

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

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LOK SABHA

Wednesday, the 23rd April, 1958.

The Lok Sabha met at Eleven of the Clock.

(MR. SPEAKER in the Chair).

ORAL ANSWERS TO QUESTIONS

Water Rates in Imphal

*1782. Shri L. Achaw Singh: Will the Minister of Health be pleased to state:

(a) whether it is a fact that an annual water rate is levied on citizens at Imphal by the Manipur Administration for the use of street water hydrants;

(b) if so, whether water points are given to individual applicants for any private use; and

(c) whether there is any proposal to abolish the water rate at present levied for street hydrants?

The Minister of Health (Shri Karmarkar): (a) Annual water rate is levied by the Imphal Municipality on the house holders in the area served with a limit of 440 yds. from the nearest street water point.

(b) and (c). Yes, Sir.

Shri L. Achaw Singh: May I know whether it is a fact that water points are given only to Government servants? If so, what is the number of applicants who have been given water points?

Shri Karmarkar: I understand that there are at present 171 street hydrants and 137 private water connections in Imphal. This includes 50 hydrants in the municipal area and 38 in the 4th Assam Rifles area.

Shri L. Achaw Singh: I want to know the total amount of water tax collected during the last two years, i.e., 1956-57 and 1957-58.

Shri Karmarkar: I have not got the figure for the tax collected before me but the rate is Rs. 1/8/- per house within 440 yards from every street hydrant and Rs. 24 per year for every house connection. Regarding the total amount of tax collected, I shall like to have notice.

Shri Braj Raj Singh: May I know whether such water rate is levied on citizens for the same purpose in any other Union territory?

Shri Karmarkar: I should like to have notice about that, but I should like to say that there is a proposal under the consideration of the Manipur Administration for the abolition of this tax. This has been postponed at the request of the Imphal Municipality on the ground that the area of the municipality is proposed to be extended and if this tax is abolished before the area is extended and free water is supplied to the town area, there may be criticism on the ground of discrimination at the cost of more backward area. That is how the matter stands.

विषय नगर में पानी की कमी:

१७८३. श्री लक्ष्मण दत्त : क्या स्वास्थ्य मंत्री ११ सितम्बर, १९५७ के

अतारांकित प्रश्न संख्या १५६६—क के उत्तर के सम्बन्ध में यह बताने की कृपा करें कि विनय नगर और उस के घास-पास की सरकारी बस्तियों में पानी की कमी को दूर करने के लिये किये गये घनेक कार्य क्या इस बीच पूरे हो गये हैं ?

स्वास्थ्य मंत्री (श्री करनकर) : (१) डिप्लोमेटिक एन्क्लेव क्षेत्र में प्रतिरिक्त जल देने के लिये संवेवाला जलाशय से कैप्टोन्मेण्ट तक पाइप लाइन बैठा दी गयी है और वह चालू हो चुकी है। (२) कैप्टोन्मेण्ट जलाशय से कुतब रोड तक जल-वितरक प्रनाल बैठा दिया गया है। (३) चन्द्रावल के पानी घर की क्षमता (capacity) को ६ करोड़ गैलन प्रति दिन से बढ़ा कर ९ करोड़ गैलन करने के लिये प्रावश्यक निर्माण-कार्य प्रगति पर है, और इन के सितम्बर १९५९ तक पूरे हो जाने की सम्भावना है।

* प्रधान मंत्री तथा वैदेशिक-कार्य मंत्री (श्री जवाहरलाल नेहरू) : हिन्दी में भी कह दीजिये। कौन जवान में आप बोले थे ?

श्री करनकर : अब मैं हिन्दी में कह रहा हूँ।

श्री नरस बर्हान : श्रीमान्, क्या मैं जान सकता हूँ कि वे कौन सी विशेष कठिनाइयाँ हैं, जिन की वजह से इह कार्य में इतनी देरी हो रही है और यह कार्य शीघ्रता से पूरा नहीं हो पा रहा है।

Shri Karmarkar: This work of extending it to 90 million gallons consists of construction of new intake at Wazirabad, expansion of pumping station along with the pumping machinery, pumping main up to the gravity conduit, construction of gravity conduit to Filtration Plant, extension of flocculator, clarifier and filter units, filter water conduits to the pumping station, extension of the filter water pumping station and the laying of additional mains to the reservoirs. This is the work to be done and that is being done.

श्री नरस बर्हान : श्रीमान्, विनयनगर, सेवा नगर और डिप्लोमेटिक एन्क्लेव, इन सब जगहों में सरकारी बस्तियाँ बसाई गई हैं। मैं जानना चाहता हूँ कि जब यह बस्तियाँ बसाई गई थीं, उसी समय वहाँ पानी पहुँचाने की व्यवस्था क्यों नहीं शुरू कर दी गई, ताकि अब तक यह काम कमी का पूरा हो गया होता।

श्री करनकर : मेरे क्याल में विनय नगर में पानी मिलता है।

श्री नरस बर्हान : विनयनगर में पानी कुछ घंटों के लिये ही मिलता है बाकी समय बन्द रहता है।

श्री करनकर : शायद बाकी जगहों में भी कुछ घंटों तक मिलना चाहिये, क्योंकि हमारे पास पानी काफी नहीं है और बस्तियों की संख्या बढ़ रही है, क्योंकि उन की जरूरत है। उस को हम नहीं रोक सकते हैं। इसलिये इस वक्त जो कठिनाइयाँ हैं, उन को सदैव दृष्टि में देखना चाहिये।

श्री नरस बर्हान : डी० डी० ए०, जोकि आप की मिनिस्ट्री का भंग है, के क्लर्क के अनुसार पहले से ये सब सुविधायें दी जानी चाहियें और उस के बाद कालोनी बनानी चाहियें। क्या आप उन क्लर्क के ऊपर स्टिक करते हैं या नहीं और अगर नहीं करते, तो क्यों नहीं करते ?

श्री करनकर : स्टिक नहीं करने का सवाल नहीं उठता है। हम उन पर स्टिक करते हैं। लेकिन कमी कमी ऐसी चीजें हो जाती हैं, क्योंकि कई मुसीबतें होती हैं। हमारे पास पानी काफी नहीं है और बस्तियों की संख्या काफी बढ़ती जा रही है और उन का कुछ इन्तजाम करना होता है। माननीय सदस्य इस बारे में मुझ से ज्यादा जानते हैं।

Electricity for Irrigation

*1784. **Shri Hem Raj:** Will the Minister of Irrigation and Power be pleased to state:

(a) what steps, if any, have been taken by Government for lowering the rates of electricity of purposes of irrigation and lift irrigation to help the Grow More Food Campaign in the country and for the development of cottage industries; and

(b) if so, the names of the States which have agreed to do so?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) and (b). In November, 1957, the Ministry of Food and Agriculture had requested all the State Governments to examine the rates of electricity prevalent in their areas for agricultural purposes and reduce the same, if necessary, by subsidy. Replies from the State Governments are still awaited.

The question of lowering rates of electricity for development of cottage industries is under consideration of the Ministry of Commerce and Industry.

Shri Hem Raj: May I know the rates for industrial purposes and for irrigation purposes in the Punjab?

Shri Hathi: The rates generally for small industries and agriculture are lower than the rates for domestic purpose. In Punjab, the maximum rate for domestic light and fans is Rs. -/12/- and the minimum is Rs. -/3/-, i.e., it varies from Rs. -/12/- to Rs. -/3/- in different localities. For small industries, it is 4:15 annas maximum and 1:25 annas minimum. For agriculture it is Rs. -/4/- maximum and 1:3 annas minimum.

Shri Hem Raj: In view of the fact that the Grow More Food Campaign is being taken up on a high level basis, will the Central Government consider to give more subsidies to the States for this purpose?

Shri Hathi: In fact, these rates were examined by the Agriculture Ministry. They are, as I mentioned in the case of Punjab and almost in all States for lower than those for domestic lights and fans. It was, therefore, with a view to still lower down the rates for agricultural purposes that the Agriculture Ministry has asked the State Government that, if necessary, they should subsidise these electricity boards.

Shri Hem Raj: My question was whether the Central Government would come to the aid of the State Governments for subsidising these schemes.

Shri Hathi: The Central Government is considering the question as a whole for rural electrification because it is not only a question of giving electricity at a lower rate but the question is that electricity should reach to the villages. That would involve cost in transmission lines. For that purpose a study group has also been established. What subsidy should be given and whether a loan should be given free of interest for five years or something like that is being worked out by that group and their report is awaited.

Shri Damani: May I know whether the electric rates for the purpose of irrigation are uniform or are they different?

Shri Hathi: The rates are not uniform in all the States and they cannot be so because the rates have to be correlated to the cost of production. Thermal power costs more and hydel power costs less. Therefore the rates have to be correlated according to the cost of generation. But, as I mentioned, the rates for agriculture are much lower than the other rates.

Shri Dasappa: May I know whether Government have examined the position and come to any definite decision as to exactly what rates would be helpful to the agriculturists in order to make the best use of power?

Shri Hathi: Power must be cheaply available to the agriculturists and

with that view the Agriculture Ministry have taken up this question.

Shri Dasappa: Have they computed as to what rates will be favourable for achieving our results?

Shri Hathi: They have not computed at what rate it should be given. But, the Agriculture Ministry think that the rate must be still lower than what exists. That is, in some cases it is two annas and it should be still lower.

Shri C. R. Pattabhi Raman: Will the Government consider the giving of any special concession to small landholders who may take electricity for this purpose?

Shri Hathi: The question is one of giving subsidy for agricultural purposes. Whatever may be the area of land, if it is meant for agriculture, the rate should be lower and should be subsidised.

सेठ श्री.बिन्धु बाबू : धनी माननीय मंत्री महोदय ने बताया कि इस प्रकार की योजनाओं के लिये राज्य सरकारों को लिखा गया है कि वे अपने प्रस्ताव भेजें । मैं जानना चाहता हूँ कि जहाँ तक मध्य प्रदेश का सम्बन्ध है, वहाँ तक क्या मध्य प्रदेश की सरकार से कोई योजना प्राप्त हुई है और जहाँ तक बिजली के रेट्स का सम्बन्ध है वहाँ तक भी क्या उस प्रांतीय सरकार ने केन्द्रीय सरकार को इस सम्बन्ध में कुछ लिखा है ?

श्री हथी : केन्द्रीय सरकार ने मध्य प्रदेश की सरकार को भी लिखा है लेकिन धनी तक वहाँ से कोई जवाब नहीं आया है ।

Shri D. C. Sharma: Is it not a fact that electric power is supplied to agriculturists on a contract basis and they have to take a particular amount of electricity and pay for it whether they use it or not? Is the Government considering any proposal in this matter?

Shri Hathi: Different tariff rates prevail in different States. Some

States have adapted a procedure of a certain rate: 1·3 annas or 1·2 annas per unit and some minimum charge whatever it may be. Some States have that practice.

Shri Kastwal: In reply to part (b) of the question, the hon. Minister said that replies from the States are being awaited. Do I understand from this answer that not a single State, even after the expiry of six months, has written anything to the Central Government on this important matter?

Shri Hathi: That is what the Agriculture Ministry has said: that replies are still awaited. That means that they have not been received.

Shri Tyagi: Have the State Government also been advised to give preferential treatment to demands for power received from agricultural areas, particularly for the purpose of irrigation?

Shri Hathi: I think it is a matter for the States to consider. But, they should do it.

Shri Jaipal Singh: The hon. Minister has given us the selling rates. May we know the production rates so that we may have an idea of the profiteering that is done?

Shri Hathi: The maximum cost of production for hydel power—in the country, I mean—is 54 annas and the minimum at present works out of 40·54 annas. This is the maximum and minimum.

An Hon. Member: In Naya Paise?

Shri Hathi: So far as thermal power is concerned, the maximum at one place is 5·33 annas and the minimum is 1·71 annas.

श्री ब्रज राज सिंह : धनी माननीय मंत्री महोदय ने बताया है कि राज्य सरकारों से जवाब नहीं आये हैं । मैं जानना चाहता हूँ कि यूनिटन टेरिफरीज के सम्बन्ध में क्या केन्द्रीय सरकार कोई विशेष कदम उठा रही है ?

Shri Nathi: I think the Agriculture Ministry is looking into that.

Shri Ghoseal: May I know whether the Union Boards in West Bengal have refused to accept the D.V.C. project power because of the higher cost?

Shri Nathi: I think the D.V.C. supplies power in bulk. The retailing is done by the licence or the State Government.

Shri Panigrahi: In which of the States is electricity in greater use for irrigation purposes? May I know whether the U.P. Government has reduced its rate on electricity?

Shri Nathi: The rates existing in the U.P. Government at present are: the maximum 11 annas and the minimum is 2·6 annas for domestic purposes. So far as industrial power is concerned, the maximum is 5·7 annas and the minimum is 1 anna. For agriculture, the maximum is 1·5 annas and the minimum is 1 anna.

Shri Tangamani: We were told that none of the State Governments has replied to the suggestions made by the Central Government. The hon. Minister has also given us the prevailing rates in the U.P. and Punjab. May I know what is the prevailing rate in Madras so far as irrigation is concerned?

Shri Nathi: If we have to go state-wise—of course, I have the figures for each State. In Madras, it is 7·8 annas maximum and 3 annas minimum for domestic purposes; for small-scale industries, the maximum is 9 annas and the minimum is 9 annas; for irrigation, the maximum is 6·6 annas and 3 annas is the minimum. That is the range.

Mr. Speaker: The hon. Minister may lay it on the Table of the House.

Shri Nathi: I will; I do not mind.

Mr. Speaker: I would also say,—I have thought about it—wherever hon. Members write to me to send copies a particular answer, I will charge

a nominal fee. Regular official records will come later on and they will be circulated to hon. Members. If, in addition, they want immediately any answer, I will prescribe a fee. Hon. Members may write to me and I will supply to it them even the same evening. Not only that. Hon. Members who make excellent speeches may write to me wanting copies of those speeches. I shall try to give them as many copies as they like provided they pay a particular amount. They may send them round to their constituencies. That I shall do. Hon. Members, therefore, will make good speeches and then try to get copies of them.

Shri D. C. Sharma: All Members make excellent speeches.

Dr. Ram Subhag Singh: Is such a system of charging any rate existing elsewhere?

Mr. Speaker: I understand that it exists in England. Is it not so?

Shri Jaipal Singh: No.

Mr. Speaker: I have read somewhere. Any how, let me start it. What is the harm, if it is convenient? I would like to take the credit of starting it myself. Why should I not do so? I am prepared to help every hon. Member to discharge his duties to his constituency to the best of his ability and make him well known in his constituency. Once again, God willing, he may be returned to this House. Next question.

Shri Thimmalah: A page should not cost more than one Naya Paisa.

Wheat from U.S.A.

{ **Shri Ram Krishan:**
*1785. { **Shri Bhogji Bhal:**
 { **Shri Rameshwar Tantia:**

Will the Minister of Food and Agriculture be pleased to state:

(a) whether agreement with U.S.A. for purchase of about 4·5 lakh tons of

wheat or wheat flour instead of cotton has been finalised; and

(b) if so, the main terms of the agreement?

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas): (a) and (b). It was merely a diversion of unutilised funds from cotton to wheat under the existing agreement. No fresh agreement was necessary.

Shri Ram Krishan: May I know the total quantity of wheat or wheat flour purchased this year under this agreement?

Shri A. M. Thomas: The total quantity that is estimated to be purchased comes to 36.65 lakh tons, that is, 225 million dollars worth. Up to 15th April, we have shipped about 33.88 lakh tons. Now, 2.77 lakh tons remain to be shipped.

Shri Damani: What amount was originally contemplated for wheat and cotton to be imported from the U.S.A. under P.L. 480 and what quantity had been received at the time when the decision was taken to get more wheat instead of cotton?

Shri A. M. Thomas: Under the original agreement, we were to import about 200 million dollars worth of wheat. Now, it has been modified to 225 million dollars worth. This modification has made in February, 1958.

Shri Tyagi: What is the landed cost of American wheat in India, per maund?

Shri A. M. Thomas: The F.O.B. cost per maund ranges from Rs. 10 to Rs. 11. Freight come to Rs. 1-9-5 per maund at present.

Shri Damani: May I know, in view of the improved position of wheat and shortage of long staple cotton, whether the Government will consider the import of more cotton?

Shri A. M. Thomas: According to the original agreement, we ought to have imported 70 million dollars worth of cotton. According to the modified agreement, we are to import 42 million dollars worth under P.L. 480.

Shri T. R. Vittal Rao: The hon. Minister stated freight separately. May I know whether Rs. 10 or Rs. 11 include these freight charges or this is excluding freight charges?

Shri A. M. Thomas: Freight is extra. It comes to Rs. 1-9-5.

Seth Govind Das: The hon. Minister said that the rate we have to pay is Rs. 10 or 11. Why is it being sold at such a high rate in India?

Shri A. M. Thomas: There are so many other charges, such as transport charges etc.

Seth Govind Das: How much does it come to?

Shri Tyagi: At what price is it being sold?

Shri A. M. Thomas: Rs. 14 per maund.

Palar River Waters Dispute

*1786. Shri N. R. Munisamy: Will the Minister of Irrigation and Power be pleased to state:

(a) whether Government have received any complaint from Madras Government about the short or non-supply of waters from river Palar as a result of construction of innumerable tanks, bunds and circuits by the Mysore Government in the upper regions of the River; and

(b) if so, the action taken thereon?

The Deputy Minister of Irrigation and Power (Shri Nathi): (a) and (b). A statement is laid on the Table of the Lok Sabha. [See Appendix VII, annexure No. 139.]

Shri N. R. Munisamy: May I know whether it is not a fact that certain expert engineers have visited the Bethamangalam tank and other tanks

round about and submitted a report to the effect that there is a *prima facie* case of infringement of this agreement, and if so, whether Government would place their report on the Table of the House for the benefit of the Members?

Shri Hathi: The representatives of the States did meet, but the report is that no infringement has been made.

Shri N. R. Munkamy: May I know whether the experts have said in their report that the water that has been impounded in the Bethamangalam tank was utilised for industrial purposes and also for agricultural purposes, and to the extent they have used it up for agricultural purposes, they have infringed the provisions of the agreement? May I know whether they have not made any such observations?

Shri Hathi: I am afraid the hon. Member has not gone through the statement which has been laid on the Table of the House. It reads as under:

"The Government of India, in May, 1955, offered their good offices to resolve differences between the two State Governments over the supply of water from the Palar river. The matter was discussed in June and July, 1955, at officers' level between the representatives of Madras, Mysore and the Government of India and it was found that the Government of Mysore had not infringed the agreement entered into between the two States in 1892. The Government of Mysore confirmed the decisions arrived at this officers' meeting but the Government of Madras proposed to discuss the matter further with the Union Minister of Irrigation and Power."

Shri Tangamani: In view of the fact that the Palar river runs through

North Arcot district which is a very dry area, and in view also of the fact that this agreement was reached as early as 1892, may I know whether Government, instead of referring this matter to a commission under the water disputes Act, use their good offices and negotiate directly?

Mr. Speaker: There is no infringement. What is the further negotiation for?

Shri Tangamani: I have gone through the statement. There was an agreement of 1892.

Mr. Speaker: All that is true. But there is no infringement.

Shri Tangamani: There is no infringement. But the fact remains that whatever may be the agreement which was reached as early as 1892, the Palar river is dry. The two Governments have met and they have been going on for the last three years; and as early as February, 1958, the Minister from the Madras State came over here; and now, what the Government of India say is that under the water disputes Act, they have asked for the appointment of a commission. That fact is known. But what I would like to know is whether the Government of India, instead of asking the Madras Government to refer this issue to a commission, will use their good offices and revoke the original agreement of 1892?

Mr. Speaker: All this is a suggestion. Is the Minister willing to answer?

Shri Hathi: I only want to clarify the position. It is not a question of answering. When, at the site, the representatives of the two State Governments and the Government of India were present, it was found that no infringement had been made. Even then, if the Madras Government feels otherwise, we have an Act of Parliament which provides for the resolution of such disputes. Therefore, when the Minister from

Madras came and saw the Minister of Irrigation and Power here, he suggested that they might refer the matter to the Government of India for taking action under the water disputes Act. That is the procedure laid down.

Mr. Speaker: They will bring about a settlement.

Shri C. R. Pattabhi Raman: Will the Government of India consider the question of declaring these rivers which pass through two States as national waterways, so that they can themselves manage them? After all, Palar was a very good river fifty years ago, but it is dry now. It passes through two States. So, will Government consider the question of declaring it as a national waterway and managing it themselves?

Shri Hath: Wherever a river passes through two States, and where any project is being held up because of any dispute, we have provided by an Act of Parliament the procedure to settle those disputes, and that is with a view to utilise the waters of the rivers for the country.

Shri Dasappa: May I know whether in this very connection the Ministers of both the States had not met?

Shri Hath: I do not know whether the Ministers have met or not, but the officers have met and the Minister from Madras has met the Minister of Irrigation and Power here.

Shri Basappa: In the question, it is mentioned that innumerable tanks have been constructed on the Mysore side. May I know what those innumerable tanks are?

Mr. Speaker: In a word, the Minister has said that there is no infringement. Let there be millions of tanks.

Shri Thimmaiah: Is it not a fact that the river is always dry, for the whole of the year?

Mr. Speaker: What is the good of asking him? The hon. Member comes from Mysore and he knows that no water flows in Palar.

Shri Thimmaiah: It is in my constituency. There is no water at all there.

Shri Achar: May I know whether this matter was brought up before the zonal council?

Shri Hath: It is not possible to decide this question when one party says there is no infringement but the other says there is infringement. This question can be decided only by certain investigations, and the procedure is laid down under the water disputes Act.

Shri N. R. Munisamy: The Minister was pleased to say that there was no infringement of the agreement, and that was so decided also at the officers' level. May I request the Minister to place the experts' committee's report on the Table of the House for the benefit of the Members, so that we can examine the entire proceedings and find out whether there was infringement or not?

Shri Surendranath Dwivedy: There is no water. What is the infringement?

Shri Hath: The report has been submitted to the two State Governments, and if the hon. Member likes, I can place a summary of that on the Table of the House, because it is a technical matter.

Mr. Speaker: Next question.

Shri C. R. Narasimhan: May I know, Sir,....

Mr. Speaker: Hon. Members would have noticed that I do not want to shut out a reasonable number of questions according to the importance of the particular subject. I allowed as many as fifteen supplementary questions with respect to electricity rates. With respect to this, I have allowed about ten supplementary questions. If hon. Members wait until I proceed to the next question and then say, 'Sir', I am really sorry. It is really unfortunate; I am very sorry to disoblige hon. Members. I am not

going to allow any more supplementary questions on this. I am proceeding to the next question.

Head Construction Work

*1787. Shri Harish Chandra Mathur: Will the Minister of Transport and Communications be pleased to state:

(a) what is the extent of additional funds made available for road-construction for the rest of the Plan period; and

(b) what schemes have been drawn up for utilising the funds made available by State Trading Corporation or construction of roads?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) About Rs. 9.58 crores.

(b) No schemes have so far been drawn up to be financed from the funds made available by the State Trading Corporation.

Shri Harish Chandra Mathur: May I know whether any specific purpose or purposes and any criteria have been decided upon to govern these funds made available to the Ministry?

Shri Raj Bahadur: So far as the purpose is concerned the Prime Minister, speaking as the Finance Minister, has indicated that this amount of Rs. 7.34 crores, credit for which has been taken on account of the surplus of the cement account of the State Trading Corporation will be utilised for national highways. In regard to the criteria, they have not yet been fixed. We have got a clearance from the Finance Ministry only as late as 11th April, 1958.

Shri Harish Chandra Mathur: May I know whether, the Minister has got into touch with the various State Governments and received any schemes for the utilisation of these funds, and whether he bears in mind the grievances of the Rajasthan Gov-

ernment on lack of availability of funds in this connection?

Shri Raj Bahadur: So far as this fund itself is concerned, that is to say, this additional amount, it came into being only after the Budget. I do not think we have received any schemes as such under this particular fund or this particular additional allotment from the State Governments concerned. Even so, we shall bear in mind the requests that they have been making in this regard about the extension of the national highway mileage, including those received from Rajasthan.

Shri C. R. Pattabhi Raman: May I know whether Government are aware of the very difficult conditions of road laying in the deltaic areas of Godavari Krishna and Tanjore, and if so, whether they will take it up? Since the States are not able to lay roads in these areas on account of the difficulty, will Government consider evolving a separate scheme for these deltaic areas?

Shri C. D. Pande: For the hill areas also?

Shri Raj Bahadur: The hill areas and the deltaic areas come as such under the jurisdiction of the State Governments so far as road building is concerned. We have given certain aids for the schemes submitted under the Central Road Fund for such projects. As and when such proposals are put up, by the State Government we shall definitely examine them, and we shall also put such proposals before the consultative committee of the House for expression of their opinion in regard to them.

Shri Tyagi: Thank you;

Shri Kasliwal: In the First Plan, certain sums were made available to the States for road construction. But certain States expressed their inability to use the entire amount and made a request that these grants should be made non-lapsable. May I know whether in the case of those States which

have made this request, certain additional funds in the Second Plan have been allocated?

Shri Raj Bahadur: So far as the question of utilisation of these grants which are made is concerned, that depends entirely on the effectiveness of the machinery which each one of the State Governments has got. In regard to the carry-over of the amounts unused, that is a question of principle and that has to be decided in consultation with the Finance Ministry and others.

Shri Kaaliwal: My question was not answered.

श्री बल्लभ दत्त : क्या इस प्रतिरिक्त धन का उपयोग करते समय इस बात का विचार रक्खा जायेगा कि जिन इलाकों में रेलवे लाइनें नहीं बन सकती हैं और न हवाई जहाज के मैदान ही बन सकने हैं, उन को प्राथमिकता दी जाय ?

श्री राज बहादुर : मैं ने जैसा निवेदन किया कि माननीय प्रधान मंत्री जी ने इस और संकेत किया था कि इस धन राशि को हम लोग राष्ट्रीय मार्गों पर व्यय करेंगे और जहाँ जहाँ राष्ट्रीय मार्ग हैं उन के ऊपर यह खर्च किया जायेगा, अगर वह हिल में हैं तो वहाँ भी हो सकता है ।

श्री गो.बिन्धु दास : क्या माननीय मंत्री को यह बात मालूम है कि राज्य पुनर्गठन आयोग ने जिसने मध्यप्रदेश का एक प्रथक प्रान्त निर्माण करने की सिफारिश की थी उस ने यह कहा था कि इतने बड़े प्रान्त की सफलता तभी हो सकती है जब वहाँ पर सड़कें अधिक बनाई जायें और क्या मध्यप्रदेश का इस परिस्थिति में विशेष रूप से विचार किया जायेगा और वहाँ पर और अधिक धन सड़कों के निर्माण के लिये दिया जायगा ?

श्री राज बहादुर : माननीय सदस्य को स्मरण होगा कि इस सम्बन्ध में माननीय मंत्री ने अपने बजट के भाषण में संकेत किया था और कहा था कि मध्यप्रदेश की विशेष

आवश्यकता को ध्यान में रक्खा जायगा ।

Shri Ranga: In view of the fact that the State Trading Corporation is now engaged in the marketing of only certain commodities like iron ore, tobacco etc. and that in those areas from which these commodities are brought in the communications are in a very bad condition, particularly because of this trade, would any priority be given in the allocation of the Rs. 7 crore odd fund that is being taken from the Corporation to the need for roads in these areas?

Shri Raj Bahadur: Credit has been taken from the cement account obviously because cement is largely utilised for the construction of roads. I think it is on that basis that the additional fund has been made available to us. In regard to the criteria on which this fund should be allocated and spent, I think they have yet to be laid down. I wonder, however whether we should go by the rule that has been there so far, namely, that we should cater for such areas where the congestion of traffic is too much and the roads are unable to hold the traffic, or that we should go by the basis suggested by the hon. Member. But I think so far we have been sticking to the former one.

Shri Harish Chandra Mathur: May I know if it is the intention of Government to spread this programme over for the remaining three years of the Plan or to utilise all the amount in one or two years?

Shri Raj Bahadur: We would like to utilise it as quickly as possible. At any rate, we should like to spend the whole amount during the rest of the Plan period.

Madras-Colombo Air Service

*1788. **Shri Balakrishnan:** Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that daily Air Service between Madras and Colombo has been cancelled; and

(b) if so, the reasons therefor?

The Deputy Minister of Civil Aviation (Shri Mohindia): (a) No, Sir.

(b) Does not arise.

Soil Survey

*1708. { Shri Ghosal:
Shri K. U. Farman:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether any State has prepared tentative soil-maps for operating a scheme for Rapid Reconnaissance Soil Survey; and

(b) if so, what are those States?

The Minister of Co-operation (Dr. F. S. Deshmukh): (a) and (b). Yes. Tentative soil maps for some districts have been prepared by a number of States, namely Uttar Pradesh, Madras, Bihar, West Bengal, Bombay, Punjab, Kerala, Orissa and Himachal Pradesh. Soil Survey is still in progress in some of these States and has also been taken up in others e.g., Assam, Madhya Pradesh and Rajasthan.

Shri Ghosal: May I know if on the basis of these data, field work and detailed survey and actual delineation of soil boundaries will be started, and if so, when?

Dr. F. S. Deshmukh: If the hon. Member is asking me when this work will be complete, I must say that it is a stupendous work. It is very detailed and a lot of data are to be collected. But we have made a provision of Rs. 65 lakhs in the Second Five Year Plan and we will see how far we can go.

Derailment of Goods Train

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*1709. { Shri N. B. Maiti:
Shri Raghunath Singh:
Dr. Pashupati Mandal:

Will the Minister of Railways be pleased to state:

(a) whether it is a fact that 15 goods wagons of a goods train capsized

at about 10 p.m. on the 15th March, 1958 between Bankura and Chhatna on Adra-Kharagpur section of the South Eastern Railway; and

(b) if so, what are the causes of accident?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) Yes.

(b) The cause is under investigation.

Bharat Tramway Company

*1791. Shri Yajnik: Will the Minister of Railways be pleased to state:

(a) how often the Government Inspector of Railways has enquired into the working of the Bharat Tramway Company operating between Surender Nagar and Wadhwan in Saurashtra, since 1954 when the Indian Railways Act was applied to that Company;

(b) whether copies of his Reports will be laid on the Table; and

(c) what action has so far been taken on the recommendations of the Reports received and with what results?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) The Government Inspector of Railways has carried out three inspections of the Tramway, in February 1956, March 1957 and March 1958.

(b) Yes, Sir. The copies of his report are laid on the Table of the Sabha. [Placed in the Library. See No. LT-670/58].

(c) Defects observed by the Government Inspector of Railways are pointed out to the Company for removal. These instructions are complied with. Any defect outstanding is again pointed out in the following Year's report. The Government consider that the Government Inspector's reports are generally satisfactory and call for no action by them. reports have been received on the

Shri Yajnik: May I know if any

bridges according to the recommendations of the Government Inspector of Railways by the PWD officers, and if any action has been taken on these reports, because in the last report it is found that the bridge on the Bogawa river is in a most unsatisfactory condition?

Shri Shah nawaz Khan: There are a number of bridges, and the Government Inspector of Railways, whenever he inspects this line, also carries out inspection of the bridges. Generally, the condition of the bridges is satisfactory, but in some cases the plaster was found falling off and needing certain repairs. Those repairs are carried out.

Shri Yajnik: May I know if the rules of operation that were recommended to be made by the operating company have been drafted and sent to the Railway Board and published in the gazette, because these rules are very important and essential for the benefit of those who are using this track?

Shri Shah nawaz Khan: I require separate notice regarding this particular question whether the rules have been published in the gazette or not. But I would like to submit that this line is only 3½ miles long and it is operated only on a single engine system. So it does not require very elaborate rules.

Shri Tangamani: From the statements, we find that the reports by the Inspector of Railways for 1956-57-58 are more or less identical. But in the earlier statement, we find that the manager of the tramway has no technical qualifications, and the administration has to arrange for annual inspection by the PWD inspector. May I know whether Government will request them to appoint a suitable qualified person as manager or as assistant?

Shri Shah nawaz Khan: It is up to the company to decide who is going to serve their interests best. The manager is not a technical man as far

as the inspection of the bridges is concerned, but I presume he knows something about the operation of trains.

Shri Yajnik: May I know if the Deputy Minister is aware that among the bridges that are there—there are about five or six, then culverts and so on—one is a very big bridge and the Municipality of Wadhwan has definitely stated that severe restrictions should be imposed on the company for ensuring the safety of the passengers and restrictions should also be imposed on the number of carriages that are attached to the tramway? Is the Minister aware that these precautions are not being taken and there is a serious danger of this bridge sometime giving trouble to the tramway and the passengers, and Government are taking a very serious risk in allowing this tramway to get along on the road in spite of the very unsatisfactory condition of the bridge on the Bogawa river? There is no use lamenting after the event, as usually happens.

Shri Shah nawaz Khan: That is not what our information is. We do not have any such information and we do not think that there is any danger to the safety of train operation.

Shri Yajnik: The Municipality has said that. May I ask one more question?

Mr. Speaker: No.

Shri Yajnik: The fact is that this tramway connects directly with a big railway junction. Would Government, therefore, consider the advisability of taking over this tramway company so that the passengers might have all the benefits of the railway routes?

Shri Shah nawaz Khan: Government have no intention of taking it over.

Mr. Speaker: I wanted to avoid this question as being a suggestion. All the same, an answer has been given.

Renaming of Railway Stations

*1793. **Shri Tangamani:** Will the Minister of Railways be pleased to state:

(a) whether all the names of Railway stations have been renamed in the same manner in which the names are adopted by Posts and Telegraphs Department;

(b) how long will it take for completing the same;

(c) when will Trichinopoly and Madurai be renamed; and

(d) whether representations have been received touching upon the hardships caused for booking articles by trains to these stations?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) No, not all the names, nor is it proposed to do so as a matter of course.

(b) Does not arise.

(c) Trichinopoly and Madura have been renamed as Tiruchirappalli and Madurai with effect from 1st April, 1958 and 16th April, 1958, respectively.

(d) A representation was received from Madura Ramnad Chamber of Commerce in regard to change of name of Madura station and about difficulties in booking of goods from stations in Northern India to that station.

Shri Tangamani: In view of the difficulties which have been expressed by the Madura-Ramnad Chamber of Commerce and similar organisations, may I know whether important stations on the Southern Railway at least will be renamed so that their names are as accepted by the Posts and Telegraphs Department?

Mr. Speaker: It is a suggestion for action. The hon. Member wants to go back to old puranic names; some other hon. Members are anxious to have new names.

Shri Tangamani: The names have been changed by the Posts and Telegraphs Department. And, whenever we want to book goods to a particular station, then, confusion arises. So, at least in the case of important stations the names should be changed to those as are accepted by the Postal Department.

Mr. Speaker: A conference may be held between the concerned Ministers to see that there is no confusion between the postal names and the railway names.

Shri Tangamani: Because, in the course of correspondence....

Shri Shah Nawaz Khan: There is a regular procedure laid down for changing the name of any railway station. The suggestion has got to come from the State Government. Before making the suggestion to the Railway Ministry, the State Government has to obtain the permission of the Home Ministry and the Survey Department; and, after that is done, then only, it comes up before the Ministry of Railways. Then, we have also to refer the matter to the IRCA to make sure that there is no confusion in the names and then revisions have to be issued in code names etc.

Mr. Speaker: All that is right. All that the hon. Member wants is that so far as the Central Government is concerned, both the Railways and the Posts and Telegraphs should have common names. The suggestion is that the Railway Ministry may consult the postal authorities also and may have common names both for postal purposes as well as for railway stations.

Shri T. B. Vittal Rao: Simultaneous decisions must be announced. Let there be no difference between the railway and postal names like Bez-wada and Vijayawada.

Shri Thirumala Rao: I wanted to draw the attention of the hon. Minister to this. The Postal Department calls it Vijayawada and the Railways still continue to call it Bez-wada. It gives rise to difficulties. A parcel

booked to Berwada must be sent to Berwada by the Railways and the railway receipt has to be posted to Vijayawada.

Mr. Speaker: What is the difficulty of the hon. Minister in consulting the postal authorities and arrive at a common name?

Shri Shah Nawaz Khan: As I said, we have to wait till the suggestion comes from the State Government. (Interruptions.)

Mr. Speaker: So far as this matter is concerned, I would say that the position of this House and the Central Government is peculiar. Both the Posts and the Railways are wings of the Central Government. Why should we be at the mercy of the State Government. Hon. Members here are full representatives of their constituencies. If they bring to the notice of the House here the inconvenience caused by one section of this Government not following the action of another section, why should we go to the State Government? I cannot understand that. The hon. Minister will kindly co-ordinate his efforts with the efforts of the postal authorities and make a statement in this House as early as possible.

उत्तर प्रदेश में गंगा के बायें किनारे पर
तटबन्ध

*१७६४ { डा० राम सुमन सिंह.
श्री अमरचन्द्र सिंह:

क्या सिंचाई और बिजुत् मंत्री यह
बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि बिहार सरकार ने उत्तर प्रदेश में गंगा नदी के बायें किनारे के बनिया से ले कर बैरिया तक तटबन्ध के निर्माण का विरोध किया है ;

(ख) यदि हां तो इस के क्या कारण हैं ; और

(ग) क्या सरकार इस अन्तर्राज्यीय नदी से सम्बन्धित सभी विषयों की जांच करावेगी ?

सिंचाई और बिजुत् उपमंत्री (श्री हाथी) : (क), (ख) तथा (ग) धर्मागत

जानकारी का विवरण लोक सभा के पटल, पर रखा दिया है । [दिक्खि परिसिद्ध : ७, अनुबन्ध संख्या १४०] .

Dr. Ram Subhag Singh: The same trouble arises in this question also because the Ganga River Commission has been appointed for advising the Central Flood Control Board and without that Commission going into the matter one dam was constructed from Balia to Balra.....

Mr. Speaker: What is the question?

Dr. Ram Subhag Singh: The question is whether at the time of constructing the dam the Ganga River Commission had advised the Central Flood Control Board in favour of constructing that dam or not.

Shri Hathi: In fact, this work had started in 1954 before the Commission had been established.

Dr. Ram Subhag Singh: May I know whether the Government of Bihar had approached the Government of India in regard to the construction of dams on the two sides of the river so that the people may not suffer due to the adverse effect created by these?

Shri Hathi: In fact, this matter was brought to the notice of the Government of India on the 28th March, 1955 by the Minister for Irrigation in Bihar at a meeting of the Central Flood Control Board. By that time the Central Flood Control Board had been established and it was at that meeting that the decision was taken to appoint a committee which could go into the matter and see what measures should be taken.

Dr. Ram Subhag Singh: May I know whether the Government will take any action before the onset of the coming monsoon so that the people may not suffer again?

Shri Hathi: The Government has already taken action. A committee has been appointed. Model experiments have begun at the site to see what would be the effect and intensity on

the Bihar side and after that necessary steps will be taken. In 1956, no damage has been done to the Bihar area.

Dr. Ram Subhag Singh: Because there were no floods that year.

Surplus Rice in Andhra

{ **Shri Narayanankutty Menon:**
*1795. { **Shri Warrior:**
 { **Shri Vasudevan Nair:**

Will the Minister of Food and Agriculture be pleased to state what steps Government have taken to ascertain the surplus rice available in Andhra Pradesh in March, 1958?

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas): It is not possible to say what was the total quantity of surplus rice available in Andhra Pradesh in March, 1958 but the Government of India procured 39,000 tons during that month.

Shri Narayanankutty Menon: In view of the fact that Andhra is the only source of supply to the other deficit States in that zone, will Government take immediate steps to see that procurement is done by the Government itself so that the Central Government may supply the deficit States with the surplus rice?

Mr. Speaker: It is a suggestion.

Shri A. M. Thomas: Procurement is being done by the Central Government and it has been given out. By the figures with me now, as on 19th April, 1958, we have procured about 2,14,507 tons; and on private trading account also it is moving to deficit States, mainly Kerala. Some quantities are moving to Madras State also and I do not think there is any difficulty in the matter of the Kerala Government also procuring from Andhra.

Shrimati Benu Chakravartty: May I know what is the difficulty of the Government of India in ascertaining what is the exact surplus or round-about surplus in the State which has to be marketed? Is there any machinery set up to find out this?

Shri A. M. Thomas: Under conditions of decontrol, it is very difficult to assess the exact quantity. It has been estimated that it will be about 8 to 10 lakh tons of rice and in the current year, the production has been on the increased. It was only 3.1 million tons and 3.2 million tons in 1956 and 1957; but it has been about 3.47 million tons in 1957-58.

Shri Warrior: Some time back the Food Minister had stated in the House that smuggling had been going on and that the State Government has been advised to take sufficient steps to curb smuggling. What is the position of smuggling now?

Shri A. M. Thomas: In fact, we have taken steps in the matter of curbing smuggling and the latest information is that smuggling has been reduced to a large extent.

Wheat from Canada

*1796. **Shrimati Ila Palchoudhuri:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that Canada has offered to India a gift of wheat worth 8 million dollars;

(b) if so, details of the offer in terms of tonnage; and

(c) when it is likely to be received?

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas): (a) Yes.

(b) and (c). Probably about 1.3 lakh tons of wheat will be available. The details of shipment, quantity etc., are being worked out.

Shrimati Ila Palchoudhuri: Is it a fact that some of the wheat that was sent was lying in the ports and has been declared unfit for human consumption?

Shri A. M. Thomas: It is not correct, Sir.

Strike by C.T.O. Employees

*1798. { Dr. Ram Subhag Singh
Shri Sadhan Gupta:
Shrimati Ila Palchoudhuri:
Sardar A. S. Saigal:

Will the Minister of Food and Agriculture be pleased to state:

(a) the steps taken so far by Government to put an end to the strike by the employees of the Central Tractor Organisation;

(b) the number of employees of C. T. O. who are still on strike; and

(c) the daily financial loss resulting from the strike?

The Minister of Cooperation (Dr. P. S. Deshmukh): (a) Good offices of the Deputy Chief Labour Commissioner and Conciliation Officer of the Ministry of Labour have been availed of. Negotiations are being held with the representatives of the Employees' Union.

(b) 679.

(c) About Rs. 2,239.

Dr. Ram Subhag Singh: May I know the main causes of this strike and why the settlement of the problem is being delayed?

Dr. P. S. Deshmukh: The contention of the strikers, according to us, is very unreasonable. It is about sending certain people on departmental leave because operations of the C.T.O. are seasonal and there is a period when there is no work. The alternative to giving departmental leave is to retrench them, which would be more harmful.

Dr. Ram Subhag Singh: May I know whether the different units which are in existence at present were not in existence at the time when this departmental leave system was introduced and whether now that is also being imposed on the workers of those units, for instance, the Development Wing etc.

Dr. P. S. Deshmukh: I have not quite followed what he means. Probably he

means the application of these terms with regard to the jungle clearance units. As a matter of fact, there was a settlement arrived at after consulting the Ministries of Finance and Home as early as 1953 when it was decided that this was the utmost that we could do. We are being penalised for our goodness. We allowed one unit in Assam the concession because they would have taken a long time to go to their homes and come back. That is now being used against us.

Shrimati Ila Palchoudhuri: May I know whether it is a fact that the same rules apply to the jungle clearance units and land development units?

Shri P. S. Deshmukh: Yes, Sir, The same departmental leave rules apply to both.

Shri S. M. Banerjee: May I know whether the employees have demanded the appointment of a committee to go into the question of departmental leave and if so, whether a committee has been formed and what is the composition of the committee?

Dr. P. S. Deshmukh: There was a suggestion that a committee should be appointed. We are quite ready for that provided the personnel is agreed upon.

Dr. Ram Subhag Singh: The hon. Minister has said that they were being penalised due to their own goodness. Recently it was disclosed by the Minister of Food and Agriculture that they were going to set up so many co-operative farms, etc. May I know whether it will not be possible for the Government to utilise the services of these trained workers for running the farms which are going to be opened and not force departmental leave on them?

Dr. P. S. Deshmukh: There will again be conflict of ideologies if we want farms for using CTO tractors. They will have to be very big farms. On the other hand we are in favour of smaller units. There is then also a complaint that if we use tractors, there will be unemployment.

Shri S. M. Banerjee rose—

Mr. Speaker: We shall finish all the questions. Next question.

Shri S. M. Banerjee: There is a strike going on and it is very important.... (Interruptions.)

Mr. Speaker: Almost every strike that goes on is important. The hon. Member will have another opportunity.

Air Hostesses

*1799. **Shri Harish Chandra Mathur:** Will the Minister of Transport and Communications be pleased to state:

(a) what is the number of posts of air hostesses under each of the two Corporations and how many of these posts are vacant; and

(b) what efforts have been made and difficulties experienced in recruiting right type of personnel?

The Deputy Minister of Civil Aviation (Shri Mohiuddin): (a) The sanctioned number of posts of Air Hostesses for 1957-58 in the Indian Airlines Corporation and in the Air-India International Corporation was 99 and 41 respectively, of which, 15 posts were vacant in the former and 7 in the latter at the end of March, 1958.

(b) The vacancies are widely advertised by the Corporations. Sufficient publicity is also given to the Air-Hostesses' profession in newspapers and magazines from time to time.

Difficulties are experienced in getting the right type of candidates possessing personality, physical fitness and fluency in speech.

Shri Harish Chandra Mathur: Part (b) of the question has not been fully answered. What efforts have been made? Not a word has been said about it.

Mr. Speaker: What efforts can be made?

Shri Mohiuddin: Sir, I have mentioned in the written reply that full

publicity is given in the newspapers about the profession itself and notices are issued regarding the minimum qualifications laid down for air hostesses and also inviting applications. Still, there are difficulties in recruiting them.

Shri Thirumala Rao: Are men allowed to compete?

(No answer was given)

Shri Harish Chandra Mathur: What are the grades of salary obtaining in our services and how do they compare with those obtaining in the foreign airlines?

Shri Mohiuddin: The pay for an air hostess in the AII varies from Rs. 300 to Rs. 335 per month. In the IAC, there are two grades: one starting from Rs. 250 going up to Rs. 370 and the other starting from Rs. 320 going up to Rs. 440. There is no doubt that the salary is higher in the foreign air services. For instance, the BOAC offer Rs. 528 going up to Rs. 628.

Shri Yajnik rose—

Mr. Speaker: We have only 21 questions. Should we not finish them.

Shri Yajnik: Two more questions can be put anyhow.

*** Power Development Schemes under Second Five Year Plan**

*1800. **Shri N. R. Munisamy:**

Will the Minister of Irrigation and Power be pleased to state:

(a) the number of Power Development Schemes approved by the Advisory Committee on Irrigation and Power as against the targets laid down in the Second Plan;

(b) The total cost involved; and

(c) whether there is going to be any revision due to foreign exchange difficulty?

The Deputy Minister of Irrigation and Power (Shri Hathal): (a) Out of

206 new Power development Schemes tentatively included in the Second Plan, 99 Schemes in full and 6 Schemes in part have so far been finally approved by the Advisory Committee on Irrigation and Power Projects.

(b) The total estimated cost of the Schemes, already approved by the Advisory Committee, amounts to about Rs. 225.44 crores.

(c) No revision is under contemplation at present.

Shri N. R. Munisamy: The Advisory Committee have suggested the deletion of certain power development projects for want of money. Have they suggested any other method by which we can have smaller power projects serving local needs?

Shri Hathi: This technical Advisory Committee is set up by the Planning Commission to scrutinise the schemes submitted by the State Governments for inclusion in the Second Plan. That Committee is not to investigate into them. It only sees that the estimates are prepared and financial returns are properly worked out and the scheme is qualified to be taken up looking to the need of the area or region.

Shri Banga: What is the latest position in regard to the Sileru power project which has to supplement the power production at Machkund? Is it being proceeded with?

Shri Hathi: That is being examined by the CWPC.

Shri T. B. Vittal Rao: The hon. Minister has said that the Sileru project is being examined by the CWPC. After examination, will it go again before the Hathi Committee—the technical committee?

Shri Hathi: In fact the CWPC is the technical adviser and the work is done in the Examination Directorate of the Commission. Then it is placed before the Advisory Committee where there are other engineers from the States and also from the public sector.

Manufacturing of Multipurpose Food

*1861. **Shri Ghosal:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether Government have got any scheme for manufacturing multi-purpose food; and

(b) if so, the details thereof?

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas): (a) and (b). A type of multi-purpose food evolved by the Central Food Technological Research Institute at Mysore is already being made on an experimental basis in the Institute. A proposal for establishing a plant of 8-ton capacity per day is under consideration. A Technical Working Group has been recently set up to examine all the aspects of this proposal and to prepare a proper scheme.

Shri Ghosal: What is this queer food?

Shri A. M. Thomas: It contains specially prepared ground-nut flour and roasted pulses and is fortified with essential minerals and vitamins A, B complex and D.

Shri Mohamed Imam: What are the purposes fulfilled by this food and how many kinds of food are prepared in the Mysore Institute?

Shri A. M. Thomas: The product is primarily intended to be a supplement to the diet of children, expectant and nursing mothers. It is generally good as a supplement to the ordinary diet of any individual.

कुतुब मीनार को जाने वाली सड़क पर

रोडवनी का प्रबन्ध

*१८०२. श्री भक्त बर्दान्न : क्या स्वास्थ्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार का ध्यान इस ओर आकषित किया गया है कि सफ़रबर्ग हवाई पट्टे से आगे कुतुब मीनार तक जाने वाली

सड़क पर अभी तक बिजली की रोशनी का प्रबन्ध नहीं हुआ है ;

(ख) यदि हाँ, तो इसके क्या कारण हैं; और

(ग) यहाँ पर रोशनी की व्यवस्था कब तक कर दी जायेगी ?

The Minister of Health (Shri Karmarkar): (a) Yes, Sir.

(b) and (c). Street lighting exists on Qutab Road upto the Khushak Nallah. The question of providing street lighting on the road from the Khushak Nallah upto the Yusuf Sarai Bazar is under the active consideration of the Central Public Works Department and the New Delhi Municipal Committee. The portion of the Qutab Road from the Yusuf Sarai Bazar onward falls within the jurisdiction of the newly formed Municipal Corporation of Delhi and the question of its electrification will be considered by the Corporation in due course along with the needs of other areas within its jurisdiction.

श्री भक्त बर्मान : क्या मंत्री महोदय यह बतलाने की कृपा करेंगे कि देर में देर कब तक हम की आशा की जा सकती है कि वहाँ बिजली लग जायेगी ?

Shri Karmarkar: Sir, I have given all the information that I possessed.

WRITTEN ANSWERS TO QUESTIONS

Hirakud Project

*1792. **Shri Naushir Bharucha:**
Shri K. C. Jena:

Will the Minister of Irrigation and Power be pleased to state:

(a) whether Rs. 55 crores have been spent upto end of December, 1957 on the Stage I of the Hirakud Project;

(b) what has been the total cost for the 85,500 k.w. main Power House;

(c) whether it is a fact that irrigation facilities have been extended to only one lakhs acres as against the 6·7 lakh acres promised; and

(d) if so, the reasons therefor?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) Rs. 56·50 crores were spent upto the end of December, 1957 on Stage I of the Hirakud Project.

(b) A fourth unit of 37,500 K.W. has since been installed in the Main Power House bringing the total installed capacity to 1,23,000 K.W. as envisaged in Stage I of the Project. The total cost of the Power House comprising the Power House Building, four generating units and erection charges amounts to Rs. 6·78 crores.

(c) The Project envisages irrigation of 6·72 lakh acres on full development. Against a target of 1,97,527 acres to be irrigated in 1957-58, an area of 1,45,475 acres was irrigated till the end of December, 1957.

(d) Does not arise.

Transport Facilities for Jaggery

*1797. **Shri Goray:** Will the Minister of Railways be pleased to state:

(a) whether it is a fact that Jaggery is included in the non-programmed traffic on the North Eastern Railway;

(b) whether the Jaggery merchants have made any complaints to Government against the non-availability of wagons; and

(c) whether it is a fact that the shortage of wagons is adversely affecting the trade and industry of Jaggery?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) Jaggery, like other commodities, when not included in programmes issued by the Union or State Governments, moves under item 'E' of the Preferential Traffic Schedule whereas traffic

sponsored and programmed by Government moves under a higher priority.

(b) Yes, some complaints have been received regarding inadequate transport of jagree from North-Eastern Railway Stations to destinations in Assam only.

(c) No. In fact, there has been considerable improvement in clearance of this traffic during the current season as compared to the previous one.

Postal Inspector's (Post) Examination

2622. Shri Elayaperumal: Will the Minister of Transport and Communications be pleased to state:

(a) how many Scheduled Caste postal clerks have appeared for the Postal Inspector's (Post) Examination from the year 1955 to 1957 from Madras State; and

(b) how many of them were selected?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) and (b). (i) In 1955 examination, 71 Scheduled Castes candidates sat for the Inspector's Examination in Madras Circle and out of them 2 were selected.

(ii) No examination was held in the year 1956.

(iii) Two examinations—one in February and the other in October were held in the year 1957. In February 1957 examination, 63 Scheduled Castes candidates sat for the examination from that Circle and 1 was selected.

(iv) In October, 1957 examination, 30 Scheduled Castes candidates appeared from that Circle. The result of this examination has not yet been announced.

Note.—Incidentally, the information contained in clauses (i) and (iii) above had already been furnished in reply to the

Hon'ble Member's Unstarred Question No. 1854 on the 11th September, 1957.

राजस्थान में विद्युत् परियोजना

२६२३. श्री ज० लाल द्विवेदी : क्या सिंचाई और विद्युत् मंत्री यह बताने की कृपा करेंगे कि :

(क) राजस्थान सरकार द्वारा प्रारम्भ की गई विद्युत् परियोजना के लिये दो करोड़ रुपये के विद्युत् जनित्र संयंत्रों के सम्भरण के लिये किस को ठेका दिया गया है ;

(ख) क्या इस सम्बन्ध में अन्य फर्मों से भी बातचीत की गई थी अथवा टेण्डर मंगाये गये थे ;

(ग) क्या सारे संयंत्र प्राप्त हो गये हैं ; और

(घ) यदि नहीं, तो क्यों नहीं और क्या-क्या सामान अभी धाना जाय है ?

सिंचाई और विद्युत् उपमंत्री (श्री हाथी) : (क) बिजली पैदा करने वाली मशीनें खरीदने के लिये दो करोड़ रुपये का एक ही ठेका नहीं दिया गया है किन्तु राजस्थान सरकार और डाइरेक्टर जनरल सप्लाइ एण्ड डिस्ट्रिब्यूशन ने कई कंपनियों के साथ इन मशीनों का खरीदने की व्यवस्था की है ।

(ख) प्रमुख व्यवहारों में विस्तृत प्रचार द्वारा टेण्डर मंगाये गये थे ।

(ग) सारा सामान अभी नहीं धारा है ।

(घ) जो सामान अभी नहीं धारा है उसका विवरण और वर्तमान स्थिति नीचे दी गई है :-

(१) एसी इलेक्ट्रिक कम्पनी और ग्रेड काटन कम्पनी बम्बई से विद्युत् यंत्रों का सामान । इसके लिये विदेशी मुद्रा हाल ही में मंजूर की गई है ।

(२) बोल्टाज कम्पनी से १०० किलो-वाट की एक तथा ७५ किलोवाट की ४ बिजली पैदा करने वाली मशीनों में मशीनें बम्बई पहुंच गई हैं।

रेलवे के वायरलेस कर्मचारी

२६२४. श्री तरबू चाहे : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) रेलवे विभाग और डाक तथा तार विभाग के वायरलेस कर्मचारियों का दिये जाने वाले वेतनक्रमों तथा सुविधाओं में क्या भेद है ; और

(ख) क्या इन दोनों विभागों का मिलाने की योजना सरकार के विचाराधीन है ?

रेलवे उपमंत्री (श्री साहूलाबाब जी) :

(क) दोनों विभागों के वायरलेस मापरेटरों के वेतन मान एक ही हैं यानी ८०-२२० रुपये। डाक और तार विभाग के वायरलेस मापरेटर के नौकरी का एकूणत के रूप में रहने के लिए बिना किराये का मकान पाने के हकदार हैं, लेकिन रेलवे के वायरलेस मापरेटरों का यह रियायत नहीं दी जाती।

(ख) जी नहीं।

All India Institute of Medical Sciences

2625. Shri V. P. Nayar: Will the Minister of Health be pleased to state:

(a) whether the Department of Radiology in the All India Institute of Medical Sciences has been fully equipped;

(b) if so, the broad details of the equipment installed;

(c) the date of appointment of the Professor of Radiology; and

(d) a summary of work done so far in the Department since the appointment, if any, of the Professor of Radiology?

The Minister of Health (Shri Karmarkar): (a) The Department of Radiology in the All India Institute of Medical Sciences has been equipped only to meet the immediate requirements of the Institute.

(b) Details of equipment installed are given below:—

- (i) One 420 366/Siemens Generator Pleodor 660 027/fully shock and ray proof X-ray apparatus consisting of a high tension transformer and type ERG 10/25 Siemens X-Ray Tube, both immersed in oil and built into a single outer metal casing.
- (ii) One 420 360 Examination equipment for fluoroscopy and radiography.
- (iii) One 560 116. Super Astral Fluorescent Scheen 14X14" complete with lead glass.
- (iv) One 525 030/Chest Protector.
- (v) One 531 491. Cough Guard made of plexiglass, for mounting to screen and cassette carrier.
- (vi) One 420 169. Foot Switch to control fluoroscopy.
- (vii) One 525 032. Hand timer for radiography, from 0-8 sec. without filament resistor fluoroscopic amperage.
- (viii) One 531 077. Radiographic metal cone, round 12 cm. dia.
- (ix) X-Ray viewing box complete 1.

(d) Details of work done by the Professor of Radiology in the Department since his appointment are as follows:—

- (a) 24 Lectures to the first batch of under-graduates in Radiological Anatomy.
- (b) 32 Lectures to Post Graduates in Orthopaedics on Orthopaedic Radiology.
- (c) 4 Lectures to the second batch of under-graduates in Radiological Anatomy.

(d) Organizing the Departments of Radiology and Isotope.

(e) Published the following papers:—

1. Lung Changes in Infective Hepatitis.
2. Lung changes in Influenza.
3. Space between stomach and diaphragm—its Radiological significance, as co-author.
4. Incidence of Bone Tumours in Delhi-1956, as co-author.
5. Radiation Treatment of Bones Tumours.
6. Radiological Diagnosis of lung Tumours.

Deraillments on Railways

2626. Shri Tangamani: Will the Minister of Railways be pleased to state:

(a) the number of deraillments on the Railways during the months of January, February and March, 1958; and

(b) how they compare with the deraillments during corresponding period in 1957?

The Deputy Minister of Railways (Shri Shah Nawas Khan): (a) and (b). Figures are furnished below:

January to March

1958	1957
310	305

Post Office

2627. Shri R. Narayanasamy: Will the Minister of Transport and Communications be pleased to state:

(a) whether the villagers of Ammapatti Uthamapalayam Firka, Periyakulam Taluq, Madurai District, have sent a petition requesting to open a Post Office at their village; and

(b) if so, the steps taken thereon?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) Yes.

(b) As Ammapatti is situated at a distance of 1½ miles from Ammayanayakanur Sub Office, a Post Office cannot be opened there under the existing policy unless it is either expected to be self-supporting or a Non-Returnable Contribution to cover the loss on its working is forthcoming. The possibility of opening a post office there on either basis is being explored.

Per Capita Milk Consumption in Madras

2628. Shri Elayaperumal: Will the Minister of Food and Agriculture be pleased to state:

(a) what steps have been taken by Government to increase the per capita consumption of milk in the Madras State; and

(b) whether any financial assistance has been requested by the Madras Government?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) The following schemes aiming to increase the supply and consumption of milk and milk products in Madras are in implementation under the Second Five Year Plan:—

- (i) Improvement of milk supply in urban areas.
- (ii) Installation of pasteurisation plants in Co-operative Milk Unions.
- (iii) Hygienic handling of milk.
- (iv) Establishment of Co-operative Salvage Farms.
- (v) Madras Cattle Colonisation Scheme.
- (vi) Key Village Scheme for improvement of Cattle and buffaloes.
- (vii) Gaushala Development Scheme.

The total cost of dairy and cattle improvement schemes as included in the Second Plan is Rs. 268.05 lakhs.

(b) The Madras Government requested financial assistance amounting to Rs. 26.80 lakhs during 1957-58, of which Rs. 13.21 lakhs was sanctioned by the Central Government.

Cranes for Bombay Port Trust

2629. **Shri Sinhasan Singh:** Will the Minister of Transport and Communications be pleased to state:

(a) whether Government's attention has been drawn to the news item appearing on page 5 of the Blitz dated the 22nd March, 1958 about rupees 1.5 crores being forwarded to Mundhra by the Bombay Port Trust;

(b) if so, whether the facts mentioned therein are correct; and

(c) whether Government are taking any steps to enquire into the matter?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) Yes.

(b) The "news item" gives a distorted version of the facts which are fully recorded in the preamble to Resolution No. 556 dated the 21st May 1957 of the Trustees of the Port of Bombay. These proceedings are open to inspection of the public under Section 16 of the Bombay Port Trust Act.

A perusal of these proceedings will indicate that the following are the correct facts:—

- (i) In August 1956, the Bombay Port Trust invited by public advertisement, tenders for the manufacture and supply of 54 electric cranes.
- (ii) Of the 13 tenders received in response to the advertisement, the two lowest were from foreign manufacturers for the supply of cranes to specifications which did not conform to the specifications laid down in the tender notice.
- (iii) The third lowest tender was from M/S. Jessop and Co. The

Port Trust unanimously decided to accept this tender on the merits of the case as mentioned below:—

- (a) the specifications were acceptable.
- (b) the cranes were to be manufactured in India; as such the expenditure in foreign currency was only 24.4% of the total cost.
- (c) this firm had satisfactorily fulfilled an order placed with it in 1952 for the supply of 34 cranes. These cranes had been working satisfactorily for 2 years.
- (iv) The condition regarding 10 per cent. security deposit was modified to a deposit of Rs. 1 lakh in cash and Rs. 1 lakh by deduction from bills (and not a total of Rs. 1 lakh as mentioned in the news item). This was not a new departure in respect of this contract. The Port Trust had agreed to an identical modification regarding security deposit in respect of the 1952 contract with M/S. Jessop & Co. which, as already stated, had been executed to the Trustees' satisfaction.
- (c) Does not arise.

Hotel Industry

2630. **Shri V. P. Nayar:** Will the Minister of Transport and Communications be pleased to state:

(a) the total profits made by the Hotel Industry in India as estimated in 1956-57;

(b) the number of employees in the Industry as estimated in the above year; and

(c) the total investment in the Industry and the break up for Public and Private Sectors?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) Information is not available.

(b) and (c). A statement giving the available information is laid on the Table of the Lok Sabha. [See Appendix VII, annexure No. 141.]

Soil Conservation in Bombay

2631. Shri Pangarkar: Will the Minister of Food and Agriculture be pleased to state:

(a) the amount allotted for soil conservation in Bombay for the year 1957-58; and

(b) the amount proposed to be allotted during 1958-59?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Rs. 118.77 lakhs including Central and State share.

(b) Rs. 191.84 lakhs including Central and State share.

Co-operative Sugar Factories in Bombay

2632. Shri Pangarkar: Will the Minister of Food and Agriculture be pleased to state:

(a) whether any amount has been sanctioned for the Co-operative Sugar Mills in Bombay State during the year 1957-58; and

(b) if so, to what extent?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) and (b). A loan of Rs. 2,14,50,000 has been sanctioned by the Industrial Finance Corporation of India to Co-operative Sugar Factories in Bombay during

1957-58 as detailed below:—

S.No.	Name of the Factory	Amount sanctioned
1.	Shri Khedut Sahakari Khand Udyog Mandli Ltd.	7,50,000
2.	Shriram Sahakari Sakhar Karkhana Ltd.	7,50,000
3.	Rahuri Sahakari Sakhar Karkhana Ltd.	7,00,000
4.	Karegaon Bhag Sahakari Sakhar Karkhana Ltd.	7,50,000
5.	Malegaon Sahakari Sakhar Karkhana Ltd.	7,50,000
6.	Rahta Sahakari Sakhar Karkhana Ltd.	7,50,000
7.	Bhogawati Sahakari Sakhar Karkhana Ltd.	10,00,000
8.	Warana Sahakari Sakhar Karkhana Ltd.	10,00,000
9.	Shri Panchagango Sahakari Sakhar Karkhana Ltd.	10,00,000
10.	Girna Sahakari Sakhar Karkhana Ltd.	15,00,000
11.	Krishna Sahakari Sakhar Karkhana Ltd.	15,00,000
12.	Sherkari Sahakari Sakhar Karkhana Ltd.	55,00,000
13.	Kodinar Khand Udyog Khedut Sahakari Mundli Ltd.	55,00,000
		<u>2,14,50,000</u>

Employment Potential on Indian Railways

2633. Shri Jadhav: Will the Minister of Railways be pleased to state the employment potential at present on the Indian Railways?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): The anticipated increase in employment on the Railways during the Second Five Year Plan is estimated to be as under:

	Gazetted Officers.	Class III Staff	Class IV Staff
1. Construction.	555	25,700	84,300
2. Maintenance	362	55,500	1,04,750
3. Normal Wastage	414	81,200	1,13,700
TOTAL	1,331	1,62,400	3,02,750

Madurai-Bodinayakanur Railway Line

2634. Shri Gulam Mohideen: Will the Minister of Railways be pleased to state:

(a) whether it is a fact that Madurai Bodinayakanur line is running in loss;

(b) the average number of passengers that travel daily on this line; and

(c) the steps Government have taken to reduce the loss?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) Although the gross earnings are more than the working expenses, this line is not considered remunerative, as the net result, after allowing for interest charges, discloses a loss.

(b) 1,276 passengers daily.

(c) The matter is under consideration.

Railway Stations in Orissa

2635. Shri B. C. Prodhan: Will the Minister of Railways be pleased to state:

(a) the total number of Railway Stations in Orissa State;

(b) whether Government had any proposal to increase the number of Railway Stations in the State during the year 1957-58; and

(c) if so, the names of the Stations which are under consideration and when the work will be started?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) 149.

(b) Yes.

(c) 8 Crossing Stations were planned.

4 Crossing Stations viz. Ranital, Narashimhapura, Garhmadhupur and Sonapur Road have already been opened and the work on the following remaining four, is in progress and is expected to be completed shortly:—

(i) Jakapura—Between Jajpur-Keonjhor Road and Jenapur.

(ii) Sabira—Between Sore and Markona.

(iii) Not named—Between Kaluparaghat and as yet. Gangadharpur.

(iv) Not named—Between Gangadharpur and as yet. Balugaon.

F. & T. Athletic Meet

2636. { Shri Subodh Hansda:
Shri S. C. Samanta:

Will the Minister of Transport and Communications be pleased to state:

(a) whether the All India Posts and Telegraphs Athletic meet was held in 1957;

(b) if so, where and when; and

(c) the names of clubs which participated in it?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) No.

(b) Does not arise.

(c) Does not arise.

Joint Indo-American Team

2637. { Shri S. C. Samanta:
Shri Barman:

Will the Minister of Food and Agriculture be pleased to state which of the recommendations of the joint Indo-American Team appointed to review the activities of the present organisations conducting agricultural research and education in the country have been accepted and implemented?

The Minister of Food and Agriculture (Shri A. P. Jain): A statement containing the requisite information is laid on the Table of the Lok Sabha. [Placed in the Library. See No. LT-671/58.]

गौल डाकखाना, नई दिल्ली में चरी

२६३८. { श्री भक्त वर्मा :
श्री तथानिधि :

क्या परिवहन तथा संचार मंत्री १६ दिसम्बर, १९५७ के तारान्त प्रश्न संख्या

१९४३ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि गोल डाकखाना, नई दिल्ली में ८,००० पये की चोरी के मामले की जांच का क्या परिणाम निकला है ?

परिवहन तथा संचार मंत्रालय में राज्य मंत्री (श्री राज बहादुर) : विभागीय जांच द्वारा यह पता चला है कि ठेकेदार भ्रष्टाचार था ; भूतः इस क्षति-पूर्ति के लिये उसे निर्दिष्ट कर दिया गया है ।

इस सम्बन्ध में पुलिस की जांच अभी भी जारी है ।

Construction of Road Linking Mehrauli and Nila Hauz

2639. **Shri Vajpayee:** Will the Minister of Health be pleased to state:

(a) whether any road was constructed by the Members of the National Cadet Corps in 1956 linking Mehrauli to Nila Hauz;

(b) if so, the total contribution in labour and funds that was consumed in the building of this road;

(c) whether it is a fact that this road has since been encroached upon by some individuals and the way to Nila Hauz blocked; and

(d) whether any action has been taken by Government in this regard?

The Minister of Health (Shri Karmarkar): (a) Yes, Sir. A jeepable kutcha road was constructed by the National Cadet Corps boys in 1954 linking Mehrauli road with Nila Hauz.

(b) No expenditure was incurred on its construction by Government or any local authority. The amount of expenditure incurred, if any, by the National Cadet Corps is not known to Government.

(c) and (d). The kutcha road passed through some private fields and the owners of these fields have now constructed their boundary walls and buildings etc. as a result of which the road has been blocked.

New Railway Station near Partapbagh

2640. **Shri D. C. Sharma:** Will the Minister of Railways be pleased to state:

(a) whether it is a fact that a new Railway Station is proposed to be constructed just near the newly developed colony known as Partapbagh in Delhi (near Shakti Nagar); and

(b) if so, how the matter stands?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) No.

(b) Does not arise.

Small Irrigation Projects

2641. **Shri Harish Chandra Mathur:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether the programme of work on small irrigation projects has been intensified in various States in the year 1957-58;

(b) the revised estimates; and

(c) the additional provisions made?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Yes, Sir.

(b) and (c). A statement giving the required information is laid on the Table of the Lok Sabha. [See Appendix VII, annexure No. 142.]

Quarters for P. & T. Employees in Orissa

2642. **Shri Sanganna:** Will the Minister of Transport and Communications be pleased to state:

(a) whether the programme of construction of quarters for the Post and Telegraph staff in Orissa is in hand;

(b) if so, whether any progress has been made in this direction; and

(c) if not, the reasons therefor?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a), (b) and (c). Sanctions have been issued for constructing 40 units of quarters at seven

Stations in Orissa Circle. The C.P.W.D. are having difficulty in getting contractors at reasonable rates. They propose to execute the works departmentally if they fail to get contractors. In addition plans and estimates are under examination for constructing 31 units of quarters at 8 more stations and sites are being acquired for construction of P. & T. Colonies at 7 places.

Dak Bungalows on National Highways

2643. **Shri Sanganna:** Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that the Dak Bungalows on the side of the National Highways in each State are maintained by the Government of India;

(b) if so, what is the number of such Dak Bungalows in the State of Orissa; and

(c) what is the amount provided for their maintenance in the Second Five Year Plan?

The Minister of State in the Ministry of Transport and Communications

(Shri Raj Bahadur): (a) With the coming into force of the National Highways Act 1956, with effect from the 15th April 1957, the Government of India cannot incur expenditure on the improvement or maintenance of inspection bungalows attached to National Highways unless the ownership of these buildings is transferred to them. The question of the transfer of ownership is under consideration.

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

Burma Rice

2644. **Shri B. Das Gupta:** Will the Minister of Food and Agriculture be pleased to state:

(a) what is the procurement price fixed by Government and the cost per maund of procured rice in West Bengal; and

(b) what is the selling price of Burma rice and procured rice in West Bengal?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) The Government of India have fixed the following maximum prices at which the West Bengal Government are making procurement.

Districts	Quality	Price per maund exclusive of cost of bags.
Burdwan, Birbhum, Bankura, Midnapore, Hooghly	Fine	Rs. 19.50
24 Parganas, West Dinajpur, Howrah District	Medium	Rs. 17.25
(Ulubera Sub-Division only).	Course. . . .	Rs. 16.00

It is not possible to indicate the total cost as the charges which may be incurred by the West Bengal Government are still under examination.

(b) Burma rice is being issued to retailers by the State Government at Rs. 16.75 Np. per maund and is sold by retailers to consumers at Rs. 17.50 Np. per maund in retail. Coarse varieties of rice procured by the West Bengal Government will be sold at the same prices.

रेलों में हावों

२६४५. **जी नरदेव स्वामी :** क्या रेलवे मंत्री यह बताने का कृपा करेंगे कि

प्रत्येक रेलवे महाखण्ड तथा रेलवे बोर्ड में १९५७ में चाय पार्टियों तथा औपचारिक दावतों पर कितना व्यय किया गया ?

रेलवे उपमंत्री (श्री शाहनवाज खान) : सूचना मंगायी जा रही है और यथासमय सभा पटल पर रख दी जायेगी।

Rural Water Supply Scheme in Madras State

2646. **Shri Elayaperumal:** Will the Minister of Health be pleased to state how far the amounts allotted to Madras State for implementing rural water supply schemes have been utilised during the First and the Second Five Year Plan periods?

The Minister of Health (Shri Karmarkar): A sum of Rs. 15 lakhs was given as grant to Madras during the First Five Year Plan period. A further sum of Rs. 6.115 lakhs was given as grant during the first two years of the Second Plan. The latest progress report received from the Madras Government shows that they have spent only a sum of Rs. 9 lakhs so far

Irrigation Schemes in Madras State

2647. Shri Balakrishnan: Will the Minister of Irrigation and Power be pleased to state:

(a) the number and names of irrigation schemes recommended by Madras Government for execution during the Second Five Year Plan period; and

(b) the number and names of schemes which will be taken up for the execution during Second Five Year Plan period?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) The following 10 schemes in the reorganised Madras State were recommended by the Madras Government for inclusion in the Second Five Year Plan:

1. New Kattalai Canal Scheme.
2. Pullambedy Canal Scheme.
3. Vidur Reservoir Project.
4. Parambikulam, Sholayar-Aliyar Project.
5. Manimukthanadi Reservoir.
6. Gomukhi Reservoir.
7. Thoppiar Reservoir.
8. Palem Poranthalar Reservoir.
9. Aladi Dam (Upper Perriyar Project).

10. Pambiyar Project.

(b) The first four schemes mentioned above have been included in the Second Five Year Plan of Madras State. In addition to these, the following two schemes, originally proposed by the erstwhile Travancore-Cochin State for inclusion in the Second Plan,

have since been included in the Second Plan of reorganised Madras State:—

1. Neyyar 2nd Stage (relates to both Madras and Kerala States).
2. Medium Schemes in Kanya Kumari District.

Lease of Railway Plots

2648. Sardar A. S. Saigal: Will the Minister of Railways be pleased to state:

(a) whether Government have laid down any procedure with regard to the leasing or licensing of Railway plots to outsiders for the purpose of trade;

(b) if so, the details thereof;

(c) whether Government have received any complaints about cancellation of lease of plots from shopkeepers at Kharagpur; and

(d) if so, the action taken thereon?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) The rules with regard to licensing and leasing of Railway plots are laid down in the Indian Government Railway Code for the Engineering Department, and Supplementary rules for temporary occupation of Railway land by merchants and firms framed by the various Railways.

(b) Relevant Paras 807 to 820 and 1961 of the Engineering Code may please be referred to.

(c) No Sir.

(d) Does not arise.

Railway Quarters, Kharagpur

**2649. { Sardar A. S. Saigal:
Shri H. N. Mukerjee:**

Will the Minister of Railways be pleased to state:

(a) what amount of money has been spent on the repairs and improvements of type I and II quarters
SCHEMES FOR A PRICE-PAGE SCHEDULE

on the South Eastern Railway since 1952;

(b) the details of improvements effected in the quarters;

(c) whether there have been representations from the staff against these improvements; and

(d) if so, the action taken by Government in the matter?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) The amount spent on improvements to Type I quarters since 1952 and upto March 1957 is Rs. 3,36,000. So far no improvements have been carried to Type II quarters.

(b) Improvements such as provision of concrete floors, extending the verandas, providing kitchens and courtyards and a bath in each unit, have been made in the said quarters.

(c) Yes, Sir. There were objections from some of the staff to these improvements as they had to remove the unauthorised structures put up by them in front of their quarters to make room for the additional kitchens and court-yards.

(d) Does not arise.

Collision of Train

2656. Shri Raghunath Singh: Will the Minister of Railways be pleased to state whether it is a fact that a Ledo bound Passenger train collided during the second week of March, 1958 with a truck loaded with logs at a level crossing between Makum Junction and Tingrai Stations?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): On the 11th March 1958 at about 14:18 hours while No. 685 Up Passenger train was proceeding towards Ledo, it dashed against a motor truck loaded with logs at an unmanned level crossing between Makum Junction and Tingrai Stations on the North-east Frontier Railway.

Schemes from West Bengal Government

2657. { Shri Ghosal:
Shri B. Das Gupta:

Will the Minister of Irrigation and Power be pleased to state:

(a) whether the following schemes have been received from the West Bengal Government:

(i) a scheme for contour survey of areas in the 24 Parganas district;

(ii) a scheme for hydrological observations; and

(iii) a scheme for providing higher training to Engineering and Research Officers of the Irrigation and Waterways Directorate; and

(b) if so, the action taken in the matter?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) The reply is in the affirmative.

(b) (i) Contour survey of areas in the 24 Parganas district.

This scheme is under the consideration of the Planning Commission.

(ii) Hydrological observations.

This scheme has been approved by the Planning Commission.

(iii) Higher Training to Engineers and Research Officers of the Irrigation and Waterways Directorate.

This scheme is under the consideration of the Planning Commission.

Payment of Sugarcane Price

2652. Shri Daljit Singh: Will the Minister of Food and Agriculture be pleased to state:

(a) the price of sugarcane supplied by the cane growers to the Bhogpur Sugar Mill in Punjab upto 31st January, 1958 and the amount of money paid to the cultivators against cane supplied; and

(b) whether arrears of cane price have been paid?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) The price of cane supplied to Bhogpur Sugar Mill upto 31st January, 1958 totals Rs. 24.48 lakhs out of which Rs. 10.58 lakhs had been paid upto that date.

(b) All arrears of price of cane supplied upto 31st January, 1958, have since been paid.

खसरा और चेचक की रोक बाम

२६३३. श्री ज० प्र० सिंह : क्या स्वास्थ्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या खसरा और चेचक की रोक-बाम के लिये किसी दवा की खोज का गई है ;

(ख) क्या सरकार ने इस दिशा में कोई प्रयत्न किये हैं ;

(ग) यदि नहीं, तो कब किये जायेंगे ;
घौर

(घ) इन महामारियों के फलस्वरूप कितने बच्चों की मृत्यु हुई ?

स्वास्थ्य मंत्री (श्री करमचकर) :

(क) खसरा और चेचक की रोकबाम के लिये किसी खास दवा की खोज नहीं की गई ।

(ख) और (ग). सामान्य चिकित्सा के स्तर में और संस्था-मुविषाओं में वृद्धि हो जाने पर, जिनकी व्यवस्था विकास योजनाओं के अंग के रूप में की जा रही है, इन बीमारियों की रोकबाम की प्राप्ति है ।

(घ) सूचना उपलब्ध नहीं है ।

Railway Protection Force

2654. Shri Daljit Singh: Will the Minister of Railways be pleased to state:

(a) the strength of the Railway Protection Force on the Northern Railway as on the 31st March, 1958;

(b) the number of Chief Security Officers, Inspectors and other junior officers; and

(c) the total expenditure incurred in maintaining the force during 1957-58?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) 7593 personnel.

(b) Chief Security Officer.	1
Security Officer.	1
Commandant.	1
Asstt. Security Officers (including Asstt. Commandant and Principal Training School).	10
Inspectors.	36
Sub-Inspectors.	132
Other junior officers.	91

(c) Rs. 77,53,000 approximately. (The expenditure excludes debit of stores during the month of March 1958 in respect of Headquarters R.P.F. and Armed Wing only which is not let available with the Accounts Department.)

Employees of ex-Jaipur State Railway

2655. Shri Onkar Lal: Will the Minister of Railways be pleased to state:

(a) how many officers of ex-Jaipur State Railway were equated to class III posts on the 1st April, 1950 on financial integration;

(b) whether it is a fact that now the officers so equated have been equated with retrospective effect from 1st April, 1950 as Gazetted Officers and almost all as class I officers; and

(c) if so, the reasons therefor?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) Seven gazetted officers.

(b) and (c). These seven officers have since been restored to their gazetted status, three in Class I and four in Class II, with effect from 1-4-1950, as a result of a review made to fulfil the condition of terms not

less advantageous than in the service of the States."

Employees of ex-Jaipur State Railway

2656. **Shri Onkar Lal:** Will the Minister of Railways be pleased to state:

(a) whether it is a fact that the committee appointed for financial integration of States had given an assurance that the service condition of employees of 'federal' subjects in States will not be less favourable than what they had in the States;

(b) if so, whether Government have accepted it;

(c) whether the equation of ex-Jaipur State Railway accounts staff was done in terms of this assurance;

(d) if not, the reasons therefor; and

(e) the steps proposed to be taken to implement this assurance in respect of confirmed senior travelling Accounts Inspectors and Senior Accountants of ex-Jaipur State Railway who have been equated to junior posts?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) The Indian States Finance Enquiry Committee recommended that "the permanent staff wholly (or substantially) engaged on work connected with 'federal' subjects in States on the prescribed date should be taken over by the Centre in appropriate grades and upon terms not less advantageous than in the service of the States. Temporary staff so engaged should also be similarly absorbed so far as possible having due regard to their suitability".

(b) and (c). Yes, Sir.

(d) and (e). Do not arise.

N.E.S. Blocks in Madras

2657. **Shri R. Narayanasamy:** Will the Minister of Community Development be pleased to state the names of the N.E.S. Blocks in Madras which will be converted into Community Development Blocks during the year 1958-59?

The Minister of Community Development (Shri S. K. Dey): The programme is undergoing a revision in the light of the recommendations of the Study Team for Community Development and National Extension Service appointed by the Committee on Plan Projects. According to the revised proposal the distinction between the National Extension Service and Community Development stages of the programme is intended to disappear and the existing National Extension Service Blocks would automatically become Community Development Blocks. Pending final decision in the matter to be taken at the forthcoming National Development Council meeting on 3rd and 4th May 1958, the Government of Madras have been authorised to convert the following two blocks equivalent to four standard N.E.S. Blocks, which have completed their three year period of operation, into Community Development blocks with effect from the 1st April, 1958.

Name	District
1. Kumbakonam South	Tanjore
2. Mayuram East	Tanjore

Sugarcane Roots and Stalks as Fertilisers

2658. **Shri Pangarkar:** Will the Minister of Food and Agriculture be pleased to state whether it is a fact that Sugarcane roots and stalks can be utilised as good fertilizers for some crops?

The Minister of Food and Agriculture (Shri A. P. Jain): Sugarcane roots and dried stalks contain very small amount of plant nutrients and cannot be utilised directly as fertilizers. However, these together with trash, add valuable organic matter to the soil after composting. The compost so prepared can be used for any crop.

Cotton

2659. **Shri Pangarkar:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether there has been any specific scheme for the Marathwada

and Vidarbha regions of Bombay to develop cotton production during the Second Five Year Plan; and

(b) if so, the nature of the scheme?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Yes.

(b) The scheme includes—

(1) Cotton Extension Programme consisting of:—

(i) bringing more area under cotton, and

(ii) improving the yield per acre by use of improved seeds, fertilizers, irrigation and improved cultural practices; and

(2) Multiplication and distribution of improved strains of cotton suited to the particular tracts.

Sugarcane disease in U.P.

2660. Shri Daljit Singh: Will the Minister of Food and Agriculture be pleased to state the extent of damage done in 1956-57 and 1957-58 to the

sugarcane crop in U.P. by red rot disease?

The Minister of Food and Agriculture (Shri A. P. Jain): The red rot disease has affected the sugarcane crop in patches in different areas; the incidence of disease varying considerably from area to area. The total area affected in 1956-57 and 1957-58 was about 11,000 and 32,000 acres, the total cane area in the factory zones being 19.16 and 18.38 lakh acres respectively.

No record is kept of the incidence of the disease in the non-factory areas. In 1957-58, the State Government selected 8 districts at random for a survey of the incidence of disease in the non-factory areas and it was found that the incidence of the disease varied between 8 and 12 per cent.

The table below gives the incidence of the disease in different parts of the factory zones in the State during the years 1956-57 and 1957-58:—

Zone	Incidence of disease	
	1956-57	1957-58
<i>Western Range</i> Saharanpur, Muzaffarpur and Meerut.	Slight	About 6%
<i>Rohilkhand Range.</i> (Bijnor)	very slight	About 7%
Moradabad and Bareilly	5 to 15%	3 to 15%
<i>Central Range</i> Lakhimpur, Kheri etc.	Between 2 & 10%	Negligible
<i>Mid-eastern Range</i> Biharach.	Badly effected about 30%	About 25%
<i>Eastern Range.</i> Deori District. Gorakhpur.	2 to 3%	3 to 12% 2 to 5%

Earnings on Northern Railway

2661. Shri Daljit Singh: Will the Minister of Railways be pleased to state the earnings on the Northern Railway during each of the months of January to December, 1957 as compared to the corresponding months during the year 1956?

The Deputy Minister of Railways (Shri Shah Nawaz Khan):

	(In Lakhs)	
	1956	1957
January	4.48	4.01
February	4.63	4.38
March	4.66	4.31
April	4.19	4.06
May	4.19	4.59
June	4.57	5.47
July	4.40	4.88
August	3.91	5.87
September	3.74	4.60
October	4.79	4.59
November	4.11	4.31
December	4.61	4.84
Total	52.88	59.90

Sugar Factories in Punjab

2663. **Shri Daljit Singh:** Will the Minister of Food and Agriculture be pleased to state:

(a) the number of sugar factories in Punjab;

(b) the crushing capacity of each factory; and

(c) the quantity of sugar produced during 1957-58?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) 6.

(b) and (c). The crushing capacity and the quantity of sugar produced by each factory during 1957-58 is given below:—

Name of the factory	Daily average cane crushing Capacity	Total quantity of sugar produced upto 7-4-1958
	(Tons)	(Tons)
Yamunanagar	2,575	29,028
Phagwara	950	11,272
Bhogpur	1,100	10,679
Dhuri	825	5,022
Panipat	1,075	9,729
Rohtak	800	5,969

Harnessing Rivers in Punjab

2663. **Shri Daljit Singh:** Will the Minister of Irrigation and Power be pleased to state:

(a) the number of schemes to harness the river waters in Punjab which are under the study of the Central Water and Power Commission; and

(b) the number of schemes approved during the year 1957-58?

The Deputy Minister of Irrigation and Power (Shri Nath): (a) No such scheme is at present under the study of the Central Water and Power Commission.

(b) The following irrigation schemes have been included in the Second Five Year Plan of Punjab State:—

- (i) Extension of Irrigation (Lift) from Western Jamuna Canal to Rewari and adjoining areas.
- (ii) Gurgaon Canal Project.
- (iii) Increasing capacity of channels in Karnal and Delhi Divisions and remodelling and canalising the main line lower Western Jamuna Canal.
- (iv) Extension of non-perennial irrigation to areas of Upper Bari Doab Canal.

Out of these, the first two schemes have been recommended in 1957-58 by the Central Water and Power Commission to the Advisory Committee of the Planning Commission for approval. Out of the other two schemes, one is under the consideration of the Central Water and Power Commission. The project report in respect of the other has not yet been received in the Central Water and Power Commission.

**State Warehousing Corporation
Bombay**

2664. **Shri Pangarkar:** Will the Minister of Food and Agriculture be pleased to state:

(a) the amount of loan sanctioned by the National Cooperative Development and Warehousing Board for setting up of State Warehousing Corporation in Bombay;

(b) whether the Government of Bombay has taken this loan; and

(c) what progress has been made in setting up of the State Warehousing Corporation?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Rs. 7.5 lakhs.

(b) Yes, Sir

(c) The State Warehousing Corporation was set up with effect from the 2nd August, 1957, with an initial share capital of Rs. 30 lakhs and with Headquarters at Poona. The Board of Directors were notified on 2nd November, 1957 and so far two meetings of the State Warehousing Corporation have been held on the 10th December, 1957, and 1st April, 1958, where they have tentatively approved, among others, selection of 60 centres for setting up warehouses by the State Warehousing Corporation during the Second Plan period. The Bombay State Warehousing Corporation Rules, 1958, have been made under section 52 of the Agricultural Produce (Development and Warehousing) Corporations Act, 1956.

Family Planning Operations

2665. Shrimati Ba Palchoudhuri: Will the Minister of Health be pleased to state:

(a) whether it is a fact that a number of people in India are resorting to birth control through sterilisation;

(b) whether any data has been maintained in this respect; and

(c) if so, the details thereof?

The Minister of Health (Shri Kar-markar): (a) Government are aware that people in India are resorting to sterilization operations for Family Planning.

(b) and (c). A Statement showing the required information is laid on the Table of the Sabha. [See Appendix VII, annexure No. 143.]

दिल्ली में पुलों का निर्माण

२६६६. श्री भक्त दर्शन : क्या परिवहन तथा संचार मंत्री ११ दिसम्बर, १९५७ के असांस्कृतिक प्रश्न संख्या १४८० के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या दिल्ली में निजामुद्दीन और घोसला रेलवे स्टेशनों के बीच रेलवे लाइन पर दो ऊपर के पुलों का निर्माण इस बीच पूरा हो गया है ;

(ख) यदि हाँ, तो कब से प्रत्येक वर्ष कितना व्यय हुआ है ;

(ग) यदि प्रश्न में उल्लेखित प्रश्न (क) का उत्तर नकारात्मक हो, तो उनके निर्माण में अब तक क्या प्रगति हुई है ; और

(घ) ये कार्य देर से कब तक पूरा हो जायेगा ?

परिवहन तथा संचार मंत्रालय में राज्य-मंत्री (श्री राज बहादुर) : (क) जी नहीं ।

(ख) से (ग) । एक विवरण सभा पटल पर रख दिया गया है । [देखिये परि.सं. ७, अनुबन्ध संख्या १४४]

Railway Accidents

2667. Shri Baljit Singh: Will the Minister of Railways be pleased to state:

(a) the total number of serious Railway accidents that took place on Indian Government Railways during 1957-58 (Zone-wise).

(b) the name of places, where these accidents occurred;

(c) the total number of persons who died or were injured (Zone-wise); and

(d) the total amount of compensation paid so far (Zone-wise)?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a)

Central	4
Eastern	5
Northern	3
Southern	1
South Eastern	3

16

(b) to (d). A statement is laid on the Table of the Lok Sabha. [See Appendix VII, annexure No. 145.]

Wagon Shortage

2668. Shri Goray: Will the Minister of Railways be pleased to state:

(a) how many applications are pending up-to-date with the North Eastern Railway for the booking of wagons for non-programmed traffic to Assam; and

(b) the reasons for wagons not being made available to the applicants?

The Deputy Minister of Railways (Shri Shahnewas Khan): (a) On 31-8-1958, a total of 1,894 registrations of non-programmed traffic was outstanding on North Eastern Railway for destinations in Assam.

(b) Due to limited capacity over the Assam Rail Link, priority for movement over this section is given to traffic sponsored by the Assam Government and programmed by the Trade Adviser and Director of Movements, Government of Assam, such movements are arranged by the Director, Rail Movement, Calcutta. In addition to this, movements on Central Government account sponsored by various Ministries have also to be accommodated. Any spare capacity that may be available after arranging these movements is utilised for non-programmed traffic. From the 20th of March, two special trains a week are being run by the North Eastern Railway with traffic for Assam. Out of this, one train load is made available for non-programmed traffic.

Forests in Assam

2669. Shri Hem Barua: Will the Minister of Food and Agriculture be pleased to state:

(a) whether an investigation into the forest resources of the State of Assam was made recently; and

(b) if so, the prospect of industries in this direction?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) and (b). Yes, Sir; in 1954 under the F.A.O. programme for technical assistance, Mr. Vinton L. Burns, was invited to advise and to assist the Government of Assam in appraising the forest resources and developing forest industries in the State. His assignment was for a total period of 16 months. He submitted his report in June, 1957. A brief statement of his findings and important recommendations is laid on the Table of the Lok Sabha. [See Appendix VII, annexure No. 145(a)].

Import of Foodgrains

2670. Shri Surendranath Dwivedy: Will the Minister of Food and Agriculture be pleased to state:

(a) the amount of foodgrains imported in the first two years of the Second Plan; and

(b) the amount of foodgrains proposed to be imported in the third year of the Second Plan?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) About 5.7 million tons.

(b) About 2.5 million tons.

हिमाचल प्रदेश के पंचायत क्षेत्रों में औषधालय

२६७१. श्री पद्म देव : क्या स्वास्थ्य मंत्री यह बताने की कृपा करेंगे कि :

(क) हिमाचल प्रदेश के कितने पंचायत क्षेत्रों में औषधालय हैं ;

(ख) १९५७-५८ में कितने औषधालय खोले गये ;

(ग) इनमें से आयुर्वेदिक तथा यूनानी औषधालय कितने हैं ; और

(घ) शेष पंचायत क्षेत्रों में औषधालय कब तक खुल जायेंगे ?

स्वास्थ्य मंत्री (श्री करमरकर) : (क) इस समय हिमाचल प्रदेश में १६७ अस्पताल और औषधालय हैं। पंचायत क्षेत्रों का संख्या ४६८ है। अस्पताल तथा औषधालय पंचायत क्षेत्रों के आधार पर नहीं खोले गये हैं।

(ख) दस।

(ग) १९५७-५८ में खोले गये औषधालयों में से आठ आयुर्वेदिक औषधालय थे। हिमाचल प्रदेश में कोई यूनानी औषधालय नहीं है।

(घ) द्वितीय पंचवर्षीय योजना की शेष अवधि में जिला विकास समितियों के द्वारा सिफारिश किये गये स्थानों पर निम्न व्योरे के अनुसार मोलह आयुर्वेदिक और

घाट एलोपैरिक प्रोबन्साल बोसन का बिहार
है :—

१९५८-५९ १९५९-६० १९६०-६१

घाटुपैरिक ६ ६ ४

एलोपैरिक ४ (पिछड़े २ २

लेन में दो प्रोबन्सालों
सहित)

Seed Multiplication Farms

2672. Shri Kamal Singh: Will the Minister of Food and Agriculture be pleased to state:

(a) the number of seed multiplication farms established so far in Bihar; and

(b) the amount given to the State Government in this regard as subsidy during 1957-58 and how much has been spent?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) 160 Seed

Multiplication Farms have so far been established and, land acquisition proceedings for 140 farms have also been finalised.

(b) A subsidy of Rs. 42,18,750 was sanctioned to the State Government for the setting up of Seed Multiplication Farms during 1957-58. The State Government have fully utilised that subsidy.

Irrigation and Power Projects in Punjab

2673. Shri Daljit Singh: Will the Minister of Irrigation and Power be pleased to state the Central assistance in the forms of loans and grants given to Irrigation and Power Projects located in the State of Punjab during the First Five Year Plan and the Second Five Year Plan?

The Deputy Minister of Irrigation and Power (Shri Hathi): The assistance in the form of loans advanced to the Punjab Government during the First Five Year Plan and the Second Five Year Plan (first two years) is as under:—

Sl. No.	Scheme	Plan Period	Amount
1. Bhakra Nangal Project		First Plan	Rs. 97.83 crores.
		Second Plan	Rs. 30.39 "
2. Harike		First Plan	Rs. 5.04 "
		Second Plan	Nil
3. Expansion of Power Facilities		First Plan	Rs. 3.5 lakhs.
		Second Plan	Rs. 1.00 lakhs.
4. Scarcity area schemes		First Plan	Rs. 30 Lakhs.
		Second Plan	Rs. 8.5 Lakhs.
5. *Miscellaneous Development Schemes		First Plan	Rs. 11.95 crores.
		Second Plan	Rs. 1.00 crores.

*Loans under miscellaneous development Programme are sanctioned for various Development Schemes of the State Government, which, *inter-alia*, also include some irrigation and Power Schemes. Loans are sanctioned for all the schemes as a whole and no separate allocation is made exclusively for irrigation and power schemes.

Soil Conservation in Punjab

2674. Shri Daljit Singh: Will the Minister of Food and Agriculture be

pleased to state the amount allotted for the Second Five Year Plan to Punjab State for soil conservation schemes?

The Minister of Food and Agriculture (Shri A. F. Jais): Rs. 62.39 lakhs.

Villupuram Railway Workshop

2677. Shri Mayaperumal: Will the Minister of Railways be pleased to state:

(a) the number of persons selected to Class IV posts from the 1st January, 1957 to the 31st March, 1958 in Villupuram Railway Workshop;

(b) the number of applications received for these vacancies during the same period; and

(c) the number of Scheduled Caste candidates selected among them?

The Deputy Minister of Railways (Shri Shahnawas Khan): (a) There is no Railway Workshop as such at Villupuram. There is however, a Running Shed for which no selection was held between 1-1-1957 and 31-3-1958.

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

Trains Running without Lights

2678. Shri K. C. Jena: Will the Minister of Railways be pleased to state:

(a) whether it is a fact that sometimes trains run in Orissa without lights and the District Magistrate of Balasore once detained a train as there was no light in it;

(b) if so, the number of such occasions during the years 1956-57 and 1957-58; and

(c) the reasons for the running of trains on this zone without lights?

The Deputy Minister of Railways (Shri Shahnawas Khan): (a) Yes.

(b) On three occasions in 1956-57 and on two occasions in 1957-58. The trains affected were 325 Up and 326 Dn, 409 Up and 410 Dn.

(c) Out of the five occasions referred in (b) the failure of lights on three occasions was due to thefts of the trains lighting equipment resulting in batteries being discharged. The fourth failure was only for the first part of the journey of the train and was due

to defective operation of the switch for switching 'on' the lights. This was subsequently put right. The fifth failure was on 409 Up Kharagpur-Nagpur Parcel Express. It was caused due to insufficient number of equipped coaches provided on the train.

It has become extremely difficult to maintain a good standard of lighting on trains in this area due to large number of thefts of train lighting equipment taking place from running trains. The security department have arranged R.P.F. staff to escort the badly affected trains. Steps have also been taken to provide sufficient stores to replace the stolen materials in order to put the defective coach back into service without undue delay. In the case of Parcel Express the number of equipped coaches on the rake have been increased.

Kharagpur Railway Workshop

2679. Shri K. C. Jena: Will the Minister of Railways be pleased to state:

(a) the total number of employees working at present in the Kharagpur Railway Workshop, South Eastern Railway;

(b) the number of employees belonging to each category;

(c) the number of employees of each category belonging to the Scheduled Castes; and

(d) whether the quota reserved for them has been duly filled up?

The Deputy Minister of Railways (Shri Shahnawas Khan): (a) to (d). Information is being collected and will be laid on the Table of the Lok Sabha.

Orissa Flying Club

2680. Shri Panigrahi: Will the Minister of Transport and Communications be pleased to state:

(a) whether the Government of India have made any allotment for the Orissa Flying Club for the year 1958-59; and

(b) If so, what is the amount of assistance which is proposed to be given to the Orissa Flying Club?

The Deputy Minister of Civil Aviation (Shri Mohiuddin): (a) and (b). Yes, Sir. A budget provision of Rs. 79,000 has been made for the grant of subsidy to this Club.

चतुर्थ श्रेणी के रेलवे कर्मचारी

२६८१. श्री जयवंश अग्रवली : क्या रेलवे मंत्री यह बताने का कृपा करेंगे कि :

(क) रेलवे के चतुर्थ श्रेणी के स्नातक कर्मचारियों की पदोन्नति के लिये क्या मापदण्ड निश्चित किया गया है ;

(ख) प्रत्येक रेलवे महाक्षेत्र में इस समय चतुर्थ श्रेणी के कितने स्नातक कर्मचारी काम कर रहे हैं ; और

(ग) १९५७ में ऐसे कितने कर्मचारियों की पदोन्नति दी गई और १९५८ में कितने कर्मचारियों को पदोन्नति दी जायेगी ?

रेलवे उपमंत्रि (श्री शाहनवाज खाँ) :

(क) से (ग). सूचना मंगायी जा रही है और सत्रा-पटल पर रख दी जायेगी ।

Rural Water Supply Schemes in Punjab

2682. Shri Hema Raj: Will the Minister of Health be pleased to state:

(a) the number of Rural Water Supply Schemes received by Government from the Punjab Government for 1958-59; and

(b) the assistance proposed to be given by Government for 1958-59?

The Minister of Health (Shri Kar-markar): (a) No new scheme has been received from Punjab Government specifically for 1958-59. During the year 1957-58 however 180 new Rural Schemes for implementation during the Second Plan period were received. These are in the process of scrutiny.

(b) Rs. 22.00 lakhs.

मोटर-ट्रांसी दुर्घटना

२६८३. श्री जयवंश अग्रवली : क्या रेलवे मंत्री १६ जनवरी, १९५८ को रोड

जंक्शन पर हुई मोटर ट्रांसी दुर्घटना के बारे में २४ मार्च, १९५८ के सत्रा-पटल प्रश्न संख्या १९५८ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या मोटर ट्रांसी "बिना लाइन क्लियर" लिये ही चला दी गई थी ;

(ख) इस सम्बन्ध में की गई जांच में कितने लोग दोषी पाये गये और उन के विरुद्ध क्या कार्यवाही की गई ; और

(ग) हताहत रेलवे अधिकारियों की चिकित्सा रेलवे अस्पताल में हुई अथवा अन्यत्र कहीं ?

रेलवे उपमंत्रि (श्री शाहनवाज खाँ) :

(क) चूँकि मोटर ट्रांसी उसी ब्लॉक सेक्शन पर एक माल गाड़ी के पीछे-पीछे जा रही थी, इसलिये रवानगी से पहले उस के लिये प्लग से 'लाइन क्लियर' लेने की जरूरत नहीं थी ।

(ख) इस बात पर विचार किया जा रहा है कि जो डिबीजनल इंजीनियर इस दुर्घटना के लिये जवाबदेह पाये गये, उन के खिलाफ किस तरह की कार्रवाई की जाय ।

(ग) उत्तरी प्रायमियों की मरहम-पट्टी रोज़ा के रेलवे दवाखाने में की गयी ।

उत्तर रेलवे के स्टेशनों के प्रतीकात्मक

२६८४. श्री जयवंश अग्रवली : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि उत्तर रेलवे के कुछ बड़े स्टेशनों के उच्च श्रेणी के प्रतीकात्मकों का समय समय पर न्यायिक तथा विभागीय जांच के लिये प्रयोग किया जाता है ; और

(ख) यदि हाँ, तो इस प्रथा के कारण यात्रियों द्वारा अनुभव की जाने वाली असु-विधा की दूर करने के लिये क्या कदम उठाये हुए हैं ?

रेलवे उपमंत्री (श्री शाहनवाज खां) :

(क) उत्तर रेलवे में ऊँचे दर्जे के प्रतीक्षालय अथवा बिभागीय जांच के लिये इस्तेमाल नहीं किये जाते। सिर्फ जिन स्टेशनों पर इन्स्पेक्टरों के लिये भ्रमण कमरे नहीं हैं, वहाँ बिभागीय जांच के लिये इन प्रतीक्षालयों का इस्तेमाल किया जाता है। लेकिन ऐसे मीके बहुत कम होते हैं।

(ख) जांच तभी की जाती है, जब प्रतीक्षालय खाली रहते हैं और ज्यों ही यात्रियों की उनकी जरूरत होती है, जांच का काम स्वयंसेवक कर दिया जाता है।

रेलवे बुकिंग आफिस

२६३५. श्री नेकराज मेनो : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सिटी रेलवे बुकिंग आफिस और रेलवे स्टेशन बुकिंग आफिस में कोई अंतर है ;

(ख) क्या सरकार ने टिकट वापस करने की सुविधा इन दोनों बुकिंग आफिसों में दे रखी है ; और

(ग) यदि हां, तो किस रूप में ?

रेलवे उपमंत्री (श्री शाहनवाज खां) :

(क) जहाँ तक यातायात बुक करने और किराया-भाड़ा वापस लेने के नियमों का सम्बन्ध है, इनमें कोई अंतर नहीं है।

(ख) जी हां।

(ग) भारतीय रेल-सम्मेलन (I.R.C.A.) की कोषिग शुल्क-सूची नं० १७ के नियम ६२(१) में जो कार्य-विधि निर्धारित की गयी है, उसके अधीन दोनों सूक्तों में इस्तेमाल किये गये टिकटों की कीमत वापस की जाती है। इसके अलावा, आमतौर पर, किराया किन्हीं उसी टिकट पर से वापस किया जा सकता है जहाँ से टिकट खरीदा गया

था। यह कार्य-विधि नीचे बताई जाती है।

(६२) अपने टिकटों का इस्तेमाल न कर पाने वाले यात्री—

(i) (क) जो यात्री किसी स्टेशन पर टिकट खरीदते हैं लेकिन गाड़ी में जगह न होने के कारण वे यात्रा आरम्भ नहीं करते तो अर्जी देने पर स्टेशन मास्टर पूरा किराया वापस कर देगा लेकिन शर्त यह है कि गाड़ी छूटने के तीन घंटे के अन्दर टिकट लौटा दिया जाये।

(ख) यदि कोई यात्री किसी दूसरे कारण से यात्रा आरम्भ न कर सके तो अर्जी देने पर स्टेशन मास्टर लेखन शुल्क (Clerckage) के दो आने काटकर, बाकी पूरा किराया उसे वापस कर देगा, लेकिन शर्त यह है कि गाड़ी छूटने के तीन घंटे के अन्दर वह टिकट जमा कर दिया जाय।

(ग) यदि कोई यात्री शायिका/सीट आरक्षित कराने के बाद, रेलवे टिकट का इस्तेमाल नहीं कर सकता, तो उसे चाहिये कि जिस गाड़ी में आरक्षण किया गया हो उसके प्रस्थान के तीन घंटे के अन्दर जिस स्टेशन से टिकट खरीदा हो, वहाँ के स्टेशन मास्टर को यात्रा-टिकट और आरक्षण-टिकट देकर किराया लौटाने के लिये अर्जी दे। यदि यात्रा आरम्भ करने की तारीख से पूरे तीन दिन (यात्रा आरम्भ करने के दिन को छोड़ कर) या उससे अधिक दिन पहले टिकट वापस कर दिये जायें तो प्रति टिकट दो आने लेखन-शुल्क के अलावा और कोई रकम न काटी जायेगी। यदि यात्रा के दिन से पूर्ण तीन दिन पहले किसी समय टिकट लौटा दिये जायें, तो नीचे लिखी स्थिति

के अनुसार रकम काटकर किराया वापस कर दिया जावेगा :—

टिकट जमा करने पर	कटौती की रकम
(क) यात्रा प्रारम्भ करने की तारीख से पूरे तीन दिन से कम किसी समय (इध में यात्रा प्रारम्भ करने का दिन शामिल नहीं है) और जिस गाड़ी में प्रारक्षण किया गया हो, उसके छूटने से २४ घंटे पहले तक।	किराया का ५ प्रतिशत
(ख) २४ घंटे से कम किसी समय में जैसा कि ऊपर (क) में लिखा है, और जिस गाड़ी में प्रारक्षण हुआ है उसके छूटने के बाद ३ घंटे तक।	१० प्रतिशत

नोट :—रेल-कर्मचारियों का चाहिये कि वे वापस किये गये प्रारक्षण-टिकट पर रेल-यात्रा-टिकट के जमा करने की तारीख और समय हर हालत में लिख दें।

(ब) उपरोक्त (क), (ख) और (ग) संघ में बताये गये समय के भीत जाने पर इस्तेमाल न किये गये टिकटों के किराये की वापसी केवल सास परस्थिति में सम्बन्धित रेल-प्रशासन को भर्ती देने पर की जाती है। इस तरह जो रकम वापस की जाती है, उसमें से वापस दी जाने वाली रकम का १० प्रतिशत काट लिया जाता है।

(ड) उपरोक्त (ग) और (ब) संघ में कटौती के जो प्रतिशत दिये गये हैं, वे यातानुकूलित और पहले दर्जे के प्रति यात्री अधिक से अधिक ५ रुपये और दूसरे और तीसरे दर्जे के प्रति यात्री अधिक से अधिक २ रुपये तक हो सकते हैं।

उदयगढ़ स्टेशन प्लेटफार्म की बड़प्पा बना

२६६६. श्री ब्राजर: क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या पश्चिम रेलवे के रतलाम-बोहद्व सेक्शन पर उदयगढ़ स्टेशन के प्लेटफार्म को बड़ाने की कोई योजना है; और

(ख) यदि हां, तो उसका कार्य कब प्रारम्भ होगा ?

रेलवे उपमन्त्री (श्री साहूबाबाजी साहू):

(क) और (ख). जी हां, बोहद्व और रतलाम के बीच दोहरी लाइन बिछाने के सिलसिले में इस स्टेशन के मौजूदा प्लेटफार्म को ६०० फीट से बढ़ा कर ११५० फीट लम्बा किया जा रहा है। काम जारी है। इस स्टेशन पर एक दूसरा प्लेटफार्म भी बनाया जायेगा।

POINT OF INFORMATION

Shri Braj Raj Singh (Firozabad): Sir, may I seek one clarification? You have been pleased to write that the unemployment problem is a continuous one and, therefore, my adjournment motion relating to the arrest of 90 unemployed youths at Calcutta has been disallowed. May I know how it is a continuous matter?

Mr. Speaker: Unemployment is continuing. There is unemployment in the whole country (Interruption). Order, order. The hon. Member tabled an adjournment motion. I said, so far as lathi charge etc. is concerned it is a State subject. There are only two employment exchange offices and when a thousand people came and refused to vacate, the Government took some precaution. So far as unemployment is concerned, it is not only a question of a thousand people there but some millions are unemployed in this country. What am I to do? I am not going to allow an adjournment motion on every unemployed men. If a thousand people throng at a place, even here we may have some difficulty—I may have to request hon. Members to come to my

aid. Here, sometimes there are only a few vacancies and when I advertise them I get a thousand applications. If all the thousand people come and throng here we may not be able to carry on our work, and I may then have to bring an adjournment motion myself and move it here in the House.

What I would request hon. Members to do is this. I pass an order. It is not as if that is the last word on it. If hon. Members come to me and tell me that it is such a serious thing that this House must take cognizance of it, I shall bring it up the next day. I request hon. Members to abide by what I say. If they differ from me they can always come over and convince me. After all, one day is not going to make any difference. I am not going to shut it out on the ground that it is too late. If I am convinced that I must bring it up before the House, I will certainly do so the next day without there being any further delay. That is the way in which I would request hon. Members to take up the matter, and not merely raise it here after I have once passed an order on it. Once I write on it—I may be right or I may be wrong—they must come to me and convince me. Even if it is late by a day or two, if I am convinced that I should bring it up before the House I shall certainly do so.

ESTIMATES COMMITTEE

ELEVENTH AND NINETEENTH REPORTS

Shri B. G. Mehta (Gohilwad): Sir, I beg to present the following Reports of the Estimates Committee:—

- (1) Eleventh Report on the Ministry of Transport and Communications—Indian Telephone Industries (Private) Ltd., Bangalore.
- (2) Nineteenth Report on the Action taken by Government on the recommendations con-

tained in the Sixteenth Report of the Estimates Committee (First Lok Sabha) on the Organisation and Administration of Nationalised Industrial Undertakings.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

SUSPENSION OF WORK BY THE HIMALAYA BANK LTD., KANGRA

Shri Hem Raj (Kangra): Sir, under Rule 197, I beg to call the attention of the Minister of Finance to the following matter of urgent public importance and I request that he may make a statement thereon:—

"The suspension of work by the Himalaya Bank Ltd., Kangra under orders of the Reserve Bank of India."

The Minister of Finance (Shri Morarji Desai): Sir, the Himalaya Bank, Kangra, was incorporated as a public company on the 16th June, 1934. It has been inspected on three different occasions by the Reserve Bank of India under Section 35 of the Banking Companies Act, 1949. The last inspection took place in May, 1957.

These inspections have revealed that the bank's affairs have been conducted to the detriment of the interests of its depositors. The directors of the bank are not all of them resident at headquarters and the meetings of the Board of Directors have not been fully attended; on a number of occasions, meetings have had to be adjourned for want of quorum. The chief officer of the bank is not qualified and notwithstanding the requirements of section 35-B of the Banking Companies Act, the sanction of the Reserve Bank of India has not been obtained to his appointment. The advances made by the bank indicate a considerably over-extended position. More than one-fourth of the total

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[Shri Morarji Dehisi]

advances have been granted to the directors or their relations. It has also been observed that credit limits for parties have generally not been fixed. Several advances are sticky and no action in regard to them has been taken for long periods. As a result of these and other unsatisfactory features, all the offices of the bank except two have been working at a loss and the bank has not been in a position for some years to satisfy the requirements of Section 22(3) of the Banking Companies Act, which imposes an obligation on every functioning bank to repay the amounts due to its depositors.

After the inspection of the bank in March, 1953, certain conditions were imposed on it with a view to improving its working. The Board of Directors, it was suggested, should be so reconstituted as to ensure that at least five directors would be residents of Kangra town. The services of certain retired officers of the State Bank of India were made available to the bank for appointment as chief Executive Officer. A condition was imposed that unsecured advances and advances against real estate should be reduced to 25 per cent and 20 per cent respectively of total advances and that advances granted to directors and their relatives should be completely repaid.

These directives have not been implemented by the bank. The services of a retired officer of the State Bank of India were not availed of and the position of the bank has steadily deteriorated. The percentage of its advances having undesirable features has been increasing and was as high as 75.2 in December, 1957.

The position of the bank was accordingly reported to the Central Board of Directors of the Reserve Bank in October, 1957. The bank was given an opportunity to represent its case against the decision to refuse a licence to it and a representation was

received in November, 1957. As this representation was unsatisfactory and as there was no improvement in the bank's working, it was decided in April, 1958, with the concurrence of the Central Board of Directors of the Reserve Bank to refuse a licence to the bank. The bank was informed of this decision by the Reserve Bank by post on the 9th April, 1958, and, in reply to a query whether it should cease to transact further business from the 12th April, 1958, or after a Board meeting fixed for the 16th April, 1958, that it should cease forthwith to transact fresh business or to receive new deposits.

Since the bank was thus informed, certain allegations regarding the payments made by it to its depositors have been received. These allegations are now being investigated by a fresh inspection party deputed by the Reserve Bank of India and such further action as may be necessary will be taken as soon as the report from the Reserve Bank of India is received.

FINANCE BILL—contd.

Mr. Speaker: The House will now take up clause by clause consideration and thereafter Third Reading of the Finance Bill, 1958, for which 4 hours have been allotted.

Clause 2 and the Schedule seem to be linked together. There are certain amendments tabled to the Schedule. If it is the desire of the House that clause 2 may stand over until the Schedule is disposed of, I have no objection. Otherwise, I shall put clause 2—there are no amendments to this clause—to the vote of the House. The question is:

"That clause 2 stand part of the Bill".

The motion was adopted.

Clause 3—(AMENDMENT OF SECTION 4)

Mr. Speaker: We now come to clause 3. There are some amendments. I am sorry that certain amendments—Nos. 35, 36 and 16—do require the sanction of the President because they seek to enhance the rates. The other amendments are in order. Does any hon. Member wish to move his amendment?

Shri Narayanankutty Menon (Mukandapuram): I would like to move amendment No. 16.

Mr. Speaker: That requires the sanction of the President. It seeks to omit lines 10 to 15 on page 3 of the Bill. What does it mean?

Shri Narayanankutty Menon: It seeks to remove 'concessional passage to foreigners'.

Mr. Speaker: If a concession is removed, it enhances the duty. Therefore, it requires the sanction of the President.

Shri Bangshi Thakur (Tripura-Reserved—Sch. Tribes): I beg to move:

Pages 3 and 4, lines 40 and 1 respectively,

for "or in the Union territory of Manipur" substitute "or in the Union territories of Manipur and Tripura."

Shri M. R. Masani (Ranchi—East): I beg to move:

Page 3, omit lines 30 to 38.

Mr. Speaker: Amendments Nos. 1 and 2 were moved.

Shri Bangshi Thakur: Mr. Speaker, about Amendment No. 2 which I have moved, I wish to say a few words. The Scheduled Tribes of Tripura are no doubt so backward and they are described as very backward in the

Report of the Commissioner for Scheduled Castes and Scheduled Tribes. As such, the Government of India should make provision for their uplift and for their betterment and for raising their standard. The Government of India are, indeed, willing to give them more privileges. In these circumstances, I request the hon. Finance Minister to accept my amendment which seeks to include the Scheduled Tribes of Tripura State. My amendment says:

"or in the Union territories of Manipur and Tripura".

Shri M. R. Masani: I do not want to take the time of the House over this amendment. My amendment No. 1 is a small one to the clause which limits further the facility of exemption given to foreign technicians serving here up to the extent of Rs. 4,500 in the year. I think it is a very restrictive thing already which hardly needs to be more severe against employees from countries abroad. That is my reason for suggesting that this further severity might be deleted.

Shri Narayanankutty Menon: Though, as you said, my amendment is out of order, I may be allowed to speak on the clause itself.

Mr. Speaker: Yes.

Shri Narayanankutty Menon: As far as clause 3, which gives exemption on to travel concessions to foreigners, is concerned, I wish to point out that there are already without the sanction of the law many officers of the foreign companies who enjoy certain privileges which are not subject to the scrutiny of the Government itself. Last year, during the last session, when certain questions were answered on the floor of the House, as to the total money that has been taken away from this country by the foreign oil companies, and the amount got by the oil companies precisely, it was admitted that a large amount of money has been carried away from this country without a proper account being kept. You will also find that certain officers

[Shri Narayanankutty Menon]

who are actually unmarried are given separation allowances, when they came to this country, on the ground that they have been separated from their wives and children. Their original salary ~~was~~ is a very large amount, and over and above this original salary, concession is given for their free passage and certain other allowances are also given. Actually, money is being taken away in the form either of profit or these concessions. I submit that this practice extended to the companies will have to be prevented. The concessions which are extended to the foreign nationals who are serving in the company should be prevented especially because then only, consistent with our policy, more and more Indians could be employed by these companies.

Yesterday, when the discussion on the Finance Bill was going on, both the hon. Finance Minister and also the Deputy Minister of Economic Affairs said that we should create an atmosphere of welcoming foreign capital and that all parties should agree that this atmosphere should be maintained for foreign capital to come in. I submit that we are not certainly against foreign capital coming into this country, but our serious objection was that foreign capital was being invited to this country on their own terms. What the hon. Deputy Minister of Economic Affairs submitted yesterday was, whenever we are getting foreign capital into this country it is on our own terms, and it is not to make more profit but under our scrutiny and for our own use.

The House has heard during the last one year how three big oil companies are behaving in this country. Are the people employed in the three oil companies here behaving properly in accordance with our own policies? The hon. Minister of Mines and Oil had to admit last time in this House a sense of frustration that he is having because the oil companies are refusing the review the prices. In

respect of the prices alone, Rs. 250 crores have been taken away during the last two or three years by the oil companies. Are the companies behaving according to the plan that the Government have in view? Are these companies in a position to respond to your own request that the price of oil should be brought down. It is precisely on this point that we make our serious objection that foreign capital should not be allowed to come in on their own terms and to run roughshod over our own economy. Foreign capital should be kept under control.

When we mentioned that foreign capital should be within the framework of our own Plan and be within the framework of our own policy, the hon. Minister said that we are against foreign capital. We wish to make it quite clear that we are not against foreign capital, but foreign capital should be allowed to do its business here within the framework of our own Plan and within the framework of our own policies. We should not act according to the dictates of the foreign capital that is coming over here. Therefore, I appeal to the Finance Minister to realise this. Enough of concessions have been given by means of the agreement with these companies and by means of the convention that we have established, and also by means of the assurances that we have given to all these companies. They are too much nowadays, and these concessions are being misused. Too much of profit is being made, to the detriment of our own economy. Therefore, I once again appeal to the Finance Minister that no more concessions should be given and the concessions already granted are checked wherever they exist. There should be more check-up of the companies in respect of these concessions, to see whether they are being utilised according to our own Plan and are giving a reasonable return to us. We should keep the foreign capital under check. We will welcome the capital

but, at the same time, there should be very good control over that capital, so that the business is a fair business that is carried on in any other part of the world.

Shri Morarji Desai: I accept amendment No. 2, regarding the inclusion of Tripura. As regards amendment No. 1, moved by my hon. Friend Shri M. R. Masani, I am sorry I cannot accept it and I have got to oppose it, because, we are not in anyway going against the real technicians. The real technicians will continue to get the exemptions which have been provided.

Shri M. R. Masani: The hon. Minister is opposing a wrong amendment. It is not about the technicians.

Shri Morarji Desai: The amendment is to clause 3, regarding technicians.

Shri M. R. Masani: It is about the Government employees abroad, as far as I know.

Shri Morarji Desai: The amendment of the hon. Member—amendment No. 1 to clause 3—is about the foreign technicians. He wants to take away the definition which is provided there.

Shri M. R. Masani: It is a wrong amendment.

Mr. Speaker: His amendment is No. 1, asking for the omission of lines 30 to 38 at page 3,—the lines which give the definition of a technician.

Shri Morarji Desai: That is what I am saying. I do not know what Shri M. R. Masani means.

Shri M. R. Masani: Oh, I am sorry. I was a little confused.

Mr. Speaker: Therefore, he does not press the amendment. Can I take it like that?

Shri Morarji Desai: I am glad that I am not wrong.

Shri M. R. Masani: I am sorry.

Mr. Speaker: What does that "sorry" mean? Does he press or not press?

Shri M. R. Masani: I am not pressing it, but, if the hon. Minister opposes it, let him explain the reasons why he opposes it.

Shri Morarji Desai: We cannot consider people who are engaged in work in the hotels or in the restaurants as technicians. I cannot call them technicians. Such people should not get this benefit. Therefore, we have now prescribed a definition which includes all real technicians. I do not think any real technician is going to be debarred from these provisions.

As regards the opposition of my hon. friend Shri Narayanankutty Menon, there is no question of foreign capital in this. The question is of foreign technicians. If foreign technicians are required for work which cannot be done by technicians here, we have got to give them some facilities and these are the minimum facilities that are given.

Mr. Speaker: He refers to his own amendment and wants to oppose.

Shri Morarji Desai: That is what is done. He wanted to say that technicians do not get any exemptions. It is just the opposite of what Shri M. R. Masani wanted. Both are going into extremes. That is all that I can say. The clause as it is must stand. That is what I have got to say.

Shri L. Achaw Singh (Inner Manipur): I want to have some clarification from the hon. Finance Minister regarding the amendment to section 4, sub-section 3.

Mr. Speaker: Clause 4 has not yet been taken up. We are on clause 3.

Shri L. Achaw Singh: I am referring to section 4(3) of the Income-tax Act.

Mr. Speaker: Is it relevant here for the purposes of these amendments?

Shri L. Achaw Singh: It is with regard to the exemption form income-tax payable by the tribals of Manipur.

Mr. Speaker: What is the sub-clause?

Shri L. Achaw Singh: Clause 3 (ii) on page 8. I want to know whether the exemption would apply to the tribes permanently residing in Manipur. The other day, the hon. Finance Minister said that it would only apply to the migrants, that is, those members of the Scheduled Tribes who were residing in Assam and who have migrated to Manipur. On my reference to the Finance Ministry it has been stated that the exemption would apply to tribals who are permanently residing in Manipur. So, I want a clarification. There is a mis-conception, misunderstanding that this would only apply to the tribals who have migrated from Assam. But such people are in a microscopic minority in Manipur. There are two lakhs of tribal people who are permanently residing here. According to the Scheduled Castes and Scheduled Tribes (Amendment) Order, 1956, there are 29 classes of Scheduled Tribes and their number exceeds two lakhs. I want to know from the hon. Finance Minister unequivocally whether they would apply to the tribes who are permanently residing in Manipur.

Shri Morarji Desai: The tribals who originally belonged to the Assam hill tribes and are now permanently residing in Manipur will also get exemption. But if they do not satisfy the condition of that category of Assam hill tribes originally even, then they will not be exempted. That is the meaning of it.

Mr. Speaker: The question is:

Pages 3 and 4, lines 40 and 1 respectively,—

for "or in the Union territory of Manipur" substitute—

"or in the Union territories Manipur and Tripura".

The motion was adopted.

Mr. Speaker: Amendment No. 1 is not pressed. I shall treat it as having been withdrawn. In the case of those amendments which have been treated as moved by the House, if any hon. Member gets up and says "I am not pressing it". I will treat it as having been withdrawn with the consent of the House. Let us establish a convention. Otherwise, we will be wasting the time of the House.

The amendment was, by leave, withdrawn.

Mr. Speaker: The question is:

"That clause 3, as amended, stand part of the Bill".

The motion was adopted.

Clause 3, as amended, was added to the Bill.

Clause 4 was added to the Bill.

Clause 5. (Amendment of section 7).

Mr. Speaker: Hon. Members who want to move amendments to this clause may now do so. Let me first of all have the numbers.

Shri M. R. Masani: I want to move amendment No. 37.

Shrimati Ba Palchoudhuri (Nabadwip): Amendment Nos. 11 and 12.

Shri Tangamani (Madurai): Amendment No. 38.

Shri Narayanankutty Menon: Amendment No. 17.

Mr. Speaker: That is out of order. The amendments to be moved are Nos. 11, 12 and 37. 38 is the same as No. 12.

Shrimati Ba Palchoudhuri: I beg to move:

Page 4; lines 29 to 33,—

omit "except in any case where the assessee was not in receipt of such entertainment allowance regularly from his

present, employer before the year beginning on the first day of April, 1955."

Page 4, line 14,—

after "Act" insert "or under any recognised scheme of any employer".

Shri Tangamani: I would like to speak on amendment No. 38, which is the same as amendment No. 12. I shall be as brief as possible. Now, clause 5 makes certain amendments to section 7 of the parent Act. At present, the entertainment allowance received by an employee in a case where he has been in receipt of such allowance regularly from his employer before the 1st of April 1955 is exempted up to one-fifth of his salary or Rs. 5,000 whichever is less. This sub-clause seeks to remove the restriction in the case of persons in receipt of salaries from the Government. By this amendment I want to suggest that the concession which has been extended to the Government employees should also be extended to the non-Government employees. If lines 29 to 33 are deleted, clause 5, sub-clause (2) will read as follows:

"in the case of any other assessee, a sum equal to one-fifth of the salary (exclusive of any special allowance, benefit or other perquisites) or seven thousand five hundred rupees, whichever is less."

Whatever concession has been extended to Government employees should also be extended to non-Government employees. It is good that this allowance is given to Government employees. Now it may be extended to others also. So, I request that this amendment may be accepted.

Shrimati Ha Palchoudhuri: My amendment No. 12 is the same as the one to which my hon. friend opposite has just now referred. I will only add that actually private employees very often have to entertain people more than in the case of Government employees. There should be no dis-

crimination between Government employees and other employees. Everyone should be treated in the same way. Can I speak on amendment No. 11 also?

Mr. Speaker: Hon Members may speak on their amendments as well as on the amendments moved by others and also on the main clause.

Shrimati Ha Palchoudhuri: In the Bill it is stated in clause 5 that gratuity payments for past service will be exempted from income-tax in respect of Government servants. So far as employees in the private sector are concerned, such gratuity payments are subject to income-tax. I see no reason why there should be discrimination between employees in the public sector and private sector in the case of income-tax on gratuity payments. So, my amendment seeks to insert the words "or under any recognised scheme of any employer" after the word "Act" in clause 5.

Shri M. R. Masani: I beg to move:

Page 4,—

(i) line 22, omit "from the Government"; and

(ii) for lines 26 to 33, substitute—

"Provided that in the case of any assessee who was in receipt of such entertainment allowance regularly from his present employer before the year beginning on the first day of April, 1955, the sum of seven thousand and five hundred rupees shall be substituted for the sum of five thousand rupees mentioned in the above sub-clause."

I would first of all like to support the provisions of amendment No. 11, which seeks to extend to employees of non-official concerns the same concessions that are now being extended to municipal employees, namely, where there is a recognised gratuity scheme, the benefits should also be available to employees in all parts of our national economy. The basis of discrimination between one kind of employees in one part of our economy

[Shri M. R. Masani]

and another is, I am sure, not one that appeals to the hon. Minister, nor is there any reason why it should exist.

Amendment No. 37 is two-fold and seeks to carry out the same purpose, though I think more comprehensively than amendments Nos. 12 and 38. What I am pressing is that from sub-clause (2) (ii) (a) the words "from the Government" be deleted, and in place of sub-clause (b), a new sub-clause in terms of my amendment may be substituted. The effect of this change would be this. Today an employee can draw entertainment allowance only if he were drawing it previous to 1st April 1955. Even if the same post is filled up by a new man, the new man cannot draw this entertainment allowance. Now, the drawing of the entertainment allowance is not a personal perquisite for the benefit of a particular human being. It goes with the job. Either it is necessary to entertain people for the purpose of business or it is not. You cannot say that when our person is there, it is necessary and not when another person is there. Now, if an official is transferred and a new official is appointed, then the office comes across this difficulty. If they transfer X and put Y on doing the same job, Y cannot draw the entertainment allowance though X was drawing it. This creates a new difficulty and a new problem. The new incumbent is not able to get the same emoluments and facilities to entertain which his predecessor had. This is not very rational nor consistent with good business management. So, what my amendment seeks to do is, as Mrs. Ila Palchoudhuri and the previous speaker have stated in the discussion, to remove the discrimination between private employees and Government employees. I do not think we want to indulge in one set of methods about one set of employees and something quite different about another set of employees. If it is necessary in Government, it may be necessary outside also. The Government amendment says: "one fifth of his salary....or five thousand rupees,

whichever is less"; not very ambitious, and still on that there is discrimination. Having said that, sub-clause (b) says that whoever got Rs 7,500 before 1st April 1955 may continue to do so. That concession may not be taken away. But when a new man is appointed to the job certainly let him be on the same level as in Government, viz., Rs. 5,000 or one-fifth, whichever is less. I think these amendments are sound lines and I hope the hon. Minister will accept them.

Shri T. N. Singh (Chandauli): I feel that our attempt all along has been to plug all kinds of holes that might cause tax evasion. Now all the allowances that have been made from time to time in any of our taxation laws, though on the face of it very reasonable and desirable but somehow they have resulted in creating more holes and I have a feeling, though it may appear that it is reasonable as to why should we discriminate and why should this happen or why should that happen, at the same time I am not very happy about the extension of these allowances so far as income-tax is concerned. They should be very cautiously done and they should be restricted as much as possible. No more allowances should be allowed for this purpose. So, I am unhappy that this provision is being extended and the scope widened as it is from today.

After all it is known that all these entertainments are also debited to the companies concerned. Similarly, entertainments are also made on behalf of the Government and local bodies. Why should they become something of a personal nature? They should not. But the very existence of an allowance attached to an individual officer and any exemption of income-tax on that ground means that such allowances are a desirable thing and they should be allowed. They can become a fashion. So, from the very beginning when this was introduced, I was opposed to it and I would very

strongly urge that any extension of this system should be very cautiously looked into. I am not at all happy about its any further extension as it is being done in this amended Bill, what to say of further extension of this principle which are being urged by some fellow hon. Members here.

Shri Morarji Desai: Taking, first, the last speaker, I might say that the hon. Member's anxiety can be very easily understood by me. It is, therefore, that Government is very careful in giving such allowances to Government officers and Government servants. There are very few people in very restricted categories to which these allowances are given and deliberately given because they have got to do entertainment. There is no question of their misusing it or taking it away like that. Therefore it is necessary that they should be continued.

When we have stopped exemption of these allowances to employees in the private sector after the 1st April, 1955, we have done so because in the case of private employees it is not necessary for them to have these allowances as they have got expense accounts in their companies to which they can always debit these bills. In Government, there are no such expense accounts, where this could be debited. It is, therefore, necessary to make this distinction. Moreover, when Government can be very careful about this matter, it is not possible to expect that there will be that sort of carefulness exercised in private companies. Therefore we have made this distinction. Even my hon. friend, Shri Masani, does not mind making a distinction of all allowing Rs. 7,500 to those who were drawing it before the 1st April, 1955 and he would be satisfied if others get Rs. 5,000. Therefore he also can get Rs. 5,000. Therefore he also can. Then let him be reconciled to this difference, which is a complete difference and which, I think, is a very healthy difference. I therefore oppose these amendments.

As regards the other thing of extending the gratuity advantage to private employees, there also the question is quite different. When we give it to Government employees, that is allowed because there it is death-cum-gratuity, i.e., pension-cum-gratuity allowance. There is no such system in private employ. There is no question of pensions and gratuities or anything. It is, therefore, not possible to extend it to private employees. We have extended it to corporations, i.e., to municipal corporations or local bodies because there the rules are the same as Government rules. It is, therefore, that it is extended to them and we do not propose to extend it to private employees because, as I said, it is likely to be misused and they do not stand in the same category. Therefore, I oppose all the amendments.

Mr. Speaker: I shall now put amendment No. 11, which is the same as amendment No. 20, to the vote of the House.

The amendment was put and negatived.

I shall now put amendment No. 12, which is the same as amendment No. 38, to the vote of the House.

The amendment was put and negatived.

I shall now put amendment No. 37 to the vote of the House.

The amendment was put and negatived.

The question is:

"That clause 5 stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

Clause 6 was added to the Bill.

Clause 7—(Amendment of section 10).

Mr. Speaker: The House shall now take up clause 7.

Shri Morarji Dasai: Sir, I beg to move:

Page 5,

for lines 4 to 41, substitute—

“(vib) in respect of a new ship acquired or new machinery or plant installed after the 31st day of March, 1954, which is wholly used for the purposes of the business carried on by the assessee, a sum by way of development rebate in respect of the year of acquisition of the ships or of the installation of the machinery or plant, equivalent to,

(i) in the case of a ship acquired after the 31st day of December, 1957, forty per cent. of the actual cost of the ship to the assessee; and

(ii) in the case of a ship acquired before the 1st day of January, 1958, and in the case of any machinery or plant, twenty-five per cent. of the actual cost of the ship or machinery or plant to the assessee.

Explanation 1.—In the case of a ship acquired or machinery or plant installed after the 31st day of December, 1957, where the total income of the assessee for the year of acquisition or installation (the total income for this purpose being computed without making any allowance under this clause) is nil or is less than the full amount of the development rebate calculated at the rate applicable thereto under this clause,—

(i) the sum to be allowed by way of development rebate for that year under this clause shall be only such amount as is sufficient to reduce the said total income to nil; and

(ii) the amount of the development rebate, to the extent to which it has not been allowed as aforesaid, shall be carried forward to the following year, and the development rebate to

be allowed for the following year shall be such amount as is sufficient to reduce the total income of the assessee for that year, computed in the manner aforesaid, to nil, and the balance of the development rebate, if any, still outstanding shall be carried forward to the following year and so on, so however that no portion of the development rebate shall be carried forward for more than eight years.

Explanation 2.—Where in any year development rebate is to be allowed in accordance with the provisions of *Explanation 1* in respect of ships acquired or machinery or plant installed in more than one year, and the total income of the assessee for that year (the total income for this purpose being computed without making any allowance under this clause) is less than the aggregate of the amounts due to be allowed in respect of the assets aforesaid for that year, the following procedure shall be followed, namely:—

(i) the allowance under paragraph (ii) of *Explanation 1* shall be made before any allowance under paragraph (i) of that *Explanation* is made; and

(ii) where an allowance has to be made under paragraph (ii) of *Explanation 1* in respect of amounts carried forward from more than one year, the amount carried forward from an earlier year shall be allowed before any amount carried forward from a later year;

Provided that no allowance under this clause shall be made unless—

(a) the particulars prescribed for the purpose of clause (vi) have been furnished by the assessee in respect of the ship or machinery or plant; and

(b) except where the assessee is a company being a licensee within the meaning of the Electricity (Supply) Act, 1948, or

where the ship has been acquired or the machinery or plant has been installed before the 1st day of January, 1958, an amount equal to seventy five per cent. of the development rebate to be actually allowed is debited to the profit and loss account of the relevant previous year and credited to a reserve account to be utilised by him during a period of ten years next following for the purposes of the business of the undertaking, except—

(i) for distribution by way of dividends or profits; or

(ii) for remittance outside India as profits or for the creation of any asset outside India;

and if any such ship, machinery or plant is sold or otherwise transferred by the assessee to any person other than the Government at any time before the expiry of ten years from the end of the year in which it was acquired or installed, any allowance made under this clause shall be deemed to have been wrongly allowed for the purposes of this Act."

Mr. Speaker: Any other hon. Member who would like to move an amendment?

Shri Nathwani (Sorath) rose—

Mr. Speaker: Do you want to move an amendment?

Shri Nathwani: There is no amendment which I have to move.

Shri Damani (Jalore) rose—

Mr. Speaker: Do you want to move an amendment?

Shri Damani: No, Sir.

Shri Bimal Ghose (Barrackpore): I wanted to move some amendments, but the difficulty is that the amendments tabled were in respect of the

original clause. Now, with your permission, I would like to move them in the appropriate place in the amendments moved by the hon. Minister.

Mr. Speaker: That is later on. It is not in respect of clause 7.

Shri Bimal Ghose: It is in respect of clause 7 but there is an amendment by the hon. Minister to clause 7.

Mr. Speaker: He has already moved it.

Shri Bimal Ghose: The amendments that I wanted to move were to the original clause.

Mr. Speaker: The same amendments may be applied now.

Shri Bimal Ghose: That is, those amendments may be at the appropriate place. For example, I want to say...

Mr. Speaker: Let him give the number.

Shri Bimal Ghose: For example amendment No. 27....

Mr. Speaker: Whatever it might be, somewhere to the same clause whatever might be the sub-clause.

Shri Bimal Ghose: On page 2 of amendment No. 32 after "1st day of January, 1958" in proviso (b).....

Mr. Speaker: I shall give him an opportunity to move it with all the corrections.

Shri Bimal Ghose: I have three amendments to move.

Mr. Speaker: What are they?

Shri Bimal Ghose: They are Nos. 27, 28 and 29.

Mr. Speaker: Amendments Nos. 27, 28 and 29 subject to such modifications as may be necessary in view of amendment 32.

Shrimati Ha Fakhoudhaz: Sir, I beg to move:

That for lines 22 to 41, substitute—

"(b) except where the assessee is a company, being a licensee within the meaning of the Electricity (Supply) Act, 1948 or where the ship has been launched or the machinery or plant has been installed before the 1st day of January, 1958, an amount equal to the tax on the allowance due is debited to the profit and loss account within the five previous years succeeding the relevant previous year, and credited to a reserve account to be utilised by him during a period of ten years next following only for the purposes of the business:

Provided further that, in the case of a ship launched or machinery or plant installed after the 31st day of December, 1957, the allowance of development rebate under this clause shall be subject to the condition that the ship or machinery or plant shall not be sold or otherwise transferred by the assessee to any person except with the consent of Government, at any time before the expiry of ten years from the end of the year in which the ship was launched or the machinery or plant was installed."

Mr. Speaker: Does the hon. Minister wish to explain his amendment?

Shri Morarji Desai: I have explained it. It is not necessary now.

Shri Nathwani: The object of the original clause 7 was stated to be that there are at least two abuses in the existing provisions which require to be remedied. The first object was that certain companies may with the help of borrowed capital instal plant or machinery but instead of building up further reserves may fritter away by way of distributing the same in the

form of dividends. That was one object.

The second object was stated to be that in some cases certain undertakings after taking advantage of this rebate sell it so that while they get the benefit of this rebate the industry not being continued in the same hand does not get the fostering care which a continuing management may ensure. To the extent that clause 7 sought to do this, it was welcome. But, as it was worded very widely, there were bound to arise certain genuine difficulties. The hon. Finance Minister, having been persuaded, has moved an amendment whereby substantial relief is sought to be given. I do admit that the amendment now put forward does give great relief. Still, it does not go far enough. There are bound to be genuine cases in which it will operate very harshly.

Before I give illustrations of this hardship, let me say a word in general as regards certain basic assumptions. It has been tacitly assumed that the provisions of this clause apply to companies only and that the other assessee namely sole proprietary firms or partnership firms do not come in the picture at all. It is not so. Under this provision, even small or medium-sized concerns or undertakings which are generally run by individuals or firms will come and they are entitled to take this advantage. If so, what is the position of a sole proprietary firm which installs machinery or installs a plant? He is required under the proviso to earmark a certain amount and in that case, though these moneys which are set apart as reserves may not be required for that particular business, still, he cannot touch them for a number of years to come. He cannot withdraw his moneys for his private purposes. He cannot invest these moneys in other lines of business. He cannot utilise these moneys for investment or securities. He cannot advance these moneys at interest to outsiders. Is this really the object that is sought to be

achieved by this proviso? I certainly think that it is not the object. In the case of a concern which is a sole proprietary concern or a partnership firm, really the business entity is owned by individuals who are the beneficiaries themselves. To that extent, it appears to me, that the provisions of the proviso should not be applied to sole proprietary firms or partnership firms.

The second tacit assumption is that generally companies borrow money and invest it in new plant or machinery. But, there are cases of companies which, by prudent management, have accumulated large reserves. These large reserves could have been built up only at the expense or sacrifice of shareholders who have received in the past less or lower rates of dividends. If such companies invest out of their reserves, why should they be penalised further by being required to further deposit or earmark further moneys? That would impose a further restriction and call for further sacrifice on the part of the shareholders. Though in the past, they have received less which has led to the large accumulations being segregated, for the future, they would be required to take less in the form of reserves. Therefore, in my opinion, the provisions of the proviso should be restricted only to companies, preferably to those companies which try to invest in plant or machinery by borrowing capital from outside.

There is a second provision namely that the assets should not be transferred for ten years. The object, as I have explained, is laudable that the concern or undertaking should not change hands rapidly after taking advantage of this rebate. But, there may be genuine cases where the transfer or assignment takes place for a reason beyond the control of the owners of that concern. Take, for instance, an individual. He dies or wants to retire. The sons or heirs are not willing to continue that industry.

They may be inefficient; they may not be willing; the sons may like to go to other lines. They may like to be Doctors or Engineers. If they want to transfer such a concern, what happens? Again take the case of a partnership firm where a partner dies, where a partner retires or a new partner is taken. In each case, in the eye of law, there will be a transfer of these assets from one entity to another. Is it our intention that even in such cases, there should be deprivation of this benefit by way of development rebate? I am referring to these illustrations to show that this proviso or at least a part of it should not apply to sole proprietary firms or to partnership firms.

Secondly, even in the case of companies, there may be genuine cases where a transfer has to take place. Shri M. R. Masani moved an amendment embodying two or three cases where transfer takes place for legitimate reasons. He argued and showed that in such cases no transfer should be deemed to have taken place. Take the case of amalgamation; take the case of re-organisation or mortgage. It is very usual for companies to raise fresh capital by mortgaging the assets. Even in respect of existing debenture trusts, what happens? You know it is usual to have all the fixed assets included in a mortgage. When you substitute a new machinery or install a fresh one, under the usual provisions of a debenture trust deed, it is deemed to have been included in the security. But, we are seeking to exclude it. If it falls within the ambit of the usual clause, it would amount to a transfer and the man would lose the benefit of rebate. Therefore, when such a case arises, relief should be granted. I think the amendments which have been moved by my hon. friend Shri M. R. Masani, by Shrimati Ila Palchoudhuri and Shri Bimal Ghose, which say that if a transfer takes place without the consent of the Government, then only, it should be deemed that the allowance or rebate lapses, should be accepted. I think

[Shri Nathwani]

these are good reasons, valid reasons, why in such genuine cases, we should not deprive the companies or concerns of the benefits of this rebate.

Lastly, there is one provision, that is, para (i) of Explanation 1 in amendment No. 32. A doubt has been expressed in business circles whether under sub-clause (i) of Explanation 1, the whole amount of the profit is to be wiped out by the permissible amount of rebate or only whether 75 per cent of such profits would be set off against rebate. I am told that the intention is to allow only the debit of 75 per cent of the actual profits in case the profits are absent or inadequate. But, as the language stands, it seems clear to me that the whole amount is intended to be set off against the income of that particular year. I shall read the clause:

"the sum to be allowed by way of development rebate for that year—namely the year in which the income is less—shall be only such amount as is sufficient to reduce the said total income to nil;"

Does it leave any doubt in anybody's mind? Natural grammatical construction shows that the whole of the income is to be set off against the permissible amount of rebate. Therefore, though it is made clear that the intention is not to wipe out the whole income of that particular year, but to leave 25 per cent of the income for distribution, still, as the clause is worded, I find that the intention is not being carried out. That is all that I have to say.

Shri Bimal Ghose: Is it the intention? We do not know whether what the hon. Member said now is the intention.

Shri Morarji Desai: Yes. That is the intention.

Shri Damani: Sir, I welcome the two amendments moved by the hon.

Finance Minister. Firstly, if the profits of the concern are not adequate to cover the entire amount of the development rebate of the year, it can be carried forward up to a period of 8 years. Secondly, 75 per cent of the development rebate is to be kept in reserve which means that 25 per cent can be utilised for other purposes. I want to make one suggestion. If a choice is given to the claimant company to claim development rebate in five years, it will be beneficial to the company. It will not affect the revenue of the Government in any way. On the contrary, it will regularise the revenue of the Government very much. For example, suppose a concern makes a profit of Rs. 12 lakhs and in that year, the company is entitled to claim a development rebate of Rs. 10 lakhs. Instead of claiming Rs. 10 lakhs in that year, if the company chooses to claim Rs. 4 lakhs in that year, then Government will get tax on the balance of Rs. 8 lakhs. Similarly, in the second year, if the profits are maintained at Rs. 12 lakhs, and the company again choose to claim Rs. 4 lakhs, then also, Government will get tax on the balance of Rs. 8 lakhs. In the third year, the balance of Rs. 2 lakhs can be utilised. If Government allow this kind of facility, the revenue of Government will be regularised, and the companies will be enabled to distribute dividends or meet their other obligations. This will facilitate the companies, and also facilitate Government. Therefore, I think that the Finance Minister should consider this aspect of the condition and give this choice to the company.

Secondly, my hon. friend Shri Nathwani has explained the position about the reorganisation, amalgamation and the mortgage of the concerns. That is also a very important thing, and that should also be considered.

Shri M. R. Masani: Yesterday, I made the suggestion to the Finance Minister that the modification on the

lines that the two previous speakers have suggested should be considered by him. I then said that I would not press my amendment, if he did not accept the suggestion, and I have, therefore, not moved my substantive amendment on the subject, which is on the Order Paper. But Shrimati Ha Palchoudhuri's amendment No. 13 is more or less on the same lines. In view of the thoughtful considerations that have fallen from the two previous speakers, especially from the opposite side, I would once again like to renew the plea that I made yesterday in the course of the general debate that this is a modification that will carry out fully the purposes which Government have in view, and yet remove some of the hardships and deleterious effects which I tried to explain yesterday.

The other point on which I would like to make a brief remark, and where I am hopeful that the Finance Minister will meet our point, is in regard to the amendments moved by Shri Bimal Ghose, namely, amendments Nos. 28 and 29. I myself have a similar amendment to clause 10, which I shall move when clause 10 is reached. But I am glad that Shri Bimal Ghose has moved his amendments, because now on a second reading of Shri Morarji Desai's amendments, it appears that it was necessary to move them here also. This is a very small point and a very clear point, and I cannot conceive that the Finance Minister could possibly resist these two amendments. What do they say?

Instead of saying that a transfer of the plant can take place to Government alone, the amendments say 'or to any other party with the consent of Government'. The two previous speakers have given examples, from the amendment that I had tabled and that had not moved, and otherwise, to show that situations may arise within ten years where it may be necessary to part with the property or have a transfer and yet Government may not be interested in taking

that. Government, after all, do not want to buy up every plant that wants to get sold or get transferred. It may suit Government to say, 'Well, do not give it to us, but give it to another buyer. We will supervise the terms of the sale.'

Then, again, I do not think the legal implications have been well considered. May I point out that the Minister's own amendment, the official amendment, permits people to utilise this plant and to raise loans or further credits on it?

Now, one way of raising loans is through mortgages. This is a point which I would appreciate the Minister considering. When a mortgage is made, the legal title passes to the other party. It is a transfer of property, although in equity, the beneficial ownership remains with the man who has the property. While it is the intention of the Minister that all business purposes including the raising of loans should be open to the company, this clause as it now stands will prevent the mortgage or hypothecation of the plant and the raising of funds on it. That is not the intention of Government and yet, if Shri Bimal Ghose's amendments are not accepted, that will be the effect.

I do not want to waste the time of the House since the Minister has not given any indication, but I would like to think that in the spirit of the last para of Shri B. R. Bhagat's memorandum distributed this morning, which says:

"In imposing a new restriction, one has to be cautious because, different companies are in different financial positions and a rigid formula might, in certain circumstances, will hinder production."

the Hon. Minister would accept these amendments.

I think the Members who have spoken before, all of us, have pointed out that so far as clauses 7 and 10 are

[Shri M. R. Masani]

concerned, quite apart from the bigger considerations urged by Shrimati Ila Palchoudhuri, in so far as the facility to transfer the plant is concerned, certainly, let Government guard against any misuse; let them have the final say as to whether the transfer should take place or not; but let them not insist that they should be the only parties to whom the plant should be transferred. Let them allow money to be raised by mortgages to other persons also. But legally, mortgage is a transfer of property. And today, I say that under the clause as it stands in spite of the intention of the Minister, a mortgage will not be possible, because it will be a transfer which will not be to Government. Therefore, the party will not be able to raise money necessary for the purpose of the business. In other words, this particular part defeats the purpose of the liberal amendment that the Finance Minister has made. I hope, therefore, that he will respond to the wishes of those who have gone into it and have studied it and made out a good case, and add the words that Shri Bimal Ghose wishes to be added.

Shrimati Ila Palchoudhuri (Nabadwip): I do press my amendment for the consideration of the Minister on the same grounds as the previous speakers have already pointed out. Shri B. R. Bhagat's memorandum circulated to us this morning has also said that the object of any legislation that Government may bring forward today is to produce more in the country. If any obsolescent machinery can only be transferred to Government, then, I think, in course of time, Government will be burdened with these things only.

Shri Morarji Desai: Government are not going to take it.

Shrimati Ila Palchoudhuri: In these progressive times, in a period of ten years, many things would become obsolete. So, I should certainly press

that with the consent of Government it can be transferred to other people, and money raised for any industry as needed.

I hope the Minister will consider this aspect and see that when transfers take place or mortgages take place, it can be done with some kind of fees, and no difficulties would be put in the way of greater advancement of industry in this country.

Shri Bimal Ghose: May I just explain where my amendments should come in the amendments proposed by the Finance Minister?

I beg to move:

That in the amendment proposed by Shri Morarji Desai, printed as No. 32 in List No. 6 of amendments,—

in part (b) of Proviso to Explanation No. 2, after '1st day of January, 1958, insert 'and where a company is less than five years old'.

That in the amendment proposed by Shri Morarji Desai, printed as No. 32 in List No. 6 of amendments,—

in part (b) of Proviso to Explanation No. 2, after 'transferred by the assessee to any person other than the Government', insert 'or except with the permission of the Government'.

My other amendment remains as it is.

I beg to move:

Page 6, line 8, add at the end:

"unless such sale, discarding, demolition or destruction has been approved by the Government".

Before I speak on my amendments, I want to refer to a small point, and that is with regard to a concession

given to shipping companies, which we have all welcomed. But there is this question whether this concession that we have given to shipping companies should not entail any obligation on the part of the shipping companies themselves in regard to the distribution of their dividends. I find that lately, in 1956-57, all the shipping companies have increased their dividends. The dividends ranged from ten to fifteen per cent. Now that we are giving this facility to shipping companies because we realise that it is an important industry which should be promoted and encouraged, does not a duty devolve upon the shipping companies themselves that they will not fritter away their resources by distribution of dividends but, on the contrary, try to take them to the reserve so that it may be utilised for the purchase of ships? I would, therefore, like to invite the attention of the Finance Minister to this aspect of the question as to whether Government have not any duty in this regard.

In my first amendment, I seek that some concession should be given to new companies. If I remember aright, the concession was given to the new companies under the Wealth Tax Bill, that is, the companies which were less than five years old. Yesterday, while the Finance Minister was speaking, he conceded that there might be a case for new companies, but he went on to say that the shareholders should abstain, and let them not have any dividends for four or five years, and that there should not be any difficulty if this provision were enforced. But the position is this, that it is not a question of the shareholders abstaining, but it is a question of the new companies finding themselves in difficulties, because if they cannot pay any dividends, the public may not be interested in purchasing the shares. This difficulty will be felt unfortunately by the small companies only, because big companies have their own reserves, or make sufficient profits. So if they undertake any expansion,

unless it be on a very large scale like Tatas, there will be no difficulty. The small companies will find themselves in difficulty, because they will not be able to distribute any dividends if they are not permitted to use it for that purpose and therefore they may find difficulty in raising capital. So that small companies may not suffer I propose this amendment and I hope the Finance Minister would give his consideration to it.

The other amendments have already been fully explained by the other speakers and I need not say anything more. There is an amendment No. 28 in regard to sub-clause (c) of clause 7, which also needs the same amendment, namely, selling, or demolishing or discarding. I think that should also be permitted, because it may be necessary to discard or demolish plant or machinery which might have become old. But whether it has become old, or is no longer of any use is something over which Government should also have a say.

I hope these amendments are reasonable and they will be accepted by Government.

Shri T. N. Singh: Sir, I find myself rather in a different position from other colleagues who have just now spoken. I must, however, pay tribute to the excellent lobbying that has been done in this regard, so that I find Opposition Members, Mr. Masani and some of my colleagues on this side expressing almost identical views in regard to this development rebate.

Shri M. R. Masani: Great men think alike.

Shri T. N. Singh: Sometimes they think muck.

I want to say that the House should give a little more thought to this question. Firstly let us remember that the development rebate system is something unique. Except for the shipping companies, nowhere else in the world does any industry get this kind of facility, except in India. It is therefore time that we ap-

[Shri T. N. Singh]

plied our mind, whether we should go on giving concessions, reliefs and other kinds of help and assistance in various ways. If we want to give some subsidy, or help, why not frankly say this is the amount which we shall give to industry. These are all incalculable amounts; what a particular concern is getting by way of relief, by way of concession, by way of actual help or assistance, nobody knows in terms of rupees. And yet we are always faced with the unhappy situation where somebody, some protagonist of a shipping company comes and says: Oh, Government is not helpful; they have done nothing for us. Because you have nothing to say in terms of money. All these kinds of concessions are so intangible that nobody can calculate. So I expect our Finance Minister, who, I know, is a very frank man, and calls a spade a spade, to bestow some attention on this matter. I am really not happy about the position where we go on giving concessions to various concerns in various ways not knowing the extent and nature of the concessions, reliefs and help given. That is my objection number one.

So, I have not found myself in general agreement with the system of development rebate as it has been in practice here for some time now. I was not happy even when it was introduced.

Coming back to the specific question, one of the underlying fundamentals was that this concession would not be utilised for the purpose of distribution of dividend. That was one principle. I hope there is no agreement on that point. That is conceded. After all it is State's money, the tax-payer's money. We are giving certain reliefs not for the purpose of a particular company being able to distribute dividends. I can understand relief being given for a national purpose. But when anything out of this rebate goes for dividend purposes, then you are defeating the very object of this Act.

Let us assume for the time being that this is a very sound principle which is in national interest, and for industrial development of the country we should give this concession, I had contested that in the beginning. But assuming that as a desirable object, is it not expected when this rebate was granted some years ago by the previous Finance Minister and the House accepted that proposal that these concessions are not utilised for dividend purposes, for distribution of dividend?

I want to put a very frank question. I would ask the Finance Minister—let him tell us frankly—whether the concession that is being given will not result in this concession being utilised for purposes of distributing the dividend. I feel that it is going to happen. I claim to know more facts and I claim to know the situation that would arise. Why cut at the root of the very principle? After all this House accepted this principle of developmental rebate on certain considerations. One of the main considerations was that this concession shall not be utilised for purposes of distributing the dividend. That purpose is being defeated. I say that we are going against the very decision that this House has taken, the very principles and policies which we have accepted.

Shri Bimal Ghose: Where?

Shri T. N. Singh: I want to know whether this amendment, and the amendments to it suggested by my hon. friends, will not result in a situation where dividends can be distributed out of concessions received from the developmental rebate.

Some Hon. Members: No, no.

Shri T. N. Singh: It is easy to say no. I would suggest to the Finance Minister that it is not a matter which can be discussed here, in the whole House. It is not possible. I wish I could, and I am prepared to discuss it. I am not running away from it. If

what I am saying is correct, then let Mr. Masani and his other colleagues come out, we shall sit together across the table and discuss the issue. He has got his figures; I have got mine.

Shri M. R. Masani: Then let us have a Select Committee.

Shri T. N. Singh: We can go out and discuss and prove to each other. I will be content if the Finance Minister says whether my statement is correct or not.

Shrimati Ila Palchoudhuri: On a point of clarification: may I ask the hon. Member the average profit that any company or industry makes now-a-days.

Shri T. N. Singh: The average profit ranges from all kinds of figures, from 6 per cent to 24 per cent.

An Hon. Member: We want to know the average.

Shri T. N. Singh: It is no asking what is the average return that a company is getting out of any loan or assistance that Government gives in the shape of money loans, etc., to companies. Some are interest free. Government have recently given Rs. 10 crores interest free to each of the two big steel companies. Then the development rebate comes in. That is indirect assistance. Besides that we guarantee all the loans that have been taken from abroad. The tax-payer is liable for that; the contingent liability is that of the tax-payer and the State. It is our object to attract capital, so that it may condescend to do something in the national interest by starting new industries. They are so patriotic that they require all these inducements. They won't do it otherwise. They want to be sure of their returns on any money they invest; they do not want to take any risk. I say give them all the help they want. They want a price for everything they do. You give them. But let us know what you are giving. We are all in the dark.

This kind of assistance by the back-door, by rebates, concessions and reliefs is entirely undesirable. We do not know where we stand. We have to hear every time, day in and day out, in this House and outside, that this Government is doing nothing to help the shipping industry. What has this Government not done for helping shipping? What have we not done to help private industry? Yet capital is shy. Therefore, I urge that let the various kinds of relief be calculated; let it be worked out in rupees, annas, and pies. Give it to them straightway, but not in these devious ways. We know where we stand.

Then there is this question of transfer. They can transfer it to anyone, with Government's consent, of course. Thank God for that mercy. But I ask why should it be transferred? Sitting in the Public Accounts Committee, I know that I have said many harsh things against our own Government and here I was applauded on the last occasion. What do I say? I say that their expenditure was ill thought out, they should not have entered into this. Now, they cannot do anything to make anything out of it. That is the criticism. Everyone welcomes it. But they want to overlook it, eschew all such things. These people invest in machinery. They want to sell it away the next year—or in two or three years. They cannot keep it even for ten years.

Shri M. R. Masani: Suppose they want to mortgage it.

Shri T. N. Singh: I am coming to that. Have patience. "Rest, perturbed spirit, rest."

That is the position. The argument was that that particular gentleman might die due to causes of nature. That has been advanced as a justification for transfer because death also amounts to transfer.

Shri Nathwani: May I ask one question? In a partnership, is it not

[Shri Nathwani]

usual for one of the partners to die? In that case, does transfer take place or not?

Shri T. N. Singh: I am coming to that. There is a difference. There is a difference between death duty and the stamp duty on transfers.

Shri Nathwani: How does it affect?

Shri T. N. Singh: The two are different things. This is not going to stand. Anyway, the law as stands—I am not a lawyer; probably my hon. friend is a Solicitor it. . .

Shri Nathwani: That is our difficulty.

Shri T. N. Singh: That difficulty is there, but commonsense is also there. Therefore, I say that this is not a thing that stands. Then about mortgages, yes. But do they amount to any transfer?

Shri M. E. Masani: Yes, definitely. Ask the legal advisers of the Government.

Shri T. N. Singh: The man who is raising some money by pledging that property continues to make use of that property.

Shri M. E. Masani: No, the property passes in law.

Mr. Speaker: I am afraid the hon. Member is treading dangerous ground. Mortgage is a transfer. He need not walk into their parlour. He might say—even if it should be an assignment, I am opposed to it.

Shri T. N. Singh: I would certainly take guidance from an eminent lawyer like you, Sir, in such matters. But what I feel is that these small technical points cannot justify a blanket rule whereby transfers can be permitted.

Shri M. E. Masani: There is nothing blanket; it is with the permission of Government. What can be less blanket than that?

Shri T. N. Singh: But there is no limit. I am against vesting so much discretion with our Government. Everybody is willing to hit at the Government for small things. Why did they permit that in the case of this man, why not in the case of the other man? Why should Government take upon themselves this burden and this onerous task?

An Hon. Member: Corruption will grow.

Shri T. N. Singh: As a matter of fact, I am one of those who has believed in restricting Government's discretion as much as possible in matters of income tax, excise duty or customs duty. The reason is obvious. Even Shri C. D. Deshmukh, one of our distinguished Finance Ministers, when we were discussing the Estate Duty Bill, said that he did not want to take any discussion. That was a sound principle. We should stick to that. I do not want so much discretion to be vested in Government in this matter. If there are any genuine difficulties, we can look into them. That is another matter. But we cannot legislate giving general permission to any and every concern, with the Government's consent, for transfer of its developmental assets.

Shri Heda (Nizamabad): I always hold my hon. friend, Shri T. N. Singh, in high esteem for his opinions, but I think once in a way we should differ. I tried to understand his arguments. I regret to state that I am not able to appreciate them.

As he stated, I think there are no two opinions on the matter that this development rebate is not to be allowed for the use of payment of dividends. That is not the spirit of the Government amendment, nor of the whole scheme. The point is that a company makes a profit. Then, what are the preferences? Shareholders should get some dividend. How is the balance to be used? Rather, the whole scheme of the development rebate is intended as a sort of inducement to

the management or the shareholders not to take a greater amount as dividend but to be content with a smaller amount and invest the balance for development purposes. That has been the inducement, and Government have done very well by introducing this scheme, however novel it may be.

So far as the existing companies are concerned, if you look at their expansion programmes, the main credit for their success in achieving the targets in the private sector goes to this scheme of development rebate. Therefore, I do not think we need be sorry for introducing such a scheme. Rather, we should be proud that we have envisaged a very good scheme which has brought us dividends and produced good results.

Now, the first idea of Government was not to give any time-limit. They had come with the scheme that the whole development rebate may be used only in one year. In reply to the debate, the Finance Minister was good enough to make an announcement, and at that time, it appeared that he made it for 8 years and it was very much welcome. It may be my fault that I did not catch the whole thing correctly. When the amendment came in black and white, I found that what I took to be was not so. What was given by one hand, though not taken away totally by the other, has been substantially denied in other ways by making a condition precedent that the total income should be brought to nil. As regards this point, I would like to ask him whether he wants that shareholders should have some dividend or not. There is a difference between the income that the shareholders have and the income that the companies make. Many times companies make huge profits. All those profits are not divided among shareholders. Generally, the dividend is 5 per cent or 6 per cent and in some cases 8 or at the most 10 per cent. The days when dividends used to be 25 or even 40 per cent are gone. Now dividends are much lower. That is why nobody is bold enough to float

new companies. Capital is shy, because nobody thinks that it will bring in the high dividends they used to.

So the question is whether we want to deny the shareholders even a 5 per cent or 6 per cent dividend for the sake of expansion of the scheme. And what is the benefit of the expansion of the scheme? Suppose the total share capital is Rs. 50 lakhs. Today the assets of the company amount to Rs. 2 crores and by the development rebate, they go to Rs. 2½ crores. But the share value does not increase, because when the percentage of dividend does not increase, the share value does not increase. The shareholder is not benefited. In old days people who were purchasing the Rs. 100 shares were expecting that they may not get any dividend for the next three or four years. Afterwards, the company may start paying 10, 15 or 20 per cent. In case the company makes 10 per cent, the share value will go up from Rs. 100 to Rs. 150. Therefore, in the hope that he can sell the share at that time and get a profit of Rs. 50 he was investing the money. That attraction for the middle classes and other persons who were possessing these shares has gone away. Even if an expansion takes place in the assets of the company as a result of the development rebate, the share value does not increase and so there is no attraction to the shareholder. The main question, therefore, is should we deny the shareholder even the 5 per cent or the 6 per cent of dividend before he takes advantage of this development rebate? I am pleading that this aspect of the matter should be considered. So a simple rule should be made that any company not paying a dividend more than the average dividend it has been paying for the last 3 or 5 years—the period may be specified—may take advantage of the development rebate scheme up to 25 per cent in the course of any number of years—5 years or 8 years as the Government propose.

[Shri Heda]

My only point is that the first charge on the profits of the company should be that of the shareholders—and it is not an exorbitant one and may be up to 5 per cent dividend. To that we should allow first preference and development rebate and other things should follow. I hope Government will take a sympathetic view of this aspect of the question.

Shri Tangamani: I rise to oppose clause 7. After coming here I find that amendment No. 32 has been moved by the hon. Finance Minister himself.

Mr. Speaker: Is the hon. Member opposing both the clause and the amendment?

Shri Tangamani: The amendment wants to replace the entire clause. I want to oppose the clause itself; and the amendment is still worse. During the first reading itself, on behalf of our group, Shri Vasudevan Nair has made it clear that we are opposed to any development rebate. In the case of the new plants which have been set up, there is ample provision in the Companies Act itself by way of initial depreciation. The initial depreciation is generally much higher than normal depreciation. So, instead of adopting this normal course, if we adopt this abnormal course of development rebate, it will lead only to more and more slippery ground.

In the original clause there were certain safety provisions. In the amendment which has been moved, these safety provisions have been removed. The further amendments which have been moved only support the fears expressed by my hon. friend, Shri T. N. Singh as to how we are going into still slippery ground.

I wish to read only certain portions of the memorandum which was distributed to us today. So far as the development rebate is concerned, 25 per cent has been allowed and it is

restricted to installations of new plants and machineries. The two conditions that were sought to be imposed by the original clause were that the company that claims the development rebate should, for a period of at least 10 years, put in resources an amount equal to the development rebate and that the company, for a period of 10 years, should not dispose of the plant and machinery on which it has obtained the development rebate.

The spirit of this amendment is twofold. The first change that is brought about is that it allows companies to claim development rebate not only in the year of installation but in 8 years following. The second change that is brought about is that the amount that has to be put in the reserves should not be equal to the actual tax-saving as claimed by the industry but that the tax-saving will be 50 per cent of the development rebate. Now, it is going to be one and a half times the tax-saving. Under these circumstances, I say the mischief which is likely to be caused is going to be greater. We oppose the clause itself and the amendment is still worse. The other amendments which have been moved take us to more and more slippery grounds.

Shri Achar (Mangalore): I would like to say a few words on this question of development rebate. I am inclined to agree with Shri T. N. Singh. I think the real question is more or less to give a kind of protection to some industry. The general problem that is involved is the question whether there should be some protection to some industry. If you want to give protection to a particular industry, whether it is shipbuilding or any other industry, that question must be looked into from that point of view. There is the Tariff Commission. They look into the cost of production and other aspects which would decide the matter for the benefit of the nation as

a whole. Instead of giving this development rebate, a sort of indirect protection, it would be better if the question is viewed from a general point of view.

As Shri T. N. Singh put it, we do not know how exactly this development rebate works out and how far it will affect the question of distribution of dividend also. Not only that; we will not be knowing exactly what we are giving and what we are not giving. So, to make it clear as to which industries we are protecting and to what extent, it would be better to consider the problem in that spirit.

Take the whole problem and find out which of the industries require protection. The House can quite agree to give protection to a particular industry which deserves it. I submit that instead of having this more or less secret—at least the thing is not clear—instead of adopting that method we should adopt the method of having a regular enquiry into the matter and come to a definite conclusion as to which industry and to what extent should be helped. It would be better to consider these problems from that point of view—I may be permitted to say—at least not in an indirect manner.

Shri Morarji Desai: Sir, I have considered these points which have been raised in the amendments and also by my hon. friend, Shri Nathwani, for many days. Whereas there may be something in what they say, I am not convinced that there is going to be any very great difficulty as they are imagining. But, at the same time, I was not very happy when I heard my hon. friend, Shri T. N. Singh, not because of the arguments that he gave, but particularly because of the attitude he took as regards the hon. Members who spoke. There can be honest opinions in agreement from different sides of the House on different questions. Why should we say it is lobbying and all that sort of thing? That does not help us, because, then the other persons will say that the Opposition also lobbied with him and he also agreed with

my communist friends. That is what other people might say. I do not think this helps us in any way, though I cannot say that all his fears are in vain. But we cannot always go merely on fears; nor can we completely disregard possibilities. That is the line which this Government generally takes.

Then, again, there seems to be an idea on the one side that we are obliging these companies and doing something which it is not necessary to do in the interests of the country. On the other side, there is the idea that we are throttling the companies and that we are carrying a prejudice against them so that we want to harm them or do them away with by an indirect method. Both these attitudes to my mind are based on suspicions or hearsay. I can understand my Communist friends saying what they say because they believe in an ideology where they want to remove a certain section of the society completely and have everything in the hands of Government. That I can understand. But we have belief in mixed economy. Democracy means mixed economy to my mind. But that does not mean that any sector or any part of the society takes advantage of the other. On that we want to be careful and are careful. There are bound to be holes in any society. Even in totalitarian societies, there are holes. One can never say that there is no smuggling in totalitarian States. There is smuggling even there. There are thefts even there and people take advantage of various things there. It is part of human nature. We can only minimise these disadvantages and that is what we are trying to do.

As regards the advantages given to the companies, we are not giving any advantages which will profit private persons merely as such. If a depreciation allowance is given, it is given because it is to be given if a factory is to exist. Depreciation allowance is very necessary. Otherwise, it would be ridiculous and nobody will start a

[Shri Morarji Desai]

factory. I am prepared to say that all those who do business do not do it in the national interest to start with. But, therefore, I cannot say that they do not work in national interest. The primary urge may not be national interest. But how can that interest be said to be governing many people in this country? It is not. Everybody has some private interest which guides him. We have only to see that that private interest does not go against the national interest and that is what we are trying to do.

It is easy to know from the figures of any factory, if anybody wants to find out, what are the concessions given. It is not difficult to calculate them. We have got the laws and the income-tax and we know what concessions are given.

Shri T. N. Singh: It is easy for you, not for us.

Shri Morarji Desai: My hon. friend, as Chairman of the Public Accounts Committee, has done great work and his anxiety to know more and more goes on increasing the more he knows. That is where the difficulty arises. Why does not he know everybody and everything? When there is some danger we certainly should know. It is necessary for the Government to know all this and therefore the Government knows many of these things. But everybody cannot know and will never know, even if he becomes a genius, everything in this world. That is not possible. But, for that, no suspicion need be raised about everything that we do not know.

In this particular case, when we are giving development rebate, the development rebate was started four years ago. It is not started this year. It is given because we are an under-developed economy and we want to develop our country. We cannot compare our country with countries which are already developed where many difficulties do not arise. It

should not be imagined that our industrialists also work under all easy circumstances and they have no difficulties at all. They have also difficulties. There are people who take advantage of many things but they also come to grief and bring others also to grief ultimately. That is also there.

Shri T. N. Singh: Not often.

Shri Morarji Desai: I am not saying that most of the people are doing so. It will be an evil day if we imagine that the majority of our countrymen are doing like that. I do not think it would be a right thing to presume because that presumption will not allow us to do anything. Many a time, I have found in the case of several of my lawyer friends who do only criminal practice that they disbelieve every person whom they talk to. They think they are lying because many a time they come across witnesses who lie . . .

Shri D. C. Sharma (Gurdaspur): What about Magistrates?

Shri Morarji Desai: The Magistrates have a more balanced view because they know both sides and they do not get only one-sided view and so they have a balanced view which is a judicial view. A lawyer's view is not a judicial view; it is a one-sided advocate's view. So, he is also responsible for perpetuating some of the wrongs because he supports, advances and advocates this. Therefore, this thing happens.

Let us, therefore, not be considering these matters from these extreme points of view but take a reasonable view of human society and then provide these things. Otherwise, I do not know whether we will be able to provide any workable law. It will be very difficult.

We are giving this development rebate in order that our industries may advance more. It is an incentive given to them. We are not giving anything which is coming from the

Budget. This is a thing which will accrue only if they go on expanding. We want them to expand. Therefore, it is an incentive. It can certainly be said that this money belongs to Government. It is, therefore, that we impose conditions. Then my industrial friends say that we are being hard. I am afraid they are not correct when they say that. If we say that they must get 51.5 per cent of rebate, it is really the income-tax part of it, to which they are not entitled. It is given to them as an incentive. We are quite right in insisting that it must be utilised only for the legitimate business of the concern and for furthering the cause of the concern rather than for distributing profits. We have therefore kept a minimum of ten years during which it could not be done. I do not see how by any stretch of imagination this reserve can ever be utilised for giving dividends. It is possible that as a result of expansion they may get more profits and from those profits in future years they can give more dividends. That is possible. But they cannot utilise this money for giving dividends for ten years. After ten years, maybe, it may be possible. Therefore, we need not be afraid that this will be utilised for giving dividends.

Shri T. N. Singh: As against the previous position, will not the scope for profit distribution increase? I wanted to know this. Supposing the profit was of the order of Rs. 5 or Rs. 6 lakhs, as the note supplied by Shri B. R. Bhagat himself says, as a result of this concession will not the scope for profit distribution increase compared to the previous position?

Shri Morarji Desai: As against a position where hundred per cent was supposed to be taken to rebate, we have certainly released 25 per cent . . .

Shri T. N. Singh: For dividend purposes.

Shri Morarji Desai: . . . of their own money—not the money of the

Government. Let it not be imagined that we are giving any money out of Government income-tax for giving dividends. That is not what we are doing. When we are asking them to reserve 48.5 per cent more we are taking away from their own money, from their capital or from their profits to be set apart along with the reserve created from the income-tax of 51.5 per cent. Out of that we have now given 25 per cent. We have released that because we thought that it was not proper that we should say that we gave 51.5 per cent; let them also give an equal amount. I do not think it is necessary. For their *bona fides*, we want to say that they must also set apart 23.5 per cent. They are also earnest in earning the rebate. That is what we want. We want them to earn the rebate. Therefore, we are doing this.

Formerly, there were not these stringent conditions. There were no conditions before. On the contrary it is more stringent.

Shri T. N. Singh: Now, you have relaxed it again.

Shri Morarji Desai: We are not relaxing it at all. Therefore, I am not accepting the amendments moved. I am not accepting even the amendment about the consent of Government because I do not want to assume more powers which will give us more blame than credit. More than that, this Government at any rate is not anxious to have more powers except it be absolutely necessary in the interest of the people themselves.

We do not want to take this power. There are thousands of concerns—30,000 companies or more, and there may be some private ones also as my hon. friend Shri Nathwani stated. If all these people go on applying to Government for some transfer or the other, when am I going to dispose them off; when am I going to look into them? It is therefore, Sir, that we do not want to have this power.

[Shri Morarji Desai]

Then, as to whether this will cause any hardship, why should there be a transfer within ten years? I do not know. There is the question of amalgamation of two concerns. But the amalgamation can also be with the motive of writing off the loss into one which is making profits. How can I agree to that sort of amalgamation to be accepted.

Shri M. R. Masani: Sir, I raised the question of mortgage for raising funds for purposes of the business allowed by the Minister.

Shri Morarji Desai: I am coming to that. The words used are: "sold or otherwise transferred". My hon. friend, Shri T. N. Singh is not a lawyer; I am not a lawyer either. I have been advised that under this clause those simple mortgages are not going to be covered. But if there is any such difficulty, we will certainly consider it.

Shri M. R. Masani: Will the hon. Minister add an explanation saying that a simple mortgage may not be considered as transfer? Then I will be quite satisfied. I have got, in my amendment, a similar explanation; if he accepts that, I will be quite satisfied.

Shri Nathwani: The word "Transfer" in juxtaposition with the word "sell" will certainly include mortgage where the entire property is not conveyed or conveyed subject to a right of redemption. In case of simple mortgage the property is transferred. Here the words are "sell or transfer". Therefore, it is not merely the change of ownership with all the rights it may be, something less than that; but still it would amount to a transfer.

Shri Morarji Desai: I do not want to enter into an argument over this matter. I am not a lawyer and, therefore, I cannot argue about it. It is only a judge who can give a decision in this matter; neither my hon. friend there can give it nor my learned friend

here, who is learned in law, can give it. If there is any difficulty we shall certainly see that that difficulty is removed. We are not averse to coming before this House often. If there are difficulties we shall remove them. I do not think any difficulties will be created as a result of this. In all legitimate purposes we want to see that impediments are not placed but we also want to see, as my friend Shri T. N. Singh says, that nothing is misused. Therefore, we do not want to create conditions whereby we may have to regret afterwards that there was a loophole and we are now going to plug that loophole. We do not want to take that course. Therefore, we do not want to depart from the wording that has been used. But I can assure my hon. friend that there is no intention of restricting anybody beyond the spirit which is involved in this amendment. I hope, therefore, that my hon. friends will accept this assurance, that if there is any impediment we shall certainly come forward to remove it.

Shri M. R. Masani: I understood that the hon. Minister was prepared to add an explanation to say that a mortgage for purposes of raising funds would not be a transfer under this section, because our advice is that it is a transfer and it will bar all mortgages.

Shri Morarji Desai: I am not prepared to add anything to this just now. As I said, if I find any actual instance of that I shall certainly come forward before this House; nothing much is lost in that time.

Shri Nathwani: May I take it that it is not the intention of the Government to treat it as a transfer when there is a change in the constitution of a firm?

Shri Morarji Desai: That is not a transfer at all.

Shri Nathwani: Very well; then I am satisfied.

Shri Morarji Desai: Administrative-ly whatever impediments can be removed we shall remove.

An Hon. Member: About the rebate in.....

Mr. Speaker: Order, order. Hon. Members had their turns and they were given time to express their views fully. I shall now put amendments Nos. 27, 28 and 29 moved to amendment No. 32 to the vote of the House.

The amendments were put and negatived.

Mr. Speaker: I shall now put amendment No. 13.

The amendment was put and negatived.

Mr. Speaker: Now I shall put amendment No. 32. Those in favour of this amendment may say 'Aye'.

Several Hon. Members: "Aye".

Mr. Speaker: Those against may say "No".

Some Hon. Members: "No".

Mr. Speaker: I think the "Ayes" have it.

Some Hon. Members: The "Noes" have it.

Mr. Speaker: Shall we divide now?

Shri T. N. Singh: Sir, there is a convention that during the lunch interval no division is pressed for.

Mr. Speaker: All right. It will stand over.

Shri T. N. Singh: They are not pressing it.

Shri Narayanankutty Menon: Not now, but afterwards.

Mr. Speaker: I shall put clauses 8 and 9 together. The question is:

"That clauses 8 and 9 stand part of the Bill."

The motion was adopted.

Clauses 8 and 9 were added to the Bill

Mr. Speaker: Then we come to clause 10.

Shri Morarji Desai: I beg to move:

Pages 8 and 7,—

for lines 33 to 41 and 1 to 4 respectively, substitute—

"(II) Where an allowance by way of development rebate has been made wholly or partly to an assessee in respect of a ship, machinery or plant in any year of assessment under clause (vib) of sub-section (2) of section 10, and subsequently at any time before the expiry of ten years from the end of the year in which the ship was acquired or the machinery or plant was installed—

(i) the ship, machinery or plant is sold or otherwise transferred by the assessee to any person other than the Government; or

(ii) the assessee utilises the amount credited to the reserve account under that clause—

(a) for distribution by way of dividends or profits; or

(b) for remittance outside India as profits or for the creation of any asset outside India; or

(c) for any other purpose which is not a purpose of the business of the undertaking".

Shri M. R. Masani: I beg to move:

That in the amendment proposed by Shri Morarji Desai, printed as No. 33 in List No. 6 of amendments,—

in clause (1) of sub-section (11), after "Government" insert "without the previous consent of the Government."

[Shri M. R. Masani]

Mr. Speaker, Sir, this amendment is in similar terms and similar lines to those moved by Shri Bimal Ghose to clause 7. On being discussed, I had really hoped that a modest amendment of that kind, which met real difficulties which were pointed out not only by myself but by hon. Members, opposite, would have been accepted by the Minister. I really cannot conceive why, when difficulties are pointed out and rather a very courteous clause was moved providing for consent of Government for transfer in case where it was necessary for the purpose of business like a mortgage, it should not have been accepted. A real difficulty was pointed out that the clause as it now stands will bar the raising of funds for the purpose of business, which the Minister's own amendment admits. Yet, Sir, this has been rejected without any convincing reason being given by the Minister. Yesterday, the Minister was accused of rigidity by certain Members of the Opposition. I am sorry to say, with great sadness, that this is certainly an example where he has shown rigidity which one feels sorry about.

Shri Morarji Desai: The rigidity seems to be applying only on one side; the hon. Member is not rigid at all when he sticks to his own.

Shri M. R. Masani: I did not move a very important amendment after what he said yesterday; that shows how rigid I am.

Shri Morarji Desai: That is all right. After giving all this assurance, if my hon. friend is not satisfied I can only say, I am sorry. There is not going to be any difficulty. Yet he says that there is difficulty. I am prepared to suffer the title given to me of being rigid, but I am not prepared to accept his amendment.

Mr. Speaker: I shall put amendment No. 41 to the vote of the House.

The amendment was put and negatived.

Mr. Speaker: I shall also put amendment No. 33. The question is:

Pages 6 and 7,—

for lines 33 to 41 and 1 to 4 respectively, substitute—

“(11) Where an allowance by way of development rebate has been made wholly or partly to an assessee in respect of a ship, machinery or plant in any year of assessment under clause (vib) of sub-section (2) of section 10, and subsequently at any time before the expiry of ten years from the end of the year in which the ship was acquired or the machinery or plant was installed—

(i) the ship, machinery or plant is sold or otherwise transferred by the assessee to any person other than the Government; or

(ii) the assessee utilises the amount credited to the reserve account under that clause—

(a) for distribution by way of dividends or profits; or

(b) for remittance outside India as profits or for the creation of any asset outside India; or

(c) for any other purpose which is not a purpose of the business of the undertaking”.

The motion was adopted.

Mr. Speaker: The question is:

“That clause 10, as amended, stand part of the Bill.”

The motion was adopted.

Clause 10, as amended was added to the Bill.

Clauses 11, 12, and 13 were added to the Bill.

Mr. Speaker: Then we come to clause 14.

Shri Morarji Desai: Sir, I beg to move:

Page 8,—

for lines 30 to 33, substitute.

"(b) in clause (xvi) of sub-section (1) of section 5, for the words "and post office national savings certificates", the words "post office national savings certificates, post office national plan certificates and twelve year national plan savings certificates" shall be substituted;"

Shri Tangamani: I beg to move:

Page 8,—

omit lines 34 to 37.

Mr. Speaker: I shall put amendment No. 39 to the vote of the House.

The amendment was put and negatived.

Mr. Speaker: I shall put amendment No. 34. The question is:

Page 8,—

for lines 30 to 33, substitute—

"(b) in clause (xvi) of sub-section (1), of section 5 for the words "and post office national savings certificates", the words "post office national savings certificates, post office national plan certificates and twelve year national plan savings certificates" shall be substituted;"

The motion was adopted.

Shri Tangamani: I beg to move:

Page 8,—

omit lines 34 to 37.

Mr. Speaker: I shall put amendment No. 39 to the vote of the House.

The amendment was negatived

Mr. Speaker: I shall now put amendment No. 34.

The amendment was adopted.

Mr. Speaker: The question is:

"That clause 14, as amended, stand part of the Bill."

The motion was adopted.

Clause 14, as amended, was added to the Bill.

Mr. Speaker: Then there is New Clause 14A—amendment No. 8.

Shri M. R. Masani: Mr. Speaker, Sir, I move New Clause 14A.

I shall read it for the consideration of the House.

"14A. Notwithstanding anything contained in this Act or in the Income-tax Act or in the Wealth-Tax Act, 1957 or in the Expenditure-tax Act, 1957, the aggregate amount of all taxes payable under these Acts shall not, in respect of any year of assessment, exceed eighty per cent. of the income, profits and gains of the assessee as calculated for the purposes of the Income-tax Act for such year, and in the event of such taxes exceeding eighty per cent. the respective taxes in the said Acts shall be reduced pro rata."

This clause would seek to incorporate in our Finance Bill a provision that forms part of the legislation of very advanced and socialist countries like Sweden, Switzerland and Norway, all of which have advanced a great deal further than us in the direction of social justice. In those countries also there are wealth-taxes more or less on the lines that we have and because the cumulative burden of those taxes sometimes—

Shri Morarji Desai: May I interrupt? I do not think this amendment would be admissible. Rule 80 of the Rules of procedure may be looked into. This amendment alters the scope of the whole Bill.

Mr. Speaker: I agree that if this is beyond the scope of the Bill, it cannot be allowed. What is the amendment, and what is the scope?

Shri M. R. Masani: May I make a submission? The scope of the Bill is to re-enact this year the wealth-tax, the expenditure tax and the income-tax laws for the coming year. These are set out in the schedules. In other words, if these measures had been new, then certainly my amendment would have been in order, and I would have said that the Wealth-tax Bill, the Expenditure Tax Bill and the rest of it be abated. But I want to say this. Let no one be mulcted to the extent of more than 80 per cent. of his total gains in a year. The schedule to this enactment re-enacts new laws made last year, the wealth-tax, the expenditure tax and the rates of super-tax and income-tax. This Bill does re-enact and re-legislate those provisions. In that case, where the total effect of what is contained in this Finance Bill exceeds 80 per cent of a man's gain in a particular year, this tax shall be attracted. In other words, if this Bill can levy certain taxes, it can also, by an amendment, mitigate the effect of those taxes to the extent that the House may desire. I therefore think that this amendment is entirely in order.

Mr. Speaker: The reference is to the taxes not levied under this Bill but in other Acts.

Shri M. R. Masani: I believe so. But this is not in order, then, where else can it come if not in the Finance Bill?

Mr. Speaker: For instance, the Estate Duty Act formulates the imposition of a tax. So, year after year, we do not introduce any further Act but we add the provisions in the schedule.

Shri Morarji Desai: The schedule deals with the income tax, corporation tax, etc., but not the wealth-tax rates. They are separate.

Shri M. R. Masani: As it is, it creates a situation. The amendment could be moved to the rates of income-tax levied in the case of cer-

tain assessee, in whose case there comes a situation which Parliament does not want. Last year, when these taxes were introduced, such a situation arose.

Mr. Speaker: The hon. Member may consider this question. Notwithstanding anything contained in the Finance Bill, can he say that the super-tax, for example, shall not be applicable and shall not be taken into consideration?

Shri M. R. Masani: Will it not be better that in this Bill, the super-tax and the income-tax should be abated by the amendment?

Mr. Speaker: It is not covered by this. Is super-tax attracted by this. Super-tax is only on the income as calculated.

Shri M. R. Masani: May I point out this? I have discovered it now, since you mentioned it. Actually, clause 14 of this Bill seeks to amend the Wealth-tax Act.

Shri Morarji Desai: Only three sections.

Shri M. R. Masani: Therefore, the Wealth-tax Act is not beyond the scope of the Bill under discussion. If an amendment can be made to the Wealth-tax Act—of course that is not my amendment—cannot an amendment which is common to the Wealth-tax Act and the Income-tax Act be made here?

Mr. Speaker: I do not agree with Shri M. R. Masani. It is not that; because a particular clause of an Act which has already been passed is amended here, another amendment relating to some other clause of that Act cannot be brought in here. I have no objection to an amendment bearing on this Bill which may amend a particular section of another relative Act. But here, clause 14 relates to the wealth-tax and perhaps a consequential amendment may be

in order. Of course, I cannot even refer to that immediately. It does not arise out of this. The amendment to the Wealth-tax Act in this Bill refers to the definition of a company and its extension to the State of Jammu and Kashmir. "A company within the meaning of any law in force in the State of Jammu and Kashmir relating to companies". Therefore, the hon. Member's amendment is foreign to the scope of the Bill. Though the Bill refers to the Wealth-tax Act, it does not refer to the fixing up of a rate of duty or whether it should go into the computation of the super-tax, etc. Therefore, the amendment of the hon. Member is out of order.

The question is:

"That clauses 15 and 16 stand part of the Bill."

The motion was adopted.

Clauses 15 and 16 were added to the Bill.

Clause 17—(Amendment of Act I of 1944.)

Mr. Speaker: Amendment No. 42 is out of order.

Shri Mulchand Dube (Farrukhabad) rose—

Mr. Speaker: He has not moved any amendment.

Shri Mulchand Dube: No. But I want to speak on clause 17. I wish to say a few words about the excise duty on tobacco provided for in clause 17 of the Bill. It appears that the Government do not have a firm policy with regard to the excise duty on tobacco. Initially, about two or three years ago, the duty was levied on the basis of the use to which the tobacco or any particular kind of tobacco was put. Then there was an expert committee appointed and on the recommendation of the expert committee the duty was changed, in the sense that the duty was based on the physical appearance of the tobacco concerned.

Again, in this Bill, the duty is again put on the granule ('rawa') of tobacco of a certain size to which the leaf is pounded or cut. The difficulty is, a large quantity of tobacco, which is said to be of the order of about 20 lakh maunds or thereabouts goes waste. During the last few years, a sort of cess also is levied at the same rate of duty. My submission is, this is not at all a proper thing to do. Much of it is being destroyed. The particular kind of tobacco may not be found marketable on account of the high duty that is being imposed upon it. If the duty is reduced, there may be fair chances of that kind of tobacco also being marketable, and it may bring about Rs. 5 lakhs to Rs. 7 lakhs to the Government also. But somehow or other, a policy is being pursued by which the duty on that tobacco is not reduced, with the result that large quantities of that kind of tobacco are to be destroyed by being burnt. My submission is that to put the same amount of duty on damaged tobacco as well as on the tobacco that is good, does not seem to be a very sound proposition.

13.58 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

My hon. friend, Shri Morarji Desai, may recollect the Gujarati poem

which is taught in the schools.

'ढकं सरं भाजा ढकं सरं खाजा'

The same duty is levied on both the bad tobacco and the good tobacco. There is absolutely no point in sticking to this, and seeing that a large quantity of tobacco is destroyed because of this very reason. After all, the cultivator must earn something. I have certain figures, and probably the hon. Minister will be able to find out whether the figures that I am giving are correct. From my figures, I may say that about 25 per cent. of tobacco-growing areas have not been used for the growing of tobacco this year. It may be that in the next year the percentage may be higher still. If we follow this policy, it will mean killing

(Shri Mulchand Dube)

14.00 hrs.

the goose that lays the golden egg. The result is that we not only lose the excise duty that we are otherwise able to get on tobacco, which is a very large amount, but, if we go on at this rate, the cultivator will also suffer and he will not be able to pay the duty that is imposed on him on the tobacco that he grows. So, the Government as well as the cultivator will lose. It appears that everyone is losing on account of the high rate of excise duty that is being imposed on tobacco.

Shri Khadilkar: I want to speak on amendment No. 42 to clause 17.

Mr. Deputy-Speaker: That has been ruled out of order. If the hon. Member wants to speak on the main clause, he may do so.

Shri Morarji Desai: I do not know whether 25 per cent. less crop is grown this year. But if it is less, it will be an advantage; the food crops will be more to that extent. Therefore, there is not going to be a loss to us. There are some difficulties in this matter and we are trying to look into them and reduce them, as far as possible. There is no possibility of any change in the clause, as it stands.

Mr. Deputy-Speaker: The question is:

"That clause 17 stand part of the Bill."

The motion was adopted.

Clause 17 was added to the Bill.

Clause 18 was added to the Bill.

Shri Tangamani: I beg to move:

Page 10—

for line 17, substitute—

"(1) On the first 4,200 of total 4,600 of total 5,000 of total Nil."

My amendment to the First Schedule seeks to increase the lower limit for the rate of income-tax from Rs. 3,000 to Rs. 4,200. Now, in this Schedule

exemption from income-tax is "Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor co-parcener" is Rs. 3,000. My amendment seeks to raise it to Rs. 4,200. Then "where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor co-parcener" the exemption from income-tax is up to Rs. 3,300. My amendment seeks to raise it to Rs. 4,600. "Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor co-parcener" the exemption provided in the Schedule is up to Rs. 3,600. My amendment seeks to raise it to Rs. 5,000. I need not say much on this, because during the discussion on the first reading several members of the House have mentioned about the hardships experienced by the middle class employees particularly. I distinctly remember that my hon. friend, Shri N. G. Ranga, had stated that this Rs. 3,000 limit should be considerably raised. Otherwise, the hardship is going to be felt by the middle class employees. With these observations, I commend the amendment for acceptance by hon. Members.

Shri M. R. Masani: I beg to move:

Page 16, lines 27 and 28,—

for "at the rate of 30%" substitute "at the rate of 20%."

Pages 16 and 17,—

for lines 35 to 38 and 1 to 24 respectively, substitute—

"(c) in addition, in the case of a company referred to in clause (ii) of the preceding proviso which is referred to in sub-section (9) of section 23A of the Income-tax Act which has distributed to its shareholders during the previous year dividends in excess of

6 per cent. of its paid-up capital, not being dividends payable at a fixed rate—

on that part of the said dividends which exceeds } at the rate
6 per cent. } of 10%

My amendment No. 9 reduces the rate of tax from 30 per cent. to 20 per cent. in the case of bonus shares and the following amendment, Amendment No. 10, applies to section 23A companies. I would like to make a few observations on this latter provision.

It is true that some slight relief in the face of gross inequity has been conceded by the Finance Bill this time. In the top slab, instead of 30 per cent., a ceiling of 20 per cent. has been inserted in the case of these companies. But, I regret to say, that this is altogether inadequate to the real needs and justice of the case. Section 23A companies are the hardest hit of all categories of assesses for income-tax. Section 23A company has been defined as a company in which the public is not substantially interested. But this definition is so widely framed that many genuine public companies can be caught within its meshes. Even though it may be a company which may have several thousand shareholders, if its shares are not dealt with in a recognized stock exchange, it falls within the ambit of section 23A. Similarly, if six persons, including a public company, hold more than 50 per cent. of the total voting power in a company, then that company is a 23A company, notwithstanding the fact that there may be hundreds of other shareholders holding small allotments.

Now, any 23A company which is an investment company, that is to say, a company whose business is mainly in dealing with or holding investments, must declare 100 per cent. of its profits as dividends, if it has to escape the penal super-tax of 50 per cent. on

its undistributed income provided in this section. If, on the other hand, it is a finance company or a managing agency company, it must declare 60 per cent. of its profits as dividends. Where the reserve is accumulated and transferred as paid up capital or fixed assets of the company, 90 per cent. dividend must be declared under pain of penalty of 37½ per cent. Therefore, an investment company which does not distribute its profits pays 51½ per cent. of income-tax and super-tax and 50 per cent. penal tax on the balance. So, when the total is computed, the tax is in excess of 75 per cent. of the net income.

No power is, unfortunately, given to the tax authorities, as previously existed, to relax the provisions of this section in suitable cases with the result that many genuine, *bona fide* industrial houses which promote or develop or manage industries, if the parent company is a 23A company, are deprived of the very sinews on which depend the expansion of the plant or the development of the industries. These taxation provisions relating to 23A companies, therefore, militate against the stated policy of the Government that companies should save and retain profits for further development. Normally, we are told: "don't distribute profits". Now, these companies are told: "you must distribute almost everything that you earn".

It would be understandable if there was no penalty for distributing profits. If only section 23A companies were taxed for not distributing profits, there may be some reason in it. But the amazing thing is that they are taxed in either event. Under one set of laws, they are taxed for not distributing profits and penalties are imposed on them. If they say "All right, we will distribute profits", there is another penal tax imposed on them for distributing profits. Formerly, this anomaly did not exist. Formerly, section 23A companies, quite logically, were excluded from the dividend tax, because they were doing only what they were asked to do by law, and not to do that would be a crime. Now,

[Shri M. R. Masani]

however, section 23A companies have also been brought within the ambit of the dividend tax in recent years.

Now, what is the result of this? 23A companies have to declare in some instances 60 per cent., in some instances 90 per cent. and in the case of investment companies hundred per cent. of their profits as dividend, failing which they have to pay a penalty of 37½ per cent. But, if only to avoid this heavy penalty, a company declares dividends, which it is compelled under section 23A, then it is called upon to pay a heavy penal tax amounting to 30 per cent.—now 20 per cent. under the Bill—in distribution in excess of 18 per cent. profits. So, as an American publicist once said in relation to international relations "We are damned if we do and we are damned if we don't". This is not a situation in which the Government should wish to put any particular section of the community. They are given a choice of evils, which is illogical. There should be some middle path where Government say: "all right, if you distribute so much, you pay tax on the undistributed amount, and we don't punish you for distributing that". Today, there is no such middle ground. Therefore, the force of my amendment would be to end this anomaly and to bring the dividend tax down to ten per cent.

Shri Morarji Desai: I can very well understand the argument of my hon. friend, Shri Masani, but I am not prepared to accept that all this is without any thought or only comes out of any want of consideration or out of rigidity or out of confusion. It is all a part of a composite scheme of corporate taxes and it is only in some cases where there would be some hardship. Therefore, we have reduced it from 30 per cent. to 20 per cent. But that does not mean that this tax is not proper. It is, therefore, that it is not possible for me to accept the arguments of my hon. friend at the cost of being called rigid once again.

I may tell him that an analysis of the details regarding the number of groups of industrial companies discloses that under ordinary circumstances the Excess Dividends Tax will amount to only 2.5 per cent or 3 per cent. of the taxable income of the company. That is what we found as a result of the analysis that we have made. Therefore, it is not such a hardship as my hon. friend considers it.

As regards the first amendment moved for lowering the taxable limit, I would say that I had explained this matter when I had first spoken while asking for a consideration of this Bill and also the hon. Prime Minister had given reasons for not raising the minimum limit of taxation. No new reason has been given just now while moving the amendment. But I may point out that even in advanced countries where the per capita income is high the minimum limit is very low. Take the United Kingdom for instance. For a single person the lower limit is Rs. 1,866 and we have Rs. 3,000. For a married person with two children in the United Kingdom it is Rs. 5,866 but even then it is 1.4 times of their per capita income whereas our limit is eleven times of our per capita income. In U.S.A., it is Rs. 2,857 and for a married person it is Rs. 11,428, which is 1:2 times their per capita income. In Japan, it is Rs. 1,066 and in Sweden it is Rs. 1,840. It will thus be seen that our limit is much higher than all these advanced countries and, as I said, if we are going to have more and more people having these incomes and coming into this sector it is necessary to see that they pay a tax. What is that tax? The tax does not amount to more than Rs. 1-8 to Rs. 3 per month up to Rs. 3,600. Therefore, it is not a very severe tax. I think it will enable these people to have more self-respect to say that they are also contributing to the development of the country and they are not escaping their share of responsibility. I oppose all the amendments.

Mr. Deputy-Speaker: I shall put amendments Nos. 40, 9 and 10 to the vote of the House.

The amendments were put and negatived.

Mr. Deputy-Speaker: The question is:

"That the First Schedule stand part of the Bill."

The First Schedule was added to the Bill.

The Second Schedule was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

Mr. Deputy-Speaker: Clause 7 was held over for amendment No. 32. Should we wait till 2.30 p.m.? It is not yet 2.30 and so we cannot put it just now but if the House agrees we can do that.

Shri Morarji Desai: I have no objection.

Mr. Deputy-Speaker: We shall save some time for the third reading if we get it through. Do hon. Members agree?

Shri T. N. Singh: They can say that they will not press for a division. Why hold up the thing?

Mr. Deputy-Speaker: Then I might put it to the House and decide it by a voice vote.

The question is:

"That amendment No. 32 be accepted by the House."

Those in favour may say 'Aye'.

Shri Tangamani: I thought we were pressing for a division.

Shri T. N. Singh: I thought you were now agreed to the revised procedure.

Mr. Deputy-Speaker: I asked that question but no answer came. Therefore I presumed that we could put this to the vote of the House.

Shri Morarji Desai: We can have voting just now.

Mr. Deputy-Speaker: If the House agrees, we can have it. I am having the bell rung. Let the lobbies be cleared.

Shri Kasiwal (Kotah): It cannot be done before 2.30.

Mr. Deputy-Speaker: It can be done if the House agrees. We have a convention established that no count shall be taken between 1 and 2.30 p.m. We have been conforming to that but if the House itself desires in order to save time for the third reading and if all parties agree I can put it to the vote of the House. If there is any objection I would not do it.

Shrimati Renu Chakravartty (Basirhat): Of course the House can always decide by a majority of votes but there is a certain convention which we have established and people do not know that voting is going to take place. That is the only reason for having it at 2.30.

Mr. Deputy-Speaker: There is no question of a majority. I am not deciding by a majority whether we should have a count or not. I am asking if all the hon. Members agree, then alone I will put it. I enquired from the Opposition first.

An Hon. Member: There was an idea given by the Speaker....

Mr. Deputy-Speaker: Subsequently I put it to the House and ascertained the views of the hon. Members. Even now I am prepared to abide by that, but if there is no objection I can put it to the vote.

Shri V. P. Nayar (Quilon): After all, we have only ten minutes to go.

Shrimati Renu Chakravartty: In future this will be taken as a precedent.

Shri Morarji Desai: We will sit for ten minutes if that is their view.

Mr. Deputy-Speaker: I shall adjourn the House.

Shri Morarji Desai: We can take up the Gifts Tax Bill, I am ready for it.

Shri V. P. Nayar: Take the vote after 2.30 p.m.

An Hon. Member: We may take up third reading.

Mr. Deputy-Speaker: We have to begin the third reading after this is finished. If there is any objection, certainly, I would not ask the House to divide on that. We can proceed to the next business, holding this over.

Shri Morarji Desai: It may be taken after I make this motion.

Mr. Deputy-Speaker: Then, we take up the next business if the House so desires.

Shri V. P. Nayar: Will the time for third reading also be postponed?

Mr. Deputy-Speaker: Yes. Now, the hon. Minister will make his motion and after that, we will take this up again. That is what I propose to do. That is the only remedy.

Shri V. P. Nayar: He can make his speech in two parts.

Mr. Deputy-Speaker: We will not divide the speech into two parts. He will conclude the speech and then we will take this up.

GIFT-TAX BILL

Shri Morarji Desai: I beg to move:

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 Tribuan Narayan Singh, Shri Mahavir Tyagi, Shri S. Ahmad Mehdi, Shrimati Uma Nehru, Shri Shyram Rango Rane, Sardar Iqbal Singh, Dr. Y. S. Parmar, Shrimati Renuka Ray, Shri Liladhar Kotoki, Shri Jaganatha Rao, Shri Narendrabhai Nathwani, Shri Radeshyam Ramkumar Morarka, Shri Harish Chandra Mathur, Shri Radhelal Vyas, Shri Vidya Charan Shukla, Shri C. R. Patlabhi 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. Khadiolkar, 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, and the Mover with instructions to report by the 1st day of May, 1958.

Sir, while introducing this Bill as part of the Budget proposals, the Prime Minister had explained the necessity for levying a tax on gifts. I do not propose to embark on a further elaboration of those reasons, as I find that by and large the need for a measure of this nature is not disputed. The criticisms that have been made so far are only against some of the details of the Bill and not against the basic principles. Some of these criticisms, I find, are based on an incorrect appreciation of the true nature of the provisions and the Select Committee will, no doubt, consider whether further clarification of these provisions is necessary.

Coming to the main features of the Bill, the tax is proposed to be charged on gifts made by individuals, Hindu

*The names of Shri Thirumala Rao and Dr. A. Krishnaswami were added at the adoption stage on 24-4-58.

Undivided Families, Firms, Associations of Persons and Companies. Exceptions are provided for gifts made by charitable institutions recognised for purpose of Section 15B of the Indian Income-tax Act, Government Companies, Corporations established by Central or State Acts, Public Companies which are controlled by six or more persons and subsidiary companies of these Public Companies. All these will not be liable to tax for gifts made by them. The tax will be levied on the total value of gifts made during the previous year relevant to the year of assessment. Such year will be the same as the accounting period adopted for income-tax assessment.

A special feature of the Bill is that the rate of tax will depend not only on the total value of gifts made during the previous year, but also on the value of gifts made during the four-years preceding the relevant previous year. In other words, the gifts of the relevant previous year would be charged at the rate applicable to the aggregate of gifts made during the five previous years. The object of this provision is to check any tendency to have the gifts spread over a period of time and thereby reduce the incidence of tax or avoid it altogether. I may, however, point out that gifts made prior to 1st April, 1957 will not be taken into account for purposes of aggregation.

Gift has been defined to mean voluntary transfer of property without consideration. Certain transfers of property, although not falling strictly within this definition have been deemed to be gifts, for example, transfers for inadequate consideration, surrender of rights, etc. This provision is necessary as otherwise such transfers would provide an easy means of avoiding tax liability. Fears have been expressed that even genuine business transactions might be caught within the mischief of this clause and subjected to tax. I may assure the House that it was never the intention of the Government to subject to gift-

tax *bona fide* business transactions and the Select Committee will no doubt consider whether any further clarification of these provisions is necessary to remove these fears.

Now, I come to the exemptions provided in the Bill. Gifts of immovable property outside the country, gifts to Government and local authorities, gifts in the form of special savings certificates, gifts to female dependants up to Rs. 10,000 on the occasion of marriage, gifts of insurance policy to dependants up to Rs. 10,000 are all exempt from tax. In this connection, only two points have been raised and I shall deal with them in some detail. As the Bill stands at present, only gifts to charitable institutions or Funds which are recognised under section 15B of the Income-tax Act are exempt. It has been suggested that this provision would operate against gifts being made to purely religious institutions which are naturally restricted only to a particular religious community. This matter, I find, was considered by this House in 1953 when Section 15B of the Income-tax Act was amended and we are following the same principle here. This provision is not likely to prove much of a hardship, because a person who has made up his mind to make a gift to a religious institution is not going to be deterred from doing so by the small amount of tax he has to pay. It may also be remembered that not only individual gifts up to Rs. 100 but even gifts during a year up to a total of Rs. 5,000 or Rs. 10,000 as the case may be, will be exempt from gift tax. In any case, the matter will be further examined by the Select Committee.

I come now to the provision which exempts gifts upto Rs. 1 lakh to one's wife about which there has been some comment not only from bachelors but I believe from some married man as well. My colleague, Shri B. R. Bhagat, had occasion to explain in the Rajya Sabha how there has been some misconception about this provision. I

[Shri Morarji Desai]

would again clarify the position here. This limit of Rs. 1 lakh applies to all gifts made during the life-time of an individual. On a normal span of married life, this exemption does not work to a high figure annually. The point to remember is, however, that the husband does not get any special tax advantage by making gifts to his wife. We have to bear in mind that though gifts to the wife up to Rs. 1 lakh are exempt, any gifts by the wife made out of the properties gifted to her by the husband are to be treated as gifts made by the husband and taxed as such. This provision will prevent a person from reducing the incidence of tax by making gifts indirectly through his wife. Further, under the provisions of the Income-tax Act, the income derived from property gifted to the wife by the husband is added to the husband's income and taxed as such. In computing the annual wealth of the husband for purposes of wealth-tax also, the property gifted to the wife by the husband is included. Even in calculating the taxable expenditure under the Expenditure Tax Act, any expenditure incurred by the wife for the benefit of the husband out of the property gifted to her by her husband is included. In view of all these provisions, I do not think that there should be any fear that this exemption would give rise to any large-scale evasion of tax.

This brings me to the criticism that there is double taxation in respect of gifts to minor children as the gift itself is taxed and the income therefrom is also charged to income-tax in the hands of the father. I am not prepared to agree that this would amount to double taxation, as gift tax imposes a tax on the capital, that is, on the property gifted, while the income tax imposes a charge on the income from the property gifted. There is no real difference between gift to a wife and gift to minor children; and if the wife's income from

property transferred to her by the husband is treated as his property for purposes of income-tax, there is no reason why the property transferred to minor children should not be so treated. Indeed, we must look forward to a time when the family becomes the unit for purposes of tax as it is partly or wholly in some countries.

Gifts not exempted under any of the provisions are chargeable to tax if the aggregate value does not exceed Rs. 10,000 in a previous year. If the value exceeds Rs. 10,000, it is only the excess that will be charged to tax. This basic exemption is, however, reduced to Rs. 5,000 if the taxable gift to any individual donee exceeds Rs. 3,000 in a year. The reason for reducing the exemption in such a case is to ensure that the provision intended to exclude small gifts from the purview of the tax is not misused in making large gifts.

In spite of all these liberal exemptions provided in the Bill, there has been no dearth of demands for further exemptions of all possible kinds. I am afraid if we agree to all these demands the tax will be reduced to a farce. There are, however, certain requests which require our consideration. One of them is that it should be clarified in the Bill itself that reasonable gifts made to one's children for their education should be exempted from tax. Another is that gifts by employers to employees or their dependants by way of bonus, gratuity or pension should be exempted. It was never the intension of Government that such gifts should be subjected to gift tax and in fact, it is doubtful whether gifts of this nature could at all be brought to tax under the provisions of the Bill as it stands. However, to remove any misgivings on this score, I intend proposing to the Select Committee that specific provision may be made in the Bill itself exempting these categories of gifts.

I may mention here that the value of the property gifted will be taken as its market value on the date of gift. The assessee has the right to refer the valuation to a committee of expert valuers if he disputes the valuation of gift tax officers.

The tax is imposed on the donor, but to safeguard the interests of revenue, the donor and the donee have been made jointly and severally responsible. The question has been asked why the tax has not been imposed on the donee. There are more reasons than one. It is administratively more convenient to levy the tax on the donor who in most cases will be having more resources than the donee. It is easier to determine what is given up than to determine who will eventually receive the gift and in what proportion. Again, collection of gift tax from the donee is likely to cause more hardship. It may also be remembered that a gift tax, unless it is imposed on the donor, cannot function as an effective check against avoidance of income-tax, wealth-tax, and other taxes in the higher income groups.

The rates of tax are arranged on the slab system, as in our other fiscal statutes, and range from 4 per cent. in the first slab of Rs. 50,000 to 40 per cent. on the value of gifts above Rs. 50,00,000. The rates on gifts above Rs. 50,000, it may be noticed, are the same as those for estate duty proposed in the amendment Bill, for, really speaking, it should not make any difference as to whether somebody gets a property by way of gift or by way of inheritance which is, after all, no more than the last gift of a person.

I would, in this connection, invite the attention of the House to a novel feature of the Bill intended to encourage prompt payment of tax. If payment is made at the percentages stipulated in the Bill on the gifts of the value of Rs. 10,000 or more within 15 days of making the gifts, the assessee will be entitled to a rebate

of 10 per cent. on the payments made. I do hope this provision will be freely availed of by donors. If this provision is availed of, not only will the tax be collected quickly but the gifts will be reported as and when made.

The tax is intended to be administered through the Income-tax Department, and the provisions for assessment, appeal and recovery are the same as in the Income-tax, Wealth-tax and Expenditure-tax Acts.

As to the financial effect, it is not possible to estimate the likely yield from this source with any degree of accuracy. On a rough guess—which only is a guess, the yield has been placed at Rs. 3 crores. But I would like to emphasise that this tax is important not only by itself but is also important in plugging the loopholes in other tax statutes. Its financial effect cannot, therefore, be adequately measured only in terms of the amount of revenue it brings in directly.

With these remarks, I commend my motion for the acceptance of the House, and I do hope that the Bill, as it emerges from the Select Committee, will be found acceptable to all sections of the House.

Mr. Deputy-Speaker: Motion moved:

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 Tribhuan Narayan Singh, Shri Mahavir Tyagi, Shri S. Ahmad Mehdi, Shrimati Uma Nehru, Shri Shivram Rango Rane, Sardar Iqbal Singh, Dr. Y. S. Parmar, Shrimati Ranuka Ray, Shri Liladhar Kotoki, Shri Jaganatha Rao, Shri Narendrabhai Nathwani, Shri Radheshyam Ramakumar 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 Satyendra Narayan Sinha, Shri George Thomas Kottukapally,

[Mr. Deputy Speaker]

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 Bhaduria, 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, and Shri Morarji Desai with instructions to report by the 1st day of May, 1958.

There is an amendment to this by Shri Naldurgker which reads:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 20th of April, 1958".

I believe he is not moving it now, because it is no use moving it also.

Shri Naldurgker (Osmanabad): I am not moving it.

Mr. Deputy-Speaker: I have presumed it already.

I suppose we may now resume the clause-by-clause consideration of the Finance Bill.

FINANCE BILL—Contd.

Mr. Deputy-Speaker: The question is:

Page 5,—

for lines 4 to 41, substitute—

"(viB) in respect of a new ship acquired or new machinery or plant installed after the 31st day of March, 1954, which is wholly used for the purposes of the business carried on by the assessee, a sum by way of development rebate in respect of the year of acquisition of the ship or of the installation of the machinery or plant, equivalent to,—

(i) in the case of a ship acquired after the 31st day of Decem-

ber, 1957, forty per cent. of the actual cost of the ship to the assessee; and

(ii) in the case of a ship acquired before the 1st day of January, 1958, and in the case of any machinery or plant, twenty-five per cent. of the actual cost of the ship or machinery or plant to the assessee.

Explanation 1.—In the case of a ship acquired or machinery or plant installed after the 31st day of December, 1957, where the total income of the assessee for the year of acquisition or installation (the total income for this purpose being computed without making any allowance under this clause) is nil or is less than the full amount of the development rebate calculated at the rate applicable thereto under this clause,—

(i) the sum to be allowed by way of development rebate for that year under this clause shall be only such amount as is sufficient to reduce the said total income to nil; and

(ii) the amount of the development rebate, to the extent to which it has not been allowed as aforesaid, shall be carried forward to the following year, and the development rebate to be allowed for the following year shall be such amount as is sufficient to reduce the total income of the assessee for that year, computed in the manner aforesaid, to nil, and the balance of the development rebate, if any, still outstanding shall be carried forward to the following year and so on, so however that no portion of the development rebate shall be carried forward for more than eight years.

Explanation 2.—Where in any year development rebate is to be allowed in accordance with the provisions of Explanation 1 in respect of ships acquired or machinery or plant install-

ed in more than one year, and the total income of the assessee for that year (the total income for this purpose being computed without making any allowance under this clause) is less than the aggregate of the amounts due to be allowed in respect of the assets aforesaid for that year, the following procedure shall be followed, namely:—

(i) the allowance under paragraph (ii) of Explanation 1 shall be made before any allowance under paragraph (i) of that Explanation is made; and

(ii) where an allowance has to be made under paragraph (ii) of Explanation 1 in respect of amounts carried forward from more than one year, the amount carried forward from an earlier year shall be allowed before any amount carried forward from a later year:

Provided that no allowance under this clause shall be made unless—

(a) the particulars prescribed for the purpose of clause (vi) have been furnished by the assessee in respect of the ship or machinery or plant; and

(b) except where the assessee is a company being a licensee within the meaning of the Electricity (Supply) Act, 1948, or where the ship has been acquired or the machinery or plant has been installed before the 1st day of January, 1958, an amount equal to seventy five per cent. of the development rebate to be actually allowed is debited to the profit and loss account of the relevant previous year and credited to a reserve account to be utilised by him during a period of ten years next following for the purposes of the business of the undertaking, except—

(i) for distribution by way of dividends or profits; or

(ii) for remittance outside India as profits or for the creation of any asset outside India, and if any such ship, machinery or plant is sold or otherwise transferred by the assessee to any person other than the Government at any time before the expiry of ten years from the end of the year in which it was acquired or installed, any allowance made under this clause shall be deemed to have been wrongly allowed for the purposes of this Act."

Division No. 9]

AYES—95

[14.40 hrs.]

Achar, Shri
Ajit Singh, Shri
Balakrishnan, Shri
Balmiki, Shri
Banerji, Shri P. B.
Barupal, Shri P. L.
Basappa, Shri
Bhagat, Shri B. R.
Bhakt Darshan, Shri
Bhogji Bhai, Shri
Bidari, Shri
Boorooah, Shri P. C.
Brajeshwar Prasad, S
Chuni Lal, Shri
Damani, Shri
Dasappa, Shri
Dasi, Shri Morarji
Debmukh, Dr. P. S.
Debmukh, Shri K.
Dindod, Shri
Dube, Shri Mulch

Dwivedi, Shri M. L.
Elayaperumal, Shri
Ganga Devi, Shrimati
Ganpati Ram, Shri
Gounder, Shri K. Periaswami
Harvani, Shri Ansar
Hansda, Shri Subodh
Heda, Shri
Hem Rai, Shri
Jain, Shri M. C.
Jhunjhunwala, Shri
Jyotishi, Pandit J. P.
Kailash, Shri
Khimji, Shri
Lakar, Shri N. C.
Malviya, Shri Motilal
Mathur, Shri Harish Chandra
Mehta, Shrimati Krishna
Mishra, Shri L. N.
Mohiuddin, Shri
Munim, Shri N. R.

Nair, Shri Kuttikrishnan
Naldurgker, Shri
Nallakaya, Shri
Narasimhan, Shri
Nathwani, Shri
Nayar, Dr. Sushila
Negi, Shri Nek Ram
Nehru, Shrimati Uma
Oza, Shri
Palchoudhuri, Shrimati D.
Radhamohan Singh, Shri
Raghunath Singh, Shri
Raghuramiah, Shri
Raj Bahadur, Shri
Rajiah, Shri
Ram Saran, Shri
Ramawamy, Shri K. S.
Ranbir Singh, Ch.
Rane, Shri
Reo, Shri Jagannath
Roy, Shri Bishwanath

Rungtong Suia, Shri
Rupnarain, Shri
Sabu, Shri Rameshwar
Sanganna, Shri
Saxbadi, Shri Ajit Singh
Satish Chandra, Shri
Satyabhama Devi, Shrimati
Selku, Shri
Sen, Shri P. G.
Shakuntala Devi, Shrimati
Shankaraiya Shri

Sharma, Pandit K. C.
Sharma, Shri D. C.
Shobha Ram, Shri
Siddanarappa, Shri
Siddiah, Shri
Singh, Shri H. P.
Singh, Shri M. N.
Singh, Shri T. N.
Sinha, Shri B. P.
Snatak, Shri Nardeo
Subbarayan, Dr. P.

Subramanyam, Shri T.
Sumat Prasad, Shri
Sunder Lal, Shri
Tahir, Shri Mohammed
Tariq, Shri A. M.
Thimmesiah, Shri
Thirumala Rao, Shri
Tiwari, Shri R. S.
Upadhyaya, Shri Shiva Datt
Vyasa, Shri R. C.

NOES—23

Banerjee, Shri S. M.
Braj Raj Singh, Shri
Brij Narayan "Brijesh", Pandit
Chakravarty, Shrimati Renu
Dasgupta, Shri B.
Daulta, Shri P. S.
Dige, Shri
Galkwad, Shri B. K.

Ghosal, Shri
Khadilkar, Shri
Menon, Shri Nerayanankutty
Mohan Swarup, Shri
More, Shri
Mukerjee, Shri H. N.
Nair, Shri Vasudevan
Nayar, Shri V. P.

Penigrahi, Shri
Parvathi Krishnan, Shrimati
Ramam, Shri
Reddy, Shri Narapa
Singh, Shri L. Achaw
Tangamani, Shri
Warior, Shri

Shri Dige (Kolhapur-Reserved—Sch. Castes): The switch in my seat is not working. I want to vote for 'Noes'.

Shri Hem Raj (Kangra): I want to vote for 'Ayes'.

Mr. Deputy-Speaker: But what has the hon. Member done?

Shri Hem Raj: By mistake, I pressed the switch for 'abstention'.

Mr. Deputy-Speaker: So I will add one to 'Noes' and one to 'Ayes'. The result of the division is as follows: Ayes 95; Noes 23. The motion is carried.

The motion was adopted.

Mr. Deputy-Speaker: The other amendments have been put to vote and negatived.

The question is:

"That clause 7, as amended, stand part of the Bill".

The motion was adopted.

Clause 7, as amended, was added to the Bill.

Mr. Deputy-Speaker: All the other clauses and schedules have been adopted earlier.

Shri Morarji Desai: I beg to move:

"That the Bill, as amended, be passed".

Mr. Deputy-Speaker: Motion moved:

"That the Bill, as amended, be passed".

श्री लाल राज सिंह (फिरोजाबाद) :
उपाध्यक्ष महोदय, वित्त विधेयक पर तीसरी पढ़त के सिलसिले में मैं कहना चाहता हूँ कि जो हमारे देश की कर नीति है, जो कर का बाँचा है, उस पर हमको जरा नजर डालनी चाहिये और यह देखना चाहिये कि इन करों का भार वास्तव में किन लोगों पर पड़ रहा है। हमें देखना चाहिये कि क्या वास्तव में इन करों का बोझ उन लोगों पर पड़ रहा है जो देने में समर्थ हैं या उन पर पड़ रहा है जो देने में समर्थ नहीं हैं? हमें देखना होगा

कि जो लोग देने में समर्थ हैं उनसे क्या अधिक टैक्स लिया जा रहा है और जो देने में कम समर्थ हैं उन से उतना ही कम लिया जा रहा है या नहीं? अगर आप १९४८ से अब तक के बजटों को देखें तो आपको पता चलेगा कि प्रत्यक्ष कर तो घट रहे हैं और अप्रत्यक्ष कर जो आम जनता पर पड़ते हैं, उस पर उनका भार बढ़ रहा है। दूसरे धर्मों में जो लोग टैक्स देने में समर्थ हैं, उन पर तो टैक्सों का भार घट रहा है और जो लोग टैक्स देने में समर्थ नहीं हैं, उन पर उनका भार बढ़ रहा है। आवश्यक की बात यह है कि जो लोग टैक्स देने में समर्थ हैं वे प्रचार करने में भी समर्थ हैं, फोरम फार्म की एंटरप्राइज के नाम से किताबें निकालने में भी समर्थ हैं, अखबार भी निकाल लेते हैं और हमेशा ही इस तरह का प्रचार करते रहते हैं कि उन पर भार बढ़ रहा है लेकिन जो दूसरे लोग हैं जिन के पास न तो कोई अखबार है और न ही प्रचार करने का कोई दूसरा तरीका है और न ही साधन हैं, उनकी कोई मुनता ही नहीं है। इसका नतीजा यह हो रहा है कि आम जनता पर टैक्सों का बोझ बढ़ता चला जा रहा है और निर्माण और विकास का भार उन लोगों पर न पड़कर ज. दे. में समर्थ हैं, उन पर पड़ रहा है जो देने में समर्थ नहीं हैं।

इसका दूसरा नतीजा यह भी निकल रहा है कि विकास और निर्माण उनका हो रहा है जो समर्थ हैं और जो असमर्थ हैं उनके लिये कुछ भी नहीं किया जा रहा है। हमने दूसरी पक्ष के सिलसिले में देखा है कि उन कम्पनियों को रिबेट किया जा रहा है जिन के पास पैसा है और जो टैक्स दे सकती हैं जैसी कि शिपिंग कम्पनीज हैं और जो खेती का व्यवसाय करते हैं, जो गरीब लोग हैं, जो खाद्यान्नों का उत्पादन करते हैं, उनको कोई राहत नहीं पहुंचाया गई है, उनकी बात कोई सुनता ही नहीं है। हमारे देश में एक सौ करोड़ रुपया लैंड रेवेन्यू यानी जमीन पर कर से बसूल किया जाता है। उसमें से अगर सरकार पचास करोड़

रुपया बतौर रिबेट के उन लोगों को दे देती तो ८६ प्रतिशत किसानों को लाभ पहुंचता और उन से कह देती कि उनको कोई लगान नहीं देना पड़ेगा। उनको ज्यादा गल्ला पैदा करना चाहिये नाकि करोड़ों रुपये का जो गल्ला आज बाहर से मंगाना पड़ रहा है, उसकी जरूरत न रहे, तो वे लोग बड़ी खुशी से इन काम में आपका हाथ बटाने। लेकिन ऊपर कोई ध्यान नहीं दिया गया है।

प्रत्यक्ष और अप्रत्यक्ष करों के मध्यस्थ में मैं निवेदन करना चाहता हूं कि हम देखें कि इनमें हमारी आमदनी किस हद तक कम होनी आ रही है या बढ़ी आ रही है। एक्साइज से हमें मन् १९४८-४९ में ५० करोड़, ६२ लाख, ५९ हजार की आमदनी हो रही थी। १९५९-५० में यह बढ़ कर ६९ करोड़, १९ लाख हो गई। १९५२-५३ में यह ८० करोड़ हुई, १९५३-५४ में ९४ करोड़, १९५४-५५ में १ अरब ८ करोड़, २२ लाख, १२ हजार हो गई। १९५५-५६ में यह बढ़ कर १ अरब, ४० करोड़ हो गई और १९५६-५७ में १ अरब ४५ करोड़ ४५ लाख हो गई और अब यह ३०० करोड़ से ऊपर है। १९४८ से लेकर १९५८ तक के दस बरसों के अन्दर सेंट्रल एक्साइज से हमारी आमदनी करीब करीब छः गुनी हो गई है जिसका मतलब यह है कि छः गुना अधिक कर लगे हैं इस एक्साइज के मामले में। इसी तरह से कस्टम्स का भी हिसाब है। वहां पर भी आमदनी बहुत बढ़ी है। लेकिन अगर हम कारपोरेशन टैक्स को देखें जो प्रत्यक्ष कर है और जिसके लिये बहुत अधिक चिल्लाहट की जाती है, गिफ्ट टैक्स को देखें, एस्टेट ड्यूटी को देखें या इसी तरह के जितने भी प्रत्यक्ष कर हैं उनको देखें तो पता चलेगा कि ये घटते चले जा रहे हैं। आप कारपोरेशन टैक्स को अगर देखें तो आपको पता चलेगा कि यह लगातार घटता चला जा रहा है। १९४८-४९ में कारपोरेशन टैक्स से आपको ६२ करोड़ २५ लाख ८० हजार की आमदनी

[श्री. ब्रज राम सिंह]

हो रही थी। १९४६-४० में यह लगभग ४० करोड़ ६० लाख रह गई। १९४०-४१ में यह लगभग ३८ करोड़ ७२ लाख रह गई और इसी तरह से आगे घटती चली गई और आज भी घट रही है। इसी तरह से यदि आप इनकम-टैक्स से होने वाली आमदनी को देखें तो आपको पता चलेगा कि आमदनी बढ़ी तो है लेकिन जिस हिसाब से बढ़नी चाहिये थी उस हिसाब से नहीं बढ़ी है। जिस तरह के सेंट्रल एक्साइज से आमदनी बढ़ रही है, जिस तरह से कस्टम्स से बढ़ रही है तथा जिस तरह से दूसरे अप्रत्यक्ष करों से बढ़ रही है उस तरह से इनकम-टैक्स से होने वाली आमदनी नहीं बढ़ी है।

इस तरह से यह हमारे लिये सोचने की बात हो जाती है कि हमारी कर नीति जो है क्या वह ठीक है अथवा नहीं। हम विकास के नाम पर उन लोगों को दबाते हैं जो मूक हैं, जो बोल नहीं सकते हैं, जो कुछ कह नहीं सकते हैं। आज हम समाजवादी समाज की स्थापना की बात करते हैं लेकिन जब कभी मंत्री बड़े लोगों को कुछ राहत देने का सवाल उपस्थित होता है तो उनको फौरन राहत पहुँचा दी जाती है लेकिन गरीब लोगों के लिये कुछ भी नहीं किया जाता है।

अभी थोड़े दिन पहले हमने देखा है कि जो हमारे भूतपूर्व वित्त मंत्री महोदय थे और जो प्रधान मंत्री भी हैं, उन्होंने बजट पेश किया था। उसके बाद उन्होंने एक राहत दी और उस राहत का असर उन लोगों पर पड़ा जो कपड़ा मिल मालिक हैं जबकि उसका असर उन आम लोगों पर पड़ना चाहिये था जोकि कपड़ा खरीदते हैं। लेकिन आम जनता पर उसका असर न पड़ने के बजाय मिल मालिकों पर ही उसका असर पड़ा। आम जनता को उसी कीमत पर कपड़ा दिया जा रहा है जिस कीमत पर पहले दिया जाता था। उसी होल-सेल रेट पर कपड़ा दिया जा रहा है जिस पर कि पहले दिया जाता था। इस तरह से

इसको हमने १५ करोड़ की राहत पहुँचाई। गिफ्ट टैक्स से हम आशा करते हैं कि हमें तीन करोड़ रुपया मिल जायेगा। लेकिन पाँच मुना की हम ने मिल मालिकों को राहत पहुँचा दी है। यह सब केवल एक शब्द "राहत" के नाम पर कर दिया जाता है।

तो मैं निवेदन करना चाहूँगा कि हम देखें कि हमारी नीति क्या है? यदि हम आम जनता की भलाई के लिये कार्य करना चाहते हैं तो हमें देखना होगा कि उमी की भलाई के कार्य हों और जो निहित स्वार्थ हैं, उनका असर उन पर न पड़े बल्कि आम जनता पर पड़े। दूसरा प्रश्न यह है कि जो हमारा खर्चा है, वह क्या है। आम तौर पर कहा जाता है कि विकसित धर्म व्यवस्था के युग में जहाँ हमारा विकास हो रहा है उस में खर्च का बढ़ना लाजिमी है। खास तौर से सिविल एडमिनिस्ट्रेशन में हमारा खर्चा बढ़ा है। यह अच्छी बात है। लेकिन हमें देखना होगा कि क्या वाकई में जो सिविल एडमिनिस्ट्रेशन का खर्चा बढ़ रहा है उसके मुताबिक ही हम जनता में यह भावना पैदा कर सकें कि जो जन सेवक हैं वे असल में जाता के सेवक हैं और जनता उन से सेवा ले रही है या नहीं। अभी तक भी हमारे मुल्क में यह भावना चली आ रही है कि जो जनता के सेवक हैं उनका एक अलग ही वर्ग है, वे दूसरे ही लोग हैं, वे हमारे सहायक नहीं हैं। इसीलिये तो भारत सेवक समाज, भारत माधु समाज जैसी संस्थाओं का निर्माण करना पड़ा है और उन से सेवा कार्य करने की हम अपेक्षा रखते हैं। इस जन सेवकों की सिविल एडमिनिस्ट्रेशन पर कितना खर्चा हो रहा है, इस पर जरा ध्यान नजर दौड़ाइयें। १९३७ में इस पर हमारा खर्चा दस करोड़ का था और अब तीन बार सालों से यह बहुत बढ़ा है। १९४४-४५ में यह हुआ ७५ करोड़, ११ लाख, ३६ हजार। १९४५-४६ में यह बढ़ कर १०५ करोड़, ४१ लाख, २१ हजार हो गया, १९४६-४७

में यह हुआ १ धरब, ३५ करोड़, ६७ लाख, ५३ हजार और १६५७-५८ में यह सर्वा २०० करोड़ से ऊपर पहुँच गया है। क्या इससे यह नतीजा निकलता है कि ग्राम जनता की सेवा अधिक हो रही है? ग्राम जनता की सेवा का अगर सवाल होता तो ग्राम जनता की ग्रामदानी बढ़ती। ग्रामदानी बढ़ने का जहाँ तक सवाल है हमने देखा है कि जो प्राकड़े राष्ट्रीय ग्रामदानी के सिलसिले में दिये गये हैं उनसे पता चलता है कि ग्राम जनता की ग्रामदानी नहीं बढ़ रही है। इसका नतीजा यह निकलता है कि हम एक ऐसा नया वर्ग कायम कर रहे हैं जिस के विकास के लिये ही पैसा खर्च किया जा रहा है। एक वर्ग हैं हमारे पूँजीपतियों का, जिन पूँजीपतियों को इस नाम पर कि देश का निर्माण करना है रियायत दी जाती है, हालाँकि हम यह धृच्छी तरह जानते हैं कि वे पूँजीपति देशभक्त नहीं बन सकते। एक तरफ उन को रियायतें दी जाती हैं और दूसरी तरफ एक नया वर्ग बनाया जा रहा है सिविल सर्वेन्ट्स का, जन सेवकों का जिन को ३, ३ हजार रुपये मासिक तन्स्वाह दी जाती है। जब तक उन को ३ हजार रुपये तन्स्वाह नहीं दी जायेगी तब तक वे देश की सेवा नहीं कर सकते। क्या हम अपने राष्ट्र पिता के सिद्धांतों पर इसी तरह चलेंगे? बार बार यह कहा गया कि १ हजार रुपये से ऊपर जो लोग पाते हैं, उन की तन्स्वाह को घटा कर अगर हम १ हजार रुपये तक लायें तो उस से कोई खास खर्च बचने वाला नहीं है। भले ही यह कहना किसी हद तक ठीक हो, लेकिन हम इस तरह से मुल्क में क्या भावना पैदा करते हैं? क्या इस तरह हम किसी प्रकार का मनोवैज्ञानिक परिवर्तन ला सकेंगे? मैं पूछता हूँ कि क्या आज हमारे सरकारी नौकरों की तन्स्वाहों में १ और १०० का फर्क नहीं है? मैं कहता हूँ कि इस देश में कम से कम तन्स्वाह १०० और ज्यादा से ज्यादा १००० रुपये मासिक होनी चाहिये। मैं यह मानता हूँ कि हर एक छोटे कर्मचारी

का वेतन तुरन्त ही रुपये मासिक तक नहीं जा सकता है, लेकिन इस में क्या हर्ज है अगर ऊँची तन्स्वाह वाले लोगों का वेतन १००० रुपये पर लाया जाये? परन्तु जब कभी यह सवाल उठाया जाता है तो कहा जाता है जो ऊँची तन्स्वाह पाने वाले सरकारी नौकर हैं उनको नीचे लाया भी जाये तो उस से बहुत धार्मिक लाभ होने वाला नहीं है। मैं इस मानने के लिये तैयार नहीं हूँ कि उस से कुछ लाभ नहीं होगा, लेकिन अगर धार्मिक लाभ जो होगा उसे बोड़ी देर के लिये छोड़ भी दिया जाये तो क्या लोगों में मनोवैज्ञानिक परिवर्तन नहीं होगा? वह मोचेंगे कि हमारी प्लैन है, हमारी योजना है और उसे सफल बनाने के लिये हम भी कुर्बानी करें। छोटे लोगों से तो कहा जाये कि देश के लिये कुर्बानी करो, स्माल सेर्विन्स में दो, दूसरे काम करो, टैक्स दो क्योंकि देश का निर्माण करना है, लेकिन जहाँ तक बड़े लोगों का सवाल है उन्हें रियायतें दी जायें, एक बड़ा वर्ग कायम करें, चाहे वह अधिकारियों का वर्ग हो चाहे पूँजीपतियों का वर्ग हो, तो उस से देश का विकास क्या होगा? मैं निवेदन करना चाहता हूँ कि इस तरह से जो भावना हम देश में योजना के प्रति बनाना चाहते हैं वह नहीं बनेगी। इस से हमेशा के लिये लोगों में यह भावना बनी रहेगी कि अब भी हमारे देश में गरीब और भरीर का फर्क रक्खा जा रहा है, वह मिटाया नहीं जा रहा है। हमारी कोशिश यह होनी चाहिये कि उन के बीच की खाई पटे, लोग एक दूसरे के नजदीक आयें, जो नीचे के लोग हैं उन की ग्रामदानी प्राप बढ़ायें, जो ऊँचे के लोग हैं उन को नीचे लाने की कोशिश की जाये। यह दलील कि ऊपर के लोगों को नीचे लाने से ही समाजवाद नहीं आयेगा, हमें स्वीकार नहीं है। मैं निवेदन करना चाहता हूँ कि हमें यह बात इस तरह करना होगी कि जिस में हम जो ज्यादा ग्रामदानी वाले लोग हैं उन पर कुछ सीनिंग लगा सकें। एक सीमा बांध सकें जिस से ऊपर की ग्रामदानी किसी को नहीं हो सकेगी, चाहे वह पूँजीपति हो चाहे

[श्री ब्रज राज सिंह]

सरकारी नौकर हों या दूसरी तरह के लोग हों। इसलिये मैं निवेदन करूंगा कि हमारी प्रत्यक्ष कर और अप्रत्यक्ष कर सम्बन्धी जो आर्थिक नीति है वह साफ तौर से इस तरह की नीति है जिस से हमारी जनता का फायदा नहीं हो रहा है। मैं देखता हूँ कि एक्साइज और कस्टम में करीब करीब १५ रुपये प्रति व्यक्ति के हिसाब से पड़ता है। हर एक आमदमी को यह देना पड़ता है। जहां तक प्रत्यक्ष करों का सवाल आता है वह करीब करीब २७ फी सदी आता है, जब १९५७-५८ के बजट में जहां पहले ७३ फी सदी था, वह ७३ फी सदी से घट कर २७ फी सदी रह गयी है। और अप्रत्यक्ष करों से यह आमदनी ७३ फीसदी हो गई है। मैं निवेदन करना चाहूंगा कि अप्रत्यक्ष करों से जो आमदनी होती है वह सारा बोझ आम जनता पर पड़ता है। मैं जानता हूँ कि २६८ करोड़ रुपये इनकम-टैक्स का बकाया है। मुझे मालूम नहीं कि कितना इन्वेजन हुआ है। सरकारी तौर पर तो सिर्फ ३०, ४० करोड़ रुपये की बात कही जाती है, लेकिन कर विशेषज्ञ काल्डर इस देश का दौरा करने आये, उन्होंने कहा कि २००, ३०० करोड़ रुपया सालाना तक का इन्वेजन होता है। एक ओर तो इतना इन्वेजन हो, दूसरी तरफ ऐसे लोगों के ऊपर कोई टैक्स न लगे। मैं जानता हूँ कि करों को देने वाले जो बोझ से लोग हैं उन के पास ही बकाया रहता है और इन्वेजन भी होता है, आम जनता के यहां कोई भी बकाया नहीं रहता। इसलिये मैं कहना चाहता हूँ कि आप अपना दृष्टिकोण ऐसा बनाइये जिस से कि जो प्रत्यक्ष कर हैं उन में कम से कम इन्वेजन हो, बल्कि इन्वेजन हो ही नहीं। आखिर वे लोग भी तो देश के नागरिक हैं, उन को भी इस देश को बनाना है, प्लेनिंग और देश के बनाने से इन लोगों का ही फायदा होता है। मिलें थक रही हैं, हवाई जहाज बन रहे हैं, इस से इन्हीं लोगों को फायदा हो रहा है, आम जनता का कोई फायदा नहीं हो रहा

है। इसलिये आप को चाहिये कि आप उन से कहें कि आप इन्वेजन न कीजिये, बकाया दे दीजिये। लेकिन मैं देखता हूँ कि इस ओर कोई कोशिश नहीं की जा रही है। अप्रत्यक्ष करों में तो हम पूरी वसूली कर लेते हैं, फिर भी हम देखते हैं कि ऐसे करों को देने वाले लोगों के विकास के लिये कोई काम नहीं किया जा रहा है, जिन में विकास के लिये कोई काम नहीं हो रहा है और वह लोग उस से दुखी भी होते हैं। इस तरीके से हम देखते हैं कि मुल्क अवनति की ओर बढ़ रहा है। मैं निवेदन करूंगा हम अपनी कर नीति में क्रांतिकारी परिवर्तन करें। प्रत्यक्ष करों को अधिक से अधिक बढ़ाये, अप्रत्यक्ष करों को कम से कम करें इस तरह से ही हम मुल्क को आगे बढ़ा सकते हैं, गरीबी और भ्रमरी के बीच की खाई को पाट सकते हैं और जो समाजवादी समाज के लाने का उद्देश्य रखते हैं, उस को पूरा कर सकते हैं।

श्री यू० बी० जैन (कंथल) : माननीय उपाध्यक्ष महोदय, फाइनेंस बिल की तीसरी रीडिंग पर अभी अभी माननीय दोस्त ने जो तर्करी की है उस के कुछ प्वाइंट्स के बारे में पहले जवाब दे कर फिर कुछ तजावीज रखना चाहूंगा ताकि इस हाउस में जो बिल पेश किया गया है, उस पर अच्छी तरह से अमल हो सके।

अभी यह कहा गया कि जो लोग टैक्स दे सकते हैं हमारे देश में उन पर कम टैक्स लगाया गया है और जो नहीं दे सकते उन पर ज्यादा टैक्स है। यह स्टेटमेंट किसी हद तक दुस्त हो सकता है, खास तौर पर यह स्टेटमेंट कि जो लोग टैक्स दे सकते हैं वह बहुत थोर मचाते हैं, और यह हकीकत है कि पिछले साल भी फाइनेंस बिल पर बहस करती हुए मैं ने यह कहा था कि किस तरह से हमारे देश की

जनता को फोरम आफ फ्री एंटरप्राइज गुमराह कर रहा है, किस तरह से रात दिन लगातार वह लो। पैम्पलेट्स निकालते हैं और गलत बातों पर आम जनता को उकसाया जाता है। लेकिन माननीय दोस्त एक चीज का भूल गये, वह यह कि जो टैक्स पिछले साल से लगाये गये हैं उन का बोज गरीबों पर पड़ता है, पर वह गरीब लोगों के नाम पर बोलना चाहें हैं कि उन पर बोज नहीं है। मेरे लायक दोस्त फोरम आफ फ्री एंटरप्राइज की पधिसिटी के शिकार हुए मानूम पड़ें हैं। मैं फिर दोहराना चाहता हूँ इस बात को कि पिछले साल से खास तौर पर हमारे मासिक फाइनेंस मिनिस्टर ने बहुत बड़ा काम किया। सोशलिस्ट एका-नमी की पालिसी को तौर पर, जो कि हमारा ज्येष्ठ है, हमारी गवर्नमेंट ने एक बोलब स्टेशन किया। बैल्य टैक्स को लगाना, एक्स्पेंडिचर टैक्स को लगाना और फिर जो व्यक्ति बच जाय उन के निचे गिफ्ट टैक्स की तजवीज करना, यह सब ऐसे काम हैं जो उस तबके पर बोझ डालते हैं, उस पर असर करने हैं, जिस की बावत मेरे लायक दोस्त ने जिक्र किया। लेकिन जिन का तरफ उन्होंने इशारा किया, वह मुनासिब तरीके से नहीं किया कि बोझ उन लोगों पर पड़ रहा है। वह गरीब देश के लोगों पर घूल डाल रहे हैं, और मुझे इस बात का अफसोस है। मैं गवर्नमेंट से कहना चाहता हूँ और पिछले साल भी इस चीज का जिक्र किया था, कि गवर्नमेंट ने उन लोगों को पब्लिसिटी का मुकाबला करने के लिये क्या कदम उठाये जो कि इस देश में इस बोझ को उठाना नहीं चाहते। उन की सैकड़ों वर्षों से यह आदत पड़ी हुई है कि वह इस देश को एक्स्प्लायट भी करें और टैक्स भी न दें। हमारा साबिक टैक्स स्ट्रक्चर जो था वह इस किस्म का था कि गरीब लोगों पर कम से कम बोझ था। आज उन सरमायेदारों पर बोझ बढ़ने लगा है तो वह भीखते हैं, शोर मचाते हैं, लेकिन अगर मेरे लायक दोस्त यह कहें कि उन पर बोझ नहीं पड़ रहा है, तो मैं उन से

एस्तलाफ रखता हूँ, पर गवर्नमेंट से यह कहना चाहता हूँ कि उन लोगों के प्रोपर्टी के का बड़ा भारी असर है। न सिर्फ वह अपने पैम्पलेट्स निकालते हैं, बल्कि बदकिस्मती से हमारे हिन्दुस्तान का जो प्रेत है, अक्सर बड़े बड़े अखबार, डेनी पेपर्स, उन के हाथों में हैं, उन में वह ग्राटिकल लिख कर, तरह तरह के मजमून लिख कर, इनकी क्लेवरनी प्रोपेगण्डा करने हैं गोया इस देश की गरीब अवाम पर टैक्सों का बहुत बोज पड़ा हुआ है।

आज मेरे लायक दोस्त ने कहा कि एक्साइज ड्यूटी पिछले दस वर्षों में छः गुनी हो गई है और उन एक्साइज ड्यूटी का बोझ अवाम पर भी पड़ता है। यहां जिन जिन ग्राटिकल पर एक्साइज ड्यूटी ली जाती है उन में से ज्यादातर का असर अगर मिडल क्लास और मिडल क्लास पर पड़ता है। जैसे खांड पर ड्यूटी लगती है, कपड़े पर ड्यूटी लगती है। लेकिन थोड़ी देर बाद मेरे लायक दोस्त ने उस को कंटेडिक्ट कर दिया। पहले तो यह कहा कि हिन्दुस्तान में कपड़ों पर एक्साइज ड्यूटी कम कर दी गई तो गरीबों को कुछ फायदा हुआ, फिर कहा कि उस से सरमायेदारों को फायदा होगा। एक्साइज ड्यूटी कम करें तो आप को शिकायत और ज्यादा करें तो भी आप को शिकायत कि वह छः गुनी हो गई, दस गुनी हो गई। इस किस्म की दलों से कुछ फायदा नहीं है।

कुछ दोस्तों को फाइनेंस बिल की फर्स्ट रीडिंग पर बोलने का मौका नहीं मिला, फाइनेंस मिनिस्टर के खर्च की मांगों पर बोलने का मौका नहीं मिला, लेकिन मजमन एक जैसा है इस लिये इस मौके पर हमारे साथियों ने बताया कि ग्राम देहातों के विकास के लिये कुछ नहीं हुआ, गरीबों के विकास के लिये कुछ नहीं हुआ। मैं यह याद है कि हमारे आन्दोलन फाइनेंस मिनिस्टर ने तकरीर करते हुए कुछ फिगर्स दिये थे। मैं फाइनेंस या एका-नमिक्स का स्टूडेंट नहीं रहा, लेकिन एक से सैन की हैसियत से, एक ऐसे आदमी की हैसियत से जो गांधी में पैदा हुआ, कह सकता हूँ इस

[श्री यू० चं० जैन]

ऐबान में कि मुझे अपने गांव का पता है, जिस गांव में २०० घरों की आबादी है, उसका पिछले बस वर्षों में नक्सा बचल गया। अब मैं पैदा हुआ था, होश सम्भाला था, तो मुश्किल से मेरे २०० घरों के गांव में १० घर पक्के थे, लेकिन आज आधा गांव पक्का हो गया है।

श्री अन्नराज सिंह : मिनिस्टर का गांव है।

श्री यू० चं० जैन : इस वजह से नहीं कि वह मिनिस्टर के गांव हैं यह गलत बात है। आप दिल्ली से २०, २५ मील दूर चले जाइये करनाल में चलिये और आप वहां जा कर देखेंगे कि देहातों में हकीकी तौर पर तरक्की हुई है और आज जो तरक्की हमारे गांवों की हुई है उसको इस तरह की बातें कर के छिपाया नहीं जा सकता है। मैं जानता हूं कि देहात के लोगों में डिस्ट्रिक्शन है लेकिन उसका यह कारण नहीं है कि मकंद फाइव इयर प्लान उनके लिये नहीं बना या उनका विकास नहीं हुआ। इस भ्रमन्तोष का वास्तव में क्या कारण है मैं अभी उसकी ओर ऐबान की तरफ़ ज़हद दिलाऊंगा। लेकिन इतना मैं कह देना चाहता हूं कि अगर किसी बीमारी की तशबीस गलत होती है उसका सही इलाज नहीं होता। यह कहना दुष्प्रत न होगा कि सैकड़ फाइव इयर प्लान गरीबों के लिये नहीं बना है। कम्युनिटी डेवलपमेंट ब्लाक्स और एन० ई० एस० ब्लाक्स पर करोड़ों रुपये खर्च किये जा रहे हैं और हमारे देश के करीब आधे देहात उनसे कवर हो जायेंगे। अब उन पर जो करोड़ों रुपये खर्च होंगे तो वह सब देहातों के विकास के लिये ही तो खर्च होंगे।

मैं जानता हूं कि कम्युनिटी डेवलपमेंट ब्लाक्स के बारे में हाउस और हाउस के अन्दर भी काफी इंटिग्रिटी होती है लेकिन

मैं ने हर जगह देखा है कि जहां पर कम्युनिटी डेवलपमेंट ब्लाक्स नहीं हैं वहां के देहात वाले इन कम्युनिटी डेवलपमेंट ब्लाक्स की मांग करते हैं और यह चीज इस बात की साबित करती है कि देहात के लोगों को उनसे कितना फायदा होता है।

पेक्टर इसके कि मैं इस बात पर आऊं कि हमारी एकोनमी में क्या मुक्त है अबबा उसके इम्प्लीमेंटेशन में क्या डिफ़िकल्ट है उससे पहले मैं अपने फ़ाबिल दोस्त के एक प्वाइंट का जवाब देना चाहता हूं। मेरे दोस्त ने अभी फरमाया था कि सन् १९३७ के मुकाबले आज १९५७, १९५८ में हमारे अन्नराज कितने बढ़ गये हैं। सन् १९३७ में ऐक्सपेंडिचर १० करोड़ था और मेरे दोस्त ने मुक्तलिफ फीगर्स देते हुए फरमाया कि सन् १९५७-५८ में वह बढ़ कर २०० करोड़ हो गया है। अब मेरे दोस्त सन् १९३७ के ऐक्सपेंडिचर का सन् १९५७-५८ के ऐक्सपेंडिचर से मुकाबला कर रहे हैं, अगर मुकाबला करना था तो सन् १९१० और सन् १९१७ के अन्नराज से करने तो उनको और ज्यादा डिफ़िकल्ट मिल जाता

[SHRI C. R. PATTABHI RAMAN in the Chair.]

15:00 hrs.

श्री अन्नराज सिंह : सन् १९३७ में आपकी मिनिस्ट्री थी।

श्री यू० चं० जैन : मैं अपने दोस्त का ध्यान अभी हमारे फ़ाबिल होम मिनिस्टर साहब ने अपनी मिनिस्ट्री की आइस पर हुए डिस्कशन का जवाब देते हुए जो फरमाया है उसकी ओर बिलाना चाहता हूं। उन्होंने हाउस को बतलाया था कि हमारे देश में पब्लिक सर्वेंट्स की तादाद आबादी के हिसाब से दुनिया के और एडवांस्ड कंट्रीज में सब से से कम है। इसके यह मानी हुए कि जहां और देशों में एक हजार आदमी के पीछे ५ पब्लिक सर्वेंट्स

हैं वहाँ हमारे देश में ३ या ४ ही हैं। इस सम्बन्ध में मेरे पास घाँकड़े मौजूद नहीं हैं लेकिन मैं अपने जाती तजुबों की बिना पर यह महसूस करता हूँ मैं नहीं जानता कि कौन कौन माननीय मेम्बर उससे इतिफाक करेंगे लेकिन मेरा यह जाती महसूस है कि वाकई मैं हमारे देश में पब्लिक सर्वेंट्स की तादाद कम है और वह ज्यादा होनी चाहिए।

इसके अलावा आपने जो यह कहा कि सन् १९५६-५७ में ऐक्स्पेंडिचर १३० करोड़ था और जो कि अब सन् १९५७-५८ में और इस बजट में २०० करोड़ हो गया है ताँ उसके लिये मेरा कहना यह है कि अभी आपने सोशलिस्टिक पैटर्न आफ मोसाइटी की दुहाई दी है और यह रुपया जो इतना ज्यादा बढ़ा है उसमें से कम से कम २०, ४० करोड़ रुपये, इसके मुताबिक ठीक ऐदादो शुमार तो फ्राइनेंस मिनिस्टर साहब देंगे लेकिन मोटे तरीके से जो मुझे पता है उसके हिसाब से मैं कह सकता हूँ कि इसमें ज्यादा रकम इस वजह से बढ़ी है कि छोटे मुलाजिमों की तनस्वाहें बढ़ायी गयी हैं। अकेले डिफेंस डिपार्टमेंट में कई लाख छोटे पब्लिक सर्वेंट्स काम पर लगे हुए हैं और उनकी तनस्वाहों में बढ़ोतरी हुई है और उस वजह से ३०, ४० करोड़ का फ्रक पड़ जाना कुदरती बात है।

आपने स्मोल सेविंग स्कीम के बारे में जो सिकायत की मैं भी उससे इतिफाक करता हूँ। पिछले साल मैं स्मोल सेविंग ड्राइव जो कम हुई है उसका क्या कारण है? बावजूद इस बात के कि हमारे देहातों के लोगों की हालत बेहतर हुई है और उनका जीवन बेहतर हुआ है लेकिन उनकी हालत बेहतर होने के बावजूद स्मोल सेविंग में उसका कोई असर क्यों नहीं पड़ा? उसकी वजह यह नहीं है कि हमारा ध्यान उनकी तरफ नहीं है बल्कि इस वजह से कि हमारे ऐडमिनिस्ट्रेशन में जो हमारी इम्प्लीमेंटेशन मशीनरी है उसमें बड़े नुकस हैं। वहाँ तक कि जो मुस्तलिफ़

कामों के वास्ते बांट्स दी जाती है उनको भी ठीक ढंग से तक्रमीम नहीं किया जाता है। इसके अलावा जो चालाक और होशियार लोग होते हैं वे तो उनका फ़ायदा उठा लेते हैं लेकिन जो गरीब लोग हैं, जो नावाकिफ़ या कम तजुबेकार लोग हैं जिनकी कि पहुंच नहीं है वे उनसे बहुत हद तक महकूम रह जाते हैं। इस सम्बन्ध में मुझे एक मिसाल याद आती है और वह यह है कि पहले एक ऐसा सिलसिला होता था और आज भी कहीं कहीं वह चलता है कि जब किसी की शादी होती है और बहू को डोले में बिठा कर लड़की के गांव से चलते हैं तो डोले के आगे बखेर की जाती थी और उस पैसों आनों की बखेर में गरीबों के छोटे छोटे बच्चे गिरे हुए पैसों को जल्दी जल्दी बटोरते थे और मैं समझता हूँ कि देहान के रहने वाले भाई इस चीज से वाकिफ़ होंगे कि कई दफ़ा ऐसा होता है कि ४, ५ चालाक आदमी लड्डू से चादर बांध कर बखेर के समय चादर को आगे कर लेते हैं और इस तरह बखेर के सारे पैसे वे ही समेट लेते हैं और मेरा कहना है कि ठीक यही बात हमारे यहाँ की एकानामी में हो रही है। यह ख़ुशी की बात है कि हमारे मौजूदा फ्राइनेंस मिनिस्टर साहब पहले चीफ़ मिनिस्टर भी रह चुके हैं और चीफ़ मिनिस्टर की हैसियत से मैं समझता हूँ कि उनका इस बात का पता होगा कि किस तरीके से नीचे की लेवल पर हुकूमत चलती है। हमारे देहातों और कस्बों के छोटे छोटे लोगों को जिनको कि करोड़ों रुपयों का फ़ायदा होना चाहिए वहाँ पर किस तरीके से अनडिजिटिंग आदमी उन रुपयों का फ़ायदा उठाते हैं। जो आदमी चालाक हैं वह उस रुपये को जो कि ब्रान्ड्स की शक्ल में और लोन की शक्ल में दिया जाता है उसको उन चालाक आदमियों की तरह से हड़प कर जाते हैं जो कि बखेर का तमाम पैसा खुद चादर आगे कर के बटोर लेते हैं। इस नाइंसाफी का ननोज़ा इनना बुरा होता है कि वह स्मोल सेविंग स्कीम में कुछ नहीं देते। और यही वजह है कि आपकी स्मोल सेविंग स्कीम आगे नहीं बढ़ रही है।

[श्री यू० च० जैन]

इसके अलावा जहाँ तक टेक्स की चोरी का सवाल है इसके बारे में मैं आपकी बतलाना चाहता हूँ कि हमारे देहात वालों का ताल्लुक इस तम्बाकू टेक्स से है। तम्बाकू टेक्स की मशीनरी से तांबा ही भनी और वह हमारे गरीब किसानों को पंजाब में बहुत ज्यादा परेशान करती है। अभी पिछले दिनों हमारे एक माननीय मंत्री ने इन बात का हवाला दिया था और यह मांग की थी कि हर जिले में एक ऐडवाइजरी कमिटी होनी चाहिए। मैंने पंजाब में जनरल ऐडमिनिस्ट्रेशन ऐडवाइजरी कमिटी जो कि फंक्शन कर रही है उसके एक मंत्री की हैसियत में यह सवाल उठाया और सेंट्रल ऐडवाइजरी के जो मलाजमीन दिखी हैं होते हैं उनसे यह कहा था कि वह हमें उसकी बाबत क्रायदे कानून बतलायें कि कब कौन इंस्पेक्टर देहात में जाता है, कब वह रिपोर्ट लिखता है और कब वह देहात में जाकर शौके को देखता है और आइन्वेक्शन थ्रूह सुनता है लेकिन उस की बाबत हमें नहीं बतलाया गया कि किस तरीके से वह सिलसिला चलता है। अब कम से कम पंजाब में खसरा गिरदावरी के मातहत हर एक किसान की फसल लिखी होती है और यह लिखा होता है कि उस ने फलाने खसरे में क्या काफ्त की लेकिन वह तम्बाकू की खेती के बारे में उसकी बिल्कुल पर्वाह नहीं करते हैं और मनमाने तौर पर टेक्स लगाते हैं और उस सिलसिले में हमारे गरीब किसानों के साथ बहुत नाइंसाफी बरती जाती है।

अगर सभापति महोदय, आप इजाजत दें तो मैं ३, ४ मिनट में करप्शन के मुतालिक कुछ कहूँ। करप्शन के अलावा हमारे ऐडमिनिस्ट्रेशन में एक और ऐटीच्यूड है और वह है हमारे ऐडमिनिस्ट्रेशन की प्रो रिच मैटेरिटी। ऐडमिनिस्ट्रेशन गरीबों की हिमायत नहीं करता बल्कि अमीरों की हिमायत करता है और वह बाहे इस बबह से करता हो कि उनकी जेब भरन हो जाती है या उनके पास

सिफारिश पहुंच जाती है बहरहाल इसके लिए कोई भी बजह हो यह आम तौर पर देखने में आता है कि हमारा ऐडमिनिस्ट्रेशन प्रो रिच है और वह प्रो पूरन नहीं है। नतीजा क्या है? नतीजा यही है कि इस हालत में लोग स्माल सेविंग में मदद नहीं दे सकते। तो मैं फाइनेंस मिनिस्टर साहब से कहूंगा कि वह जरा नीचे सेविल की तरफ भी देखें और इस बात का इन्तजाम करें। इस बारे में बहुत दफा इस एंवान में और बाहर भी कहा जा चुका है लेकिन कोई इन्तजाम ही नहीं होता। अगर यह कहा जाये तो ज्यादा ठीक होगा कि, "मजबूत बढ़ता गया ज्यों ज्यों दवा की"। जहाँ तक गवर्नमेंट की पालिसियों का ताल्लुक है मुझे उनसे इस्तिलाफ नहीं है, सिर्फ कुछ बातों में इस्तिलाफ है, लेकिन ज्यादातर में गवर्नमेंट की पालिसियों से इस्तिफाक करता हूँ। हमारी गवर्नमेंट का सोशललिस्ट पैटर्न का आब-जैक्टिव दुस्त है। हमारी जो पालिसीज हैं वे हार्ड सेविल पर दुस्त हैं। लेकिन उनके इम्प्लीमेंटेशन में बेहद नुक्स हैं और यह नुक्स ऐसा है जैसे कि लकड़ी में धुन लग जाना। जिस तरह से कि धुन लकड़ी को खा जाता है इसी तरह से ये नुक्स डूकूमत को खा जाने वाले हैं। इसलिए आप इस तरफ देखें।

इंवेजन के बारे में मैं एक दो सजेशन देकर बैठ जाऊंगा। यहाँ शिकायत की गयी है, और इसका मुझे भी पता है कि हमारे देश में बहुत भारी इंवेजन होता है। इस सान जो गिफ्ट टेक्स लगाया गया है उससे जो कानून में एक कमी थी वह दूर हो जायेगी और इससे फायदा होगा। लेकिन इसके अलावा कुछ और तजाबीज हैं। क्या इस डिपार्टमेंट में कोई इंटरनल चेंकिंग का तरीका है, क्या इंटरनल सुपरवीजन का तरीका है। क्या कोई इंडिपेंडेंट इन्वेस्टिगेशन की भी तजबीज है जिससे कि यह मालूम हो सके कि पिछले साल हम ने जो तजबीजें रखी थीं उन पर कहाँ तक खर्च हुआ है। तो मैं कहूंगा कि इन तीनों चीजों को

बाकी इंटरनल बैंकिंग, इंटरनल सुपरवीजन और इंडिपेंडेंट इन्वेस्टिगेशन को रायज किया जाये और जो नतीजा मालूम हो वह पार्लियामेंट को बतलाया जाये कि हम बं बं बंदम उड़ाये वे और उनका यह नतीजा निकला है।

इसके अलावा मुझ से पहले वाले स्पीकर ने एक बात विषमता के बारे में कही। यह हकीकत है कि हमारे देश में जहां भ्रामदनी बढ़ी है एंवर्ज के तौर पर, वहां विषमता कम नहीं हुई है। और हम मिलमिले में ये यह कहना चाहेंगा, और यह सिर्फ मेरी अपनी राय ही नहीं है, कि जहां देहातों में कम्युनिटी प्राजेक्ट्स का काम हो रहा है वहां पर हेल्स और हैबनाट्स में जो पहले डिमंपरिटी थी वह और ज्यादा हो गयी है। यह उन लोगों की राय है जिन्होंने इन प्रोजेक्ट्स की स्टडी की है। यह बड़ी खतरनाक बात है। इसका असर क्या होगा यह पूरे तौर पर तो मैं नहीं कह सकता पर इतना कह सकता हूं कि इससे डिसइटीब्रेशन बढ़ रहा है। आप बार बार देश के इंडीब्रेशन की तरफ इशारा करते हैं। इस विषमता की वजह से पहले भी हमारे देश में डिसइटीब्रेशन की भावना रही है फिर चाहे इस विषमता का कारण कास्ट हो या आर्थिक कारण हो। जब तक हम अपनी पूरी ताकत से इस विषमता को पूरा नहीं करते तब तक यह इंडीब्रेशन नहीं हो सकता।

इन शब्दों के साथ मैं उम्मीद करता हूं कि जो तजावीज मैंने रखी हैं उन पर फाइनेन्स मिनिस्टर साहब गौर करेंगे और यह जो फाइनेन्स बिल की तजावीज हैं उनका मैं हार्दिक समर्थन करता हूं।

Shri Khadlikar (Ahmednagar): Mr. Chairman, Sir, after patiently listening to the new Finance Minister, some-

how or other I have gained an impression that this office has been thrust on him; and from his replies to the economic issues raised in this House I felt—because he has no reputation to his credit of flexibility or resilience likely in such a situation, on his own admission—that he is not so well acquainted with the finance.....

Shri Morarji Desai: Are you?

Shri Khadlikar: Certainly, I can claim that.

Shri Morarji Desai: I know more than that.

Shri Khadlikar: What I want to point out at the outset, is, in the present developing economy our Finance Minister is likely to be guided by the office—the Finance Ministry—and if such a situation arises I would like to utter a word of warning, because we have got to understand the present period of our economy in order to grasp the real significance of this situation. I do not mean any disrespect to the Finance Minister. That is what I feel from the replies. I will give you one instance.

Yesterday, the Deputy Finance Minister tried to give some sort of an economic argument in her musical, sweet, feminine voice. (Interruptions). Even then, I will take only one issue. For instance, an issue was raised—not only by the Communist friends but also by my friend Shri Bimal Ghose—that today in our economy we have got to take foreign collaboration, otherwise we cannot progress. On that point there are no two opinions. The question is, in what way that collaboration should be assimilated by our economy. That is the major question. Are we going to allow our creditors in America to distort our economy by saying that we will sponsor this project on one side; or, it is not going to distort our economy and strengthen the private sector by

[Shri Khadilkar]

allowing them to give more and more aid or loans to the private sector? This is a policy issue on which the Planning Commission and the Government will have to take some decision. The sooner it is taken the better, otherwise the same situation will arise and we will be faced with a new crisis.

Before I turn to the other economic issues, I would like very humbly to submit that we have got to understand the nature of the present crisis. There is a lot of confusion. Let me say it very frankly, we are very fortunate at the present juncture. Both sides are offering aids to us—the United States is giving aid and also other nations on the western side as well as the Soviet Union. There is a possibility of recession, but it is not likely to affect us so soon. We have got to be watchful, but at the present moment recession is not likely to affect adversely except in terms of trade with foreign countries. That is quite clear. And, we have got rich experience of the western world, the Soviet Union and China at our disposal. The difficulties that Soviet Union faced—foreign intervention and other things—we have not to face. After civil war China tried to develop and, therefore, they had difficulties. We have none of the difficulties of that type. On the contrary, what do we find in the country? Every section of opinion, from one end to the other, is prepared to help the Government to implement the Plan, go ahead with the Plan. A certain amount of confusion is created—an economic confusion is created by a section of people that is dominating in the newspaper world today, in season and out of season, saying "Oh, we are now in a crisis. What is going to happen?" I would just like to point out to our new Finance Minister that this is not a new thing. In a developing economy, today's balance becomes tomorrow's imbalance or vice versa.

The latest second Plan of China was submitted to their Council of Representatives, and in the concluding remarks, Mao has been quoted as saying that those who want to develop the country, those who are determined to do it, should not be deterred by imbalance, because the law of development is balance, imbalance, new balance. This is a sort of continuous process; that is the law of economics and the law of life. You must understand it. Therefore, when I heard our new Finance Minister I understood that he was more inclined to agree to succumb to the vicious propaganda that is going on in the country against the Plan by a certain sector of people who feel that by development their interests are likely to be jeopardised. But about those hon. Friends like Shri M. R. Masani who have figures on their finger-tips—an array of figures—I would say this. In economics, the reading of figures is many times a jugglery. It is as difficult as reading of stars in the sky in a particular way. So, interested parties read figures in an interested way, and in an apologetic manner our Finance Minister tries to defend his position. Where is the question of defending? It is a question of challenging these people and saying, "You people, you are the saboteurs of the Plan".

Shri Morarji Desai: May I interrupt on a point of clarification? I have not been apologetic to anybody including himself.

Shri Khadilkar: Therefore, I would like to say just a word to my hon. friends, the spokesmen of free enterprise: even if they want to develop the country from a backward economy, the point is that Government or public spending must take place on a bigger scale. Then alone private enterprise can succeed. These things are axiomatic in economic theory. I need not go into the details about it. Coming to the other aspects of our economy.....

Shri Feroze Gandhi (Rai Bareilly): He also did not give any figures.

Shri Khadilkar: I am avoiding. I will come to them a little later, but I am avoiding the figures. At the same time, the nature of the conflict or the nature of the crisis to which I just now referred, at the present moment is political in a sense. The political party recently elected on the programme of the Five Year Plan today is a little nervous, a little chicken-hearted, in a way, and is feeling how this stupendous task could be carried on by it. That is because the whole political organisation is internally so disrupted that they are not in a position of self-confidence to say to the people who will carry on the Plan. In order to divert the attention of the people from the party and its wrangle—unfortunately they are the rulers of the country—what they are doing is this.

The other day, the ex-colleague of our Finance Minister, the Chief Minister of West Bengal, said on the floor of the House there, "Today, these people, the Congress Party people, what are they doing? Unfortunately, they are trying to rule in such a way that they are digging their own graves". These are not my words. I am quoting the former colleague of the Finance Minister, his colleague on the Working Committee.

But the question is, the internal crisis of the Congress Party is being magnified in order to cover, as I said earlier, the loss of confidence on their part to go ahead with the Plan. Therefore, we have got to realise the nature of the crisis in the first instance.

Let me touch one or two aspects of the economy only, because the time at my disposal is too short. I would like to touch only a few aspects. Firstly, the other day, while addressing the third session of the Co-operative Congress in this capital, a certain remark was made by our Prime Minister, supporting the remarks of the President of the Congress, Shri K. D. Malaviya.

Shri Braj Raj Singh: Ginger.

Shri Khadilkar: I mean the All-India Co-operative Congress. I am very sorry, and I was very sorry, to read those remarks, because both of them represent a certain progressive tendency, certain right lines, in the political thought as I put it. But they have made a very wrong approach to the problem. Praditji said there that "I am very sorry for accepting the recommendations of the Rural Credit Survey Committee report." I would like to get an explanation from the new Finance Minister, because it is on account of the Rural Credit Survey Committee Report that certain amount of responsibility to develop the co-operative movement and to help the peasantry has been taken up by the Government, rightly taken up by the Government, and the co-operative movement initiated in this country. The late Lokamanya Tilak had observed that the Britishers wanted to develop co-operation and the peasantry in a way that they themselves were helped, and the peasantry were to be helped by God in Heaven without the Britishers extending any financial help. It was so then, because at that hour, they were relying on the *laissez faire* in the rural economy. When we accepted this Rural Credit Survey Committee Report, we laid down a principle that we do not accept, so far as the rural economy is concerned, this *laissez faire* doctrine and that we are going to enter in a positive way as a sort of partners in developing and helping the rural economy. If the observation had been made in a milder way, I would not have taken an exception, but I have gone through the proceedings as they had appeared in the Press, and even the Planning Commission in their second report have made this point specific and clear. The Planning Commission say:

"The main proposals of the Committee of Direction of the Rural Credit Survey have been accepted in broad principle by the Central Government, by the Reserve Bank of India and by representatives of the co-operative movement. This formed a general basis on which prog-

[Shri Khadilkar.]

rammes of development for the second Five Year Plan have been drawn up. The most important departure from the earlier programmes which the Rural Credit Survey envisage was that the State would enter into partnership with co-operative institutions at various levels. It was felt that such financial partnership would provide national strength to co-operatives and make available to them in fuller measure assistance and guidance from the Government".

I entirely support the other observation made by the Prime Minister on the occasion, namely, that this guidance and partnership should not lead to excessive interference. To that extent I would support it. But, if it means abandoning the responsibility, abandoning the policy of direct participation and financial aid to the rural economy, I think that would be a great disaster.

Then I come to the other aspect. As I observed at the beginning, what I feel is, the time has come when our Finance Ministry should be split up. I feel the present set-up is entirely wrong. The Ministry of Economic Affairs and the Ministry of Planning should go together and the revenue and administrative sides and the banking side of the Ministry should be bifurcated. As I said earlier, it is absolutely necessary at the present moment. The new Finance Minister is less acquainted with the economic trends of the world, leave alone the Indian economic trends. So, it would be difficult for him to extricate himself from the official influence. He will be guided by the very officials who will create an artificial crisis, as they did only the other day in the case of L.I.C. Therefore, this is the one suggestion that I would like to make. While making this suggestion, at the same time I would like to make one observation. I want to say here that I do not wish to cast any reflection, so far as the present Planning Minister

is concerned. He is a best, conscientious workers' representative in his right in the Planning Commission—our hon. Shri Nanda. I do not want to say . . .

Mr. Chairman: I had been hesitating to interfere. This is the third reading stage. So, the hon. Member must confine himself to the Bill as such. He can plead for the Bill being thrown out. But there cannot be a general discussion in the third reading of the Bill. The rules are clear on the subject.

Shri Khadilkar: Yesterday, I did not get any opportunity. I was told that I can speak in the third reading.

In conclusion, I will make one suggestion. There are certain aspects of the Finance Bill. For instance, yesterday my hon. friend, Shri Ghose, pointed out the incidence of taxation—how it operates in our economy. That aspect remains unanswered. Let him go into the comparative figures. I was avoiding it; if he wants, I can supply the figures.

Shri Morarji Desai: Let him supply.

Shri Khadilkar: There are comparative figures about the incidence of taxation in a so-called "Welfare State", leaving aside the socialist State. The impact of taxation on the lower strata is lessened or made less and the burden is put more upward by direct tax and other impositions on the upper classes. Therefore, what do we find in our economy today? An absolutely, totally different picture from the ideal preached in the Second Plan. It has been stated that our effort is not to have any concentration of power, economic power. I would like to ask the Finance Minister to examine whether more or less of economic concentration is taking place in our society. Has it started at least somewhere in our society?

As regards stagnation, I have got some figures for which my hon. friend, Shri Feroze Gandhi will excuse me

It has been argued—and rightly argued—(I will just quote the figures) that in 1952-53 the direct tax collection was Rs. 134.63 crores. In 1958-59 it is just Rs. 151.85 crores. It is not even Rs. 20 crores above the previous level. Why is it happening? If it is a developing economy, as we say it is—it is no doubt true—then it must be reflected in the collection at different levels.

Therefore, there seems to be something wrong with the collection machinery. There is a charge made on that point by a foreigner and our new Finance Minister has got to take very ruthless action. Because, on that point our Finance Minister has earned a name; he is fearless when he is convinced that a particular course is right. Our whole economy has got a plague. A foreign expert like Professor Kaldor has stated that our economy is rotten, because every year the tax-dodgers are robbing our State exchequer to the extent of Rs. 200 crores to Rs. 300 crores. I do not know how far it is true, but some people say that this class of tax-dodgers give a little portion of it to the Congress party fund.

An Hon. Member: Or to the PSP.

Shri Khadilkar: So far as the tax-dodgers are concerned, our administrative machinery seems to be completely paralysed. That is the experience. Small fries get caught but the big tax-dodgers still escape. So, in order to meet the present situation, I would suggest to the Finance Minister that he should at least institute an enquiry whether the present tax collection machinery is adequate to meet the situation and plug the loopholes.

I will refer to one more point and finish. Last year we had entered into a new era in our economy and a new tax structure, integrated and rational, was introduced in our economy. Since then persistent attempts are being made to reverse the process by men of the Masani type. They are making

constant propaganda. Yesterday the hon. Finance Minister was charged with being stiff. Let us hope that he will be stiff at least on this point of the attempt to reverse the process of the present tax structure. Although efforts are being made, I am sure, he will not succumb to that. Now, unfortunately, the Finance Minister is very busy meeting people from the finance and business world, if you see the public engagements of different chambers of commerce.

Shri Feroze Gandhi: He saw me also.

Shri Khadilkar: Then you must be connected with some business! I do not know.

Therefore, what I am suggesting is that we must watch how the economy is operating. As I said earlier, there is no question of any shortfall. As I stated on a previous occasion, there should be no fear of inflation. In a developing economy a small dose of inflation acts like a tonic. That is the accepted theory, so far as inflation is concerned. So far as foreign aid is concerned, we must try to take it so that it may help our economy. If these precautions are taken, I am confident that we can march ahead with the all party support and, in spite of the constitutional drawbacks, we will support him in his efforts.

Ch. Ranbir Singh (Rohtak): Mr. Chairman, the two speakers from the opposition who preceded me come from the same block. But, if the speeches are taken together, both of them seem to be contradictory to me. When one complained of an expanding economy, the other one complained of the extra expenditure for the expanding economy.

Shri Feroze Gandhi: What do you stand for?

Ch. Ranbir Singh: I stand for an expanding economy and more expenditure for development purposes. The preceding speaker complained of less collection by direct taxes and more

[Ch. Ranbir Singh]

realisation by indirect taxes and said that it will be better if the direct taxes are increased. We must consider its effect. Shall we increase indirect taxation on the vested interests or direct taxation on the people? This is the crux of the problem. If the realisation through indirect taxation is increased, it is increased for the benefit of the people, for expanding the economy of the country to remove the poverty of the poor people, not of the rich.

My hon. friend, Shri Mulchand Jain, referred, and referred rightly, to the improved conditions of rural areas. He also comes from the same area from which I come. We do not know about the other rural areas. But I am sure everyone who has visited Punjab or who comes from Punjab will agree that during the last ten years the rural populace and its financial position has been bettered. I can safely say that the pucca houses which existed in 1947 have at least been doubled in each and every village during the last ten years. Not only that whatever expenditure was incurred prior to independence say—about Rs. 150 crores were spent for irrigation projects, after independence during the First Five-Year Plan about Rs. 600 crores were spent for irrigation projects—the expenditure of course will be increased and has increased during the Second Five-Year Plan but it will be for the development of the country. Rs. 200 crores, no doubt, are being spent during 1958-59 but most of the part of this expenditure will be for manning commercial undertakings or State undertakings which were not in existence before the independence of the country.

Similarly, two aspects of the same problem are stressed in this House. There are some friends who want to raise the taxable minimum while on the other hand there are some people like my hon. friend who preceded me, who are of the view that direct

taxation should be increased. I am of the view that direct taxation can be increased provided we adopt the line which we have already taken. Several speakers in this House tried their best to plead that the taxable minimum should be raised and should be Rs. 4,200 rather than Rs. 3,600. I am of the view that in this country a very large population, say 75 per cent of the people, pay direct taxes not only on their income but sometimes on their losses too. I mean to say that land revenue is one of the direct taxes. It cannot be said that it is rent in an independent country. If that taxation is taken into account then we shall have to agree that the taxable minimum should be lowered. I am of the view that if it cannot be lowered to the extent of Rs. 500 it should be lowered to Rs. 1,000 so that everybody in the country may be able to contribute something for the success of the Second Five-Year Plan or for the development of the country.

Shrimati Parvathi Krishnan (Coimbatore): Mr. Chairman, Sir, in considering the Bill at this stage we have to consider it and view it in the light of the financial difficulties that face our country and it is our opinion that the Bill, as it stands, certainly does not rise to meet the needs of the national requirements. It does not really hold out any picture of hope to overcome the financial difficulties that are there before us.

Take for instance the policy towards foreign capital. As was expressed yesterday on the floor of this House by the hon. Deputy Minister, who was overcome by her own figures and her information, as she called it, she claimed that we have been misinformed and while doing so she also mis-represented what we were trying to say. She claimed that we said that no country in the world has developed without foreign investment. We did not say that.

The Deputy Minister of Economic Affairs (Shrimati Tarkeshwari Sinha): Shri Nagi Reddy said that.

Please take the proceedings and read them.

Shrimati Parvathi Krishnan: We did not say that no country in the world has developed without foreign investment. On the other hand, what we said and what we continue to say is that we should take a warning; and a lesson from the danger and from the difficulties that have arisen in these countries that have developed with a certain amount of foreign investment, foreign aid and foreign loans.

Now, take for instance, the lessons that have been drawn from the case of Canada itself. On what platform did the present Prime Minister of Canada win his election? He won his election on the platform that Canadian industry and the economic interests of Canada were to be defended and protected against the encroachment of American capital and against the oppression, if I may say so, of American capital.

Here, I have before me an article which also quotes from that same report that the hon. Deputy Minister quoted from. Here we find, for instance as regards the question of trade with China, that because the U.S.A. has not recognised the People's Republic of China, therefore the Fords in Canada cannot come to an agreement with China and cannot supply cars to China. Now this is because of the history behind the method of American investment in Canada and this is what we say that we must be very careful to guard against. It is not that we say that no foreign investment should come in the country but while we go in for foreign aid, while we go in for foreign loans and invite foreign investment we should see that adequate guarantees are there so that this type of difficulty will not arise at a later stage.

Take further on what that Commission itself said. Now, the quota-

tion that we heard yesterday on the floor of the House was:

"The Commission's final report made recommendations in the belief that they would not check the flow of U. S. investment. The inflow of capital, in the view of the Committee, was held to be essential to the country's rapid development."

But at the same time a warning is also there. It is no good just reading these reports piecemeal. It is no good just quoting these suggestions piecemeal. It is necessary to see it in its overall picture and that is what we are trying to say and not that it is dangerous altogether but to see all the potential dangers, to guard against them and be sure that we do not land in the same sort of mess that Canada today finds herself in. Now here is another quotation following out of that quotation.

"The question is whether a country can have meaningful independent existence in a situation where non-residents own an important part of the country's basic resources and industry and are, therefore, in a position to make important decisions affecting the operations and development of the country's economy. The economic aspects of the problem are by no means the only significant ones and indeed they may not be the central ones."

This is the warning that we are trying to sound. It is not that we want to drive away foreign capital. Far from it. But what we say is that when you invite foreign capital into this country, when you allow foreign capital in the country see that it is allowed with such safeguards that foreign capital does not become a Frankenstein which you may not be able to deal with at a later stage, instead of saying to the foreign capitalists, "Have no fear. We want to welcome you with open arms. Have no fear, we will never touch you. Have no fear, the climate here

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is a very good climate for you. Do not have any fear." That is not what we want. What we want is that it should be categorically stated that foreign capital, when it comes into this country, will be allowed to develop, that they will be given certain concessions but certainly we will have to be very firm in our statement that they are not going to be allowed to repatriate at the rate that they would like to, that they are not going to be allowed to dictate any policy whatsoever and it is going to be the Indian investors and the Indian capital that is going to be the dominant partner in any partnership.

Take for instance the soap industry. Today you find that it is the indigenous owners in the soap industry who are suffering. Now, those are the sections that will have to be given safeguards. Those are the sections to which assurances have to be given. Those are the sections which will have to be told that "Come what may, it is you that will have to develop. It is in your hands that the future of our country, that the wealth of the nation is finally going to be. It is the Indians who are really going to dominate and whatever today is happening in Canada and what is happening in Latin America is not going to be repeated in India! this is the assurance that we are asking for. This is an assurance that is very necessary if you want your economy to develop as it should. Because, we find, for instance, in Canada". The U.S.A. recently cut down Canada's oil exports at a time when Canada had already a Billion dollar gap in its trade with the U.S.A. You see it is not so simple as that. It is not that foreign capital or foreign investors just come in as philanthropists and missionaries as the hon. Finance Minister made out.....

Shri Morarji Desai: I never made it out.

Shrimati Parvathi Krishnan: in one of the speeches when he was holding the previous portfolio of Commerce and Industry.

Shrimati Tarkeshwari Sinha: Read the whole of the statement.

Shrimati Parvathi Krishnan: We have to be careful about them and these matters have to be screened. We are told that the Soviet Union did not receive any foreign capital, did not receive any foreign aid because of their past history, because of their repudiation of debts. In fact, it was peculiar how there was almost a gloating tone, a gloating manner in which this was repeated.

Shrimati Tarkeshwari Sinha: Who said that? I never said that it was difficult. Let me clarify.

Shrimati Parvathi Krishnan: I am at liberty to hold my opinion.

Mr. Chairman: Order, order.

Shrimati Tarkeshwari Sinha: She is not giving me a chance to clarify. I never said that.

Mr. Chairman: We must preserve decorum in the House.

Shrimati Tarkeshwari Sinha: May I clarify? I never said that Russia never received any aid. I said that it was very difficult for Russia because she repudiated her past debts. It was very difficult for Russia to get the capital which she wanted and that is why foreign investment in Russia was very small. We do not want to repeat the same mistakes by creating a sense of fear. That does not mean what the hon. Lady Member is referring to.

Shrimati Parvathi Krishnan: To begin with, I would like to clarify one aspect. There is no such country as Russia. There is a country known as the Soviet Union. The Soviet

Union did receive foreign aid. I did not say that it did not receive foreign aid. The point that I was making out was,—a little patience would certainly help people to understand the point that is being made—that the Soviet Union got that aid with difficulty: it is true. But, the difficulty there was not due only to economic reasons. Particularly, here, on the floor of Parliament, we who claim to be the law makers of the land, we who claim to be the people who know all aspects of national interest and national life, and particularly those who are Members of the Government cannot divorce economics from politics. It is not just orthodox economics that we want here. There is a political philosophy and there is political policy also behind the various aids and investments that take place. History proves this. I do not have to sit here and conduct further classes on economic history. Certainly it was difficult for U.S.S.R. because it was against the interests of the capitalist countries for a socialist country to develop, and at that time, the Soviet Union was the only socialist country. With all these difficulties, they did develop and they were able to stand a major war only a few years ago. This cannot be gainsaid. This cannot be forgotten.

Take our own country. From the speeches that have already been delivered during this session, we have seen how Member after Member has got up to point out the differences that exist between the manner in which Rourkela is being handled by those foreign interests that are helping us and the manner in which Bhilai is being handled. For lack of time, I do not want to repeat them here. Why is that difference there? It is because in Bhilai we are being helped by a country that knew what it meant to fight and have aid when they were in a very difficult position and therefore, they knew what it meant for a backward country to have aid. They know also that it is necessary to understand the needs of an economically backward country,

to understand the problems that arise there and therefore, they are in a position to tackle it and you find that there the work is going on more rapidly and the various hindrances that have been referred to do not come up quite so much as they do in Rourkela. This is just one of the points that I would like to bring up in this connection.

To come to the question of foreign exchange and shortage of foreign exchange, it is not a question only of trying to balance whatever is there. It is not a question only of saying, since we have got limited foreign exchange, we can only go in for limited industrial expansion in one sector or another, that we have to cut down imports in one field and we have to see that foreign exchange is conserved only for industrial purposes. There are various other aspects of foreign exchange also. Why is it that we are so chary of touching the tea industry? Why is it that measures are not taken to see that the vast sums that are paid in the form of managing agency commission are cut down and that money which normally goes abroad stays within this country? Why do we not take steps to prevent repatriation of these large sums of money? Why is it that even small incidents continue to occur time and again? I am told on reliable authority that only in the month of January, our former Finance Minister attended a wedding reception of a son or daughter—I do not remember—of one of the offsprings of a man who is very often seen in the import and export permits office. Having attended that wedding, at a time when we are told that foreign exchange is very short and therefore, people cannot even go abroad for medical treatment to a place like Vienna, even though it may be difficult for that particular treatment to be got in this country, we find that happy couple go for honey-moon to the U.S.A. Foreign exchange for honey-mooning seems to be the slogan of the Government. Or is it

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that we should conserve our foreign exchange for better purposes?

Shri C. D. Pande: That is much better than attending peace conferences.

Shrimati Parvathi Krishnan: Because honey-mooning is possible in our country from Kashmir to Kanyakumari just as well as anywhere else and an element of patriotism in that would certainly not be wanting.

Finally, with regard to the issue of handloom industry, I am sorry, the hon. Minister in his reply yesterday, could not give us an assurance with regard to the handloom industry. The textile industry in the south, as you know, is tacked on to the handloom industry. During the last few years, yarn that is produced has increased from 73,000 bales per month in the year 1953 to over 105,000 bales in 1957. While this is happening, you find that because of the installation of looms in the power loom sector, it is vigorously controlled because of accumulation of handloom stocks this yarn is not being used up at the rate at which it is being produced and the failure of the handloom industry to expand production is certainly affecting the off-take of yarn from the spinning industry in the south. It is a very serious proposition. That is why from all sections in the south, particularly in my State, the request and the demand has come that the rebate be extended to the end of the year and the rebate be extended also to weavers who are not necessarily within the co-operative fold, because a very large section of them is outside the co-operative fold. It is necessary that this measure should be taken so that they would be given some relief and the textile industry also would be helped because, today, in the south, we are faced with closures of shifts and closures of departments and even with retrenchment of workers in the textile industry on the one hand and with large accumulation of handloom stocks on the other. The problem

arises of bringing this problem under control and guaranteeing that the textile industry is not faced with a crisis and that the handloom weaver will be assured of his income and of his employment as well.

16.00 hrs.

Particularly in connection with this, I would like to bring to the notice of the Minister the question of yarn export, because there does not seem to be any policy as far as Government are concerned with regard to the export of yarn. For many years, the export of yarn has been on an ad hoc basis, and this has been varying and alternating from a complete ban at some times to alternating and varying quantities of yarn being exported, which means that this affects our foreign exchange position also; for, when you have this type of undefined policy, fluctuating all the time, then, naturally, your market abroad, that is, your export market, is not going to be a stable one. Therefore, if you want a stable export market for your yarn, and at the same time you also want stable employment in this country, it is very necessary that you have a defined policy with regard to the export of yarn. That is why I would like to state that as far as handloom is concerned, we would like that there should be a uniform grant of subsidy to all weavers, and that this subsidy should be extended to weavers who are outside the co-operative field also.

Secondly, we would like the extension of this increased rebate for a longer period of time. We would also like Government to go into the question of the sale of the accumulated stocks, and also a stable export policy for yarn. These are the important aspects as far as the handloom industry is concerned.

Finally, I would like to draw the attention of the House to the fact that this Finance Bill certainly does not fulfil the requirements of a country

where economic development is going on at the most uneven pace. It is true that we have got the heritage of an imperialist rule in this country, but instead of trying to break away from that heritage, instead of trying to see how the most backward areas get help and develop, we seem to be going along in that same rut, and we find that those areas which were backward in the past continue to be backward now. And this is what leads to the dangerous and fissiparous movements that do arise in the various backward areas. It is time now that we have a policy which will help the country to develop along more even lines. Particularly, for instance, take our roads and our railways. Time and again, the question has been taken up on the floor of the House, but we do not find any move from the Treasury Benches or from Government to go into this matter in more detail.

In conclusion, I would just like to say one thing, and that is, that our attention was drawn the other day to a very interesting allegory in the story of the Brahmin and the three thugs. I do not know who the other two thugs were. But, any way, whatever it may be, we were told about the Brahmin and the three thugs, and that nobody was going to be taken in by anything that we said and so on. But what I would like to say here is that I also do remember certain tales that have been told. I also remember the advice that is always given by older people to younger people.

One knows, of course, of the old lion who had become very old, who could not move, whose teeth were not what they used to be....

Shri S. M. Banerjee (Kanpur): No dentist was available at that time!

Shrimati Parvathi Krishnan: .. who dangled a gold ring and said, 'Have your bath in the Ganges, and then come to me, and I will give you the ring.' We are not so easily taken in. We certainly do know that in spite of

the fact that, maybe, today the fire is lying a bit low—because, after all, one does not have State Governments completely at one's beck and call, and one cannot easily order shooting down of people who ask for legitimate rights—we are not taken in by the old lion who may be sitting there dangling his gold ring, because we know very well that it is not a gold ring that is being dangled....

Shri Tangamani: But bullets.

Shrimati Parvathi Krishnan: but certainly bullets which are there behind the so-called decayed teeth.

श्री स० न० बनर्जी : चेयरमैन महोदय, बर्ड रीडिंग के समय गायब इतना वक्त न मिले कि मैं इस देश के आर्थिक ढांचे के बारे में तफ़्तील से कुछ रख सकूँ। आप की माफ़त मुझे सिर्फ़ एक बात माननीय मंत्री जी को कहनी है। आज प्राइवेट सेंक्टर और पब्लिक सेंक्टर के विषय में बहुत बातें होती हैं। जहाँ तक द्वितीय पंच वर्षीय योजना का सम्बन्ध है, उस की सफलता के बारे में सब की शुभकामनाएँ थीं। इस सम्बन्ध में हमारा उद्देश्य यह था कि द्वितीय पंच वर्षीय योजना में राष्ट्रीय उद्योगों का विकास हो और यह बड़ी खुशी की बात थी। लेकिन आज जब हम देखते हैं कि प्राइवेट सेंक्टर के लोगों का—यूजीपतियों का—राष्ट्रीय उद्योगों के बारे में क्या कहना है, तो हम दंग रह जाते हैं कि किस तरीके से आज हम उन को प्रोटेक्शन आफ्टर प्रोटेक्शन दे रहे हैं और उन को तमाम ऐसे साधन उपलब्ध कर रहे हैं, जिन से उन का विकास हो सके। मैं इस सदन को यह बताना चाहता हूँ कि पब्लिक सेंक्टर की तरफ़ उन का एटीच्यूड—बर्ताव—क्या है और इस सम्बन्ध में सदन का ध्यान एक छोटी सी किताब की तरफ़ दिलाना चाहता हूँ।

[MR. DEPUTY-SPEAKER in the Chair.]

इस सदन के सदस्यगण जानते हैं कि जब पिछले साल बजट सदन के सामने आया,

[श्री स० म० बनर्जी]

तो तकरीबन १० करोड़ रुपए का टैक्स लगाया गया। उस के ऊपर एक किताब निकली "दि बजट, दि पीपल एंड दि प्लान"। मैं यह कहना चाहता हूँ कि आज जिन गरमायदारों को हम कायम रखना चाहते हैं, जिन के बारे में हम कहते हैं कि इस देश में पब्लिक सेक्टर के साथ ही साथ प्राइवेट सेक्टर की भी जरूरत है—मैं मानता हूँ कि आज जिस तरीके का हमारा आर्थिक डांचा है, जो आज देश की हालत है, उस में यह मुमकिन नहीं है कि हम प्राइवेट सेक्टर को बिल्कुल अलग कर दें, बाहे भ्रमवाद की तरफ हम कितना ही बढ़ रहे हों—पब्लिक सेक्टर के बारे में उन का कहना क्या है, यह मैं इस सदन के सामने पढ़ कर सुनाना चाहता हूँ। उन्होंने कहा है :—

"It would appear that in People's China, which theoretically should be more rigid, there is now, as the following article will indicate, greater flexibility in the face of problems akin to our own. The expansion of the public sector at any price in the pursuit of ideas which a monolithic executive Government considers essential has a history as old as the Pyramids of Egypt and as new as Eastern Europe. The Pyramids, too, were great public works executed by Governments with a single mind. For a time, they operated to the benefit of the people to whom substantial employment was given. But when the Pharaohs drove the Pyramids beyond the endurance of their people, and the capacity of the economy, they became instruments of terrible tyranny; in the end they demolished themselves and thus ended even Pyramid building, the supreme urge of their mistaken lives."

मैं यह अर्थ करना चाहता हूँ कि यह आर्टिकल कोई विरोधियों की तरफ से नहीं है, बल्कि यह ईस्टर्न इकॉनोमिस्ट की तरफ से प्रकाशित

किया गया है, जो कि हमारे सरमायदारों का मुख्यपत्र है और जिस की मार्केट में देश के सामने अपने विचार आदि रखते हैं।

यही नहीं, घागे उन्होंने कहा है :—

"If the Prime Minister and the Central Government should choose, contrary to all wisdom and public feeling, to persist in their obstinate course, they will be undermining the place of the Congress Party in the political life of the country and will be producing a long-period economic crisis which, in the opinion of The Eastern Economist, will be nearly unmanageable."

अगर हमारे प्राइवेट सेक्टर के लोग भास्करा नंगल को देख कर कहें कि यह एक पिरामिड बनाया गया है और उस में कुछ आदमियों को नौकरी मिली है और कुछ समय के बाद वह खत्म हो जायगा, अगर हमारे पूँजीपतियों के दिलों में यह भावना है, तो फिर मुझे मालूम नहीं कि उन लोगों को प्रोटेक्शन देने के लिए हम क्यों परेशान हैं।

मैं इस सदन के सामने यह कहना चाहता हूँ कि एक्साइज ड्यूटी को रीड्यू किया गया। आप जानते हैं कि जब चैम्बर आफ कामर्स की मीटिंग हुई, तो उस के तमाम आफिस-बेयरर्स ने यह विचार प्रकट किया कि हमारी टैक्स्टाइल इंडस्ट्री में बड़ा फाइनिम है और उस का मान्यतान यह है कि एक्साइज ड्यूटी में रिडक्शन की जाय और एक्साइज ड्यूटी की वजह से उन के तमाम भाइयों की कमर टूटी जा रही है और अगर रिडक्शन होता है, तब तो टैक्स्टाइल इंडस्ट्री पनप सकती है, वनां प्रायद वह नहीं पनरेगी। अच्छा हुआ या बुरा, उस के बारे में इस वक्त में कुछ नहीं कहना चाहता हूँ, लेकिन हुआ यह कि उन को एक्साइज ड्यूटी में रिडक्शन दिया गया। लेकिन आप देखें कि उस के बाद कितनी टैक्स्टाइल मिल बन्द हुईं। आन्ध्र में एक बन्द

में ७, मद्रास में ३, मैसूर में २ और इस तरीके से तकरीबन २६ मिलें बन्द हुईं, जिसके परिणामस्वरूप पच्चीस हजार श्रमिक बेकार हैं और तकरीबन ५,६६० लाख बेल्ट पड़ी हुई है—क्लाथ की लाखों बेल्ट पड़ी हुई हैं और एक्यूमुलेशन आफ स्टॉक हो गया है। इस की रीजन क्या है? अगर कन्सेशन देने के बाद हमारे वेगभक्त सरमायादार धागे बड़ कर धागें और कहें कि हम को यह कन्सेशन दिया गया है, हम मिलों को चलायेंगे, तब तो ठीक है। लेकिन एक तरफ तो दूसरी पंचवर्षीय योजना की सफलता की बात की जाये और उसके साथ साथ दूसरी तरफ मिलबन्दी हो, तो मेरी समझ में नहीं आता कि इस तरह और कन्सेशन दे कर हम कहाँ तक उन लोगों को खुश कर सकेंगे। मैं तो यह कहूँगा कि अब की मर्तबा दिल्ली में जो उन की बैठक हो रही थी, तो मैं समझ रहा था कि उनके हाथों में डबल-वैगल गन है। एक गोली तो उन्होंने सरकार की तरफ चलायी चाही और वह एक्साइज ड्यूटी में रेवेन्यू की थी और दूसरी उन्होंने मजदूरों की तरफ चलायी चाही और वह इस तरह कि उन को कहा गया कि तुम प्ले आफ हो जायेंगे, मिलें बन्द की जायेंगी। इस तरह से डबल वैगल गन से बाँवें हमारे सामने आते हैं और दाँनों का भिद्यार करना चाहते हैं। दाँनों को धराकर वे फायदा उठाना चाहते हैं। मुझे मालूम नहीं कि इंग्लैंड में क्या कहें? क्या इंगको राष्ट्रियता का नाम दिया जा सकता है? मैं यह तो नहीं कहता कि यह बेधकूफी थी लेकिन यह इस उद्देश्य से किया गया था कि श्रमता को मजबूर किया जाए, उसको परेशान किया जाए, मजदूरों को परेशान किया जाए।

आप इंटरनल रिसॉर्गिंग की बात करते हैं और कहते हैं कि आपको रुपये की आवश्यकता है। रुपये की खातिर आपको विदेशों में जाना पड़ता है और वहाँ से भी आप सहायता प्राप्त करते हैं। पिछली मर्तबा हमारे पिछले वित्त मंत्री प्रमरीका गये थे और उन्होंने कहा था कि मुसीबत में हमारा मुल्क फंसा हुआ है।

जब वह वहाँ गये तो प्रेजिडेंट साहब ने कहा कि आप कैसे आए, उन्होंने कहा कि हम तो डूब रहे हैं। जब उनसे पूछा गया कि क्यों डूब रहे हैं तो उन्होंने कहा कि हमारा प्लान डूब रहा है। फिर उन से कहा गया कि प्लान डूब रहा है, तुम डूब रहे हो, तो हम से क्या चाहते हो? उन्होंने कहा कि रुपया चाहते हैं और इसके जवाब में उन को कहा गया कि डूबने वालों को कोई रुपया नहीं दिया जाता है। आज हमारी यह हालत हाँ गई है कि हमें विदेशों पर निर्भर रहना पड़ रहा है। हमने, साम्राज्यवादी शक्तियों ने मि.५ में कुछ किया है, उसका नमूना देब लिया है। ऐसी हालत में हम सांचने पर मजबूर हो जाते हैं कि जो लोग हमारी मदद कर रहे हैं उनके पीछे कोई राजनीतिक हेतु तो नहीं, कोई स्थानीय चाल तो नहीं। हमारे कर्णधार हमारे देश के प्यारे नेता पंडित जवाहरलाल नेहरू, मैं चाहता हूँ, इस चीज को देखें। वह राजनीति में बहुत मुलझे हुए व्यक्ति हैं और राजनीति से उनका बहुत ज्यादा सम्बन्ध रहा है। आज जो हमारी मदद कर रहे हैं इसके पीछे एक चीज है। वे यह तो नहीं चाहते होंगे कि हम को गुलामी की जंजीरों में जकड़ ले लेकिन वे हमारी प्राथमिक हालत ऐसी कर देना चाहते हैं कि हमारा देश उनकी मदद के बर्ग न बन सके। जब ऐसी हालत है तो हमें इंटरनल रिसोर्सिस के बारे में सोचना पड़ेगा। जब इन बात का जिक्र आता है तो हमारा ध्यान टैक्स इन्वेगन की तरफ भी जाये बिना नहीं रहता। यह कहा गया था कि २०० करोड़ रुपया बगुल होना बाकी है और बाद में कहा गया कि २६६ करोड़ है। मैं जानना चाहूँगा कि अगर इनको वसूल किस तरह से कर रहे हैं। क्या आपका मनीनरी इन कांथिल है कि वह इस रुपये को बगुल कर सके। मैं यह नहीं कहता कि आप कांथिल नहीं कर रहे हैं। कोथिल अब यही हो रही है लेकिन ज़िम तरह से कोथिल की जानी चाहिये, मुझे अफसोस के साथ कहना पड़ता है, शायद उस तरह से कोथिल नहीं की जा रही है। आप कह सकते हैं कि कुछ मजबूरियाँ हैं और

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उन मजदूरियों की बजह से शायद वे लोग फायदा उठा रहे हैं। मैं माननीय मंत्री महोदय से कहूंगा कि देश में रुपया है, इंटरनल रिजर्व्स हैं और ये टू दि ट्यून प्राफ १००० करोड़ के हैं और इतना रुपया हम प्राप्त कर सकते हैं और यह तभी हो सकता है कि जब प्राप सस्ती के साथ सरमायादारों को कहें, जो टेक्स इन्वेस्ट हैं उनसे कहें कि हम तुन्हें छोड़ने वाले नहीं हैं और इसमें प्रजातंत्र और गैर-प्रजातंत्र का कोई सवाल नहीं है, जो टेक्स उनको देना है, वह उन्हें देना ही होगा, हम कोई जबर्दस्ती नहीं कर रहे हैं। वे समझते हैं कि उन्हें बिल्कुल आजादी है और हमारा देश टोटेलिटेरियन नहीं है। लेकिन उन को बता दिया जाना चाहिये कि टेक्स इन्वेस्ट की उनको आजादी नहीं है और वे आजादी का, जनतंत्री उमूलों का नाजायज फायदा नहीं उठा सकते हैं। अगर उन्होंने ऐसा किया तो यह हमारे देश की एक बदकिस्मती होगी।

हमें इंटरनल रिजर्व्स को मोबिलाइज करना है। लेकिन हम देखते हैं डिफेंस मिनिस्ट्री की एक आर्डनेंस फैक्ट्री में, समरिया में, ढाई करोड़ रुपये की चोरी हो गई थी और उस चोरी को पकड़ा नहीं जा सका है। करोड़ों रुपया इस तरह से अगर चोरी में चला जाता है तो यह भी हमारे लिये सोचने की बात हो जाती है। डिफेंस में करोड़ों रुपया हम खर्च कर रहे हैं और एक एक पैसे का हमें सदुपयोग करना होगा। आज आप देश की जनता को कुर्बानी करने के लिए कहते हैं और आप चाहते हैं कि जो मामूली से मामूली आदमी भी है वह भी कुछ कुर्बानी करे, लेकिन इस कुर्बानी का भी आपको बटवारा करना होगा। एक तरफ तो लोग कुर्बानी करें और दूसरी तरफ टेक्स इन्वेस्ट हो, इस तरह से देश कब तक चलता रह सकता है। इस तरह से अगर आप लोगों को कुर्बानी करने के लिए कहते हैं तो मैं समझता हूँ यह ठीक नहीं है।

सेंट्रल गवर्नमेंट एम्प्लॉयर्स की डिमांड यह थी कि एक पे कमिशन बिठाया जाए और उनकी तनक्वाह बढ़ाई जाए। हमारे मंत्री महोदय कहने लगे कि रुपया कहां से आएगा। बाद में गवर्नमेंट ने पे कमिशन बिठाया। उसके सामने मेरी भी गवाही हुई थी। कुछ लोगों ने मुझ से पूछा कि यह बताइये कि हमारे पास इंटरनल रिजर्व्स नहीं हैं और अगर २५ परसेंट तनक्वाह बढ़ायेंगे तो कितने और रुपये की जरूरत पड़ेगी। मैं ने कहा कि तकरीबन ५० करोड़ की। तब मुझ से पूछा गया कि यह रुपया कहां से आयेगा। उस वक्त मेरा दिल चाहा कि मैं कह दूँ कि जहां प्राप १२०० करोड़ रुपये का डिफिसिट फाइनेंसिंग कर रहे हैं वहां पर प्राप १२५० करोड़ रुपये का कर सकते हैं। सेंट्रल गवर्नमेंट एम्प्लॉयर्स के बूते पर प्राप हमारी सरकार चल रही है और उसको चलना भी चाहिए। लेकिन मैं यह कह सकता हूँ कि ५० करोड़ रुपया प्रापको इन्हीं डिपार्टमेंट्स में से मिल सकता है अगर प्राप कोशिश करें। प्रापको डिफेंस में कोरप्शन को, पिलफ्रैज को बन्द होना होगा और प्रापको वहां से करोड़ों रुपये की बचत हो सकती है। इस तरह से दूसरे महकमों की तरफ भी प्रापको ध्यान देना होगा। सी० पी० डब्ल्यू० बी० और एम० ई० एम० इत्यादि डिपार्टमेंट्स की तरफ प्राप गौर करें और वहां पर रुपया बचाने का प्रयत्न करें तो प्रापको काफी रुपया मिल सकता है। साथ ही साथ प्रापको अलराजात पर रोक लगानी होगी, फिजूल खर्ची बन्द करनी होगी जिन को प्राप किसी तरह से भी जस्टीफाई नहीं कर सकते हैं। प्राप एलोकवेंट स्पीचिज दे कर ही काम नहीं निकलवा सकते हैं, इसके लिए प्रापको प्रयत्न करने होंगे। प्राप लोगों की तनक्वाह नहीं बढ़ा सकते हैं, मजदूरों को अधिक नहीं दे सकते हैं और यह सब आप इसी बिना पर कहते हैं कि प्रापकी आर्थिक दशा खराब है, देश में आर्थिक संकट है। जब देश में वाकई में आर्थिक संकट है, तो मैं पूछना चाहता हूँ कि यह अर्थोक्रोटल प्राप क्यों बनाते हैं।

में यह नुस्खाबंदी करने की गरज से नहीं कह रहा हूँ। मैं भी एक हिन्दुस्तानी हूँ, मैं भी एक बफादार भारतीय नागरिक हूँ और मैं इस सदन में इसीलिए आया हूँ कि मैं भी हिन्दुस्तान के नवनिर्माण में अपना हाथ बटा सकूँ। अपनी एक ईंट रख सकूँ, चाहे वह ईंट नजर भी न आए, और यदि मैं ऐसा कर सका तो मैं अपने को मीभाग्यशाली समझूँगा।

यहां पर दिल्ली में ७५,००० बिल्डिंग वर्कर्स हैं, उनके पाम घर नहीं हैं जबकि वे दूसरों के लिए घर बनाते हैं। ऐसी सूरत में आप अशोक होटल बनाने में कहां तक जस्टिफाईड हैं, यह मैं आप से जानना चाहूँगा। जहां तक खर्च का सवाल है आप जितनी बिल्डिंग्स बना रहे हैं इनमें कमी होनी चाहिये, शानदार जितनी बिल्डिंग्स आप बना रहे हैं, इनका बनाना आपको बन्द करना होगा और यदि आपने ऐसा किया तो क्या यह हमारे देश की परम्पराओं के अनुकूल नहीं होगा?

अब मैं सेल्स टैक्स के बारे में कुछ कहना चाहता हूँ। इसकी वजह से बिजनेस चौपट हो रहा है; जब से मैं यहां आया हूँ सेल्स टैक्स के यूनिफार्म एप्लीकेशन के बारे में मैं कोशिश करता रहा हूँ लेकिन इसमें मैं अभी तक कामयाब नहीं हो पाया हूँ। इसके यूनिफार्म न होने की वजह से जो बिजनेस है वह चौपट होता जा रहा है। आपने इस सदन में कहा कि २० या २१ या २२ चीजें ऐसी हैं जिन पर इस टैक्स का यूनिफार्म एप्लीकेशन होगा। इसका मैं स्वागत करता हूँ। लेकिन एक बात मैं कहना चाहता हूँ। उत्तर प्रदेश में इसका रेट सवा छः परसेंट है और दूसरी जगहों पर कुछ और है। इस चीज की तरफ भी आपका ध्यान जाना चाहिये। मैं आपको यह भी बतलाना चाहता हूँ कि इस टैक्स की वजह से छोटे छोटे दुकानदारों की कमर टूट रही है। टक्सटाइल पर जो यह टैक्स नहीं लगता है इसका मैं स्वागत करता हूँ। इससे छोटे छोटे दुकानदारों को हितवान फिताव रखने की परेशानी से राहत

मिल गई है क्योंकि सेल्स टैक्स एक्साइज में एमालगामेट कर दिया गया है।

अब मैं फूड के बारे में कुछ कहना चाहता हूँ। आप जानते ही हैं कि इसी पर हमारी जो दूसरी योजना है उसकी कामयाबी निर्भर करती है। इसकी प्रोडक्शन बढ़ाने पर आप करोड़ों रुपये खर्च कर रहे हैं और मैं यह भी नहीं कहता कि आप कोताही कर रहे हैं। लेकिन प्राइस कंट्रोल के बारे में भी आपको सोचना होगा। आप इस दिशा में क्या प्रयत्न कर रहे हैं यह मैं आपसे जानना चाहूँगा; इसके न होते हुये लोगों को बड़ी परेशानी हो रही है। इन प्राइसिस को आपको काबू में रखना होगा। आप कहते हैं कि बंगाल में कुछ नहीं हुआ है। लेकिन बंगाल में मैं अदब के साथ कहना चाहता हूँ कि अगर आप जांच करें तो आप देखेंगे कि वहां पर स्कैंडल हुआ है फूड के बारे में और उसकी वजह से डा० वी० सी० राय को बहुत सी बातें कहनी पड़ी हैं जिन को वह कहना नहीं चाहते थे। एक नौजवान इंसान वहां गया एक मकसद को लेकर हकूमत को अच्छी तरह से चलाने का ध्येय अपने सामने रख कर। उसके साथ एक ट्रेडिशन थी और आप जानते ही हैं कि कितना बड़ा वह नेता है। फूड प्राइसिस के बारे में आपको देखना पड़ेगा कि किस तरह से उन पर कंट्रोल रखा जा सकता है और देश आपसे आशा करता है कि आप ऐसा करें।

आप देखें कि लोगों को यह कहने का मौका न मिले कि आजादी के बाद यह हुआ कि एक तरफ तो वे लोग हैं जो पहले लक्ष्मती थे और आज करोड़पति हो गये हैं और जो करोड़पति थे वे अरबपति हो गये हैं एक के पास जहां पर पहले एक बिल्डिंग थी आज दस बिल्डिंगें हो गई हैं और दूसरी तरफ वे लोग हैं जिन को पहले सी रुपया तनखाह का मिलता था इनफ्लेशन की वजह से उसकी परचेजिंग कैपेसिटी ८० रुपये रह

[श्री स० म० मनजी]

गई है, ८० रुपये वाली की ५० रुपये और ५० रुपये वाले को भाव एम्प्लायमेंट एक्सचेंज में बचके साने पड़ रहे हैं जो छोटे मकान में रहने वाला था वह झोपड़ी में चला गया है जो झोपड़ी में रहता था वह सड़क पर आ गया है और जो सड़क पर रहता था वह मरघट की तरफ चलने लगा है।

मैं मानता हूँ कि तरक्की हुई है। भाखड़ा नंगल में गया हूँ और उसको मैंने अपनी आँखों से देखा है। वह एक ऐसी शानदार चीज है जिसको देख कर के मेरा दिल बाग बाग हो गया था। इसको देखने से मैं यह कह सकता हूँ कि हमारा देश दूसरों से किसी भी हालत में पीछे रहने वाला नहीं है। मैं यह भी मानता हूँ कि हमारी जो फाइनेंशल पोजिशन है वह साजंज हो सकती है। लेकिन इसके साथ ही साथ मैं यह भी कहे बिना नहीं रह सकता कि विदेशी पूंजी हमारे देश में लगी है और वे लोग हमारे देश में लूट लसोट कर रहे हैं। हम जानते हैं कि जब विदेशी लोग यहां आये थे तो हमें स्वराज्य देने के लिये नहीं आये थे हम पर राज करने के लिये आये थे और यह बात किसी से छिपी हुई नहीं है। इस और भी आपका ध्यान जाना आवश्यक है।

अन्त में मैं इतना ही कहना चाहूंगा कि अगर हमें देश को बनाना है अगर देश को ऊंचा उठाना है तो हमें सरमायादारों से सरमाया लेना होगा मेहनतकों से मेहनत लेनी होगी और उनके सरमाये और मेहनतकों की मेहनत से ही हिन्दुस्तान बन सकता है और हम खुशहाल हो सकते हैं।

Shri Morarji Desai: I had no idea, when I said that I shall be able to finish my saying whatever I have to say in 15 minutes, about the scope of the debate that went on in the third reading and also the time devoted to it.

Mr. Deputy-Speaker: It was only a hang-over of the consideration stage.

Those who could not take part earlier, spoke.

Shri Morarji Desai: I only say that all those who could not speak before wanted to speak again on the same subject. But I do not want to imitate them; nor do I want to take notice of things which may not be considered relevant in the third reading, because it will again be that I will have to deal with other matters. I also find that these things are coming up from time to time. So it is better that I reserve different occasions for giving replies to the different things. But, I should like to clarify again one or two matters which have been clarified but which are still being persisted in. I had said before that civil administration expenditure has gone up but it does not mean that civil administration expenditure means only Services, that is, Administrative Services. It was argued that it has gone from Rs. 10 crores to Rs. 200 crores. I had given the break-ups before about other figures that were given up to 3 years. But, I will give the break up also of these Rs. 10 crores and Rs. 200 crores.

When there was Rs. 10 crores of expenditure on civil administration, the expenditure on civil administration or civil expenditure as it was called, was Rs. 8 crores and Rs. 2 crores on social services like education, health etc.

Shri Braj Raj Singh: But, then Pakistan was also with us.

Shri Morarji Desai: But, when it is Rs. 200 crores, on civil administration it is Rs. 51 crores and Rs. 149 crores are on social services. Formerly, it was 75 per cent on administration and 25 per cent on social services. But, today it is 75 per cent on social services and 25 per cent on administration.

I do not think my hon. friends also can deny that administration has increased; its scope has increased; the services have increased and if it has gone up to Rs. 51 crores, it cannot be called extravagant. I have already

said before that whatever extravagance there may be will be looked into and that we are trying to limit it and trying to see that economies are effected and that wasteful expenditure is eliminated. I would repeat that we shall try to do all that we can in this direction.

The hon. Member from Coimbatore seemed to be very much put out by some home-truths which went home. And, I was given a story wherein I was considered an old lion. I am happy to be considered a lion and at any rate I am old no doubt. Even if I am an old lion, I do not want to attack any sheep that may be there. Therefore, there is no desire. A lion never does that; it is only other kinds of animals that do it. Lions do not do it and therefore I am happy for the compliment given by the hon. Member.

An hon. Member: A lion is a man-eater.

Mr. Deputy-Speaker: No fears now inside the House.

Shri Morarji Desai: A lion does not do it. (Interruption.)

Because my hon. friend thinks of nothing but devouring, he speaks only of devouring and of nothing else. Therefore, that fear haunts them at every time and at every step. But, I want to assure them that there is no fear from this side and they themselves admit that there is no fear from this side. (Interruptions.)

It was again said by my hon. friend from Ahmednagar who claimed to be a better economist or knowing more of economics than I knew—of course he may know; I do not know what is within his mind and what is in his brain and therefore I cannot say that there is no more in his brain than in mine and I do not want to make any comparison about it—that revenues from direct taxes have increased from Rs. 132 crores in 1952-53

to Rs. 150 crores in 1956-57—I think I am correct in quoting the figures he has given. These figures are again of all amounts which are there, income-tax and such other taxes minus what is given to the States.

Shri Nagi Reddy: It does not make any change.

My hon. friend becomes impatient all the while and talks from second-hand, third-hand and fourth-hand information and that he has again denied. How am I going to reply to these friends? My hon. friend who just now interrupted had said that no country outside has gone up by outside or foreign help. That is what he has said. Therefore, we had to tell them that that is not correct.

Shri Nagi Reddy: That is a typical economic term.

Shri Morarji Desai: I know of typical economic terms. They have their own typical terms. Therefore, they do not know what is typical. I am not typical. But, I would like to say this.

It was said that there was shouting and screaming about welcoming all the foreigners that came here and all that. I do not know where the shouting and screaming came except from the person who spoke. I do not see any shouting or screaming here. We are not shouting, 'let all of them come; we want you; we are badly off without you'. We have never said that. But, if there are friendly countries—and friendly countries are not only on one side.....(Interruptions.)

Mr. Deputy-Speaker: Is the main speech on my right or on my left?

Shri Morarji Desai: If they have been helping us and if they want to help us, should we say that they should not help us fairly? There are no strings attached to any one of them. We have not also said that we are going to set aside the rules and laws for them or let them have any control that they want to have. In this country, the control will be only

[Shri Morarji Desai]

of this Government, that is the Government of this country and of nobody else. No foreign government is going to control the policies, either economic, social or political of this country.

That is what has been made clear. And, I would also like to say in fairness to all the countries who have helped us that they have no desire to interfere with us at any time. They respect the freedom and independence of this country and, therefore, are prepared to help us. They may not be philanthropic. I do not say that. They have not also claimed that they are philanthropic. Why should there be any philanthropy towards us? We do not want them to be philanthropic towards us. We want only their friendly help if it comes; if it does not come, we are going to go forward. That is what we are saying. It may be with difficulty; it may be a little bit delayed. But, we are not going to come down if no help comes. That is all what I have said. And if any foreign help comes; it comes only to the advantage of this country and not to the disadvantage of this country. It cannot also be to the disadvantage of the countries who help us. There will not be such people who will go on having disadvantages only and helping other people. I do not know whether my friends are completely philanthropic themselves. If they are philanthropic, I will have, certainly, a new knowledge about them. That is all that I have to say.

Then, it was said that this country was going poorer and poorer; that the poor are growing poorer and the rich are growing richer, that those who had one bungalow are having 4 bungalows. I do not know where my hon. friend has seen this. Today, those who have bungalows, the rich people are not able to sell them. That is the position today. He said that the man who was living in a hut is going on the street and I do not know where the man living on the street is

going. That was not described. (Interruption.)

But, today, in villages and towns those who had no houses are getting houses and those who had little houses are getting bigger houses than they had. If anybody has eyes to see and if he wants to use his eyes, I should say.....

Shri S. M. Banerjee: But why should he shut his eyes to facts?

Mr. Deputy-Speaker: Should I ask the hon. Minister to stop?

Shri Morarji Desai: I should like to say only one more point about these facts. I shall not take much time because I want to save time even if my hon. friends do not want to do so.

It is said that the rich are getting richer and the poor are getting poorer on account of these indirect taxes and that the direct taxes are less. But, why is it forgotten that direct taxes also are increasing and they have increased? I have given these figures. If the indirect taxes are increasing that is also one of the ways of having taxation. It is not peculiar to this country only. There are many countries where indirect taxation is heavy and direct taxation is not so much.

Even in the patron place of my hon. friends opposite, the indirect taxation is 83 per cent and direct taxation is only 17 per cent. (Interruption.) Let alone that country.....

Shri Khadilkar: May I point out....

Shri Morarji Desai: Enough has been pointed and I do not want more to be pointed out.

Mr. Deputy-Speaker: That is enough.

Shri Morarji Desai: In Switzerland, it is 73 indirect and 27 per cent direct. If you go to Norway, there also it is 67 per cent indirect and 33 per cent direct.

Shri V. F. Nayar: We need not go to Norway.

Shri Morarji Desai: If we go to other countries, we may find that in countries which have been highly developed and which are, therefore, rich, of course, direct taxation is heavy and indirect taxation is less. We are a backward country and any amount of direct taxation is not going to give us what we want. We have got to take taxes from all people. Those who have less are to pay less and those who have more should give us more and that is what we are doing.

What has happened? Is the landlord of this country given more land? Are we not putting more taxes on the textile industry and giving help to handloom industry? We should look at concessions that are being given. Take the sugar industry. Five years ago, the production was 10 lakh tons. Today it is 20 lakh tons. Who is using this sugar? Not all of this is used by the rich because they are using the sugar that they were using before and if they use more they would not be living. It is only those who could not afford to use sugar before that are using this. Take even the case of grains that we are getting. All those who were not getting it before are getting it. I am prepared to admit that there are many people who must get more and who are not getting today. But it is not possible to bring in heaven in this country immediately within five or ten years. It will take some time. Even in the land of the patron-saints of my hon. friends this has not happened even after forty years. They are not getting all the consumer goods they want. Our people are getting more consumer goods than they in that country. That is a statement I am prepared to make. The costs are less and our people are getting much more consumer goods than in Russia.....(Interruptions.) Sir, I have nothing more to say because I find I am annoying them more and more.

Mr. Deputy-Speaker: The question is:

"That the Bill, as amended, be passed".

The motion was adopted.

GIFT-TAX BILL—contd.

Mr. Deputy-Speaker: We now resume discussion of the motion of reference to the Select Committee of the Gift Tax Bill. **Shri Supakar.**

Shri B. Das Gupta (Purulia): Sir, I had sent a chit.

Mr. Deputy-Speaker: I have received the chit of the hon. Member. He wanted some personal explanation. I have consulted the records and there is nothing that has been said against him and so, there is no personal explanation that is required. That would be conveyed to him.

Shri Supakar (Sambalpur): Sir, it has been said that the Gift Tax Bill is prevalent in many countries in west and that there is no tax in which the tax liability depends to such a large extent in an inverse fashion, on the ingenuity of the person involved.

From the Statement of Objects and Reasons of this Bill, it appears that it is to check evasion of Estate Duty. The main justification of the Gift-Tax is that it avoids evasion of the Estate Duty by means of gifts given two years before the estate passes on from the owner to his heirs. In 1953, when the Estate Duty Bill was passed into Act, it was provided that all gifts made within two years prior to death and within six months prior to death in case of public charitable trust were taxable along with estate and legacy. But it was soon found out that this was an unsatisfactory state of affairs because in that case though the Government may be very anxious to realise the tax in the shape of Estate Duty and even though the legatees and the heirs of the persons liable to

[Shri Supakar]

pay Estate Duty were anxious for his death, death might not be obliging the Government or the heirs. So, we find Prof. Kaldor has occasion to say in his report about this and he comments on the vagaries of death in such cases and suggested that the taxability of gift should not be dependent on the fortuitous circumstances of the donor surviving or not surviving a prescribed period.

The present Bill does away with this particular difficulty by saying that every gift made every year will be assessable but the amount of Gift Tax will be determined according to the average of all gifts made during the preceding five years. This suggests to the future donors the idea of evolving several five year plans for gifts because by spreading out their gifts through several years by means of these five year plans, it will be possible to minimise the incidence of Gift Tax. If we compare this with the amendment in the Estate Duty Act that is proposed we find that it will be possible for persons to get a good deal of advantage out of the rate of taxation that is proposed. I calculated for instance the liability to tax in the case of a person who has an estate worth, say, Rs. 15 lakhs and what he would be gaining if he divided this amount into gifts of Rs. 1 lakh each year. From a rough calculation I find that a person with an estate worth about Rs. 15 lakhs is liable to pay an estate duty of Rs. 2,79,000. But if he converts this estate into gifts of fifteen equal annual instalments, his liability comes to about Rs. 1,56,750. So, he practically makes a saving of about 50 per cent of his tax liability. This has been harped on by all the economists and writers who have written on the comparative incidence of the duty as it is and the duty as it would be modified or mollified by the gifts made from year to year for a long term of period. I hope when the Select Committee goes into this question, it will take into consideration

these facts and will so adjust the percentage of tax for different slabs of estate duty on the evaluation of estate and the different slabs of gifts made from year to year. If it is the real intention of the Government to avoid evasion by means of imposition of gift-tax, the Government and the Select Committee should see that evasion by means of converting a part of the estate into gifts in annual instalments is reduced to the minimum.

Then next point that I would like to make in this connection is with regard to the exemption. I have no objection, Sir, to the rate of tax being made still higher, but I feel it is our duty to see that the exemption so far as gift-tax is concerned is much more liberalised, when it is not a gift to particular person especially to the heirs or to the relatives of the donor. Again, when a gift is made in favour of public charity—for charitable purposes or religious purposes—we must see that more exemptions are provided. Of course, we find in clause 5 of the Bill it is provided under sub-clause (1)(v) that gift-tax is not to be charged under this Act in respect of gifts made by any person to any institution or fund established for a charitable purpose to which the provision of section 15B of the Income-tax Act apply. Also, in sub-clause (1)(vi) it is said "for any charitable purpose not falling within clause (v), subject to a maximum of rupees one hundred in respect of each such gift".

15.44 hrs.

[MR. SPEAKER in the Chair.]

I submit, Sir, if the ideal of the State is to establish a socialistic pattern of society and prevention of concentration of wealth in the hands of a few particular individuals, it must be provided that the incidence of tax should not fall in those cases where gifts are made for charitable purposes, and thereby it should be seen that the welfare through charitable work is not hampered. In that

sense, I would urge upon the Select Committee to widen the scope of exemption in case of gifts for charitable purposes, and I feel that this provision in sub-clause (1) parts (v) and (vi) of clause 5 is not enough.

We know that in this country from very ancient times we have the idea of gift and charity which is substantially different from countries where gift-tax is being enforced. In recent times we have seen the development of, for example, the Bhoodan Movement, the Sampattidan and other gifts—cases where people are encouraged to give away a part of their property up to an extent of one-sixth or even more for purposes of the general benefit of the public. Therefore, it should be seen that in cases like Bhoodan and Sampattidan where the property or wealth passes from a particular individual to purposes of general public welfare, they are not subjected to this tax.

Regarding the other items, Sir, I would like to make some comments when the Bill emerges out of the Select Committee. But, I would, for the time being, say that the purpose that Government propose to serve by imposing gift-tax—realising a sum of about Rs. 3 crores through this tax—is equally served by charitable purposes. We know that a private person who builds a hospital or a college or any other work of public benefit can do it, and actually does it, at a much cheaper cost than when it is done through a governmental agency. That is an additional reason why charitable purposes should be exempted in a much wider scope under this Gift-Tax Bill.

I feel that this Gift Tax Bill should have been named *Dakshina* Bill, because we find that whenever a person makes a gift to another person he has to make some *dakshina* to the State. I feel that because there is no appropriate term for this word *dakshina* either in Sanskrit or in the local languages this Bill has been named as the Gift-Tax Bill.

श्री बाबू (मालगांव) : यह जो बिल सदन के सामने है इसके बारे में मैं कुछ शब्द कहना चाहता हूँ। इस बिल को जो सिलेक्ट कमेटी भेजने का रिजोल्यूशन सामने आया है मैं उसकी तारीफ करता हूँ और जो बिल सदन के सामने रखा गया है मैं उसको सपोर्ट करता हूँ। इस बिल के स्टेटमेंट आफ आवजेक्ट्स एंड रीजन्स में यह लिखा है कि इस बिल को लाने का उद्देश्य यह है :

“...the integrated tax structure which the Government have been aiming at will be complete.”

इससे भी मैं सहमत हूँ। काल्डर रिपोर्ट में कहा गया है कि अगर हम अपनी पांच साला योजना को कामयाब बनाना चाहते हैं तो हमको डाइरेक्ट टैक्सेशन के बारे में बोलने का कदम उठाना पड़ेगा। हमारा जो आज डाइरेक्ट टैक्सेशन का तरीका है वह ठीक नहीं है। उसको ठीक करने के लिये हमको कदम उठाना पड़ेगा। देर से क्यों न हो यह कदम उठाया गया है इसलिये मैं फाइनेंस मिनिस्टर को धन्यवाद देता हूँ।

इस बिल की जरूरत हमको क्यों पड़ी। इसके बारे में काल्डर रिपोर्ट के पेज १०४ पैरा १८३ चैप्टर ६ में कहा गया है :

“Everyone is agreed that apart from manipulations of various kinds which are broadly classed under the term ‘tax avoidance’, there is a considerable amount of evasion in India due to fraudulent concealment of income secured through false entries on record books and the accounts. It is fairly generally agreed also that such evasions have become more widespread since the last war”.

टैक्स इवोजन के बारे में उन्होंने कहा है कि बीस पर सेंट से लेकर २०० और ३०० पर सेंट तक टैक्स इवोजन यहां होता है। इनकम-टैक्स के बारे में उन्होंने कहा है कि

[श्री जाधव]

२०० से ३०० करोड़ तक का टैक्स इवोजन होता है। अगर हम अपने इंटरनल सोल्ज का पूरा ध्यान नहीं रखेंगे और अगर इस बारे में ठीक कदम नहीं उठाया जायेगा तो मुझे डर है कि हमको अपनी पंचवर्षीय योजना के लिये जो पैसे की जरूरत है उस पैसे को हम वसूल नहीं कर पायेंगे। हमारे फाइनेंस मिनिस्टर साहब जब रईस लोग धाबाज उठाते हैं तो उससे डर जाते हैं। एक्साइज इयूटी के बारे में मैं ने यही देखा है। एक समय वह एक बात कहते हैं और दूसरे समय दूसरी बात कह देते हैं। टैक्सटाइल इंडस्ट्री के बारे में मैं ने देखा है कि जब वह कामर्स और इंडस्ट्री मिनिस्टर ने तो उन्होंने कहा था कि ज्यादा पैदा करने पर भी वह रियायत नहीं देंगे लेकिन जब उन लोगों ने इसके खिलाफ धाबाज उठायी तो बैसा नहीं किया। तो गिफ्ट-टैक्स के बारे में भी मैं यह कहना चाहता हूँ कि अगर ठोस कदम नहीं उठाया गया तो हममें भी इवोजन के लिये बहुत गुंजाइश रहेगी।

इस बिल में जो शिड्यूल दिया गया है उसके बारे में भी मुझे कुछ कहना है। यह ४ पर सेंट से शुरू होता है और गिफ्ट-टैक्स की रेट ४० पर सेंट के करीब तक जानी है। मैं सिलेक्ट कमेटी से दरखास्त करता हूँ कि यह जो रेट ग्राफ गिफ्ट-टैक्स है इसको १० पर सेंट से लेकर ६० पर सेंट तक धलग धलग स्लैब्स में रखना चाहिये क्योंकि इससे हमको काफी आमदनी होने की उम्मीद है ऐसा मैं समझता हूँ।

तो मैं इस बिल की तारीफ करता हूँ और चाहता हूँ कि सिलेक्ट कमेटी स्लैब्स की कम करने की कोशिश न करे।

Shri Raghubir Sahai (Budaun): Mr. Speaker, Sir, in the Statement of Objects and Reasons for this Bill, it has been stated as follows:

"Gifts from one person to another provide a convenient means

of avoiding or reducing liability to Estate Duty, Income-tax, Wealth-tax, and Expenditure-tax. The only effective method of checking such attempts at evasion or reduction of tax liability is by levying a tax on gifts. With the introduction of this tax, the integrated tax structure which the Government have been aiming at will be complete".

Now it appears that this Gift-tax Bill has been introduced presumably at the suggestion of Kaldor who issued a report named *Indian Tax Reforms—Report of a Survey on March 30th. 1956*, because he gave an additional reason for the taxation of inter-vivos gifts, namely, that the imposition of an estate duty itself stimulates the inter-vivos transfer of property to heirs and successors so as to avoid this tax. He also said that this gift-tax has been in existence in USA, Sweden, Canada, Australia and various other countries where they have introduced separate taxes on inter-vivos gifts to supplement the death duties. This opinion expressed by Prof. Kaldor is entitled to great respect.

But there is another opinion expressed by the Taxation Inquiry Commission. This matter of gift-tax was thoroughly considered by the Commission and they expressed thus:

"A gift-tax is theoretically an attractive proposition but it requires considerable experience of the operation of estate duty before it can be introduced. One of the prior requisites for operating successfully a tax of this nature would be to introduce the submission by the income-tax assesses of a statement of assets and liabilities. As more experience is gained in this type of work, the feasibility of introducing a gift-tax can be considered. Moreover,

the rates of death duties are at present low. The value of a gift-tax as a second line of defence for an estate duty is greater if the rates of the latter are suitably progressive. We are, therefore, not in favour of introducing the gift-tax at this stage".

This opinion was expressed in the year 1953-54. There are two weighty opinions on this subject—the opinion of Prof. Kaldor on the one side and the opinion of the Taxation Inquiry Commission on the other. As I said, they are very weighty opinions, but for mortals like us, who are not financial experts, these two opinions place us on the horns of a dilemma as to which opinion should be accepted, either the opinion of Kaldor or the opinion of the Taxation Inquiry Commission.

Now, one of the points that ought to be considered in this connection is that the working of the estate duty has not been considered for a fairly

long time. When the estate duty was imposed in this country it was thought that it would yield very large sums of money to the Government. But subsequent events have shown that all those hopes have been falsified. The Finance Minister, in his speech while introducing the budget, said that the "actual collections of estate duty have fallen short of even the modest expectations we had at the time of passing this measure". In that very budget speech, he proposed certain amendments to the Estate Duty Act which, if carried out, would bring in an additional revenue of Rs. 50 lakhs only. In this connection, we also have to consider what would be the yield of the gift-tax, because it is a very vital problem.

Mr. Speaker: The hon. Member may continue his speech tomorrow.

17 hrs.

The Lok Sabha then adjourned till eleven of the Clock on Thursday, the 24th April, 1958.

[Wednesday, the 23rd April, 1958]

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REPORTS OF ESTIMATES COMMITTEE PRESENTED 11077-78
Eleventh and nineteenth Reports of the Estimates Committee were presented.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE . . . 11078-80

Shri Hem Raj called the attention of the Minister of Finance to the suspension of work by the Himalaya Bank Ltd., Kangra.

The Minister of Finance made a statement in regard thereto.

BILL PASSED . . . 11080-11214
Clause-by-Clause consideration of the Finance Bill, 1958 was taken up.

The Bill as amended was passed.

MOTION TO REFER TO SELECT COMMITTEE UNDER CONSIDERATION . 11147-55, 11214-22.

The Minister of Finance, Shri Morarji Desai moved that the Gift Tax Bill, 1958 be referred to a Select Committee.

The motion was adopted.

AGENDA FOR THURSDAY, THE 24TH APRIL, 1958.

Further consideration and passing of the Gift Tax Bill 1958 and Estate Duty (Amendment) Bill 1958.