

LOK SABHA DEBATES

(Tenth Session)



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No 52.—Wednesday, May 6, 1970/Vaisakha 16, 1892 (Saka)

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LOK SABHA DEBATES

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LOK SABHA

Wednesday, May 6, 1970/Vaisakha 16,
1892 (Saka)

The Lok Sabha met at Eleven of the Clock
[MR. SPEAKER in the Chair]

FELICITATIONS TO INDIAN TENNIS PLAYERS

SHRI S. M. BANERJEE : May I request you to convey our greetings to our tennis players who have defeated the Australians ? (Interruptions)

MR. SPEAKER : On behalf of all of you I extend our heartiest congratulations to the tennis players. They have brought credit and glory to our country.

ORAL ANSWERS TO QUESTIONS

Talks with Indonesia on interference by outsiders in Asian Affairs

*1441. SHRI R. K. BIRLA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that India and Indonesia have recently deplored the tendency of outsiders to interfere in the Asian affairs;

(b) if so, the details thereof;

(c) the powers which are at present interfering in the Asian affairs and in what form; and

(d) whether the views of other Asian countries have also been taken in the matter and if so, what are their reactions ?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI DINESH SINGH) : (a) to (d). The hon'ble Member presumably refers to the press reports of the discussions during the recent visit of the Indonesian Foreign Minister, Dr. Adim Malik, to India in March, 1970. In the exchange of views on the international scene with particular reference to South-East Asia, there was a feeling on both sides that foreign interference was the cause of many problems besetting Asia. The House has only, a few days ago, discussed the dangerous situation in Cambodia which is a striking example of the grave damage caused by foreign interference. Government are in constant contact through their diplomatic missions with Asian Governments. Also, at the Preparatory Meeting of Non-aligned Countries held in Dar-es-Salaam recently,

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there was a general exchange of views on the situation in South-East Asia with particular reference to Cambodia and the Vietnam problem. There is general acceptance of the need to eliminate foreign interference in internal affairs and to respect the sovereignty and territorial integrity of States.

SHRI R. K. BIRLA : The hon. Minister just now admitted that there has been great interference from western countries in Asian affairs, particularly U.S.A. and U.S.S.R. In view of this may I know whether he is thinking of forming a sort of organisation on the pattern of the U.N.O. for our Asian countries so that they can solve our problems without looking to the United Nations ?

SHRI DINESH SINGH : I wish there were an organisation that will solve all our problems but there does not appear to be any possibility of setting up an organisation which will solve all problems. I think that the U.N. has the best possibility of bringing the international community together to discuss and find solutions to the problems that confront us.

SHRI R. K. BIRLA : The hon. Minister says that there does not appear to be any possibility of setting up that type of organisation as the U.N.O. I should like to know from him whether during the talks he had with Dr. Malik it was decided that an early conference of Asian countries would be called to find out as to what steps we could take to settle all matters concerning Asian countries and if so, why such a conference had not been called so far and what is the approximate date by which I can expect the Government to think and come to a conclusion about calling that conference.

SHRI DINESH SINGH : No such decision on calling a conference was reached in these talks.

SHRI HEM BARUA : Is it not a fact that the hon. Prime Minister, when she visited Indonesia, issued a general statement saying that there should be no interference by foreign powers in the Indian Ocean. In that context, may I know if we are to understand that China can interfere in the Indian Ocean and no other foreign powers can ? China is an Asian power and some Asian powers are interfering in Cambodia. Can these Asian powers interfere in the internal affairs of Asia because they are Asian powers ?

SHRI DINESH SINGH : No, Sir. The question is of a slightly different nature. What we have said is, no country should interfere in the internal affairs of another, whether it is Asian, European or any other. The point here was the question of interference in Asia, the historical process of colonialism that came, the remnants of colonialism that remained and the interference that still goes on. But it is not only a question of interference by any European or any other power. There should be no interference in the internal affairs of any country by any other country. About the Indian Ocean, the idea is that it should be kept free of nuclear weapon—a nuclear-free zone, and also there should not be any foreign bases in the Indian Ocean.

SHRI BEDABRATA BARUA : I want to know whether the Government has taken a specific stand on the French proposal for a Geneva-type Conference on Indo-China, and, if so, whether it has taken any initiative to have such a conference? It is also reported that Government is thinking of having a purely Non-aligned Asian meet on the situation in Indo-China and some countries have been sounded through our Embassies. I want to know whether this is true, and, if so, what initiative has been taken to convene immediately a conference of India and other neighbouring countries to look into this matter?

SHRI DINESH SINGH : It is really a different question there. We are discussing the visit of Dr. Adam Malik. About Indo-China, we have had fairly detailed discussions in the House. Now that the hon. Member has raised the issue, may I say that the French proposal is very much in line with our own thinking? Regarding calling a Non-aligned Conference, this was our suggestion to the Indonesians. When they had suggested a larger Asian Conference, we said, it would be better to have a Conference of Non-aligned Countries of South and South-East Asia to prepare for a larger conference which will include the countries on both sides, in fact on all sides, of the conflict, so that we can work out a peaceful solution.

SHRI P. GOPALAN : On Cambodia, the decision taken by the Government of India is that all foreign troops should be withdrawn

from that country. This is exactly the position taken by this Government with regard to Vietnam also where the people of Vietnam are fighting for unification and independence of that country, which was guaranteed by the Geneva agreement. Therefore, will the Minister explain this generalised slogan as to what he means by saying that all troops should be withdrawn from Cambodia? Does the Minister recognise the fact that all the three Indo-China countries—Loas, Cambodia and Vietnam are mutually helping.....

MR. SPEAKER : Don't express any opinion; ask it in the form of a question.

SHRI P. GOPALAN : May I know whether these countries are bound to help each other? If so, may I know how the government can equate a foreign power like America interfering in the internal affairs of a country with that of countries like Cambodia, Laos and Vietnam helping each other? How can the Minister equate both?

SHRI DINESH SINGH : As I mentioned earlier, this question does not arise out of the visit of Dr. Adam Malik, which is the question before the House. This is entirely a different issue which we are now moving on to.

SHRI P. GOPALAN : What about part (c) of the question?

SHRI DINESH SINGH : So far as the question that the hon. Member has raised is concerned, we are not giving any value judgment or comparing as to which has done right or wrong or who has done more wrong than the other. Ours is a clear statement that there should be no foreign interference in any country. We are not making any comparison here as to whether one is interfering more than the other. So far as the countries in Indo-China are concerned, there should be no interference from any foreign power.

Fall in Imports

*1443. **SHRI VASUDEVAN NAIR :** Will the Minister of FOREIGN TRADE be pleased to state:

(a) whether there was a considerable decline in imports during the period from January to November, 1969;

(b) if so, the reasons for the decline in imports; and

(c) the extent to which this decline in imports was attributable to import substitution?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) The value of imports in January-November 1969 was Rs. 1,482 crores as against Rs. 1,766 crores for the corresponding period in the previous year.

(b) The fall in imports is mainly due to lower imports of foodgrains, machinery, cotton, chemicals, iron & steel, non-ferrous metals, petroleum products and the fall in import licencing in 1967-68 and 1968-69.

(c) It is difficult to assess exactly to what extent the decline in imports is due to import substitution during this period as, at the same time, the requirements of certain essential raw materials, components and spares have also increased.

SHRI VASUDEVAN NAIR : We are told day in and day out by the government that one of the corner-stones of their import and export policy is that of import substitution so that they need not depend upon the import, specially of basic machinery. I should like to know whether the government have made any study of the import substitution that they have achieved as a result of this policy. Is he in a position to enlighten the House about it?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI DINESH SINGH) : The DGTD has made a study of import substitution from 1960 to 1967 and its conclusion is that there has been a saving of Rs. 210.8 crores during this period. The question of the hon. Member referred to a later period that and is why we could not give an accurate assessment of what could be the component of import substitution in that particular year.

SHRI RANGA : When have you taken over trade?

SHRI VASUDEVAN NAIR : During this period there was a very significant fall in imports. I should like to know whether the fall in import due to the recession that has set in and the consequent stagnation in the development of the industrial sector during the last two or three years and whether the government would try to

show it later, or explain it away, as the result of import substitution and so many other things.

SHRI DINESH SINGH : No, Sir. What the hon. Member has said would not be quite correct. There was recession in the earlier part of this period and there was a discussion on it in this House. Later on, our industrial activity picked up and has moved on considerably now. If we compare the monthly statements of indices of industrial production we shall see they have gone up. In 1968-69 it was 158 whereas in 1969-70 it is 169.5. Therefore, the industrial activity is picking up. But as my colleague mentioned, the main fall in imports has been because of the fall in imports of foodgains, machinery and the items that have been listed.

SHRI N. K. SOMANI : Two mal-functions as a result of the blind import substitution policy would be the tendency of manufacturers of Indian capital equipment to charge very high prices and the enlargement of the technological gap in the country. It has been studied and proved that our technological gap today is much more than what it was 20 years ago. In view of these mal-functions would be Government always keep these aspects in view before formulating an import and export policy for the country and introduce the necessary flexibility?

SHRI DINESH SINGH : I entirely agree with the hon. Member that we should go ahead with industrial technology. If we lag behind, our goods would not be competitive in the world market and, therefore, the industrial policy that we may bring about from time to time will certainly take into account the need for us to keep up-to-date with the latest technology.

SMT.ILA PALCHOUDHURI : May I know whether the Minister has taken into consideration mining equipment which is being very well manufactured in India now and has he exploited that field fully so that the indigenous mining equipment may be used instead of importing mining equipment?

SHRI DINESH SINGH : As the hon. Member knows, we have D G T D which recommends import licences only when it is satisfied that indigenous machinery is not available. Therefore, I am quite

sure that take into account the production of indigenous mining machinery in the country.

SHRI SHRI CHAND GOYAL : Is it correct that Government follows a carrot-and-stick policy—Carrot to those who earn foreign exchange and who export and stick to those who simply import? Is the decline on account of this policy?

SHRI DINESH SINGH : I hope that policy is producing results.

SHRI LOBO PRABHU : There is reduction of nearly 400 crores in the import bill. I would like to know from the Minister why this gap was not utilised for importing articles in short supply like non-ferrous metals, sulphur, nylon, etc. and whether Government only sits back and watches things happen without taking any action on them.

SHRI DINESH SINGH : No, Sir. We do not sit back without any action. It is as a result of action that we have been able to cut down the import bill. Regarding the specific item as to why it has not imported I would require some notice but the main point is that there has been an increase in the imports of industrial raw-material.

SHRI K. RAMANI : In this question import substitution has come as a point. We are importing rayon yarn and fibre in our country and are spending much foreign exchange on that. I would like to know why so much of idle capacity is lying in the country. More than 10 units are there. May I know whether the Government has thought about it, not to import this particular commodity at all and that indigenous production should be increased?

SHRI DINESH SINGH : I entirely agree with the hon. Member when he says that there is idle capacity and it should be encouraged rather than going in for imports. This has been our whole policy. Regarding any particular item, there may be some difficulties in that and we can discuss that separately.

SHRI PILOO MODY : I would like to know from the hon. Minister whether he has made any study about the extent to which the resources of this country are being depleted in order to achieve

import substitution. He has given a figure of Rs. 200 and odd crores which in so many years have been saved in foreign exchange. Has he made any assessment of the disastrous effects of this import substitution on the resources position both at the consumption level and at the re-export level and, to begin with at the capital level in laying down these import substitution industries?

SHRI DINESH SINGH : Any policy of self-reliance will have its own price. What the hon. Member is suggesting is that because the technically advanced countries with greater production capacity will be able to supply goods cheaper, we should not enter into the field of import substitution. That will mean we have no industrialisation. The whole point is that we are behind the developed countries and, therefore, we have to make greater sacrifices there to telescope the developments that are taking place over centuries there....

SHRI PILOO MODY : I asked whether they have made any study of it. I don't want a lecture on nationalism.

SHRI DINESH SINGH : It is not a question of nationalism. It is a question of economics which the hon. Member probably does not understand. It was that I was trying to say that any programme of building up Industrial capacity at home will certainly entail some measure of hardship and it will be certainly expensive. It is not a question of studying because it is essential for us to do it.

बी महाराज सिंह भारती : क्या यह सच है कि अखबों द्वारा के फैलाइजर और न्यूज़प्रिंट हमारे देश में इम्पोर्ट किये जाते हैं। क्या मंत्री महोदय यह बताने की कृपा करेंगे कि कितने सालों में ये दो आइटम इनडिजिन्सली पैदा किस जाने लगेंगे, ताकि उन को इम्पोर्ट न करना पड़े?

SHRI DINESH SINGH : If the hon. Member would ask a specific question, I will be able to reply that.

SHRI R. K. BIRLA : I would like to ask a very specific question. We are importing wool worth 35 crores per year. The woollen industry has given a scheme to the Government 10 years back. The

Russians have been able to develop a marino sheep called Russian marino in 10 years' time. Now, 10 years have passed since the woollen industry has given a scheme to the Government. May I ask the hon. Minister a very specific question as to why the Government has not taken any step to develop our own marino, Indian marino, on the pattern of Russian marino so that we can save Rs. 35 crores per year?

SHRI DINESH SINGH : So far as the hon. Member's question is concerned, if my memory serves me right, we are in the process of developing this marino wool in this country. I cannot say exactly at what stage it is and also whether we are getting any Russian assistance or not. But we had some Australian assistance in the development of woollen industry. And also we shall be glad to look into the suggestion that the hon. Member has made.

SHRI R. K. BIRLA : Are you satisfied with his reply, Sir? Russia has been able to develop a marino sheep.

MR. SPEAKER : You have asked something out of the scope but he was good enough to reply. That is all.

Development of Indigenous Production of Military Hardware by pooling available Resources.

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*1444. **SHRI S. K. TAPURIAH :**

SHRI N. K. SOMANI :

Will the Minister of DEFENCE be pleased to state :

(a) whether Government propose to formulate industrial mobilisation plan for the development of indigenous production of military hardware by pooling the resources available both in Government and Private Sectors;

(b) if so, the broad outlines of the plan in this direction; and

(c) if not, the reasons for the same ?

THE DEPUTY MINISTER IN THE MINISTRY OF DEFENCE (SHRI M. R. KRISHNA) : (a) to (c). The policy of Government clearly is that the indigenous production of military hardware should be arranged by pooling the resources available both in the Government and Private Sectors. It has been recently decided that a revised Industrial Mobilisation Plan should be drawn up for achieving this objective. A Working Group of senior officers has been

set up to formulate the basis of an Industrial Mobilisation Plan. The report of this Group is expected in a few months.

SHRI RANGA : We are glad that our friend has come back from the hospital.

SHRI S. K. TAPURIAH : It is neither possible nor economical for a country like ours to increase arms and ammunitions and build up a stockpile. At the same time it is imperative to have a strong production base of defence materials. May I therefore know whether the Government has considered the possibility of setting up shadow factories whereby they pick up suitable engineering industries and ask them to keep the drawings ready so that they can change over in the shortest possible time for defence production.

SHRI M. R. KRISHNA : This is a suggestion which will be considered.

SHRI S. K. TAPURIAH : Have they also taken stock of the capacity available in the country in the small-scale sector ? Have they tried to find out how much of the production they can farm out to the small-scale industry effectively ?

SHRI M. R. KRISHNA : This is a constant exercise that the Defence Ministry is doing. From 1965 the Ministry was on this job. We have been creating capacities in this country both in the ordnance factories as well as in private factories. Our aim in the Fourth Plan would be to have Rs. 200 crores worth of production in the country which so far we have been importing. In that way we will be encouraging private sector as well as small-scale industry.

SHRI N. K. SOMANI : Sir, it has to be widely welcomed that the Defence Ministry has finally agreed to associate the private sector in the supply of vital and strategic materials.

Now, as far as the high level officer's Committee is concerned, may I know, whether they would also associate representatives of these producers along with the officers so that a full-fledged report can be obtained ?

Secondly, by what time will the survey be completed and will be available to the Ministry ?

SHRI M. R. KRISHNA : It is too early for us to commit anything of the kind to

associate private industry with defence production. But when we decide about the type of things, components and equipment which we would like to give to the private sector, at that stage, it would be convenient for the Defence Ministry to associate the concerned industries dealing in that particular product.

I think it will take about 6 months at least for this Committee to finalise its report.

श्री जगेश्वर यादव : अध्यक्ष महोदय, हमारा देश आबादी के हिसाब से दुनिया में दूसरे नम्बर का देश है, लेकिन आजादी के बाईंस सालों के बाद भी वह रक्षा के मामले में कमज़ोर बना हुआ है। लेकिन फिर भी देश इस बारे में चेत नहीं रहा है।

देश की जनता ने चीन के युद्ध के समय दिन खोल कर सोना, पहने, आभूषण आदि देश पर न्यौतावर कर दिये। फिर भी रक्षा के मामले में हमारा देश आज भी कमज़ोर गिना जाना है। चारों तरफ नर-संहार किया जा रहा है। मैं जानना चाहता हूँ कि देश के अब भी पिछड़ा रहने के क्या कारण हैं?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : I don't accept the presumption with which he is asking the question. The presumption is not justified.

MR. SPEAKER : My friend Samal Guha :

SHRI HEM BARUA : Don't you have any other friend in this House, Sir?

MR. SPEAKER : He has some doubts. That is why I had to clear it.

SHRI S. M. BANERJEE : We are all your friends. Calling my dear friend is not correct.

MR. SPEAKER : My dear friend is somewhere else.

SHRI SAMAR GUHA : I want to know whether it is a fact that for defence research and development work only 1.6% which means 18.3 crores of rupees is spent in India whereas in other countries nearly 5 to 6% of the total defence budget is spent for development and research work? If so without spending more money for research

and development work for defence production how can the Government expect to keep peace with the latest technology of defence production and also attain self-sufficiency?

SHRI SWARAN SINGH : It is true that as a percentage of the total defence budget the expenditure on research and development is of the order which has been mentioned by the hon. Member. But, there are other organisations also like the Council of Scientific and Industrial Research and several other organisations who are also engaged in research work and in the Defence Ministry we take advantage of all the research work that is going on in the country. We would like to increase it also but it is not so much the money part as the right type of scientific talent that has to be mobilised in order to step up our research and development work.

SHRI S. M. BANERJEE : After hearing the hon. Minister's statement that private sector will also get some work and they will be associated in the matter of defence production. Sir, the lurking fear in our mind is that India may not develop a war psychosis like America where the private sector wants this to be manufactured and they want a base for those arms and armaments to be used in Korea, Vietnam and Cambodia. I would like to know from the Minister whether it is not a fact that there is shortage of work in the ordnance factories and other clothing factories. In the ordnance factories itself 3-1/2 thousand workers are idle today. I would like to know from the Minister whether a decision has been taken that no work will be given to private sector at the cost of the ordnance factories.

SHRI SWARAN SINGH : That is correct, Sir. Whatever is the additional effort to be mobilised that is not going to be at the cost of the ordnance factories.

SHRI S. M. BANERJEE : 3-1/2 thousand workers are idle in the Ordnance Clothing Factory, Shahjahanpur, Ordnance Equipment Factory and Parachute Factory, Kanpur and Ordnance Clothing Factory, Avadi. Is it a fact or not? What is he going to do with that?

SHRI SWARAN SINGH : I want to make it clear that the clothing project of the

army had been completed and we had to recruit large number of workers in order carry out and to fulfil that programme. Now the workers has tapered off; we are likely to get work from other organisations, railways, posts and telegraphs etc. and we are trying to find out ways of giving more work to these ordnance factories. I want to make it clear that the additional effort that we want to mobilise from private sector is not going to be at the cost of the ordnance factories or State undertakings engaged in the manufacture of defence equipments.

MR. SPEAKER : Mr Jyotirmoy Basu. absent. Next question.

Chinsee interference in Cambodian Affairs
•1446. SHRI JAI SINGH :

SHRI HARDAYAL DEVGUN :

SHRI YAJNA DATT SHARMA :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government are aware that China has pledged open support to the deposed Cambodian Head of State, Prince Norodom Sihanouk, and appealed to the Cambodian people to rise in arms to topple the Government headed by General Lon Nol;

(b) if so, whether Government have made an assessment of danger posed by the Chinese expansionism in this part of the world;

(c) if so, whether Government propose to raise its voice at the international forums against the Chinese interference in the internal affairs of Cambodia; and

(d) if not, the reasons thereof ?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI DINESH SINGH):

(a) The Government have seen reports to this effect.

(b) The Government are well aware of the danger posed by the Chinese policies in this part of the world.

(c) The Government have already expressed their strong views against all foreign interference in the internal affairs of Cambodia.

(d) Does not arise.

SHRI JAI SINGH : That no country should interfere in the internal affairs of another country must remain a pious hope. We see in South-East Asia the proof for this.

May I know whether the Government has given adequate consideration to hard realities in framing their foreign policy keeping in full view the dangers posed by the pursuit of this policy by China?

SHRI DINESH SINGH : We have certainly given thought to the hard reality and our policy has been framed on the basis of hard realities and it is a realistic policy.

श्री हरदयाल देवगुण : प्रिय सिहानूक ने पेकिंग में अपनी पेरेलल सरकार बना ली है और पेकिंग ने उसे मान्यता भी दे दी है। जिस समय यह प्रश्न दिया था उसके बाद परिस्थिति बदल गई है। शायद उसके लिए प्रियी पर्स भी फिल्स कर दिया है। मंत्री महोदय ने कहा है कि चीन की नीतियां इस क्षेत्र में बड़ी गम्भीर स्थिति उत्पन्न कर रही हैं, गम्भीर खतरा उत्पन्न कर रही हैं। इस क्षेत्र में जिस तरह से चीन ने बगावतें उभारी हैं और उसका केलाव हो रहा है, उससे दक्षिण-पूर्व एशिया के देशों को खतरा पैदा हो गया है। उन देशों को इस खतरे के विरुद्ध खड़ा करने के लिए, आगाह करने के लिए आप क्या उन देशों को जिनकी आजादी खतरे में है, संगठित करेंगे ? चीन के इस फैलाव के विरुद्ध उनको संगठित करने का प्रयास और मोर्चा बनाने का प्रयत्न करेंगे और इसके लिये क्या आप एशिया के मलेशिया, सिंगापुर, इंडोनेशिया इत्यादि देशों का सहयोग लेंगे ?

श्री दिनेश सिंह : जी नहीं। चीन के खिलाफ मोर्चा खड़ा करने का हमारा कोई विचार नहीं है और न हमारी ऐसी कोई नीति है।

श्री बलराम भण्डोक : हिम्मत भी नहीं है।

श्री दिनेश सिंह : जहां तक दक्षिण-पूर्व एशिया के देशों का सवाल है अपने देश की रक्षा की जिमेदारी वहां की जनता के ऊपर है। किसी तरह से कहीं भी अगर आजादी पर खतरा आता है तो किस तरह से हम या कोई और देश मदद कर सकते हैं इसका सवाल तो उनी वक्त उठता है जबकि उन देशों से कोई मांग उठे। लेकिन जहां तक

हमारी नीति का सवाल है, हम समझते हैं कि इस क्षेत्र के देशों की आर्थिक स्थिति में सुधार आने से उनमें जो रक्खा करने की ताकत है वह भी बढ़ेगी और आजादी के लिए वहाँ के लोगों के मन का जो बल है, वह भी उनके पास आएगी। इसलिए एक नीति बनी थी कि इनको आपस में आर्थिक सहयोग करना चाहिये ताकि हम लोग मिल कर एक दूसरे की तरकी में हिस्सा ले सकें। जहाँ तक सुरक्षा संधि या डिफेंस अरेंजमेंट का सम्बन्ध है, वह चीज़ हमें माफिक नहीं है।

SHRI INDRAMIT GUPTA : I was very much intrigued by the reply given to part (a) of this question. The reply, as far as I understood it, was that the Government had seen reports to this effect. Now, the question is whether China has pledged open support to the deposed Cambodian people. I do not know when the Cambodian people were deposed to rise in arms to topple the Head of State, Prince Norodom Sihanouk is going on saying that he was toppled by the American conspiracy and the Chinese are helping him, what is the report which the hon. Minister has seen and what is his reaction to this? He simply says that he seen the report to this effect. What is his information?

SHRI DINESH SINGH : We are aware of the different reports that have been appearing in our press and in the foreign press. Even today's report that Prince Norodom Sihanouk has established a government in exile and the Chinese Government have given recognition to it and also that they are withdrawing their embassy from Phnom Phen is also a press report that has come from Hong Kong. That is why we have said that these are reports that have come.....

SHRI INDRAMIT GUPTA : Has he to depend on Hong Kong reports to get his information?

SHRI RANJEET SINGH : Why does he not ask the CPI people?

SHRI S. M. BANERJEE : Why does he not ask the American Embassy people?

SHRI HARDAYAL DEVGUN : They have come from the American Embassy only yesterday. So he may ask them.

SHRI S. M. BANERJEE : We have come after accusing them and bombarding them with words.

SHRI HARDAYAL DEVGUN : The American Counsellor gave them the report.

SHRI S. M. BANERJEE : In the evening, they went to the embassy and apologised in our behalf.

SHRI DINESH SINGH : That is why we have not asked anybody but have depended upon the reports that have come. So far as the question of Cambodia is concerned, we have already discussed this matter at length.

श्री चन्द्रजीत यादव : वया विदेश मंत्री यह बताने की कृपा करेंगे कि बैचेशन के (सी०) पार्ट के जबाब में जहाँ उन्होंने यह कहा है कि भारत सरकार इस बात के खिलाफ है कि किसी भी मुक्त के अन्दरूनी मामले में कोई दखल दे और बाहर से कोई सेना भेजी जाय तो आज यह एक तथ्य है कि कम्बोडिया में वहे पैमाने पर अमेरिकन पौजें लड़ रही हैं और खतरा इस बात का है कि भविष्य में और भी फौज वहाँ जा सकती है। अभी कल ही संयुक्त राष्ट्र संघ के मुल्यालय में यूथांट ने बयान दिया है कि जो गंभीर खतरा इस से पैदा हो गया है वह इस के लिए एक अन्तर्राष्ट्रीय सम्मेलन बूलाने जा रहे हैं और इसमें उन्होंने कहा है कि सारी पाइंट्स जो इस से संबंधित हैं वह इसमें भाग लें। तो मैं विदेश मंत्री से पूछना चाहता हूँ कि भारत सरकार की क्या प्रतिक्रिया है इस अन्तर्राष्ट्रीय सम्मेलन को बुलाने के प्रति और क्या वह इस प्रस्ताव का समर्थन करेंगी।

श्री दिनेश सिंह : यहीं तो मैंने अपने वक्तव्य में कहा था अध्यक्ष महोदय।

SHRI RANJEET SINGH : There appears to be some confusion.

MR. SPEAKER : Let him not make it worse confounded.

SHRI RANJEET SINGH : Do our Government recognise the legally constituted government over there which is not headed by Prince Sihanouk any more?....

SHRI INDRAMIT GUPTA : When was it legally constituted?

SHRI RANJEET SINGH : What are the reports and requests from that Government and what is our Government's reaction thereto ? If there is any confusion and Government are not getting any proper reports, would the hon. Minister consider immediately, that is, tomorrow, sending a parliamentary delegation to Cambodia to find out the facts ?

MR. SPEAKER : That is a very good suggestion.

SHRI DINESH SINGH : Probably, the hon. Member was not in the House when one of his colleagues had asked exactly the same question. I have already replied to it, and I shall be glad to send the hon. Member a copy of that.

MR. SPEAKER : Is he going to send a parliamentary delegation to Cambodia ?

SHRI DINESH SINGH : No.

SHRI RANJEET SINGH : Why not ?

SHRI CHENGALRAYA NAIDU : I am very glad that our Government have expressed their grave concern when American armies have marched into Cambodia. But when the North Vietnamese armies marched into Cambodia, why did our Government not express grave concern.....

SHRI RAMAVATAR SHASTRI
He can do that.

SHRI CHENGALRAYA NAIDU : Why did they not express their grave concern at that ? Were they waiting for the orders from Russia ?

MR. SPEAKER : This is not a question ?

SHRI CHENGALRAYA NAIDU : This is a clear question. If you say that this is not a question, then I do not know what a question is. They get orders from Russia, and, therefore, I am only asking whether in this connection they got the orders. Now, I shall put my question. In our country, these communists etc. are against the reactionary princes. But in Cambodia, why are China and Russia and the communists here supporting the reactionary prince, who has been deposed by the people of that country ? When they always support the people of a country, why do the communists want to support a reactionary prince in this case ?

I would like to know from our Government whether they are going to support the people of that country and the people's Government there or they are going to support the reactionary prince.

SHRI DINESH SINGH : When some hon. Members are accustomed to looking for inspiration outside this country, they feel that others also are looking for similar inspiration. We receive no inspiration outside the country and the hon. Member might also follow our example and not look for inspiration outside the country, whether it is the Soviet Union or the U.S. or the U.K. or any other country.

As for the second part, perhaps he would take the trouble to write a letter to the leaders of the Communist Party who, I am sure, would wish to send him a reply. Government cannot answer on behalf of another party what their feelings are.

So far as Government's attitude is concerned, Government, of course, will support another government of the people established constitutionally.

SHRI CHENGALRAYA NAIDU : I had clearly asked whether Government are going to support the people's Government in Cambodia or the reactionary prince's government.

MR. SPEAKER : He has replied.

SHRI K. NARAYANA RAO : The hon. Minister has stated that it is the policy of Government to protest against the interference by any country in the internal affairs of other countries in the U.N. Having taken that stand, what is it that Government have done in regard to Cambodia to protest about it for the simple reason that the Geneva-type agreement or arrangement earlier arose out of the colonial context, but the situation has totally changed and now Cambodia has become a full-fledged member state of the U.N. ? In view of the fact that Cambodia today is totally different from the Cambodia of earlier days, what prevents Government from bringing this matter before the U.N. Security Council ?

The other day some American authorities stated that what America has been doing today in Cambodia is to exercise the right of collective self-defence

as per Art. 51 of the U.N. Charter until the matter is brought before the U.N. In view of this, will Government change its policy of localising the issue and bring it before the appropriate organ of the U.N. ?

SHRI DINESH SINGH : The Government of India are not at this stage thinking of taking the matter up in the U.N. The hon. Member may have seen the statement made by the U.N. Secretary-General. He has also felt the same way as we have, that this matter can best be settled by bringing together the authorities concerned and also others who have been taking interest, and any further expansion at this stage will not be of much use.

लोहे की छीलन का निर्यात

* 1447. श्री रघुवीर सिंह शास्त्री : क्या बैंडेशिक व्यापार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि इस वर्ष, विशेषकर मार्च के महीने में लोहे की छीलन के निर्यात में कमी हुई है;

(ख) यदि हां, तो इसके क्या कारण हैं;

(ग) देश में इस समय लोहे की छीलन का भंडार कितना है; और

(घ) इसके निर्यात को बढ़ाने के लिये सरकार द्वारा क्या कार्यवाही की गई है?

बैंडेशिक व्यापार मंत्रालय में उप-मंत्री (श्री राम सेवक) : (क) हाल ही के महीनों में लोहे के स्ट्रैप के निर्यात में कुछ गिरावट आई है। वर्ष 1969 में 74 लाख रुपये मूल्य के 37,635 में ० टन के औसत मासिक निर्यातों के स्थान पर मार्च, 1970 को समाप्त हुई तिमाही में हुए औसत मासिक निर्यात 28,478 में ० टन थे और इनका मूल्य 7.31 लाख रु० था। मार्च, 1970 में 71.88 लाख रु० मूल्य, के 25,463 में ० टन माल का निर्यात हुआ जबकि मार्च, 1969 में 136.61 लाख रु० मूल्य के 77,251 में ० टन माल का निर्यात हुआ था।

(ख) गिरावट का मूल्य कारण स्वदेशी उपभोक्ताओं द्वारा लोहे के स्ट्रैप की बड़ी हुई आन्तरिक खपत है।

(ग) वर्तमान भंडार का ठीक-ठीक अनुमान उपलब्ध नहीं है। फिर भी वर्ष 1968 में धातु स्ट्रैप व्यापार निगम द्वारा किये गये दस्तु सर्वेक्षण में दिये गये प्राक्कलनों के आधार पर वर्ष 1970-71 में 35 लाख में ० टन स्ट्रैप प्राप्त होने का अनुमान है।

(घ) लोहे के स्ट्रैप के निर्यात बढ़ाने के लिये खनिज तथा धातु व्यापार निगम के माध्यम से सरकारी भागीदारी से धातु स्ट्रैप व्यापार निगम नामक एक विशेष अधिकरण की स्थापना की गई है जो समन्वित निर्यात करेगा और लोहे के स्ट्रैप को और अधिक एकत्र करने तथा उसको परिष्कृत करने का प्रबन्ध करेगा। इस के अतिरिक्त निर्यातों के पोत-पर्यन्त मूल्य के ५ प्रतिशत की दर से नकद मुआवजा सहायता दी जाती है जिसका प्रयोग एकत्रीकरण के प्रयत्नों को बढ़ावा देना है। समय-समय पर बाजार सर्वेक्षण किये जाते हैं और आवश्यक प्रतीत होने पर नये बाजारों का पता लगाने के लिये व्यापार प्रतिनिधिमंडल भेजे जाते हैं।

श्री रघुवीर सिंह शास्त्री : श्रीमान्, क्या यह ठीक है कि आयरन एण्ड स्टील स्ट्रैप एसोशियेशन ने भारत सरकार को यह कहा है कि स्ट्रैप के निर्यात में बड़ी मारी अड़चन यह है कि वे जितना निर्यात करते हैं, उस का दुगना स्ट्रैप उन को अपने देश के खरीदारों को सबसीडाइज रेट पर देना पड़ता है, इस लिये सबसीडाइज रेट पर देने के कारण वे इस स्थिति में नहीं रहते कि निर्यात कर सकें? क्या सरकार ने उन की इस मांग पर विचार किया है कि अगर सरकार इस शर्त को हटा दे तो जो पांच प्रतिशत की छूट उन को मिलती है, वे उस को वापस करने को तैयार हैं?

श्री राम सेवक : यह बात सही है कि इस एसोशियेशन को कुछ माल देश में जो फर्न-सेब लगी हुई है, उन को देना पड़ता है

श्री रघुबीर सिंह शास्त्री : क्या दुगना नहीं देना पड़ता, जितना निर्यात करते हैं उस का दुगना ?

श्री राम सेवक : दुगना नहीं देना पड़ता, यह गलत है ।

श्री रघुबीर सिंह शास्त्री : अध्यक्ष महोदय, मेरे बाकी सवाल का जवाब नहीं दिया, अगर वे इस शर्त को हटा दें तो वे पांच प्रतिशत की क्षूट छोड़ने के लिये तैयार हैं ।

वैदेशिक कार्य मंत्री (श्री दिनेश सिंह) : अध्यक्ष महोदय, माननीय सदस्य जानते हैं कि इस साल लोहे की कमी जैसे हम को महसूस हुई है, दूसरे देशों को भी हुई है, लेकिन हम को पहले अपनी जहरत को पूरा करना है, क्योंकि इस से वह सामान बनता है, जिस को हम किर निर्यात करते हैं । अगर हम लोहे को निर्यात कर दें तो जो हम फाइल-फिलिड-प्रॉडक्ट बनाते हैं, उस में कठिनाई होगी, इसीलिये इसे निर्यात के हक में समझा गया है कि इस का कुछ हिस्सा उस तरफ़ भी जाना चाहिये जहां निर्यात के लिये माल बनता है ।

श्री रघुबीर सिंह शास्त्री : क्या यह ठीक है—उन्होंने यह भी कहा है कि हमारी जो स्वदेशी भट्टियों के मालिक हैं उन को सदसी-हाइडरेट पर कच्चा माल देना चाहिये है, क्योंकि उन के उत्पादन पर कोई कन्ट्रोल नहीं है और उन के उत्पादन का मूल्य पिछले 8-9 महीनों में दुगना हो गया है ? क्या यह भी ठीक है कि विदेशी लोग जो कच्चा माल खरीदते हैं, वे डेढ़ गुने मूल्य पर खरीदते हैं, इम्पोर्ट ड्रूटी देते हैं, फिर भी इन स्वदेशी भट्टीवालों के साथ हमारे बाजार में कम्पीट करते हैं ?

श्री दिनेश सिंह : ऐसी कुछ बातें उन्होंने कही थीं—इस की कीमत भी बढ़ी हुई है, लेकिन माननीय सदस्य जानते हैं कि हाल में इन कीमतों में कुछ कमी हुई है । लेकिन यह कठिनाई इस साल आई है, क्योंकि लोहे का उत्पादन नहीं हो रहा है, जितना

कि हम को जरूरत है । लेकिन जैसे ही धीरे-धीरे इस की स्थिति ठीक होगी, इस व्यापार की स्थिति भी और सुधरेगी ।

SHRI D. N. TIWARY : May I know whether the Government can give a categorical assurance that the internal demands will be met first and the scrap will be supplied to the producers in the country, and if there is any surplus, only that will be exported ?

श्री दिनेश सिंह : जी हां, अध्यक्ष महोदय, हम इसी की कोशिश में हैं ।

Farakka Issue to be raised by Pakistan in U.N.O.

*1450. SHRIMATI SHARDA MUKERJEE : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government's attention has been drawn to the statement of the President of Pakistan that the Farakka issue would be raised in the United Nations ;

(b) whether as a sequel to this, intense diplomatic lobbying has been started by Pakistan towards this end; and

(c) If so, the steps which Government have taken to forestall the raising of the issue in the United Nations ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) :

(a) Yes, Sir.

(b) and (c). Government are watching the possibility of intensive diplomatic by Pakistan towards this end. Our view is that this question as other issues between the two countries can and should be settled bilaterally. This has been conveyed to third countries.

SHRIMATI SHARDA MUKERJEE : The delay in the completion of this barrage gives added advantage to Pakistan. I should like to know from the Government what efforts are being made by them to see that the barrage was completed by June, 1970 as was originally expected because in this way if it is delayed the Pakistan Government is gaining advantage ?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI DINESH SINGH) : I am sure that the Ministry of Irrigation and

Power is fully engaged in this matter and they are trying their best to see that this barrage is completed as quickly as possible. I believe there has been some discussion about this matter in the House and complete information was given to the House at that time.

SHRIMATI SHARDA MUKERJEE : That was not my question. Any way, attempts are being made by Pakistan to take this question above the official level to a political level and this is being done in order to take this into international political circles. What is the Government's reaction to this move to take it from the official level to the political level?

SHRI DINSH SINGH : We have conveyed to Pakistan our desire to discuss this matter with them and to satisfy them that Farakka is not going to be of any disadvantage to them and if any of their legitimate interests is likely to suffer because of this dam we would be willing to consider this matter. This is an exercise in which we are engaged. Unfortunately the Government of Pakistan had not been able to supply all the technical information that was required. They have inflated their demands to a fantastic figure. That is where it has been necessary to continue with the technical talks till we reach a decision when we are able to assess the legitimate requirements of Pakistan and see in what way we could help. Thereafter, we have said, we are agreeable to discuss the matter at the political level to find a solution. There is no question of our agreeing to an international consideration of this question because it is purely a bilateral matter between Pakistan and us.

SHRI THIRUMALA RAO : Pakistan is intensifying its diplomatic offensive against India and the hon. Minister just now said that the Ministry of Irrigation and Power are proceeding with the work on the dam in order to complete it quickly. Are the Government aware that because of agitations by local people, mainly due to the efforts of political parties, there is trouble in that

area? What steps are the Government taking to see that the dam is constructed according to schedule?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) : What the hon. Member has stated is correct. There has been some labour trouble and the progress of the work had slowed down. During the last one month the labour situation has improved and we only hope that we shall be able to make up for the last time. Any way, we must be prepared for not being able to complete the work as per schedule.

SHRI RANGA : Why don't you utilise the service of the Army?

SHRI SAMAR GUHA : The efforts of the Government of Pakistan to raise the question of Farakka in the United Nations are nothing but political. The Government of Pakistan has simply failed to rouse the people of East Bengal by their Hate-India Campaign on the issue of Kashmir or Canal waters and so they are trying to take advantage of Farakka and create an atmosphere of hostility towards India among the people of Bengal. The people of Bengal, the Muslims of East Bengal are not anti-Indian; you will be astonished to know that more of them listen to Indian radio than Pakistani radio. It is a political move to rouse the people of East Bengal against India. In view of this, will the Government launch a counter-offensive and tell people that the problem of East Bengal is more water and not less water and that the people of East Bengal suffer on account of floods and not for want of water and that this is a political move to rouse the people of East Pakistan?

SHRI DINSH SINGH : I am inclined to agree with the hon. Member that Pakistan is playing it up as a political issue without any sufficient justification in technical terms. That is why we have been trying to discuss the technical details with them, when it will become self-evident that there is no basis for their propaganda. In fact, the problem of East Pakistan is largely of too much water, rather than shortage of water.

SHORT NOTICE QUESTION

बलिया-बेरिया बांध

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* 29. श्री चन्द्रिका प्रसाद :

श्री शिवचरण लाल :

श्री सत्य नारायण सिंह :

श्री राम गोपाल शालवाले :

क्या सिचाई तथा विद्युत मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि बलिया-बेरिया बांध को याम गाय घाट पर गंगा नदी कई वर्षों से काट रही है और इस वर्ष बांध के पूरी तरह कट जाने की आशंका है;

(ख) क्या यह भी सच है कि उत्तर प्रदेश के सिचाई मंत्री से हुई बातचीत के पश्चात् भी सरकार इस कार्य में देरी का रही है; और

(ग) यदि हां, तो इसके क्या कारण हैं और यह कार्य कब तक पूरा हो जायेगा ?

सिचाई तथा विद्युत मंत्रालय में उप-मंत्री (श्री सिद्धेश्वर प्रसाद) : (क) से (ग). पिछले कुछ वर्षों के दौरान गंगा अपने बाये किनारे पर गया थाट याम के समीप कटाव करती रही है और बलिया-बेरिया बांध की सुरक्षा को खंतरा पहुंचाती रही है। पिछले दो वर्षों के दौरान इस समस्या ने गंभीर रूप धारण कर लिया है। राज्य सरकार नदी के और अन्तिमण को रोकने के लिये कुछ कार्य कर रही है। बांध की स्थायी सुरक्षा के लिए हाल ही में मॉडल अध्ययन किए गये हैं जिनसे ज्ञात हुआ है कि इस क्षेत्र की कारणार सुरक्षा हेतु चार पक्की ठोकरों तथा पांच जलमग्न बारों (Bars) की व्यवस्था होनी चाहिये। इस कार्य पर 1.5 करोड़ रुपये व्यय होने का अनुमान है। धन की कमी होने के कारण राज्य सरका स्थायी कार्य आरंभ करने में कठिनाई महमूस कर रही है। बहरहाल, वे आगे कटाव को रोकने के लिए आवश्यक अस्थायी सुरक्षा कार्य करने का विचार रखते हैं। ब्रट की सुरक्षा के लिए

अपेक्षित सामग्री के एकत्रण तथा परिवहन का काम किया जा रहा है।

श्री चन्द्रिका प्रसाद : अध्यक्ष महोदय, टेम्पोरेरी प्रोटेक्शन से इस वर्ष बांध बचेगा नहीं। टेम्पोरेरी प्रोटेक्शन का कार्य करीब चार पांच सालों से चल रहा है जिस पर करीब पचास लाख रुपया खर्च हो चुका है। डा० के० एन० राव वहां गए थे। परमानेन्ट प्रोटेक्शन करने के लिए डोड करोड़ का खर्च आएगा जबकि टेम्पोरेरी प्रोटेक्शन पर ही पचास लाख खर्च हो गया है। वहां की स्थिति की भयंकरता को देखते हुए विस मंत्री का ध्यान उसकी तरफ आकर्षित हुआ है और उस कार्य पर सहायता करने के लिए जांच भी की जा रही है। इन्हिए मैं जानना चाहता हूं क्या केन्द्रीय सरकार उत्तर प्रदेश की सरकार को अधिक सहायता देने के लिए लिखित आश्वासन देगी ताकि जो प्रोटेक्शन का कार्य है वह वहां पर आरम्भ किया जा सके ?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) : The Government of India also attaches great importance to this work and we have been impressing on the U.P. Government that they should do this work. With regard to financial assistance, flood control is essentially done by the State, and U.P. Government must first spend the money allotted in the plan for this and other work. The question of financial assistance does not arise at this stage.

श्री चन्द्रिका प्रसाद : अध्यक्ष महोदय, यह सही है कि पलड कन्ट्रोल स्टेट सबजेक्ट है। उत्तर प्रदेश इतना बड़ा सूबा है, आठ करोड़ रुपया पांच वर्ष के लिए कोई माने नहीं रखता है, आपने भी इतना रुपया दिया नहीं किया। उत्तर प्रदेश सरकार अगर कुछ नहीं करती है तो क्या भारत सरकार हमको भगवान के महारे दोड़ देगी ? अगर उत्तर प्रदेश वी सरकार काम न करे तो वहां से एक दो मील पर रेलवे लाइन है और अगर बांध कट जाता है तो वह सारी लाइन साफ़ हो जायेगी। दो तिहाई जिला बर्बाद हो जायेगा। चालीस पचास हजार की आबादी और हजारों मवेशी

बर्बाद हो जायेंगे और कई करोड़ की सम्पत्ति नष्ट हो जायेगी। इसी स्थिति में मैं जानना चाहता हूँ रेल मंत्रालय से कि लाइन को बचाने के लिए आई० डब्ल० टी० के माल होने वाले जहाँ पर्याप्त मात्रा में बेकार पड़े हैं उन्हें डेहरी सोन तथा चुनार से भंगाकर ग्राम गाय घाट पर गंगा में पत्थर के टुकड़े डालने का कार्य युद्ध स्तर पर करेंगे ताकि बांध शक्तिशाली हो कर गंगा के कटाव का मुकाबला करने में समर्थ हो सके?

DR. K. L. RAO : I have already submitted that this work is of very great importance and what the hon. Member has said is entirely correct. If there is a breach it will cause very severe loss to a large area of land and will put into trouble a lot of people, more than 15,000. The provision that has been made in the State Plan for this, namely, Rs. 1½ crores, must be spent before they approach for any assistance.

श्री शिव चतुरण लाल : अध्यक्ष महोदय, माननीय मंत्री महोदय, डा० के० एल० राव इस भयंकर स्थिति को ध्यान में रखकर दो बार बलिया गये हैं। मैं जानना चाहता हूँ क्या यह सही है कि गंगा के कटाव से बचाने के लिए वहाँ की दुखी जनता को मंत्री महोदय ने आश्वासन दे रखा है? यदि हाँ, तो इस योजना को केन्द्रीय योजना मान कर जल्दी से इस पर कार्य करों नहीं शुरू किया जा रहा है?

DR. K. L. RAO : I have inspected this bund twice. I have also come to the conclusion that at this stage we must fight out the river. Accordingly, the State Government should take up the necessary steps. I hope the State Government will take those necessary steps to ensure that there is no breach here.

श्री सत्य नारायण तिहः : अध्यक्ष महोदय, मैं मंत्री महोदय से जानना चाहता हूँ कि जैसा कि उन्होंने मंजूर किया है कि परिस्थिति बड़ी गम्भीर है और वह और भी विकट होती जा रही है जिससे बहुत बड़े पैमाने पर जन, जन और पशु का विनाश होने वाला है तो उस क्षति से उस जिले को बचाने के

लिए इस योजना को प्राथमिक स्थान देकर फौरन उस पर कार्य शुरू करने की व्यवस्था करेंगे?

DR. K. L. RAO : That is what I have submitted. We are urging the State Government to give it high priority. We have requested the Chief Minister also to look into it.

SHRI BISHWANATH ROY : In view of the fact that at the time of preparation of the Five Year Plan no State Government or the Central Government can make any exact estimate regarding the loss that may be due to natural calamities like floods and erosion by the turbulent rivers. May I know whether the Government of India would take special steps for protection of the Bariya and Chittoni bunds as well as the property near those bunds so that in the future no assistance would be required either from this Government or the U.P. Government?

DR. K. L. RAO : What the hon. Member said is quite true. We could not plan these things as we do in the case of projects like irrigation. That is correct. That is why we should make a lumpsum allotment for this in the State plan for new contingencies, new exigencies. With regard to the two bunds mentioned by the hon. Member, Chittoni bund and Balia-Bariya bund, these are bunds which have given a lot of trouble. I hope the U.P. Government would take the necessary steps in the case of Balia-Bariya bund.

श्री हुकम चन्द कछवाय : अध्यक्ष महोदय, अभी अपने उत्तर में मंत्री महोदय ने बताया कि हमने राज्य सरकार को लिखा है और प्रधान मंत्री ने भी राज्य सरकार को लिखा है परन्तु वहाँ पर जो भयावह स्थिति है उसको देखते हुए यदि आपके और प्रधान मंत्री के बादेश को राज्य सरकार नहीं मानती है या उसमें विलम्ब करती है तो उस हालत में क्या आप उस कार्य को अपने हाथ में लेंगे? अभी आपने बताया, प्रश्न के उत्तर में, कि डेक्क करोड़ रुपया जब तक वे नहीं लगायेंगे तब तक हम इसमें कुछ नहीं करने वाले हैं लेकिन अगर वे वह रुपया नहीं लगाते हैं तो उस दशा में इसकी गंभीरता को देखते हुए

क्या आप अपनी तरफ से तत्काल उस कार्य को पूरा करने के लिए तैयार हैं ?

DR. K. L. RAO : I appreciate the anxiety of the hon. Member. But it is not possible for the Centre to take it up. The State Government will have to take it up.

श्री मू० अ० खां : अध्यक्ष महोदय, मैं आप की मार्फत मंत्री महोदय से जानना चाहूँगा कि यह जानते हुए जैसा कि मंत्री महोदय ने बतलाया है कि इस बांध की हालत बहुत खराब है और इस बर्ष बांध टूट सकता है, दो जिलों को इससे बहुत अधिक नुकसान पहुँचेगा तो जिस डेढ़ करोड़ रुपये का जिक्र मंत्री महोदय ने अपने जवाब में किया है कि वह किया जा चुका है तो क्या वह इस बांध के लिए दिया गया है लेकिन अगर वह दूसरे कार्यों के लिए दिया गया है तो जितने रुपये की कमी पड़ी उस को मंत्री महोदय पलट कंट्रोल के लिए दिये गये रुपये से पूरा करके जलदी से जलदी उस कमी को पूरा करने की कोशिश करेंगे ताकि उन दो जिलों में मरने वाले आदमियों और जानवरों की जानें बचाई जा सकें ?

DR. K. L. RAO : Sir, the provision made for this year for U.P. is Rs. 1.5 crores for the flood control work. Realising the importance of the flood control works in U.P. the Planning Commission is now engaged in an exercise whether this provision can be increased to Rs. 2 to 2.5 crores. Whatever it is, it is necessary that the State Government must go ahead with all out effort to complete these works and must spend the money, and if still money is required then the Central Government will naturally have to look into the problem.

WRITTEN ANSWERS TO QUESTIONS Triangular Power Contest among U.S.A., U.S.S.R. and China in Indian Ocean in 70's

*1442. SHRI MUHAMMAD SHERIFF : Will the Minister of DEFENCE be pleased to state :

(a) whether he told in a meeting of the Parliamentary Consultative Committee of his Ministry that the Indian Ocean in the 70's would witness a triangular power contest among the United States, U.S.S.R. and China; and

(b) if so, the details thereof and the reaction of Government thereto ?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) and (b). In accordance with the guidelines laid down in consultation with the Leaders of the Opposition Parties/Groups, to regulate the constitution and functioning of the Consultative Committees, no reference to the discussion held in the meetings thereof is to be made on the floor of the House.

DEMAND AND SUPPLY OF NYLON YARN

*1445. SHRI JYOTIRMOY BASU : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government's attention has been drawn to a report in the *Financial Express* of the 24th January 1970 stating that the Textile Commissioner has assessed the gap between demand and supply of nylon yarn at 11,000 tons; and

(b) if so, the steps, if any, taken to make up this gap ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) Yes, Sir.

(b) In view of the fact that the artsilk weaving industry is predominantly in the decentralised sector and the weaving units can and do easily switch over from one type of artsilk yarn to another, it is difficult to assess the demand for any one type of yarn accurately. Nevertheless, Government have issued licences/letters of intent for a total capacity of 18,600 tonnes of textile nylon yarn. The production of nylon yarn has been going up steadily and efforts are being made to ensure installation of the entire licensed capacity within a short time. Steps are also being taken to improve the availability of other types of artsilk fibres/yarns. To supplement the indigenous production, import of nylon yarn is also being arranged through the S.T.C. to the extent considered necessary to maintain prices at a reasonable level after taking into account the various relevant factors like consump-

tion of nylon yarn in the past, the availability of other types of artsilk yarn etc.

**U.S. Ambassador's Statement Re.
Indo-U.S. Trade**

*1448. SHRI DEVINDER SINGH GARGHA :
SHRI VALMIKI CHOUDHARY :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government's attention has been drawn to the Statement made by the U.S. Ambassador to the Federation of Indian Chambers of Commerce and Industry that U.S.A. will reduce export of hippies to India if India sent to U.S.A. more of human hair, cowboy boots and khadi cloth;

(b) if so, Government's reaction thereto; and

(c) the other suggestions which have been made by the U.S. Ambassador ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). The reference relating to the export of hippies from U.S.A. was made obviously in a lighter vein. The main reference was to the export possibilities of a number of traditional and non-traditional Indian products in the American markets, such as tea, human hair, cowboy boots and Khadi cloth. The trade delegation which visited U.S.A. in January 1970 made certain recommendations for strengthening India's position in the traditional items and for increasing exports by identifying new products for export to the U.S.A. These recommendations are under the active consideration of the Government.

(c) The U.S. Ambassador also referred to the attention given by his Government to the solution of trade problems of developing countries, such as the U.S. offer in the UNCTAD-General Scheme of Preferences, and the elimination of non-tariff barriers. Emphasis was laid on the action to be taken by the businessmen of the two countries to develop trade.

Performance of Selected Industries in Export Performance

*1449. SHRI RABI RAY : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that Government have been disappointed at the performance of units in 10 selected industries in which Government have linked export performance to import entitlements; and

(b) if so, which are those industries that have been indicated in the category and the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) The export performance of the industrial units covered by the scheme of compulsory exports has, by and large, been disappointing.

(b) The lists of industries covered by the scheme for the year 1969-70 and 1970-71 are placed on the Table of the House. [Placed in Library. See No. LT-3419/70]

Allocation of Funds for Godavari Project near Paithan in Maharashtra

*1451. SHRI G. Y. KRISHNAN : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether it is a fact that the work on the Godavari Project near Paithan in Maharashtra has slowed down due to inadequate provision of funds :

(b) if so, whether Government have received any representation from the Government of Maharashtra for allocation of more funds outside the Plan provisions; and

(c) if so, the action taken by Government thereon ?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) : (a) The Government of Maharashtra have stated that the progress of work on the Jayakwadi Project has had to be restricted, keeping in view the resources position.

(b) No, Sir.

(c) Does not arise.

Preference to Students who are Members of Indo-Soviet Friendship Society for admission in Moscow University

*1452. SHRI KANWAR LAL GUPTA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that preference is given to those students of India for the admission in the University of Moscow who are members of Indo-Soviet Friendship Society; and

(b) if so, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH): (a) and (b). The information is being collected and will be placed on the Table of the House.

Trade with Taiwan and South Korea

*1453. SHRI BALRAJ MADHOK : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is fact that India's trade with Taiwan and South Korea has registered a sharp increase recently;

(b) whether it is also a fact that there is scope of further increase of trade with these countries if political relationship of these countries with India is improved and certain existing barriers are removed; and

(c) if so, the steps being taken to remove such barriers particularly in regard to Taiwan ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) There has been a significant increase particularly in exports to these two countries.

(b) and (c). With the Republic of Korea, India has Consular and trade relations. There are no restrictions on trade between the two countries beyond those in force for foreign trade in general.

In so far as trade with Taiwan is concerned there are no special restrictions on trade between parties in India and Taiwan.

Power Supply in Rural Areas of West Bengal under Rural Electrification Scheme

*1454. SHRI B. K. DASCHOWDHURY : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether Government have any scheme to arrange for the power supply in the rural areas of West Bengal under the Rural Electrification Scheme and more particularly in the Cooch Behar District for irrigation purposes;

(b) whether Government propose to consider the priority of non-irrigated area for installing small thermal projects to foster irrigation schemes;

(c) whether Government propose to make arrangements for power and irrigation thereafter through energised forms for tobacco growing areas in Cooch Behar District in West Bengal; and

(d) if not, the reasons therefor ?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) : (a) The Rural Electrification Scheme submitted by the West Bengal State Electricity Board for implementation during the Fourth Five Year Plan, out of the State Plan outlay, envisages the electrification of 1500 villages and energisation of about 10,100 tubewells/pumpsets in different districts of the State. This programme provides for electrification of 31 villages in the District of Cooch Behar. In addition to the State Plan outlay, the Rural Electrification Corporation would be providing financial assistance to the West Bengal State Electricity Board and other State Electricity Boards in the country for rural electrification schemes.

(b) to (d). The State authorities have been requested to prepare co-ordinated programmes for energisation of wells in the various districts of the State including drought affected areas and in districts (including Cooch Behar) in North Bengal where there is scope for utilisation of ground-water resources. Measures would be taken to provide adequate power supply for the implementation of this programme.

भारतीय क्षेत्र से होकर नेपाल का पाकिस्तान के साथ व्यापार

*1455. श्री देवेन सेन :

श्री शिवदत्त ज्ञा :

क्या देवेशिक व्यापार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि नेपाल सरकार ने घोषणा की है कि नेपाल पाकिस्तान के साथ अपना व्यापार पश्चिमी बंगाल से होकर करेगा; और

(ख) यदि हां, तो इस पर सरकार की क्या प्रतिक्रिया है ?

वैदेशिक व्यापार मंड़बलय में उप-मंत्री (भी राम सेवक) : (क) और (ख). जैसा कि माननीय सदस्यों को विदित ही है कि भारत-नेपाल व्यापार तथा परिवहन संधि (1960) के अन्तर्गत नेपाल को कलकत्ता पत्तन के माध्यम से अन्य देशों को माल का निर्यात करने पर और अन्य देशों से माल का आयात करने की सुविधाएं उपलब्ध हैं।

इसके अतिरिक्त, पूर्वी पाकिस्तान के साथ भारतीय सीमा के निकट राधिकापुर के भारतीय रेल स्टेशन तक नेपाली माल के यदा-कदा आवागमन के लिए भी सुविधाएं दी गयी हैं।

Intra-Regional Trade Arrangements

*1456. SHRI HIMATSINGKA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government's attention has been drawn to the Economic Survey for 1969 published recently by the U.N. Commission for E.C.A.F.E. highlighting the possibility of evolving concrete proposals during 1970 in intra-regional trade arrangements together with a Payments Union for the region;

(b) if so, Government's observations on the report for evolving such concrete measures for development of intra-regional trade in this region; and

(c) the steps taken in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) Yes, Sir.

(b) and (c). The proposals relating to Trade Development and Liberalisation, and Payments Arrangements for the ECAFE region are being examined by the member governments including India. A series of inter-Governmental meetings and consultations are being arranged by ECAFE including a high level meeting of representatives of Governments and Central Banks before the end of the year to finalise these proposals.

Territorial Waters of India

*1457. SHRI MAHARAJ SINGH BHARATI : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that keeping in view the oil and mineral deposits in sea, several countries have launched or decided to launch a campaign to extend their territorial waters; and

(b) if so, the steps being taken by Government to determine their territorial waters again in the Bay of Bengal, Indian Ocean and Arabian Ocean ?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI DINESH SINGH) : (a) Several States have extended the limit of their territorial waters to 12 miles for various reasons.

(b) The Government of India issued a proclamation on September 30, 1967 extending the limit of its territorial waters to 12 nautical miles. Until then, under our proclamation issued in March 22, 1956, India's territorial waters extended only to 6 miles.

Incentive for Exports

*1458. SHRI CHENGALRAYA NAIDU : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that Government have offered suitable incentives for the production of each export item so that export surplus could be created;

(b) whether Government are aware that the incentive scheme should be implemented after a product-by-product scrutiny;

(c) whether it has also been suggested that seven percent growth in export was possible only through proper co-ordination between production and planning; and

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

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) Preferential treatment is given for production for exports and for the expansion, diversification or modernisation of capacity for export production in industrial licensing, in import policy and, as far as possible, even in the allocation of scarce raw materials.

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

(d) A statement showing important steps taken is laid on the Table of the House. [Placed in Library. See No. LT-3420/70] The seven percent growth in export is sought to be achieved both through the

steps outlined in the statement and through continuous liaison with Planning Commission as well as the Ministries administratively responsible for the production of exportable goods.

Rehabilitation of Export-Oriented Textile Mills

*1459. SHRI YASHPAL SINGH : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether the Finance Minister of Maharashtra has suggested the setting up of 50-crores revolving Fund for the rehabilitation of export-oriented textile mills; and

(b) if so, the reaction of Government thereto ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) No, Sir.

(b) Does not arise.

Use of Cordite as Propellant for Small Arms Ammunition

*1460. SHRI RANJEET SINGH : Will the Minister of DEFENCE be pleased to state :

(a) whether it is a fact that Cordite is still being used as propellant for small arms ammunition;

(b) whether it is also a fact that mercuric fulminate is still used in detonators (percussion caps) of military centre fire cartridges;

(c) whether both cordite powder and mercuric fulminate especially in the latter are excessively corrosive to the barrels;

(d) whether it is further a fact that manufacturers outside India have changed over to non-corrosive propellant and detonators; and

(e) if so, the reasons why India has not changed over to non-corrosive propellants and detonators ?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (a) to (e). It is a fact that Cordite, which is a general term used to cover all types of double base propellants, is still in use for certain items of small arms ammunition manufactured in the country.

Mercuric fulminate is still being used for the percussion caps of certain types of military centre fire small arms ammunition manufactured in the country.

Double base propellants and mercuric fulminate have a relatively high corrosive effect on the barrel of the weapon due to the high temperature of burning and chemical action respectively.

Many countries outside India have changed over to single base propellants and non-corrosive cap compositions. In India, we have also switched over to a single base propellant for the largest item of small arms ammunition required by the Army. In so far as the caps are concerned, there has also been in partial switch over to the non-corrosive composition. Further efforts in this direction are continuing.

*1461. SHRI INDRAJIT GUPTA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the basis on which quotas have been allotted to the various states annually for authorised Haj pilgrims;

(b) whether there is any proposal to revise the existing basis, which would result in larger quotas for some States at the expense of other States;

(c) if so, details of the same; and

(d) whether the quota for West Bengal is to be reduced by nearly 50 percent ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) The Haj pilgrim quota is distributed amongst the various States taking into account their requirements based on their Muslim population.

(b) No Sir.

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

Export of Arecanut

*1462. SHRI MANGALATHUMADAM : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether foreign markets have been explored for arecanut which is grown in plenty in Kerala and Mysore;

(b) whether any organised/advanced research was done or is being done by the Arecanut Research Institute at Mysore; and

(c) if so, the results thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). Yes, Sir.

(c) Investigations at the Central Areca-nut Research Station, Vittal (Mysore State) on various areca-nut types showed five types (China, Singapore, Saigon-1, Saigon-2 and Indonesia-6) giving about three times more yield than the local types. A multi location trial to find out the promising types suitable for various agro-climatic regions is under way and the results will be available in due course.

Foundation of Sir Arthur Cotton Barrage on River Godavari

*1463. **SHRI P. C. ADICHAN :**
SHRI D. AMAT :

Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether foundation of Sir Arthur Cotton Barrage on Godavari river has been laid;

(b) if so, the details of the project, its cost and the period over which it would be completed; and

(c) the details of additional irrigation capacity to be created thereby ?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) : (a) and (b). The century old weir across Godavari at Dowlaishwaram is in four sections and two of these, Ralli, and Dowlaishwaram, are in a dangerous condition and had to be replaced. The State Government have submitted a scheme for construction of a new barrage at a cost of Rs. 26 crores. Planning Commission have approved the reconstruction of the Ralli section for the present. Foundation stone was laid by the Chief Minister of Andhra Pradesh of 11th April, 1970. While the entire barrage can be completed in five to six years, the actual progress will depend on the available funds.

(c) The main function of the barrage is to replace the present old anicut which is in an unsafe condition and ensure supply of water to the present annual average irrigation of nearly 13 lakh acres and advancing the transplantation period.

Plan to Utilize Surplus Water of Rivers

*1464. **SHRI D. N. PATODIA :** Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether it is a fact that one third of the usable water goes waste in the rivers;

(b) whether it is also a fact that Government have approved plans for the construction of irrigation canals for the utilisation of surplus water;

(c) if so, the schemes which will give benefit to the State of Rajasthan and when these plans will be implemented; and

(d) if no plan has been prepared, when such plans are sought to be prepared ?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) : (a) and (b). The surface waters which could be used for irrigation in the country are assessed as about 450 million acre feet. Upto 1951 only about a sixth of this had been utilised. A number of new irrigation schemes were and continue to be taken up by the State Governments in the Plans and by 1968-69, about 165 million acre feet or 37 per cent were being utilised. During the Fourth Plan it is proposed to bring about an additional utilisation of about 40 million acre feet bringing the total utilisation to 46 per cent of the usable flow. It is hoped that all the remaining waters can be utilised within the next few plans, in about 20 years.

(c) and (d). The ultimate irrigation potential in Rajasthan is assessed by the State to be about 7.5 million acres by major and medium schemes and about 4.5 million acres from minor irrigation schemes. Till 1968-69, potential of about 2.5 million acres from major and medium schemes and 3.5 million acres from minor irrigation schemes had been exploited already. On the completion, in all respects, of all the major and medium irrigation projects already sanctioned, a further potential of 1.6 million acres will be exploited.

The Government of Rajasthan have drawn up proposals for further irrigation works to be taken up in the future, like the Rajasthan Canal Stage II, use of Mahi waters for areas in Rajasthan at a future date by a high level canal from Kadana etc.

Construction of a Dam on River Yamuna

*1465. SHRI SHRI CHAND GOYAL : Will the Minister of IRRIGATION AND POWER be pleased to state :

- (a) whether the proposal to construct a dam on the river Yamuna to serve the irrigation needs of Haryana and Uttar Pradesh is under contemplation;
- (b) if so, the details thereof;
- (c) whether it will be a multi-purpose dam;
- (d) whether the Governments of Haryana and Uttar Pradesh will be associated in the project; and
- (e) the target date of completion of the project ?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) : (a) to (e). In November, 1963 in an inter-State Conference, convened by the Union Minister of Irrigation and Power and attended by Chief Minister, Himachal Pradesh, Ministers of Uttar Pradesh, Punjab, Rajasthan and Chief Commissioner of Delhi, the State Governments agreed that a dam should be built across the Tons river, a tributary of Yamuna and that the cost and benefits of this dam should be shared between the States. The Government of Uttar Pradesh are carrying out investigations for a dam at Kishau for this purpose. They have drawn up tentative proposals for a 830' high rock-fill dam at Kishau which will have a capacity of 1.9 million acre ft. The project, roughly estimated to cost Rs. 163 crores, is expected to produce about 2500 MKWH power annually and provide additional annual irrigation to about 6.5 lakh acres. About 2 lakh acres along the river will also receive flood protection.

The project authorities are re-examining their proposals in consultation with the Central Water and Power Commission in order to bring down the cost to the extent possible.

The sharing of cost of the project, its benefits and the programme of construction will have to be finalised after further discussions among the States when the Government of Uttar Pradesh have finalised the project features and prepare detailed reports and estimates.

Another multi-purpose project, Lakhwar Dam Project on the Yamuna is under preliminary examination in Central Water and Power Commission.

Pakistan's Protest against A.I.R. Broadcast on Atrocities on Minorities in East Pakistan

*1466. SHRI SAMAR GUHA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

- (a) whether it is a fact that Pakistan has sent a protest note against A.I.R. broadcast on atrocities on East Pakistan's minorities;
- (b) if so, whether Government have sent any counter-protest; and
- (c) if so, the text of protest by Pakistan and the reply sent by Government thereto ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) Yes, Sir.

(b) and (c). Our reply is under consideration. Due publicity will be given to it after it has been handed over to Pakistan authorities.

International Year for Combating Racism and Racial Discrimination

*1467. SHRI RAM AVtar SHARMA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

- (a) whether Government are aware that Mr. D. Brutus, well known freedom fighter from south Africa, has given a call to celebrate 1971, as an International year for "Action to Combat Racism and Racial Discrimination";

(b) whether India is participating in this year-long celebration; and

(c) if not, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) The decision to observe 1971 as the International Year for action to Combat Racism and Racial Discrimination was taken by the General Assembly of the United Nations. Mr. Brutus has been actively canvassing appropriate action for the observance of the Year.

(b) Yes, Sir. Government of India are taking suitable action to observe the Year in 1971.

(c) Does not arise.

Completion of Rajasthan Canal

*1468. SHRI BENI SHANKER SHARMA : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) the date on which the work on Rajasthan Canal was started;

(b) the phases completed so far;

(c) the target date by which the work was to be completed; and

(d) if the said date is over, the reasons for not completing the same in time ?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO) : (a) The work on the Rajasthan Canal Project was started in May, 1958.

(b) The works on Stage-I i.e. upto mile 122 are in progress. The up-to-date progress of the works is as under :—

(i) The Rajasthan Feeder (134 miles) is complete.

(ii) The Rajasthan Main Canal is complete upto mile 70. All important distribution systems upto this mileage are also complete except for a part of the distribution system of Suratgarh and Anupgarh Branches on which work is in progress.

(iii) The work is also in progress in portions of the Main Canal from mile 70 to 122. The work on the Lunkaransar Bikaner Lift Channel is also in progress.

(c) Stage of Rajasthan Canal was originally proposed to be completed by 1968-69 and Stage-II by 1977-78.

(d) The work on the Rajasthan Canal Project has lagged behind due to constraint of resources.

Employment Potentials of Fourth Plan

*1469 SHRI LOBO PRABHU : Will the PRIME MINISTER be pleased to state :

(a) whether in view of the backlog of unemployed which is stated to have risen to 34.5 millions, the Planning Commission have considered making the Fourth Plan more labour-intensive;

(b) whether Planning Commission made calculations of employment potentials of an equal investment in :

(i) Capital goods or Heavy Industry,

(ii) Consumer or Small Scale Industry,

(iii) Cottage industries,

(iv) Manual work intensive projects like road and irrigation works;

(c) if not, how the Fourth Plan is considered complete in respect of reducing unemployment and whether the calculations will now be made;

(d) how the complaint is met that the Labour Ministry is against employment because it increases the emoluments of only a small section of labour which reduces development of the economy and employment opportunities to others; and

(e) whether the present pattern of Planning is against employment because it diverts scarce funds to capital intensive projects and starves labour intensive which have a hundred times greater labour potential ?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI) : (a) to (e). A statement is laid on the Table of the House. [Placed in Library. See No. LT-3421/70].

Change of United Nations Charter

*1470 SHRI ARJUN SINGH BHADORIA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether any change is contemplated in the United Nations Charter; and

(b) if so, the reaction of Government thereto ?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI DINESH SINGH) :

(a) The agenda of the last (24th) session of the U.N. General Assembly included an item entitled "Need to consider suggestions regarding the review of the Charter of the United Nations". The Assembly could not consider the item and decided to include it in the provisional agenda of the forth-coming 25th session.

(b) Hon'ble Members are aware of the strength and the weakness of the world organization. Government would like to express their views at the appropriate time.

मांसाहार का निर्यात

8647. श्री जगेश्वर यादव : क्या वैदेशिक व्यापार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि भारत मछली अदि मांसाहार का निर्यात करता है;

(ख) यदि हाँ, तो 1969-70 में प्रत्येक देश को किस-किस प्रकार के मांसाहार का निर्यात किया गया, प्रत्येक देश को कितने मांसाहार का निर्यात किया गया और उससे कितनी विदेशी मुद्रा अर्जित हुई;

(ग) वर्ष 1970-71 में कौन-कौन से मांसाहार का निर्यात किया जायेगा और क्या इससे अर्जित होने वाली विदेशी मुद्रा की राशि गत वर्ष अर्जित की गई राशि से अधिक होगी; और

(घ) क्या सरकार ने चौथी योजना में मत्स्य-पालन उद्योग को कोई योजना बनाई है और यदि हाँ, तो उसका व्यूहरा क्या है?

वैदेशिक व्यापार मंत्रालय में उपमंत्री (श्री राम सेवक) : (क) जी. हाँ।

(ख) एक विवरण, जिसमें 1969-70 में विभिन्न किस्मों के मांसाहार के निर्यातों का व्यूहरा दिया गया है, सभा पट्टन पर रख दिया गया है। (प्रांथालय में रखा गया। देखिये संख्या L.T.-3422/70)।

(ग) 1970-71 में उन्हीं किस्मों के मांसाहार के निर्यात किये जाने की संभावना है, जिनका 1969-70 में निर्यात किया गया था। निर्यातों की वर्तमान प्रवृत्ति से ऐसा पता चलता है कि 1969-70 की तुलना में 1970-71 में अधिक निर्यात होने की संभावना है।

(घ) चौथी योजना में मत्स्य-पालन उद्योग के विकास के लिये 86,31 करोड़ रुपये के परिव्यय का अनुमोदन किया गया है। चौथी योजना में 5,400 यंत्रीकृत छोटी नावें और 300 मध्यम आकार के मत्स्य ट्रालर चालू

करने का प्रस्ताव है। पत्तन मुविधाओं के लिये 21 करोड़ रुपये का परिव्यय प्रस्तावित किया गया है।

Application from Doctors for Studies abroad

8648. SHRI MANGALATHUMADAM : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government have received more applications for passports for travel abroad, especially from Doctors for advance studies as a result of the concession allowed in 'P' form;

(b) if so, the details thereof; and

(c) whether some old applications are still pending ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) :

(a) and (b). There has been a general increase in applications for passport facilities from persons belonging to all walks of life, including doctors as a result of relaxations in the regulations for travel abroad.

(c) The relaxation in the regulations for travel abroad came into force from the 1st March, 1970. On that date 9,886 applications for passports were under consideration with the various Regional Passport Offices. During the month of March, a further 13,654 applications were received making a grand total of 23,540 applications. Of these, 11,803 applications were disposed of leaving a carry over of 11,737 applications at the end of the month. 6,467 of them were over one month old. The main reason for the delay in dealing with these applications has been the non-fulfilment of required formalities by the applicants under the Passports Act, 1967.

Installations of Unauthorised Looms

8649. SHRI BABURAO PATEL : Will the Minister of FOREIGN TRADE be pleased to State :

(a) whether it is a fact that several looms have been acquired and installed by the woollen textile industry in the last few years without permission of Government and in contravention of the existing orders and regulations on the subject;

(b) if so, the names of firms that have done so;

- (c) the reasons for allowing unauthorized units to function;
- (d) the steps taken by Government to regularize the installation of unauthorized woollen-manufacturing units; and
- (e) if not, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). The Government have received reports to this effect, but no details are available.

(c) to (e). No quota of imported wool is allowed to these units and the question of their regularisation in the context of the existing ban on the expansion of the worsted sector does not arise.

Deterioration in Indo-U.S. Relations

8650. SHRI R. BARUA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

- (a) whether Government's attention has been drawn to press reports that crisis is building up in Indo-American relations at various levels;
- (b) if so, the reaction of Government thereto; and

(c) whether the causes for the deteriorating relations between the two countries have been identified and the measures taken to resolve such issues ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) Government have seen some such press reports.

(b) There is no basis for such reports and there is no crisis in Indo-U.S. relations which continue to be very cordial.

(c) Does not arise.

Export of Sheep Skins to France

8651. SHRI BABURAO PATEL : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that the Maharashtra State Small Scale Industries Development Corporation exported sheep skins to France worth Rs. 14 lakhs without a proper Letter of Credit and other financial precautions;

(b) if so, when with the quantity and value of this exported item; and

(c) how much of the value of the above sheep skins has been recovered from the foreign buyers so far and the reasons for delay in payment ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). The Maharashtra State Small Scale Industries Development Corporation exported, in August, 1969, 291 cases of sheep skins, valued at Rs. 14,60,987.25 to a firm in France with which they had been doing export business in sheep skins since July 1966 satisfactorily. The contract with the French buyer was concluded after obtaining a bank report and covering the deal with a guarantee from the Export Credit and Guarantee Corporation. The question of the establishment of a Letter of Credit did not arise as the contract provided for payment on delivery.

(c) The French buyer delayed taking delivery of the goods by raising a dispute regarding the size of the sheep skins. The goods are in the custody of the French Correspondents of the Bank of Baroda who are the bankers of the Corporation. The agent of the Corporation in France has already succeeded in disposing of five cases valued at Rs. 20,500/- and is hopeful of disposing of the rest for which he has received enquiries from several buyers.

Agreement for Export of False Eyelashes

8652. SHRI BABURAO PATEL : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that a delegation of the State Trading Corporation has signed a tentative agreement with a British firm in London for the supply of false eyelashes;

(b) if so, the salient details of the agreement and the names of members who comprised the delegation and the name of the firm; and

(c) the nature and amount sent so far in training Indian girls to supervise the manufacture of false eyelashes in India ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) to (c). An agreement for the manufacture of false eyelashes and sale thereof was signed by a Delegation of the State Trading Corporation of India Ltd., New Delhi, with Messrs.

Eylure Ltd., London, on the 26th January, 1970, in London. The salient details of the agreement are :

- (i) Eylure shall provide to S.T.C. all specification, designs formulae and other information relating to the manufacture of false eyelashes.
- (ii) Eylure shall train at least two employees of S.T.C. in England and bear expenditure on their accommodation and subsistence in England. The salaries and fares to U.K. and back will be paid by S.T.C.
- (iii) Eylure shall not grant the right to manufacture and sell the products in India during the currency of the Agreement.
- (iv) The prices of eyelashes will be so fixed as mutually agreed by the parties from time to time.
- (v) S.T.C. will manufacture eyelashes in accordance with the orders placed by Eylure.
- (vi) The products will be sold to :
 - (a) Eylure.
 - (b) Any subsidiary of Eylure.
 - (c) To any persons or body with the prior consent of Eylure.
- (vii) Both the parties have right to terminate the Agreement if the other party fails (i) to perform or observe any terms of the Agreement, (ii) comes under the direct or indirect control of any other individual or firm or company.

2. The delegation comprised of Shri P. J. Fernandes, Director, and Shri S. S. B. Arora, Chief Financial Manager of the S.T.C. of India.

3. No amount has been spent for training the Indian girls in U.K. except their fare to go to U.K. amounting to Rs. 11,512/-.

U.S.S.R's MISSION EMPLOYEES LIVING IN RENTED HOUSES IN INDIA

8653. SHRI S. C. SAMANTA :
SHRI SARDAR AMJAD ALI :
DR. P. MANDAL :

Will the Minister of EXTERNAL AFFAIRS be pleased to state the names, designations and addresses of those officers of the Missions of U.S.S.R. in New Delhi

and other cities who are staying in rented houses outside the official residential blocks attached to chanceries ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : The information is being collected.

BOGUS EXPORTS BY FIRMS IN BOMBAY AND SURAT

8654. SHRI K. N. PANDEY :
SHRI ARJUN SINGH
BHADORIA :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that the large number of exporting firms in Bombay and Surat are indulging in bogus exports;

(b) whether Government have investigated into the matter; and
(c) if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) to (c). The information is being collected and will be laid on the Table of the House.

SCHOOLS RUN BY SOVIET EMBASSY

8655. SHRI S. C. SAMANTA :
SHRI SARDAR AMJAD ALI :
DR. P. MANDAL :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Embassy of the U.S.S.R. maintain their own schools; and
(b) if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) and (b). The information is being collected.

PURCHASE OF HELICOPTERS FROM FOREIGN COUNTRIES

8656. SHRI N. R. DEOGHARE : Will the Minister of DEFENCE be pleased to state :

(a) whether the Government of India propose to purchase helicopters from foreign countries in the near future;

(b) if so, the number of helicopters to be purchased and the countries from which to be imported; and

(c) the price to be paid for each helicopter ?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) to (c). Government have entered into a contract with a British firm for the supply of a few helicopters. It will not be in the public interest to disclose their number and the price.

AMOUNT GIVEN TO STATES FOR FLOOD CONTROL

8657. SHRI ARJUN SINGH BHADORIA : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) the amount given to the different States which were affected by floods for flood control schemes during 1969-70; and

(b) the proposed provision for different States in Fourth Five Year Plan for flood control scheme ?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD) : (a) Flood control schemes are to be formulated and executed by the State Governments as part of the State Plan. Beginning from the year 1969-70, Central assistance to States for Plan schemes is being given in the form of block loans and grants without being tied to any scheme or individual head of development and State Governments are free to allocate such sums as are necessary for flood control schemes depending upon their relative urgency.

To carry out emergent works in Midnapore District and 24-Parganas, West Bengal was given a special loan assistance of Rs. 114 lakhs. Similarly for executing drainage works in the coastal districts, a special loan of Rs. 250 lakhs was given to Andhra Pradesh. The drainage works in Andhra Pradesh were to be financed by collections from the people in the affected areas but the collections could not be made on account of the severe cyclones in these areas.

(b) Allocations for flood control during the Fourth Plan have not been finalised so far but the following provisions have been tentatively decided upon by the State Governments in consultations with the Planning Commission:

Name of State	Amount (Rs. Crores)
1. Andhra Pradesh	10.00
2. Assam	30.54
3. Bihar	10.00
4. Gujarat	7.00
5. Haryana	9.00
6. Jammu & Kashmir	6.25
7. Kerala	6.53
8. Madhya Pradesh	0.50
9. Maharashtra	1.50
10. Mysore	2.00
11. Nagaland	—
12. Orissa	2.00
13. Punjab	11.28
14. Rajasthan	2.89
15. Tamil Nadu	2.25
16. Uttar Pradesh	8.00
17. West Bengal	5.90
TOTAL	115.64
18. Union Territories	9.12

GRAND TOTAL 124.76

AGREEMENT AND OTHER ARRANGEMENTS WITH G.A.T.T.

8658. SHRI N. R. DEOGHARE : Will the Minister of FOREIGN TRADE be pleased to state :

(a) the agreements and arrangements which India has got with the G.A.T.T. during the last three financial years; and

(b) how far India has benefited from the G.A.T.T.?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) The following agreements and arrangements concluded under GATT during the last three years are of interest to India :

The agreements for reductions in customs duties concluded on 30th June, 1967 as a result of Kennedy Round GATT Tariff Negotiations.

A brochure giving details of these agreements was placed on the table of the House on 20th July, 1967.

Arrangements by the European Economic Community providing for an annual duty-free tariff quota of US\$ one million for the import of handloom cotton fabrics and for an annual duty-free tariff quota of US\$ one million for the import of handwoven silk fabrics.

Arrangements by the Governments of Denmark, Finland, Norway and Sweden providing for the duty-free import of hand-loom cotton fabrics of two or more colours obtained by different colours of yarn.

Arrangements by the European Economic Community providing for an annual duty-free tariff quota of US\$5 million for import of handicrafts products.

Arrangements made with the United States and the European Economic Community for export of cotton textiles upto specified annual ceiling levels.

A statement showing the annual ceiling levels for exports of cotton textiles to U.S.A during the years 1967-68 to 1969-70 is attached.

A statement showing the annual ceiling levels agreed to in the case of each of the six member States of the European Economic Community for a period of three years from 1968 to 1970 is also attached.

(b) The General Agreement on Tariffs and Trade has been in force since 1948 and during this period six major multilateral negotiations have been held under its auspices. These negotiations resulted in the lowering of the rates of import duties levied under the customs tariffs of a large number of countries and most of the products exported by India are benefited by these tariff reductions. The opportunities provided by the GATT to negotiate for reduction and removal of quantitative and other non-tariff restrictions have been utilised for improving the access to markets for India's export products in Europe, the U. S. A., Australia, Japan and many other countries.

Statement

Ceilings for export of cotton textiles to the U.S.A. for the periods October 1967 to September, 1968 October, 1968 to September, 1969 and October, 1969 to Sept., 1970.

Years	Quota	established
1967-68 . .	88.20	million square yards.
1968-69 . .	92.61	million square yards.
1969-70 . .	92.61	million square yards.

Statement showing country-wise distribution of annual ceilings for export of cotton textiles to the European Economic Community for the three years 1968 to 1970.

Country	Figure in metric tonnes	
	Group I	Group II
Federal Republic of Germany .	1925	800
France .	2500	625
Italy .	400	250
Benelux .	930	37
TOTAL	5755	2045
Grand Total of Group I and II		7800

N.B. 1. Group I—Grey fabrics.
Group II—Finished goods.

2. The quota year for Germany is January to December. For others the quota year is October to September.

CEYLON'S MOVE FOR ASIAN SECURITY MEET

8659. SHRI N. K. P. SALVE : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government are aware of the endeavours of the Government of Ceylon to mobilise Asian opinion for constituting an Asian security meet;

(b) if so, whether Government have been sounded in this regard; and

(c) if so, the reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) :

(a) Government are not aware of any such move on the part of Ceylon.

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

**AGITATION IN INTERNATIONAL FORUMS
BY INDIA ON SINO-PAK VACATION OF
HER TERRITORY**

8660. SHRI N. K. P. SALVE : Will the Minister of EXTERNAL AFFAIRS be pleased to state whether it is a fact that Government contemplates to re-agitate the issue of occupied Kashmir, Indian territories occupied by the Chinese in the Himalayan regions in all international forums to vacate the Pakistani and Chinese aggressions on these Indian territories?

**THE DEPUTY MINISTER IN THE
MINISTRY OF EXTERNAL AFFAIRS
(SHRI SURENDRA PAL SINGH) :** Government's view is that the illegal occupation by Pakistan of a part of the Indian State of Jammu & Kashmir could best be got vacated through bilateral and peaceful negotiations.

In regard to areas illegally occupied by China, as stated repeatedly in Parliament, Government aims at getting the aggression vacated through peaceful means.

**NON-ESTABLISHMENT OF LARGE-SCALE
PUBLIC SECTOR UNDERTAKINGS IN
PUNJAB**

8661. SHRI MANIBHAI J. PATEL :
**SHRI DEVINDER SINGH
GARGCHA :**

Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that a Minister from Punjab met her with the complaint that Centre had failed to establish some large scale Public Sector Industrial Units in that State; and

(b) if so, the steps Government propose to take to redress the grievances of the State of Punjab ?

**THE PRIME MINISTER, MINISTER
OF FINANCE, MINISTER OF
ATOMIC ENERGY AND MINISTER
OF PLANNING (SHRIMATI INDRA
GANDHI) :** (a) No, Sir.

(b) Does not arise.

**SETTING UP OF PULP FACTORY IN
SIKKIM**

**8662. SHRI DEVINDER SINGH
GARGCHA :**

**SHRI MANIBHAI J. PATEL :
SHRI VALMIKI CHOU-
DHARY :**

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether there is a scheme under consideration for setting up an intergrated timber industry for the manufacture of paper pulp in Sikkim; and

(b) if so, the details thereof ?

**THE DEPUTY MINISTER IN THE
MINISTRY OF EXTERNAL AFFAIRS
(SHRI SURENDRA PAL SINGH) :** (a) and (b). No scheme for establishment of an integrated timber industry for manufacture of paper pulp in Sikkim is under consideration of the Government of India. However, a feasibility report on rayon paper pulp project in Sikkim was prepared in December 1968 by the National Council of Applied Economic Research, New Delhi and forwarded to the Sikkim Durbar.

**CENTRAL ASSISTANCE FOR SPECIAL
PROBLEMS OF STATES**

**8663. SHRI DEVINDER SINGH
GARGCHA :**
SHRI MANIBHAI J. PATEL :
SHRI VALMIKI CHOURDHARY :

Will the PRIME MINISTER be pleased to state :

(a) the way in which Central assistance for special problems of States is distributed;

(b) the amount of Central assistance distributed to Maharashtra, Gujarat, Bihar and U.P., during the last two years and for what purpose this assistance has been given to these States; and

(c) how *per capita* Fourth Plan outlay of Bihar, U.P., Rajasthan, Orissa, Madhya Pradesh compares with the *per capita* outlay of advanced States like Punjab, Maharashtra and Gujarat ?

**THE PRIME MINISTER, MINISTER
OF FINANCE, MINISTER OF ATOMIC
ENERGY AND MINISTER OF PLANNING
(SHRIMATI INDRA GANDHI) :** (a) After taking into account (i) the nature and the extent of these problems, (ii) the outlay that could be expected to be provided in the Fourth Five Year Plan of States for dealing with these and (iii) the overall resources position of each State, the Planning

Commission applied their best judgement in distributing assistance under this criterion.

(b) The following amounts of Central Assistance were allocated to the four States for financing their Annual Plans 1968-69 and 1969-70 :—

(Rs. crores)

	1968-69*	1969-70**
Maharashtra	52.30	43.80
Gujarat	29.70	28.20
Bihar	53.50	60.40
U.P.	77.60	94.00

*Maharashtra and Gujarat were given additional assistance of Rs. 9.2 crores and Rs. 2.6 crores respectively to compensate them for short payment in earlier two years.

**Assistance for 1969-70, which is the first year of the Fourth Plan has been determined in accordance with new criteria laid down by the National Development Council.

(c) A statement indicating the *per capita* Fourth Plan outlays of the States mentioned is placed on the Table of the House.

Statement

Central assistance for special problems of States

	<i>per capita</i> Fourth Plan outlay (In Rupees)
Bihar	98
Uttar Pradesh	116
Rajasthan	127
Orissa	112
Madhya Pradesh	103
Punjab	222
Maharashtra	197
Gujarat	189

AGITATION IN INTERNATIONAL FORUMS BY INDIA FOR BARRING RECOGNITION OF RHODESIA

8664. SHRI K. P. SINGH DEO :
SHRI D. N. DEB :
SHRI R. K. AMIN :
SHRI MEETHA LAL MEENA :
SHRI P. K. DEO :
SHRI N. K. P. SALVE :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Government of India have decided to agitate in all the international forums to bar recognition of Rhodesia which had declared its self-independence;

(b) if so, whether the Government of India have taken other like-minded countries into confidence in regard to this vital issue; and

(c) the details of reactions, if any, received of countries with which the Government of India might have established contract in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) :

(a) The Government of India have taken an active part in U.N. deliberations designed to bar international recognition of the illegal regime of Rhodesia. India although not, at present, a member of the Security Council made a special request to participate in the Council's debates on Rhodesia in March 1970, following the declaration of independence by the illegal Smith regime. On that occasion India's Permanent Representative in the course of his speech on March 12, declared that India rejected the proclamation to declare Rhodesia a Republic and would continue to support any proposals in the United Nations or elsewhere to establish majority rule in Zimbabwe. The Security Council adopted a resolution on March, 18, 1970, which enjoins on Member States to refrain from recognising the illegal Rhodesian regime and from rendering any assistance to it.

(b) Government have been in close touch with African and other like-minded Governments and works alongside them.

(c) A preponderant majority of U.N. member countries disapproves of the racist policies of the present Rhodesian regime.

EXPANSION AND GROWTH OF JUTE INDUSTRY DURING SEVENTIES

8665. SHRI GADILINGANA GOWD: Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether the Jute industry has a good future and the industry will be able to make the seventies, a decade of expansion and growth; and

(b) if so, the steps taken by Government to help the industry ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). The jute industry is currently passing through a difficult phase mainly on account of shortage of supplies of standard goods and the consequent unprecedented rise in prices unrelated to costs. This situation has got to be corrected. There is a general awareness in the jute industry about the need to increase production and to bring down prices to more economic levels. The industry is taking measures in this direction.

Modernisation, expansion and diversification of production in the industry is being given all possible encouragement. Inclusion of the jute industry in Schedule V to the Income Tax Act has ensured a higher rate of development rebate. Loans are being extended to mills for diversification, through the Industrial finance Corporation.

All efforts are being made to increase production of the requisite quality and quantity of jute within the country.

DECISION RE. POSTING OF AMBASSADORS TO MOROCCO AND JORDAN

8666. SHRI BABURAO PATEL : Will the Minister of EXTERNAL AFFAIRS be please to state :

(a) whether Government have since taken any decision to sent back Indian envoys to Morocco and Jordan; and

(b) if so, when they will be reposted ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) and (b). The matter is under consideration and a decision expected to be taken shortly.

राज्य स्तर पर योजना आयोगों की स्थापना :

8667. श्री रामावतार शर्मा :

श्री आत्म दास :

श्री रामगोपाल शालवाले :

क्या प्रधान मंत्री यह बताने का कृपा करेंगे कि :

(क) क्या यह सच है कि केन्द्रीय सरकार तथा राज्यों के सम्बन्धों के बारे में हाल ही में हुए राष्ट्रीय सम्मेलन में यह मांग की गई थी कि आर्थिक विकास और विशेषकर कृषि क्षेत्र से सम्बन्धित कार्यों के सम्बन्ध में राज्यों को अधिक जक्तियां दी जानी चाहिये ;

(ख) क्या उपर्युक्त सम्मेलन में यह मांग भी की गई थी कि केन्द्रीय स्तर के अतिरिक्त राज्य स्तर पर भी योजना आयोग स्थापित किये जाने चाहिये, क्योंकि आर्थिक विकास राज्य स्तर पर अधिक प्रभावशाली ढंग से हो सकता है; और

(ग) यदि हां, तो इस सम्बन्ध में सरकार की प्रतिक्रिया क्या है ?

प्रधान मंत्री, वित्त मंत्री, अनु शक्ति मंत्री तथा योजना मंत्री (श्रीमती इन्दिरा गांधी) :

(क) और (ख). समाचार पत्रों में जैसा प्रकाशित हुआ है यह सम्मेलन पिछले 3 से 5 अप्रैल तक हुआ, परन्तु उसकी कार्रवाई अभी भारत सरकार को उपलब्ध नहीं हुई है।

(ग) प्रश्न ही नहीं उठता।

EXPORT OF ENGINEERING GOODS TO WEST GERMANY

8668. SHRI D. N. PATODIA :
 SHRI DEVINDER SINGH
 GARGHA :
 SHRI VALMIKI CHOUDHARY :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that many West Germany Companies have evinced keen interest for buying engineering goods from India; and

(b) if so, the extent of additional orders likely to flow to West Germany as a result thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SLWAK) : (a) During the last three years there has been an overall increase in our exports of engineering goods to Federal Republic of Germany from Rs. 25.76 lakhs in 1966-67 to Rs. 40.88 lakhs in 1967-68 and Rs. 72.28 lakhs in 1968-69 to Rs. 136.57 lakhs during April 1969 to Januray, 1970 which shows that there is an increasing and regular demand in the Federal Republic of Germany for our engineering goods.

(b) From the present trend it is expected that our exports of engineering goods are likely to go up significantly. It is, however, not possible to estimate the extent of additional orders likely to be received from West Germany.

PROVISION FOR PUMPING SETS UNDER FOURTH FIVE YEAR PLAN

8669. SHRI D. N. PATODIA : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether it is a fact that during the Fourth Plan, Government propose to energise 15 lakhs pump sets for irrigation purposes;

(b) if so, the break-up of such pumps, State-wise; and

(c) the programme for implementation of the scheme, State-wise?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD) : (a) From the outlay of Rs. 278 crores in the Fourth Plan of the States and Rs. 150 crores in the Central Fourth Plan for the Rural Electrification Corporation and from funds provided by financing institutions, it is proposed to energise 15 lakh pumpsets during the Fourth Plan.

(b) and (c). At this stage it is possible to indicate the programme and targets only in respect of the State Fourth Plan outlays. The number of pumpsets to be energised Statewise, from funds provided from outside the State Plan outlays will depend upon the number of rural electrification schemes sanctioned by the Rural Electrification Corporation and the quantum of funds obtained by State Electricity Boards from other financing institutions. The number of pumpsets to be energised from State Plan outlays is given below:—

Sl. No.	State	No. of Pump-sets/tubewells to be energised during the Fourth Plan from the State Plan outlays
1.	Andhra Pradesh	50000
2.	Assam	3200
3.	Bihar	89000
4.	Gujarat	15000
5.	Haryana	25000
6.	Jammu & Kashmir	436
7.	Kerala	11250
8.	Madhya Pradesh	50000
9.	Maharashtra	100000
10.	Mysore	38750
11.	Nagaland	Nil
12.	Orissa	1429
13.	Punjab	22500
14.	Rajasthan	35000
15.	Tamil Nadu	153000
16.	Uttar Pradesh	150000
17.	West Bengal	2410
TOTAL		746975

**OPENING OF BRANCH OFFICES OF S. T. C.
IN SINGAPORE AND EAST ASIAN COUNTRIES**

8670. SHRI SHRI CHAND GOYAL : Will the Minister of FOREIGN TRADE be pleased to state :

(a) the steps taken by Government to open Branch Offices in Singapore and other East Asian Countries as recommended by the Review Committee and the Chairman of the State Trading Corporation;

(b) the main hurdles in the opening of these Offices; and

(c) how long it will take to open the Offices in Singapore and other important places in South East Asia?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK): (a) to (c). The question of opening of S.T.C's Branch Offices in Singapore and Hongkong in addition to the regional office in Bangkok is under consideration. Details are being worked out.

**पंचवर्षीय योजनाओं के लिये राज्यों
को केन्द्रीय सहायता**

8671. श्री ओम प्रकाश त्यागी : क्या प्रधान मंत्री यह बताने की हुपा करेंगे कि :

(क) गत तीन पंचवर्षीय योजनाओं की अवधि में विभिन्न राज्यों को सहायता के रूप में कुल कितनी राशि दी गई;

(ख) प्रत्येक राज्य को उसकी जनसंख्या के आधार पर औसतन कितनी सहायता दी गई; और

(ग) पिछले तीन पंचवर्षीय योजनाओं के दौरान राज्यों को सहायता देने के लिये क्या कसीटी अपनाई गई?

प्रधान मंत्री, वित्त मंत्री, अनु शास्त्र मंत्री तथा योजना मंत्री (श्रीमती इन्विरा गांधी) :

(क) सभा पट्ट पर एक विवरण रख दिया गया है।

(ख) पिछले तीन पंचवर्षीय योजनाओं में जनसंख्या के आधार पर सहायता वितरित नहीं की गई।

(ग) यद्यपि तीन पंचवर्षीय योजनाओं में केन्द्रीय सहायता के वितरण में कोई निश्चित कसीटी नहीं अपनायी गई तथापि जनसंख्या, पहली योजना से चालू स्कीमों से सम्बन्धित आश्वासनों, पूर्व योजना में विकास की स्थिति तथा योजना में विकास की स्थिति तथा योजना के अन्त तक संभावित विकास के सामान्य स्तर, राज्य के संसाधनों की स्थिति आदि तत्वों पर प्रत्येक राज्य के लिए केन्द्रीय सहायता निर्धारित करने से पूर्व विचार किया गया।

विवरण

**पंचवर्षीय योजनाओं में राज्यों को दी
गई केन्द्रीय सहायता**

राज्य	पिछली तीन पंचवर्षीय योज- नाओं में कुल केन्द्रीय सहायता (करोड़ रुपये)
आनंध्र प्रदेश	377
असम	153
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बिहार में सोन नहर परियोजना अथवा
उत्तर कोपल परियोजना

8672. श्री क० क० मि० मधुकर : क्या सिंचाई तथा विद्युत मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि बिहार की सिंचाई आवश्यकताएं पूरी करने के लिये सोन नहर परियोजना अथवा उत्तर कोपल परियोजना की आवश्यकता है ;

(ख) यदि हां, तो उपरोक्त परियोजनाओं पर कितना खर्च करने की संभावना है :

(ग) क्या बिहार सरकार के पास इन परियोजनाओं की लागत वहन करने के लिये संसाधन हैं अथवा उसके लिये केन्द्रीय सहायता की आवश्यकता है ;

(घ) यदि केन्द्रीय सहायता की आवश्यकता है, तो कितनी सहायता की और केन्द्रीय सरकार द्वारा इस वर्ष कितनी राशि दिये जाने की संभावना है ; और

(ङ) यदि कोई धन दिये जाने की संभावना नहीं है तो उसके क्या कारण हैं ?

सिंचाई तथा विद्युत मंत्रालय द्वे उपमंत्री (श्री सिंदेश्वर प्रसाद) : (क) सोन उच्च स्तरीय नहर परियोजना, जिसकी लागत लगभग 12 करोड़ रुपये आंकी गई है पहले ही स्वीकृत हो चुकी है। राज्य सरकार से उत्तरी कोयला परियोजना पर परियोजना रिपोर्ट प्रतीक्षित है।

(ख) बिहार राज्य की चौथी योजना में सोन उच्च स्तरीय नहर परियोजना के लिये 7.12 करोड़ रुपये के प्रावधान के उपलब्ध होने की संभावना है। उन नई स्वीकृतों के व्योंगों को, जिनको बिहार में चौथी योजना के दौरान हाथ में लिया जा सकता है, अभी अन्तिम रूप नहीं दिया गया है।

(ग) से (ङ). सिंचाई परियोजनायें राज्य योजनाओं का अंग है तथा उनकी कार्यान्वयन के लिए धन प्रति वर्ष राज्य सरकारों द्वारा अपनी वापिक योजना की अधिकतम निर्धारित राशि में से दिया जाता है।

सिंचु नदी जल करार की अवधि समाप्त होने के पश्चात पाकिस्तान को पानी की सप्लाई

8673. श्री पश्चान्त तिह कुशवाह :

श्री चैंगलराया नायडू :

श्री मुत्यंजय प्रसाद :

क्या सिंचाई तथा विद्युत मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि पंजाब सरकार के एक मंत्री ने कहा है कि उनके द्वारा दिया गया यह बक्तव्य कि भारतीय नदियों से पाकिस्तान को पानी की सप्लाई बन्द कर दी गई है, ठीक नहीं है, और

(ख) यदि हां, तो इस सम्बन्ध में सरकार की क्या प्रतिक्रिया है ?

सिंचाई तथा विद्युत मंत्रालय में उपमंत्री (श्री सिंदेश्वर प्रसाद) : (क) जी, नहीं।

(ख) प्रश्न नहीं उठता।

रावतभाटा परमाणु शक्ति परियोजना में श्रमिकों के दो गुटों में मुठभेड़

8674. श्री ओंकार लाल बेरवा : क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार ने रावतभाटा में परमाणु शक्ति परियोजना के श्रमिकों के दो गुटों के बीच हुई मुठभेड़ के कारणों की जांच की है ; और

(ख) यदि हां, तो उसके क्या निष्कर्ष हैं ?

प्रधान मंत्री, वित्त मंत्री, अनु शक्ति मंत्री तथा योजना मंत्री (श्रीमती इन्दिरा गांधी) :

(क) तथा (ख). राजस्थान सरकार ने राजस्थान के भत्तपूर्व मुद्य सचिव, श्री

बार० बी० बाषुर को मुठभेड़ के कारणों का पता लगाने तथा ऐसी वारदातों को दोबारा होने से रोकने के लिए आवश्यक उपाय सुझाने के लिये नियुक्त किया है। उनकी रिपोर्ट की प्रतीक्षा की जा रही है।

सुकाता सिचाई योजना

8677. श्री गं० च० दीक्षित : क्या सिचाई तथा विद्युत मंत्री यह बताने की कृपा करेंगे :

(क) क्या यह सच है कि मध्य प्रदेश सरकार के केंद्रीय सरकार तथा योजना आयोग से सुकाता सिचाई योजना के लिये और बनराशि देने का अनुरोध किया है;

(ख) यदि हाँ, तो क्या सरकार ने गज्य सरकार की उक्त मांग पर विचार कर लिया है; और

(ग) इस बारे में क्या निर्णय किया गया है?

सिचाई तथा विद्युत मंत्रालय में उपमंत्री (श्री सिद्धेश्वर प्रसाद) : (क) जी, नहीं।

(ख) और (ग). प्रश्न नहीं उठता।

CONTACTS OF DELHI ASSOCIATIONS WITH FOREIGN EMBASSIES

8678. SHRI R. K. BIRLA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Government of India are aware that there are a number of associations in Delhi which have close relations with foreign missions in Delhi;

(b) what are the names of these associations; and

(c) whether the prior permission is sought from the Central Government for setting up such associations?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) Yes, Sir.

(b) The information is in the process of being complied.

(c) No, Sir.

APPLICATIONS FOR HAJ PILGRIMAGE AND AMENITIES PROVIDED THEREFOR

8679. SHRI MUHAMMAD SHERIFF : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the number of persons who had applied for the Haj pilgrimage during the last three years;

(b) the number of persons who were given sanction for the Haj pilgrimage and the number of applications which were rejected;

(c) whether any complaints were received by Government from the applicants for not providing certain facilities for the pilgrims and, if so, the details thereof; and

(d) the steps taken by the Government in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a)

Year	Number of applications received
1967-68	30,859
1968-69	33,662
1969-70	35,520

(b)

Year	Number of persons who proceeded on Haj	Number of persons whose applications were rejected
1967-68	15,171	15,688
1968-69	15,222	18,440
1969-70	15,223	20,297

(c) No, Sir. (The various facilities provided by Government to the Haj pilgrims are mentioned in the attached statement).

(d) Does not arise.

Statement
Facilities to Haj Pilgrims

1. The Government of India permit issue of foreign exchange worth Rs. 1575.00 per adult to the Haj pilgrims.
2. Foodgrains and sugar are supplied to the pilgrims at controlled rates and they are allowed to carry these up to a prescribed quantity for their consumption during their stay in Saudi Arabia.
3. A Medical Mission composed of 10 doctors and 10 compounders is deputed every year to Saudi Arabia to render medical assistance free of charge to Indian pilgrims who go to Saudi Arabia during Haj.
4. Small dispensaries are opened up at various places in Jeddah, Mecca and Medina to give free medicines to the sick pilgrims. A mobile medical unit also operates for treating emergency cases.
5. Shabeels are installed at various places in Saudi Arabia for providing cold drinking water to the pilgrims.
6. The Officers and the staff of the Indian Embassy in Jeddah are deputed to render all possible assistance and guidance to the Hajis.
7. The Railway authorities open temporary offices in Saboo Siddique Musafirkhana, Bombay for issuing tickets to Hajis for their homeward journey.
8. The Reserve Bank of India open a Branch Office in the premises of the Saboo Siddique Musafirkhana for issuing foreign exchange to the Haj pilgrims.

मध्य प्रदेश में बुद्धेस्थान धोब का विकास
8680. श्री राम सिंह अयरवाल : क्या प्रदान मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि बुद्धेस्थान धोब का आधा भाग मध्य प्रदेश में तथा आधा भाग उत्तर प्रदेश में है और उक्त धोब भूम्य रूप से डाकूपस्त धोब है और ज्ञासी, जालोन, ललितपुर आदि जिलों को मध्य प्रदेश में शामिल किए जाने से डाकूओं की समस्या को हल करने में पुलिस को सहायता विलेगी ;

(ख) क्या यह भी सच है कि डाकूपस्त होने के कारण इस धोब का औद्योगिक विकास नहीं किया जा सकता ।

(ग) क्या सचार राधनों के अभाव के कारण उक्त धोब में कोई उद्योग नहीं है ;

(घ) क्या उक्त समस्या के हल के लिए सरकार इस धोब में खर्च करने के लिए कुछ विशेष धन की व्यवस्था करेगी ; और

(ङ) यदि नहीं, तो इसके क्या कारण हैं और इस समस्या को हल करने में क्या कठिनाइयां हैं ?

प्रधान मंत्री, वित्त मंत्री, अनुसन्धान मंत्री तथा योजना मंत्री (श्रीमती इन्दिरा गांधी) :

(क) मे (ङ). अन्य धोबों की भाँति इस धोब की सामाजिक घटनाएं भी इसकी अचं व्यवस्था और अवस्थापना (इनकास्ट्रक्चर) से उद्भूत हुई हैं। इस धोब को डाकूओं के संकट से मुक्त करने के लिए राज्य सरकार के परामर्श में कुछ उपायों की जांच की जा रही है। इनमें सड़क संचार का विकास भी शामिल है। किसी धोब में उद्योग की स्थापना तकनीकी-आर्थिक व्यावहारिकता, कच्चे माल की उपलब्धि आदि पर आधित है। राज्य सरकारों से अनुरोध किया गया है कि जीवी पंचवर्षीय योजना में पिछ्ले धोबों के त्वरित विकास की आवश्यकता पर विशेष ध्यान दें।

प्रनवमान तथा निकोबार द्वीपसमूह में भूतपूर्व सैनिकों को रिहायशी प्लाटों तथा खेती योग्य भूमि का दिया जाना

8681. श्री हुकम सिंह कल्हवाल : क्या प्रतिरक्षा मंत्री यह बताने का कृपा करेंगे कि :

(क) अन्दमान तथा निकोबार द्वीप-समूह में कितने भूतपूर्व सैनिकों को रिहायशी प्लाट तथा खेती योग्य भूमि दी गई है ; और

(क) सरकार द्वारा पिछले दो वर्षों में भूतपूर्व सैनिकों को रिहायशी प्लाट तथा रोजगार देने तथा उनसे संबंधित अन्य कार्यों पर कुल कितना व्यय किया गया है ?

प्रति रक्षा तथा इस्पात और भारी इंजीनियरिंग मंत्री (श्री स्वर्ण सिंह) : (क) कैम्बल खाड़ी योजना के अन्तर्गत 1969 के दौरान अन्दमान तथा निकोबार द्वीपसमूह में कृषि भूमि पर भूतपूर्व सैनिकों के 69 कुटुम्ब बसाए गए थे ।

(ख) भूमि को साफ करने के अतिरिक्त आवासित भूतपूर्व सैनिकों से संबंधित मदों पर कुल उठा खर्च 972642.27 रुपये है । यह सारा खर्च 1969-70 वर्ष के दौरान किया गया था ।

COST OF ACQUIRING AND RUNNING FOREIGN CULTURAL CENTRES BY GOVERNMENT

8682. SHRI LOBO PRABHU : Will the Minister of EXTERNAL AFFAIRS be pleased to state the cost of acquiring and running foreign cultural centres which are under orders of closure if they are taken over by Government ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : No proposal has so far been received from foreign missions for handing over their cultural centres to be acquired and run by Government of India. The question of the cost of acquiring and running the centres therefore does not arise.

AGITATION BY RELEASED EMERGENCY COMMISSIONED OFFICERS IN FRONT OF PRIME MINISTER'S RESIDENCE

8683. SHRI DEVINDER SINGH GARGHA :

SHRI ONKAR LAL BERWA : Will the Minister of DEFENCE be pleased to state :

(a) whether Government's attention has been drawn to the agitation by the released Emergency Commissioned Officers in front of the Prime Minister's residence;

(b) whether Government would have talks with their representatives to sort out their problems;

(c) if so, whether Government have any proposals for absorbing these Emergency Commissioned Officers in suitable jobs; and

(d) if not, the reasons therefor ?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) : Yes, Sir.

(b) The representatives of the All India Released ECO's Association had met and discussed their problems with Government at various levels. Government are ready to discuss with the any practicable measures of resettlement.

(c) and (d). Various measures have been and are being taken for the absorption released Emergency Commissioned Officers in suitable jobs. In this connection attention is invited to the statement referred to in reply to part (b) of Unstarred Question No. 1435 answered on 26-11-1969 the statement referred to in reply to parts (b), (c) and (d) of Unstarred Question No. 3462 answered on 18-3-1970, and the reply which has been given today to Unstarred Question No. 8737 in the House.

EXPORT OF IRON ORE BY M.M.T.C.

8684. SHRI MANIBHAI J. PATEL : SHRI VALMIKI CHOURDHARY :

SHRI DEVINDER SINGH GARGHA :

Will the Minister of FOREIGN TRADE be pleased to state the contribution of the Minerals and Metals Trading Corporation in the export of iron ore during the last two years ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : Total exports

of iron ore from India and the exports made by MMTC during the last 2 years are indicated below :

Qty : Million tonnes
Val. : Rs. crores

	1968-69	1969-70
	Q.	V.
Total exports .	15.90	89.60
Exports made	17.50	100
by MMTC .	9.17	60.75
	10.48	70.68

पिछड़े राज्यों को वित्तीय सहायता

8685. श्री क० मिं० मधुकर : क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या बिहार राज्य को भी उन राज्यों में शामिल कर लिया गया है जिनको चालू वर्ष के बजट में पिछड़े राज्यों को सहायता देने सम्बन्धी योजना के अंतर्गत वित्तीय सहायता दिए जाने की संभावना है ;

(ख) यदि हां, तो तत्सम्बन्धी व्यौरा क्या है;

(ग) क्या सरकार ने इस बारे में राज्य सरकारों की राय मांगी है;

(घ) यदि हां, तो किन राज्यों से राय प्राप्त हो गई है और उसका स्वरूप क्या है;

(ङ) क्या किसी राज्य सरकार ने स्वयं केन्द्रीय सरकार से सहायता के लिए अनुरोध किया है ;

(च) यदि हां, तो उनके नाम क्या हैं और उन्होंने कितनी सहायता मांगी है और केन्द्रीय सरकार द्वारा उनको कितनी सहायता दिए जाने का प्रस्ताव है ?

प्रधान मंत्री, वित्त मंत्री, अनु शक्ति मंत्री और योजना मंत्री (श्रीमती इन्दिरा गांधी) :

(क) से (च). चालू वर्ष के बजट में राज्य योजनाओं के लिए केन्द्रीय सहायता राष्ट्रीय विकास परिवद में निर्धारित कसोटी के अनुसार, जिसमें पिछड़ेपन के लिए आवश्यक रियायत दी गई है, सभी राज्यों में (बिहार

सहित) वितरित की जाएगी । बजट में ज्ञासतोर से पिछड़ेपन के कारण राज्यों को सहायता देने के लिए अन्य कोई व्यवस्था नहीं है ।

फिर भी, सरकार ने उन राज्यों को विशेष सहायता (क्रृष्ण के रूप में) देना सिद्धान्त रूप में स्वीकार कर लिया है जिसका मूल्यांकन करते समय योजना आयोग ने उनके साधनों में अपरिहार्य बाधाएं पाई हैं । 1970-71 के लिए यह मूल्यांकन अभी तक नहीं किया गया है । प्रत्येक राज्य को दी जाने वाली राशि चालू वर्ष के दौरान सभी राज्यों से उनके साधनों की स्थिति के बारे में विचार-विमर्श करने के बाद तय की जाएगी ।

सभी राज्य सरकारों ने किसी न किसी रूप में विभिन्न संदर्भ में या तो उनके राज्य परिव्यय और केन्द्रीय सहायता में वृद्धि की मांग की है या कुछ राज्यों को दी जाने वाली विशेष सहायता में से आंवटन किए जाने की प्रार्थना की है । इन सभी मामलों में आमतौर पर यह दलील दी जाती है कि निर्धारित परिव्यय चौथी योजना अवधि के दौरान राज्यों में क्रियान्वित की जाने वाली विकास परियोजनाओं या स्कीमों के लिए पर्याप्त नहीं है । यद्यपि राज्य योजना परिव्यय कुल उपलब्ध साधनों के आधार पर निर्धारित किए गए हैं, राज्य सरकारों ने जिस ढंग से योजना परिव्यय में वृद्धि मांगी है वह संभव नहीं है ।

EXPORT OF FILMS

8686. SHRI DEVINDER SINGH GARGA :

SHRI MANIBHAI J. PATEL :

SHRI VALMIKI CHOU-DHARY :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government had discussions recently with the Indian Motion Pictures Export Corporation regarding measures to boost export of Indian films to Latin American countries and West Asia ;

(b) if so, the results thereof;

(c) whether Government have taken any steps to prevent smuggling of Indian films into Gulf countries and some other regions of the World where they are very popular ; and

(d) if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). No, Sir. However, the Indian Motion Pictures Export Corporation have plans to organise Indian Film Festivals in important places in Latin American Countries and West Asia to boost export of Indian Films.

(c) and (d). The measure taken to check smuggling of films are collection of intelligence through reliable information and specialised sources, keeping a vigilant eye on the baggage of passenger and patrolling of Roads, Coasts and other vulnerable areas and the sea.

SETTING UP OF THERMAL PLANTS

8687. SHRI CHAND GOYAL : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) the policy of Government for setting up thermal plants for augmenting electric power;

(b) whether all plants are likely to be set up in the Public Sector or some are also likely to be set up in the Private Sector;

(c) whether Punjab, Haryana, Jammu and Kashmir, Himachal Pradesh and Chandigarh have demanded the thermal plants; and

(d) if so, the reaction of Government thereto ?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD) : (a) The general policy of the Government is to set up thermal power stations in the Public Sectors near the coal fields and coal washeries.

(b) There is no proposal to set up large thermal power stations in the Private Sector during the Fourth Plan.

(c) and (d). The Punjab State Electricity Board had proposed to set up a thermal power station at Bhatinda with an installation of 220 MW during the Fourth Plan. The scheme has been approved for implementation. The Haryana State Electricity Board had also proposed to extend their Faridabad thermal power station by 55 MW. The scheme has also been approved for implementation. In Jammu & Kashmir a thermal power station at Kalakote with an installed capacity of 22.5 MW is in an advanced stage of erection. No proposal has been received from Himachal Pradesh and Chandigarh for setting up the thermal power stations.

REPORT BY DELEGATION OF ENGINEERING EXPORTS PROMOTION COUNCIL OF JAPAN

8688. SHRI S. K. TAPURIAH
SHRI N. K. SOMANI :

SHRI DEVENDRA SINGH GARGHIA :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether a delegation headed by the Chairman, Engineering Exports Promotion Council which recently visited Japan has submitted any report to Government;

(b) if so, the broad outlines of the proposals mentioned in the report; and

(c) Government's reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b) . A delegation headed by the Chairman, Engineering Export Promotion Council, which visited Japan during early February this year, has submitted its reports a few days back. The Report highlights the vast scope for Indian Engineering goods in Japanese market and advocates planned effort, by the exporters to develop sustained business contact and co-operation.

The Report makes both general and commodity-wise recommendations. Important amongst them are as under:—

(i) Creation of a 'Japan Desk' in the Engineering Export Promotion Council;

- (ii) High level Joint Committee to maintain liaison with Japanese Import Development Council and to select areas of Joint ventures;
- (iii) Posting of a marketing expert in Japan for rendering assistance to Indian firms;
- (iv) Formation of Consortia of competent manufacturers to handle business commodity-wise for Automobile Component industry, sewing machine component industry etc.;
- (v) Sending and inviting of sales teams, participation in exhibitions, periodic display of Indian goods etc. and
- (vi) Need for expansion of production capacities in commodities like sewing machine components to match the big demand and achieve economies of scale.

(c) Proposals made in the Report are being examined.

EXPORT OF HANDICRAFTS TO U.S.S.R.

8689. SHRI N. R. LASKAR :
 SHRI MAYAVAN :
 SHRI DHANDAPANI :
 SHRI CHENGALARYA NAIDU :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that handicrafts worth Rs. 50 lakhs will be exported to U.S.S.R. under the contract signed by the two Governments; and

(b) if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). Yes, Sir. The Handicrafts & Handlooms Export Corporation and its associates have concluded a contract with M/s. NOVO-EXPORT, Moscow for supply of brassware, EPNS articles, Zari evening bags, semi-precious stone, necklaces and cufflinks, etc. valued at around Rs. 51 lakhs during the year 1970.

GRANT OF LICENCES FOR MANUFACTURE OF T.V. SETS

8690. SHRI D. AMAT :

SHRI HIMATSINGHKA

Will the Minister of DEFENCE be pleased to state :

(a) whether Government have taken a policy decision to grant licences for the manufacture of T.V. sets in case the entrepreneurs do not require any import of equipment or know-how;

(b) if so, whether any such entrepreneurs have applied for T.V. manufacturing licences and if so, details thereof; and

(c) the decision taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (a) to (c). The question of licensing additional capacity for manufacture of television receivers to meet the anticipated demand after 5 new T.V. transmitting stations have been set at Bombay, Calcutta, Madras, Kanpur and Srinagar, is under the consideration of Government. Entrepreneurs would be invited to apply for capacity as soon as a decision in this matter is taken. Decision on each application will be taken on its merits.

POWERLOOMS IN RAJASTHAN

8691. SHRI NAVAL KISHORE SHARMA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) the total number of Powerlooms working in the country State-wise;

(b) the basis of allotment of powerlooms to the various States;

(c) whether it is a fact that the number of powerlooms allotted to Rajasthan is much more less as compared to other States;

(d) whether Rajasthan Government have been pressing for the sanction of larger powerlooms to that State; and

(e) if so, the reaction of Government thereto ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) A statement is enclosed.

(b) Powerlooms were allotted to the various States on the recommendation of an Inter-Ministerial Committee under the Chairmanship of Shri S. Ranganathan, then Secretary, Ministry of Industry to determine the allocation of powerlooms to States during the Fourth Five Year Plan. Allotment of powerlooms by the above Committee took into consideration factors like population, the number of existing registered handlooms in the States, the relative industrial backwardness of the area and the proximity to the spinning mills etc.

(c) The number of powerlooms allotted to Rajasthan is less than that allotted to some of the States.

(d) Yes, Sir.

(e) The matter is under consideration.

Statements

Number of Powerlooms Working in the Country as on the 1st March, 1970 is given below:—

Name of State	No. of Power- looms
Andhra Pradesh	2296
Kerala	1602
Mysore	19598
Madras	20690
Pondicherry	620
Gujarat	57280
Rajasthan	4453
West Bengal	8577
Bihar	2100
Assam	474
Orissa	1175
Uttar Pradesh	13517
Maharashtra	94424
Madhya Pradesh	9268
Delhi	1394
Punjab (including Haryana)	17572
Himachal Pradesh	39
Jammu & Kashmir	18
Tripura	24
Dadra and Nagar Haveli	114
Manipur	4

STATEMENT BY CHAIRMAN OF STATE TRADING CORPORATION RE. STRENGTHENING OF INDIA'S INTERNATIONAL TRADE

8692. SHRI R. K. BIRLA :

SHRI DEVINDER SINGH GARGA :

SHRI MANIBHAI J. PATEL :

SHRI VALMIKI CHOU-
DHARY :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that the Chairman of the State Trading Corporation has publicly announced recently that India should strengthen her position in international trade and that India has to act as a shrewd operator in both the import and export trade; and

(b) if so, the steps being taken by the State Trading Corporation to act as a shrewd operator in the import and export markets ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). As a result of reorganisation, improvement in communications system and training of staff in general management, the Corporation has geared itself as a shrewd operator in import and export markets.

INDIAN PAVILION AT EXPO' 70

8693. SHRI R. K. BIRLA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) the number of visitors so far visited the Indian pavilion in the Expo '70 in Osaka;

(b) the assessment made so far regarding the Indian goods attracting the visitors in the pavilion; and

(c) whether any orders have been received from anywhere as a result of the pavilion's visit and if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) 2.2 Million till April 29, 1970.

(b) Visitors have mostly shown interest in machine tools, steel and alloys, cutting

tools, refrigerator, cutleries, scientific equipments, household utensils, coffee and cashewnut etc.

(c) Enquiries for stones, diecast household utensils, cutlery, lathes, shapers, planers, milling machine, radial chucker, bed tickings, drill, popline, sheetings, shirtings, leather jackets, coking coal, instant coffee, human hair and hair products, chillies have been received and passed on to the suppliers concerned for sending quotations and samples for conducting negotiations.

IMPORT OF NICKEL

8694. SHRI R. K. BIRLA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that the Bharat Metal and Nickel Plating Works, Lashkar in Madhya Pradesh was granted an import licence for nickel in 1967 but was not granted in the subsequent years;

(b) if so, the reasons therefor;

(c) whether it is also a fact that the said concern was given an allotment letter No. 1705 dated the 16th December, 1968 over Minerals and Metals Trading Corporation for supply of nickel ;

(d) whether it is also a fact that the Minerals and Metals Trading Corporation could not make delivery of nickel to the said concern for the sanctioned period in view of the above letter and if so, the reasons therefor;

(e) whether it is a fact that the non-receipt of raw material of this period (AM-69) has made the concern ineligible to apply for further requirement; and

(f) if so, the steps being taken by Government for releasing the raw material to this small scale industry which is ruining for lack of raw material for the last one and a half year ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) to (c). M/s. Bharat Metal and Nickel Plating Works, Lashkar was granted two licences worth Rs. 3,915 each during 1967 for the import of nickel. A release order No. 1705 on the

Minerals and Metals Trading Corporation, New Delhi for Rs. 3,915 was also issued to the firm for nickel on 16-11-1968.

(d) The release of nickel could not be made by the Minerals and Metals Trading Corporation against the release order dated 16-11-68 in view of the fact that there was no supply from producers of nickel in the overseas market for over a year from 1968 and the free market price was 5 to 6 times the producers' price with the result that no import of nickel could be made by the Corporation. The strike in the producers' mines was withdrawn in November, 1969 and the supply of nickel in the world market was resumed; the prices have also stabilised. The MMTC have already made arrangements for the import of 100 M. Tonnes of Nickel and these stocks are expected to arrive between June and August, 1970. On arrival of these stocks, it will be possible for the MMTC to dispose of all the pending Release Orders received by them up to 31st December, 1969.

(e) and (f) . The firm could not be issued any further release order for nickel as it did not submit an application during the April 1969-March 1970 period.

POCHAMPAD PROJECT

8695. SHRI G. S. REDDI : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether the Pochampad Project has been included in the Fourth Five Year Plan; and

(b) whether it is a fact that the World Bank offered help to complete the Pochampad Project if it is not included in the Fourth Five Year Plan ?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD) : (a) The Pochampad Project, which was sanctioned in 1964, is a continuing scheme of the Fourth Plan.

(b) The project has been posed by the Government of India to the World Bank for assistance. This request is under the Bank's consideration.

DISPLAY OF YOGIC ASANAS AT EXPO' 70

8696. SHRI MUHAMMAD SHERIFF : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that his Ministry has sponsored a demonstration of Yoga by Dhirendra Brahmachari of Delhi at the Indian pavilion at Expo' 70, Osaka;

(b) if so, the details thereof; and

(c) how the selection of the Brahmachari was made ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). Yes, Sir. A two member team from Yegashram, New Delhi has been sponsored for demonstrating Yogic exercises in Indian Pavilion at Expo'70. The team consists of Dhirendra Brahmachari and Kumari Manju Sarin.

(c) The selection of the team was made on merit in consultation with the Ministry of Education.

TALKS WITH YUGOSLAVIA'S FOREIGN MINISTER ON NON-ALIGNED MEET

8697. SHRI NANJA GOWDER :
SHRI A. DIPA :
SHRI MEETHA LAL MEENA :
SHRI P. K. DEO :
SHRI S. K. TAPURIAH :
SHRI N. K. SOMANI :
SHRI K. M. MADHUKAR :
SHRI RAGHUVIR SINGH SHASTRI :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether there was any discussion with the Yugoslavia's Foreign Minister regarding holding of the next Summit of the non-aligned countries;

(b) if so, what were the various suggestions and recommendations made by the Yugoslav Foreign Minister; and

(c) the reaction of Government in regard to those recommendations?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) to (c). Discussions were held with the

Yugoslav Foreign Minister about the Non-Aligned Conference including the questions of criteria for participation, agenda, venue and timing. Subsequently the Preparatory Meeting of Non-Aligned countries held at Dar-es-Salaam from 13th to 17th April, 1970 decided that the Third Non-Aligned Summit, should be convened before the 25th Anniversary Session of the U. N. General Assembly, at Lusaka, the capital of the Republic of Zambia. The Preparatory Meeting agreed that invitations to the Conference would be issued on the basis of the criteria of Non-Alignment laid down in 1961 and 1964. The Preparatory Meeting also recommended an agenda for the Third Summit Conference. The Indian and Yugoslav Foreign Ministers in agreement with these decisions.

STANDARDISATION OF HAND-MADE CARPETS

8698. SHRI NANJA GOWDER : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether any revised standards have been prescribed for the hand-made carpets produced in the country;

(b) whether any difficulties have been experienced by Carpet makers in South due to this revision;

(c) whether there is any shortfall in the production of hand-made carpets; and

(d) whether the American market has been attended by them?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) Yes, Sir. The Indian Standards Institution brought out the revised standard in 1968, which is voluntary.

(b) Not so far brought to the notice of the Government.

(c) No, Sir.

(d) Yes, Sir. Exports of hand-made carpets to U.S.A. during 1969-70 (April-December, 1969) amounted to Rs. 339.73 lakhs as compared to Rs. 241.20 lakhs during the corresponding period of 1968-69, showing an increase of Rs. 98.53 lakhs.

THORIUM DEPOSITS IN TAMIL NADU

8699. SHRI NANJA GOWDER : Will the PRIME MINISTER be pleased to state :

(a) whether some Geologists have found out Thorium deposits near Tiruppathir in Tamil Nadu;

(b) if so, whether experiments of its better use for atomic purposes has been made; and

(c) if so, the details thereof?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI IINDIRA GANDHI) : (a) to (c). As a result of the survey carried out by the Atomic Minerals Division of the Department of Atomic Energy in the area, some radio activity due to uranium and thorium has been found in the carbonatite deposits at Sevattur near Tirupattur in the Dharmapuri District of Tamil Nadu. Further investigations like laboratory tests, chemical analysis, etc. of the ore samples, towards commercial exploitation of the deposits are in progress. It will not be possible to evaluate the economic possibilities of the deposits until these investigations are completed.

PRODUCTION OF MARINE-DIESEL ENGINES

8700. SHRI NANJA GOWDER : Will the Minister of DEFENCE be pleased to state :

(a) whether a new Diesel-Engine factory has been in the offing at Ranchi for the production of Marine-diesel engines in the public sector;

(b) whether such a factory was proposed some time back in Madras and the proposal was deferred; and

(c) If so, the reasons for starting such a factory at Ranchi after some time ?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (a) Yes, Sir.

(b) Yes, Sir.

(c) The final decision to locate the Diesel Engine Factory at Ranchi was taken by the Government after considering the recommendations of a team of Technical

Officers of M/s M.A.N. of West Germany, who are the collaborators. At the same time, to reduce capital expenditure, Government decided to restrict the role of the unit to manufacture of only small components and assembly/testing of engines and the site at Ranchi entails the least capital expenditure as it is near the Heavy Engineering Corporations, the major components-supplier.

AUCTION OF CARS BY THE STATE TRADING CORPORATION

8701. SHRI S. K. TAPURIAH :
SHRI N. K. SOMANI :

SHRI BENI SHANKER SHARMA :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) the total number of cars auctioned by the State Trading Corporation on the 11th April, 1970; and

(b) the total amount realised by the sale of cars on this auction and also the total amount realised through auction of cars during the year 1969 and upto April, 1970?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) Only 1 car (Mercedes Benz 280 S of 1968 Model).

(b) The amount released in the single car auction on 11th April, 1970 was Rs. 2,16,900/-.

474 vehicles were sold from 1st April, 1969 to 30th April, 1970 and the amount realised was Rs. 1.73 crores.

SETTING UP OF AN INSTITUTE FOR FOREIGN LANGUAGES

8702. SHRI S. K. TAPURIAH :
SHRI N. M. SOMANI :

Will the PRIME MINISTER be pleased to state : (a) whether a high officer of the Cabinet Secretariat is seeking personnel abroad to set up an Institute for foreign languages in the country;

(b) if so, the details thereof and the uses to be made of it; and

(c) when and where this Institute will be established?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI) : (a) No, Sir.

(b) Does not arise.

(c) Government have directed a study in depth of the needs of the Ministries and Departments for facilities in training of officers in various foreign languages and the facilities existing at present and to prepare a comprehensive and detailed scheme with financial implications for one or more foreign languages institutes to meet the requirements. A senior officer has been deputed abroad to study the functioning of such institutions in certain advanced countries like USSR, UK and USA. Final decision in regard to the establishment and location of one or more institutes will be taken after the officer has submitted his report.

TRADE WITH EUROPEAN ECONOMIC COMMUNITY

8703. SHRI N. K. SOMANI :
 SHRI S. K. TAPURIAH :
 SHRI DEVIDNER SINGH GARGCHA :
 SHRI VALMIKI CHOUDHARY
 SHRIMATIILA PALCHOUR DHURI :

Will the Minister of FOREIGN TRADE be pleased to state

(a) whether India has expressed its anxiety to have a comprehensive Commercial treaty with the European Economic Community;

(b) whether talks in this behalf were held with Mr. Jean Rey, President of European Economic Community and what are the broad details of the discussion; and

(c) whether India has adverse balance of trade with all the EEC countries and its exports to these countries are just insignificant?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). When Mr. Jean Rey, President of the Commission of the European Communities visited Delhi between the 31st March and the

3rd April, 1970, on his way back to Europe from Japan, views were exchanged with him on the various steps that might be taken to correct India's persistent trade imbalance with the European Economic Community. One of the steps discussed was the possibility of negotiating a commercial cooperation agreement.

(c) The latest year for which complete figures are available is 1968-69. During this year India had adverse balance of trade with the Federal Republic of Germany, France, Italy, Netherlands and Luxembourg. The balance of trade with Belgium was in India's favour.

India's exports to the EEC which stood at Rs. 56 crores in 1961-62 rose to Rs. 111.48 crores (Rs. 70.70 crores pre-devaluation) in 1968-69.

ISRAELI MOVE TO RAISE ISSUE OF PUBLICATION OF "MEIN KAMPF" IN INDIA IN U. N.O.

8705. SHRI RAM AVTAR SHARMA: Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government's attention has been drawn to the reported move of Israel to raise in the United Nations, the issue of publication in India of Hitler's autobiography 'Mein Kampf' on the please of violation of international convention on racial discrimination; and

(b) if so, Government's reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) and (b). Government have seen press reports to this effect and will deal with the situation if it arises. India is not the only country where "Mein Kampf" is available on sale.

उत्तर प्रदेश के जौनपुर डिवीजन में बड़ी रिंग मशीनों की कमी

8706. श्री नारायण द्विवेदी : क्या सिचाई तथा विद्युत मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि जौनपुर डिवीजन (उत्तर प्रदेश) में बहुत से स्वीकृत नलकूपों

के सम्बन्ध में छिद्रण कार्य बड़ी रिंग मशीनों की कमी के कारण 1969-70 में ठप हो गया था;

(ख) यदि हां, तो इस कमी को दूर करने के लिये क्या कार्यवाही की जा रही है और इस क्षेत्र में बड़ी रिंग मशीनों के कब तक पहुंचने की सम्भावना है;

(ग) क्या यह भी सच है कि जीनपुर की बिजली का पारेपण करने के लिये बिजली के तार तथा बिजली के खम्भों की कमी है; और

(घ) यदि हां, तो इस कमी को कब तक दूर किये जाने की सम्भावना है ?

सिचाई तथा विद्युत मंत्रालय में उपर्युक्ती (श्री सिद्धेश्वर प्रसाद) : (क) और (ख). बड़ी रिंग मशीनों की कमी के कारण जीनपुर जिले के उन कुछ क्षेत्रों में छेदन कार्य स्थगित कर दिया गया जहां पानी 500-600 फुट नीचे उपलब्ध था। बड़ी रिंग मशीनों अब प्राप्त होनी आरंभ हो गई है और वे इस वर्ष के दौरान इस जिले के संबंधित क्षेत्रों में छेदन कार्य के लिये प्रयोग में लाई जाएंगी।

(ग) और (घ). अन्युमिनियम नियामकों के निर्माण के लिए ई० सी० ग्रेड के अल्मूनियम की तथा लाइन खम्भों के लिए इस्पात की देशव्यापी कमी ने जीनपुर जिले में ग्राम विद्युतीकरण की प्रगति को प्रभावित किया है। अपेक्षित कच्चे माल की, आवश्यकता पड़ने, पर आयात करके भी सप्लाई में तेजी लाने के लिए कार्यवाही की गई है। इन कमियों को बिल्कुल खत्म करने के लिए कितना समय लगेगा यह बताना संभव नहीं है क्योंकि यह देशी निर्माण में सुधार और

आयात की गई मदों की प्राप्ति पर निर्भर करेगा जिसके लिए भारत सरकार के संबंधित विभागों द्वारा कार्यवाही की जा चुकी है।

INDIA'S SHARE IN WORLD EXPORT TRADE

8707. SHRI JYOTIRMOY BASU:

SHRI HIMATSINGKA :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) the share of India in the World exports from 1966-67 to 1968-69, year-wise;

(b) whether, as per ECAFE report, Asia's share of World exports contracted from 10.5 per cent in 1960 to 9.3 per cent in 1968;

(c) if so, what is India's position amongst the ECAFE countries in regard to exports between 1960 and 1968; and

(d) the steps taken in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) The percentage shares of India in world exports for the years 1966, 1967, 1968 and 1969 are indicated in the following table :

1966	1967	1968	@ 1969
0.88	0.84	0.82	0.79

(b) No, Sir, Asia's share in World exports increased from 16.7% in 1960 to 17.6% in 1968. Similarly ECAFE'S share increased from 12.8% in 1960 to 13.4% in 1968. However, the share of the developing countries of Asia (excluding Australia, New Zealand and Japan) decreased from 10.5% to 9.3%.

(c) India's share in the exports of the ECAFE region in 1960 and 1968 is given in the statement laid on the Table of the House [Placed in library See. No. (LT-3423/70)]

(d) A statement showing the important steps taken and contemplated (is laid on the table of the House [Placed in Library. See. No. LT-3423/70].

*Note :—**Total World exports do not include exports from the Socialist countries of Eastern Europe, Cuba, Other Mongolia, North Korea, North Vietnam and Mainland China.

@Estimated on the basis of actual exports during the first nine months of 1969.

IMPORT OF NYLON YARN

8708. SHRI JYOTIRMOY BASU
SHRI JAI SINGH :

SHRI HARDAYAL DEVGUN :
SHRI YAJNA DATT SHARMA :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) the average of c.i.f. prices of the different deniers of nylon yarn imported by the State Trading Corporation during the years 1966-67, 1967-68 and 1968-69;

(b) the duty and other charges, separately, paid by the State Trading Corporation during the above period;

(c) the prices at which different denier were sold by the State Trading Corporation to the consumers in India during the above period; and

(d) the total amount of profit, together with the percentages, earned by the State Trading Corporation during the above period over the c.i.f. price?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) The c.i.f. prices of nylon yarn of different deniers imported by the State Trading Corporation are as under:

Year	c.i.f. value (in Rs. lakhs)
1966-67	Nil
1967-68	267.83
1968-69	106.04

Customs duty and other charges paid by the State Trading Corporation are as under :

Year	Customs duty (Rs. lakhs)	Other charges like clearing, handling, godown rent etc. (Rs. lakhs)
1	2	3
1966-67	Nil	Nil
1967-68	751.49	8.84
1968-69	615.35	23.98

*All imports of nylon yarn were made under Export Promotion Scheme prior to devaluation.

(c) Nylon yarn imported by the State Trading Corporation is sold to the consumers at prices fixed by the Government from time to time at slightly below the prices of indigenous manufacturers.

(d) After paying the customs duties, Counter Vailing duties, Freight, Insurance and their handling and distribution charges, the profits that State Trading Corporation has made is not large. Even this profit is utilised for pushing up export of man-made fibre fabrics.

SETTING UP OF AN AUTOMOBILE FACTORY

8709. SHRI JYOTIRMOY BASU : Will the Minister of DEFENCE be pleased to state :

(a) whether Government propose to set up one more automobile factory to meet the Vehicles requirement of the Defence Forces; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (a) Apart from the New Vehicle Factory nearing completion at Jabalpur, there is no proposal at present with the Government to set up another automobile factory. The defence requirements will be met by the Vehicle Factory in Jabalpur.

(b) Does not arise.

फ्रांस हालैण्ड अमरीका तथा रूस में
भारतीय दूतावासों में विदेशी कर्मचारियों को
दी गई राशि

8710. श्री हुक्म चन्द कछवाया : क्या विदेशिक-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) फ्रांस, इंगलैण्ड, अमरीका तथा रूस में भारतीय दूतावासों में इस समय कितने विदेशी कर्मचारी तथा अधिकारी हैं;

(ख) क्या इन कर्मचारियों तथा अधिकारियों को वेतन आदि भारतीय मुद्रा में दिया जाता है अथवा विदेशी मुद्रा में; और

(ग) पिछले तीन वर्षों में सरकार ने इन विदेशी कर्मचारियों को वेतन आदि के रूप में कितनी भारतीय मुद्रा तथा विदेशी मुद्रा दी?

विवेशिक-कार्य मंत्रालय में उप-मंत्री : (श्री सुरेन्द्रपाल सिंह) : (क) कथित मिशनों में विदेश मंत्रालय के प्रशासनिक और बजट सम्बन्धी नियंत्रण में स्थानीय भर्ती के कर्मचारियों की संख्या इस प्रकार है:

भारत का राजदूतावास, पेरिस — 27

भारत का उच्चायोग, लंदन — 297
भारत का राजदूतावास, वाशिंगटन — 59
भारत का राजदूतावास, मास्को — 19

(ख) सभी स्थानीय कर्मचारियों को सम्बद्ध देशों की मुद्रा में वेतन दिये जाते हैं।

(ग) पिछले तीन वर्षों में कथित मिशनों में स्थानीय कर्मचारियों के वेतन पर जो बदल हुआ, उसका व्यौरा संलग्न विवरण में दिया गया है।

विवरण

	1967-68	1968-69	1969-70
भारत का राजदूतावास, पेरिस	4,55,700 रु० (= 3,37,218 फ्रैंक)	5,81,700 रु० (= 430,458 फ्रैंक)	5,68,400 रु० (= 420,616 फ्रैंक)
भारत उच्चायोग, लंदन	58,89,438 रु० (= 3,27,191 पौण्ड)	75,67,619 रु० (= 3,64,867 पौण्ड)	63,92,801 रु० (= 3,55,155 पौण्ड)
भारत का राजदूतावास, वाशिंगटन	19,54,679 रु० (= 2,60,624 स्टर्लिंग डालर)	19,59,567 रु० (= 2,61,276 स्टर्लिंग डालर)	17,21,699 रु० (= 2,29,560 स्टर्लिंग डालर)
भारत का राजदूतावास, मास्को	2,93,000 रु० (= 35,160 रूबल)	3,02,000 रु० (= 36,240 रूबल)	3,66,800 रु० (= 44,016 रूबल)

DEFECTS NOTICED IN CONSTRUCTION WORKS OF MIG UNITS AT NASIK AND KORAPUT IN ORISSA

8711. SHRI JAI SINGH :

SHRI HARDAYAL DEVGUN :
SHRI YAJNA DATT SHARMA :

Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that many serious defects such as cracks in floor slabs, improper concreting of runway and inadequate water proofing in the civil construction works for the MIG Units at Nasik and Koraput in Orissa have been noticed;

(b) whether it is also a fact that these defects could have been avoided if the Hindustan Aircraft Limited had pointed them out during the construction period;

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(c) whether it is also a fact that the undertaking did not keep any watch over the quality of the buildings and its inspection was limited to visual inspection at the time of taking over;

(d) if so, the extent of loss suffered due to this lapse; and

(e) the action taken against the persons held responsible for these lapses?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (a) Certain defects were noticed at the time of taking over buildings by HAL, Nasik Division. In so far as Koraput work is concerned, no serious defects were noticed.

(b) and (c). According to the arrangements, HAL were to take over these buildings after visual inspection. In the course

of construction, however, the works were subject to scrutiny by the Technical Examiner of the Maharashtra Government. It is difficult to state whether the defects could have been avoided had HAL been doing periodical inspection during construction.

(d) The cost of rectification of runway is estimated at approximately Rs. 1 lakh. The cost of rectification of other defects is being ascertained.

(e) Does not arise in view of answer to part (b).

WINDING UP OF U.S.I.S. LIBRARIES IN INDIA

8712. SHRI S. M. BANERJEE : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the U. S. Government has refused to wind up the U.S.I.S. Libraries in India;

(b) if so, the reaction of Government in the matter; and

(c) the steps taken by Government in this direction?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) No, Sir.

(a) and (c) : Do not arise.

VIOLATION OF DIPLOMATIC PRIVILEGIES BY U. S. EMBASSY IN DELHI

8713. SHRI S. M. BANERJEE : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government's attention has been drawn to a letter to the Editor appearing in the *Blitz* of the 28th March, 1970 regarding violation of diplomatic privileges and standards of international law by the U. S. Embassy in Delhi;

(b) if so, whether any investigation has been made in the matter; and

(c) if so, the findings thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) to (c). Allegations of the type contained in the "Blitz" of 28th March, 1970 were brought to our notice earlier and have been taken up with the U. S. Embassy.

PROTEST BY DEFENCE WORKERS IN U. P. AGAINST IMPOSITION OF PROFESSIONAL TAX

8714. SHRI S. M. BANERJEE : Will the Minister of DEFENCE be pleased to state :

(a) whether the defence workers throughout Uttar Pradesh have protested against the imposition of professional tax by Uttar Pradesh Government;

(b) if so, the reaction of Government thereto;

(c) whether this matter has been taken up with the Government of Uttar Pradesh; and

(d) if so, the results thereof?

THE MINISTER OF DEFENCE AND STEEL & HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) and (b). No protest has been received recently by the Government from the Defence Workers throughout Uttar Pradesh against the imposition of professional tax by Uttar Pradesh Government.

(c) and (d). In 1966, this matter was brought to the notice of Government by an Honourable Member. It was then taken up with the State Govt. of Uttar Pradesh. The State Govt. stated that it would not be feasible to exempt Defence employees, who were not members of the Armed Forces, from the levy of professional tax, as they had no discretion under the Act to exempt any categories of employees not specifically excluded by the Act itself.

NEW VICTORIA MILLS LTD., KANPUR

8715. SHRI S. M. BANERJEE : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether the Uttar Pradesh Government have not paid any amount as promised for the proper running of the New Victoria Mills Ltd., Kanpur which has been taken over by the Textile Corporation of India;

(b) if so, whether the Central Government have paid the promised amount; and

(c) if so, whether the Uttar Pradesh Government have been approached in this matter?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) to (c). The Government of Uttar Pradesh and the National Textile Corporation have advanced the first instalment of the loan of Rs. 4.90 lakhs and Rs. 5.10 lakhs, respectively, to the New Victoria Mills Ltd., Kanpur, which has been taken over by the Central Government under the Industries (Development and Regulation) Act, 1961.

BAN ON EXPORT OF CERTAIN ITEMS

8716. SHRI MANIBHAI J. PATEL
SHRI DEVINDER SINGH
GARGHA :

SHRI VALMIKI CHOUDHARY :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether even though the export outlook for the current year is expected to be good, Government are faced with some problem on account of move of certain Ministries to ban the export of a few items, if so, the details thereof;

(b) the items the export of which has either been stopped or curtailed by various Ministries and the reasons therefor;

(c) whether his Ministry has written to other Ministries stressing the need to maintain a certain degree of continuity in the matter of export and if so, with what results; and

(d) whether Government are aware that sudden withdrawal from markets where India products have found a place in recent years will do a lot of damage to the image of India as a dependable source of supply of such goods?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). There is no ban on export of any item which was allowed under Export Control in 1969-70 Pending finalisation of export policy for 1970-71, it has been decided by the Ministries concerned to regulate the exports of bars, rods, structurals and aluminium with a view to achieve balance in respect of indigenous demand and export requirement.

(c) and (d) . Export policy for the current year in respect of prime iron and steel and aluminium metal is under consideration jointly with the concerned Ministries. As the regulatory policy is only an interim arrangement, it is unlikely to cause any damage to exports.

EXPORT OF CARPET BACKING

8717. SHRI MANIBHAI J. PATEL :
SHRI DEVINDER SINGH
GARGHA :

SHRI CHENGALRAYA NAIDU :
SHRI VALMIKI CHOUDHARY :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that there is great concern in Government as well as in the trade circles over the steep fall in the export of carpet backing to U. S. A.;

(b) whether the official sent to U. S. A. to study the situation has since submitted his report and if so, the details thereof;

(c) whether the Indian Jute Mills Association has sent a delegation to U. S. A. to study the situation and if so, what are their findings;

(d) the quantum of stock with various jute mills which got accumulated at the end of February, this year because of decline in export; and

(e) how Government propose to dispose it?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) Yes, Sir.

(b) No, Sir.

(c) Yes, Sir. The Delegation's Report has not been received yet.

(d) 29,800 tonnes.

(e) The stocks are expected to be cleared as soon as demand revives.

ESTABLISHMENT OF EXPORT SERVICE AGENCY AND INDUSTRIAL RAW MATERIAL CENTRE

8719. SHRI RABI RAY : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that Government have decided to form the export Service Agency and Industrial Raw Material Centre;

(b) if so, the details thereof; and

(c) what will be their functions and when they will start functioning?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) The Government have :

(i) a proposal under consideration to set up a "Trade Development Authority"; and

(ii) decided that the State Trading Corporation should set up an "Industrial Raw Materials Assistance Centre".

(b) and (c). *Industrial Raw Materials Assistance Centre* :

Actual users both large scale and small scale units will be able to receive assistance from the IRMAC in the matter of procurement of raw materials against licences issued to them under the Import Policy for actual users or under the Import Policy for registered exporters. Actual users desirous of availing themselves of the facility will approach the IRMAC to obtain imported raw materials off-the-shelf against their valid licences. To the extent goods are supplied by the IRMAC, the licences in question will not be valid for direct import by the licence holders. Detailed arrangements for import of raw materials for off-the-shelf supply to the Actual users are being worked out.

Trade Development Authority

The proposed Trade Development Authority, when set up, will have the following five divisions :-

1. Information Division;
2. Research & Analysis Division;
3. Merchandising Division;
4. Export Production Division; and
5. Special Projects and Product Research and Development Division.

The functions of the Authority would be :

—Information (production, trade and commercial),

—Market Research & Analysis,

—Promotion and Nourishment of Merchandising contacts including provision of advice on :

- (a) products and packaging
- (b) advertisement and sales promotion
- (c) financial support, and
- (d) party rating.

—Production stimulation and expansion, including setting up of export oriented joint ventures and sub-contracting.

—product research and development,

—Policy, evaluation and advice.

A decision is likely to be taken very shortly.

SOVIET EMBASSY'S REQUEST FOR COMPLETION OF TRIVANDRUM CULTURAL CENTRE BUILDING

8720. SHRI RAM KISHAN GUPTA :
 SHRICHENGALRAYA NAIDU :
 SHRI DHANDAPANI :
 SHRI MAYAVAN :
 SHRI N. R. LASKAR :
 SHRI K. P. SINGH DEO :
 SHRI H. AJMAL KHAN :
 SHRI G. C. NAIK :

SHRI R. K. AMIN :

SHRI P. K. DEO :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government have considered the U. S. S. R. Embassy's request for resuming and completing the construction of its building at Trivandrum intended for a cultural centre; and

(b) if so, the action taken thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) and (b) . The request of the Soviet Embassy is under consideration.

FOREIGN EXCHANGE EARNED DURING
1967 to 1969

8721. SHRI ABDUL GHANI DAR : Will the Minister of FOREIGN TRADE be pleased to state the foreign exchange received from Muslim countries during the years from 1967 to 1969?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : Government do not maintain statistics on religious basis. Country-wise statistics of exports can be found in the monthly statistics of Foreign trade of India published by the Directorate General of Commercial Intelligence & Statistics, copies of which are available in the Library of Parliament.

ELECTRIFIED VILLAGES AND CONNECTIONS
TO TUBEWELLS

8722. SHRI ABDUL GHANI DAR : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) the number of villages electrified in each State in 1966, 1967, 1968 and 1969, yearwise; and

(b) the number of connections given to tube-wells in 1966-67, 1967-68 and 1968-69 in each State separately?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD) : (a) and (b) :

Sr. No.	Name of State	Villages electrified		Pump sets/tubewells		energised	
		During 1966-67	During 1967-68	During 1968-69	During 1966-67	During 1967-68	During 1968-69
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	507	124	805	9,519	24,635	30,942
2.	Assam	41	110	140	15	34	6
3.	Bihar	944	438	904	14,082	16,009	8,624
4.	Gujarat	575	348	275	11,300	9,206	4,427
5.	Haryana ..	72	35	178	4,970	7,399	17,996
6.	Jammu and Kashmir	154	74	21	24	34	—
7.	Kerala ..	17	22	15	1,538	2,128	3,286
8.	Madhya Pradesh	249	298	1,067	4,085	5,536	7,696
9.	Maharashtra	1,697	885	2,595	20,683	25,754	33,566
10.	Mysore	749	786	498	12,327	16,575	20,615
11.	Nagaland	5	4	13	—	—	—
12.	Orissa	97	128	62	257	179	41
13.	Punjab	49	292	566	6,580	10,084	17,152
14.	Rajasthan	565	70	346	3,688	3,196	5,050
15.	Tamil Nadu	434	568	570	33,309	54,580	65,636
16.	Uttar Pradesh ..	1,817	2,790	2,090	12,730	22,670	20,474
17.	West Bengal	394	231	216	369	190	201
Total-States :		8,366	7,201	10,361	1,35,476	1,98,209	2,35,512

बाटा के जूतों का निर्यात

8723. श्री रामावतार शास्त्री : क्या वैदेशिक व्यापार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि भारत की बाटा शू कम्पनी द्वारा बनाये जाने वाले जूतों का विभिन्न देशों को निर्यात किया जाता है;

(ख) यदि हां, तो इन का निर्यात किन देशों को किया जाता है;

(ग) गत तीन वर्षों में विभिन्न देशों को किये गये निर्यात का व्यौरा क्या है;

(घ) उक्त अवधि में उक्त निर्यात से होने वाली विदेशी मुद्रा की आय का वार्षिक व्यौरा क्या है; और

(ङ) क्या जूतों के निर्यात बढ़ाने के लिये सरकार ने कोई योजना बनाई है; और यदि हां, तो तत्सम्बन्धी व्यौरा क्या है?

वैदेशिक व्यापार मंत्रालय में उप-मंत्री (श्री राम सेवक) : (क) से (घ). वाणिज्यिक आमूचना और सांचियकी, कलकत्ता के महानिदेशक द्वारा, जोकि सांचियकी का मुख्य स्वोत है, निर्यात के फर्मवार आंकड़े प्रकाशित नहीं किये जाते।

(ङ) (१) चमड़े के जूतों के उद्योग के लिए अपेक्षित निम्नलिखित मूल कच्चे माल का आयात खुले व्यापक लाइसेंसों (ओ० जी० एल०) के अधीन करने की अनुमति है : (एक) खाल तथा चमड़ियां, कच्ची अथवा लवणित, जिनका मूल्य उन पर लगी हुई ऊन/बालों से अधिक हो। (दो) अम्ल मार्जित खाल, चमड़ियां, पेल्ट्स और लिल्ट्स और उनके खंड। (तीन) रंगाई के लिए बैटल की छाल और अन्य छालें। (चार) बैटल निस्सारण। (पांच) कवेश्वारों निस्सारण तथा चैस्टनट निस्सारण।

(२) चमड़े के जूतों के निर्यात के पोत-पर्यन्त मुख्य के 15 प्र० श० और रबड़ के जूतों के निर्यात पर 25 प्र० श० तक आयात

प्रतिपूर्ति की जाती है। रबड़ के जूतों के निर्यात पर कुछ मुआवजा सहायता भी दी जाती है।

दानापुर छावनी के निकट मुबारकपुर गांव में अंजित की गई भूमि के लए मुआवजा

8724. श्री रामावतार शास्त्री : क्या प्रतिरक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि दानापुर छावनी के निकट मुबारकपुर गांव के किसानों से अंजित की गई भूमि का मुआवजा देने के लिये सरकार ने वर्ष 1969-70 में कुछ राशि मंजूर की थी;

(ख) यदि हां, तो तत्पर्याधी व्यौरा क्या है;

(ग) क्या यह भी सच है कि अभी तक किसानों को कोई मुआवजा नहीं दिया गया है; यदि हां तो उक्त विलम्ब के क्या कारण है; और

(घ) सरकार ने श्रीघर मुआवजा दिलाने के लिये क्या कार्यवाही की है अथवा किये जाने का विचार है?

प्रतिरक्षा और इस्पात तथा भारी इंजीनियरिंग मंत्री (श्री स्वर्ण सिंह) : (क) से (घ). अधिग्रहण के लिये स्वीकृत या स्वीकृति के लिए प्रत्याशित भूमियों के संबंध में किसी वित्तीय वर्ष के दौरान प्रत्याशित व्यय के आधार पर बजटीय अनुमानों में भूमि अधिग्रहण के लिए एक यक्षमृत राशि का उपबंध किया जाता है। विभिन्न अधिग्रहण मामलों में प्रत्येक के लिए अलग-अलग राशियां इंगित नहीं की जातीं।

यह सच्च है कि प्रणगत भूमियों के लिए अभी तक अधिग्रहण मुआवजे के लिए अदायगी नहीं की गई। जैसा कि 24 दिसम्बर, 1969 को अतारांकित संसदीय प्रणल 5240 के उत्तर में कहा गया है मुबारकपुर गांव से

अर्जित लगभग 77. 37 एकड़ भूमि के एक क्षेत्र के अधिग्रहण के लिए 10 अक्टूबर 1969 को स्वीकृति दी गई है, और यह भूमि अधिग्रहण क्लेक्टर का उत्तरदायित्व है कि विधि के अनुसार वह अधिग्रहण मुआवजा नियत करे और उसको अदायगी करे। भूमि अधिग्रहण क्लेक्टर से प्राप्तना की गई है कि वह अधिग्रहण कार्यवाही को शोध मम्पन्न करे।

विहाटा हवाई अड्डे के अधिकारियों के विरुद्ध शिकायत

8725. श्री रामावतार शास्त्री : क्या प्रतिरक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह मत्त है कि विहाटा हवाई अड्डे के सभीप के मुसेपुर, दोगरा और विश्वनाथपुर गांव के निवासियों ने मंत्री महोदय को हवाई अड्डे के अधिकारियों के विरुद्ध की गई शिकायत के संबंध में गत ।। अप्रैल को एक ज्ञापन दिया ;

(ख) यदि हाँ, तो तत्संबंधी व्यौग क्या है ; और

(ग) इस संबंध में सरकार ने क्या कार्यवाही की है अथवा किये जाने का विचार है?

प्रतिरक्षा और इस्पात तथा भारी इंजीनियरिंग मंत्री (श्री स्वर्ण सिंह) :

(क) दोघरा गांव के निवासियों से एक अभिवेदन दिनांक ।। अप्रैल, 1970 को प्राप्त हुआ था।

(ख) मुख्यतः गांव वानों ने प्राप्तना की है :-

(1) आवाग पशुओं के संबंध में दण्ड का निर्णय सौहांदपूर्वक किया जाए।

(2) जीवन और संपत्ति की रक्षा के लिए सुरक्षा उपाय किए जाएं, और हवाई अड्डे से लगते क्षेत्र के व्यक्तियों पर अत्याचार की गोकथाम की जाए।

(3) वर्षा ऋतु के दौरान पानी के निकास का उचित प्रबंध किया जाए।

(ग) मामला निरीक्षण अधीन है।

ऊषा पंखों और सिलाई मशीनों का निर्यात

8726. श्री रामावतार शास्त्री : क्या वैदेशिक व्यापार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह मत्त है कि जय इंजीनियरिंग कम्पनी द्वारा निर्मित ऊषा पंखों और सिलाई मशीनों का निर्यात किया जाता है;

(ख) यदि हाँ, तो किन देशों में निर्यात किया जाता है; और

(ग) गत तीन वर्षों में इन वस्तुओं के निर्यात के फलस्वरूप प्रतिवर्ष होने वाली विदेशी मुद्रा की आय का व्यौरा क्या है?

वैदेशिक व्यापार मंत्रालय में उपमंत्री (श्री राम सेवक) :

(क) और (ख). सरकारी निर्यात आंकड़े मम्पूर्ण मद के लिए रखे जाते हैं, बांड-वार अथवा निर्यातक बार नहीं रखे जाते। बिजली के पंखे और सिलाई मशीनों का निर्यात काफी देशों को किया जाता है।

इन मदों के नि मुख्य बाजार ये हैं :—

1. बिजली के पंखे : अदन, आस्ट्रेलिया, बहरीन, श्रीलंका, ईरान, इराक, कुवेत, मन्येशिया, नाइजीरिया, मिगापुर, मुडान, टूमन ओमान आदि।

2. सिलाई मशीनें : श्रीलंका, धाना, कुवेत, लीबिया, नाइजीरिया, ब्रिटेन, सं० रा० अमरीका, प० जर्मनी, यूगोस्लाविया आदि :

(ग) गत तीन वर्षों में अर्थात् 1967-68, 1968-69 तथा 1969-70 में, इन दोनों मर्दों के नियत निम्नलिखित रहे :—

	1967-	1968-	1969-	मूल्य लाख रु. में
	1968	1969	1970	(अप्रैल से
				फर-
				वरी)

बिजली के				
पंखे तथा				
पुर्जे	167.64	181.08	192.58	
सिलाई मशीनें				
तथा पुर्जे	54.19	52.95	73.84	

MANUFACTURE OF MISSILES

8727. SHRI KANWAR LAL GUPTA :
SHRI SURAJ BHAN :

SHRI SHARDA NAND :
Will the Minister of DEFENCE be pleased to state :

(a) whether Government have considered the employment and production impact of manufacturing missiles;

(b) whether Government are aware of Prof. Swami's study on this subject;

(c) if so, the broad outlines thereof; and

(d) the reaction of Government thereto and how many engineers and scientists will be employed for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (a) Yes, Sir.

(b) to (d). Prof. Swami's studies are being examined.

PREPARATION OF DESIGN AND PROJECT REPORT FOR FLOOD CONTROL WORKS IN MALERJHAR BHELADANGA AND RAJARHAT

8728. SHRI B. K. DASCHOWDHURY : Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether it is a fact that Government have asked the West Bengal Chief Engineer to prepare the design and project report flood protection works of Malerjhar, BHELADANGA and Rajarhat;

(b) if so, whether the reports have been received by Government; and

(c) if not, the steps which will be taken by Government for the protection of above areas in the District of Cooch-Behar, West Bengal from flood and river erosion and the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD) : (a) to (c). After inspecting the areas of Malerjhar and BHELADANGA near Cooch-Behar town the Union Minister for Irrigation and Power had suggested that the possibility of directing the river Trosa to its previous course should be investigated. Pending completion of the investigations and hydraulic model studies, the Technical Committee of the State Flood Control Board suggested a scheme for immediate implementation. This is being done and will be completed before the on-set of the coming monsoon season.

TRANSHIPMENT OF PAKISTAN GOODS TO NEPAL THROUGH CALCUTTA PORT

8729. SHRI ARJUN SINGH BHADORIA :

SHRI JUGAL MONDAL : Will the Minister of FOREIGN TRADE be pleased to state :

(a) the estimated value of Pakistani goods sent to Nepal through the Calcutta harbour per annum; and

(b) if so, the steps being taken by Government to check such smuggling?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). In accordance with the provisions of the Indo-Nepal Treaty of Trade & Transit (1960), transit facilities for movement of goods between Pakistan and Nepal are accorded through Calcutta port. There has, however, been no movement of Pakistani goods to Nepal through this port.

CASES OF MAINTENANCE OF DISABLED ARMED PERSONNEL OF MADHYA PRADESH PENDING FOR SETTLEMENT

8730. **SHRI G. C. DIXIT :** Will the Minister of DEFENCE be pleased to state :

(a) the number of cases of maintenance of disabled armed personnel of Madhya Pradesh still pending for settlement and how long it will take to settle these cases;

(b) whether any new facilities, services or help is being given to such personnel; and

(c) if so, the details thereof?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) Presumably, the question relates to the rehabilitation of personnel disabled during the Chinese aggression of 1962 and the Indo-Pakistan conflict of 1965. If so, 13 cases belonging to Madhya Pradesh, (3 disabled in 1962 and 10 in 1965) were reported for rehabilitation. They have all been rehabilitated in suitable civil jobs.

(b) and (c). Besides the grant of disability pension depending upon attributability of the disability to military service and degree of disability, financial assistance from the Army Relief Fund, free vocational training, and priority and assistance for securing civil employment with suitable relaxation in medical standards, educational qualifications and age limits, are given to the disabled ex-servicemen.

NUMBER OF PERSONS FROM MADHYA PRADESH ENROLLED IN TERRITORIAL ARMY

8731. **SHRI G. C. DIXIT :** Will the MINISTER OF DEFENCE be pleased to state :

(a) the total number of persons in Madhya

Pradesh who enrolled themselves in the Territorial Army from 1964 to 1969;

(b) the number of persons whose attendance had been less than 50 per cent of the total number of parades held;

(c) the number of persons who attended all the camps; and

(d) the total expenditure incurred from 1964 to 1969?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (c) to (d). The required information is being collected and will be laid on the Table of the House.

ASSISTANCE BY U.S.A. FOR IMPORVEMENT OF COMMUNICATION IN BORDER AREAS UNDER 'PEACE INDIGO' PROJECT

8732. **SHRI JUGAL MONDAL :** Will the Minister of DEFENCE be pleased to state :

(a) whether any assistance under the peace Indigo Project was given by U.S.A. for the improvement of communications in the border areas during 1962-63;

(b) if so, its amount and the broad details thereof;

(c) the manner in which it has been utilised; and

(d) if not, the reasons therefore and when and in what manner Government propose to utilise it?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) to (d). In 1963 U. S. Government agreed to supply equipment for air defence consisting of some static Radars and a troposcatter communication system for linking these Radars with the Air Control Bases and the air-fields. The Radars were received and installed, but the troposcatter communication system was not supplied because military supplies from U.S.A. were discontinued in September, 1965. In 1968 the U. S. Government agreed to resume supply of equipment for the troposcatter communication system. The selection of equipment and the design of a system for improvement of communications are under active consideration.

काश्मीर और पाकिस्तान के बीच व्यापार सम्बन्ध

8733. श्री देवेन सेन : क्या बंदेशिक व्यापार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह मत है कि मोनपुर में एक आम सभा में काश्मीर जनमत संग्रह मोर्चे के अध्यक्ष मिर्जा अफजल बेग ने कहा था कि सरकार को श्रीनगर-गावलपिन्डी रोड फिर खोल देनी चाहिये और काश्मीर तथा पाकिस्तान के बीच व्यापारिक सम्बन्ध स्थापित करने चाहिये; और

(ख) यदि हां, तो इस सम्बन्ध में सरकार की क्या प्रतिक्रिया है?

बंदेशिक व्यापार मंत्रालय में उप-मंत्री (श्री राम सेवक) : (क) सरकार ने इस आशय के प्रेस समाचार देखे हैं।

(ख) भारत सरकार ने अनेक अवसरों पर दोनों देशों के बीच व्यापार फिर से चालू करने के प्रश्न को उठाया है, परन्तु इसमें कोई सफलता नहीं मिली भारत ने पाकिस्तान के साथ व्यापार पर लगी गोक को मई 1966 में एक पक्षीय रूप में हटा दिया था परन्तु पाकिस्तान सरकार ने अभी तक इस कार्यवाही का अनुकूल उत्तर नहीं दिया है। अतः दोनों देशों के बीच व्यापार को फिर से चालू करना पूरी तरह से पाकिस्तान सरकार के रुख पर निर्भर है। भारत सरकार इस गम्बन्ध में निरन्तर प्रयत्न कर रही है।

भारतीय स्थल सेना तथा नौ सेना के हिन्दी प्रकाशनों में हिन्दी समानार्थी शब्दों का प्रयोग

8734. श्री राम स्वरूप विद्यार्थी : क्या प्रतिरक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या भारतीय स्थल सेना तथा नौसेना के लिये हिन्दी के समानार्थक शब्द अपना लिये गये हैं;

(ख) क्या भारतीय स्थल सेना तथा नौसेना द्वारा प्रकाशित सभी प्रकाशनों में हिन्दी के उक्त समानार्थक शब्द दिये गये हैं; और

(ग) यदि नहीं, तो इसके क्या कारण हैं?

प्रतिरक्षा मंत्रालय में राज्य मन्त्री (श्री ल०ना० मिथ्र) : (क) तथा (ख). भारतीय सेना और भारतीय नौसेना के हिन्दी समतुल्य शब्द बना लिए गए वह भारतीय सेना और भारतीय नौसेना द्वारा प्रकाशित हिन्दी प्रकाशनों में प्रायः इस्तेमाल में लाए जा रहे हैं।

(ग) प्रश्न नहीं उठता।

सेना मुह्यालयों के सुपरिन्टेंडेन्टों के साथ सम्बद्ध चपरासी

8735. श्री राम स्वरूप विद्यार्थी : क्या प्रतिरक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) मेना मुह्यालयों में कुल कितने चपरासी कार्य करते हैं;

(ख) उनमें से कितने चपरासी विभिन्न अनुभागों के सुपरिन्टेंडेन्टों के साथ सम्बद्ध हैं;

(ग) यदि हां, तो सरकार का इस मामले में क्या कार्यवाही करने का विचार है ?

प्रतिरक्षा और इस्पात और भारी इंजी-निर्यार्ग मन्त्री (श्री स्वर्ण सिंह) : (क) मेना मुह्यालयों के लिए कोई मन्देश-हर अधिकृत नहीं किए गए हैं। स्पष्ट है कि डांगरा मेना मुह्यालयों में मेवा कर रहे 680 चपरासीयों की ओर है।

(ख) चपरासी अनुभागों के लिए अधिकृत किए गए हैं। सुपरिन्टेंडेन्टों के साथ कोई चपरासी नहीं लगाए गए।

(ग) सरकार को ऐसे मामलों का ज्ञान नहीं है।

(घ) प्रश्न नहीं उठता।

SCHEME FOR GRANT OF LOANS TO RELEASED EMERGENCY SHORT SERVICE COMMISSIONED OFFICERS

8737. SHRI GADILINGANA GOWD : Will the Minister of DEFENCE be pleased to state :

(a) whether the Director-General of Resettlement Ministry of Defence has chalked out a scheme to grant some loans to the released Emergency Commissioned and Short Service Commissioned Officers to assist them in pursuing higher education or professional and management training; and

(b) if so, the details thereof?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) Yes, Sir.

(b) The broad features of the scheme are as under :—

(i) A maximum loan of Rs. 2,000/- per officers is admissible.

(ii) The loan is given for the purpose of higher education i.e. degree and above and for professional and management training in approved Institutes.

(iii) The loan is recoverable in a maximum of 60 instalments commencing not later than six months after securing a job or 12 months after completion of course, whichever is earlier.

(iv) The loan is granted interest free, but in case of default in payment of instalments, 6% interest is chargeable for the period of delay in payment of due instalment.

OPENING OF OFFICE BY AN INDIAN FIRM IN WEST GERMANY

8738. SHRI GADILINGANA GOWD : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether any Indian firm has established a subsidiary office in West Germany and has assigned preparation of detailed engineering project of a steel plant in Latin America; and

(b) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). It has been reported that the German subsidiary of an Indian firm of consultants have secured an assignment for preparing a project report in respect of a steel plant in Latin America. The Engineering Export Promotion Council is being requested to try to secure details.

SOVIET REFUSAL TO PEACE MOVE IN LAOS

8739. SHRI VALMIKI CHOUDHARY : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Soviet Union has turned down the appeal by the neutralist Premier of Laos to join international consultations to restore peace in Laos; and

(b) if so, the reaction of the Government of India thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) The Soviet Union have indicated that in their view the time is not appropriate for international consultations on the Laotian problem.

(b) The Government of India have declared their support to the French proposal for consultations between the concerned parties in Indo-China and outside for the purpose of achieving an overall negotiated settlement in Indo-China. The Government have also welcomed the efforts being made by the Laotian parties to reach a peaceful settlement.

EXTENSION OF KAMALA EMBANKMENT UP TO SISAPANI

8740. SHRI BHOGENDRA JAH : Will the Minister of IRRIGATION AND POWER be pleased to refer to the reply given to Unstarred Question No. 5668 on the 8th April, 1970 regarding extension of Kamala Embankment upto Sisapani and state :

(a) whether the detailed scheme in consultation with the Government of Nepal has since been prepared;

(b) whether the Government of Nepal has been approached with regard to finalisation of the detailed scheme; if so, the details thereof;

(c) whether, after receiving modified alignment from the Bihar Government in August, 1969, the Central Water and Power Commission has communicated its approval to the Bihar Government; and

(d) if so, the action taken or being taken thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRA-SAD) : (a) No, Sir.

(c) Yes, Sir.

(a) and (d). The Bihar Government had been requested to prepare a detailed scheme in consultation with the engineers of the Nepal Government. The report is yet awaited from the State Government who have been requested to expedite.

EXPORT OF TEXTILES TO U. S. A.

8741. SHRI HIMATSINGKA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government of U. S. A. have initiated talks with different Asian countries for securing voluntary agreements limiting textile imports into the U. S. A.;

(b) if so, how far textile imports into U. S. A. are proposed to be restricted; and

(c) how far the proposals are likely to affect India's textile export to U. S. A.?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) Government of India are not aware of this.

(b) Does not arise

(c) India, the U.S.A. and the other major importing and exporting countries are members of the Geneva Long Term Agreement on cotton textiles. Bilateral agreements have been negotiated between India and the USA, within the framework of this agreement. The Geneva Agreement

is at present in force only upto the end of September, 1970. Negotiations will take place before this date between the member countries (not only between USA and Asian countries) about the renewal of this agreement for a further period. There are no proposals by the U.S. which will have the effect of further restricting imports from India.

DISTRIBUTION OF COTTON

8742. SHRI HIMATSINGKA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government's attention has been drawn to the report in the *Economic Times* of the 10th April, 1970 revealing that clandestine deals in foreign cotton have made a mockery of the distribution system based on spindles wherein supply of Egyptian or Sudanese cotton is actually made against invoices in the name of Indian Cotton;

(b) if so, whether this has put the honest consumer of global cotton in a serious difficulty; and

(c) the reaction of Government's by way of preventing such clandestine deals and the number of cases brought to picture in this regard during this year so far?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (i) to (c). In terms of foreign cotton distribution scheme, each cotton mill is given an opportunity to receive an allocation of global cotton, linked with PL-480 cotton, in relation to its spindle working. Imported global cotton is not allowed to be sold. A report has appeared in the *Economic Times* of 10th April, 1970 to the effect that some mills have effected sale of global cotton violation of the condition of import licence and this being enquired into by the authorities.

TAKING AWAY OF NATIONAL SAMPLE SURVEY FROM INDIAN STATISTICAL INSTITUTE

8743. SHRI HIMATSINGKA : Will the PRIME MINISTER be pleased to state

the Government's decision on the question taking away the National Sample Survey from the Indian Statistical Institute?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI IINDIRA GANDHI) : Government have decided to entrust all aspects of National Sample Survey work, inclusive of those so far entrusted to the Indian Statistical Institute, to a single Government agency to be located in the Department of Statistics, Cabinet Secretariat. The Government Resolution No. DS/STS/4-69, dated the 5th March, 1970 of the Department of Statistics, Cabinet Secretariat, issued in this regard, has been published in the Government of India Gazette, Part I Section I dated the 28th March, 1970.

मेरठ में हिडन नदी पर एक नये बांध का निर्माण

8744. श्री महाराज सिंह भारती : क्या सिचाई तथा विद्युत मंत्री यह बताने की कृपा करेंगे कि :

(क) उत्तर प्रदेश में, मेरठ में हिडन नदी पर वर्तमान बांध के स्थान पर नया बांध बनाने संबंधी परियोजना का कार्य कब तक आरम्भ किया जायेगा;

(ख) यदि हां, तो उक्त परियोजना कब तक पूरी हो जाने की संभावना है; और

(ग) क्या बांध पर रेलवे लाइन बिछाने की बात को भी ध्यान में रखा गया है?

सिचाई तथा विद्युत मंत्रालय में उपमंत्री (श्री सिद्धेश्वर प्रसाद) : (क) और (ख) उत्तर प्रदेश सरकार ने सूचित किया है कि उन्होंने हिण्डन पर बराज बनाने की स्कीम को अपनी चतुर्थ योजना में शामिल कर लिया है और वे परियोजना प्राक्कलनों को दुबारा बना रहे हैं। उन्होंने बताया है कि इस काम को पूरा होने में लगभग 4 वर्ष लगेंगे।

(ग) उत्तर प्रदेश सरकार इस मुझाव पर विचार कर रही है।

ऋषिकेश में कोलानी बिहाल में गंगा पर बांध का निर्माण

8745. श्री महाराज सिंह भारती : क्या सिचाई तथा विद्युत मंत्री यह बताने की कृपा करेंगे कि उस सर्वेक्ष के क्या परिणाम निकले तैं जो ऋषिकेश में कोलानी बिहाल में गंगा के बांध पर निर्माण के बारे में किया जा रहा था ?

सिचाई तथा विद्युत मंत्रालय में उपमंत्री (श्री सिद्धेश्वर प्रसाद) : राज्य बिजली बोर्ड द्वारा किए गए प्रारम्भिक सर्वेक्ष से पता चलता है कि कोलानी बिहाल क्षेत्र में बहुत बिजली व सिचाई शक्यतायें हैं। स्कीम का पूरा विवरण विस्तृत सर्वेक्षण के बाद तथा उसकी रिपोर्ट तैयार होने पर भालूम हो सकेगा।

इंजीनियरों सामान का निर्यात

8746. श्री महाराज सिंह भारती : क्या बंदेशिक व्यापार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि निर्यात किये जाने वाले इंजीनियरी सामान तथा उसके मूल्य में अधिक प्रतिशत केवल रेलवे वैगनों, बिजली के केबलों तथा मोटर ट्रकों का है और अन्य सामान का 300 करोड़ रुपये से कम निर्यात मूल्य का निर्यात किया जाता है; और

(ख) यदि हां, तो उत्पादन बढ़ाने तथा अन्य इंजीनियरी सामान के निर्यात को बढ़ाने के लिये क्या योजना बनाई गई है ?

बंदेशिक व्यापार मंत्रालय में उपमंत्री (श्री राम सेवक) : (क) जी नहीं। रेलवे माल हिल्डिंग्स, बिजली के तारों तथा केबलों और मोटर ट्रकों का निर्यात, इंजीनियरिंग माल के कुल

निर्यात का बहुत कम प्रतिशत है। अप्रैल से विसम्बर, 1969 के दौरान इन मर्दों के निर्यात निम्नलिखित रहे :—

अप्रैल-

दिसम्बर '69
(लाख रु०)

रेलवे सवारी डिव्वे तथा माल डिव्वे	9.54
बिजली के तार तथा केबल	705.76
मोटर ट्रक (फोर्क लिफ्ट/ट्रक पुर्जे)	1.07
कुल योग	716.37

इंजीनियरिंग माल के कुल निर्यात 6948.69
(ब) प्रश्न नहीं उठता।

CAMBODIA'S REPRESENTATION IN U.N.O.

8747. SHRI CHENGALRAYA NAIDU: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government have supported to move of U.N. Secretary-General in deciding whether new or ousted Government of the Cambodia should be represented at the U.N.; and

(b) if so, what was India's view and attitude adopted in the U.N.?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH): (a) The Government of India have been reports that the view of the Secretary General of the U.N. is that it is not for him but for the deliberative body of the UN to decide on the question of who should represent Cambodia at the U.N. Government of India's support or advice in the matter was not sought.

(b) Does not arise.

TALKS WITH CAMBODIAN AMBASSADOR

8748. SHRI CHENGALRAYA NAIDU: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether it is a fact that Cambodia's Ambassador visited India and exchanged views with the Indian Government on the deteriorating situation in the Kingdom; and

(b) if so, the subjects discussed?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH): (a) No special Ambassador from Cambodia has visited India for this purpose.

(b) Does not arise.

USE OF DIPLOMATIC PRIVILEGES BY CORRESPONDENTS OF MOSCOW RADIO

8749. SHRI CHENGALRAYA NAIDU: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether it is a fact that Government have proved into charges against correspondents and representatives of Radio Moscow and other Soviet controlled News Agencies for enjoying diplomatic Privileges and using CD number plates on their automobiles in India;

(b) if so, how far these allegations have been found correct; and

(c) the action which has been taken in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH): (a) to (c). Government have neither granted diplomatic privileges, including the use of CD number plates, to correspondents and representative of Radio Moscow and Soviet News Agencies, nor are they aware that such facilities are being used by them.

KADANA DAM ON RIVER MAHI

8751. SHRI YASHPAL SINGH: Will the Minister of IRRIGATION AND POWER be pleased to state:

(a) whether certain M.Ps. and M.L.As. of Rajasthan have asked for the stoppage of work begun by the Gujarat Government on the construction of the Kadana Dam over the Mahi river till its effects on Rajasthan are studied; and

(b) if so, the reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD): (a) and (b). Some M.P.s. and M.L.As. of Rajasthan have been asking for a reduction in the height of Kadana Dam. This is being discussed with State Governments of Gujarat and Rajasthan.

SUPPLY OF POWER TO FERTILIZER FACTORY AT NANGAL FROM BHAKRA

8752. SHRI YASHPAL SINGH: Will the Minister of IRRIGATION AND POWER be pleased to state:

(a) whether the Fertilizer Corporation of India was not supplied power for the Nangal Factory from Bhakra Nangal Project, as has been agreed upon; and

(b) if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD): (a) The power is being supplied to Nangal Factory in accordance with the terms of the agreement.

(b) Does not arise.

बंदेशिक-कार्य मंत्री द्वारा विदेश यात्रा

8753. श्री जगेश्वर यादव: क्या बंदेशिक कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) वर्ष 1969-70 में वे किन देशों में गये तथा उनके मुख्य उद्देश्य क्या थे; और

(ख) विदेशों में उनके द्वारा की गई बात-चीत तथा सम्मेलनों में लिये गये भाग के सम्बन्ध में व्यूहार क्या है तथा उनके द्वारा इस प्रकार भाग लिए जाने से क्या परिणाम प्राप्त हुए हैं?

बंदेशिक-भ्यापार मंत्रालय में उप-मंत्री (श्री सुरेन्द्रपाल सिंह): (क) एक विवरण संलग्न है।

(ख) इन यात्राओं से आपसी हित के मामलों और विश्व समस्याओं पर विचार

विनिमय करने का और सम्बद्ध देशों के साथ अपने संबंधों को सुदृढ़ करने का अवसर मिला था। मंत्री के साथ जो बात चीत हुई थी, वह गोपनीय प्रकृति की है :—

अवधि	जिन देशों की यात्रा की	यात्रा का उद्देश्य	
उनका नाम	1	2	3
जून, 1969	ईरान	तकनीकी, आर्थिक और वैज्ञानिक सहयोग विषयक द्विपक्षीय बात-चीतें।	
जून, 1969	नेपाल	मद्रासावाना यात्रा।	
जुलाई 1969	मंग्युक्त	विदेश मंत्री संयुक्त अर्थ अमरीका	
	अरब	गज्य अमरीका जाने गमय काहिरा में थोड़ी देर के लिए रुके थे और उन्होंने संयुक्त अरब गण गज्य के नेताओं के माय विश्व ममस्याओं पर विचार - विनिमय किया था।	
जुलाई, 1969	मंग्युक्त	यह यात्रा संयुक्त गज्य के विदेश मंत्री के निमंत्रण पर की गई थी और इससे महत्व-पूर्ण अन्तर्राष्ट्रीय और द्विपक्षीय विषयों पर बात-चीत करने का सु-अवसर मिला।	

सितम्बर, 1969	विधानाम लोक गण-राज्य	राष्ट्रपति डा० हांची मिन्ह के अंतिम संस्कार में भाग लेने के लिए अपनी इस यात्रा के दौरान मंत्री महोदय ने विधानाम लोक गण-राज्य के प्रधान मंत्री और विदेश मंत्री के साथ बातचीत की।
सितम्बर, 1969	समाजवादी गणतंत्र संघ और यूगो-स्लाविया	द्विपक्षीय संबंधों, आपसी हित के मामलों और साथ ही साथ विश्व के मुख्य विषयों पर बातचीत करने के लिए।
सितम्बर, 1969	संयुक्त राज्य अमेरिका	भारतीय प्रतिनिधिमंडल के नेता के रूप में संयुक्त राष्ट्र महासभा में भाग लेने के लिए।
फरवरी, 1970	नेपाल	नेपाल-नरेण के निमंत्रण पर सद्भावना यात्रा।

कपड़े का निर्यात

8754. श्री जगेश्वर यादव : क्या वैदेशिक व्यापार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि वर्ष 1968-69 की तुलना में वर्ष 1969-70 में कपड़े का निर्यात कम हुआ;

(ख) यदि हां, तो इसके क्या कारण थे और निर्यात कितना कम हुआ; और

(ग) क्या वर्ष 1970-71 में कपड़े के निर्यात में वृद्धि होने की सम्भावना है और यदि हां, पिछले निर्यात की तुलना में कितनी प्रतिशत वृद्धि होगी ?

वैदेशिक मंत्रालय में व्यापार उपमंत्री (श्री राम सेवक) : (क) और (ख). जी नहीं। 1969-70 तथा 1968-69 में सूती कपड़े के निर्यातों का अनुमानित मूल्य निम्नलिखित था :—

1969-70	1968-69
112 करोड़ रुपये	97.25 करोड़ रुपये

(ग) 1970-71 में सूती कपड़े के निर्यातों में, 1969-70 के निर्यात के स्तर की तुलना में 7% वृद्धि होने की सम्भावना है।

FACTORIES INCLUDING ANCILLARY UNITS UNDER DEPARTMENT OF DEFENCE PRODUCTION

8755. SHRI RANJEET SINGH : Will the Minister of DEFENCE be pleased to state :

(a) the names, locations and activities of factories coming under the Department of Defence production including ancillary units;

(b) the dates on which they went into production;

(c) the period within which they were constructed;

(d) the time by which full capacity was achieved, year-wise, shortfall or excesses in percentage of production; and

(e) the foreign aid of collaboration, if any, under which the factories/factory have/has been set up?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L.N. MISHRA) : (a), (d) and (e). It will not be in the public interest to disclose the information.

(b) and (c). It would involve considerable time and labour to collect the information in respect of most of the factories

as these were set up years ago prior to Independence. Information in respect of factories set up during the post-Independence period is being collected and will be laid on the table of the House in due course.

**AMMUNITION MANUFACTURED IN
INDIAN ORDNANCE FACTORIES**

8756. SHRI RANJEET SINGH: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that .22 rim fire ammunition is being made by Indian Ordnance factories;

(b) the market price of the above ammunition;

(c) the legitimate market price of similar ammunition imported from (i) Czechoslovakia, (ii) West Germany, (iii) England, and (iv) U.S.A. in the group of long rifle type of cartridges with standard velocity;

(d) whether the Indian Ordnance factory ammunition lacks the corrosion of imported ammunition; and

(e) the reasons for the excessive price of Indian Ordnance ammunition?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L.N. MISHRA) : (a) Yes, Sir.

(b) The price at which the Indian Ordnance Factories are supplying this ammunition to the wholesale dealers and the maximum retail price allowed are as follows:

(i) Wholesale price at which supply is made to the dealers.....

Rs. 115/- per 1000 rounds.

(ii) Maximum retail price..... allowed- Rs. 130/- per 1000 rounds.

(c) Information is not available as the import of this ammunition is now banned.

(d) No, Sir.

(e) Price at which supply is being made to the wholesale dealers is not excessive keeping in view the cost of production:

**RECOGNISED UNIONS FUNCTIONING
IN DEFENCE FACTORIES**

8757. SHRI RANJEET SINGH : Will the Minister of DEFENCE be pleased to state:

(a) the recognised Unions functioning in Defence factories with their names, political parties to which they are affiliated and their membership;

(b) the total number of personnel employed by the Department of Defence Production in defence factories;

(c) the number of persons out of the above who are eligible to take part in the union activities; and

(d) the total number of ex-servicemen employed on a permanent basis in the Department of Defence Production with separate break-up showing officers, Junior Commissioned officers and Jawans?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L.N. MISHRA) : (a) to (d). The information is being collected and will be laid on the table of the House.

**CLOSURE OF TEXTILE MILLS IN
WEST BENGAL**

8758. SHRI INDRAJIT GUPTA : SHRI DEVINDER SINGH GARGA :

SHRI MANIBHAI J. PATEL : SHRI VALMIKI CHOUDHARY :

Will the Minister of FOREIGN TRADE be pleased to state:

(a) whether it is a fact that 14 textile mills in West Bengal are lying closed at present;

(b) if so, the names of such mills and their respective dates of closure;

(c) whether all these mills can be classified as 'Sick' units requiring assistance to put them back into production; and

(d) the action which Government propose to take in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). Excluding the mills considered fit to be scrapped,

the following five cotton textile mills were lying closed in West Bengal as at the end of March, 1970:—

Name of the mill	Date of Closure
1. Sodepore Cotton Mills Ltd., Sodepore	12-12-65
2. The Bangasri Cotton Mills Ltd., Sodepore	10-10-66
3. Arati Cotton Mills Ltd., Dassnagar, Howrah	17-6-68
4. The Bengal Laxmi Cotton Mills Ltd., Calcutta	14-7-69
5. The Mohini Mills Ltd., No. 2, Belgharia	15-10-69

(c) No criteria have been laid down so far to determine whether a mill is sick, not.

(d) The cases of three mills are pending in the High Court in respect of their liquidation etc., while the cases of the remaining mills are being looked into, in consultation with the Government of West Bengal and the Textile Commissioner.

दक्षिण वियतनाम से विदेशी सेना को हटाने के बारे में नेशनल लिबरेशन फंट के नेता से प्रधान मंत्री की बार्ता

8759. श्री ओमप्रकाश त्यागी : क्या वेदेशिक कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार का ध्यान दक्षिण वियतनाम नेशनल लिबरेशन फंट द्वारा 12 जनवरी, 1970 को हांग कांग के एक समाचार-पत्र में प्रकाशित किए गए इस समाचार की ओर दिलाया गया है कि फंट के प्रतिनिधि मंडल के नेता के साथ हृदई बार्ता में भारत के प्रधान मंत्री ने नेशनल लिबरेशन फंट के संघर्ष की सराहना की थी और दक्षिण वियतनाम के विदेशी मैनिकों को हटाये जाने का समर्थन किया था;

(ख) क्या उक्त फंट का समर्थन करना दक्षिण वियतनाम के आन्तरिक मामलों में हस्तक्षेप करने के मामान नहीं है; और

(ग) क्या दक्षिण वियतनाम से विदेशी मैनिकों को हटाए जाने के बारे में उनका सुझाव केवल अमरीकी मैनिकों अथवा दोनों अमरीकी तथा उत्तर वियतनामी मैनिकों के संबंध में है ?

वेदेशिक-व्यापार मंत्रालय में उप-मंत्री (श्री सुरेन्द्रपाल सिंह) : (क) सरकार ने यह खबर अखबार में नहीं देखी है। लेकिन, भारत की प्रधान मंत्री ने श्री बान तियन के साथ बातचीत में कहा था कि भारत की यह नीति मदा अटल और दृढ़ रही है कि वियतनामी जनता को अपने भवित्व का निर्णय अपने आप बिना किसी बाहरी हस्तक्षेप के करने देना चाहिए; और उन्होंने यह भी कहा कि जब दंस्त कठिनाइयों के बावजूद वियतनाम के लोग इस लक्ष्य को प्राप्त करने के लिए जो वीरता-पूर्ण संघर्ष कर रहे हैं, उसकी सराहना करने दृढ़ मुझे प्रमन्नता हो रही है। प्रधान मंत्री ने यह भी कहा था कि भारत दूसरे देशों में विदेशी सेना में काम लेने के विरुद्ध है।

(ख) प्रश्न नहीं उठा।

(ग) प्रधान मंत्री के वक्तव्य में ममी विदेशी मैनिक आते हैं।

सेना मुख्यालय में अंग्रेजी का प्रयोग

8760. श्री ओम प्रकाश त्यागी : क्या प्रतिरक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सेना मुख्यालय में अंग्रेजी के प्रयोग को बहुत महत्व दिया जाता है और यदि छोटे दर्जे का कोई कमंचारी अपने विचार अंग्रेजी में व्यक्त नहीं कर सकता तो इसके कारण उसे चेतावनी दी जाती है;

(ख) यदि हां, तो 1969 तथा 1970 (30 मार्च तक) में ऐसी चेतावनी कितने कमंचारियों को दी गई; और

(ग) क्या ऐसे आदेश जारी करने का कोई प्रस्ताव है कि अंग्रेजी में अपने विचार

व्यक्त करने में उनकी असमर्थता के आधार पर नीचे के दर्जे के कर्मचारियों को अदर्श नहीं समझा जायेगा ?

प्रतिरक्षा और इस्पात तथा भारी इंजीनियरिंग मंत्री (श्री स्वर्ण सिंह) : (क) और (ख). क्योंकि सेना मुख्यालयों में काम अंग्रेजी में होता है, सेना मुख्यालयों में काम करने वाले व्यक्तियों से अंग्रेजी में युक्तियुक्त दक्षता प्रत्याशित है। टिप्पणी और मसीदे तैयार करने में कुशलता संबंधी तथा 'स्पष्टता, अर्थग्रहण और सोचने में मौलिकता तथा अभिव्यक्ति' संबंधी कैफियतें उन कर्मचारियों की वार्षिक गोपनीय गिरोटों में देना पड़ता है। गोपनीय रिपोर्टों में दी गई किसी प्रकार की प्रतिकूल कैफियत में अफसरों को सूचित कर दिया जाता है। अंग्रेजी की जानकारी के अभाव संबंधी कैफियत 1969-70 में एक मामले में सूचित की गई थी। इसे चेतावनी नहीं समझा जाता।

(ग) ऐसा कोई प्रस्ताव विचाराधीन नहीं है। किसी कर्मचारी की दक्षता या अदर्शता का निर्णय उसके समस्त कृत्य के आधार पर किया जाता है, न कि उसके कृत्य के केवल एक ही पहलू के आधार पर।

भारतीय युवतियों का दासियों के रूप में व्यापार

8761. श्री ओम प्रकाश त्यागी : क्या वंदेशिक-कार्य मंत्री यह बताने की कृपा करें कि :

(क) क्या उनका ध्यान मासिक पत्रिका 'मदर इंडिया' के जनवरी, 1970 के अंक में "भारतीय युवतियों का दासी के रूप में व्यापार" शीर्षक के अन्तर्गत प्रकाशित हुए एक लेख की ओर दिलाया गया है;

(ख) यदि हां, तो क्या सरकार का विचार पाकिस्तान सरकार का ध्यान नेहरू नियाकृत करार के उपर्यांतों की ओर दिलाने तथा

पाकिस्तान में रह रही हिन्दू महिलाओं की सुरक्षा के लिए कार्यवाही करने का है;

(ग) क्या सरकार का विचार विमानों तथा जहाजों की पूरी तत्त्वाशी लेने तथा विदेशियों द्वारा भारतीय युवतियों के प्रशिक्षण के लिए विदेश भेजने पर रोक लगाने का है; और

(घ) क्या सरकार का विचार पाकिस्तान तथा सऊदी अरब के कांसुलों से अनुरोध करने का है कि वे उस व्यक्ति का पूरा व्यौरा दिया करें जिसे वे विदेश भेजते हैं?

वंदेशिक व्यापार मंत्रालय में उप-मंत्री (श्री सुरेन्द्रपाल सिंह) : (क) जी हां।

(ख) से (घ). हम इस लेख की सच्चाई का, अथवा अन्यथा जो भी स्थिति हो, पक्का पता लगाने की कोशिश कर रहे हैं।

Lt. COLONELS ON WAITING LIST FOR EMPLOYMENT WITH DIRECTOR GENERAL OF RESETTLEMENT

8762. SHRI SHARDA NAND: Will the Minister of DEFENCE be pleased to state:

(a) the number of Lt. Colonels of less than 48 years of age on the waiting list for employment with the Director-General of Resettlement;

(b) how many of them are proposed to be given employment or resettled in the Central Reserve Police, Border Security Force, Special Frontier Force and Central Industrial Force;

(c) whether there is any proposal to give them employment in the public or private undertakings; and

(d) the date by which they would be given this employment ?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH): (a) Ten.

(b) Out of ten, 2 belong to low medical category and 2 to Technical arms. They are not normally considered for employment in the Police and para military forces.

The remaining retired officers have been and are being sponsored as and when vacancies are notified to the Director General Resettlement.

(c) Their names are being sponsored for employment in Public and Private undertakings also.

(d) It is not feasible to indicate any date because the selection depends on the assessment made by the prospective employers and acceptance by the retired officers.

OFFICERS OF INFANTRY HOLDING STAFF APPOINTMENTS IN ARMY HEADQUARTERS IN DELHI

8763. SHRI SHARDA NAND: Will the Minister of DEFENCE be pleased to state:

(a) the number of regular officers of the Infantry holding staff appointments in the Army Headquarters who will complete three or more years of service in Delhi by July, 1970;

(b) whether Government propose to replace them as a matter of policy; and

(c) if not, the reasons therefor?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING SHRI SWARAN SINGH: (a) Ten.

(b) and (c). The stay of officers at Delhi is generally between three to five years. Officers are, however, permitted to serve for longer periods when suitable appointments of appropriate rank are not available outside Delhi, or on extreme compassionate grounds or when they are on the verge of retirement.

SHORTAGE OF ELECTRIFICATION MATERIALS

8764. SHRI S. KUNDU: Will the Minister of IRRIGATION AND POWER be pleased to state:

(a) whether there is acute shortage of transmission lines, transformers, electrical wires and poles;

(b) whether any planning has been done by the Rural Electrification Organization how to meet the increased demand on these materials; and

(c) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD): (a) to (c). There is a country-wide shortage of raw materials like electrolytic grade aluminium, steel and copper, which has affected the progress of transmission and rural electrification schemes. Measures have already been taken up by the concerned Departments of the Government of India to improve the supply of the raw materials. The shortfalls have been assessed on the basis of requirements of State Electricity Boards for rural electrification schemes and steps have been taken to meet the requirements by allocations of indigenous supplies and imports.

EXPO 70

8765. SHRI MANGALATHUMADAM: Will the Minister of FOREIGN TRADE be pleased to state:

(a) the response shown by foreign delegates at the Indian Pavilion at Expo '70;

(b) whether there is a proposal to permanently keep a pavilion of this type in Tokyo for our export promotion; and

(c) whether Kerala foreign exchange earner pepper Coir products are also exhibited in Expo '70?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK): (a) The response has been very encouraging. The Indian Pavilion has been attracting 50 to 60 thousand visitors a day; it has succeeded in creating an impression of elegance, colour and grace.

(b) No, Sir.

(c) Yes, Sir.

PREPARATIONS FOR SENDING SPACEMEN TO MOON

8766. SHRI SHIVA CHANDRA JHA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that India is making preparations for sending her spacemen to the moon;

(b) if so, when and the further details thereof; and

(c) if not, the reasons therefor?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI): (a) No, Sir.

(b) Does not arise.

(c) In the context of India's programmes in the field of space research, it is premature to consider this aspect of the problem.

EXPORT OF TEA

8767. SHRI SHIVA CHANDRA JHA: Will the Minister of FOREIGN TRADE be pleased to state:

(a) whether it is a fact that India exports less tea than Ceylon annually;

(b) if so, the reasons therefor and the further details thereof; and

(c) if not, India's total export during the last three years, year-wise, *vis-a-vis* that of Ceylon during the same period?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK): (a) and (c). Ceylon has in some recent years exported marginally larger quantities. Exports during the last three years were:—

(Figs. in M.Kg.)

	From India	From Ceylon
1967	213.7	216.5
1968	208.4	208.7
1969	176.7	201.4

(b) International prices for tea have not been attractive primarily because of an excess supply over demand. While this, among other reasons, has brought about greater absorption within India, Ceylon with a small internal market has had greater

compulsion to sell in international markets. The wider difference during 1969 was also due to a prolonged strike in the tea gardens in India and dislocation at the Calcutta Docks.

सशस्त्र सेना के मुख्यालयों की शाखाएं
अनुभाग

8768. श्री बंश नारायण सिंह: क्या प्रतिरक्षा मंत्री यह बताने की कृपा करेंगे कि:

(क) सेना, वायु सेना तथा नौसेना के मुख्यालयों की शाखाओं, अनुभागों तथा युनिटों की संख्या कितनी है;

(ख) उनमें से कितने अनुभागों में अधीक्षक कार्य कर रहे हैं और वे एक ही स्थान पर कितनी अवधि से कार्य कर रहे हैं;

(ग) क्या यह सच है कि कुछ अधीक्षक एक ही अनुभाग में 20 वर्ष से अधिक अवधि से काम कर रहे हैं;

(घ) यदि हां, तो क्या सरकार का विचार अधीक्षकों को एक से दूसरे अनुभाग में बारी बारी से स्थानान्तरित करने का है जिससे अन्य अधीक्षकों को भी विभिन्न अनुभागों में काम करने का अवसर मिल सके; और

(ङ) यदि नहीं, तो इसके क्या कारण हैं?

प्रतिरक्षा और इस्पात तथा भारी हॉ-नियरिंग मन्त्री (श्री स्वर्ण सिंह): (क) तथा (ख). सूचना संलग्न विवरण में दी गई है।

(ग) जी नहीं।

(घ) तथा (ङ). उन सुपररिन्टेंडेंटों के मामले कि जो सेवाओं के मुख्यालयों के उसी निदेशालय में निरन्तर 7 वर्षों से अधिक रहे हैं, काम जारी रखने की आवश्यकता का ध्यान करते हुए और युक्तिसंगत अवधियों के बाद उन की इयूटियों के गुणरूप में तबदीली पाने का अवसर देने के लिए, वार्षिक पुनरीक्षण किया जाता है।

विवरण

	सेना मुख्यालय	वायुसेना मुख्यालय	नौसेना मुख्यालय
(क) शाखाओं की संख्या	6	4	6
अनुभागों की संख्या	402	161	76
(ख) उन अनुभागों की संख्या जहाँ सुपरिटैंडेंट काम कर रहे हैं	312	108	68
सुपरिटैंडेंटों की संख्या और अवधियों के विस्तार की जिनके लिए सुपरिटैंडेंटों के तौर पर उसी स्थान में भिन्न सेवा मुख्यालयों में काम कर रहे हैं :—			
1 वर्ष से कम	54	23	12
1 से 2 वर्ष के बीच	32	16	11
2 से 3 वर्ष के बीच	31	6	6
3 से 4 वर्ष के बीच	24	7	7
4 से 5 वर्ष के बीच	19	5	10
5 से 6 वर्ष के बीच	11	4	4
6 से 7 वर्ष के बीच	35	3	5
7 से 8 वर्ष के बीच	34	18	4
8 से 9 वर्ष के बीच	13	5	—
9 से 10 वर्ष के बीच	10	6	2
10 से 11 वर्ष के बीच	49	15	7

STUDY OF UTILISATION OF LOW COST ENERGY FOR AGRICULTURE, INDUSTRY AND IRRIGATION FACILITIES

8769. SHRI D.N. PATODIA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Atomic Energy Commission has undertaken feasibility study of utilisation of low cost energy for agriculture, industry and for providing irrigation facilities in the country;

(b) if so, the particulars of the studies that are being made with details thereof;

(c) whether the study envisages utilisation of power on a region basis; and

(d) if so, the different regions which will be benefited by this?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI):

(a) to (d). A working group set up by the Atomic Energy Commission has submitted a preliminary report on the setting up of Agro-Industrial Complexes around large-sized nuclear power stations. The two locations studied refer to Western U.P. and Kutch-Saurashtra. The salient features of the report by the working group along with the report are available in the Parliament Library. Further detailed studies by the working group are now in progress.

SOVIET WARSHIPS AND FRENCH SUBMARINES DEPLOYED IN EASTERN SECTOR

8770. SHRI D. N. PATODIA: Will the Minister of DEFENCE be pleased to state :

(a) whether it is a fact that the Soviet warships and French submarines have been deployed in the Eastern Sector;

(b) whether the warlike preparations have been taken note of by Government; and

(c) if so, the reaction of Government thereto ?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH): (a) to (c). As far as Government is aware, there has been no such deployment of warships and submarines for warlike preparations in the ocean area around our country.

EXPORT OF TEXTILES FROM HARYANA

8771. SHRI SHRI CHAND GOYAL: Will the Minister of FOREIGN TRADE be pleased to state:

(a) the total value of textiles exported from Haryana in the nature of curtains, bed-spreads, etc.;

(b) the countries to which they are exported and the value of foreign exchange earned from them; and

(c) the steps taken by Government to increase their exports ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK): (a) to (c). Statistics of handloom exports are being maintained for the country as a whole and not State-wise.

FOURTH PLAN OUTLAY FOR CHANDIGARH

8772. SHRI SHRI CHAND GOYAL: Will the PRIME MINISTER be pleased to state:

(a) the amount demanded by the Union Territory of Chandigarh for its development in the Fourth Five Year Plan;

(b) the amount sanctioned by the Planning Commission for the Union Territory of Chandigarh for the Fourth Plan;

(c) the amount which Chandigarh is likely to mobilise during the Plan period; and

(d) whether there is likely to be some gap and if so, the steps contemplated to fill the gap ?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI): (a) Rs. 21.03 crores.

(b) Rs. 7.75 crores.

(c) The entire Plan would be financed by the Centre. The Administration has given no indication about the additional resources it can mobilise.

(d) It is not possible to meet fully the demand of Chandigarh Administration in view of the constraint of resources.

PRODUCTION OF DRILLING RIGS AND BORING PIPES FOR COMPLETION OF RIVER VALLEY SCHEMES

8773. SHRI BHOGENDRA JHA: Will the Minister of IRRIGATION AND POWER be pleased to refer to the reply given to Unstarred question No. 5611 on the 8th April, 1970 regarding production of drilling rigs and boring pipes for completion of river valley schemes and state:

(a) whether Government have since made any survey of the total cultivated and cultivatable land which can be irrigated only through ground water; if so, the details thereof;

(b) whether it is proposed on the basis of overall total national assessment to put orders with the Heavy Engineering Corporation for the total national requirement of drilling rigs and boring pipes to do away with their dearth in the country; and

(c) if not, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRA-SAD): (a) Ground water assessment and development are looked after by the Ministry of Food and Agriculture. According to a rough assessment made by them, the total area in the country that can benefit by irrigation by exploiting ground water is about 55 million acres, of which about 22.5 million acres had already been developed by the end of 1964-65.

(b) and (c). The Ministry of Steel & Heavy Engineering have indicated that the country's requirement of various types of drilling rigs during the Fourth Plan would be about 300. Taking into account the capacity of units other than the Heavy Engineering Corporation, it has been considered by them that it would be adequate if production by the Corporation is maintained at 5 to 6 rigs a month.

राजस्थान में उठाऊ सिचाई व्यवस्था।

8774. श्री ओंकार लाल बेरवा: क्या सिचाई तथा विद्युत मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार का ध्यान राजस्थान के असिचित क्षेत्रों के लिए उठाऊ सिचाई सुविधाओं की व्यवस्था करने की ओर दिलाया गया है; और

(ख) यदि हां, तो उक्त व्यवस्था कब किये जाने की सम्भावना है।

सिचाई तथा विद्युत मंडालय में उपभंडी (श्री सिद्धेश्वर प्रसाद) : (क) बहुत तथा मध्यम सिचाई क्षेत्र में राजस्थान नहर से निकलने वाली लूनकरणसर उठाऊ नहर पर कार्य, सगभग 1.4 लाख एकड़ भूमि को वाषिक सिचाई सुविधा प्रदान करने के लिए, पहले से ही शुरू कर दिया गया है।

(ख) इस उठाऊ नहर के चौथी योजना के दौरान पर्याप्त रूप में पूर्ण हो जाने की संभावना है।

परमाणु विजली घर, कोटा से विजली सप्लाई

8775. श्री ओंकार लाल बेरवा : क्या प्रधान मंडी यह बताने की कृपा करेंगे कि :

(क) क्या सरकार का विचार कोटा स्थित परमाणु विजली घर से किसानों को तथा लोगों को सत्ती दरों पर विजली सप्लाई करने का है;

(ख) यदि हां, तो विजली किस दर पर सप्लाई किये जाने की संभावना है;

(ग) क्या राज्य सरकार ने भी इस सम्बन्ध में मांग की है; और

(घ) यदि हां, तो उस पर सरकार की क्या प्रतिक्रिया है?

प्रधान मंडी, बिस मंडी, अणु शक्ति मंडी और योजना मंडी (धीमती इंदिरा गांधी) : (क) और (ख). राजस्थान परमाणु विजली घर द्वारा उत्पादित विजली राज्य के विजली बोर्ड को सप्लाई की जायेगी। बोर्ड को सप्लाई की जाने वाली विजली की दर अभी निश्चित नहीं की गई है।

(ग) जी, नहीं।

(घ) प्रश्न ही नहीं उठता।

GRANTS GIVEN TO MAHARASHTRA FOR IRRIGATION SCHEMES

8776. SHRI DEORAO PATIL: Will the Minister of IRRIGATION AND POWER be pleased to state:

(a) the amount given by the Central Government to Maharashtra Government during 1969-70 for each of the irrigation schemes;

(b) the amounts spent on each scheme and the amount left unutilised; and

(c) the additional area likely to be irrigated thereby and the total irrigated area in Maharashtra including Vidarbha.

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRA-SAD): (a) Central assistance during the Fourth Plan is given in the form of block loans and grants and is not related to any individual scheme or head of development. During 1969-70, the total Plan outlay for Maharashtra was fixed by the Planning Commission as Rs. 115 crores, out of which Rs. 43.8 crores is Central assistance.

(b) A statement showing the anticipated outlay during the year on approved irrigation projects is laid on the Table of the House. [Placed in Library. See No. LT-3424/70]

(c) The anticipated additional irrigation potential during the year was 1.14 lakh acres, bringing the total potential in the State, from major and medium irrigation projects, to 16.5 lakh acres.

BOARD OF DIRECTORS OF I.M.P.E.C.

8777. SHRI INDRAJIT GUPTA: Will the Minister of FOREIGN TRADE be pleased to state:

(a) whether the Indian Motion Pictures Export Corporation has several private Film distributors on its Board of Directors;

(b) if so, the details thereof;

(c) whether the interest of the aforesaid Directors as private distributors do not run counter to the interests of the Corporation; and

(d) whether Government are contemplating any changes in the Board of Directors so as to remove the vested interest ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK): (c) Yes, Sir. There are two out of 15 Directors.

(b) They are Shri M. N. Savani and Shri V. M. Bhatt.

(c) and (d). The position is being reviewed.

DAILY ALLOWANCE PAID TO EMPLOYEES OF ORDNANCE FACTORIES ON DEPUTATION TO INDIAN STATISTICAL INSTITUTE

8778. SHRI YAMUNA PRASAD MANDAL: Will the Minister of DEFENCE be pleased to state :

(a) whether it is a fact that non-Gazetted Officers working in Ordnance Factories, on deputation to the Indian Statistical Institute for diploma in Statistical Quality Control, are paid daily allowance as per general rules which is insufficient to meet their expenses as they have to maintain family at two places;

(b) if so, whether Government propose to pay such employees allowances at some higher rates so that they can meet their expenditure at both places; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L.N. MISHRA): (a) Ordnance Factories personnel including non-Gazetted Officers who are deputed to the Indian Statistical Institute for diploma course in Statistical Quality Control are sanctioned daily allowance at

full usual rate for the first 10 days and thereafter at 50% of the usual rate for the remaining period as admissible under the existing rules.

(b) There is no proposal to amend the existing rules on the subject.

(c) Does not arise.

CONFIRMATION OF CHARGEMEN WORKING IN ORDNANCE FACTORIES

8779. SHRI YAMUNA PRASAD MANDAL: Will the Minister of DEFENCE be pleased to refer to the reply given to Unstated Question No. 454 on the 23rd July, 1969 and state:

(a) whether it is a fact that no decision has yet been taken in regard to the confirmation of Chargemen working in Ordnance Factories though while forwarding their applications to the UPSC for Engineering Services Examination, 1969 it was assured that they would be confirmed in existing vacancies or by creating additional vacancies as on the 7th April, 1969 with the result that the UPSC has held up the declaration of examination result of such candidates;

(b) if so, the reasons for delay;

(c) whether Government are aware that a number of employees working in the Ordnance Factories will not be eligible to appear in such examination held by the UPSC on account of their becoming over age, if they are not confirmed soon; and

(d) if so, by what time those Chargemen, who joined the Ordnance Factories before the 1st January, 1964, would be confirmed?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L.N. MISHRA): (a) to (d). The information is being collected and will be laid on the Table of the House.

ASSISTANCE GIVEN TO ORISSA FOR PROJECTS DURING PLAN PERIODS

8780. SHRI D. AMAT: Will the PRIME MINISTER be pleased to state:

(1) the amount of assistance given to Orissa State for different projects during the First, Second, Third and so far in the Fourth Plan period ; and

(b) the percentage of assistance during each Plan period given to Orissa to the total assistance given to all the States together in each Plan?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI): (a) and (b).

	Central assistance given to Orissa	Central assistance to Orissa as % of total assistance to all States
	(Rs. crores)	%
First Five Year Plan, 1951-56	77.0*	8.7*
Second Five Year Plan, 1956-61	66.0	6.2*
Third Five Year Plan, 1961-66	136.7	5.4
Annual Plans, 1966-69	80.7	4.5
Annual Plan, 1969-70	28.4	4.6

CONCESSIONS FOR EMERGENCY COMMISSIONED OFFICERS WHO JOINED FROM RANKS

8781. SHRI SHASHI BHUSHAN: Will the Minister of DEFENCE be pleased to state :

(a) whether Government are releasing young Emergency Commissioned Officers and at the same time recruiting an equal number of Short Service Commissioned Officers, and is also liberally re-employing old and retired Army Officers;

(b) the concessions which have been given to Emergency Commissioned Officers who joined army from ranks as Emergency Commissioned Officers, the number of such officers and the number of officers out of them who have been benefited by such concessions; and

(c) the number of released Emergency Commissioned Officers who have been absorbed in the Central Industrial Security Force, Railway Protection Force, Territorial Army, Assam Rifles, N.C.C. and Border Security Force?

*Includes Rs. 45 crores approximately for Hira-Kud which was a Centrally sponsored scheme in the first Plan.

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH): (a) Those ECOs, who did not seek permanent commission in the Army and those who were ineligible or found unsuitable for the grant of permanent commission, are being released. The intake of Short Service Commissioned Officers is decided on the basis of requirements of the service, the need for ensuring balanced age and service groups and the need to build up a sizeable reserve. Retired Army officers are re-employed when it is in the public interest to employ them, in appointments which cannot be filled, by officers with less service and experience due to the present shortages in the officer cadre as a result of sudden expansion.

(b) The total number of Emergency Commissioned Officers from the ranks was about 1,700. The following concessions have been given to such officers:-

(i) Those who are eligible to apply for grant of Special List permanent commission are graded for such commission. A total of 168 such officers have already been granted, PC(SL) and another 53 have been graded fit for grant of PC(SL).

(ii) Those who are not found fit for grant of Permanent Commission are considered for reversion to JCO rank on a purely voluntary basis.

(iii) They are eligible for the grant of proportionate pension instead of gratuity. Against the normal qualifying period of 20 years' service for pension in respect of directly commissioned officers, an ECO who has risen from the ranks, was eligible for the grant of special pension at the end of 15 years of combined JCO/OR and ECO qualifying service. This period has further been reduced to 12 years with effect from the 1st June, 1969. Even though such an ECO may have been, for the greater part of his service in the

ranks, his pension will be on rates somewhat better than the pension admissible to a retiring JCO.

Information regarding the numbers of ECOS who have been benefited by concessions (ii) and (iii) above, is being collected and will be laid on the Table of the House.

(c) The number of released Emergency Commissioned Officers who have so far been absorbed in the Central Industrial Security Force, Railway Protection Force, Territorial Army, Assam Rifles, NCC and Border Security Force, are given below :—

Industrial Security Force:	Nil
Railway Protection Force ..	7
Territorial Army	36
Assam Rifles	84
N.C.C. ..	494
Border Security Force	464

CONCESSIONS GIVEN BY CENTRAL AND STATE GOVERNMENTS TO RELEASED EMERGENCY COMMISSIONED OFFICERS

8782. SHRI SHASHI BHUSHAN: Will the Minister of DEFENCE be pleased to state:

(a) the concessions given by the Central and State Governments to such released Emergency Commissioned Officers who had to leave their studies in order to join the Army during the Emergency and the number of officers who have been benefited by such concessions;

(b) the number of Emergency Commissioned Officers who were Graduates and at the same time less than 24 years of age at the time of joining Army, the time Government will take to get such Emergency Commissioned Officers resettled and the schemes worked out for their resettlements; and

(c) how many Emergency Commissioned Officers were Post-Graduates and at the same time below 24 years of age at the time of joining the Army during the Emergency, the schemes drawn by Government to get such officers resettle and how long it will take to get them settled?

THE MINISTER OF DEFENCE AND STEEL & HEAVY ENGINEERING (SHRI SWARAN SINGH): (a) to (c). The various concessions given by Central and State Governments for the resettlement of the released Emergency Commissioned Officers have been indicated from time to time. In this connection attention is invited to the statements placed on the Table of the House in reply to part (b) of Unstarred Question No. 1435, answered on 26-11-69, and in reply to parts (b) to (d) of Unstarred Question No. 3462 answered on 18-3-70. As regards specific concessions given to those Emergency Commissioned Officers who had to leave their studies for joining the Army during the emergency, attention is invited to the statement laid on the Table of the House in answer to parts (c) and (d) of Starred Question No. 1151, on 22-4-70. The information about the numbers of under-graduate officers who have been benefited by such concessions is not separately available.

The number of Emergency Commissioned Officers (recruited during the Emergency), who were graduates and post-graduates and, at the same, time, were less than 24 years of age, are as under :—

(i) Graduates	1652
(ii) Post-graduates	245

It is not feasible to forecast when all the graduate and post-graduate released Emergency Commissioned Officers would be resettled. This would depend upon assessment, by prospective employers, of their suitability for various available jobs, their own willingness to accept the jobs offered, and efforts made by the officers to take advantage of self-employment schemes and opportunities.

RELEASED EMERGENCY COMMISSIONED OFFICERS ABSORBED IN DIFFERENT FIELDS

8783. SHRI SHASHI BHUSHAN: Will the Minister of DEFENCE be pleased to state:

(a) the number of released Emergency Commissioned Officers who have been granted special list commission in the Army;

(b) the number of released Emergency Commissioned Officers absorbed as RTO and SSOs:

(c) the number of released Emergency Commissioned Officers absorbed as Secretaries of D.S.S.A. Boards:

(d) the number of released Emergency Commissioned Officers who have been absorbed by Government in Public Sector Undertaking/Private Sector; and

(e) the concessions given by Government to these released officers for starting small-scale industries and the number released Emergency Commissioned Officers who have been benefited by such schemes?

THE MINISTER OF DEFENCE AND STEEL & HEAVY ENGINEERING (SHRI SWARAN SINGH): (a) Emergency Commissioned Officers other than those who have risen from the ranks, are not eligible for grant of Special List Commission. ECOs who have risen from the ranks, are screened for the grant of Special List Commission before their release. A total of 168 such Officers have already been granted, and another 53 have been placed in an acceptable grade for the grant of Permanent Commission (Special List).

(b) None. These appointments are tenable by serving officers only.

(c) 9.

(d) The number of released Emergency Commissioned Officers absorbed in Public and Private Sector Undertakings as on 31-3-1970 is as under:—

(i) Public Sector Undertakings	149
(ii) Private Sector	208
	357

(e) The State Governments have been requested to extend all facilities including finance, technical know-how, raw materials, etc., to released Emergency Commissioned Officers in their efforts to organise and own cooperatives in the industrial sector.

The Directorate General Resettlement also provides information and guidance about sources and facilities for starting small-scale industries and also helps the released officers in the preparation/starting of small-scale industries schemes. About 100 Emergency Commissioned Officers have been assisted in this manner.

RAISING QUESTION OF REHABILITATION OF REFUGEES FROM PAKISTAN IN U.N.

8784. SHRI RAM AVATAR SHARMA: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government propose to take up the matter of rehabilitation of refugees, who have come over to India, in the United Nations and ask for cessation of area from Pakistan; and

(b) if not, the other steps which Government are taking in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH): (a) No, Sir.

(b) The Government are taking all possible steps for the rehabilitation of refugees from Pakistan.

FINANCIAL ASSISTANCE TO WEST BENGAL. GOVERNMENT FOR IRRIGATION SCHEMES

8785. SHRI JUGAL MONDAL: Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether, in view of the financial difficulties, the Central Government have advised the West Bengal Government to drop their long term schemes for the time being and to irrigate the maximum land with the help of short term measures;

(b) whether any financial assistance is given by Government to the West Bengal Government to tide over their financial difficulties; and

(c) if so, the amount thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRA-SAD): (a) The Planning Commission have given priority in the Fourth Plan to providing the maximum possible allocations essential for continuing irrigation schemes on which appreciable progress has already been made and for all medium schemes, so that the benefits from the continuing projects are achieved as early as possible. The outlay on new schemes has, therefore, been restricted

(b) and (c). The Government of India have agreed in principle to provide accommodation (by way of loans) to those States which may be assessed by the Planning Commission to have inescapable gaps in resources. Accordingly, a non-Plan loan of Rs. 9.91 crores was sanctioned to the Government of West Bengal for 1969-70. For 1970-71, the assessment has not yet been made.

VALUE OF INDIAN PROPERTIES SOLD BY PAKISTAN

8787. SHRI BENI SHANKER SHARMA : Will the Minister of EXTERNAL AFFAIRS be pleased to state the value of Indian properties held by the Custodian of Evacuee Property, Pakistan sold by them so far?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : The value of the Indian properties held by the Custodian of Enemy Property, Pakistan, which has been sold by him so far is not known. The Government have, however, asked the Government of Pakistan to furnish this information which is still awaited.

TACTICAL NUCLEAR WEAPONS DEVISED BY USA, USSR AND OTHER NATO POWERS AND CHINA

8788. SHRI SAMAR GUHA : Will the PRIME MINISTER be pleased to state :

(a) the varieties of tactical nuclear weapons devised by USA, USSR, and other NATO Powers and China;

(b) whether such tactical nuclear weapons require much less nuclear explosives than strategic nuclear weapons, if so, the minimum amount of nuclear explosives required for nuclear shells and shots for mortar, cannon and similar type of weapons and their explosive and destructive powers compared to similar conventional weapons;

(c) whether tactical nuclear weapons do not require any missile type delivery system;

(d) whether such tactical nuclear weapons are now used for equipping Army and Navy by USA, U.S.S.R. and China;

(e) whether cost for making tactical nuclear weapons is much less than the strategic nuclear weapons; and

(f) whether in the background of availability of plutonium by-product, electronics, cheap labour force, costing of tactical nuclear weapons in India will be much less than in U.S.A. or U.S.S.R.?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI) : (a) and (d). Tactical nuclear weapons have been developed by USA and USSR. However, details concerning them being classified are not available. There is no reliable information in this regard concerning China.

(b) The amount of nuclear material required for tactical or strategic weapons is dependent on sophistication and intended applications. The minimum quantity required for a fission bomb has been indicated in the reply to the Question No. 5650 answered on April 8, 1970.

(c) Yes, Sir.

(e) Tactical nuclear weapons produced in large quantities can in principle be cheaper than strategic nuclear weapons.

(f) In computing the cost, the cost of labour is only one item. In a sophisticated technology, one has to bear in mind the cost of extensive research and development. It would be fallacious to conclude that cheap labour force necessarily mean lower cost.

NUCLEAR REACTORS OPERATING IN INDIA UNDER AGREEMENT WITH FOREIGN COUNTRIES FOR NOT UTILISING BY-PRODUCT OF PLUTONIUM FOR EXPLOSIVE PURPOSES

8789. SHRI SAMAR GUHA : Will the PRIME MINISTER be pleased to state :

(a) whether all the Nuclear Reactors operating in India are bound by agreement with foreign countries for not utilising the by-product of Plutonium for explosive purposes;

(b) if so, the text of the terms of agreement;

(c) if not, what are the Indian nuclear reactors free from such agreements;

(d) whether any of the Indian nuclear reactors are exclusively fed with India-made nuclear fuel; if so, the names of such nuclear reactors; and

(e) when the Atomic Energy Commission expect to feed any of the reactors exclusively with India-made nuclear and fuel and replace imported fuels used in Indian reactors; and

(f) whether agreement with foreign supplies of nuclear fuels is the only obstacle that stands in the way of development of nuclear blast technology by the Atomic Energy Commission and if not, the other reasons therefor?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI) : (a) to (c). Plutonium produced in the Canada India Research Reactor and at Tarapur Atomic Power Station can be used only for peaceful purposes. We have similar understanding with regard to the enriched fuel of Apsara supplied by the United Kingdom. Zerlina is only a zero energy reactor and for all practical purpose is not a plutonium producer.

(d) Yes, Sir. Zerlina and CIRUS.

(e) Tarapur and Apsara require enriched fuel. There are no firm plans for using Indian fissile enrichment for these reactors. Except for the initial half charge for the first unit of the Rajasthan Atomic Power Unit we expect all our CANDU type Power Reactors to use natural uranium fuel of Indian origin.

(f) The policy of the Government of India in this behalf has been discussed in detail in the House on April 20, 1970.

TECHNOLOGY OF PREPARING PURIFIED THORIUM

8790. SHRI SAMAR GUHA : Will the PRIME MINISTER be pleased to state :

(a) whether the Atomic Energy Commission has developed the technology of preparing purified thorium from the abundant minerals available in Kerala;

(b) if so, its annual output and if not, the reasons therefor;

(c) whether purified thorium is being or will be utilised in any nuclear reactor operating or will be operating in India; and

(d) if so, the names of the reactors in which thorium is used or will be used; and

(e) the nature and amount of by-products and nuclear fuels obtained or will be obtained by using thorium charge for nuclear reactor?

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI) : (a) Yes, Sir.

(b) to (d). Nuclear grade thorium in the form of metal and its oxide is being produced in small quantities for use in the CIRUS reactor at Trombay for experimental purposes. It will also be used in future in the proposed fast breeder test reactor at Kalpakkam.

(e) Uranium 233 will be obtained from the irradiation of thorium. As the fast breeder test reactor is under design, no firm figures can be given in regard to the quantities involved.

STAFF IN TEA BOARD

8791. SHRI K. ANIRUDHAN :
SHRI UMANATH :
SHRI K. M. ABRAHAM :
SHRIMATI SUSHEELA
GOPALAN :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) the total sanctioned strength of the staff in all the offices of the Tea Board in India and abroad;

(b) the total sanctioned strength of Class I, Class II, Class III and Class IV officials of the Board with separate break-up in respect of each office in India and abroad;

(c) whether all the sanctioned posts have been filled up;

(d) if not, the reasons therefor; and

(e) the Class wise break-up of unfilled posts in respect of each office in India and abroad?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) to (e) : Information is being collected and will be laid on the Table of the House.

ELECTRIFIED VILLAGES OF VIDARBHA REGION OF MAHARASHTRA

8792. SHRI N.R. DEOGHARE : Will the Minister of IRRIGATION AND POWER be pleased to state:

(a) the number of villages electrified during the years 1968 and 1969 in the Vidarbha region of Maharashtra;

(b) the number of villages in the vicinity of Nagpur and Vidarbha region to be electrified during 1970; and

(c) the approximate expenditure incurred on electrification of villages in the Vidarbha region during 1968-69 and expenditure likely to be incurred in the same region during 1970 ?

DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI SIDDHESHWAR PRASAD) : (a) The number of villages electrified in Vidarbha region of Maharashtra State was 478 during the year 1968-69, and 101 during the period from 1st April, 1969 to 31st December 1969;

(b) The Maharashtra State Electricity Board proposes to electrify 300 villages in Vidarbha region during the year 1970 of which 60 villages are proposed to be electrified in Nagpur District; and

(c) The expenditure incurred on rural electrification in Vidarbha region during the year 1968-69 was approximately Rs. 3.2 crores. The anticipated expenditure on rural electrification in Vidarbha region during the year 1970 would be about Rs. 3 crores.

CHINESE MOVEMENTS IN GILGIT-SINKIANG AREA

8793. SHRI K. N. PANDEY: Will the MINISTER OF DEFENCE be pleased to state :

(a) whether any fresh Chinese military or civil movements in the Gilgit-Sinkiang area have recently been noticed; and

(b) if so, what assessment of the same has been made in terms of the security of the country?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) and (b) As already indicated by the Minister of External Affairs on 22nd July, 1969, about 12,000 Chinese military personnel had been inducted into Northern Kashmir to help build the road from Mor Khun to Khunjerab Pass on the Kashmir-Sinkiang border. There are reports that these personnel have returned recently to resume the construction work which had been suspended during winter. We have taken due note of these developments in making our defence arrangements.

LICENCES ISSUED BY JOINT CHIEF CONTROLLER OF IMPORTS AND EXPORTS, MADRAS

8794. SHRI K. N. PANDEY : Will the Minister of FOREIGN TRADE be pleased to state :

(a) the details of the licences issued by the Joint Chief Controller of Imports and exports, Madras during the current year; and

(b) the steps taken to ensure that the licences issued are properly utilised?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) The details of the licences issued are available in the "Weekly Bulletin of Industrial Licences, Import Licences and Export Licences", copies of which are available in the Parliament Library.

(b) In the case of Actual User Licences or licences issued under the import policy for registered exporters, the licencees are required to maintain proper accounts of consumption of imported raw materials, components and spares in the prescribed manner as one of the conditions of the grant of the licence. Contravention of these conditions attracts penal action under the

Imports and Exports (Control) Act, 1947 and the Imports (Control) Order, 1955. Intimation about the issued of the licence in each case is sent by the licensing authorities to the sponsoring authorities concerned and the latter are required to keep a watch over the proper utilisation of imported materials. Before recommending cases for the issue of import licences to the Import Control authorities, the sponsoring authorities are required to check the proper utilisation of imports in the previous period. In the case of units in priority industries, applications for the grant of import licences have to be supported by a certificate duly attested by a Chartered Accountant to show that the materials previously imported have been properly utilised by them. Copies of these certificates are sent to the Central Excise Authorities by the licensing authorities to enable the former to check actual utilisation with reference to their production. Particulars of all import licences issued are sent to the sponsoring authorities of the units concerned to enable them to watch the actual import and proper utilisation of the imported materials.

In the case of established importers, the Customs authorities exercise necessary checks at the time of clearance of goods to detect if there is any trafficking in licences. Where breaches of the rules and regulations are noticed, reports are made by the customs to the licensing authorities who take separate action under the Import (Control) Order.

EXPORT OF GRAMOPHONE RECORDS

8795. SHRI K. N. PANDEY : Will the Minister of FOREIGN TRADE be pleased to state :

(a) the amount of foreign exchange earned by Government by the export of gramophone records during 1969; and

(b) the action taken by Government to increase the export and the facilities which would be given to the gramophone industry in this regard in future?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) During the year 1969-70, export earnings from gramophone records amounted to Rs. 47 lakhs (approx.)

(b) The following main facilities are available against export of gramophone records :

- (i) Import replenishment licence at 10% of fob value;
- (ii) Draw-back of duties at the rate of :
 1. Rs. 181.13 per thousand on 7 inch records.
 2. Rs. 470.24 per thousand on 10 inch LP records, and
 3. Rs. 690 per thousand on 12 inch LP records.

Efforts are being made to locate potential markets for Indian records of popular West European and American Music in East European countries through S.T.C. and the Indian Missions.

ब्रिटेन के एक जहाज में भारतीयों की मृत्यु

8796. श्री ओंकारलाल बेरवा : वया वंदेशिक-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि ब्रिटेन का जो जहाज 8 अप्रैल, 1970 को ढूब गया था, उसमें 38 भारत-मूलक व्यक्ति थे;

(ख) यदि हाँ, तो उसका व्यौरा वया है; और

(ग) इस दुर्घटना में मरने वाले व्यक्तियों में भारतीय कितने थे ?

वंदेशिक-कार्य मंत्रालय में उप-मंत्री (श्री सुरेन्द्रपाल सिंह) : (क) भारत के रोम-स्थित राजदूतावास से प्राप्त सूचनानुसार, 39 भारतीय नाविक ब्रिटिश जहाज 'लन्दन बैलर' पर सवार थे, जो 9 अप्रैल, 1970 की राति में जेनोवा बन्दरगाह के पास ढूब गया था।

(ख) और (ग). इस दुर्घटना में जो 39 भारतीय फंस गये थे, उनमें से 8 की मृत्यु हो गई, 4 लापता हैं, 23 अस्पताल में भर्ती किए गए थे और जेप 4 को किसी प्रकार की चोट नहीं आई थी। लापता नाविकों में से अभी तक किसी का भी पता नहीं लगा है।

BUILDINGS HIRED BY STC IN DELHI

8797: SHRI M. N. NAGHNOOR : Will the Minister of FOREIGN TRADE be pleased to state :

(a) the names of the buildings occupied by the State Trading Corporation offices in Delhi;

(b) the rent being paid on each building and the area occupied by each building;

(c) the programme of the State Trading Corporation to have a permanent building of its own; and

(d) whether it is a fact that the State Trading Corporation has also decided to take on rent the NDMC building on Janpath?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (i) and (b). A statement is attached.

(c) The matter is under consideration of the Corporation.

(d) Yes, Sir.

STATEMENT

Name of building	Total area (sq. ft.)	Rent per month (in Rs.)
Express Building, 9 & 10 Bahadur Shah Zafar Marg, New Delhi.	43,601	87,202
Herald House, Bahadur Shah Zafar Marg, New Delhi.	5625	10,575
Chanderlok, 36, Janpath, New Delhi.	80,000 (approx.)	2,20,000 (approx.)
2-E/7, Jhandewalan Extension, New Delhi.	6,052	2,750
Our India Pavilion, Exhibition Grounds, New Delhi.	10,050	5,025

AGREEMENT WITH JAPAN FOR EXPORT OF GROUNDNUUT EXTRACCTIONS

8798. SHRI LAKHAN LAL KAPOOR : Will the Minister of FOREIGN TRADE be pleased to state :

17LSS(C)/70-6

(a) whether it is a fact that an agreement has been signed by Government with a Japanese Organisation for the export of groundnut extractions;

(b) if so, the advantages to India in the export of these groundnuts extractions; and

(c) whether it will affect the production of vanaspati in the country?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (i) No, Sir.

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

HANDING OVER OF FOREIGN CULTURAL CENTRE TO PRIVATE ORGANISATIONS

8799. SHRI SURENDRANATH DWIVEDY : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(i) whether Government have finally approved the proposals of foreign Missions in India in handing over their cultural Centres to private Organisations in the country;

(b) if so, whether Government have made any rules or laid down criteria for handing these cultural centres to private organisations; and

(c) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) to (c). No proposal has so far been received from foreign missions for handing over their cultural centres to private organisations in the country. However, the French Embassy have offered to place the two professors and the equipment of their cultural centres in Hyderabad at the disposal of the Jawahar Lal Nehru University, New Delhi. The matter is under consideration.

PRICE OF NYLON

8800. SHRI LOBO PRABHU : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government's attention has been drawn to the report published on the 23rd April, 1970 in the *Economic Times*;

(b) if so, whether Government propose to supply nylon to Hosiery Export Association at international prices which is Rs. 17 per Kilogram against Rs. 100 per Kilogram which is the price of indigenous production;

(c) the reasons for such vast difference in the prices of nylon and the reasons for which the question of production of rayon and nylon has not been referred to the Commission on Industrial prices;

(d) the prices at which the imported nylon is distributed to knitting factories and whether these factories have to export an equal quantity of their production; and

(e) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) Yes, Sir.

(b) Exporters of nylon hosiery are already entitled under the Import Trade Control Policy to receive from STC imported nylon yarn as replenishment against exports. On such exports draw-back at prescribed rate is also admissible. No other proposal is at present being considered by the Government.

(c) The main reason for the vast difference in the prices of nylon quoted in part (b) of this Question is that while the former is c.i.f. price and does not include any element of duty, the latter is the price of the indigenous production which includes duty which is fairly substantial. The charges for crimping nylon yarn, included in these prices, are also much higher in India. The remaining difference in prices, which is relatable to the cost of production of nylon yarn, can be for a variety of reasons such as scales of economy in production and overheads, availability of raw materials at economic prices and somewhat limited availability as compared to the capacity of the industry to use this yarn.

Price structure of rayon and nylon had been referred to the Tariff Commission and a report in respect of rayon has already been received and is receiving attention. The Commission's report in respect of nylon is awaited.

(d) and (e). Imported nylon is distributed to knitting factories on actual user basis at prices determined from time to time in

relation to and fixed at slightly below, the prices of indigenous manufacturers. No export obligation in relation to these allocations are prescribed because allocations are given on actual user basis.

UTILIZATION OF SURPLUS CAPACITY OF ONE UNIT BY THE OTHER IN HAL

8802. SHRI N. K. P. SALVE : Will the Minister of DEFENCE be pleased to state :

(a) whether any Expert Committee has been set up to examine the question of utilisation of surplus capacity of one unit by other units of the Hindustan Aeronautics Ltd.;

(b) if so, the findings thereof;

(c) the existing surplus capacity of the five Divisions of the Hindustan Aeronautics Ltd.; and

(d) the various ways in which existing surplus capacity is being utilised at present?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (a) No, Sir.

(b) Does not arise.

(c) and (d). Bangalore Division has spare capacity in its Forge and Foundry. This is being utilised for commercial orders. There is no spare capacity in the Kanpur Division. In the MIG Divisions, production has not yet reached the stabilisation stage. When production in all the Divisions is stabilised, it would be possible to use plant capacity in each unit in a balanced manner to yield optimum results. The subject is under continuous study by HAL Management and efforts are being made to utilise the available spare capacity by sub-contracting work from other Division and accepting orders from other Public Undertakings, etc.

DEPUTATIONISTS WORKING IN VARIOUS DIVISIONS OF HAL

8803. SHRI N. K. P. SALVE : Will the Minister of DEFENCE be pleased to state :

(a) the number of deputationists working in the various Divisions of the Hindustan Aeronautics Ltd. in the senior management cadre, both technical and non-technical and drawing salary over Rs. 2,000/-;

(b) whether any principles have been laid down for acquisition and proper distribution of man power in these units of the Hindustan Aeronautics Ltd.;

(c) whether it is a fact that even after so many years of its inception, the Hindustan Aeronautics Ltd. largely depends on the Indian Air Force for manning its crucial administrative and technical positions, particularly in Engines Department; and

(d) whether any comprehensive programme has been prepared by the Hindustan Aeronautics Ltd. for recruiting adequate and qualified persons for being trained in its units?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (a) Five.

(b) Requirements of man-power for the Divisions of HAL are determined with reference to the production programme of the individual Divisions. Staffing cadre of each Division is reviewed periodically by the Board of Directors.

(c) No, Sir. No IAF Officer is on deputation in the engine factory of the Bangalore Division. At Koraput Division of HAL, which manufactures engines for the Mig-21 aircraft, there are only three IAF officers on deputation at present. Two of them are being permanently absorbed in HAL and the third is being reverted to IAF.

(d) Yes, Sir. HAL have set up a Staff College at Bangalore for imparting training in functional and general management areas with a view to improving managerial talent in the Company. A scheme for recruitment of management trainees both technical and non-technical is also in operation for the last two years.

REPORT ON INDIAN NAVY FROM COMMANDER C. V. NEDUNGADI

8804. SHRI GEORGE FERNANDES : Will the Minister of DEFENCE be pleased to state :

(a) whether Government had received a report on the Indian Navy from Commander C. V. Nedungadi in March, 1967;

(b) if so, whether Government propose to lay a copy of the Report on the Table;

(c) if not, the reasons therefor; and

(d) the circumstances in which Commander Nedungadi retired from the Navy?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) A paper containing Commander Nedungadi's personal views on various matters like the role of Navy in Indo-Pakistan conflict in 1956, the duties assigned to certain appointments in Navy and inter-Service organisations, the procedures in official correspondence, and the timing for grant of awards of VSM, was brought to the notice of Government in 1967.

(b) No, Sir.

(c) The paper contains a subjective and personal view of a Commander. No public purpose will be served by laying its copy on the Table of the House.

(d) Commander Nedungadi applied for premature retirement on the ground that his presence at home was needed for looking after his aged parents and properties, and that he had been superseded for promotion to the rank of acting Captain. His request was granted.

INTER-STATE GANG OF CONSPIRATORS UNEARTHED BY SECRET POLICE

8805. SHRI BENI SHANKER SHARMA : Will the Minister of DEFENCE be pleased to state :

(a) whether Government's attention has been drawn to a news-item published in the daily Basumatî of Calcutta of the 19th April, 1970 whether it is reported that an inter-State gang of conspirators has been unearthed by our Secret Police, which was engaged in stealing arms from our arsenals in different States and selling the same to some political parties in the country; and

(b) if so, the details thereof?

THE MINISTER OF DEFENCE AND STEEL AND HEAVY ENGINEERING (SHRI SWARAN SINGH) : (a) Yes, Sir.

(b) The facts are being ascertained.

TRADE WITH U.S.S.R.

8806. SHRI BENI SHANKER SHARMA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) the quantity and value of woollen fabrics, steel, iron ore, mica, leather and leather goods, raw hides, tobacco, oil cakes and coffee exported to the U.S.S.R. and their percentage in relation to the total exports during the last two years; and

(b) the quantity and value of goods imported from the U.S.S.R., category-wise, together with their percentage in relation to the total imports of that commodity during the same period?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK) : (a) and (b). A statement is laid on the Table of the House. [Placed in Library. See No. LT-3425/70].

12.15 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

REPORTED FIRING ON STRIKING WORKERS OF NEYVELI LIGNITE CORPORATION LIMITED AT NEYVELI

SHRI K. ANIRUDHAN (Chirayinkil) : I call the attention of the Minister of Petroleum and Chemicals and Mines and Metals to the following matter of urgent public importance and I request that he may make a statement thereon :—

The reported firing on striking workers of the Neyveli Lignite Corporation Limited at Neyveli.

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND MINES AND METALS (SHRI JAGANATH RAO) : An industrial dispute existed in the Neyveli Lignite Corporation in regard to wage revision, allowances, fringe benefits and certain other related issues. The Joint Council consisting of the two recognised Unions (Neyveli Lignite Mines Workers Progressive Union and Neyveli Lignite Corporation Staff Union) and all the registered Unions had been formed by the workmen and strike notices were issued by the Unions on the Management in February,

1970. Conciliation proceedings were held by the Commissioner of Labour, Madras in March, 1970. As a result of these proceedings and the intervention of the Chief Minister, Tamil Nadu, a settlement was arrived at on 20-3-1970 between the Management and the Joint Council. The settlement arrived at was binding on all the Unions which took part in the conciliation proceedings and was to be effective for a period of 4 years with effect from 1st January, 1970.

While considering the demands of the workers for revision of pay scales, allowances and fringe benefits, the Management had taken into account the recommendations of several Wage Boards including the Board for Heavy Chemicals and Fertilizer Industries Transport Industry, Electric Supply Undertakings. The final settlement of Rs. 185/- minimum wage is above the levels recommended for Fertilizer Industry (Rs. 170/-), Transport Industry (Rs. 120/-) and Electric Supply Undertakings (Rs. 140/-). The minimum wage of Rs. 185/- is on par with the minimum wage being paid in the region by M/s. Bharat Heavy Electrical Ltd., Thiruverumbur near Trichi in Tamil Nadu. The Bharat Electronics Ltd., Bharat Earth Movers Ltd., and the Hindustan Aeronautics Ltd., have also pegged the minimum wage at Rs. 185/-. Since Neyveli Lignite Corporation is a multi-unit complex, implementation of the recommendations of the Wage Board for Fertilizer of any other particular industry was not practical as such action would have led to lack of uniformity and to different levels of wages for the workers working in the different units. As stated above, the final settlement of Rs. 185/- minimum wage is more favourable than the recommendations of the Wage Boards for Fertilizer Industry, Transport Industries or Electric Supply Undertakings.

Information reached the Central Government that the workers of the Neyveli Lignite Corporation had gone on strike with effect from 12 mid-night on 2-5-1970. The reasons for the sudden strike so soon after the wage settlement which was accepted by the workers, are not clear to the Management. The Management were not given any notice of the strike by the workers' Unions. All the four units of the plant, viz., mining, power station, fertilizer and Briquetting & Carbonisation plant, have had to be shut

down. Power supply to Tamil Nadu from the Neyveli Power Station has been badly affected. No written reports have so far come in from the Corporation. It has been reported by the Managing Director, Neyveli Lignite Corporation that the Tamil Nadu Government has deputed a strong police force and that the Senior Officers of the State Government and the Chief Minister of Tamil Nadu are keeping in touch with the situation at Neyveli. Section 144 has been imposed at Neyveli with effect from 8 A.M. on 3-5-1970.

After commencement of the strike owing to violent demonstrations on the part of the workers, the police have had to resort to lathi-charges and firing in the air. It has been reported by the Managing Director that there were three firings, two with bullets and one with tear gas, on the 2nd at 9.30 P.M., 3rd at 2.30 A.M. and 9.30 A.M. respectively. There have been several lathi-charges in which 80 workers are reported to have been injured. Seven officers of the Corporation who were proceeding in a jeep to the master control of the thermal station were stoned and pulled out of the jeep by the workers and were, as a result, injured. The Managing Director has further reported that a police patrol van carrying food packets to the police posted at the thermal station was caught in a road block placed by the workers and was stoned heavily leading to the police resorting to firing in the air during which one of the bullets appears to have ricochetted from somewhere and hit a worker, unfortunately killing him. The name of the worker who was killed is Shri Devendor. He was working as a welder in the thermal unit of the Corporation. He belonged to the Lignite Mines Labour Union, Neyveli, which is a registered Union. It is reported that after post mortem held at Cuddalore the body was transported by Corporation vehicle to Vellore for the funeral. Six policemen and one sergeant were injured in the incident leading to the death of the worker.

The Managing Director has reported this morning (6-5-70) that the strike has ended and the workers have commenced work in the first shift. As a result of tripartite negotiations held between the workers' Unions, the Management and the State Labour Commissioner, accord was reached on 5-5-70.

SHRI K. ANIRUDHAN : Sir, the whole tragedy has occurred due to the strike there. The workers there came forward with their just demands. Now, it has become a new phenomenon in this country that whenever and wherever the workers or the peasantry would come forward with their just demands for their subsistence and for their welfare, in the name of maintaining law and order, certain States—I feel really sorry that it has happened even in Tamil Nadu—let loose their police force and allow the police to brutally lathi-charge the workers and peasantry and set fire on their huts. About a year back, at Thanjavur, some Harijan workers, particular, and also other peasants, when they started claiming for some more wages, they let loose the police force and the police resorted to firing and some workers and peasants, numbering 40 to 45, including many women, were shot dead.

Their houses have been burnt and the Government, I am sorry to say, have asked even their goondas to set fire to the houses of workers. Now, the subject matter of the dispute is quite simple. The workers and the trade unions had some genuine differences with the management and the management could have solved this problem by peaceful negotiations. Instead of solving these problems by peaceful negotiations in the conciliatory method, they have resorted or they have rather conveniently used the law and order policy of the State Government in a democratic State and in particular, in Madras State using the law and order, they have allowed the Police even according to the Minister's statement there were three firings and several lathi-charges—to fire and make lathi-charge in which 80 workers reported to have been injured and one worker, by name Mr. Devendor, was killed and others were seriously injured and are in the hospital. This tragic incident could have been avoided by using available machinery of negotiations and also the good offices of the Madras Government as well as the Government of India as also the Managing Director or the Board of Directors to settle the dispute. In view of all these facts, may I know whether the Government of India have received any information that the State Government have started a judicial inquiry into the police firing and No. 2, whether the Minister

[Shri K. Anirudhan]

would furnish me the loss of production suffered on account of the strike and (3) may I know as to what are the main terms of settlement which they have arrived at ?

SHRI JAGANATH RAO : It is unfortunate that this incident should have happened on that fateful day but the House will appreciate that on the 20th March an agreement was entered into between the Management and the representatives of 16,600 employees out of 17,000 and the agreement was honoured and was implemented on 2nd April, 1970. There was no immediate provocation for the employees to go on strike. No notice was given. All attempts and steps that were taken by the management to come to a settlement did not succeed and this unfortunate incident took place. When violence erupted, the police had to use tear gas shells and fire which resulted in the death of a worker. (*Interruptions*) Yesterday night the Chief Minister of Madras spoke to me on the phone and he did not tell me about the judicial inquiry. He said he called the leaders of the Unions and he hoped that the workers would resume duty this morning and it has happened.

The second point the hon. Member wanted to know was about the extent of losses suffered. Every day 12,000 tonnes of lignite, 6.5 million kw of power, Urea—270 tonnes, and Lico—335 tonnes are produced. For four days all the four plants had to be shut down.

Then about the settlement, the latest agreement is :

- (i) Of the strike days, three days will be debited against leave due with wages and one day will be treated as without wages.
- (ii) Penal cut of 8 days wages in terms of the Payment of Wages Act for the illegal strike will not be enforced.
- (iii) (a) No disciplinary action will be taken against the strikers in general.
- (b) Where the criminal cases have been registered against the workers for acts of misconduct, such action will not be revoked.

(c) In respect of those who indulged in acts of misconduct other than those included in (b) above, the Management can take disciplinary action but shall not punish by dismissal or discharge.

SHRI N. SHIVAPPA (Hassan) : The project started with an investment of about Rs. 125 crores. The cumulative loss that has already occurred is about Rs. 21 crores for the country, the ideal employer being Government in public undertakings, endeavouring to give us a good profit in all the concerns and they are giving a salvation to the family planning by this kind of killing and firing. That is a separate thing. But, so far as the NLC is concerned 40% of the power is going to be supplied to the whole of Madras State from this particular project. One day's stoppage of the functioning of the project means that it will not only paralyse the life of many cities and villages where electricity is needed but so many agricultural operations and so many industrial operations will be paralysed. So I want to bring one point to the attention of the hon. Minister, apart from other things. The main intention of the persons who started this kind of sabotage methods for some political motivation is this. It may be of any organisation, but here it seems to be the extreme organisation like the naxalites. There is a place Pandurutti which is 12 miles away from this particular place. There is another place called Chidambaram which is also about 12 miles. These two have become first rate centres of naxalites about which the hon. Chief Minister, Mr. Karunanidhi has written about a month back to the Central Government. He wanted the Centre to take necessary action to put down the high handed activities of the naxalites and to strengthen the hands of the Madras Government. These points have been submitted by a very responsible Chief Minister to a very responsible Defence Minister but which has been put in the dustbin. If not earlier action had been taken this strike would not have taken place. This strike was the offshoot of some demand with regard to compensation etc. The agreement was signed categorically before the Commissioner of Labour and I am thankful to the Chief Minister of Madras who used his good offices to bring the matter to a stop and he

deserves our congratulations when we see the same thing happening in West Bengal and other places. The country has got a great concern in this undertaking. There are various sophisticated machines which are used to pump out water every day. If it is being put to stop for some time I think the whole functioning of the plant and other activities of the industry will be paralysed. It was the intention of the workers and naxalites behind this thing to sabotage the entire thing and they wanted to sink this particular machinery inside the tunnel. If it is going to be sunk the whole project will go to dogs. What steps are the Central Government proposing to take to stop damage to the plant by these elements? Even with regard to the agreement the amount estimated approximately was Rs. 92 lakhs. It was mentioned by the hon. Minister in the Rajya Sabha that it was an autonomous corporation as though it was not the concern of the Central Government, much less the concern of anybody else.

It was an evasive reply given by the hon. Minister. I want to categorically ask the hon. Minister whether the Central Government is going to give a categorical commitment that the entire amount will be paid in lump sum instead of dragging on and further aggravating the problems with regard to these workers and putting a stop to it.

MR. SPEAKER : That is enough.

SHRI N. SHIVAPPA : My last question is this. In all public sector undertakings we have got strikes, lock-outs and gheraos throughout the length and breadth of the country. Are they going to appoint a Committee to explore the reasons why these things are often happening and will the Committee give thought to this matter so as to arrest this situation?

SHRI JAGANATH RAO : As regards the first question raised by the hon. Member as to what steps have been taken by Government to safeguard the machinery etc., I would say that the State Government of Tamil Nadu have been giving us all help as and when required by us.

Regarding the second part of the question, the agreement entered into by the management with the representatives of the

labour on the 20th March, 1970, clause 20 is clear. The manner of payment of the increase has been agreed to and that is not disputed. The manner in which the increase has been laid down in the agreement is adhered to. The workers do not question that. They did not want lump sum payment.

SHRI N. SHIVAPPA : They question that. That is why a strike has taken place.

SHRI JAGANATH RAO : No such notice has been served. Out of 17,000, 16,600 workers are represented in this agreement and the remaining 400 consisted of Assistant Engineers. Though they were present at the conciliation proceedings, there is no signed agreement. But, curiously enough these 400 Assistant Engineers have not joined this strike. This is really a mystery. I have not got the information from the management as to how this strike was started and who was responsible.

SHRI RANGA (Srikakulam) : Was there none for the safety at least?

SHRI JAGANATH RAO : The police are there, the State Government is there. We do not apprehend any danger. Of course, the conditions vary from one public sector undertaking to another. And there cannot be any uniform yard stick for the settlement of disputes. Steps will be taken as and when the situation arises.

SHRI UMANATH (Pudukkottai) : In such a major strike, when all parties were trying to find out a way to the settlement and restore normalcy, it was deplorable to note that the Governor of Tamil Nadu should have attacked the workers one-sidedly as having been responsible for the situation thereby aggravating the situation.

In the statement I find that the hon. Minister mentioned that the reasons for the strike so soon after the wage settlement which was accepted by the workers, were not known to the management. The hon. Minister was saying that this was still a mystery.

I assert that the management knew the reasons for the strike. But, they have actually misled the House by not giving the proper information. I understand that in the earlier agreement the management committed to Rs. 92 lakhs. There was a discontent

[Shri Umanath]

among the workers regarding inadequacy of even the sum of Rs. 92 lakhs. Despite the fact that Rs. 92 lakhs is committed by the management in the agreement, the agreement also involves cutting down the mines allowance which was existing, from the rate of Rs. 13 to Rs. 11. As per this agreement the factory allowance of Rs. 13 is reduced to Rs. 6.

SHRI RANGA : Is there a justification for it ?

SHRI UMANATH : The hon. Minister is trying to mislead the House regarding benefits of the new wages rates. New wage rates as per the settlement as compared to others, is less. The net increase was only Rs. 21. The junior engineers and technicians' Unions have refused to sign this agreement. That the entire workers, also did not approve of the agreement is shown by the fact that almost the entire workers are on strike. The mischief of the management of the Corporation was that after this agreement, they gave certain concessions to the Junior Engineers and Technicians which in effect went beyond Rs. 92 lakhs. It was here that the workers' union justifiably demanded of the management that since they have ignored the limit of 92 lakhs in the case of Junior Engineers, the workers' claims also must be accommodated on the same ground. Should an act of co-operation viz., signing of the earlier settlement be turned against the workers to their disadvantage? This was the whole question. The management which reopened the question of 92 lakhs in favour of junior engineers refused to reopen it in favour of the workers. It is this that has led to the whole discontent, and it is this that has led to a major strike, resort to killing of workers. I want to know from the hon. Minister fact whether what I have mentioned is not a namely that it was this that had led to the discontent and it was this that had brought about this situation. The intensity of the workers' feelings can be found out from the fact that the workers compelled the unions which themselves signed the settlement to call for the strike. After the killing of the workers, now I understand, that there has been settlement.

I would like to know from the hon. Minister whether it is not a fact that now as per the latest settlement no worker

will get less than Rs. 30 as compared to the Rs. 21 which was the result of the earlier settlement. If it is a fact that as per the latest agreement signed yesterday, no worker will get less than Rs. 30, and other things will be further negotiated upon,.....

AN HON. MEMBER : It is not Rs. 30 total increase, but only Rs. 9.

SHRI UMANATH : Yes, now they will be getting Rs. 30.

SHRI RANGA : They could as well have been wise enough to give it in the beginning.

SHRI UMANATH : On April 18, before the strike, there were talks before the labour commissioner, if the management had taken up this position at that time, which they took up yesterday, could not the strike have been averted, and could not the firing have been averted and could not the lathi-charge have been averted? In view of this conduct of the management, since the hon. Minister himself admits that he does not know the details, will he now agree to institute an independent inquiry into the conduct of the management in handling this entire affair so that in future such things need not happen and such huge losses need not take place? I am not dealing with the law and order question, because that question has already been put. But on the question of the conduct of the management, will the hon. Minister now have an independent impartial inquiry into this and fix responsibility on the officers or the board or whoever is responsible for this, and what concrete steps to Government propose to take to see that the management does not repeat such things

SHRI JAGANATH RAO : Till today, I have not got detailed reports from the management. Whatever information we have got is in dribs and drabs on the phone. Unless I get a full report from the management, I shall not be in a position to give answer on the issues raised by my hon. friend.

SHRI UMANATH : When he has got that much information given to the House now, why did the management hide other informations from him?

SHRI JAGANATH RAO : The information that I have got is that on 18th April, 1970, the Labour Commissioner had had some discussions with the workers, and had posted the matter for further discussion on 2nd May, 1970,.....

SHRI UMANATH : Because the management refused.

SHRI JAGANATH RAO : But on 1st May, they went on strike, and, therefore, the negotiations could not be completed. I am not in a position to say whether this Rs. 9 increase was given as a result of those talks or negotiations. The hon. Member mentioned that Rs. 9 increase would be there for every worker, I am not in a position to say that.....

SHRI RANGA : What is he in a position to say now in this House? He has only to say that he has failed completely and consistently.

SHRI JAGANATH RAO : I have been consistent from the very beginning.

SHRI RANGA : Consistently, he has been failing.

SHRI JAGANATH RAO : There is no question of failure. There was agreement on 20th March and that was implemented. There was a further demand from the workers and the Labour Commissioner was going into that, but before conclusions could be arrived at, they went on a strike which resulted in those unfortunate incidents.

AN HON. MEMBER : Why did he kill a man?

SHRI JAGANATH RAO : I have not got any categorical statement from the managing director that they have agreed to the Rs. 30. That is still under negotiation. I can say only to that extent.

SHRI UMANATH : My question is whether in view of these developments which he does not know, he will have an independent high-level inquiry into the conduct of the management?

SHRI JAGANATH RAO : Unless I get a detailed report from the management, how can I say anything? If I find after getting the report that the management had failed, then we can think of proper steps.

SHRI UMANATH : My question was not that. My question was whether Government would be prepared to institute a high-level inquiry into the conduct of the management.

SHRI JAGANATH RAO : Unless I know the facts, how can I commit myself? How can I put the cart before the horse?

श्री हरदयाल देवगुण (पूर्व विलसी) : सरकारी कारखानों में सभी जगह मजदूरों में काफी बेचैनी है, उसका एक नया उदाहरण हमारे सामने आया है। हैवी इंजीनियरिंग में हड्डताल हुई, एक-दो कारखाने बन्द भी हो गए हैं। सरकार बजाय आदर्श मालिक बन कर कारखानों को चलाने के यह आदर्श उपस्थित कर रही है कि मजदूरों पर गोली चला कर, उन पर लाठी चार्ज करके उनसे काम लेना चाहती है।

मंत्री महोदय ने जो वक्तव्य दिया है, वह बहुत अस्पष्ट है और उसमें तथ्यों को जान-बूझ कर लिपाने की कोशिश की गई है। मंत्री महोदय ने कहा है कि मैनेजमेंट को हड्डताल का कारण मालूम नहीं है। क्या यह सच है कि 20 मार्च को मैनेजमेंट और जाएंट कॉसिल के बीच जो समझौता हुआ था, उसके कारण कर्मचारियों में असंतोष और अशांति थी? क्या यह सच है कि वहां पर कुछ लोगों को इस आधार पर सस्पेंड कर दिया गया था कि वे हड्डताल का प्रचार कर रहे थे? अगर ये बातें सच हैं, तो मंत्री महोदय यह कैसे कह सकते हैं कि उनको हड्डताल का कारण मालूम नहीं है? जब कर्मचारियों ने हड्डताल कर दी और पुलिस ने गोली चला कर लोगों को मार दिया और अस्सी आदमियों को जबड़ी कर दिया, तो उसके बाद मैनेजमेंट ने उनके साथ बातचीत शुरू की। मैं यह जानना चाहता हूँ कि उससे पहले बातचीत क्यों नहीं शुरू की गई और उससे पहले समझौता क्यों नहीं किया गया? क्या यह जरूरी था कि कर्मचारियों पर गोली और लाठों चलाने के बाद ही समझौता किया जाए? इससे जाहिर होता है कि मैनेजमेंट ने जान-बूझ कर इस मामले में बंगलिंग की है।

मैं यह भी जानना चाहता हूँ कि वहां पर पुलिस को किस ने बुलाया और किस

served on the management. That was not done.

SHRI UMANATH : Under provocation, suddenly things happened.

SHRI JAGANATH RAO : The management was having discussing, the Labour Commissioner was having discussion. The case was further postponed to the 2nd May. Unfortunately on the first night, they went on strike and the management could not do anything when this happened. Naturally efforts were continued and the management agreed to whatever the State Government, the Chief Minister and the Labour Commissioner had said. Therefore, it is not correct to blame the management and say that it is responsible for this.

SHRI UMANATH : Before knowing the facts why do you say that the management is not to blame ?

SHRI JAGANATH RAO : Even according to your facts the management is not to blame.

It was asked why the food packets should be taken at 2.30 in the morning. There are 17,000 workers, and if they took it in the morning, they might be obstructed. They wanted to go when the workers were not in large numbers. Also, in South India they take coffee and idli early in the morning.

SHRI S. M. KRISHNA (Mandya) : The callousness of the Minister has been amply exhibited by his connecting this tragic incident with South Indians taking idli and coffee in the early morning. I have yet to know a South India who is enamoured of coffee and idli at 2.30 in the morning.

Please read the statement. What a clever exercise in evasion. Are we to swallow the answer from the Minister that no written reports have so far come from the Corporation ? There was a calling attention notice in the Rajya Sabha yesterday, and a calling attention notice had been admitted by you for today, and the Minister has the audacity to report to Parliament that no written report has come from the Managing Director. Can there be anything more shocking than this ? He says that the information that

[श्री हरदाल देवगुन]

ने गोली चलाने के लिए कहा । क्या मैनेजमेंट ने पुलिस को कहा कि जो लोग कारखाने में जाना चाहते हैं, उन की रक्षा के लिए, या हड्डियाल करने वाले कर्मचारियों को वहां से हटाने के लिए गोली चलाई जाये ? मंत्री महोदय ने यह बताया है कि पुलिस की गाड़ी सुबह ढाई बजे खाने का सामान ले जा रही थी और उस को रोका गया था। क्या पुलिस सुबह ढाई बजे अपना खाने का सामान ले जाया करती है ? इस से साबित होता है कि मैनेजमेंट ने मंत्री महोदय को धोखा दिया है और मंत्री महोदय ये गलत तथ्य दे कर इस सदन और देश को धोखा दे रहे हैं । मैनेजमेंट को मालूम था कि कर्मचारियों में अशान्ति है, लेकिं अनरेस्ट है और कर्मचारियों की कुछ मांगें हैं । उन लोगों को दबाने के लिए और कुछ लोगों को कारखाने में भेजने के लिए उस ने पुलिस को बुलाया और उस से गोली चलाई और दफा 144 लगवाई ।

जैसा कि मैं ने अभी कहा है, मैनेजमेंट ने गोली चलाये जाने के बाद कर्मचारियों के साथ समझौता किया । इस बात का स्पष्टीकरण होना चाहिए कि क्या वह समझौता पहले नहीं हो सकता था और उन की मांगें पहले नहीं पूरी की जा सकती थीं । जैसा कि अभी माननीय सदस्यों ने कहा है, चूंकि यह सारा मामला भ्रम में पड़ा हुआ है, इस लिए क्या सरकार इस बारे में पूरी जांच करने के लिए एक एनक्वायरी कमेटी बिठायेगी, ताकि सारे तथ्य सामने आ सकें ?

SHRI JAGANATH RAO : The immediate cause is not, as stated by the hon. member, the suspension of four clerks attached to the Mines Division. They were suspended on 29 April, and immediately the management agreed to reverse the order. Therefore, that could not have been the immediate cause.

Regarding discontent, as Shri Umanath has said, the workers wanted something more than was agreed to under the 20th March agreement. That may be so. Even then notice should have been

he has got is by way of telephonic communication between the Managing Director and the Minister. The Minister needs to be pulled up on this score.

The statement says that after the commencement of the strike owing to violent demonstrations on the part of the workers, firing took place. I would like to know what was the nature of the violent demonstration. If a few stones are thrown against some people who are passing into the factory in a jeep, can that be termed by any stretch of the imagination to be violence? I would like to reinforce and support the plea that has been made by Shri Umanath that there has to be an independent enquiry, whether it be judicial or non-judicial, into the firing against the workers. Secondly, I would like to know if any compensation has been given to the family of the worker who has fallen victim to the brutal firing.

SHRI JAGANATH RAO : About this unfortunate incident, I expressed my regret. I am not happy. I am not gloating over the death of a poor worker.

I said that at 2.30 a.m. when the policemen were going there was obstruction on the road. When they tried to remove the obstruction, some stones were pelted. The police were injured. So, they opened fire. The management has no authority to ask the police to open fire. It is the discretion of the police. The I.G. and D.I.G. were present. They opened fire when they thought it was necessary. The management cannot be blamed. The management can only regret what has happened.

Till today I have not got a written report.

SHRI S. M. KRISHNA : Why?

SHRI JAGANATH RAO : Perhaps it is on the way. I have asked them to send it.

SHRI S. KUNDU (Balasore) : Why do the Maharajas of the management take it so lightly? We are supposed to give money to the public undertakings, and they take it so lightly. People have died.

SHRI S. M. KRISHNA : Are we not within our rights to ask why there is this time-lag?

SHRI S. KUNDU : They should not take this Parliament so lightly. You are the Speaker, you are the custodian of the people's rights.

MR. SPEAKER : Kindly sit down. Do not lose your temper all the time.

SHRI JAGANATH RAO : You will also appreciate that the Managing Director was busy with the strike situation which was explosive. Till yesterday the strike situation was explosive. You should expect that he was busy in dealing with the situation. I have asked him to send a report. We are not hiding anything. It is for the State Government to order any sort of enquiry.

12.48 hrs.

PAPERS LAID ON THE TABLE

ANNUAL REPORT OF THE STATE TRADING CORPORATION OF INDIA LTD.

बैंकेशिक व्यापार मंदालय में उपमंडली (श्री राम सेवक) : में निम्नलिखित पत्र रामा-पटल पर रखता हूँ :—

(1) कम्पनी अधिनियम, 1956 की धारा 619क की उपधारा (1) के अन्तर्गत निम्नलिखित पत्रों का एक-एक प्रति :—

(एक) भारत के राज्य व्यापार निगम लिमिटेड के वर्ष 1968-69 के कार्य की सरकार द्वारा समीक्षा (हिन्दी तथा अंग्रेजी संस्करण)

(दो) भारत के राज्य व्यापार निगम लिमिटेड का वर्ष 1968-69 का वार्षिक प्रतिवेदन तथा लेखा-परीक्षित लेखे और उन पर नियन्त्रक महालेखापरीक्षक की टिप्पणियाँ।

[Placed In Library See No. LT-3416/70]

AUDIT REPORT ON ACCOUNTS OF THE RUBBER BOARD

श्री राम सेवक : रबड बोर्ड के वर्ष 1968-69 के लेखे सम्बन्धी लेखापरीक्षा प्रतिवेदन की एक प्रति सभा पटल पर रखता हूँ।

[Placed in Library See No. LT-3417/70]

ART SILK PRODUCTION AND DISTRIBUTION CONTROL (AMENDMENT) ORDER 1970

श्री राम सेवक : अत्यावश्यक वस्तुएं अधिनियम, 1955 की धारा 3 की उपधारा (6) के अन्तर्गत नकली रेशम (उत्पादन तथा

[**श्री राम सेवक**]

वितरण नियन्त्रण (मंशोधन), आदेश, 1970, जो दिनांक 4 अप्रैल, 1970 के भारत के राजपत्र में अधिसूचना संख्या एस० ओ० 1219 में प्रकाशित हुआ था सभा-पटल पर रखता है।

[Placed in Library. See No. LT-3418/70]

12.49 hrs.

BUSINESS ADVISORY COMMITTEE
FORTY-NINTH REPORT

SHRI PARTHASARATHY (Rajampet): I beg to move :

"That this House do agree with the Forty-ninth Report of the Business Advisory Committee presented to the House on the 5th May, 1970."

MR. SPEAKER : The question is :

"That this House do agree with the Forty-ninth Report of the Business Advisory Committee presented to the House on the 5th May, 1970."

The motion was adopted.

12.50 hrs.

FINANCE BILL, 1970—(contd.)

Clause 3—Contd.

MR. SPEAKER : We shall now take up the Finance Bill and at 4.30 all the clauses will be put to vote according to the allotment of time. All the remaining clauses will be guillotined at that time.

श्री हरदयाल देवगुप्त (पूर्व दिल्ली) : अध्यक्ष महोदय, सरकार ने दिल्ली में देमी गेहूं की कीमत बढ़ा दी है। (व्यवधान) 6 हजार किंवद्वन के हिसाब से गेहूं की कीमत बढ़ा दी गई है, यह गरीब लोगों पर बहुत बड़ा आघात है (व्यवधान)

अध्यक्ष महोदय : आप के पास क्वेश्चन आवर है, उस को भी डिवेट में बदला हुआ है, बड़ी मुश्किल से पांच छः होते हैं। उस के बाद शार्ट नोटिस होता है। फिर कालिंग अटेंशन होता है जो कुछ साल पहले बिल्कुल नहीं होता था। इस के बाद भी आप को तसल्सी नहीं होती है तो फिर तो बड़ी मुश्किल है।

श्री कंवर लाल गुप्त (दिल्ली सदर) : नहीं, अध्यक्ष, महोदय, यह बड़ा महत्वपूर्ण है। आगेर कुछ जमिट्स तो होनी चाहिए। (व्यवधान)

SHRI CHENGALRAYA NAIDU (Chittoor): I am talking about the business of the House. My discussion was postponed during the last session. This session is also coming to an end and I waited for such a long time.

MR. SPEAKER : The representatives of various parties assemble at the Business Advisory Committee and decide upon allotment of time and there should be no discussion of it in the House.

There were 10 or 15 pending motions and they all came up and were considered in the Committee.

These are the amendments to clause 3 which were moved yesterday: Nos. 1, 2 and 3 by Shri K. L. Gupta, 48 by Shri Dandeker, 94 and 95 by Shri Shiva Chandra Jha, 550, 551 and 552 by Shri Beni Shanker Sharma and 570 by Mr. Raghuvir Singh Shastri and 632 by Shri P. D. Himatsingka. There is no lunch hour today. We should remember that.

SHRI N. K. P. SALVE (Betul): What about 693 and 694 ?

SHRI BENI SHANKER SHARMA (Banka): As I was stating yesterday, many witnesses came and deposed before the Select Committee on the Taxation Laws Amendment Bill that much more was needed to be done to achieve its objectives. Here is an example. The Government itself is not satisfied. There are so many amendments in the Finance Bill which are complimentary and supplementary to the provisions in the Taxation Laws Amendment Bill.

This clause trying to define agricultural land in India and seeks define it through capital asset. But clause 2 (14) of the Income-tax Act does the same thing and that is sought to be linked up with this clause here. Capital gains on agricultural land are defined there and it is sought to be amended through this Finance Bill, instead of through the Taxation Laws Amendment

Bill. Clauses dealing with income on agricultural land, capital assets excluding agricultural land, etc. are more akin to each other and those provisions should be contained in the Taxation Laws Amendment Bill and not in the Finance Bill. I shall just refer to what my friend the hon. Law Minister said at the time of replying to the objections raised by my hon. friend Shri Dandeker.

He said:

"It is true that there is a Taxation Amendment Bill now being considered by the Select Committee. Nothing which is being considered there is being included here. Here we have got only provisions with respect to collection of income-tax, wealth tax, gift tax, etc., for the coming year. It is not a permanent amendment to any of the statutes in our country. It is an amendment made for this year."

He further said:

"The clauses will have to be read one by one and the question has to be considered whether it is intended to collect tax for this year or intended to change the statutes in existence in the country. If there is any provision which then can be demonstrated to be not in the interests of tax collection but intention for amending permanently the statute law of the country, it can be considered then, not now."

If you bestow a little attention on this clause, you will find that according to what the Law Minister said, it should be incorporated in the Taxation Amendment Bill and not in the Finance Bill. This clause whereby the definition of agricultural land has been extended should be taken out from the Finance Bill.

Coming to the merits. By this provision, some artificial meaning is sought to be given to "agricultural land". It refers to land which is situated in a municipal town or in its vicinity within 8 km from the municipal town; notified area or cantonment, etc. So far as land situated in municipal towns and corporations are concerned, perhaps it can have some value of its own because that may be required for building purposes. But what about notified area committees? I come from a place where there is a notified area committee. It is a very small town

with a total population not exceeding 5000 to 6000. But to bring it within the purview of notified area committee, some villages two to three miles away have been included to connect it a notified area. There are vast stretches of land in between the town and the included villages which are all agricultural lands but which are within the notified area committee. What happens to these lands? If those lands are sold, they will attract capital gains.

MR. SPEAKER: There are 732 amendments and the time is only 3 hours. At 4.30 the guillotine is to be applied.

SHRI BENI SHANKER SHARMA: Sir, I will take a minute or two more. It affects our agriculturists. I submit that the population limit in this clause should be kept at one lakh instead of 10,000, so that villages within notified area committees are not brought within the mischief of this clause.

Then, so far as distance is concerned, it should be 2 km and not 8 km from the municipal limits. Again I would urge that such amendments should not be made through the Finance Bill, because the object of the Finance Bill is simply to give effect to the financial proposals of the Central Government for a financial year and to provide for certain connected matters. This is not a matter connected with the financial proposals and therefore, it should be taken out of the Finance Bill and incorporated in the Taxation Amendment Bill.

SHRI HIMATSINGKA (Godda): So far as this amendment is concerned, I feel that it is unconstitutional. List 1 of the Seventh Schedule says that all taxes, other than agricultural income-tax, will be within the purview of the Central Government. List 2 of the same Schedule provides that agricultural income-tax will be dealt with by the States. This certainly comes within the definition of agricultural income tax and, therefore, I do not know how the centre can deal with this and make agricultural income liable to wealth tax and income-tax. If we include this, I feel this would be unconstitutional. Simply because we try to include it by calling it urban property in the definition, that will not really change the character of the land. Agricultural land will continue to be agricultural land and income from that can be taxed only by the

[**Shri Himatsingka**]

State; it cannot be taxed by the Centre. I feel this will be struck down by the courts. Therefore, this should be withdrawn and should not be pressed by government.

As regards amendment No. 632, Shri Dandekar has dealt with it and he has shown that no change should be made so far as advance tax is concerned. The rate is already high and it should not be increased.

श्री कमलनाथ बजाज (वर्धा): अध्यक्ष महोदय, कृषि पर टैक्स लगाने की बात पर कानून के अलावा जो दूसरा सिद्धान्त आता है, वह यह है कि हमें अपने देहातों में रहने वाले लोगों का भला सोचना चाहिए। अगर शहरों से लोग देहातों की तरफ जाते हैं, वहां पर लेख्य का जाएंगे, व्यापारी जाएंगे या कोई भी जाएं, यदि वे वहां अपनी शहरी आदत के मुताबिक मकान आदि बना लेते हैं, तो हमें उस को एक्रेज करना चाहिए। जिससे कि देहातों का विवास ज्यादा हो सके। वे लोग वहां जा कर गांव के लोगों को नई नई बातें सिखा सकें, पढ़ा सकें और देहातों के आर्थिक और सामाजिक तरीकों का उत्थान हो सके। शहरों के टैक्सेट्स को देहातों की तरफ आवधित करने के लिए हमें उन को कुछ न कुछ सुधीता देना चाहिए, बजाए इसके कि हम इस में कोई रुकावट ढालें।

आप ने जो 8 किलोमीटर रखा है, वास्तव में यह 16 किलोमीटर हो जाता है, क्योंकि यदि कोई दो मुनिस्पैलिटी या कैन्टूनमेन्ट 16 किलोमीटर के एरिए में हैं और आबादी 10 हजार के ऊपर हो जाती है तो वहां से 16 किलोमीटर के बीच यदि कोई छोटा देहात भी होगा, तो वह भी इस के अन्दर आ जाता है। जब महात्मा जी ने साबरमती आश्रम छोड़ा और वर्धा गए तो वर्धा की पौयुलेशन 40-50 हजार के बीच में थी, मुझे पूरी तरह से याद नहीं है, लेकिन उस को ग्लोरिफिकाइट-विलेज महात्मा जी ने कहा था। तब से आज तक छोटे छोटे देहात भी वहां बढ़ते जा रहे हैं, यदि हम 10 हजार की आबादी को करेंगे तो इस से जो टेलेंट देहातों में जाना चाहिए,

वह रुक जाएगी और इस से देहातों के विकास को नुकसान होगा।

महाभारत में भी कृषि को बड़ा महत्वपूर्ण स्थान दिया गया है। खुद कृष्ण भगवान खेती किया करते थे, वरधार से कृषि और कृषि से कृष्ण और कृष्ण से विसान शब्द बने हैं। बलराम जी किसान थे, हल चलाते थे और उन का सिंबल भी हल था। रामायण में उत्सेख है—जनक जी भी हल चलाते थे। राम चन्द्र जी ने भी हल चलाने वा प्रयास विया है। अहित्योद्धार क्या था? ऐसी भूमि पर पर हल नहीं चला था, उसे अहित्या कहा है, वहां हल चला कर उस का उद्धार किया गया। भूमि को माता, स्त्री, माना गया है, उजड़ भूमि को पातक माना गया है, भगवान राम ने उस पर हल चला कर उस का उद्धार विया वह भूमि खिल उठी। अहित्योद्धार की यह उद्देश्य है। इस लिए मेरा आप से अनुरोध है कि इस के महत्व को समझ कर खेती के ऊपर किसान के ऊपर विसी भी तरह की अड्डचन न लगाएं, जिससे उन का आर्थिक और सामाजिक विवर सुरक्षित हो।

मैं मानता हूँ कि हमारी प्रधान मंत्री, और वित्त मंत्री जी की मन्त्रा यह नहीं है कि वहां के विकास में रुबैवट पैदा हो 5.1. ६.२. ८.२ बड़े शहरों के लोग देहातों में जा कर बसने को तैयार हैं और वड़े शहरों में रहने के बारण यदि उसी तरह के मकान वहां बना लेते हैं तो उन को प्रोत्साहन दीजिए। यदि वे उन मकानों को बापस बेचे तो वहां उन मकानों के दाम नहीं मिल सकते हैं, जो शहरों में मिलते हैं, तो फिर उन पर रुकावट बयां ढाली जा रही है। अगर कोई 5 लाख का मकान शहरों में बनाने के बजाए, देहात में जा कर बनाता है, तो बनाने दीजिए, इससे देहातों की रोनक बढ़ेगी, वहां का विकास होगा। आप को प्रयत्न करना चाहिए कि शहरी टेलेंट वहां जाए, रिटायर्ड आफिशियल्ज वहां जाए, दूसरे लोग वहां जा कर बसें। इस लिए आप इस संशोधन को विद्वान कर सें तो अच्छा है।

SHRI K. SURYANARAYANA
(Eluru): Mr. Speaker, Sir, several Chief Ministers of the States have advised the Prime Minister not to go in a hasty manner in levying agricultural tax on the rural agricultural sector. They proposed it in the National Development Council meeting. Now, how the Finance Department has advised the Prime Minister to levy tax on this sector? I am sure if the Finance Department had consulted the Agriculture Department they would not have advised to tax the agricultural rural sector in this manner.

There is no stability of land prices. They fluctuate. Some years back—three to four years back—the prices of land in Hyderabad had gone up tremendously but on account of the recent trouble the prices again have come down. Further, this measure will only affect the small farmers and not the big farmers. So, I request the Prime Minister to re-consider the request of the Chief Minister and drop this measure for the time being. The Chief Ministers and the Agriculture Department should be consulted as to how to fill up this gap.

MR. SPEAKER: I would request the Members to be very brief. The Members may make their suggestions in a minute or so otherwise the important clauses will be missed because we will have no alternative but to vote.

श्री शिव चन्द्र शा (मधुबनी): अध्यक्ष महोदय, नियम के मुताबिक जिन सदस्यों ने संशोधन दिए हैं उनका फर्ज हो जाता है कि वह अपने संशोधन पर बोलें। उनके अलावा आप भी अगर समझते हैं कि कुछ सदस्य और बोलें तो आप एक-दो को इजाजत दें। लेकिन जब आपने गिलोटीन रखा है, हालांकि हम उसके हिमायती नहीं हैं, तो जिन सदस्यों के संशोधन हैं उन्हीं को आप महदूद रखें और थड़े रीढ़िंग में आप दूसरों को मीका दे सकते हैं।

अध्यक्ष महोदय: मुझे डर लगता है कि अगर मैं रूलिंग दे दूँ तो कहीं कल आप ही यह न कहें कि आप दूसरों को मीका क्यों नहीं देते हैं। वैसे मैं आपकी बात को मानता हूँ।

SHRI K. NARAYANA RAO (Bobbili): I am not prepared to concede to the point raised by my hon. friend that only those Members have the right to speak on the clauses who have given notice of amendments. The other Members also have the right to participate in the discussion on the clauses.

Coming to this particular clause, certain constitutional objections have been raised. I feel so far as constitutional objections are concerned, there may not much force. But my objections are of a different type. As regards this particular amendment, it wants to widen the definition of the word "capital asset". The relevance of the capital asset is that it has been linked with what is called the capital gains. That is one of the items chargeable under the Income-tax Act. Therefore, it is not strictly a tax on agricultural property.

This capital gains tax arises where a particular property or a capital asset has been transferred. According to this amendment, the scope of it is widened and it includes even a small panchayat area provided it has a population of more than 10,000. Even a small panchayat area consisting of more than 10,000 people has been attracted by this particular amendment. Therefore, any transaction, even agricultural land if it is transferred, has been attracted by this amendment. Not only that. It has a second limb also and that is the Government by a notification can also include an area extending upto 8 km. Therefore, almost all rural areas have been covered. It is not strictly an agricultural income nor it is a tax on the capital value of the particular land. It is what is called the capital gains. It is strictly a tax on the transaction or the sale process.

As a matter of fact, this includes a very wide area covering a number of assessee in this country. Most of them, I feel, are ignorant people. They do not know what the returns are. Even from ethical point of view, in this particular transaction, so far as land is concerned, there is already a tax, what is called a registration tax. It already attracts a particular amount of tax. Such being the case, to include this also is not proper. The object may be good. Of course, there may be such cases where an agricultural land may be converted into a

[Shri K. Narayana Rao]

housing site and the people may get a lot of profit out of that transaction. If you isolate such cases and treat them in an isolated context, it is all right. But if you want to apply it to all cases where small agriculturists are involved, it is far disproportionate a remedy which you want to seek.

Another factor is that there is the definition of capital gains arising out of the transfer of capital asset, etc. Supposing an ordinary peasant within this area, sells a particular land, will you take the entire proceeds to be the capital asset? You will take only the gains? Therefore, the question will arise how this particular land comes into the possession of a particular person. Supposing 100 years ago a particular land came in possession of some person. Now, due to certain reasons, the value of the land might have risen. Will you deduct it?

Another point is that most of the people who sell agricultural lands, sell them under economic compulsions and out of necessity they sell land. Therefore, if you tax such persons who are already needy and who have to sell their properties for the sake of their immediate necessities, is it moral? It is like Shylock wanting his pound of flesh. Therefore, I plead with the Prime Minister to at least think and reflect on the consequences. You may restrict the scope but I feel such a wide coverage is going to create great hardship.

SHRI N. K. P. SALVE (Betul): I entirely agree with the inferences drawn by my hon. friend though I cannot agree with his reasons.

If you can levy the wealth tax on agricultural property, the capital gain is within the purview of and the competence of this House. There is one point to which I wish to draw the attention of the Prime Minister.

A distinction for the purpose of capital gain has been drawn on the basis of where the property is situate. If it is within the town or within 8 kilometres of the town, then it will come in for capital gains tax. Recently it has been found that people have developed an interest in Botany. It is very easy to understand. They are growing bananas. They are growing cauliflower,

potatoes etc. If you analyse why this interest in Botany, then you will find it is ultimately to avoid tax. If this is to be checked, it is not on the basis of where the property is to be situated. It is to be on the basis whether or not the honest agriculturist is selling the property or whether it is such a new burden on those who has found a new interest in Botany. Therefore, I would request the Prime Minister to consider that the definition of capital gains tax on agricultural property be modified. If it is in respect of real agriculturist it should be exempt. If it is in respect of newly-found agriculturist who is finding interest in Botany only for the purposes of income tax, then without any exemption it should be brought to tax.

SHRI N. K. SOMANI (Nagur): Sir, we are opposing this particular proposal on more than one ground. The first one is that it should legitimately belong to the States' sphere, a ground which has been made amply clear by a number of States as far as this levy is concerned. But, considering it from some other points of view, the capital gains tax is levied as a discouragement as a proposal of taxation, provided it checks bad and undesirable activities. Now, if somebody has made it a profession to purchase land and sell it for profit within a short time and frequently, then one can understand that Government should come with a proposal like this. Unfortunately what we are seeing is that for the sake of a very few people who indulge in these practices, the Government seek to take sweeping powers for the rest 99%. After all who is going to sell land? Land has become a precious commodity to-day. A person may want to change his occupation and sell his land and enter business or other occupation and I see no reason why there should be a penalty imposed on him.

Therefore, I would like to press that this particular provision which probably wants to arrest this tendency in particularly a very few hands should not be introduced either by an amendment of the definition or by any other means.

श्री तुलसीदास जाधव (बारामती) : अध्यक्ष महोदय, इस फाइनेंस बिल के तीसरे चैप्टर में क्लाउ 3 में यह दिया गया है कि

एग्रीकलचरल लैंड जोकि किसी ऐरिया में जोकि म्युनिसिपैलिटी के हृदय के अन्दर स्थित हो और जिस ऐरिया की आबादी दस हजार से कम न हो और वह ऐरिया लोकल लिमिट्स से 8 किलोमीटर से अधिक न हो ऐसा एग्री-कलचरल लैंड यदि बेचा जाएगा तो उस के ऊपर कैपिटल गेन का टैक्स लगेगा । अगर उस लैंड को कोई इंडस्ट्री सैट अप करने के लिए लेता है तो मैं टैक्स उस पर लगाना समझ भी सकता हूँ लेकिन जब एक काश्तकार दूसरे काश्तकार को ऐसे एग्रीकलचरल लैंड को बेचता है और क्योंकि यह 8 किलोमीटर के अन्दर सब काश्तकार रहते हैं इसलिए उस के ऊपर यह कैपिटल गेन टैक्स रखना कोई मुनासिब बात नहीं है । अगर काश्तकारों को चार पैसे मिलें और उस की जमीन की कीमत थोड़ी ज्यादा हो तो उसे ग्रज नहीं करना चाहिए और यह कैपिटल गेन टैक्स उन पर रखना मुनासिब न होगा । इसलिए मेरी विनती प्राइम मिनिस्टर साहब से है कि वह इसे रिक्सिडर करें वरना यह गरीब काश्तकारों पर बड़ा जुलूम होगा ।

THE PRIME MINISTER, MINISTER OF FINANCE, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI): Agricultural Income, as defined in the Income-tax Act, does not include Capital Gains arising from the transfer of agricultural land as hon. Members have stated. Further, Parliament is competent to amend the definition of agricultural income in the Income-tax Act. This position has been confirmed by the Attorney-General. Hence the extension of taxation to capital gains arising from the transfer of agricultural land is within the competence of Parliament. On Shri Kanwar Lal Gupta's amendment, I would like to say straightway that the small farmer is not really touched, but as the hon. Member said, only a very few come in this category and the intention is that areas outside the limits of municipality or cantonment would be notified only in the case of urbanisation and it justifies the inclusion of agricultural land in such areas within the scope of capital asset. It is not the intention to notify areas upto the limit of 8 K.Ms.

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in the case of all municipalities and cantonments. Even where the population of the municipality or cantonment is below 2 1/2 lakhs, the pace of urbanisation may justify the inclusion of agricultural land outside the limits of the municipality or cantonment board within the term capital asset. Moreover in the case of major cities such as Bombay, Calcutta and Madras, areas outside the municipal limits may have already reached a stage of urbanisation which would justify their being included within the scope of this definition upto a distance of 8.K.M. The limitation of such distances at 3 K.M. will therefore not be justifiable in such cases.

So, these amendments are not acceptable.

Then, there was a question of transfer of capital assets by compulsory acquisition for a public purpose. This is not in any way a disadvantage to the owner of the assets. Rather it brings him a larger consideration than in the case of a sale of the assets to any other person. The same position holds good in respect of agricultural lands. There is no justification for giving any concessions in this regard.

SHRI KANWARLAL GUPTA: But, you are acquiring that compulsorily. How does the capital gains tax come in ?

SHRIMATI INDIRA GANDHI : Then he gets the compensation.

श्री कंवरलाल गुप्त : कम्पेसेशन मिलता है वह तो ठीक है लेकिन सबाल तो यह है कि जो जमींदार या किसान खुद अपनी जमीन न बेचना चाहें और सरकार उन से किसी इंडस्ट्री के लिए या किसी काम के लिए यदि उन की जमीन लेती है तो इस तरह से पहले तो उन की जमीन लेना ही गलत है दूसरे अगर सरकार लेती भी है तो फिर यह कैपिटल गेन टैक्स उन पर क्यों लगाना चाहिए यह कुछ मेरी समझ में नहीं आ रहा है । उन्हें तो इस से ऐग्रजम्प हो जाना चाहिए ।

SHRIMATI INDIRA GANDHI: Is there any justification for making a distinction between agricultural land and other capital assets such as house property, non-agricultural land etc.? Due to the progress

[Shrimati Indira Gandhi] of urbanisation and industrialisation, the land in urban areas has appreciated in value in recent year, and its exclusion from the purview of the taxation of capital gains gives room for speculative dealings in such lands. There may be an increase in price of land. The land which is not being used for agricultural purposes may be claimed as agricultural lands and the capital gains may be claimed to be exempt. So, this Bill seeks to close this loophole.

Therefore, this amendment of Shri Dandekar is not acceptable.

Shri Shiv Chandra Jha's amendment Nos. 94 and 95 are with regard to population. As regards the population—whether it should be 7,000 or 10,000/- it is a matter of judgment. The hon. Member there as also other hon. Members are seeking to increase it. If these amendments are to be accepted, then the genuine farmers engaged in agricultural operations may also come within the scope of taxation on the capital gains arising from transfer. Therefore, the amendments are not acceptable.

If Shri Himatsingka's amendment is to be accepted, especially of trusts—there is another provision in the Bill—then these will be subjected to tax on their income at 65%, and they would not be obliged to pay the advance tax at that rate and such taxes may have to be collected only on assessments in the subsequent year. So, this amendment is not acceptable either.

श्री कंवर साल गुप्त : मैंने अपना अमेंडमेन्ट दिया है और मैंने उस पर अपने विचार रखके हैं। मुझे दुःख है कि प्रधान मन्त्री जी जितना उन्हें लिख कर दे दिया गया है उतना तो वह बतला देती है लेकिन उस के आगे वह नहीं बतलाती है। जब तक वह हमें संतुष्ट करने का प्रयत्न नहीं करेगी और हमारे प्लांटेस का मालूल जबाब नहीं देगी तब तक इस बहस से कोई बदलब हल न होगा। यहां जब उन से क्वैरी की जाती है और चूंकि वह उनके नोट्स में डील नहीं की गई है इसलिए महज लिखे हुए को पढ़ भर देने से आगे वह बतलाने को तैयार नहीं हो पाती है। ऐसी हालत में यह कैसे होगा;

MR. SPEAKER: Order, order. The Ministers have always to refer to their notes. Even you cannot speak without referring to the notes.

श्री शिवचन्द्र भा : आखिर यह 8 किलो-मीटर किस तराजू पर तोला गया है?

श्रीमती इन्दिरा गांधी : कम्पेसेशन तो मिलेगा।

SHRI MORARJI DESAI (Surat): May I ask a question? The capital gains tax is to be paid at the rate of income-tax which a person is paying. All the genuine agriculturists will not be paying any income tax. So, how are they going to pay the capital gains tax? (Interruption).

SHRI KANWARLAL GUPTA: Let the Prime Minister reply. Why are you speaking? (Interruption).

SHRI N. K. SOMANI: The question has been posed to the hon. Prime Minister and not to you.

MR. SPEAKER: I request all of you to sit down. Why don't you allow the Prime Minister to speak?

SHRIMATI INDIRA GANDHI: I think I mentioned this when I started my speech just now.

As regards capital gains tax, the first Rs. 5000 is exempt, and 55 per cent of the balance is taxed at rates applicable to ordinary income. As I said in my opening remarks, we are changing this definition of capital asset.

SHRI BENI SHANKER SHARMA: On a point of submission.....

MR. SPEAKER: I am not going to allow it.

SHRI BENI SHANKER SHARMA: The Prime Minister had replied.....

MR. SPEAKER: I am not allowing him.

As regards Shri Kanwar Lal Gupta's amendments, I would like to know which of them he is pressing.

SHRI BENI SHANKER SHARMA: Shri Himatsingka had not moved his amendment, but the hon. Prime Minister has replied to it.

SHRI KANWAR LAL GUPTA : I want division on amendment No. 3.

MR. SPEAKER : I shall now put amendment Nos. 1 and 2 to the vote of the House.

Amendments Nos. 1 & 2 were put and negatived.

SHRI KANWARLAL GUPTA: I want division on amendment No. 3.

SHRI LOBO PRABHU (Udipi): Why is he pressing for division? We shall be wasting time on this. There are other amendments still to come in.

MR. SPEAKER : Does he want a division now?

SHRI KANWAR LAL GUPTA : Yes.

MR. SPEAKER : The other day, we had agreed that if we sat during the lunch hour also, then normally we would not go in for division during that time. So, I would request the hon. Member to leave it as it is.

SHRI KANWAR LAL GUPTA: I have not followed what you have said.

MR. SPEAKER : We had agreed in this House the other day that we would not go in for any division during the lunch hour.

श्री कंवरलाल गुप्ता : यह हमारा अधिकार है, इसलिए ऐसा तो आप मत कीजिए। यह बड़ा इम्पार्टेंट अमेंडमेंट है। ये चाहता हूँ कि यह रेकार्ड हो कि हाउस में कौन किस्त बोट करता है।

अध्यक्ष महोदय : हाउस तो यह फैसला कर चुका है कि लंच टाइम में डिवीजन नहीं होगा।

श्री कंवर लाल गुप्ता : यह डिस्क्रीशन हाउस को नहीं है। आप इल देखिए। अगर एक मेम्बर भी कहे कि डिवीजन हो तो न आप को डिस्क्रीशन है बीर न हाउस को।

MR. SPEAKER : He did not listen to what I was saying. I am very sorry that hon. Members are so impatient. We had agreed the other day that if we took up any business during the lunch hour, we would not call for any division during that time. If the House agrees to relax it, I can put it to vote now and call for a division.

SHRI MORARJI DESAI : May I suggest that it will not be right to refuse a division, but what can be done is that the division can be postponed to three o'clock? You cannot refuse a division because it is lunch hour now.

MR. SPEAKER : Then, of course, there is no other alternative except to...

THE MINISTER OF PARLIAMENTARY AFFAIRS AND SHIPPING AND TRANSPORT (SHRI RAGHU RAM-AIAH): Let us have the division just now.

SHRIMATI INDIRA GANDHI: It is up to you, Sir. We leave it to your discretion.

MR. SPEAKER : I think it will completely stop our work. We have no other alternative.

SHRI KANWARLAL GUPTA : If you are keen not to have a division, I do not mind, but it is my right.

MR. SPEAKER : I am going to put it to vote. There is no other alternative now, if the Member is pressing for it....

SHRI N. K. SOMANI : He is not pressing.

SHRI KANWAR LAL GUPTA : I am not pressing.

MR. SPEAKER : Then, I thank him very much.

I shall now put amendment No. 3 to the vote of the House.

The Amendment No. 3 was put and negatived.

MR. SPEAKER : I shall now put amendment No. 48 moved by Shri N. Dandekar to the vote of the House.

The Amendment No. 48 was put and negatived.

MR. SPEAKER : I shall now put amendments Nos 94 and 95 to vote.

The Amendments Nos. 94 and 95 were put and negatived.

MR. SPEAKER : I shall now put amendments Nos. 550, 551 and 552 to vote.

Amendments Nos. 550, 551 and 552. were put and negatived.

MR. SPEAKER : I shall now put amendments Nos. 570 and 632 to vote.

Amendments Nos. 570 and 632 were put and negatived.

MR. SPEAKER: The question is: "That clause 3 stand part of the Bill".

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4—(Amendment of Section 10)

SHRI SHIV CHANDRA JHA (Madhubani): I beg to move*:

Page 5, line 12,—*after "illness" insert—"accident injuries"* (96)

SHRI BENI SHANKER SHARMA: I beg to move: *

Page 5, line 8,—*add at the end—"or of any co-operative society formed for the purpose of constructing and renting houses in cities and towns to ease the housing problem in the country"* (553)

भी शिवचन्द्र जा : अप्पक महोदय, मेरा बहुत छोटा सा संघोधन है। जिस जगह द्रव्यस चरीर के बारे में इन्कम टैक्स से एजेमेन्ट की बात आती है वहाँ पर हास्पिटल जैसे इन्स्टीट्यूशन्स के एजेमेन्ट की बात भी आती है। इसमें हास्पिटल जोड़ दिया गया है वह बहुत अच्छी बात है। मैं इस जीज का स्वागत करता हूँ। बलाज 4 में जो परिभाषा आयी है उस में इस प्रकार दिया गुजा है कि:

"Any income of a hospital or other institution for the reception of persons suffering from illness or mental defectiveness..." 13 '38 Hrs.

(MR. DEPUTY-SPEAKER in the Chair).

मैं चाहूंगा कि इस में "इलेनेस" के बाद "ऐक्सिडेंट इंजरीज" जोड़ दिया जाए। हास्पिटल तो आदमी जब बीमार होगा तभी जाएगा। लेकिन ऐक्सिडेंट होने के बाद भी तो आदमी इलाज के लिए जा सकता है। इसलिए मैं चाहूंगा कि इस प्रकार से कर दिया जाए कि:

"....illness, accident, injuries or mental defectiveness or for the reception and treatment of persons during canvalescence...." जो मेडिकल इन्स्टीट्यूशन्स है वह एजेमेंट रहेंगे, इसलिए इस क्लाज को मेरे अमेंडमेंट के अनुरूप कर दिया जाए।

SHRI BENI SHANKER SHARMA: Under sec. 10 of the Income-tax Act, certain income is excluded from being taken into account in the total income of an assessee. This clause seeks to give exemption to any authority constituted in India by land for the purpose of dealing with and satisfying the need for housing accommodation or for the purpose of planning, development or improvement of cities, towns and villages, or for both. This is a very laudable object. We are short of houses in the country. Income of such an authority constituted by Government is to be excluded. I simply want to add to this category the income of any co-operative society formed for the purpose of constructing and renting houses in cities and towns to ease the housing problem in the country. I think this is a salutary suggestion. It is not in the interest of any individual or company or any other assessee. I want this benefit extended to co-operative societies. This will give impetus to the construction of houses in the country which is the need of the hour. I hope the Prime Minister will accept this suggestion which is very reasonable.

SHRIMATI INDIRA GANDHI: With regard to Shri Jha's amendment, the Bill does cover institutions for the reception and treatment of persons requiring medical attention or rehabilitation. Hence the amendment is not necessary.

*Moved with the recommendation of the President.

श्री शिवचन्द्र झा : हस्ताल में हालनेस होगी तभी कोई जाएगा। इस में आप एस्टी-डेट इंजरी भी कर दें।

श्री नरेन्द्र कुमार सात्ये : लाऊर में छोटा इनकल्पूडिंग है।

SHRIMATI IINDIRA GANDHI : It is included in this.

As for Shri Beni Shanker Sharma's amendment, Housing Boards are being exempted from tax on their income mainly on the consideration that they constitute an extension of the activities of the State Government, and the profits which they make do not accrue to the benefit of any private individual. Hence, there is no justification for exempting the co-operative societies merely on the ground that they construct houses and thereby will ease the housing problem in the country, as more than individuals, partnership firms or companies engaged in similar activities. However, I would like to remind the hon. Member that low cost residential units are now exempted from tax up to Rs. 600 per unit per year for three years, but there is a proposal under the consideration of the Select Committee to raise this limit to Rs. 1200 per year for five years.

MR. DEPUTY-SPEAKER : I put amendment Nos. 96 and 553 to the House.

Amendment Nos. 96 and 553 were put and negatived.

MR. DEPUTY-SPEAKER : The question is:

"That Clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

Clause 5—(Amendment of section 11)

SHRI KANWAR LAL GUPTA : I beg to move* :

Pages 5 and 6,—*omit* lines 18 to 40 and 1 to 11, respectively. (4)

Page 6,—*omit* lines 12 to 41 (5)

SHRI N. DANDEKER (Jammnagar) : I beg to move.*

Page 5, line 40,—

for "three months" substitute "six months" (49)

SHRI SHIVA CHANDRA JHA : I beg to move*:

Page 6, line 28,—

for "ten" substitute "five" (97)

SHRI LOBO PRABHU : I beg to move*:

Page 6, line 33,—

add at the end—

"or in any investment specified in Section 14 of the Finance Act, 1970" (313)

SHRI S. S. KOTHARI (Mandsaur) : I beg to move*:

Pages 5 and 6,—

for lines 19 to 40 and 1 to 11 respectively substitute—

"(i) in clause (a), for the words "twenty-five per cent.", the words "fifteen per cent." shall be substituted with effect from 1st day of April, 1971;

"(ii) in clause (b), for the words "twenty-five per cent.", the words "fifteen per cent" shall be substituted with effect from 1st day of April, 1971;

"(iii) in the Explanation for the words "twenty-five per cent" the words "fifteen per cent" shall be substituted with effect from 1st day of April, 1971; (351)

Page 5,—

after line 30, insert—

"(iii) after clause (b), the following proviso shall be inserted with effect from 1st day of April, 1971, namely :—

Provided that the restrictions specified in clause (a) or clause (b) of this sub-section as respects accumulation or setting apart shall not apply to income classified under the head "capital gains;" (352)

*Moved with the recommendation of the President.

SHRI N. K. SANGHI (Jodhpur) : I beg to move* :

Page 6, line 28,—

after "years" insert—

"from the end of that previous year." (411)

SHRI BENI SHANKER SHARMA : I beg to move* :

Pages 5 and 6, for lines 18 to 40 and 1 to 11, respectively, substitute—

"(a) in sub-section (1), after clause (b), the following proviso shall be added, namely :—

'Provided that the money so accumulated or set apart is invested within a period of six months immediately following the previous year in any Government security or loans or by way of fixed deposit in any nationalised banks in the manner as may be prescribed'." (554)

Page 6, lines 26 to 28,—

omit "and the period for which the income is to be accumulated or set apart, which shall in no case exceed ten years." (610)

Page 6,—

for lines 34 to 38, substitute—

'(c) for sub-section (3), the following sub-section shall be substituted namely:—

"(3) Any income referred to in sub-section (1) or sub-section (2) as is applied to purposes other than charitable or religious purposes as aforesaid or ceases to be accumulated or set apart for application thereto or is not utilised for the purpose for which it is so accumulated shall be deemed to be the income of such person of the previous year in which it is so applied or ceases to be so accumulated or so set apart." (611)

SHRI HIMATSINGKA : I beg to move* :

Page 5, line 24,—

for "1971" substitute "1973" (633)

Page 5, line 30,—

for "1971" substitute "1973" (634)

Page 6, lines 3 to 6,—

omit "[such option to be exercised in writing before the expiry of the time allowed under sub-section (1) or sub-section (2) of section 139, whether fixed originally or on extension, for furnishing the return of income]." (636)

Page 6, line 31,—

after "1944," insert—

"or in deposits in Banks or in Debentures" (637)

SHRIMATI INDIRA GANDHI : I beg to move* :

Page 6,—

for lines 29 to 33, substitute—

'(b) the money so accumulated or set apart is—

18 of 1944 (i) invested in any Government security as defined in clause (2) of section 2 of the Public Debt Act, 1944 or in any other security which may be approved by the Central Government in this behalf, or

10 of 1949 (ii) deposited in any account with the Post Office Savings Banks [including deposits made under the Post Office (Time Deposits) Rules, 1970] or a banking company to which the Banking Regulation Act, 1949 applies (including any bank or banking institution referred to in section 51 of that Act) or a cooperative

*Moved with the recommendation of the President.

[Shrimati Indira Gandhi]

society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank), or
(iii) deposited in an account with a financial corporation which is engaged in providing long-term finance for industrial development in India and which is approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36."; (645)

Page 6, for lines 34 to 38, substitute—

“(c) for sub-section (3), the following sub-section shall be substituted with effect from the 1st day of April, 1971, namely:—

“(3) Any income referred to in sub-section (2) which—

(a) is applied to purposes other than charitable or religious purposes as aforesaid or ceases to be accumulated or set apart for application thereto, or

(b) ceases to remain invested in any security referred to in sub-clause (i) or deposited in any account referred to in sub-clause (ii) or sub-clause (iii) of clause (b) of that sub-section, or

(c) is not utilised for the purpose for which it is so accumulated or set apart during the period referred to in clause (a) of that sub-section or in the year immediately following the expiry thereof,

shall be deemed to be the income of such person of the previous year in which it is so applied or ceases to be so accumulated or set apart or ceases to remain so invested or deposited or, as the case may be, of the previous year immediately following the expiry of the period aforesaid.”) (646)

SHRI D. N. PATODIA (Jalore): I beg to move* :

Page 5 and 6,—

for lines 18 to 40 and 1 to 11, respectively, substitute—

“(a) in sub-section (1), after clause (b) the following proviso shall be inserted, namely:—

“Provided that the money so accumulated or set apart is invested during the period of six months immediately following the previous year in any Government security as defined in clause (2) of section 2 of the Public Debt Act, 1944 or in any other security or investment which may be approved by the Central Government in this behalf.” (669)

SHRI N. K. P. SALVE : I beg to move* :
Page 5, line 31,—

for “Explanation” substitute “Explanations” (695)

Page 5, line 34,—

for “Explanation” substitute “Explanation 1” (696)

Page 6, line 1,—

after “year” insert—

“or such period as the Income-tax Officer, in his discretion may extend” (697)

Page 6,—

after line 11, insert—

“Explanation 2.—For the purpose of clause (a) and (b) income from any such property as is referred to in the said clauses for any previous year shall be deemed to have been applied to charitable or religious purposes if such income is utilised for discharge of a debt or any other liability attached to any property held under trust.” (698)

*Moved with the recommendation of the President.

Page 6.—

after line 11, insert—

'(aa) after sub-section (1) the following sub-section shall be inserted, namely,—

"(1A) Notwithstanding anything contained in sub-section (1) in any case where the accounts are maintained on mercantile system, and the Income-tax Officer is satisfied that the receipt of any income has not been wilfully deferred either by contract or otherwise, such income as is not actually received during the previous year shall not be included in the total income of the previous year of the person."(699)

ओं कंबर साल गुप्त : यह कलाज चैरिटेबल ट्रस्ट के बारे में है। सरकार इस में कुछ संशोधन और कड़ापन लाना चाहती है। मैं इसको स्वीकार करता हूं कि कुछ चैरिटेबल ट्रस्ट हमारे देश में हैं जो चैरिटेबल परपजिज के लिए काम नहीं कर रहे हैं। मैं यह भी मानता हूं कि कुछ के तिस में जो फाउंडर्ज हैं वे उनका अपने मतलब के लिए, अपने तथा अपने परिवार के स्वार्थ के लिए उपयोग या दुरुपयोग कर रहे हैं। कई तरीके से वे ऐसा कर लेते हैं। जो ऐसा उन में इकट्ठा हो जाता है वह अपनी इंडस्ट्री में लगा लेते हैं, उसका इंटरेस्ट कम देते हैं, उन में अपने आदमी रख देते हैं, ट्रस्ट की कोई प्राप्टी हुई तो उसको बहुत सस्ते में किराए पर उठा देते हैं, अपने रहने के लिए सस्ते में इसको ले लेते हैं। इस प्रकार अपने तथा अपने

परिवार को लाभ पहुंचाने के लिए टैक्स इवेशन करते हैं, टैक्स एवायड करते हैं। यह काफी मात्रा में होता है, इसको मैं स्वीकार करता हूं, लेकिन प्रधान मन्त्री इस बात को मानेंगो कि जो ट्रस्ट की प्रथा है या चैरिटी की जो प्रथा है, या धर्मार्थ कार्यों में पैसा लगाने की जो प्रथा है, वह काफी बड़ी मात्रा में देश में बहुत समय से चली आ रही है। वह काफी पुरानी है। वह सैकड़ों हजारों साल पहले की है। लोग अस्पताल बनाते हैं, स्कूल खोलते हैं, पाठ-शालाएँ खोलते हैं, डिसपैसरीज खोलते हैं। मैं मानता हूं कि इस में कुछ कड़ापन होना चाहिए और जो एवायडेस या इवेशन है निजी स्वार्थों के लिए उसको प्लग किया जाना चाहिए, वह नहीं रहनी चाहिए, उसको बन्द किया जाना चाहिए। लेकिन ऐसा नहीं होना चाहिए कि उसको बन्द करते करते तो लोगों की स्पिरिट है चैरिटेबिल परपज के लिए भेरे पास जो पैसा है उस में से कुछ दिया जाए, कुछ दान किया जाए, लोगों के लाभ के लिए लगाया जाए, वह खत्म हो जाए।

मैं अनुभव करता हूं कि विधेयक में जो यह बंदिश लगाई गई है कि जो इनकम होगी वह उसी साल में खत्म होनी चाहिए, वह उसी साल में चैरिटेबल परपज में लगनी चाहिए या आगे तीन महीने में और वह लग सकती है और अगर इस काल में नहीं लगती है तो उस पर टैक्स लगेगा जब तक कि स्पेशल परपज के लिए वह चीज रखी न गई हो, यह थोड़ा हार्ड है। ऐसा भी हो सकता है कि स्पेशल परपज भी न हो और उस साल में भी वह खत्म न हो और अगले साल भी अगर उसको लगाना हो तो उसके लिए नकशा बनाना पड़ेगा, जहां तक इतनी सी बात का सम्बन्ध है, वह तो ठीक है। लेकिन यह कहना कि जब तक कोई स्पेशल परपज न हो और उसके बाद अगले साल के लिए भी अगर कोई चैरिटेबल परपज है और वह सैट पर्सेंट चैरिटेबल है और उस साल में प्रयोग न हो तो टैक्स लग जाएगा, यह मैं समझता हूं कि थोड़ी सकृ

[बी कंबर साल गुप्त]

प्रोविजन है। इसी प्रकार और भी प्राविजन हैं जिन से मुझे लगता है कि लोगों का इनिशिएटिव समाप्त हो जाएगा। दुख तो इस बात का है कि फाइनेंस मिनिस्टर ने कुछ आंकड़े हमारे सामने नहीं रखे। उनको बताना चाहिए था कि इतने ट्रस्ट हमारे देश में हैं, इतना रुपया उनके पास है, इस प्रकार से उसका दुरुपयोग हो रहा है और इसलिए इन प्राविजन को लाया जा रहा है। वर्गर कोई बेसिस बताए हुए मैं समझता हूँ कि यह उचित नहीं होगा कि इस तरह के प्रावधान किए जाये।

मैं यह भी समझता हूँ कि अच्छा यह रहता कि फाइनेंस बिल में इसको लाने के बजाए चूंकि इसका सम्बन्ध संकड़ों हजारों लोगों से है और लाखों लोगों को इसका लाभ मिलता है, जो संशोधन भी आप लाना चाहते हैं उनको आप इनकम टैक्स एमेंडमेंट बिल के तौर पर लाते। आपने अभी कहा है कि अगले साल से यह लागू चीज़ होगी। इस साल लागू नहीं होगी। अगले साल में इसको आप चाहते हैं, क्यों नहीं इस साल से चाहते हैं? अगर आप अगले साल से इसको लागू करना चाहते हैं तो आप एक एमेंडिंग बिल इनकम टैक्स एक्ट में ला सकते हैं और फाइनेंस बिल में इसको लाने की क्या जरूरत थी? वह बिल सिलेक्ट कमेटी में भेजा जा सकता था, लोगों की उस पर राय ली जा सकती थी और उनकी जो दिक्कतें हैं, उनका पता लगाया जा सकता था। उसके बजाए एक तरह से बैंकडोर से आपने इसको फाइनेंस बिल में रख दिया है। यह उचित नहीं है। इस तरह का चीज़ों को, इस तरह के संशोधनों को फाइनेंस बिल में लाने की जो नीति है, यह बेसिकली गलत नीति है, गलत चीज़ है।

आपने इस में डिस्क्रिमिनेशन भी किया है। दो तरह के ट्रस्ट आपने माने हैं। एक तो वे हैं जो 1962 के पहले बने थे और एक वे हैं जो 1962 के बाद बने थे। क्यों आपने यह डिस्क्रिमिनेशन किया है? चाहे कोई ट्रस्ट 1962

के पहले बना हो या बाद में बना हो, अगर कोई उसका गलत इस्तेमाल करता है और टैक्स इवेशन करता है, तो क्यों न यह चीज़ उस पर लागू हो और क्यों न यह चीज़ दोनों पर लागू हो। यह डिस्क्रिमिनेशन क्यों किया गया है, यह मैं प्रधान मन्त्री जी से जानना चाहता हूँ। मैं मांग करता हूँ कि इसको आप बापिस ले लें और इसकी जगह आप एक एमेंडिंग बिल लाएं इनकम टैक्स में ताकि उसको सिलेक्ट कमेटी में भेजा जा सके और लोगों की राय भी ली जा सके। जो इवेशन होता है वह भी बन्द हो जाए, लोगों को तकलीफ भी न हो, उनकी स्पिरिट भी न मरे, इस सब का आपको ध्यान रखना चाहिए।

SHRI D. N. PATODIA : Sir, I propose to speak on all the amendments Nos. 49, 669, 670 and 716. In spite of certain amendments moved by the Government relaxing some of the provisions with regard to investment of unspent income of the trusts, the fact remains that unless the unspent income is invested in the manner prescribed, it has got to be spent for charitable purposes within three months of the completing of the accounting period. This appears to be too rigid a prescription. There will be many practical difficulties due to which it may not be possible for a trust to spend it within three months. There are certain cases where due to the nature of the investment involved, the income cannot possibly be ascertained within three months of the finalisation of the year. Similarly, in some cases, although the income is ascertained, it is not actually received. For instance, dividend on shares is declared but not received within three months. Unless the amount is received within three months, it cannot possibly be spent. There have been cases where it has been necessary to go to court for obtaining approval for spending the amount. If you prescribe that the amount has got to be spent within three months of the closing of the year, it is going to be very hard. Beyond three months, the exemption will be withdrawn. Therefore, the period should be extended to a minimum of six months, to which I do not think there can be any objection from Government,

because the purpose will be served. Therefore, that amendment should be accepted.

Coming to amendment No. 670, I find the provisions of the Bill do not make any distinction between ordinary income and income derived from exchange or sale of capital assets. These are two separate types of income for all practical purposes. A charitable trust is expected to spend whatever is earned in the course of its normal activities. But there are certain cases where by way of sale and exchange of assets, the trusts acquire certain additional funds, and form additional capital. There should be a provision by which a distinction is made between these two types of income. Such income which is derived from sale or exchange of capital assets should be permitted to be accumulated without any restriction. I hope Government will accept this amendment also.

श्री शिव अनन्द जा : उपाध्यक्ष महोदय, चेरिटेबल और रिलिजस ट्रस्ट का पैसा बेमतलब के लोगों में दुरुपयोग होता है। सरकार चाहती है कि जितना पैसा वास्तव में ऐसे ट्रस्ट के कामों के लिए खर्च किया जाता है, केवल वही इनकम टैक्स से एग्रजेम्प हो और बाकी पर टैक्स लगाया जाए। सरकार का यह कदम अच्छा है, लेकिन बाकी इनकम को दस साल तक एक्युमुलेट होने देने की जो व्यवस्था है, उस पर मुझे एतराज है। मैं समझता हूँ कि वह मियाद बहुत लम्बी है और उस को बढ़ा कर पांच साल कर दिया जाए। मेरे संबोधन संख्या 97 का आशय यही है। सरकार पांच साल तक देखे कि मेरे ट्रस्ट हकीकत में कितना रुपया अपने काम के लिए इस्तेमाल करते हैं और इस व्यवस्था में कोई लूप-होल्ज तो नहीं है और रुपए का दुरुपयोग तो नहीं होता है। अगर इस अवधि में ट्रस्ट रुपए का अच्छी तरह से उपयोग करें, तो इस अवधि को बढ़ाया जा सकता है।

मैं कहना चाहता हूँ कि चेरिटेबल ट्रस्ट की बात तो हम समझ सकते हैं, लेकिन रिलिजस ट्रस्ट की बात समझ में नहीं आती है हिन्दुस्तान में रिलिजन के नाम पर बहुत

एक्स्ट्रेवेंग्स, फ़िज़ूलखर्ची और दौलत की बर्बादी की जा रही है। रिलिजन एक ओपियम है और यह बड़ी हैरानी की बात है कि इस ओपियम के लिए हिन्दुस्तान जैसे गरीब देश में इनकम टैक्स की छूट दी जा रही है। सरकार मठाधीशों और रिलिजस ट्रस्ट के विरुद्ध कोई सख्त कदम नहीं उठाती है। जरूरत तो इस बात की है कि धर्म सम्बन्धी इन सब कामों को बैन कर दिया जाए, लेकिन अगर सरकार में ऐसा करने की हिम्मत नहीं है, तो जब तक देश की अर्थ-व्यवस्था टेक-आफ स्टेज पर नहीं पहुँच जाती है, तब तक के लिए—कम से कम दस साल के लिए—धर्म के सम्बन्ध में छूटी की जानी चाहिए। सरकार वह तमाम दौलत अपने हाथ में ले ले, लेकिन मालूम होता है कि सरकार में वह हिम्मत नहीं है।

SHRI LOBO PRABHU : I have two amendments. But before I take them up I would like to place them in the context of the direct taxation proposals of the government. The total yield from all the proposals is expected to be, please note, Rs. 5 crores this year and Rs. 21 crores next year. We must realise the size of this task in the context of the total revenue which the government is getting, something like to Rs. 3,400 crores. For Rs. 5 crores this Government is proposing to destroy the whole industrial structure of this country; it is going to change the definition of agricultural land. What is the result of the change? There will be no house built because as soon as.....

MR. DEPUTY-SPEAKER : We are not dealing with that clause now.

SHRI LOBO PRABHU : I am giving the general context. They have already dried up charity and now they are going to dry up investment and, consequently, production and also employment about which government is very much concerned. Yesterday the Prime Minister gave the figures, or avoided to give the precise figures, about inflation. She should have taken care of the impact of the taxation proposals on investment. There has hardly been any

[Shri Lobo Prabhu]

capital gains during the last few months. There is a strike of capital and the strike will grow as the taxation proposals become fully implemented. Therefore, I ask of the Prime Minister: why are you destroying the structure?

MR. DEPUTY-SPEAKER : I would say that this is not relevant to the clause under consideration.

SHRI LOBO PRABHU : I am giving the whole structure of industrial prosperity on which employment depends. That is being destroyed for a paltry Rs. 5 crores. Please see part B of the Finance Minister's speech.

I would like to say that this is nothing more than an academic exercise, ideological exercise. They think that they should soak the rich. But that is not enough. If you soak the rich, you destroy the poor. Please remember that. Without investment there will be no employment.

MR. DEPUTY-SPEAKER : He is not speaking on the clause.

SHRI LOBO PRABHU : I was examining the structure of the clauses. I have moved two amendments. One has already been supported by Shri Patodia. So, I do not want to traverse the whole ground. I only want to add this. In addition to income not being received, there is also the other factor, that the outlay may not be spent in three months. For instance, the scholarship amount may not be paid within three months because the financial year bends in March and the other year begins later. Therefore, I suggest a reasonable amendment that the time allowed for removing the disqualification to be extended from three to six months. My next amendment is to reconcile Government's own proposals in respect of investments which are considered suitable from the point of view of capital formation and industrialisation. In this clause the investments of trusts are restricted under the Public Debt Act or in any other security which may be approved by the Central Government. I would like Government to consider why there should be two classifications. It would be better if you have single list of investments and I would, therefore, request you to accept this amendment.

SHRI HIMATSINGKA : I am pressing my amending amendments 635 and 636. Amendment No. 635 suggests that instead of three months provided it should be six months. Three months is much too short a time to allow the trust to spend the money and then it is circumscribed by the provision 'such option to be exercised in writing before the expiry of the time allowed under subsection (1)'. Therefore, practically the trustees will have to decide at the end of the year whether they will apply for that or not otherwise this advantage of three months will be lost. Therefore, instead of three months it should be six months and this option to be exercised in writing should not be insisted upon.

SHRI S. S. KOTHARI : According to the new Finance Bill in regard to the charitable trusts it has been provided that no amount shall be accumulated without the sanction of the ITO. My submission is that the rules should be framed by the Central Board giving clear directions to the ITO to give sanctions to all such applications for building hospitals, etc. within one month. Secondly, instead of 25% I have suggested that 15% shall be allowed to be accumulated without the sanction of the ITO.

SHRI N. K. SANGHI : A new direction actually has been given in the Finance Bill, 1970 in taxing charitable trusts. We have seen in the country there are large charitable trusts and people get lot of income from these trusts but the money is not really spent. The new amendment has tried to make these charitable trustees really spend that money which has been earned by these trusts. My simple amendment is that at the end of Section 11 clause (2) for clarification purposes these words may be added: "from the end of the previous year." Whenever we discuss the Finance Bill, we always make a provision of "from the end of the previous year". This is what I am appealing to the Prime Minister. To bring a clarification properly, this should be added.

SHRI N. K. P. SALVE : The proposed amendments are very laudable. I do not at all share the view of my hon. friend, Shri Kanwar Lal Gupta, that any *bonafide* trustees who do not use charitable money for

charities at home would have any difficulties. My suggestions contained in amendment Nos. 695 to 699 have three changes to suggest to rationalise and streamline the whole system.

The first change that I am seeking is that the ITO, under genuine circumstances, under compelling circumstances, should be given discretion to extend the time of 3 months. The trust is supposed to spend the money during the year. Suppose 3 months have been given. It is likely to create a great hardship. Even if an infinitesimal fraction of the income, say, Rs. 5, is not spent, Rs. 5 lakhs might be taxed. If the ITO feels that there is a genuine, *bonafide*, ground, he should extend the time at his discretion. It may be extended upto six months.

The second change which is very desirable is this that in case there is a liability attached, it should be provided for. Now, the entire income has to be spent by the trust. Several trusts have properties which have some liability attached to them. Suppose a house is made over to the trust which is valued at Rs. 10 lakhs. There may be the LIC loan of Rs. 1 lakh in that. There may be some other property in which there is a party paid-up share capital. If the entire incomes are to be spent towards charities, what about the redemption of the liability? Formerly, out of 25 per cent, the liabilities could be redeemed. Now, to take a more realistic approach in the matter, where a particular liability or debt is attached to the property that is with the trust, it is necessary to the extent moneys are spent, in respect of redemption of such liabilities, due provision should be made.

Finally, what my hon. friend Shri D.N. Patodia, put it in accounts language, where the accounts are kept on mercantile system, when a person keeps books of accounts on accrual basis, on 31st December, he takes into account the income which may accrue after six months. He may receive it after six months. In such cases, the terminology employed is, short of income duration. Due provision should be made in that regard also.

In all humility, I would submit to the Prime Minister that is a genuine difficulty

where books of accounts are kept on accrual basis, to take credit for such receipts which may come six months later.

I would request the Prime Minister to consider these three suggestions of mine which are to streamline and rationalise the system.

SHRI BENI SHANKER SHARMA: This is an important measure intended to plug loopholes in the law relating to tax avoidance. The object is, of course, very laudable. I admit there are certain unscrupulous persons creating trusts who indulge in the habit of getting benefit out of the trust money.

If you go into the history of this section, I may point out that this Section was enacted in 1961. Prior to that all the income could be accumulated for the purpose of future charities. The Prime Minister knows that in India there are trusts which come to the aid of the Government in matters of education, health and accidental relief. It is to the advantage of the Government as well. Sometimes there are natural calamities like floods, famine or earthquake. The Government by itself is unable to cope with the big task, sometimes it is faced with. Therefore, though the general public funds are collected and there are certain trusts which also come forward. If in these trusts, the money is not accumulated, wherefrom will the money come to meet these emergencies like floods, earthquakes, famines etc. My submission is that instead of killing the germs of the disease, you should not kill the patient. Here, you are killing the patient and not the germs of the disease.

The whole object of this clause is that the money should not be utilised by unscrupulous trustees for their own benefit and this can be secured by the amendment I have proposed. My amendment is to add a proviso, namely:—

"Provided that the money so accumulated or set apart is invested within a period of six months immediately following the previous year in any Government security or loans or by way of fixed deposit in any nationalised banks in the manner as may be prescribed."

This would serve the purpose quite well. This sufficiently guarantees against misuse of trust money. 25 per cent of income should continue to be allowed to be accumulated for meeting such emergencies, when there is a great demand for public charity because the Government is unable to meet from its own funds the needs and requirements of the affected people.

Therefore, Sir, instead of being harsh and not allowing these accumulation at all, please allow the accumulation and see that the accumulation is not misused. I will give you an example. In Government Departments we find that the Government sanction certain monies to be spent in a particular year. What do we find? We have seen —most of the hon. Members will bear me out—that on 31st March there is a competition to spend the whole money. That money is given to anybody and everybody. I don't know for what purpose. I have seen in my own constituency that they distribute the money right and left because they have got to spend the money. Then, one should have some time even in charity to determine the good cause in respect of which they want to spend money. Therefore, this accumulation clause should not be interfered with.

All I submit is that what is needed is to guard that this accumulated money is not misused. We have now nationalised banks. This money may be put in them and it can be used for nation-building purposes as well, when finally, 25% of the accumulation could be canalised for better permanent charitable purpose.

SHRIMATI INDIRA GANDHI : These amendments seek to achieve the following objectives :

Charitable and religious trusts will be permitted to invest the accumulated income in deposits in post office savings banks, scheduled banks, co-operative banks as also in approved long term financial institutions such as State financial corporations.

Such trusts will be permitted to spend the accumulated income at any time during the period of accumulation or during one year following the expiry of the period of accumulation for the specified purposes.

In a case where the accumulations are withdrawn from the activities specified in (i) above and invested in any form, the exemption will cease to be operative.

Now it is far from our intention that the spirit of charity should dry up. On the contrary, we do hope that charitable trusts would be more charitable and help the Government in its work.

SHRI KANWAR LAL GUPTA : You should also be charitable to them.

SHRIMATI INDIRA GANDHI : All members including Mr. Kanwar Lal Gupta have conceded that there has been misuse in some cases. How big it is, it is difficult to say. But there is widespread feeling in the country and the matter has been raised on the floor of the House many times.

Somebody mentioned that some more things should be accommodated or time should be stretched. Something like scholarships could always be accommodated in the purpose of trusts.

I think Mr. Kothari or somebody raised the question of taking the sanction of I.T.O. There is a misunderstanding. There is no question of having a sanction. I.T.O. is only to be informed about that.

SHRI S. S. KOTHARI : If he is informed, is it enough?

SHRIMATI INDIRA GANDHI : Any change in the accounting system could be allowed by the ITO and if there is any genuine and good cause, that could also be considered. Some of the amendments of Shri Kanwar Lal Gupta are contrary to the basic purpose underlying this Bill, that is, exemption from tax on income only if it is applied for the purposes of Trusts. So I cannot accept the amendments. Then another point was raised to extend the period to 6 months. Trusts which maintain their accounts according to the financial year would not be in a position to furnish the return of income before the 1st October and this would delay examination of the case of such Trusts to determine whether they qualify for exemption.

SHRI D. N. PATODIA : Sorry for the interruption. The relaxation is with regard to spending part of it only. Income will be ascertained within the accounting year by a system of maintaining accounts on mercantile basis. There will be no problem with regard to filing of assessment and scrutiny of accounts.

SHRIMATI INDIRA GANDHI : Accounting system can be changed, if necessary. The period of three months under the Bill is sufficient for a Trust to apply its income. Extending the period will not serve the purpose. If you cannot do it in three months you cannot do it in 6 months or longer.

SHRI D. N. PATODIA : It makes a difference.

SHRIMATI INDIRA GANDHI : Then, Shri Shiva Chandra Jha asked for reduction in the period of accumulation. We feel this will cause undue hardship in cases where the trust wants to accumulate for construction of school, hospital etc. These amendments are not acceptable.

SHRI S. R. DAMANI (Sholapur) : In the case of a Trust, suppose, the Trust happens to spend more than the income in one year, say, for the construction of hospital. It spends more than its income in that particular year. Will the excess be adjusted against the next year's income?

SHRIMATI INDIRA GANDHI : It can be looked into.

MR. DEPUTY-SPEAKER : Shall I put all the amendments to vote?

SHRI N. K. P. SALVE : I wish to withdraw my amendments.

MR. DEPUTY-SPEAKER : Has the hon. Member the leave of the House to withdraw his amendment?

SOME HON. MEMBERS : Yes.

(Amendment Nos. 695 to 699 were by leave, withdrawn.

SHRI N. K. SANGHI : I want to withdraw my amendment.

MR. DEPUTY-SPEAKER : Has the hon. Member the leave of the House to withdraw his amendment?

SOME HON. MEMBERS : Yes.

Amendment No. 411 was, by leave, withdrawn.

MR. DEPUTY-SPEAKER : I will now put Shri S. C. Jha's amendment No. 97 to the vote of the House.

Amendment No. 97 was put and negatived.

MR. DEPUTY-SPEAKER : I will now put all the other amendments, excepting Government amendments to the vote of the House.

Amendments Nos. 4, 5, 49, 313, 351, 352, 554, 610, 611, 633, 634, 636, 637 and 669 were put and negatived.

MR. DEPUTY-SPEAKER : The question is:

Page 6.—

for lines 29 to 33, substitute—

'(b) the money so accumulated or set apart is—

(i) invested in any Government security as defined in clause (2) of section 2 of the Public Debt Act, 1944 (18 of 1944) or in any other security which may be approved by the Central Government in this behalf, or

(ii) deposited in any account with the Post Office Savings Bank [Including deposits made under the Post Office (Time Deposits) Rules, 1970] or a banking company to which the Banking Regulation Act, 1949 (10 of 1949) applies (including any bank or banking institution referred to in section 51 of that Act) or a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank), or

(iii) deposited in an account with a financial corporation which is engaged in providing long-term finance for industrial development in India and which is approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36;"; (645)

Page 6, for lines 34 to 38, substitute—

'(c) for sub-section (3), the following sub-section shall be substituted with effect from the 1st day of April, 1971, namely:—

"(3) Any income referred to in sub-section (2) which—

(a) is applied to purposes other than charitable or religious purposes as aforesaid or ceases to be accumulated or set apart for application thereto, or

(b) ceases to remain invested in any security referred to in sub-clause (i) or deposited in any account referred to in sub-clause (ii) or sub-clause (iii) (b) of that sub-section, or

(c) is not utilised for the purpose for which it is so accumulated or set apart during the period referred to in clause (a) of that sub-section or in the year immediately following the expiry thereof,

shall be deemed to be the income of such person of the previous year in which it is so applied or ceases to be so accumulated or set apart or ceases to remain so invested or deposited or, as the case may be, of the previous year immediately following the expiry of the period aforesaid.", (646)

The motion was adopted.

MR. DEPUTY-SPEAKER : The question is:

"That Clause 5, as amended, stand part of the Bill."

The motion was adopted.

Clause 5, as amended, was added to the Bill.

Clause 6—(substitution of new section for section 13).

MR. DEPUTY-SPEAKER : Now, we shall take up clause 6.

SHRI KANWAR LAL GUPTA : I beg to move*:

Page, 9, line 9,—

for "five" substitute "fifteen"(6)

SHRI D. N. PATODIA : I beg to move* : Page 7, line 2,—

for "1971" substitute "1972" (50)

Page 7, line 22,—

for "(whenever created or established)" substitute—

"(created or established after the commencement of this Act") (51)

Page 7, lines 26 and 27,—

for "created or established before the commencement of this Act," substitute—

"(whenever created or established)" (52)

Page 8,—

omit lines 29 to 32 (53).

SHRI SHIVA CHANDRA JHA : I beg to move* :

Page 9, line 30,—

for "twenty" substitute "ten" (98)

Page 9, line 37,—

for "twenty" substitute "ten" (99)

SHRI KANWAR LAL GUPTA : I beg to move* :

Page 8,—

after line 32, insert—

"Provided that nothing contained in this sub-section shall apply to the

*Moved with the recommendation of the President.

[**Shri Kanwar Lal Gupta**]

income or property of the trust or institution or any part of such income or property which is deemed to have been used or applied before the 1st day of March, 1970 for the benefit of a person referred to in sub-section (3)" (301).

Page 9, lines 16 to 18,—

Omit "and for the purposes of this section "relative" also includes a lineal descendant of a brother or sister" (302)

SHRI LOBO PRABHU : I beg to move* :—

Page 7, line 35,—

after "sub-Section (1)" insert—

"after February 28, 1970" (314)

Page 8, lines 29 and 30,—

for "or continue to remain,"

substitute "after February 28, 1970", (315)

SHRI S. S. KOTHARI : I beg to move* :—

Page 9,—

for lines 5 to 14, substitute—

"(4) Notwithstanding anything contained in clause (c) of sub-section (1), and sub-section (2) the exemption under section 11 shall not be denied in relation to income in excess of fifty per cent, of the total income of the previous year of the trust or the institution:

Provided that in a case where clause (h) of sub-section (2), applies, and the aggregate of the funds of the trust or institution invested in a concern in which any person referred to in sub-section (3), has a substantial interest, does not exceed five per cent. of the capital of that concern, the exemption under section 11 shall not be denied in relation to any income other than the income arising to the trust or the institution from such investment, by

reason only that the moneys or the trust or the institution have been invested in a concern in which such person has a substantial interest, subject, however, to the overall limit on the denial of exemption provided in this sub-section." (355)

Page 9, line 30,—

for "twenty per cent." substitute—

"fifty per cent." (356)

Page 9, line 37,

for "twenty" substitute "fifty" (357)

Page 9,—

after line 38, insert—

"Explanation 4—For the removal of doubts, it is hereby declared that clause (h) of sub-section (2), of this section shall not apply to property in kind settled on or donated to a trust or institution." (358)

SHRI BENI SHANKER SHARMA : I beg to move* :

Page 7, line 40,—

omit "or continues to be," (555)

Page 8, line 2,—

omit "or both" (556)

Page 8, line 4,—

Omit "or continues to be" (557)

Page 8, line 6,—

for "during the previous year"

substitute "after 28th day of February, 1970" (558)

Page 8,—

for lines 29 to 32, substitute—

"(b) if any funds of the trust or institution are utilised in purchasing shares of a domestic company in which any person referred to in sub-section(3) has substantial interest." (559)

Page 9, line 9—

for "five" substitute "twenty" (560)

SHRI HIMATSINGKA : I beg to move* :

Page 8, line 30,—

for "during the previous year" substitute—

"after 29th day of February, 1970" (664)

* Moved with the recommendation of the President.

SHRIMATI INDIRA GANDHI : I beg to move* :

Page 7, after line 33, insert—

"Provided further that in the case of a trust for religious purposes or a religious institution (whenever created or established) or a trust for charitable purposes or a charitable institution created or established before the commencement of this Act, the provisions of sub-clause (ii) shall not apply to any use or application, whether directly or indirectly, of any part of such income or any property of the trust or institution for the benefit of any person referred to in sub-section (3) in so far as such use or application relates to any period before the 1st day of June, 1970" (647)

Page 8, for lines 29 to 32, substitute—

"(h) if any funds of the trust or institution are, or continue to remain, invested for any period during the previous year (not being a period before the 1st day of January, 1971) in any concern in which any person referred to in sub-section (3) has a substantial interest." (648)

SHRI N. K. P. SALVE : I beg to move*:

Page 7, line 37,—

after "clause," insert—

"in any previous year commencing from 1st March, 1970 or subsequent previous years," (700)

Page 8, lines 29 and 30,—

omit "or continue to remain," (701)
Page 8,—

after line 32, insert—

"Provided that this clause shall not apply to property in kind settled on or donated to a trust or institution." (702)

SHRI HIMATSINGKA : I beg to move*:
Page 8, line 30,—

after "invested" insert—"in equity shares"
(731)

That in the amendment proposed by Shrimati Indira Gandhi printed as No. 648 in List No. 38 of amendments,—

for "or institution are, or continue to remain," substitute—

"are" (732)

श्री कंवरसाल गुप्त : उपाध्यक्ष जी, मुझे और कुछ नहीं कहना है, मैंने कह दिया है। मैं चाहता हूँ कि प्रधान मंत्री बता दें कि कितने ट्रस्ट हैं, उसका क्या इस्लाकेशन होगा, उसमें कैसे-कैसे गडबड़ी होती है। इतना तो कम से कम बता दें।

SHRI D. N. PATODIA : Under the provisions of the Bill, a person will be deemed to have substantial interest if he, along with his relatives, contributes 20% of the voting rights of a trust. This appears to me to be not only too harsh but most unreasonable because the standard norms, all over the world, not only in India, are that when more than 50% of the interest is held by one person or a group of persons, only in that case, he is considered to be having a substantial interest. My amendment, therefore, seeks that the fact of holding a substantial interest should arise only when a person, along with his relatives, is holding not less than 50% of the voting rights. I hope that this is a very reasonable amendment which Government would do well to accept in accordance with the norms set up not only in India but everywhere else in the world.

श्री शिव चन्द्र शर्मा : उपाध्यक्ष जी, मेरा कहना यह है कि एक्स्लेनेशन 3 जो है, जिसमें बताया जाता है:

"For the purposes of this section, a person shall be deemed to have a substantial interest in a concern,...."

तो जो कन्सन होगा उसमें उसका इन्ट्रेस्ट है यह कैसे समझा जायेगा। इसकी सफाई दी जाती है और कहा जाता है:

"in a case where the concern is a company, if its shares (not being shares entitled to a fixed rate of dividend whether with or without a further right to participate in profits) carrying not less than twenty per cent.....".

*Moved with the recommendation of the President. .
17LSS/70-8

[**बी सिंह चड़ा**]

बीस परसेन्ट उस आदमी का कन्सर्न में जो कम्पनी के रूप में है, उसमें उसका समझा जायेगा तो बीस परसेन्ट की जगह पर मैं दस परसेन्ट रखना चाहता हूँ। उसी तरह से एक्स्प्लेनेशन 3 का सब-सेक्शन (2) जो है उसमें भी बीस परसेन्ट है, उसको भी मैं दस परसेन्ट रखना चाहता हूँ। हिन्दुस्तान एक ऐसा देश है जहां पर दस परसेन्ट या बीस परसेन्ट इन्स्ट्रुमेंट की क्या बात है? यहां पर व्यक्तित्व का बहुत बड़ा असर हो जाता है। किसी कन्सर्न में व्यक्तित्व के पहुँचने से ही मैनिपुलेशन की बात होती है। कितने शेयर हैं यह तो बहुत बड़ी बात हो गई। यहां पर जैसे कि हीरोशिप की बात चलती है, एक ही आदमी सभी को नचाना रहेगा। इसलिए मैं समझता हूँ 20 परसेन्ट की बहुत छूट दें दी गई है। उसको दस परसेन्ट ही रखें और तभी हम समझ सकते हैं कि चैरिटेबिल ट्रस्ट में उसका इन्स्ट्रुमेंट है। इसलिए मेरा यही कहना है कि बीस परसेन्ट की जगह पर दस परसेन्ट कर दिया जाये।

SHRI LOBO PRABHU : I find that Government again accepted my amendment with some improvement. I had said that it should not have retrospective effect before 1st March, 1970. But Government have goneastep forward and said that this would have effect only after 1st June, 1970. It is a good thing that Government have realised that retrospective effect should not be given to penal provisions. I do not know whether I should thank Government or Government should thank me, because I think my amendment was earlier than theirs.

SHRI S. S. KOTHARI : I had tabled an amendment that this would have effect only from 1st July, 1970; this is relating to the restrictive provisions with regard to the trust income being invested beyond a certain limit in concerns which are controlled. The hon. Prime Minister has been kind enough to accept the amendment as it is; of course, the language has been changed, but we do not mind it at all. I thank her for it.

SHRI BENI SHANKER SHARMA : I do not want to say anything on this, since my suggestion has been accepted more or less in principle.

SHRI HIMATSINGKA : The scheme of clause 6 seems to indicate that the intention of Government is to control the trustees from exercising the voting rights of shares and from taking any undue advantage from the shares or investments that they make, and, therefore, provisions have been made about interest and no salary being given and so on. I welcome these provisions.

As you know, sections 153B and 187B of the Companies Act provide that in a trust which has shares of the value of Rs. 5 lakhs or 25 per cent, whichever is less, the voting rights will be exercised by the public trustee and not by the trustees of the trust. There is ample provision to the effect that the trustees are not in a position to take any advantage of any holding of shares or any investment in the company. That has been taken care of by those two sections of the Companies Act. Therefore, that apprehension should not be there. In this clause, there is a discrimination to which I would like to draw the hon. Prime Minister's attention. There are certain investments which are made by the trustees from funds which they get and with which they buy shares of companies. There is another type of investment where the donors themselves divest themselves of the shares which they possess and which they give to the trust.

Therefore, there is a distinction. Money is not being utilised for purchasing shares, but shares themselves are being donated. Therefore, such shares donated to public charities should not be taken exception to, when you have prevented the trustees from exercising voting rights. That right has been taken away by sections 153B and 187B of the Companies Act. Therefore, the apprehension of trustees taking advantage from investment has been removed.

Therefore, I have suggested an amendment to amendment No. 648 by the Prime Minister. Amendment No. 648 says:

"If any funds of the trust or institution are, or continue to remain, invested for any period during the previous year (not being a period before the

1st day of January 1971) in any concern in which any person referred to in sub-section (3) had a substantial interest".

'Substantial interest' has also been defined. I have suggested in my amendment No. 732 that for "or institution are, or continue to remain," the word "are" may be substituted. That is to say, if any funds are invested by the trustees in the purchase of shares, that should be prevented, but if shares do come into the hands of trusts and they continue to remain, there should be no objection to that. Therefore, if the Prime Minister is good enough to accept my amendment, that will meet the point of the objection. That will take away any advantage the trustees might be intending to take by investing funds in purchase of shares.

As you know, a large number of shares are donated by donors because they have got shares and they part with them. As I said, voting rights have been taken away by the Companies Act, secs. 153B and 187B; even for small companies, the minimum of Rs. 5 lakhs or 25 per cent whichever is less. Therefore, there should be no objection to this.

Another thing I want to be cleared is about sub-clauses(2)(h), which says:

'if any funds of the trust or institution are, or continue to remain, invested for any period during the previous year in any concern in which any person referred to in sub-section(3) has a substantial interest."

Here I have suggested that the investment can only be in equities. That should be clarified because preference shares and loans or debentures have been excluded. What other shape can an investment take? Unless this is clarified, there will be difficulty. Therefore, I have suggested that after the word "investment," the words "in equity shares" should be added. I had explained it to the gentleman in the Department dealing with it, and he seemed to agree with it. I hope that my amendment will be accepted.

SHRI N. K. P. SALVE : In principle I have nothing to say excepting that in the amendment of the Prime Minister is an implicit concession that there is retrospectivity

in the provision in the Bill as it is, and therefore the time has been extended for converting the investment up to 1st January, 1971, but that does not take care of the entire difficulties which may come about.

A trust might be holding shares without any fault on its part because investments were not prohibited so far. It might be in possession of certain shares which it may not be able to sell. Suppose there are partly paid up shares and the company is in a very bad position. Who is going to purchase those shares? Assuming there is a loan given to somebody, which was not a prohibited transaction earlier and the money are not recovered by the trust despite the most *bona fide*, genuine intention of the trustees, what are they to do in circumstances like that? Do they keep on losing the exemption throughout for no fault of theirs in respect of investments made anterior in point of time to this amendment when such transactions did not entail the wrath of the Tax Department?

The second aspect which is really very important is the point raised by Shri Himatsingka. May I respectfully point out to the Prime Minister that yesterday while replying to the debate she herself said that the entire intent of this amendment is to ensure that the trustees do not divert the funds which are at their discretion to help other trustees or help the relations of the trustees. In other words, they are almost frustrating the purpose of the charities, but the way it is drafted it appears that it is not merely confined to such transactions where the trustees are diverting the funds of the trust, but if they accept donations of such shares as would be the shares of a company in which any of the trustees has substantial interest, or assuming that some shares are settled on the trust itself to start with, then it is likely that the exemption would be lost. I would request the Prime Minister that in harmony with what she herself said that the entire purpose of this enactment is to ensure that the funds at the discretion of the trustees are not diverted for other purposes, there should be no penalty if such shares are donated or initially settled on the trust by the trust owners.

DR. SUSHILA NAYAR rose—

MR. DEPUTY-SPEAKER : Your name is not there.

DR. SUSHILA NAYAR (Jhansi) : My name need not be there though it is there. I spoke on this yesterday and I want a clarification.

MR. DEPUTY-SPEAKER : Under the rules no member is barred, but we have agreed some time ago that because we are very much pressed for time, only those members who have moved amendments will make their submissions. If I allow you, I will have to allow others. I am only appealing to you. A gentlemen's agreement was arrived at.

DR. SUSHILA NAYAR : I have not entered into any agreement.

MR. DEPUTY-SPEAKER : With the permission of the House I am making an exception in her case. No other exception will be made.

SHRI PILOO MODY (Godhra) : Any time the Prime Minister wants to speak, let her speak.

MR. DEPUTY-SPEAKER : She is the Prime Minister, not a lady.

DR. SUSHILA NAYAR : She is still a lady, she does not cease to be a lady.

MR. DEPUTY-SPEAKER : I allow her because she is the Prime Minister and she had to reply.

DR. SUSHILA NAYAR : I have two points. I wish to support the amendment of Mr. Himatsingka. Some shares that might have been inherited by the trustees may have been donated by some of the trustees themselves out of their own companies earlier and now if they have to be disposed of within certain period it may lead to distress selling which will make the trust lose money and perhaps disturb the market also; apart from reducing the income of some of these trusts. This will be hard on the charitable institutions which had been running on the incomes derived from some of these investments.

Secondly, sub-clause (a) says: "any part of the income from the property held under a trust for private religious purposes which does not enure for the benefit of the public;". We want that the trustees should spend all

the money for the charitable purposes for which the trust had been created. But think of a case in which a trust has received a number of shares, with fifty per cent paid up capital and the other fifty per cent has to be paid for redeem these shares. If the trust spends money on that, will it be considered a charitable purpose? These shares had already been accepted under the existing law and part payment has been made and part payment is still due, will that be covered by the definition and not results in loss of income-tax exemption? Then suppose a building worth Rs. 10 lakhs is donated and there is a mortgage or debt of Rs. 50,000 on that building. If the charitable institution pays this, will that be covered by the definition of charitable purpose or will that involve them in the loss of their income-tax exemption. This is a very important point for those of us who are running some of these charitable institutions. These things should be clarified; otherwise people who are donating for charitable purposes will feel very insecure. Some little share not been disposed of in time may result in withdrawal of income-tax exemption, the money that they have donated to the institution under the impression that it was income-taxfree, will not be free from income-tax. People may with-hold donations.

SHRI S. S. KOTHARI : That has been accepted.

DR. SUSHILA NAYAR : I have raised these two points. I hope in the cases I have mentioned it will not involve them in the loss of the exemption from income-tax.

SHRI BENI SHANKER SHARMA : Sir, just one word, about 531. The definition of the word 'relative' is extended here. How many definitions are we going to have for each word in the same Act. It has already been defined in section 2 (41) of the I. T. Act, 1961. Here is another definition. Are we going to have different meanings for each word in each section?

SHRIMATI INDIRA GANDHI : I do not think I have to move again 647 and 648. I have nothing much to say on these amendments. Hon. Members will recognise that the Government is always

reasonable when reasonable matters are brought up; it was not only Mr. Lobo Prabhu but other Members also who have discussed these matters with us and we have gone into them very carefully and tried to minimise any hardship which may be caused to any trust. As hon. members know, we have given a time-limit. We have extended the time for the change of portfolio. 20 per cent investment includes equity. We feel that any change might open out the possibilities of diverting the funds. I think this is all I have to say.

SHRI N. K. P. SALVE : If someone donates shares, will the shares forfeit the exemption ? If you clarify it on the floor of the House, it will be better.

SHRIMATI INDIRA GANDHI : For the previous existing trusts, we have given a time-limit. For the new ones, we will have to evolve something.

SHRI N. K. P. SALVE : My question is, if somebody donates in the form of shares, will the trusts forfeit the exemption ?

SHRIMATI INDIRA GANDHI : I think they will. They will have to sell the shares and give it.

MR. DEPUTY-SPEAKER : Now, there are a number of amendments.

SHRI S. S. KOTHARI : I withdraw my amendments.

MR. DEPUTY-SPEAKER : Has the hon. member the leave of the House to withdraw his amendments ?

HON. MEMBERS : Yes.

The amendment Nos. 355 to 358 were by leave, withdrawn.

SHRI LOBO PRABHU : I want to withdraw my amendments ?

MR. DEPUTY-SPEAKER : Does the hon. member have the leave of the House to withdraw his amendment ?

HON. MEMBERS : Yes.

Amendment Nos. 314 and 315 were by leave, withdrawn.

SHRI N. K. P. SALVE : I want to withdraw my amendments.

MR. DEPUTY-SPEAKER : Has the hon. member the leave of the House to withdraw his amendments ?

HON. MEMBER : Yes.

Amendment Nos. 700 to 702 were by leave, withdrawn.

MR. DEPUTY-SPEAKER : Shall I put the other amendments, except Government amendments, together ?

SHRI SHIVA CHANDRA JHA : Amendments Nos. 98 and 99 may be put separately.

MR. DEPUTY-SPEAKER : I will now put amendment Nos. 98 and 99 to the House.

Amendment Nos. 98 & 99 were put and negatived

MR. DEPUTY-SPEAKER : I will now put all the other amendments, except the Government amendments, to the House.

Amendment; Nos. 6, 50 to 53, 301, 302, 555 to 560, 644 and 731 were put and negatived.

MR. DEPUTY-SPEAKER : Before putting the Government amendments, I will put amendment No. 732 moved by Mr. Himatsingka to the Government amendments.

Amendment No. 732 was put and negatived.

MR. DEPUTY-SPEAKER : I will now put Government amendments Nos. 647 and 648.

The question is :

Page 7, after line 33, *Insert*—

"Provided further that in the case of a trust for religious purposes or a religious institution (whenever created or established) or a trust for charitable purposes or a charitable institution created or established before the commencement of this Act, the

[Mr. Deputy-Speaker]

provisions of sub-clause (ii) shall not apply to any use or application whether directly or indirectly, of any part of such income or any property of the trust or institution for the benefit of any person referred to in sub-section(3) in so far as such use or application relates to any period before the 1st day of June, 1970.” (647).

Page 8, for lines 29 to 32, substitute—

“(h) if any funds of the trust or institution are, or continue to remain, invested for any period during the previous year (not being a period before the 1st day of January, 1971) in any concern in which any person referred to in sub-section(3) has a substantial interest.” (648)

The motion was adopted.

MR. DEPUTY-SPEAKER : The question is :

“That clause 6, as amended, stand part of the Bill.”

The motion was adopted.

Clause 6, as Amended, was Added to the Bill.

Clause 7—(Amendment of Section 16).

SHRI KANWAR LAL GUPTA : I beg to move*

Page 10, line 15.—

for “Rs. 20;” substitute

“Rs. 30; or actual fare of the bus or suburban train, whichever is less;” (7)

SHRI N. DANDEKER : I beg to move*

Page 10, line 11.—

for “Rs. 200” substitute “Rs. 250” (54)

Page 10, line 14.—

for “Rs. 50” substitute “Rs. 75” (55)

Page 10, line 15.—

for “Rs. 20” substitute “Rs. 30” (56)

SHRI SHIVA CHANDRA JHA : I beg to move*

Page 10, line 11.—

for “Rs. 200” substitute “Rs. 100” (100)

Page 10, line 14.—

for “Rs. 50” substitute “Rs. 60” (101)

Page 10, line 15.—

for “Rs. 20” substitute “Rs. 35” (102)

SHRI S. S. KOTHARI : I beg to move*
Page 10, line 11,—

for “Rs. 200” substitute “Rs. 300” (359)

SHRI BENI SHANKER SHARMA : I beg to move*

Page 10, line 14.—

for “Rs. 50” substitute “Rs. 100” (563)

SHRI S. M. BANERJEE (Kanpur) : I beg to move*

Page 10, line 15.—

for “Rs. 20” substitute “Rs. 35” (575—
as modified).

श्री कंवरसाल गुप्त : उपाध्यक्ष महोदय, जो संशोधन वित्त मंत्री जी ने सदन के सामने रखा है मैं उस का स्वागत करता हूँ, लेकिन उन्होंने जरा कुंजूसी से काम लिया है। पहले से जरूर इम्प्रूवमेंट है क्योंकि आप इस बात को मानेंगे कि इनकम टैक्स असेसीज में से अगर कोई सब से ज्यादा तकलीफ में होता है तो सैलरीड क्लास है। वह सब से ज्यादा हाँ हिट होता है।

*Moved with the recommendation of the President.

सैलरीड क्लास का इनकम टैक्स बढ़ता जाता है। उस के लिये तो इवेजन का कोई स्कोप है नहीं क्योंकि उस की तन्जवाह से ही इनकम टैक्स का कट लिया जाता है। इस लिये जब भी इनकम टैक्स का रेट बढ़ता है तो उस पर वज्रपात होता है। हर साल वह अनुमान लगाते रहते हैं कि फाइनेन्स मिनिस्टर अब अपनी झोली से कौन सा सांप निकालेंगी। जहां तक कारपोरेशन टैक्स का सवाल है, मैं नहीं कहता कि उस को बढ़ाना चाहिये, लेकिन कारपोरेशन टैक्स में कई जगह इवेजन का स्कोप है। आप को मालूम है कि जितना कन्वेयन्स होता है वह किस प्रकार कारपोरेशन टैक्स में डाल दिया जाता है। एंटरटेनमेंट टैक्स भी कम्पनियों के खाते में लगाया जाता है। लेकिन सैलरीड क्लास तो इस तरह से इवेजन नहीं कर सकता क्योंकि उन का टैक्स तो शुरू में ही कट लिया जाता है।

जो संशोधन किया गया वह कुछ मात्रा में तो ठीक है। पहले जिस के पास साइ-किल होती थी उस को आप केवल 5 रु. देते थे और जो पब्लिक बैंहिकल्स बसेज या और गाड़ियां से आता था उस के लिये कोई कन्वेयन्स अलाउंस नहीं था, अब आप ने उस के लिये 20 रु. महीना रखा है। इस के ऊपर मेरा संशोधन यह है कि 20 रु. की जगह 30 रु. होना चाहिए। जो एक्स्चुअल फेबर हो या सुवरचन ट्रेन का किराया हो, उन में से जो कम हो वह होना चाहिये। आप देखिये कि दिल्ली, बम्बई, कलकत्ता और मद्रास जैसे जो चार पांच बड़े बड़े शहर हैं उन में भी सरकारी कर्मचारी रहते हैं। मैं जानता हूं कि अगर कोई आदमी अपने घर से सेंट्रल सेक्ट्रेटरियट आयेगा तो उस का आने जाने का किराया ही 1 रु. लग जायेगा। इसी तरह से जो बम्बई आदि में सुवरचन ट्रेन से आयेगा तो 1 रु. आने जाने का लग जाना मायूसी बात है। लेकिन मैंने कहा

है कि 30 रु. और एक्स्चुअल फेबर में जो भी कम हो उस को मान लिया जाये। आप ने 20 रु. रखा है लेकिन खर्च तो 24-25 रु. पड़ जायेगा। इस लिए 20 रु. रखना गलत है। आप ने जो भैंसिसम मिनिट 20 रु. रखदी है उस में आप कंजूसी से काम न लें। जब आप इस बिल में कोई छूट देने जा रहे हैं तो उस को पूरी तरह से दीजिये। मैं सैलरीड क्लास के लिये विशेष रूप से कहना चाहता हूं। उस के मामले में आप को थोड़ा सा लिन्डली सोचना चाहिये। कारपोरेशन टैक्स में या दूसरे किसी और टैक्स में गड़बड़ी हो सकती है, लेकिन सैलरीड क्लास के द्वारा ऐसी कोई गड़बड़ी होने की सम्भावना नहीं है। इस लिये मैं समझता हूं कि प्रधान मंत्री मेरे संशोधन को मान लेगी।

SHRI S. M. BANERJEE : Sir, with your permission, in amendment No. 575, which I have moved a little earlier, I want to delete the words "or actual fare whichever is more." So, the amendment will simply read: for "Rs. 20" substitute "Rs. 35."

SHRI D. N. PATODIA : My amendments seek to make some changes for improvement with regard to the allowances provided in the Bill for motor car, motor cycle and other vehicles. With regard to motor cars the Bill provides for a monthly deduction of Rs. 200 if there is no conveyance allowance given to the salaried people. In this respect, referring to the clause of the previous Act I find that there was a provision for Rs. 250 per month. I am sure the Prime Minister does not mean to suggest that the expenses of maintaining a motor car has been reduced; in fact, it has considerably gone up in respect of the cost of the motor car, in respect of repair and maintenance and also in respect of the cost of petrol. Similarly, with regard to scooters and motor cycles, the amounts provided, namely, Rs. 50 and in all other cases 20 are rather too inadequate. If any provision is at all to be made, it should be somewhat generous to make it meaningful. I have, therefore, suggested that motor-car allowance should be restored

[Shri D. N. Patodia]

back to Rs. 250. Scooter and motor-cycle allowance should be increased to Rs. 75/- and in other cases, as suggested by Mr. K. L. Gupta, it should be Rs. 30/-.

श्री शिवचन्द्र झा : इस में जो भी असेसीज है उन में से जिन की आमदानी मोटे तौर पर फिस्ट रहती है उन को छूट देने की बात है। मेरा संशोधन स्कूटर वाले जो हैं या साइकिल वाले हैं या जो बस आदि इस्तेमाल करते हैं उन की तकलीफों को कम करता है। जहां तक मोटर वालों को छूट देने का सम्बन्ध है, उन को 200 रु 50 की छूट है। मैं समझता हूँ कि उनको इतनी छूट देने की जरूरत नहीं है। उन के लिये 100 रु 50 की छूट बहुत है। आखिर कितने लोग हिन्दुस्तान में मोटर रखते हैं। मैं खेतिहर मजदूर के रूप में जब अमेरीका में था तब मेरे पास पैकांड गाड़ी थी, लेकिन यहां पर एम० पी० होने के बावजूद गाड़ी में चुनाव क्षेत्र में घूमना मुश्किल हो जाता है।

जो स्कूटर वाले छोटे लोग हैं जिनको सरकार आज 50 रु 50 की छूट देती है, उन को, मेरा संशोधन है, 60 रु 50 की छूट होनी चाहिये, लेकिन जो दूसरे लोग हैं जो बस का इस्तेमाल करते हैं या साइकिल से चलते हैं वह सब से नीचे के तबके के हैं, आज जो भीड़ल क्लास के लोग हैं उन में वह लोअर रंग के माने जा सकते हैं। उन के लिये ज्यादा छूट होनी चाहिये। उन के लिये 20 रु 50 बहुत कम हैं। अभी श्री गुप्त ने सरकार को चार्ज किया कि वह कंजूसी से काम ले रही है, लेकिन 30 रु 50 का प्रस्ताव रख कर उन्होंने भी अपनी कंजूसी दिखलाई है। मेरा संशोधन है कि इस को 35 रु 50 कर दिया जाये। अगर 35 रु 50 कर दिया जाता है तब लोग समझेंगे कि हां, इस बजट से हम को कुछ छूट मिली है।

मैं सुझाव देना चाहता हूँ कि 200 रु 50 की जगह पर तो 100 कर दिया जाये,

50 रु 50 की जगह पर 60 कर दिया जाये और 20 की जगह 35 रक्खा जाय। तभी लोगों को कुछ फायदा पहुँच सकता है।

SHRI S. S. KOTHARI : I think if the Central Government employees and other employees who have salaried income are given more allowance it would be just and fair. I suggest that instead of Rs. 50/- it should be Rs. 75/- for the scooter and motor-cycle and for others instead of Rs. 20/- it should be Rs. 30/-.

SHRI N. K. SANGHI : For the first time the Prime Minister has tried to give some concession for the conveyance of the poorest section particularly those travelling by bus and scooter. In respect of motor-car it has been reduced from Rs. 250/- to Rs. 200/- . I want to submit that the savings from the car allowance to the exchequer is Rs. 20 to Rs. 25 whereas the exchequer loses only one or two rupees by the increase to the poorer section. Therefore, if we want to give advantage to the poorer section it should be more and reasonable. I suggest in respect of scooter it should be Rs. 75/- and those travelling by public conveyance it should be Rs. 30/-.

SHRI BENI SHANKER SHARMA : As the price of petrol has been increased by now, the allowance for the motor-car should be increased from Rs. 200/- to Rs. 300/- and that in respect of scooter should be increased from Rs. 50/- to Rs. 100/- . For others the allowance should be Rs. 30/- instead of Rs. 20/-.

15 hrs.

I would only submit that so far as motor-car allowance is concerned, as regards businessmen, they are not very much affected by it. It affects only the officers' class. They will be affected because they drive their own cars. They cannot afford to keep drivers. An amount of 200 for petrol and other things is not sufficient. I would therefore again submit that it should be raised to Rs. 300 in the case of motor-cars; for scooters it should be raised from Rs. 50 to Rs. 100. For other vehicles, it should be raised from Rs. 20 to Rs. 30.

श्री स० भ० बनर्जी : मेरा संशोधन है कि 20 रुपये से 35 रुपये इसको किया जाना चाहिये। हमने देख लिया है कि प्रधान मंत्री भी कंजूस, गुप्त जी भी कंजूस, सांची साहब भी कंजूस। दो ही दिल वाले हैं एस० एम० बनर्जी और शिव चन्द्र क्षा।

हिन्दुस्तान में साइकल चलाने वालों की तादाद और खास तौर पर मध्यम वर्ग के लोगों की बहुत ज्यादा है, कर्मचारियों की बहुत ज्यादा है। साइकल पर हिन्दुस्तान का नक्शा हम देख सकते हैं। साइकल पर पूरा परिवार चलता है। सीट पर वह खुद बैठता है, पीछे बीबी बैठती है, राड पर बच्चा और सामने जो टोकरी रहती है उस में तरकारी भरी रहती है। सारा देश इसी तरह मूव करता है। अगर फैमिलीप्लानिंग का वह पक्षपाती हुआ तो बीबी की गोद में बच्चा, राड पर बच्चा, सीट पर वह स्वयं और टोकरी में सब्जी बगरह। इन्हीं को ज्यादा मिलना चाहिये। मोटर कार वालों के लिए दो सौ से तीन सौ देना गलत है। उनको न दिया जाए। बल्कि उनका सौ रुपया कर दिया जाए। लेकिन मध्यम वर्ग वालों की हालत को देखते हुए उनको यह रिलिफ अवश्य दिया जाए। कर्मचारियों के प्रतिनिधि जब उन से मिले थे तब उन्होंने सहानुभूति के साथ उनकी बात को सुना था। मैं निवेदन करता हूँ कि मेरे संशोधन को मान लिया जाए। मैं संशोधनवादी नहीं हूँ। लेकिन इस संशोधन को जरूर मान लिया जाना चाहिए। मैं आशा करता हूँ कि इस को मान भी लिया जाएगा।

श्रीमती इन्दिरा गांधी : कंवर लाल जी ने कहा कि मैं दिल बढ़ा करूँ। मैं समझती हूँ कि पूरा बढ़ा करना चाहिये।

These amounts of standard deductions are based on a broad judgment of expenses

likely to be incurred by the majority of salaried employees. But I am willing to accept amendment Nos. 101 and 102 of Shri Shiva Chandra Jha and also amendment No. 575 of Shri S. M. Banerjee.

MR. DEPUTY-SPEAKER : Now, I take up the amendments.

SHRI KANWAR LAL GUPTA : I want to withdraw my amendment.

MR. DEPUTY-SPEAKER : Has the hon. Member the leave of the House to withdraw his amendment?

Amendment No. 7 was by leave withdrawn.

SHRI S. S. KOTHARI : I am withdrawing my amendment also.

MR. DEPUTY-SPEAKER : Has the hon. Member the leave of the House to withdraw his amendment?

Amendment No. 359 was by leave withdrawn.

MR. DEPUTY-SPEAKER : Now, I put amendment Nos. 34, 55 and 56 in the name of Shri D. N. Patodia to the vote of the House.

Amendments Nos. 34 to 56 were put and negatived.

MR. DEPUTY-SPEAKER : I now put amendment No. 100 in the name of Shri Shiva Chandra Jha to vote.

Amendment No. 100 was put and negatived.

MR. DEPUTY-SPEAKER : Now, I put amendment Nos. 101 and 102 in the name of Shri Shiva Chandra Jha which are accepted by Government to the vote of the House.

SHRIMATI INDIRA GANDHI : Amendment No. 575 of Shri S. M. Banerjee also.

MR. DEPUTY-SPEAKER : That is the same as that of Shri Shiva Chandra Jha.

Now the question is:—

Page 10, line 14,—

for "Rs. 50" substitute "Rs. 60."
(101)

The motion was adopted.

MR. DEPUTY-SPEAKER :

Now the question is:

Page 10, line 157,—

for "Rs. 20" substitute "Rs. 35."
(102)

The motion was adopted.

MR. DEPUTY-SPEAKER : I will put amendment No. 563 standing in the name of Shri Beni Shanker Sharma to the vote of the House.

Amendment No. 563 was put and negatived.

MR. DEPUTY-SPEAKER : 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.

New Clause 7A

SHRI S. S. KOTHARI : I beg to move*:
Page 10,—

after line 15,— insert—

"7A. In section 33, after sub-section(1), the following sub-section shall be inserted, namely:—

(1A) Notwithstanding anything contained in clause (b) of sub-section (1) of this section, the sum referred to in clause (a) of sub-section (1) shall be 35 per cent of the actual cost of the machinery or plant of the assessee where machinery or plant is installed for the purposes of business of manufacture or production of articles or things specified in items (32) and (33) in the list in Fifth Schedule, where it is installed before the 1st day of April, 1975;" and

(ii) sub-section (1A) shall be numbered as (1B)." (573)

SHRI D. N. PATODIA : I beg to move*:
Page 10,—

after line 15, insert—

'7A. In clause (b), of sub-section (1) of section 33 of the Income-tax Act, for the figure "1970" wherever it occurs, the figure "1975" shall be substituted.' (679).

*Moved with the recommendation of the President.

SHRI S. S. KOTHARI : I am glad that the Prime Minister has shown considerable flexibility in accepting Mr. Jha's amendments.

With regard to this particular item, it relates to development rebate being reduced for priority industries from 35% to 25% from 1st April 1970. I shall be very brief, Sir.

May I mention that the Indian economy is poised for growth and the Government also want that investments should be stepped up. This development rebate of 35% ensures that investments are channelised into the priority sectors and these priority sectors are all important because they spearhead further industrial growth. Sir, in the U. K. they give investment allowances which are also very liberal. I would submit that in my humble opinion this is not the right time to scale down the development rebate. You can do it 4 or 5 years when the Fourth Plan is over because by that time you could have achieved a self-generating economy. It is wrong to scale down the development rebate. The Prime Minister is not correctly advised on that. I would submit that she should again make it 35% and my amendment may be accepted. If it is not accepted, let the Government consider it at a later stage and see that proper development rebate is given, because it is an incentive which directly helps the growth of industries. When an entrepreneur makes out a project, he prepares a sort of budget in respect of his tax benefits and what his liability is going to be and how much of profits he will make and he makes a projected balance sheet. In that budget, this is a very important factor. A few years back, I myself prepared certain budget of this nature and we found that the development rebate played a big role in deciding how investments should be channelised particularly in priority sectors. Therefore, I would reinforce my plea and request the Prime Minister to sympathetically consider increasing the rebate of 35%. This rebate cut is to become effective from April 1970, but it should be from April 1975; and the cut should be postponed as was done year after year in the past.

SHRI D. N. PATODIA : Sir, the question of development rebate is closely

connected with the question as to whether we want further growth of industries in our country. As it is, the growth is very much stagnated. On the one hand the Government are giving an impression that they are trying to do something by which this growth can be accelerated, and on the other we find with effect from 1st April 1970, the development rebate has been reduced to 25%. This one single action alone will be a tremendous disincentive for the growth of industry. Therefore, if we are really serious with the development and growth of industries in this country, we should see that maximum possible incentives are given. My amendments seek, therefore, to restore the previous position by which development rebate is put at 35% and is made applicable upto 31st March 1975. I hope the Government will accept it.

SHRI S. R. DAMANI : Ours is a developing country and this country needs so many industries for our economic development. Government have very rightly allowed development rebate and reduction in taxation and my only request is this that this should be continued for another 5 years so that the industry can be established quicker and the country can become self-sufficient. With this intention I had moved my amendment. I do not wish to press them.

SHRIMATI INDIRA GANDHI : These amendments are outside the scope of the Bill and are not consequential to any of the existing provisions in it. Reduction in the rate of development rebate after 31-3-70 was provided for in the law as early as 1965. Development rebate cannot obviously be a permanent feature of the tax system. A beginning has to be made sometime or the other towards reducing it, but I think, it is a very wrong attitude of mind to think that people will not invest in priority industries because Government is not giving incentive. They are making lot of money in other things and they should automatically think of using it to the best advantage of the country.

MR. DEPUTY-SPEAKER : I will now put amendment Nos. 407 and 573 to the vote of the House.

Amendment No. 407 and 573 were put and negatived.

MR. DEPUTY-SPEAKER : I will now put amendment Nos. 496 and 679 to the vote of the House.

Amendments Nos. 496 and 679 were put and negatived.

MR. DEPUTY-SPEAKER : I need not put 7-A as it is a new clause and all the amendments for insertion of this new Clause 7-A have been lost. We go to Clause 8.

Clause 8—(Amendment of section 35B.)

MR. DEPUTY-SPEAKER : The following amendments are being moved for Clause 8. Amendment Nos. 517 and 704.

SHRI BENI SHANKER SHARMA : I beg to move* :

Page 10, lines 17 and 18,—

for "and shall be deemed always to have been, substituted, namely" substitute—

"Substituted with effect from the 1st day of April, 1971, namely" (517)

SHRI N. K. P. SALVE : I beg to move* : Page 10, line 21,—

for "in connection therewith or" substitute—

"except" (704)

This relates to deductions under Income-tax Act, from 1-4-68. The clause says 'It shall be deemed always to have been substituted'. This is retrospective withdrawal of a certain concession which had been given. Sir, it is not a question whether the concession was right or wrong. But it is a question of adopting a sound principle of legislation. This concession was given for tax purposes from 1-4-68. If it is to be curtailed, let it be curtailed prospectively. To do it retrospectively would not be commensurate with good principles of legislation. That is my submission.

SHRI BENI SHANKER SHARMA : My amendment is the same as Mr. Salve's. Government is committed to the principles that no retrospective effect shall

be given to such provisions, and I want to remind the Prime Minister about the point made by the Finance Minister earlier. Such a provision should be made prospective and it should not have any retrospective effect.

SHRI S. R. DAMANI : Our export contracts are made for a long period.

SHRI S. R. DAMANI : As you remember the other day, we were told that our export of iron ore to Japan is for nine years upto 1979. In this event, if incentives are drawn retrospectively, then it will not be desirable to withdraw these incentives.

My submission is that Government should continue the incentives and whatever action they want to take that should be prospectively. This is my submission.

SHRIMATI INDIRA GANDHI : This was never the intention to include expenditure incurred in India in connection with export of goods or expenditure incurred on freight and insurance of goods within the category of expenditure for exports market development allowance.

There is no evidence that the Indian exporters have based their export prices on the availability of the weighted deduction. It is necessary to give retrospective effect to the proposed provision. Otherwise, this would result in an unintended advantage to the person who exports his goods on C.I.F. basis during the intervening period, while no such advantage will be available to the other exporters. Therefore, this will not be acceptable.

SHRI N. K. P. SALVE : I would like to withdraw my amendment.

Amendment No. 704 was, by leave, withdrawn.

MR. DEPUTY-SPEAKER : Now I shall put amendment No. 517 to the vote of the House.

Amendment No. 517 was put and negatived.

MR. DEPUTY-SPEAKER : Now the question is :

"That Clause 8 stand part of the Bill."

*Moved with the recommendation of the President.

The motion was adopted.

Clause 8 was added to the Bill.

Clause 9—(Amendment of Section 36)

MR. DEPUTY-SPEAKER : Now we shall take up clause 9. Are you, Shri Shiv Chandra Jha, moving your amendment No. 103?

SHRI SHIVA CHANDRA JHA : Yes, Sir. I beg to move* :

Page 10, line 32,—

for "twenty-five" substitute "fifteen" (103)

MR. DEPUTY-SPEAKER : I shall now put amendment No. 103 to the vote of the House.

Amendment No. 103 was put and Negatived.

MR. DEPUTY-SPEAKER : The question is :

"That clause 9 stand part of the Bill."

The motion was adopted.

Clause 9 was added to the Bill.

Clause 10—(Amendment of section 37)

MR. DEPUTY-SPEAKER : Now, we shall take up clause 10.

SHRI N. DANDEKER : I beg to move* :

Pages 10 and 11,—

omit lines 42 and 43 and 1 and 2 respectively. (57)

Page 11,—

omit lines 3 to 8. (58)

Page 11,—

After line 28, insert—

"Provided further that nothing in this sub-section shall apply in relation to any guest house maintained by the assessee—

(a) upon land or in buildings comprised within his factory area or business premises; or

(b) in any place where, within a radius of ten miles from such guest house, there is no hotel approved by the Central Government under sub-clause (B) of clause (b) of sub-section (1) of section 33 of this Act;" (59)

SHRI SHIVA CHANDRA JHA : I beg to move* :

Page 11, line 33,—

for "one hundred" substitute—

"seventy-five" (104)

Page 11, lines 41 and 42,—

for "one hundred and eighty-two days" substitute "ninety days" (105)

SHRI N. K. SANGHI : I beg to move* :

Page 11, line 7,—

after "expenditure" insert—

"in excess of Rs. 5,000 in any previous year" (415)

Page 11,—

after line 37, add—

"(c) is maintained by an assessee at such place or places where hotel accommodation is not available within radius of five kilometres from the place or places of his business or profession." (416)

SHRI RAGHUVIR SINGH SHASTRI (Baghpat) : I beg to move* :

Pages 10 and 11,—

omit lines 42 to 43 and lines 1 to 8 respectively. (518)

Page 11,—

after line 28, insert—

"Provided further that nothing in this section shall apply to a guest house maintained by an assessee in a tea garden, sugar mill or within the precincts of a factory in town the population of which does not exceed two and a half lakhs and where no modern facilities for accommodation are available." (519)

SHRI D. N. PATODIA : I beg to move* :

Pages 10 to 12,—

for clause 10, substitute—

"10. In section 37 of the Income-tax Act, after sub-section (3), the following

*Moved with the recommendation of the President.

[**Shri D. N. Patodia]**

sub-section shall be inserted with effect from the 1st day of April, 1971, namely :—

"(4) Notwithstanding anything contained in sub-section (1) or sub-section (3),—

(i) no allowance shall be made in respect of any expenditure incurred by the assessee on the maintenance of any residential accommodation in the nature of a guest-house (such residential accommodation being hereafter in this sub-section referred to as "guest house");

(ii) no allowance shall be made in respect of depreciation of any building used as a guest house or depreciation of any assets in a guest house;

Provided that the aggregate of the expenditure referred to in clause (i) and the amount of any depreciation referred to in clause (ii) shall for the purposes of this sub-section, be reduced by the amount, if any, received from persons using the guest house :

Provided further that nothing in this sub-section shall apply in relation to,—

(i) any guest house maintained as a holiday home if such guest house—

(a) is maintained by an assessee who has throughout the previous year employed not less than one hundred whole-time employees in a business or profession carried on by him; and

(b) is intended for the exclusive use of such employees while on leave;

(ii) any guest house maintained at the place where the assessee is engaged in the raising or processing of raw material or the manufacture, processing or production of any article or thing or is maintaining any industrial establishment." (675)

Sir, my amendments are in respect of entertainment expenses and expenses on guest houses. Although the Prime Minister declared at the time of placing the budget proposals on the 28th February that there is no increase in the corporate taxation as many of my colleagues explained, there was in fact a change and increase in the rate of tax by way of reducing various allowances which were allowed to the companies earlier. If anybody says that the company or commercial concern does not have to incur

expenditure on entertainment or does not have to entertain the guests coming from various parts of the country, then he or she is completely ignorant of the real fact. The fact is that if any business is to succeed, if any industry is to grow, they have to incur this expenditure which is very unavoidable. It also applies in the similar manner to government departments or various ministries of the Government. I do not understand why such an allowance should not be given to the companies.

My amendments are therefore to see that with regard to entertainment expenses the previous position should be restored back. With regard to the guest houses wherever and whenever a guest house is built, within the factory premises or business premises or when from the guest house there is no hotel within a radius of 10 miles, in such cases, the expenses should be permitted.

While replying, the Prime Minister said that they are making a lot of money and so they should be able to spend. It was a very confusing statement by the Prime Minister that the corporate sector was making lot of money. After all, every thing gets reflected in the balance-sheet. Where is the surplus left with the corporate sector after such heavy taxation, to plough back for further investment and for the growth of the industry? So, it was a very misleading statement by the Prime Minister that the corporate sector was making a lot of money. I find that in the corporate sector there is not enough saying, and there is not enough left over after payment of tax to be ploughed back. That explains why industrial growth has been so much stagnant. That explains why new licence applications are not coming forward to Government. Therefore, they should think twice about this matter.

SHRI N. K. SOMANI (Nagaur) : I think Government are allergic to certain terms, and this time they have picked up entertainment and guest-houses. I do not know the revenue involved, but I think the amounts involved are not very large, by any calculation. But the whole question is one of fundamental considerations for the running of the business. I think it is extremely inequitable to prohibit

the expenditure on a particular legitimate activity. I can cite several examples. I am sure the Prime Minister is aware of them. There are marketing companies; there are advertising agencies; there are film production companies.

SHRI PILOO MODY : Architects also.

SHRI N. K. SOMANI : Yes, there are architects also. They have to entertain their clients in a legitimate manner. If you are entertaining your foreign guests in foreign countries, the principle is the same if you are entertaining your Indian clients here in India. I cannot understand why and on what basis this restriction has been imposed. Tomorrow, the Government may come forward any say that they would not allow any air-conditioning or furniture or painting charges in the office. This is just something as arbitrary as all that. Of course, one does recognise that there is a need to put a certain limit but it should be in reasonable proportions. But we find that when a company reaches a gross profit of Rs. 1 crore 70 lakhs, the maximum that was allowed was only a paltry Rs. 30,000 a year. Therefore, either Government should say that entertainment is completely an unconstitutional or an un-called for activity or not necessary at all, or certainly they should continue these small and legitimate allowances allowed so far.

SHRI PILOO MODY : It is a legitimate expense.

SHRI N. K. SOMANI : The second obnoxious part is in respect of guest-houses. There again, if certain people or certain business-houses have misused their guest-house facilities, it does not stand to reason that the entire corporate sector should have those facilities denied. After all, nobody wishes to come to New Delhi for fun. I think Government's aim is to demolish these guest-houses in New Delhi. But I make bold to say that there are more guest-houses here in Delhi belonging to the State Governments and public sector corporations and such other projects than there are belonging to the private sector. Nobody wishes to waste all his time here in the corridors of New Delhi by trying to wait and entertain and

by having a small office and thereby incurring infructuous expenditure, unless it is absolutely necessary. Therefore, to say that there will be no guest-house expenditure allowed, I think, is taking the matters too far. Again, I would like to reiterate my plea that because of the misuse of certain facilities and certain allowances by certain people, this tendency or the part of Government is absolutely uncalled for, and, I would, therefore, like that these two amendments should be certainly accepted.

श्री शिव चन्द्र शर्मा : अध्यक्ष महोदय, यह गेस्ट हाउस बिलकुल ही फिजूलखार्ची के होते हैं। इन को छूट होनी नहीं चाहिए। सरकार उस पर सख्ती करती नहीं, यह तो अच्छी बात नहीं है। हम लोगों का बश चले तो हम काफी सख्ती करेंगे उस पर। इसलिए गेस्ट हाउस में छूट होनी नहीं चाहिये। विधेयक में कहा गया है :

"is maintained by an assessee who has throughout the previous year employed not less than one hundred whole-time employees."

100 तो बहुत हो गया। जिन के मात्रहत 75 लोग हों वह भी काफी है और उन के गेस्ट हाउस में लागू नहीं होना चाहिए। और उस के बाद रेजीडेंशियल एकोमोडेशन में है, पेज 11 पर,

"residential accommodation in the nature of a guest-house shall include accommodation hired or reserved by the assessee in a hotel for a period not exceeding one hundred and eighty-two days during the previous year."

यह 180 दिन तो बहुत ज्यादा है। इस का आधा 90 दिन होना चाहिये, यह मेरे दो संशोधन हैं।

SHRI HIMATSINGKA : I am surprised to see the amendment in sub-cl. (2B) taking away the allowance in respect of expenditure in the nature of entertainment expenditure incurred after 28th February 1970. The present sec. 37 limits such expenditure to a paltry sum of Rs. 5,000 if the profits amount to Rs. 10 lakhs and another Rs. 10,000 if another Rs. 40 lakhs of profit

[**Shri Himatsingka**]

are made. That is to say, if a company makes a profit of Rs. 50 lakhs, it is entitled to an allowance of Rs. 15,000. If there is no profit, it is not entitled to any entertainment expenditure to be incurred.

SHRI PILOO MODY : What has it got to do with profit? It arises out of the compulsions of business.

SHRI HIMATSINGKA : It is provided in the Act itself. Taking away a small amount that would be spent by a company for entertaining guests or clients for business purposes is very unfair. Therefore, this amendment should not be there and the entertainment that is legitimately allowed under the present sec. 37 should be allowed to continue.

SHRI N. K. SANGHI : While replying to the debate yesterday, the Prime Minister said that she does not want to be a kill-joy, one can certainly spent by way of entertainment expenditure, but it will be taxed.

My submission is that certain people who can be taxed still have a lot of expenditure on entertainment, but what about the small businessman, the small shopkeeper who has very little income. If they are taxed for this purpose, that would really be hard on them. So I have suggested in my amendment that an expenditure upto Rs. 5,000 be allowed by Government while computing the profit. If this is done, I think it will be very satisfactory.

If we look into the historical background, in 1955, it was Rs. 1 lakh on a profit of Rs. 1.70 crores; it was reduced to Rs. 60,000 and later to Rs. 30,000. Now it has been completely denied to the small shopkeeper and the small businessman. The small man has also to incur entertainment expenditure. So this should be allowed as suggested in my amendment.

My second amendment is about a guest house maintained by an assessee at such place or place where hotel accommodation is not available, which place is far from cities and towns and where there is no other place for people to be put up except in guest houses maintained for this purpose. In such places guest houses should be allowed to be maintained.

SHRI BENI SHANKER SHARMA : As regards my amendment No. 519, I beg to submit that if you allow Hindustan Copper Ltd. to have a guest house in Khetri, why can you not allow the Indian Copper one at Ghatsila. When you allow Bhilai, Rourkela and Durgapur to have guest houses, why should it be denied to IISCO and TISCO. We have to be practical in these matters and not discriminate.

Sir, where there are other guest houses or hotels available, one could understand the restriction. In sugar mills and in tea gardens or in other factories situated at places away from towns, how and where one's guest is to live. Where is one to accommodate one's guests? So guest houses should be allowed to be maintained in at least, such places.

As regards entertainment expenditure, I think Government are allergic to it. If it is called as '*athidhi sarkar*' I do not think it will be obnoxious to Government. To offer tea, pan etc. to a guest visiting one's place is in keeping with Indian tradition. If one has to incur some expenditure, for such purpose, why should it not be allowed? Why should businessmen be prevented from incurring some expenditure in entertaining their customers? The allowances were very meticulously calculated under the present provision of sec. 37 and there is no reason why this should be changed now.

Of course, you can make some amendments here and there, but it should not be totally done away with.

SHRI N. K. SOMANI : I would like to ask what the Government would do in places where there is no hotel or other accommodation available. Should a factory be allowed to maintain a guest house or not?

SHRIMATI INDIRA GANDHI : As I said yesterday, even the affluent countries are now having second thoughts about expense accounts and so on. As far as the Government guest houses are concerned, we have been trying to give another look to it and reduce them to the extent possible. Most of these amendments run counter to the very objective underlying the provisions of the Bill, which is to curb lavish

expenditure on entertainment, and hence the amendments are not acceptable.

There is another amendment which detracts from the effectiveness of the provision and would lead to the continuance of the abuses. (*Interruptions*)

There is no bar on expenditure, but the only question is whether it is tax-deductible or not.

Shri Jha wanted the period of 182 days specified in the Bill to be reduced to 90 days. I do not think that this is necessary. However, we shall see how it works.

MR. DEPUTY-SPEAKER : I put the amendments to the House.

Amendments Nos. 57 to 59, 104, 105, 415, 416, 518, 519 and 675 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

"That Clause 10 stand part of the Bill."

The Motion was Adopted.

Clause 10 was added to the Bill.

SHRI NATH PAI (Rajapur) : What happened to the amendment of Shri Sanghi? We thought it was an eminently useful amendment.

MR. DEPUTY-SPEAKER : I had put all the amendments to the House.

SHRI NATH PAI : If he was not serious, why did he speak about it?

MR. DEPUTY-SPEAKER : Before we take up Clause 11, I would like to remind the House that according to the decision taken on the 13th March, the House had agreed to complete all stages of this Bill by 6.30 P. M. today, out of which two hours have been allotted for the third reading. So, we should complete the second reading by 4.30.

SHRI NATH PAI : After due deliberations only. No such mechanical schedule.

MR. DEPUTY-SPEAKER : Therefore, I would request the Members to kindly press only those amendments which they consider vital.

Clause 11—(*Amendment of section 47*).

SHRI N. DANDEKER : I beg to move* : Page 12, for 7 and 8, substitute—

"(viii) any transfer of agricultural land in India, if the agreement for such transfer was entered into before the 1st day of March, 1970.

Explanation :—For purposes of this clause the expression 'agricultural land in India' shall have the meaning assigned to it in sub-clause (iii) of clause (14) in section 2 of this Act prior to its amendment by clause (a) of section 3 of the Finance Act, 1970" (60)

SHRI LOBO PRABHU : I beg to move*

Page 12, lines 7 and 8,—

omit "effected before the 1st day of March, 1970" (316)

SHRIMATI INDIRA GANDHI : I beg to move* :

Page 12, for lines 5 to 8, substitute—

Amendment of Chapter IV-E relating to capital gains.

11. In Chapter IV-E of the Income-tax Act,—

(a) in section 45, for the words and figures "sections 53 and 54", the words, figures and letter "sections 53, 54 and 54B" shall be substituted;

(b) in section 47, after clause (vii), the following clause shall be inserted, namely :—

"(viii) any transfer of agricultural land in India effected before the 1st day of March, 1970."

(c) after section 54A, the following section shall be inserted, namely :—

Capital gain on transfer of land used for agricultural purposes not to be charged in certain cases.

"54B. Where the capital gain arises from the transfer of a capital asset being land which, in the two years immediately

*Moved with the recommendation of the President.
M17LSS/70-9

[**Shrimati Indira Gandhi**]

preceding the date on which the transfer took place, was being used by the assessee or a parent of his for agricultural purposes, and the assessee has, within a period of two years after that date, purchased any other land for being used for agricultural purposes, then, instead of the capital gain being charged to income tax as income of the previous year in which the transfer took place, it shall be dealt with in accordance with the following provisions of this section, that is to say,—

- (i) if the amount of the capital gain is greater than the cost of the land so purchased (hereinafter referred to as the new asset), the difference between the amount of the capital gain and the cost of the new asset shall be charged under section 45 as the income of the previous year; and for the purpose of computing in respect of the new asset any capital gain arising from its transfer within a period of three years of its purchase, the cost shall be nil; or
- (ii) if the amount of the capital gain is equal to or less than the cost of the new asset, the capital gain shall not be charged under section 45; and for the purpose of computing in respect of the new asset any capital gain arising from its transfer within a period of three years of its purchase, the cost shall be reduced by the amount of the capital gain." (649)

SHRI D. N. PATODIA : My amendment is of a clarificatory nature. The Bill provides that only that agricultural land will be exempt in respect of which transfer has been effected before 1st March, 1970. I am sure that the spirit behind this provision was that in respect of all genuine transfers the exemption will apply. My amendment, therefore, seeks that, whether the transfer has in fact been effected or not, once there was an agreement for transfer before 1st March, 1970, such agreement should tantamount to transfer and in respect of such agreement also it should not be made applicable.

SHRI LOBO PRABHU : When agricultural land was considered under clause 2 the Prime Minister explained that the

definition would not hit anyone because it would be effective only after the value of Rs. 1,50,000. The position here is in respect of capital gains where the exemption is only Rs. 5,000. Therefore, it means that this tax will hit everybody, rich and poor. Considering the socialist professions of the Government, I should like the Prime Minister and Finance Minister to consider carefully, it will not hit a poor man who has a land valued at Rs. 5,000 which he is compelled to sell. That is my first objection; this is a general one.

The next one is also a general one. If you put this capital gains tax on agricultural land it will have two consequences. The first will be that much of this agricultural land will be frozen; it will not be available for house construction. A person will say : why should I sell this land at the 1954 evaluation and lose 60 per cent of this to the Government; he would rather keep it hoping that some Government will come to power, like the Swatantra, which will be more reasonable and enable him to sell it at a proper price. You will be deprived of this land for residential purposes as long as this continues.

The second consequence will be that the existing practice of selling land under the table by under-stating its value will be accentuated. Today it is done for evading stamp duty, a small tax and after this Act it will be done for evading bigger taxes. There will be complete devaluation of land values and those sales that take place will be under the table.

Thirdly, what is the capital gains tax that you get? I do not know; I am subject to correction; I fail to find any figure but I think it is a small amount. For that small amount you should not go on placing these new restrictions on the conversion of agricultural lands in towns into residential lands.

Lastly, this is a point on which I am not so sure. I consulted the Secretariat on whether this word 'agricultural land' applies to all land or only to land as defined in clause 2. As it stands, it seems to apply to all lands and not to land as defined in clause 2, in which case, if some court holds that view and our Government follows that, no man in the country will be able

to sell agricultural land worth more than Rs. 5,000 without having to pay tax; it will be a drastic and very disastrous thing for any Government which claims to be socialist. The Prime Minister has been gracious and most reasonable which, I think, is the argument to have a lady as the Finance Minister and I do hope that the various arguments which I have given will appeal to her reason and make her turn her grace upon the poor people of this country who have a little agricultural land still left with them.

SHRIMATI INDIRA GANDHI : May I thank the hon. Member for all his compliments? He is trying to cajole me into accepting his amendments. As the hon. Member knows upto Rs. 5,000 there is complete exemption and above Rs. 5,000 it is at 55 per cent added to the income. My amendment seeks to provide for the exemption of capital gain arising from the transfer of any land situated in municipal or other urban areas which was being used by the tax payer or his parents for agricultural purposes during the two years immediately preceding the date of its transfer provided that the tax-payer acquires within a period of two years after that date any other land for being used for agricultural purposes. This should help at least to some extent.

The other amendments are not accepted by me.

MR. DEPUTY-SPEAKER : I shall now put amendment Nos. 60 and 316 to the vote.

Amendments Nos. 60 & 316 were put and Negatived

MR. DEPUTY-SPEAKER : The question is :

Page 12, for lines 5 to 8, substitute—

11. In Chapter IV-E of the Income-tax Act,—

Amendment of Chapter IV—relating to capital gains.

(a) in section 45, for the words and figures "section 53 and 54" for words, figures and letter "sections 53, 54 and 54B" shall be substituted;

(b) in section 47, after clause (vii) the following clause shall be inserted, namely :

"(viii) any transfer of agricultural land in India affected before the 1st day of March, 1970.";

(c) after section 54A, the following section shall be inserted, namely :—

"54B. Where the capital gain arises from the transfer of a capital asset being land which, in the two years immediately preceding the date on which the transfer took place, was being used by the assessee or a parent of his for agricultural purposes, and the assessee has, within a period of two years after that date, purchased any other land for being used of the capital gain being charged to income-tax as income of the previous year in which the transfer took place, it shall be dealt with in accordance with the following provisions of this section, that is to say,—

(i) if the amount of the capital gain is greater than the cost of the land so purchased (hereinafter referred to as the new asset), the difference between the amount of the capital gain and the cost of the new asset shall be charged under section 45 as the income of the previous year; and for the purpose of computing in respect of the new asset any capital gain arising from its transfer within a period of three years of its purchase, the cost shall be nil; or

(ii) if the amount of the capital gain is equal to or less than the cost of the new asset, the capital gain shall not be charged under section 45; and for the purpose of computing in respect of the new asset any capital gain arising from its transfer within a period of three years of its purchase, the cost shall be reduced by the amount of the capital gain." (649)

The Motion was adopted.

MR. DEPUTY-SPEAKER : The question is :

"That clause 11, as amended, stand part of the Bill."

The Motion was adopted.

Clause 11, as amended, was added to the Bill.

Clause 12—(Amendment of Section 80C.)

SHRI SHIVA CHANDRA JHA : I move* :

Page 13, line 4, for "thirty", substitute "twenty" (106)

Page 13, line 6, for "fifteen" substitute "ten" (107)

MR. DEPUTY-SPEAKER : Shall I put them to the vote now?

SHRI SHIVA CHANDRA JHA : Yes.

Amendments Nos. 106 and 107 were put and Negatived.

MR. DEPUTY-SPEAKER : The question is :

"That clause 12 stand part of the Bill."

The Motion was Adopted.

Clause 12 was added to the Bill.

Clause 13—(Amendment of section 80G.)

SHRI S. S. KOTHARI : I move* :

Page 13,—

for clause 13, substitute—

"13. In section 80G of the Income-tax Act,—

(a) in clause (i) of sub-section (5), after the words, brackets and figures "Clause (22)," the words, brackets, figures and letter "or clause (22A)" shall be inserted;

(b) for *Explanation 2*, the following *Explanation* shall be substituted with effect from 1st day of April, 1971, namely :—

Explanation 2.—For the removal of doubts, it is hereby declared—

(i) That a deduction to which the assessee is entitled to in respect of any donation made to institution or fund to which sub-section (5) applies shall not be affected merely by reason of the fact that subsequent to the donation, the income of the institution or fund or any part thereof has become chargeable to tax due to non-compliance with

any of the provisions of section 11;

(ii) that in the case of an assessee other than a person referred to in sub-section (3) of section 13, a deduction to which the assessee is entitled in respect of any donation made to an institution or fund to which section (5), applies shall not be affected merely by reason of the fact that subsequent to the donation, the income of the institution or fund or any part thereof has become chargeable to tax due to the application of clause (c) of sub-section (1), and sub-section (2), of section 13." (363)

I have compared amendment 363 with the Government amendment No. 650, and with some juxtaposition of words, they are exactly the same. Therefore, I thank the Prime Minister for accepting this amendment. The amendment provides that if a person makes a donation to a trust—

MR. DEPUTY-SPEAKER : Everybody knows it.

SHRI S. S. KOTHARI : Let me make it clear, Sir,—and due to noncompliance of section 11, if part of the income of the charitable trust becomes taxable, even then the donors would not be penalised and what they had donated to the trust shall be allowed as a deduction from income under the law in the prescribed manner. This is very good amendment, which has been accepted. I thank her for accepting the amendment.

MR. DEPUTY-SPEAKER : Do you withdraw your amendment?

SHRI S. S. KOTHARI : I withdraw my amendment.

Amendment 363 was, by Leave, withdrawn.

*Amendment made** :*

Page 13, for lines 7 to 10, substitute—
Amendment of section 80G.

*Moved with the recommendation of the President.

**Amendment made with the recommendation of the President.

'13. In section 80G of the Income-tax Act,—

(a) in clause (i) of sub-section (5), after the word, brackets and figures "clause (22)", the words, brackets, figures and letter "or clause (22A)" shall be inserted;

(b) for *Explanation 2*, the following *Explanation* shall be substituted with effect from the 1st day of April, 1971, namely :—

Explanation 2.—For the removal of doubts, it is hereby declared that a deduction to which the assessee is entitled in respect of any donation made to a institution or fund to which sub-section (5) applies shall be denied merely on either or both of the following grounds, namely :—

(i) that, subsequent to the donation, any part of the income of the institution or fund has become chargeable to tax due to non-compliance with any of the provision of section 11;

(ii) that, under clause (c) of sub-section (1), of section 13, the exemption under section 11 is denied to the institution or fund in relation to any income arising to it from any investment referred to in clause (h) of sub-section (2) of section 13 where the aggregate of the funds invested by it in a concern referred to in the said clause (h) does not exceed five per cent. of the capital of that concern." (650)

(Shrimati Indira Gandhi)

MR. DEPUTY-SPEAKER : The question is :

"That clause 13, as amended, stand part of the Bill."

The motion was adopted.

Clause 13, as amended, was added to the Bill.

Clause 14—(Substitution of new section for section 80L.)

SHRI D. N. PATODIA : I move* :

Page 13, line 27, for "Indian company" substitute 'Domestic Company" (69)

Page 13, after line 27, insert

"(iva) interest on debentures of any domestic company;" (62)

SHRI SHIVA CHANDRA JHA : I move* :

Page 14, line 4, for "three thousand" substitute "five hundred"

Page 14, line 6 for "three thousand" substitute "five hundred" (109)

SHRI LOBO PRABHU : I move* : Page 13, line 27, add at the end—

"and income from investments like building construction, industrial and agricultural development" (317)

Page 14, line 6, add at the end—

"or the excess of the total of Income and wealth taxes over total of income whichever is higher" (318)

SHRIMATI INDIRA GANDHI : I move* :

Page 13, line 29, omit "or". (651)

Page 13, for line 35, substitute "development bank); or" (652)

Page 13, after line 35, Insert—

"(vii) interest on deposits with a financial corporation which is engaged in providing long-term finance for industrial development in India and which is approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36,". (653)

SHRI D. N. PATODIA : Sir, here again, my amendments are of a very simple nature, trying to extend the scope of the provisions of the Bill. Instead of "Indian company" I want to substitute it by saying "domestic company", because a domestic company will also include Indian company.

The next important amendment is that whereas interest on deposits and dividends earned from Indian companies have been included, it appears the Prime Minister has forgotten to include interest on debentures.

*Moved with the recommendation of the President.

[**Shri D. N. Patodia**]

As share holding is important, so debentures are also important, and so are the deposits. Therefore, my second amendment on interest earned on debentures of any domestic company should also be included in the clause.

श्री शिव अनन्द भासा : उपाध्यक्ष जी, यूनिट ट्रस्ट से होने वाली इनकम में जो छूट देने की बात है उसकी अभी जो लिमिट है वह एक हजार है लेकिन अब उसको बढ़ाकर तीन हजार करने जा रहे हैं। जैसा कि मैं पहले भी कह चुका हूँ कि इसकी बजह से स्टाक मार्केट में बड़ा जुलिलेशन है। मेरा संशोधन यह है कि एक हजार की लिमिट को बढ़ाकर जो तीन हजार करने जा रहे हैं उसको तीन हजार तो करना ही नहीं चाहिए, बल्कि उस एक हजार की लिमिट को भी घटाकर पांच सौ कर देना चाहिये। पांच सौ से अधिक की छूट इसमें नहीं देनी चाहिए।

SHRI LOBO PRABHU : My amendment is fundamental and not simple like Mr. Patodia's. The country's economy consists of more than companies, corporations and Government. It consists of private institutions, private property in land, in agriculture and in industry. If encouragement is to be given only to companies and to Government as investor, I think firstly it is not fair to other investors. I would go a step further and say that it will draw away investments from other desirable directions. I refer in my amendment to three different investments which have the same, if not greater claim, on Government than companies, corporations and Government. The first is housing. If after this date anyone invests in housing, he should be entitled to the same exemption. Secondly, agricultural development. Someone invests in a tractor, thereby adding to the income of the owner and to the production of the country. Why do you make a distinction between one who invests in a tractor and another who is producing toothpaste? A person investing in toothpaste gets the exemption whereas a person investing in a tractor does not get it. There is some kind of oversight here.

would like the Prime Minister to agree to this amendment that it should include house construction, and industrial and agricultural improvements by individuals that is my first amendment.

My second amendment is also a very fundamental one, which relates to the limit you have fixed for these exemptions—Rs. 3,000. I wish to connect this with the bigger problem of the tax which you impose when the totality of the tax exceeds the income. That is, it is above 100 per cent. You must be aware that when the wealth is Rs. 15 lakhs, the tax rises to 143 per cent. When the property is Rs. 20 lakhs, it rises to 194 per cent. Fortunately, the Law Minister is here. He can easily apply his mind to the simple fact that when you impose a tax of 143 and 194 per cent, you are going beyond tax. You are imposing a levy. You are taking away the corpus, the property, which immediately attracts article 19. When you do that, whether you call it tax or not, the court is bound to hold that you are expropriating property in the name of tax and it will be struck down. When I mentioned this to the Minister of State, Mr. Sethi, he thought this has not been challenged so far where the totality of taxes exceeds 100 per cent. All I can say is, the people have been lenient to Government or they have not used their own thinking processes properly. It stands to reason that when you tax more than 100 per cent of the income, you are expropriating property and therefore you are going against the right to property, which is enshrined in the constitution. It is not a matter for smiling. It is a very serious matter that you should disregard the right to property. I do address the Prime Minister kindly to consider these two very fundamental amendments. I am trying to clarify it for your own sake. Don't make the mistake of flouting the Constitution through this provision.

SHRIMATI INDIRA GANDHI : Shri Patodia's amendment would make the provision too wide and would be opposed intention of encouraging investment only in a limited category of financial institutions, as proposed in the Bill. We do allow rural debentures. So, that amendment is not acceptable.

So far as Shri Lobo Prabhu's amendments are concerned, Amendment No. 617 would, amongst other things, exempt income from house property up to Rs. 3,000 in all cases. This again is not the intention underlining the provision. The amendment is not acceptable.

The other proposal of placing a ceiling over the combined incidence of income-tax and wealth tax would be opposed to our objective of reducing the concentration of income and wealth. Shri Lobo Prabhu has put forward his view point. This matter has been discussed here on other occasions also. There is a fundamental difference in our thinking on these matters. Because, we feel it is essential in the interest of all. It is not a measure against some people who have wealth because in the longer run it is in their interest there should be an egalitarian society which would lead to greater stability all round.

SHRI PILOO MODY : Why don't you do it within the law and Constitution?

SHRIMATI INDIRA GANDHI : It is perfectly within the law. What is more, the provision in clause 14 is not the proper place to achieve the purpose which Shri Lobo Prabhu has in mind. Therefore, these amendments are not acceptable.

MR. DEPUTY-SPEAKER : I shall now put amendment Nos. 61, 62, 108, 109, 317 and 318 to the vote of the House.

Amendments Nos. 61, 62, 108, 109, 317 and 318 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

Page 13, line 29, omit "or". (651)

Page 13, for line 35, substitute "development bank); or" (652)

Page 13, after line 35, insert —

"(vii) interest on deposits with a financial corporation which is engaged in providing longterm finance for industrial development in India and which is approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36," (653)

The motion was adopted.

MR. DEPUTY-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.

Clause 15.—(Amendment of section 80M)

*Amendment made**

Page 14, line 26, for "and (vi)" substitute "(vi) and (vii)". (654)

(Shrimati Indira Gandhi)

MR. DEPUTY-SPEAKER : The question is :

"That clause 15, as amended, stand part of the Bill"

The motion was adopted.

Clause 15, as amended, was added to the Bill.

Clause 16.—(Amendment of section 80 MM)

SHRIMATI INDIRA GANDHI : I beg to move* :

Page 14, for lines 27 to 32, substitute —
Amendment of Section 80MM

16. In section 80MM of the Income-tax Act, in sub-section (1) for the portion beginning with the words "under an agreement" and ending with the words "total income of the assessee", the following shall be substituted, namely :— (655)

SHRI D. N. PATODIA : I beg to move* :

Page 14, line 30.—
after "thereof" insert—

'the words "being an Indian Company" shall be omitted and' (497)

SHRI SHIVA CHANDRA JHA : I beg to move* :

*Amendment made/moved with the recommendation of the President.

[**Shri Shiva Chandra Jha**]

Page 14, line 36,—

for "forty" substitute "twenty" (110)

इसमें जो टेक्निकल नो-हाउ दृष्टि है उससे जो आमदानी होती है वह 40 परसेंट है। कम्पनी मौटी तौर पर धनी होती है, इसलिए मैं चाहता हूँ कि 40 के बजाय 20 परसेंट किया जाए।

SHRI D. N. PATODIA : I propose to speak on amendment No. 497 on clause 16. But since my amendment No. 498 to clause 16A relates to the same matter, I will speak on both now instead of speaking again. With regard to royalty for the technical fees earned by Indian companies from abroad we have made certain concessions applicable to them. It has now been discovered that these concessions are not applicable to individuals, to the scientists, technicians and financial experts. Now, for the first time, you will be interested to know, there are certain consultancy firms in India which have foreign clients and there are certain individuals here who are getting fees and royalty from foreign firms. It is very unjustifiable that whereas a company is allowed exemption provided it earns fees and royalty from other countries, an individual or a firm is not permitted to avail of it.

Both these amendments seek to cover individuals and firms, scientists and technicians so that if they have earnings they are also exempt in the same manner as the companies are. I hope government will definitely accept it.

SHRIMATI INDIRA GANDHI : The reduction which the hon. Member envisages would frustrate the object underlining the relevant provision, that is, to encourage Indian companies to develop technical know-how or to acquire these from abroad and make it available to Indian concerns. Therefore, his amendment is not acceptable.

SHRI D. N. PATODIA : How does it affect if it is extended to individuals and firms?

SHRIMATI INDIRA GANDHI : I am replying to the amendment of Shri Jha at the moment.

SHRI D. N. PATODIA : I am sorry.

SHRI PILOO MODY : The same will apply to him a little later.

SHRIMATI INDIRA GANDHI : That concession is available to Indian companies because the Indian companies are subject to the discipline of Company law and their accounts are audited by qualified chartered accountants. Other forms of business organisations are not subject to such discipline. A corporate form of enterprise is a better form because it will have the necessary managerial skill, continuity of operation and it can also command finance, which research and development require. The number of companies in our country is 27,000 which is extremely low and it should be one of the aims of the tax policy to encourage the corporate sector. Therefore, Sir, the amendment is not accepted.

MR. DEPUTY-SPEAKER : Now, I put amendment Nos. 110 & 497 in the name of **Shri Shiva Chandra Jha** to vote.

Amendments Nos. 110 and 497 were put and negatived.

MR. DEPUTY-SPEAKER : I now put amendment No. 655 in the name of **Shrimati Indira Gandhi** to vote. The question is :

Page 14, for lines 27 to 32, substitute—

'Amendment of Section 80MM 16. In section 80MM of the Income-tax Act, in sub-section (1) for the portion beginning with the words "under an agreement" and ending with the words "total income of the assessee", the following shall be substituted, namely :—' (655)

The motion was adopted.

MR. DEPUTY-SPEAKER : The question is :

"That Clause 16, as amended, stand part of the Bill"

The motion was adopted.

Clause 16, as amended, was added to the Bill

New clause 16 A

SHRI D. N. PATODIA : I beg to move* :
Page 14,—

after line 40, Insert—

'16A. In section 80-O of the Income-tax Act,—

- (i) the words "being an Indian company" shall be omitted;
- (ii) for the words "industrial, commercial or scientific", the words "industrial, commercial, financial, professional or scientific" shall be substituted;
- (iii) for the words "technical services" the words "technical or professional services" shall be substituted.' (498)

MR. DEPUTY-SPEAKER : I now put amendment No. 498 in the name of Shri D. N. Patodia which seeks to insert new clause 16A to the vote of the House.

Amendment No. 498 was put and negatived.

Clauses 17 to 20

MR. DEPUTY-SPEAKER : There are no amendments to clauses 17 to 20. The question is :

"That clauses 17 to 20 stand part of the Bill."

The Motion was adopted.

Clauses 17 to 20 were added to the Bill.

Clause 21.—(Substitution of new section for section 164.

SHRI D. N. PATODIA : I beg to move* :
Page 16,—

after line 22, insert—

"(ii) the relevant income or part of relevant income is received under a trust created by a non-testamentary instrument and the income-tax officer is satisfied, having regard to all circumstances existing at the relevant time, that the trust was created *bona fide* exclusively for the benefit of the employees of the settlor" (63)

SHRI SHIVA CHANDRA JHA : I beg to move* :

Page 16, line 16,—

for "sixty-five" substitute "ninety" (111)

Page 17, lines 21 and 22,—

for "sixty-five" substitute "ninety" (112)

SHRI LOBO PRABHU : I beg to move* :

Page 16,—

after line 32, insert

"(iv) the relevant income receivable exclusively for the benefit of employees of the settlor." (319)

SHRI S. S. KOTHARI : I beg to move* :
Page 16,—

after line 32, insert—

"(iv) the relevant income or part of relevant income is receivable under an irrevocable trust created *bona fide* and exclusively for the benefit of the employees of the settlor," (364)

SHRIMATI INDIRA GANDHI : I beg to move* :

Page 16, for lines 31 and 32, substitute—

"or members were mainly dependent on the settlor for their support and maintenance; or

"(iv) the relevant income is receivable by the trustees on behalf of a provident fund, superannuation fund, gratuity fund, pension fund or any other fund created *bona fide* by a person carrying on a business or profession exclusively for the benefit of persons employed in such business or profession," (656)

SHRI D. N. PATODIA : According to the provisions of the Bill there do arise certain situations where Trusts would be subject to payment of 65% tax. My amendment is that such a provision with whatever intention it might have been introduced should not be made applicable to such genuine trusts which are formed out of the recognised provident fund amount for the benefit of employees and workers. The provisions with regard to payment tax

*Moved with the recommendation of the President.

[**Shri D. N. Patodia**]

should not be applied since it is meant for the welfare of the working people. I hope on this occasion the Prime Minister will see to more it that the amendment is accepted.

SHRI LOBO PRABHU : I fully agree with Mr. D. N. Patodia.

SHRI S. S. KOTHARI : Sir, in respect of my amendment No. 364 the Prime Minister has substantially accepted it vide her amendment No. 656. Therefore, I again thank her.

श्री शिव चन्द्र झा : कलाज 21 में जहां आपने 65 परसेंट रखा है, वहां पर 90 परसेंट कर दिया जाए।

16 hrs.

SHRIMATI INDIRA GANDHI : Mr. Kothari has already mentioned that my amendment covers their amendments except that of Shri Shiva Chanda Jha. He wants to increase the rate of tax on the income of trusts from 65 per cent to 90 per cent. That will not be justified. Therefore, his amendment is not accepted.

SHRI D. N. PATODIA : In view of the Government amendment, I seek the leave of the House to withdraw my amendment.

MR. DEPUTY-SPEAKER : Has he the leave of the House to withdraw his amendment ?

Amendment No. 63 was by leave withdrawn.

SHRI LOBO PRABHU : I agree with my hon. friend Shri D. N. Patodia. I also withdraw my amendment.

MR. DEPUTY-SPEAKER : Has he the leave to withdraw his amendment ?

Amendment No. 319 was, by leave, withdrawn.

MR. DEPUTY-SPEAKER : Now I put amendment Nos. 111, 112 and 364 to the vote of the House.

Amendment Nos. 111, 112 and 364 were put and negatived.

MR. DEPUTY-SPEAKER : Now, I put Government amendment to the vote of the House.

The question is :

Page 16, for lines 31 and 32, substitute—

“Or members were mainly dependent on the settlor for their support and maintenance ; or

(iv) the relevant income is receivable by the trustees on behalf of a provident fund, superannuation fund, gratuity fund, pension fund or any other fund created *bona fide* by a person carrying on a business or profession exclusively for the benefit of persons employed in such business or profession.”. (656)

The motion was adopted.

MR. DEPUTY-SPEAKER : The question is :

“That clause 21, as amended, stand part of the Bill”.

The motion was adopted.

Clause 21, as amended, was added to the Bill.

Clause 22 was added to the Bill.

Clause 23.—(Amendment of section 194A).

SHRIMATI INDIRA GANDHI : I beg to move * :

Page 18, line 11, for “clause”, substitute “clauses”. (657)

Page 18, after line 14, insert—

“(vii) to such income credited or paid in respect of deposits with a banking company to which the Banking Regulation Act, 1949,(10 of 1949) applies (including any bank or banking institution referred to in section 51 of that Act), or with a co-operative society engaged in carrying on the business of banking (including a co-operative and mortgage bank or a co-operative land development bank).” (658).

MR. DEPUTY-SPEAKER : Now, I put Amendment Nos. 657 and 658 by Government to the vote of the House.

The question is :

Page 18, line 11, for “clause”, substitute “clauses”. (657).

Page 18, after line 14, insert—

* Moved with the recommendation of the President.

"(vii) to such income credited or paid in respect of deposits with a banking company to which the Banking Regulation Act, 1949, (10 of 1949) applies (including any bank or banking institution referred to in section 51 of that Act), or with a cooperative society engaged in carrying on the business of banking (including a cooperative land mortgage bank or a co-operative land development bank)". (658)

The motion was adopted.

MR. DEPUTY-SPEAKER : Now the question is :

"That clause 23, as amended, stand part of the Bill".

The motion was adopted.

Clause 23, as amended, was added to the Bill.

Clause 24 was added to the Bill.

Clause 25.—(Amendment of section 212).

SHRI D. N. PATODIA : I beg to move* : Page 19, line 18.—

for "thirty days" substitute "ninety days" (64)

SHRI KANWAR LAL GUPTA : I beg to move* :

Page 19, line 8.—

for "thirty" substitute "sixty" (306)

SHRI N. K. SANGHI : I beg to move* : Pages 18 and 19.—

for clause 25, substitute—

"25. In section 212 of the Income-tax Act, sub-section (3A) shall be omitted." (420)

Page 18, line 41.—

for "Commissioner" substitute—

"Income-tax Officer" (421)

MR. DEPUTY-SPEAKER : Now, I put all the amendments to the vote of the House.

Amendments Nos. 64, 306, 420 and 421 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

"That clause 25 stand part of the Bill." *The motion was adopted.*

Clause 25 was added to the Bill.

New Clause 25A.

SHRI S. S. KOTHARI : I beg to move : Page 19,—

after line 12, insert—

'25A. In the Sixth Schedule to the Income-tax Act after item (28) the following shall be inserted with effect from the 1st day of April, 1970, namely :—

"29. Textiles (including those dyed, printed or otherwise processed) made wholly or mainly of cotton including yarn, hosiery and rope."

"30. Textiles (including those dyed, printed or otherwise processed) made wholly or mainly of jute, including jute twine and jute rope." (366)

SHRI D. N. PATODIA : I beg to move : Page 19,—

after line 12, insert—

'25A. For section 280 of the Income-tax Act, the following section shall be substituted, namely :—

Disclosure 280. (1) If a public servant of particulars or mis- furnishes any information or produces any document use of powers in contravention of the by Public provision of sub-section servants. (2) of section 138, he shall be punishable with imprisonment which may extend to six months and shall also be liable to fine.

(2) If an Income-tax Officer or any other authority in the exercise, or purported exercise, of his powers under this Act—

(a) recklessly makes unlawful additions to the income declared by

*Moved with the recommendation of President.

[**Shri D. N. Patodia**]

any assessee or recklessly disallows lawful deduction claimed by an assessee in the computation of his total income; or

(b) *mala fide* and without reasonable cause exercises undue pressure upon or coercion against an assessee in respect of any matter in the course of assessment proceedings—

he shall be punishable with imprisonment for a term which may extend to one year.

(3) No prosecution shall be instituted under this section except with the previous sanction of the Central Government." (565)

SHRI HIMATSINGKA : I beg to move:
Page 19,—

after line 12, *Insert*—

'25A. For section 280 of the Income tax Act the following section shall be substituted, namely:—

"**Disclosure 280.** (1) If a public servant furnishes any information or misuse of powers by public servants. produces any document in contravention of the provisions of sub-section (2) of section 138, he

shall be punishable with imprisonment which may extend to six months and shall also be liable to fine.

(2) If an Income-tax Officer or any other authority in the exercise, or purported exercise of his powers under this Act,—

(a) recklessly without reasonable grounds makes unlawful additions to the income declared by any assessee or recklessly disallows lawful deduction claimed by an assessee in the computation of his total income; or

(b) *mala fide* and without reasonable cause exercises undue pressure upon or coercion against an assessee in respect of any matter in the course of assessment proceedings—

he shall be punishable with imprisonment for a term which may extend to one year.

(3) No prosecution shall be instituted under this section except with the previous sanction of the Central Government." (608)

SHRI S. S. KOTHARI : Regarding the textile industry they have been requesting that industry should be included in the Sixth Schedule. It is for the Government to consider. If the Government feels that the textile industry deserves this, they should do the needful.

SHRI D. N. PATODIA : This is a very important amendment and as you will see from the notice of the amendment, this one single amendment has been signed by as many as 45 members. Similar amendments have also been sent by other members and altogether the number of signatories is more than 50. It has not been sent by one Party alone. It has been sent by members belonging to all Parties.

In view of the importance of the amendment, I would like to read it :

"If a public servant furnishes any information or produces any document in contravention of the provisions of sub-section (2) of section 138, he shall be punishable with imprisonment which may extend to six months and shall also be liable to fine..."

Upto this portion, it is accepted in the previous Act.

(2) If an Income-tax Officer or any other authority in the exercise, or purported exercise, of his powers under this Act,—

(a) recklessly makes unlawful additions to the income declared by any assessee or recklessly disallows lawful deduction claimed by an assessee in the computation of his total income; or

(b) *mala fide* and without reasonable cause exercises undue pressure upon or coercion against an assessee in respect of any matter in the course of assessment proceedings—

he shall be punishable with imprisonment for a term which may extend to one year.

(3) No prosecution shall be instituted under this section except with the previous sanction of the Central Government."

Now, in view of the fact that taxation laws are being made more and more complicated year after year and in view of the fact that powers are being concentrated in the hands of the taxation authorities and officers, it is absolutely necessary that some sort of provision is made by which whenever an officer is deliberately at fault and whenever his *mala fide* is proved—such a provision exists in the Customs and Excise Act—there should be such a provision for punishment. Unfortunately, a separate provision does not exist in the Income Tax Act and the provisions of general law does not help. In respect of certain recent cases, the Public Accounts Committee in its 100th report has made significant remarks. These officers have been misbehaving and they have been misusing their authority and there is no doubt and every one of us who is an assessee knows the manner in which these Income Tax Officers are harassing the assessee to their discomfiture and inconvenience. It is necessary for me to read the remarks of the PAC in this connection :

"The Committee observe that out of nearly 8,500 appellate orders passed by Appellate Assistant Commissioners studied by a Departmental Study Team nearly 5,000 orders (60 per cent) were found to have been subjected to relief (excluding assessments interfered with but not amounting to relief). A further analysis of 5,000 odd assessments subjected to relief shows that in about 2800 cases (56 per cent of the assessments) more than 50 per cent of the relief sought for had been allowed by the Appellate Assistant Commissioners. According to the Study Team's findings, while a percentage of interference reflected honest difference of opinion, matured judgement of the Appellate authorities or availability of appellate decisions & evidence which were not before the Income-Tax Officers, 'quite a considerable percentage of interference was due to omissions and commissions on the part of the Income tax Officers which could quite well have been avoided'. In the light of these findings, the Committee feel that over-assessments continue to be a serious problem in the Department."

Sir, in view of this finding, it is very necessary and essential that a suitable

provision is made in the Income Tax Act in regard to awarding punishment. I hope Government will accept it. If the Government does not accept this Amendment, we are going to press for a Division, Sir.

MR. DEPUTY SPEAKER : The Prime Minister.

SHRIMATI INDIRA GANDHI : Sir, the amendments are outside the scope of the Bill, and are not consequential. According to the existing provisions, cotton and jute textile industries have been included in the Fifth Schedule for the purposes of development rebate at the higher rate on new machinery and plant. This will enable these industries to modernise their equipments and improve their competitive position in the world market. The inclusion of these industries in the Sixth Schedule will benefit only those companies which are already making good profits without being of any benefit to the sick or the marginal units. Therefore, this amendment is not acceptable to us.

The second amendment also is outside the scope of the Bill. Sir, the problem of 'overpitching' of tax assessments by the assessing officers and the need to restrain this tendency has already been given attention to. The Public Accounts Committee, in their various reports, had drawn attention to this particular problem. Prior studies of the orders of some of the Appellate Assistant Commissioners in mofussil and metropolitan charges were got made by a Committee of senior departmental Officers. The Committee, after conducting the studies reported that in the first appeal stage, over 30 per cent of the assessment orders challenged in appeal got confirmed and for the remaining cases subjected to appellate interference, substantial interference was only in about half such cases; even in these cases of substantial interference, bulk of appellate relief did not reflect over-pitching of assessments, but pointed to other factors e. g. honest difference of opinion about legal interpretations, matured judgment of the appellate authority, admission of fresh evidence at appeal stage and subsequent availability of higher appellate decisions settling the issues involved, such decisions not being available before the assessing

[**Shrimati Indira Gandhi**]

officers at the time of assessments. Where over-pitching of assessment was in evidence, instructions have been issued by the Board in February, 1969 and again recently in April, 1970 to the Departmental Officers, detailing some of the typical instances; the Officers have been instructed to scrupulously avoid such lapses and the supervisory officials have been alerted to keep watch and pull up erring officials and keep in view this aspect of the assessing officers' tendency, if any, when writing his confidential reports.

It may be added that the percentage of appeals filed against assessments completed has remained fairly low in recent years and has even declined of late; it stood at 8 % in the years 1966-67 and 1967-68, but in the years 1968-69 and 1969-70, it has gone below 7 %. There is accordingly no justification for any stipulation in the Income-tax Act against over-pitching of assessments. Any such step is bound to have a demoralising effect on the assessing officers who may play safe and let down the interest of revenue by not making adequate assessments in the fear that this may involve the risk of the assessment being dubbed as over-pitched.

MR. DEPUTY SPEAKER : Shall I put all the amendments together ?

SHRI D. N. PATODIA : Please put Amendment No. 565 separately.

MR. DEPUTY SPEAKER : All right. I am putting Amendment No. 565 to the vote of the House.

Amendment 565 was put and negatived.

SHRI HIMATSINGKA : Sir I request leave of the House to withdraw my amendment.

SHRI S. S. KOTHARI : Sir, I request leave of the House to withdraw my amendment.

MR. DEPUTY SPEAKER : Do the Hon. Members have the leave of the House to withdraw their amendments ?

SOME HON. MEMBERS : Yes.

MR. DEPUTY SPEAKER : These amendments are withdrawn.

Amendments No. 366 and 608 were by leave, withdrawn

MR. DEPUTY SPEAKER : All these amendments are for new clause 25A ; so 25-A does not form part of the Bill.

Clause 26.—(Amendment of Act 27 of 1957).

MR. DEPUTY SPEAKER : Now, I shall take up Clause 26. There are a large number of amendments here.

SHRI KANWAR LAL GUPTA : I beg to move* :

Page 19,—

omit lines 16 to 24 (8)

SHRI S. S. KOTHARI : I beg to move*.

Page 26,—

Omit lines 19 to 37 (33)

SHRI D. N. PATODIA : I beg to move*.

Page 19, line 39,—

for "one hundred thousand rupees" substitute—"One hundred and fifty thousand rupees" (65)

Page 20, line 2,—

for "one hundred thousand rupees" substitute "one hundred and fifty thousand rupees". (66)

Page 20, line 11,—

after "any" insert—

"debentures or" (67)

Page 20, line 38,—

after "rupees" insert—

"or where such assets are held in the joint names of the individual, and his or her spouse and other dependents, a sum of three hundred thousand rupees" (68)

Page 22,

after line 12, insert—

"(1a) such assets are held under a trust created by a non-testamentary instrument and the Wealth-tax Officer is satisfied, having regard to all the circumstances existing at the relevant time, that

the trust was created *bona fide* exclusively for the benefit of the employees of the settler; or" (69)

Page 22,—
omit lines 25 to 34. (70)

Page 23,—
omit lines 1 to 39. (71)

Page 24,—
omit lines 1 to 44. (72)

Page 25,—
omit lines 1 to 41. (73)

Page 26,—
omit lines 1 to 39 (74)

SHRI SHIVA CHANDRA JHA : I beg to move* :

Page 19, line 39,—
for "one hundred" *substitute* "fifty" (113)

Page 20, line 2,—
for "one hundred" *substitute* "fifty" (114)

Page 20, line 38,—
for "one hundred and fifty thousand" *substitute*—
 "one hundred thousand" (115)

Page 21, line 5,—
for "one hundred and fifty thousand" *substitute*
 "one hundred thousand" (116)

Page 22, line 8,—
for "one and one-half" *substitute*—
 "five" (117)

Page 22, line 32—
for "Nil" *substitute* "5 per cent.," (118)

Page 23, line 1,
for "1" *substitute* "10" (119)

Page 23, line 7,—
for "2" *substitute* "20" (120)

Page 23, line 12,—
for "3" *substitute* "40" (121)

Page 23, line 17,—
for "4" *substitute* "80" (122)

Page 23, line 22,—

for "5" *substitute* "9.9" (123)

Page 23, line 28,—
for "Nil" *substitute* "5 per cent." (124)

Page 23, line 31,—
for "1" *substitute* "10" (125)

Page 23, line 36,—
for "2" *substitute* "20" (126)

Page 24, line 2,—
for "3" *substitute* "40" (127)

Page 24, line 7,—
for "4" *substitute* "80" (128)

Page 24, line 12,—
for "5" *substitute* "99.9" (129)

Page 24, line 23,—
for "Nil" *substitute* "10 per cent." (130)

Page 24, line 30,—
for "5" *substitute* "50" (131)

Page 24, line 39,—
for "7" *substitute* "99.9" (132)

Page 25, line 21,—
for "ten" *substitute* "seven" (133)

Page 25, line 25,—
for "eight" *substitute* "twenty" (134)

SHRI KANWAR LAL GUPTA:
 I beg to move*

Page 24,—
after line 44, *insert*—
 "Provided that where the aggregate of :
 (a) the amount of income tax payable by an assessee in respect of his total income of the previous year under the provisions of the Income tax Act after making allowances for any relief, rebate or deduction in respect of the income-tax to which the assessee is entitled under the provisions of the said Act or the annual Finance Act; and
 (b) the amount of wealth-tax computed in accordance with the foregoing provisions of this paragraph ; exceeds the amount of the total income of the assessee, the amount of such excess

*Moved with the recommendation of the President.

[Shri Kanwar Lal Gupta] shall be deducted from the amount of wealth-tax referred to in clause (b) above and the balance shall be the amount of the wealth-tax payable by the assessee. (307)

SHRI LOBO PRABHU : I beg to move*

Page 20, line 14,—
add at the end—

"and any investment made hereafter on building construction, industrial and agricultural development" (321)

Page 20, line 38,—

for "one hundred and fifty thousand rupees" substitute "five hundred thousand rupees" (322)

Page 22, line 34,—

for "Rs. 1,00,000" substitute—
"Rs. 2,00,000" (323)

Page 23, line 2,—

for "Rs. 1,00,000" substitute—
"Rs. 2,00,000" (324)

Page 24.—

omit lines 16 to 44. (325)

Page 24.—

after line 44, insert—

"Provided that where the aggregate of the net income and wealth tax exceeds the total income, no tax will be collected on such part of the excess as is invested under Section 14 of the Finance Act, 1970." (326)

SHRI BENI SHANKER SHARMA: I beg to move* :

Page 25,—

omit lines 3 to 11. (524)

Page 25,—

omit lines 16 to 41. (525)

Page 26,—

omit lines 1 to 37. (526)

SHRI M. R. MASANI : I beg to move* :

Page 22,—

after line 24, insert—

(ee) After section 43 of the Wealth-tax Act, the following section shall be inserted, namely :—

Misuse of powers by public servants.

43A. (1) Notwithstanding anything contained in section 43 of this Act if a Wealth tax Officer or any other authority in the exercise, or purported to exercise, of his powers under this Act—

(a) recklessly makes unlawful additions to the wealth declared by any assessee or recklessly disallows lawful deduction claimed by an assessee in the computation of his total wealth ; or

(b) *mala fide* and without reasonable cause exercises undue pressure upon or coercion against an assessee in respect of any matter in the course of assessment proceedings—

he shall be punishable with imprisonment for a term which may extent to one year.

(2) No prosecution shall be instituted under this section except with the previous sanction of the Central Government." (566)

SHRI D. N. PATODIA : I beg to move: Page 24, after line 44, insert—

"Provided that if in respect of any assessment year the aggregate of :

(a) the amount of income-tax payable by an assessee in respect of his total income under the provisions of the Income-tax Act after making allowances for any relief, rebate or deduction to which the assessee may be entitled under the provisions of the said Act or the relevant Finance Act; and

(b) the amount of Wealth-tax payable by an assessee in respect of net wealth under the provisions of the Wealth-tax

*Moved with the recommendation of the President.

Act after making allowances for any relief, rebate or deduction to which the assessee may be entitled under the provisions of the said Act or the relevant Finance Act;

exceeds the amount of the total income of the assessee, then and in that event the amount of Wealth-tax payable by the assessee shall be reduced by the amount of such excess." (567)

SHRIMATI INDIRA GANDHI : I beg to move* :

Page 20, *after line 2, insert*—

'(3) after clause (iva), the following clause shall be inserted, with effect from the 1st day of April, 1971, namely :—

"(ivb) one building or one group of buildings owned by a cultivator of, or receiver of rent or revenue out of, agricultural land :

Provided that such building or group of buildings is on or in the immediate vicinity of the land and is required by the cultivator or the receiver of rent or revenue, by reason of his connection with the land, as dwelling house, store-house or outhouse ;" ; (659)

page 20, line 3, for "(3)," substitute "(4)" (660)

Page 20, line 6, for "(4)," substitute "(5)" (661)

Page 20, line 29, for "bank)." ; , substitute "bank);" , . (662)

Page 20, line 29, *insert*—

"(xxvii) any deposits with a financial corporation which is engaged in providing long-term finance for industrial development in India and which is approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36 of the Income-tax Act." . (663)

Page 20, line 35, for "and (xxvi)," substitute "(xxvi) and, (xxvii)". (664)

Page 21, line 9, for "and (xxvi)" substitute "(xxvi) and (xxvii)" . (665)

Page 22, *for line 22, substitute*—

" support and maintenance; or (iii) such assets are held by the trustees on behalf of a provident fund, superannuation

fund, gratuity fund, pension fund or any other fund created *bona fide* by a person carrying on a business or profession exclusively for the benefit of persons employed in such business or profession." (666)

SHRI N. K. SOMANI : I beg to move* :

Page 22,—

after line 12 insert—

"(i) (b) Such assets are held under a trust of which none of the beneficiaries is a beneficiary under any other discretionary trust and the total corpus of the trust does not exceed Rs. 3 lakhs." (688)

SHRI D. N. PATODIA : I beg to move* :

Page 22.—

after line 24, insert—

"(ee) for section 32 of the Wealth-tax Act, the following section shall be substituted with effect from 1st day of April, 1971, namely:-

Mode of recover : 32 (1) the provisions contained in sections 221 to 227, 229, 231, and 232 of the Income-tax Act and the second and Third Schedules to that Act and any rules made thereunder shall, so far as may be, apply as if the said provisions were provisions of this Act and referred to Wealth-tax and sums imposed by way of penalty, fine and interest under that Act and to Wealth-tax Officer and Commissioner of Wealth-tax instead of to Income-tax Officer and Commissioner of Income-tax.

Explanation I. - Any reference to section 173 and sub-section (2) or sub-section (6) or sub-section (7) of section 220 of the Income-tax Act in the said provisions of that Act or the rules made thereunder shall be construed as references to sub-section (7) of sections 22 and sub-section (2) or sub-section (6) or sub-section (7) of section 31 of this Act respectively.

Explanation II. The Tax Recovery Officer and the Tax Recovery Commissioner referred to in the Income-tax Act or the rules made thereunder shall be deemed

*Moved with the recommendation of the President.

[**Shri D. N. Patodia** to be the Tax Recovery Officer and the Tax Recovery Commissioner for the purpose of recovery of Wealth-tax and sum imposed by way of penalty, fine and interest under this Act.]

(2) The Commissioner shall, on the application of any assessee accept in satisfaction of the whole or any part of the wealth-tax or any part of the wealth-tax and sums imposed by way of penalty, fine or interest under this Act, any property or part thereof at the value determined under the Act.

(3) No stamp duty shall be payable on any conveyance or transfer of property to the Commissioner under sub-section (2) ... (692)

SHRI GEORGE FERNANDES : I beg to move :-

Page 20,—

after line 2, insert —

“Explanation :—A member of a co-operative society to whom a building or part thereof is allotted or leased under a house building scheme of the society shall be deemed to be the owner of that building or part thereof.” (714)

MR. DEPUTY-SPEAKER : Before, you speak, I want to say that I shall conclude this at 6-30 P. M. There are two hours for third reading. Now it is 4-20 and we should conclude at 4-30 our discussions on all these clauses. Since there are so many amendments, one way of disposing them off is to reduce the time for the third reading.

SEVERAL HON. MEMBERS : You can reduce half-an hour from this.

MR. DEPUTY-SPEAKER : All right. Now **Shri Kanwar Lal Gupta**.

श्री कंवर लाल गुप्ता : उपाध्यक्ष महोदय, इस में मेरे दो संशोधन हैं। एक के सम्बन्ध में मुझे यह कहना है कि सरकार ने यह कहा है कि जम्मू और काश्मीर को एक विशेष सुविधा दी गई है कि उस के अन्दर जो असे—इस होने वाले वेत्त्व में शामिल नहीं होंगे। वह स्वेच्छिकेशन में कहा गवा है। मैं प्रघान

मंत्री जी से पूछना चाहता हूँ कि अखिर यह सुविधा केवल जम्मू और काश्मीर के लोगों को ही क्यों दी जा रही है? बाकी लोगों को क्यों नहीं दी जा रही है? और साथ ही वह पीछे से इस का एप्लिकेशन कर रही है। यह 1-4-69 से लागू होगा। मेरा ऐतराज यह है कि बेसिकली सारे हिन्दुस्तान के लोग एक हैं। और अगर प्रधान मंत्री यह सुविधा दे रही हैं तो वह सब लोगों को मिलनी चाहिए। देश के किसी एक हिस्से के लोगों को नहीं।

जो मेरा दूसरा मंशोधन है उस में मैंने यह कहा है कि अगर किसी व्यक्ति की आमदनी पर जो टैक्स लगाया जायेगा आर वेल्थ टैक्स दोनों मिल कर आमदनी में ज्यादा हो तो जितना ज्यादा हो उतना वेल्थ टैक्स में से कम कर दिया जायें। आप को मालूम होंगा कि कई लोगों की आमदनी के ऊपर जो टैक्स लगता है उस को अगर वेल्थ टैक्स के साथ जोड़ दिया जाय तो वह 100 परसेंट से भी ज्यादा टैक्स हो जाता है। इस तरह के कई लोग हैं। मैं ने कहा है कि जिन व्यक्तियों का इनकम टैक्स और वेल्थ टैक्स दोनों मिला कर 100 पर सैंट में ज्यादा हो तो उस में से जितना ज्यादा हो तो उतना वेल्थ टैक्स में कम कर दिया जायें। मान लीजिये 5,000 रु. ज्यादा हो जाता है तो उतना वेल्थ टैक्स में से घटा दिया जायें। कारण यह है कि यह बात न्याय के खिलाफ होगी कि अगर किसी व्यक्ति की आमदनी 100 रु. है तो आप उस से इनकम टैक्स और वेल्थ टैक्स 100 रु. से ज्यादा ले ले। इस से लोगों का इन्सेन्ट खत्म हो जायेगा और कोई भी काम करने के लिये तीयार नहीं होंगा। इससे आदमी बेइमानी करेगा और गलत तरीके इन्सेन्ट में लाएगा। बेइमानी को एवायड करने के लिए और इन्सेन्ट बनाए रखने के लिए मैं कहूँगा कि इस प्रकार के जाहे थोड़े कमिस हों, लेकिन इनकम टैक्स और वेल्थ टैक्स जहां दोनों मिला कर सौ परसेंट से ज्यादा होते हों, वहां इसको जितना यह

उससे ज्यादा होता हो, उतना आप कम कर दें और मेरा संशोधन मान लें।

SHRI S. S. KOTHARI : In Sweden, they have both the wealth tax and income-tax, and the tax, limit is confined to 80 per cent of the income, but here my amendment says that it should be one hundred per cent of the income. It is a reasonable amendment and should be accepted. That is the point that I would like to make.

SHRI D. N. PATODIA : While supporting Shri Kanwar Lal Gupta and Shri S. S. Kothari I would refer you to amendment No. 567 which again has been signed by as many as 50 Members of the House belonging to various parties. In addition to these fifty Members, another 12 or 15 have also signed identical amendments.

The amendment seeks to provide that the total ceiling on income-tax and wealth tax put together should not be more than the total income earned by a particular person. You will notice that in the new provisions, in many cases, where wealth tax and income-tax are put together, the incidence of taxation is much higher; it goes as much as up to 140 per cent in many cases. A well-to-do person may have constructed a small property in a city like Delhi about ten years back at a value of Rs. 2 lakhs ; that property would now be valued at Rs. 10 lakhs and with a reasonable income of Rs. 40,000 to Rs. 50,000 ; the total incidence of taxation in such a case would be as much as 127 per cent. After earning a particular amount if he is to pay 127 per cent of such earnings and if in addition he has to incur his household expenditure from his own property; it is nothing but confiscatory and expropriatory in nature. I do not think and I do not hope that Government has any intention to take any decision of this confiscatory or expropriatory nature. Therefore, the total incidence of taxation should not in any case exceed 100 per cent of the total income. Please do not make it minus. But keep it at 100 per cent ceiling. But please do not say that if he has to pay much more than his total income you will force him to sell the property or auction his property; and there is not

going to be anybody who is going to purchase that property. It is only fair that you permit him to pay the tax which is not beyond his income, even if he has to pay cent per cent his property and assets get reduced because he has to meet his expenditure from his own property; his total income is paid towards the taxation itself; beyond that, he has to spend from his own assets.

In view of such a large support given to this amendment and in view of its reasonableness, I do not see any reason why Government should have any opposition to this amendment, and I would, therefore, urge that this particular amendment for fixing one hundred per cent ceiling of taxation on income should be accepted by them.

श्री शिवचन्द्र शर्मा : 26 ब्लाज वैस्थ टैक्स के बारे में है। इस में रेट दिए हुए हैं। आप तो जानते ही हैं कि हमारा देश गरीब देश है। जो दौलत है वह कुछ लोगों के हाथ में केन्द्रित हो गई है। आपका मकसद देश में समाजवाद लाना है, कल्याणकारी राज्य की स्थापना करना है। उस अवस्था में समाज का यह फर्ज हो जाता है कि पालिं-मैटरी सेट अप में कानून बना कर और टैक्सों के जरिये उस दौलत को समाज के काम में लाया जाए। आपने जो रेट दिए हैं वे कम हैं और जो क्षुट दी है वह भी ज्यादा है और उनके बारे में ही मेरे संशोधन हैं।

पहली मेरी एमेंडमेंट यह है कि लाख तक की जो आपने क्षुट दी है, इसको घटा कर आप वचास हजार कर दें। मैंने कहा है कि हंड्रड पाउंड की जगह पर फिफ्टी पाउंड कर दिया जाए।

उसके बाद जहां आपने डेक्लाय की बात कही है वह मैंने कहा है कि एक लाख कर दिया है। डेक्लाय बहुत अधिक है।

मेरी जो 117 नम्बर की एमेंडमेंट है उसमें मैंने यह कहा है कि पार्ट 1 में जो आपने रेट दिया है वन एंड वन हाफ वह बहुत कम है, और उसको बढ़ाकर आपको पांच परसेंट कर देना चाहिये।

उपाध्यक्ष महोदय : आप जल्दी खत्म करें।

श्री शिवचन्द्र ज्ञा : आप बढ़ायेंगे तब तो मैं बोलूँगा। लेकिन अगर आप खत्म करना चाहते हैं तो आप सोच लें।

MR. DEPUTY-SPEAKER : I am not extending the time; but if this stage of discussion goes beyond 4.30, we shall have to take it from the third reading time.

श्री शिवचन्द्र ज्ञा : पार्ट 1 में आपने कहा है कि वैल्य जहां एक लाख से एक्सीड नहीं करती है, वहां कोई टैक्स नहीं लगेगा। मैं चाहता हूं कि पांच परसेंट लगाया जाए। एक लाख से पांच लाख के बीच में अगर वैल्य हो तो आप एक लाख से ऊपर की वैल्य पर 1 परसेंट लगाना चाहते हैं लेकिन मैं चाहता हूं कि 10 परसेंट लगाया जाए। सी में आप दो परसेंट लगाना चाहते हैं लेकिन मैं चाहता हूं कि बीस परसेंट आप लगायें। डी में तीन परसेंट की जगह मैं चाहता हूं कि चालीस परसेंट टैक्स लगाना चाहिये। ई में आप चार परसेंट लगाना चाहते हैं और मैं चाहता हूं कि अस्सी परसेंट लगे। इसी तरह से जहां आप पांच परसेंट लगायें।

जहां तक हिन्दू अनडिवाइडिड फैमिली का सम्बन्ध है, दो लाख की सम्पत्ति पर आप कोई टैक्स नहीं लगा रहे हैं। मेरा कहना यह है कि दो लाख की सम्पत्ति कम सम्पत्ति नहीं है। वहां पर पांच परसेंट आप लगायें। जहां 1 परसेंट लगा रहे हैं वहां 10 परसेंट लगायें। पांच लाख से दस लाख के बीच जो सम्पत्ति है वहां आप दो परसेंट लगाते हैं। मेरा कहना है कि बीस परसेंट लगाना चाहिये। दस लाख से पंद्रह लाख वाली सम्पत्ति पर आप तीन परसेंट लगाते हैं। वहां आप चालीस परसेंट लगायें। पंद्रह और बीस लाख के बीच जहां सम्पत्ति है वहां चार परसेंट की जगह अस्सी परसेंट लगाना चाहिये। बीस लाख से ज्यादा वाली सम्पत्ति पर आप पांच परसेंट लगाते हैं। वहां मेरा रेट है 99.9 परसेंट।

आप टोटल बैल्य आफ अर्बन एसेट्स पर पांच लाख तक छूट दे रहे हैं। यह छूट देने की जरूरत नहीं है और यहां पर दस परसेंट टैक्स लगाना चाहिये। पांच और दस लाख के बीच वाले एसेट्स पर आप पांच परसेंट लगा रहे हैं। वहां आपको पचास परसेंट लगाना चाहिये। दस लाख से ऊपर सात परसेंट है। मेरा कहना यह है कि कि 99.9 परसेंट इसको होना चाहिये।

साठ हजार की आबादी और बीस किलो-मीटर वाली जो बात है, वह खत्म हो गई है। इसलिए मैं उस पर जोर नहीं देता हूं।

SHRI LOBO PRABHU : I shall deal with only three points. The first is the ceiling proposed in the Wealth Tax. I may suggest to Government that if they do not wish to go all the way, let them allow the tax amount to be put in long-dated Government securities. If your intention is to reduce conspicuous spending, to increase savings, the difference is very slight whether you get it as tax or as loan. You may have to pay a small interest, but this will save you from constitutional impropriety. It will save you also from growing discontent.

Secondly, the same status should be given to investment in housing, industrial and agricultural development as is given to dividends. I think you should allow that also for Wealth Tax, because housing is as important as anything which companies produce.

Thirdly, as the House knows, during the last three years the value of money has gone down. There has been an increase of 87 per cent in the index. That means that if your property was worth Rs. 1 lakh three years ago, it is worth Rs. 2 lakhs now. It is very unfair that because of this inflation you bring in people and tax them, people who have nothing but an inflated value for their property. I, therefore, suggest that the exemption limit for Wealth Tax should be Rs. 2 lakhs and not Rs. 1 lakh. The loss to Government will not be considerable because the number of assessee between Rs. 1 lakh and Rs. 2 lakhs is only about 14,000 and they paid only Rs. 42 lakhs out of a total of Rs. 15 crores in 1964 which is the latest figure available.

These are very reasonable and moderate proposals which I do hope Government will accept in the interests of the economy.

SHRI N. K. SOMANI : I think there are two considerations as far as the urban property is concerned which the Government seems to have overlooked. One is that a large number of buildings in most of the cities are under rent control already, and, therefore, they do not fetch any appropriate or remunerative return, with the result that already building construction activity is going down, and any further impost on these buildings in urban areas where these are quite a necessity now, is going to be a positive disincentive.

Secondly, in view of the large scale housing shortage, this additional levy of a higher rate property is completely unjustified. Either the Government should provide urban accommodation at its own cost and tell the public that these tenements are available at reasonable rates, or there has to be a positive incentive given to buildings and properties, and, therefore, I would like to say that this additional Wealth-tax on urban property is something in the nature of expropriation or extortion without any compensation at all, because at higher levels this is going to operate at eleven to twelve per cent a year which is completely unjustified.

The basic exemption of Gift Tax is not continued at the previous level of Rs. 10,000. I would not like to go into details as Shri Dandekar has dealt with it yesterday. It is patently unfair to bring it down to Rs. 5,000 in view of the value of money going down. I do not know why it has become a matter of academic exercise whether our rates of income-tax and corporate tax are highest or not in the world. It is not immediately the most important point, in spite of Mr. Salve's analysis. What is to be seen is whether our present rates of personal taxation and corporate taxation leave sufficient incentive and marginal savings for capital investment and economic development and, from that point of view, whether we have this distinction or not. I would not like to enter into this controversy, but we feel certainly that these rates have now come to a point where as was pointed out very articulately by

Shri Dandekar, honesty has certainly become a casualty. I support Mr. Gupta's amendment and my own amendment. There has got to be some ceiling and the total taxation levied as far as person is concerned, when you add up the income-tax and wealth tax and other taxation should in no case exceed 100 per cent at all because it no longer remains equitable if it does. In respect of small trusts, I should like the Government to exempt from the operation of this clause. If they are small trusts that is what my amendment is—such assets held under trust whose beneficiaries are beneficiaries under no other discretionary trust and the total corpus of the trust does not exceed Rs. three lakhs.... So, here is an instance of a trust which will be used by only middle class families and the total corpus is not going to exceed Rs. 3 lakhs and none of its beneficiary is a beneficiary under any other trust. In their enthusiasm to curb the malpractices of a very few people at the top most level they should not do these things; they should have consideration for those sections of society under Rs. 3 lakhs.

SHRI S. M. BANERJEE : By my amendment No. 576 I want the exemption shown to Jammu and Kashmir to be removed.

Secondly, speaking generally on clause 26, I submit that I read carefully the amendment moved by Shri Patodia and others where they say that in cases where the taxes put together exceed the amount of total income, it shall be reduced by the amount of that excess. Shri K. L. Gupta and Shri Patodia said that no assessee should be taxed more than 100 per cent, if I have understood them correctly. If the Government is taxing more than 100 per cent, I do not know how people have accumulated wealth to the tune of Rs. 550 crores and how monopoly is being built up in the country. I cannot understand this. If it is really more than 100 per cent as they say, I would have supported it. On second thoughts I feel that it cannot be more than 100 per cent. If the amendment were to be accepted, every body will maintain two books—one book for himself and one for showing to the income-tax officer to prove that he is paying 100 per cent tax and it will be difficult for the

[*Shri S. M. Banerjee*]

income-tax officer to Judge. I have read Mr. Palkiwal's assessment and Mr. Salve's assessment who say that India is the highest taxed country. Still I am not convinced of this. We want to eliminate poverty; there are starving people among our countrymen; there are on the other hand persons who are prosperous. This would increase the difference between the haves and the havenots. So, I am unable to support that amendment. Evasion should be stopped by making the tax law simpler. There is tax evasion to the tune of Rs. 500 or 600 crores. As for black money, I cannot suggest anything. Black money can come out if there is demonetisation by the Government; it cannot be made white money one fine morning; there should be screwing and more screwing. Demonetisation would have definitely solved the problem of black money. This suggestion is for their consideration. In the matter of one lakh, Mr. Lobo Prabhu said something. Even Prof. Kaldor has said something about one lakh. Mr. Lobo Prabhu is an ex-ICS, not an economist. I am neither. I think he knows what Kaldor has suggested. I oppose those particular amendments.

SHRI N. K. SANGHI : My amendment No. 422 is to omit lines 1 to 39 on page 26. This relates to wealth tax on urban property and shares in companies. In this matter, I would like to draw the attention of the House to the fact that the properties that belong to a firm do not belong to the partner. The partner can come into the firm and then go away and take away the profits, but he can have no control on it. Similarly, a shareholder can have no control on the properties owned by the companies. Hence, here, in the scheme of things that we are going to do is to assess the wealth-tax in the hands of the shareholders and in the hands of the partnership. This is going to create a lot of work in the department. It is going to be a difficult process, and since we are going to simplify this matter, I think this is a very serious matter which needs to be looked into. The whole department, the income-tax officers and others, will have a Herculean task. Their work will increase manifold on this account. Therefore, I would appeal to the

Prime Minister that lines 1 to 39 in clause 26 at page 26 be deleted.

श्री जार्ज करनेंडोज (बम्बई-दक्षिण) : मेरा जो संशोधन है वह असल में संशोधन नहीं है, एक खुलासा इस वैल्य टैक्स एक्ट में जोड़ने का सुझाव है। इनकम टैक्स एक्ट में यह सफाई है कि कोई कोआपरेटिव संस्था अगर किसी को भी मकान देती है तो वह मकान का मालिक जिस के नाम पर वह मकान है, वह हो जाता है, कोआपरेटिव संस्था नहीं रह जाती है। यह खुलासा इनकम टैक्स एक्ट में है। हम केवल इस को वैल्य टैक्स एक्ट में भी लाना चाहते हैं। बम्बई की कोआपरेटिव संस्थाओं के महासंघ की ओर से सरकार को बजट आने के बाद यह पत्र आया था जिस के उत्तर में हमारे अर्थ मंत्री श्री प्रकाश चंद्र सेठी ने यह खुलासा उन को लिख कर दिया है कि मैंने जो संशोधन यहां पर दिया है वही सरकार का इस मामले में मत है। इस लिए मेरी यह प्रार्थना है कि जो सफाई आप ने दी है इनकम टैक्स एक्ट में कोआपरेटिव संस्थाओं के मकानों के बारे में, वह सफाई वैल्य टैक्स एक्ट में भी दे दी जाय ताकि कोई भी कोआपरेटिव इस परेशानी में न पड़े कि उन के मकानात में रहने वाले लोगों को छोड़ कर कोआपरेटिव संस्था को वैल्य टैक्स देना पड़े। इस से कोआपरेटिव संस्थाओं को बड़ी परेशानी हो जायेगी और जिस कारण के लिए वह बनती है उस की पूर्ति नहीं हो पाएगी। इसलिए मेरा सरकार से अनुरोध है कि यह कोई नई चीज नहीं है। इनकम टैक्स एक्ट में जो शब्द हैं उन्हीं शब्दों को वैल्यटैक्स एक्ट में भी हम डालना चाहते हैं। सरकार इस संशोधन को स्वीकार करे, इस में कोई दिक्कत उन को नहीं होनी चाहिए।

श्री कंबर लाल गुप्त : प्रधान मंत्री जी एक चीज और बता दें कि वह सीलिंग अखबार प्राप्टी पर ला रही है या नहीं?

श्रीमती इंदिरा गांधी : इस से उसे कोई मतलब नहीं है।..... (अवधारण).....

The first amendment was moved by Shri Kanwar Lal Gupta about Jammu and Kashmir. Hon. Members know that any levy of wealth-tax on agricultural lands in that state would, in the first place, have to be done by an order of the President, and such an order can be made by the President only with the concurrence of the State Government. Since the concurrence of the State Government has not been received so far, the Bill seeks to exclude agricultural land in that state from the levy. As you know, in these things, the State Government does not respond quickly. (*Interruption*).

Then, the hon. Member, Shri George Fernandes said—

AN HON. MEMBER : That was a reasonable suggestion.

SHRIMATI INDIRA GANDHI : That is the legal position. We cannot change that. I am told that as far as the co-operative sector is concerned, (*interruption*), that is the situation in the Act. I am speaking subject to correction. (*Interruption*).

श्री जार्ज फर्नेंडीज़ : इनकम टैक्स एक्ट में वह चीजें हैं। मेरी इतनी ही प्रारंभिक है कि वेल्यू टैक्स एक्ट में भी इस को ढाल दें ताकि कोआपरेटिव मंस्थाओं को परेशानी में न पड़ना पड़े।

SHRIMATI INDIRA GANDHI : We will get suitable instructions. The other question is about the trust. This amendment which has been proposed will defeat the purpose behind the proposals in the Bill and will lead to the continuance of the use of the discretionary trust as a device to avoid taxes. Multiple trusts are generally formed with a small corpus and income so as to avoid wealth tax and income-tax. Quite often the corpus of the trust is kept below Rs. 1 lakh. Therefore, the hon. member's proposal that the flat rate of 1.5 per cent of wealth tax should not apply in cases where the corpus is less than Rs. 3 lakhs will defeat the very purpose for which the relevant provision is made. Therefore, these amendments are not acceptable.

Mr. Sanghi's amendment is also not acceptable because it will open a loophole for the avoidance of additional wealth

tax on urban assets by transferring such assets to firms, associations of persons or closely held companies and it will defeat the purpose underlying the provision.

The main point is one to which I have replied earlier while replying to Mr. Lobo Prabhu, namely, the question of the limit over Income-tax and wealth tax together. As I said then, hon. members know what a fundamental difference of opinion there is in the House. Shri Patodia has moved one amendment and Mr. Shiva Chandra Jha has moved the very opposite amendment that the limit should be much lower.

The limit of Rs. 1 lakh for a residential house which we have proposed I think seems to be fairly reasonable, keeping in view the general opinion in the country as well as in this House. I do not think I need to say any more on this.

Certain points were made about housing. Housing is certainly important, but I do not think that this will affect that situation very much. It is a question of balancing and seeing what is more important.

Another hon. member spoke of incentives. I have said something about this earlier in the day. Incentive is something which is very much in the mind of the person, what drives you on to do something. If it is only a question of money, that is one way of looking at it. But there certainly should be other things which are incentives. Quicker the business community thinks of looking towards other things, quicker the country will be able to advance.

SHRI D. N. PATODIA : What about ceiling on taxation ?

SHRIMATI INDIRA GANDHI : It was covered earlier. We are trying to lessen the disparities and it can only be done when those who have more give more.

MR. DEPUTY-SPEAKER : Shall I put all the amendments except Government amendments together ?

SHRI D. N. PATODIA : My amendment No. 567 may be put separately.

MR. DEPUTY-SPEAKER: All right. I will now put all the amendments except Government amendments and except amendment No. 567.

Amendments were put and Negatived.*

MR. DEPUTY-SPEAKER : I will now put Mr. Patodia's amendment No. 567.

Amendment No. 567 was put and negatived.

MR. DEPUTY-SPEAKER : I will now put the Government's amendments Nos. 659 to 666 to the House.

The question is :

Page 20, after line 2, insert—

'(3) after clause (iva), the following clause shall be inserted, with effect from the 1st day of April, 1971, namely :—

"(ivb) one building or one group of buildings owned by a cultivator of, or receiver of rent or revenue out of, agricultural land :

Provided that such building or group of buildings is on or in the immediate vicinity of the land and is required by the cultivator or the receiver of rent or revenue, by reason of his connection with the land, as dwelling house, storehouse or out house ;"; (659)

Page 20, line 3, for "(3)", substitute "(4)". (660)

Page 20, line 6, for "(4)", substitute "(5)". (661)

Page 20, line 29, for 'bank');', substitute 'bank)'. (662)

Page 20, after line 29, insert—

'(xxvii) any deposits with a financial corporation which is engaged in providing long-term finance for industrial development in India and which is approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36 of the Income-tax Act.'". (663)

Page 20, line 35, for "and (xxvi)", substitute, "(xxvi) and (xxvii)" (664)

Page 21, line 9, for "and (xxvi)", substitute " (xxvi) and (xxvii) ". (665)

Page 22, line 22, substitute—

"support and maintenance; or (iii) such assets are held by the trustees on behalf of provident fund, superannuation fund, gratuity fund, pension fund or any other fund created *bona fide* by a person carrying in a business or profession exclusively for the benefit of persons employed in such business or profession, ". (666)

The motion was adopted

MR. DEPUTY-SPEAKER : The question is :

" That clause 26, as amended, stand part of the Bill".

The motion was adopted

Clause 26, as Amended was added to the bill.

Clause 27 :—(Amendment of Act 18 of 1958.)

SHRI KANWAR LAL GUPTA : I beg to move** :

Page 26,—

omit lines 41 to 43. (9)

Page 27 and 28,—

omit lines 13 to 37 and 1 to 6, respectively. (76)

SHRI SHIVA CHANDRA JHA : I beg to move** :

Page 26, line 42,—

for "five thousand" substitute "five hundred" (135)

Page 27, line 18,—

for "5" substitute "10" (136)

Page 27, line 20,—

for "10" substitute "20" (137)

Page 27, line 23,—

for "15" substitute "30" (138)

Page 27, line 26,—

for "20" substitute "40" (139)

Page 27, line 29,—

for "25" substitute "50" (140)

*The numbers of the Amendments, which were put and negatived are : 8, 33, 65 to 74, 113 to 134, 307, 321 to 326, 524 to 526 566, 688, 692 and 714.

**Moved with the recommendation of the President.

Page 27, line 32,—

for "30" substitute "60" (141)

Page 27, line 35,—

for "40" substitute "80" (142)

Page 28, line 1,—

for "50" substitute "100" (143)

Page 28, line 4,—

for "75" substitute "150" (144)

SHRI HIMATSINGKA I beg to move* :

Page 27,—

(i) line 1,—

for "(b)" substitute "(a)"

(ii) line 13,—

for "(c)" substitute "(b)" (690)

SHRI GANESH GHOSH (Calcutta South): I beg to move*:

Page 27, line 26,—

for "Rs. 11,500 plus 20 per cent."
substitute—"Rs. 50,000 plus 50 per cent." (715)

Page 27, line 29,—

for "Rs. 31,500 plus 25 per cent."
substitute—"Rs. 1,25,000 plus 75 per cent." (716)

Page 27, line 32,—

for "Rs. 1,06,500 plus 30 per cent."
Substitute—"Rs. 3,75,000 plus 75 per cent." (717)

Page 28, line 35,—

for "Rs. 2,56,500 plus 40 per cent."
substitute—"Rs. 7,50,000 plus 80 per cent." (718)

Page 28, line 1,—

for "Rs. 4,56,500 plus 50 per cent."
"Substitute—"Rs. 7,50,000 plus 80 per cent." (718)

Page 28, line 1,—

for "Rs. 4,56,500 plus 50 per cent."
Substitute—"Rs. 12,00,000 plus 85 per cent." (719)

Page 28, line 4,—

for "Rs. 7,06,500 plus 75 per cent."

substitute—"Rs. 15,00,000 plus 90 per cent." (720)

श्री कंवर लाल गुप्त : उपाध्यक्ष जी, मुझे इसमें इतना ही कहना है—अभी तक 10 हजार रुपए तक की गिफ्ट माफ थी, लेकिन अब फाइनेन्स मिनिस्टर चाहती है कि गिफ्ट टैक्स की माफी 5,000 रु० तक रहे, उसके बाद इस पर टैक्स लगना चाहिए। मैं समझता हूँ कि यह टैक्स छोटे लोगों पर पड़ेगा, क्योंकि 10,000 रु० की माफी पहले ही बहुत कम हो गई है और अब इसको 5,000 रु० कर देंगे तो यह तो बहुत बड़ी ज्यादती होगी। यह टैक्स ज्यादातर लोअर-मिडिल क्लास लोगों पर पड़ेगा। इसलिए मेरी प्रार्थना है कि इसको 10,000 रु० ही रहने दिया जाए और जो 5,000 रु० की लिमिट उन्होंने रखी है, उसको बापस ले लें।

SHRI D. N. PATODIA : My amendment seeks to restore the position with regard to gift tax by making it exempt up to Rs. 10,000. As Shri Gupta has said, the value of money has considerably gone down. I do not know what was the motive behind bringing this provision by the government because I do not think they had at any time anticipated any misuse of this provision. If there was no misuse and if gift was being made in a genuine manner by gentlemen and ladies, by senior members of the family, it should have been permitted. I think the provision with regard to gift tax, if it is made more relaxed, it would help the distribution of wealth rather than concentration. I therefore seek to move this amendment to raise the exemption from this tax up to Rs. 10,000. I hope government will accept it.

श्री शिवचन्द्र शर्मा : उपाध्यक्ष जी, क्लास 27 में गिफ्ट टैक्स की बात है। आपको पता ही है कि टैक्स से बचने के लिए लोग गिफ्ट के रूप में बड़ी-बड़ी रकमें दिया करते हैं। हमारे समाज में जो हम बराबरी लाना चाहते

* Moved with the recommendation of the President.

[भी शिवाय जा]

है यह उस सिद्धान्त के खिलाफ है। इसलिए मैंने अपने संशोधन में कहा है कि जहां 5,000 रु० तक की एकजैम्पशन लिमिट रखी गई है, उसको घटा कर 500 रु० कर दिया जाए। देखने में तो यह मालूम पड़ता है कि वही सख्ती हो रही है, कंवर लाल गुप्ता जी ने कहा है कि मनी की बैल्यू कम हो गई है, लेकिन मैं पूछता हूँ कि पांच हजार रुपए का गिफ्ट कितने लोग देते हैं, कितने लोगों में गिफ्ट देने की ताकत है, इस देश में तो 75 प्रतिशत लोग 3 आने रोज पर गुजारा करते हैं। 5,000 रु० की गिफ्ट चांदनी चौक में रहने वाले आप जैसे बड़े लोग देते होंगे। इसलिए मेरा संशोधन है कि जहां सरकार 5,000 रु० करना चाहती है, वहां 500 कर दिया जाए।

इसी तरह से दूसरे संशोधनों में मैंने कहा है—जहां गिफ्ट की बैल्यू 20,000 रु० से ज्यादा न हो, वहां सरकार का रेट 5 परसेन्ट है, मैं चाहता हूँ उसको 10 परसेन्ट कर दिया जाए, 20,000 रु० से 50,000 रु० तक सरकार का रेट है—10 परसेन्ट, मैंच चाहता हूँ कि इसको 20 परसेन्ट कर दिया जाए। 50 हजार से एक लाख तक सरकार का रेट है—15 परसेन्ट, मैं चाहता हूँ कि इसको 30 परसेन्ट कर दिया जाए। 1 लाख से 2 लाख तक सरकार का रेट है—20 परसेन्ट, मैं चाहता हूँ कि इसको 40 परसेन्ट कर दिया जाए। 2 लाख से 5 लाख तक सरकार का रेट है—25 परसेन्ट, मैं चाहता हूँ कि इसको 50 परसेन्ट कर दिया जाए। 5 लाख से 10 लाख तक सरकार का रेट है—30 परसेन्ट, मैं चाहता हूँ कि इसको 60 परसेन्ट कर दिया जाए। 10 लाख से 15 लाख तक सरकार का रेट है—40 परसेन्ट, मैं चाहता हूँ कि इसको 80 परसेन्ट कर दिया जाये। 15 लाख से 20 लाख तक सरकार का रेट है—50 परसेन्ट, मैं चाहता हूँ कि इसको 100 परसेन्ट कर दिया जाए। जहां तक 20 लाख से ऊपर गिफ्ट देने

की बात है, सरकार का रेट है—75 परसेन्ट, मैं चाहता हूँ कि इसको 150 परसेन्ट कर देना चाहिए।

16-55 Hrs.

[MR. SPEAKER in the Chair]

अध्यक्ष महोदय, इस हिसाब से यदि हम गिफ्ट पर टैक्स लगाने की व्यवस्था करेंगे, तब जो लीजार व्लास के लोग हैं, जिनके द्वारा ममाज में कंम्पीकुअम कन्जम्पशन आता है, उम पर रोक लगा सकेंगे।

SHRI HIMATSINGKA: My amendments No. 681 and 682 seek to provide that the present position of gift tax should be retained and there is no justification for reducing the amount of gift tax from Rs. 10,000/- to Rs. 5,000. My suggestion is that the proposed amendment may not be insisted upon.

SHRI LOBO PRABHU: I would like the Finance Minister to look back upon her own desire to remove disparity in income. Is it her purpose by bringing in this measure that the man should keep all his money with him and give nothing and still reduce disparity. If you want to reduce disparity then encourage gifts. The result of this new measure is to reduce the total amount of revenue. Therefore, in the interests of revenue itself please go back to the old method.

SHRI BENI SHANKER SHARMA: This clause has a chequered history. when the gift tax was first introduced, it was Rs. 10,000/-; then it was reduced to Rs. 5,000/- and then again raised to Rs. 10,000/-. Now, you want to reduce it again to Rs. 5,000/-. My friend, Shri Shiva Chandra Jha has not understood the position with regard to gift tax. It is a socialistic measure in a small way and should not be tampered with.

SHRI S. M. BANERJEE: I support Shri Shiva Chandra Jha's amendment.

17 Hrs.

SHRI GANESH GHOSH: Mr. Speaker, Sir, the Gift Tax as it has been proposed by the Prime Minister is a subtle contrivance to give big concessions to the moneyed people the big capitalists. Almost everybody knows

that the Gift Tax has been always a regular weapon in the hands of the big capitalists to evade taxes.

Under the proposed Gift tax, if a capitalist or a very rich man gives Rs. 5 lakhs out of his income as a gift, he can evade about Rs. 3,90,000 tax, pay a small sum of only Rs. 1,06,000 as Gift Tax and thus cheat the public exchequer of about Rs. 2,80,000. I have calculated all this. After all, who can give gifts of Rs. 20,000 or Rs. 50,000 or gifts valued at Rs. 1 lakh? Certainly not an ordinary or common man. Only very rich men or big capitalists can make such gifts. There cannot be any reason not to suspect that such gifts involving such huge amounts are made to evade taxes only. We have very bitter experience how lands were made 'benami' when land ceilings were fixed. No big capitalist would give gifts of huge amounts unless he wants to evade taxes.

The proposed system of Gift Tax is only another form of legalising tax-evasion. One can understand a gift of a few thousand rupees to one's needy relatives and friends. But those who give gifts to the extent of lakhs of rupees do so only to evade taxes. The budget proposals once again convincingly prove that the policy of the present Government does not budge an inch from the earlier stand of boosting the big business while poor man's essential commodities are taxed with Shylock's mentality. Even baby foods have not escaped taxation resulting in rise of their prices.

The generosity shown to the richer sections of the society has no justification whatsoever in the present situation. Unless the Government accept the amendments that I have proposed, all talk of ending inequality as is often professed is meaningless because the concessions given by the Government to the finance sharks have been the major cause of growing inequality in our country.

SHRIMATI INDIRA GANDHI : If I may start with the last speaker first, I am sorry to say I have not fully understood what he was saying. We have actually lowered the exemption limit for giving gifts. I have not much to say. Here again, it is question of a fundamental difference with some hon. Members. We do not want to

stop people giving gifts. But we feel if they have the ability to give such large gifts, then they also have the ability to give a little extra which can be used for the many who do not have the ability to give gifts and who do not have the ability to have sufficient for their daily needs. This is the purpose of this tax as of any other taxes. Then, the hon. Member, Shri Lobo Prabhu, has made a very useful suggestion for next year's budget which I shall keep in mind.

MR. SPEAKER : Now, I put all the Amendments together to the vote of the House.

Amendments Nos. 9, 76, 135, to 144, 690 and 715 to 720 were put and negatived.

MR. SPEAKER : The question is: "That clause 27 stand part of the Bill".

The motion was adopted.

Cause 27 was added to the Bill

Clauses 28 to 31

MR. SPEAKER : Now I am going to put all the rest of the clauses together.

SHRI KANWAR LAL GUPTA : We want discussion on clause 32 which is the most important clause.

SHRI SURENDRANATH DWIVEDI (Kendrapara) : For which we are all sitting here.

MR. SPEAKER : This morning we decided to apply guillotine at 4.30 and it is already 5 p.m. now. But, if you are prepared to reduce the time for the Third Reading, I can take up clause 32. There is absolutely no amendment to clause 28 and for 39 there is Mr. Jha's amendment and I hope he is not pressing it. So I can pass on to clauses 30 and 31.

Now the question is:

"That clauses 28, 29, 30 and 31 stand part of the Bill".

The motion was adopted.

Clauses 28, 29, 30 and 31 were added to the Bill.

Clause 32.—(Amendment of Act 1 of 1944)

SHRI KANWAR LAL GUPTA : I beg to move*:-

Page 29,—

omit lines 26 to 29. (10)

Page 29, line 32,

omit "COCOA POWDER". (11)

Page 30,—

omit lines 9 to 18. (12)

Page 30,—

omit line 26. (13)

Page 30,—

omit lines 29 to 33. (14)

Page 31,—

omit lines 1 to 37. (15)

Page 32,—

omit lines 1 to 34. (16)

Page 33,—

omit lines 9 and 10. (17)

Page 36,—

omit lines 1 and 2. (18)

SHRI S. S. KOTHARI : I beg to move*:

Pages 31 and 32,—

omit lines 23 to 37 and 1 to 24, respectively. (35)

Page 32,

omit lines 29 to 32. (36)

Page 35,

omit lines 1 to 34. (37)

SHRI SHIVA CHANDRA JHA : I beg to move*:

Page 29, line 27,—

for "thirty" *substitute* "Twenty" (148)

Page 29, line 28,—

for "Fifteen" *substitute* "Ten" (149)

Page 30, line 4,—

for "Eighty" *substitute* "Ninety" (150)

Page 30, line 9,—

for "Ten" *substitute* "Twenty" (151)

Page 30, line 11,—

for "Ten" *substitute* "Twenty" (152)

Page 30, line 13,—

for "Eighty" *substitute* "Ninety" (153)

Page 30, line 21,—

for "Ten" *substitute* "Twenty" (154)

Page 30, line 29,—

for "Ten" *substitute* "Twenty" (155)

Page 30, line 34,—

for "Ten" *substitute* "Twenty" (156)

Page 31, line 4,—

for "Eighty-five" *substitute* "Ninety" (157)

Page 31, line 7,—

for "Ten" *substitute* "Twenty" (158)

Page 31, lines 30 and 31,—

for "two rupees" *substitute*—"fifty paise" (159)

Page 32, lines 1 to 3,—

for "One rupee and twenty-five paise" *substitute*—"forty paise" (160)

Page 32, line 12,—

for "Ten" *substitute* "Five" (161)

Page 32, line 27,—

for "One hundred and fifty" *substitute*—"three hundred" (162)

Page 32, line 30,—

for "Seven hundred and twenty" *substitute*—"Five hundred" (163)

Page 32, line 34,—

for "Ten" *substitute* "Twenty" (164)

Page 33, line 3,—

for "Ten" *substitute* "Twenty" (165)

Page 33, line 10,—

for "Ten" *substitute* "Twenty" (166)

Page 33, line 13 and 14,—

*Moved with the recommendation of the President.

for "three hundred rupees" substitute "Three hundred and fifty rupees" (167)

Page 33, line 24,—
for "Ten" substitute "Twenty" (168)

Page 33, line 28,—
for "Twenty-five" substitute "Thirty" (169)

Page 34, line 7,—
for "Twenty-five" substitute "Thirty" (170)

Page 34, line 10,—
for "Twenty-five" substitute "Thirty" (171)

Page 34, line 13,—
for "Twenty-five" substitute "Thirty" (712)

Page 34, line 17,—
for "Twenty" substitute "Thirty" (173)

Page 34, line 20,—
for "Twenty-five" substitute "Thirty" (174)

Page 34, line 23,—
for "Twenty-five" substitute "Thirty" (175)

Page 34, line 27,—
for "Four" substitute "Five" (176)

Page 34, line 30,—
for "Forty" substitute "Sixty" (177)

Page 34, line 31,—
for "Forty" substitute "Sixty" (178)

Page 34, line 32,—
for "Fifty" substitute "Seventy-five" (179)

Page 35, line 3,—
for "Ten" substitute "Thirty" (180)

Page 35, line 37,—
for "Ten" substitute "Twenty" (181)

Page 36, line 1,—
for "Ten" substitute "Twenty" (182)

Page 36, line 3,—
for "Ten" substitute "Twenty" (183)

Page 36, line 11,—
for "Ten" substitute "Twenty" (184)

Page 36, line 24,—
for "Ten" substitute "Twenty" (185)

SHRI LOBO PRABHU: I beg to move:*

Page 30,—
omit lines 19 to 35. (329)

Page 31, line 4,—
for "Eighty-five", substitute "Fifty". (330)

Page 31, lines 30 and 31—
for "two rupees", substitute "rupee one and paise fifty" (331)

Page 33,—
omit lines 11 to 19. (332)

Page 34 —
omit lines 10 to 25. (333)

Page 35,—
omit lines 25 to 34. (334)

Page 36,—
omit lines 3 to 10. (335)

SHRI D. N. PATODIA: I beg to move:*

Pages 29 to 32,—
omit lines 26 to 34, 1 to 35, 1 to 37 and 1 to 24, respectively. (499)

Pages 32 and 33,—
omit lines 29 to 34 and 1 to 19, respectively. (501)

Page 33,—
omit lines 26 to 28. (502)

Pages 34 and 35,—
omit lines 4 to 33 and 1 to 24 respectively. (503)

Pages 35 and 36,—
omit lines 35 to 38 and 1 to 29. (504)

SHRI S. M. BANERJEE: I beg to move:*

Page 30,—

*Moved with the recommendation of the President.

[Shri S. M. Banerjee]

omit lines 26 to 28. (577)

Page 30.—

omit lines 34 and 35. (578)

SHRI P. M. MEHTA (Bhavnagar):
I beg to move*:

Page 34, line 3.—

add at the end—

'and after the words "skelp and strips" the words "but excluding plates and sheets mentioned in (C)" shall be added'. (588)

Page 34.—

after line 3, insert—

(c) *after* sub-item (v), the following sub-item shall be inserted, namely:—

"(vi) Plates and sheets Five hundred ordinarily used and fifty rupees for manufacture of metal containers intended for packaging of goods for sale including casks, drums, cans, boxes, gas cylinders, and pressure containers, but excluding collapsible tubular containers made of aluminium". (589)

Page 34, line 27,—

for "Four" substitute "Six". (590)

SHRI OM PRAKASH TYAGI (Moradabad): I beg to move*:

Page 33.—

omit lines 23 to 25. (618)

Page 34.—

omit lines 26 to 28. (619)

Page 32.—

after line 32, insert—

'(viiia) In Item No. 7, for the entry in the third column, the entry "Two hundred and five rupees and twenty-five paise per kilometre at fifteen degrees of Centigrade thermometer," shall be substituted'. (627)

श्री कंबर लाल गुप्त : अध्यक्ष महोदय, मैंने आपकी आज्ञा से अपने संशोधन नम्बर 10 से 18 तक प्रस्तुत किए हैं। इस सम्बन्ध में मैं यही कहना चाहता हूँ कि प्रधान मंत्री महोदया ने चाय, चीज़ी, काफी, किताबें, चाकलेट, इन सब चीजों पर टैक्स लगा कर मध्यम वर्ग की पीठ में छुरा धोपा है। वे वेशक कहें कि कीमतें नहीं बढ़ी हैं लेकिन मैं चैलेज करता हूँ कि बाजार में जाकर वे देखें, 15 परसेन्ट कीमतें साधारण चीजों में बढ़ गई हैं। ऐसी चीजों में जोकि गरीब और मध्यम वर्ग के आदमी इस्तेमाल करते हैं। उन्होंने शूगर की बात कही लेकिन शूगर की कीमतें टैम्पोरेरी कम हुई हैं। शूगर की कीमतें टैम्पोरेरीली कम होने का परिणाम यह होगा कि जितनी शूगर फैक्टरीज हैं वह आहिस्ता-आहिस्ता बन्द हो जाएंगी और अगले साल शूगर फैक्टरीज के सामने काइसिस आएंगा, क्योंकि उनके स्टाफ पाइल-अप हो रहे हैं, बैंकों ने लिमिट कम कर दी है, सच्ची कर दी है। परिणाम यह है कि जो एक्साइज आपने बढ़ाई है, वह कीमतें कम होने के कारण उसके अन्दर चली गई और शूगर फैक्टरीज को जबर्दस्त नुकसान होगा। इसका परिणाम यह होगा कि आज शूगर ज्यादा है लेकिन अगले साल किसान शूगरके नहीं बोयेंगे। इसलिए मैं चाहता हूँ कि शूगर के ऊपर जो एक्साइज है, उसका जो रेट है, वह वैसे भी ज्यादा है, उसको कम होना चाहिए।

जो चाय की बात उन्होंने कही—प्रधान मंत्री ने कहा कि कुछ सस्ती और दूसरे किस्म की, चाय पर हमने नहीं बढ़ाया—मुझे मालूम नहीं

*Moved with the recommendation of the President.

कि सस्ती कौन है, बड़िया कौन सी है। लेकिन बाजार में आप जाकर देखिए तो जो चाय बाजार में लोग खरीदते हैं, साल्वे साहब भी खरीदते होंगे, उसके अंदर काफी वृद्धि हो गई है। कम से कम 20-25 परसेंट की वृद्धि उसके अंदर हम देखते हैं।

इसी तरह से काफी के अन्दर भी वृद्धि देखते हैं। और सबसे बड़ी चीज़ जो प्रधान मंत्री महोदया ने की है, वह है इरेटेड-वाटर जो है, जैसे कोका कोला एक साप्ट ड्रिक है, हार्ड ड्रिक जो पीते हैं उनकी बात मैं नहीं करता, लेकिन जो इरेटेड वाटर है, जो सर्वसाधारण की चीज़ है, आम आदमी जिसको पीते हैं, उनकी कीमतें भी ज्यादा हों गई हैं। अध्यक्ष महोदय, एक बोतल कोका कोला के अन्दर 5 पैसे उन्होंने बढ़ा दिए, पहले भी कीमतें ज्यादा थीं, अब और ज्यादा बढ़ा दी है।

इसी तरह से किताबों में भी इन्होंने ज्यादा टैक्स लगा दिया और किताबों को भेजने में, गांवों में किताबें भेजने में अब और ज्यादा दिवकर होगी। मैं अधिक न कह कर, क्योंकि यह पार्टी का सवाल नहीं है, यदि प्रधान मंत्री चाहती है कि गरीबों को राहत मिले, मध्यम वर्ग के व्यक्तियों को राहत मिले, तो मैं चाहूंगा कि वह टैक्स घटाएं। अभी किताबों की कीमतों में 15 प्रतिशत वृद्धि हुई है और साल भर में और भी वृद्धि होगी। अगर प्रधान मंत्री चाहती है कि गरीबों को राहत मिले, तो मैं चाहूंगा कि जो टैक्स शूगर पर लगाया है वह कम होना चाहिए। जो चाय पर, किताबों पर, इरेटेड वाटर के ऊपर लगाया है उसमें कमी होनी चाहिए। हाँ, जो लग्जरी गुड्स हैं, उनके ऊपर जो आपने बढ़ाया वह ठीक है क्योंकि देश को साधन चाहिए, ताकि गरीब लोगों का काम हो सके। लेकिन इधर आप गरीब आदमी को राहत देते हैं और दूसरे हाथ से जब कीमतें बढ़ जाती हैं तो उनसे आप छीन लेते हैं। मैं समझता हूँ कि जो आपने छीना है वह ज्यादा है और राहत

आपने कुछ नहीं दी। परिणाम यह होगा कि पहले जितना आगे बढ़े उससे ज्यादा पीछे जाएंगे। इसलिए अध्यक्ष महोदय, मैं प्रधान मंत्री से निवेदन करूंगा कि तीन-चार चीजों पर एकसाइज़ इक्टी उन्होंने बढ़ाई है, वह वापस लें यही मेरी उनसे प्रार्थना है।

SHRI SURENDRANATH DWIVEDY-rose--

MR. SPEAKER : Mr. Dwivedy, let us go serial-wise, according to the amendments moved. Shri Kothari.

SHRI S. S. KOTHARI : Sir, the excise duty on sugar, tea and other items impinge upon the common man and it will adversely affect his standard of living. I would submit that fresh excise duty should be levied on the luxury items only and excise duty should not be increased on articles of common use. I would suggest to the Prime Minister that a moratorium should be imposed on the total quantum of excise duty. The total excise duty is now Rs. 1800 crores. Let us impose a limit that these shall not exceed Rs. 1900 or Rs. 2000 crores. There may be internal adjustments between these duties but the total quantum should not increase beyond this figure. We may impose such a moratorium so that the standards of living of the common people are not adversely affected. I endorse what my hon. friend (Shri Kanwar Lal Gupta) has said regarding the excise duty on sugar, tea and certain other items of mass consumption. They should, I suggest, be reduced or removed. Thank you.

श्री शिव चन्द्र ज्ञा : अध्यक्ष महोदय, इसमें सन्देह नहीं कि इसमें जो टैक्स लगाए गए हैं जिसमें कि चीनी भी आ जाती है, चाय भी आती है, कोकोआ भी है और दूसरी कितनी चीजें हैं, उससे आम जनता पर बोझ पड़ेगा। अध्यक्ष महोदय, यह मानी हुई बात है कि दिल्ली से लेकर के द्वार देहात तक चीनी की डलरत होती है। त्योहारों पर और कई दूसरों पर बड़ी परेशानी हो जाती है। यहाँ तक कि चीनी के लिए मुझे एम० पी० के रूप में लिखना पड़ता है। लोग कहते हैं कि चीनी के लिए आप खत सिख दीजिए तो जायद

[श्री शिवचन्द्र सा]

मिल जाएगी । इतनी जरूरत वहां हो जाती है । अध्यक्ष महोदय, यदि सरकार 32(1) में जो टैक्स बढ़ा रही है— उसमें 30 परसेंट ऐडवालोरम और 50 परसेंट ऐडवालोरम है— अगर सरकार महसूस करती है कि बढ़ाना ही चाहिए तो 30 की जगह पर 20 परसेंट ऐडवालोरम और 50 परसेंट की जगह 10 परसेंट रखा जाए । इससे भी चीनी की कीमत बढ़ेगी, लेकिन उतना बोझा नहीं होगा जितना बोझा आपके संशोधन से उन पर आएगा । तो यह एक अहम आइटम है जो आम लोगों के कंजम्पण की चीज़ है ।

उसी तरह से चाय ले लीजिए । चाय के मुतालिक इन्होंने ऐलान किया कि निकाट चाय पर, जो खराब और कंडम चाय है, उस पर 70 पैसे पर किलोग्राम के हिसाब से इन्होंने घटा करके लगाया है । 70 पैसों की जगह मेरा संशोधन है कि 50 पैसे कर दिया जाए । 'नाट ऐक्सीडिंग 2 रुपीज़' की जगह 'पचास पैसे' कर दिया जाए । चाय, अध्यक्ष महोदय, ऐसा पेय है जो कि दूर देहात तक में चल गई है । कैसे गई, इसकी कहानी में हम न जाएं लेकिन 1941 के जमाने में देहात में और छोटे-छोटे शहरों में लोगों को फी चाय पिला करके उनको आदत डाल दी । आज हिन्दुस्तान में किसी न किसी रूप में जो अफोर्ड कर सकता है, चाय पीने की कोशिश जरूर करेगा । इसलिए उन पर यदि आप बढ़ा देते हैं—नाट ऐक्सीडिंग दूर रुपीज़ पर किलोग्राम तो कुछ ज्यादा हो जाता है ।

पैकेज टी के बारे में आपने 1.25 पैसे रखा है जो ज्यादा है । मेरा सुझाव है कि उसको आप 40 पैसे रखें ।

इस्टेट टी पर आपने 10 परसेंट ऐडवालोरम प्लस दि ड्यूटी फार दि टाइम बिइंग 'सच 'इस्टेट टी' किया है । मैं चाहता हूँ कि दस परसेंट की जगह आप 5 परसेंट रखिए । जो आप चाहते हैं कि रिसोर्सेज़

को मोबिलाइज़ करने के लिए इस हिसाब से कुछ लगा भी दें तो उस रूप में लगाने से बोझ भी नहीं होगा ।

उसी तरह से दूसरी चीज़ें हैं, अध्यक्ष महोदय, पेज 32 आइटम 6 पर जहां पर दिया है—

फाइनेंस बिल के पेज 32 पर आइटम नम्बर 6 इस प्रकार है :

"In item No. 4 under "II. Manufactured tobacco.", for the entry in the third column against sub-item (2) the entry 'One hundred and fifty per cent *ad valorem* shall be substituted.'".

इस बारे में प्रधान मंत्री तथा वित्त मंत्री श्रीमती इंदिरा गांधी ने श्री मोरारजी देसाई को मात देने की कोशिश की है लेकिन यही पर्याप्त नहीं है, कारण यह गांधी जी का देश है और इसलिए मैंने अपने संशोधन द्वारा इस 150 परसेंट ऐडवेलोरम के स्थान पर 300 परसेंट ऐडवेलोरम सब्स्टीचूट करने का सुझाव दिया है । नशीले और मादक द्रव्यों पर सरकार को और भी अधिक टैक्स लगाना चाहिए । सिग्रेटों पर मेरी मांग है कि और अधिक टैक्स सरकार को लगाना चाहिए । चारमीनार सिग्रेट के पैकेट के बारे में एक मिल ने मुझे बतलाया कि उसमें बहुत पैसे बढ़ गए हैं और पहले जहां वह 30 पैसे का मिलता था, वहां अब 35 पैसे का मिल रहा है । लेकिन मेरा विचार है कि सिग्रेट पर और भी अधिक टैक्स होना चाहिए जिससे वह और अधिक महंगी मिलें ताकि लोग सिग्रेटों का पीना कम करें । इसी दृष्टि से मैंने अपना संशोधन दिया है जिसमें मांग की है कि 150 की जगह 300 रखा जाए ।

इसी तरह थड़ कालम की आइटम नम्बर 6 की इंटरी में जो यह दिया है :

"(vii) In item No. 6 for the entry in the third column the entry 'Seven hundred and twenty rupees per kilolitre at 15 degrees Centigrade of thermometer' shall be substituted."

मैंने अपने एक संशोधन द्वारा कम करने का सुझाव देते हुए इसे 500 रुपया पर किलो-नीटर करने की मांग की है। मोटर स्प्रिट पर यदि आप टैक्स बढ़ाएंगे, तो जाहिर है कि उसका असर आम उपभोक्ताओं पर पड़ेगा, अधिकांश जनता पर पड़ेगा जो कि बसों द्वारा खफर करते हैं। इससे बस का फेर बढ़ जाएगा। अगर बसों का किराया बढ़ा तो आम जनता को भारी परेशानी का सामना करना पड़ेगा। इसलिए मेरा संशोधन है कि यह मात्र सी बीस रुपए पर किलोलटर एट फिफ्टीन डिग्रीज आफ सेंटीप्रेड थर्मामीटर को 500 रुपए से सब्स्टीच्यूट कर दिया जाए।

सिंथेटिक रबड़ पर तीन सौ रुपए पर टन का जो प्रस्ताव है वह ठीक ही है। इसी तरह से दूसरी लकड़ी के जो आइटम्स हैं, बड़े व धनी लोगों के अन्य आराम व सुख के जो साधन आदि हैं, उनके ऊपर यदि आप टैक्स का भार अधिक रखते हैं तो उसमें कोई अनुचित नहीं है क्योंकि उससे अपर क्लास ही एफेक्टेड होता है। बड़े और धनी लोगों के आराम के लिए इस्टेमाल होने वाली विलास व शृंगार आदि की सामग्री को यदि आप महंगा करते हैं, उन पर यदि आप सख्ती करते हैं तो मुझे उसमें कोई ऐतराज नहीं है। लेकिन ऐसी वस्तुएं और आवश्यक चीजें जोकि मिडिल क्लास और गरीब तबके के काम में आती हैं वह महंगी न हों, उन पर जाहिर है कि टैक्स का भार बढ़ेगा तो वह और भी महंगी मिलेंगी और गरीब जनता की कमर टूट जाएगी, इसलिए उन चीजों के बारे में सरकार को गम्भीरता से सोचना चाहिए और उनकी कीमत बढ़ने न देनी चाहिए, अपितु कम करने की ही उसे कोशिश करनी चाहिए। चीनी और चाय के बारे में जो मैंने संशोधन दिए हैं उन पर खास तौर से प्रधान मंत्री महोदया विचार करें और उन्हें स्वीकार कर लें। बुकपोस्ट और किताबों के रजिस्टर्ड पासल आदि पर जो हृद्यूटी बढ़ाई गई है वह कम की जाए। उसका रेट कम होना चाहिए और उसके लिए

भी मैंने एक संशोधन दिया है। मैं चाहूंगा कि मेरे इन संशोधनों पर विशेष कर चाय व चीनी संबंधी संशोधनों को स्वीकार करने के बारे में सोचें।

SHRI LOBO PRABHU: I shall be very brief. When you are imposing indirect taxes, you have to trace them to those who pay them. It happens that in the case of these indirect taxes which have been imposed in a sheltered market, the consumers face them or they do not buy the thing at all. So, as far as socialism goes, indirect taxes are its antithesis.

I now come to the specific taxes which are imposed. On Sugar, the total impose is about Rs. 79 crores, and on tea, it is Rs. 24 crores. On confectionary, which is really a tax on children—I do not know why the Prime Minister should think of this impost—the tax is a minor amount of 55. I would like her to consider the taxes she is adding on biscuits and pasteurised butter as taxes on people who require these articles for their little joys in life. I think to get this mini amount a budget should not be stretched so far.

I come to another big group of taxes imposing on these common people. These are taxes on petroleum products. It will surprise the House to know that we pay a total amount of Rs. 600 crores taxes on petroleum products; on Kerosene, which is used by the poor, the tax paid is Rs. 114 crores; on refined diesel oil and vapourising oil which is used again by buses which are used by the poor people, the tax is Rs. 256 crores. I would like the Prime Minister to consider whether when these taxes were as high as they were, about Rs. 500 crores last year, there is any justification to raise them by 20 per cent and make them Rs. 600 crores.

About the other taxes, I do not think. I shall have time to deal with. But I would like to point out that many of these taxes go back to the primary producer. In respect of sugar, the Prime Minister should know that the prices have fallen in spite of the tax. What does it mean? First of all, the factories are cutting into their bones. Today sugarcane is being burnt in the Punjab because you put these taxes.

[**Shri Lobo Prabhu**]

You have no right to put people to such predicament.

I would ask the Prime Minister to leave these taxes alone. Let them remain at the level they were last year because that would be the least they should do to be consistent with the claim to socialism.

SHRI PILOO MODY: I cannot understand what socialism has got against sanitaryware.

SHRI D. N. PATODIA: We are confronted with increasing shortages and rising prices. In such a situation, we are totally opposed to any such measure which will increase the prices further. It would, in our opinion, be absurd to suggest that any measure which is likely to collect an additional revenue of Rs. 130 crores will not increase prices, particularly when the price increases will be in respect of commodities mostly used by the common people.

What are the items? Sugar, aluminium, petroleum products, tea, aerated waters, preserved food, coffee etc. Can anybody suggest these are items not used by the common people? 90 per cent of them are used by the common people. On the one hand, we are facing a crisis of unemployment; people do not get employment and their savings are shrinking and on the other, we are creating conditions for the cost of living to go higher and higher. This is a very anomalous situation.

And what is the use to which these additional revenue collections of Rs. 130 crores and other taxes are put. Most of it is used up to meet rising administrative expenditure and covering the losses of the public sector. This is not the way of taxing the common man. This is not the way to accelerate development. Excise duties are being increased from year to year. It is high time we stopped this and saw to it that measures which are going to increase the prices of commodities used by the common man were not adopted. Therefore, all these excise duties imposed upon items consumed by the common man should be withdrawn.

श्री स० मो० बनर्जी : अध्यक्ष महोदय, मैं अपने संशोधन सं० 577 से लेकर 582

तक पर बोलता चाहता हूँ। चीनी के बारे में अभी मेरे मोअज्जिज दोस्त श्री कंवर लाल गुप्त ने कहा कि चूंकि गश्ता जलाने की कोशिश की जा रही है, गश्ता जा नहीं रहा है कारखानों में और कारखाने बन्द होने जा रहे हैं, इस लिए मुगर इंडस्ट्री की बुरी हालत है, और यह एकसाइज इंडस्ट्री में छूट इसलिए दी जा रही है कि जो मुगर मिल ओनसं हैं उनका फायदा हो।

जो आर्टिफिशियल क्राइसिस क्रियेट करना चाहते हैं, बिहार और उत्तर प्रदेश में, जो संकट उन्होंने खुद पैदा किया है अपने मिसमैनेजमेंट से, मुनाफाखोरी से, जखीराबाजी से, चीनी की ओर बाजारी करके, अगर आप उनको फायदा पहुंचाना चाहते हैं और इस वास्ते कंसेशन दे रहे हैं, तो मैं इसका विरोध करता हूँ। कंज्यूमर्स को फायदा पहुंचाना चाहते हैं तो मैं इसका स्वागत करूँगा। कंज्यूमर्स का इससे फायदा होगा या नहीं होगा, यह मुझे मालूम नहीं, लेकिन मेरी जो एमेंडमेंट है, वह साफ है। मैं पूरी कलाज का ओमिश्न चाहता हूँ, जहाँ तक चीनी का सम्बन्ध है।

शुगर इंडस्ट्री के नेशनलाइजेशन की बात भी हो रही है। मैं जानना चाहता हूँ कि उसका क्या हुआ है। उत्तर प्रदेश की सरकार ने याम किया है कि इसका नेशनलाइजेशन होना चाहिए। एक कमीशन वहाँ बैठा हुआ है। मैं समझता हूँ कि वह भी ज़रूर कहेगा कि नेशनलाइजेशन होना चाहिए। आज अगर बाकई में उत्तर प्रदेश और बिहार के कारखानों की हालत खराब है और खराब की गई है, तो उन कारखानों का राष्ट्रीयकरण किया जाए, यही आपके सामने एकमात्र रास्ता है। बार-बार आप उनको छूट देते हैं। उनके पास ढबल बैरल गन है, वे कहते हैं.....

श्री पी० मोदी : हलवाई की बात कर रहे हैं?

श्री स० मो० बनर्जी : हलवाई के बारे में नहीं। मालूम होता है पुराना हलवाई पकाते-पकाते काफी मोटा हो गया है।

मैं चाहता हूं कि कंजूमर को कंसेशन मिले। जो मेरा एमेंडमेंट है वह साफ है। मैंने कहा है कि लाइंज 26 से 29 तक ओमिट कर दी जाए। मैं चाहता हूं इसको मान लिया जाए।

इसी तरह से कैरोसीन आयल और बिस्कुट की बात है। बिस्कुट में आपने कुछ कंसेशन दिया है जिसके लिए मैं आपको बधाई देता हूं। कोका कोला के दाम बढ़ गए हैं। लेकिन कोका कोला कितने लोग पीते हैं। यह तो अमरीका की हमारे देश को देन है। मैं इसको जरूर पी लेता हूं, क्योंकि मुझे 51 रुपए रोज मिलते हैं लेकिन मेरे भाई नहीं पी सकते हैं....

श्री पीलू मोदी : अमरीकन एम्बेसी में जाकर कोका कोला पीओ (इन्टरप्रॉफ)।

श्री स० मो० बनर्जी : मैं तो कोका कोला पीता हूं। मेरे भाई छिप-छिप कर क्या कुछ पी जाते हैं, इसको भवगान ही जानें।

अध्यक्ष महोदय : भवगान को बीच में क्यों लाते हैं।

श्री स० मो० बनर्जी : म्नोकोज की भी बात मैं करना चाहता हूं। इसको मरीज पीते हैं। तन्दस्त आदमी जैसे पीलू मोदी हैं, वे कभी नहीं पीते। मरीजों के लिए यह है, इसको भी हटा दिया जाए। इसी तरह से किताबों की बात है। किताबों पर जो है, उसको भी हटा दिया जाए।

अगर प्रधान मंत्री जी ओमिशन की बात को नहीं मानती है तो मैं निवेदन करूंगा कि श्री ज्ञा ने एक अच्छा संशोधन दिया है उसको ही मान लिया जाए। एड बैलोरम जहां तीस परसेंट है, उसको कम कर दिया जाए। पंद्रह परसेंट कम कर दिया जाए। कुछ तो कंसेशन वह दें।

श्री कांवर साल गुप्त : अगर नहीं मिलेगा तब भी आप उनके साथ जाएंगे।

श्री स० मो० बनर्जी : जहां तक हमारा सवाल है हम न उधर, बीच में है और बीच में रहेंगे। आप लोग उधर जाएं तो जाएं, हम जहां हैं वहां रहने वाले हैं। कहीं जाने वाले नहीं हैं। हां यह जरूर है कि भीम के लड़के घटोत्कच की तरह से हम आपके और उनके बीच में बैलेंस करने के लिए हैं। बड़ी मुश्किल से तारकेश्वरी जी को हम बीच में लाए हैं।

मैं चाहता हूं कि हमारे संशोधनों को स्वीकार कर लिया जाए।

SHRI P. M. MEHTA (Bhavnagar): My amendments are simple and of a constructive nature. The purpose of these amendments is to remove the hardships and administrative difficulties created by the imposition of excise duties on the containers. Amendment 591 is for deletion of lines 3-10 on page 36, that is entry 46. My amendment No. 590 is a measure to avoid the adverse effect created by amendment No. 591. All these amendments are interlinked amendments. I appreciate the concession given by the Prime Minister to the non-power factory; it is not adequate and it does not touch even the fringe of the problem. The problem is for small scale units which use power and the definition of a small-scale industry is an industry having an investment of Rs. 7.5 lakhs. That is the accepted definition and special care and attention is to be given to them. The excise duty levied on tin container should be dropped and the duty should be levied as suggested in my amendments Nos. 589 to 591. I hope the Government will give careful consideration to my amendments.

MR. SPEAKER : Shri Vajpayee.

SHRI BENI SHANKER SHARMA : Sir, I am one of the movers. If you allow me I shall say a few words. I want to say simply this. The excise duty on tea and sugar is going to affect mostly the common man. I am thankful to the Prime Minister for the little mercies shown in reducing excise duty on certain varieties of tea but that does not solve the problem. There will be refund of excise duty on exports. It

[**Shri Beni Shankar Sharma**]

is not going to help the producer or the consumer. In the interest of small producers and also the common man. I would request her to reconsider the levy of excise duty on tea. Biscuits are also becoming common man's food. Tea and biscuits are taken by them and so she should reconsider the rate of excise duty on them.

SHRI SURENDRANATH DWIVEDY : Although some small concession on tea has been given, the Prime Minister has not agreed to the amendment omitting the increase of excise duty on sugar. The whole argument is like this; after the budget the price of sugar had fallen. Is it an argument? Is it because additional duty had been imposed, prices had come down? It is well known that since 1948 there has been a steep rise in the prices of sugar, and necessarily the common man suffers. The Prime Minister admits that this is a temporary feature because of more production and therefore, while concluding she said that "however, we are keeping the situation constantly under review", which means that there is no guarantee that the present fall would continue and the prices would not rise. Since this is the position, I would still plead with her, because, so far as the additional revenue is concerned, it is not much. But actually it seems it will hit a large section of our population, poor people who use sugar. It is not a question of what will happen to the sugar mills or not. By omitting this, we are not altogether deleting or withdrawing the duties that has been imposed before. This is only with regard to the increased part of it which is proposed in the Finance Bill that we are asking. Let us not increase at this moment. That is the only argument by which we want that this clause should be omitted altogether.

I hope that even at the last moment she would agree to accept this amendment. That is why I have concentrated on sugar. There are other things also, but I think sugar is most important so far as the people are concerned, and, (*Interruption*) as the hon. Member is saying, it is the sweetest thing. Let her accept this amendment.

SHRI HIMATSINGKA : I support the arguments which Shri Dwivedy has advanced. It stands to reason that if the excise duty is increased, to that extent

the prices will go up. I do not see how anyone can suggest that in spite of the increase in excise duty the prices will not rise. It may be that the prices have fallen from what they were previously because the prices had gone up very much. This year the production has been very heavy, much more than last year. Therefore, prices have come down. But to the extent that the excise duty has been increased the prices have gone up. If the excise duty is reduced, to that extent the prices will fall.

Similarly, the other amendment is about the motor spirit. The duty on motor spirit has been increased. At present, 72 paise per litre is the tax. Motor spirit is being used by the scooter people, rickshawalas and others. Therefore, the consequent increased fares will affect the common man. So, at least on these two commodities, sugar and motor spirit, the excise duty should not be increased.

SHRI SURENDRANATH DWIVEDY :
Accept amendment 628.

SHRIMATI INDIRA GANDHI : Sir, I fully share the concern of the House for the common man, because we know that the difficulties in a developing economy are very great. But, as I said earlier, there are people who need some of these things, but there is a very large group who are without the basic things and in order to help the larger group which are doing without some of the basic necessities, we have to take from the other, and that is why we have been compelled to have some of the taxes.

I think so far as sugar is concerned, —(*Interruption*) An hon. Member : Amend the Bill.

SHRIMATI INDIRA GANDHI : No; it is not possible to have an amendment at this stage of the Finance Bill; there are many reasons. As the hon. Member, Shri Dwivedy said, I did say on Friday that we would keep the position under review. He said that there is no revenue; whereas the total additional revenue is Rs. 28.40 crores. (*Interruption*).

SHRI SURENDRANATH DWIVEDY :
By the additional impost, you are getting Rs. 28.40 crores? (*Interruption*).

SHRIMATI INDIRA GANDHI : Out of that, Rs. 83 crores go to the States. What I said is, we have given complete exemption as I said earlier, for many items such as infant food, deshighee, and certain other products.

To come back to sugar, I have said that we would keep a watch on the situation. For example, if the free market sugar prices rise significantly, we could consider some adjustments of duty at that time. With regard to rise in prices, first the people said they are going up. Now they have admitted that they are going down, but for different reasons. Our information is that as a result of the taxation proposals, the increase in prices has been 0.6 per cent. But the overall increase of other items as well which are not taxed is 1 percent. We all know how a lot of people put up the prices even when their goods are not touched by taxation proposals. We had the example on the very day the budget was presented with regard to petrol. This is so with regard to many other items which are not touched by the taxation proposals. This is not something for which Government can be responsible. The responsibility is of the traders and others who put up the prices.

श्री रवि राय (पुरी) : सरकार जिम्मेदार है।

SHRIMATI INDIRA GANDHI : The prices of many things have gone up, which have nothing to do with taxes.

As hon. members know if it is decided to reduce the duty in any way, it can be done by appropriate exemption through a notification under the central excise rules. It does not require any amendment of the Finance Bill.

SHRI SURENDRANATH DWIVEDY : If that power is there, you can as well do away with this.

SHRIMATI INDIRA GANDHI : I have already mentioned about what we have done for tea and so on. We have reduced the duties on all those items which touch the very poorer sections. It is true that the lower middle-class is affected and many people living in the cities are affected. As I said when we see the over

all picture of the Indian people, we have to consider the necessities of the very larger number who are not touched by these duties and who are very greatly in need of many services which we cannot provide unless we are able to mobilise the resources. (Interruptions).

SHRI KAMALNAYAN BAJAJ : Will you be able to reach the poor?

SHRIMATI INDIRA GANDHI : We are trying and certainly we are going to reach them. May be we cannot reach every one of them immediately. But we are certainly going to reach them within a very short time. But we can only do it as we raise resources. Hon. members opposite have throughout been resisting mobilisation of resources even from the exceedingly rich people, those whose income is Rs. 15,000 to Rs. 25,000. Let us see all these matters in the proper perspective.

SHRI PILOO MODY : The Prime Minister has been persistently resisting mobilisation of resources from the public sector.

श्री कंबर साल गुप्त : बुक्स के बारे में आप क्या करने जा रही हैं। उसको आपने पैटन और संम्पल्ज के साथ इन्कलूड किया हुआ है, मैं चाहता हूँ कि बुक्स को वहां से हटा दिया जाए।

SHRIMATI INDIRA GANDHI : We have reduced them. It is not possible to separate books. One does not know what is inside the parcel until it is opened.

श्री कंबर साल गुप्त : मैं चाहता हूँ कि बुक्स को वहां से हटा दीजिए।

SHRIMATI INDIRA GANDHI : We have reduced it.

For these reasons, the amendments are not acceptable.

SHRI SURENDRANATH DWIVEDY : Amendment No. 628 may be put separately.

MR. SPEAKER : Amendments Nos. 628 and 10 are identical.

श्री कंबर साल गुप्त : आप द्वितीय जी की अमेण्डमेंट से लीजिए, क्योंकि मेरी और उनकी अमेण्डमेंट एक ही हैं।

MR. SPEAKER : That is coming earlier. If it is passed or rejected, the other one cannot be brought.

SHRI S. M. BANERJEE : Amendment No. 577 may be put separately.

SHRI SHIVA CHANDRA JHA : Amendments Nos. 148 and 149 may be put separately.

MR. SPEAKER : The question is : Page 29. — *omit lines 26 to 29 (10)*

The Lok Sabha Divided :

Division No. 33] [17-58 hrs.

AYES

Amin, Shri R. K.	Himatsingka, Shri
Badrudduja, Shri	Jha, Shri Shiva Chandra
Bajaj, Shri Kamalnayan	*Kamala Kumari, Kumari
Barua, Shri Hem	Kandappan, Shri S.
Brij Bhushan Lal, Shri	Kedaria, Shri C. M.
Dar, Shri Abdul Ghani	†Kothari, Shri S. S.
Dass, Shri C.	Koushik, Shri K. M.
Deo, Shri K. P. Singh	Kripalani, Shri J. B.
Deo, Shri P. K.	Kripalani, Shrimati Sucheta
Deo, Shri R. R. Singh	Kundu, Shri S.
Desai, Shri Morarji	Kunte, Shri Dattatraya
Devgun, Shri Hardayal	Limaye, Shri Madhu
Dhrangadhra, Shri Sriraj Meghrajji	Lobo Prabhu, Shri
Dwivedy, Shri Surendranath	Madhok, Shri Bal Raj
Esthose, Shri P. P.	Mangalathumadam, Shri
Fernandes, Shri George	Masuriya Din, Shri
Gayatri Devi, Shrimati	Meena, Shri Meetha Lal
Gopalan, Shrimati Suseela	Mehta, Shri Asoka
Gowda, Shri M. H.	Mehta, Shri P. M.
Goyal, Shri Shri Chand	Mody, Shri Piloo
Gudadinni, Shri B. K.	Mohamed Imam, Shri J.
Guha, Shri Samar	Mohan Swarup, Shri
Gupta, Shri Kanwar Lal	Mohinder Kaur, Shrimati
Gupta, Shri Ram Kishan	Mrityunjay Prasad, Shri
Hari Krishna, Shri	Mukerjee, Shrimati Sharda
Hazarika, Shri J. N.	Murti, Shri M. S.
	Naghnoor, Shri M. N.
	Naidu, Shri Chengalraya
	Naik, Shri G. C.
	Naik, Shri R. V.
	Nair, Shri Vasudevan
	Nath Pai, Shri
	Nayar, Shrimati Shakuntla
	Nayar, Dr. Sushila
	Nihal Singh, Shri
	Padmavati Devi, Shrimati
	Pandey, Shri Vishwa Nath
	Parmar, Shri Bhaljibhai

*Wrongly voted for AYES.

†He voted by mistake from a wrong seat and informed the Speaker accordingly.

Patel, Shri Manubhai	Ahmed, Shri F. A.
Patel Shri N. N.	Awadesh Chandra Singh, Shri
Patil Shri N. R.	Azad, Shri Bhagwat Jha
Patil Shri, S. K.	Bajpai, Shri Viy়ে Dhar
Patodi, Sh. D. N.	Borus, Shri B. Dabratra
Poonacha, Shri C. M.	Burus, Shri R.
Rajasekharan, Shri	B. sum. tari, Shri
Raju, Shri D. B.	Baswant, Shri
Ram Subhag Singh, Dr.	Bhakt Darshan, Shri
Ranjeet Singh, Shri	Bhander, Shri R. D.
Ray, Shri R. B.	Bhenu Pr. k. sh. S. gh., Shri
Reddy, Shri N. Sanjiva	Bhargava, Shri B. N.
Satya Narain Singh, Shri	Bist, Shri J. B. S.
Sen, Shri P. G.	Bohra, Shri Onkarlal
Sethuraman, Shri N.	Burman, Shri Kirit Bikram Deb
Shah, Shrimati Jayaben	Chanda, Shri Anil K.
Shah, Shri Shantilal	Chanda, Shrimati Jyotsna
Shah, Shri T. P.	Chandrika Prasad, Shri
Sharma, Shri Beni Shanker	Chatterji, Shri Krishna Kumar
Sharma, Shri Ram Avtar	Chaturvedi, Shri R. L.
Shastri, Shri Ramavtar	Chaudhary, Shri Nitraj Singh
Sheo Narain, Shri	Chavan, Shri D. R.
Singh, Shri J. B.	Chavan, Shri Y.B.
Sinha, Shrimati Tarkeshwari	Choudhary, Shri Valmiki
Solanki, Shri S. M.	Dalbir Singh, Shri
Somani, Shri N. K.	Damani, Shri S. R.
Sondhi, Shri M. L.	Deshghare, Shri N. R.
Tapuriah, Shri S. K.	Deshmukh, Shri B. D.
Tyagi, Shri Om Prakash	Deshmukh, Shri K. G.
Umanath, Shri	Dhuleshwar Meena, Shri
Venkatasubbaiah, Shri P.	Dinesh Singh, Shri
Viswambharan, Shri P.	Dixit, Shri G. C.
Vishwanatham, Shri Tenneti	Dwivedi, Shri Nageshwar

NOES

Achal Singh, Shri	Gandhi, Shrimati Indira
Aga, Shri Ahmed	Ganesa, Shri K. R.
Ahirwar, Shri Nathu Ram	Ganga D. vi, Shrimati
Ahmed, Dr. J.	Garcha, Shri D. vinder Singh
	Gautam, Shri C. D.

Gavit, Shri Tukaram	Misra, Shri S. N.
Ghosh, Shri Parimal	Mohammad Ismail, Shri
Girja Kumari, Shrimati	Mohammad Yusuf, Shri
Govind Das, Dr.	Mohsin, Shri
Hajarnawis, Shri	Mukne, Shri Yeshwantrao
Hanumanthaiya, Shri	Nanda, Shri
Heerji Bhai, Shri	Oraon, Shri Kartik
Hem Raj, Shri	Pahadia, Shri Jagannath
Jadhav, Shri Tulshidas	Palchaudhuri, Shrimati Ila
Jagjiwan Ram, Shri	Pant, Shri K. C.
Jamir, Shri S. C.	Paokai Haokip, Shri
Jamna Lal, Shri	Pratap Singh, Shri
Kamble, Shri	Parthasarathy, Shri
Karan Singh, Dr.	Patel, Shri Manibhai, J.
Kasture, Shri A. S.	Patil, Shri Anantrao
Kesri, Shri Sitaram	Patil, Shri Deorao
Khan, Shri M. A.	Patil Shri, S. D.
Khanna, Shri P. K.	Patil, Shri T. A.
Kinder Lal, Shri	Qureshi, Shri Mohd. Shaffi
Kisku, Shri A. K.	Radhabai, Shrimati B.
Kotoki, Shri Liladhar	Raghu Ramaiah, Shri
Krishna, Shri M. R.	Rajni Devi, Shrimati
Krishnan, Shri G. Y.	Ram, Shri T.
Kureel, Shri B. N.	Ram Dhan, Shri
Kushok Bakula, Shri	Ram Sewak, Shri
Lakshmikanthamma, Shrimati	Ram Swarup, Shri
Lalit Sen, Shri	Ramshekhar Prasad Singh, Shri
Laskar, Shri N. R.	Rana, Shri M. B.
Laxmi Bai, Shrimati	Randhir Singh, Shri
Lutfal Haque, Shri	Rao, Shri Jaganath
Mahadeva Prasad, Dr.	Rao, Dr. K. L.
Mahajan, Shri Vikram Chand	Rao, Shri K. Narayana
Mahajan, Shri Yadav Shivram	Rao, Shri Muthyal
Maharaj Singh, Shri	Rao, Shri J. Ramapathi
Mahida, Shri Narendra Singh	Rao, Shri Thirumala
Mahishi, Dr. Sarojini	Raut, Shri Bhola
Mandal, Dr. P.	Reddi, Shri G. S.
Menon, Shri Govinda	Reddy, Shri Surender
Minimata Agam Dass Guru, Shrimati	Roy, Shri Bishwanath
Mishra, Shri G. S.	Roy, Shrimati Uma

Sadhu Ram, Shri	Sursingh, Shri
Saha, Dr. S. K.	Suryanarayana, Shri K.
Saigal, Shri A. S.	Tarodekar, Shri V. B.
Sait, Shri Ebrahim Sulaiman	Thakur, Shri P. R.
Saleem, Shri M. Yunus	Tiwary, Shri D. N.
Salve, Shri N. K. P.	Tula Ram, Shri
Sanghi, Shri N. K.	Uikey Shri M. G.
Sankata Prasad, Dr.	Ulaka, Shri Ramachandra
Sant Bux Singh, Shri	Verma, Shri Balgovind
Savitri Shyam, Shrimati	Verma, Shri Prem Chand
Sayeed, Shri P. M.	Vyas, Shri Ramesh Chandra
Sayyad Ali, Shri	Yadab, Shri N. P.
Sen, Shri Dwaipayan	Yadav, Shri Chandra Jeet
Sethi, Shri P. C.	
Shah, Shri Manabendra	
Shambhu Nath, Shri	
Shankaranand, Shri B.	
Sharma, Shri Madhoram	
Sharma, Shri Naval Kishore	
Shashi Ranjan, Shri	
Shastri, Shri Biswanarayan	
Shastri, Shri Ramanand	
Shastri, Shri Sheopujan	
Sher Singh, Shri	
Shinde, Shri Annasahib	
Shiv Chandika Prasad, Shri	
Shukla, Shri S. N.	
Siddheshwar Prasad, Shri	
*Singh, Shri D. N.	
Sinha, Shri R. K.	
Sinha, Shri Satya Narayan	
Snatak, Shri Nar Deo	
Sonavane, Shri	
Sudarsanam, Shri M.	
Sunder Lal, Shri	
Surendra Pal Singh, Shri	

*Wrongly voted for NOES.

†The following Members also recorded their votes :

AYES : Sarvashri S. M. Banerjee, K. Ramani, Ghayoor Ali Khan, H. Ajmer Khan and D. N. Singh.

NOES : Shri Raj Deo Singh and Kumari Kamala Kumari,

MR. SPEAKER : The result † of the division is: Ayes 97; Noes 173.

The Motion was Negatived.

श्री मधु सिंह (मुंगेर) : अध्यक्ष महोदय, मेरा व्यवस्था का प्रश्न है। अध्यक्ष महोदय, आज इनका विषय किस तरह काम कर रहा है? और आप देखिए कि आज 173 मद्दस्य इनके मौजूद हैं। जब कंस्टीट्यूशन अमेंडमेंट बिल आया था तो ये लोग भाग गये थे। आज इनका ढोंग प्रकट हो गया, किनते ढोंगों लोग हैं ये।

MR. SPEAKER : I now put amendments Nos. 11 to 18 by Shri K. L. Gupta to vote.

Amendments Nos. 11 to 18 were put and negatived

MR. SPEAKER : I now put amendments Nos. 35, 36, and 37 by Shri S. S. Kothari to vote.

Amendments Nos. 35 to 37 were put and negatived

MR. SPEAKER : I now put amendments Nos. 148 to 185 by Shri Shiva Chandra Jha to vote.

[Mr. Speaker]

Amendments Nos. 148 to 185 were put and negatived

MR. SPEAKER : I now put amendments Nos. 329 to 335 by Shri Lobo Prabhu to vote.

Amendments Nos. 329 to 335 were put and negatived

MR. SPEAKER : I now put amendments Nos. 499, 501 to 504 by Shri D. N. Patodia to vote.

Amendments Nos. 499 & 501 to 504 were put and negatived

MR. SPEAKER : I now put all other amendments by the hon. Members to vote.

Amendments Nos. 577, 578, 588, to 590, 618, 619 and 627 were put and negatived

MR. SPEAKER : The question is :

"That clause 32 stand part of the Bill"

The Motion was adopted.

Clauses 32 was added to the Bill.

Clauses 33 to 39 etc. etc.

18 hrs.

MR. SPEAKER : Now, I am putting all other clauses to vote.

The question is :

"That Clauses 33 to 39, the First Schedule, the Second Schedule, Clause 1, the Enacting Formula and the Title stand part of the Bill".

The motion was adopted.

Clauses 33 to 39, the First Schedule, the Second Schedule, Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRIMATI INDIRA GANDHI : I move :

"That the Bill, as amended, be passed"

MR. SPEAKER : Motion moved :

"That the Bill, as amended, be passed".

SHRI BAL RAJ MADHOK (South Delhi) : Mr. Speaker, Sir, as was to be expected, the Finance Bill is going to be passed and the seal is being put on anti-people Budget brought forward by a Govern-

ment which swears by the name of the people.

Here is the Budget and the Finance Bill which has raised the prices on the common man's needs by 10 per cent during the two months and the impact on prices in the days to come is going to be still more. The result is that the common man for whom the Prime Minister and the so-called socialists--they are not socialists; they are the Russian stooges, more or less--talk so much is going to suffer and is suffering. They have no concern for the common man. They are doing things which are contrary to the interests of the common man.

Even the Government employees who are the worst sufferers are not being given any relief. The demand for an interim relief which was voiced in this House by almost all sections of the House has not been accepted. May be, they think that because they have a majority and because they have the support of the Communists and some other elements, they can carry on. But I want to warn them that the people of this country cannot be deceived for all times. You can deceive some people for some time. You cannot deceive all people for all times.

The impact of this Budget is going to be felt and it is already being felt by the common man. Therefore, the nemesis is there. You may not see. But the time it is coming when the nemesis will come on to your heads and the country will take revenge for the anti-people Budget that you have brought forward in this House.

SHRI N. K. P. SALVE (Betul) : Mr. Speaker, Sir, a closer look at the various adverse comments made by the Opposition Members, if made objectively, reveals only one thing that the basic objections and criticisms that have been made are out of entirely different political and socio-economic philosophies that they subscribe to.

With in the constraints of the resource and the imperatives of the commitments and the pledges, it was not possible, I consider, to draw out a fiscal legislation to contemplate provisions as they are provided in the Bill, which could be more prudent, more just and with greater financial finesse.

Several things have been stated about this Budget and the Finance Bill. One aspect to which, I think, it is very necessary to draw the attention of the House and the Prime Minister is that in her Budget speech, she stated that it was imperative and necessary to expand the base of our tax structure and also to augment the direct tax revenues. But the proposals which have been made are extremely inadequate. They will neither expand the tax base nor will augment the tax revenues. It may be a futile exercise to determine whether India is the highest taxed nation or not. It may not be necessary to consider whether this dubious distinction should be given to India. It is however, absolutely clear by a study made by the staff of the International Monetary Fund that India stands 21st amongst the 52 developing countries in its tax-efforts. This is because our tax pattern is inflexible and rather ineastic. I submit it is very necessary to dynamically revolutionise the entire tax pattern. I suggest we should switch on, as soon as we can to taxation of income on the turn-over basis or what is known as the gross-receipt basis.

Shri Lobo Prabhu has stated that 93.5% taxes have been levied and that if you damn the rich, the poor will also be damned. I do not subscribe to that view. But I do protest against taxes being levied at 93.5% the highest marginal relief of taxation on personal incomes. This higher rate is not going to affect the rich; not many assessee belonging to the business houses whom Dutt Committee has mentioned would ever be affected by 93.5% rate of taxation. It is only the honest who will be affected. I am not worried about the rich. It is already written in the gospel. It is written in the Bible :

"It is easy for a camel to pass through the eye of a needle than for the rich to enter the kingdom of heaven."

Thus, sir, entry into heaven is prohibited for the rich. They are already damned in the next world. And we are entitled to damned in this world *via* Tax Laws ? Sir, I am not going to shed any tear for their predicament either in this world or in the next world. My only submission is that in the process we must not draw the

honest section of the society which in reality is not rich and subject it to the highest rate of taxation.

SHRI J. MOHAMED IMAM (Chitradurga): Sir, of all the Bills that are being introduced in this House, the Finance Bill is the most unwelcome Bill and also an anti-social measure as pointed out by my friend, Mr. Madhok, because it unfolds pains and penalties in the form of additional taxation resulting in intense misery. This has become an annual feature. Now, year after year the burden of taxation is increased and with the arrival of inflation the people are groaning under the crushing burden of taxation. This is not the end of it. The future also is very dark and gloomy because there are threats of further taxation.

The Prime Minister is pleased to state that additional resources must be found in order to see that the country prospers. She seems to believe that greater the tax rate, the more the prosperity of the country and the more the prosperity of the people. I may state that no nation can tax itself to prosperity and that is one of the crudest beliefs that can be entertained. A socialists government has been in charge and they have been administering the country for the last 20 years. The country is under a socialistic programme. With what results, Sir? Year by year taxes have been raised. Year by year prices have gone up. Is there any fleeting sense of prosperity to the common man? Is there any fleeting sense of prosperity for the wage-earner or the poor people? I may say, Sir, that year after year we are subjecting the poor people to more and more taxation. There are people who are under-fed, under-nourished and under-clothed. I might mention that people who have no extensible means of living and who are unemployed have been committing suicide. Just recently in the State of Mysore in the city of Hubli one man threw both his children into a well and he himself committed suicide in order to escape the pangs of hunger. Such things are going on throughout the country. There are glaring instances where people have been selling their children and this is the result of this 20 years socialist rule.

The Prime Minister may succeed in imposing more taxes. They may succeed in

[Shri J. Mohamed Imam]

destroying wealth. I may state they will succeed only in creating poverty. The Prime Minister must take the counsel of the Past and draw wisdom for the future. The chief enemy and the greatest enemy of mankind is inflation. It is the greatest enemy to the poor and the common man but the Prime Minister and the Government have been playing fast with inflation. What are the common causes of inflation? The main causes of inflation are over-taxation, over-expenditure and deficit financing.

Regarding taxes, much has been said till now & we had a marathon sitting. People have pleaded for reduction of taxes. The Income-tax rates are being raised. In fact, we, on this side have often pleaded that at least the exemption limit must be raised to Rs. 7,500, but the Prime Minister, in order to raise more funds has not agreed to that suggestion. Do you consider, Sir, that a man who gets Rs. 7,500 to be a rich person? Can he be classified as rich? Under this Bill Income-tax is proposed to be increased on such persons. Will the Finance Minister and the Prime Minister say that a man who gets an income of Rs. 7,500 is rich, in these days of inflation? Unfortunately, Sir, by these arbitrary measures of raising the rates of Income-tax, the productive capacity of the country will go down, and there will be no incentive for earning by increasing these taxes and they will only be encouraging the evasion of taxes.

I may just mention a few words about the Gift Tax. About this Gift Tax, I am not sure if there is any corresponding Act existing in any other country in the world. In fact, so far as I know, in many countries, they encourage Gift and Charity, as was pointed out by Mr. Dandekar. Here, Sir, we want to penalise the man who offers gift and who offers charity. This is the most uncharitable Bill and I plead that the sooner she abolishes and she abrogates this Gift Tax act, the better it will be for the country and many people will come forward to donate for charitable purposes.

I now come to indirect taxes. I think, the Prime Minister has inflicted the most unkindest cut on the poor man and the poor wage earner by increasing the excise duties on such commodities of daily requirements which are needed by the common man.

And, Sir, the combined net effect of this is that the prices of the articles of the common have gone up and it is the poor that are to suffer.

Children will have to pay more for their chocolates and their biscuits. We have to pay more for our food, for the aerated water, for cigarettes, for petrol. For all these things we have got to pay more. This is the effect of these indirect taxes. I think, therefore, that this is the unkindest Act and an anti-social measure.

Now I would like to say a word about expenditure. The Government's over-expenditure is responsible for inflation. Of the total revenue that we get, over 75% goes for manning of the civil servants and Government servants, any very little is left for the common man. All this expenditure is put on the common man who has to bear all this burden. You can divide the people into two categories, tax payers and tax consumers. The tax payers form 75% and the tax-consumers form only 10%. The greater the expenditure of Government, the greater is the taxation. The Prime Minister must see that she effects economy in administration. There must be quality and not quantity, in administrative services.

Our public sector should work better. What happens now is that our public sector results in a loss of Rs. 125 crores every year. If it is a private sector, the man who manages the industry will have to bear the losses; but in the public sector, the loss is thrown on the common man and he has to pay for this huge loss. I submit that it is this over-taxation and this extra-expenditure and the deficit financing which pushes prices up and causes inflation and the Prime Minister, I think, must undertake measures of economy, must reduce expenditure, and thus save the people from further taxation in future. Thank you.

MR. SPEAKER: There are only ten minutes left. I can give you two minutes each.

SHRI HIMATSINGKA (Godd): Mr. Speaker, Sir, the House will not mind voting more taxes. But they feel that a large sums of money is being collected from

the people and is being spent on administration. Also it is being eaten up by a large number of public sector undertakings which are losing every year.

I have got a report here which I have got three days ago about the Heavy Electricals (India) Ltd. Out of its capital of Rs. 50 crores, it has already lost Rs. 43.76 crores. Similarly, for M.A.M.C., its capital was Rs. 19 crores whereas it has lost Rs. 21 crores.

Therefore, the money that is being collected is being spent in this fashion. That is why we feel that the tax that is being collected from the people is being misused. Therefore, I feel that steps should be taken to reduce the expenditure and also to see that the public undertakings begin to work properly and begin to give profits. In that case, there will be no occasion to increase the excise duty or to increase the taxation. If our public undertakings are going to give at least 100% of the money invested, it will give at least Rs. 400 crores every year and it will mean that a large amount of taxes that is being imposed on the proper and other sections of the people can be avoided. The public charitable trusts have been doing a lot of useful work. Therefore, I feel that attention should be diverted to that so that this can be saved.

MR. SPEAKER : I am going to call only the names from the list given by the Whip. I cannot go out of that. If you have already submitted that, you should stick to it. Shri Ahmed Aga I shall give you only one minute.

SHRI AHMED AGA (Baramulla): I would have not offer to speak on the budget at the third reading stage. My fear is that it is true that this budget is going to take us towards our goal and most of the speakers have accepted that. But the budget is to be implemented by various persons at various levels in this country.

Therefore, it is possible that the budget might not be implemented in the manner or in the spirit in which we have adopted this. The grants which we have sanctioned might not be utilised as expected by Parliament.

All that the Parliament does is to sanction grants. These are spent at various

levels by various agencies. Therefore, I feel that it would be necessary for the Government to issue some policy directives also so that we can go anywhere near the goal we desire to reach.

خوب گئے راہے وکا مے رکھا کوئل اے سے
کوئد میں مالوں نہیں ہم کہاں تک پہنچے
کھو گئے راہ ونا میں رکھا کچھ ایسے
خود بھی معلوم نہیں ہم کہاں تک پہنچے

I mean to say that these twenty years period is not too long a period for the transformation of society. But after twenty years of planning and all that, if we do not know why we are not anywhere near the goal, then there is some thing definitely wrong somewhere. What for are we sitting here? we are representing our constituencies. When we are passing this budget, we have to tell you that there is a great disparity that still exists. There are still people who are drawing more than a Jakh or two of rupees as their remuneration as company directors. But 70% of the population draw Rs. 19 as their monthly income. There are monopolies in very essential commodities. Our future generation is not able to get proper food and proper nutrition. I want that Government should issue a policy directives so that things do not go wrong.

MR. SPEAKER : There are very important speakers waiting to speak. Shri Sheo Narain is waiting.

SHRI AHMED AGA : They may use the police to crush agitations and troubles, but when the people are land-hungry, if you do not want to implement land reforms quickly, the trouble will always be there, and police action would not be able to do anything.

We have nationalised the banks now. Therefore, it is very important that the small-scale industry people, the agriculturists, the farmers and those who are vocationally trained should get money from the banks so that they can establish themselves in business and can produce the commodities essential for the life of the community, so that we can break the sellers' market and create a buyers' market at least where the commodities which the common man needs and which are commonly used could be made available at fair prices.

[**Shri Ahmed Aga**]

It is not right on the part of the Opposition to say that the public sector has been wasting money..

MR. SPEAKER : The hon. Member should conclude now.

SHRI AHMED AGA : There are just two more points that I want to make. I have not spoken at all during the budget discussion so far.

So far as the public sector is concerned about a few days ago, one of my colleagues had organised a seminar at Vithalbhai Patel House, and we had invited the public sector representatives there, and a very frank discussion took place, because there was nothing wrong in looking into the matter. But we have also to see how the public sector which is the basis of our foundation takes us ahead. Only lately Mr Pearson, the Prime Minister of Canada, had sent a report on behalf of the World Bank in which he said that reformed Congress under Mrs. Gandhi is likely to do real development, now around the corner.

MR. SPEAKER : Is the hon. Member conscious of the time factor?

SHRI AHMED AGA : I have to develop my point and build upon it. How can I do it in a shorter time? He confirmed that the Congress under Mrs. Gandhi.....
(Interruptions)

MR. SPEAKER : The hon. Member should conclude now.

Shri Tenneti Viswanatham.

SHRI TENNETI VISWANATHAM : (Visakhapatnam) : It is, of course, nice to see that the Prime Minister has come unscathed in this budget session. But her real trouble begins from today because she has now got all the resources in her hands as she wanted, and the House has been generous enough, but generous hopes have been raised in the minds of the people of this country, especially the middle income and the poorer groups who form the vast majority in the country. I only trust that she will have the boldness to set right all the inadequacies in the administration so that the resources can be utilised for the betterment of the ordinary sections of the people and also to give concrete shape to the great hopes that she has raised in his budget.

One thing which the House has demanded today is to show some proof of her sympathy for the common man by reducing somewhat the excise duty on sugar. I suppose her mind was really bent in that direction, but the regular official procedure, perhaps, has not allowed it. But I hope that she will see ways and means to give some relief to the poor people in the matter of excise duties. In fact, as I had said, unless she gives a holiday to further increases in excise duties, she cannot build up the common man in this country.

AN. HON. MEMBER : Holiday for all excise duties?

SHRI TENNETI VISHWANATHAM : Not on all excise duties, but for the increases. At least they could be maintained at the present level without any increases year after year and upsetting all the plans which she has in her mind to improve the lot of the people.

श्री तेन्ती विश्वनाथ (आगरा) : अध्यक्ष महोदय, यह बड़े दुर्भाग्य की बात है कि हर साल हमारा बजट डेफिसिट बनता है। मैंने प्रधान मंत्री जी से कहा था—अगर आप देश को खुशहाल बनाना चाहती हैं तो हमको सरप्लस बजट बनाना चाहिए। हमारी जितनी पब्लिक अण्डरटेकिज्ज है, उनके बेयरमैन और डायरेक्टर्ज को आगाह किया जाए कि उनको कम से कम 10 परसेंट फायदा देना होगा। अगर हमारी ये पब्लिक अण्डरटेकिज्ज 10 परसेंट फायदा हमको दें तो उनसे 750 करोड़ रुपया हमको मिल सकता है, जिससे हमारा बजट सरप्लस बन सकता है। लेकिन हमको हमारी पब्लिक अण्डरटेकिज्ज में नुकसान होता है, जिसकी बजह से हमारा बजट डेफिसिट होता है। इसलिए मैं चाहूंगा कि उनको आगाही दी जाए कि भविष्य में वे हमको प्राफिट दें, वरना उनकी सेवाओं को खत्म कर दिया जाए।

डा० गोविन्द दास (जबलपुर) : अध्यक्ष जी, मैं प्रधान मंत्री जी को इस बात के लिए बधाई देना चाहता हूं कि उन्होंने प्रधान मंत्री और वित्त मंत्री—दोनों रहते हुए इस वर्ष के बजट को इतनी सुयोग्यतापूर्वक इस सदन

में पारित करा दिया। यह सचमुच में कांग्रेस दल के लिए गौरव की बात है कि उन्होंने अपने कार्य को इस बजट सेशन में इतनी अच्छी तरह से निभाया।

अन्त में मैं फिर उनको इस बात के लिए बधाई देता हूँ।

SHRI S. KANDAPPAN (Mettur) : Though we are accused of always supporting the Government, I think today the Jan Sangh, the Swantantra and Cong. (O) should feel more happy because we found that many of their viewpoints were acceptable to the Prime Minister. So the Prime Minister, in spite of the difficulties, rather tried to accommodate all sections. I hope as Shri Viswanatham wished, she would succeed in her endeavour and fulfil the ambitions and hopes already created.

There was an indication in her concluding remarks that with regard to sugar, she was going to reconsider the issue. I hope not only with regard to sugar but about other articles too, as we go on experimenting, she will keep her mind open and see that wherever pressure is most felt on the weaker sections, she should try to mitigate the hardships.

I wish to touch on two more points. I hope you will be indulgent to me as we from the DMK benches have not spoken on any of the 700 amendments. As regards the agricultural wealth tax, which had been introduced last year and is to take effect from this year, in some States we have already agricultural income tax. If it is left to the States, I feel the collections would be easier and the structure would be more rationalised instead of having a common collection from here which is to take effect from this year; and the quantum that is expected to be realised is only Rs. 5 crores.

From many States even in regard to this Finance Bill, I find almost all the sections, to whichever party they belong, have been complaining that their state is not getting the due share. This kind of suspicion and recrimination has been going on jolly well for the last two decades. This tendency should be arrested and something should be done. On that count, there is a genuine case for the Prime Minister to consider

whether it is not time to decentralise some of the financial powers to avoid this recrimination in future (*Interruption*). I am sure my hon. friend would accept the position that it should be with the States and not with the Centre.

Another thing, which is more importants. Recently they have announced a Pay Commission. I find that the terms of reference say that the pay Commission should take into account the impact of its recommendations on the State employees also, but it is very vague. I do not know how far the Government is going to meet that impact, or whether the Pay commission will only keep in mind the impact and try to give the minimum rise that is possible to the Central Government employees, instead of giving them the due that is demanded because of the inflationary trends today. Here I feel that the States have got a genuine case. I think nobody in this House can argue that the inflationary trends are created by the State Governments. No State can do that except to the extent of the small pittance that they get out of sales tax. The excise and other duties and deficit financing which create this tendency are imposed by the centre and not by the States. So, I feel that it is a genuine demand of the States that if a revision takes place at the Central Secretariat level, it should automatically get into effect in the States also and the increased financial liability should be at least partially made up by the Centre.

**श्री शिव नारायण (बस्ती) : अप्यक्त
म्होदय,**

न पंगां शिकन है न गदार है हम,
बतन परवरी के बतावार है हम।

मैं इन्दिरा जी से अपील करता चाहता हूँ कि बजट तो आपका पास हो गया, लेकिन आपने जो भेदभाव तमिलनाडू और उत्तर प्रदेश के साथ किया है, वह उचित नहीं है। आपके पास इन्साफ की तराजू होनी चाहिए। जैसा कि कन्दूप्पन जी ने कहा है मैं भी कहना चाहता हूँ कीती ताहि बिसारिए, आपे की सुधि ले। बब भी कल्याण है। आज कहीं भी ला एण्ड आर्डर नहीं है। बंगाल में माताजीं

[श्री शिव नारायण]

के सामने बच्चे कत्ल किए गए और उनके खून से उनको नहलाया गया। यह सब आपकी रिजीम में हो रहा है और इसकी सारी जिम्मेदारी आपके सिर है। चाईवासा में 30 मुसलमान कत्ल कर दिए गए। आज हरिजन कत्ल किए जा रहे हैं। हमको कोई भी राहत नहीं है। (व्यवधान) आपकी वैदेशिक नीति फेल हुई है। कम्बोडिया में आप जबान खोलकर बात नहीं कर सकते हैं। आप एशियन ब्लाक के चेयरमैन हैं लेकिन आप सोचिए कि आप कहां जा रहे हैं। अमरीका में विद्यार्थी और प्रोफेसर खिलाफ आवाज उठा रहे हैं। (व्यवधान) आप लोगों की चापलूसी की वजह से ही यह सरकार ममधार में है। कम्युनिस्ट ब्लाक की बदौलत ही यह गवर्नेंट आज चल रही है। (व्यवधान)

इस गवर्नेंट का काम सिर्फ स्टेट गवर्नर्मेंट्स को टापुल डाउन करना रह गया है। आपके मिनिस्टर्स राज्य सरकारों को गिराने में लगे हुए हैं। (व्यवधान) तेलंगाना और मनीपुर की डिमांड को स्वीकार करके उन्हें स्टेट देनी चाहिए। मैं कूड मिनिस्टर साहब से भी कहना चाहता हूँ कि आप रॉलिंग कांप्रेस प्रेसीडेंट भी हैं, आज हरिजन पीछे जा रहे हैं। वे भूखे मर रहे हैं लेकिन उनको नौकरी नहीं मिल रही है। मैं बाबू जी से निवेदन करूँगा कि आप हरिजन बच्चों का ख्याल कीजिए और उनको नौकरी दिलवाइए।

श्री शिव चन्द्र जा : अध्यक्ष जी, मैं केवल एक शब्द ही कहना चाहता हूँ। अगर देश का विकास करना है तो उसके लिए साधन चाहिए। लेकिन आजादी के बाद पंचवर्षीय योजनाओं के मातहत जिस रूप में विकास हुआ है, उसका जो सभ टोटल आता है वह आखिर में विकास के खिलाफ ही जाएगा। मतलब यह कि योजनाओं के बाद जनता में जो फर्क है वह बढ़ा है। पब्लिक सेक्टर बढ़ा है, उसको बढ़ाना चाहिए लेकिन उसके साथ-साथ प्राइवेट सेक्टर भी बढ़ा है।

इन दोनों में बढ़ा विरोधाभास है। दोनों हो नहीं सकते। हंसना और मुंह फुलाना एक साथ नहीं हो सकता है। एक म्यान में दो तलवारें नहीं आ सकती हैं। हिन्दुस्तान की जो व्यवस्था है उसमें या तो पब्लिक सेक्टर रहेगा या प्राइवेट सेक्टर रहेगा। प्राइवेट सेक्टर के दिन अब लद गए दुनिया में। आपने 14 बैंकों का राष्ट्रीयकरण किया, पूँजीवाद के नाजुक अंग पर छोट लगाई। अब वह पूँजीवाद विषधर के समान फूकार करता है। अब आपका फर्ज हो जाता है कि आप वही करें जो डा० राम मनोहर लोहिया ने किया। डा० लोहिया ने कहा कि विषधर को छेड़ो नहीं, यदि छेड़ा है तो छोड़ो नहीं। आपने पूँजीवाद को छेड़ा है और आपका फर्ज है कि आप पूँजीवाद को समाप्त करें।

SHRI VASUDEVAN NAIR : (Peermade) Mr. Speaker, I think some plain speaking is necessary now. We had been discussing the budget for many weeks; we discussed some of the Ministries and also the general budget. There was no basic departure from the previous budgets although I concede that an effort was made to mop up resources by additional new taxation of personal income. But the pattern of heavy indirect taxation continued and I am sorry to say that inspite of the efforts made by the entire House, I am sure that even some congress Members are unhappy at the heavy dose of indirect taxation on the people of this country. Inspite of the best efforts of the Members, the Government were not in a position to give relief and reduce the heavy taxation on the people. The Government say that it is a question of mobilisation of resources. My party holds the view that there is enough scope for mobilising resources, not by taxing people to this extent but by tapping the resources from the richer sections of the people. It is almost two months since the budget session begin and in the background of important political developments that took place in this country, I should like to tell the Government that the feeling is already gaining ground that things are perhaps going to take the old shape. Government promised to cite just one

example—that they would at least abolish the privy purses. It is dead certain—why should I say almost certain—that we are not going to pass that Bill and they are going to explain it away by saying we have promised only the introduction of the Bill in this session. By that kind of technical explanation they are going to get away from it and postpone it for the next session. Mean while we know what is going on behind the scenes within the party and in the highest circles. They are all in the newspapers and everybody knows what is happening. Almost all parties wanted the Government to announce interim relief for the Central Government employees—millions of them. I need not dilate on the necessity for that. Government could not accede to that request; they say the amount involved will be very big. They may also say that they can increase the salary of the IAS officers because the amount involved is not very big. There again the amount involved will be the main criterion. For people like me, it is not only a question of the amount; it is a psychological question. If you are so eager to put up the salaries of Class I officers, IAS and ICS officers and other big people in this country by Rs. 200, 300 and 500—for them, you have get so much consideration in your mind—and then if you cannot do anything for the millions of the Central Government employees, then the question of approach, the question of perspective, the question of a basic policy comes into prominence. If this is the kind of attitude that the Government is going to demonstrate, and if this is the kind of basic policy that the Government is to pursue, I would like to take just one minute more—I would like to say that we do not at all approve of the concessions that the Prime Minister has announced as far as the concession on wealth-tax on farm property is concerned. According to us, that is a concession given; that is a step down from the old position taken by the Government. According to us, there was absolutely no necessity. Is it that the Government has bent down due to some pressure? If this is the trend that the Government is going to adopt, if this is the kind of policy that the Government is going to adopt, I would like to say that all the tall talk that at they were engaged in all these months prior to the

convening of this session, about socialism, about the kind of new things that they were going to bring about, about the kind of revolution which they are going to bring about in this country will have no meaning. People will be losing all the faith in that kind of talk.

So, it is high time that the Government began to translate their declarations into actual practice. Let us all together in this country, even at this stage, try by our actual practice—all of us together and I do not want to blame anybody—to do good to the people. A lot of austerity is needed today. By our actual practice, let us try to implement the policy and the programme of action by which the common man feels that the leadership in this country means business and not only tall talk. That is what we have to say on this occasion.

SHRIMATI INDIRA GANDHI: First of all, I should like to express my appreciation and thanks for the high level of the debate, which Members on all sides of the House have maintained throughout the discussion on the Finance Bill. I should like to thank the hon. Members for the consideration and the courtesy which they showed me throughout the course of this debate. I wish it had been possible for me to respond in a more generous manner to the very useful suggestions which were made by some of them. But hon. Members are aware that our task is a long and arduous one and we have chosen the most difficult manner in which to achieve it; that is, with the consent of the people. And the people's views vary greatly. Each one of us sitting in this House has been elected by the people, and can claim to speak to some extent for the people from where he comes. And yet, we express very divergent views. So, in order to do anything, it is necessary to try and follow a road on which if one cannot take the people wholly with one, one can at least take them partly. This is what we are endeavouring to do. And it is only the imperative needs for the mobilisation of resources, without which we cannot implement our programmes for development and for the progress of the nation, which has made it difficult for the Government to accept some of the suggestions for tax relief. However justifiable these suggestions might, otherwise be.

[Shrimati Indira Gandhi]

In the course of the speeches of hon. Members one gets an impression that they regard taxation as a kind of punishment; they say such and such work is deserving such and such group is a good one; and ask why they should be taxed. As I have tried to explain earlier, taxation is only a method by which in a way you get the co-operation of the people. In India we have a tremendous task on our shoulders.

One hon. Member, I think of the Swatantra party, was talked of the burden of taxation. It is true the burden of taxation is there. But there is another burden, the burden that has been on the Indian people for hundreds of years, the burden of poverty, the burden of economic backwardness, the burden of social injustice. These can only be removed if we can go ahead with certain programmes. We cannot go ahead with them unless all the people cooperate in this task and the people cannot, mean a few of the rich. We have increased the taxation on the richer sections and all day we have heard from one section of the House, how very steep and unbearable this is for them. So, we have made an effort, but it is not enough. Every single person who gets a little more than his brothers and sisters must contribute something for the welfare of those who have less than he has. This is the burden of this budget and this must be the burden of our lives in India.

Somebody talked of a holiday from excise duties. I think it was Shri Viswanatham. I am afraid there can be no holiday for us here. As my father said, these are years of hard work and burdens—financial burdens, work burdens and all kinds of other burdens. This is not the time to let up or sit back. An hon. Member asked, is the person who gets Rs. 7000 rich? From which angle do you approach the question? He may not be rich from my angle or from the hon. member's angle, but he is certainly rich from the angle of the adivasi in a remote area of Orissa or Bihar or somewhere else/or some of the people who live in the slums here. It is a question of relative richness and relative poverty and relative capacity to bear the burden.

In this budget, we have not tried to spare anybody, because we felt that it was not a burden, but it is really a privilege for people

to participate and to help in this great adventure of building a new India. We have heard a lot of talk about incentives. I think there can be no greater incentive than for us to feel that we are ourselves involved in this task. We know sometimes when we collect funds that it is the poorer people who give with the greatest enthusiasm. Quite often they cannot afford what they give. Even when funds were being collected after the fighting on our borders in 1965, if, one compared the earnings of the people with how much they gave, one would have no hesitation in saying that the poorer people gave more than the others. Yet they gave. There was no coercion or even persuasion. They gave because they wanted to be a part of the Defence of India, in strengthening the nation. That is the kind of attitude we want from those who can well afford to give. Therefore, I hope that hon. members will start this new financial year with this new attitude.

I am glad that some members have spoken of the spirit of cooperation. It is true that nothing at all can be achieved without co-operation. We must try to see how we can all work together. An hon. Member said—I do not remember who—that I should have an open mind. I think I do have an open mind, but hon. members will agree that the mind should not be a passage. After considering the problem it has to be closed down on something, on some ideology, on some programme.

As I have said, the fight against poverty and against our many problems is a long one and the work of rebuilding our social structure cannot be accomplished in just a few years. However much we desire it, however hard we work, however much we can mobilise resources, even then it cannot be achieved in just a few years. Disparities cannot be ended immediately. So, it is a long road and each new step needs careful thought and preparation. It is easy enough to say that one should suddenly and immediately sweep away the whole system and the whole establishment as it exists today. It is easy to say, but this also would exact a heavy price. Would the paying of such price at this moment accelerate our development. Would that help us move faster or would it delay us? Today any members, even

those who have criticised us, have pointed out that we are poised for quick advance. Let us take advantage of this situation and work together and in harmony I am sure that the process of development will gain in tempo and that we will be able to achieve the aims which we have set for ourselves. I do not believe in tall talk; nor have I ever indulged in it. I have not used extravagant phrases regarding what we want to do. On the contrary, I have deliberately under stated what we have to do, so that perhaps, we will be able to do more than that. May I hope that in this task I shall have the understanding co-operation of the whole House? Once again I would like to thank you and the hon. Members.

MR. SPEAKER: The question is :
"That the Bill, as amended, be passed"

The motion was adopted.

MR. SPEAKER: There is a half-an-hour discussion. Is the hon. Member pressing it ?

SHRI SHRI CHAND GOYAL: I will not, provided it will be taken up on some other day?

MR. SPEAKER : All right. We will postpone it.

18.52 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday May 7, 1970/ Vaisakha 17, 1892 (Saka)