise.

#### Vanaspati

1232. Shri Warrior: Will the Minister of Defence be pleased to state:

(a) whether the Ministry of Defence had received any request from the Industries Minister of Kerala to make use of the Vanaspati manufactured by the hydrogenation factory of Kozhikode in the Canteens run by the Military stations in India; and

(b) if so, the action taken thereon?

The Deputy Minister of Defence (Shri Raghuramiah): (a) and (b). Yes, a request has been received. All procurement for the Ministry of Defence is done by the Ministry of Food and the Kerala Government is being informed accordingly.

#### Coal Price Revision Committee

1233. Qazi Matin: Will the Minister of Steel, Mines and Fuel be pleased to state whether the Coal Price Revision Committee is to take into account (i) the inclusion of mines managers and other highly paid supervisory



staff within the scope of the coal mines Provident Fund Scheme; (ii) the loss on compulsory stowing, i.e., caused by inadequacy of the Coal Board Subsidies; (iii) the building of canteens in accordance with Rule 64 of the Mines Rules 1955; (iv) the building of shelter in accordance with Rule 62 of the Mines Rule 1955; (v) the increased cost of current colliery stores; (vi) the increased cost of technical and planning personnel, not covered by the Industrial Award; (vii) the increased cost of demurrage on wagons caused by the new policy of compulsory loading within 5½ hours of daylight?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** The Central Government appointed a Committee to undertake an investigation into the prices of coal. The terms of reference of the Committee are:

(i) to examine and report upon the cost of production of coal/coke in the country taking into account *inter alia* the awards and other relevant factors that have a bearing on the coal production programme envisaged in the Second Five Year Plan;

(ii) on the basis of such investigation to recommend whether, and if so, what changes are necessary in the price structure of coal and coke; and

(iii) to consider and to report on the impact of the price changes recommended by the Committee on the economy of the country and on industry generally.

It is for the Committee to consider the relevancy of various factors and Government do not want to prejudice their deliberations by indicating any specific factors for consideration.

#### **Salem Magnesite Mines**

**1234. Shri Tangamani:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether Government propose to develop the magnesite mines in

Salem in the Public Sector after 1958;

(b) the proposal, if any, of the Madras Government; and

(c) the action proposed to be taken?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** (a) to (c). The Government of India do not have any proposal at present to develop the magnesite mines in Salem. The question of their exploitation as a State enterprise is being examined by the Government of Madras.

#### **Release of Political Prisoners**

**1235. Shri Raghunath Singh:** Will the Minister of Home Affairs be pleased to state how many political and non-political prisoners were released in connection with 15th August, Independence Day and 1857 Centenary celebrations?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** The Government of India have information only regarding prisoners released in the Union Territories. The total number of prisoners released in these Territories was 215.

#### **Recruitment**

**1236. Shri J. B. Mehta:** Will the Minister of Home Affairs be pleased to state:

(a) how far the discretion of the Heads of Departments plays a part in the matter of recruitment of non-gazetted staff through Employment Exchanges;

(b) whether any Departmental Selection Boards are provided for the purpose of screening candidates whose names may be sent up by the Employment Exchanges; and

(c) if so, how are these Boards constituted, and who constitutes them?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):**

(a) The Heads of Departments have full discretion in the matter of selection of candidates sponsored by the Employment Exchange against the vacancies notified to them.

(b) and (c). It has not been specifically prescribed that all selections of non-Gazetted staff should necessarily be through Departmental Selection Boards. Heads of Departments can, however, constitute such Boards under their own powers for this purpose.

#### Senior Services Committee

1237. Shri B. S. Murthy: Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 842 on the 13th August, 1957 and state:

(a) the date on which the report of the Senior Services Committee on Life Insurance Corporation was submitted to Government; and

(b) the main features of the report?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) The report was submitted on the 26th of June, 1957.

(b) The report is confidential. It is not desirable to disclose its contents at this stage.

#### Accommodation to Life Insurance Corporation Employees

1238. Shri B. S. Murthy: Will the Minister of Finance be pleased to state:

(a) the steps taken to provide residential accommodation to the employees of the Life Insurance Corporation; and

(b) the use to which the buildings now belonging to or being built by the Corporation is contemplated?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) and (b). The information is being collected and will be laid on the Table of Lok Sabha.

#### Life Insurance Corporation Offices

1239. Shri B. S. Murthy: Will the Minister of Finance be pleased to state:

(a) the number of offices of the Life Insurance Corporation which are now located in private buildings; and

(b) the steps contemplated to provide accommodation for these in the Corporation's or Government buildings?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) and (b). The information is being collected and will be laid on the Table of Lok Sabha.

#### Industrial Workers in Defence Establishments

1240. Shri S. M. Banerjee: Will the Minister of Defence be pleased to state whether industrial workers in Defence establishments will be entitled to pension or gratuity in addition to Provident Fund after confirmation?

The Deputy Minister of Defence (Shri Raghuramaiah): No.

#### Travelling Allowance

1241. Shri S. Ghose: Will the Minister of Home Affairs be pleased to state:

(a) how many travelling allowance bills under Travel Concession Scheme of employees (non-gazetted) have been submitted from January to July, 1957 and how many of them have been paid before expiry of three months;

(b) how many of them are pending even after expiry of this period from the date of its submission;

(c) whether Government propose to introduce special warrants of special tickets as mentioned in Government of India, Ministry of Home Affairs—office memo. 43/1/55 Ests (A-PTII, dated 11-10-1956); and

(d) if so, when?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) and (b). The information is being collected and will be placed on the Table of Lok Sabha.

(c) and (d). The matter is under examination in consultation with the Ministry of Railways.

#### **Soldiers' Homes in Andhra Pradesh**

1242. Shri B. S. Murthy: Will the Minister of Defence be pleased to state the amount spent annually on the maintenance of the Soldiers' Homes in Andhra Pradesh?

The Deputy Minister of Defence (Shri Raghuramiah): The information is being collected and will be laid on the Table of Lok Sabha.

#### **Recruitment of Assistants by Life Insurance Corporation**

1243. Shri B. N. Kureel: Will the Minister of Finance be pleased to state:

(a) whether the Life Insurance Corporation of India, Central Zone, Kanpur has recruited assistants and typists in the month of July, 1957;

(b) whether the principle of reservation of posts for Scheduled Castes and Scheduled Tribes was observed; and

(c) if not, the reasons therefor?

The Deputy Minister of Finance (Shri B. B. Bhagat): (a) to (c). The information is being collected and will be laid on the Table of Lok Sabha.

#### **Tribal Cultural Institutions**

1244. Shri Bangshi Thakur: Will the Minister of Home Affairs be pleased to state when the Tribal Cultural Institutions, one at Bishramganj and the other at Lusai area of Tripura will be opened?

The Deputy Minister of Home Affairs (Shrimati Alva): The Tribal Cultural Institutions at Bishramganj and at Vangmun in Lusai area of

Tripura will be opened as soon as the construction of the buildings, which is in progress, is completed.

#### **Indo-Pakistan Banking Agreement**

1245. Shri Radha Raman: Will the Minister of Finance be pleased to state:

(a) whether the banking Companies have been able to realise their assets under the Indo-Pakistan Banking Agreement, 1949; and

(b) if so, the amount realised so far?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) No, Sir.

(b) Does not arise.

#### **U.S. Bureau of Mines**

1246. Shri S. V. Ramaswami: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether Government have received the technical report published by the U.S. Bureau of Mines on the new "fluidised bed" lignite processing method; and

(b) whether Government have also received the replica of the Bureau's equipment for tests at Neiveli?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) and (b). No.

#### **Gandhi Smarak**

1247. Shri S. M. Banerjee: Will the Minister of Defence be pleased to state whether any decision has since been arrived at regarding sanctioning of a piece of land at Ichapore Ordnance Factory Estate for the construction of "Gandhi Smarak"?

The Deputy Minister of Defence (Shri Raghuramiah): Yes, Sir. A piece of land measuring 175 ft. X 85 ft. has been given on lease from 1st December, 1956 to the Gandhi Memorial Fund Committee, Ichapore.

### Income-Tax Evasion

**1948. Shri Assar:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Government have promised to give some percentage of recovery to those persons who give information about firms who evade income-tax;

(b) if so, what is the rate of percentage;

(c) how many persons have given information;

(d) how many companies are involved and the amount of recovery;

(e) whether Government have made payment to the persons according to the percentage settled; and

(f) if not, the reasons for the delay?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** (a) and (b). No, Sir. No such promise has been made. But requests for rewards are considered on merits. In suitable cases rewards are paid, but there is no fixed percentage. However, the rewards do not exceed 2½ per cent. of the extra tax realised as a result of the information furnished and assistance rendered by the informer.

(c) and (d). This information is not available and it would require references to all Income-tax Officers all over India to obtain the information. The work and expenses involved would not be commensurate with the results likely to be achieved.

(e) As stated at (a) and (b) above, no percentage is settled in advance in any case. Rewards are sanctioned only after the completion of the relevant cases. The question does not, therefore, arise.

(f) There has been no delay in settling requests for rewards after the completion of the relevant cases and the realization of taxes.

### Smuggling of 'Charas'

**1949. Shri Raghunath Singh:** Will the Minister of Finance be pleased

to state whether it is a fact that two Pakistanis were arrested with 'charas' worth several thousand rupees from Jama Masjid area on the 21st August, 1957?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** It is a fact that two individuals believed to be of Pakistani nationality, were arrested on the 21st August, 1957 in Edward Park, Jama Masjid, Delhi, for illegal possession of 'charas'. The quantity of 'charas' seized from them was 105 tolas valued at Rs. 840/-.

### Production of Coal-tar

**1250. { Shri Ghosal:  
Shri B. Das Gupta:**

Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) the quantity of coal-tar expected to be produced daily at Durgapur Steel Plant;

(b) whether Government have any proposal to utilise this by-product; and

(c) if so, what is the proposal?

**The Minister of Steel, Mines and Fuel (Sardar Swaran Singh):** (a) About 200 tons.

(b) and (c). Coal tar will be distilled to produce ammonia sulphate, benzene, toluene, xylene, solvent-naphtha, naphthalene, road tars, wood preserving creosote for sale and coal tar fuels for steel melting.

### Removal of Untouchability

**1251. Shri Ganpati Ram:** Will the Minister of Home Affairs be pleased to state:

(a) the total amount allotted to Uttar Pradesh to remove untouchability in 1956 and 1957;

(b) whether any report has been received by the Government of India from the Government of Uttar Pradesh regarding items on which the expenditure was incurred;

(c) whether any and if so, which of the non-official institutions were given

grants in the State during the same period; and

(d) if no grant was given, the reasons thereof?

**The Deputy Minister of Home Affairs (Shrimati Alva):** (a) A statement is laid on the Table of Lok Sabha. [See Appendix IV, annexure No. 57]

(b) No, Sir.

(c) and (d). The information is being collected and will be laid on the Table of Lok Sabha when received.

#### **Acquisition of Land in Burdwan for Oil Drilling**

**1252. Shri Subodh Hasda:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) how many acres of land were acquired by the Indo-Stanvac Oil Company for Oil drilling operation near Burdwan in West Bengal;

(b) whether these lands were private properties; and

(c) if so, whether any compensation was paid to the landowners?

**The Minister of Mines and Oil (Shri K. D. Malaviya):** (a) 14.76 acres.

(b) Yes.

(c) Compensation was paid to the landowners concerned at the rate of Rs. 2419.19 per annum.

#### **Sepoys of Central Excise Department**

**1253. Shri D. A. Katti:** Will the Minister of Finance be pleased to state whether Government are aware that the Central Excise Department Sepoys are transferred from one State to another or to the places quite far off from their places of permanent residences, thus putting them to great inconvenience even when no purpose of administrative convenience is served?

**The Deputy Minister of Finance (Shri B. R. Bhagat):** The administrative unit for the purposes of recruit-

ment and confirmation of Sepoys is the Collectorate. The jurisdiction of some of the Collectorates extends to more than a single State. The Sepoys are, therefore, liable for transfer anywhere within the Collectorate but when ordering transfers the places of their permanent residences are taken into consideration. But generally they are transferred only within the Circle and to another Division whenever necessitated by administrative reasons. Transfers to another Division are also made on the personal request of the persons concerned to suit their convenience.

Recently the jurisdiction of the Central Excise Collectorates was re-adjusted on account of the re-organisation of the States. The staff who were working in the affected areas have, as far as possible, been shifted, or are in the process of being transferred, to the areas to which they belong, in available vacancies, to the extent possible.

#### **Nepalese and Bhutanese Officers**

**1254 Shri B. S. Murthy:** Will the Minister of Defence be pleased to state:

(a) the number of Nepalese and Bhutanese officers at present serving in the Indian Army; and

(b) their service conditions?

**The Deputy Minister of Defence (Shri Raghuramiah):** (a) 116 Nepalese Officers, including 85 such officers who are of Indian domicile, were serving in the Indian Army on 1/8/57. There are no Bhutanese officers in the Indian Army.

(b) The terms and conditions of service of Nepalese Officers in the Indian Army are the same as those for the other officers of the Army.

#### **Diamond deposits at Vajrakaroor**

**1255. Shri B. S. Murthy:** Will the Minister of Steel, Mines and Fuel be pleased to refer to the reply given to Unstarred Question No. 583 on the 4th December, 1956 and state:

(a) whether any further investigation and survey have been conducted in Vajrakaroor, Andhra Pradesh, as to the availability of diamond-deposits there; and

(b) if so, the results thereof?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) No. Sir.

(b) Does not arise.

#### Welfare Institutions in Andhra

1256. Shri B. S. Murthy: Will the Minister of Education and Scientific Research be pleased to lay a statement on the Table showing:

(a) the total number of welfare institutions in Andhra Pradesh which received grants from the Central Social Welfare Board during 1956-57?

(b) the total amount allotted so far during 1957-58; and

(c) the factors governing such allotments?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimani): (a) 104.

(b) The Board has decided to sanction Rs. 2,03,130/- so far during 1957-58.

(c) Each application is considered on its own merits keeping in view the special requirements of each area.

#### Co-ordination of Social Welfare Work

1257. Shri B. S. Murthy: Will the Minister of Education and Scientific Research be pleased to state:

(a) the type of co-ordination that exists in the work of social welfare between the Central Social Welfare Board and the various State and Central agencies engaged in such work; and

(b) the steps, if any taken to avoid duplication and wastage?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimani): (a) and (b). A statement giving the requisite

information is laid on the Table of Lok Sabha. (See Appendix IV, annexure No. 58).

#### Scholarships for Scheduled Castes and Scheduled Tribes

1258. { Shri Basumatari:  
Shri Liladhar Koteki:

Will the Minister of Education and Scientific Research be pleased to state:

(a) whether the Scheduled Castes and Scheduled Tribes students securing scholarships from the Central Government are exempted from payment of fees in the schools and colleges;

(b) whether there is any difference in amount of scholarship given to the students belonging to the Hills and Plains Tribes in the State of Assam;

(c) if so, the reasons therefor; and

(d) the amount, set apart for awarding scholarships to the students belonging to the Scheduled Castes and Scheduled Tribes and other Backward Classes in the State of Assam during the current year?

The Minister of State in the Ministry of Education and Scientific Research (Dr. K. L. Shrimani): (a) In most of the cases, the Scheduled Castes and Scheduled Tribes students in receipt of scholarships from the Central Government, under the Government of India Scheme of Scholarships to the Scheduled Castes, Scheduled Tribes and Other Backward Classes for their post-matriculation studies, are exempted from payment of fees. Where they are not exempted, tuition and other admissible fees are paid in addition to the maintenance grant. No Scholarships are awarded under the Scheme for pre-matric studies.

(b) No, Sir.

(c) Does not arise.

(d) No funds have been earmarked for awarding scholarships to the Scheduled Castes, Scheduled Tribes

and Other Backward Classes in the State of Assam, during the current year.

### संघ लोक सेवा आयोग

१२५६. श्री क० भ० मालवीय : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि संघ लोक सेवा आयोग द्वारा इण्टरव्यू लिये जाने के समय स्थानीय प्रोफेसरों और विशेषज्ञों की सहायता ली जाती है, और

(ख) यदि हाँ, तो क्या इस पद्धति के परिणामस्वरूप आयोग द्वारा स्थानीय विद्यार्थियों अथवा अभ्यर्थियों का चुनाव अधिक मात्रा में नहीं हुआ है ?

गृह-कार्य मंत्रालय में राज्य-पत्र. (श्री दातार): (क) संघ लोक सेवा आयोग द्वारा इण्टरव्यू बोर्ड में विभिन्न क्षेत्रों के विशेषज्ञ और प्रोफेसरों को सलाहकार के रूप में सम्मिलित किया जाता है। स्थानीय अथवा प्रादेशिक आधार की अपेक्षा आयोग इन सलाहकारों को विशिष्ट चयन के लिए उनके विशेष ज्ञान को ही ध्यान में रख कर चुनता है।

(ख) प्रश्न ही नहीं उठता।

### Forged Currency

1260. { Dr. Ram Subhag Singh:  
Shri Hem Barua:  
Shri Warior:

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Delhi authorities have recently unearthed a gang dealing in forged currency;

(b) if so, whether that gang had machinery for printing forged currency; and

(c) the persons arrested in this connection?

The Deputy Minister of Finance (Shri B. B. Bhagat): (a) to (c). The whole matter is still under police investigation and it would not be in the public interest to disclose, at this stage, either the facts of the case or the nature of the investigation.

### MOTION FOR ADJOURNMENT

#### EXPLOSION IN KANPUR GOODS SHED

Mr. Speaker: I have received notice of an Adjournment Motion from Shri Braj Raj Singh, Shri Jagdish Awasthi and Shri Harish Chander Sharma regarding—

"The failure of the Railway Administration to take adequate safety measures in the transhipment loading and unloading of crackers and explosives resulting in the death of three persons and injuries to six and also extensive loss to public property on 3rd September 1957 at Kanpur"

What is the source of the hon. Member's information?

Shri Braj Raj Singh (Firozabad): In answer to a question on the floor of the House on the 27th August the hon Minister stated that the booking of crackers and explosives had been stopped. Only seven days after that we hear of this explosion which took place at Kanpur resulting in the death of three persons and injuries to six. This is a matter of urgent public importance.

Shri Raghunath Singh (Varanasi): I have tabled a Short Notice Question on this.

Mr. Speaker: I have also received an Adjournment Motion from Shri Atal Bihari Vajpayee and Shri Premji R Assar—

"To discuss the situation arising out of the serious explosion that occurred on 3rd September 1957, in the Cooperganj rail shed at Kanpur resulting in the death of three persons and injuries to several others".



and another from Shri S. M. Banerjee and Shri K. T. K. Tangamani regarding—

“Explosion in Kanpur goods shed on 3rd September 1957 resulting in death of three persons, injuries to many others and damage to railway property”.

They have attached paper cuttings with it. I have received a Short Notice Question also. What has the hon. Minister to say?

**Shri Tangamani (Madurai):** There was a similar explosion at Asansol and another at Katpadi. This is the third explosion. We were told that these transshipments would be stopped, but these explosions have not stopped. I would like to know whether proper safety measures are being taken in the case of such transshipments. That is the point I would like to ask the hon. Railway Minister.

**The Minister of Railways (Shri Jagjivan Ram):** Sir, I have not been able to collect much material about the Kanpur explosion, but I will recount the steps that we have taken after the first explosion at Asansol.

On 2.8.1957 I made a statement in the House on the explosion which occurred at Asansol on 31.7.57 and again on 27.8.57 the Deputy Minister made a statement in the House on the explosion which took place at Katpadi on 21.8.57. In both these explosions consignments of fireworks were involved. The explosions were of severe intensity in which twenty-two persons died and 12 received injuries.

Enquiries were immediately instituted into the cause of these explosions by the Railway and the Police Authorities and also by the Chief Inspector of Explosives and some of the enquiries are in progress. A magisterial enquiry into the explosion at Katpadi was held on 2.9.57 by the State Government of Madras and the findings are awaited. Regarding the explosion at Asansol it would appear from the investigations so far

made that the consignments which exploded may have contained explosives, the manufacture, possession, sale and transport of which is prohibited under the Explosives Act. But a final conclusion can be reached only after the enquiries by the Inspector of Explosives are completed.

As a precautionary measure the booking of fire-works has been stopped on all railways with effect from 23rd August 1957.

Certain representations, however, have been received requesting relaxation of these restrictions; but this cannot be considered until the enquiries into the causes of the explosions are finalised.

All these consignments have been booked from one place, Sivakasi. Even the packages which have exploded at Kanpur were received from Sivakasi. As I have said, all the consignments have been stopped. These packages—44 packages—of crackers which were lying in the goods shed at Kanpur were received there on various dates. The oldest one was received there on 6th February and the latest on the 29th August. They were received there on various dates—on 2nd August, 9th August, 29th August. Perhaps the one received on the 29th August was the last consignment which might have been booked on a date previous to 23rd August from Sivakasi—because we had stopped all consignments from 23rd August. These consignments were not taken by the consignee and were lying in the goods shed.

It is too early for me to say what was the cause of the explosion at the Kanpur shed, because an enquiry is being held there, and the Inspector of Explosives also has been approached to make an investigation. The explosion was of a severe intensity. The sheds were blown off. We have also called a conference here of the Intelligence Bureau, the Department of Explosives and Railway officers to examine the question further.

At this stage I am not in a position to say more than that. But I can say

[Shri Jagjivan Ram]

that ample precautions were taken in the goods shed for guarding the consignments, as is apparent from newspaper reports that even some Security people were killed. So we have taken all possible precautionary measures in this matter and I cannot say what exactly is the cause of the explosions.

I may add one thing more. Whether prohibited chemicals and explosives had been used in the fire-works or not is to be certified by the manufacturers who send the consignments, and we have no arrangements for checking it. We have to take their certificate.

Shri Supakar (Sambalpur): May I know why the enquiry into the Asansol explosion has not been completed although the explosion itself took place in the month of July?

Shri Jagjivan Ram: I wanted to have a chemical test of the contents of these things. Instead of taking samples from the manufacturers themselves, we decided that sample from consignments which were in transit in some of the wagons should be taken and examined by the Inspectorate of Explosives, and they are examining it. As I have said, there are some indications but we cannot finally say, because we have not received the final report of the Inspector of Explosives.

Shri T. K. Chaudhuri (Berhampore): In view of the fact that all these consignments were sent from one centre, namely Sivakasi, what is the guarantee that many more such consignments from Sivakasi, or other places, are not already on their way under transit or deposited in the different railway godowns in different parts of the country, and what steps have the Railway Ministry taken to ensure that there will be no recurrence of such explosions?

Dr. Ram Subhag Singh (Sasaram): They should all be destroyed.

Shri Jagjivan Ram: So far as I can say, we have stopped the movement of the consignments also.

Shri T. K. Chaudhuri: What about the consignments already taken in?

Shri Jagjivan Ram: We have stopped the movement of wagons on their way also. On that point we have taken precautions. Here also all precautions from the railway side were taken—because the packages were in storage and they were being guarded.

Shri T. K. Chaudhuri: The hon. Minister makes a statement on the floor of the House that all possible precautions were taken, and he also assures that consignments have been stopped. But it seems that consignments are on the way or are deposited in various railway godowns. So we press that this adjournment motion should be allowed.

Shri Braj Raj Singh: And the hon. Minister is not opposing the adjournment motion.

Shri S. M. Banerjee (Kanpur): It has become a regular feature

Mr. Speaker: It is a serious matter. For some time past a number of questions, Short Notice questions and Calling Attention notices have been received. A starred question, as was referred to by the hon. Minister, about the explosion at Asansol was answered on 2nd August 1957. It is not easy to understand, when the Minister had come to a conclusion and issued directions on 23rd August that no more consignments ought to be sent, and a consignment was received in Kanpur on the 28th or 29th, why it was not examined before it burst on the 3rd. I find that as many as twenty-two people had died, and three persons died at Kanpur. It is a serious matter. Merely saying "I have issued instructions" does not satisfy this House. As a matter of fact, I will read out the other ones also which I have gathered as I was trying to avoid as much excitement in the House as possible. That question

was answered. A statement was made by the Minister regarding the Asansol explosion. Then a statement was made by the Deputy Minister about the Katpadi explosion. Eleven people died there. It is still under enquiry. These three notices have been received today. Then a Short Notice Question was raised for discussion on the recent explosions, by Mr. Ramaswami. For want of time during the current session it was not possible to accommodate such discussion. A starred question regarding the explosion has, however, been admitted on the 11th. I would like to allow, whatever might be the work before the House, on the 11th I will devote two hours after the day's normal work is over for discussion of this matter to see that further mischief may be avoided and all possible steps may be taken. In view of this it is not necessary to pursue this adjournment motion. Two hours will be devoted for this discussion on the 11th. Earlier in the day the question will be answered. A reference will be made and whatever is available with the Minister so far will be placed before the House. In the meantime all steps will be taken to see that whatever consignment is on the way or is in the godown will be tested and no more such accidents are allowed to occur.

**Shri Goray (Poona):** Are you sending anybody to Sivakasi to make investigations on the spot?

**Shri Jagjivan Ram:** Step has already been taken. The Madras Government has been requested, and also the Inspector of Explosives.

**Shri T. B. Vittal Rao (Khammam):** I would like to know if the report of the Government Inspector of Railways and also of the Chief Inspector of Explosives who have already enquired into the matter would be ready by the 11th.

And secondly, Dipavali is fast approaching. So many consignments might have been booked. Wherever

they are in transit they must be properly protected and the staff should be warned.

**Dr. Ram Subhag Singh:** They should not be kept in goods sheds.

**Shri Jagjivan Ram:** We have separate sheds for explosives at some stations.

**Shri S. V. Ramaswami (Salem):** If not the final report, we should have at least an interim report about this.

**Shri Narayanankutty Menon (Mukandapuram):** There was another disturbing news in one of the Madras Dailies that some of the hon. Members of Parliament have approached the Minister of Railways so that the stock frozen in Sivakasi may be released for Dipavali and that those stocks are going to be released. I wanted to enquire about that.

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** So far as the Sivakasi matter is concerned, in view of what has happened, no stock is going to be released from there. And I am sure my colleague is going to see to everything that has come out, whether it is in transit or stored somewhere, and deal with it adequately and immediately.

**Mr. Speaker:** In view of this statement we shall have a full discussion, which will be as good as a discussion on this motion, on the 11th after the normal work before the House is over, and I shall devote two full hours. In the meanwhile, the hon. Minister will kindly see that the report is expedited or at any rate, whatever material is available, is placed before the House.

**Shri Dasappa (Bangalore):** There was a similar explosion in Mysore City.

**Mr. Speaker:** That may also be brought to the notice of the House.

**Shri Dasappa:** I want to suggest that it is not confined to Sivakasi, but there is something wrong in the whole affair

[Shri Dasappa]

which needs to be looked into. Three people died, and a number of persons were injured.

**Mr. Speaker:** In the meanwhile if any hon. Member gets information regarding any particular wagons, he may write to the hon. Minister to take adequate steps to stop them or freeze them wherever they are in a position to do so.

**Shri T. B. Vittal Rao:** There are three Ministries involved in this. One is the Railway Ministry, another the Government Inspector of Railways who is under the Communications Ministry, and the third is the Inspector of Explosives who is under the WHS Ministry. Let those three Ministers be present on that day

**Shri Raghunath Singh:** The Home Minister also

**Dr. Ram Subhag Singh:** An assurance was given on the floor of the House

**Mr. Speaker:** I am afraid all hon. Members are taking part in the discussion simultaneously. It is true that we do not know what the jurisdiction of the Inspector of Explosives was when they were loaded. The hon. Minister has said there is no agency to find out whether it contains explosives or not. It seems to be rather curious. When combustible material is put in there, whatever might be the opinion of the person who puts it in, the person there must be competent to judge whether it is combustible. Precautions are no doubt taken to put them in separate wagons. That alone is not enough. As a matter of fact, it has arisen here that they are not ordinary crackers but regular combustible material which will explode. So, the Minister who is concerned with ammunition will also take part in the discussion and explain to the House what exactly the position is with a view to preventing occurrences of a similar nature.

In view of what has been stated, I do not propose to give my consent to

these adjournment motions. There will be a regular discussion on the 11th.

**Shri Tangamani:** One question, Sir.

**Mr. Speaker:** Whatever the hon. Members have to say, they will write to the hon. Minister of Railways.

## PAPER LAID ON THE TABLE

### STATEMENT ON FLOOD CONTROL PROGRAMME AND FLOOD SITUATION

**The Deputy Minister of Irrigation and Power (Shri Hathi):** I beg to lay on the Table a copy of the statement on the flood control programme and the flood situation in the country.

[Placed in Library. See No. S-246/57]

## EXPENDITURE TAX BILL—contd.

**Mr. Speaker:** The House will now resume further discussion of the Expenditure Tax Bill.

Out of nine hours allotted for the general discussion and the clause-by-clause consideration, seven hours and 52 minutes have already been availed of, and one hour and 8 minutes now remain.

After the clause by clause consideration is over, the third reading of the Bill will be taken up for which one hour has been allotted.

Clause 5 was under consideration. The Deputy Finance Minister may continue his reply.

**Shri Narayanankutty Menon (Mukandapuram):** Yesterday at the close of the debate the hon. Finance Minister said that regarding clause 5(1) he will look into my amendment, which desires that any expenditure that comes out of borrowing should come within the scope of the expenditure tax while the clause as it is lays down that borrowing for the purpose of expenditure liable to expenditure tax will be exempt from the tax altogether.

**Mr. Speaker:** He wants not only the interest, but the loan also not to be exempted.

**The Deputy Minister of Finance (Shri B. R. Bhagat):** The point raised by the hon. Member is that the words "or repayment of" should be inserted after the words "not being interest on" in clause 5(1), because he contends that the clause as it is will provide a big loophole for evading the tax while borrowing from the bank and again in repayment. His view is not correct because if a person borrows from a friend or a bank and spends the money on himself, he will be liable to expenditure tax at the time he actually spends it. So, the tax is attracted, and there will be no evasion. Whatever be the source of income, as soon as he gets the money from the bank or borrows it and spends it, he will be taxed. So, there will be no evasion. In other words, this amount is charged to expenditure tax at the time it is spent, and it does not matter wherefrom the funds have been secured. If we accept the hon. Member's amendment that repayment of such a loan should also be taxed, it will amount to double taxation. The money when it is borrowed is taxed because it is borrowed for expenditure, and according to him, when it is repaid it will be taxed again. That is hardly desirable. I think the clause as it is provides ample safeguards against any loopholes.

**Shri Narayanankutty Menon:** May I ask a question?

**Mr. Speaker:** The hon. Member raised a point. It has been answered. It is now left to the House to accept or not.

**Shri B. R. Bhagat:** Yesterday the House discussed this clause for a considerable length of time, and many hon. Members went into many aspects of this clause. The principles of the Bill have commended themselves to the House, but this is a novel measure and we lack administrative experience.

The Select Committee spent a considerable time over the discussion of this clause and they have given certain exemptions. Those exemptions are: firstly, any expenditure or any item which is attracted by the wealth tax, which is in the nature of an investment or capital expenditure, may not be taxed again by way of expenditure tax, because it is a personal expenditure. So, certain exemptions are covered by this principle that has been accepted by the Select Committee.

Then, we have to set up the administrative machinery. In the beginning a lot of leeway has to be made up, and therefore we have tried to proceed moderately. There was another point of view expressed in the House as well as in the Select Committee that this tax is liable to cause much harassment. So, exemptions to smaller items have been given under this clause so that the harassment may be minimised. Similarly, other items like gifts etc., which are not for personal consumption have been exempted.

So, basically these are the principles underlying the exemptions in clause 5. It is not as if that the whole cream of this Bill is being taken away by providing these exemptions. The Select Committee after considering the pros and cons, decided to introduce these exemptions so that the Bill may not only be acceptable to the House, but can also be administered easily and also would be more logical and consistent.

One of the main points made yesterday was that expenditure for public charitable purposes in India which is exempted under sub-clause (m) should be extended to similar expenditure outside India also. Certain hon. Members made the point that pilgrimage to outside places like the Haj and others should be exempted. Giving careful thought to this aspect of the matter, I think amendment 94 moved by Shri Jaganatha Rao

[Shri B. R. Bhagat]

meets the point. The amendment says:

"any expenditure incurred by the assessee for any public purpose of a charitable or religious nature:

Provided that this clause shall not apply in the case of any expenditure incurred outside India for any such purpose unless the Board having regard to the circumstances relating thereto, otherwise directs".

This meets the point, because if you want to exempt any private expenditure for private charitable purposes like pilgrimage or other things, it does not fit in with the scheme as we do not exempt any expenditure on pilgrimage inside the country. What we exempt is expenditure for public purposes for public charity. If you extend the same logic, I think this amendment meets the point that similar expenditure outside India can be taken care of by the Board. They can, after going through the very nature of things, prescribe rules or give exemptions or issue whatever other directions. For instance, if there is any trust for the benefit of pilgrims in Mecca or if anybody wants to give some donations for pilgrims to Sikh shrines in Pakistan, such expenditure will be taken care of. But I think private expenditure does not come under this category because in the very nature of things the common people who go to Mecca or to any other place for Haj or any other pilgrimage are not attracted by the tax, as they do not have the net basic income from all sources of Rs. 36,000. Similarly, if anybody has that amount of income and if he spends a little on pilgrimage, I think it is reasonable that he should pay the tax also. So I accept amendment No. 94.

A point was made by Pandit Thakur Das Bhargava about books. He would not say that we are unreasonable as regards the point made that books

should be exempt from this tax. We accept the point that there should be exemption of books. So we accept his amendment No. 139.

Another point was made about jewellery and bullion. In the very nature of things, these things are durable assets. The Select Committee has accepted the principle that if the same jewellery and bullion and other things are charged to wealth tax, they should not be charged to expenditure tax—that is, twice in a year. On this ground, we have given exemption, as in the case of shares or securities; they are not articles of personal consumption.

A point was made about cottage industries or works of art. The Select Committee has given exemption in regard to expenditure in connection with articles of cottage industries or any work of art. It is said that it will provide a big loophole for evasion. I do not know if all the rich people who are attracted under this tax spend a large amount on works of art or any articles of cottage industries. But I think it will meet the other objective that hon. Members from all sides of the House have in view, namely, encouragement of cottage and village industries and works of art. So I think this will serve a national and social purpose. Hence this amendment also does not hold much water.

Another point was made about expenditure in elections, that it need not be exempt. Every hon. Member knows how costly the elections have become and although it is not strictly in the nature of personal conspicuous consumption which we want to avoid, anybody who wants to come to Parliament or seek election to State legislatures has to incur a certain expenditure. The Select Committee in its wisdom decided to give exemption to such expenditure. I think it is quite reasonable.

Some hon. Members said that livestock mainly employed in agriculture



should only be exempt; others should not be. Other hon. Members said that livestock like race horses need not be exempt. A point was made that this was very conspicuous expenditure and a lot of money was being spent involving foreign exchange. That is true, but it has various ramifications. If we spend only for agricultural purposes, what about the milch cows? If only draught-bulls are exempt, what about milch cows?

**Mr. Speaker:** The main point seems to be that race horse expenditure which comes to Rs. 11 lakhs annually should not be exempt.

**Shri B. R. Bhagat:** If they are either imported or bred, that is done as a profession which comes under other exemptions. Any expenditure in regard to profession or trade or business is exempt. This will only affect what we call hobby horses. A man may have a hobby and he spends a lot of money on a race horse. But such persons would be very, very rare and exceptional. Mainly these horses are used for races. They employ these horses as a trade or business and earn money out of it. In the nature of things, it cannot be an article of personal consumption save and except, as I said hobby horses which are very, very rare in this country. I think for such a small number of cases only it is not necessary to withdraw exemption, because it is better that generally livestock or animal husbandry or veterinary services should be encouraged not only by Government—we are putting a lot of money in the Second Plan, and a lot of emphasis is given for improvement of veterinary services and development of animals generally—but also by private people who are interested in the development of animal husbandry. So that point is disposed of.

An hon. lady Member raised the point that the salaries and pensions of servants and other staff of every individual should be exempt. I will

also come to the question of rulers about whom the hon. Member from Rajasthan, Shri M. D. Mathur, waxed eloquent.

**Shri Shree Narayan Das (Darbhanga):** Servants are less necessary than race horses?

**Shri B. R. Bhagat:** If all those people who are attracted to this tax maintain a large number of servants, I think they won't mind paying a few chips. Otherwise, this will be a very big loophole for evasion. So it won't be possible to accept that amendment.

So far as the Rulers are concerned, the whole thing is linked up with the Wealth Tax Bill which the House has approved. If they have been given exemption under the Wealth Tax Bill, naturally, the expenditure over the large staff or the retinue to maintain their status is guaranteed. They cannot be strictly called personal expenditure or conspicuous expenditure. That is more or less obligatory on them. So we extend the same principle which has been accepted in the Wealth Tax Bill.

**Shri Shree Narayan Das.** May I also draw the attention of the hon. Minister that besides the Rulers....

**Shri B. R. Bhagat:** I do not want to be interrupted, Sir. The hon. Member has spoken.

**Mr. Speaker:** Let the hon. Minister speak.

**Shri B. R. Bhagat:** A point was made about immovable property. The hon. Member said we are encouraging investment in the unproductive field. In the very nature of things immovable properties create durable assets and the expenditure is capital in nature. He says that improvements to the immovable property should not be exempted. I think it is hardly logical, if we allow somebody to purchase a house, to say that if he wants to repair it or if he wants to air-condition one room of it, it should not be exempted. It would be a very



[Shri B. R. Bhagat]

fine argument to say that we are encouraging conspicuous expenditure. If the purchase of immovable property is exempt because the expenditure is mainly of a capital nature, we cannot, in the same breath say that there cannot be any improvement by way of furnishing or by way of air-conditioning a portion. We have to take the house as a whole. Any improvement will enhance the value of the house and that cannot be treated as personal expenditure. On that score, that amendment is not acceptable to us.

It was said by the hon. Member opposite that in business we should exempt only expenditure which is in the nature of capital expenditure and not revenue expenditure. I think, in business, both capital and revenue expenditure are for earning income and increasing the business. Subject to your ruling, I think, this amendment is out of order because it goes beyond the original Bill because there the word used is 'current expenditure'.

**Mr. Speaker:** What is that amendment?

**Shri B. R. Bhagat:** I do not have the number just now. I will give it later on.

There was another drafting point made by the hon. Member I hazard to join issue with him on this. I think the lawyer Members of the Select Committee considered that. They say that even in income-tax, the same phrase is used, 'wholly or exclusively'. The hon. Member has suggested 'wholly or necessarily'. Beyond that I cannot say more.

I have tried to cover most of the points made by the hon. Members yesterday. Another last point was made by Shri Supakar. Obviously, there are floods in Orissa and Bihar (Shri Supakar: Everywhere.) and he said that all expenditure on floods should be exempted. I think that

will come under some other sub-clause, public purpose.

**Shri Supakar (Sambalpur):** I was referring to....

**Shri B. R. Bhagat:** How can it be relief to himself?

**Shri Supakar:** It is expenditure on his own account.

**Shri B. R. Bhagat:** That is all I have to say. I accept amendments Nos. 94 and 139.

**Shri Dinesh Singh:** May I seek a clarification from the hon. Deputy Minister? He said that expenditure in cottage industry is free from expenditure tax. What is the definition of cottage industry?

**Shri B. R. Bhagat:** That is, I think, defined in other Acts.

**Mr. Speaker:** The other day the same question was put as to the difference between cottage industry, small-scale industry and village industry. There is a separate Act for that.

I shall first of all put the amendments accepted by Government, amendments Nos. 94 and 139 to vote.

The question is.

Page 5—

for lines 9 and 10, substitute—

"(m) any expenditure incurred by the assessee for any public purpose of a charitable or religious nature;

Provided that this clause shall not apply in the case of any expenditure incurred outside India for any such purpose unless the Board having regard to the circumstances relating thereto, otherwise directs;"

*The motion was adopted.*

**Mr. Speaker:** The question is:

Page 4, line 16—

after "India" insert "books."

*The motion was adopted.*

**Mr. Speaker:** With respect to the other amendments, I would like to know if any hon. Member wants any particular amendment to be put to the vote separately.

**Shri Supakar:** No. 173, Sir.

**Shri Prabhat Kar** (Hooghly)  
Amendments Nos. 48 and 50 and also  
No. 33 of Shri Menon

**Mr. Speaker:** I shall first put amendment No. 173 to vote. The question is:

Page 4,—after line 29, insert—

“(j) any expenditure reasonably incurred to reimburse the loss or damage resulting from fire, flood, earthquake and other natural calamities.”

Those in favour will please say ‘Aye’.

**Division No. 29.]**

Banerjee, Shri S. M.  
Beck, Shri Ignace  
Bhanja Deo, Shri  
Bharucha, Shri Nambur  
Chandramani Kalo, Shri  
Deb, Shri P. G.  
Deo, Shri P. K.  
Dige, Shri  
Drohar, Shri

Gaukwad, Shri B. K.  
Ghodasar, Shri Patehsinh  
Godsora, Shri S. C.  
Jadhav, Shri  
Jaipal Singh, Shri  
Karni Singh, Shri  
Katti, Shri D.A.  
Majhi, Shri R. C.  
Matin, Shri

**NOES**

Abdul Latief, Shri  
Achal Singh, Seth  
Ajit Singh, Shri  
Ambalam, Shri Subbiah  
Arumugham, Shri R. S.  
Arumugham, Shri S. R.  
Ashanna, Shri  
Ayyakannu, Shri  
Badan Singh, Ch.  
Bajaj, Shri Karnalayan  
Bakliwal, Shri  
Balakrishnan, Shri  
Balmiki, Shri  
Banerjee, Shri S. K.  
Benerji, Shri P. B.  
Bangshi Thakur, Shri  
Barman, Shri  
Basappa, Shri  
Bhagat, Shri B. R.  
Bhakt Darshan, Shri  
Bidari, Shri

Birbal Singh, Shri  
Borooah, Shri P.C.  
Bose, Shri P. C.  
Brahm Perkaash, Ch.  
Brajeshwar Prasad, Shri  
Chakravartty, Shrimati Renu  
Chandak, Shri  
Chaturvedi, Shri  
Chavda, Shri  
Chettiar, Shri R. Ramanathan  
Daljit Singh, Shri  
Dasappa, Shri  
Dasaratha Deb, Shri  
Das, Shri K. K.  
Das, Shri M. M.  
Das, Shri N. T.  
Das, Shri Ramdhanu  
Das, Shri Shree Narayan  
Deb, Shri N. M.  
Dharmalingam, Shri  
Dindod, Shri

**Some Hon. Members:** ‘Aye’.

**Mr. Speaker:** Those against will please say, ‘No’

**Some Hon. Members:** ‘No’.

**Shri Supakar:** I want division, Sir.

**Mr. Speaker:** Let the lobbies be cleared.

Hon. Members may see the nature of the amendment. Amendment No. 173, by Shri Supakar, dealing with clause 5, relating to exemptions from tax. He wants that there should be exemption from tax for expenditure incurred to reimburse the loss or damage resulting from fire, flood, earthquake etc. He wants additional exemption. I will now put amendment No. 173 to the vote of the House.

*The Lok Sabha divided: Ayes 27; Noes 187.*

**[15.24 hrs.]**

Parmar, Shri K. U.  
Patil, Shri Balasheeb  
Pocker Sahib, Shri  
Prodhan, Shri B. C.  
Sampath, Shri B. V. K.  
Singh, Shri Kamal  
Soren, Shri  
Supakar, Shri  
Valvi, Shri

Dinesh Singh,  
Dube, Shri Mulchand  
Dubish, Shri  
Bacharan, Shri I.  
Blayasperumal, Shri  
Elias, Shri M.  
Gaekwad, Shri Patesingh Rao  
Ganapathy, Shri  
Gandhi, Shri Peroze  
Gandhi, Shri M. M.  
Ghosh, Shri M. K.  
Gounder, Shri Doraswami  
Gounder, Shri K. P.  
Guha, Shri A. C.  
Harvani, Shri Anwar  
Harda, Shri Subodh  
Hazarika, Shri J. N.  
Hukam Singh, Sardar  
Jangde, Shri  
Jhunjhunwala, Shri  
Jogendra Sen, Shri

Kanakasabai, Shri  
 Kar, Shri Prabhat  
 Keshava, Shri  
 Keskar, Dr.  
 Khedkar, Dr. G. B.  
 Khosla, Shri  
 Khwaja, Shri Jamal  
 Kistaya, Shri  
 Kodyan, Shri  
 Kripalani, Shrimati Sucheta  
 Krishna Chandra, Shri  
 Krishnamachari, Shri T. T.  
 Krishna Rao, Shri M. V.  
 Kumeran, Shri  
 Kunhan, Shri  
 Lachhi Ram, Shri  
 Lahiri, Shri  
 Laskar, Shri N. C.  
 Laxmi Bai, Shrimati  
 Mafta Ahmed, Shrimati  
 Malliah, Shri U. S.  
 Manasn, Shri  
 Mathur, Shri Harish Chandra  
 Menon, Shri Narayanankutty  
 Mishra, Shri B. D.  
 Mishra, Shri Bibhuti  
 Mishra, Shri L. N.  
 Mishra, Shri M. P.  
 Misra, Shri R. R.  
 Mohiuddin, Shri  
 Munisamy, Shri N. R.  
 Morarka, Shri  
 Nair, Shri Kutikrishnan  
 Nair, Shri Vasudevan  
 Nallakoya, Shri  
 Nanjappa, Shri  
 Naskar, Shri P. S.  
 Nathawani, Shri  
 Nehru, Shri Jawaharlal  
 Nek Ram, Shri  
 Padalu, Shri K. V.  
 Padam Dev, Shri

Palaniyandy, Shri  
 Palchoudhuri, Shrimati Ita  
 Pandey, Shri K. N.  
 Panna Lal, Shri  
 Parmar, Shri Deen Bandhu  
 Parmar, Shri Y. S.  
 Parulekar, Shri  
 parvathi Krishnan, Shrimati  
 Patel, Shrimati Maniben  
 Patel, Shri N. N.  
 Patel, Shri Rajeshwar  
 Patil, Shri Nana  
 Raghur Sahai, Shri  
 Raghunath Singh, Shri  
 Rahman, Shri M. H.  
 Rajiah, Shri  
 Ramam, Shri  
 Raman, Shri C. R. Pattabhi  
 Ramananda Tirtha, Swami  
 Ramaswami, Shri S. V.  
 Ramaswamy, Shri K. S.  
 Rameshwar Rao, Shri  
 Rampure, Shri M.  
 Ram Saran, Shri  
 Rane, Shri  
 Ranga, Shri  
 Rangarao, Shri  
 Rao, Shri D. V.  
 Rao, Shri Hanmanth  
 Rao, Shri Jaganatha  
 Rao, Shri T. B. Vittal  
 Ray, Shrimati Renuka  
 Reddy, Shri Bali  
 Reddy, Shri Nagi  
 Reddy, Shri Narapa  
 Reddy, Shri Rami  
 Rungsung Suisa, Shri  
 Sahodrabai, Shrimati  
 Sahu, Shri Ramchahar  
 Saigal, Sardar A. S.  
 Salam, Shri Abdul

Samanta, Shri S. C.  
 Sanganna, Shri  
 Sarbadi, Shri Ajit Singh  
 Selku, Shri  
 Sen, Shri P. G.  
 Shah, Shrimati Jayaben  
 Shah, Shri Manabendra  
 Shankaraya, Shri  
 Sharma, Pandit K. C.  
 Shivananjappa, Shri  
 Singh, Shri D. P.  
 Singh, Shri H. P.  
 Singh, Shri M. N.  
 Singh, Shri T. N.  
 Sinha, Shri Gayendra Prasad  
 Sinha, Shri K. P.  
 Sinha, Shri Satya Narayan  
 Subramanyam, Shri T.  
 Sumat Prasad, Shri  
 Sunder Lal, Shri  
 Suryanaraynamurthy, Shri  
 Swaran Singh, Sardar  
 Tahir, Shri Mohammed  
 Tangamani, Shri  
 Tewari, Shri Dwarikanath  
 Thummaiah, Shri  
 Thurumala Rao, Shri  
 Thomas, Shri A. M.  
 Tiwari, Shri Babu Lal  
 Tiwari, Pandit D. N.  
 Tula Ram, Shri  
 Tyabji, Shri  
 Uike, Shri  
 Umrao Singh, Shri  
 Upadhyaya, Shri Shiva Datt  
 Varma, Shri B. B.  
 Venkatasubbaiah, Shri  
 Vishwanath Prasad, Shri  
 Vyasa, Shri Radhela  
 Wasnik, Shri Balkrishna  
 Wodeyar, Shri

*The motion was negatived.*

**Mr. Speaker:** Now we will take up amendment Nos. 48 and 50, moved by Shri Prabhat Kar. In amendment No. 48 he says that no exemption should be given for expenditure incurred in the purchase of bullion, precious stones or jewellery. In amendment No. 50 he says that race horses ought not to be exempted. He says that exemption should not be allowed for race horses.

**Shri Ranga (Tenali):** Is exemption being given now?

**Mr. Speaker:** It is part of the live-stock or business carried on. The hon. Minister has explained all that.

**The Minister of Finance (Shri T. T. Krishnamachari):** There is a distinction. If a person has got a large number of race horses, he will not claim exemption under this clause and exemption would be given under other clause because he calls it a business. He says that it is his business to have them. But if a person has casually a horse or two, they will be exempted under this provision. The total exemption will not arise under this clause because as a business he will get exemption for it under other clause, so far as he is concerned. But if it is not his business and he has casually got a horse or two, they will be exempted under the clause.

**Mr. Speaker:** There are two categories. Firstly, there will be exemption for expenditure incurred on all kinds of business. If a man deals in race horses, the expenditure incurred by him on that will be exempted. But, suppose a man is owning a horse or two as a hobby. That will be exempted as livestock. That is the explanation. I am explaining this for the purpose of enabling hon. Members to decide one way or the other.

I shall now put amendments numbers 48 and 50 to the vote of the House.

### Division No. 30]

Banerjee, Shri S. M.  
Bhargava, Pandit Thakur Das  
Bharucha, Shri Naushur  
Chakravarty, Shrimati Renu  
Chaudhuri, Shri T. K.  
Dasaratha Deb, Shri  
Dharmalingam, Shri  
Dige, Shri  
Drohar, Shri  
Elias, Shri M.  
Gaukwad, Shri B. K.  
Goray, Shri  
Jadhav, Shri  
Kar, Shri Prabhat  
Kattu, Shri D. A.

Khadukar, Shri  
Kodiyan, Shri  
Kumaran, Shri  
Kunhan, Shri  
Manay, Shri  
Menon, Dr. K. B.  
Menon, Shri Narayanankutty  
Mullick, Shri B. C.  
Nair, Shri Vasudevan  
Parmar, Shri K. U.  
Parulekar, Shri  
Parvathi Krishnan, Shrimati  
Patel, Shri P. R.  
Patil, Shri Balasaheb

### AYES

### NOES

13 hrs.

**Shri Jaipal Singh** (Ranchi West—Reserved—Sch. Tribes): May I submit, Sir, that the two issues are different; one may agree with one and not with the other. I request that they may be put separately.

**Mr. Speaker:** The question is:

Page 4, lines 12 and 13,—

omit "or in bullion, precious stones or jewellery"

The Lok Sabha divided: Ayes 43;  
Noes 175.

[13.01 hrs.]

Patil, Shri Nana  
Pocker Sahib, Shri  
Punnoose, Shri  
Ramam, Shri  
Rao, Shri D. V.  
Rao, Shri T. B. Vittal  
Reddy, Shri Nagi  
Sampath, Shri E. V. K.  
Singh, Shri L. Achaw  
Siva Raj, Shri  
Sugandhi, Shri  
Tangamani, Shri  
Tiway, Pandit D. N.  
Warior, Shri

Ybdui Lateef, Shri  
Achal Singh, Seth  
Ajit Singh, Shri  
Amhalam, Shri Subbiah  
Arumugham, Shri R.S.  
Arumugham, Shri S. R.  
Ashanna, Shri  
Ayyakannu, Shri  
Badan Singh, Ch.  
Bahadur Singh, Shri  
Bajaj, Shri Kamalnayan  
Bakliwal, Shri  
Balakrishnan, Shri  
Balmiki, Shri  
Banerjee, Shri S.K.  
Banerji, Shri P.B.  
Bangaru Thakur, Shri  
Barman, Shri  
Basappa, Shri  
Bhagat, Shri B. R.  
Bhakt Darshanb, Shri  
Bhogi Bhai, Shri  
Bidari, Shri  
Birbal Singh, Shri

Boroah, Shri P. C.  
Bose, Shri P. C.  
Brahm Perikash, Ch.  
Brajeshwar Prasad, Shri  
Chandak, Shri  
Chandra Shanker, Shri  
Chaturvedi, Shri  
Chavda, Shri  
Chettiar, Shri R. Ramanathan  
Chuni Lal, Shri  
Daljit Singh, Shri  
Dasappa, Shri  
Das, Shri K.K.  
Das, Shri M.M.  
Das, Shri N. T.  
Das, Shri Ramdhan  
Das, Shri Shree Narayan  
Datar, Shri  
Dindod, Shri  
Dinesh Singh, Shri  
Dube, Shri Mulchand  
Dubish, Shri  
Dwivedi, Shri M.L.  
Eacharan, Shri I.

Elayaperumal, Shri  
Gackwad, Shri Fateesunghrao  
Ganapathy, Shri  
Gandhi, Shri M.M.  
Ganga Devi, Shrimati  
Ghosh, Shri M.K.  
Godsora, Shri S.C.  
Gounder, Shri Doraiswami  
Gounder, Shri K.P.  
Harvani, Shri Anwar  
Hazda, Shri Subodh  
Hazrika, Shri J.N.  
Hukam Singh, Sardar  
Jaipal Singh, Shri  
Jhunjhunwala, Shri  
Jogendra Sen, Shri  
Kanakasabai, Shri  
Karni Singhji, Shri  
Keshava, Shri  
Keshkar, Dr.  
Khedkar, Dr. G.B.  
Khimti, Shri  
Khawaja, Shri Jamal  
Kistaya, Shri

Krishna Chandra, Shri  
 Krishnamachari, Shri T T  
 Krishna Rao, Shri M V  
 Lachhi Ram, Shri  
 Lahiri, Shri  
 Laskar, Shri N C  
 Laxmi Bai, Shrimati  
 Mafida Ahmed, Shrimati  
 Majhi, Shri R C  
 Malliah, Shri U S  
 Manacn, Shri  
 Mehta, Shri J R  
 Mishra, Shri B D  
 Mishra, Shri Bibhu  
 Mishra, Shri L N  
 Misra, Shri R R  
 Mohiuddin, Shri  
 Morarka, Shri  
 Murthy, Shri B S  
 Nair, Shri Kuttikrishnar  
 Nallakoya, Shri  
 Nanappa, Shri  
 Narayanasamy, Shri R  
 Naskar, Shri P S  
 Nathawani, Shri  
 Nehru, Sri Jawaharlal  
 Nek Ram, Shri  
 Padalu, Shri K V  
 Padam Dev, Shri  
 Palaniyandy, Shri  
 Palchoudhuri, Shrimati Ila  
 Pande, Shri C D  
 Pandey, Shri K N  
 Panna Lal, Shri  
 Parmar, Shri Deen Bandhu

Parmar, Shri Y S  
 Patel, Shrimati Maniben  
 Patel, Shri N N  
 Patel, Shri Rajeshwar  
 Raghubir Sahai, Shri  
 Raghunath Singh, Shri  
 Rahman Shri M H  
 Rajiah, Shri  
 Raman, Shri C R Parthabhi  
 Ramananda, Tirtha Swami  
 Ramaswami Shri S V  
 Ramaswamy, Shri K S  
 Rameshwar Rao, Shri  
 Rampure, Shri M  
 Ram Saran, Shri  
 Ram Subhag Singh, Dr  
 Rane Shri  
 Range, Shri  
 Rangarao, Shri  
 Rao, Shri Hanmanth  
 Rao, Shri Jaganatha  
 Ray, Shrimati Renuka  
 Reddy Shri Bali  
 Reddy, Shri Narapa  
 Reddy Shri Rama  
 Rungsung Suisa, Shri  
 Sahodrabai Shrimati  
 Sahu, Shri Rameshwar  
 Saigal, Sardar A S  
 Salam, Shri Abdul  
 Samanta, Shri S C  
 Sanganna Shri  
 Sarhadi, Shri Ajit Singh  
 Selku, Shri  
 Sen Shri P C

Shah, Shrimati Jayaben  
 Shah, Shri Manabendra  
 Shankaraya, Shri  
 Sharma Shri H C  
 Sharma, Pandit K C  
 Shivananappa, Shri  
 Singh, Shri D P  
 Singh, Shri H P  
 Singh, Shri K N  
 Singh, Shri Kamal  
 Singh, Shri M N  
 Singh Shri T N  
 Sinha, Shri Gajendra Prasad  
 Sinha, Shri K P  
 Sinha, Shri Satya Narayan  
 Sumant Prasad, Shri  
 Sunder Lal, Shri  
 Suryanarayanamurthy, Shri  
 Swaran Singh, Sardar  
 Tahir, Shri Mohammed  
 Thummaiah, Shri  
 Thurumala Rao, Shri  
 Thomas, Shri A M  
 Tula Ram, Shri  
 Tyabji, Shri  
 Uike, Shri  
 Umrao Singh, Shri  
 Upadhyaya, Shri Shiva Datt  
 Valvi, Shri  
 Varma, Shri B B  
 Venkatesubbaiah Shri  
 Vishwanath Prasad, Shri  
 Vyasa, Shri Radhical  
 Wasnik Shri Balakrishna  
 Wodeyar, Shri

*The motion was negatived*

Mr Speaker The question is  
 Page 5, line 8,—  
 add at the end—"excluding race

horses"  
*The Lok Sabha divided* Ayes 51,  
 Noes 161

## Division No. 31]

## AYES

[13.03 hrs

Banerjee, Shri S M  
 Bharucha, Shri Naushir  
 Chakravartty, Shrimati Renu  
 Chandramani Kalo, Shri  
 Dasaratna De, Shri  
 Deb, Shri P G  
 Deo, Shri P K  
 Dharmalingam, Shri  
 Dige, Shri  
 Elasa, Shri M  
 Ghosal, Shri  
 Goray, Shri  
 Jadhav, Shri  
 Jalpal Singh, Shri  
 Kar, Shri Prabhat  
 Karni Singhji, Shri  
 Katti, Shri D A

Khadilkar Shri  
 Kadiyan Shri  
 Kumaran, Shri  
 Kunhan, Shri  
 Majhi, Shri R C  
 Manay, Shri  
 Maun, Shri  
 Menon, Dr K B  
 Menon, Shri Narayanankutty  
 Mullick Shri B C  
 Nair, Shri Vasudevan  
 Nath Pai, Shri  
 Parmar, Shri K U  
 Parulekar, Shri  
 Parvathi Krishnan Shrimati  
 Patel, Shri P R  
 Patil, Shri Balasaheb

Patil, Shri Nana  
 Prodhan, Shri B C  
 Punnoose, Shri  
 Ramani, Shri  
 Rao, Shri D V  
 Rao, Shri T B Vittal  
 Reddy, Shri Nagi  
 Sampath, Shri E V K  
 Sharma, Shri H C  
 Singh, Shri Kamal  
 Singh, Shri L Achew  
 Sugandhi, Shri  
 Supakar, Shri  
 Tanghani, Shri  
 Valvi, Shri  
 Warrior, Shri  
 Yadav, Shri

## NOES

Abdul Lateef, Shri  
 Achal Singh, Seth  
 Ait Singh, Shri  
 Ambalam, Shri Subbiah  
 Arumugham, Shri R S  
 Arumugham, Shri S R  
 Ashappa, Shri  
 Ayyakannu, Shri  
 Badan Singh, Ch  
 Bajaj, Shri Kamalnayan  
 Bakliwal, Shri  
 Balakrishnan, Shri  
 Balmiki, Shri  
 Banerjee, Shri S K  
 Banerji, Shri P B  
 Banshi Thakur, Shri  
 Barman, Shri  
 Bhagat, Shri B R  
 Bhakt Darshan, Shri  
 Bhogji Bhai, Shri  
 Bidari, Shri  
 Borooah, Shri P C  
 Bose, Shri P C  
 Brahm Perkaash, Ch  
 Brajeshwar Prasad, Shri  
 Chandek, Shri  
 Chandra Shankar, Shri  
 Chaturvedi, Shri  
 Chavda, Shri  
 Chettiar, Shri R Ramana hin  
 Chuni Lal, Shri  
 Daljit Singh, Shri  
 Das, Shri K K  
 Das, Shri M M  
 Das, Shri N P  
 Das Shri Ramdhan  
 Datar, Shri  
 Deb Shri N M  
 Dindod Shri  
 Dinesh Singh, Shri  
 Drohar, Shri  
 Dube, Shri Mulchand  
 Dubish, Shri  
 Bacharan, Shri I  
 Elayaperumal, Shri  
 Gackwad, Shri Patesinghrai  
 Ganapathy, Shri  
 Gandhi, Shri M M  
 Ganga Devi, Shrimati  
 Ghodasur, Shri Fatehsinh  
 Gosh, Shri M K  
 Gounder, Shri Doraswami  
 Gounder, Shri K P

Harvani, Shri Anagar  
 Hasda, Shri Subodh  
 Hazarika, Shri J N  
 Hukam Singh, Sardar  
 Jogendra Sen, Shri  
 Kanakasabai, Shri  
 Keshava, Shri  
 Keskar, Dr  
 Khedkar, Dr G B  
 Khimji, Shri  
 Khwaja, Shri Jamal  
 Kistayo, Shri  
 Krishna Chandra, Shri  
 Krishnamachari, Shri T I  
 Krishna Rao, Shri M V  
 Iachhi Ram, Shri  
 Iahiri Shri  
 Jal Shri R S  
 Laskar, Shri N C  
 I axmi Bai, Shrimati  
 Malida Ahmed, Shrimati  
 Malliah, Shri U S  
 Manaen, Shri  
 Mehta Shri J R  
 Mishra Shri B D  
 Mishra, Shri Bibhuti  
 Mishra Shri L N  
 Mishra Shri M P  
 Mishra Shri R R  
 Mohuddin Shri  
 Muniswamy Shri N R  
 Morarka Shri  
 Murthy, Shri B S  
 Nair, Shri Kuttikrishnan  
 Nallakoya, Shri  
 Nanappa Shri  
 Narayansamy, Shri R  
 Naskar Shri P S  
 Nathawani Shri  
 Nehru, Shri Jawaharlal  
 Padalu Shri K V  
 Padam Dev, Shri  
 Palchoudhuri Shrimati Ila  
 Pandey, Shri K N  
 Panna Lal Shri  
 Parmar, Shri Deen Handhu  
 Parmar, Shri Y S  
 Patel, Shrimati Maniban  
 Patel, Shri N N  
 Patel, Shri Rajeshwar  
 Pocker Sahib, Shri  
 Raghuraj Sahai, Shri  
 Raghunath Singh, Shri  
 Rahman, Shri M H

Rajash, Shri  
 Raman, Shri C R Pattabhi  
 Ramaswami, Shri S V  
 Ramaswamy, Shri K S  
 Rameshwar Rao, Shri  
 Rampure, Shri M  
 Ram Saran, Shri  
 Rane, Shri  
 Ranga, Shri  
 Rangarao, Shri  
 Rao, Shri Hanumanth  
 Reddy, Shri Bali  
 Reddy, Shri Narapa  
 Rungsung Suisa, Shri  
 Sahodrabai, Shrimati  
 Sahu, Shri Rameshwar  
 Saigal, Sardar A S  
 Salam, Shri Abdul  
 Samanta, Shri S C  
 Sanganna, Shri  
 Sarhadi, Shri Ait Singh  
 Selku, Shri  
 Sen, Shri P G  
 Shah, Shri Manabendra  
 Shankaraya, Shri  
 Shivananjappa, Shri  
 Singh, Shri D P  
 Singh Shri, H P  
 Singh, Shri M N  
 Singh Shri T N  
 Sinha Shri Gajendra Prasad  
 Sinha, Shri K P  
 Sinha, Shri Satya Narayan  
 Siva Rai, Shri  
 Sumat Prasad, Shri  
 Sunder Lal, Shri  
 Suryanarayana namurthy, Shri  
 Swarn Singh, Sardar  
 Tahir, Shri Mohammed  
 Timmaiah, Shri  
 Thirumala Rao, Shri  
 Thomas Shri A M  
 Tiwari, Shri Bahu Lal  
 Tiwari, Pandit D N  
 Tula Ram, Shri  
 Tyabin Shri  
 Uike, Shri  
 Umrao Singh, Shri  
 Upadhyaya, Shri Shiva Datt  
 Varma, Shri B B  
 Vishwanath Prasad, Shri  
 Vyas, Shri Radhela  
 Wamnik, Shri Balakrishnan  
 Wodeyar, Shri

The motion was negatived

Mr. Speaker: I shall now put all other amendments to vote.

The question is—

Page 5, line 8,—

add at the end—

“except race horses”

*The motion was negatived*

Mr. Speaker: The question is

Page 5, line 10,—

omit “in India”

*The motion was negatived*

Mr. Speaker: The question is

Page 6,—

after line 27, add—

“(s) any expenditure incurred by the assessee for or by way of salaries, allowances and/or pensions to servants, staff or other persons in his/her employment or who have retired from service”

*The motion was negatived*

Mr. Speaker. The question is

Page 6,—

after line 27, add—

“(s) any expenditure incurred by the assessee for or by way of salaries, allowances and/or pensions to servants, staff or other persons in his employment or who have retired from his service.”

*The motion was negatived*

Mr. Speaker: The question is

Page 4,—

omit lines 14 to 17.

*The motion was negatived*

Mr. Speaker: The question is

Page 6,—

omit lines 20 to 27

*The motion was negatived*

Mr. Speaker: The question is:

Page 5, line 8,—

add at the end—

“for the purpose of agriculture”.

*The motion was negatived.*

Mr. Speaker: The question is

Page 5, line 10,—

add at the end—

“including the expenditure on pilgrimage”

*The motion was negatived*

Mr. Speaker: The question is

Page 3, lines 30 and 31,—

omit “wholly and exclusively”

*The motion was negatived*

Mr. Speaker: The question is

Page 3, line 33,—

add at the end—

“to the extent it is incurred for these purposes”

*The motion was negatived*

Mr. Speaker: The question is

Page 3, line 35,—

for “wholly and necessarily substitute—

“to the extent it is necessary”

*The motion was negatived*

Mr. Speaker The question is

Page 4, lines 1 and 2,—

for “wholly and necessarily” substitute—

“to the extent it is necessary.”

*The motion was negatived*

Mr. Speaker. The question is

Pages 5 and 6,—

omit lines 31 to 35 and 1 to 19 respectively

*The motion was negatived*



**Mr. Speaker:** The question is:

Page 5,—

omit lines 7 and 8.

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 3, line 29,—

omit "revenue".

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 3, lines 32 and 33,—

omit "or for the purpose of earning income from any other source".

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 3,—

omit lines 34 to 37.

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 4, line 9,—

for "maintenance or improvement" substitute—

"or maintenance".

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 6,—

omit lines 11 to 13.

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 3, line 31,—

omit "business".

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 4, lines 24 and 25,—

for "not being interest on any loan or other borrowing" substitute—

"not being a loan or other borrowing, or an interest thereon".

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 6,—

omit lines 9 to 19.

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 4, lines 16 and 17,—

omit "or any work of art".

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 4, line 24,—

after "interest on" insert "or repayment of".

*The motion was negatived.*

**Mr. Speaker:** The question is:

Page 5,—

after line 10, add—

"Provided that the assessee does not get any monetary relief or benefit from such expenditure."

*The motion was negatived.*

Mr. Speaker: The question is:

Page 5, and 6,—

omit lines 35 and 1 to 12 respectively.

*The motion was negatived.*

Mr. Speaker: The question is:

"That clause 5, as amended, stand part of the Bill."

*The motion was adopted.*

Clause 5, as amended, was added to the Bill.

Clause 6.—(Deductions to be made in computing the taxable expenditure)

Mr. Speaker: Clause 6 appears to be the one clause for which there are a number of amendments. Also, there are a number of amendments tabled to the Schedule. If it is the desire of the House I shall take clause 6, and the Schedule immediately after that. The other clauses are all of a formal nature. Even if we have to put them all together, it does not matter. So, now we take up clause 6 and after that the Schedule. Hon. Members may confine their remarks to 15 or 20 minutes. They may now indicate in order the numbers of amendments that they want to move.

Shri Narayanankutty Menon: Sir, I want to move my amendments Nos. 25, 27, 28, 30, 33, 34 and 35.

Shri Prabhat Kar: I want to move my amendment No. 53.

Shri Balasaheb Patil (Miraj): I want to move amendments Nos. 109, 110, 111.

Shri Karni Singhji (Bikaner): I want to move my amendments Nos. 144 and 145.

Pandit Thakur Das Bhargava (Hissar): I want to move amendments Nos. 60, 61, 62, 63, 141, 142, 143, 183, 184.

Shrimati Ila Palchoudhuri (Nabadwip): I want to move amendments Nos. 97, 98, 99.

Shri Jhunjhunwala (Bhagalpur): I want to move my amendments Nos. 176, 177 and 178.

Dr. Sushila Nayar (Jhansi): I want to move amendment No. 98 which is same as 144.

Shri Dasappa (Bangalore): I want to move my amendments Nos. 181 and 182.

Shri Rameshwar Rao (Mahbubnagar): I want to move my amendments Nos. 154 and 154.

Shri Narayanankutty Menon: I beg to move:

(1) Page 6, line 36,—

omit "customs duties on, or".

(2) Page 7, line 2,—

omit "any civil or".

(3) Page 7,—

omit lines 4 to 10.

(4) Pages 7 and 8,—

omit lines 27 to 35 and 1 to respectively.

(5) Page 8, line 16,—

for "Rs. 30,000" substitute—  
"Rs. 12,000".

(6) Page 8,—

omit lines 18 to 24.

(7) Page 8,—

(i) line 19, for "Rs. 30,000" substitute "Rs. 12,000";

(ii) line 21, for "3,000" substitute "1,500"; and

(iii) line 23, for "Rs. 60,000" substitute "Rs. 30,000".

**Shri Prabhat Kar:** I beg to move:

Pages 8 and 9,—

omit lines 31 to 40 and 1 to 7 respectively.

**Shri Balasaheb Patil:** I beg to move:

(1) Page 7,—

omit lines 11 to 23.

(2) Page 7, line 34,—

for "Rs. 5,000" substitute "Rs. 10,000".

(3) Page 8,—

for lines 21 to 24 substitute—

"10,000/- for every additional coparcener."

**Shri Karni Singhji:** I beg to move:

(1) Pages 7 and 8,—

omit lines 34 and 35 and 1 to 9 respectively.

(2) Page 8, lines 13 and 14,—

omit "in any country outside India subject to a maximum of Rs. 8,000/- per year".

**Pandit Thakur Das Bhargava:**  
beg to move:

(1) Page 6, line 32,—

after "authority" insert—

"and all penalties, costs and expenditure incurred in connection therewith".

(2) Page 7,—

after line 3, insert—

"(bb) any expenditure incurred by the assessee for keeping the accounts for purposes of assessment of the taxes;"

(3) Page 7, line 34—

add at the end—

"in the case of an individual and Rs. 10,000 in the case of Hindu undivided family".

(4) Page 8,—

for line 18 to 24, substitute—

"(ii) where the assessee is a Hindu Undivided Family, the basic allowance for the Hindu Undivided Family shall not exceed one lakh rupees adjustable on the following proportionate basis; for the karta, his wife and children as well as for each coparcener, his wife and children rupees thirty thousand each and a further allowance of rupees three thousand each for other members of the family entitled to maintenance;"

(5) Page 7, line 10,—

for "in each case" substitute "for each marriage".

(6) Page 7, line 25,—

for "parents" substitute "father or mother".

(7) Page 7, line 26,—

add at the end—

"in each case".

(8) Page 7, line 30,—

for "and" substitute "subject to maximum of Rs. 5,000; and".

(9) Page 7,—

for lines 31 to 34, substitute—

“(ii) if a Hindu Undivided Family consisting of two or more members in respect of medical treatment of the family, subject to a maximum of Rs. 10,000”.

Shrimati Ila Palchoudhuri: I beg to move:

(1) Page 8, line 11,—

omit “one”.

(2) Page 8, line 14,—

for “per year” substitute “per dependent per year”.

(3) Page 8,—

after line 14, insert—

“(gg) any expenditure incurred by the assessee in respect of the education within India of his dependants;”

Shri Jhunjhunwala: I beg to move:

(1) Page 7,—

after line 26, insert—

“(ee) any expenditure incurred by an assessee in respect of ceremonies relating to births or deaths in the assessee's family to a maximum of Rs. 2,500/-.”

(2) Page 8,—

(i) in line 11, omit “one”,

(ii) in line 12, omit “One”, and

(iii) in line 14, for “Rs. 8,000/- per .. year” .. substitute—“Rs. 8,000/- per dependent per year”.

(3) Page 8,—

after line 14, insert—

“(gg) any expenditure incurred by the assessee in respect of the education within India of any of his dependents.”

Shri Dasappa: I beg to move:

(1) Page 7, line 34,—

for “Rs. 5,000” substitute “Rs. 10,000”.

(2) Page 8, line 2,—

for “Rs. 5,000/-” substitute “Rs. 10,000/-”.

Shri Rameshwar Rao: I beg to move:

(1) Page 8, line 11,—

after “education of” insert “himself or”.

(2) Page 8, lines 12 and 13,—

omit “one other”.

Mr. Speaker: All these amendments are before the House.

Pandit Thakur Das Bhargava: Sir you were pleased to say that you will take up clause 6 and then the Schedule. What about the rest?

Mr. Speaker: I will come to that afterwards.

Pandit Thakur Das Bhargava: I only want to submit that if no time is to be given for discussion on those clauses, I propose that at least the amendments may be allowed to be moved and votes taken thereon.

Mr. Speaker: I am entirely in the hands of the House.

Pandit Thakur Das Bhargava: I am only saying that merely the amendments may be allowed to be moved and votes taken thereon.

Mr. Speaker: We have allotted a particular time for this Bill in the Business Advisory Committee and passed it here also. I would not like, normally, to allow anything to be passed here by mere guillotine. So far as this matter is concerned, to avoid that contingency I will place the most important ones before the House. I have no objections to the amendments being moved, but then the Government must also reply.

**Pandit Thakur Das Bhargava:** If it comes to guillotine, I am only proposing that we may be allowed to move our amendments and votes taken thereon.

**Sardar Hukam Singh (Bhatinda):** Allowed to be moved, or deemed to have been moved?

**Pandit Thakur Das Bhargava:** They may be deemed to have been moved, even that would certainly satisfy us.

**Mr. Speaker:** I will think about that later. Now, Shri Narayanankutty Menon.

**Shri Narayanankutty Menon:** Sir, in moving my amendments to clause 6,....

**Mr. Speaker:** Order, order. I have been thinking about this matter. Those hon. Members who have assiduously studied the subject are anxious that they should express their opinion on some particular matters which they consider are very important. But, as soon as the clock strikes 5-30 Members become fidgety. I propose to do one thing. Whatever may be the time allotted by the Business Advisory Committee for the purpose of providing business to be conducted or completed during the Session having regard to the schedule as a whole, if in a particular measure, after we take up that particular Bill, I find that the House is anxious to extend the period of discussion by some time, I have the least objection, provided the House is agreeable to sit for any number of hours and provided the whole thing is finished that day. The hon. Members must take up their minds to continue to be in the House and the House must sit. If they want one hour more,—and I am willing to sit for one hour more—let it be understood that the House will sit for one hour more so that the work that has been allotted for the day under the directions of the Business Advisory Committee which have been adopted by this House, shall be completed.

**Shri Narayanankutty Menon:** We are agreeable.

**Mr. Speaker:** They are agreeable but they will tell me that there is no quorum. I will consult the hon. Minister of Parliamentary Affairs before I intend adopting that rule. If the Business Advisory Committee after serious discussion in the presence of hon. Members who are representatives of various groups, comes to the conclusion that—it can be watched during the course of the discussion—it so appears that a particular emphasis was not laid on a point or the import of a point was not appreciated in respect of a particular clause, and if one more hour is required, we shall finish it that day. On that understanding, I am prepared to allow any more time in accordance with the wishes of the House. I shall discuss this matter with the Business Advisory Committee and take a decision—where all the parties should be present and each party must take the responsibility, each leader who is sitting there, to bring in its own followers to be present in the House and not complain here about the want of quorum.

I think in the meanwhile we have to apply the guillotine. In the meanwhile, the hon. Members from various groups will tell me the clauses which the House may take up and the other clauses to which—being formal—the guillotine may be applied.

**Shri Narayanankutty Menon:** For our party, the amendment that we are bringing to clause 6 is important, and we are not interested in the rest.

**Mr. Speaker:** Similarly, the others can pass on chits to me.

**Shri Narayanankutty Menon:** In moving my amendments to clause 6, I wish to give a compliment to the Finance Minister for the part he played in allowing all these amendments and the commendable enthusiasm in introducing the Select Committee Report to this House.

He quite correctly made his position clear and his only request to the Opposition yesterday was, not to

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make this Bill more ridiculous than it is at present, as introduced after the Select Committee has reported. The whole Bill, as reported by the Select Committee, in spite of the fact that we had very able draftsmen in the Select Committee whence the report has come, now looks like a moth-eaten paper tiger that has been shown against those who could pay the expenditure-tax.

An unprecedented method of drafting has been introduced in this Bill by providing three types and three different modes of exempting those people who come under this taxation measure. Normally, under an ordinary legislation of taxation, we find certain types of people and certain types of taxable capacity are being exempted, but here you find, first of all, an overall exemption on the basic limit of Rs. 30,000, is given. A colourable design of another exemption is given by fixing that the tax is applicable only to those who have got a net income of Rs. 36,000. A third type of colourable exemption comes when certain types of expenditure will not be deemed to be considered as expenditure for tax. That comes under clause 5, and clause 6 gives the final show of exemption in which certain types of expenditure are taken out of the purview of the tax.

I shall confine myself to the exemption given in respect of the expenditure incurred in the civil and criminal proceedings. We shall not forget that we discussed these exemptions and these taxes which are applicable only to those gentlemen who have got a net income of Rs. 36,000 in India today, and to those who choose to spend Rs. 30,000 per annum. That is only after Rs. 30,000 have been spent for their livelihood, for their pleasures, for purchasing race-horses which are exempted and after indulging in all sorts of criminal and civil litigation proceedings within the limit. Those who are incurring expenditure on civil litigation and criminal litigation are sought to be exempted in clause 6. We take objection to the exemption that is granted especially to civil

litigation matters. If it were a criminal case, unless and until the assessee is pronounced by the court either to be guilty or not guilty, the presumption is there, namely that the assessee is not guilty, and whatever exemption that the assessee incurs to prove his innocence before the court of law should be deemed to be a rightful exemption because the question of life and property is involved. But we fail to understand why after allowing this Rs. 30,000 and this presumption of exemption in all these matters, the expenditure that is incurred by the assessee for civil litigation should be exempt.

We submit that the exemption that is granted under clause 6(b) for all the expenses that are incurred in civil litigation, which ordinarily, by implication, means a litigation in respect of property and money to either multiply money or safeguard the interests of property and money, should be taken away, so that the assessee could be given a free hand to spend anything to protect the life and property, and, at the same time, when he wants to protect the property or to accumulate or to multiply the money, he should be liable to pay 10 per cent. that is sought in the Act.

The next amendment is regarding marriage expenses.

**Mr. Speaker:** I am afraid it is out of order. Marriage expenses were provided for in the Bill. They have added some more items.

**Shri Narayanankutty Menon:** I am confining myself to the addition made by the Select Committee and I am not moving that amendment because that is out of order. But I am entitled to make my remarks on the report of the Select Committee. I am not moving that amendment, but I am confining my remarks to the exemption that has been allowed for marriage.

The hon. Finance Minister, frank as he is from yesterday onwards, admitted that the best way of spending money when somebody thinks of

spending fabulously, is to spend it on marriage of somebody. In India to-day, if a couple is very serious enough to marry, they could marry with Rs. 5. We are not putting a premium on marriage; we are not putting a premium upon romance and love. What we say is, if somebody chooses to spend Rs. 50,000 on marriage, the circumstances of the country at present warrant that he will give to the State ten per cent. more. For that purpose we are not taking away any of the enjoyment of the couple; we are not taking away out of that any of the enjoyment of the parents. Some people were stating that if we choose to spend Rs. 50,000 today, the amount we pay would be something more to the State. I do not consider that any exemption that has been granted for marriage is a reasonable exemption, an exemption which is deserved, in spite of the fact that we are giving a total exemption of Rs. 30,000 which, any people living in India today, could afford, to whatever class he belongs.

The last one is medical treatment. Much has been said about the humanitarian considerations which should weigh with us when we consider medical treatment. An appearance has been made by hon. Members that we will be thoroughly inhuman if anybody in this House today says that medical expenses incurred by a person in India should be taxed. But the real truth is, when we are getting Rs. 30,000, it can be very well assumed—and it has been found out by enquiry committees—that the normal requirements of a man in regard to medical expenses for ordinary average ailments that one gets in India today, considering the normal medical facilities available to the 400 million people, could very well be confined to Rs. 30,000.

**Pandit Thakur Das Bhargava:** What about an extraordinary ailment?

**Shri Narayanankutty Memon:** When compared to the standard of medical treatment that is available for the people in India today—the common man—I say that the expenditure must

be confined to Rs. 30,000. We are not denying the luxury of medical treatment in whatever circumstances. What I say is, if you want to spend more than Rs. 30,000, more than a respectable level, you will have to pay just as one pays in the black market. In the black market, one can buy medicines—in fact, a black market exists today for penicillin and streptomycin—and pay for the medicine at the black market rate. But you pay some money for the exchequer so that the exchequer also may be benefited. We consider that Rs. 30,000 exemption is quite adequate for any sort of ailment, that comes to a man in comparison with the standard of treatment that is available for the common man. Whatever might be the luxury that one wants, whatever might be the higher class of hospital that he goes to, whatever might be the highest type of doctors that could be available, the existing limit of exemption is adequate. Thus, I conclude regarding these three amendments.

I also submit that there is an extraordinary provision given which enables the assessee to acclimatise himself to the expenditure-tax so that the expenditure-tax officer is given a discretion, and so that he may enable the assessee to accustom himself to the taxation. That clause also is entirely unwanted, especially because that will give a loophole for evading this tax, because the tax itself will become operative only in future. Any person in India might have spent very luxuriously very fabulous amounts in the past. What is the consideration if that fabulous expenditure scale is to be taken into consideration and a grant is given to him in view of the great expenditure?

The essence of the Act is to cut down expenditure and this will go beyond the basic principles and the purpose for which this Act is brought forward when an allowance is given to the assessee.

I would like to make an earnest appeal that if at all the Finance Minister wanted to give to the



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common man of India a psychological impetus by introducing this tax, instead of giving this long list of amendments that he did, if he would have given a basic minimum of exemption, which it would be free from the taxation, much of the possibility of evasion of these taxes could have been avoided. I would conclude by pointing out especially in the light of my amendment to clause 5(i) which is, according to me, a wide loophole for borrowing and spending without paying the tax, that this expenditure tax with all these exemptions is like a moth-eaten paper tiger pointed at the common man and at the same time fabulous rates of expenditure going up, without any result being got and without the exchequer being benefited by the payment of the tax.

Shri Yadav (Barabanki) rose—

Mr. Speaker: Has the hon. Member given any amendment?

Shri Yadav: I want to speak in support of Mr. Menon's amendment.

Mr. Speaker: Let me dispose of hon. Members who have tabled amendments. Then I will call him.

Shri Karni Singhji: I rise to support my amendments Nos. 144 and 145, which relate to medical aid in this country and education. My views as a whole on this Bill have been clearly appended in my minute of dissent and I shall, therefore, only concentrate on these two aspects which are under discussion.

At the very outset, I would like to say that, no matter what views my other brother Members may hold, I for one very strongly feel that any expenditure incurred on medical aid in an attempt of a human being to save the life of his near and dear ones cannot, by any stretch of imagination, be classified as ostentatious display. The expenditure which is to be incurred on medical aid must necessarily depend on the nature of the illness, the means at the disposal of the human being and, above all,

the value that a man places on the life of himself or the dependent members of his family. I have no doubt that the people in this House who have spoken in favour of the expenditure-tax will agree that in cases where the life of the assessee, or brother or father or any dependent hangs in balance, most of them here would be prepared to spend even out of their capital or even borrow, if they can save the life. What right has the Government to place an impediment in the way of a human being trying to look after the health of himself or his dependents? We claim to be a Welfare State. I do not deny that; I think we are making great attempts to build up a Welfare State. But we must accept that as far as medical aid in this country is concerned, we do not have a completely adequate system to take care of all illnesses. Surely it means that the citizens of this country have to go abroad for medical facilities which are available there and which are not available in India.

If the Government is not in a position to provide us with the highest form of medical treatment, I do not know how they can acquire the right to put an impediment in our way? Of course, if the Government is prepared to give the people of India an assurance that the highest form of medical treatment will be available to the poorest and the rich alike both in India and by sending abroad at Government cost, I would be very happy to withdraw my amendment. But I see that that assurance is not likely to come for another 10 or 15 years.

Looking into the justice of the matter, if we examine the expenditure-tax, we will see that expenditure on houses and livestock and even hoarding in the shape of gold, bullion and jewellery is permitted. But we are not allowed to preserve our health beyond an arbitrary figure of Rs. 5,000 carried forward for three years, as is being fixed. If you examine the exemptions clause, you will find that

the purchase and maintenance of animals have been treated as exempted. Maintenance of animals, payment of veterinary doctors' fees etc. upto any limit has been exempted. I want to know since when animals have started taking priority in this country over human beings? You allow repairs to houses, but you do not allow repairs to the human body. You allow investment in the form of gold, bullion and jewellery, but you do not allow investment in the shape of our health. You will agree with me that to a healthy man is far more useful to everyone including the Nation; a dead man is useful to nobody.

**Mr. Speaker:** In Plato's Republic, I think if a man is continuously ill for 15 days, he ought not to be attended to.

**Shri Karni Singhji:** If it is your opinion....

**Mr. Speaker:** It is not my opinion; I believe that was the guiding principle here.

**Shri Karni Singhji:** I believe we are living in a country where we Indians feel that we would not like to wish death or illness even to our enemies. I am afraid I am an old-fashioned Indian in that way. I think there are a lot of Members here who are modern....

**Mr. Speaker:** I would like to remind hon. Members that I have no opinion at all so long as I sit here. I said Plato's Republic not to interrupt the proceedings, but just to make some of the hon. Members here get a little more interested in the debate.

**Shri Karni Singhji:** The expenditure-tax, whatever its merits or demerits may be, has ignored one very important factor and that is the human factor. We are enamoured today of a more integrated tax economy, plugging a hole here and a hole there, but we completely forget that when a human being is ill, he and his family lives under great stress.

I cannot understand Mr. Menon saying, "When a man is ill, what does it matter if he pays to the Government a paltry sum of a few rupees?" Nowhere in the world is any impediment laid on a person's medical expenditure. I think it is accepted that when we are ill and when a member of our family is dying before our very eyes, if the tax collector comes and tells us that you have to pay anything upto 100 per cent., I am sure that is not very welcome at that stage. Therefore, I very humbly request that medical aid in this country, particularly in view of the fact that the highest form of medical aid is not available here, should be treated as a category by itself and exempted.

Switching over to the subject of education which, in my humble opinion, is an allied subject with health, hereagain, I see that no consideration whatsoever has been shown for education within the country. An allowance has been made for education outside India of Rs. 8,000. It is a matter of opinion whether that amount is sufficient to meet the expenses or not. But I for one believe, though I know that today in India every member is in a fashionable way vying with each other to suggest that we should level down. If the nation wants to level down, let us level down; I have nothing to say about it. But the India I would like to see would be an India of prosperity for the poorest man. I would like to see that in my country everybody is as able as Mr. Nehru and not that everybody is turned into a mediocre and third-rate man. An amount of Rs. 30,000 has been set aside and exempted for an 'individual' who may have a family. A bachelor is allowed the same amount of 30,000. In my opinion it is discriminating between the married and the unmarried citizens. Rs. 30,000 may be sufficient in the case of an individual but it is not necessarily sufficient for a married person with half a dozen children and particularly if he has to educate

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them. It is possible that my brother Members here may hold a view that good public school education in the India to come is not necessary. That again is a matter of opinion. I would like that the poorest man in the country should have the benefits of public school education. If a man has six children and they go for such education, practically half the quota of Rs. 30,000 goes in their education alone. So, I request that we should allow some provision so that education within the country is also given its due share of exemptions.

India is trying to vie with other countries in being the torch bearer in so many ways. However, we will not be able to be the torch bearers in the world if we can only turn out mediocre men. We must have best technical men; which will cost money. If you want technical men to come up and build and develop nuclear power for peaceful purposes and produce atomic or cobalt bombs for the defence of our country and mediocre third-rate men will never do. So, I request that both these points *viz.* education and health are given their due attention so that no impediment is put in the way of safeguarding one's health or improving one's knowledge. To do so would be wrong in principle.

**Pandit Thakur Das Bhargava:** The first amendment on which I wish to speak is No. 60. Today, we have got exemption in regard to taxes, including the expenditure-tax, payable under this Act, duties, cesses, rates or fees paid to the Government etc. I am suggesting the exemption of all penalties, costs and expenditure incurred in connection therewith. I know that in sub-clause (b) we refer to expenditure lawfully incurred by the assessee in respect of any civil or criminal proceedings to which he is a party. But that does not include any penalties, costs and expenditure incurred in connection therewith. It may happen that one may commit mistakes and the expenditure-tax officer may impose a penalty when none is due. As we go further we find in another section that even if a person negligently does not put in an

item in the return, even then 1½ times penalty can be charged. Even though there was no intention, if only there has been a mistake, still the penalty clause comes into operation and the penalty can be mulcted. So, I have put in this amendment. We know the efficiency of our income-tax officers. Many times a person has to go to an Appellate Court as also to other Courts—even to Supreme Court. We know the fees paid are not regarded as the actual cost. A person has to pay much more fees than allowed by law. It may be a defect in law but it is a fact. A person is allowed much less in Courts of law. Therefore, it is absolutely necessary that you must include therein any penalties, costs etc.

My other amendment is No. 61. It relates to exemption of any expenditure incurred by the assessee for keeping the accounts for purposes of assessment of the taxes. For those who have been paying income-tax it has been easy so far. We did not keep the accounts. Yet our returns were accepted and the tax was paid and no objection was raised. I have been paying income-tax for the last 45 years or more. Whatever return I gave, was always accepted. Fortunately, I will not be one of the assessee under the Expenditure Tax. Supposing I am, what will happen if I do not keep accounts? It will not be believed that a person who is spending Rs. 40,000 or Rs. 50,000 cannot keep accounts. If the officer has to go through all the accounts of my expenditure in coming to Delhi, seeing a cinema and on all possible matters, the accounts will have to be seen by the officer. If you want it to be exact and if you want good accounts, it is necessary that you allow some expenditure to those persons to keep their accounts well and regular so that everything may be lawful. If the accounts are not kept well or properly, the provisions of the penalty clause will be attracted to him and he will have to suffer. I think my amendment is all right in view of the obligations that flow from this Bill.

I now come to my amendment No. 62. I have to restrain myself now in respect of all other amendments. About the Hindu undivided family, I am again restricting it. It is not unusual if there is a family consisting of 20 members. There may be one father and four sons and there may be grandsons, ten or twelve in number. It is not unusual. When you are allowing only Rs. 5,000 for an individual, with what justification can you say that the whole joint undivided family should also get an exemption of only Rs. 5,000. Leave aside the expenditure on education and other things. But, so far as medical relief is concerned, it is playing with the family health to restrict it to only Rs. 5,000. I would humbly request the hon. Finance Minister to agree at least to double this amount. He may or may not do other things. I would, however, urge him to look at this question from my standpoint. I have got another amendment, No. 63. The Finance Minister may accept it or may not accept it, I do not mind, but the principle underlying my amendment he must accept. He has given exemption up to Rs. 60,000. But so far as internal distribution is concerned, he is entirely mistaken in thinking that the karta should be entitled to Rs. 30,000 and all others to Rs. 3,000 per individual. This is wrong.

**Shri T. T. Krishnamachari:** We do not say that the karta should spend Rs. 30,000; he may spend Rs. 1,000 on himself and spend the balance of Rs. 29,000 on the other members of the family. Nobody asks him for an account.

**Pandit Thakur Das Bhargava:** I shall give him an example. There are four brothers and all these four brothers are entitled to an equal share of income from the property. One of them may be the karta.

**Shri T. T. Krishnamachari:** I do not dispute it. If a family is allowed Rs. 45,000 and there are five brothers, they can divide the amount as Rs. 9,000 per head. We do not question that at all. It is merely a matter of arithmetical device that we allowed Rs. 30,000 for the karta and his

children and Rs. 3,000 for the other coparceners. Whoever objects to the course suggested by me.....

**Pandit Thakur Das Bhargava:** If you allow Rs. 60,000 and out of that if you say that Rs. 30,000 will be for the karta, his wife and children and Rs. 3,000 for the rest, in between them there will be dissensions.

**Shri T. T. Krishnamachari:** I cannot help it.

**Pandit Thakur Das Bhargava:** The other brothers have the same right as the karta to the income of the property and they should be given equal rights along with the karta. While for the karta you provide this amount for the rest you provide a smaller amount. For internal distribution you kindly change the provision. A brother of the karta is entitled to as much right as the karta himself. You may devise any formula for internal distribution even without changing your Rs. 60,000; even that will be satisfactory.

Now I come to amendment Nos. 141, 142 and 143. Perhaps it is a misunderstanding of mine. The wording in clause 6(1)(c) is: any expenditure incurred by the assessee.....subject to a maximum of Rs. 5,000 in each case. I do not understand the meaning. Is it for each marriage that you are allowing Rs. 5,000? I want to make the meaning of this absolutely clear. Each case may mean for each individual, or in the case of Hindu undivided family. If each means each marriage I am quite satisfied, but you should make it absolutely clear so that there may be no misunderstanding.

In regard to my amendments Nos. 142 and 143 I beg to submit that the wording is: "any expenditure incurred by the assessee on the maintenance of his parents subject to a maximum of Rs. 4,000". It may be capable of different interpretations. Parents usually means father and mother. I do not know whether step parents will be included or not. This is not clear. Anyhow my difficulty is

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quite different. You may make it clear if you like, or you may not and interpret it as you like: mother is mother and not step-mother. So far as Hindus are concerned the step-mother is regarded as mother and she should also be provided for. The word parent is used. If the father is dead the mother would be entitled to Rs. 4,000. You do not say individually father and mother; you say parents. Parents may as well include both or may include one if the other is dead. But my real difficulty is this. I regard this amount to be absolutely insufficient. To the father and mother or either of a person who is personally allowed Rs. 30,000, Rs. 4,000 is quite insufficient. You ought to double the amount. If the father is there give him Rs. 4,000; if the mother is there allow her Rs. 4,000. If both are alive make it Rs. 8,000. I beg to submit for the consideration of the hon. the Finance Minister that he may accept my amendment No. 143.

**Shrimati Na Palchoudhuri:** I rise to support my amendments No. 97, 98 and 99. This Bill hits the society in three different ways; it hits education, it hits employment and it also hits medical services to the people as can afford them.

You have provided for Rs. 8,000 for education abroad of any dependent. If there is one provision which I would like to be deleted from this clause it is sub-clause (g), because if there is another bright boy in the family he has to be denied education abroad. You get only Rs. 8,000 whereas there may be two boys who may be deserving of going abroad. In India we cannot give them the education and the technical know-how as is needed for developing India of today. We are paying fabulous amounts to foreign technicians and yet we are restricting and putting impediments on our own boys, because a tax is always an impediment. We are not willing to give that money easily to train our own boys, so that they may become trained and serve India. I think this is a very reasonable point and I hope the Minister will accept this amendment.

Secondly the sub-clause only provides for one person. If we substitute for the 'year' the words 'per dependent per year' we can send as many children as we possibly can for better education. We have been talking about education abroad. But there is no provision whatsoever for education of children in India. The previous speaker also referred to this point that expenditure incurred by the assessee in respect of education within India of his dependents should surely be exempted from any kind of tax. After all education is the main thing that we want to develop in India and by putting an impediment on it we would not be serving India. On the other hand we will be hampering her progress.

The Minister was also kind enough to say that there will be no harassment. I do not know how you can avoid harassment in this case because the powers that the expenditure-tax collector will be given will be very considerable and these powers he can use to his own advantage also. The industrialists, the businessmen and the princes, who will be affected by this Bill are infinitesimal, as has been claimed. Yet whatever their number, they are also Indian citizens.

13.50 hrs.

[MR. DEPUTY-SPEAKER in the Chair.]

I do not know about the theatres or stadiums or forums of industry that one may have. But I certainly know that there is a section, that is private enterprise, and private enterprise has been admitted by the Government to play their part. Therefore, there is a large section that they occupy and their accounts will have to be looked into, in a way, by the powers given to these Expenditure-tax collectors, that will be very difficult for them to cope with. It will also result in this. Our Finance Minister is always mopping up various profits and using a larger and larger mop. He will have to use it perhaps on the earnings of the tax-collectors some day. Because, "big



fleas have little fleas upon their backs to bite them, and little fleas have lesser fleas—and so on *ad infinitum*.”

The Kaldor formula for assessing the expenditure of a person should have been accepted, that having established the gross expenditure during the year, the onus should be on the assessee to claim exemptions. It should not be a negative provision. It is indeed a brave man who can come out and say, “These are my accounts and I have no more expenditure than this”. I hope the Finance Minister will consider this aspect.

This Bill is a psychological Bill, more than anything else. It gives a certain amount of satisfaction to a very large section of the populace who know that the richer section are being taxed, which is a good thing. As far as that psychosis goes, I am all for this Bill. But there are certain hardships which the hon. Minister must look into and correct. And I wish to say with all the force at my command that if he accepts my amendment he will be ensuring that the good that the richer classes do by providing employment and so on will not be hampered. That could be ensured if he accepts my amendment to clause 5, which he has not. But even at this late stage, I would commend it, because many people will be thrown out of employment.

Secondly, it is also true that when we legislate we only legislate towards getting revenue for the Government and also legislate towards things that we wish the people to do. But sometimes it is also better to consider that there are certain instinctive and cultural propensities which perhaps die down. It is the Indian way, and all taxes also have some sort of background. In India, although today we are passing a legislation, there is a vast background of doing these very things. In certain social customs where the son inherited the father's property and did *shraddh* ceremony, he always did some welfare work. He gave a tank or did certain other things, so that it was a benefit to the general public. The expenditure-tax will surely curb that

inclination, because he will think, “Well, if I incur an expenditure over this, I will have again to pay a tax to the Government”. That is not a healthy attitude.

And the Finance Minister who must know Kautilya much better than I do, says that Kautilya has given a *shas-traic* condonation to whatever he has done. I hope he will also bear in mind what Kautilya has said, about the mode of taxation, namely, that taxation should be such, that the taxpayers may not feel that they are being taxed. It should be so soft and gentle. I hope he will bear these points of Kautilya in mind.

With these words, Sir, I commend my amendments to the House and I hope the Minister will also consider it.

**Shri Jhunjunwala:** There are certain *samskaras* in Hindu society. One of them is marriage. For marriage, I find that the Finance Minister has allowed five thousand rupees in each case. But there are two other *samskaras*, namely, birth (*namsamskara*) and death.

**Shri B. R. Bhagat:** What is the amendment?

**Shri Jhunjunwala:** My amendment is No 176. Just as the Finance Minister has allowed five thousand rupees for marriage, I think he will consider that something should be allowed for death, that is *shraddh* also. It is for the departed soul, and I would beg of the Finance Minister that he should allow it. And equally for the birth ceremony. I have suggested a maximum of Rs. 2,500. These two ceremonies are very important among the Hindus, and I hope the Finance Minister will consider over this.

The other two amendments are regarding education abroad and education within—they are Nos. 177 and 178. The lady speaker has already dilated much on it and I do not want to take the time of the House by repeating the same thing. I would request the Finance Minister to see that so far as education is concerned, whether it is

[Shri Jhunjhunwala]

abroad or within the country, there should not be any restriction. Instead of the idea that only for one dependent eight thousand rupees should be allowed, it should be allowed for any number of dependents who are sent abroad. And if anybody wants to send his dependents abroad, eight thousand rupees should be allowed per head per year. For education within the State there should not be any restriction, and any expenditure incurred on the education of one's children should be exempted.

**Dr. Sushila Nayar:** Mr. Deputy-Speaker, it is my misfortune to have to speak contrary to the wishes or to what seems to be the right thing from the point of view of the Finance Minister. I have had the highest regard for the Finance Minister's intelligence, ability and hard work, and I must say it has been a bit of a shock to me to find him so impervious to the suggestions made. What I am going to say may not make the least impression on him. All the same, I wish to put it on record that there were people in this House who held different views and who did not consider it right to levy a tax on the misfortune of human beings.

I am entirely in agreement with the general principles of these two very controversial Bills, the Expenditure-tax Bill and the Wealth-tax Bill, Wealth-tax Bill from the point of view of turning non-productive wealth into productive wealth—this was explained to me by the hon. the Finance Minister himself, and I appreciated it. Similarly, expenditure-tax should be levied in order to prevent ostentatious and, I might say even, vulgar display of wealth which does occur in this country of ours on many occasions. However, I have not known, and I do not think any hon. Member of this House will say that he has known, that people spend on illness out of the love of expenditure or in order to show off their wealth. Illness is a misfortune. It may not come for years and years. And yet suddenly it may come and

afflict a family for a year, two years, three years, four years or five years.

**Shri S. V. Ramaswami (Salem):** Misfortune never comes single.

**Dr. Sushila Nayar:** Also, as Mr. Ramaswami has just stated, misfortunes do not come single. Very often it happens that one member falls ill, then the next falls ill and then the next and so on. I take the instance of tuberculosis. I think the hon. the Finance Minister has perhaps not seen some of the things that I have seen. Otherwise he would not have insisted on this clause in the manner he seems to be doing. I have seen families who were well off, completely ruined as a result of tuberculosis in the family. A man who has been earning three thousand or four thousand is completely knocked off and he is not able to work and earn. On top of that, the family has to go on spending on the illness because life is more precious to them than all the wealth and riches that they might have. Women have had to sell their jewellery, parents have had to sell their houses in order to cater to the medical needs of their dear ones. Under the circumstances, is it right that the government should turn round and say: "If you can find the money by selling your jewellery or your house, or whatever the assets you might have, in order to pay for the medical expenses, why can't you pay Rs. 1,000 or Rs. 2,000 for tax also?" It is not right. The financial value of this measure, I am convinced in my mind, will be next to nothing, and yet the psychological and the emotional effect of the measure is to make people think that the Government has no sympathy for the sufferings of the people. They only want their pound of flesh.

14 hrs.

An argument is advanced: What does it matter, there are only 6,000 or 8,000 people that are affected by this tax. An hon. Member from the other side, I forget his name,—I think he belongs to the Communist Party—did



not want even this exemption of Rs. 5,000 for these people. He says, let them spend out of the Rs. 30,000 that is permissible; do the poor people in the country have that much money? The whole philosophy of the hon. Member opposite is based on the hatred of the richer classes. The Communists wish to eliminate them, not through the methods that we have been taught, the methods of non-violence, voluntary sharing of some of the riches that they might have but by force. They would use any means to liquidate them and their riches. Hatred is not the creed that I have been brought up to believe in. I do want equality in this country. I have worked for it from my childhood. I believe in the principle that marked disparities should disappear but I believe that in order to do so, we should follow the method of love and non-violence. To do so we have to make them feel that at any rate their reasonable demands we are in sympathy with. If in this country, the Government was able to take care of all the sick people, to give them all the medical care, I would not ask for any exemption. But what is the state of affairs today? A number of people who will fall in this category of people liable to pay expenditure tax are our own high-class Government servants, a number of them are high political dignitaries. These people are taken very good care of by the Government by the medical insurance that we have provided for them. If we are willing to provide and extend that medical insurance to the rest of the people also, we can take away even this limit of Rs. 5,000. But when we are not in a position to do so, to say that whatever be the circumstances they must be punished and made to pay a tax on medical expenses, is in my humble opinion, completely wrong. I cannot find words to describe it.

I believe we need money for our Plan, but it is not, I believe, through force that we will be able to get the most. It is by carrying the heads and hearts of the people with us that we can do it. If we hurt their susceptibilities, if we make them feel that we do not feel for their suffering, we are

not likely to get their co-operation. I also wish to say this, that not even the poor are going to appreciate this measure. The poor man as a matter of fact, I know, is more sympathetic towards misery wherever it be, even if it be among the rich. This hatred that my friend sitting opposite, who is no longer in the House, talked about is not fortunately in the heart of the common man of this country as yet, and I hope it will not be there, and that we shall do nothing to promote that type of feeling.

An argument is advanced that if we give this exemption, it will be used for tax evasion. All the exemptions that have been given are capable of being used for evasion, but I cannot but agree with Shri Karni Singhji when he says that if we can give exemption for race horses, each one of which costs, I am told, up to Rs. 50,000 or even more, then to say that medical expenses shall not exceed Rs. 5,000 does not make sense. Are personal likes and dislikes going to weigh more than logic, than the reasonableness of any proposition that may be put forth? That should not be so. I do not think that such a thing should come into play in matters of national importance.

Another important point has been made here regarding educational expenses under this Bill as it stands, even if a bright student gets a scholarship on merit, the hon. Finance Minister is going to tax it because the tax applies to money from all sources. If a student, whose parents may not be able to send him for a particular type of study abroad, gets a scholarship and wishes to go abroad, his parents might say: "But my good fellow, you have got a scholarship for yourself, but how are we going to pay the extra tax, ten per cent or whatever it is, that is falling on us as a result of your getting the scholarship?" The Finance Minister should find a way to exempt scholarships from the levy of this tax. It is completely wrong, it is fantastic in my opinion that a tax of this type should be levied even on scholarships.

Similarly, there is no provision for education within the country. I have

[Dr. Sushila Nayar]

been to a medical college. I have relatives who are in medical and engineering colleges, and I know how much technical education within the country costs. A man with four, five or six children will be put to hardship and difficulty if he wants to give them the best education available inside the country, and therefore some provision should be made.

The difficulty is, where there should be no exemptions, exemptions are given. Where there are genuine cases of hardship, there an adamant attitude is taken up and exemption is not given. Under the Wealth Tax Bill, if a doctor wants Rs. 25,000 of jewellery, he or she can have it, but if she says that beyond the limit of Rs. 20,000 that the Minister has generously fixed instead of Rs. 10,000, she wants Rs. 25,000 to be invested in medical instruments, she has to pay a tax. Is it logic, is it right, is it fair? Is jewellery more productive, more in the interests of the nation, than medical instruments? Similarly, are race horses more important, more in the national interests, than the education of children, than the medical expenses of the people in this country? I fail to see the logic of it. I once again plead with the Finance Minister not to have a closed mind in these matters.

**Mr. Deputy Speaker:** There are still many Members who wish to speak.

**Shri Dasappa:** I have my amendment.

Some Hon. Members rose—

**Mr. Deputy-Speaker:** The difficulty is that we have to finish all the stages by 14-32 hours. That was the time-limit that we placed upon ourselves.

**Shri Dasappa:** I will take only one minute.

**Mr. Deputy-Speaker:** I was not particularly referring to the hon. Member. I was referring to the time-limit.

**Shri Dasappa:** My amendment is there not because I am fully satisfied with it, but merely because I am hoping, not against hope, I hope, that the

hon. Minister will accept it. That refers to the point which was just now so ably explained by Dr. Sushila Nayar. I feel that this exemption limit to the extent of Rs. 5,000 should at least be raised to Rs. 10,000. Pandit Thakur Das Bhargava has been pleased to say that if it could be Rs. 5,000 for an individual, it should at least be Rs. 10,000 for the undivided family.

If the hon. Minister says that there can be a spillover of this expenditure for three years, my point is, what happens if the patient does not choose to survive for the second and third year?

**Mr. Deputy-Speaker:** He has no choice.

**Shri Dasappa:** He has got to pay the whole amount. That argument cannot hold good. It jars on me. Therefore, I hope the hon. Minister will kindly accept my formula which is a compromise between the two.

**Shri Nathwami (Sorath):** I only want to say a word in support of amendment No. 60 moved by Pandit Thakur Das Bhargava. It seeks to exclude penalty that may be levied. I think penalties should be excluded from the purview of taxable expenditure. Sub-clause (1) of clause 6 exempts taxes, but taxes will not include penalties, because penalties, though like taxes are compulsory contributions, differ from taxes. Their object is to deter people from doing certain acts while the object of taxation is to raise revenue.

Again, as he pointed out, under sub-clause (b), we have already exempted fines which may be imposed upon an assessee in a court of law in criminal proceedings, but there is no specific provision about exempting penalties. Penalties, not being of the nature of personal consumption or expenditure which has been voluntarily incurred, should be excluded from purview of taxation. So, I support his amendment to that extent.

It has been said that list of exemptions has been expanded and enlarged, but that is inevitable because we

have defined expenditure as all out goings, whereas the basis of the whole tax is to tax personal consumption which has been voluntarily incurred. Therefore, having defined expenditure in such wide terms, it becomes necessary to deduct or make allowances. That is why the lists in clauses 5 and 6 have become necessary.

**Pandit Thakur Das Bhargava rose—**

**Mr. Deputy-Speaker:** The hon. Member has already spoken.

**Pandit Thakur Das Bhargava:** I only want 1/100th of a minute just to amend my amendment.

**Mr. Deputy-Speaker:** He need not have asked for it. He could have begun straightway.

**Pandit Thakur Das Bhargava:** I have consulted the Finance Minister and he is prepared to accept it. I only want to slightly amend it. I will pass it on to you or read it out.

**Mr. Deputy-Speaker:** The hon. Minister is prepared to accept it.

**Pandit Thakur Das Bhargava:** Yes.

**Mr. Deputy-Speaker:** Then he has no grouse.

**Pandit Thakur Das Bhargava:** I am passing it on.

**Shri T. T. Krishnamachari:** I think he had better read it because the amendment has to be changed.

**Mr. Deputy-Speaker:** If it comes to me, I will read it.

**उपाध्यक्ष महोदय :** श्री यादव । श्री टी० सी० एन० मेनन ने अपनी अमेंडमेंट के बारे में जो कुछ कहा है, उसकी ताईद की जरूरत तो नहीं थी, लेकिन फिर भी अगर माननीय सदस्य कुछ कहना चाहते हैं, तो कहें ।

**श्री यादव :** उपाध्यक्ष महोदय, मैं श्री मेनन के संशोधन के बारे में कुछ निवेदन करना चाहता हूँ । जहाँ तक इस विधेयक

का प्रश्न है, मैं उसका स्वागत करता हूँ, परन्तु सिलेक्ट कमेटी से जिस रूप में यह विधेयक इस सदन के सामने आया है, और उसके बाद जिस प्रकार से उसमें संशोधन उपस्थित किए जा रहे हैं, उसको देख कर मुझे दुःख होता है । मुझे प्रतीत होता है कि इस विधेयक को इस रूप में प्रस्तुत करने में और सम्बन्धित धाराओं को पास करने में इसका अर्थ ही नष्ट हो जाता है ।

यह विधेयक बराबरी को लाने में सहायक हो, फिजूल-खर्ची को रोकने में सहायक हो और वचत को प्रोत्साहन देने में सहायक हो, तब ही इस विधेयक की मंशा पूरा होता है । परन्तु प्रवर समिति से जिस प्रकार से यह विधेयक इस सदन में आया है, उसकी तरफ यदि हम ध्यान देते हैं, तो साफ प्रतीत होता है कि एक ओर तो यह सरकार सोशलिस्टिक पेटर्न आफ सोसायटी की बात कर के और इस ऊँचे ब्याल वाले विधेयक को ला कर देश और जनता के सामने इस बात का ठंडोरा पीटना चाहती है कि वह प्रगतिशील है, परन्तु दूसरी ओर तीस हजार को छूट दे कर, दकानों के सिलसिलों में, शादी के सिलसिलों में, विदेशों में पढ़ाई के सिलसिलों में जानवरों को खरीदने के सिलसिलों में तमाम सुविधायें देकर, जो कुछ सरकार ने एक हाथ से दिया है, दूसरे हाथ से वह उसको समाप्त करना चाहती है । अभी-अभी इस सदन ने रेलवे पैसेंजर फेयरज बिल पास किया है । उसमें सिर्फ साधारण जनता का प्रश्न था । इस सदन में यह कहा गया कि पचास, साठ, अस्सी मील तक सफर करने वालों को छूट दे दी जाय, लेकिन.....

**उपाध्यक्ष महोदय :** ये तो जेनरल डिस्कसन की बातें थीं । इस वक्त ज्यादा समय नहीं, इस लिये आप सीधे अमेंडमेंट पर आ जायें ।

श्री यादव : उस समय सरकारी पक्ष के लोगों की तरफ से उस का सम्बन्ध नहीं किया गया । अभी मैं ने डा० सुशीला नायर का सार-नामित और जजबात से पूर्ण भावण सुना, लेकिन उसको सुनकर ऐसा मालूम होता था कि कांग्रेस पार्टी ने अकेले वित्त मंत्री ही पूँजीपतियों के पक्षपाती नहीं हैं, डा० सुशीला नायर और पंडित ठाकुर दास भार्गव जैसे भी लोग उस में विद्यमान हैं और उन्होंने इस सम्बन्ध में बड़ी कोशिश की शायद उन की अमेंडमेंट वित्त मंत्री महोदय ने बड़ी ही सहृदयता और फराखदिली से कबूल कर ली है, लेकिन वित्त मंत्री महोदय, डा० सुशीला नायर और पंडित ठाकुर दास भार्गव की यह सहृदयता और फराखदिली उस समय नहीं दिखाई पड़ी ।

जहाँ तक मेनन साहब के संशोधन का सम्बन्ध है, वह बिल्कुल मामूली सा है और उस का तात्पर्य यह है कि सिविल प्रोसीडिग के सम्बन्ध में जो खर्चा होता है उस को डीडक्शन में शामिल न किया जाय। यह बात तो समझ में आती है कि अगर इस देश का कोई नागरिक किसी मिनिमल क्लेस में फँस जाय, तो उस को छूट दे दी जाय, लेकिन हर तरह के मुकदमों को छूट दे देना उचित नहीं है । पहले ही काफी छूट दी जा चुकी है । इस विधेयक में इस तरह के जो अन्य संशोधन आए हैं उन को मान लेने से सरकार को कोई फायदा नहीं होने वाला है, बल्कि उन से भ्रष्टाचार को बहुत बड़ा सहारा मिलेगा पहले से ही । इस विधेयक में काफी लूणहोल है । यह विधेयक बड़ा इनकम्प्लीट है, लेकिन बहर समिति से आने के बाद लू होल में कमी होने के बाजाय वृद्धि ही हो गई है । कई प्रकार की छूट दे कर इस विधेयक के मकसद को ही खत्म किया जा रहा है । मैं इस माननीय सदन और वित्त मंत्री से निवेदन करना चाहता हूँ कि अगर इस में सिविल प्रोसीडिग वाले भाग को निकाल दिया जाय, तो ज्यादा अच्छा होगा ।

इन शब्दों के साथ मैं मेनन साहब के संशोधन का सम्बन्ध करता हूँ ।

**Shri Rameshwari Rao:** My amendments are very simple. They only seek to rectify certain anomalies in clause 6(1)(g). The original provision reads:

"any expenditure incurred by the assessee in respect of the education of any one of his dependents...."

My amendment No. 153 seeks to add after 'education of' 'himself or'.

Further on the item reads:

"....and where the assessee is a Hindu Undivided Family, of any one other member...."

My amendment seeks to delete the words 'one other', making it 'any member of the family'. The clause redrafted would read as follows:—

"any expenditure incurred by the assessee in respect of the education of himself or of any one of his dependents and where the assessee is a Hindu undivided family, of any member of the family, in any country outside, India, subject to a maximum of Rs. 8,000 per year;"

I do not wish to enter into any lengthy discussion or argument to substantiate the reasons for this amendment as it is self-explanatory.

**Shri T. T. Krishnamachari:** The first point made by my hon. friend, Pandit Thakur Das Bhargava in regard to the question of penalties is a matter which was discussed by the Select Committee. The Select Committee decided to drop out any reference to penalties because they felt that they will be admissible under the substantial portion of clause (a) and other classes of expenditure will be regarded as covered by clause (b). I can tell the hon. House that executive instructions would be issued in order to make this clear. The point need not be pressed beyond that stage.

With regard to other amendments, my hon. friend, Pandit Thakur Das

Bhargava suggested that in sub-clause (c), in the case of marriages, the words 'subject to a maximum of Rs. 5,000 in each case;' should be amended as, 'subject to a maximum of Rs. 5,000 in the case of each marriage;'

I have no objection, though I think the language is all right. I will accept that amendment.

With regard to his amendment (b), he has himself submitted a revised amendment. If you want to put in this Rs. 10,000, it will have to be this way. I will read the amendment as he has put it with such modifications as may be necessary for the purpose of making that clear.

He has urged that in the case of sub-clause (f)(i) in line 34, which now is line 35, before the word 'and' the words 'subject to a maximum of Rs. 5,000' should be put and sub-clause (ii) will begin as,

'if a Hindu undivided Family, where there are two or more coparceners, in respect of medical treatment of the karta or any other member of the family, subject to a maximum of Rs. 10,000.'

and in the second line of next page, it should be 'the said sum of Rs. 5,000 or Rs. 10,000, as the case may be, unexpended during any year'.

It would be necessary to make modifications in the next page also—'Rs. 5,000 or Rs. 10,000, as the case may be'.

If the modifications are acceptable to my friend, I shall accept the amendments.

I shall also accept the amendments Nos. 153 and 154 subject to the modifications suggested by Shri Rameshwar Rao. The only difference is that 'one' should not come after 'any'. I will accept them.

I do not think I am in a position to accept any other amendment.

Mr. Deputy-Speaker: There are two amendments of Pandit Thakur Das Bhargava, amendments Nos. 183

and 184 with suitable alterations which have been made and there are two amendments of Shri Rameshwar Rao, Nos. 153 and 154, with necessary modifications as have been made by the hon. Finance Minister; they are acceptable to the Government.

Amendments made:

(1) Page 8, line 11,—

after "education of" insert "himself or" and omit "one"

(2) Page 8, lines 12 and 13,—

omit "one other"

[Shri Rameshwar Rao]

Pandit Thakur Das Bhargava: Sir, 141 is accepted by Government.

Mr. Deputy-Speaker: I will put 141.

The question is:

Page 7, line 10,—

for "in each case" substitute "for each marriage"

The motion was adopted.

Mr. Deputy-Speaker: Now, I will put amendments 183 and 184.

Amendments made:

(1) Page 7, line 30,—

for "and" substitute "subject to a maximum of Rs. 5,000; and"

(2) Page 7,—

for lines 31 to 34, substitute—

"(ii) if a Hindu Undivided Family consisting of two or more members in respect of medical treatment of the family, subject to a maximum of Rs. 10,000"

[Pandit Thakur Das Bhargava]

Mr. Deputy-Speaker: Amendments Nos. 28, 33, 34, 35 and 109 are out of order as they require President's recommendation and that is not received. They will not be put to the vote of the House.

Shri Dasappa: I want to know what has happened to my amendments Nos. 181 and 182; they were also for Rs. 10,000.

**Mr. Deputy-Speaker:** They have not been accepted. I am going to put all the other amendments to the vote of the House.

**Shri Narayanankutty Menon:** What about Nos. 27 and 28, Sir?

**Mr. Deputy-Speaker:** 28 is out of order. I will put 27.

**Shri Karni Singhji:** I would like to have amendments Nos. 144 and 145 put separately.

**Mr. Deputy-Speaker:** Yes, I will put them separately.

The question is:

Pages 7 and 8,—

omit lines 34 and 35 and 1 to 9 respectively.

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 8, lines 13 and 14,—

omit "in any country outside India subject to a maximum of Rs 8,000 per year."

*The motion was negatived.*

**Mr. Deputy-Speaker:** I will now put all the other amendments to vote.

**Mr. Deputy-Speaker:** The question is:

Page 6, line 36,—

omit "customs duties on, or".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 7, line 2,—

omit "any civil or".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Pages 7 and 8,—

omit lines 27 to 35 and 1 to 9 respectively.

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Pages 8 and 9,—

omit lines 31 to 40 and 1 to 7 respectively.

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 7, line 34,—

for "Rs. 5,000" substitute "Rs. 10,000".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 8,—

for lines 21 to 24 substitute—

"10,000 for every additional coparcener."

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 6, line 32,—

after "authority" insert—

"and all penalties, costs and expenditure incurred in connection therewith"

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 7,—

after line 3, insert—

"(bb) any expenditure incurred by the assessee for keeping the accounts for purposes of assessment of the taxes;"

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 7, line 34,—

add at the end—

"in the case of an individual and Rs. 10,000 in the case of Hindu undivided family"

*The motion was negatived.*

Mr. Deputy-Speaker: The question is:

Page 8,—

for lines 18 to 24, substitute—

“(11) where the assessee is a Hindu Undivided Family, the basic allowance for the Hindu Undivided Family shall not exceed one lac rupees adjustable on the following proportionate basis, for the karta, his wife and children as well as for each coparcener his wife and children rupees thirty thousand each and a further allowance of rupees three thousand each for other members of the family entitled to maintenance;”

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 7, line 25,—

for “parents” substitute “father or mother”

The motion was negatived

Mr. Deputy-Speaker: The question is:

Page 7, line 26,—

add at the end—  
“in each case”

The motion was negatived

Mr. Deputy-Speaker: The question is:

Page 8, line 11,—

omit “one”

The motion was negatived

Mr. Deputy-Speaker: The question is:

Page 8, line 14,—

for “per year” substitute “per dependant per year”

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 8,—

after line 14, insert—

“(gg) any expenditure incurred by the assessee in respect of the

education within India of his dependants;”

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 7,—

after line 26, insert—

“(ee) any expenditure incurred by an assessee in respect of ceremonies relating to births or deaths in the assessee’s family to a maximum of Rs. 2,500.”

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 8,—

- (i) in line 11, omit “one”;
- (ii) in line 12, omit “one”; and
- (iii) in line 14, for “Rs. 8,000 per year” substitute—“Rs. 8,000 per dependent per year.”

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 8,—

after line 14, insert—

“(gg) any expenditure incurred by the assessee in respect of the education within India of any of his dependants.”

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 7, line 34,—

for “Rs. 5,000” substitute “Rs. 10,000”

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 8, line 2,—

for “Rs. 5,000” substitute “Rs. 10,000”

The motion was negatived.



**Mr. Deputy-Speaker:** The question is:

"That clause 6, as amended, stand part of the Bill."

*The motion was adopted.*

Clause 6, as amended, was added to the Bill.

# THE SCHEDULE

**Mr. Deputy-Speaker:** We take up the Schedule.

**Pandit Thakur Das Bhargava:** Sir, I beg to move:

(1) Page 23,—

(i) line 4, omit "and Hindu Undivided Family"

(ii) after line 15, add—

"In the case of every Hindu undivided family the rates will be one third of the rates applicable to an individual;"

(2) Page 23,—

(i) line 4, omit "and Hindu Undivided family"

(ii) after line 15, add—

"In the case of every Hindu undivided family the rates will be one half of the rates applicable to an individual;"

(3) Page 23, line 4,—

omit "and Hindu undivided family"

(4) Page 23,—

(i) line 6, for "10%" substitute "5%";

(ii) line 8, for "20%" substitute "10%";

(iii) line 10, for "40%" substitute "30%";

(iv) line 12, for "60%" substitute "50%"; and

(v) line 14, for "80%" substitute "65%".

**Mr. Deputy-Speaker:** I will put these to the vote of the House.

**Mr. Deputy-Speaker:** The question is:

Page 23,—

(i) line 4, omit "and Hindu Undivided Family"

(ii) after line 15, add—

"In the case of every Hindu undivided family the rates will be one third of the rates applicable to an individual;"

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 23,—

(i) line 4, omit "and Hindu Undivided family"

(ii) after line 15, add—

"In the case of every Hindu undivided family the rates will be one-half of the rates applicable to an individual;"

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 23, line 4,—

omit "and Hindu undivided family"

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 23,—

(i) line 6, for "10%" substitute "5%";

(ii) line 8, for "20%" substitute "10%";

(iii) line 10, for "40%" substitute "30%";

(iv) line 12, for "60%" substitute "50%"; and

(v) line 14, for "80%" substitute "65%".

*The motion was negatived.*

Mr. Deputy-Speaker: The question is:

"That the Schedule stand part of the Bill."

The motion was adopted.

The Schedule was added to the Bill.

Mr. Deputy-Speaker: I will now take up the other clauses.

Pandit Thakur Das Bhargava: Sir, I may be permitted to move my amendments to various clauses.

#### Clause 8

Pandit Thakur Das Bhargava: I beg to move:

Page 10,—

after line 15, add—

"(ii) The Appellate Assistant Commissioner shall be appointed by the Supreme Court on the recommendation of the High Court from the judicial cadre in consultation with the Board and shall for all administrative purposes e.g. transfer, promotion etc. shall be subject to the jurisdiction of the Supreme Court."

#### Clause 10

Pandit Thakur Das Bhargava: I beg to move:

Page 10,—

after line 35, add—

"Provided that no Inspecting Commissioner shall pass or record or direct or recommend the passing of any order against any assessee without giving him full opportunity of being heard."

#### Clause 11

Pandit Thakur Das Bhargava: I beg to move:

Page 10, line 38,—

add at the end—

"and all these officers and officers subordinate to them shall observe and follow the orders, instructions and directions of the Board."

#### Clause 16

Pandit Thakur Das Bhargava: I beg to move:

Page 12,—

(i) in line 24, for "eight" substitute "four"

(ii) in line 25, for "four" substitute "two".

#### Clause 17

Pandit Thakur Das Bhargava: I beg to move:

(1) Page 12, line 40,—

before "concealed" insert "deliberately".

(2) Page 13, line 15,—

add at the end—

"who shall not accord such approval without hearing the assessee and give reasons for such approval, if any."

#### Clause 19

Pandit Thakur Das Bhargava: I beg to move:

(1) Page 13, line 37,—

after "partition" insert "disruption or separation"

(2) Page 13, lines 39 and 40,—

for "joint family property has been partitioned a whole among the various members or groups of members in definite portions" substitute "a partition has taken place"

(3) Page 13, lines 39 and 40,—

for "the joint family property has been partitioned as a whole, among the various members or groups of members in definite portions" substitute "partition, disruption or separation as the case may be has taken place"

#### Clause 21

Pandit Thakur Das Bhargava: I beg to move:

(1) Page 15, line 1,—

for "thirty" substitute "sixty"

[Pandit Thakur Das Bhargava]

(2) Page 15,—

omit "lines 14 to 19".

#### Clause 22

**Pandit Thakur Das Bhargava:** I beg to move:

(1) Page 15, lines 38 and 39,—

omit "and any such orders may include an order enhancing the assessment or penalty".

(2) Page 16,—

omit "lines 1 to 3."

#### Clause 23

**Pandit Thakur Das Bhargava:** I beg to move:

Page 17, line 11,—

for "two" substitute "one".

#### Clause 29

**Pandit Thakur Das Bhargava:** I beg to move:

Page 19,—

after line 21, add—

"(3) All expenditure tax authorities whether exercising appellate, revisional or administrative jurisdiction higher in rank to the expenditure tax officer will have the power to order the stay of recovery of the tax and the penalties for such period as they may consider proper."

#### Clause 31

**Pandit Thakur Das Bhargava:** I beg to move:

Page 19, line 31,—

for "four" substitute "three".

**Pandit Thakur Das Bhargava:** I beg to move:

Page 19, lines 39 and 40,—

omit "unless the assessee has been given a reasonable opportunity of being heard in the matter".

#### Clause 32

**Pandit Thakur Das Bhargava:** I beg to move:

Page 20, line 14,—

omit "simple".

**Mr. Deputy-Speaker:** All these amendments moved by Pandit Thakur Das Bhargava are before the House.

Are there any other amendments which hon. Members would like to be treated as moved? I think there is none. I shall now put the amendments and the clauses to the vote of the House. There are no amendments to clause 7. The question is:

"That clause 7 stand part of the Bill."

*The motion was adopted.*

*Clause 7 was added to the Bill.*

**Clause 8.—(Appellate Assistant Commissioners of Expenditure Tax)**

**Mr. Deputy-Speaker:** I shall now put amendment No. 76 to clause 8.

**Pandit Thakur Das Bhargava:** The hon. Minister may possibly accept it. I have made full arguments in the House about it. It is one of the most important amendments relating to procedure, that the Appellate Commissioner be made independent of the Board.

**Shri T. T. Krishnamachari:** I am afraid, Sir, it is a new principle. I have rejected it so far as the Wealth Tax is concerned.

**Mr. Deputy-Speaker:** The question is:

Page 10,—

after line 15, add—

"(ii) The Appellate Assistant Commissioner shall be appointed by the Supreme Court on the recommendation of the High Court from the judicial cadre in consultation with the Board and shall for all administrative purposes e.g. transfer, promotion etc. shall be subject to the jurisdiction of the Supreme Court."

*The motion was negatived.*

Mr. Deputy-Speaker: The question is:  
 "That clause 8 stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

Clause 9 was added to the Bill.

Clause 10.—(Inspecting Assistant Commissioners of Expenditure Tax.)

Mr. Deputy-Speaker: I shall put amendment No. 77 to clause 10 to the vote of the House.

The question is:

Page 10,—

after line 35, add—

"Provided that no Inspecting Commissioner shall pass or record or direct or recommend the passing of any order against any assessee without giving him full opportunity of being heard."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 10 stand part of the Bill."

The motion was adopted.

Clause 10 was added to the Bill.

Clause 11.—(Expenditure Tax Officers to be subordinate to Commissioner of Expenditure.)

Mr. Deputy-Speaker: Then I come to amendment No. 78 to clause 11.

The question is:

Page 10, line 38,—

add at the end—

"and all these officers and officers subordinate to them shall observe and follow the orders, instructions and directions of the Board."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 11 stand part of the Bill."

The motion was adopted.

Clause 11 was added to the Bill.

Clauses 12, 13, 14 and 15 were added to the Bill.

Clause 16.—(Expenditure escaping assessment.)

Mr. Deputy-Speaker: There is amendment No. 79 to clause 16.

The question is:

Page 12,—

(i) in line 24, for "eight" substitute "four".

(ii) in line 25, for "four" substitute "two".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 16 stand part of the Bill."

The motion was adopted.

Clause 16 was added to the Bill.

Clause 17.—(Penalty for concealment.)

Mr. Deputy-Speaker: I shall now put amendments numbers 80 and 81 to clause 17.

Shri Tangamani: There are amendments Nos. 123 and 124 also.

Mr. Deputy-Speaker: I have been asking for them and nobody stood up. I had asked whether there were any other amendments which hon. Members would like to move to any of these clauses.

Shri Tangamani: I request I may be allowed to move amendments Nos. 123 and 124.

I beg to move:

(1) Page 13,—

after line 8, add—

"(iii) Prosecution will lie for an offence under this Act in addition to the penalty imposed under this section."

(2) Page 13,—

omit lines 11 and 12.

**Mr. Deputy-Speaker:** All right. I shall put amendments Nos. 80, 81, 123 and 124 to the vote of the House.

The question is:

Page 12, line 40,—

before "concealed" insert "deliberately".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 13, line 15,—

add at the end—

"who shall not accord such approval without hearing the assessee and give reasons for such approval, if any."

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 13,—

after line 8, add—

"(iii) Prosecution will lie for an offence under this Act in addition to the penalty imposed under this section."

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 13,—

omit lines 11 and 12.

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 17 stand part of the Bill."

*The motion was adopted.*

Clause 17 was added to the Bill.

Clause 18 was added to the Bill.

Clause 19.—(Assessment after partition of a Hindu undivided family.)

**Mr. Deputy-Speaker:** There are amendments Nos. 146, 147 and 148 to clause 19. I am putting them to vote.

The question is:

Page 13, line 37,—

after "partition" insert "disruption or separation".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 13, lines 39 and 40,—

for "joint family property has been partitioned as a whole among the various members or groups of members in definite portions" substitute "a partition has taken place".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 13, lines 39 and 40,—

for "the joint family property has been partitioned as a whole among the various members or groups of members in definite portions" substitute "partition, disruption or separation as the case may be has taken place".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 19 stand part of the Bill."

*The motion was adopted.*

Clause 19 was added to the Bill.

Clause 20 was added to the Bill.

**Mr. Deputy-Speaker:** I shall now put amendments Nos. 82, 83 to clause 21.

The question is:

Page 15, line 1,—

for "thirty" substitute "sixty".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 15,—

omit lines 14 to 10.

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 21 stand part of the Bill."

*The motion was adopted.*

Clause 21 was added to the Bill.

Clause 22.—(Appeal to Appellate Tribunal.)

**Mr. Deputy-Speaker:** To clause 22 there are amendments Nos. 84 and 85. I shall put them to the vote of the House.

The question is:—

Page 15, lines 38 and 39,—

omit "and any such orders may include an order enhancing the assessment or penalty".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 16,—

omit lines 1 to 3.

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 22 stand part of the Bill."

*The motion was adopted.*

Clause 22 was added to the Bill.

Clauses 23 and 24

**Mr. Deputy-Speaker:** There are no amendments\* to clauses 23 and 24. I shall put them to the vote of the House.

The question is:

"That clauses 23 and 24 stand part of the Bill."

*The motion was adopted.*

Clauses 23 and 24 were added to the Bill

**Pandit Thakur Das Bhargava:** There is amendment No. 150 to clause 23.

**Mr. Deputy-Speaker:** He indicated and I have noted that down under clause 25. If that was to clause 23 then there was a mistake. That has gone now. I suppose there are no amendments to clauses 25, 26, 27 and 28 I shall put them all together:

The question is:

"That clauses 25 to 28 stand part of the Bill."

*The motion was adopted.*

Clauses 25 to 28 were added to the Bill

Clause 29.—(Recovery of tax and penalties.)

**Mr. Deputy-Speaker:** There is amendment No. 86 to clause 29.

The question is:

Page 19,—

after line 21, add—

"(3) All expenditure tax authorities whether exercising appellate, revisional or administrative jurisdiction higher in rank to the expenditure tax officer will have the power to order the stay of recovery of the tax and the penalties for such period as they may consider proper."

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 29 stand part of the Bill."

*The motion was adopted.*

Clause 29 was added to the Bill.

Clause 30 was added to the Bill.

\*Amendment No. 150 to clause 23 moved by Pandit Thakur Das Bhargava vide col. 11879 was not put to vote and was deemed to have been negatived under the Direction issued by the Speaker.

Clause 31.— Rectification of mistakes.)

Mr. Deputy-Speaker: Now, amendments Nos. 87 and 88 to clause 31.

The question is:

Page 19, line 31,—

for "four" substitute "three".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 19, lines 39 and 40,—

omit "unless the assessee has been given a reasonable opportunity of being heard in the matter".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 31 stand part of the Bill."

The motion was adopted.

Clause 31 was added to the Bill.

Clause 32.— (Prosecutions.)

Mr. Deputy-Speaker: I shall put amendment No. 89 to clause 32 to the vote of the House.

The question is:

Page 20, line 14,—

omit "simple".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 32 stand part of the Bill."

The motion was adopted.

Clause 32 was added to the Bill.

Clauses 33, 34 and 35

Mr. Deputy-Speaker: There are no amendments to clauses 33, 34, and 35.

Pandit Thakur Das Bhargava: With your permission, Sir, I have to suggest that there is amendment No. 90 to clause 37. I may be allowed to move these amendments and they may also be put to the vote of the House.

Mr. Deputy-Speaker: The question is:

"That clauses 33 and 34 stand part of the Bill."

The motion was adopted.

Clauses 33 and 34 were added to the Bill.

Clause 35.— (Effect of transfer of authorities.)

Pandit Thakur Das Bhargava: I beg to move:

Page 21,—

after line 18, add—

"Provided, however, if the assessee demands that the proceedings be heard *denovo* or any particular piece of evidence be heard afresh, the expenditure tax authority so succeeding will start the proceedings afresh or hear such piece of evidence again as the case may be."

Mr. Deputy-Speaker: I shall put amendment No. 90 to the vote of the House.

The question is:

Page 21,—

after line 18, add—

"Provided, however, if the assessee demands that the proceedings be heard *denovo* or any particular piece of evidence be heard afresh, the expenditure tax authority so succeeding will start the proceedings afresh or hear such piece of evidence again as the case may be."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 35 stand part of the Bill."

The motion was adopted.

Clause 35 was added to the Bill.

Clause 36 was added to the Bill.

Clause 37.— (Service of notice.)

Pandit Thakur Das Bhargava: I beg to move:

Page 21, line 24,—

omit "either by post or".



**Mr. Deputy-Speaker:** I will put this amendment also to the vote.

The question is:

Page 21, line 24,—

omit "either by post or".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 27 stand part of the Bill."

*The motion was adopted.*

Clause 37 was added to the Bill.

Clauses 38 to 41 were added to the Bill.

#### Clause 1

**Mr. Deputy-Speaker:** Then we come to clause 1.

**Shri Naushir Bharucha** (East Khandesh): There is the Schedule.

**Mr. Deputy-Speaker:** The Schedule has already been passed. The hon. Member came late it seems.

**Shri Dasappa:** Sir, I beg to move:

Page 1, lines 6 and 7,—

omit "except the State of Jammu and Kashmir".

This is an integrated tax structure. When we have already adopted wealth tax and brought Jammu and Kashmir within its operation, I wonder how this integrated tax structure could ever be complete when we omit expenditure tax from Jammu and Kashmir.

**Mr. Deputy-Speaker:** I shall put the amendment to the vote of the House.

The question is:

Page 1, lines 6 and 7,—

omit "except the State of Jammu and Kashmir"

*The motion was negatived.*

**Shri Narayanankutty Menon:** Amendment No. 6.

**Mr. Deputy-Speaker:** No. 6 is out of order. Now, I shall put clause 1 to the vote of the House. The question is: .

"That clause 1 stand part of the Bill".

*The motion was adopted.*

Clause 1 was added to the Bill.

*The Enacting Formula and the Title were added to the Bill.*

**Shri T. T. Krishnamachari:** **Mr. Deputy-Speaker,** I am told by the legal advisers that in respect of the amendment of Pandit Thakar Das Bhargava which I accepted, the thing has to be remedied.

**Mr. Deputy-Speaker:** That can be done.

**Shri T. T. Krishnamachari:** I have to mention it. In the place of the amendment proposed by Pandit Thakur Das Bhargava, what I suggest now may be put in. I beg to move:

Page 7, line 34, add at the end:

"in the case of an individual or a Hindu undivided family which consists only of the Karta, his wife and children, and Rs. 10,000 in the case of any other Hindu undivided family".

**Pandit Thakur Das Bhargava:** With your permission, may I point out that if Karta is the sole coparcener, there can be no family.

**Shri T. T. Krishnamachari:** Let me finish it. There is another amendment. I beg to move:

Page 8, line 2, after "Rs. 5,000" insert "or Rs. 10,000, as the case may be".

These amendments, amendments Nos. 185 and 186, are in substitution of amendment Nos. 183 and 184 respectively. The draftsmen say that

[Shri T. T. Krishnamachari]

otherwise every person who has got a wife and children would be entitled to Rs. 10,000. It will be virtually increasing the amount from Rs. 5,000 to Rs. 10,000.

Shri Dasappa: That is what I said.

Pandit Thakur Das Bhargava: I wish to submit that if there are more than two coparceners in a family, we can say that there is a Hindu joint family, but supposing there is only one member in the Hindu joint family who is the sole coparcener, there can be no Hindu joint family. It is an individual family. Therefore, my amendment in relation to a Hindu joint family consisting of two or more members is the appropriate amendment. If it is Karta alone, we need not provide anything, because there can be no Karta even in a Hindu joint family if it consists only of one member. A Hindu joint family must consist of two or more, if it is to be called Hindu joint family. Two coparceners must be there; not two members, for, wife may be the member of the family.

Mr. Deputy-Speaker: The hon. Minister has expressed that every family with a husband and wife would be entitled to it. That would not cover it.

Pandit Thakur Das Bhargava: I say that it does not constitute a Hindu joint family.

Mr. Deputy-Speaker: That is, they do not form part of a Hindu undivided family.

Shri T. T. Krishnamachari: Wife and children would constitute a Hindu joint family.

Mr. Deputy-Speaker: Wife and father...

Shri T. T. Krishnamachari: It cannot be a Hindu undivided family.

Pandit Thakur Das Bhargava: If it is only Karta and wife only, what would happen?

Shri T. T. Krishnamachari: Maybe, if I do not form part of a Hindu undivided family, and if I may have two children, I would only be entitled to Rs. 5,000. If I belong to a Hindu undivided family, I would be entitled to Rs. 10,000. This is what the draftsman has pointed out.

Shri C. R. Pattabhi Raman: I take it that this is as amended by the Hindu Succession Act, *mutatis mutandis*. It should be so, for, after all, the general law has been modified by the Succession Act.

Shri Naushir Bharucha: How can an amendment be brought up at this stage? My suggestion is, the hon. Finance Minister may take it to the *Rajya Sabha* and have it amended there, and then bring it here.

Shri T. T. Krishnamachari: As a matter of fact, when we discuss an amendment at this stage, it has to be only a verbal amendment. My intention in accepting an amendment and suggesting it now was that it was a verbal amendment and it was only in regard to this particular matter. My hon. friend, Shri Naushir Bharucha, is new to this House. It is common to make verbal amendments at the third reading stage.

Mr. Deputy-Speaker: During the third reading, when there are clerical errors, patent errors, or, when the intention that we wanted to convey was not expressed so fully by a word or other that has been used, such things are corrected. There is, therefore, no harm in that. If really some mistake has occurred by our oversight that can be corrected, when we find it is a mistake. That has always been done. That is the procedure here. Now, the hon. Minister may formally move for the third reading.

Shri T. T. Krishnamachari: I beg to move:

"That the Bill, as amended, be passed".

**Mr. Deputy-Speaker:** Now, we take up the third reading. First, in amendment Nos. 183 and 184, there are certain mistakes that have occurred. The intention has not been made clear by amendment Nos. 193 and 194. So, I shall put the amendments—Nos. 195 and 186—as moved by the Finance Minister to the vote of the House.

The question is:

Page 7, line 34, add at the end:

"in the case of an individual or a Hindu undivided family which consists only of the Karta, his wife and children, and Rs. 10,000 in the case of any other Hindu undivided family"

*The motion was adopted.*

**Mr. Deputy-Speaker:** The question is:

Page 6, line 2,—

after "Rs. 5,000" insert "or Rs. 10,000, as the case may be."

*The motion was adopted.*

**Mr. Deputy-Speaker:** So, this correction is made. This alteration is accepted by the House.

Now, the question is:

"That the Bill, as amended, be passed".

*The motion was adopted.*

## INSURANCE (AMENDMENT) BILL

**Mr. Deputy-Speaker:** We now take up the next item, the Insurance (Amendment) Bill for which one hour has been allotted.

**Shri Dasappa (Bangalore):** Two hours.

**Mr. Deputy-Speaker:** It is one hour put in here, perhaps by mistake. If it is two hours, it is all right, and I will look into that.

**The Minister of Finance (Shri T. T. Krishnamachari):** It can be verified.

**Shri Dasappa:** I remember it. It is two hours.

**Mr. Deputy-Speaker:** It is two hours. I think it is wrongly entered here.

**Shri T. T. Krishnamachari:** Mr. Deputy-Speaker, Sir, I beg to move:

"That the Bill further to amend the Insurance Act, 1938, be taken into consideration."

The amendments sought are comparatively innocuous. I shall not take the time of the House with a long speech.

Section 42B provides that no insurer shall transact business through a principal agent after 31st August, 1957; that is to say principal agents as they exist today in the general insurance business will go out of business after that date. These principal agents employ ordinary agents under them who bring in business. Some of them have also been performing some administrative functions like issue of cover notes and survey of risks. They receive a commission of 20 per cent. of the premium, if it is fire and miscellaneous insurance, and 15 per cent. if it is marine business; out of this they had to pay out the commission to the ordinary agents at 15 per cent. or 10 per cent. of the premium, respectively in the two categories of business mentioned.

Section 42B was inserted in the Insurance Act by the amendment Act passed by Parliament in 1950; thus notice of termination of the principal agency system was given both to the insurers and the principal agents seven years ago. However, the general insurance industry has now taken stock of the situation, and we have also had the position examined. The number of principal agents has remained at about 800, of whom about 340 are individuals, 160 are firms and 300 limited companies. Individuals can under the Act, function as insurance agents; hence principal agents who are individuals will be able to continue in the business. Such a facility will not be available to firms and limited companies as they cannot at present take

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out licences to work as insurance agents. This position is proposed to be remedied by this Bill.

Though the principal agents may consider it a hardship not to continue to be in business, they must have been prepared for this since they were well acquainted with the provisions of section 42B of the Act. However, the industry has now pleaded that the institution of principal agents has been rendering good service and should be continued. In fact, the recommendation of the industry has been that the institution should be regarded as having come to stay. After the country attained independence and more so after the commencement of the Plan, there has been a considerable expansion in industry, and with such expansion, the need for insurance at all stages and of all types has come to receive growing appreciation. To meet this need, many of the companies and firms who have been in the field as Principal Agents have been rendering increasing service to the insured and the insurers alike. By virtue of their practical knowledge of the processes and requirements of the industry, some of them have been in a position to advise the insurance companies about the relative merits of the risks underwritten by them. The industry has, therefore, suggested that it will be in the interest of development of the general insurance business if these companies and firms are allowed to continue.

In short, therefore, the suggestion has been that the system of Principal Agents should not be abolished or in other words that the restrictions imposed in section 42B of the Insurance Act should be removed. This, the Government could not concede. It could not continue to recognise a special or privileged class of agents beyond the period of seven years provided for the Principal Agents to adjust themselves.

**Mr. Deputy-Speaker:** If the hon. Minister would just give me one second, there has been some confusion

so far as the allotment of time is concerned. There are two Bills. One is the Insurance (Amendment) Bill, for which there is only one hour allowed and that is the Bill that we are taking today. That was notified in the bulletin dated August, 24. There is another Bill that has been introduced some three or four days ago, the Life Insurance Corporation (Second Amendment) Bill. The time allotted for that Bill is 2 hours. So, for the present Bill that we have taken up, there is only one hour. I have interrupted the hon. Minister so that he might also know that the time is only one hour.

**Shri T. T. Krishnamachari:** I have said that this request for the continuation of Principal Agents could not be conceded; the Act as it stands must remain and the Principal Agency should go. The merits claimed for the system of Principal Agents were no doubt known when this provision was laid down on the statute-book in 1950. It cannot be said that the position has so changed in these seven years that the decision taken in 1950 requires to be reversed.

There is some point, however, in the request that the accumulated experience of these companies and firms and the knowledge acquired by them of the business should not be lost to the industry. It is, therefore, proposed to allow these firms and companies to enlist themselves as insurance agents, as ordinary agents, in the same way as individuals. As I have said earlier, under the present Act, only individuals can take out licences as ordinary agents. Section 42 of the Insurance Act is now proposed to be amended by clause 3(1) of the Bill, to authorise the Controller of Insurance to grant a certificate to any person, that is whether an individual, firm or company, to work as insurance agent. The intention is to continue in the business only those who are at present in it, and only to the extent that they are in it. The Bill, therefore, provides that the company or firm shall procure only general insurance business and further

that it shall have been holding as on the 1st August, 1957, a certificate to act as a Principal Agent. It is merely continuation of those firms and companies, who have been doing this function before, as ordinary agents.

Sub-clauses (ii), (iii) and (iv) of clause 3 are consequential.

The Bill seeks to make one more amendment to the Insurance Act. Section 118 of the Act details the cases where the Act does not apply or which may be exempted from the provisions of the Act. The Act does not apply to any insurance business carried on by the Central Government. The Central Government may, by executive orders, exempt from the provisions of the Act any insurance business carried on by a State Government or any insurance company more than 51 per cent. of whose shares is held by a State Government. The executive orders in such cases will specify the extent to which and the conditions or modifications subject to which the exemption is granted. The House is aware that in the recent past, the Government of India have set up a number of Government companies governed by the Companies Act for various purposes. The business in which some of these are engaged may fall within the definition of one or other of the many types of insurance activity regulated by the Act. As Government companies, their accounts will be subject to scrutiny by the Comptroller and Auditor General. Their other transactions will be subject to general control of Government. Whenever technical advice is required on matters relating to insurance, the help of the Controller of Insurance will be freely taken. In fact, he may even be associated in discussions on policy and while taking decisions. So, in effect the companies will be complying with the requirements of the Act. But under the Act as it stands at present, they will have to submit all formal returns to the Controller of Insurance and be subject to formal control of the Controller as any ordinary private insurer. This will only lead to duplication of effort, which it is desirable

to avoid. Government, therefore, propose to take power to exempt such companies from the regulations of the Insurance Act to such extent as is considered necessary.

The instance which has brought up this issue is that of the Exports Risks Insurance Corporation of India set up by the Government recently in order to provide protection to exporters against risks arising in the export trade. The main classes of risks which the Corporation will underwrite include (a) import and export control risks, (b) insolvency and default risks and (c) war and civil war risks. The various classes of risks covered by the Corporation, including the above, will fall under the head 'miscellaneous insurance' as defined in section 2 of the Insurance Act. The results of working of such a Corporation are, however, generally treated as confidential, more so under the heads I mentioned just now. Considering the extreme importance to our economy at present of stimulating the export trade, the House will agree that certain concessions and subsidies may become necessary if the Corporation is to function successfully. It would not be in the national interest, however, to publish them; and, therefore, the Corporation has to be exempted from submitting some of the returns required under the Insurance Act. The question is now under examination as to the precise nature and extent of the exemption that should be granted to this Corporation.

I would like to make it clear that the power that would thus be conferred on Government, would be used with the utmost caution and circumspection. It is the intention to invoke it only where exemption from the provisions of the Insurance Act is felt called for in the public interest.

Clause 5 of the Bill, while amending section 118 of the Act for the purpose, also aims at a better arrangement of the provisions of that section.

**Shri Narayanankutty Menon** (Mukandapuram): Mr. Deputy-Speaker, it is necessary at this stage to

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consider the objective of this amending Bill. As the law stands at present, the companies or firms which acted as the Principal Agents both in the life and general insurance business in India could not, as per the existing law, get themselves enrolled as agents in the general business. By this amending Bill, the hon. Finance Minister wants to give to those companies which are acting as Principal Agents in the general business the benefit of enrolling themselves as ordinary agents. The objective, as he has clearly mentioned in the Statement of Objects and Reasons, is to utilise the experience that those companies have in the general business, while acting as Principal Agents.

As it has been said many times on the floor of the House when the Life Insurance Corporation Bill was being discussed, the role of the Principal Agents in the insurance industry has been the subject-matter of much criticism on the floor of the House and also in public. These Principal Agents have been accused many times of mismanaging the funds of the general insurance also of getting unbecoming benefits out of insurers' fund by means of extraordinary and unjustified rebates, by holding out certain concessions out of the commission given to them and thus indulging in unfair and unhealthy competition. If we give the benefit to those Principal Agents to act as ordinary agents in the general business, the net result will be that, apart from the unhealthy competition existing in the industry whereby the big insurance companies are vying with each other by means of giving illegal and unholy rebates and also lower premium rates, these Principal Agents who have got experience in general business and in giving unlawful rebates, will be given another chance to enter the industry and indulge in unhealthy competition. As the law stands at present, as it has been passed by the House, after 31st August, 1957, it would not have been possible for the insurers to have the benefit of this agency.

15 hrs.

Taking into consideration the role that they played, it has been enacted that it is no longer desirable to continue them. Now, is it because of the representation made by the industry to give it a chance of acting as agents that this is being done? If he has considered the point in detail, the role that they played in the general insurance and the import of the original Act, certainly he would not have come with an amendment like this to give these principal agents a re-entry into the business which automatically will bring in a very unhealthy competition which has ruined the industry as a result of which Government has had to step in.

Perhaps it is the intention of the hon. Finance Minister to give incentive to people experienced in the line; it may serve as a fillip to the industry. Then, I wish to point out the incentive he has given to the field staff in the Life Insurance Corporation. It presents a sorrowful picture of declining business as presented by the interim report. He is not at all concerned with any incentives. The decline in business is primarily due to the fact that the field staff are not given any incentive. A regular disincentive has been introduced by the Finance Minister. When the office staff of the Corporation threatened to go on strike on many of their demands, the Finance Minister quite commendably flew to Bombay and settled the differences. But in the case of the field staff such as insurance inspectors, agents and other field staff who were a credit before the Corporation took over, their incentive is being taken away. Their minimum wage and all other facilities and other incentives are taken away and these people are sleeping in their chambers. If the experience is to be utilised, these big firms are not the proper persons; they were responsible for the ruin of insurance and they are not the persons to give incentives. The real persons are the field staff. If he has gone into their grievances and showed as much



concern as he has shown to the staff of the Insurance Corporation, certainly he will be doing an immense service to those who had been given a disincentive. We will also be doing a service to the insurance incentive. We will also be doing a service to the insurance industry in general. As the Finance Minister has placed on record in the Statement of Objects and Reasons that the service of those concerns which have got real merits and experience in the insurance industry should be given incentive, I hope that he will leave no time in giving incentive to the field staff of the Life Insurance Corporation.

**Shri Dasappa:** Mr. Deputy-Speaker, I rise to speak on this Bill with a certain amount of trepidation. It is for the very obvious reason that in spite of my very sincere and earnest efforts to get the hon. Minister to consider sympathetically the amendments that I have placed, I am sorry I have not met with a ready response which I expected from any person who is interested in life insurance. I may be permitted to state my case briefly.

Insurance is divided into general and life. With regard to general insurance, there have been these intermediaries who are known as principal agents between the insurer and the agents or field workers. They were getting a little higher commission. It is not the question now whether some of them have behaved well or ill. There was that institution of principal agents so far as general insurance is concerned. Their exact counterparts in the life insurance are the chief agents; they were the intermediaries between the insurance company and the agents and the field workers. We did not, rightly, want these intermediaries because of certain of their malpractices which came to our notice and we eliminated them when the Insurance Corporation Act was adopted. There may be differences on that point but they were eliminated.

The question now is whether these principal agents who were having extra privileges as intermediaries should not be permitted to bring their

knowledge and experience to bear upon the work and be permitted to function as ordinary agents. The general insurance companies want to make use of their knowledge and experience. The hon. Minister rightly felt that these insurance companies should have their knowledge and experience but on one condition: they cannot have any extra privileges over the ordinary agents. We entirely agree. I accord my whole-hearted support to this move.

The difference comes when the question is asked: why should not we make the same approach towards the chief agents and special agents in the case of life insurance? They have knowledge and experience which need not be lost. We can have them on identical terms. I do not want these chief agents and special agents in life insurance to be treated differently from the ordinary agents and given any extra privileges. What is wrong with that suggestion? A, B and C can be licensed as individual agents. Why should not A and B together form a partnership and function as ordinary agents with no further remuneration? I fail to understand why this should not be done. If it is an individual, there is a definite handicap. When an individual dies, we do not know what his business is or where it goes. It is all lost to the Insurance Corporation. The Insurance Corporation is the loser and the country is the loser, and the country is the loser, because if an individual dies the whole of his work comes to a standstill; a new man will take to the field with no experience whatsoever. I am reinforcing this view, not from my own facts and figures, but from the interim report which the Life Insurance Corporation has placed in our hands. I shall also give a few figures as to the number involved in this.

So far as the principal agents are concerned it is 802; the chief agents are 323 and special agents 6,359. Now, let us see what progress this life insurance has made subsequent to the nationalisation and the elimination of the chief agents and special agents. You find in 1956 the grand total of



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the amount insured comes to the order of Rs. 200·28 crores. In the previous year it was Rs. 238·30 crores and another sum of nearly Rs. 20 crores in foreign business. Altogether it was Rs. 258 crores. It has now come down to Rs. 200·28 crores. That is so far as 1956 is concerned. Let us remember that this nationalisation took place somewhere in January. I think it was on the 19th January 1956 and the Corporation came into being on the 1st September 1956. So far that whole year there has been a reduction of business to the tune of Rs. 50 crores and more. On the other hand if you take the figures previously every year there has been a tremendous rise.

In 1953 it was Rs. 179·86 crores; in 1954 it was Rs. 243·99, which is as good as Rs. 244 crores. In 1955 it again rose by Rs. 15 crores, that is Rs. 258 crores. The result of nationalisation—I won't say say the result of nationalisation, because we are all for nationalisation—has been there has been a reduction by more than Rs. 50 crores. Now I am prepared, as one who knows something of administration to concede that the teething troubles were there. But I say that the business even if it had not mounted up should have at least remained at Rs. 258 crores.

Now let us come to the first half of 1957. I depend again not on my figures,—I should not be mistaken as paying in the same coin—but on the official reports. In the first half year the business was Rs. 73·54 crores, so that if you double it, it will come to only Rs. 140 crores or Rs. 150 crores. Again I want to say something in favour of the Corporation. I say that it is likely that the first half may not have brought them much business and in the second half they may make something more. But I cannot imagine that their turn-over would ever reach Rs. 258 crores, the business that was done in 1955.

Of course Government or the Corporation will reel off any number of reasons or excuses. But I do ascribe a part at least of this fall to the fact

that they eliminated experience and knowledge from the insurance field to a large extent. Here were chief agents and special agents who were giving good business. I know of one unit of a chief agent who was giving Rs. 1 crore of business. All the ordinary agents working under that man together had not given more than Rs. 20 lakhs during the year. I ask why? Every ordinary agent working under that chief agent has been employed and the result is that not even one-fifth of the work has been done. So, there is something to be said in favour of training, experience and knowledge.

When I turn over this very illuminating book what is it that they ascribe this to. There was inadequacy of technical and experienced staff at the various offices, and so on. And with regard to the agents also they say that the agents and other field workers had not got accustomed to the new set-up. Then they say that they have recruited about 20,000 new people and they want to train those people. This is a very nice way of developing insurance in the country? Here we are brushing aside experience and knowledge and treating them with scant courtesy and we go about searching for new man. In fact, there has been a tremendous search for new hands, and then we want to open training courses for them. I read from paragraph 25 of the same brochure:

"One of the reasons for the low average productivity of agents in the past was that the agent did not receive any training in insurance salesmanship. This deficiency is sought to be remedied and steps are being taken to provide systematic training, and so on."

This is essentially a question of salesmanship and salesmanship does not come through university education or through anything like that. Salesmanship is a thing which is born out of abundant experience in the field and I am surprised that the

experience of these chief agents and special agents should have been ignored.

Now what do I say? I say that they may be treated as ordinary agents and no more than ordinary agents, and also I agree with the principle that we need not go about giving this licence to new companies and new firms. This amendment only seeks even in the case of general insurance to licence those companies and firms which were there already in the field prior to a certain date, 1st August or so. Even so, in the case of life insurance I do not want to open the flood-gates and ask for the licensing of all and sundry firms and companies. I only say that they may come in if they had done good business prior to the nationalisation of insurance.

The other point which is very important to be borne in mind and which I do not know why the Finance Minister is unable to see, or even if he sees he is unable to accept or agree, with me is that this is merely an enabling provision. There is no commitment on the part of the Life Insurance Corporation. It simply lifts or removes the ban on the employment of a company or firm which has already been there from being employed as an ordinary agent. Why should we prevent the Corporation, if it so chooses to have a company to function as an ordinary agent. There have been various approaches at various levels, the level of Ministers, the level of the Board, and let me assure this House there has not been a single voice against this idea of licensing those firms and companies which the Corporation may choose as ordinary agents and nothing more. I fail to understand why the hon. the Finance Minister has taken up this rather unsympathetic attitude.

There is only one thing more which I would like to say before I conclude.

**Mr. Deputy-Speaker:** The hon. Member was perhaps not here; we have got only one hour for this Bill and not two hours.

**Shri Dasappa:** How did that happen in my absence?

**Mr. Deputy-Speaker:** Of course that is very pitiable, but it has happened.

**Shri Dasappa:** I always bow to the ruling of the Chair. It does not matter to me.

**Mr. Deputy-Speaker:** There is no question of any ruling by me. That is an order of this House. The House accepted it. This is the first amendment. The hon. Member was perhaps under the impression that this is the Second Amendment Bill.

**Shri Dasappa:** Sometimes we do commit mistakes, I do not deny. I am very sorry that I gave that wrong idea to the Chair. I was saying that it is a purely permissive one. And I am doing this in the entire interests of the life insurance work and of the Life Insurance Corporation. There seems to be an idea that this life insurance work, this great work of mopping up the surplus funds in the hands of people and other savings is the responsibility only of the Ministry or the Corporation. I resent an idea like that. It is nobody's private property; it is a national concern primarily of Parliament which has got to see that the Second Plan functions well. And we cannot be participants and sharers in the idea of decreasing the life insurance business, in the country. Therefore I say it cannot be pleased, as I am anticipating—may be that my anticipation is wrong,—that the Corporation has not been consulted. Who prevented them from consulting the Corporation, in the first instance, and in the second instance where is the need for it? This is a permissive thing. If the Corporation does not choose to license a firm, let it not. There is no obligation on the Corporation to license any firm. When are we to bring an amendment if and when the Corporation wants to license? There must be a separate amending Bill, either a private Bill or a Government Bill, and we must go through the whole gamut again. Meanwhile business will escape and these com-

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panies will be liquidated. We have to look at these things. Therefore, viewed from any point of view, this is a just amendment and an unexceptionable one, and with all the sweet reasonableness that is at my disposal I appeal to the hon Minister to accept it.

**Shrimati Ila Palchoudhuri** (Nabadwip): I have already asked of the Finance Minister about my amendment, but he does not seem to be in a mood to accept it. But yet I will commend it to the House because it is an amendment that is really very innocuous. It only seeks to get out of that clause the general insurance companies that have been taken over by the Corporation.

Clause 5 of the Insurance (Amendment) Bill seeks to substitute a new section 118 in place of the old section. Sub-section (c) of the proposed new section 118 provides *inter alia* that nothing in the Insurance Act shall apply to any insurance business carried on by the Central Government. After the nationalisation of life insurance business, three general insurance companies have come under government management. These are the Oriental Fire and General Insurance, which was only a subsidiary of the Oriental Life Office, National Fire and General which was a subsidiary of National Insurance Company, and the Asiatic Government Security Insurance Company.

The effect of the proposed new section 118 will lead to these three companies being exempted from the purview of the Insurance Act. This would really place the other general insurance companies in a very disadvantageous position. If the Government is going to run things as a business, private general insurance must have a chance to show its own merit. If these three general sections are with the Government, then when the clients with the Corporation want to do general business there will virtually be a moral pressure on them to insure for fire etc. with these three companies. And that would place the

private sector, which is already suffering in a rather, shall I say, bad way on account of the Corporation having taken over the life insurance business, in a disadvantageous position. The Corporation must also play fair and give the private sector every kind of advantage so that it can also show its mettle. Sir, it is a known fact that the business of insurance has gone down since it has been nationalised. Whatever the case may be, I am all for nationalisation if it is really for improving our exchequer and if it is going to improve the business. But as it stands today, surely general insurance has not yet wholly come under the purview of the Corporation, and if my amendment is accepted I think they will get a better and fairer chance of functioning, and that will be really cricket on the part of Government.

**Shri Keshava** (Bangalore City): I also welcome this Bill. I have had the impression that a very great and desirable change has been brought about in the mind of the hon. the Finance Minister particularly after the recent elections when he was pleased to go about the slum areas in the City of Madras. He has ceased to be adamant, and whenever he sees any reasonable suggestions he has always been open to conviction. But somehow in this particular case I cannot understand why he not been, in spite of the fact that so many figures, favourable figures, have been pointed out as also the fact that there has been so much of loss of business, crores of business in this national industry; and I cannot understand why we should allow this talent to be wasted. It will amount to a very serious national loss. And the figures speak for themselves. There are so many Chief Agents, as we can see by the figures, that have done business. They have been able to do 70 per cent. of the business which all the other companies have not been able to do. And I really cannot understand why they cannot be allowed agency of an ordinary type as we now

propose to allow for the Principal Agents by this amendment. This Bill is most welcome, but it admits of a little improvement, and that improvement is being denied very unjustly. I appeal to the hon. the Finance Minister in the interests of the national industry, we should not allow this talent to go waste. There is a world of difference between a person doing business in his own individual name and under the credit and goodwill of the firm to which he was attached till now. We are only appealing in the larger interests of the industry itself that the same considerations that we now seek to allow for the Principal Agents may be allowed to the Chief Agents, to those who deserve. I do not agree with Mr. Menon's observations that we should wholesale condemn the whole community of these agents. Of course some of them might have been very bad. But in deserving cases where they have been doing business prior to the nationalisation of this industry, if they are deserving of such consideration, such of them may be permitted the same relief that we are now seeking to permit to the Principal Agents. With these observations I request the Finance Minister to reconsider the matter.

**Shri T. T. Krishnamachari:** Mr. Menon's attack is a thing which I was quite prepared for, for the reason—again, it seems to be that I am always in bad company—for the reason that in 1949 when this Act was amended some of us who were here then held the view that the system of Principal Agents should go, and there was a compromise that was effected that we should allow them seven years to go. As I said in my opening remarks, what was required by the recommendations made by the industry was that the provisions of the Amending Act of 1950 should be abrogated and the position as it was obtaining until 31st August should continue, namely that the *status quo* must be maintained. When I saw the recommendations, vague memories were stirred, and when I looked up the proceedings of the House and the

Select Committee I found that I had myself taken some part in this particular amendment. If I had succumbed to the suggestion made that the Principal Agents should continue, I have no doubt my friend Mr. Menon or somebody else would have a deadly case to make against me, only if they had gone back and studied the proceedings. The fact really was we felt very strongly about it, and I do not see any reason why we should feel differently now. But it was mentioned that changes have not been made in the set-up and that if they continue to act as ordinary agents, they lose five per cent. commission. No new persons will be allowed to come in and in the period of transition they might continue for some time, till such time as they want to continue. May be many of them would give it up progressively. It is a question of disbanding the staff and paying them compensation. We did not want to create a change of that nature, particularly when the industry had felt that they might be given a chance to continue for some time, and I think on the basis of the recommendations of the industry they thought the Government would accept the position. So, this *via media* was sought and I have put forward this proposal. While I agree the system of principal agents has not been a good thing, we do not want it, we do not mind these people continuing for some time, until they themselves feel it is not good enough, that the income is not enough, that they have to work through agents and give it up. It is more or less what you might call a temporary matter.

Then, the other fact also to be conceded is this that still the business of general insurance is in the hands of private people, and some elasticity has necessarily to be allowed to them so as to enable them to function. That is the reason why I brought this amendment, and though what Shri Menon has said perhaps reminds me of what I used to say in the past, I do feel in the circumstances of the case what we have done is not a

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serious departure from principle, and should enure to the benefit of the business as a whole.

The point that was made by Shri-mati Ila Palchoudhury is something which the House would probably not comprehend. What she seeks to do by her amendment is to say that the exemptions proposed under section 118 as it would be should not be made in regard to those three general insurance companies which are Government-owned today, which function amongst a large number of private insurance companies, that the exemptions should not be given to these general insurance companies which would be discriminatory in character and would help them unduly as against the private insurance companies. I mentioned to her that we could not afford to have any exemption which would be discriminatory in character, which would help these three Governments insurance companies doing general insurance business as against the private insurance companies, because then we shall be attracting the provisions of article 14 of the Constitution. That is the safeguard. The safeguard is not putting in a statutory provision, tying up your hands. It may be that in some matters of form or something like that, something is possible, but essentially Government cannot make a discrimination and treat these companies differently. Of course, Government would be perfectly at liberty to do their own business with the Government insurance companies, but I may tell my hon. friend that I had even there told the authorities that we should diminish our business progressively. We should give fifty per cent. of the business to the private insurers, even though my hon. friend opposite may ask: why are you throwing away money like that? Because they have been accustomed to get 100 per cent. of the business, and you cannot cut it out straight-away. Even if you have to diminish, it has got to be progressively done. But any act of discrimination is a thing which Government cannot

undertake because the provisions of the Constitution stand as a bar against our doing anything of that nature. So, I would like to assure my hon. friend that our amendment is not discriminatory and that her amendment is not necessary.

My hon. friend Shri Dasappa was very vehement. The trouble about his vehemency is that he has no case to make and therefore he has to make it up by means of vehemency.

Shri Dasappa: Hear, hear. It is a wonderful argument.

Shri T. T. Krishnamachari: Not that I mean to say that I have anything like his experience as an administrator. The point about it is that it reminds me of the question of the hobby horse.

There is an amendment, and I think it is certainly right that the hon. Members of this House should scrutinise these amending Bills, point out what is wrong and improve them, but what he has felt is: he heard something is being done in regard to general insurance. Then, why not do it in the case of life insurance? Having thought about it, he said: let me put in these amendments. If I had brought in the original proposition as it was recommended, namely that these principal agents should continue for another five years more, I am sure my hon. friend's amendment would have been. We should continue the special agents, the chief agents. Since I have not done it, he says these people can be there, and they can be ordinary agents. So far as the provisions of section 36 of the Insurance Act are concerned, it is obligatory on our part. The system of special agents and chief agents has gone. He says you are not employing firms, you should employ firms. May be it is a point of view which has to be examined, but in this particular matter I am only concerned with a very narrow aspect in regard to the continuance of these firms in their capacity as



agents. That is in regard to general insurance business. My hon. friend says: you might put out an argument that you will have to consult the Insurance Corporation; why should you consult them? This is permissive. I am afraid we are not used to pass legislation of that nature here. After all, you cannot bring in an amendment which is not intended, where it is not our intention to cover a large section of insurance which is governed principally by the Insurance Corporation Act and incidentally by the Insurance Act here, because having made life insurance the responsibility of Government and put it in the hands of the Life Insurance Corporation under a separate enactment, to that extent many of the provisions of the Insurance Act have fallen into desuetude. What is the use of merely saying that he is giving us an enabling power if actually the Life Insurance Corporation does not want to appoint these people again, the firms as agents. What is the use of the enabling power? And the present situation is that the Life Insurance Corporation does not want to do so. Whether it should be made to do so is a different question, a different issue. Of course, criticism of the Life Insurance Corporation....

**Shri Dasappa:** May I know whether it has passed any resolution to that effect?

**Shri T. T. Krishnamachari:** The trouble about the Life Insurance Corporation is that it is not such a sensitive organisation as to sense immediately the creation of a new idea in the mind of an hon. Member in this House. Had they known that Shri Dasappa was going to move an amendment of this nature, they might have considered it, but I do not think they knew anything about it. The idea is entirely his own, it started in his mind.

I am only pleading, I am not even discussing the merits of the amendment, I am not competent to do so. I cannot bring out arguments in the face of an experienced persons like

Shri Dasappa to refute what he says. I am merely saying this is a matter that has to be examined. I have not examined it, and therefore for the simple reason of my ineptitude and incompetence to understand the working of the mind of my hon. friend Shri Dasappa, I have to plead that I am unable to accept his amendment.

**Mr. Deputy-Speaker:** The question is:

"That the Bill further to amend the Insurance Act, 1938 be taken into consideration."

*The motion was adopted.*

**Mr. Deputy-Speaker:** The question is:

"That clause 2 stand part of the Bill."

*The motion was adopted.*

*Clause 2 was added to the Bill.*

**Clause 3—(Amendment of section 42)**

**Shri Dasappa:** I beg to move:

(1) Page 2, line 4,—

omit "immediately".

(2) Page 2, line 6,—

after "agent" insert "or as a chief agent or a special agent".

(3) Page 2,—

omit lines 8 to 11.

**Shri Balasaheb Patil (Miraj):** I beg to move:

(1) Page 1, line 15,—

for "person" substitute "applicant"

(2) Page 2, line 34,—

after "shall" insert "without prejudice to any other penalty or liability to which he may be liable".

(3) Page 2, line 38,—

after "shall" insert "without prejudice to any other penalty or liability to which he may be liable".

[Shri Balasaheb Patel]

(4) Page 2, line 35,—  
after "rupees" insert—

"and he shall forthwith refund the amount so collected to the persons insured".

Shri Dasappa rose—

Mr. Deputy-Speaker: He has already advanced arguments.

Shri Dasappa: It looks as though there is need for a little more say.

The hon Minister said that I made up the lack of argument with vehemence. I am also old enough to give back a similar reply to his arguments. I wish instead of bandying these words across, the points that I raised had been replied to, with vehemence or without vehemence, I would have no objection—I am not in the least worried about that.

Let us just see what we have done in the Life Insurance Corporation Act with regard to these chief agents and special agents. Section 36 is the one to which the hon Minister referred.

It simply says that we would not countenance anybody between the insurer and the agent such as the chief agent or special agent. In my opening speech, I conceded this fact. I am not in favour of principal agents or chief agents or special agents. Why there should be any trouble about it resulting in this argument and reply in that manner, I do not understand.

The other point made by the hon Minister is that the Corporation has no idea about this. May I say that I wrote to the then hon Finance Minister that if the chief agents and special agents could not remain there as such, the institutions acting as intermediaries between the insurer and the agents may be enabled at least to function as ordinary agents, so that their experience may not go to waste. I am very sorry to say that I have not got the reply which the hon. Minister gave. He said that that

was a matter which was under consideration. Then how is it possible for anybody to say that this matter had not been brought forward? Subsequently, the Corporation has been addressed to by the Association at Bombay which represents a large body of chief agents and special agents, and by the Association here in Delhi which represents a large number of such people.

I can produce copies and pass them on to my hon friend. It would be very very unfair to say that the Corporation has not been approached in this matter. If the Corporation has not chosen to take action immediately thereon, is it my fault or is it the fault of the chief agents or special agents? Is it the brain-wave of an hon Member, as he says, who took it into his head, and therefore, he is saying it? Let us be fair to one another. I would beg of the hon. Minister not to say such things with regard to his colleagues here. After all, he is there today. Tomorrow somebody else, some other MP, may be in that position. So it does not lie in the mouth of anybody to offer such compliments to one's own colleagues.

Shri Narayanankutty Menon: Colleagues and Members of the Opposition.

Shri Dasappa: Everybody.

Mr. Deputy-Speaker: First colleagues and then Members of the Opposition.

Shri Narayanankutty Menon: It must be the other way.

Mr. Deputy-Speaker: But everything does not move according to the hon Member's wishes.

Shri Dasappa: Therefore, the point that this has been suddenly sprung upon the House made by the hon. Minister is not correct.....

Secondly, I would ask anybody to tell me where else I must bring in



these amendments, where else amendments are to be incorporated? Is it in the Life Insurance Corporation Act? Could he say so? Or is it in any other piece of legislation except this? It will be seen that clause 2 says:

"In section 2 of the Insurance Act, 1938 (hereinafter referred to as the principal Act), in clause (10), the words 'being an individual' shall be omitted".

So what I have suggested is merely what is known as a consequential amendment. The word 'individual' is omitted. Formerly, they wanted to confine this function of agents only to individuals, but now very advisedly and very wisely they have taken off the word 'individual' so that anybody can be there. Clause 3(1) says:

"In section 42 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) The Controller or an officer authorised by him in this behalf shall, in the prescribed manner and on payment of the prescribed fee which shall not be more than ten rupees, issue to any person making an application....."

Formerly in the Insurance Act, it was the individual but now it is 'any person', and 'person' includes corporations, companies, firms and so on.

What I seek to do is to bring about a consequential change and complete the picture as regards these firms and companies. What sin have I committed in bringing forward these amendments? May I be enlightened, and may the House be enlightened, by the hon. Minister as to what he is proposing to do? I would be very very grateful to him. What pleasure do I derive by saying that my amendments alone must be accepted and I must get kudos? We want the Life Insurance Corporation to function efficiently and well and business to improve. If the hon. Minister says,

here is a good point, a very wise thing. I will bring an amending Bill in order not to allow those firms and companies to go into liquidation; in the meantime, let us proceed with this, that is a position which I would gladly accept. Let the House decide upon my code of conduct.

**Shri Balasaheb Patil:** My amendments are Nos. 5 to 8. These are nothing but formal amendments.

The first refers to sub-clause (1). It refers to any person making an application. This sub-clause speaks about issuing certificates. I want to substitute the word 'applicant' for 'person'. The clause further says that certificates can be issued to an individual as well as to a firm or company. Even though the word 'person' may include firm or company, in order to remove all doubts, the more comprehensive word 'applicant' may be used so that it may cover both cases. So my first amendment has been moved in order to improve the wording so that there shall not remain any doubt whatsoever in the mind of the person making the application and the person sanctioning the application.

The other amendments are in respect of sub-clauses (5) and (7). Under sub-clause (5) says that if it be found that an insurance agent being an individual is, or being a company or firm contains a director or partner who is suffering from any of the disqualifications etc., then without prejudice to any other penalty to which he may be liable, the licence may be cancelled. These words 'without prejudice to any other penalty to which he may be liable' are used here. But in sub-clause (7) we find that if a person acts as insurance agent without holding the licence, he shall be punishable with fine. Here also, we should introduce the words 'without prejudice to any other penalty or liability to which he may be liable', because whenever all these sections are to be read as part of a Bill or Act, they have the same

[Shri Balasaheb Patil]

meaning. But if we read the sub-clause as it is, without these words, if and when a third person or the State has any remedy against the person defaulting, it would seem that the intention of the House may be taken by the court at that time that he is not liable for other penalties. In order to guard against that, these words should be introduced here also.

The further thing I want to add is this. Suppose a person gives some money to a person who has no licence whatsoever. Then his remedy is to go to the civil court and get back that amount. Instead of doing that, whenever that person is prosecuted and fined under this sub-clause (7), the same court may order the person to refund that amount. This is the object of my amendment No. 8.

Shri T. T. Krishnamachari: As regards the amendments moved by Shri Dasappa, I do not think there is any point in my answering him. I have answered the point already, and do not want to make another speech on it.

As regards the amendments moved by Shri Balasaheb Patil, I am advised that the first two amendments moved are unnecessary and the third one is something which cannot be undertaken at the present moment. I have to do it by means of a comprehensive amendment. As regards this question of any money collected unlawfully or which could not be passed on to the insurer, whoever it might be, the thing has to be dealt with from a wider angle than from the narrow angle of this particular amending Bill. Therefore, I am unable to accept these amendments.

Mr. Deputy-Speaker: I shall now put all the amendments to clause 3.

Mr. Deputy-Speaker: The question is:

Page 2, line 4,—

omit "immediately".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 2, line 6,—

after "agent" insert "or as a chief agent or a special agent".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 2,—

omit lines 8 to 11.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 1, line 15,—

for "person" substitute "applicant"

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 2, line 34,—

after "shall" insert "without prejudice to any other penalty or liability to which he may be liable".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 2, line 38,—

after "shall" insert "without prejudice to any other penalty or liability to which he may be liable".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 2, line 35,—

after "rupees" insert—

"and he shall forthwith refund the amount so collected to the persons insured".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 3 stands part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

**Mr. Deputy-Speaker:** The question is:

"That clauses 4, 5 and 1, the Enacting Formula and the Title stand part of the Bill."

*The motion was adopted.*

*Clauses 4, 5 and 1, the Enacting Formula and the Title were added to the Bill.*

**Shri T. T. Krishnamachari:** Mr. Deputy-Speaker, Sir, I beg to move:

"That the Bill be passed."

**Mr. Deputy-Speaker:** The question is:

"That the Bill be passed."

*The motion was adopted.*

## LEGISLATIVE COUNCILS BILL

**The Minister of Law (Shri A. K. Sen):** Sir, I beg to move that the Bill to provide for the creation of a Legislative Council for the State of Andhra Pradesh and the increasing of the strength of the Legislative Councils of the States having such Councils and for matters connected therewith, be taken into consideration.

In moving this motion it is necessary for me to state the circumstances which have necessitated this particular measure. There are two statutes which have made this measure necessary. The first is the Constitution (Seventh Amendment) Act, which increased the strength of the Legislative Councils from one-fourth of the membership of the Legislative Assemblies to one-third of each State Assembly.

The second is the State Reorganisation Act which, first of all created a Legislative Council for the new State of Madhya Pradesh. And, it also reorganised certain States more or

less extensively which were already enjoying Legislative Councils; Bombay, Mysore and the Punjab, underwent substantial changes in territory which has also necessitated the reorganisation of their respective Legislative Councils.

Hon. Members will recapitulate that the States Reorganisation Act laid down the manner in which the Legislative Councils of the newly created States of Bombay, Mysore and the Punjab would function, first of all, before their reconstitution and, secondly, after their reconstitution. So far as the State of Madhya Pradesh was concerned, the States Reorganisation Act did not contemplate, first of all, an interim reorganisation and, secondly, a final reorganisation. It has, therefore, become necessary to provide for the final constitution of the Legislative Councils of these reorganised States and also of the State of Madhya Pradesh.

Secondly, it has become necessary to increase the strength of the Legislative Councils in accordance with the Seventh Amendment of the Constitution which raised the strength of the Legislative Councils to one-third really a ceiling of one-third of the total membership of the Lower Houses.

Hon. Members would have noted in the Bill the provisions which are intended to give effect to this two-fold purpose. First of all, the requirement for reorganising the Councils in the newly re-constituted States of Bombay, Mysore and the Punjab and also Madhya Pradesh; and, secondly, to give effect to the increased representation in the Legislative Councils in accordance with the Seventh Amendment of the Constitution.

It is necessary to state here that we have not, in the Bill, given effect to the maximum increased strength allowable under the Seventh Amendment of the Constitution. We have increased the strength so that the Upper Houses may represent roughly 30 per cent. of the total membership

[Shri A. K. Sen]

of the Lower Houses in those States where Legislative Councils are functioning and, in the case of Andhra Pradesh where a new Legislative Council is going to be set up for the first time in deference to the wishes of the Legislature there.

The State of Andhra Pradesh is the only one which has not, up till now, enjoyed a Second Chamber, the Council. Hon. Members will recollect, no doubt, that the Constitution, article 171, provides that besides the States mentioned in that article, for other States, similar Councils may be set up by appropriate legislation by Parliament. The Andhra Pradesh Legislative Assembly passed a Resolution which is printed in the Bill itself and I would refer hon. Members to the resolution printed at page 20 of the Bill. The Assembly recommended as follows:—

"This Assembly recommends to the Parliament that a Legislative Council may be created in the State of Andhra Pradesh and that necessary legislation may be passed under clause (1) of article 169 of the Constitution of India containing such provisions for the amendment of the Constitution as may be necessary to give effect to the provisions of the law and also such supplemental, incidental and consequential provisions as the Parliament may deem necessary."

It is not quite accurate to say that any amendment of the Constitution is necessary to create a Council for a State which has not been in enjoyment of it so long. An ordinary law is enough for this purpose. Hon. Members will, no doubt, look at article 169, clause (1) of the Constitution which says:—

"Notwithstanding anything in article 168, Parliament may by law provide.....for the creation of such a Council in a State having no such Council,....."

And, it is in accordance with that article and in accordance with the Resolution recommending the creation of an Upper House for the Andhra Pradesh, that we have made appropriate provisions in the Bill for the creation of such a Council in Andhra Pradesh.

So far as other Councils are concerned, those States have been enjoying Legislative Councils throughout excepting Madhya Pradesh, in which case the States Reorganisation Act, 1956, had already set up a Legislative Council.

13.59 hrs.

[SHRI BARMAN in the Chair]

The other provisions are really meant to carry out the details necessary for giving effect to this two-fold purpose. And, hon. Members will see at a glance the increased representation which is visualised for the Councils which are already in existence and Councils which are going to be created, namely, the Council for Andhra Pradesh and the Council which has already been created for the State of Madhya Pradesh. I would ask the attention of the hon. Members to a chart at page 100 of the Bill itself. This gives a final picture of the total strength of the Councils for all the States including the new Council to be set up for the State of Andhra Pradesh. This chart also gives the different categories from which representation will be forthcoming to the Councils in accordance with article 171 of the Constitution.

16 hrs.

Hon. Members are aware that the total membership of the Council is to be drawn from certain categories of special constituencies—the Assembly sends roughly one-third, the local authorities one-third and the rest divided between graduates, teachers and Members nominated by the Government.

There is one special feature worth mentioning in this connection, that in

most cases we have kept the nominated cadre more or less constant excepting a very slight increase in the case of one or two Councils not proportionate to the increase which we are proposing, namely, an increase to make the composition of the Upper House roughly 30 per cent of the total membership of the Legislative Assembly concerned. The increased representation is not reflected in the nominated cadre. They have more or less been kept constant, for it was thought that the purpose of the Bill being to give effective representation in accordance with the Constitution to the special constituencies set up under the Constitution, we should allow greater emphasis on the elected cadre rather than on the nominated cadre. That is why we find that in the case of a State like West Bengal the old nominated cadre was of the strength of only 9 and it remains the same. It is the same for other States excepting, I think, one or two States where there has been an increase only by one or two. That has been done because it is difficult to divide the total membership exactly mathematically, in accordance with the increased representation. Therefore, we had to vary the increase in a little different way in different cases. But, more or less, the principle has been, let the increase be so as to bring the strength roughly to 30 per cent of the total membership of the Legislative Assembly, keep the nominated cadre constant and give increased representation to the elected cadres.

This is the main purpose of the Bill, and I have not understood why such a long time was taken for the debate on this, what appears to be a rather non-controversial measure.

The hon. Members are aware that so far as representation of the one-third of the total membership of the Upper House is concerned, that is members coming from the Legislative Assembly, that is based on proportional representation. That means each party or group has equal chance of sending its own representatives to the Upper House in accordance with

the strength it bears in relation to the total strength of the Assembly. The local authorities have similar rights to send in increased representation. The graduates and teachers also have similar rights to have increased representation for this total increase.

For good or for bad, the framers of the Constitution thought it desirable to set up second chambers in certain States and also for other States which may be selected by the Parliament for this purpose. It is not, therefore, necessary to go into the merits or demerits of the system of second chambers, or enter into any theoretical discussion on that subject. Suffice it to say that here as in other States we function with two Houses and, for good or for bad, the framers of the Constitution thought that it was necessary to bring to bear the mature judgment of certain special constituencies on legislation emanating from the Parliament or from the States. That is why graduates, teachers, local authorities and others were selected to send their representation to the Upper House.

Therefore, that fundamental principle accepted by the Constitution we must accept it here.

**Shri Shree Narayan Das** (Darbhanga): Why is it a fundamental principle?

**Shri A. K. Sen**: It is a fundamental principle, whether there will be a second House here or a second House in certain other States.

**Shri Khadilkar** (Ahmednagar): The second House in the Centre is a different category altogether from the second House in a State.

**Shri A. K. Sen**: The hon. Member, Shri Khadilkar, should remember that the second House here is not like the second House in the United States where the second House represents the States. Therefore, there is no difference, whether we have a federal constitution or a unitary constitution; because, here the second House is not to represent the States equally but to represent other institutions.

[Shri A. K. Sen]

Therefore, whether it is a federal or a unitary constitution it does not matter.

Now, Sir, whatever it is, the structure laid down by the Constitution I regard as extremely fundamental, because it is only by a special process that we can alter that structure. We have to function through second chambers so long as we accept the Constitution as binding, as we must, here and in certain States. Therefore, I do not think, personally, without meaning any disrespect to those who may feel otherwise, that a discussion on the relative merits or demerits of second chambers is not very pertinent for the discussion on this particular measure.

We have second chambers. We have made several amendments to the Constitution giving increased representation to second chambers. We have newly re-constituted States. The Councils of these States have to be re-constituted in accordance with the effective representation visualised in the Seventh Amendment to the Constitution.

**Shri Parulekar (Thana):** Why was a second Chamber constituted in Andhra where it did not exist?

**Shri A. K. Sen:** Because the Parliament and the legislature there feel that there should be one. The Lower House there voluntarily feels that they must have the mature judgment of a second chamber. It is for them to decide and not for us. Certainly, ours is the last voice, but we do respect the wishes of the local legislature.

**Shri D. C. Sharma (Gurdaspur):** As if the Lower House is immature.

**Shri A. K. Sen:** If they think that way, it is their concern.

That is the principle of second chamber, otherwise there is no justification for a second chamber sitting over the same measures which are passed through the Lower House. I

apprehend that any student of Constitution, politics or constitutional law would recognise this, that the basic principle underlying the constitution of a second chamber is that maturer deliberation should be brought to bear before a statute becomes final (Interruption).

Now, as I said already, whether that basic principle underlying the constitution of second chambers is outmoded or not is not for us to debate here. That should have been debated at the time when the Constitution was framed or at the time the Seventh Amendment to the Constitution was passed.

**An Hon. Member:** We were not there.

**Shri A. K. Sen:** This is the principle on which the constitution of second chambers rests and, as I have said, the other principle is to reorganise the Councils in accordance with the reorganisation of the territorial structures of the States. The provisions are meant to give effect to that and this is all that I need say at the moment to explain the necessity for undertaking this measure.

I commend that the House do accept this motion for consideration of the Bill.

**Shri T. K. Chaudhuri (Berhampore):** On a point of order.

**Mr. Chairman:** I shall put the motion before the House.

**Shri T. K. Chaudhuri:** Before you put the motion, I shall say this. If you look to article 171 (2) and (3) and also to article 169(3) of the Constitution, I think the measure proposed by the hon. Minister involves an amendment to the Constitution. If you look to article 169(3), you will find that it specifically says that with regard to certain sort of laws contemplated under that article, those laws only



should not be deemed as amendments of the Constitution for the purposes of article 368. In article 171(2), of course it has been said that until Parliament by law otherwise provides, the composition of the Legislative Councils of States shall be as provided in clause 3, which may seem to signify that Parliament may by ordinance alter the composition of the Legislative Councils of the different States.

I have to submit that the specific provision of article 169(3), that no law as contemplated under article 169 should be deemed as amendment of the Constitution, is there, but here, this has not been mentioned. That proves that the framers of the Constitution were very explicit and very clear in their minds that so far as the composition of the Legislative Councils of the States is concerned, any law seeking to alter the composition of the Legislative Councils of States should be deemed as amendment of the Constitution. Therefore, I think that this Bill is not in proper form and it cannot be taken up.

Mr. Chairman: Article 169 is with regard to the abolition of Legislative Councils in States. You have just now stated it. Clause 3 of that article says:

"No such law as aforesaid shall be deemed to be an amendment of this Constitution for the purposes of article 368".

I could not follow that.

Shri T. K. Chaudhuri: May I submit that the law contemplated under article 169 only refers to the creation or abolition of Legislative Councils in particular States which may pass resolutions to that effect. But so far as article 171 is concerned—

Mr. Chairman: Let me first understand article 169. Is it your argument that because this is not abolition or creation, but amending the existing position, it does not fall under that article.

Shri T. K. Chaudhuri: Yes; that is my contention. If you allow me to elaborate my point, I would say that the Bill, as framed, contemplates a fundamental alteration in the scheme of the composition of Legislative Councils as envisaged under article 171(3).

Mr. Chairman: I do not think there is any dispute over that.

Shri T. K. Chaudhuri: Even the proportional representation is given to different kinds of electorates.

Mr. Chairman: That is modification of the existing Councils also. There is no contention about that, I think. But your contention is that because this is not total abolition or new creation, but only amending the existing Councils, the Bill is not in order.

Shri T. K. Chaudhuri: Yes.

Shri Shree Narayan Das: Article 169(2) says as follows:

"Any law referred to in clause (1) shall contain such provisions for the amendment of this Constitution as may be necessary to give effect to the provisions of the law and may also contain such supplemental, incidental and consequential provisions as Parliament may deem necessary".

So, the things mentioned by the hon. Member are consequential changes.

Shri Radhelal Vyas (Ujjain): In respect of Andhra Pradesh, that Assembly passed a resolution that Council should be created.

Shri T. K. Chaudhuri: That is only a permissive legislation.

Mr. Chairman: Shri T. K. Chaudhuri's argument is that because this is not outright creation or total abolition, but only a change in the character of the already existing Councils, it is not covered by article 169.



**Shri A. K. Sen:** There is hardly any point of order in this. First of all, under article 169, you will find that the power of creating or abolishing Councils is given to Parliament and it is unfettered by the Constitution. That includes a part of the power. That is a very well-recognised principle of construction, namely, that the greater includes the less.

Apart from that, we are really not bothered about it, because, with regard to Andhra, only a new Council is set up. That is covered by article 169.

**Mr. Chairman:** Shri T. K. Chaudhuri also agrees to that.

**Shri A. K. Sen:** With regard to the other States we are only increasing the strength, the strength prescribed by article 171(1) which says:

"The total number of members in the Legislative Council of a State having such a Council shall not exceed one-third of the total number of members in the Legislative Assembly of that State."

So long as it does not exceed one-third, we are not contravening any Constitutional provision at all. Clause 2 of article 171 says

"Until Parliament by law otherwise provides, the composition of the Legislative Council of a State shall be as provided in clause(3)"

So, even the composition may be altered by an appropriate law of Parliament.

Going back to article 169, I am very much obliged to Shri Shree Narayan Das for pointing out the very pertinent question, namely, that when you give a total power to Parliament, all ancillary powers are included, and that is made more clear by the clause itself, namely, clause 2 of article 169, which says:

"Any law referred to in clause (1) shall contain such provisions for the amendment of this Constitution as may be necessary to give effect to the provisions of

the law and may also contain such supplemental, incidental and consequential provisions as Parliament may deem necessary".

These two articles completely answer the point.

**Shri T. K. Chaudhuri:** May I take the points elaborated by the learned Minister one by one? So far as his first contention is concerned, that is, this Bill only seeks to give effect or it is a sort of a consequential measure, seeking to give effect to the seventh amendment of the Constitution, I think that hardly meets my objection, and that is why I wanted to elaborate how the present Bill seeks to alter the composition of the Legislative Councils in the States. If you look at page 11 of the Bill, the Third Schedule gives the final position as contemplated under this Bill. If you calculate the proportions of the different categories of the members of Legislative Councils in the States, you will find that the proportion has been altered quite fundamentally. I will take one example.

**Mr. Chairman:** It has no doubt changed the composition, but what are the fundamentals that have been changed?

**Shri T. K. Chaudhuri:** The fundamental change is in the proportion of the total number. Article 171(3) reads like this

"Of the total number of members of the Legislative Council of a State—

(a) as nearly as may be, one-third shall be elected by electorates consisting of members of municipalities, district boards, etc." That is the representation given to local bodies.

(b) as nearly as may be, one-twelfth shall be elected by electorates consisting of persons residing in the State who have been for at least three years graduates . . ." etc.

Similarly, one-twelfth representation has been given to school teachers and secondary institutions.

**Shri Shree Narayan Das:** If you look at article 171(2), it says:

"Until Parliament by law otherwise provides, the composition of the Legislative Council of a State shall be as provided in clause (3)."

So, it is within the power of Parliament to change the composition.

**Shri T. K. Chaudhuri:** My hon. friend, Shri Shree Narayan Das, perhaps did not listen to me very carefully. I myself referred to the provision in article 171(2). My contention is that here this is not covered by article 169(3). I have already stated that and advanced the reasons therefor.

**Mr. Chairman:** I think the hon. Member has submitted his main point. His main point is that article 169 only authorises this Parliament to abolish a legislative council now existing or create a new legislative council.

**Shri T. K. Chaudhuri:** And to make such ancillary or secondary provisions which are necessary to give effect to it.

**Mr. Chairman:** The whole objection of the hon. Member is that this article 169 does not cover a case where the existing Council is being changed in its composition, and therefore, it is not covered by sub-section (3).

**Shri T. K. Chaudhuri:** Yes.

**Mr. Chairman:** My view is that when the Constitution has given authority under article 169 to create a new legislative council for any State or abolish any Legislative Council of any State where it is existing, it automatically implies that this article authorises Parliament,

without any amendment of the Constitution, to make alterations in the composition also. Therefore, I rule out this point of order.

**Shri T. K. Chaudhuri:** Is that your ruling?

**Mr. Chairman:** Yes; that is my ruling. So, the motion for the consideration is before the House.

**Shri Supakar (Sambalpur):** There are amendments to the consideration motion also.

**Mr. Chairman:** Yes. Of these amendments, amendment No. 2 is ruled out of order, because it says:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st of December, 1960".

I think it is an unreasonable amendment and dilatory; so I rule it out. The other amendments may be moved and discussion may go on. At the end we shall see which motion is put to the House.

**Shri Narayanankutty Menon:** I want to move amendment No. 1.

**Shri Supakar:** No. 3.

**Shri Jadhav (Malegaon):** No. 66:

**Shri D. R. Chavan (Karad):** No. 67.

**Shri Nagi Reddy (Anantapur):** 68, but it is same as No. 1.

**Shri T. K. Chaudhuri:** 79.

**Shri Narayanankutty Menon:** I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st of December, 1957."

**Shri Supakar:** I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 23rd February, 1958."

**Shri Jadhav:** I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 15th of December, 1957."

**Shri D. R. Chavan:** I beg to move:

That the Bill be circulated for the purpose of eliciting opinion thereon by the 1st April, 1958.

**Shri T. K. Chaudhuri:** I beg to move:

That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st August, 1958.

**Mr. Chairman:** Then, there is another amendment which seeks to refer the Bill to a Select Committee. I do not think that this is also a motion that can be put to the House, because it only comprises of 5 Members. I do not know whether those hon. Members have given their consent; but even if they have, 5 Members constituting a Select Committee is an extraordinary proposition for a House of 500 Members.

**Shri Nagi Reddy:** The number can be increased by the House itself.

**Mr. Chairman:** But the names must be put to the House.

**Shri Nagi Reddy:** When the House accepts the appointment of a Select Committee, it can nominate its own Members to the committee.

**Shri A. K. Sen:** How can it?

**Shri Nagi Reddy:** Why not?

**Mr. Chairman:** Unless the names are announced to the House, how can the House go on deliberating on that motion?

**Shri Parulekar:** First of all the principle should be accepted that the Bill should be referred to a Select Committee. The number arises only after the principle has been accepted that it should be referred to the Select Committee.

**Mr. Chairman:** All right; it may be moved. It may be considered later on.

**Shri A. K. Sen:** I object to the motion, if it is going to be moved without names.

**Mr. Chairman:** The names are there.

**Shri A. K. Sen:** The hon. Member said that five need not be the number and that the motion may be moved for simply referring the Bill to a Select Committee.

**Shri Nagi Reddy:** Only after we finish the discussion on the motion for circulation of the Bill for eliciting public opinion, the question of reference to the Select Committee comes.

**Shri A. K. Sen:** I want to submit that it is a most unreasonable amendment, because the Select Committee is to consist of five Members.

**Shri Nagi Reddy:** If I were on the side of the Government, I could have given 13 or 14 names or probably more. I could not give all the 40 names here.

**Shri Mohamed Imam (Chitaldrug):** The Constitution does not prescribe the number of members of the Select Committee. It may be three or five.

**Mr. Chairman:** Let the discussion go on. All these motions are before the House, along with the consideration motion.

**Shri Nagi Reddy:** I beg to move:

"That the Bill be referred to a Select Committee consisting of Shri Devulapalli Venkateswar Rao, Shri Vutukuru Rami Reddy, Dr. P. Subbarayan, Shri Vijayarajam Raju and Shri T. Nagi Reddy, with instructions to report by the 30th April, 1958."

**Mr. Chairman:** Shri D. S. Sharma.

**Shri T. K. Chaudhuri:** Does he have a motion for eliciting public opinion in his name?

**Mr. Chairman:** That is not necessary.

**Shri T. K. Chaudhuri:** Only when the motion is moved an opportunity is given.

**Mr. Chairman:** All the motions are deemed to have been moved.

**Shri D. C. Sharma:** My friend has a point of order on almost everything and I hope he may have a point of order about existence itself.

I welcome this Bill and congratulate the Law Minister for his very lucid exposition. But, I would like to seek clarifications on certain things which do not satisfy me. Though the strength of the councils had been put down roughly at thirty per cent. or one-third, very queer arithmetic has been applied in different States. In my State, I do not think that the arithmetic has been arbitrary or erratic. But in other States, it has been slightly unarithmetical. I am talking about Bombay, U.P. and Bihar. I do not know how they have arrived at these figures. From one point of view, these figures may be useful; they would mean less of expenditure and so many other things. But, I do not understand why the same principle has not been observed in all the States. If you want the maximum for one State, why not for another State? Whatever be the principle, it should be observed logically all along the line.

My second point is this. Why should there be any nominated Members (interruptions.) Of course the Constitution provides but that does not mean that I cannot question the propriety of that provision. It is said that nominated Members are there to provide for the representation of minorities and other groups which do not generally come in. All the same, if our legislative councils are to be so in the real sense of the word, the nominated element should be curtailed. It has been done in some cases; it should be done in others.

Then, there is some difference between mature judgment and mature deliberation. I am coming to that question.

**Shri A. K. Sen:** I said 'mature deliberation'.

**Shri D. C. Sharma:** In the Council you have mature deliberation. But

mature deliberation need not always be mature judgment. That is the point which I want to make. Mature deliberation is good; it comes from well-informed and enlightened elements of our society. I hope my friends, hon. Members of this House, will pardon me when I say that I do not think that they are the exclusive custodians of these things. The products of our universities and our teachers are there who can bring to bear some kind of enlightened judgment and deliberation on the problems at issue. But, I find that the proportion given to the teachers and graduates has been kept very low. I am talking about my own State; it applies more or less to other States. In my State of Punjab, only four seats are reserved for the teachers and four seats for the graduates.

Then, take the case of local bodies. They are very good institutions and give training to the people in the art of self-government. But, while I look at the map of these local bodies, I do not feel very happy. In most of the States they are being suspended or superseded... (An Hon. Member: By your Government). Our Government has very adequate and ample reasons for doing that; I am glad that our Government is strong to supersede and suspend these local bodies which are not working efficiently. That is a point in favour of the Government.

I was saying that these local bodies were there. They have been given as much representation or almost as much representation as others. Taking into account the way in which these local bodies are functioning all over India, I feel that something should have been done to curtail their number. It would have been a salutary reminder for them and a warning for them that they should do better. I find that the number of seats reserved for local bodies has been kept at the same level.

What is the position of these Councils? Are they elected or partly elected and partly functional? Are they bodies which do not conform to any

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set pattern of constitutional development? I wish they should have been partly elected as they are now and mainly functional. But, I find that in the case of functional organisations only one group has been given any representation—teachers. I am speaking about the State of Punjab. So far as Punjab is concerned, nothing has been done to delimit the constituencies. So far as teachers and graduates are concerned I find that the constituencies have been delimited in West Bengal. Again I find that something like that has been done in the case of Bihar. I think it is very useful; this is something very helpful that has been done. But I find that so far as Punjab is concerned, four graduates are to represent the entire State of Punjab. The whole of the State of Punjab is a constituency so far as teachers and graduates are concerned.

Now you must know that teachers are not generally very well off. If there is one class in this country which is not in a position to spend much money, it is the class of teachers. Graduates are also like that. But in their case, so far as our State is concerned, the whole State has been made a constituency and I find that this is not a very happy state of affairs. Of course, I am very glad that the old councils will continue and new persons will be added to them..

**Shri Nagi Reddy:** What is the suggestion of the hon. Member: to make it into three constituencies?

**Shri D. C. Sharma:** I would say that we should do the same thing that has been done in Bihar. In Bihar the delimitation of constituencies I should say was done very well. The same thing should be done in the Punjab.

As the hon. Minister said the question of second chambers is not under discussion at this time and I accept his ruling. I would not say anything about the utility or non-utility of the second chambers at this time. I would only say this much that the constituencies should have been properly delimited and there should have

been more of functional representation in these councils. If you want to make the councils mirrors of the State or mirrors of the nation—as the Rajya Sabha is—these bodies should be more functional than anything else.

**Mr. Chairman:** Shri Tridip Chaudhuri. I shall call Mr. Achar of Mysore later.

**Shri Nagi Reddy:** May I know the time allotted for the general discussion?

**Mr. Chairman:** That will be decided by the Deputy-Speaker who will be coming shortly.

**Shri Nagi Reddy:** Otherwise what would happen is that those who have given amendments will not get a chance and even if they get a chance at the fag end they would not be able to put forward their case properly.

**Mr. Chairman:** The time will be fixed by the Deputy-Speaker.

**Shri T. K. Chaudhuri:** Mr. Chairman, Sir, I do not propose to inflict any lengthy speech on the House about the proposed Bill. But there are certain matters which call for a comment and we on this side of the House cannot at all understand or appreciate the reasons advanced by the hon. Minister for Law as to why the question of second chambers in the States cannot be discussed here. It can be very pertinently discussed because the Legislative Councils in the States and the Council of States in the Union Parliament stand on altogether different footings.

He sought to contest the argument put forward by our colleague Mr. Khadilkar that the question of second chambers in federal constitutions stands on absolutely different footing. I should consider that that was a fact which is only obvious. Our Council of States here also in a way represents the States, and if I remember aright, on various occasions in the past when this matter was discussed

in this House it was stated authoritatively from the Government side that our Council of States represent something like the Senate of the American Congress or the Council of Nationalities in the Soviet Russian Constitution. Although there are basic differences the general scheme is more or less the same.

So far as second chambers in the States are concerned, it can be very much doubted whether these are something fundamental to our Constitution, because our Constitution provides that there would be legislative councils only for certain States and not for others. It even provides that if the legislative assemblies of States having or not having legislative councils want to abolish councils that they are having, or in those cases where they do not have any legislative councils they want one for themselves, then Parliament may by law provide for the abolition or creation of such legislative councils in the States. This clearly proves that this is not a fundamental matter and in view of the question which has been agitating the country and the public opinion for quite a number of years why there should be a second chamber in the States and additional expense for this legislative paraphernalia, it passes all comprehension why Government should not have taken after five years of the working of the Constitution an opportunity to review the whole thing from a fundamental point of view. And even if the Government has not thought it proper to go into this question, this Parliament is by all means within its rights and the Members of Parliament are within their rights if they seek to raise this question in connection with the discussion on this Bill.

Without going into that question further, which I leave to my other colleagues to deal with, I would refer to the Statement of Objects and Reasons of this Bill. So far as the proposal for a Legislative Council in the State of Andhra is concerned, if we are to have Legislative Councils

there is no reason why the State of Andhra or the Andhra Legislative Assembly should not have one. But it is the other part of the Bill which relates to the constitution and composition of Legislative Councils in other States which is more important here. Now, the Statement of Objects and Reasons says that it was represented by some Members of Parliament—not by this Parliament as a whole but by some Members of Parliament—as well as by some State Governments that compared to the Legislative Assemblies the strength of the Legislative Councils was meagre and that the Constitutional amendment should be availed of to increase that strength. Then it is stated that resolutions to this effect were passed by the Legislatures of Bombay, Madhya Pradesh, Madras, Mysore, Punjab and Uttar Pradesh asking for the increase of the seats in the Legislative Councils.

The hon. Minister comes from the State of West Bengal. I would ask him with due respect, why did not the Government of West Bengal go to their Legislature, go to the Legislative Assembly and seek a resolution of this kind? And why is it that in certain cases it was not the Legislative Assemblies that passed the resolution but it was only the Governments and to the voice of those Governments was added the voice of some Members of Parliament? We can very well conjecture or guess who those Members of Parliament might be or what might be their political affiliations.

The hon. the Law Minister said that the question of Second Chambers is not in question. We know that so long as Congress rules this country, the existence of Second Chambers will be inevitable. (An Hon. Member: Even after that). They will be inevitable because we have learnt things in the British way. In Great Britain they have a way of kicking people up: when they cannot provide them in any other way they just ask the Crown to nominate that person to



[Shri T. K. Chaudhuri]

the august House of Lords. Here also we find that the composition of the Legislative Councils being what it is, it gives the ruling party here in the Union Centre and also in the States, particularly in those States where the Congress wields a majority, a wonderful opportunity to avail of the provisions of the Constitution so far as the Legislative Councils are concerned, to provide for the men and to bring them into the Legislature by the back door. It has been done time and again. It was done after the last elections, I mean the First Elections under the new Constitution, and it has been done this time also.

So I would humbly request the hon. the Law Minister to explain why certain States the legislatures of which did not want such a provision are now being given increased number of seats in their Legislative Councils.

Then I come to the next point in the Statement of Objects and Reasons. It has been made out there that at present the strength of Legislative Councils bears no relation either to the population or to the strength of the Legislative Assembly of the State. The hon. Minister admitted as much and he put the Bill before us in his opening speech in a manner as if the Government was going to remove that defect. But all that the Government has stated here or all that the hon. Minister has stated just now is that they have decided to fix the strength of each Legislative Council at roughly 30 per cent. of the strength of the corresponding Legislative Assembly, except in the case of Uttar Pradesh and Bombay. One only asks, why, what prevented him from applying the same rule to Uttar Pradesh and Bombay? After all, we need to be guided by some sort of a consistent scheme with regard to our edifice of the Constitution, whether in the States or in the Centre. But here we find that there is no common rule. Variation has been made just on a rule-of-thumb method, according to the sweet

will of the Government or according to their notions of convenience.

Shri Viswanatha Reddy (Rajampet): It was according to the resolution of the State Legislature. In U.P. for instance they wanted only 108 Members. So it is in accordance with their wishes.

Shri T. K. Chaudhuri: That is what I am saying, because we cannot lose sight of the fact that Uttar Pradesh and the Union Centre happen to be ruled by the same party. That is why I referred to their notions of convenience.

Shri Viswanatha Reddy: Unfortunately the same party commands confidence in both the places!

Shri T. K. Chaudhuri: Now, there is one other matter which I want to refer to. That is about the composition of the Legislative Councils as contemplated in the Bill. Here also we find that the scheme of composition as envisaged by the Constitution is being altered. Of course, it has been altered more or less at the expense of the strength of nominated Members, but the nominations were for literature, science, art, co-operative movement and social service. I agree with our respected friend Shri D. C. Sharma that the principle of nomination is one which cannot be supported in a democracy, but even then if we are to have a system of nomination it is certainly in these cases, that is getting representative spokesmen of literature, science, art, co-operative movement and social service into the legislature, that we should have it. The hon. Minister does not explain why the scheme is being altered and the composition as envisaged in the original provision of the Constitution is being altered. That is why from the fundamental point of view of opposition in principle to second chambers in the States and also from the point of view of the arguments that I have just adduced, I have to oppose this Bill. But the rules provide that I can only



move for circulation of the Bill for eliciting public opinion, and hence I have moved such a motion.

I would draw the attention of the House to the date that I have set, namely 31st August, 1958. In other words, this Bill should be before the public for one year, and the public opinion in the country should be given an opportunity to be expressed on it, and we must take this one year's time to discuss this question throughout the length and breadth of the country, and then decide what we have to do about this measure.

**Shri Achar (Mangalore):** Some criticism has been levelled against the bi-cameral system itself. I do not wish to deal at length with that question, but one thing is certain, that so far as our Constitution is concerned, we have accepted that proposition more or less. Apart from that, I may point out that so far as this Bill is concerned, it has not enunciated any new principle. After all, there are these Councils already existing. It happens on account of the States Reorganisation Act that certain areas have merged with different States, bigger States have been formed, and in fact, we are having now only 14 States whereas the number was much more formerly. On account of these circumstances, these Councils have not exactly to be entirely re-constituted but certain adjustments have to be made, and the number of Members has to be increased in most of the cases. And it happens that in certain States certain new areas have merged and delimitation has also to take place to some extent.

As I stated earlier, there is absolutely no new principle enunciated by the Bill. The country as a whole has accepted this bi-cameral system, and I do not see much point in arguing this aspect of the question that we should have no bi-cameral system, the Councils should not exist at all. If so, it must be so in all places, but as it is we are not adhering to that principle.

I would like to go to certain other provisions which affect my own State.

So I do not want to dilate on this subject, but there is one aspect which I wanted to point out. We have to remember that ours is a very vast country. No doubt, we have so many States. Probably many of the States compare with other countries; some of them are as big as, if not much bigger than, some of the sovereign States. The questions involved are very complicated sometimes and some sort of check and control, especially when we are experimenting with the democratic system, is necessary. On account of these facts, I do not think it is necessary to argue this point further. I fully support the principle of the bicameral system. It is not proper to say that we are adopting it simply because it is a method adopted in Britain. It is not only there in Britain; in America also, they have got the Senate. They may not have carried it to the States, but that is probably because they are not so large. So I say that the bicameral system is necessary in the present condition of development and I welcome that principle.

I come next to some of the main provisions in this Bill.

**Shri Mohamed Imam:** On a point of information. We are still in the first stage of discussion dealing with the entire Bill. I think discussion on the clauses is in the next stage when amendments are moved and speeches are made on clauses and amendments. How can the hon. Member speak on them now?

**Shri Achar:** I do not know what is the point raised by my hon. friend. I have not referred to any amendment. I am only discussing general principles. Certainly I know what is the stage for referring to amendments. So I do not see any point in my hon. friend to my right raising any objection.

I am only discussing the main thing. To that extent, probably some provisions also will have to be considered. The first point I would like to

[Shri Achar]

mention is with regard to the principle that so far as the existing Councils are concerned, they should not entirely be abolished. The Members who constitute these Councils in the different States must be allowed to continue. Probably that is also the underlying principle of this Bill. But when I read the provisions I have a doubt in some places whether the Bill as framed gives scope for the interpretation that some of the Councils are entirely to be abolished.

Shri Nagi Reddy: Right.

Shri Achar: The proposition is that so far as those States are concerned, new Councils will have to be formed on the basis of entirely new elections. I am not quite sure whether the provisions exactly mean that.

Shri Nagi Reddy: He can be sure of that.

Shri Achar: Anyhow that is my interpretation; it is for other Members to say what they feel. Article 172(2) of the Constitution says:

"The Legislative Council of a State shall not be subject to dissolution, but as nearly as possible one-third of the members thereof shall retire as soon as may be on the expiration of every second year in accordance with the provisions made in that behalf by Parliament by law".

This constitutional provision clearly states that the Legislative Councils are perpetual bodies; they cannot be dissolved. All that it provides is that one-third must retire every two years. So, no Council of any State could be dissolved. The Councils, as they are, have to continue. All that can be done is only to add some more or to make some re-formation. But, if we take the Bill, so far as some of the States are concerned, there can be no doubt; the whole Council is not dissolved. In fact, specific provisions are there for the election of the new members, the larger number added to these Councils.

Take, for example, Bihar, Madras, the Punjab, Uttar Pradesh and Bengal. Of course, there are . . .

Shri Nagi Reddy: The hon. Member wants the same provision for his State also.

Shri Achar: I want the Council to continue. I say, according to the Constitution it cannot be dissolved.

I am only pointing out that these provisions are there. For example, page 2, when it is dealing with Bihar, line 35,

"As soon as may be after the commencement of this Act, election shall be held to fill—

(a) the additional seats . . .

Similarly, if we take page 4, dealing with Madras, line 29, it is said:

"(a) elections shall be held to fill—

(i) the additional seats . . .

I need not repeat this so far as those States which I have mentioned are concerned, that is, the States of Bihar, Madras, Punjab and Uttar Pradesh and Bengal. So far as these are concerned, it is very clear that elections are to be held for the new seats only.

But, when we come to the three States of Bombay, Madhya Pradesh and Mysore (An Hon. Member: Punjab?)—so far as Punjab is concerned, election is provided only for the additional seats—but so far as Bombay, Madhya Pradesh and Mysore are concerned, I find there is no such provision at all.

Shri A. K. Sen: So far as Madhya Pradesh is concerned, it is provided by the States Reorganisation Act of 1956.

Shri Achar: At least so far as Mysore is concerned, clause 8 reads. . . . .

Shri A. K. Sen: I may mention that we are already moving an amendment to bring Mysore and Bombay on the same line as Punjab. I have already

mentioned it to my hon. friend over there.

**Shri Nagi Reddy:** Why not Madras? Why Madras is excluded?

**Shri A. K. Sen:** It is not necessary.

**Shri Achar:** I am very thankful to the Law Minister. That is one aspect, and as the hon. Law Minister agrees that only new members will be elected, I shall not say anything more on that aspect of the question.

Only one more point I would like to submit. So far as Mysore is concerned, the Bill proposes in clause 8 a number of 63. Of course, the maximum is one-third and that would be 69.

I would request the Law Minister to consider that matter also. I may also draw the attention of the Law Minister to the resolution passed by the Legislative Assembly on the 26th December, 1956. It is printed as annexure to this Bill on page 21. That resolution requests that this number may be raised to 69 whereas the Bill proposes only 63. When other States are having the full one-third, I am unable to understand why Mysore also should not have its full quota of 69.

One word more and that is only about the question of delimitation. As I said, into this Mysore State areas have come from Bombay, Coorg, Madras and Hyderabad. Therefore, delimitation has to be done and necessary provisions will have to be added. I have tabled certain amendments, and if I am permitted I will speak on them. So, I would request the Law Minister to look into that aspect of the question also and make necessary provisions for delimitation of constituencies. Except the Legislative Assembly, so far as other constituencies—graduates, teachers etc.—are concerned, delimitation has to be done and necessary provisions will have to be made in this Bill.

**Shri D. R. Chavan:** Mr. Chairman, Sir, I am grateful to you for having given me a chance to make some

observations on the Legislative Councils Bill which is before the House. I come from Bombay State and I shall confine my observations with regard to that State only.

Sir, concerning the State of Bombay a resolution was passed by the former Bombay State Legislative Assembly and the resolution was to this effect, that the Legislative Council in the Bombay State should be abolished. I would like to read out that resolution as that resolution was sponsored by the Government and was unanimously supported by the House, including the Congress and the opposition parties. The resolution was passed on 14th December, 1953 and the resolution was like this:

"Whereas clause (1) of article 169 of the Constitution provides that notwithstanding anything in article 168, Parliament may by law provide for the abolition of the Legislative Council of a State, having such Council, if the Legislative Assembly of the State passes a resolution to that effect by a majority of the total membership of the Assembly and by a majority of not less than two-thirds of the Members of the Assembly present and voting;

And whereas it appears to this Assembly that it is desirable to abolish the Legislative Council of this State;

Now, therefore, this Assembly resolves that the Bombay Legislative Council be abolished."

There was an amendment to that resolution and the amendment was to this effect:

"The present motion should be numbered as paragraph 1, and the following should be added as paragraph 2 thereto, namely:

(2) This House recommends that the Parliament be pleased to direct that the law which it may make in this behalf shall take effect from the date on which this Legislative Assembly is dissolved."

[Shri D. R. Chavan]

This resolution was debated on the floor of the Bombay Legislative Assembly in the year 1953. As I said, it was a Government sponsored resolution. Then, subsequently, after the reorganisation and the redistribution of provinces, States came into existence, when the States Reorganisation Bill was passed, may I ask the hon. Minister as to what action was taken on that resolution which was passed by the members of the Bombay Legislative Assembly with the requisite majority?

**Shri Nagi Reddy:** Action is only taken to create and not to abolish.

**Shri D. R. Chavan:** So far as the rest of the resolutions are concerned, they are covered by the annexures.

**Shri A. K. Sen:** Since that resolution, the Parliament has passed an Act called the States Reorganisation Act and the Parliament Act supersedes any resolution of the State Assembly.

**Shri D. R. Chavan:** It may be after the Reorganisation Act came into being, and it may be argued also that the effect of that resolution was nullified, and therefore, that resolution does not stand. My submission is, when a particular resolution was considered by all the members assembled there and it was unanimously decided that it is not necessary to have a Legislative Council there, I cannot understand the proposition that is now being made on behalf of the Government and the resolution that is being passed that there should be a second House. On principle, I am opposed to bicameral legislatures. I do not want these Councils, because as has been submitted by some hon. friends, the second chamber has been accepted in principle by the Congress Party. May I remind all the Hon'ble friends who are now in the ruling party of what the trend was when those persons were struggling against the imperial power, what was said in the Nehru Committee Report, what was said by the Simon Commission and what was

said by Shri Sir Sankaran Nair Committee which was appointed when the Simon Commission came to India

I would like to read some of the quotations because they will certainly give us an idea that was then entertained by the persons who are now on the opposite benches. The idea that was unanimously shared by all the persons then who were fighting against the imperial power was that there should be no second House and it was also said that a second House is nothing but an outcome of a sinister motive of the conservative British dictators and therefore that was opposed

I would like to give out some of the quotations here, which would certainly enlighten this House and make my argument more forcible and cogent for opposing this institution, the introduction of the second House in the Indian legislatures.

**Mr. Chairman:** That point has already been decided by the Constitution.

**Shri D. R. Chavan:** Yes, Sir. But Andhra is there. There is that resolution.

**Shri Naushir Bharucha:** It is a new chamber.

**Shri D. R. Chavan:** A committee was appointed by the Indian National Congress under the chairmanship of Pandit Motilal Nehru, the father of the present Prime Minister, a very eminent man and a great scholar, and the members of the committee were, Sir Ali Imam, Dr. M. R. Jayakar and Shri M. S. Aney—all very eminent persons. So, my hon. friend here, in this House, will at least accept that proposition of mine, that the persons composing that committee were all very eminent persons in the Indian political life and they then decided, when those persons were fighting against the British imperial power, as follows. Rather, the committee's opinion was this:

"We have reasons to believe that in some high quarters the belief is seriously maintained that

all that need be done at present is (1) to establish a modified form of Government which will consist of Ministers appointed from among the elected members of the Legislature and officials appointed by the Crown and owning responsibility not to the legislature but to the Crown; and (2) to establish second chambers in the provinces so as to stimulate conservative element and thus to provide an equipoise against the hasty ill-conceived activity of the irresponsible lower House."

The committee at page 91 of their report stated as under:

"The provincial legislatures should, in our opinion, be unicameral."

That is what was decided by such eminent scholars and constitutional experts that India should have a unicameral system of legislation.

Shri Achar: The British were dominating then.

Shri D. R. Chavan: Now you dominate.

Mr. Chairman: Our Constitution has accepted a second House. The arguments that the hon. Member is advancing today are out of date. Of course, you can very well argue about your Bombay State, whether it should have a second chamber or not. But whether a second chamber is good or bad in general is a point of ancient history; it is out of date.

Shri Nagi Reddy: It is necessary because the Constitution does not provide a Legislative Council for every State automatically. Therefore, the discussion as to the goodness or badness of Legislative Councils is very pertinent for that simple reason.

Mr. Chairman: So far as any particular State is concerned, certainly every Member is competent to argue. But the broad question whether a second chamber is good or bad has been thoroughly thrashed out already.

Shri Nagi Reddy: There is bound to be overlapping. We cannot divide the two points into water-tight compartments. (Interruptions.)

Shri P. B. Patel (Mehsana): There is a proposal to constitute a second chamber for Andhra. For that the arguments may hold good.

Mr. Chairman: Certainly; I do not rule it out at all.

Shri Khadilkar: Am I to understand that the last word on this question was said when deliberations took place in the Constituent Assembly?

Mr. Chairman: What I say is this. Whether the second chamber should exist in our States in India or not is not the point at issue in this discussion. Unless some Member definitely brings that thing as an issue, that is not the general issue before the House now. For any particular State, certainly every Member is entitled to argue.

Shri D. R. Chavan: With regard to Andhra, I may submit that I may be allowed to put my arguments here.

That Nehru Committee further recommended adult franchise as early as 1929 and also stated that so far as the Centre was concerned, it should have bi-cameral legislature, but in the provinces, the legislatures should only be uni-cameral.

Mr. Chairman: The hon. Member's time is up.

Shri D. R. Chavan: The bell has gone and much of my time is wasted by interruptions. My submission is that the persons who were fighting the British imperialist power then thought that we should have uni-cameral legislatures. Now, after the advent of freedom in this country, we are suitably modifying and changing. The hon. Minister for Commerce and Industry was formerly the Chief Minister of Bombay State. He had participated in the debate on that resolution and had advanced wonderful arguments in support of what I am saying here.

**Shri A. K. Sen:** We are not discussing the general question of the abolition of second chambers. It is outside the scope of the Bill.

**Shri Nagi Reddy:** We are discussing the question whether a second chamber should be established in Andhra or not. So, it is relevant.

**Mr Chairman:** I have already said that the general principle whether a second chamber should be there or not in India is in my opinion not the point at issue. But the hon Member is mentioning about a particular State. He has referred to some hon Minis-

ter and his opinion. Certainly it is relevant.

Is the hon. Member likely to take some more time?

**Shri D. R. Chavan:** Yes.

**Mr Chairman:** He may continue tomorrow. The House stands adjourned till 11 A.M. tomorrow.

1731 hrs

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, the 5th September, 1957.

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**DAILY DIGEST**  
[Wednesday, 4th September, 1957]

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	COLUMNS		COLUMNS
<b>MOTION FOR ADJOURNMENT</b>		<b>BILLS PASSED</b>	11812—11921
The Speaker withheld his consent to the moving of the following Adjournment Motion given notice of by the members shown against it	11804—12	(1) Further clause-by-clause consideration of the Expenditure Tax Bill, 1957, concluded. The Bill was passed as amended.	
as a discussion regarding recent explosions in railway wagons in various places had been fixed for the 11th September, 1957, at 5-30 P.M. :	11812	(2) The Minister of Finance (Shri T. T. Krishnamachari) moved for consideration of the Insurance (Amendment) Bill. After the clause-by-clause consideration, the Bill was passed	
(1) Cracker explosion in the Coopersganj Railway shed at Kanpur on the 3rd September, 1957.	Shri Vajpayee " Assar " S. M. Banerjee " Tangamani " Braj Raj Singh " Awasthi " H C. Sharma.	<b>BILL UNDER CONSIDERATION</b>	
		The Minister of Law (Shri A. K. Sen), moved that the Legislative Councils Bill be taken into consideration. The Discussion was not concluded.	11921—54
<b>PAPER LAID ON THE TABLE</b>	11812	<b>AGENDA FOR THURSDAY, 5TH SEPTEMBER, 1957.</b>	
A copy of the statement on the flood control programme and the flood situation in the country was laid on the Table.		Further consideration and passing of the Legislative Councils Bill and also discussion on the price of TELCO Locomotives	