

LOK SABHA DEBATES

Second Series

Volume XVI, 1958

(23rd April to 5th May, 1958)



FOURTH SESSION, 1958

(Vol. XVI Contains Nos. 51 to 60)

**LOK SABHA SECRETARIAT
NEW DELHI**

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LOK SABHA DEBATES

11227

11228

LOK SABHA

Thursday, 24th April, 1958.

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

ज्वालामुखी में तेल के लिये छिद्रन

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- *१८०३.
- | |
|----------------------------|
| श्री भक्त बंशम : |
| श्री बी० च० शर्मा : |
| श्री हेडा : |
| श्री राम कुञ्ज : |
| श्री हेम राज : |
| श्री बलवंत सिंह : |
| श्री रघुनाथ सिंह : |
| श्री मती इला पालचौधरी : |
| श्री राम शंकर लाल : |
| श्री नारायणन कुट्टि मेनन : |
| श्री बाळपेयो : |

क्या इस्पात, खान और ईंधन मंत्री १७ दिसम्बर १९५७ के तारांकित प्रश्न संख्या ११६० के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) ज्वालामुखी क्षेत्र में पेट्रोलियम की खोज के लिये छिद्रन कार्य में और क्या प्रगति हुई है ;

(ख) ३१ मार्च, १९५८ तक अधिक से अधिक कितनी गहरी खुदाई की गई ;

(ग) अन्तिम परिणाम सम्भवतः कब तक ज्ञात हो सकेगा ;

(घ) क्या यह सच है कि इस वर्ष फरवरी के प्रारम्भ में यांत्रिक खराबी के कारण छिद्रन स्थगित कर देना पड़ा था ; और

(ङ) यदि हां, तो इसके क्या कारण थे ?

खान और तेल मंत्री (श्री के० दे० मालवीय) : (क) और (ख). ३०-११-५७ तक ज्वालामुखी कुयों में १०६० फुट और गहरी खुदाई की गई। इस प्रकार कुयों की कुल गहराई ६०२० फुट हो गई। २-१-५८ तक खुदाई का काम (rilling operations) सन्तोष-पूर्वक होता रहा। लेकिन २३-१-५८ से ११-३-५८ तक खुदाई का काम रुक गया क्योंकि इस बीच में (Fishing operations) और टर्बो-ड्रिल (Turbo-drill) और पाइपों को बाहर निकालने का काम पूरा किया जा रहा था। मुख्य मुख्य (Fishing operations) के सफलता पूर्वक पूरा होने के बाद इलक्ट्रोलागिंग (Electrologi) अन्य तरीकों से टेस्ट किये गये। इन टेस्टों के परिणाम स्वरूप कुयों का perforation द्वारा टेस्ट करने का प्रस्ताव मंजूर हुआ।

(ग) मौजूदा किये जाने वाले टेस्टों और perforation के परिणाम जल्दी ही मालूम हो जायेंगे। फिर भी अन्तिम परिणाम मालूम होने की निश्चित तिथि बताना मुश्किल है।

(ब) और (क). २३-१-५८ से खुदाई का काम स्थगित कर दिया गया जब तक कि Turbo-drill और कुछ पाइपों को बाहर निकालने के लिये Fishing operations पूरे न हो जायें।

(a) and (b). Since 30th November, 1957 a further depth of 1090 ft. has been drilled till 31st March 1958 in the Jawalamukhi well i.e. the well reached a total depth of 6020 ft. Drilling operations proceeded satisfactorily till 23rd January, 1958. From 23rd January to 11th March, 1958 the drilling operations were suspended, pending completion of fishing operations and pulling out the turbo-drill and pipes that got stuck in the hole. After the successful completion of the major fishing operations, the well was tested by electrologging and other methods. As a result of these tests, it is proposed to test the well by perforation.

(c) The results of the present series of tests and perforation will be known shortly. It is, however, not possible to indicate the exact date on which the final results will be known.

(d) and (e). Drilling was suspended with effect from 23rd January pending completion of fishing operations to pull out the turbo-drill and some pipes, which got stuck up in the hole.

श्री भक्त वर्मान : क्या यह सत्य है कि इस ड्रिलिंग के सम्बन्ध में रोमानियन सरकार के साथ जो समझौता हुआ था वह पूरी तरह से नहीं चल पाया है और अब रूसी विशेषज्ञों की सहायता से काम किया जा रहा है ? क्या मंत्री महोदय इस सम्बन्ध में कुछ प्रकाश डालने की कृपा करेंगे ?

श्री के० डे० मालवीय : जी, नहीं ऐसी बात नहीं है। जो रोमानियन विशेषज्ञ हमारी सहायता कर रहे थे प्रायल एंड गेस कमिशन के ज्वालामुखी नम्बर १ कुएँ के खोदने में वे

अब भी काम कर रहे हैं। समय समय पर दुनिया के मशहूर ज्योलोजिस्ट और ड्रिलर्स से भी राय ली जाती है। और उनको फीस भी दी जाती है और जब वे यहाँ आते हैं तो उनकी राय का भी हम कायदा उठा लेते हैं।

श्री भक्त वर्मान : क्या अब तक ड्रिलिंग की जो प्रगति हुई है उससे यह आशा की जा सकती है कि कुछ दिनों के अन्दर इस बारे में कार्य पूरी तरह सफल होगा और भागे खुदाई की जा सकेगी ?

श्री के० डे० मालवीय : बहुत जल्दी ही ऐसी आशा की जाती है कि हमको पर-फोरेशन टेस्ट्स के परिणाम मालूम हो जायेंगे और हम दो चार पांच छ दिन में फिर यह फैसला करेंगे कि और गहराई में खोदें या उसकी बगल में ही दूसरा कुंआ खोदना शुरू कर दें।

Shri D. C. Sharma: May I know what was responsible for the breakdown of that mechanical equipment to which the hon. Minister referred in his reply, and whether that is the experience which we are having everywhere where we are having such drilling operations?

Shri K. D. Malaviya: Such accidents occur generally in hard rock formations which are complicated by alteration of soft and hard rocks. Here these drilling pipes got stuck up due to some reason which is not yet clearly analysed. It is not an unknown and unusual accident—for instance, recently in Iran in a very prolific well this accident took place and it has not yet been able to rectify the trouble although it was more than 14 months back that the accident took place.

Shri Narayanankutty Menon: On 1st April the hon. Minister announced when drilling operations were to start after the first accident. After that announcement there was a report in the press that another accident had taken place—obviously, an exaggerated report. May I know whether there

was a second accident, what is the extent and quantum of that accident and how long drilling operations will be prevented because of that accident?

Shri K. D. Malaviya: The report was not very accurate. The fact was that a very small piece of iron drilling bit fell down in the bottom; it was drawn out by a magnet and the whole thing was cleared very soon.

श्री बाजपेयी : २३ तारीख को जो दुर्घटना हुई थी उस तरह की दुर्घटनायें आगे न हों इस सम्बन्ध में क्या कदम उठाये गये हैं या उठाये जा रहे हैं ?

श्री के० डे० मालवीय : सभी मुनासिब कोशिशें की जा रही हैं कि ऐसा फिर न हो ।

Shri Supakar: May I know what time will elapse before this well is fit again for drilling operations?

Shri K. D. Malaviya: The well is quite fit for resumption of drilling operations. But, as we have to test at various horizons for possibilities of oil or gas, we are just now busy testing those possibilities. As soon as these tests are concluded within a few days—say, four or five days—we shall resume drilling in order to reach the bottom where it is supposed that source rocks are lying.

Shri Raghubir Sahai: May I know whether despite this accident which has taken place at Jwalamukhi the Rumanian experts who are in charge of this boring are very hopeful of finding oil?

Shri K. D. Malaviya: I have not had such detailed personal discussion with our experts, although I know that they entertain some hope that oil might be found out in one of these wells.

श्री भक्त वरुन : जब यह कार्य प्रारम्भ किया गया था उस वक़्त क्या इस बात की आशंका पैदा हुई थी या कोई इस तरह की सम्भावना पहले थी कि इस तरह की कोई घड़बड़ आगे आयेंगी और यदि इस प्रकार की आशंका नहीं थी तो इस दुर्घटना के लिये

ख़िम्मेदार अधिकारियों के खिलाफ़ क्या कार्रवाई की गई है ?

श्री के० डे० मालवीय : जी नहीं जब इस तरह के कुंय की खुदाई की जाती है, ड्रिलिंग की जाती है तो हमेशा यह समझ लिया जाता है हमेशा इस बात की सम्भावना रहती है कि ऐसे एक्सीडेंट होंगे और उसके लिये हर तरह की तैयारी भी कर ली जाती है । लेकिन चूँकि यहां पर पहले ही कुमां या इस लिये बहुत बड़े पैमाने पर ऐसे एक्सीडेंट का मुकाबला करने की तैयारी नहीं की जा सकी क्योंकि उसमें खर्च बहुत आता है ।

Shri Narayanankutty Menon: Sir, we would like to have that answer in English.

Mr. Speaker: The hon. Minister may give the English version of his last answer.

Shri K. D. Malaviya: Usually provision is always made for meeting such accidents when we start drilling operations of such huge dimensions. But, as this was only the first drilling all such precautions that are elaborately taken were not taken and they were not necessary during the first phases because, firstly, lot of finances are involved in it and, secondly, they ultimately prove mostly unnecessary.

Pensions for I.A.S. Officers

*1804. **Shri Harish Chandra Mathur:** Will the Minister of Home Affairs be pleased to state:

(a) whether rules pertaining to retiring benefits and pensions in respect of I.A.S. officers have been finalised; and

(b) whether pensions are being paid at different rates in different States?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) These rules are still under consideration.

(b) Except in the case of the Officers appointed to the I.A.S. by promotion from the State Services, who having retired prior to 7th July, 1955, have exercised the option to be governed by the Superior Civil Services Rules (in the case of officers of former Part 'A' States) and by the State Services rules (in the case of officers of former part 'B' States and Vindhya Pradesh), the pension is not being paid at different rates in different States.

Shri Harish Chandra Mathur: What are the difficulties which have stood in the way of finalisation of these rules and through what stages they have already passed, and what are the stages which have still got to be passed before the rules are finalised?

The Minister of Home Affairs (Pandit G. B. Pant): The States have to be consulted and also the Comptroller and Auditor-General and the Finance Ministry. The draft was prepared and it was again sent to the States for comments. The comments of the last State concerned were received on the 17th April, this month—and I hope it will now be possible to finalise the rules before long.

Shri Harish Chandra Mathur: May I know whether it is the intention of the Government to give retrospective effect to this?

Pandit G. B. Pant: Yes.

Shri Dasappa: May I know whether these rules are drafted by any actuarial experts or by the I.A.S. people themselves?

Pandit G. B. Pant: They are drafted by the officers in the Secretariat in consultation with experts. Perhaps the officers themselves are experts to some extent.

**Central Leather Research Institute,
Madras**

*1955. **Shri Pabadia:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether it is a fact that there are only English-knowing instructors

in the Central Leather Research Institute in Madras; and

(b) if so, whether any arrangements exist for imparting instructions in Hindi to those students from Hindi-speaking areas, who do not know English?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a). No, Sir.

(b) Does not arise.

श्री पहाड़िया : क्या मैं जान सकता हूँ कि इस इन्स्टिट्यूट में हिन्दी भाषी और अहिन्दीभाषी लोगों की संख्या अलग अलग कितनी है ?

श्री हुमायूँ कबीर : विद्यार्थियों की संख्या तो हमेशा बदलती रहती है। इसके लिये अगर वह स्पेसिफिक क्वेश्चन नहीं करेंगे तो जवाब देना मुश्किल होगा।

श्री पहाड़िया : क्या मैं जान सकता हूँ कि हिन्दी भाषियों के लिये उत्तर भारत में किसी अलग इन्स्टिट्यूट के खोलने की व्यवस्था की जा रही है ?

श्री हुमायूँ कबीर : यह सवाल इससे नहीं उठता।

Shri Tangamani: May I know whether the results of the research that is carried on in the Central Leather Research Institute at Madras are made available for the hides processing which is carried on in Kanpur and in some centres in Madras such as in the North Arcot district and others?

Shri Humayun Kabir: I submit that this also does not arise out of this question.

Mr. Speaker: It is only a question of language here.

Shri Tangamani: May I have the information?

Mr. Speaker: Does the hon. Member mean that merely because this is Parliament we can go into any matter?

The hon. Member is an astute lawyer. He knows what to say and what not to say. Next question.

**हिमाचल प्रदेश के न्यायिक आयुक्त
का न्यायालय**

*१८०६. श्री पद्म देव : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि हिमाचल प्रदेश के न्यायिक आयुक्त के कार्यालय को शिमला से हटाने का विचार है; और

(ख) यदि हां, तो क्या जनता की सुविधा को देखते हुए जिला और सेशन न्यायाधीश और वरिष्ठ उप-न्यायाधीश के न्यायालय भी वहां से हटाये जायेंगे ?

गृह-कार्य उपमंत्री (श्रीमती आल्वा) : (क) और (ख). हिमाचल प्रदेश प्रशासन शिमला स्थित जूडिशल कमिश्नर की भदालत और कुछ दीवानी भदालतों को और किसी अच्छे स्थान पर ले जाने के प्रस्ताव पर विचार कर रहा है।

An Hon. Member: The English answer also may be read.

Mr. Speaker: Yes.

Shrimati Alva: (a) and (b). A proposal for shifting the Judicial Commissioner's Court along with some of the Civil Courts located in Simla to some other suitable place is under consideration of the Himachal Pradesh Administration.

श्री पद्म देव : क्या मैं यह जान सकता हूँ कि जिस वक्त यह जूडिशल कमिश्नर का कोर्ट किसी जगह तब्दील किया जायेगा उस वक्त इस बात का भी ध्यान रक्खा जायेगा कि जो डिस्ट्रिक्ट कोर्ट्स हैं सेशन कोर्ट्स हैं, उनको भी उसी जगह पर बदला जाय क्योंकि ऐसा न करने से स्टाम्प की कठिनाई के अलावा बकीलों को क्लायेंट्स वगैरह को ले जाने में बहुत मुश्किलता होगी ?

गृह-कार्य मंत्री (पंडित गो० ब० पन्त) : सभी मृतालिक बातों पर गौर किया जायेगा।

श्री भक्त बर्मान : जब कि एक और शिमला की ओर से यह प्रार्थना की जा रही है कि केन्द्रीय सरकार के कुछ और दफ्तर वहां लाये जायें तो फिर वहां से इन दफ्तरों को बदलने का क्या कारण है?

पंडित गो० ब० पन्त : शिमला हिमाचल प्रदेश के रकबे से बाहर है इसलिये किसी टेरिटरी की भदालतें उसके बाहर हों यह जरा गैर मामूली बात है।

Shri Harish Chandra Mathur: What are the places which are under consideration for shifting these courts?

Pandit G. B. Pant: Well, I think false hopes need not be aroused by mentioning the names of the places that may be under consideration.

श्री पद्म देव : जब कि हिमाचल प्रदेश का दाखलखिलाफा ही शिमला में है तो इसमें क्यों बाधा पड़ रही है कि उसका जूडिशल कोर्ट वहां न हो कर दूसरी जगह हो ?

पंडित गो० ब० पन्त : अभी तो कोई फैसला हुआ नहीं, इस पर गौर हो रहा है।

**Building for Naval Hospital at
Cochin**

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-1958. { Shri Narayanankutty Menon;
Shri Warior:

Will the Minister of Defence be pleased to state:

(a) whether Government propose to construct a permanent building for the naval hospital at Cochin Naval Base;

(b) if so, the estimated cost of the building; and

(c) when Government propose to start its construction?

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

(b) The proposal is only at a preliminary stage; and no estimate of cost has yet been prepared.

(c) It is not possible to say at this stage when construction will be started.

Shri Kasliwal: What are the considerations which have led the Government for proposing to construct this hospital?

The Deputy Minister of Defence (Shri Raghuramiah): Already there is a small hospital at Cochin. Originally, it was a sick-bay. Then it was made into a regular hospital. Only in 1958 it has become a full-fledged hospital. So a hospital is already there. The question is one of giving it a permanent accommodation. It is now in some temporary buildings which are not considered safe, in the sense they have outlived their period.

Shri Kasliwal: How many beds do the Government propose to fix up in this hospital?

Shri Fatehsinghrao Gaekwad: 75.

Life Insurance Business

*1810. Shri Vajpayee: Will the Minister of Home Affairs be pleased to state the steps taken so far or proposed to be taken to refrain Government employees from taking Life Insurance Agencies in the names of their wives, daughters, sons and near relations?

The Deputy Minister of Home Affairs (Shrimati Alva): Rule 12 of the Central Services (Conduct) Rules prohibits canvassing by a Government Servant in support of the business of insurance agency, Commission agency etc. owned or managed by his wife or any other member of his family.

श्री वाजपेयी : जीवन बीमा के राष्ट्रीयकरण से पहले बहुत से सरकारी

कर्मचारियों ने अपने सम्बन्धियों के नाम एजेंसियों से रक्खी थीं। राष्ट्रीयकरण के बाद क्या उन बीमा कम्पनियों से यह पता लगाने की कोशिश की गई है कि ऐसे कर्मचारी कौन हैं? और क्या उनको इसके विरुद्ध कोई प्रादेश दिये गये हैं?

गृह-कार्य मंत्री (पंडित गो० ब० पन्त) जी, नहीं।

श्री वाजपेयी : क्या कारण है?

पंडित गो० ब० पन्त : कारण यह है कि जब कर्मचारी कोई खुद इन बीमा कम्पनियों के एजेंट नहीं हैं, अगर कोई उनके रिश्तेदार हैं, तो जब कोई शिकायत आती है कि कर्मचारी अपना घर डाल रहे हैं किसी मामले में, तब उसकी तहकीकात की जाती है।

श्री भक्त बर्तन : इस सम्बन्ध में प्रतिबन्ध लगाये जाने के पहले क्या इस बात का भी विचार कर लिया जायेगा कि जो कम तनक्काह पानेवाले कर्मचारी हैं, कम से कम उन को तो छूट दे दी जाय?

पंडित गो० ब० पन्त : जी, नहीं, कर्मचारियों को छूट नहीं दी जायेगी।

Allowances for Election duties

*1812. Shri E.V.K. Sampath: Will the Minister of Law be pleased to state:

(a) whether the teachers and the non-Gazetted Officers are given different rates of travelling allowance and daily allowance for election duties; and

(b) if so, the reasons therefor?

The Deputy Minister of Law (Shri Hajarnavis): (a) and (b). So far as the Government of India are aware the only State where different rates of travelling and daily allowances for election duties have been paid to the teachers and the non-gazetted officials in the State of Madras. In that State, non-gazetted officers are paid travelling and daily allowances for

election duty according to the Madras Travelling Allowance Rules while non-officials like the teachers of private institutions performing election duties are paid such allowances on ad-hoc rates according to their status in life. The State Government of Madras have recently recommended to the Government of India that the non-officials in the State drawn for election duty should be treated on par with the State Government officials performing such duty in the matter of grant of travelling and daily allowances. The recommendation of the State Government is under consideration.

Shri Tangamani: May I know whether in the recent by-election which was held in Madras the same discrepancy happened or whether the Government have directed that for all these by-elections there should be no disparity between the non-gazetted Officers and the non-Government employees?

The Minister of Law (Shri A. K. Sen): Which by-election does the hon. Member refer to?

Shri Tangamani: Tiruvadanai.

Shri A. K. Sen: We have not received yet any specific reports on that by-election. But I presume, in the absence of the original rates being varied as a result of the recommendations of the State Government which are under consideration now, the same rates possibly had been adhered to in this instance also. That is my presumption.

Shri Kumaran: May I know whether it is a fact that the railway employees who have been deputed from Madras State were paid four annas per mile as travelling allowance while the other Government employees were paid at the rate of twelve annas per mile? May I also know whether as a protest a large number of railway employees refused to do this work? If so, is there any particular reason for this discriminatory treatment?

Shri A.K. Sen: I am afraid, this question does not arise out of the main question. In any event, I would require notice to answer this question.

Mr. Speaker: The hon. Member may table a question.

I.A.S. (Special Recruitment)

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*1813. { **Shri B. K. Gaikwad:**
Shri Manay:
Shri D. A. Katti:
Shri M. B. Thakore:
Shri Thimmajiah:

Will the Minister of Home Affairs be pleased to state:

(a) the number of candidates finally selected in the special recruitment for I.A.S.;

(b) how many seats were reserved for Scheduled Castes and Scheduled Tribes; and

(c) how many candidates from the Scheduled Castes and Scheduled Tribes have been selected?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) 102.

(b) The quota of 12½% and 5% was reserved for the Scheduled Castes and Scheduled Tribes respectively.

(c) 7 and 3 respectively.

Shri B. K. Gaikwad: How many posts in the I.A.S. were filled up since independence and out of that how many were filled up by recruitment of candidates belonging to the Scheduled Castes and Scheduled Tribes?

Shrimati Alva: That is a separate question.

Shri B. K. Gaikwad: May I know whether it is possible for Government to fill up the gap of candidates belonging to Scheduled Castes and Scheduled Tribes that has arisen since independence in the I.A.S. cadre by this special recruitment?

The Minister of Home Affairs (Pandit G. B. Pant): So far as special emergency recruitment from the open market is concerned, in the original list that was prepared by the Union Public Service Commission there were only 26 members of the Scheduled Castes. So, we asked them to relax the standard so that a larger number might be admitted. They did so and another, I think, 133 were added. After that, the candidates were interviewed and the Union Public Service Commission published its list. When we saw the list we found that only the number which has already been mentioned by the Deputy Minister was included therein.

Shri B. K. Gaikwad: May I know whether it is a fact that out of the total people belonging to the Scheduled Castes and Scheduled Tribes who appeared for the examination 167 were qualified in the written test by lowering the standard and as many as 31 were qualified by the general standard?

Pandit G. B. Pant: According to the general standard, only 26 were qualified. But we wanted them to apply a lower standard and then 133 more were declared qualified.

Shri Vasudevan Nair: May I know whether the list already published is the final list or there is going to be a supplementary list?

Pandit G. B. Pant: The list is final to the extent it has been published.

Shri Damani: May I know the number of candidates who are going to be appointed initially? May I also know how long it will take to absorb all the selected candidates?

Pandit G. B. Pant: They will be appointed according to the needs of the States. I personally imagine that it will not take very long to absorb all of them.

Shri Thimmaiah: The hon. Minister has stated that about 26 candidates were eligible under the general standard. If 26 candidates have

qualified under the general standard, may I know why only seven were selected?

Pandit G. B. Pant: A written test was held in the beginning and a list of eligible candidates who were considered fit for interview was prepared. That list had one thousand and odd names and out of this 26 belonged to the Scheduled Castes. They were to be interviewed and then the decision was to be taken. But as the figure 26 seemed to us to be rather inadequate, we asked the Commission again to examine the position and to see if a larger number of people belonging to Scheduled Castes could be taken in on a relaxed and lower standard. So, they added another 133. All of them were interviewed and ultimately they gave this decision.

Shri Thimmaiah: When the Government is sympathetic in relaxing the standard for the candidates to be interviewed, may I know why the same sympathy is not extended in the matter of selection also?

Pandit G. B. Pant: The decision rests with the Selection Committee and we do not want to upset the decisions of the Public Service Commission. The House is very jealous about that.

Shri Ajit Singh: May I know whether any further list of selected candidates belonging to the Scheduled Castes will be issued?

Pandit G. B. Pant: So far as the present position goes, I have stated it fully.

Naga Raid on a Village

*1814. **Shri Hem Barua:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that Naga hostiles attacked recently a village, some 50 miles away from Imphal (Manipur) and killed one man and injured two women of the village; and

(b) if so, the details of the incident?

The Deputy Minister of Home Affairs (Shrimati Aiva): (a) and (b). On the 17th of March 1958, at about 11 p.m. about nine persons armed with firearms went to a lonely hut jointly occupied by Tezbir Roy and two other Nepalese with their families in Irang village, and fired at the house five or six times, killing Tezbir Roy and injuring a man and a woman. The culprits who spoke broken Hindustani could not be recognised but there is no reason to presume that they were Naga hostiles. The case is under police investigation.

Shri Hem Barua: May I know whether the Governor of Assam has promulgated the President's regulation in the Naga Hills area and, if so, is it because of the fact that raids have been perpetrated by the Naga hostiles in the adjoining plains including Manipur?

The Minister of Home Affairs (Pandit G. B. Pant): That regulation will be applicable only to the area included in the new Naga unit.

Shri Hem Barua: The Naga hostiles are making a series of attacks on the plains including Manipur. Is it because of this disturbance in the Naga areas that the regulation is promulgated? That is what I want to know.

Pandit G. B. Pant: Well, I think wherever necessary, effective steps would be taken to prevent mischief-mongers from making disturbances.

Dr. Ram Subhag Singh: May I know whether some of the Naga hostiles have entered North Cachar and, if so, what action has been taken to control them?

Pandit G. B. Pant: Sometimes some people do enter almost every place. But they go away. They do not fix themselves up there.

Shri A. C. Guha: What is the real position regarding the newspaper report that these Naga hostiles in Cachar district have been trying to establish contact with the Pakistan military across the river?

Pandit G. B. Pant: Well, due care is being taken and I understand that the State of Assam is very vigilant about it. The Chief Minister has been taking special interest, and also other authorities.

Shri D. C. Sharma: If these raids were not by the Naga hostiles, may I know the action taken to curb the activities of the law-breakers in that area, other than the Naga hostiles?

Pandit G. B. Pant: So far as the other law-breakers are concerned, the police is there. Just as the police functions in other places it does there too.

Shri Hem Barua: Besides extending the amnesty indefinitely, may I know the steps taken to comb up the area and take possession of the arms and ammunitions now in possession of the Naga hostiles?

Pandit G. B. Pant: All steps that are feasible are taken.

Shri Hem Barua: May I know the quantity of ammunitions recovered from the possession of the Naga hostiles?

Pandit G. B. Pant: I do not think that question arises out of the question tabled.

Shri Hem Barua: It is related; because they have arms and ammunition in their possession, that is they are perpetrating raids. If the ammunition is taken away from them, they will be as peaceful as you are.

Pandit G. B. Pant: I appreciate the logic.

Northern Higher Technological Institute, Kanpur

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*1816. { Shri Rameshwar Tanti:
 Shri Bhogji Bhai:

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

(a) what is the progress made in the establishment of the Northern

Higher Technological Institute in Kanpur; and

(b) which are the foreign countries who have offered their help for the establishment of this institute?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) Planning Committee has been set up for preparing detailed plans, estimates, courses of study etc. for the institute. A 1,200-acre site has been selected in Kanpur and steps are being taken by the State Government to acquire it.

(b) No foreign country has as yet offered assistance in the establishment of the Institute.

Shri Rameshwar Tanti: What will be the annual budget for this and how many students will be benefited annually through this institution? Will the admission be on all-India basis or on State-wise basis?

Shri Humayun Kabir: These are three questions.

Mr. Speaker: The hon. Minister may answer any one of the questions that he likes.

Shri Humayun Kabir: I will try to answer all the three.

The first question is difficult to answer at this stage. We have tentative figures but I would not like to give them at this stage till we know the picture more clearly.

The number of students will be about 1500 in under-graduate studies and about 500 in post-graduate studies and research.

As for the selection, since it is an all-India institute, obviously the selection will be on an all-India basis.

Shri T. B. Vittal Rao: May I know when the construction of buildings for all these technical institutes will start? May I also know what steps Government propose to take with a view to ensure that the funds do not lapse as they lapsed during the First Plan period?

Shri Humayun Kabir: As I said, a Planning committee has been appointed and they are preparing plans. The land is being acquired. So the question of starting the construction of buildings immediately does not arise.

Shri T. B. Vittal Rao: This institute should commence before the Second Five-Year Plan ends but the way we are going about it looks that we will not have this institute just as we have not had it in the First Plan period.

Shri Humayun Kabir: This is an expression of opinion. I think the progress on the whole regarding this institute is quite adequate.

Shri S. M. Bawarjee: The hon. Minister has stated that a 1200 acre site has been selected. As far as my information goes—I come from Kanpur—there is some dispute over the land because of the village. Some land has to be acquired but I wish to know from the hon. Minister whether the land has been actually acquired and compensation paid to the landlords.

Shri Humayun Kabir: The information which we have is that the State Government are taking steps to notify the entire area of 1200 acres and to acquire immediately about 200 acres.

Shri Thimmaiah: May I know when the proposed Southern Higher Technological Institute is likely to be established?

Shri Humayun Kabir: It does not strictly arise out of this question, but I may inform the hon. Member that we hope that it will be functioning before 1960.

Dr. Ram Subhag Singh: The hon. Minister has said that no foreign country has offered any help for this institute. May I know whether the West German Government had offered help for this institute and had also undertaken to provide technical personnel for this institute? May I know whether it is also a part of the Plan to open a branch of this institute at Dehri-on-Sone?

Shri Humayun Kabir: The information I have is that the West German Government is collaborating in the

establishment of an institute in the south. So far as this northern institute is concerned, we are carrying on certain negotiations with the Government of the United States.

Relics of Lord Buddha near Vaisali

*1817. **Shri Bishwanath Roy:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state whether it is a fact that some relics of Lord Buddha have been excavated near Vaisali in Muzaffarpur district (Bihar)?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): Some relics assignable to about the 5th Century B.C. have been excavated at Vaisali, but there is as yet no conclusive evidence to say that those are the relics of the Buddha.

Shri Biswanath Roy: May I know whether anything else besides to so-called relics of Buddha have been found there?

Shri Humayun Kabir: A number of stupas have been found. It is a particularly interesting excavation and if the House so wishes and if you so desire I will have a small statement placed on the Table of the House. There are certain particularly interesting facts which have come to light.

Shri Bishwanath Roy: May I know whether further excavations will be done on that site?

Shri Humayun Kabir: The excavation, I believe, is still continuing. We have found relics of the first stupa and the second stupa. There are also suggestions of three more stupas.

Dr. Ram Subhag Singh: Is it true that a box containing some ashes have been found there and if so, where that box is kept at present?

Shri Humayun Kabir: A casket has been found. That is a fact. But I cannot tell the hon. Member where the casket is at the moment.

Dr. Ram Subhag Singh: May I know whether it is a fact that some of the research scholars of that area say that

the ashes contained in that box are the ashes of Lord Buddha

Shri Humayun Kabir: I have said that it is a very interesting excavation that has been carried out there. There are reasons to think that these are ancient relics, but whether these are the ashes of the Buddha is very difficult to say conclusively.

श्री भक्त वरुण : अब तक जो कुछ भी सामग्री मिली है उसके अनुसार इन स्तूपों का ऐतिहासिक महत्व क्या है, क्या मंत्री जी बतला सकेंगे ?

अध्यक्ष महोदय : अभी तो इन्वेस्टीगेशन कर रहे हैं।

श्री हुमायूँ कबीर : मैंने अभी बताया कि यह बहुत पुराना है और यही सोचा जाता है कि जो पहला स्तूप है वह शायद उनके अन्तकाल के याड़े राज बाद हो तैयार हुआ था।

Powers of High Courts to Grant Bail

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{ **Shri Raghunath Sahai:**
*1818. { **Shri Achar:**
 { **Shri M. S. Murty:**

Will the Minister of Home Affairs be pleased to state:

(a) whether his attention has been drawn to the remarks of Mr. Justice James of the Allahabad High Court published in *The Hindustan Times* dated the 7th April, 1958 purporting to invite Parliament's attention to the desirability of the High Court possessing powers to grant appropriate relief to convicted persons going up to the Supreme Court and the need to amend the Code of Criminal Procedure; and

(b) the action Government propose to take thereon?

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

(b) A similar point arising out of a judgement delivered by the former

Nagpur High Court has already been referred to the Law Commission for their consideration. A copy of the judgement of the Allahabad High Court is being obtained and will also be sent to the Law Commission for their consideration.

Shri Raghunath Sahai: Has this difficulty been experienced by other High Courts as well and did they ever draw the attention of the Parliament or the Law Ministry to this matter? If so, by which High Courts?

The Minister of Home Affairs (Pandit G. B. Pant): Will you kindly repeat your question?

Shri Raghunath Sahai: Has this difficulty, which has been pointed out by Mr. Justice James of the Allahabad High Court been experienced by other High Courts as well and did they ever draw the attention of the Parliament or the Law Ministry to that effect? If so, which were those High Courts?

Pandit G. B. Pant: I cannot say if any High Court has drawn the attention of Parliament but so far as the Government is concerned, one other High Court had also drawn attention to this thing.

Shri Tangamani: In view of the fact that there is already a provision in the Criminal Procedure Code for granting bail by the trial court, will the Criminal Procedure Code be suitably amended to include them where the appeal goes from the High Court?

Pandit G. B. Pant: That is just the point under consideration.

Shri Tangamani: When is this amendment going to come?

Pandit G. B. Pant: Only after a decision has been taken that an amendment should be made.

Shri Achar: In view of the fact that relief cannot be granted by the High Court, is it not necessary that something must be done very urgently?

Pandit G. B. Pant: I am sorry I am unable to follow the hon. Member.

Shri Achar: In view of the fact that the High Courts have no power to grant bail applications even in pending cases, is it not necessary that the amendment of the law must be done rather in an urgent manner?

Mr. Speaker: It is a matter of opinion. This need not be answered.

Pandit G. B. Pant: I do not feel there is any such difficulty in petty matters. It is only in few exceptional cases to which attention has been drawn by the High Court to the fact that they feel that the present law is not adequate.

Shri Frank Anthony: In this connection is Government also considering the difficulty in respect of persons convicted to short terms owing to the Supreme Court practice of insisting that they should first surrender before the Supreme Court will admit even a special leave petition?

Pandit G. B. Pant: I have not had any particular suggestion in this regard so far. The hon. Member has now made it and it will be given some consideration. But what the Supreme Court is doing must be right because the Supreme Court can do no wrong.

Mr. Speaker: In all these matters why should hon. Members feel exclusive? They can always send suggestions to the hon. Home Minister, whose heart is very large.

Training and Employment of the Blind

*1819. **Shri Naushir Bharucha:** Will the Minister of Education be pleased to state:

(a) whether any intensive survey of training centres, industrial homes

and workshops has been made with a view to formulating a comprehensive plan for training of the blind;

(b) what efforts have been made by Government during the Second Five Year Plan in the matter of exploiting existing employment potential for the employment of the blind and creating additional employment for them; and

(c) whether any survey has been made of industrial plants, manufacturing concerns and business firms with a view to exploring possibilities of employing the blind in simple repetitive processes?

The Minister of Education (Dr. K. L. Shrimall): (a) No, Sir.

(b) During the Second Plan period it is proposed to establish a small employment Organisation for the Handicapped. Meanwhile the employment Office at Madras has placed 82 blind persons in ordinary industrial establishments.

(c) A country-wise survey has not been made, but the Employment Office at Madras has made a limited survey of the industrial establishments in the South.

Shri Naushir Bharucha: Apart from the Madras effort, may I know whether the Government has tried to persuade industrialists to employ blind persons in their concerns and if so, with what results?

Dr. K. L. Shrimall: The Madras Office has made some efforts in this direction and, as I said, it is proposed to set up some more employment organisations during the Second Five-Year Plan. I am hoping that the first organisation will be set up during the current year. After these organisations have been set up it would be possible for them to negotiate with the industrial establishments for the placement of the handicapped.

[दिल्ली विश्वविद्यालय के अन्तर्गत सायं-कालीन कालेज]

कृ० प्र० १२००

{ श्री भक्त दर्शन :
श्री नवल प्रभाकर :
श्री श्री० चं० शर्मा :
डा० राज सुभग सिंह :
सरदार इकबाल सिंह :
श्री मानकभाई अप्पवाल :

क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) दिल्ली विश्वविद्यालय द्वारा सायंकालीन कालेज खोले जाने के सम्बन्ध में इस बीच क्या प्रगति हुई है;

(ख) ये कालेज कहां-कहां खोले जायेंगे; और

(ग) इन कालेजों में कितने छात्र प्रविष्ट किये जायेंगे?

शिक्षा मंत्री (डा० का० ला० श्रीमाली) :

(क) सरकार, दिल्ली विश्वविद्यालय में प्राये हुए प्रस्तावों के वित्तीय पहलुओं की जांच पड़ताल कर रही है।

(ख) इस विषय में, दिल्ली विश्वविद्यालय ने अभी तक कोई निश्चय नहीं किया है।

(ग) प्रारम्भ में प्रिपरेटरी क्लास में ६०० विद्यार्थी भरती किये जायेंगे।

I will translate it into English.

(a) The financial implications of the proposals received from the University of Delhi are being scrutinized by Government.

(b) No final decision has yet been taken in this behalf by the University of Delhi.

(c) To begin with, 600 students will be admitted to the Preparatory Class.

श्री भक्त दर्शन : ये जो सायंकालीन विद्यालय स्थापित किए जा रहे हैं, क्या ये वर्तमान कैम्प कालेज के भलावा स्थापित किए जायेंगे, या कैम्प कालेज को समाप्त कर के इन की स्थापना की जायगी ?

डा० का० ला० श्रीमाली : कैम्प कालेज को समाप्त करने की कोई तजवीज नहीं है। प्रस्ताव सिर्फ यह है कि कैम्प कालेज भी इन ईवनिंग कालेजिज से सें एक कालेज बन जाये।

श्री भक्त हर्षान : बहुत दिनों से यह प्रश्न विचाराधीन कहा जा रहा है। क्या माननीय मंत्री जी यह भावनासून देने को तैयार हैं कि भगली जुलाई तक यह कालेज चालू हो जायेंगे, ताकि विद्यार्थियों को कठिनाई न हो ?

डा० का० ला० श्रीमाली : जी हां, मुझे पता है।

Mr. Speaker: Shrimati Sucheta Kripalani.

Shrimati Sucheta Kripalani: My question has been asked. I wanted to know the fate of the Camp College.

श्री बी० चं० शर्मा : क्या माननीय मंत्री जी यह बतलाने की कृपा करेंगे कि इन पर कितना रुपया खर्च करने का उन का इरादा है और यह रुपया खर्च करने का हिसाब कब तक ठीक हो जायगा ?

Dr. K. L. Shrimali: We have received proposals from the Delhi University and the financial estimates. I will give the figures of expenditure and the deficit. It is estimated that in 1958-59, there will be an expenditure of Rs. 33,528, in 1959-60, Rs. 58,922 and in 1960-61 Rs. 72,922. These are estimates per college with an intake of 150 students per college on the basis of four colleges. It is estimated that the deficit would be Rs. 18,528 in 1958-59, Rs. 30,602 in 1959-60 and Rs. 31,642 in 1960-61.

Shri Heda: May I know what would be the subjects and courses in these colleges?

Dr. K. L. Shrimali: The courses have to be prescribed by the Delhi University.

Shri Tyagi: Will these colleges be open to working class people of adult

age? Would there be any age limit for admission in these colleges?

Dr. K. L. Shrimali: The detailed rules will have to be prescribed by the University of Delhi. But, the proposal is that all those people who are employed during the course of the day and who do not have facilities for higher education may be given facilities in these evening colleges so that they may be able to continue further education.

Shri Hem Barua: In view of Dr. Radhakrishnan's University Commission recommendation to the effect that the evening classes are to be maintained as self-contained units with separate staff and other amenities, may I know if these financial demands made by the Delhi University on the Government contain any suggestion towards the fulfilment of these ideals laid down by the University Commission?

Dr. K. L. Shrimali: I am not prepared to answer this. It goes beyond the scope of the question with regard to the Camp college.

Shri Heda: The purpose of my question is whether there would be the Arts course or Science Course and other courses as has been done by the Osmania University in Hyderabad.

Dr. K. L. Shrimali: The details will have to be worked out by the Delhi University. It is obvious that there are no facilities for practical work in scientific subjects and provision might not be made. These will have to be worked out by the Delhi University.

Shri Balakrishnan: May I know if it will not be useful if more colleges are opened by other Universities throughout the country?

Dr. K. L. Shrimali: In my opinion, it is desirable that more and more evening colleges should be opened.

Shri Tyagi: I wonder if the Government are considering to take full advantage of the radio facilities in giving

lectures so that a number of colleges may be attended to by one Professor at a time.

Dr. K. L. Shrivastava: It is a suggestion for action.

श्री नरेश चरण : मैं यह जानना चाहता हूँ कि इन विद्यालयों में केवल प्रोफेसर के सबजेक्ट्स की शिक्षा दी जायेगी, या साइन्स की शिक्षा की भी व्यवस्था की जायेगी।

डा० का० ला० श्रीवास्ती : इसका जवाब मैं दे चुका हूँ।

Mr. Speaker: Next question.

श्री महाश्वेता : अध्यक्ष महोदय, जितने भी कालेज प्राज चल रहे हैं, उनमें ...

Mr. Speaker: No, no. I have allowed a number of questions. The hon. Member rose late.

Investment by the Life Insurance Corporation

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- *1821. { **Shri Harish Chandra Mathur:**
Shri Bhogji Bhal:
Shri Rameshwar Tantia:
Shri Khushwaqt Rai:

Will the Minister of Finance be pleased to state:

(a) whether Government have examined the soundness of investments made by the Life Insurance Corporation before June, 1957; and

(b) if so, with what result?

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

(b) Does not arise.

Shri Harish Chandra Mathur: May I know whether it has been brought to the notice of the Government that there have been certain other transactions, other than the Mundhra transactions which were the subject matter of investigation and about which certain aspersions and certain reflections have been cast in the press and otherwise?

Shri B. R. Bhagat: Sometime ago, we laid a statement on the Table of the House about all the investments. I am not aware of any allegations other than the Mundhra transactions. If the hon. Member has any thing in mind, he can specifically bring it to my notice.

Shri Rameshwar Tantia: Considering the facts brought out by the Mundhra L.I.C. deal, may I know whether the Government does not think it necessary to appoint some enquiry committee to find out what was the price paid to the private sector, what is the price now, whether the Insurance Corporation has lost or gained?

Mr. Speaker: Hon. Members must not make suggestions. Is it in the contemplation of the Government, in view of that, to appoint a committee? I will solve my conscience that it is not a suggestion for action but only a question. Why don't they frame the question properly? I won't allow suggestions hereafter.

Shri Rameshwar Tantia: I am not making any suggestion. I am asking whether the Government are considering the appointment of a committee of enquiry to find out about the investments of the L.I.C. in the private sector.

Mr. Speaker: Is there a proposal?

Shri B. R. Bhagat: There is no proposal. I do not think any such roving enquiry would be desirable in the public interests.

Shri Damani: May I know whether the L.I.C. is holding such shares which are not yielding any dividends and if so the details thereof?

Shri B. R. Bhagat: It is very difficult to give the details of hundreds of investments. We gave a statement to the House some time ago. There might be; the L.I.C. inherited some investments from the previous companies. Some were bad. There were merely inheritance otherwise. Particularly, there is no serious difficulty in those investments.

Shri Harish Chandra Mathur: May I know whether the preference shares in Star Paper Mills have been purchased at a price much higher than the market price?

Mr. Speaker: These are all details. This is a general statement.

Shri Harish Chandra Mathur: It is a specific question.

Mr. Speaker: What is the specific question? The hon. Member's supplementary is a specific question. But, the original is a general question.

Shri Harish Chandra Mathur: I wanted to know whether they have made any enquiry or not. When they say that there is no enquiry and they see no reason for one, I am pointing out to them a particular case and ask whether it is within their notice or not and if it is in their notice, why is it that there is no enquiry.

The Minister of Finance (Shri Morarji Desai): If there is any enquiry to be made, we will certainly get an enquiry made. We cannot go on with roving enquiries over a few crores of holdings.

Dr. Ram Subhag Singh: In reply to part (a) of the question, the hon. Deputy Minister said, No. May I know whether it is not a programme of the Government to enquire into the soundness of the investments of the L.I.C. and if it is, why no enquiry was made?

Shri Morarji Desai: No enquiry is considered necessary by the Government. We presume that things are all right unless we have got definite information to the contrary. We cannot go on making roving enquiries into all holdings.

Shri Narayanankutty Menon: In the case of investments prior to nationalisation, is the Government aware of any specific breach of the provisions of the Insurance Act relating to investments and whether any action has been taken towards that breach?

Shri Morarji Desai: Now no action is possible. We have inherited several things. We have now to make the best of them whatever it is.

Shri Narayanankutty Menon: My question is whether there is any violation of the Insurance Act and whether action has been taken where there is violation of the law.

Mr. Speaker: Hon. Members do not put their question clearly. All that the hon. Member means is, have any cases come to the notice of the Government where there has been glaring violation of the rules before they took over charge.

Shri Morarji Desai: Not yet.

Shri Dasappa: Is it not a fact that the Government found that the present policy of having these investments made by the L. I. C. was unsatisfactory and so they thought that there should be a statutory board and the investments should be through the Board?

Shri Morarji Desai: This is being considered very carefully. The investment policy is being considered. How it is to be done is also being considered and the House will be informed also.

Mr. Speaker: Next question. I have allowed a number of questions.

बिक्री कर से बचना

*१८२२. श्री पद्म बेज : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सब है कि व्यापारी बिक्री कर से बचने के लिये अपनी चीजों को बसों और ट्रकों से सोलन (हिमाचल प्रदेश) ले जाकर बेचते हैं; और

(ख) यदि हाँ, तो इस विषय में क्या कार्यवाही करने का विचार है ?

गृह-कार्य उप-मन्त्री (अन्तर्गत अन्तर्गत):

(क) भारत सरकार को इस बारे में रिपोर्ट मिली है।

(ख) इस विषय पर विचार हो रहा है।

श्री पद्म देव : क्या गवर्नमेंट को पता है कि सोलन में लोग माल ले कर आते हैं, आने जाने का खर्चा करते हैं और फिर भी फायदा उठाते हैं। यदि हाँ, तो गवर्नमेंट क्यों इसकी उन्मुखता कर रही है?

गृह-कार्य मंत्री (पंडित गो० ब० पन्त) : मैं समझता हूँ गवर्नमेंट के अलावा आपका भी पता है कि आदिवासी जब कंसेलटिव कमिटी की मीटिंग हुई थी, उसमें यह फैसला हुआ था कि इन सब चीजों पर मेल्स टैक्स लगाया जाए और उभरते मुताबिक कानून का भस्मिदा तैयार किया जा रहा है। जब वह तैयार हो जाएगा, पेश कर दिया जाएगा।

Shri Tangamani: The Deputy Minister admitted that there had been evasion of sales tax. But in reply to starred question No. 1422 asked on 2nd April, 1958, the Minister has stated that the State Governments have agreed to impose uniform rates on special goods at one point at 7 per cent., and that will help to avoid this evasion of sales tax. May I know how many State Governments have accepted the imposition of sales tax at one point at 7 per cent.?

Mr. Speaker: It does not arise out of this question. This relates to Solan in Himachal Pradesh. The hon. Member is talking of Kanyakumari.

Shri Tangamani: The State Governments were asked....

Mr. Speaker: This is a small question relating to evasion within the State itself by traders bringing things in trucks and evading payment of sales tax....

Pandit G. B. Pant: It is not evasion. There is no law now.

Mr. Speaker: ... in a particular area, in Solan, in Himachal Pradesh, on the way to Simla.

Shri Tangamani: This sales tax....

Mr. Speaker: Sales tax applies to the whole of India. Therefore, shall we go on asking questions with respect to Kerala? The hon. Member is clever. He may ask a question separately.

Life Insurance Corporation

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Shri Narayanankutty Menon:
Shri Rajendra Singh:
*1823. { Shri Easwara Iyer:
Shri Hem Barua:
Shri Yajnik:
Shri A. K. Gopalan:

Will the Minister of Finance be pleased to state:

(a) whether half of the lapsed policy fund of the erstwhile National Insurance Company Limited now taken over by the Life Insurance Corporation is invested in private companies; and

(b) whether these companies have the capacity to pay back these investments?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) The National Insurance Company Limited did not have a lapsed policy fund. With your permission Mr. Speaker, I may inform the hon. Member that they had a fund called Capital Obligation Fund.

(b) The question does not arise.

Shri Narayanankutty Menon: May I know whether any part of this fund of the National Insurance Company has been invested in private companies before nationalisation, and if so, the extent of the fund invested?

Shri B. R. Bhagat: Out of this Capital Obligation Fund, a sum of Rs. 6.50 lakhs was invested in two private limited companies.

Shri Narayanankutty Menon: May I know whether it is a fact that this fund has been invested in two companies called the Reform Flour Mills and Snow-white Products, which could not be traced even by the Registrar of Joint-stock Companies at present?

Shri B. R. Bhagat: It has been invested in two companies named as J & K. Cotton Spinning and Weaving Mills Ltd. and Impex (India) Ltd.

Shri Hem Barua: The Deputy Minister has just now said that this Capital Obligation Fund has been invested in private companies. May I know how many of the private companies in which this Capital Obligation Fund has been invested are controlled by Singhanian?

Shri B. R. Bhagat: I think both of them are controlled by Singhanian.

Shri Hem Barua: What is the number of companies controlled by Singhanian and what is the amount of investment made by the LIC?

Mr. Speaker: How does that arise?

Shri Hem Barua: It arises because it is connected with this.

Mr. Speaker: Are we going into the names of all the traders and businessmen in this country, and asking which company is controlled by which man? Are we going to get rid of the private enterprise altogether? I am not going into these details. So long as the private enterprise is there, is it a crime for any person to take interest if he is a businessman? I would not allow any question to be asked here which makes the person against whom any question is asked appear as if he were a criminal outside. I am sorry. Hon. Members are not aware of their own importance. Whatever they say here gets so much of publicity outside that when once the mischief is done, it is impossible

for anybody on earth to get rid of the mischief. Those outside are equally entitled to respect as hon. Members here. We are only the agents of the general public.

Therefore, except in exceptional cases where the conduct is grossly unsatisfactory and there is something to be attributed against Government itself as a party, I am not going to allow individual cases of this kind to be brought up before this House even if it be to extol them, or otherwise to condemn them. Let us avoid these references.

Shri Hem Barua: May I make a humble suggestion? It is this, that Singhanian is not an individual in the context of our economic life. He is an institution.

Mr. Speaker: What if?

Shri Hem Barua: Singhanian is not an individual in the context of our economic life today. He is an institution, and as an institution, he controls certain companies in which the LIC has made certain investments. I just want to know—it is an innocuous question—as a humble citizen, how many companies, are in his possession (I do not say 'controlled', because 'controlled' is a bad word—and English is not one of my strong points) and what the amount so far invested is.

Mr. Speaker: There are a number of persons who are interested in various companies in which the LIC might have purchased some shares. Are we going into the cases of all those persons who are interested and so on? How does that arise individually?

Shri Hem Barua: He is an institution.

Mr. Speaker: All of us are also institutions.

Shri Hem Barua: Singhanian is as much an institution as Mundhra is.

Mr. Speaker: I am going to avoid this question even if he be an institution.

Shri Yajnik: May I know what efforts are being made by the LIC in order to recover all these funds that are invested in concerns which are not giving dividends today?

Shri B. R. Bhagat: The hon. Member has asked a larger question, but I can answer about this specific matter. Firstly, I want to disabuse the hon. Members of the confusion that they have in their minds, by saying that the investment has not been made by the LIC. This investment was made by the private company before the corporation came into existence. Secondly, so far as the LIC is concerned it is taking all steps to recover the amount; and even legal steps are being contemplated by the LIC.

Shri Narayanankutty Menon: Is it not a fact that some fund of this National Insurance Company has been invested in Reform Flour Mills, and Snow-white Products, before the companies were taken over by the LIC?

Shri B. R. Bhagat: It has been invested in only the two companies which I have just mentioned.

Mr. Speaker: The other two companies which he had mentioned.

National Research Fellowship

*1824. **Shri Harish Chandra Mathur:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) how many fellowships under the National Research Fellowships Scheme were offered during the years 1956-57 and 1957-58 and how many of these were availed of;

(b) if all the fellowships have not been availed of, the reasons therefor; and

(c) the steps being taken to make the scheme and programme more effective?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) In 1956-57, thirty-eight National Research Fellowships were offered, of which 32 were utilised.

In 1957-58, no Fellowships were offered.

(b) Lack of suitable candidates.

(c) The scheme is being given wide publicity and facilities for research and higher studies are being expended and improved.

Peace-time Establishment of the Ordnance Installations

*1809. **Shrimati Sucheta Kripalani:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that the peace-time establishment of the Ordnance Installation has not yet been fixed;

(b) if so, when it is likely to be fixed;

(c) whether it is a fact that persons with 14 to 18 years service are still temporary in the Ordnance Installations;

(d) if so, the reasons therefor;

(e) whether it is a fact that persons in the Stores Department, even after having rendered more than 15 years service in higher grades, become entitled to pension on the basis of their substantive pay; and

(f) if so, the action proposed to be taken in the matter?

The Deputy Minister of Defence (Shri Raghuramalah): (a) Yes.

(b) It is not possible to indicate any definite date.

(c) Yes.

(d) Large scale recruitment was made in the Army Ordnance Corps during the period 1941-45. As the personnel recruited belong more or

less to the same age group, there is very little wastage in permanent appointments.

(e) No. Provision exists for counting a portion of the pay drawn in officiating appointments also for the purpose of pension subject to certain conditions.

(f) Does not arise.

Shrimati Sucheta Kripalani: May I know whether it is a fact that the Government's orders in respect of 80 per cent. confirmation of civilian employees have not been implemented by the ordnance factories?

Shri Raghuramiah: The decision was only to confirm 40 per cent. of the strength on 1st April, 1952, in the case of ordnance employees.

Shri S. M. Banerjee: It was 40 per cent. in the case of industrial employees and 80 per cent. in the case of non-industrial employees.

Shri Raghuramiah: The information of my hon. friend is wrong. It is 40 per cent. in either case.

Shri S. M. Banerjee: May I know whether workers who have put in ten years service have been confirmed?

Shri Raghuramiah: Whoever has become eligible for confirmation within the 40 per cent. permanent posts has been confirmed; whoever has not come within that has not been or is being confirmed.

Shri S. M. Banerjee: May I know the total number of employees confirmed in the industrial and non-industrial posts?

Shri Raghuramiah: I have not got the information off hand.

WRITTEN ANSWERS TO QUESTIONS

Government Publications

*1867. **Shri Arjun Singh Bhadur:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether it is a fact that material published in Government publications

of periodicals is allowed to be reproduced by any newspaper or journal without permission or without any payment; and

(b) whether it is also a fact that some of the material published in Government journals is later on published in book form without any additional payment to the authors?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) Except for certain types of material specified in Section 52 of the Copyright Act, 1957, the reproduction by non-Government agencies of material contained in Government publications requires the prior permission of Government. No payment is usually asked for the grant of such permission; but in special cases a nominal royalty is charged.

(b) Yes, Sir.

ज्ञान प्रशिक्षण स्कूल

२६८७. श्री म० सा० द्विवेदी :
क्या इस्पात, ज्ञान और ईश्वर मंत्री यह बताने की कृपा करेंगे कि :

(क) कोयला खानों के विकास के लिये प्रशिक्षित प्राविधिक कर्मचारियों के प्रशिक्षण के लिये चार स्कूल कहाँ कहाँ खोले गये हैं;

(ख) प्रत्येक स्कूल में कितने प्रशिक्षितों को प्रशिक्षण दिया जायेगा; और

(ग) प्रशिक्षित कर्मचारियों को किस प्रकार का कार्य दिया जायेगा और उनके वेतन-क्रम क्या होंगे।

इस्पात, ज्ञान और ईश्वर मंत्री (सरदार स्वर्ण सिंह): (क) से (ग). एक विवरण लोक-सभा पटल पर रखा जाता है। [इसके पृष्ठ ८, अनुबंध संख्या १]

Monuments in Assam

2688. **Shri Bhagavati:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state the amount

spent by Government on the preservation and main tenance of each of the monuments in Assam (district-wise) during 1956-57 and 1957-58?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): A statement is laid on the Table of the Lok Sabha. [See Appendix VIII, annexure No. 2]

Monuments in Rajasthan

2689. Shri Onkar Lal: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) the amount sanctioned regarding preservation of monuments of national importance in Rajasthan for the year 1958-59;

(b) whether the amount is separately earmarked for each of the monuments to be preserved; and

(c) if so, the details thereof?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) A provision of Rs. 2,73,000 has been made.

(b) Yes, Sir.

(c) The details are being collected and will in due course, be placed on the table of the House.

Next Census

2690. Shri N. R. Munisamy: Will the Minister of Home Affairs be pleased to state:

(a) when is the next census to be held and whether the necessary preliminary arrangements have been made;

(b) whether it is a fact that castes will not be mentioned at the time of enumeration; and

(c) if so, the reasons therefor?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) The next census of population is scheduled to

be held in 1961. Preliminary arrangements for the purpose are being made.

(b) and (c). In accordance with the policy of Government as stated by the Home Minister in the Rajya Sabha on 14th February, 1958 on the question of eradication of casteism, the castes would not be enumerated in the next census except in the case of Scheduled Castes and Scheduled Tribes or where it might be necessary for administrative reasons or to meet some statutory obligations.

National Calendar

2691. Shri N. R. Munisamy: Will the Minister of Home Affairs be pleased to state:

(a) whether any time-limit has been fixed for a complete change over to National Calendar; and

(b) if so, what is that date?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) No.

(b) Does not arise.

Rehabilitation Finance Administration

2692. Shri A. K. Gopalan: Will the Minister of Finance be pleased to state:

(a) the names of the Members of the Rehabilitation Finance Administration;

(b) the date of their appointments; and

(c) the number of meetings held in 1955, 1956, and 1957?

The Minister of Finance (Shri Morarji Desai): (a) and (b). A statement is laid on the Table of Lok Sabha. [See Appendix VIII, annexure No. 3]

(c) 10 during 1955.
10 during 1956.
7 during 1957.

Technical Education in Madras

2693. Shri Elayaperumal: Will the Minister of **Scientific Research and Cultural Affairs** be pleased to state whether the schemes of Technical Education for the State of Madras have been approved by the All India Council for Technical Education?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): All the eight schemes included in the Second Five Year Plan of the Madras State have been approved.

Bombay University

2694. Shri Pangarkar: Will the Minister of Education be pleased to state the amount of money given as grants to the University of Bombay by the University Grants Commission during the years 1955-56, 1956-57 and 1957-58?

The Minister of Education (Dr. K. L. Shrimali):

| | |
|---------|-------------------|
| 1955-56 | Rs. 5,10,000 |
| 1956-57 | Rs. 18,90,493-3-0 |
| 1957-58 | Rs. 3,34,285.32 |

Loans and Grants to Bombay

2695. Shri Pangarkar: Will the Minister of **Finance** be pleased to state the amount of money advanced by the Central Government to the Government of Bombay by way of loans and grants (separately) from 1954 to 1958 so far under different heads?

The Minister of Finance (Shri Morarji Desai): A statement giving the information is placed on the Table of Lok Sabha. [See Appendix VIII, annexure No. 4]

Vigyan Mandirs in Bombay

2696. Shri Pangarkar: Will the Minister of **Scientific Research and Cultural Affairs** be pleased to state the places where Vigyan Mandirs are to be established during 1958-59 in Bombay State?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): One Vigyan Mandir has been sanctioned to be located at Amravati.

Travelling Allowances of Ministers

2697. Shri Panigrahi: Will the Minister of **Home Affairs** be pleased to lay on the Table a statement showing the amount drawn by each of the Union Ministers by way of travelling and other allowances separately during 1957-58?

The Minister of State in the Ministry of Home Affairs (Shri Datar): The information is being collected and will be laid on the Table of the House as soon as possible.

Hirakud Project

2698. Shri Panigrahi: Will the Minister of **Finance** be pleased to state:

(a) the amount of loan and interest due from Orissa on Hirakud Project construction account; and

(b) when the State Government is required to make repayment of loans and interest on Hirakud account?

The Minister of Finance (Shri Morarji Desai): (a) Rs. 70.39 crores at the end of 1957-58.

(b) The principal is repayable after 40 years from the date of drawal of the loan. The interest is paid currently but during the period of construction fresh loans are given to enable the State Government to meet this liability which is added to the capital of the project.

Steamer Service to Laccadive

2700. Shri Nallakoya: Will the Minister of **Home Affairs** be pleased to refer to the reply given to Unstarred Question No. 127 on the 13th November, 1957 and state whether adequate arrangements have since been made for a steamer service between the mainland and the Laccadive, Minicoy and Amindivi Islands?

The Deputy Minister of Home Affairs (Shrimati Alva): A steamer service between the mainland and these islands has been started on February 8 and will continue till the end of April after which it will not be possible to run it on account of the monsoons.

Sanskrit Commission

2701. { Shri S. C. Samanta:
Shri Subodh Hansda:
Shri Bhakt Darsan:
Shri D. C. Sharma:
Shri Supakar:
Shri Vajpayee:
Shri Radhelal Vyas:
Shri Hem Barua:
Shri Assar:
Shri Manakbhai Agarwal:
Shri C. K. Bhattacharya:
Dr. Pashupati Mandal:

Will the Minister of Education be pleased to lay a statement on the Table showing:

(a) the action taken or proposed to be taken on each of the main recommendations contained in the Report of the Sanskrit Commission; and

(b) the total expenditure incurred by Government on the Commission?

The Minister of Education (Dr. K. L. Shrimali): (a) The recommendations are under examination by an Officer, specifically appointed for the purpose. As soon as the examination is completed, suitable proposals will be formulated for consideration by the Cabinet.

(b) Rs. 94850-48 nP. (Being audited).

Forged Currency

2702. **Shri D. C. Sharma:** Will the Minister of Finance be pleased to state:

(a) the number of cases of printing of forged currency notes detected from the 1st December, 1957 to the 31st of March, 1958; and

(b) the action taken against the offenders?

The Minister of Finance (Shri Morarji Desai): (a) and (b). The information is being collected from the various States and Union Territories and will be laid on the Table of the House in due course.

वैज्ञानिक शब्दावली

२७०३. श्री के० न० मालवीय : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) १९५७ में शिक्षा मंत्रालय द्वारा नियुक्त किये गये वैज्ञानिक शब्दावली वाई ने वैज्ञानिक शब्दावली के कार्य कितन-कितन विषयों में तैयार किये हैं ; और

(ख) यदि अभी तक कोई कार्य तैयार नहीं किया गया है तो विवरण प्रारम्भिक कार्य के तैयार करने का काम कब प्रारम्भ होगा ?

श्री मन्त्री (डा० ए० ए० श्रीमाली) :

(क) किया में भी नहीं ।

(ख) इस समय में प्रारम्भिक कार्य पहले ही शुरू हो गया है ।

Scheduled Castes and Scheduled Tribes Scholarships

2704. { Shri Tangamani:
Shri Balakrishnan:
Shri Daljit Singh:
Shri Kunhan:
Shri Arjun Singh Bhaduria:
Shri Siddiah:
Shri Pangarkar:
Shrimati Laxmi Bai:

Will the Minister of Education be pleased to state:

(a) the total number of applicants State-wise for post-matric scholarships from Scheduled Castes and Scheduled Tribes and other Backward Classes for the year 1957-58 under the Government of India Scheme of

Scholarship to the Scheduled Castes, Scheduled Tribes and other Backward Classes and the number granted scholarships State-wise and category-wise; and

(b) whether the same principle is applied for granting of scholarships to students applying from different States?

The Minister of Education (Dr. K. L. Shrimall): (a) A statement giving the information separately for Scheduled Castes, Scheduled Tribes and Other Backward Classes is laid on the Table of the Lok Sabha. [See Appendix VIII, annexure No. 5]

(b) Principles governing the award of scholarships are the same for all the States/Union territories, but the standard for selection of the candidates varies from State to State, depending on the number of applications received and the quota of scholarships available for each State.

Iron Ore Deposits in Koraput

2705. Shri Sanganna: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that deposits of iron ore were discovered in Koraput District (Orissa); and

(b) if so, in which parts of the District?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) Yes, Sir.

(b) Occurrences of iron-ore in Koraput district, Orissa have been recorded in the following localities:—

(i) Hirapur Hills, about 5½ miles S.W. of Umarnkot (ii) Santemra (iii) Garbarai Hill (iv) Madhugulmi (v) Gunnayyapada (vi) Siraguda (vii) Doraguda (viii) Chitra (ix) Daipara (x) Iralagondi (xi) Metteruguda (xii) Singauguda (xiii) Kallmala.

साहित्य प्रकाशनी

२७०६. श्री सातनभाई जयवाले : क्या वैज्ञानिक गवेषणा तथा सांस्कृतिक कार्य मंत्रालय यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि साहित्य प्रकाशनी द्वारा निकाली जाने वाली छमाही पत्रिका केवल अंग्रेजी में प्रकाशित होती है; और

(ख) क्या इस पत्रिका को हिन्दी में भी प्रकाशित करने का कोई विचार है ?

वैज्ञानिक गवेषणा तथा सांस्कृतिक कार्य मंत्रालय (श्री हुमायूँ कबीर) : (क) और (ख). साहित्य प्रकाशनी "इंडियन लिटरेचर" नाम की अंग्रेजी में छमाही पत्रिका निकालती है। इस में ज्यादातर साहित्य विषयक लेख होते हैं, और भारत और विदेश के पाठकों के लिये निकाली जाती है। इस लिये अभी इसे किसी और भाषा में निकालने का विचार नहीं है।

Cultivation of Patchouli

2707. Shri Rameshwar Tanti: Will the Minister of Scientific Research and Cultural Affairs be pleased to state what steps have been taken to popularise the cultivation of 'Patchouli', as a cash crop in the country?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): Results of experiments show that the patchouli plant can be grown successfully in different parts of India. The C.S.I.R. have also been supplying rooted cuttings at the rate of Rs. 5 per hundred and ordinary cuttings at Rs. 2½ per hundred cuttings to the parties interested in its cultivation. Recently the acreage in patchouli cultivation in the scheme was raised.

The C.S.I.R. have also taken steps to publish the results of their investigations in a popular form. A note on the production of patchouli oil giving information on the improved methods of cultivation of patchouli with higher yield of oil has been

published in the journal "Research and Industry" Volume III No. 1 of 1958.

In addition, enquiries from interested parties are dealt with and the necessary advice offered, where needed, by the Essential Oils Research Centre.

Andaman and Nicobar Islands

2709. { Shri E. Narayanasamy:
Sardar Iqbal Singh:

Will the Minister of Home Affairs be pleased to state:

(a) how far the colonization scheme has progressed in the Andaman and Nicobar Islands; and

(b) whether even now settlers are required for the Islands?

The Deputy Minister of Home Affairs (Shrimati Aiva): (a) Upto 1957-58, 11,304 acres of forest land have been cleared in the Andaman Islands and 1,633 agriculturist and 13 artisan families have been settled in this area.

(b) Yes.

Secondary Schools

2709. Shri Elayaperumal: Will the Minister of Education be pleased to state the amount allocated by the Government of India for the purpose of construction of buildings of privately managed secondary schools and buildings for libraries and laboratories attached to such secondary schools during 1956-57 (statewise)?

The Minister of Education (Dr. K. L. Shrimall): A statement is laid on the Table of Lok Sabha. [See Appendix VIII, annexure No. 6].

Messrs Tin Plate Dealers' Association Delhi

2710. Shri Panigrahi: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether any amount was due to Government from Messrs Tin Plate

Dealers' Association, Delhi during the period 1954 to 1957;

(b) if so, what is the amount due;

(c) whether steps have been taken to recover the dues from the Association; and

(d) what quantity of Iron and Steel under the T.C.A. Programme was received by this firm during the same period?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) and (b). The Tinplate Dealers' Association Ltd., Delhi, were Controlled Stockists for T.C.A. steel at Delhi. Until September, 1957 T.C.A. steel was being released to Controlled Stockists on credit basis. Payments were being made by the Stockists as sales took place. The Tinplate Dealers' Association were crediting amounts after the sale of the steel. It was, however, found in May, 1956, that they were in arrears to the extent of Rs. 76,000 on steel sold by them.

(c) Yes, Sir. The amount due from the firm now is about Rs. 31,000.

(d) 1,525 tons.

राज्यों की ऋण

2711. { श्री बी० प्र० सिंह :
श्री पद्म देव :
श्री पाणिग्रही :

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) प्रत्येक राज्य पर भारत सरकार का कितना ऋण है; और

(ख) इसकी प्रदायगी कब तक कर दी जायेगी ?

वित्त मंत्री (श्री मोरारजी देसाई):

(क) एक विवरण लोकसभा पटल पर रख दिया गया है। [देखिये परिशिष्ट ८, अनुसूच्य संख्या ७]

(ख) हर एक ऋण की प्रदायगी के लिए जो भलग भलग शर्तें मंजूर की

गयी है उन्हीं के साथ-साथ ऋण की प्रवधि भी प्रलग-प्रलग है।

Staff Councils

2712. Shri N. R. Munisamy: Will the Minister of Home Affairs be pleased to state:

(a) the purpose and the object of establishing Staff Councils in the attached offices as distinct from the Staff Councils in the main Ministries; and

(b) what are their functions?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) Staff Councils have been constituted in Attached Offices with the same object and purpose for which such Councils have been formed in the main Ministries.

(b) The main functions are:—

(i) to consider suggestions for improving the standard of work;

(ii) to provide to the members of the staff a machinery for making their points of view known to Government on matters affecting their conditions of service;

(iii) to provide means of personal contacts between officers and staff with a view to developing cordial relations between them and encouraging them to take keener interest in their work.

Settlement of Ex-servicemen

2713. Shri Bahadur Singh: Will the Minister of Defence be pleased to state:

(a) whether it is a fact that a scheme to settle ex-soldiers from the States of U.P. and Punjab in Bijnor District of U.P., was evolved by the Defence Ministry;

(b) whether any proportionate percentage was fixed for settling these ex-soldiers from Punjab and U.P.;

(c) if so, the details thereof;

(d) the steps taken to implement the scheme;

(e) the total number of ex-soldiers from each State (separately) rehabilitated yearly since the scheme was started; and

(f) the total number of applications of the ex-soldiers from Punjab still pending?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir. The Ministry of Defence and the State Government of U.P. are conjointly developing a land colony at Afzalgarh to settle 1,000 ex-soldiers.

(b) and (c). Yes, Sir. At the instance of the Government of India, the State Government of U.P. agreed to settle ex-soldiers from the Punjab and Uttar Pradesh in the ratio of 40:60.

(d) Selections of ex-soldiers from the two States are being made more or less in accordance with the agreed proportion.

(e) 616 ex-servicemen from the Punjab and the Uttar Pradesh have so far been settled in the Colony as under:—

| Year | Punjab | U.P. | Total |
|-------|--------|------|-------|
| 1953 | 46 | 18 | 64 |
| 1954 | 72 | 67 | 139 |
| 1955 | 106 | 184 | 290 |
| 1956 | 24 | 39 | 63 |
| 1957 | 1 | 59 | 60 |
| TOTAL | 249 | 367 | 616 |

(f) 1,302 applications of ex-soldiers from the Punjab are still pending. Selections from these will be made during 1958 and 1959.

Corruption Complaints

2714. Shri Arjun Singh Bhaduria: Will the Minister of Home Affairs be pleased to state:

(a) the number of complaints received by letter and telegram by the

Ministry of Home Affairs since September 1955 against officers or staff of the Ministry or their subordinate offices;

(b) how many of them were enquired into and found genuine; and

(c) how many of these complaints were against:—

(i) Special Police Establishment; and

(ii) Delhi Police?

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

(a) to (c). The Number of Complaints received by the Ministry of Home-Affairs against Officers and Staff of the Ministry or their Sub-Officers is as follows:

- | | |
|--|------|
| (1) Number of complaints received in the Ministry of Home Affairs since September 1955 against officers or staff of the Ministry or their subordinate offices (excluding Union Territories). | 43 |
| (2) Number of complaints mentioned at (1) above enquired into | 36 |
| (3) Number of complaints inquired into found genuine. | 16 |
| (4) Out of the number mentioned at (1) above, number against Special Police Establishment. | 17 |
| (5) Number of complaints received in the Ministry of Home Affairs against Delhi Police. | 158* |

Rehabilitation Finance Administration

2715. Shri Arjun Singh Bhadauria: Will the Minister of Finance be pleased to state:

(a) the number of cases which were referred to the Collectors for the re-

covery of rehabilitation loans by Rehabilitation Finance Administration;

(b) the number of cases in which recoveries were successfully made by the Collectors and the total amount thereof;

(c) the number of cases where no recoveries were made and the reasons for such failure;

(d) the number of cases in which rules concerning loans were not observed by loanees;

(e) whether any coercive methods were used for recovery of loans;

(f) if so, the nature thereof; and

(g) the number of cases in which such methods were used?

The Minister of Finance (Shri Morarji Desai): (a) 4389 till 28th February, 1958.

(b) There is no case of recovery of full amount by the Collector. After reference to the Collector, the defaulters generally approach the Rehabilitation Finance Administration for repayment of dues by periodical instalments. The number of cases in which the recovery proceedings have been stayed as a result of such arrangements agreed upon, is 1488.

(c) 2901. The reasons for the failure of the Collectors to make recoveries generally are as under:

(i) the process cannot be easily served on the defaulters;

(ii) defaulters have no ostensible assets;

(iii) objections are raised by defaulters;

(iv) defaulters are found to have shifted from the jurisdiction of a

*These complaints were against Class II to IV employees of Delhi Police and were forwarded to the Delhi Administration for disposal as the Chief Commissioner is the Disciplinary Authority in respect of Class II employees and the Head of Office in respect of Class III and IV employees. The Ministry of Home Affairs are concerned at the appeal stage in respect of Class II employees and the memorial stage in respect of Class III and IV employees.

particular Collector and fresh case has to be started.

(d) The loan is governed by the loan agreement. The number of cases in which the loanees did not observe the terms and conditions of the loan agreement is 5052. This figure does not however include minor breaches such as change of place of business.

(e) to (g). Yes. The information regarding any coercive methods used by the Collectors is not readily available.

Smuggling

2716. **Shri Daljit Singh:** Will the Minister of Finance be pleased to state the number of Indian and Pakistani smugglers killed through encounter with police on the eastern border of India during 1957?

The Minister of Finance (**Shri Morarji Desai**): As far as Government are aware, only one smuggler was killed in an encounter with police on the eastern border of India during 1957.

Report on Petroleum Trade

2717. { **Shri Narayanankutty Menon:**
 Shri Warrior:

Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that the Planning Commission had prepared a report on the Petroleum Trade;

(b) if so, the recommendations made therein; and

(c) the action Government have taken on these recommendations?

The Minister of Mines and Oil (**Shri K. D. Malaviya**): (a) Yes, Sir. The then Advisor on Oil Affairs in the Planning Commission submitted a report dealing with different aspects of the oil industry.

(b) and (c). The report has been classified as a top secret document and

it will, therefore, not be advisable in the public interest to disclose the recommendations contained therein or the action taken thereon by Government.

Identity Cards

2718. **Shri D. C. Sharma:** Will the Minister of Home Affairs be pleased to lay on the Table a statement showing;

(a) the number of Government servants per year for whom permanent identity cards for entry into the Central Secretariat buildings have been prepared during the last five years;

(b) whether it is a fact that photographic work of the various Ministries for preparation of identity cards has been entrusted to private local photographers; and

(c) if so, the reasons therefor?

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

| (a) Year | No. of identity cards issued |
|----------|------------------------------|
| 1953 | 4707 |
| 1954 | 630 |
| 1955 | 6435 |
| 1956 | 12,171 |
| 1957 | 12,931 |

(b) Yes, after inviting quotations.

(c) The existing arrangement is more economical and convenient than the appointment of a whole time Government photographer.

Welfare Officers

2719. **Shri D. C. Sharma:** Will the Minister of Home Affairs be pleased to lay a statement on the Table showing:

(a) the duties assigned to Welfare Officers in the Ministries and Departments;

(b) whether these officers are appointed on whole-time basis or some of the existing officers have been entrusted with the work in addition to their normal work;

(c) what is the number of officers appointed and additional expenditure, if any, involved;

(d) the source from which these officers have been appointed; and

(e) the qualifications and nature of experience of the officers who have been appointed?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) to (e). A statement is laid on the Table of the Lok Sabha. [See Appendix VIII, Annexure No. 8].

Smuggling

2720. { Shri Raghunath Singh:
Shri N. R. Munisamy:

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that Indian currency worth Rs. 30,000 was seized from a Syrian national at Safdarjang airport while he was leaving for Karachi on the 23rd March, 1958; and

(b) what action has been taken in the matter?

The Minister of Finance (Shri Morarji Desai): (a) Yes, Sir.

(b) The case has been adjudicated departmentally under the Customs law; the currency has been confiscated and a personal penalty of Rs. 50,000 imposed. The offender has also been arrested with a view to his prosecution in a court of law.

Employees Charge-sheeted in Ministry of Home Affairs

2721. Shri Daljit Singh: Will the Minister of Home Affairs be pleased to state the number of employees in the Home Ministry charge-sheeted and removed from the service under Service Conduct Rules, in 1957?

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

Pension to Ex-State Forces of Punjab

2722. Shri Daljit Singh: Will the Minister of Defence be pleased to state whether pension has been granted to all the employees of erstwhile State Forces of Punjab who were released as a result of integration of these forces with the Indian Army?

The Minister of Defence (Shri Krishna Menon): In all 6297 personnel of the erstwhile State Forces of the Punjab were released from service as a result of integration. Except in a very few cases, their claims to pension/gratuity have been settled.

Lok Sahayak Sena Camps in Punjab

2723. Shri Daljit Singh: Will the Minister of Defence be pleased to state:

(a) the location and number of camps established under section 4 of the Lok Sahayak Sena Act, 1956 in Punjab; and

(b) the number of volunteers enrolled in different district camps of Punjab?

The Minister of Defence (Shri Krishna Menon): (a) and (b). A statement is laid on the table of the Lok Sabha. [See Appendix VIII, annexure No. 9].

Welfare Extension Projects in Punjab

2724. Shri Daljit Singh: Will the Minister of Education be pleased to state the number of Welfare Extension Projects allocated to Punjab by the Central Social Welfare Board for 1957-58?

The Minister of Education (Dr. K. L. Shrimall): One.

Himachal Pradesh Administration

2725. Shri Daljit Singh: Will the Minister of Home Affairs be pleased to state:

(a) the number of retired class I and class II officers in the Himachal

Pradesh Secretariat whose terms of appointment have been extended beyond one year; and

(b) the reason for the extension?

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

(b) Does not arise.

Ferro-manganese Plant in Orissa

2726. { Shri Sanganna:
Shri Panigrahi:

Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether any licences for the setting up of ferro-manganese plants in Orissa other than the one at Kasipur have been granted;

(b) if so, the installed capacity of each of the plants;

(c) whether they have been commissioned;

(d) the names of the individual or firm to whom licences have been granted; and

(e) The number of persons or firms from whom applications were received in this connection?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) Three licences for the setting up of ferro-manganese plants in Orissa have been granted. No licence has been granted for locating a plant at Kasipur.

(b) to (d).

| Name of firm | Installed capacity Tons per annum | Whether Commissioned |
|-----------------------------------|-----------------------------------|----------------------|
| Jeypore Sugar Company Limited | 12,000 | Not yet. |
| Joda Ferro-Alloys Private Limited | 30,000 | Yes. |
| Kalinga Industries (P) Limited | 7,500 | Not yet. |

(e) Three.

लेखकों तथा कलाकारों की सहायता

२७२७. श्री भक्त वर्मान : क्या वैज्ञानिक गवेषणा तथा सांस्कृतिक कार्य मंत्री एक ऐसा विवरण सभा पटल पर रखने की कृपा करेंगे कि जिस में निम्नलिखित जानकारी दी गयी हो :

(क) १९५७-५८ में कितने प्रमुख लेखकों तथा कलाकारों को दरिद्रावस्था में विनियम सहायता दी गयी और उन को कितनी धन राशि दी गयी ;

(ख) जिन लेखकों तथा कलाकारों को यह सहायता दी गई उन में से हिन्दी तथा अन्य भारतीय भाषाओं के लेखक और कलाकार अलग-अलग कितने थे; और

(ग) सहायता देने समय किन मिष्ठानतों का पालन किया गया ?

वैज्ञानिक गवेषणा तथा सांस्कृतिक-कार्य मंत्री (श्री हुमायूँ कबीर) : (क) १९५७-५८ में ऐसे ११२ प्रसिद्ध लेखकों और कलाकारों को जिनको आर्थिक हालत खराब थी, १,११,८४५/- रुपये की सहायता दी गई।

(ख) कार्यक्षेत्र सहायता पाने वालों की

| | संख्या |
|---------|--------|
| हिन्दी | ९ |
| संस्कृत | ७ |
| उड़िया | ३ |
| आसामी | ५ |
| तामिल | १ |
| बंगला | १५ |
| उर्दू | ३० |
| मलयालम | ८ |
| तेलुगु | ६ |
| पंजाबी | २ |
| गुजराती | २ |
| मराठी | १ |
| कश्मीरी | १ |
| कन्नड़ | ३ |

कलाकार (जिन में चित्रकार, संगीतकार, नृत्यकार और अभिनेता शामिल हैं) १५

१६०

(ग) इस तरह की भद्रायता साहित्यकार, कलाकार की आर्थिक शक्ति और प्रतिष्ठा के आधार पर दी जानी है।

द्वितीय सामान्य निर्वाचनों पर व्यय

२७२८. श्री भक्त दर्शन : क्या बिधि मंत्री १८ नवम्बर, १९५७ के अनारक्षित प्रश्न संख्या ३०६ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या द्वितीय सामान्य निर्वाचनों पर हुए व्यय के आकड़े इस बीच एकत्र कर लिये गये हैं; और

(ख) यदि हा. तो क्या उस का एक विस्तृत विवरण सभा-पटल पर रखा जायेगा ?

बिधि मंत्री (श्री अ० कु० सेन) : (क) जी नहीं, निर्वाचन आयोग कुछ राज्य सरकारों से अभी तक सूचना मिलने की प्रतीक्षा में है।

(ख) यह सवाल पैदा नहीं होता।

Conference of Criminal Investigation Department Officers

2729. Shri Hem Barua: Will the Minister of Home Affairs be pleased to state:

(a) the nature of recommendations and findings of the conference of Criminal Investigation Department Officers held recently on operations of Inter-States kidnapping gangs; and

(b) the steps so far taken to implement the recommendations?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) and (b). The recommendations of the Conference of

Deputy Inspectors General of Police, Criminal Investigation Department are of a confidential nature. They are being duly examined.

State Bank of India

2730. Shri Siddiah: Will the Minister of Finance be pleased to state the number of branches, pay and sub offices of the State Bank of India that have been opened in Mysore State upto 31st March, 1958?

The Minister of Finance (Shri Morarji Desai): Since its inception on 1-7-1955, the State Bank of India has opened 5 branches and 4 pay or sub offices in Mysore State upto 31st March, 1958.

हिमाचल प्रदेश में पुस्तकालय

२७३१. श्री पद्म देव : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) द्वितीय पंचवर्षीय योजना के अन्तर्गत हिमाचल प्रदेश में जिला और क्षेत्रीय पुस्तकालय स्थापित करने में अब तक क्या प्रगति हुई है; और

(ख) यह योजना कब तक पूरी तरह कार्यान्वित की जायेगी ?

शिक्षा मंत्री (डा० का० ला० श्रीमाली)

(क) दूसरी पंचवर्षीय आयोजना के अधीन हिमाचल प्रदेश राज्य में एक केन्द्रीय पुस्तकालय और पांच जिला गणनी पुस्तकालय खोलने का प्रस्ताव था। इस का प्रारम्भिक काम अब पूरा हो गया है।

(ख) ये संस्थाएँ जल्दी ही काम शुरू कर देंगी, और इस तरह यह योजना पूरी हो जायेगी।

Re-Rolling Mills in Bihar

2732. Shri P. G. Sen: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) the number of re-rolling Mills in Bihar;

(b) whether there is any proposal to increase their number according

to the recommendations of the Committee on Electric Furnaces, Steel Foundries and Steel re-rolling mills; and

(c) if so, how far it has been implemented?

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

(b) and (c). The applications received from various parties for setting up re-rolling mills in Bihar are still under consideration.

हिमाचल प्रदेश में स्लेट की खानें

२७३३. श्री पद्म देव : क्या इस्पात, खान और ईंधन मंत्री यह बताने की कृपा करेंगे कि :

(क) हिमाचल प्रदेश में १९५७-५८ में कितनी स्लेट की खानें चालू थीं; और

(ख) इन खानों से सरकार को उक्त वर्ष में कितना प्राय हुई ?

खान और लेल मंत्री (श्री के. डे. मलवीया) : (क) १८२ खानें ।

(ख) १,०६,७४४ रुपये ।

Gwalior Fort

2734. Shri Daljit Singh: Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether it is a fact that the fort of Gwalior is in a dilapidated condition; and

(b) if so, what steps Government propose to take in this regard?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) and (b). As the Gwalior Fort is not protected, it is not maintained by the Union Department of Archaeology, but the monuments inside the Fort which have been declared to be of national importance are

suitably maintained by the Department, Annual Repairs and Special Repairs to all these monuments are being carried out regularly.

Foundries in Punjab

2735. Shri Daljit Singh: Will the Minister of Steel, Mines and Fuel be pleased to lay a statement showing:

(a) the total number of foundries in Punjab State list;

(b) the total requirements of hard coke of these foundries per month;

(c) the total monthly allotment of hard coke to Punjab State in the year 1957 for distribution to these foundries; and

(d) whether the Government of Punjab have requested for increase of the hard coke quota?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) 213.

(b) Approximately 136 wagons.

(c) The allocations were to the extent of the above requirements, but actual despatches were approximately 90 wagons per month on an average.

(d) No such request has been received.

Accidents at Jawalamukhi

2736. Shri Daljit Singh: Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) the number of accidents that took place during Jawalamukhi Oil drilling operations from the time the operations began to the 1st April, 1958;

(b) whether any amount has been paid to the victims as compensation; and

(c) if so, the total amount paid?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) No accident involving loss of life or property has

taken place during the Jawalamukhi Oil Drilling operations so far.

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

University Grants Commission

2737. Shri Vasudevan Nair: Will the Minister of Education be pleased to state the grant distributed by the University Grants Commission to the various Universities in 1957-58 towards increasing the salary of University teachers?

The Minister of Education (Dr. K. L. Shrimall): A statement giving the requisite information is placed on the Table of Lok Sabha. [See Appendix VIII, Annexure No. 10].

Delhi Reforms Act

2738. Shri Ramji Verma: Will the Minister of Home Affairs be pleased to state:

(a) the number of cases filed in the courts of Delhi involving disputes under the Delhi Land Reforms Act, 1954; and

(b) the number of cases still pending?

The Minister of State in the Ministry of Home Affairs (Shri Datar): (a) 9582.

(b) 1671.

Landless Scheduled Castes and Tribes

2739. Shri Kumbhar: Will the Minister of Home Affairs be pleased to refer to the reply given to Unstarred Question No. 1336 on the 17th March, 1958 and state:

(a) the number of applications received from the landless families of Scheduled Castes and Tribes in the Union Territories for allotment of cultivable land and grant of financial help during the First and Second Five Year Plan periods so far;

(b) the number of applications disposed off so far; and

(c) the number of applications under consideration?

The Deputy Minister of Home Affairs (Shrimati Alva): (a) to (c). The required information has not yet been received from the Union Territories and will be laid on the Table of the House as soon as available.

मध्य प्रदेश में शिक्षा का विकास

२७४० श्री रा० च० शर्मा :

क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) मध्य प्रदेश राज्य को १९५६-५७ में वहाँ की विभिन्न शिक्षा के विकास तथा सहायक योजनाओं के लिये अलग अलग कितने अनुदान मंजूर किये गये;

(ख) क्या ये सब अनुदान १९५६-५७ की समाप्ति में पूर्व मध्य प्रदेश को दे दिये गये थे; और

(ग) क्या राज्य सरकार ने इस राशि का समय पर प्रयोग कर लिया था या नहीं ?

शिक्षा मंत्री (डा० का० का० श्रीमाजी) :

(क) विभिन्न शिक्षा सम्बन्धी विकास योजनाओं के लिये मंजूर किये गये अनुदानों की राशि ३८.२८ लाख रुपये है।

(ख) पूरी सूचना उपलब्ध नहीं है। फिर भी यह कहा जा सकता है कि आवश्यक मंजूरी समय पर भेज दी गई थी।

(ग) मंजूर की गई राशि में से २१.२० लाख रुपये ही खर्च किये गये थे।

Smuggling on Indo-Tibet Border

2741. Shri Rameshwar Tanti: Will the Minister of Finance be pleased to state whether any special steps have been taken by Government to check smuggling on the Indo-Tibet border?

The Minister of Finance (Shri Morarji Desai): There is only a limited land customs regime in operation

against Tibet. Except for a few specified commodities trade between the two countries are not subject to quantitative controls or customs duties. Of these, as far as the Government of India are aware, the main item which is sought to be smuggled is Chinese Silver dollars, and to deal with it the following steps have been taken:—

(i) the imports of these dollars are being licensed by the Reserve Bank of India;

(ii) issue of licences are being co-ordinated with the Customs authorities to enable closer checks at the border;

(iii) the import duty has been enhanced; and

(iv) certain administrative arrangements such as re-inforcing the Preventive and Customs staff at Kalimpong, Rongpo and Pedong and on the Kalimpong-Siliguri road have also been made.

Sangeet Natak Akadami Dance Seminar

2742. **Shri B. C. Mullick:** Will the Minister of Scientific Research and Cultural Affairs be pleased to state:

(a) whether any recommendations were made in Sangeet-Natak-Akadami Dance Seminar held recently in New Delhi; and

(b) if so, whether a copy thereof will be laid on the Table?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): (a) and (b). Yes, Sir. Minutes, when received, will be laid on the Table of the House.

Deaf and Dumb

2743. **Shri Pahadia:** Will the Minister of Education be pleased to state:

(a) the steps taken by the central Government to ameliorate the conditions of the deaf and dumb in the country;

(b) whether it is also a fact that some instructions in this regard have

been sent to the State Governments; and

(c) if so, the nature thereof?

The Minister of Education (Dr. K. L. Shrimall): (a) A statement giving the requisite information is placed on the Table of Lok Sabha. [See Appendix VIII, Annexure No. 11]

(b) No, Sir.

(c) Does not arise.

Deaf and Dumb Institutions

2744. { **Shri Pahadia:**
 Shri Daljit Singh:

Will the Minister of Education be pleased to state:

(a) the amount of grants given by the Central Government to various institutions for the deaf and dumb during the year 1957-58; and

(b) the number of institutions so benefited, with their location?

The Minister of Education (Dr. K. L. Shrimall): (a) Rs. 30,150.00 n.P.

(b) The following six institutions were given grants during 1957-58:

(1) All India Federation of the Deaf, Delhi.

(2) The Deaf and Dumb Association, Delhi.

(3) School for the Deaf, Lucknow.

(4) B.D.S. Deaf and Dumb School, Gauhati.

(5) Schools for the Blind, Deaf and Dumb, Kanpur.

(6) Mook Badhir Vidyalaya, Gorakhpur, (U.P.).

Social Welfare Grants

2745. **Shri Panigrahi:** Will the Minister of Education be pleased to lay a statement on the Table showing the names of the public institutions and organisations in Orissa which

have been given grants by the Central Social Welfare Board during the years 1956-57 and 1957-58 and the amount of grants given to each of them?

The Minister of Education (Dr. K. L. Shrimall): A Statement giving the requisite information is placed on the Table of Lok Sabha. [See Appendix VIII, Annexure No. 12].

Technical Education

2746. Shri Hem Raj: Will the Minister of Scientific Research and Cultural Affairs be pleased to state the amounts sanctioned or proposed to be sanctioned to the different States for technical education for the year 1958-59?

The Minister of Scientific Research and Cultural Affairs (Shri Humayun Kabir): No grant has yet been sanctioned in the current financial year. On the basis of discussions held in December 1957-January 1958 by the Central Government, State Governments and Planning Commission regarding Plan Budget for 1958-59 Technical Education Schemes of State Governments, the share of the Central Government for each State has been estimated as follows. The exact amount to be sanctioned will however be decided after full information has been received regarding the budget provision made by the State Governments for each scheme and the progress of expenditure.

| State | Estimate share of the Central Government for Technical Education Schemes for 1958-59 |
|-------------------|--|
| | Rs. (lakh) |
| 1. Andhra Pradesh | 16.57 |
| 2. Assam | 21.03 |
| 3. Bihar | 55.21 |
| 4. Bombay | 60.52 |

| | |
|--------------------|--------------------------------------|
| 5. Jammu & Kashmir | 3.30 |
| 6. Kerala | 41.39 |
| 7. Madhya Pradesh | 34.75 |
| 8. Madras | The estimates are being worked out. |
| 9. Mysore | 22.80 |
| 10. Orissa | The estimates are being worked out. |
| 11. Punjab | 26.46 |
| 12. Rajasthan | 24.50 |
| 13. Uttar Pradesh | 26.95 |
| 14. West Bengal | 83.64 |
| TOTAL | 417.12 (Excluding Madras and Orissa) |

National Cadet Corps in West Bengal

**2747. { Shri Ghosal:
Shri M. V. Krishna Rao:**

Will the Minister of Defence be pleased to state:

(a) the total strength of National Cadet Corps in West Bengal; and

(b) the number of divisions functioning there?

The Minister of Defence (Shri Krishna Menon): (a) The strength of the NCC in West Bengal on 31-3-58 was 20,004 cadets consisting of 7,278 cadets of Senior Division, 11,286 of Junior Division and 1,440 of Girls Division.

(b) A statement showing the number of NCC units by types is laid on the table of the Lok Sabha. [See Appendix VIII, Annexure No. 13].

12 hrs.

MOTION FOR ADJOURNMENT

ACCIDENT TO SCHOOL BUS IN NEW DELHI

Mr. Speaker: I have received three notices of adjournment motion. One is by Shri Vajpayee regarding "the serious accident which occurred on

[Mr. Speaker]

April 23, at the crossing of Lodi Road and Lodi Estate Road Number 2 (where, significantly, there is no traffic island), in which a truck dashed against a school bus resulting in the death of two children and injuries to 31 others". The second is by Shri Tangamani and Shri S. M. Banerjee, relating to the "serious bus accident in Delhi on 23rd April 1958 resulting in death of two school children and serious injuries to many". The third one is by Shri Braj Raj Singh on the same subject.

I am not reading these out for the purpose of saying the Government are responsible for any particular act, but inasmuch as a number of children go to school, these accidents ought to be averted. I would like to have, if possible, any more information than what appears in the Press, from the Home Minister.

Shri S. M. Banerjee (Kanpur): The number of deaths, as indicated in the Press, is 2. But I have some information here to the effect that the total number of deaths is about 6. I would like to know from the hon. Minister whether this is correct. The second thing I want to know is, what steps are being taken to avert such accidents. I have seen the place, not today, but before. There is no police guidance there, and the truck drivers and bus drivers, when they go on those roads which are not congested, drive so fast there is absolutely no limit to their speed. I humbly submit that when we travel in many places, we are risking our lives, though we are not insured. This is how taxi drivers and other drivers drive in the city. This is a very serious matter.

Shri Vajpayee (Balrampur): A few days back, there was a motor cycle-rikshaw collision there. There is no traffic island as such at that place. That is the reason for accidents.

Shrimati Sucheta Kripalani (New Delhi): A similar accident took place in November when another school bus met with an accident in that manner

and a child died. When I asked for explanation, I was given an absolutely cock and bull story. So I would like to know what steps are being taken to protect the lives of children. First of all, there are truck drivers who are very rash. Then some of the private-aided school buses are not in proper condition. They are overloaded also. Due to overloading and bad machine, bus accidents do take place. Some steps should be taken to prevent the occurrence of such accidents.

Shri Tangamani (Madurai): My purpose in giving notice of this motion was not to say that Government were actually responsible, but to know what has happened. I have got a picture of the two vehicles which collided.

Mr. Speaker: Every one of us has seen it.

Shri Tangamani: The point I want to make out is this. The door of the bus which carried the children is missing. As another hon. Member has pointed out, the buses are also rickety. So we must make it a point to see that these schools do not run buses which are rickety.

Another point, which was also made by Shri S. M. Banerjee, is that not only in that particular area but in other places also, the trucks are run at an enormous speed. There must be restriction on speed particularly for these trucks. If the normal speed is 30 miles for other buses or vehicles, the speed of these trucks should be reduced to 10 or 15 miles, because this is a very serious matter.

The Minister of Home Affairs (Pandit G. B. Pant): I was deeply grieved to hear of this accident. It is a matter of great sorrow to all of us that such a collision should have taken place. The fact that it was a school bus taking children from the school to their homes makes the grief all the more poignant. I fully share the sentiments to which expression has been given by other hon. Members.

I may just submit that this accident took place at the crossing of the Lodi Road and Lodi Estate Road. It is not a place where traffic is supposed to be very heavy. In fact, here in Delhi, particular care has been taken to see that vehicles do not run too fast.

Shri Naushir Bharucha (East Khadesh): No, no. Traffic is chaotic here.

Pandit G. B. Pant: I am prepared to accept that there is room for improvement. But during the year, 3543 drivers were prosecuted for over-speeding.

Shri Naushir Bharucha: That proves our case.

Pandit G. B. Pant: This is not a negligible number. This gives an average of nearly 10 persons being prosecuted every day.

Shri Naushir Bharucha: Prosecute 20.

Pandit G. B. Pant: Shri Naushir Bharucha may not be knowing that the proportion of fatal accidents in Delhi is much less than in Bombay.

Shri Naushir Bharucha: He does not know the number of vehicles in Bombay compared to Delhi is far greater.

Pandit G. B. Pant: I am not saying this by way of any defence, but I do think that care is being taken. I do accept that there is need for still greater care being taken, and if after investigation of this case, it is found that special police traffic arrangements should be made at that spot too, they will be made. We are all agreed on this that such accidents should be avoided. They are very painful. Any child who loses his life is just like the child of everyone of us.

Shri Panigrahi (Puri): What is the number of deaths—2 or 6?

Pandit G. B. Pant: Only two children died. The rest were taken to hospital. The police reached the spot almost immediately and extricated the children and carried them to the hospital. Hon. Members will, I think, be relieved to hear that all others who

were taken to the hospital are reported to be out of danger. From the latest information I have received from the hospital, there is no danger of life so far as the others are concerned.

I am sorry for this. The Government are not responsible, but indirectly, we want the Administration to be such as not to admit of any such accidents or anything else that results in loss of life or injury to any person or to anyone's property.

Shri A. C. Guha (Barasat): It was stated that some of the buses were not in good condition. While examining the case, will the hon. Minister also see that the school buses are in proper condition? Some steps may be taken in that direction.

Pandit G. B. Pant: I will ask the police to look into that.

Mr. Speaker: Renewal of licence depends upon the condition of the vehicles.

Shri S. M. Banerjee: Some of the students of private schools want to travel in DTS buses, but there is no concession for these students in these buses except....

Mr. Speaker: We are going away from one subject to another.

I am sure the House will express its deep sorrow at the loss of these children. They are the future of our nation. I hope and trust that steps will be taken to see that the buses are in good condition, and that they are not driven rashly. The other day my child came back from the school and told me that the bus driver did not stop the bus while a child was getting in, with the result that the child was crushed under the bus. Therefore, there was a holiday declared and she returned home.

It is unfortunate that some of the bus drivers are reckless. Truck drivers also meet with accidents. Therefore, very possible precautions ought to be taken in this regard.

[Mr. Speaker]

In view of the statement made by the hon. Minister, it is not necessary to pursue this matter. Therefore, consent is not given to the motions.

PAPERS LAID ON THE TABLE

NOTIFICATION re: AMENDMENTS TO MINERAL CONCESSION RULES

The Minister of Mines and Oil (Shri K. D. Malaviya): I beg to lay on the Table, under Section 10 of the Mines and Minerals (Regulation and Development) Act, 1948, a copy of each of the following Notifications, making certain further amendments to the Mineral Concession Rules, 1949:—

- (1) G.S.R. No. 189, dated the 29th March, 1958.
- (2) G.S.R. No. 196, dated the 27th March, 1958. [Placed in Library. See No. LT-667/58.]

Declarations of Exemption under Registration of Foreigners Act

The Minister of Home Affairs (Pandit G. B. Pant): I beg to lay on the Table, under the proviso to Section 6 of the Registration of Foreigners Act, 1939, a copy of each of the following Declarations of Exemption:—

- (1) No. 1/76/57-F. I., (1 Declaration) dated the 30th December, 1957.
- (2) No. 1/1/58-F. I., (1 Declaration) dated the 3rd January, 1958.
- (3) No. 1/5/58-F. I., (1 Declaration) dated the 21st January, 1958.
- (4) No. 1/6/58-F. I., (1 Declaration) dated the 22nd January, 1958.
- (5) No. 1/8/58-F. I., (1 Declaration) dated the 25th January, 1958.
- (6) No. 1/7/58-F. I., (3 Declarations) dated the 31st January, 1958.
- (7) No. 1/7/58-F. I., (1 Declaration) dated the 1st February, 1958.

- (8) No. 1/12/58-F. I., (4 Declarations) dated the 6th February, 1958.
- (9) No. 1/14/58-F. I., (1 Declaration) dated the 11th February, 1958.
- (10) No. 1/16/58-F. I., (1 Declaration) dated the 28th February, 1958.
- (11) No. 1/17/58-F. I., (1 Declaration) dated the 3rd March, 1958.
- (12) No. 1/18/58-F. I., (1 Declaration) dated the 4th March, 1958.

[Placed in Library. See No. LT-668/58.]

AMENDMENTS TO MEDICINAL AND TOILET PREPARATIONS (EXCISE DUTIES) RULES

The Minister of Finance (Shri Morarji Desai): Sir, I beg to lay on the Table under sub-section (4) of section 19 of the Medicinal and Toilet Preparations (Excise Duties) Act, 1955, a copy of Notification No. G.S.R. 210, dated the 5th April, 1958, making certain further amendments to the Medicinal and Toilet Preparations (Excise Duties) Rules, 1956. [Placed in Library. See No. LT-669/58.]

MESSAGE FROM RAJYA SABHA

Secretary: Sir, I have to report the following message received from the Secretary of Rajya Sabha:—

"I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 22nd April, 1958, has passed the following motion extending the time for presentation of the Report of the Joint Committee of the Houses on the Public Premises (Eviction of Unauthorised Occupants) Bill, 1958:—

MOTION

"That the time appointed for the presentation of the Report of the Joint Committee of the Houses on the Bill to provide for the eviction

of unauthorised occupants from public premises and for certain incidental matters be extended up to Friday, the 2nd May 1958."

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

TWENTY-FIRST REPORT

Sardar Hukam Singh (Bhatinda): Sir, I beg to present the Twenty-first Report of the Committee on Private Members' Bills and Resolutions.

ESTIMATES COMMITTEE

THIRTEENTH REPORT

Shrimati Sucheta Kripalani (New Delhi): Sir, on behalf of the Chairman of the Estimates Committee, I beg to present the Thirteenth Report of the Estimates Committee on action taken by Government on the recommendations contained in the Twenty-seventh Report of the Estimates Committee (First Lok Sabha) relating to the Hindustan Antibiotics (Private) Ltd., and the Hindustan Insecticides (Private) Ltd.

PUBLIC ACCOUNTS COMMITTEE

FIFTH REPORT

Shri T. N. Singh (Chandauli): Sir, I beg to present the Fifth Report of the Public Accounts Committee on the Accounts of the Delhi Road Transport Authority for the year 1954-55 and Audit Report thereon.

GIFT-TAX BILL—contd.

Mr. Speaker: The House will now resume further discussion on the following motion moved by **Shri Morarji Desai** on the 23rd April, 1958, namely:

"That the Gift-tax Bill, 1958, be referred to a Select Committee consisting of **Shri Asoke K. Sen**, **Shri C. D. Pande**, **Shri Tribhuvan Narayan Singh**, **Shri Mahavir Tyagi**, **Shri S. Ahmad Mehdi**, **Shrimati**

Uma Nehru, **Shri Shivram Rango Rane**, **Sardar Iqbal Singh**, **Dr. Y. S. Parmar**, **Shrimati Renuka Ray**, **Shri Liladhar Kotoki**, **Shri Jaganatha Rao**, **Shri Narendrabhai Nathwani**, **Shri Radheshyam Ramkumar Morarka**, **Shri Harish Chandra Mathur**, **Shri Radhey Lal Vyas**, **Shri Vidya Charan Shukla**, **Shri C. R. Pattabhi Raman**, **Shri N. G. Ranga**, **Shri M. Shankaraiya**, **Shri Satyendra Narayan Sinha**, **Shri George Thomas Kottukapally**, **Shri A. M. Tariq**, **Shri Kamalnayan Jannalal Bajaj**, **Shri B. R. Bhagat**, **Shri Mathura Prasad Mishra**, **Shri T. Sanganna**, **Shri S. R. Damani**, **Shri Rajeshwar Patel**, **Shri T. C. N. Menon**, **Shri Prabhat Kar**, **Shri R. K. Khadilkar**, **Shri Bimal Comar Ghose**, **Shri Arjun Singh Bhadauria**, **Shri M. R. Masani**, **H. H. Maharaja Sri Karni Singhji of Bikaner**, **Shri Premji R. Assar**, **Shri N. Siva Raj**, **H. H. Maharaja Pratap Keshri Deo**, **Shri Naushir Bharucha** and **Shri Morarji Desai** with instructions to report by the 1st May, 1958."

Out of 4 hours allotted to this motion, 41 minutes have already been availed of and 3 hours and 19 minutes now remain.

Shri Raghubir Sahai may continue his speech.

I would like to know how long the hon. Minister proposes to take for his reply. We will close at 3.30.

The Minister of Finance (Shri Morarji Desai): I do not think I will take more than half an hour.

Mr. Speaker: Then, I will call the hon. Minister at 3.00 P.M. Is there any other hon. Minister who wants to participate? I see none.

Shri Raghubir Sahai (Budaun): Sir, yesterday when the House was about to rise, I was quoting the opinion of Prof. Kaldor on the one hand and that of the Taxation Enquiry Commission on the other. I was dealing with the predicament in which we laymen were placed in view of the conflict of such opinions of experts.

[Shri Raghunir Sahai]

In this connection, there is a very important and relevant consideration that we should have to bear in mind. Whenever a new tax is being imposed, we ought to consider what would be the yield thereby. In connection with this Gift-Tax, it was pointed out by Prof. Kaldor that, according to his estimation, the order of the yield from this tax would be something like Rs. 30 crores a year; while during the Budget speech of the Finance Minister and during the speech of the present Finance Minister when the motion was being moved, it was said that the yield from this tax would be something to the tune of Rs. 3 crores. I am glad that this guess is a modest one and not like the bloated and exaggerated guess that was made at the time when the Estate Duty was proposed in this House. But, still, there is a conflict of opinion between Prof. Kaldor and the Finance Minister, Rs. 30 crores on the one side and Rs. 3 crores on the other. I think that on this fundamental matter, experts ought to agree.

There were some other major considerations that were pointed out by Prof. Kaldor. He said that the three prime considerations that should be taken into account in framing an effective tax system are, equity, economic efforts and administrative efficiency. And he continued to point out that the present system of direct taxation in India is both inefficient and inequitable. I would like to know whether these observations of Prof. Kaldor have attracted the attention of the Finance Minister and whether anything has been done to remove these two grave defects in our taxation system. Let the hon. Finance Minister say.

Shri Morarji Desai: We have not adopted all that.

Shri Raghunir Sahai: It was also pointed out by him that to achieve administrative efficiency, the requirements that should be kept in mind are simplicity, comprehensiveness and a single comprehensive return, a self-

checking system of taxation and an automatic reporting system.

It is true that we are going towards a socialistic pattern of society and we are determined to remove disparities in income prevailing in this country. I think it is to remove those defects that one tax after the other is being introduced in this country. I am not against the imposition of anyone of these taxes. But, I should like to know whether and to what extent the objective that we have got in view is being achieved. It was Prof. Kaldor himself who pointed out that with the possible exception of Sweden, no country has succeeded in bringing about a degree of redistribution of wealth and income the achievement of which has been the avowed objective of their taxation policies. We should like to know how far have gone in this direction.

There is no doubt that the objective is very good; but we should be satisfied whether we are going at a rapid pace towards the attainment of that objective and whether it is going to be realised in the near future. I feel that when such taxes are being imposed, we should bear in mind the very important recommendation of Prof. Kaldor that there is need for introducing a comprehensive return system, a self-checking system of taxation and an automatic reporting system. This could give material for income-tax, wealth-tax, expenditure tax and gift-tax when it has been passed by this House. The machinery should be one and the same for all such taxes.

At present what we find is that for the realisation of every one of these taxes, separate inspectors and separate officers are being appointed. For instance, we find from this Bill also that a demand has been made for appointing so many gift-tax officers and so many inspectors in order to make assessments and to realise those taxes. When we have accepted the principle

that the realisation or the administration of this tax should be by the Income-tax Department, there was no need for the appointment of these separate officers . . .

Shri C. D. Pande (Naini Tal): There are not different officers—only different designations.

Shri Raghunath Sahai: I object to these different designations.

There is one objectionable feature in this Bill. Shri Kaldor proposed that the legal liability for this tax should be placed on the donee and not on the donor on whom the ultimate incidence of tax must in any case fall. In clause 30 of the Bill we find that the Gift-Tax shall be payable by the donor but where in the opinion of the Gift-Tax Officer the tax cannot be recovered from the donor, it may be recovered from the donee. In my view this would be giving arbitrary powers to the Gift-Tax Officer. He can harass the assessee to a very large extent. That possibility should be avoided and the principle that has been enunciated by Kaldor should be accepted. According to him the ideal method appears to be to make the rate of taxation dependent neither on the size of the gift nor on the wealth of the donor but on the total wealth of the recipient, that is, his net worth including the gift. He has quoted an instance. If a man who owns Rs. 10 lakhs receives another one or two lakhs as gift from somebody else, he should pay more tax on that than another man who receive an identical gift but who owns nothing else.

Shri Morarji Desai: On a point of information, does the hon. Member accept all the views of Prof Kaldor? Government has certainly not accepted all.

Shri Raghunath Sahai: I have got an open mind and I would like to accept any view which appeals me.

Mr. Speaker: Previously, people used to swear by Koran and the

Veda. Now-a-days, they swear by Shri Kaldor.

Shri Raghunath Sahai: I fear that if the tax is to come into operation as it is being proposed in this Bill, the result would be that large-sum gifts for such charitable purposes as the construction of dharmasalas, maintenance of them, etc., would perhaps become impossible. I do not know why that charitable instinct or tendency on the part of the people of this country should be crushed or subdued. We should certainly see that the purpose of the gift is not fraudulent. Wherever the gift is genuine or the purpose is genuine, no difficulty should be placed in the way of its coming into operation.

Shri D. C. Sharma (Gurdaspur): What do you mean by 'genuine'?

Shri Raghunath Sahai: Common-sense meaning.

Having said all that, I do want to say this in conclusion. We are very fortunate in having the present Finance Minister who is a Congressman . . .

Shri Naushir Bharucha (East Khandesh): Is that the only qualification?

Shri Raghunath Sahai: . . . who can read the minds of the people of this country very well. I do not want to cast any aspersion on those Finance Ministers who have preceded him. They were very eminent persons but certainly not Congressmen in the strict sense of the term. I would only appeal to him that he should try to understand the feelings of the ordinary man in this country. I wish him success in the implementation of the Second Five Year Plan. Let him raise the resources as much as he likes so that the Second Plan may succeed. . .

Shri Braj Raj Singh (Ferozabad): Raise resources only from the Congressmen?

Shri Raghunath Sahai: I do wish that all those loop-holes should be

[Shri Raghbir Sahai]

avoided. Steps may also be taken whereby evasion to a large extent may be avoided. I hope all these points of view would be considered by the Select Committee.

Shri P. C. Borooah (Sibsagar):
Sir, I thank you for giving me an opportunity to speak on this motion. Our taxation policy has undergone much change since Independence. It has not only put a great burden on the community but the very pattern of it has been changed by the enactments of several Acts, namely, the Estate Duty Act, the Wealth Tax Act, the Expenditure Tax Act. Now we have this Gift Tax Bill. There is deficit financing to the extent of Rs. 1200 crores for the Plan and we need money for it. We are making strenuous efforts to raise this money and that is why all these taxation measures had to be adopted.

In our effort to do so it is doubted whether we are actually taking into consideration the capacity of the people to pay the taxes. The National Council of Applied Economic Research in its report has mentioned that in the realm of personal taxation, the burden of taxation in India is much heavier than that of other countries of the world. It has also acted somewhat as an obstacle in the flow of foreign capital into India. This should not be so. As such I request the hon. Finance Minister to look into this aspect of the matter and see if any change is necessary if not immediately at a latter date.

When I toured my constituency last, I found quite a lot of people suffering from the direct and indirect taxations. They are suffering almost from the same kind of miseries: want, disease and debts. We say that our national income has increased but in these circumstances it is very difficult to convince the people that our national income has actually increased. This is possibly due to non-balanced development. Maybe some places have been developed but many

places neglected. My constituency which is in the far-flung State of Assam is very backward and no change in the lot of the people is appreciable. If any body goes there, he will find that the conditions there are almost the same as they were some ten years ago. That is the position there. One, therefore, finds it very difficult to make the people convinced that our national income has actually increased.

Then I come to the question of small-scale and medium-scale industries. They generally suffer from paucity of funds. They do not get controlled commodities as and when they require, and when their produces come to the market they face very heavy competition. If such a company with a capital of Rs. 1 lakh makes a profit of Rs. 1 lakh, it has to pay taxes to the extent of 75 per cent. Then again comes the question of giving the forced dividends. You will therefore, be able to imagine well the lot of these companies.

There is very little scope for them for capital formation or for development. We need money for financing the Plan. I said before that deficit financing to the tune of Rs. 1200 crores has been envisaged. We need money for it. I want to make one suggestion in this connection. I would like this House to consider whether it would be possible to adopt some schemes like the excess profit tax deposit scheme in the line adopted in the Finance Bill of 1942. We may realise that tax as deposit refundable with interest after ten or fifteen years. In that respect we may issue bonds making the same negotiable but not encashable before the expiry of the term. This is just a suggestion and I leave it to the hon. Finance Minister to give his thought if adoption of such a scheme will benefit our cause.

There is much complexity in the procedure with regard to assessment of income-tax. It should be made simple and standardised. There now exist variety of rates and a variety

of assessee. For example, there are individuals, married men, unmarried men, father of one child, father of two children, companies, partnerships, associations and so on. These varieties have made matter complex and have offered room for tax evasion and also for harassment. There is therefore, need to have some simplified method adopted. I would suggest that there be only two categories of assessee—individuals and companies—and let there be one uniform rate for individuals and another uniform rate for companies. Income on which tax once paid should not be added for taxing again. System of refund should go. Such measure will remove much of the loop-holes now existing which give opportunity for harassment and evasion.

As regards evasion, Sir, much has been talked about here in this House but I doubt very much if everything that is said is correct. If there are any evasions—of course, there are some—that is due to the measures or the procedure that we have adopted in our tax structure. The present position is like this. Supposing a man makes a profit of Rs. 1 lakh; then he will have to pay tax to the extent of Rs. 55,000 and odd. If he converts his business into a partnership of five persons—and among those five shareholders may even include a new-born child as there is no bar in law to make a new-born child a partner in a partnership concern—immediately the tax would come down to Rs. 15,000. Many of the Tax payers have done so. What will you call this? Evasion or Human Ingenuity? Certainly it is the latter. I think many of the evasions that are taking place are of this nature. We should not deny Human Ingenuity.

Then, Sir, coming to the question of the relationship between income-tax officials and assessee I have to make a very sad comment. It should be most cordial. In England, the income-tax officials help the assessee in preparing the assessee's income-tax returns correctly. But in our country there are many income-tax offi-

cials who from the very start treat the assessee as income-tax dodgers or evaders. In England, the penal action is taken only when all persuasions fail, but in our country it is the reverse. Fines are imposed and realised even during pendency of the appeal. They possibly forget that only a few lakhs of income-tax payers are there in the country out of the 38 crores of our people who pay tax and contribute for financing the Plan. Such uncordial spirit from the minds of the Income-tax officials must go. That is why, Sir, I have to submit that the authorities concerned see to it and the cordial relationship is maintained between the tax-payers and the income-tax officials.

As regards gift-tax, Sir, I give my support to the motion moved by the hon. Finance Minister, but only wish that there be no discrimination allowed in classification of charities. Let there be exemption for all charities, whether for educational institutions, cultural institutions or religious institutions and so on. Although we are in a secular State, it is not that we are discarding religion. Rather we want to be more religious in its true perspective than those in non-secular States. Therefore, there should not be any discrimination made in charity. I request Hon'ble Finance Minister and the members of the Select Committee to see that gifts made for religious institutions are also exempted.

With these words, Sir, I once again support the motion and thank you for offering me the quick opportunity to speak on the bill.

Shrimati Sucheta Kripalani (New Delhi): Mr. Speaker, Sir, I welcome the gift-tax as it integrates our tax structure and completes the work started in the last Budget Session. After the introduction of the estate duty, the absence of gift-tax was a glaring loop-hole in our tax structure. Therefore, with the introduction of this tax the various taxes on wealth are likely to become self-checking and act as a barrier

[Shrimati Sucheta Kripalani]

against tax evasion. Hence I welcome this tax most wholeheartedly.

Sir, whenever, a new tax is imposed it is unpopular. Therefore, it is not surprising that during the the recent years when various taxes on wealth were levied they were met with serious criticism from one section, a well organised and vocal section of our people. This section feels that the graded income-tax is sufficient to establish equity in our tax structure. They look upon wealth taxes as superfluous, and as causing unnecessary irritation and harassment to the tax-payer. They consider such taxes as a disincentive on effort, initiative and enterprise. They think it heavily burdens a small minority and hence it is iniquitous.

We must see whether the wealth taxes we have recently imposed have an iniquitous effect on the wealthy section who form a small minority. In order to establish an equitable tax system which has no bias in favour or against any particular group of tax-payers, it is necessary to establish equity between the income from work and income from property. The concept of income needs to be made comprehensive to include all beneficial receipts which increase the tax-payer's spending powers. Tax on income also needs to be supplemented by tax on capital wealth, because taxable capacity can only be approximated by a mixture of both.

Then, in a developing economy as in India, where large financial resources have to be found from the country, a heavy burden of indirect taxes falls on the masses. This inevitable imposition of burden on the masses has to be complemented by the introduction of a more efficient system of progressive taxation on the wealthy minority. Such taxes are justified from another angle. In a developing economy where privately-owned wealth grows rapidly and unevenly such an efficient system of

progressive taxation is absolutely necessary; otherwise, an intolerable situation may be created as a result of one-sided heavy burden on the masses.

Sir, though the Finance Minister said that they do not accept all the recommendations of Professor Kaldor, I would like to quote a few words from his report. He says:

"In India the great bulk of the national wealth is, and will continue to be, privately owned—industries or landed property that may be taken over by the State will not fundamentally alter this state of affairs if due compensation is paid to the owners, so that the growth in public property will be offset by the growth in public indebtedness—it appears inevitable, therefore, that both the amount of privately-owned wealth, and (in the absence of effective tax measures) the skewness of the distribution of ownership of that wealth should increase *pari passu* with economic growth. Owing to the fact that the savings of the community are more unevenly distributed than income, there is an inevitable tendency, unless effectively counteracted by the tax system or other instruments of public policy, for the wealth of the largest property owners to grow at a faster rate than wealth in general. The more income and wealth grow, therefore, the more the inequality of wealth between individuals increases."

So, Sir, if this is the situation it can be seen that the wealth-taxes that we have been imposing on one section of the people has no iniquitous effect on them. Rather, these taxes have been imposed in an effort to introduce equity and fair-play in our tax system and in order to broaden the base of taxation. In the same effort to tax wealth and accumulated capital properly and to plug all loop-holes this gift-tax has now come. It comes as an inevitable

corollary to the estate duty. Both these taxes are similar in nature. Both of them relate to unrequited property transfer. In one case, the transfer is effected after death of the donor and in the other case, it takes place during the life-time of the donor. One is "bequest" and the other is "gift". In both cases, the donee receives something without paying anything in return, and as a consequence, his economic power is increased as also his ability to bear taxes. Therefore, equity demands that both be taxed. Estate duty without gift-tax is a partial measure which cannot stand justification on the score of equity.

Besides, if there is a tax on bequest and none on gifts, then a movement away from the bequest to the other type in order to avoid taxation is bound to happen. To check such a shifting under our legislation on death taxation, a statutory time limit of six months for charitable gifts and two years for other gifts has been provided, but these provisions have not succeeded in effectively checking this movement. We cannot for instance, check a tendency on the part of a donor to make gifts sufficiently early outside the time-limit. Such a movement may lead to a gradual rise in the number and magnitude of such gifts. This tendency would be greater if the rate of death duty is higher. Therefore, a tax on gift should be well integrated with the estate duty.

It is also an accepted fact that tax evasion in India prevails on a very large scale. If I were to accept some of the figures given here, the position is this. Prof. Kaldor thinks that our figures of tax evasion come to Rs. 200 crores or Rs. 300 crores and not Rs. 20 crores or Rs. 30 crores. Anyhow, it is well known that our Government have failed in checking tax evasion very effectively. Therefore, when such a condition prevails in this country, it is very necessary to take legislative measures by which we can stop evasion effectively.

Here, I would like to quote from the book entitled *Capital Taxation* which gives the relation between the

gift tax and the estate duty in other countries.

"In a number of other countries where death taxation has been in force for some time, governments have taken some positive measures to counteract the increasing tendency on the part of the people to gift away their estates before death. Within the British Commonwealth, a separate tax is levied on gifts in Australia, Canada and New Zealand. While a separate gift-tax does possibly net in most of the gifts which would otherwise have escaped any duty, opportunities might still remain for tax avoidance unless a gift-tax is properly integrated with death duties. It would be correct to say that the scope for tax avoidance is an inverse function of the degree of integration secured between a gift-tax and death duties".

Therefore, these two taxes are two parts of the same tax. Hence, we cannot have estate duty without the gift tax. If we do so, we shall keep a very big door open for the tax-evaders.

In other States, for instance, U.S.A., Canada, Sweden, Australia—the gift-tax is a supplement to the estate duty. It is meant not only to raise additional revenues but to make the administration of death duties more effective and to reduce the possibility of tax evasion. In our country, we find that we expect to raise Rs. 3 crores out of the gift-tax. We also expect to raise Rs. 3 out of the estate duty. Therefore, these two taxes stand more or less on an equal level. That shows that in our country a gift-tax is necessary not merely a supplementary to the estate duty. That means, a large area which is left out untapped by the estate duty is now to be covered by the gift-tax. Therefore, it is a very necessary tax.

I would now like to say a few words about the rate of the tax. Under the Gift-tax Bill, the tax will be levied on a sharply progressive scale, from 4 per cent to 40 per cent. The rate is very moderate. A man who pays

[Shrimati Sucheta Kripalani]

Rs. 50 thousand will not mind paying Rs. 2,000 more.

Shri C. D. Pande: A man who pays Rs. 50 lakhs will have to pay Rs. 20 lakhs more.

Shrimati Sucheta Kripalani: Well, I am not taking the last figure. Anyway, it is a moderate rate. As a matter of fact, those who are the severest critics of this gift-tax have not said that this rate is excessive. If it is not excessive, then I do not see what reason there is to oppose this tax. The Bill has received, in spite of criticism by a small section, a large measure of support, but as pointed out by the hon. Finance Minister himself yesterday, there are certain provisions in the Bill which need amendment and reconsideration. I am very glad to find that the Finance Minister himself has said that he is going to liberalise some of the exemptions from the levy of this tax, such as gifts to children for educational purposes, gifts of bonus, and gratuities by employers and employees. Then he has also said that he would not allow normal business dealings to be affected by this tax. If these changes are made, the Bill must improve to a great extent.

I would like to draw the attention of the hon. Finance Minister to two more items where exemptions are to be liberalized. First of all, the exemption for charitable gifts or donations of Rs. 100 is too low. We who are working in the social field, who go from place to place collecting money for public welfare activities, know what the value of Rs. 100 is today. The purchase value of Rs. 100 today is very small. Then there are innumerable small organisations who depend on public charity. It is not possible for a Government to cover all areas of social welfare activities. I know that through public charities and through private enterprise, innumerable institutions in the field of education, in the field of health, in the field of emergency relief, etc., are run. If we are going to maintain Rs. 100 as the limit, this will work very hard on

such social welfare institutions and activities. It will put a check on the natural instinct of Indians to help in such activities.

Then, the charitable institutions included in section 15B of the Income-tax Act leaves out many deserving institutions. I would, therefore, like to have relaxation given on both these items. I am not a religious or a communal person myself. But I know there are very many institutions—by name they are religious or communal—which are doing excellent work probably in a limited sphere and probably among a particular section of people. But as long as the Government agency is not strong enough to reach every corner of need in India, why should we try to stop the activities of any organisation when they work for the welfare of a particular community or religion? Therefore, I feel we are not justified in closing off the avenues of resources, for such organisations that are doing good work. I therefore appeal to the Finance Minister to reconsider such cases and raise the exemption limit from Rs. 100 to something higher and the discrimination against such institutions and funds not covered by sec. 13B of the income tax which exists in the gift tax should be removed.

I hope that the Select Committee will go through the Bill carefully and with the remedying of the defects I am sure this Bill will receive the wholehearted support from the entire House.

Shri Nagi Reddy (Anantapur): I am glad to give my general consent to the Bill as it has been placed before the House. In a sense I should say that this completes, so far as our taxation measures are concerned, the integration of the taxation system. Yet we must wait and see how it functions. All the same, I take this opportunity to congratulate the Government on having come forward with this particular Bill in the face of opposition of the vested interests in the country as a whole. It is not surprising—I am not surprised at all, at the voice of

protest in general that has been raised by the vested interests in the country. In future, more particularly, it will be raised again and again. I think we have already received about four or five pamphlets from the Forum of Free Enterprise with all the detailed arguments as to why the whole of this tax system should be scrapped, particularly the gift tax. Having done that general criticism, they will not come forward and put in their pressure to the highest possible extent, as the discussions go on in the Select Committee, to reduce the effects of this taxation measure.

Well, it is not surprising that none of these big wigs or big business ever come forward to tell the country and the Members of Parliament why there has been so much of tax evasion and how it can be checked. They are not worried about it, probably because it is their business. Now, in the name of a developing economy and greater incentives for development, they are coming forward to create as many loopholes as possible in every direct taxation measure that is passed by this House. That is exactly what happened last year.

Now they say that this gift tax does not even allow the ordinary course of business. It comes in the way of ordinary business. Poor people! They cannot carry on their business. That is what they tell the Members of Parliament. We have to fight it. Why? They say that if there is a sale or exchange or transfer of property and if the gift tax officer feels that it has not been a bona fide transfer in the usual course of business, he has the power to tax it. According to them, since the gift tax officer is the God, to give so much powers to him is to lay the lives of these innocent people in the hands of this officer, which will have the effect of completely paralysing the business. Therefore, there should be complete exemption—they ask for complete exemption—for transfers, sales and exchanges in these business transactions. They do not even stop there. They are so much interested in developing the intellec-

tuals of our country and for their growth. They feel that the gift tax is going to be a hindrance to the development of intellect in this country, e.g. lawyers or auditors or managers. They say that the business managers who have ability but have no money or wealth, if they do some good job for a company or a business concern and if the business concern thinks that he should be taken as a shareholder and transfers certain shares to him that should be exempted from tax. But it is paying them in a different way. That is one of the loopholes which they want to be widened, increased, so that they can manage to evade gift tax.

Of course, their idea of charitable gifts is different. Marriage gifts are not enough. After all, what is Rs. 10,000 as a gift? I think the only case where they are satisfied, is of a lakh to a wife though not completely, because they know that if they ask for more the country will not come forward even to be neutral. The country cannot be neutral, if they were to say "please extend it up to Rs. 5 lakhs" though they would very much like it. So, I find from the whole literature that it is the only clause which they have not attacked.

Seeing all these things, my only appeal to the members of the Select Committee and the Government is in the case of the expenditure-tax and wealth-tax, where they gave certain concessions—give any concessions in the case of this gift tax. If we give more concessions, it is not the question of loss of revenue through gift tax that I am afraid of. The gift-tax is to plug some of the loopholes which are already in existence in the estate duty. That is why we want to have this gift-tax. Therefore I request the Government to be careful of these people who will, of course, talk not in terms of personal gain but in terms of patriotism, if I were to believe what they have written. They will talk in terms of incentives for the growth and development of our economy. I only wish that we do not fall an easy prey to their sweet words.

[Shri Nagi Reddy]

So, I want everyone to remember the reasons as to why it has become essential for us to come forward with new measures of taxation of this type. The first point that we should remember is that in a developing economy, especially in underdeveloped countries, the disparity in wealth will increase. And this theory has been accepted by quite a number of economists. Even a person like Kaldor has said that. Last year an economist—I think it was Shri P. C. Jain—had written that economic disparity in our country is a growing hindrance to our developing economy. We must be careful about that. That is what quite a number of others have also stated. It is to reduce this disparity that we are coming forward with new taxation measures.

Secondly, the national income of the country should increase. No country can develop unless a part of the national income is drawn back for further investment. Whether it should be done in the private sector or the public sector is a question which is under discussion. People who say that it should be done only in the private sector and the public sector should not come near to it, would naturally like to throttle the new taxation measures.

Well, the country as a whole and the Parliament had unanimously decided that the core of the Plan, as we call it, is the public sector and this public sector can in no way be reduced if the Government has to fulfil that target of the Plan, which is called the "core of the Plan". And it is to raise internal resources for this particular purpose that we have taken to these new taxation measures. If we remember that it is the national reconstruction that should be kept in mind when we discuss these new measures of taxation, we will not allow the wealthier class to come forward and increase the loopholes, especially when we want to plug them. Therefore, it is to see that the wealth is not locked up in a few

people, to see that the internal resources are expanded or are increased for the sake of the developmental economy, and that too in the public sector, to fulfil the very core of the Plan, the most important core, that is to say, the public sector, that we have taken up these taxation measures. So, naturally we should support them and see that they yield as much revenue as was expected.

But we must also remember—it is an unfortunate experience and a very sad experience too—that it has always been the case that in direct taxation we have never achieved the targets of revenue which we expected to achieve. Was it not the case with the estate duty? Has it not been the case of income-tax itself? I appealed to the Government previously also that we should very seriously, conscientiously review the work of the department year after year, so far as collections and assessment is concerned.

I do not know how far what I am going to say is true; Governmental machinery have better avenues of knowing the facts better than us. It is stated that the number of people who are being assessed, who are paying more than a lakh of rupees, is increasing in our country, as per the statistics that were provided by the Government itself. But, actually, the assessment itself is reducing year after year.

13 hrs.

Then there is something wrong in that jungle of statistics; Government I think has not provided us with wrong statistics. I hope Government would not accept the charge that we were provided with wrong statistics. But here is a particular feature of our economy. We must study it very carefully. If it is a fact that in a

developmental economy the wealthier classes also grow in numbers, and their wealth grows in proportion much faster than the per capita income of the lower classes, if it is true, if it is scientifically true and I believe it is true, there can be no reason why the assessment itself need go down. If our administration, especially the Income-tax Administration to which naturally all these taxes ought to be given for administration, does not look into this carefully and adjust itself properly, then I do not expect much even after this gift-tax is passed and we impose it on the country. I wish Government takes note of this particular factor and tries to increase the efficiency of the collecting machinery.

Then there was the question: who should pay—the donor or the donee? I think what the Government has done is perfectly correct—that is my personal opinion—because if it is a question of the donee paying, naturally the total amount of collection of the tax would be reduced. If it is a question of the donor paying, the total gift that he is giving will be taken into consideration for assessment of taxation. An ordinary man is not going to give lakhs of rupees as gifts. Therefore, I think it is equitable and just that Government should tax the donor and if the donor does not pay the tax naturally the person who has received the gift should. To that extent, the Government's procedure is very proper and it should be supported.

Mr. Speaker: The hon. Member's time is up.

Shri Nagi Reddy: I shall conclude in two or three minutes.

We are talking of trusts and charities. Naturally same of the trusts and charities should not be taxed. There are educational trusts and hospitals and donations made for good causes. But there are also trusts

of which we should be careful. We must always be guarded while dealing with people who want to dupe us. There is what is known as the Nizam's trusts, to which crores have been given. I do not know the complete details of it. Probably our friends coming from that area will be able to give us more details. If the trust is for the sake of certain members of a family, can they be taxed or not is a point which should be gone into.

Then there is the question of privy purses. Supposing out of these privy purses certain gifts are made? Privy purses, I think, are not taxed for income-tax; nor is income through privy purse taxed. If a gift is made out of it, is it going to be taxed or not? This is a constitutional point affecting the agreements which Government has made with the feudal princes. I think they should be taxed and Government should give us an idea about it.

Then there are what are known as blank transfers of shares. I am not an industrialist myself and do not understand the trick of the whole thing. But I hear that these blank transfers of shares are made to avoid income-tax. I do not know whether anything like this can be made to avoid the gift tax too for a certain number of days. Some of the methods adopted for the evasion of taxes should be studied by Government very carefully. With the introduction of the Gift-tax we certainly step into a new era in the history of taxation and effective steps should be taken for the collection of income-tax, wealth tax, and estate duty, so that our revenues in general may increase.

Whenever a measure of direct taxation is passed there is hullabaloo created by those who are being taxed and there is a tendency for innocent people like me to feel that Government has come forward with a taxation measure which is going to increase

[Shri Nagi Reddy]

our internal resources; therefore, it has done a great thing. There is an experienced man who is known as Henry Simons. He has said—my only wish is that it may not be said of us like that in later years:

"One senses here a grand scheme of deception whereby enormous surtaxes are voted in exchange for promises that they will not be made effective. Thus the politicians may point to the general public with pride to the rates, while quietly reminding their wealthy constituents of the loopholes."

We can go on telling the general public: look at the number of taxes we have imposed on them, the income tax, the corporation tax, the wealth tax, the estate duty, the expenditure tax and now the gift tax, and so on and so forth. That is true; there is no doubt about it. But you can tell your wealthier constituents of the loopholes in them and pat them on the back, assuring them: do not be afraid of them; it is only just to keep the people calm for some time. "The whole procedure", Mr. Simons says, "smacks of a subtle kind of moral and intellectual dishonesty."

That is the experience of a man who has seen the working of the taxation system in quite a number of western countries—an experienced economist, he is not a Marxist, let me tell the Government of that. With these words I wish the Gift-Tax goes through the House with the least number of loopholes and I wish Government success in collecting as much revenue as possible to implement the Second Five Year Plan with success.

Mr. Speaker: Shri B. Anjanappa, he has not spoken at all since he was elected.

Shri B. Anjanappa (Nellore—Reserved—Sch. Castes): Mr. Speaker, Sir. One of the most important

financial proposals of the Central Government for this financial year is the Gift-Tax. Broadly speaking, Sir, with the introduction of this tax, the integrated tax structure which the Government has been aiming at will be complete.

This tax will be levied on all gifts made by individuals, Hindu undivided families, companies, firms and association of persons. This gift-tax would provide a convenient means of putting an end to avoid or reduce liability to Estate duty, Income-tax, Wealth-tax and Expenditure tax.

I know the champions of the rich and the wealthy would oppose this gift-tax. But they would do well to remember that in our country there are too many indirect taxes, the burden of which is in a way falling too heavily on the shoulders of the poor. It is only the direct taxation which has been recommended for reducing the vast inequalities in the incomes of the rich and the poor and from that standpoint this gift-tax is really a commendable proposal.

It is generally believed that there is a lot of tax evasion in this country. Tax evasion has been estimated at a few hundred crores of rupees. So every patriotic person should welcome the introduction of the gift-tax because it would go a long way in checking tax evasion. I would like to emphasise that more and more funds would be needed by the Government for the establishment of a socialist society. So, those who have the capacity to pay to the Government must not hesitate to part with a portion of their wealth because they must remember that if they do not do so the foundations of our democracy will remain very weak and the discontent among the ill-fed and ill-clad people would increase so much that they would lose all faith in democracy. That will be a very sad day for every-

I would like to draw the attention of the hon. Finance Minister to the explanation to clause 3, wherein it is said that "gifts made by the wife of any person out of any gifts made to her by her husband shall be deemed to be gifts made by the husband." In this connection I submit that if the husband makes the gift to the wife in one year and in the same year the gift is made by the wife to another person, the husband has to pay double tax in the same year. So, in a case where the gift is made to the wife by the husband and the wife makes the gift of the same property in the same year to other person the gift-tax should not be charged under such circumstances.

With this I finish my speech.

Shri Heda (Nizamabad): Mr. Speaker, Sir, with this Bill we complete the circle of our taxation structure or the policy which, in my opinion, is a perfect one and there would be very few chances for evasion or rather a genuine effort will be made to plug all the loopholes, whether it is in the domain of income-tax or super-tax or estate duty or expenditure tax. This taxation will help and though its revenue may be smaller as estimated by the hon. Finance Minister which may be about Rs. 3 crores, its overall effect in strengthening the revenue in the other spheres would be quite good. In spite of this I heard yesterday the hon. Finance Minister stating that the primary objective of this Bill is to get more revenue and plugging the loopholes is a secondary objective. I like this frank statement. So far our experience had been that whenever a new taxation comes, Government come with a plea that the taxation, call it excise duty or cess or anything else, is for certain developmental work and an impression is given that the taxation is not an extra burden. But, during the course of years we find that that development work or that idea recedes in the background and the new taxation measure becomes as good a taxation measure as any other. But here we have found that the hon. Finance Minister has stated very

clearly that by itself the gifts tax is very important as it would be fetching, say, about Rs. 3 crores.

There is a very big controversy so far as its effects are concerned. The definition and the interpretation of various clauses would be heatedly debated not only here, not only in the Select Committee or after reference to the Select Committee and its report in the House again, but in the course of the years. These days I hear many times big industrialists and capitalists saying that if they have to start a new industry they do not need only the financial resources, they do not need only an efficient management, but they need an army of lawyers to safeguard them and save them or protect them from the various taxation measures. I agree that they put it in a different way, but I think not only this Government but every Government in the world faces the problem of evasion of taxes on the one hand and harassment by the Government officials on the other. These two things apparently look contradictory to each other or that they clash with each other, but many times it is not so. The harassment starts with a view to extract some money and the assessee is quite happy to part with something because ultimately he would be a gainer and not a loser. Therefore, harassment and evasion, these two are not contradictory forces. Many times we feel like that, but they complement, supplement or help each other. That is why the task given to the Government, to us, to the Select Committee is important in the sense that we have to find out that here is no unnecessary harassment and at the same time room for evasion of taxes is not left there.

Take a few cases. There is a point whether the income-tax officers should be vested with more and more powers of discretion. For example, there is a business deal. Now, how far it is a genuine deal and how far it is not a genuine deal or sometimes there is a genuine distress sale and whether it is a distress sale or whether it is not, or whether this gifts tax should be

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applied over it or not, all these are questions for which we have given discretionary powers to the income-tax officers. We have to do it. But the point is that if we can avoid it and see that there is no unnecessary harassment or the scope of discretion given to the income-tax officers is decreased, I think it would be better for us. Further, there are certain cases where, I think, the Government should do a sort of re-thinking.

Take the case of a company which is in its initial stages and which is expected to make some profits, say, after three or four years, but for some reasons or other it could not do so. Many times the managing agents come forward and forego their commission. Sometimes they forego their salaries. Now, the point is whether this foregoing of salaries and commission will come under the mischief of this gifts tax and whether gifts tax will be levied on the managing agents or not. Government's point is that it will not be so. A genuine business deal will not come under the mischief of the gifts tax. But the point is whether it is a genuine business deal or not. If the income-tax officer does not agree, then the alternative for the company, I think, is, even otherwise, to go to the court and get a decree. It is not an easy proposition. When cases are quite clear and the deals apparently appear to be genuine, why should anybody part with his income? Therefore, I think, in such cases, we should make some provision so that there would be no unnecessary harassment.

13.21 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

This tax is prevalent in many countries, U.S.A., Canada, New Zealand, etc. I would like to quote one sentence from the famous American jurist Professors Lowndes and Kramer. They say:

"Where a creditor as part of an arm's length business transaction forgives a debt, it seems clear that he does not intend to make a gift of any part of the debt for which

he fails to receive consideration, but that he is really exchanging the debt on what appear to him to be the most advantageous terms possible under the circumstances. If a man forgives a debt with the intention of making a gift to the debtor, there is no reason why this should not be treated as a taxable gift. But, to tell a man who has lost a substantial sum in an unhappy business deal that he must pay a gift tax upon the loss would be an absurdity...."

The point is, where there are genuine business deals where the money is not recovered, where the money or salary or commission is foregone, where he who is parting with money is a loser, to tax him on top of it would be a great harassment. These are cases where we have to examine.

From the evasion point of view, I find a prevalent practice in countries like America and others that they make a sort of a compromise arrangement. Somebody is employed on Rs. 1000 or Rs. 2000 a month. The contract is made for three years or five years. After some time, he comes with a compromise that we relieve you of the service and in lieu of it, we pay you so much money in lump sum. These compromise arrangements are devices adopted by big business in other advanced countries where this tax has been in operation for a number of years. Therefore, Government will be quite right if they take precautions. I find that they have already adopted precautions so far as the present Bill is concerned.

The point that I am stressing is, we have to save both: we have to save the assessee from being unnecessarily harassed; at the same time, we have to save the department and empower the authorities to see that no evasion of the tax takes place. That should be considered in that spirit and I think, as we gain experience, we will be modifying the concerned sections and improving them. As it is, it is an adequately good measure. But, the

few things that I just mentioned, the managing agents foregoing their commission or what we call, distress sales, these are cases where one has to see that justice is done.

There is another point about charitable institutions. Section 15-B of the Income-tax Act is there and it is applied only to those contributions which are of a secular nature under that section and those donations are exempted. All other charities or donations or contributions, whatever they may be, whether they are to religious institutions or to sectarian institutions or whether they are to political parties, they are charged this gift-tax. So far as political parties are concerned, I am quite clear that they should not find any exemption and such contribution should be charged under the Gift-Tax Act. When we use the word communal or sectarian or religious, many times we offend a particular section. Shrimati Sucheta Kripalani has said that in spite of the fact that we have declared our aim to be a welfare state, our welfare activities have not spread to such an extent that every activity, every corner is covered. If that is not so and if somebody comes forward and makes a charity, whether it apparently has the garb of religion or even community—there are quite a number of hospitals, scholarship trusts which are apparently in the name of certain communities, which are meant for certain communities—in application, exemptions are generally given. Therefore, I do not think that much will be lost if we treat them a little differently than section 15B of the Income-tax Act. I think it will involve a sort of policy matter. However, I feel that there is a case for the Government to consider the whole matter.

Then, I come to the rate. So far as the rate is concerned, for finalising what rate should be charged, we aggregate five years' gifts. Why are we doing so? From the speech delivered by the hon. Finance Minister yesterday, which I heard, I find only one thing that probably he wants a five year review. He said that they

would distribute the gifts in a number of years in such a way that there will be a very low yield from the gift-tax. What is wrong there? If somebody plans his economic life well in advance and every year parts with small gifts, we should rather encourage it. Why should we penalise him in the same manner as we do others? However, I think that a man who has a sort of long range plan, who respects the law and at the same time wants to take the maximum advantage of the concession that are given should be encouraged. If we give a concession with one hand, we should not try to take it away with the other.

Then, I will refer to the anomalous position that is created when gifts are made to minor sons. The point is, whether the gifts will be charged both under the Gift-tax Act and also Income-tax. Suppose a gift is made to a minor son or daughter. It is presumed that it will attract the Gift-tax Act. On the other hand, under section 16 of the Income-tax Act, the income from the property gifted to the minor will be clubbed with that of the income of the donor and assessed. The question is whether such a position will be created. If such a position is created, it is an anomalous position and will amount to double taxation. Not that we have avoided double taxation; nor that I am opposed to double taxation. If that is not our spirit and if we do not mean it, we should not do it.

Lastly, I will refer to the novel feature of this gift-tax. For the first time, I think, that feature is there and the feature is that a rebate is allowed if the donor pays the tax within a specified time after he makes the gift. That is, as we do in commercial concerns. Take, for example, the electricity bill. It is received and the department gives a rebate if we pay the bill within a fortnight or some such specified period. The same feature is adopted here. I think this is a very commendable feature. If we find that it is successful here and it lessens or decreases the

[Shri Heda]

burden of work of the Income-tax department, I do not think there is any harm in adopting it or extending it to other departments.

Yesterday, Shri Supakar referred to another matter, and that was about the gifts made under the *bhoodan* and *sampattidan* movements. I have no idea of how they will be treated, but looking to the spirit, I feel that they will not be attracted by the Gift Tax Bill, and, therefore, the donor of gifts under the *bhoodan* or *sampattidan* movements will not be made to pay gift tax. However, the Bill is not very clear on that point, and I wish that it is made clear.

In connection with the Finance Bill, the Finance Minister gave us certain assurances yesterday, so far as transfer and other matters were concerned. He went to the extent of saying that if there were any case where injustice had been done or something was interpreted against the spirit of this Bill, then Government would try to remedy it administratively. He took shelter under the plea that he was not a lawyer, but he can take the help of the Law Ministry which is at his disposal. Therefore, I feel that if the words in the clauses of the Bill lead to an interpretation which would go beyond the intention of the Bill itself, then we should in time try to remedy it. I hope the Select Committee will do it.

With these words, I welcome the Bill.

Shri Radha Raman (Chandni Chowk): At the very outset, I welcome this Gift Tax Bill. We have been discussing various taxation measures in this House, and I think it is in the fitness of things that a Bill of this nature has been brought forward to integrate the tax structure that has been proposed to be introduced in the country for reducing the inequalities and for leading the society towards the goal of socialistic pattern.

I also welcome the Finance Minister's having thought of referring this

Bill to a Select Committee before it is finally adopted here, because I feel that the Bill as it stands requires closer examination of its clauses. I have full hope and confidence that when the Bill emerges from the Select Committee, some of the defects which have been pointed out by the previous speakers would have been removed.

I also welcome the Finance Minister's gesture, while he was moving his motion for referring this Bill to the Select Committee, that he has it in mind to remove some of the defects that appear in the Bill while it is considered by the Select Committee. I, however, feel that some points which have occurred to me should be brought before this House, and they should receive the attention they deserve from the Finance Minister.

In the first place, I find that the object of this Bill is to avoid all such evasions or to plug all such evasions as are often practised by the tax-payer in this country. It is unfortunate that in this country there are many people who think that it is their right to evade tax. I somehow do not side them or do not defend them. In a country where we have our own Government, it is absolutely necessary that every man should try to fulfil his obligations, legal and otherwise, and do his duty.

As this gift tax will affect only a small minority, I do not even think that if there be some hardship on some people who are tax-evaders, the Bill should try to give them any help, because we have to plug all loopholes, so that the Bill may bring in more tax to the Government and enable it to raise such funds as are necessary in order to fulfil the obligations that are placed on them.

I, however, feel when gifts are passed on to any person, that person is often either a close relation or a lineal descendant. I was therefore thinking why there should be a wider circle and why there should not be a specific mention that the tax would apply to only such cases where the

gifts are made to either the lineal descendants or the close relations and where the intention of the giver or the donor is just to avoid taxation. I do not mean that everybody who gives a gift is trying to evade tax, and, therefore, he should be put to unnecessary harassment. I just want this matter to be given the close attention of the Finance Minister, and if he can remove this defect from the Bill, I shall be happier.

In regard to clause 3, I find, and I support what the previous speakers have also mentioned, that gifts made by a wife who receives gifts from her husband will be subject to double taxation, and if double taxation can be avoided, then we should try to avoid that. For instance, if A gives a gift of Rs. 5 lakhs to his wife, he will pay gift-tax on Rs. 4 lakhs, because Rs. 1 lakh is exempted. If the wife makes a gift out of that gift to another person, amounting to Rs. 3 lakhs, it will mean double taxation. I do not know how it will be proper to have double taxation imposed in such instances. I wish that the Finance Minister will give it his due consideration.

Shri Morarji Desai: May I tell the hon. Member that the husband can give directly to the other person to whom the wife wants to give, and in that case, there will be no double taxation?

Shri Braj Raj Singh: Yes, that is the best way.

Shri Radha Raman: That is quite true. But sometimes, it so happens that the husband gives a gift to his wife, and the wife may gift it not necessarily at that every moment, but she may do it later on.

Mr. Deputy-Speaker: The husband may desire that the gift should pass through his wife.

Shri Radha Raman: Then, under the Gift-Tax Bill, gifts to charitable institutions which have been recognised under section 15B of the Income-tax Act will alone be exempt. As the previous speakers have pointed out, there are many institutions which receive

quite substantial amounts from generous people. So, if it is restricted to section 15B only, I am afraid, that it will be difficult for many people to pass on any amount to such institutions, and they will suffer thereby. Particularly, when it is mentioned that only secular institutions will be taken into consideration, I am afraid it will work hardship. Though in our country we have adopted a policy of secularism—I commend it and I think it is a very good policy—at the same time, we have so many religious, sectarian and communal institutions in our country. We do not want to encourage them in future, but at the same time, we do not want them to suffer on account of their having adopted at one time a certain name which is continuing. They have earned goodwill and they have also done a lot of good work.

I therefore think that the provisions in this Bill regarding charitable institutions should be modified in such a way that gifts given with good intentions to charitable institutions, irrespective of their being religious or communal for the time being, should be exempted. If we do not do that, I have grave doubts whether the purpose of the Bill will be fully served. It will work as a hardship, and charities to such institutions will go down bringing a lot of hardship to them.

Clause 7 proposes that the tax in respect of gifts made in a year shall be determined by aggregating the total value of all taxes paid by the assessee during the preceding five years. There is no reason why for rate purposes gifts made during five years should be taken into account. Seeing that the rate of the gift tax is as heavy as that under the estate duty, this aggregation of five years' gifts is bound to work hardship. I therefore think that some provision should be made in order to avoid this difficulty and hardship. If a person wants to pay a certain amount annually, if he wants to give phased charity, he should not, in any way, be put to disadvantage. That is my contention.

[Shri Radha Raman]

In clause 19, rebate is given to the assessee for voluntary payment. I wholeheartedly commend this provision. I want that there should be given more and more encouragement to assessee for voluntarily doing their duty and paying whatever is due to Government. What I find today is that honest assessee are treated in the same manner as dishonest assessee. Oftentimes, the income tax officers or gift-tax officers go with the presumption that every assessee is a dishonest person. Even when returns are filled and submitted as best as they can, as honestly as possible, the presumption of the officers is that there is some loophole, some evasion, some kind of govt. I think they should not go with this presumption. In spite of the fact that there are in our country many people who like evasion and practise evasion, I have a feeling that there is no dearth of men who would like to pay what is due to Government. They like to be honest in filling and submitting returns. For advance payment or voluntary payment, a rebate of only 10 per cent is allowed in the Bill. I only say that where returns are submitted by honest people and the returns are found to be honestly filled and submitted in time, there should be some such encouragement and appreciation on the part of the Government as well as the revenue department, to make the people feel that those who do their duty honestly will get certainly better treatment and are confronted with no difficulty from the assessment department.

I somehow feel that there is enough of harassment given to the assessed in getting their returns assessed. May be because some people do not actually know how to fill in a return and some others have actually dishonest intentions. At the same time, I do not believe that in this country there will not be enough people who will be quite willing to fill in and submit returns honestly, paying what is due to Government, provided their action was appreciated and there was some kind

of consolation that such action always put them in a better and advantageous position.

I therefore suggest that Government should devise some method not merely to give rebate, as suggested in the Bill, but also other encouragement, so that the assessee know that honest filling in and submission of returns in time receives appreciation and encouragement at the hands of the income tax department or the revenue department.

Then there is a conflict between section 16(3) of the Income-tax and the provisions of the Gift-Tax Bill. Under the Income-tax Act, income from assets transferred to wife or minor children is liable to income-tax in certain cases. At the same time, such income is liable to gift-tax under the Gift-Tax Bill. Therefore, I want that this provision should be closely looked into and properly examined. If this conflict is also removed, it will have gone quite a long way to satisfy the demand of the time or the demand of the people.

I wish the Gift-Tax Bill will bring Government Rs. 3 crores as anticipated. It will rather enable us to go a step further in having a tax structure in the country which will ultimately lead to removing inequalities and effecting proper distribution of wealth which often accumulates in a few hands and reaction other people. This will help us in bringing about the socialist pattern of society which we are aiming at.

श्री कुलकुमवाला (भागलपुर) : उपाध्यक्ष जी, जो दान कर लगाया जा रहा है और वह जिस उद्देश्य से लगाया जा रहा है, मैं उस का समर्थन करता हूँ। जो लोग बेईमानी से टैक्स देने से बचते हैं, उन के ऊपर जल्द टैक्स लगाया जाना चाहिये। जो लोग टैक्स से बचना चाहते हैं, वे एक या दूसरे रूप में कबल अपने घर में ही उस धन को रखना चाहते हैं।

वे अपने सम्बन्धियों को ही दे कर दूसरे टैक्स में बचना चाहते हैं। इसलिये मेरी यह राय है कि जहाँ तक गिफ्ट टैक्स का मसाला है, वह केवल वहीं पर लागू हो, जहाँ कि अपने सम्बन्धियों को गिफ्ट दे कर इस तरह से टैक्स से बचने का प्रयत्न हो। दूसरे प्रकार के गिफ्ट्स में—दानों में—यह लागू नहीं होना चाहिये।

इस के अलावा इस बिल में बहुत से ऐसे प्राविजन हैं, जिन के अनुसार कुछ ऐसी व्यवस्थाओं में टैक्स लगाने का मुद्दा दिया गया है, जहाँ कि यह गिफ्ट टैक्स किसी हालत में लगना नहीं चाहिये। हमारे वित्त मंत्री जी ने कल बोलते हुए दो तीन बातों के लिये तो कह दिया है कि उन पर यह टैक्स नहीं लगाया जायेगा। उन्होंने कहा है कि यदि शिक्षा के लिये कोई दान दिया जायेगा, या यदि कोई अपने कर्मचारी को प्रेचुइटी या इस तरह का दान देगा, तो उस के ऊपर यह टैक्स नहीं लगेगा। यह बहुत ठीक है। उन्होंने यह भी कहा है कि मिलेक्ट कमेटी में इस बात पर भी निगाह रखी जायेगी कि व्यापार सम्बन्धी जो ट्रांजेक्शन होते हैं, उन के सम्बन्ध में लोगों के ऊपर किसी फिल्म का अत्याचार—हेरामबंद न हो। मुझे आशा है कि मिलेक्ट कमेटी में इन के ऊपर ध्यान दिया जायेगा। नहीं तो इस बात की आशंका है कि जो लोग ईमानदारी से, बोलाकाइडी तरीके से कोई बात नद करते हैं, कोई समझौता करने हैं, जिस में उन का नुकसान भी हो जाता है, उन को उस हालत में गिफ्ट टैक्स भी देना पड़ेगा। इनकम टैक्स आफिसर के लिये भी बड़ी मुश्किल है। अगर उस के सामने जायें, तो वह भी कहेगा कि यह किस तरह की बात है। मैं आप को इस की एक मिसाल देता हूँ।

समझ लीजिये कि किसी ने किसी को—ए ने बी को ५० हजार रुपये दिये। बाद में ए यह देखता है कि बी की दशा ऐसी हो गई है कि उस रकम के लिये कोर्ट में जाने पर भी ५० हजार रुपया बसूल करता किसी हालत में

संभव नहीं है। वह वह देखता है कि यदि मैं कोर्ट में जाता हूँ, तो कोर्ट में मेरा इतना खर्च होगा, लेकिन वह रकम वसूल नहीं हो सकेगी। इस हालत में वे दोनों काय्प्रोमाइस कर लेते हैं और ए कह देता है कि अच्छा भाई, मुझे २० हजार रुपये दे दो और ये २० हजार रुपये पाँच बरस में चार चार हजार रुपये कर के सदा कर दो। जैसी कि इस वक्त इस बिल की क्लोजिंग है, इस बात का डर है कि उस व्यक्ति को बाकी के ३० हजार रुपयों के ऊपर गिफ्ट टैक्स देना पड़ेगा। मैं निवेदन करना चाहता हूँ कि यह बात बहुत अच्छी नहीं होगी। व्यापार में प्रति दिन इस प्रकार की व्यवस्था की जाती है और रुपया पैसा दिया जाता है। जो व्यापारिक ट्रांजेक्शन होते हैं, उन में भी हम देखते हैं कि यदि किसी ने किसी बात का ट्रांजेक्शन कर लिया और उस को फुलफिल नहीं किया जा सकता, तो उस में से कुछ छोड़ दिया जाता है, माफ कर दिया जाता है। मुझे आशा है कि वित्त मंत्री जी बिल में इन सब बातों को माफ कर देंगे, वैया कि उन्होंने आश्वामन दिया है और यदि वे बातें माफ नहीं होंगी, तो परिणाम यह होगा कि इस मामले को इनकम टैक्स आफिजर के पास ऊपर छोड़ देने में लोगों को बहुत तकलीफ होगी और इनकम टैक्स आफिजर की भी दिक्कत हो जायेगी और इस के साथ ही वहाँ पर कुछ करप्शन के लिये रास्ता खुलने का डर रहेगा वित्त मंत्री जी ने यह भी कहा है कि यदि ऐसी बातें होंगी, तो हम एडमिनिस्ट्रेटिव तरीके से रिस्कीफ देंगे। लेकिन, वैया कि इस बारे में तजुर्बा है, ऐसा बहुत कम होता है। तो ठीक यही होगा कि बिल में इन सब बातों को अच्छी तरह माफ कर दिया जाय।

इस के बाद में एक दूसरी बात की तरफ ध्यान दिलाना चाहता हूँ। एक आदमी के पास रुपया है और दूसरे के पास काम करने की शक्ति और बुद्धि है। आजकल सरकार यह देखा गया है कि वे दोनों आदमी मिलकर काम करना शुरू कर देते हैं। पहला आदमी कहता है कि तुम्हारे पास पैसा नहीं है, चलो, हम तुम को

[बी. कृष्णबाला]

वकिंग पार्टनर के तौर पर ले लेते हैं—इतनी सैलरी देते हैं, एक लाख में पच्चीस, तीस या पचास वगैरह देते हैं। इस का कारण यह होता है कि अगर डबल सैलरी दी जाय, तो काम करने और लाभ करने का इन्सेंटिव नहीं होता है। यदि लाभ करने के लिये कुछ देने का तरीका निकाल लिया जाये, तो काम अच्छी तरह से होता है। इस बिल के वर्तमान प्राविजनस के अनुसार इस बात का डर है कि इस सम्बन्ध में जो प्राफिट शेरिंग होगा—पच्चीस, तीस या पचास—वह देने के लिये गिफ्ट टैक्स देना होगा। जो धादमी रुपया लगायेगा, उस को ऐसा करने पर गिफ्ट टैक्स देना पड़ेगा। यह बात अच्छी नहीं है। वित्त मंत्री जी से मेरी प्रार्थना है कि वह इस बात का भी ध्यान रखें।

जैसा कि अभी मेरे पूर्व वक्ता ने कहा है, स्त्री को यदि कोई दान दे दिया गया और वह किसी दूसरे को दे, तो उस में डबल टैक्सेशन हो जायेगा। हमारे वित्त मंत्री जो ने कहा कि ठीक है, यदि हसबैंड देना चाहता है, तो वह सीधा क्यों न दे दे। यहां पर यह सवाल नहीं है कि वह—अर्थात् हसबैंड—देना चाहता है या नहीं। यदि स्त्री को दान दिया गया है, तो यह उस की मर्जी की बात है कि वह देती है या नहीं और बाद में उस का क्या आइडिया होता है।

मन्दिर आदि चैरिटेबिल इन्स्टीच्यूशन्स को दान देने का प्रश्न भी हमारे सामने आता है। हमारे हिन्दू भाई मन्दिरों को बहुत कुछ दान देते हैं और यदि मन्दिर वाले किसी और को वह दान देते हैं, तो उस पर टैक्स लग जायेगा। हम को तो टैक्स देना पड़ेगा ही, किन्तु बाद में उन को भी टैक्स देना पड़ेगा। यह नहीं होना चाहिये, क्योंकि मन्दिर में जो दान दिया जाता है, वह किसी खास उद्देश्य और खास काम के लिये दिया जाता है। अर्थात् ब्राह्मणों, निस्समंगों वगैरह को खिलाने के लिये और संस्कृत पाठशाला खोलने के लिये दान

दिया जाता है। इसलिये उन लोगों पर और उन कामों पर सपया खर्च करने और देने पर टैक्स नहीं लगना चाहिये।

बहुत से ऐसे पब्लिक परपजिज हैं, जो इनकम टैक्स एक्ट के सेक्शन १५ (ए) के अन्तर्गत नहीं आते हैं। आज कस जो लाइबेरीज और शिक्षा के लिये जो संस्थाएँ होती हैं, उन में दान दिया जाता है। हो सकता है कि वे सेक्शन १५(ए) के अन्तर्गत न हों। यदि वे उस के अन्तर्गत न हों तो उन सब इन्स्टीच्यूशन्स में दान देने पर गिफ्ट टैक्स नहीं लगना चाहिये।

यही छोड़े बहुत मेरे सुझाव हैं। यदि ये सब दिक्कतें दूर कर दी जायें, तो हम को कोई ऐतराज नहीं है कि यह गिफ्ट टैक्स लागू कर दिया जाये।

14 hrs.

Mr. Deputy-Speaker: Shri Ghosal.

Shri Vajpayee (Balrampur): There is no quorum in the House.

Mr. Deputy-Speaker: I will have it counted at 2:30.

Shri Ghosal (Uluberia): Sir, in this sort of legislation, the Government can have the largest amount of agreement with the Opposition. The Gift-Tax Bill was in the offing since last one year. It now completes the circle of integrated tax structure of our country. There is nothing new or to be surprised at its introduction. My objection is regarding the loopholes in the body of this Bill. The difficulty is this. When the Government wants to bring some progressive measures, it always brings it in a half-hearted manner. It seems that some force is working somewhere in their machinery or in their associates which does not allow the Government to go the whole hog in the implementation of the progressive measures. This Bill leaves some loopholes which sometimes even defeat the purpose of the Bill itself. For

this lacuna the Government fails to achieve the expected result. If legislations are passed with some amount of foresightedness the number of amending Bills will decrease gradually.

Now, I would like to draw the attention of the hon. Members of the Select Committee to the loopholes which exist in this Bill. There would be no objection if some amount is exempted from the taxation for the expense of the marriage of the daughters or other near relatives. But if in that category all female relatives who are alleged to be dependent are included, the loophole becomes large enough to drain out a huge amount of money. In the case of female relatives, this must be restricted to the near relatives like daughters and sisters only. The provision of Rs. 10,000 for each marriage seems to be too high. The Government is on the one hand advocating the abolition of dowry system. I think this will encourage the people to fall an easy victim to the evil which we want to abolish. This provision should be much lower. In the case of insurance also, the same principle should be applied.

All sorts of relatives or dependents should not be included in this category so that large amounts may be thrown off through that gap.

The last loophole which I would rather call a manhole is regarding the gift of a man to the wife of a lakh of rupees because it is a preposterous limit and a fabulous exemption. As regards the point about double taxation raised by some hon. Members, I would like to say this. If the wife after getting a gift again executes another gift in favour of another man, what happens? It cannot be called double taxation if a tax is levied on the second transaction. That is not double taxation. Because there are two separate transactions.

Lastly, I want to say this. The hon. Minister assured us yesterday that bonus, pensions, gratuity, etc. would be exempted from the Gift-Tax. I do not know whether the contribution made to the political parties

should also be taxed under the Gift-Tax Act.

Shri Morarji Desai: That was income-tax; not gift-tax.

Shri Ghosal: My last point would be regarding the machinery for the realisation of the tax because we have got bitter experience about it. Many hon. Members have already complained in the House and also many eminent persons have complained outside about the defective working of the system. The pattern of realisation of the gift-tax is just like that of the income-tax with some minor variations. My point is that many good measures may be founded by the defective working of the machinery. Our first attention should be given to the working so that we can improve the machinery and the people who want to evade tax and deprive the Government of its legitimate dues could be detected easily and brought to book. In the case of income-tax, we find that the disputes on the taxable amounts are dragged on from department to department and thereafter from court to court. After a long time we find a big amount of the tax turns out to be a dead money. In order to avoid such contingencies, I would like to draw the attention of the Select Committee for improving the realisation system of the gift-tax.

Lastly, I come to the recommendation of Shri Kaldor about certain improvements also. He says that if an extra crore of rupees were spent on raising the standard of salaries in the revenue department, the return to the State in terms of additional revenue collected is bound to be many times the additional cost. So, Government should take sufficient note of it so that the machinery can work well and with honesty and integrity. Lastly....

Mr. Deputy-Speaker: There have been two lastly's already.

Shri V. P. Nayar (Quilon): This is the last 'lastly'.

Shri Ghosal: This is the final lastly. I would like to draw the attention of the Select Committee to the rates given here. The rates are not even according to the recommendations of Shri Kaldor. I request this Members of the Select Committee to look into this and consider this point also.

श्री बाजपेयी : उपाध्यक्ष महोदय, प्रधान मंत्री ने अन्तर्कालीन वित्त मंत्री के रूप में जो गिफ्ट टैक्स लागू करने का प्रस्ताव रखा था, कुछ अपवादों को छोड़ कर सभी ने उसका स्वागत किया था गत वर्ष से हमने जिस कर-प्रवृत्ति का अवलम्बन किया है उसमें दान कर या उपहार कर को एक आवश्यक भंग के रूप में स्वीकार किया गया है। अन्धता होता यदि गत वर्ष ही व्यय कर और सम्पत्ति कर के साथ हम उपहार कर को भी लाते। लेकिन बेर से ही सही, यह कदम सही दिशा में उठाया गया है और इसी लिये प्रायः सभी ने इसका स्वागत किया है।

लेकिन विधेयक का जो रूप हमारे सामने आया है, उसमें कई कमियाँ हैं। कई कमियाँ हैं और मुझे विश्वास है प्रभार समिति उस पर गम्भीरता से विचार करेगी। कोई भी धनवान या पूँजीपति सरकार को टैक्स बढ़ा न करे या दूसरे शब्दों में चोरी करे, उसे रोकने के लिये जो भी कदम सम्भव हों, उठाये जाने चाहियें। लेकिन उसमें इस बात का ध्यान रखना आवश्यक है कि उस कर का जाल इतना चौड़ा और लम्बा न फैलाया जाय कि उसमें ऐसे लोग भी फँस जायें जिन्हें फँसाने का शायद हमारा भी इरादा नहीं है।

सब से पहले इस विधेयक के अन्तर्गत जो एग्जेंप्शन दी गई है, उन की ओर मैं आपका ध्यान दिलाना चाहता हूँ। अभी अनेक माननीय सदस्यों ने इस बात का उल्लेख किया है कि देश में अनेक ऐसी संस्थाएँ बनती हैं, विद्यालय हैं, अस्पताल हैं, जो किसी

एक सम्प्रदाय तक भले ही सीमित हों किन्तु जिनका उद्देश्य जन-हित का है और वे अपने ढंग से राष्ट्र के निर्माण में योग देना चाहती हैं। इस सम्बन्ध में इंडियन इनकम टैक्स एक्ट की जो १५-बी की धारा है वह एक ही सम्प्रदाय तक सीमित है, दानव्य संस्थाओं को अपने में शामिल नहीं करती है। धनी यहां पर सैक्सुलरिज्म का नाम लिया गया है। मैं समझता हूँ सारा देश इस बात से सहमत है कि राजनीति में मजहब का समावेश नहीं किया जाना चाहिये। लेकिन यदि चैरिटेबल इंस्टीट्यूशन हैं और भले ही वे एक वर्ग या समाज के एक भाग तक सीमित हों, उनके दिये गये दान के ऊपर किसी प्रकार का टैक्स लगाना आज की परिस्थिति में उचित नहीं है और इस इनकम-टैक्स विधेयक के अन्तर्गत ऐसी संस्थाओं का भी समावेश किया गया है। जो इनकम-टैक्स एक्ट में व्यवस्था है उसके अनुसार यदि कोई संस्था केवल एक सम्प्रदाय तक सीमित है तो उसे १५-बी के अन्तर्गत मिलने वाली छूट नहीं मिलेगी। मैं समझता हूँ इस विधेयक में इस तरह का संशोधन किया जाना चाहिये जिस से कि सभी प्रकार की दानव्य संस्थाएँ उसके अन्तर्गत आ सकें।

इस सम्बन्ध में मेरा एक और निवेदन है कि सी रुपये में अधिक जो भी व्यक्ति दान करेगा उसके ऊपर यह गिफ्ट टैक्स लागू हो जाये। कई सज्जन ऐसे हैं जो विद्यार्थियों को शिक्षा के लिये उन्हें प्रतिवर्ष सहायता देते हैं और शिक्षा का सर्वा जो गति से बढ़ रहा है उसको देखते हुये सी रुपये की सीमा निर्धारित करना न्यायोचित नहीं कहा जा सकता। वह सी एक विद्यार्थी की एक वर्ष की पढ़ाई की फीस भी नहीं होगी। मैं समझता हूँ कि इस विधेयक के द्वारा हम कोई ऐसा काम करें जिस से देश की जनता में हजारों वर्ष के संस्कारों के कारण दान देने की जो प्रवृत्ति है उसको चोट लगे, यह ठीक नहीं होगा। अन्य देशों से विपरीत हमने एक ऐसी संस्था

व्यवस्था, ऐसी धर्म-रचना का विकास किया जा जिस में सब बातों के लिये शासन पर निर्भर रहना आवश्यक न हो और व्यक्ति एक दूसरे की तथा समाज की अपने आप सहायता करे। यदि इस गिफ्ट टैक्स का परिणाम यह हुआ कि हमारे देश में जो दान देने की पुरानी पद्धति चली आ रही है उसको कुछ आघात लगे तो मैं नहीं समझता कि विधेयक के निर्माताओं का जो उद्देश्य है वह उसमें पूरा होगा।

शादियों के सम्बन्ध में जो उपहार दिये जाते हैं उनकी भी यहाँ चर्चा की गई है। इसके बारे में इस विधेयक में यह लिखा है :—

"...female relative dependent upon him for the necessities of life on the occasion of her marriage".

मे समझता हूँ इस दायरे को बहुत संकीर्ण बना दिया गया है। ऐसी भी लड़कियाँ हैं—स्त्रियाँ हैं जो शादी के समय अपनी आजीविका कमाने के लिये छोटा सा काम करती हैं और पूरी तरह से इस शब्दावली के अन्तर्गत जो व्यक्ति उन्हें उपहार देने वाला है उस पर निर्भर न करती हैं—कुछ अंशों में तो निर्भर करती हैं—उनके लिये इस विधेयक में जो व्यवस्था की गई है उसके अन्तर्गत इस प्रकार की जो लड़कियाँ हों वे भी गिफ्ट प्राप्त करने से वंचित हो जायेंगी या अगर उन्हें गिफ्ट दिये जायेंगे तो दान देने वाले को टैक्स देना पड़ेगा जिस से वह बचना चाहेंगा। इसलिये मेरा निवेदन है कि आजीविका कमाने या छोटा सा काम करने या पार्ट-टाईम काम करने और उससे थोड़ी सी आय प्राप्त करने को इसमें शामिल नहीं किया जाना चाहिये और उसके लिये पूरी छूट दी जानी चाहिये।

इस विधेयक के संक्षेप ४ में कुछ ट्रांजेक्शंस का जिक्र किया गया है जिनके ऊपर यह गिफ्ट टैक्स लागू होगा और उसमें आगे चल कर कहा गया है जिस का अभिप्राय यह है कि यदि कोई व्यक्ति किसी दूसरे व्यक्ति को कर्जान्दे और कुछ कारणों से उस कर्जों को पूरी तरह से वसूल न कर सके और परेशान होकर यह फैसला कर ले कि कर्जान्दे मैंने छोड़ दिया क्योंकि मैं वसूल नहीं कर सकता या जिस में वसूल किया जाना है उसकी स्थिति ऐसी है कि उसमें अब लेना सम्भव नहीं है तो इस प्रकार की जो भी छूट दी जायगी कर्जों में उसके ऊपर छूट देने वाले को गिफ्ट टैक्स देना पड़ेगा। इसका अर्थ यह है कि जो कर्जदार है और जो कर्ज देने वाला है उन दोनों के बीच हम मुकदमेबाजी को प्रोत्साहन देंगे और अगर मुकदमेबाजी के बाद भी कर्जा नहीं मिलेगा तो उस स्थिति में जो अफसर होगा जो निर्धारण करेगा कि कितना गिफ्ट टैक्स दिया जाना चाहिये उसकी मर्जी के ऊपर छोड़ दिया गया है कि वह इस बात को देखे कि कर्जा पूरी तरह से वसूल हो सकता है या नहीं हो सकता है। मे समझता हूँ यह डिस्क्रिजन काफी बड़ा है, इसका उपयोग हो सकता है और यह भी सम्भव है कि कर्जों की जो रकम छोड़ दी जाय उसमें वारे में अफसर का यह मत हो कि तीन चौथाई रकम तो ठीक छोड़ी गई है मगर एक चौथाई ठीक तरह से नहीं छोड़ी गई है और उसके ऊपर गिफ्ट टैक्स लिया जाये। मे समझता हूँ कि इस विधेयक में यह मशॉघन होना चाहिये कि अगर कर्जा या इस प्रकार के और भी कोई ट्रांजेक्शन कोई व्यक्ति अगर छोड़ना चाहता है और जिस के लिये उनको छोड़ा जा रहा है वह उस परिवार का नहीं है या उस व्यक्ति से सम्बन्धित नहीं है जिस से यह प्रकट हो कि उसकी नियत टैक्स को इवेड करने की है तो उसको मजबूर नहीं किया जाना चाहिये गिफ्ट टैक्स देने के लिये।

[श्री बाजपेयी]

इस सम्बन्ध में प्रवर समिति गम्भीरता से विचार करे, इस बात की आवश्यकता है।

विधेयक में एक धीरे भी व्यवस्था की गई है। अगर कोई व्यक्ति बैंक में ज्वारेंट एकाउंट रखे, धीरे अगर जिस के नाम रक्का संयुक्त रूप से वह उस की पत्नी हो, धीरे अगर पत्नी उस ज्वारेंट एकाउंट में से कुछ रुपया निकाले, चाहे वह रुपया घर के काम काज के लिये ही निकाला जाय, तो उस धन राशि को उस के पति द्वारा, गिफ्ट टैक्स के अन्तर्गत लगाया समझा जायेगा। अब उस में एक यह व्यवस्था की गई है कि 1 अप्रैल, 1957 से इस तरह की बितनी ज्वारेंट टेनेन्सी या बैंक एकाउंट्स हैं उस के ऊपर यह विधेयक लागू होगा। अधिनियम में परिवर्तन होने के बाद में समझता हूँ कि इसे रिट्रोस्पेक्टिव एफेक्ट देने की जरूरत नहीं है। अब तो यह विधेयक पास हो रहा है और ऐसे पति पत्नियों को, जो एक ही बैंक में एकाउंट एक साथ रखते हैं, चेतावनी मिल गई है। वह तो अब भलग भलग एकाउंट खोलेंगे। अगर पिछले एक साल तक जिन्होंने साथ साथ रक्का, वे किसी कठिनाई में न पड़ें, इस दृष्टि से बिल में संशोधन होने के बाद 1 अप्रैल, 1957 या 1 मई, 1957 से विधेयक की इस धारा को लागू किया जायेगा।

लोग जल्दी से टैक्स भदा करें, इस के बारे में विधेयक में रिबेट प्राव एडवान्स पेमेंट की जो व्यवस्था की गई है वह बहुत अच्छी है, और उस का सभी लोगों ने स्वागत किया है। यदि अन्य टैक्सों के सम्बन्ध में भी इसी तरह का कोई आकर्षण हम लोगों के लिये पैदा कर सकें कि वे जल्दी से अपने टैक्स भदा करें और उनको कोई छूट दी जाये

तो मैं समझता हूँ कि उस से टैक्स की प्रदायगी में जल्दी होगी। लेकिन इस सम्बन्ध में भी मेरी दो आपत्तियाँ हैं। यह हो सकता है कि जो टैक्स प्राफिसर्स हैं, वे असेसमेंट करने में एक साल से ज्यादा समय लगायें, और जिन कार्यों के लिये एडवान्स किया जायेगा उन के बारे में असेसमेंट में अधिक समय लगाने की प्रवृत्ति भी हमें दिखती है, जैसा कि इनकम टैक्स की वसूली के समय होता है, ऐसी स्थिति में रिबेट की प्रदायगी में बहुत कुछ आकर्षण बाकी नहीं रह जाता।

एक दूसरी बात है, यदि कोई व्यक्ति 50,000 रु० की गिफ्ट दे तो 4 परसेंट के हिसाब से 2000 रु० टैक्स हुआ और यदि वह एडवान्स पेमेंट है तो 100, 200 रु० का लाभ होगा। मैं समझता हूँ कि यह काफी बड़ा लाभ है और लोग जल्दी से टैक्स की प्रदायगी करना चाहेंगे। लेकिन अगर कोई व्यक्ति 2 लाख रु० की गिफ्ट दे तो 15 परसेंट के हिसाब से उसे 30,000 रु० का टैक्स देना होगा, लेकिन बिल के अनुसार वह केवल 16,000 एडवान्स रुप० जमा कर सकता है, जिस का मतलब यह है कि उसे सिर्फ 16,000 रु० का रिबेट मिलेगा। मैं समझता हूँ कि यह रिबेट की राशि कम है, और अगर अपना रुपया बाहर लगावे तो उस के बदले में उन्हें जो प्राप्त होगा इस से कहीं अधिक होगा। इस सम्बन्ध में भी जो प्रायगी गिफ्ट पाने वाले हैं उन को भी जल्दी से जल्दी पेमेंट करने का आकर्षण हो सके, इस लिये कुछ संशोधन की आवश्यकता प्रतीत होती है।

अन्तिम बात इस टैक्स की वसूली के सम्बन्ध में है। जो भी प्राय कर, सम्पत्ति कर या व्यय कर के वसूली के बारे में व्यवस्था की गई है, वही इस पर भी लागू होगी। इस का अर्थ यह है कि जो भी कर्मचारी हैं, अधिकारी हैं, उन के ऊपर काफी बोझ पड़ेगा और इस कारण वसूली में अनेक

प्रशासनिक कठिनाइयाँ सही होंगी, जिन की धीरे टैक्सेशन इन्क्वायरी कमिशन में भी अपनी रिपोर्ट में ध्यान आकृष्ट किया था वे कठिनाइयाँ आज भी अनुभव में आयेंगी। इस विधेयक के अन्तर्गत यह अनुमान किया गया है कि सरकार को ३ करोड़ प्रति वर्ष की प्राप्ति होगी। मैं समझता हूँ कि यह अनुमान अधिक है और ताज़्जुब नहीं होगा अगर एक वर्ष के बाद हम यह रकम काफी बड़ी हुई पायें, जैसा कि अन्य टैक्सों के बारे में हुआ है। लेकिन यदि वस्तुतः ३ करोड़ ६० प्राप्त होता है तो जो सरकार ने इस टैक्स की वसूली के खर्च की व्यवस्था की है वह ८ लाख ० की है। मैं समझता हूँ कि टैक्स वसूल करने वाले कर्मचारी और अधिकारी अच्छी तरह से अपने कर्तव्य का पालन कर सकें, इस दृष्टि से यदि उन की कार्यक्षमता को बढ़ाने के लिये उन्हें कुछ अधिक सुविधायें दी जायें तो यह उचित होगा। उनमें कार्य करने की आज जो कुशलता है उस का हम अधिक उपयोग कर सकें और प्रामाणिकता में वे अपने दायित्व वहन करें। इस दृष्टि से जो टैक्स वसूल करने का प्रशासन है उसमें भी सुधार किये जाने चाहियें।

इन शब्दों के साथ सामान्य रूप से हम विधेयक को अपना समर्थन देने हुए मैं समाप्त करता हूँ।

Shri Somani (Dausa): Mr. Deputy-Speaker, Sir, the primary objective of this Bill is to plug the loop-hole under which it has been possible for persons to make gifts to reduce their liability under the various taxes, and indeed the Prime Minister, while introducing this Bill, had indicated that this transfer of property in favour of close relatives has been the commonest form of avoiding tax liability under the various Acts.

So far as this basic objective of plugging this loop-hole is concerned, there can be no difference of opinion. While suggestions have been made

by Prof. Kaldor and by some other experts also that this loop-hole could have been plugged by amending the Estate Duty Act rather than by bringing in this new taxation measure, all the same, the need for bringing this measure cannot be questioned. But my submission is that this Bill goes much beyond fulfilling this obvious need, and there are various provisions in this Bill of such a sweeping character, that unless the Select Committee thoroughly examines the implications of the various provisions, I am afraid the Bill might cause undue hardship and difficulty in various directions. I therefore appeal to the hon. Finance Minister and to the Members of the Select Committee to realise this, namely, while on the one hand they should ensure that the basic objective of this Bill is not in anyway compromised or prejudiced, on the other hand they should also examine the adverse repercussions which the various provisions of this Bill may have on the smooth functioning of the business houses.

The first suggestion that I want to make is that this tax should be levied on the donees and not on the donors, and I do it for a very valid reason. Indeed, Prof. Kaldor himself had made a similar suggestion.

Shri Morarji Desai: Does the hon. Member accept his scheme?

Shri Somani: I am referring to Prof. Kaldor because this integration of the new taxation pattern has been primarily based on the recommendations of Prof. Kaldor. Therefore, I am drawing the attention of the Government to the fact that Prof. Kaldor himself suggested that this gift-tax should be levied on the donees and not on the donors. This can be illustrated by the fact that if a person makes a gift of Rs. 5 lakhs in one year, either to one of his close relatives who has already got adequate resources or distributes it to 50 or 100 needy persons, still the incidence of tax remains the same. Obviously, it will be logical from the point of view of our socialistic pattern of society also if the incidence of tax on gifts

[Shri Soman]

which are distributed in such a wide circle is less. As a matter of fact, this practice of making gifts to needy persons should be encouraged, and not discouraged. I, therefore, submit that the suggestion made by Professor Kaldor to make this tax payable by the donee should be properly examined.

Indeed, the number of taxes which an individual has to pay in this country is so large. We have about 15 kinds of direct tax in this country, compared to as many as 18 or 19 which are known throughout the world. Even from the point of view of incidence of this tax on a single person, it is desirable that the gift tax may be transferred to the recipient rather than to the person who makes that gift.

Coming to some other provisions, I refer to clause 4, about which references have been made by many preceding speakers. I would confine myself to making observations about a few difficulties which, I think, will arise unless this clause is suitably modified. Instances have already been given how in case a managing agent foregoes his managing agency commission in the interest of the company itself, that commission which to foregoes is regarded as a gift and will be taxed as such. I do not think it is the intention of the Government to tax the managing agency commission which an agent has forgone in the interest of the company. I hope it will be possible for the Select Committee to clarify the position in this regard.

Similarly, there are a large number of transactions in the day to day functioning of a company or a business house which can be made liable to this gift tax, unless a suitable clarification is made. It may happen that in the case of business when the trade discounts and rebates are given at varying rates on the same day, the Gift-Tax officer may legitimately hold a certain minimum discount as the normal trade practice and regard

anything that has been given above that minimum discount as chargeable under the gift-tax Bill.

Indeed, I have been told that even the sales of cement and paper and such other commodities, which are made to the Government at a reduced price on certain assurances which have been given to the industry may also be liable to be taxed under this Bill. There are various kinds of other examples which have been given. But, instead of lengthening the list of illustrations, I would like to appeal to the Select Committee that it should be made clear that all business transactions of a *bona fide* nature will be completely outside the purview of this tax.

Then, there is the question of the compromise arrangement. Here again, the provisions in this Bill will encourage all sorts of litigation. Because, in the ordinary course it will be difficult to convince the gift-tax officer that all legitimate steps have been taken before any debt has been compromised or written off and, to that extent, people may be forced to waste unnecessary money for recovering certain dues when they clearly know that that would not be possible, whatever litigation they might resort to. Therefore, it is only fair and reasonable that any sort of compromise that may be arrived at in the day to day ordinary business in the routine manner should not be subject to this tax.

I can understand if this provision is made applicable to the debts which may have been made to some of the close relatives or associates of the individual concerned. Here there may be grounds for certain suspicion or doubt. But so far as any outstanding or debt in the case of outside parties are concerned, there is absolutely no justification to give any discretion to the gift-tax officer to look into any compromise that may be arrived at in settling the debts. He may or may not allow any such compromise and he may, on his own judgment, impose

gift tax on any amount which they themselves think unrecoverable if he feels that adequate legal or other steps were not taken by the party to realise those debts. It is, therefore, very essential to make a clarification. If at all this restriction is to apply, it should be confined to the debts or outstandings against persons who may be falling within the definition of "associates".

Then, much has already been said about contributions to charities or religious institutions. I do not think it is the purpose of this Bill to bring all those contributions within the mischief of this Act. There are a large number of religious, educational and social institutions. Although the hon. Finance Minister yesterday pointed out that the incidence of this gift tax on such contributions may not be large, the fact has to be recognized it will be a sort of harassment if small contributions over Rs. 100 are brought within the purview of the Gift Tax Bill. When it is not going to bring any substantial revenue, I submit, there is absolutely no justification for making all these contributions liable to tax under the Bill. Therefore, as has been already pointed out by various speakers, such contributions, irrespective of the fact whether they are exempted under section 15(b) of the Income-tax Act or not, should be outside the purview of the Gift Tax Bill.

I submit that, as in the case of the public companies, which have been exempted, some private companies which come under section 23A companies should also be exempted. There are a number of genuine cases where the companies come under the category of section 23A companies due to certain definitions in the Income-tax Act. I submit that this exemption should be widened and such companies should also be exempted from this Bill.

While the basic objective of the Bill is one against which there can be no objection, there are various provisions in the Bill which will in-

volve unnecessary hardship, difficulty and harassment to the persons concerned. So, it is very desirable to modify and simplify the Bill in a manner which, while keeping the basic objectives intact, will remove the provisions which may cause unnecessary hardship.

Dr. Sushila Nayar (Jhansi): Mr. Deputy-Speaker, I join in the support that this Gift Tax Bill has received from all sections of the House and I agree that it is a very desirable step. As was pointed out by various speakers, it completes the tax structure that we have evolved so as to promote the ideal of socialistic pattern and removal of disparities of income and wealth.

Now, while I welcome this Bill, as I welcomed some of the other similar taxation measures, which have been introduced earlier, there are certain details which do need attention. Several of them have already been pointed out. I wish to emphasise that while taxation is very necessary for running the various services that the State has to run and for removing the disparities and for ensuring equitable distribution of the wealth that is being produced, at the same time I feel that the real remedy for removing these disparities and the most effective method of achieving the socialistic pattern or *sarvodaya* type of society is by increasing the awareness and realisation in the hearts and thinking of the people that accumulation of wealth in a few hands is neither a source of joy, happiness or enjoyment nor does it confer other type of real benefit. In other words, to the maximum extent possible the idea of voluntary sharing, the idea that the individual is a part of society and the happiness, prosperity and well-being of the individual depends on the happiness, prosperity and well-being of society as a whole should be encouraged to the greatest extent possible. To that purpose I feel that the exemption that has been given for making a gift for the education of one's children should not be limited to one's own children. If anybody is willing to spend money to make a gift for

[Dr. Sushila Nayar]

the education of not only his own children but any other children, it should be exempted. Money spent or money given by way of donation for the education of children anywhere should not fall within the purview of gifts tax.

Similarly, exemption has been given for making donations to those charitable institutions which are registered and are recognised charitable institutions. There are a number of institutions doing very good work, which are perhaps not registered and which are not able to stand on their own feet. They are in the earlier stages and when they become registered and are recognised they have other sources from which money can be available to them, for instance Government grants or Social Welfare Board grants etc. But during those initial stages, when they are not registered and are not recognised, they can take roots and continue to render the services and develop the services that they have started only through private charity.

A number of us, who have been engaged in social service in various spheres forms, are very well aware of the importance of not having this source of charity dried up or minimised. An argument is sometimes given that after all a man, who is willing to donate say Rs. 1,000 towards a charity or to a charitable institution, can give a few rupees for meeting the tax also. As things are, somehow or the other it is human nature that tax, even of a small amount, acts as a great deterrent. Therefore while the gifts tax is most welcome to plug the holes and prevent the abuses which can occur and which have occurred in the form of an individual making presents of large sums of money or property to one's own kith and kin to escape death duty, estate duty and other forms of taxation, genuine charity and genuine willingness on the part of an individual to share his earnings or his wealth with the needy sections of the society should be encouraged and to do so it

should be made exempt from taxation. I would commend to the hon. Finance Minister the recommendation made by several hon. Members in this House that it would be desirable to levy the gifts tax when the gift is within one's family or within a certain circle, which may be defined, but outside that circle if a man is willing to give money or extend help to others it should be free from taxation.

There are a number of very hard cases which many hon. Members must be familiar with—cases of sickness, cases of genuine old age distress, cases of widows in distress and cases of orphans in distress—which will not be covered by any of those items which have been included in the list of exemptions given so far. These cases should be covered. It will take us a long, long time in this country to have a well-developed comprehensive social security system which takes care of all needy sections of society. Till that time these needy people have to be taken care of somehow or the other and those members of society, who are willing to do so, should be encouraged in that direction. What we want is distribution of wealth. If that distribution can take place on a voluntary basis and the donor gets the joy out of it as well, there should be no objection to it. As a matter of fact, the spirit of voluntary sharing can go a very long way in building up that moral fibre which is the backbone for the success of all our taxation measures. It will eliminate the leakages that take place the dishonesty and the tax evasion that keeps on occurring all the time. And talking of that I wish to bring a very important instance to the notice of the hon. Finance Minister. A large number of people in this country are being persuaded to offer *bhoo dan* or to offer *sampattidan*. Now, are those people to be subjected to the levy of the gifts tax?

Shri C. D. Pande: Oh yes, certainly.

Dr. Sushila Nayar: It will not be right to do so in my humble opinion. Sant Vinoba is going walking from one end of the country to another in trying to create that awareness in the hearts of our people that the individual owes a debt to society, that what the individual earns is through the help of society and therefore he should share it with society. Now, if that spirit catches on and if the people, who have wealth and who earn a lot of money, become aware of it that society is entitled to a share out of their wealth, out of their earnings, the natural corollary is that they would think twice before earning that money or accumulating that wealth through anti-social measures. They are willing to share it with the society, because they feel that they have got it through the help of society and they should share it with the society. It is obvious that they should not earn it through anti-social means, bribery, corruption, blackmarketing, adulteration, etc. This spirit is far more important, to my mind, for the regeneration and development of our country, of our economy and all-round uplift of the nation than a few lakhs or even a few crores of rupees earned through taxation. I wish to submit that with that spirit, the income of the Government is likely to increase many times, because, all the loop-holes that we are trying to plug today will, to a very large extent, be plugged voluntarily. Therefore, I wish to submit in all humility that the gift-tax should take very good care that it does not discourage people from voluntary sharing. I support the plea that has been made for exempting gifts to religious institutions even though they may serve a particular sect or community. I wish, nobody thought in terms of particular communities or particular religion. However, things being what they are, some of these religious institutions render very good service even though it is to a small section of society and they should be allowed to continue their good work.

In general, this gift-tax measure can, in my opinion, be the greatest

boon to the nation, because, it can encourage the natural tendency towards charity that is there in the hearts of our people. It can encourage the spirit of voluntary sharing more and more so that the moral fibre of our people rises high. I plead again that care should be taken to exempt *Bhoo dan*, *sampattidan* and all other forms of voluntary sharing and every effort be made to encourage the spirit of voluntary sharing with the help of this Gift-tax Bill. With these words, I support the Bill.

Shri D. C. Sharma: Mr. Deputy-Speaker, the first observation that I want to make is that the date fixed for the submission of the report by the Select Committee, 1st May, 1958, does not give enough time to the Select Committee to go into all the points that have been raised. I believe that instead of doing its work in a hurried manner, the Select Committee should do it in a very elaborate manner so that this work is done as well as it should be. Therefore, I would say that the date for the submission of the report should be extended at least by one week.

The second point that I want to make is this. I do not think that this gift tax will give us an integrated tax structure in this country. Where is a tax structure in this country? I do not think there is any tax structure in this country. If there is any tax structure, it is not integrated. When you talk of integration, you mean to say that there is going to be an organic connection between one part and the other, that there is going to be a logical connection between one part and the other. So far as our taxes go, we have been going along the British path and we have been following the system of muddling through. I believe that this Gift-tax Bill is, again an anti-estate measure. We have the income-tax measure. People evade it. We have the expenditure tax measure; people are evading it. We have the wealth tax measure; we have the estate duty. Now we have this gift-tax measure. I want to ask the hon.

[Shri D. C. Sharma]

Finance Minister—I am very glad that he is our Finance Minister and we are all proud of him—"what after this?" If people evade this measure also, if people escape the meshes of this net also, what kind of measure is he going to bring forward? I have to say that the whole taxation policy of this Government is a policy which is not based on any rational thinking, which is not based on any thinking in terms of the needs of our country, which is not based on any thinking in terms of the millions of our country. I should say, sometimes, we go to this man or that man, we go to Mr. Kaldor or some other person. What are we doing? Our tax structure is a patch work structure. I should say that this patch work structure should be amended and reformed. We should do something about it so that there is a structure which is worthy of a great country, worthy of a great nation. I do not feel happy when I think of the tax structure of this country.

Another point that I want to make is this. It has been said—it is a very pathetic confession on the part of the Finance Ministry and on the part of the nation—that the only effective method of checking such attempts at evasion or reduction of tax liability is by levying a tax on gifts. Evasion has been a chronic disease in this country. It has been a persistent and malignant disease. It has been a disease which has corroded the financial vitals of our nation and of our country. It has gone on from year to year. We are not ashamed or repeating it even in the Statement of Objects and Reasons of the Bill. I would like to know what we are going to do to stop this. I say that even if 50 per cent of the suggestions that have been put forward today are adopted, evasion of this tax will be in a much larger measure than possible. Yesterday, it was said that this measure will be liberalised. I know how the Wealth-tax Bill was liberalised. I know how the Expenditure-tax Bill was liberalised. We

liberalised to an extent when very little vitality was left in them, very little power to get money was left in them. I hope the Gift-tax Bill will not be liberalised in the same manner so that it becomes a Bill without any teeth, becomes a Bill which defeats its own purpose and becomes a Bill which gives away more than it can get. I would submit respectfully that we should go about the work of liberalised in such a way that the Gift-tax Bill remains a revenue-earning Bill, a money earning Bill and does not merely form part of our statute-book to be shown to the world that we have taken a step in the direction of a socialist pattern of society. I would submit respectfully that this Bill should be made effective. It should be made operative in the best sense of the word. Too many concessions that have been asked on the floor of the House should not be given. Because, in that case, we will have a Gift-tax Bill which will be a Gift Bill without any tax. That is what it will come to.

An Hon. Member: Or a gift of tax Bill.

Shri Narayanankutty Menon (Mukundapuram): May I seek a clarification from the hon. Member regarding exemption given to gift of Rs. 1 lakh to wife?

Shri D. C. Sharma: I am coming to that.

Shri Narayanankutty Menon: We would like to know your opinion.

Shri D. C. Sharma: I wanted to make a few observations with reference to the clauses. I come to clause 3. It is said that a new liberal exemption is provided for gifts made to one's wife. I do not understand much about these things.

Some Hon. Members: Why?

Shri D. C. Sharma: I would submit respectfully that there may be emotional logic behind it to give exemption to a gift of Rs. 1 lakh to one's wife.

15 hrs.

There may be sentimental logic behind it, to give exemption for a gift of Rs. 1 lakh to one's wife; there may be any other kind of logic also behind it, but I tell you that the logic of finance is not behind it. The logic of the developmental economy of the country is not behind it. Therefore, I do not think that this concession which is being given for gift to one's wife should be persisted in. I think they should also be treated in the same way as we are treating the other persons and no special kind of privilege should be given to them.

Shri C. D. Pande: It should be to other's wives, and not to one's own wife.

Shri D. C. Sharma: Again, I want to submit very respectfully that I am very much worried about the way in which the values of gifts are to be determined. In the first place, there is no time at my disposal to go into the whole gamut of the Income-tax Department, but I would say that we are saddling the Income-tax Department with new duties every day, with bigger duties every day, and with more duties every day, which they have not yet been able to face.

I want to tell the Minister that he should send some of these income-tax officers for training to those countries where this gift-tax has been administered. For instance, they should be sent to Sweden, so that they will learn how this gift tax can be administered in the best possible way. Again, I want to say that so far as the administrative machinery of our country is concerned, it has not proved to be adequate so far, and I hope that the strain that will be put on this machinery by this Bill will not be so big as to make that machinery much more ineffective than it is already. Therefore, something should be done. For instance, I am told that only Rs. 8 lakhs are going to be spent for expanding the Income-tax Department. I am glad that the money that we are going to spend on it is

not very high. But I would say that if we want to make this Bill really operative, then we should not mind even if we spend a little more money on the officers who are going to be employed to collect this tax. I think in this matter economy should not be our guiding policy; in this matter, we should have what may be called adequacy, and not economy, and I would be happy if a little more money were provided for these persons.

Everybody has welcomed the rebate of 10 per cent. Of course, everybody will welcome it. You do not require any arguments to welcome it. But I would say that rebate is generally given on consumer goods. If we want to popularise some consumer goods, we want to give rebate on their prices. I do not see any reason why rebate is being given in this Gift-tax Bill. It is a very dangerous precedent that the Finance Ministry is setting up, a precedent which is fraught with great dangers, and I would say that the Select Committee should go into this question from all points of view, so that we are not led along a path which will not prove to be a path for our good.

Again, the plea has been put forward for all kinds of institutions, sectional, sectarian, and religious and so on. I would submit very respectfully that donations for charitable purposes are sometimes given in a way which does not serve the ends which they aim at. I would request the Finance Minister to see to it that no charitable institution which is devoted to sectarian or sectional or communal or religious interests is given any concession of any kind. On the one hand, you say that you want to build up a socialistic pattern of society by means of this Bill, and on the other, by giving exemptions to sectarian and other institutions, you are putting the clock back.

I would submit that in this matter we should be very firm, and we should not try to foster this spirit which has proved to be very dangerous to our country.

[Shri D. C. Sharma]

Of course, this Bill is very good, so far as its objects are concerned, and so far as its principles are concerned. On that, no two views can be there in this House. All the same, I would submit very respectfully that we should not liberalise this Bill out of existence, as we have liberalised some of the other Bills like the Expenditure Tax Bill and the Wealth Tax Bill almost out of existence. That is the only thing that I want to suggest to the Finance Minister.

Shri Morarji Desai: I am very thankful for the welcome that this Bill has received from all sections of the House and also for the various suggestions that have been made to make the Bill more effective, and, therefore, also, perhaps, more rational in some matters.

I need not assure my hon. friend, the great professor, that there is no intention to gift away the Gift Tax Bill, and it is not for that purpose that it is being referred to the Select Committee. It was a very literary piece that was given to me, but when he said that there should be no sentiment, I found him full of sentiment. Literature and sentiment cannot be kept apart, nor can finances be kept apart. After all, the finances of our country are also meant to satisfy the sentiment of making people happy.

Shri Narayanankutty Menon: Happiness is not a sentiment.

Shri Morarji Desai: Otherwise, there is no necessity. Therefore, all sentiment ought not to be taboo in the mind of my hon. friend, the professor, because sentiment plays a great part in human life and is very important, more important than the economic part of it. At any rate, that is my view; that is the view that I hold.

Shri D. C. Sharma: As Finance Minister?

Shri Morarji Desai: I shall be very careful to see that my sentiments do not run away with the finances of the country. On that score, I can give him an assurance. But he ought not to be very hard on the majority of the people in the country and in the world who think better of human life than he thinks. He chooses to remain alone and wants all the people to go the same path. Well, I hope he will be more tolerant to the other people and more friendly.

Shri Narayanankutty Menon: That is too late.

Shri Morarji Desai: I do not want him to hurry at all. But I certainly want him to have sympathy for all of us who have thought better of life than he has.

The question was raised just in the beginning of the debate that a person might pay much less tax by giving every year Rs. 1 lakh for fifteen years; and the calculation was made that instead of paying Rs. 2½ lakhs or something near about that of estate duty, by giving away like that, he will pay about Rs. 1½ lakhs. That is possible. I cannot deny that it is not possible. But is it going to be an ordinary event in the matter of gifts? It would be a rare case, and I do not think there will be even one case like that where a person chooses to give away Rs. 1 lakh every year. And if he chooses to give away Rs. 1 lakh every year, I shall be very glad if he gives away his whole property in a *bona fide* manner in his own lifetime; and I shall not mind if no tax comes to me, because he will have benefited society a great deal.

Shri Supakar (Sambalpur): Not to society. Suppose he gives it to his grandson.

Shri Morarji Desai: There will not be 15 or 20 grandsons for every person to give like that. There may be a stray case. Even then, it is part of human society that is benefited.

There was a question raised about *sampattidan* and *Bhoodan*, whether these two movements will be hurt in any way by this Bill. There is no intention that these two great movements should in any way be hurt or hampered by this Bill. I am quite sure that the Select Committee will see to it that that does not happen. I have no doubt that all sections of the House will be supporting such improvement . . .

Shri Narayanankutty Menon: Yes, yes.

Shri Morarji Desai: . . . as is necessary because all the political parties are committed to this, as far as I know.

There was a question, at the same time, of exempting charitable institutions which are not covered by the Income-tax Act. It is difficult to define every charitable institution, but, as I said, all charitable institutions which are of a public nature, if they are not covered by the Income-tax Act, may be covered. But that may be a question for the Select Committee to consider. I cannot say exactly what will be the consideration of the Select Committee in this matter. I have no doubt that all the suggestions that have been made on the floor of the House—and even those which are not made but which will strike the Select Committee—will be very carefully considered, even though the time given to them is only about four or five days. Even from the point of view of my hon. friend who wants that the Bill must not be liberalised in such a way that it disappears into thin air, it is necessary that more time should not be given. It will defeat his own purpose if more time is given. . .

Shri Heda: How?

Shri Morarji Desai: If there is more time, more and more demands will be made. That is the nature of all demands.

Shri V. P. Nayar: It is an admission that you yield to pressure.

Shri Morarji Desai: Nobody is going to yield to pressure. Even in the matter of the wealth-tax or the expenditure tax, I refuse to admit that they were in any way watered down. What was done was only to rationalise them and to see that they were not a source of harassment to any citizen, howsoever one may like a citizen or may not like him. Therefore, there was no intention of doing that in the Select Committees. I am quite sure that the Select Committees did their work very well. We need not doubt the intentions of the Select Committees which represent always all sections of the House, and I can say that so far the Select Committees of this House have behaved in the most admirable manner. We have no reason to think that the Select Committees on this Bill and the other Bill will not consider all the suggestions that are made with a view to see that the Bills are improved in the interests of the country and not against the interests of the country. If in the interests of the country, some concessions have to be given, they should be given; but it should not be taken that the concessions are given in order to gift away something to somebody.

There was a suggestion that the limit of Rs. 100 given for miscellaneous gifts should be raised. It is difficult to raise it to such a limit where it will not then be a source of nagating the whole Bill. Therefore, it has to be kept at a certain level. The whole thing will be empirical, whatever we may consider. Still, if it can be arranged in such a way that it cannot be misused or the misuse will be minimum or very little, I have no doubt that the Select Committee will give its thought to it.

The question of managing agency commission was raised. Under the income-tax law, we have reached an administrative arrangement that wherever managing agency commission is given up on account of losses or with the *bona fide* purpose of helping the company, it is given consi-

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deration. But where it is given up in order to avoid or reduce the tax that the managing agents have to pay, then there will not be a case for exempting it for this purpose. That will also be the consideration in this matter. I am quite sure that the Select Committee will be able to consider it on those lines. There is absolutely no intention on the part of Government to consider anything which is given up in a *bona fide* manner for a public good to be something wrong. We want to encourage the desire and the urges of people to be good to other people and to be more liberal. This does not mean that we intend this as a check on these liberal instincts of people. But we do not want the liberal instincts to take advantage of society to see that liberal instincts are encouraged and utilise these instincts for other purposes which do not fulfil the liberal spirit.

It is, therefore, that we have got to hedge these things round with several provisions. I wish that the tax could be made very simple. We should like all taxes to be made very simple. But all taxes can be made very simple only if you live in a society where every person is prepared to contribute his maximum to society whenever the society needs it. We have not reached that stage, and it is no use quarrelling with some people if they try to evade something, when we find that almost all human beings try to evade some or the other of their duties and responsibilities.

Shri Narayanankutty Menon: Then why not punish the guilty people?

Shri Morarji Desai: We have got to punish some evasions and we have got to ignore some evasions. If we try to punish all evasions, there is always a difficulty in that we will not be able to punish even the evasions which we can. Human agency can only try to do the possible and

not the impossible. Those who try to do the impossible let themselves into holes from which they cannot come out. That is the only lesson which I want my hon. friends opposite to take.

I was asked by my hon. friend, Shri Nagi Reddy, whether rulers would be covered by the Gift Tax Bill regarding their privy purses. There also, if a transfer is made from a privy purse as a result of a legal or customary obligation on the ruler, the transfer will not be exempt. And it must be remembered that by a specific provision in the Expenditure Tax Act, we have excluded certain items of expenditure incurred from the privy purse. Such expenditure cannot, therefore, be treated as gift and subjected to gift tax.

So far as other gifts which a ruler may make are concerned, I do not see why they should not be subject to tax, but this is also a matter which I would certainly leave to the Select Committee to consider and make a firm decision.

I was reminded about Prof. Kaldor's report or suggestions by several hon. Members. Prof. Kaldor is a very learned person and has made very valuable suggestions. But therefore, it cannot be argued that all those suggestions should be accepted. We do not go merely by one person or the other. We try to take the good from everywhere wherever it is available and utilise it to the best of our capacity. In the matter of Prof. Kaldor's suggestions also, we try to take these suggestion as they benefit us. It is not even claimed by Prof. Kaldor—I had a short discussion with him only a few days ago for only a few minutes—that he knew the conditions of this country completely. He, therefore, admitted that whatever he said might not be completely within applicability to conditions in this country. Therefore, we have got to consider these matters from that standpoint. That is how we are considering them.

It was said that the Professor considered that there would be an income of Rs. 20 crores from the gift tax.

An Hon. Member: Rs. 30 crores.

Shri Morarji Desai: Let it be Rs. 30 or Rs. 40 crores. Imagination can make it anything.

Shri C. D. Pande: He did not know this country.

Shri Morarji Desai: I would like to give the basis on which he calculated. First of all, he made a very high rate of gift tax. Then he said that it should be taken from the donee—it should have application to the donee's wealth. I do not know how donee's wealth will be there. In many cases, where gifts are given to people where the donees have no wealth whatsoever, I do not know what the rate can be. It is a very difficult matter. But, more than that, he also assumed that private property in India in estates of Rs. 25,000 and above were of the order of 4,000 crores. I do not see how this could be assumed. He may be right; he may be wrong. I cannot say that he is wrong. It is not possible for me, because nobody has been able to make a correct estimate of these things yet.

Then, he also assumed that 1/25th of this would be transferred every year by death or gift. I do not know how these mathematical calculations end in human life and especially in the matter of finances. I do not know whether he has dealt with the finances of any country (*Interruption.*) If he had dealt with the finances of any country, then, his valuable suggestions would have had a more practical aspect in this matter, particularly in the matter of this gift-tax. I cannot say that they will be very practical and, therefore, his estimate is not possible to be followed by us. That is all that I can tell my friends.

I do not want to claim that now the taxation structure is integrated and complete. I have never claimed it. I would not like to claim it. But,

we are trying to make the taxation structure of this country a very reasonable one, a very effective one and a very efficient one. And, it is a growing structure. Its shape also will change from time to time and will change more and more as society also changes, and as methods of earning income also change. All these matters will bring in changes in the tax structure. Therefore there is no use going on with any preconceived notions about the taxation structure of this country at any rate.

I can therefore assure my hon friend the great professor that there is no desire on the part of this Government to claim that we are making something very ideal or an ideally integrated structure. He called it a tax for stopping evasions or something. If he is satisfied with it. I am satisfied to give that name also to it. It does not matter to me whatever name is given to it. But this gift-tax, as we said, is a tax which is necessary if we want to have the Estate Duty tax, the expenditure tax, the wealth tax and the income-tax to work properly and to work efficiently. In that way it is a composite view that is taken in the matter of all these taxes.

There is a question which has been raised by several hon. Members about religious institutions. I can very well understand the sentiments of many of my hon. friends in this matter. *Prima facie*, it may appear that this is an instinct which ought to be supported and encouraged. I have no objection to it. But when we are concerned with the finances of the whole country, when a tax which will benefit the general taxpayer and the general citizen of this country is concerned, we have got to see that no sectarian movements get any advantage from the tax system of the country. And if, therefore, there are any exemptions, the exemptions should not apply on the basis of benefit only to a particular section of the country. It is only on that basis that we are saying that religious institutions which

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are only of a particular kind or of a particular community should not be exempted from this gift-tax. If any gift of Rs. 50,000 comes to be made to a religious institution, is the person making it so illiberal that he will not want to make 4 per cent of, Rs. 2,000 as a gift to Government at the same time? Why is he so hard on Government and so liberal towards the temple only? (Shri C. D. Pande: Psychology.) Let him also be equally generous to the Government of the country, to the temple of the country. I do not think any loss will accrue to him. On the contrary, it will benefit him more. Or, he can give Rs. 48,000 to the temple and Rs. 2,000 out of this Rs. 50,000 to Government. That is what he can do. But, these are matters where we do not think that we should consider the Government is hard. It is a matter of principle with Government in this matter. But, I do not want to restrict the scope of the Select Committee in any way and the Select Committee will certainly consider that. I am only trying to put before the hon. House a view that I personally hold in this matter.

It is not necessary for me to go into further questions relating to this Bill especially because it is going to a Select Committee which is going to consider the whole structure very carefully and make it as perfect as it is possible for the hon. Members to do at any given time. I have only one suggestion to make. I would make a request for the addition of two hon. Members to the Select Committee which I have already proposed. I would propose that Shri Thirumala Rao and Dr. A. Krishnaswami may be added to the Select Committee as proposed by me. I hope that the motion as moved by me with this amendment will be accepted by the hon. House.

Shri Narayanankutty Menon: Can I seek a clarification of the hon. Minister? The tax exemption seems to be for a gift of Rs. 1 lakh to the wife and the hon. Minister has not

given any cogent reasons for exempting that, whether it is statecraft or any other consideration. What is the consideration which weighed with the Government for this?

Shri Morarji Desai: I had already spoken about it when I made the motion. If the hon. Member was not present at that time.....

Shri Narayanankutty Menon: I was here.

Shri Morarji Desai: I had already spoken about it. There cannot be any reasons given in this matter which can satisfy everybody. It is a thing which we consider legitimate and there may be other considerations for a husband to make a gift to his wife. And, a majority of people are husbands and wives in the world.

Shri C. D. Pande: May I ask one question from the hon. Minister?

Mr. Deputy-Speaker: Does it arise from this relation of husband and wife?

Shri C. D. Pande: No, Sir. There are certain institutions which are denominational or religious in name but they render service to the whole community. What will be the case of such institutions like the Jain Vidyalaya or the Jat Vidyalaya where all the students are educated?

Shri Morarji Desai: We should not go by names. We should go by the scope of their work and actual work that they are doing. I think the Select Committee will certainly take this into consideration.

Mr. Deputy-Speaker: The hon. Minister has moved an amendment to his own original motion that the names of Shri Thirumala Rao and Dr. Krishnaswami be added to the original list. I will put it to the House. The question is:

"That the names of Shri Thirumala Rao and Dr. A. Krishnaswami be added to the original list."

The motion was adopted.

I will put the original motion, as now modified, to the vote of the House. The question is:

"That the Bill to provide for the levy of gift tax be referred to a Select Committee consisting of Shri Asoke K. Sen, Shri C. D. Pande, Shri Tribhuvan Narayan Singh, Shri Mahavir Tyagi, Shri S. Ahmad Mehdi, Shrimati Uma Nehru, Shri Shivram Rango Rane, Sardar Iqbal Singh, Dr. Y. S. Parmar, Shrimati Renuka Ray, Shri Liladhar Kotoki, Shri Jaganatha Rao, Shri Narendrabhai Nathwani, Shri Radheshyam Ramkumar Morarka, Shri Harish Chandra Mathur, Shri Radhelal Vyas, Shri Vidya Charan Shukla, Shri C. R. Pattabhi Raman, Shri N. G. Ranga, Shri M. Shankaraiya, Shri Satyandra Narayan Sinha, Shri George Thomas Kottukapally, Shri A. M. Tariq, Shri Kamalnayan Jamnala Bajaj, Shri B. R. Bhagat, Shri Mathura Prasad Mishra, Shri T. Sanganna, Shri S. R. Damani, Shri Rajeshwar Patel, Shri T. C. N. Menon, Shri Prabhat Kar, Shri R. K. Khadilkar, Shri Bimal Comar Ghose, Shri Arjun Singh Bhadauria, Shri M. R. Masani, H. H. Maharaja Sri Karni Singhji of Bikaner, Shri Premji R. Assar, Shri N. Siva Raj, H. H. Maharaja Pratap Keshari Deo, Shri Naushir Bharucha, Shri Thirumala Rao, Dr. A. Krishnaswami and Shri Morarji Desai with instructions to report by the 1st May, 1958."

The motion was adopted.

ESTATE DUTY (AMENDMENT) BILL

The Minister of Finance (Shri Morarji Desai): Sir, I beg to move:

"That the Bill further to amend the Estate Duty Act, 1953, be referred to a Select Committee consisting of—Shri Asoke K. Sen, Shri C. D. Pande, Shri M. Thiru-

mala Rao, Shri Mahavir Tyagi, Shri S. Ahmad Mehdi, Shrimati Uma Nehru, Shri Shivram Rango Rane, Sardar Iqbal Singh, Dr. Y. S. Parmar Shrimati Renuka Ray, Shri Liladhar Kotoki, Shri Jaganatha Rao, Shri Narendrabhai Nathwani, Shri Radheshyam Ramkumar Morarka, Shri Harish Chandra Mathur, Shri Vidya Charan Shukla, Shri Radhelal Vyas, Shri C. R. Pattabhi Raman, Shri N. G. Ranga, Shri M. Shankaraiya, Shri Satyendra Narayan Sinha, Shri George Thomas Kottukapally, Shri A. M. Tariq, Shri Kamalnayan Jamnala Bajaj, Shri B. R. Bhagat, Shri Mathura Prasad Mishra, Shri T. Sanganna, Shri S. R. Damani, Shri Rajeshwar Patel, Shri T. C. N. Menon, Shri Prabhat Kar, Shri R. K. Khadilkar, Shri Bimal Comar Ghose, Shri Arjun Singh Bhadauria, Shri M. R. Masani, H. H. Maharaja Sri Karni Singhji of Bikaner, Shri Premji R. Assar, Shri Tribhuvan Narayan Singh, Shri N. Siva Raj, H. H. Maharaja Pratap Keshari Deo, Shri Naushir Bharucha, Dr. A. Krishnaswami and Shri Morarji Desai with instructions to report by the 1st May, 1958."

It is intended that the Bill that I moved last and this Bill should be considered by the same Select Committee so that it may consider both of them together. So, the names in the Select Committee for this Bill are the same as that in that Bill.

The Estate Duty Act was enacted about five years ago and when the original Bill came before this House it was discussed at considerable length. About a thousand amendments were tabled and a third of them actually discussed. The anxiety of the House as well as of the Government was the same. We were introducing an Act based not on our own experience but on that of the U.K. Naturally, we adapted it to our own requirements but we had to be certain

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that in actual operation the Act did not become a source of harassment and did not create social evil rather than social good. Exemption limits were fixed at a high figure, generous exceptions were made from the scope of the duty and the rights of the assessee carefully protected. If I may say so, this was as it should have been and in matters of this kind it is perhaps wise to hasten slowly.

Almost five years are now passed and we can now review our experience of the operation of this Act. As far as I can judge from the references made and questions asked in this House there is a certain amount of disappointment at the poor yield from this duty. Although definite estimates were never made and, by the very nature of things, could not have been made of the actual yield of this duty, I believe both the House and the country expected that the actual yield would be much more than the meagre figure of about Rs. 2 crores per year that we have collected from this duty. I have not heard of any case of administrative harassment and it may interest the House to know that in the matter of valuation of assets there has been only one case so far in which a reference to Statutory Valuers from the value determined by the Department has been made and that on the question of law there have so far been only four references to the High Court.

In our country there are inherent difficulties to administer an estate duty. In most foreign countries no property can pass on death without obtaining a succession certificate or a letter of administration or a probate of a will so that estate duty can be collected almost as automatically as stamp duty. The danger of evasion is considerably less and the legal proceedings in connection with succession certificates etc., themselves give a clue to the value of the property passing on the death of a person. In India, on the other hand, the practice of obtaining succession certificates or leaving wills is by no means widespread. Among

families governed by the Mitakshara law, there is no question of succession and among those governed by Dayabagaha law, the shares in the property are in most cases so well defined that it is possible to have a partition deed, if at all necessary, without going into the expense and trouble of obtaining a succession certificate. For this reason, a mere scrutiny of the probate and succession certificate cases does not give us complete information. The Department has actually to keep a constant watch on mutations in municipal records, death certificates etc. We have also enlisted the co-operation of the State Governments and are now obtaining information about mutations in revenue records in all cases above Rs. 50,000. But even with these measures, we cannot be sure all the taxable cases are actually subjected to tax.

Even where it is possible to find cases the difficulties of determining the exact assets are enormous. In our country the practice of holding some property at least in the form of cash and jewellery is almost universal. It is difficult to detect these items as they are not apparent from any known transactions of the deceased persons. There is also a fairly widespread habit of holding properties in benami names. I need not enumerate all these difficulties in detail and would merely add that the administrative machinery is being geared to meet these difficulties. Moreover, the assessment of wealth for purposes of the Wealth Tax Act and also the proposed Gift Tax Act should help us in checking evasion. Even, however, if the administrative machinery is perfect, the revenue derived from this duty would continue to be small unless we take steps to reduce some of the concessions which were originally given but for which there does not appear to be any justification now.

A reference to the Statement of Objects and Reasons will show that it is the object of the present Bill to restrict some of the concessions which in

the light of our subsequent experience in working the Act do not appear to be justified. The other amendments have been proposed to clarify the assessment procedure, to facilitate collection of duty and also to change the present appellate procedure. The discussions that have taken place in this House and elsewhere since the introduction of this Bill have shown that there is a general agreement with the broad objectives of the Bill though a few criticisms have been made of some of the provisions made in the amendment Bill. Some hon. Members have pointed out that there was no justification for reducing the exemption limit from Rs. 1 lakh to Rs. 50,000, particularly when this reduction in the exemption limit will bring only an additional revenue of Rs. 50 lakhs. My colleague, Shri Bhagat, has already pointed out that other countries with much higher *per capita* incomes have even lower exemption limits. I must also point out that by reducing the exemption limit to Rs. 50,000 we are making the tax more broad-based which is an important consideration in revising the tax structure of the country. Our attempt is to spread the burden of taxation as widely as possible which will mean that those who can bear the burden should pay. The incidence of duty in the region of Rs. 50,000 to Rs. 1 lakh is reasonably low being only 6 per cent for the value above Rs. 50,000. Thus for an estate of Rs. 60,000 the duty is only Rs. 600 and for an estate of Rs. 75,000 only Rs. 1,500. Even from these amounts half the court fees paid for obtaining probate, etc. will be allowed as a deduction. Hence it cannot be said that any great hardship will be caused by this provision. It is true that in terms of actual revenue, the net gain resulting from the reduction in the exemption limit will be only Rs. 50 lakhs during the current year but this is because these amendments will, if approved, come into force from 1-4-1958. In other words, they will affect only deaths occurring on or after 1-4-1958. As six months time is allowed to the legal heirs to submit their accounts, the revenue effect of

the amended provisions will begin to be felt only after six months, i.e., from 1-10-1958. Thus so far as the current year is concerned, half the full year's revenue only should be taken and this is why we expect only a sum of Rs. 50 lakhs. From the next year onwards, we may expect our revenue from estate duty will increase by at least Rs. 1 crore, if not more.

One of the important changes that we have brought in the amending Bill is that on the death of a member of a Hindu Undivided family, his coparcenary interest in the family will be taxed at the rate applicable to the value of the estate of the branch of the family concerned. The amendment proposed does not for a moment seek to subject any portion of the property which would not have come to the deceased had there been a partition before his death. All that it says is that for calculating the rate of duty one has to take into account his share *per stirpes* in the family for rate purposes, the duty actually being leviable on and recovered from his own interest *per capita* in the property. I hope the House will agree that this is a better measure of the paying capacity of the deceased coparcener.

Sir, some doubts have been expressed about the desirability of the proposed amendment raising the period of chargeable gifts from two years to five years. It has been said that we are giving retrospective effect to legislation which is against all canons of law, equity and justice. To remove any possible doubt I may make it clear that our amendment extending the two-year period to five years will be applicable only to all deaths occurring after 1-4-1958. In respect of all deaths occurring before that date, only the two year period will be applicable. Even so, this provision can no doubt be said to be retrospective in a certain limited sense; but in a legislation of this kind such retrospective provision is inevitable. It was there even in the original Act, for though the Estate Duty Act came into force on 15-10-1953, all gifts made during the two year

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period prior to death became taxable, even though such period might fall before 15th October, 1953.

Under the existing provisions of law the entire court fee paid is allowed as a deduction from the estate duty payable. The result of this is that in certain States, practically the whole of the estate duty is wiped out in the case of estates upto 2½ lakhs. In effect, there is no collection of estate duty at all in these cases. Some limitation of the amount of this rebate would seem to be justified and with this view it is proposed to allow in respect of deaths occurring after 1-4-1958 only half of the probate duty paid. In this connection, I may mention that the Select Committee which had considered the original Estate Duty Bill had recommended that such rebate should be limited to one-sixth of the estate duty payable.

Sir, there is only one more point to which I wish to draw the attention of the House. It is about the appellate machinery provided in the amending Bill. It will be recalled that when the Estate Duty Bill was before Parliament, there was considerable opposition to the appellate machinery provided in the Act. The present system has no doubt worked well and succeeded in giving expeditious relief and minimising litigation, but with the increasing number of appeals it will be difficult for the Board to give the same attention to appellate work as it has hitherto. Moreover, as sufficient experience in the working of the Act has been gained by the Department as well as the Estate Duty advisers and practitioners, there does not seem to be sufficient justification in departing from the general principle of appellate procedure laid down in the Income-tax, Wealth-tax and Expenditure-tax Acts. Under the proposed amendment, the first appeal will lie to the Appellate Controller with a provision for a second appeal to the Appellate Tribunal. The question of valuation could be referred at the Tribunal stage to the arbitration of two valuers as in

the Wealth Tax Act. Any question of law will be referred to the High Court by the Tribunal instead of by the Board as at present.

With these remarks, Sir, I commend my motion for the acceptance of the House.

Mr. Deputy-Speaker: Motion moved.

"That the Bill further to amend the Estate Duty Act, 1953 be referred to a Select Committee consisting of:—

Shri Ashoke K. Sen, Shri C. D. Pande, Shri M. Thirumala Rao, Shri Mahavir Tyagi, Shri S. Ahmed Mehdi, Shrimati Uma Nehru, Shri Shivram Rango Range, Sardar Iqbal Singh, Dr. Y. S. Parmar, Shrimati Renuka Ray, Shri Liladhar Kotoki, Shri Jaganatha Rao, Shri Narendrabhai Nathwani, Shri Radheshyam Ramkumar Morarka, Shri Harish Chandra Mathur, Shri Vidya Charan Shukla, Shri Radhelal Vyas, Shri C. R. Pattabhi Raman, Shri N. G. Ranga, Shri M. Shankaraiya, Shri Styendra Narayan Sinha, Shri George Thomas Kottukapally, Shri A. M. Tariq, Shri Kamalnayan Jamunlal Bajaj, Shri B. R. Bhagat, Shri Mathura Prasad Mishra, Shri T. Sanganna, Shri S. R. Damani, Shri Rajeshwar Patel, Shri T. C. N. Menon, Shri Prabhat Kar, Shri R. K. Khadilkar, Shri Bimal Comar Ghose, Shri Arjun Singh Bhadauria, Shri M. R. Madani, H. H. Maharaja Sri Karni Singhji of Bikaner, Shri Premji R. Assar, Shri Tribhuvan Narayan Singh, Shri N. Siva Raj, H. H. Maharaja Pratap Keshari Deo, Shri Naushir Bharucha, Dr. A. Krishnaswami and Shri Morarji Desai.

With instructions to report by the 1st May, 1958".

Shri Naushir Bharucha (East Khandesh): Sir, before the matter is put for the consideration of the House, may I request the hon. Finance Minister to extend the time till 3rd May at least in the case of the second Bill. I may point out, Sir, that between

now and the time that we have to make a report—1st May—there will be hardly four working days available, and the Gift Tax Bill will take a considerably long time. And, even after the report is made on 1st May, after all, the two Bills are not going to be taken up simultaneously.

Mr. Deputy-Speaker: The Select Committee can sit on holidays also.

Shri Naushir Bharucha: Even if you sit on holidays there will only be five days.

Shri C. D. Pande (Naini Tal): And the same people are there in both the Committees.

Shri Naushir Bharucha: I would, therefore, request that the time limit for Estate Duty Bill may be extended up to 3rd May.

Shri Morarji Desai: The difficulty is of the Bills coming here, passed here and then going to Rajya Sabha also.

Shri Naushir Bharucha: We cannot take up the two Bills together.

Shri Naushir Bharucha: We cannot see that these legislations are passed before this Session is over.

Shri Braj Raj Singh (Firozabad): But two Bills won't be passed the same day.

Shri Morarji Desai: Therefore, more time is required.

Mr. Deputy-Speaker: He may consider over it. What the hon. Members want to impress upon the hon. Minister is that the Bills would be taken up one after the other and, therefore, the Select Committee can also have some more time for this Bill. He can consider it and then give us his reactions.

Shri V. P. Nayar (Quilon): Mr. Deputy-Speaker, Sir, I have gone through the amending Bill and also listened with interest to the speech which was read out by the hon. Minister. I have also had the good fortune, Sir, to

House when the original Bill was sent to the Select Committee.

I must, at the outset, repeat what Comrade H. N. Mukerjee had said while speaking on that occasion, that it is good only so far as it goes. This amending Bill no doubt, has certain welcome provisions, but I am sorry to say that Government did not take courage to come to the House and say that it is because of the defects, because of the disastrous failure in the working of the State Duty Act that these amendments are now sought for.

I remember, Sir, when we discussed the original Bill in the Select Committee in 1952-53, we tried our level best to get Government accept some of the amendments and I am very glad, indeed, today that most of those amendments, which were thrown out as they usually did in those days, have now been given shape in these amendments (*Interruption*). I am only submitting that it has taken for the Government, with all its machinery to find out the details of tax collection, five long years to find out the wisdom of our suggestions and the folly of their stand in those days. I shall have occasion to refer to our dissenting notes to the provisions later, but before doing so I may be permitted, Sir, to make a few general observations.

What has been the result of our Estate Duty Act? The hon. Minister rightly said that no precise estimates were made. But I vividly remember Shri C. D. Deshmukh telling us that it will fetch not an inconsiderable amount for the Plan. Various estimates were made; for example, Shri Raghubir Sahai who spoke then made an estimate of about Rs. 8 crores, and some Members went to the extent of even estimating Rs. 10 crores or Rs. 15 crores. At that time we suggested that, because the Act did not go to the extent we desired and because there were serious limitations on the provision, we could not except any mentionable contribution for the pur-

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enacted. Shri C. D. Deshmukh after having considered all the sides of the discussion had emphasised that he expected a mentionable contribution for the Five Year Plan. In our dissenting notes—and we were very categorical in that—we said that if the Bill was as it was framed there was possible no change of bringing any sizeable revenue as was expected by the then Finance Minister.

We find that what we said on that occasion has been proved, and proved much to the detriment of the Government's finances. What is the total collection of estate duty so far? I do not say that it has been worked properly, because we know that after the Estate Duty Bill was enacted into law in our country some very rich people known to be very rich have died. I remember having read paper reports—I don't know exactly whether it was in 1954—that Shri Jwalaprasad Srivastava who was known to be a millionaire died, but when he died hardly 25 naye paise were left. There was another multimillionaire, Jajodia, who died, but after his death not a pie could be collected as estate duty.

Mr. Deputy-Speaker: Were there naye paise at that time?

Shri V. P. Nayar: I was converting it to be modern. Then, Sir, I am also sorry that a definite allegation had been made against one of the Congress Chief Ministers—I do not want to mention names—that he started his career as a school master and he died leaving a very small sum of Rs. 90 lakhs.

An Hon. Member: Rs. 80 lakhs.

Shri V. P. Nayar: No. Only Rs. 90 lakhs. This allegation was not made by an ordinary person, it was made by a person of the calibre, and eminence of Dr. Ram Manohar Lohia. It was reported in the Press, but the Government have not chosen to contradict it.

Shri Morarji Desai: That defamation case is going on. On this matter,

my hon. friend may be better careful. He is very much protected here. I wish he tells it outside. Then he will be immediately prosecuted.

Mr. Deputy-Speaker: Even if he is protected here, he has to take all precaution to see that he does not make any remarks which may be wide of the mark.

Shri V. P. Nayar: I have been a very humble student of criminal law. I have done cases on defamation myself. I know the implications and I know what is *sub judice*. Therefore it is that I said that very serious allegation had been made I do not want to enter into the details at all, but what I was pointing out was that it was not contradicted. There may be cases, and there is a defamation case, I know, I am not going into the case at all. My contention was that when the press reports came and long after that defamation case was launched,—it is after all only a civil case—in the interval, the Government did not choose to contradict.

Shri Morarji Desai: May I tell the hon. Member that this was gone into very carefully, and the matter has been decided only recently? How can we contradict anything without going into everything completely?

Shri V. P. Nayar: I am thankful for that information, but by point was that in the country there has been a feeling that the working of the Estate Duty Act was so defective, that the machinery was not operating properly at all and that during the last five years properties were bequeathed in such a way that rich people have died as paupers. I would not be wonder-struck if some of our millionaires, multimillionaires and *crore-paths* die in future as paupers and not merely as paupers but as huge debtors, because at the time when the Estate Duty Bill was in the anvil of this House, we suggested that having once given a declaration of the intention of Government to bring forward an estate duty law, and if we wanted to take advantage of that, the Govern-

ment should not merely have a period of two years but must have a retrospective effect from the first date on which the firm announcement was made by the Government that they are going to levy an estate duty. We have very clearly expressed it in the Dissenting Minute. In that case, in 1946, when the Government of India made a categorical statement that they were coming out with the Estate Duty Bill, from that date if all further transfers were made subject to taxability, nothing of the kind would have happened. This is what we said then.

I am sorry that I have to read from my own Dissenting Minute. In that Committee, there were 35 Members. Fortunately, 16 are back in this House. Only Shri Kamal Kumar Basu and myself raised this point. The Government were not prepared to accept five years originally. We suggested that the duty should be computed from the first date of the declaration of Government's intention to levy an estate duty, but not being able to convince my hon. Friends over there who were in a huge majority, we agreed to arrive at a compromise of five years in order to reduce at least the mischief that would have resulted.

This is what we said. I read from the Dissenting Minute:

"The period fixed for bona fide disposition of property to be out of reach of this law is two years. The corresponding period in the United Kingdom at present is five years. The intention is to have some legislation on estate duty having been declared as early as in 1946. Those who may consider themselves specially liable for taxation have had sufficient notice, but thanks to the policy of procrastination, such taxable sections have had sufficient time to make adequate provisions to evade the law as far as possible. The period should in fairness to public interest have covered the period from now up to the first official declaration about this legislation".

But even the suggestion to fix a period of five years was not accepted. They were in the Government, we were not. We knew they were in the Government and they did not know this would happen. The Minister who was then piloting the Bill had experience as administrator for over 30 years, and he was connected with the finances of this country. Even a person of that calibre, of the calibre of Shri Chintaman Deshmukh, when we threw out a suggestion that unless you extend the period from two years to five years at least, if not from 1946 onwards, it would not be correct, even he did not accept it. And what is worse, the very able Select Committee which had as its distinguished Chairman our present Speaker, who later on made a very interesting speech on the Bill also and who made substantial contribution towards the discussion, did not even care to consider our suggestion, because you will find in the report of the Select Committee that the particular clause referring to the period being changed from two years to five years has not been mentioned at all. It was not mentioned.

I am glad that Government have now accepted that the two years rule which they had was a mistake. Although they may not come openly and submit to this House that because of the two years there has been a loss, I am glad that in two or three sections the "two" years are now being changed to "five" years. But the hon. Minister has disappointed me by saying that these five years will take effect only for deaths which occur after the 1st April, 1958.

I should very much like the Select Committee to consider—having the very regrettable experience we have had in the matter of collections—why it is not possible for us to take the date back. This is a House which has power enough to pass retrospective legislation. I want to know who said that we do not have power to pass retrospective legislation in such matters. We have done it and we can do

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so. If this is the argument, this is an argument not intended for finding additional resources for our treasury but only an argument which is given in order that a certain section, the richer section coming under the taxable slab, may take advantage of this rule.

Therefore, I once again want to reiterate that Government should in future, having regard to the experience they have had in working out this legislation and throwing out a very valuable suggestion because it came from the Communist Party, at least take the lesson that hereafter they will pay more respect to our suggestions, because we know how the tax-evaders can escape. We know for certain that in this country the tax officials and the tax-dodgers are on a keen race, and always you find, as we said in the Dissenting Minute, the dice is very heavily loaded against the interests of the Government. In such a race, we very often find that because of the defective machinery, because of the corrupt administration, the tax dodgers always have an advantage over the Government. Therefore, my submission is that the Government should not think that it is desirable only to have two years extended to five years with effect from the 1st April.

I have heard it said, and it has come out in the Press especially and emphatically too in papers like the *Eastern Economist*, that here in India the tax has become an unbearable burden to the people more than in any other country. We have revised the incidence of duty also, and it is argued that apart from the High incidence of income-tax and other taxes, if we increase the rate of estate duty as we seek to do in this amending Bill, it will very materially affect the prosperity of the country.

I want to give those critics who often talk of the tax burden in this country some comparative figures which will

convincingly show that it is not the highest possible rate of duty in our country but it is something very much less. The hon. Minister said that our annual collection is only around Rs. 2 crores. I have got the figures prepared from the Ministry. It is not Rs. 2 crores. It is even less, because, since 1953-54, from when we could have collected the estate duty up to February, 1958, the total collection amounts only to about Rs. 863 lakhs. In 1954-55, it was Rs. 85.16 lakhs; 1955-56, Rs. 172 lakhs; 1956-57, Rs. 210.87 lakhs; 1957-58, the estimate is Rs. 250 lakhs, and the collection is Rs. 242 lakhs. So, when we expected this to be a windfall, when we expected the estate duty machinery to function in such a way as to bring in a sizable revenue for the Five Year Plan, and when we were in the doldrums with our finance, what we found now is that the Act was defective, because our suggestion was not implemented and because it could not be worked by an efficient machinery. What labour was done, as the proverbial mountain did, produced only a little mouse in the matter of collection. I want the hon. Minister to realise this, because today in the context of our financial difficulties it is more difficult to get our resources; I wish to submit to the House the figures which I have here. I would like to give those figures to those spokesmen who very often cry in and out that our tax-structure is such that it bends them, breaks their spine and it makes it impossible for them to get up. I have made some calculations on the basis of our present slab as you find in this Bill as also under the current rates of estate duty as you get in the United Kingdom. In the matter of the collection from U.K., as I could not get the latest book, I got the figures only for 1955 from the "Government Finance and Fiscal Policy" by A. R. Ilersic. By my calculation I will give you some examples to show how the higher slabs of taxable persons in our country are at a positive advantage as compared to the higher slabs in other countries. I do

not have the figures for the United States of America, but they are also very much similar to U.K. and higher than in India.

16 hrs.

In India an estate worth Rs. 20 lakhs, according to the hon. Minister's new Schedule, will have to pay only Rs. 3.79 lakhs, that is, 19 per cent. Here I do not go into the relative value of the rupee and the pound. If you calculate the estate in England worth Rs. 20 lakhs of Indian rupees in the rough and ready calculation, I have taken one pound as equivalent to about Rs. 14; we need not go into the fractions—the corresponding value of it in pounds will be £1.46 lakhs. Such an estate in the United Kingdom will pay 50 per cent. as against 19 per cent. which we pay in India. Here in an estate worth Rs. 30 lakhs it will be Rs. 6 lakhs to Rs. 7 lakhs, that is, 22 per cent. while an estate worth £2.13 lakhs in U.K. which is equivalent to about Rs. 30 lakhs, will have to pay 60 per cent. Again, an estate worth Rs. 50 lakhs in India will have to pay Rs. 13.79 lakhs or 27 per cent. while in U.K. an estate of the corresponding value of Rs. 50 lakhs, that is, £3.5 lakhs will have to pay 60 per cent. as estate duty. So, what I submit is that the higher and higher you go, the greater is the benefit derived by people even at the present slab, which is certainly a better slab than the one we had. If you take the biggest estate in our country, say worth Rs. 1 crore, it will have to pay Rs. 33.8 lakhs. So, the percentage is roughly 34 per cent. of the value of the estate. Now, take the case of Britain. There an estate worth Rs. 1 crore in terms of pounds will be worth £7.5 lakhs. It will have to pay estate duty at the rate of 70 per cent. of the value. In India an estate worth Rs. 1½ crores will pay only 35 per cent. whereas the corresponding figure for U.K. is £5.38 lakhs or 80 per cent. of the value.

So, this is the difference despite the improvements which we have made. Then, as you know, Sir, an estate

worth Rs. 1 crore here and an estate of the corresponding rupee value in the United Kingdom do not mean the same thing. Here they can afford to pay more, because the gap is wider. That is why I say that the Government's improvements do not meet the requirements of our finances and Government ought to revise their schedule so that as it goes to the higher and higher slabs, there is a proportionately higher taxability. We should not leave the rich people to choose to die rich or to pay less tax than what they would have had to pay, had they been in the United Kingdom.

In the United States of America, the tax structure is different. There are two types of estate duty there, because the country has a federal pattern of death duty. The estate tax is divided into two parts—basic and additional—and they come to about 77 per cent. I have not been able to work out detailed calculations. But it is not necessary, because, I think, I have been able to prove that the incidence of estate duty, as found by the revised Schedule, will not be commensurate, will not be equal to the incidence of the estate duty, as it works out in England, from where we have copied our law, even if you calculate the pound in terms of the rupee, let alone the question of difference in income-values.

So I would very earnestly urge upon the Select Committee to reconsider the Schedule. There may be some technical objections for that; I do not know. The slab should be so fixed and the rate should be so pegged down that we are able to mop up a sizable portion of the estate when it is levied and our tax officials must be in a position to reach them.

There is another point also. I am sorry, the hon. Minister has not chosen to revise or amend some of the other sections which are not at all desirable in an Act like this. Mr. N. C. Chatterjee, who endorsed the dissenting minute of Mr. Tulsidas Kilachand, said,—a lawyer of the eminence of Shri N. C. Chatterjee said—that cer-

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tain sections do not make either head or tail for him. One such section is section 23. I have been a lawyer in a small way, Sir, and I have read it over again in the Select Committee and elsewhere. I am not able to make anything out of it. I do not know why Government have not to amend those sections in a language even if it is in English, in an understandable way. I will read out one sentence from that particular section so that those who have not had the misfortune to read it before may very well try to understand what I mean by this. Section 24, as it stands today, reads:

"Where by a disposition of any property an interest is conferred on any person, other than the disponent, for the life of such person or determinable on his death, the remainder being conferred upon disponent absolutely and such person enters into possession of the interest and thence forward retains possession of it then, on the death of such person, the property shall not be deemed to pass by reason only of its reverting to the disponent in his life time."

This is the kind of language that is used in the Estate Duty Act. Then, as you know, our tax-dodgers are very much more crafty than our tax collectors. The slightest loophole will certainly give them an advantage. In our country, unfortunately, some in the cream of our lawyers are prepared to help the tax-dodgers.

An Hon. Member: No, no.

Shri V. P. Nayar: I very much wish it was so, as the Hon'ble interrupter says.

Mr. Deputy-Speaker: Is the hon. Member included in the cream?

Shri V. P. Nayar: So, Sir, I would submit that if it is possible in the Select Committee they should reconsider some of the provisions, as you found in this case, and think whether it is not time when we want to have more money to have a law which is

very clear and contains unambiguous provisions.

Mr. Deputy-Speaker: The hon. Member must conclude.

Shri V. P. Nayar: I shall not take much time of the House, because, I hope to get another chance also when this Bill comes back. The hon. Minister talked about another clause about appeals. We anticipated that. We anticipated the trouble by the machinery which was proposed then and we very clearly told them in the Select Committee, in the House and also in the dissenting minute. You, Sir, having guided several Select Committees, know that it is not possible for the members who attend the Select Committees to give expression to whatever they think or whichever opinions they may hold in the dissenting minute. We can only stress the more important points, and that was one of the most important points that we had stressed. The hon. Finance Minister very often says that he is new and, therefore, he should not be expected to have known all that. So, I would very earnestly request him to devote some time to read this very illuminating account of the Select Committee and also the dissenting minutes so that next time when he comes he can meet some of our criticisms. There we have stated:

"In providing for appeals from the decisions of the Controller, the creation of an independent appellate tribunal in the place of a board was suggested. This we thought very necessary in view of our accumulated experience of the working of non-independent Governmental institutions."

Why is it that Government did not change it then? Now after five years of working they have netted only Rs. 8 crores, against Rs. 40 crores to Rs. 50 crores which was expected at the rate of Rs. 8 crores a year, which they estimated then. Now we have gained experience after five years of working. Instead of netting Rs. 8

crores per year, we have netted only Rs. 2 crores. Therefore, I submit that in matters like this, Government should not claim any monopoly of wisdom. It has been proved in this case that they have been unwise when we have been very wise. If only they had taken advantage of the views of other members who were also chosen to serve in the Select Committee by the same House, this contingency would not have arisen. In the Select Committee we fought inch by inch to get these views accepted by Government and all our efforts were in vain. So, I beg to submit that Government should take a completely different view in the matter of estate duty. Provided we rectify the lacuna pointed out by members and provided further we do not allow such escapes, I am sure that our expectations about the possibility of the revenue returns under this Act will be more than satisfied.

I would request the hon. Minister and also the Select Committee to consider it dispassionately and analyse the causes of our failure to find out the defects in the administrative set up and the machinery and try to evolve an Act which will be very much different from what we have now and which will incorporate all the necessary provisions and also enable our Government to get more and more finance and which will not leave those persons, who choose to die, whether owing to patriotic urges to fill up the coffers of our Government or otherwise. Let them have that feeling. One estate, I know, will be able to yield Rs. 300 to Rs. 400 crores if it was properly plugged. I mean the estate which today is that of the Nizam of Hyderabad. Not that I want him to die—let him take his own time, I do not mind—or let him exercise his option in favour of the country; I do not mind that either. The point is that he was estimated in 1950-51 by a neutral source to be worth Rs. 500 crores. Normally, if we take the estate duty at the rates applicable in England....

Mr. Deputy-Speaker: It is not fair. Why should we count estate duty on that just at present? Let that man live.

Shri V. P. Nayar: I was only submitting why it is not possible because at the time when you gave the declaration of the intention of the Government to levy estate duty, from then on till now all manners of transfers have been resorted to.

Shri Narayanankutty Menon (Muk-anapuram): We can have the wealth tax.

Shri V. P. Nayar: Even the wealth tax cannot be had in the measure really due.

Sir, my submission was only that death is inevitable, none of us can escape it, and estate duty has come to stay. If not in this year at some other future date all these rich people shall die and at that time you will find that people, who were worth Rs. 500 crores, have left absolutely nothing, or rather they owe money to some people. It is therefore that I suggest that Government should be more serious in this matter which is certain to bring in additional revenue, even beyond the expectation of the Government, provided they do not repeat their mistake of not having accepted save advice, which was very well meant and which did not have any intention of harming the interests of Government. That advice was given in all good faith. I thank you.

Mr. Deputy Speaker: There is no other hon. Member who wishes to speak. Then I would put it to the House.

Shri V. P. Nayar: Then I would have spoken for another half-an-hour.

Mr. Deputy-Speaker: I would call the hon. Minister to reply.

An Hon. Member: Shri Heda is there to speak.

Mr. Deputy-Speaker: Shri Heda wants to speak. Yes, he might.

Shri V. P. Nayar: Even then, I could have well continued for another half-an-hour to deal with some of the many points I have left out.

Mr. Deputy-Speaker: I came to his rescue.

Shri Heda (Nizamabad): Mr. Deputy-Speaker, Sir, no doubt the Estate Duty Bill was quite new to our country and therefore the experience that we have gained in the course of the last few years has stood us well. In one way the Government has not come too early to this House for the necessary changes. But the point is that after all this experience in what direction the proposed changes are reflecting? Shri V. P. Nayar was elaborately dilating on one point, i.e., that very big estates are escaping one after another. He quoted certain cases and examples which were not in good taste and I would not like to refer to any one of them.....

Shri V. P. Nayar: I have the best of cases always.

Shri Heda:....though I may be having a little closer knowledge than he has of a particular case to which he has referred. The fact remains that there was an impression, and I do not think that impression even now is wrong, that there were many estates which were large enough but the devices that were adopted were so many and the escape methods were available in such a number that transfers of the property took place one after the other and we have

found out that the tax that we could collect was rather negligible.

The hon. Finance Minister was good enough to state that Government never gave any estimate. That is very much true, but all the same those of us who were in the Select Committee, did try to get some rough idea. Shri N. V. Gadgil, who was here in the last Parliament, with the figures that were made available to him by the Finance Ministry, I remember, gave his calculation that roughly he expects about Rs. 9 crores every year as tax collection. No doubt the tax collection is lately increasing. The last figure is higher than the previous one. It is Rs. 2,50,00,000/-. Even then the expected amount has not come and the reason for it is that we have to find out to what extent are the escape measures adopted by the owners of big properties. If that is so, the amendment should have come in such a way as to plug those loopholes and try to net them, thereby increasing the revenues. Instead, I find that the hon. Finance Minister's first, or rather the most important, amendment is to bring down the exemption limit from Rs. 1 lakh to Rs. 50,000/-. The dodgers or the avoiders of the tax are the big people and instead of roping them in or instead of meeting the challenge that they have given the hon. Finance Minister comes forward and tries to rope in the smaller fries. I think it is not a happy decision. Rs. 50,000/- worth of property in today's context is not very much.

Take the case of a house in cities like Bombay, Delhi or Calcutta. After all when somebody dies he will leave a house to his widow or to his children. If you just take a moderate house—I am not talking of palaces; the days of palaces have gone—in the world of today the idea of amenities has changed and quite a few amenities are now available. Therefore, a house worth Rs. 50,000/- is nothing. It is a very moderate house. So, if you just look at a man who would leave a very modest type of property—I am

not talking of big persons—I think this exemption of Rs. 50,000/- will hit hard those whom he probably does not want to hit. At that time also it was thought that a house worth Rs. 1 lakh is not very much. But then it was thought that it would be quite adequate. Prices have not gone down or nothing has happened. Therefore, we do not think that a smaller category of people need unnecessarily be charged and they may be roped in the orbit of this Bill. Therefore I would very much request the hon. Finance Minister to reconsider this exemption limit. True, he says that the balance of Rs. 50,000/- that would result after this amendment is accepted, would be charged only at the rate of 6 per cent. But the very spirit in which a concession was given would be defeated. The spirit was to allow a man to own a house and a little property so that not only he spends his old age well but he allows his widow or in case of children, who are either minor or who are not earning properly—and many times it happens that the father was earning very well but the children have not come up to that extent—to live well. He would naturally like to leave some property behind so that they may live a life of comfort.

Another amendment that he has brought is to change the two years to five years. He stated that deaths that take place after the first of April would be governed by this amendment. As Shri V. P. Nayar pointed out, it would have had some meaning had this been brought earlier. But, since the Act was already there, to change this limit from two years to five years will not make any important change. Again, I fear that it will hit only the smaller people, particularly people who do not come within the orbit of the Act so far. The hon. Minister was good enough to say that it will have no retrospective effect. But, if he means only thereby that it would apply only to deaths that would occur after the 1st of April, 1958 it would be not very fair or it would not be very justified.

Genuine transfers and other deals that have taken place before 1st April, 1958 in the course of the last five years, would come within the orbit of the present amendment. Therefore, to say that it will have no retrospective effect is not justified. It will have retrospective effect. According to the present enactment, only transfers within two years are governed. Now we will be going back to a further period of three years, and those transfers and those deals would also be governed by this new amendment. Therefore, I think it will not be justified to give such retrospective effect particularly when he is not expecting much of revenue. I think, the additional revenue that he is expecting is about Rs. 50 lakhs.

The psychology that is created by this is that there is a sort of uncertainty in life. The other day, I had a very funny experience. You know, in Delhi or elsewhere, those who ply vehicles for hire—that class—is very intelligent. They come into contact with so many people. They look at them and I may say that in a way, they are good judges of men and matters. The other day, when I was going in a tonga, the tongawala told me these days, three things have become very cheap. He said that one of these three things was *kanoon*. Of course as a matter of alliteration, he brought the other words also ending with *noon*. He said, *noon*, *khun* and *kanoon* are very cheap. He said that salt is cheap and we get 8 seers for a rupee. Of course, he said that the method of justice is such that if one murders, with the help of a lawyer he can escape quite easily and we find that big people are escaping the law.

Mr. Deputy-Speaker: Murders with the help of a lawyer or escapes with the help of a lawyer?

Shri Heda: His contention was that one can even murder somebody and escape from the consequences if he has got money.

Shri V. P. Nayar: That is what the tongawala said.

Shri Heda: With money, he employs the services of prominent lawyers. The third thing which he said—and that is relevant—is *kanoon*. He said, you people in Parliament do nothing but change the laws; therefore, it has become very cheap to see that today one *kanoon* is coming, tomorrow another law and on the third day, another law is coming. This creates a sort of insecurity in life. People feel that whatever the present enactment is, you cannot rely upon it. Therefore, we have to depend upon shrewd commonsense and it is just possible tomorrow some other enactment may come, and retrospective effect will take away what they wanted to save.

The Finance Minister was also good enough to refer to certain facts in our economic life when he referred to Mr. Kaldor. He said that rich people in our country keep a sizeable cash, ornaments or other wealth which is a sort of hidden wealth, which cannot be assessed, which can be hidden. But, if we adopt these methods of giving retrospective effect, what will be the feeling? We will be strengthening the feeling of insecurity and the tendency to keep as much cash as possible in their own hands or keep wealth hidden. Speaking on hidden wealth, he referred to benami holdings. So far as benami holdings are concerned, Government can come up and they can be a little harsh also. I have no doubt about that. The point to which I was referring was that amending laws are quite necessary in the light of the experience we again. But, the amending laws should not have retrospective effect. If they have retrospective effect, they create a sort of insecurity in life.

The Finance Minister said that there was a sort of disappointment so far as the yield was concerned. I do not think that this Bill is going to remove that disappointment. From

Rs. 2 crores to Rs. 2½ crores will not be an yield that would attract the people or make them feel that something is being done. I still feel that the loopholes are somewhere else and we have to plug them. We have to find out ways and methods by which big properties are not hidden. Many times, the difficulty is that unless somebody lodges a sort of complaint or brings a matter to the notice of the Government, they do not take any note of it. I have no idea in this respect with regard to our Income-tax department. At least so far as the working of the department is concerned, it is an integrated one. Different taxes are collected through one machinery. I do not know whether they have their own intelligence. Various deals take place in the stock exchanges and we hear on good authority that so and so has made lakhs of rupees in speculation. Does the department bother to find out whether the rumour that was going about in the market, which was confirmed by those who were there actually in the market, is true, and whether the incomes or transactions are entered in the name of the particular party or not? If that is not done, it means that they are evading the tax that naturally belongs to the country. The point is that this Intelligence we must keep in such a way that these big estates or deals in which one has made sizeable amounts do not escape.

Instead of trying to plug the loopholes and instead of trying to bother over the big estates, we are trying to rope in a much smaller category of people, thereby creating a sort of heart-burning. So, I feel that the Ministry should give more thought towards this matter at the right place and face the problems squarely and come forward with the amendments which would substantially increase their revenues, not by decreasing the exemption limit or increasing the rates but by plugging the loopholes and not allowing the big estates to escape from the orbit of this Act.

With these words, I support the Bill.

बी बीमराज सिंह : उपाध्यक्ष महोदय, एस्टेट ड्यूटी (अमेंडमेंट) बिल के सिद्धान्त का मैं स्वागत करते हुए कहना चाहता हूँ कि इस तरह के साहसिक कदम के उठाये जाने की आवश्यकता है। आज के इस विकास के युग में और अपनी योजना को सफल बनाने के लिये इस तरह का साहसिक कदम उठाने के लिये सरकार तैयार नहीं है।

यह सही काम किया गया कि एक लाख से घटाकर एस्टेट ड्यूटी की सीमा ५० हजार की गई। लेकिन और दूसरी बातें हैं जिनकी और सरकार का ध्यान नहीं जा रहा है। बीमा के नाम पर हम लाखों रुपया एस्टेट ड्यूटी से छोड़ देते हैं। कुछ लोग अभी से अपनी बीबी के नाम पर और बच्चों के नाम पर बीमा पालिसियां ले रहे हैं ताकि जब वह इस दुनियां से चले जायेंगे उस वक्त एस्टेट ड्यूटी में कम पैसा देना पड़ेगा। मैं एक उदाहरण आपके सामने रखना चाहता हूँ। मॅरिड विमेंस प्रापर्टी एक्ट सन् १८७४ के अनुसार हमारे यहां बीमा चल रहे हैं और पिछले ६ महीने से यह चीज बहुत जोर पर है। कहा जा रहा है कि इसमें एल० आई० सी० की बिजनेस बढ़ रही है और उसके पाम रुपया इकट्ठा हो रहा है। लेकिन आप देखें कि लोग क्या कर रहे हैं। आप ऐसा उदाहरण लीजिये कि किसी व्यक्ति के तीन लड़के, तीन लड़कियां और एक बीबी है। वह सब के नाम डेढ़ डेढ़ लाख रुपये की पालिसी ले लेगा। कुछ लोग ऐसे हैं। कम से कम कुछ को मैं जानता हूँ जहां पर मैं रहता हूँ वह एक छोटा सा कस्बा है। वहां पर पिछले साल ८ लाख के बीमा का बिजनेस हुआ। उसमें से पांच लाख ऐसे लोगों का बिजनेस है जिन्होंने बड़ी बड़ी पालिसियां ली हैं। किस लिये? ये पालिसियां इस लिये ली जा रही हैं कि ऐसा करने से इस वक्त तो गिफ्ट टैक्स को बचायेंगे। अगर कोई भ्रादमी बीमा की पालिसी ले तो प्रति व्यक्ति दस हजार तक तो उस पर टैक्स नहीं लगेगा। मान लीजिये कि कोई डेढ़ लाख की पालिसी

लेता है तो साल में उस का दस हजार प्रीमियम पड़ेगा। तो इस तरह से वह भ्रादमी पचास हजार रुपया साल पर तो टैक्स अभी बचायेंगा और जब तक वह पालिसियां चलेंगी तब तक यह टैक्स बचता रहेगा और इसका अन्त में यह नतीजा होगा कि यह जो प्रापर्टी बनेगी वह उस भ्रादमी की नहीं होगी जिसकी मृत्यु हो रही है, बल्कि वह दूसरे व्यक्तियों की होगी, लड़कों की होगी, लड़कियों की होगी, बीबी की होगी और उस पर एस्टेट ड्यूटी नहीं लगेगी। तो इस प्रकार वह व्यक्ति अपने बच्चों और बीबी के लिये दस ११ लाख की प्रापर्टी बना रहा है जिस पर उसकी मृत्यु के बाद एस्टेट ड्यूटी नहीं देनी पड़ेगी। आप कहते हैं कि एस्टेट ड्यूटी की सीमा घटाने में ५० लाख की भ्रामदानी हो सकेगी। लेकिन आप इस और सच्चे दिल से कदम नहीं उठा रहे हैं। इसके अनुसार तो जो लोग टैक्स दे सकते हैं पर देना नहीं चाहते वे इस प्रकार टैक्स में बचने का प्रयत्न कर रहे हैं।

अगर यहां पर कोई टैक्स का प्रस्ताव आता है तो पहले से यह देखने की लोग कोशिश करते हैं कि इससे किस तरह से बचा जा सकता है और इस टैक्स की किस तरह से चोरी की जा सकती है और इस काम के लिये बड़ी बड़ी फीस देकर वकीलों को रखा जाता है ताकि वह बता सकें कि किस तरह से उस टैक्स की चोरी की जा सकती है। इसका मैंने आपको एक उदाहरण दिया है कि किस तरह से एक व्यक्ति अभी तो गिफ्ट टैक्स को बचा सकता है और किस तरह से दस ग्यारह लाख की प्रापर्टी को टैक्स से मुक्त रख सकता है जिस पर कि एस्टेट ड्यूटी नहीं देनी पड़ेगी।

बार बार यह कहा जाता है कि इससे लोगों में इन्सेंटिव कम हो जायेगा। इससे लोगों में उत्साह कम हो जायेगा और वह ज्यादा पैदा नहीं करेंगे। इस तरह से आप एक तरफ तो इन्सेंटिव देखते हैं दस बीस तीस हजार भ्रादमियों का और दूसरी तरफ सवाल

[श्री बजराम सिंह]

है हिन्दुस्तान के ३८ करोड़ लोगों के उत्साह का। उनकी तरफ भी आपको ध्यान देना चाहिये कि उनको हम इंसेंटिव दे रहे हैं या नहीं। यदि इन करोड़ों लोगों को इंसेंटिव नहीं दिया जाता और केवल इन कुछ हजार व्यक्तियों को ही इंसेंटिव दिया जाता है तो देश का काम नहीं चल सकता। ५० हजार की सीमा बांधने के बारे में कहा गया है कि कुछ लोग ऐसे भी हो सकते हैं कि जिनका शहर में ५० हजार का मकान हो। मैं पूछना चाहता हूँ कि साधारण आमदमी ऐसे कितने हैं जिनके दिल्ली, बम्बई, कलकत्ता, कानपुर जैसे शहरों में ५० हजार के मकान हों। आम आमदमी के इस तरह के इतनी कीमत के मकान नहीं हो सकते। अगर किसी भ्रष्टाचार को एक हजार, १५०० या दो हजार रुपये मासिक भी मिलते हैं तो उसके भी ऐसे मकान नहीं हो सकते क्योंकि वह इतना रुपया नहीं बचा सकता। हाँ लड़ाई के युग में हमारे मुल्क में ऐसा होता था कि लोग किन्हीं तरीकों से सम्पत्ति एकत्र कर लिया करते थे। मैं कहना चाहता हूँ कि आज भी वह युग खत्म नहीं हो गया है। आज भी हम देखते हैं कि जिन लोगों का सम्पर्क कुछ बड़े बड़े स्थानों से है कुछ ऐसे दफ्तरों से है जहाँ कि लाइसेंस और परमिट आदि दिये जाते हैं उनको इस तरह की आमदनी हो जाती है और हम किसी दिन सबेरे उठ कर देखते हैं कि उनकी कोठी बननी शुरू हो गयी जो कि ५० या ६० हजार की होगी। क्या माननीय सदस्य चाहते हैं कि जो लोग इस तरह की कोठियाँ बना लेते हैं उनसे सरकार को देश की उन्नति के लिये जो उचित हिस्सा मिलना चाहिये वह न मिले। तो मैं निवेदन करना चाहता हूँ कि यह दलील बिल्कुल भ्रामक है कि इस सीमा को एक लाख से घटा कर पचास हजार कर दिया जायेगा तो आम जनता पर इसका बुरा असर पड़ेगा। मैं कहना चाहता हूँ कि आम जनता का तो इससे कोई सम्बन्ध ही नहीं है। आम जनता तो चाहती है कि

इस प्रकार के प्रत्यक्ष कर अधिक से अधिक लगाये जायें। सरकार की ओर से कहा यह जा रहा है कि हम प्रत्यक्ष कर बढ़ा रहे हैं लेकिन अभी बतलाया गया कि हिन्दुस्तान में अभी भी प्रत्यक्ष कर १५ हैं और १८ या १९ अप्रत्यक्ष कर हैं। शायद वह रेलवे किराये कर को भी प्रत्यक्ष कर मानते हैं लेकिन वह तो आम जनता पर लगाता है। एस्टेट ड्यूटी, गिफ्ट टैक्स, कारपोरेशन टैक्स आदि प्रत्यक्ष कर हैं। लेकिन जब भी इस सदन में इस प्रकार के टैक्स लगाने का कानून बनाया जाता है तो उसके सिद्धान्त को मानते हुए भी उसकी इस प्रकार आलोचना की जाती है कि उस कानून की आत्मा को ही खत्म कर दिया जाये जिससे कि उस कर से सरकार को कुछ मिले ही नहीं। तो मैं निवेदन करना चाहता हूँ कि इस सदन में एक वर्ग है जो कि सत्तारूढ़ पार्टी से सम्बन्ध रखता है जो कि नहीं चाहता कि इस प्रकार का कानून बने, वह वर्ग चाहता है कि शोषण का राज चलता रहे और जो बड़ी बड़ी सम्पत्ति हड़पे बैठे हैं वह हमेशा के लिये उनके पास बनी रहे।

मैं निवेदन करना चाहता हूँ कि यह बिल सही दिशा की तरफ एक कदम है। लेकिन अकेले इस बिल को कानून बना देने में काम नहीं चलेगा। मुख्य समस्या है कर के ढांचे को ठीक बनाने की जिसका उद्देश्य यह हो कि जो टैक्स की चोरी हो रही है उसे हम दूर कर सकें। अगर उस दिशा में अच्छा कदम नहीं उठाया जाता तो इस कानून का उद्देश्य पूरा नहीं हो सकता। मैं समझता हूँ कि यह जो एक लाख से पचास हजार की सीमा की गई है और जो दो साल से पांच साल तक लागू करने का कदम उठाया गया है यह सिद्धान्त रूप से सही कदम है। इस तरह का कानून बना देने से सिद्धान्त रूप से हम उस दिशा में बढ़ते हैं। इससे एक ढांचा बनता जाता है। लेकिन केवल इतने से ही काम नहीं चलेगा। जो बड़े

पैमाने पर टैक्स की चोरी होती है और जो टैक्स को छिपाया जाता है उनको निकालने के लिये सरकार को कोई सक्रिय कदम उठाना पड़ेगा। यह कदम क्या हो सकता है? एक तरीका तो यह हो सकता है कि जहां यह प्रत्यक्ष कर लिये जाते हैं उनको लेने वाले अफसर, उनको लगाने वाले अफसर विवेक से काम लें। कहा गया है कि जहां पर कोई अफसर कर को माफ कर देता है तो ऐसा करना अफसर के विवेक पर होगा कि वह उस व्यक्ति की सामर्थ्य को देखे कि वह उस कर को दे सकता है या नहीं।

• जहां तक इस क्षमता को देखने का सवाल है यह अधिकारी के विवेक पर निर्भर करता है। इन्कम टैक्स के सम्बन्ध में भी और इस कानून के सम्बन्ध में भी हम यह देखते हैं कि ज्यादातर अफसर के विवेक पर यह निर्भर करता है। और ये अफसर कौन लोग होते हैं? अफसर हम लोग देखते हैं कि जो अधिकारी होते हैं या तो उनका सम्पर्क उस वर्ग से खास तौर पर होता है जिस पर यह टैक्स लगना चाहिये या सम्पर्क नहीं होता है तो कभी कभी उसी वर्ग से वे आते हैं और उनकी यह निश्चित धारणा होती है कि मैं उस वर्ग से आया हूँ उसका मैं नुक्सान न करूँ। इस सम्बन्ध में मैं एक झमेली सुझाव देना चाहता हूँ। मैं चाहता हूँ कि यह सरकार और प्रवर समिति भी इस पर विचार करे कि क्या इस तरह का कदम उठाया जा सकता है कि अधिकारियों की भर्ती में हम देखें कि ऐसे वर्ग से लोग आयें ऐसे अधिकारी भर्ती किये जायें जिनका विवेक सही रूप में इस्तेमाल किया जा सके और किसी तौर पर—मैं व्यक्तिगत तौर पर पक्षपात करने की बात नहीं कहता—बग-हित की दृष्टि से ऐसे लोगों के साथ जिन पर टैक्स लगता है पक्षपात की बात न हो सके। उदाहरण के लिये आप किसान वर्ग से अधिकारी हैं। अगर हो सके तो मजदूरों के वर्ग से हैं। मध्यम वर्ग

से हैं। अगर वह अधिकारी जाकर एस्टेट ड्यूटी आफिसर बने तो उससे यह मुमकिन नहीं हो सकेगा कि जो लोग चोरी करते हैं, छिपाते हैं, घलत तरीके से हिसाब-किताब बनाते हैं वे ऐसा कर सकें और उसका विवेक उनके हक में इस्तेमाल हो।

हम सभी जानते हैं कि इस सम्बन्ध में तरह तरह की बातें फैल गई हैं। सिर्फ इसलिये मुनीम और गुमास्ते रखे जाते कि दो तरह के बही-खाते बनाये जायें जिन अलग-अलग हिसाब-किताब अलग-अलग मुनाफा और नुक्सान वगैरह दिखाये जायें हैं। जो बहीखाता अफसरों को दिखाने के लिये होगा, जो टैक्स अधिकारी के सामने पेश करने के लिये होगा उसमें नुक्सान दिखाया जायेगा। इसके विपरीत दिवाली वाले बहीखाते में वर्ष के आखिर में जिसकी वे पूजा करते हैं मुनाफा दिखाया जायेगा। इस टैक्स की चोरी को रोकने के लिये कड़े कदम उठाये जाने की जरूरत है। मैं यह निवेदन करना चाहता हूँ कि कर-ड्रांचे में परिवर्तन करने के बाद और उन सब कमियों को दूर करने के बाद जिनकी वजह से हम समझते थे कि चोरी होती है और प्रत्यक्ष करों को छिपाया जाता है हम यह भी देख कि जो अधिकारी हम नियुक्त करें उनका मस्तिष्क इस तरह का हो उनकी पृष्ठभूमि इस तरह की हो कि उस वर्ग से जिस पर ये कर लगाये जाने वाले हैं उनकी हार्दिक सहानुभूति न हो। मैं यह नहीं कहूंगा कि उनकी उनसे दुश्मनी हो उन से वैमनस्य हो। वैमनस्य न हो लेकिन निष्पक्ष दृष्टिकोण जरूर हो। अभी तो यह होता है कि वे लोग टैक्स देने वाले और टैक्स अधिकारी—एक तरह के सफ़ेद कपड़े पहनने वाले होते हैं एक तरह की भाषा बोलने वाले होते हैं एक तरह की गोष्ठियों—क्लबों—में बैठने वाले होते हैं एक ही जगह वे बैठते हैं टैनिस् खेलते हैं। मैं यह निवेदन करना चाहता हूँ

[जी ज्वरराज सिंह]

कि इन अधिकारियों से यह मुमकिन नहीं होता कि वे भ्रष्टाचारी तरह से विवेक का इस्तेमाल कर सकें जहाँ टैक्स लगाने की जरूरत हो वहाँ टैक्स लगा २ ।

जहाँ तक कर-बाँचे में परिवर्तन करने का सम्बन्ध है—गिफ्ट टैक्स को लगाने और उसके साथ साथ एस्टेट ड्यूटी की भ्रामदनी एक लाख से पचास हजार करने का सम्बन्ध है, मैं समझता हूँ कि वह एक सही कदम है । लेकिन आवश्यकता इस बात की है कि उसके साथ साथ ऐसे भी कदम उठाये जायें जिनसे चोरी को रोका जा सके । यह साफ़ बात है कि भ्रष्टाचारियों में कोई चोरी नहीं होती । वहाँ पर तो जहाँ भ्रामदनी ने खरीद की वहाँ पर ही कर लग गया । लेकिन प्रत्यक्ष करों में लगातार चोरी होती चली आ रही है । हमारे यहाँ अनुमान बनता है कि छोट्ट करोड़ इकट्ठा कर लेंगे पाँच करोड़ इकट्ठा कर लेंगे । लेकिन भ्रालिख में होता क्या है ? दो ढाई करोड़ इकट्ठा हो पाता है । हम सोचते हैं कि इन छः महीनों में पचास लाख इकट्ठा हो जायेगा लेकिन मैं नहीं कह सकता कि जब हमारे सामने एकबुध्दल भ्रायेंगे तो पचास लाख हो पायेगा या नहीं । मैं यह चाहता हूँ कि इस पर हम मौलिक रूप से विचार करे कि किस वजह से हमारे अनुमान गलत होते हैं । यह बात नहीं है कि लोग देने लायक नहीं हैं उनकी क्षमता नहीं है । उनकी क्षमता तो है लेकिन उन पर कर लगाया नहीं जाता है । कभी कभी उनको जान बूझ कर छोड़ दिया जाता है या इतनी मेहनत नहीं की जाती है कि उनको पकड़ा जा सके । मैं जानता हूँ कि जिस कस्बे में मैं रहता हूँ उसमें सैकड़ों इस तरह के मकान बने हैं जिन पर प्रत्यक्ष कर इनकम टैक्स लगाया जा सकता था—वह पाँच छः सास की छिपी हुई भ्रामदनी थी—लेकिन उस तरफ कोई ध्यान नहीं दिया गया ।

मैं यह निवेदन करना चाहता हूँ कि हम लोग इस कर-नीति को इस कर-बाँचे

को स्वीकार करने के बाद इससे संतुष्ट न हो जायें कि हम ने इसमें जो भी चोरी हो सकती थी जो भी कर छिपाया जा सकता था उसको खत्म कर दिया है । इसके साथ सही कदम यह होगा कि हम यह देख लें कि हमारे दृष्टिकोण में जो परिवर्तन होने की जरूरत है वह परिवर्तन हो रहा है या नहीं । वह परिवर्तन तब होगा जब हम ज्यादा से ज्यादा प्रतिनिधित्व सेवाओं—नीकरियों—में ऐसे लोगों को दें जिन के कोई वर्ग-स्वार्थ नहीं होते जिनका अपना कोई पक्षपातपूर्ण दृष्टिकोण नहीं है जिसकी वजह से वह ऐसे व्यक्ति को छोड़ दें जिस पर वह एस्टेट ड्यूटी न लगाना चाहें ।

यह एक सही कदम उठाया जा रहा है कि देश भर से जो माल के रिकार्ड हैं लिखा-पढ़ी है रेवेन्यू रिकार्ड हैं उनको इकट्ठा किया जा रहा है ताकि यह पता लग सके कि कितने लोग ऐसे मरे हैं जिनकी हैसियत पचास हजार की हो सकती थी । माल के रिकार्ड तो इस तरह मिल सकते हैं क्योंकि वह लिखा-पढ़ी की चीज होती है लेकिन जो शहर के लोग हैं उन के कोई रिकार्ड नहीं हैं । वह पहले से सब कुछ कर लेते हैं । मेरे मित्र श्री वी० पी० नायर ने एक बहुत ही महत्व की बात कही कि हम भविष्य में देखेंगे कि हमारे यहाँ जो बहुत ही धनपति करोड़पति हैं वे जिस वक्त मरने लगेंगे वे बिल्कुल ही लाकपति हो कर मरेंगे उनके पास कौड़ी भी नहीं होगी वे पहले ही सब कुछ इंतजाम कर जायेंगे । मैंने एक उदाहरण दिया कि एक भ्रामदनी, जिस के पास भ्राज लाखों की सम्पति है, मरने से पहले ११ लाख का इंतजाम कर जाता है ताकि उसको एस्टेट ड्यूटी न देनी पड़े । इस सम्बन्ध में हमको बहुत ही क्रान्तिकारी कदम उठाने की जरूरत है । भ्राज मुक्त में इस तरह की भावना है कि लोगों की फारबून—सम्पति—बहुत ही छलांगें मार कर बढ़ रही है—

इस तरह से बढ़ रही है जिसका कोई हिसाब नहीं लगाया जा सकता। देश के एक प्रमुख व्यक्ति के सम्बन्ध में उदाहरण दिया गया है। मिनिस्टर साहब में उसके सम्बन्ध में यह कह दिया कि उसका केस चल रहा है। मैं इस सम्बन्ध में यह निवेदन करना चाहता कि ठीक है, उसका केस चल रहा है, लेकिन याद रहे कि उसका प्रतिवाद भी तब तक नहीं किया गया जब तक बार बार उस व्यक्ति ने यह चैलेंज नहीं किया कि जो कुछ मैं कहता हूँ वह मैं अदालत में साबित करने के लिये तैयार हूँ। मुझ पर केस चलाया जाय। डा० राम मनोहर लोहिया ने बार बार कहा कि मुझ पर केस चलाया जाय, तो केस चलने की नीबत आई। मैं एक व्यक्ति के बारे में कुछ नहीं कहना चाहता हूँ। उसका जो कुछ निर्णय होगा देखा जायेगा। मैं यह कहना चाहता हूँ कि इन सब बातों को देखने की जरूरत है कि जो चोरी होती है जो टैक्स छिपाया जाता है उसको कैसे बचाया जाय।

मुझे बड़ा आश्चर्य हुआ जब यह कहा गया कि आप ये लोग बड़े देशभक्त हो गये हैं जिनका यहां भी कारोबार चलेगा पाकिस्तान और अमेरिका में भी चलेगा। हम समझ सकते हैं कि वह कैसा हिसाब-किताब रखेंगे। वकील लोग उनके पास मौजूद होंगे जो उनके बचने का ढंग बता देंगे। गिफ्ट टैक्स के सम्बन्ध में यह कहा गया कि ये लोग सम्पत्ति दान करेंगे भूदान करेंगे। यह बड़े धफसोस की बात है। इन में से कितने लोगों ने सम्पत्ति दान किया है? बिनोबा जी और श्री जयप्रकाश नारायण उन लोगों से बोड़ी जमीन ले भाये हैं जिनके पास बोड़ी जमीन है लेकिन वे उन लोगों से सम्पत्ति दान और भूदान नहीं ले सकते जो लक्षपति करोड़पति हैं जिनकी बड़ी बड़ी मिलें चल रही हैं। अगर वे देंगे तो इसलिये कि कहीं मजदूर हड़ताल न कर दें। भले ही इसलिये रिफूत दे दी जाय...

श्री स० न० बमनी (कानपुर) : इलैक्शन फंड में देंगे।

श्री बजरान सिंह : या चुनाव के फंड में दिया जाय। उनको एगजेंम्पशन देने का सवाल नहीं आयेगा। इस बात की खास तौर पर जरूरत है कि हम जो कर-ड्रांचा बना रहे हैं हम उसके मुताबिक अपनी मनोवृत्ति बनायें। हम जो कर-ड्रांचा बनायें या जो कानून बनायें हम उसकी भात्मा को ठीक तरह से लगातार लागू करने के लिये तैयार हों और उन पर पूरी तरह से भ्रमल किया जाय। और वह भ्रमल कैसे हो? वह तभी होगा जब आप यह न सोचें कि वे प्रतिपक्षी लोग हैं ऐसे लोग हैं जो सदा भालोचना करते रहते हैं। मैं यह भी कहना चाहता हूँ कि जहां तक इस मुल्क को बनाने का सवाल है जहां तक एक मुल्क के विकास का ताल्लुक है जहां तक इस देश के निर्माण का सम्बन्ध है हम न किसी से पीछे रहे हैं और न आगे पीछे रहने वाले हैं। हां नीतियों में अवश्य फर्क हो सकता है और होगा। आप प्रत्यक्ष कर लगाते हैं और उसका हर कोई स्वागत करता है। यह भी एक प्रत्यक्ष कर है जो आप लगा रहे हैं और इसका सभी ने स्वागत किया है। आपने गिफ्ट टैक्स लगाया उसका सभी ने स्वागत किया है इसके पीछे जो सिद्धान्त है उसको सब मानते हैं लेकिन जब आप उसकी जो भावना है, उसकी जो भात्मा है उसको खत्म कर देते हैं तो इससे सभी को आपत्ति होती है। आप इस तरह के कानून लायें, किसी को कोई मतभेद नहीं है। लेकिन इसके साथ ही साथ आपका यह फर्क भी हो जाता है कि टैक्सों की चोरी आप रोकें, आप यह देखें कि जिनको टैक्स भ्रदा करना है, उनसे टैक्स लिया ही जाये, उनको किसी किस्म की छूट न दी जाये। टैक्सों की चोरी को रोकने के लिये आपको मनोवैज्ञानिक परिवर्तन करना होगा, अधिकारियों के दृष्टिकोण में परिवर्तन करना होगा और आपको ऐसे अधिकारी भर्ती करने होंगे जिनका मैं अभी चिन्त कर रहा हूँ और

[श्री राजराज सिंह]

उस वर्ग से ये नहीं लिये जाने चाहियें जिस वर्ग पर यह टैक्स लगेगा और अगर आपने ऐसे अधिकारियों की नियुक्ति की, तो वे अधिक बिबेक से, अधिक तत्परतापूर्वक, बिना भेदभाव के, बिना पक्षपात के काम कर सकेंगे।

16:52 hrs.

[Mr. SPEAKER in the Chair.]

दूसरा सुझाव मैं यह देना चाहता हूँ कि इस तरह के मामलों में आप विरोधियों से क्यों सुझाव नहीं लेते हैं, उनका क्यों नहीं सहयोग धामनित करते हैं। आपको चाहिये कि आप उनका सहयोग भी लें और उनका सहयोग आपको मिल भी सकता है। अगर आपने उनकी मदद ली तो यह जो टैक्सों की चोरी होती है यह बहुत हद तक कम हो सकती है। आपने एक विधेयक आज प्रवर समिति के सुपुर्द किया है, उसको जब पास कर दिया जाएगा, और लागू कर दिया जायेगा, तो आपको टैक्सों की चोरी को रोकने में कुछ मदद मिलेगी। यदि आप विरोधियों की मदद भी चाहते हैं तो आपको ऐसा वातावरण बनाना होगा जिस वातावरण में कि विरोधी लोग जो हैं वे आपको सहयोग प्रदान कर सकें। वे आपको बतला सकते हैं कि यह भ्राम्य है जो कि टैक्सों की चोरी कर रहा है और फिर आप उसको पकड़ सकते हैं, उसको सजा दिला सकते हैं।

यहां पर आप दस परसेंट रिबेट देने की बात करते हैं। इस रिबेट को देकर आप मुफ्त में भयानक उदाहरण पेश कर रहे हैं। आप किसानों को तो कभी रिबेट देने की बात नहीं करते हैं, छोटे भ्राम्यो को रिबेट देने की बात नहीं करते हैं। इस तरह से रिबेट देने से मैं समझता हूँ आपका काम नहीं चलेगा।

अन्त में मैं इतना ही कहूंगा कि जिस बिल को यहां पेश किया गया है और जिसको प्रवर समिति के सुपुर्द किया जा रहा है उसका सिद्धान्त यह है हम स्वागत करते हैं। मैं

बाहंगा कि प्रवर समिति उन सभी सुझावों पर जो यहां पेश किये गये हैं, विचार करे और इस पर भी विचार करे कि कौन से उपाय प्रस्तुत किये जाने चाहियें जिनसे कि इन लोगों की चोरी को रोका जा सके तथा अधिक से अधिक रुपया इन करों से हमें प्राप्त हो सके ताकि इस पैसे का उपयोग हम अपने मुल्क के निर्माण में कर सकें तथा अपने मुल्क को आगे बढ़ा सकें।

इन शब्दों के साथ मैं इस विधेयक का स्वागत करता हूँ।

Shri D. C. Sharma (Gurdaspur): Mr. Speaker, Sir, when the Estate Duty Bill was passed last time there was a jubilation in the minds of some, a lot of controversy in the ranks of others and a great deal of opposition amongst some. But, the Congress Party and the Lok Sabha put their seal of approval on that for various reasons. I think to many of us its appeal lay in the fact that it was—if I may use that expression—an ideological measure. It was a measure brought forward to iron out the disparities of income in this country. It was a measure in the direction of the fulfilment of the objective of our country, the socialist pattern of society. It was a measure which wants that the concentration of wealth should not be in the hands of a few persons and that the other persons should not be denied those items of welfare which are to be the desire of all of us. Therefore, it was welcomed by some persons.

But the test of the pudding lies in its eating. A tree is to be judged by the fruit it bears. What has been the result of this? The other day, I went to a public meeting in Kingsway Camp and a member from the audience shouted: "Do not listen to this man because he represents a party which has saddled this country with too much of taxes. All these Congressmen are bringing forward Bills after Bills

which add to the incidence of taxation in this country".

Sir, it was not my experience in Kingsway Camp, Delhi only; I have had similar experiences when I go about in my constituency. People turn round and ask me, 'Why is it that you are trying to pass so many Bills which add to the taxation of the people? They ask me this question.

We are passing taxation measure after taxation measure. In the first place, we are doing so for ideological reasons. In the second place, we are doing so for what I may call the developmental reasons of this country. We have to make a success of our Second Five Year Plan, and other Plans also. We want that we should raise internal resources in order that we should be able to finance those plans very adequately. Naturally, we can do that by means of taxation and other things.

That is a very laudable object. But that object is not explained to persons so well as other things. Every day I get pamphlets, typed material, big bundles of papers—and all the other hon. Members of the Lok Sabha also get that. Sometimes we get them in duplicate copies. In those papers and pamphlets the whole taxation policy of our Government is sought to be interpreted. I thank Shri Bhagat that he sent us a non-technical explanation of the development rebate. It was a good thing that he did so because, after all, we are not technical persons.

But, here is the Estate Duty, the Expenditure Tax, the Wealth Tax and now our Gift Tax Bill. They are all very technical Bills. Of course, they have done something to explain these measures to us in a non-techni-

cal way. But I would say that even that non-technical language is such that it gives us the legal connotations of these measures but it does not give the social implications of them. We want to know what good these measures are going to do and the people do not want to know the legal quibbles that are associated with them. Therefore, I submit that we pass these measures for two reasons. But, what has been the result?

I remember I put a question some years back, during the last Lok Sabha—I put so many questions—about the collection of Estate Duty all over the country

17 hrs.

I sometimes put questions about the collection of estate duty by States also. I was always told that the collections were far far below the anticipated sums.

Mr. Speaker: Has the hon. Member much to say?

Shri C. D. Sharma: Yes, Sir, very much more to say.

Mr. Speaker: Then, he may resume his speech tomorrow.

PRIVILEGES COMMITTEE

SECOND AND THIRD REPORTS

Sardar Hukam Singh (Bhatinda): Sir, I beg to lay on the Table the Second Report of the Privileges Committee. I also beg to lay on the Table the Third Report of the Privileges Committee.

17-01 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Friday the 25th April, 1958.

DAILY DIGEST

[Thursday, 24th April, 1958]

| Subject | COLUMNS |
|---------------------------|----------|
| ORAL ANSWERS TO QUESTIONS | 11227-65 |

| | |
|---|----------|
| S.Q. No. | |
| 1803 Oildrilling in Jwalamukhi | 11227-32 |
| 1804 Pensions for I. A. S. Officers | 11232-33 |
| 1805 Central Leather Research Institute, Madras | 11233-35 |
| 1806 Judicial Commissioner's Court, Himachal Pradesh | 11235-36 |
| 1808 Building for Naval Hospital at Cochin | 11236-37 |
| 1810 Life Insurance Business | 11237-38 |
| 1812 Allowances for election duties | 11238-40 |
| 1813 I. A. S. (Special recruitment) | 11240-42 |
| 1814 Naga raid on a village | 11242-44 |
| 1816 Northern Higher Technological Institute, Kanpur | 11244-47 |
| 1817 Relics of Lord Buddha near Vaisali | 11247-48 |
| 1818 Powers of High Courts to Grant Bail | 11248-50 |
| 1819 Training and Employment of the blind | 11250-51 |
| 1820 Evening colleges under Delhi University | 11252-55 |
| 1821 Investment by the Life Insurance Corporation | 11255-58 |
| 1822 Evasion of sales tax | 11258-60 |
| 1823 Life Insurance Corporation | 11260-63 |
| 1824 National Research Fellowship | 11263-64 |
| 1809 Peace-time Establishment of the Ordnance Installations | 11264-65 |

| Subject | COLUMNS |
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| WRITTEN ANSWERS TO QUESTIONS | 11265-11296 |

| | |
|------------------------------|----------|
| S.Q. No. | |
| 1807 Government publications | 11265-66 |
| U.S.Q. No. | |
| 2687 Mining Training Schools | 11266 |
| 2688 Monuments in Assam | 11266-67 |
| 2689 Monuments in Rajasthan | 11267 |

| Subject | COLUMNS |
|-------------------------------------|---------|
| WRITTEN ANSWERS TO QUESTIONS—contd. | |

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| U.S.Q. No. | |
| 2690 Next census | 11267-68 |
| 2691 National Calendar | 11268 |
| 2692 Rehabilitation Finance Administration | 11268 |
| 2693 Technical Education in Madras | 11269 |
| 2694 Bombay University | 11269 |
| 2695 Loans and Grants to Bombay | 11269 |
| 2696 Vigyan Mandirs in Bombay | 11269-70 |
| 2697 Travelling allowances of Ministers | 11270 |
| 2698 Hirakud Project | 11270 |
| 2700 Steamer service to Laccadive | 11270-71 |
| 2701 Sanskrit Commission | 11271 |
| 2702 Forged currency | 11271-72 |
| 2703 Scientific Terminology | 11272 |
| 2704 Scheduled Castes and Scheduled Tribes Scholarships | 11272-73 |
| 2705 Iron Ore deposits in Koraput | 11273 |
| 2706 Sahitya Akademi | 11274 |
| 2707 Cultivation of Patchouli | 11274-75 |
| 2708 Andaman and Nicobar Islands | 11275 |
| 2709 Secondary Schools | 11275 |
| 2710 Messrs. Tin Plate Dealer's Association, Delhi | 11275-76 |
| 2711 Loans to States | 11276-77 |
| 2712 Staff Councils | 11277 |
| 2713 Settlement of Ex-service-men | 11277-78 |
| 2714 Corruption complaints | 11278-79 |
| 2715 Rehabilitation Finance Administration | 11279-81 |
| 2716 Smuggling | 11281 |
| 2717 Report on Petroleum Trade | 11281-82 |
| 2718 Identity Cards | 11282 |
| 2719 Welfare Officers | 11282-83 |
| 2721 Smuggling | 11283 |
| 2721 Employees Charge-sheeted in Ministry of Home Affairs | 11283 |

| Subject | COLUMNS |
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| WRITTEN ANSWERS TO QUESTIONS—Contd. | |
| U.S.Q. No. | |
| 2722 Pension to Ex-State Forces of Punjab | 11284 |
| 2723 Lok Sahayak Sena Camps in Punjab | 11284 |
| 2724 Welfare Extension Projects in Punjab | 11284 |
| 2725 Himachal Pradesh Administration | 11284-85 |
| 2726 Ferro-manganese Plant in Orissa | 11285 |
| 2727 Assistance to Writers and Artists | 11286-87 |
| 2728 Expenditure on Second General Elections | 11287 |
| 2729 Conference of Criminal Investigation Department Officers | 11287-88 |
| 2730 State Bank of India | 11288 |
| 2731 Libraries in Himachal Pradesh | 11288 |
| 2732 Re-Rolling Mills in Bihar | 11288-89 |
| 2733 Slate Mines in Himachal Pradesh | 11289 |
| 2734 Gwalior Fort | 11289-90 |
| 2735 Foundries in Punjab | 11290 |
| 2736 Accidents at Jwalamukhi | 11290-91 |
| 2737 University Grants Commission | 11291 |
| 2738 Delhi Reforms Act | 11291 |
| 2739 Landless Scheduled Castes and Tribes | 11291-92 |
| 2740 Educational Development in Madhya Pradesh | 11292 |
| 2741 Smuggling on Indo-Tibet Border | 11292-93 |
| 2742 Sangeet Natak Akademi Dance Seminar | 11293 |
| 2743 Deaf and Dumb | 11293-94 |
| 2744 Deaf and Dumb Institutions | 11294 |
| 2745 Social Welfare Grants | 11294-95 |
| 2746 Technical Education | 11295-96 |
| 2747 National Cadet Corps in West Bengal | 11296 |

MOTIONS FOR ADJOURNMENT

The Speaker withheld his consent to the moving of three adjournment motions

MOTIONS FOR ADJOURNMENT—Contd.

given notice of by Shri Atal Bihari Vajpayee, Sarvaswari K. T. K. Tangamani and S. M. Banerjee and Shri Braj Raj Singh regarding the accident to a school bus in New Delhi on the 23rd April, 1958, which resulted in the death of two children and injuries to others.

PAPERS LAID ON THE TABLE

The following papers herewith laid on the Table :—

1. A copy of each of the following Notifications, under Section 10 of the Mines and Minerals (Regulation and Development) Act, 1948, making certain further amendments to the Mineral Concession Rules, 1949 :—

(i) G.S.R. No. 189, dated the 29th March 1958.

(ii) G.S.R. No. 196, dated the 27th March, 1958.

2. A copy of each of the following Declarations of Exemption under the proviso to Section 6 of the Registration of Foreigners Act, 1939 .

(i) No. 1/76/57-F.I., dated the 30th December, 1957 (1 Declaration)

(ii) 1/1/58-F. I., dated the 3rd January 1958 (1 Declaration)

(iii) No. 1/5/58-F. I., dated the 21st January, 1958 . (1 Declaration)

(iv) No. 1/6/58-F. I., dated the 22nd January, 1958 (1 Declaration)

(v) No. 1/8/58-F.I., dated the 25th January, 1958 (1 Declaration)

(vi) No. 1/7/58-F. I., dated the 31st January, 1958 . (3 Declarations)

(vii) No. 1/7/58-F. I., dated the 1st February, 1958 (1 Declaration)

(viii) No. 1/12/58-F. I. dated the 6th February, 1958 (4 Declarations)

(ix) No. 1/14/58-F. I., dated the 11th February, 1958 (1 Declaration)

11301-02

Subject

PAPERS LAID ON THE TABLE—Contd.

- (x) No. 1/16/58-F. I, dated the 28th February, 1958 (1 Declaration)
- (xi) No. 1/17/58-F. I, dated the 3rd March, 1958. (1 Declaration)
- (xii) No. 1/18/58-F. I, dated the 4th March, 1958. (1 Declaration)
- (3) A copy of Notification No. G.D.R. 210, dated the 5th April, 1958, under sub-section (4) of Section 19 of the Medicinal and Toilet Preparations (Excise Duties) Act, 1955, making certain further amendments to the Medicinal and Toilet Preparations (Excise Duties) Rules, 1956.

MESSAGE FROM RAJYA SABHA

Secretary reported a message from Rajya Sabha that the Rajya Sabha, at its sitting held on 22-4-58 has passed the motion extending the time for presentation of the Report of the Joint Committee of the Houses on the Public Premises (Eviction of Unauthorised occupants) Bill, 1958, upto Friday, the 2nd May, 1958.

REPORT OF COMMITTEE ON PRIVATE MEMBERS, BILLS AND RESOLUTIONS—PRESENTED

The Twenty-first Report was presented.

COLUMNS

11302-03

11303

Subject

REPORT OF ESTIMATES COMMITTEE—PRESENT-ED

The Thirteenth Report was presented.

REPORT OF PUBLIC ACCOUNTS COMMITTEE—PRESENTED

The Fifth Report was presented.

BILLS REFERRED TO SELECT COMMITTEE .

Further discussion on the motion to refer the Gift-tax Bill, 1958, to a Select Committee was concluded and the motion was adopted as amended.

MOTION TO REFER BILL TO SELECT COMMITTEE UNDER CONSIDERATION

The Minister of Finance (Shri Morarji Desai) moved that the Estate Duty (Amendment) Bill, 1958, be referred to a Select Committee. The consideration was not concluded.

AGENDA FOR FRIDAY, 25th April, 1958.

Further consideration of the motion to refer the Estate Duty (Amendment) Bill, 1958, to a Select Committee. Further consideration of Private Member's Resolution re Reorientation of the system of examinations moved by Shri Gohakar on 11-4-58.

COLUMN

11303

11303

11303—75

11375—11416