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Wednesday, May 5, 1965
Vaisakha 15, 1887 (Saka)

LOK SABHA DEBATES

(Eleventh Sessions)



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LOK SABHA SECRETARIAT
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*The sign+marked above the name of a Member indicates that the Question was actually asked on the floor of the House by that Member.

LOK SABHA DEBATES

13015

LOK SABHA

*Wednesday, May 5, 1965/Vaisakha
15, 1887 (Saka)*

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

[MR. SPEAKER in the Chair].

ORAL ANSWERS TO QUESTIONS

Death of a Person in Police Custody at Fort Cochin

- +
- 1168. { Shri Warior:
 { Shri Vasudevan Nair:
 { Shri Koya:

Will the Minister of Home Affairs be pleased to state:

(a) whether a person named Shri Kunju Mohammad died in hospital at Fort Cochin, Kerala State on the 17th April, 1965 while under police custody;

(b) if so, the reasons therefor; and

(c) whether any enquiry has been conducted into the incident, and if so, the findings thereof?

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

(b) and (c). A Statement is laid on the Table of the House.

STATEMENT

According to the medical opinion, the death was the result of haemorrhage and shock due to severe injury to the liver and that injury would have been caused by kicking or use of force on that part of body. The matter had been personally inquired

13016

into by the Inspector-General of Police who has directed that all the four police officials involved, namely, one Sub-Inspector, one Head Constable and two Police Constables be prosecuted. All the four officials are suspended and the case is under investigation.

Shri Warior: In view of the fact that the statement is clear that it is not a natural death but cold blooded murder in the police lock up and in view of the fact that the people of the place are agitated and all parties have demanded a judicial enquiry in the matter, will the Government look into the matter and give instructions to the State Government to have a judicial enquiry instituted?

Shri Hathi: The statement mentions that all these persons are to be prosecuted and when the prosecution is launched it will be more than a judicial enquiry.

Shri Warior: In the prosecution the result may be this way or that way.

Mr. Speaker: What better judicial enquiry can be there?

Shri Warior: There are other matters connected with this.

Shri Shinkre: Are they prosecuted for murder?

Shri Hathi: The complaint against them is under section 302.

Shri Warior: In view of the fact that this sort of police harassment and torture in the lock-up have increased since the Centre has taken charge of the State, may I know whether the Government has taken any steps to stop this once for all so that the apprehensions or the misapprehensions of the people may be removed?

Shri Hathi: I would not accept the proposition that the torture has

increased... (Interruptions). These persons are being prosecuted and as a result of that decision, whatever action is necessary, departmental action if need be for these persons, or other action for the other persons, will be taken.

Shri Kapur Singh: Are Government aware that a large number of police custody, that is, people in police custody, in India, unaccountably die, annually particularly in Punjab, and if so, are the Government prepared to make a proper investigation...

Mr. Speaker: We are talking of Kerala for which the Central Government has a responsibility.

Shri Kapur Singh: That one State is only a microcosm of the macrocosm that in India.

Mr. Speaker: Microcosm and macrocosm, I cannot distinguish.

Shri Vasudevan Nair: The innocent bread winner of a family was just taken to the police lock-up and he dies the next day, and it is already clear from the statement that he died as a result of injuries. May I know whether the Government will consider the question of giving some compensation to the members of the family and will it ascertain whether there is already a request made to the authorities concerned? I would like to know the attitude of the Central Government in this matter.

Shri Hathi: The attitude of the Central Government is that if these officers are guilty and have gone beyond the normal functioning of their duties, these persons will be prosecuted and they will be duly punished. So far as the other question is concerned, I have no information I shall look into that.

Shri Koya: Since the Centre has taken over the administration of Kerala, the police lock-up atrocities have increased. Has the Government looked into that?

Shri Hathi: I have given that reply to the earlier question.

स्कूलों तथा कालेजों में उत्पादनशील श्रम

+

{ श्री म० सा० द्विवेदी :
श्री स० चं० सामन्त :
* 1170. { श्री रा० स० तिवारी :
श्री रामचन्द्र उलाका :
श्री धुलेश्वर मीना :

क्या शिक्षा मंत्री 16 सितम्बर, 1964 के अतारांकित प्रश्न संख्या 700 के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या स्कूलों तथा कालेजों में उत्पादनशील श्रम की व्यवस्था आरम्भ करने के हेतु एक विस्तृत योजना तैयार करने के लिए केन्द्रीय शिक्षा सलाहकार बोर्ड द्वारा नियुक्त की गई समिति ने इस बीच अपना प्रतिवेदन दे दिया है ; और

(ख) यदि हाँ, तो उसके द्वारा की गई सफाईशों की मुख्य मुख्य बातें क्या हैं और उन पर सरकार की प्रतिक्रिया क्या है ?

शिक्षा मंत्री (श्री मु० क० चागला) :
(क) और (ख). विवरण सभा पटल पर रख दिया गया है ।

विवरण

(क) और (ख). समिति ने कोई रिपोर्ट पेश नहीं की है । किन्तु स्कूलों में उत्पादक कार्य लागू करने के लिए, समिति ने निम्नलिखित कुछ सामान्य सिद्धांत सुझाए हैं :—

- (1) सभी स्कूलों में उत्पादक कार्य लागू किया जाए,
- (2) प्राथमिक शिक्षा का कार्यक्रम मुख्यतः बुनियादी पद्धति की ओर पुनर्स्थापन कार्यक्रम पर आश्रित होना चाहिए,
- (3) मिडिल स्कूल स्तर पर एक शिल्प का शिक्षण अनिवार्य होना चाहिए और इसे कुशल

अध्यापकों द्वारा पढ़ाया जाना चाहिए तथा अच्छे प्रोफेसर्स की व्यवस्था की जानी चाहिए। इस स्तर पर, शिल्पों के ग्राम शिक्षण की अपेक्षा, रोजाना के प्रयोग की वस्तुओं के उत्पादन पर अधिक जोर दिया जाना चाहिए,

- (4) माध्यमिक स्तर पर दसवीं कक्षा के अन्त तक एक शिल्प अनिवार्य होना चाहिए,
- (5) माध्यमिक स्कूलों में बड़े पैमाने पर शिविरों के कार्यक्रम लागू करना उपयोगी होगा। यह मामला शिक्षा आयोग के पास उसकी सलाह के लिए भेज दिया गया है।

श्री म० ला० द्विवेदी : भभा-पटल पर मंत्री महोदय ने जो विवरण रखना है उस में बतलाया गया है कि कमेटी ने सिफारिशें की हैं प्रतिवेदन नहीं दिया है। मैं जानना चाहता हूँ कि क्या कमेटी के टर्म्स आफ रीफेंस में कोई डिटेल्ड प्रतिवेदन देने की बात नहीं कही गई थी, यदि नहीं कही गई थी तो जो सिफारिशें उसने की हैं उन का एजुकेशन कमिशन के पास क्यों रैफर किया गया है और क्या मंत्रालय स्वयं निर्णय नहीं ले सकता था ?

Shri M. C. Chagla: The committee could not complete its report. It held two meetings and to the extent they had some idea of the thinking of the committee, they are trying to translate the same into practice. We thought that we may have a more comprehensive report from the Education Commission.

श्री म० ला० द्विवेदी : एजुकेशन कमिशन की राय आने आने मंत्रालय क्या कोई ऐसा कदम उठा रहा है कि कम से कम केन्द्र शासित क्षेत्रों में प्रोडक्टिव लेबर की स्कीम स्कूलों में शुरू हो जाए, यदि हाँ तो क्या योजना है ?

Shri M. C. Chagla: Yes, Sir. I have made it quite clear that it is our firm policy that productivity or production-oriented education should be an integral part of our education system and without waiting for the report of the Commission we are trying to implement that principle.

श्री म० ला० द्विवेदी : मैं ने केन्द्र शासित क्षेत्रों के बारे में पूछा था कि क्या किया जा रहा है लेकिन उसका कोई उत्तर नहीं आया है।

Shri M. C. Chagla: The obligation is all the greater upon us to do so with regard to the Centrally-administered areas and I assure my hon. friends that we will try and see that this basic principle of productivity or production-oriented education is implemented in areas for which we ourselves are responsible.

Shri S. C. Samanta: Is it not a fact that the crafts that are taught in the primary stage are not generally being followed up in the middle and secondary schools and if so will the Minister say whether the Government has any proposal to follow it up?

Shri M. C. Chagla: I must frankly confess that basic education or production-oriented education has not been implemented as it should have been. We are giving a lot of thought to it. We accept the principle that Gandhiji propounded that we must recognise the dignity of labour and manual work and the necessity for children producing something useful for society and as such we are giving a lot of thought. I agree that things have so far not been as they should be; but we are doing our best.

Shri R. S. Pandey: With reference to the production work which should be introduced in the schools, the report says that the committee has not submitted its report but certain principles were suggested. Before these are implemented, will the reaction of the State Governments be made known?

Shri M. C. Chagla: As it happened, we had a meeting of the directors of

public instruction of the various states at Bangalore and this matter was considered by them informally and the meeting was of the view that production work was recognised as an integral part of school education in all the advanced countries and that the children were not only to be taught the basic skills, but also the right type of attitude towards manual work should be inculcated. It suggested that although the Committee set up to report on the subject had not been able to complete its work, it should be possible to implement the programme on the basis of the suggestions already made thereon. Therefore, the suggestions are, it is more or less agreed, a correct approach to this matter.

Shri A. N. Vidyalkar: When the Minister says production-oriented, I want to understand whether he means economically production oriented or education production that is, whether the economic value will be given predominance or education value will be given predominance?

Shri M. C. Chagla: Every young man and woman has a creative urge and education should be able to help the child to create something. That is one aspect of education. We must also look to the economic aspect of our own country and we should teach him to produce something which would be useful to the country.

Shri S. Kandappan: The statement says that at the middle school stage the teaching of a craft should be compulsory and it should be taught by specialised teachers and so on. Will the Government take care, while making it compulsory to teach a craft, to see that the craft is modern and useful and not the outmoded spinning, weaving and such things?

Shri M. C. Chagla: I entirely agree. The idea is now to teach the boys and girls of any particular school craft which would be useful to the particular locality in which the school is situated.

श्री यशपाल सिंह : क्या शिक्षा मंत्रालय के पास कोई ऐसी योजना है ताकि हमारे देश में श्री जगदीश चन्द्र वसु और अरविंद बोस जैसे महापुरुष पैदा हो सकें और इस के लिए प्रोडक्टिव लेबर की स्कीम शुरू करने के अलावा छात्रों की बोडी बिल्डिंग और कैरेक्टर बिल्डिंग की ओर भी ध्यान दिया जायगा ?

Shri M. C. Chagla: I am sure our country is great enough to produce many Arobindo Ghoshes in the next generation.

Shri Vasudevan Nair: Here again, there is the question of the committee going into this and all that. May I know what has happened to another committee's report, the Deshmukh Committee's report, which is almost on the same subject. We heard so much about that report. What has happened to that report, and may I know whether the Government propose to implement the recommendations of that committee?

Shri M. C. Chagla: That was before my time. It does not arise out of this question. But I will give him the necessary information. This question is about the committee which was presided over by the late Mr. Kairon. It held two meetings. The question deals with this committee and not with any other committee which was under the chairmanship of Dr. Deshmukh.

श्री हुसैन चन्द कदवाय : क्या यह बात मंत्री महोदय के ध्यान में आयी है कि दिल्ली आई कालिज के विद्यार्थी जो मूर्तियाँ अपने हाथ से बनाते हैं उनको वहाँ का प्रिंसिपल और अन्य पदाधिकारी अपनी कर के बाहर भेज देते हैं और बेच देते हैं काफी तादाद में, और इस प्रकार विद्यार्थियों की कला का दुर्लभ उपयोग किया जाता है और सरकारी पैसे का नाजायज लाभ उठाया जाता है ?

Shri M. C. Chagla: I am not aware of that. I hope no principal does a

thing like that. But if my hon. friend lets me know who is doing it, I will certainly look into it.

Shri Sham Lal Saraf: The principle underlying this basic education, when it was started by Gandhiji, was "work while you read and read while you work." As has been explained by my hon. friend Shri Vidyalkar, I would like to know whether the present system will not create some confusion, and, if we go into this idea of production to produce something tangible, some tangible material, will it not jeopardise the first attempt that was made, namely, "work while you read and read while you work?"

Shri M. C. Chagla: My opinion of education is that education must be an integrated education, and creative productivity should be integrated with literary activity. A student should read, should think and should create something and also produce something. There is no difficulty in integrating all these aspects of education.

Shri Kapur Singh: Do Government realise that induction of productive labour into our educational system can have the same baneful effect, as has it had in the case of our armed forces, and, if so, what does the Government propose to....

Mr. Speaker: Order, order. What is that reference to the armed forces here?

Shri Kapur Singh: Actually, that is what has happened. We have paid a very heavy price in the form of the happenings of 1982; because of the introduction of this principle into the armed forces. I am warning the Government as to whether they realise that this kind of thing can happen to our educational system also. I want to ask that if the Government realise this. Also do they propose to do anything about the people who persist in imposing these crazy ideas on our innocent people?

Shri M. C. Chagla: I can assure the hon. Member that I will see to it

that no crazy idea is imposed upon anybody.

Shri Kapur Singh: This one is a crazy idea.

Shri S. N. Chaturvedi: What is going to be the standard of attainment in the Primary and Secondary stages of these courses? I want to know whether, a boy who has passed the secondary examination will be in a position to earn something for himself through the practice of these crafts.

Shri M. C. Chagla: The idea is that after the secondary stage, we want to have institutions with terminal courses so that instead of the students going to colleges and universities just to get a degree, they will go to an institution where they will learn a particular craft or vocation which would be terminal in character and so that when the student leaves the institution he will be able to earn a living.

श्री शिव नारायण : मैं जानना चाहता कि इस कमेटी में कौन कौन से मेम्बर हैं और इसके टर्म्स आफ रेफरेंस क्या हैं, और कब तक इसकी रिपोर्ट फाइनल हो जाएगी ?

Shri M. C. Chagla: This committee is wound up, because, unfortunately, the chairman was Mr. Kairon who is no longer with us. That is the reason why the matter is referred to the Education Commission. This committee is no longer functioning.

Deemed Universities

+

- *1171. { **Shri Yashpal Singh:**
Shri D. N. Tiwary:
Shri Subodh Hansda:
Shri Daljit Singh:

Will the Minister of Education be pleased to state:

(a) whether it is proposed to establish three "Deemed Universities" in the country to which the rural institutes would be affiliated;

(b) if so, the reasons therefor; and

(c) where these Universities would be established?

The Minister of Education (Shri M. C. Chagla): (a) to (c). A statement is laid on the Table of the House.

STATEMENT

With a view to raising the standard of education in the Rural Institutes, it has been proposed that they be grouped zone-wise to function as the constituent units of three Institutions that might be deemed to be Universities under Section 3 of the University Grants Commission Act. The proposed "Deemed Universities" will have their headquarters at Bichpuri, Gandhigram and Wardha. Discussions are proceeding with the Directors of the Rural Institutes to settle the Constitution and other details pertaining to the establishment of the "Deemed Universities". Action will be taken to establish them, with such of the existing rural institutes as are willing to join them as constituent units, after obtaining the views of the University Grants Commission as required by Section 3 of the University Grants Commission Act.

श्री यशपाल सिंह : कुछ मेरा ऐसा खयाल है कि कहीं इन यूनीवर्सिटीज की क्वालिफिकेशन्स भी डीम्ड ही न रह जाएँ और इनमें पढ़ने वाले भी डीम्ड ही न रह जाएँ। इसके लिए सरकार क्या कर रही है ?

Shri Surendranath Dwivedy: What is this "deemed university?"

Shri Kapur Singh: Sir, let us have a clarification as to what these "deemed universities" are. How do they differ from a general university? After that clarification is given, we shall be able to put supplementaries. Will they enlighten us?

Mr. Speaker: Should he put a question when he is not called?

Shri Surendranath Dwivedy: It is not "doomed" university, I believe.

Shri Kapur Singh: May we know the lexical meaning of that term? The whole House wants to know it, Sir.

Shri M. C. Chagla: I am not responsible for this expression; it has been given like that. I may point out that the University Grants Commission Act specifically provides that the Government by notification can declare an institution to be a deemed university. As I understand it, the difference between a university and a deemed university is this: a university, by its very name, implies universality. That means must have various faculties; it must be able to attract professors and students from all over India. A deemed university may be more limited and restricted in character, as rural institutes which are teaching a particular subject. There is a distinction between a university and a deemed university. A deemed university has not got the same universality as a university has.

Shri Kapur Singh: It is the difference between tweedledum and tweedledee.

श्री यशपाल सिंह : घ्राप जवाब देने की कोशिश कीजिए, मैं सवाल समझ रहा हूँ।

Mr. Speaker: Whenever a university has to be established, a law has to be passed.

Shri M. C. Chagla: Yes, Sir. In this case no law has to be passed. It is done by a notification.

श्री यशपाल सिंह : क्या मैं जान सकता हूँ कि शिक्षा के मामले में यह उपहास क्यों किया जा रहा है और चार्टर के मुताबिक कब तक उनको बराबरी का दर्जा दिया जाएगा ?

Shri Subodh Hansda: I would like to know what are the basic considerations for locating these three universities at the three places which have been mentioned in the statement.

Shri M. C. Chagla: The scheme was this; we have divided the rural institutes in India into three zones: the western zone, the southern zone and the northern zone. We have had to select in each zone one centre which will act as the headquarters. Then the option is given to any institute in that zone either to collaborate with the institute which has been selected to join the university or to remain independent; then the complex of these institutes in a particular zone will be a deemed university.

Shri Hari Vishnu Kamath: The statement laid on the Table says that the proposed deemed universities will have headquarters at Bichpuri, Gandhigram and Wardha. If I heard the Minister aright, he said that they will have the headquarters in the southern, western and the northern zones. May I know by what criteria have these particular places in these three zones been selected?

Shri M. C. Chagla: I had to take the decision and I did my best. I gave as much thought and consideration to it, and after taking every factor into consideration, I came to the conclusion that these three would be suitable headquarters for these three zones.

Shri Hari Vishnu Kamath: Where is Bichpuri? Gandhigram and Wardha, we know.

Shri M. C. Chagla: Bichpuri is near Agra. Gandhigram is in the south and I know everybody should know Wardha. These are the three places. I wish to assure this House that it will in no way affect the status or the dignity of the other rural institutes in the zone which have not been selected for the headquarters. Some headquarters have got to be selected and to that extent other institutes may feel rather unhappy. I have to take decision, and in every decision that you take, you have to displease somebody.

श्री म० ला० चिबेदी : जो बयान समा पटल पर रखा गया है उससे पता चलता है कि जो डीम्ड यूनीवर्सिटीज है उनका कानूनी दर्जा वही नहीं होगा जो दूसरे विश्वविद्यालयों का होगा। मैं जानना चाहता हूँ कि इन डीम्ड यूनीवर्सिटीज में जो उपाधिगत वितरित की जाएंगी उनकी क्या मान्यता होगी और इनमें उत्तीर्ण विद्यार्थी या स्नातक किस प्रकार जीवन में आगे बढ़ सकेंगे ?

Shri M. C. Chagla: The one advantage of a deemed university is that it will be able to give degrees. To-day, the grievance of the rural institutes is that, apart from giving diplomas, they could not give degrees. By recognising them as deemed universities, this will permit them to give degrees. Therefore, those who pass out of the rural institutes will have a better and a higher status than they have had so far.

Mr. Speaker: Shri K. D. Malaviya.

Shri K. D. Malaviya: My question would be misplaced now; I just wanted to put a question in sympathy with Mr. Kamath's question.

Whitley Councils

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- *1172. { **Shri S. M. Banerjee:**
Shri Daji:
Shri Muthiah:
Shri Rameshwar Tantia:
Shri Yashpal Singh:
Shri Kapur Singh:

Will the Minister of Home Affairs be pleased to state:

(a) whether a final decision has since been taken to implement the decision regarding Whitley Councils in respect of Central Government Employees; and

(b) if not, the reason for the abnormal delay?

The Minister of State in the Ministry of Home Affairs (Shri Nathi): (a) and (b). The implementation of the

scheme is still under consideration. Some of the employees' organisations who had raised certain points about the scheme are being consulted.

Shri S. M. Banerjee: As the talks are going on quite smoothly and without many hurdles, I would like to know whether this scheme at the national level is likely to be implemented latest by the next month, that is, by June 1965.

Shri Hathi: The hon. Member knows how seriously we are pursuing the matter. Only yesterday we had a meeting with the union representing the defence industries where the hon. Member was also present. Day before yesterday we had called the Post and Telegraphs Union and on the 7th we are calling the Railway Union. Therefore, we are trying our best to do everything that is possible. After all, these are questions where both the sides have to agree; it is not a question of imposition of the scheme. Therefore we are trying our best to implement it as soon as possible.

Shri S. M. Banerjee: May I know whether it is a fact that a decision has been taken by the Home Ministry headed by the Home Minister that the negotiating machinery wherever it was functioning either before the 1960 strike or after the 1960 strike will be restored and that will be in addition to this Council; if so, whether instructions have been issued to the Defence Ministry in this connection?

The Minister of Home Affairs (Shri Nanda): The hon. Member wants to have something confirmed which in the course of talks yesterday he raised and I assured him that we would like to do something on those lines. He need not have a confirmation here; it is part of our discussion and we would like to attend to that.

Shri Muthiah: May I know whether any appeal will be allowed from the decisions of the Whitley Council when either party is dissatisfied?

Shri Hathi: The scheme envisages discussions at three levels, and if de-

cisions are not arrived at amicably then there is provision for referring the matter to arbitration.

Shrimati Ramdulari Sinha: In view of the fact that the Government had agreed in principle to the policy of joint management, may I know why there is so much delay in the implementation of this policy?

Shri Hathi: As I explained about the question of delay, it is not a matter for the Government to say that the scheme will be implemented from today because, after all, the workers have also to agree. If there are certain points which the workers feel should be raised and discussed as a result of which some settlement should be reached, unless there is mutual agreement we cannot implement the scheme as such.

श्री यशपाल सिंह : मैं यह जानना चाहता हूँ क्या इन व्हिटले कौंसिलज की स्थापना के बाद स्टाफ कौंसिलज कायम रहेंगी या रह ही जायेंगी ।

श्री हाथी : अभी जो बात चल रही है, उस के मुताबिक तीन लेवल पर कौंसिल होंगी— डिपार्टमेंटल लेवल, आफिस लेवल और रिजनल लेवल ।

Shri Kapur Singh: May I know whether an overall appraisal is now available of the usefulness of the Whitley Councils in the Indian context; if so, what?

Shri Hathi: It is because of the usefulness of the these Councils that both the sides are trying to implement the scheme.

Shri Mohammad Elias: May I know whether it is a fact that the Central Federation has raised some objection with regard to the inclusion of different craft unions; if so, what is the reaction of the Government in this matters?

Shri Hathi: This question of craft unions was raised yesterday. It was

also raised day before yesterday. This is a point which we are considering.

Shri Harish Chandra Mathur: Sir, Whitley Councils have been functioning in U.K. very effectively for quite a long time. May I know what are the salient features of the functioning of Whitley Councils to which the Government is not agreeable and to which the staff members are not agreeable?

Shri Hath: This is based on this. The points on which the workers want some clarification or change are, for example, the basis of the representation, the principle of abjuring strikes, the scope of arbitration, the decision whether it will be biennial or not, etc.

Shri Harish Chandra Mathur: I wanted to know what are those salient features or important factors which are not acceptable to Government and those which are not acceptable to the staff?

Shri Hath: There is no question yet as to certain things being not acceptable to Government. Certain points have been raised. We have discussed them only yesterday and day-before-yesterday. There is no question as to what is acceptable and what is not acceptable. The question is as to what should be acceptable to both.

Shri Ranga: May we take it, Sir, it is the policy of the Government to try and extend these Whitley Councils, once the basis of agreement is reached, to all the State enterprises also that are there?

Shri Nanda: So far as the industrial enterprises are concerned, the same principle is being applied in a different way—the joint councils are there.

Shri A. P. Sharma: Will the Government ensure that after implementation of this Whitley Councils scheme under which only salaries, allowances, leave and hours of work are covered, the other subjects will continue to be discussed under the permanent negotiating machinery as it is being done today?

Shri Hath: Yes, Sir, the idea is that the existing machinery will be supplemented by this scheme. That means the existing machinery, whatever it is, will continue to function.

Shri R. S. Pandey: In order to introduce the system of participation of labour in management sometime back Shri Nanda said that he was going to implement the Whitley Councils idea in the field of industry and labour. I want to know whether he has proceeded to do something in that direction.

Shri Nanda: That idea of participation of workers in the management started much earlier and that has been applied to an extent both in the private sector and also in the public sector. I am sorry that it has not gone ahead in the manner and in such sufficiently fast way as we would have liked it to do.

Dr. Ranen Sen: One of the differences between the Government and the employees' union was in regard to the representatives of the union as to who will appear on behalf of the union. The workers' and employees' union demanded that the dismissed workers, if they are inside the union, will be entitled to appear in those Councils. That was the difficulty, the hitch, the difference between the Government and the unions. May I know what is the position now and what is the reaction of the Government to the demand of the employees?

Shri Hath: The position is like this. Really those joint councils are meant for the workers who are actually in service. Even with regard to those who have retired there is no difficulty, because the workers who have retired can be there. But those who have been dismissed cannot represent the workers.

Shri Alvares: At one time, about two months ago, there was a unanimous rejection by all trade union organisations of the Whitley Council Scheme as proposed by Government. May I know whether since then the Government has softened the atti-

tude of the INTUC Union and then proceeded with negotiations with the others?

Shri Nanda: There was no unanimous repudiation or rejection at any stage. There were questions raised, and the question arose not from the INTUC only but from all sides. The desire to so often and to make everybody agreeable is there and, I believe, now it is coming to some fruition.

Shri Dinen Bhattacharya: May I know whether it is a fact that the insistence of the Government upon the Union to objure the right to strike was the only reason for which there has been so much delay in the implementation of this Scheme?

Shri Nanda: That was not the only reason, there were other reasons also and this was also there.

Shrimati Renu Chakravartty: Am I correct in understanding that the decision that has been arrived at is that those dismissed workers other than those who have been dismissed on grounds of moral turpitude or on grounds of corruption will continue to be office-bearers and members of the Whitley Councils?

Shri Hathi: That is not actually the decision. During the discussions yesterday and day before this question had arisen that if a trade union worker was victimised and it was said that in that case the particular worker was only dismissed because of trade union activities, well, such a case can be looked into.

Shrimati Renu Chakravartty: That means there will be some sort of screening.

श्री श्रीकार लाल बेरबा : मैं जानना चाहता हूँ कि क्या इसमें जो 1960 में स्ट्राइक के कारण निकाल दिये गये थे उन मजदूरों के विषय में भी बानचीत की जाएगी ?

Shri Nanda: That matter has been dealt with already.

Shri Sham Lal Saraf: Do I understand that Whitley Councils are being introduced with the idea of giving these workers concessions under collective bargaining? If that is so, what is the legislation by which Whitley Councils will be covered?

Shri Nanda: This is not going to be statutory in the first instance.

Shri R. Ramanathan Chettiar: What is standing in the way of introducing this in the public sector projects first?

Shri Nanda: I have already said that it is being done in the public sector in the way and in the manner in which it is done in the private sector.

Madras Refinery

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1173. { **Shri Raghunath Singh:**
 Shri P. B. Chakraverti:
 Shri Sarjoo Pandey:

Will the Minister of **Petroleum and Chemicals** be pleased to state:

(a) whether an agreement on the Madras refinery has been reached between the Government of India and the Iranian Oil Company;

(b) if so, the terms of agreement; and

(c) the possible impact on India's other oil arrangements?

The Minister of Petroleum and Chemicals (Shri Humayun Kabir): (a) Agreement has been reached with National Iranian Oil Company and American International Oil Company on the broad heads of the Madras Refinery arrangement. The detailed documents are in the course of being finalised.

(b) The agreements will be placed on the Table of the House in due course.

(c) It is undesirable to speculate on this, but we expect that there will be a favourable impact.

Shri Raghunath Singh: May I know whether there is any improvement in this agreement over the agreements entered into previously in regard to other refineries?

Shri Humayun Kabir: I think we have made a considerable improvement in respect of price of crude oil and in respect of arrangements for developing fertilisers and petrochemicals. Incidentally, this agreement has opened out prospects of collaboration with Iran in a number of fields.

श्री रघुनाथ सिंह : जो ईरान से हमारा एग्रीमेंट हो रहा है, इसमें जो तेल हिन्दुस्तान में आयेगा वह हिन्दुस्तानो जहाजों में आयेगा या नहीं आयेगा ?

Shri Humayun Kabir: That is what I had in mind when I said that it had opened out prospects of collaboration. They may not be Indian ships, they may be Indo-Iranian ships.

Shri P. Venkatasubbaiah: In the setting up of this Madras refinery may I know whether sufficient provision will be made for setting up fertiliser factories simultaneously, and if so, what would be the capacity of the factory?

Shri Humayun Kabir: I have already said that part of the agreement will be in respect of a fertiliser factory. The fertiliser factory will have a capacity of about 200,000 tons in terms of nitrogen.

Shri R. Ramanathan Chettiar: Now that the agreement has been entered into with the Anglo-Iranian Oil Co., may I know when the work will start?

Shri Humayun Kabir: The agreement is with the National Iranian Oil Co., and not with the Anglo-Iranian Oil Co.

श्री रघुनाथ सिंह : मैं यह जानना चाहता हूँ कि इस रफाइनरी पर कितना रुपया लगेगा ? कितने कैपिटल की यह होनी ?

Shri Humayun Kabir: The refinery has not yet been constructed. The work will soon start. The refinery is expected to cost approximately Rs. 15 to Rs. 16 crores.

Shri Narendra Singh Mahida: We have offered certain terms to this Iranian Co., but I learn that there is every likelihood that they will reject our terms. Are we going to reconsider and give some fresh terms to this company?

Shri Humayun Kabir: My hon. friend seems to know far more than anybody else, because the agreements have been initialled. Why he is talking of rejection is known only to him.

Dr. Ranen Sen: One of the difficulties in the oil industry in India is the supply of crude oil, and a large amount of foreign currency is spent on importing crude oil and petroleum products. It was also decided last year—it was mentioned by the hon. Minister—that our trade with the rupee currency countries would be increased with regard to oil. In regard to part (c) of the question . . .

Mr. Speaker: He may put the question now.

Dr. Ranen Sen: This is a very important question.

Mr. Speaker: I do not deny its importance.

Dr. Ranen Sen: Anyway I am putting the question.

What will be the impact of this latest collaboration with the National Iranian Co., in regard to the Madras refinery on Haldia and other refineries that are going to be built very soon?

Shri Humayun Kabir: The impact will be entirely favourable, and it will improve our position.

Dr. Ranen Sen: My question has not been answered. With regard to crude oil supply, what would be the position? This was my question,

Shri Humayun Kabir: I have said that the impact will be entirely favourable. That will be both in respect of crude oil and in other respects.

Relationship between Government Servants and People's Representatives

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*1174. { **Shri Harish Chandra Mathur:**
 Shri Hari Vishnu Kamath:

Will the Minister of Home Affairs be pleased to state:

(a) whether Government have given any consideration to the question of relationship between Government servants and People's representatives and evolved any code of conduct; and

(b) the salient features of the code?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) Yes, Sir. A draft Code to regulate the relationship between Members of Parliament and of State Legislatures and the Administration is under consideration of Government.

(b) The draft Code has not yet been finalised.

Shri Harish Chandra Mathur: They have been considering it for a long time.

May I know what are the problems which have been thrown up during the recent years in regard to this relationship, particularly from the Members of Parliament and legislatures and also because of the introduction of the panchayati raj institutions and the enquiry set up by the hon. Home Minister in one of the districts in Gujarat? What are those problems which have been thrown up and what is it that you are considering now?

Shri L. N. Mishra: The draft code, as I said earlier, has been circulated among the members of the informal consultative committee. About the special study made in Gujarat, I am not aware of that, but the problems that have been discussed are: relationship with the officers with the

members of Legislature and helping them, providing them with adequate facilities in the discharge of their duties etc.

Shri Harish Chandra Mathur: If the hon. Deputy Minister is not aware, then let the Minister answer. He knows about the problems. Let me make him understand.

Mr. Speaker: The Minister is going to answer.

The Minister of Home Affairs (Shri Nanda): The hon. Member knows as well as myself that an enquiry was made into the district administration of Sabarkanta. It covered two stages, one before the panchayati institutions came in, and then the other for the period after that. The report is with us. That has been examined and there are several very useful conclusions and recommendations with regard to that. Chiefly, people's grievances, difficulties in relation to administration, the delays which occur, simplification of procedures—all these things are there. We have not yet come to the stage when we can bring out final recommendations.

Shri Harish Chandra Mathur: Is the Minister aware that at the district level we have various committees of which the district officers are the chairman and Members of Parliament and Members of Legislature, who include the Prime Minister, the Home Minister and the Chief Minister, are members of these committees. May I know what is the hon. Home Minister's own reaction to the continuance of such an arrangement, and what he proposes to do in the matter?

Shri Nanda: This question was a limited one. The hon. Member is certainly entitled to enquire into all those aspects, but even the report of the enquiry into the district administration is not covered by this question. I can deal with it separately.

Shri Harish Chandra Mathur: It is not at all a question regarding the district administration. It is a ques-

tion regarding the relationship between the official and the non-official, and this is the most pertinent question which I have asked about the relationship. You have at district levels various committees of which the district officer is the chairman, and the Prime Minister is a member of it, and the Prime Minister says "Yes, Sir" to that district officer. This is a question of relationship which has arisen between the official and the non-official because of this, and this is a hangover of colonialism. May I know whether during these 17 years the hon. Minister has given any thought to this matter, and what is his reaction to it?

Shri Nanda: In that case, the decision is that that district officer should function as the convener, and therefore, there will not be any question of anybody else "Sirring" him.

Shri Harish Chandra Mathur: Where is the convener?

Shri Hari Vishnu Kamath: Is it not a fact that the general administration, particularly the police administration, has been increasingly bedevilled by the day to day interference of certain high-ranking category of people's representatives called Ministers, and if so, is it not a fact that the Home Minister's deprecatory writ in this regard does not run beyond the periphery of his own Ministry, let alone the Council of Ministers here and the Councils of Ministers in the States?

Shri Nanda: Some complaints have been heard of interference and not only from those high dignitaries, . . .

Shri Hari Vishnu Kamath: Not dignitary, I said category.

Shri Nanda: . . .but from other categories also.

Regarding that a draft code etc. have been considered. Any kind of interference on the part of anybody would certainly be wrong and it will be discouraged wherever it is brought to our notice.

Shri Hari Vishnu Kamath: Have you done it?

Shri Nanda: Yes, wherever anything is brought to our notice.

Shri S. M. Banerjee: I would like to know whether it has been brought to the notice of the hon. Minister that approaches in the form of letters and representations by Members of Parliament or of State legislatures are generally not liked by the bureaucracy and in certain cases even action is being taken against the Government servant, who has approached the M.P. under the Government Servants Conduct Rules, whether it is a fact and whether adequate opportunity will be given to Government servants to get their demands redressed also through their own representative at a particular place?

Shri Nanda: There are definite channels for the redress of grievances of Government servants. They have to abide by the Government Servants' Conduct Rules. Certainly, Members of Parliament can bring up any general question, but for specific grievances of a Government servant, individually, there is a different way of doing that.

Shri D. J. Nalk: An inquiry officer was appointed in Sabarkantha District to inquire into the district administration. May I know what are his recommendations for streamlining the district administration?

Shri Nanda: I have already given that.

Shrimati Ramdulari Sinha: May I know whether it is a fact that Government servants generally do not reply to the queries made by the people's representatives in time; if so, do the Government propose to issue instructions to Government officers to attend to the queries made by the people's representatives promptly and properly?

Shri Nanda: Instructions have been issued and if there is anywhere any kind of default on the part of any member of the services, we would like to deal with it. (Interruption).

Shri Basumatari: May I know whether requests have been made to the State Government to inform the

Home Minister as to how many Members of Parliament as also of the legislatures attended the meetings held of the Public Relations Committee?

Shri Nanda: It is a suggestion.

Shri Heda: May I know whether Government is aware that all the committees appointed under the Panchayati Raj are presided over by the district officer when even Deputy Ministers and Presidents of District Panchayati Raj bodies have been attending as members and he had been exercising very much the right of the President?

Shri Nanda: I have answered that; but I would like to go further into this matter.

Shri Ranga: Even Chief Ministers are attending.

Mr. Speaker: Recently I received a letter saying that the Executive Engineer has nominated me on a committee.

Shri Ranga: Even Chief Ministers go and take their oath of allegiance under a Collector.

श्री श्रीकार लाल बेरवा : मैं यह जानना चाहूंगा कि कर्मचारियों को जांच के लिए जैसे आपके यहां पहले मेला लगा करता था वही नियम रहेगा कि रोज सवेरे लोग लाइन में खड़े हों और मेला लगे ? क्या यही पद्धति रहेगी या दूसरी पद्धति अपनायी जाएगी ?

श्री ल० ना० मिश्र : जांच की बात नहीं है । संहिता बनाकर उसके मुताबिक काम चलाना है । मेला लगाने की बात नहीं है ।

Shri Hem Barua: May I know if in formulating a code of conduct for the people's representatives Government have asked also the Government servants to represent their case as to the undue interference indulged in by some people's representa-

tives who are in the habit of throwing their weight about?

Shri Nanda: That aspect is being covered.

Shri Hari Vishnu Kamath: On a point of order, Sir, arising out of what you said a little earlier. Is it not *ultra vires* of the Executive Engineer to nominate the Speaker of the House on a committee?

Mr. Speaker: Probably that might be in ignorance.

Shri Hari Vishnu Kamath: Has he confessed his ignorance, ineptitude or foolishness? Has the Minister is taken note of it?

Shri Nanda: I will look into that matter.

Shri Shinkre: I want to know whether it is true that this Government is functioning under a mute understanding that all the administration proper will be entirely and exclusively performed by the bureaucracy and the Ministry as such will only busy themselves with politics.

Mr. Speaker: That will be considered when the code of conduct is being finalised.

Shri Shinkre: But this question has a bearing on that.

Shri Nanda: This is a reflection which is not at all called for.

Shri P. Venkatasubbaiah: In spite of the fact that democratic decentralisation has been introduced in district administration and Panchayat Samitis, still the Collectors are Chairman of committees with the result that even the real representatives are powerless and are not able to exercise their opinion.

Mr. Speaker: This has been answered just now.

गोष्ठा

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- * 1175. { श्री युद्धवीर सिंह :
 श्री श्रींकार साव बेरवा :
 श्री हुकम चन्द कछवाय :
 श्री जगदेव सिंह सिद्धान्ती :
 श्री रामेश्वरानन्द :
 श्री रामेश्वर टांडिया :
 श्री मधु लिमये :
 श्री रामसेवक यादव :
 श्री किशन पटनायक :
 श्री कोया :
 श्री विश्वनाथ पाण्डेय :
 श्री कनकसबै :
 श्री नाथ पाई :

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

(क) क्या यह सच है कि सरकार ने गोष्ठा को महाराष्ट्र में मिलाने के सम्बन्ध में अन्तिम निर्णय कर लिया है ; और

(ख) यदि हां, तो उसकी मुख्य मुख्य बातें क्या हैं ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री हाथी) : (क) जी, नहीं ।

(ख) प्रश्न ही नहीं उठता ।

श्री युद्धवीर सिंह : यह प्रश्न प्रायः प्रत्येक सत्र में उठता है और इसके बारे में कई बार चर्चा हो चुकी है । मैं सरकार से जानना चाहता हूँ कि गोष्ठा के भविष्य के बारे में निर्णय लेने में सरकार के मार्ग में कौन से सामाजिक, राजनैतिक, नैतिक, सांस्कृतिक, आधिदैविक, आधिभौतिक कारण या रोड़े हैं कि सरकार गोष्ठा के बारे में अन्तिम निर्णय लेने में इतनी देरी कर रही है ?

श्री हाथी : आधिभौतिक, नैतिक, राजनैतिक, सामाजिक, सभी बातें हैं जरूर ।

ये बातें इसलिए हैं कि जो भ्रम भ्रम प्रान्त हैं उनसे बात करनी होगी, वहां के जो लोग हैं उनसे बात करनी होगी । सभी प्रकार की बातें करके फिर सोच विचार कर निर्णय करना होगा ।

श्री युद्धवीर सिंह : लोगों से बात करने की बात सरकार ने कही । पिछले दिनों महाराष्ट्र की असेम्बली में एक मत से यह प्रस्ताव पास किया था कि गोष्ठा को महाराष्ट्र में मिलाया जाए । मैं समझता हूँ कि एक मत का अर्थ माननीय मंत्री समझते होंगे । और इसी प्रकार गोष्ठा की विधान सभा ने भी इस बारे में प्रस्ताव पास किया, वह बहुमत से पास हुआ था, एक मत से नहीं । गोष्ठा के जो चुनाव हुए उनसे भी यह बात स्पष्ट हो गयी कि जनता यह चाहती है कि गोष्ठा को महाराष्ट्र के साथ मिला दिया जाए...

अध्यक्ष महोदय : यहां बहस तो नहीं हो सकती ।

श्री युद्धवीर सिंह : मैं सरकार से यह जानना चाहता हूँ कि गोष्ठा के बारे में जो ये दोनों प्रस्ताव पास किए गए उनके बारे में सरकार की क्या प्रतिक्रिया है और उस प्रतिक्रिया के प्रकाश में वह क्या निर्णय लेने जा रही है ?

अध्यक्ष महोदय : जवाब दिया जा चुका है ।

श्री युद्धवीर सिंह : प्रस्तावों की क्या प्रतिक्रिया हुई ?

अध्यक्ष महोदय : प्रस्तावों के बारे में भी आ चुका है ।

Shri Hathi: It is true that a Resolution had been passed by the Maharashtra Assembly. It is also true that the Goa Assembly has passed a Resolution and we have taken note of both these Resolutions. So far as Goa is concerned, it was not unanimous.

श्री युद्धवीर सिंह : मैं प्रतिक्रिया के बारे में पूछना चाहता हूँ ।

अध्यक्ष महोदय : उन्होंने कहा कि वह अभी सोच रहे हैं ।

श्री जगबन्ध सिंह सिद्धांती : माननीय मंत्री जी ने कहा कि कुछ बातें हैं जिनके ऊपर विचार करेंगे । पिछली बार गोआ में 54 हजार लड़के मराठी की प्राथमिक परीक्षा में बैठे और कन्नड़ भाषा की परीक्षा में केवल एक हजार लड़के बैठे । क्या इस कारण इसको महाराष्ट्र में मिलाया जाएगा ?

अध्यक्ष महोदय : आप तो बहस करते हैं । इस वक्त बहस नहीं हो सकती ।

श्री ओंकार लाल बेरवा : मैं जानना चाहता हूँ कि क्या गोआ को महाराष्ट्र में न मिलाने का यह कारण है कि पिछले चुनावों में हमारी सरकार हार गयी ? पहले यह वायदा किया था कि इसको मिलाया जाएगा, अब न मिलाने का क्या कारण है ?

श्री हाथी : यह कारण नहीं है । अभी सारी बातें विचाराधीन हैं ।

श्री ठाकुर चन्द कछवाय : माननीय मंत्री जी ने बताया कि मामला विचाराधीन है । गोआ का कुछ हिस्सा महाराष्ट्र में और कुछ हिस्सा मैसूर में मिलाने के बारे में अन्तिम निर्णय लेने में सरकार को कितना समय लगेगा ?

गृह-कार्य मंत्री (श्री नन्दा) : यह सवाल नहीं उठता कि कितना हिस्सा दिया जाएगा । इसके बारे में कहा जा चुका है कि विचार हो रहा है और जहाँ तक हो सकेगा जल्द फैसला किया जाएगा । समय नहीं दिया जा सकता ।

श्री ठाकुर चन्द कछवाय : समय के बारे में कुछ नहीं बताया कि समय कितना लगेगा ?

अध्यक्ष महोदय : वह कहते हैं कि कहा नहीं जा सकता है अब मैं इससे ज्यादा क्या पूछ सकता हूँ ।

श्री ठाकुर चन्द कछवाय : समय की बात नहीं बतलाया ।

अध्यक्ष महोदय : अब आप ही बतलाइये मैं क्या करूँ ?

श्री मधु लिमये : गोवा, दीव, दमन और पाण्डेचेरी आदि इलाकों को बंगल के प्रांतों में मिलाने का प्रश्न, तथा अन्तरप्रान्तीय सीमा विभागों के प्रश्न को हल करने के लिए सरकार के पास कोई जनतांत्रिक सिद्धांत है ? अगर ऐसा सिद्धांत है तो उस पर अमल करने से देशहित होगा । अगर हर सवाल को हल करने के लिए खून खराबी, प्रान्तीयता का जहर फैलाने और आपस में मारपीट करने का ही रास्ता सरकार ने जनता को दिखाया तो उसके राष्ट्र के लिए बड़े खतरनाक नतीजे निकलेंगे । इसलिए मैं माननीय गृह मंत्री जी से जानना चाहता हूँ कि क्या कोई प्रजातांत्रिक सिद्धांत इन मसलों को हल करने का है ? जब एक दफा ऐसा सिद्धांत बन जाता है तो सभी मसले उसके आधार पर हल कर सकते हैं । तो गोवा के सम्बन्ध में क्या कोई ऐसा सिद्धांत है

अध्यक्ष महोदय : आर्डर, आर्डर ।
He wants to know whether there are any principles on which these things are to be decided.

श्री नन्दा : जब कुछ फैसला होगा तो वह किसी सिद्धांत के आधार पर ही होगा ।

श्री मधु लिमये : मैंने कौन सिद्धांत है यह पूछा था ।

श्री नन्दा : मैं और नहीं बतला सकता ।

श्री मधु लिमये : कोई जनतांत्रिक सिद्धांत है ? लोगों के संतोष से क्या मतलब कोई जनतांत्रिक तरीका तो होना चाहिए ।

अध्यक्ष महोदय : वह श्री न बतलाना चाहें तो मैं क्या कर सकता हूँ ?

श्री मधु लिमये : आप उन्हें कहिये ।

श्री किशन पटनायक : गोवा मिश्रण के बारे में कोई नीति तय न करने का क्या यह राजनीतिक कारण है ? सरकार दो मुंही बात करना चाहती है । रेल तथा रक्षा मंत्री एक तर्फ के लोगों का समर्थन करना चाहते हैं और दूसरे लोग दूसरी तरफ समर्थन करना चाहते हैं और गोवा को अपना बनाये रखना चाहते हैं क्या यह बात सही नहीं है ?

श्री नन्दा : यह बिल्कुल सही नहीं है । इसमें मतभेद नहीं है ।

Shri Koya: May I know whether the question of Goa is being considered independently or along with other liberated foreign possessions in India like Pondicherry and Mahe?

Shri Nanda: At the moment, we are considering only this question of Goa.

श्री जोकीम अलवा : क्या सरकार को मालूम है कि गोवा मर्जर और ऐंटी मर्जर आन्दोलन जोरशोर से चल रहा है तो क्या सरकार का इरादा है कि गोवा की सब पार्टियों को इधर बुला कर राउंड टेबल कॉन्फ्रेंस की जाय ?

श्री नन्दा : अभी राउंड टेबल कॉन्फ्रेंस करने का कोई इरादा नहीं है ।

श्री शिव नारायण : क्या गोवा के विलय के बारे में मैसूर विधान सभा ने कोई खास विचार प्रकट किये हैं ? और सरकार के पास भेजे हैं ?

श्री नन्दा : मैसूर के भी अपने व्यूज हैं जिनको कि उन्होंने प्रकट किया है ।

श्री तुलशीदास जाधव : गोवा के महाराष्ट्र में मर्ज करने के बारे में 10 वर्षों से जो ऐलान किया जाता रहा है क्या सरकार उस

पर अभी भी कायम है या उस पर फिर से सरकार विचार करने वाली है ?

श्री नन्दा : हम आगे भी कह चुके हैं कि इस सारे मामले पर फिर से विचार चल रहा है ।

श्री मधु लिमये : सिद्धांत हीन विचार और सिद्धांत हीन सरकार ।

Shri H. K. Veeranna Gowdh: As regards the resolution passed by the Goa Assembly suggesting the merger of Goa with Maharashtra, may I know by how many number of votes it was passed by them?

Mr. Speaker: That he can know from the records.

Shri Alvares: The Government has not been able to identify yet what are the special considerations for keeping Goa as a Union Territory. At the same time, since Goa's liberation, certain agents of foreign Governments have been attempting a sabotage with a view to encouraging certain sections of India not to accept the fact of liberation of Goa. In view of the national security of the country, may I know whether the Government will effect the merger soon and give a lie to their expectations?

Mr. Speaker: That is a suggestion.

Shri Shinkre: It is said, on behalf of the Government, that ten years time should be given because the people of Goa are not yet ripe for democracy. In this connection, I want to know from the Home Minister. . .

Mr. Speaker: Today at least this has not been said.

Shri Shinkre: It has been said before. In this context, I want to know from the hon. Home Minister whether for this Government the concept of democracy means majority for the Congress Party and, secondly, whether the Government will wait to take a decision on the merger of Goa until Maharashtra and Mysore

States go in a proper warfare and, thirdly, whether the Government will wait . . .

Mr. Speaker: Prof. Hem Barua is getting many pupils.

Shri Shinkre: . . . until such time the situation in Goa boils sufficiently to something similar to that of Naga hostilities so that they will be compelled to take some action. I would like the Home Minister to reply to all these three questions of mine.

Mr. Speaker: I would allow him to answer only one if he can.

Shri Nanda: The one answer which I would like to give about democracy and all that is that all the assumptions, the strings and series of assumptions, are baseless.

Shri Shinkre: What about the other two questions?

Shrimati Renu Chakravartty: In view of the fact that the question of the merger of Goa is agitating the minds of a large part of the country, could we be assured that the Government is going to take a decision within a very short time and, if so, what will be the time-limit?

Shri Nanda: So far as the time-limit is concerned, I have said that I would not be in a position to state the time-limit. But I have also said very clearly that we would like to take a decision very early and this matter is being considered.

Shri Basappa: In view of the Emergency which exists in the country, will the Government postpone the question of the merger of Goa for the time being—and also as per the assurance given by the late Prime Minister, the difference of opinion that exists in Goa and outside Goa, and also in view of the resolution passed by the Mysore Assembly, and because of other historical, administrative and other things?

Mr. Speaker: It is a suggestion. Next Question.

Shri Nath Pai rose—

Mr. Speaker: He has just now come.

Shri Nath Pai: I was here before you had gone to the next Question.

Mr. Speaker: No; Shri Indrajit Gupta is absent. Shrimati Maimoona Sultan.

Exodus of Minorities from East Pakistan

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*1177. { Shrimati Maimoona Sultan:
Shri Sidheshwar Prasad:

Will the Minister of Home Affairs be pleased to state:

(a) whether the Commission of Inquiry set up to investigate into the causes of exodus of minorities from East Pakistan has requested Government to arrange for an on-the-spot study of the matters involved in East Pakistan;

(b) if so, whether Pakistan Government have been approached to seek their permission for the purpose; and

(c) if so, the response from Government of Pakistan thereto?

The Minister of State in the Ministry of Home Affairs (Shri Nathi):
(a) No, Sir.

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

12.00 hrs.

SHORT NOTICE QUESTION

Haldia Refinery

S.N. 13, Dr. L. M. Singhvi: Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether it is a fact that most of the international oil companies have lost interest in the Haldia refinery project owing to India's refusal to enter into long term agreement with any of them for the supply of crude oil for the refinery;

(b) if so, how would it affect the prospects and the progress of Haldia refinery project; and

(c) alternatives being considered by the Government of India in this connection?

The Minister of Petroleum and Chemicals (Shri Humayun Kabir):

(a) No, Sir. Several international oil companies have presented proposals or are in the process of submitting offers.

(b) It is expected that the Haldia Refinery Project will be completed according to schedule.

(c) Does not arise.

Dr. L. M. Singhvi: I would refer the hon. Minister to *The Economic Times* of April 26, 1965 which carries this news in banner headlines. I would like to know whether there was any question of hesitation on the part of these international oil companies on the ground that they were not being allowed to supply crude oil and refine it for us, and if so, how it has been solved, and whether the contracts between us and these international oil companies are being altered or varied in any manner?

Shri Humayun Kabir: Since the whole question is based on what is not a fact, I do not know how really to answer it. I am not responsible for what appears in *The Economic Times* or in *The Financial Times* or any other paper.

Dr. L. M. Singhvi: It is a very responsible paper which has published this.

Shri Humayun Kabir: I am only responsible for what I am dealing with. I cannot put a ban on other people or stop them from writing anything that they want to write. There never has been question of any reluctance or withdrawal. We have received offers and we are receiving offers, and some majors have actually asked for additional time to prepare the detailed report. Therefore,

the whole basis of the question is wrong.

Dr. L. M. Singhvi: While it is true that whatever appears in the newspapers is not the responsibility of the Minister, I suppose that it is certainly his responsibility to contradict such important news items which create such widespread misunderstanding. I should like to know whether there has been any renewal or reopening of negotiations with the Kuwaiti authorities in respect of our agreement with them.

Shri Humayun Kabir: With regard to the question of contradictions, it is not my business to contradict everything which appears in any paper anywhere in the world. Regarding the second part of the question, Kuwait has also shown interest, and there are other offers also. We shall, after considering all the offers, select the party which appears to be in the best interests of the country.

Shri K. D. Malaviya: Is it not a fact that such articles or messages are a typical example of pressurising the Government to submit to the viewpoint of the oil companies to prolong the supply of crude oil against the interests of the nation?

Mr. Speaker: The hon. Member can draw his own conclusions.

Shri Khadilkar: Is it not a fact that one of the offers received is from Soccon Mobil in collaboration with Phoneix and they are agreeable to supply various types of crude oil at the lowest prices and if so, whether Government have examined this offer?

Shri Humayun Kabir: That is certainly one of the offers, and the party mentioned by my hon. friend is one of the international majors, which contradicts the question which was originally asked. The offer is being examined along with other offers.

Shri Hem Barua: May I know whether the attention of Government has been drawn to an article in a leading newspaper of our country in

which it is said that because of the fact that we have to import crude oil there is a lot of pressure on our foreign exchange position at present, and if so, whether in entering into the agreements with the foreign companies, Government have taken that particular fact of pressure on our foreign exchange into consideration and have asked them to minimise this pressure as far as possible?

Shri Humayun Kabir: It is obvious that Government will try to minimise the pressure as much as possible, but it is equally obvious that nobody can get anything for nothing. We do require crude oil, and, therefore, we shall have to pay a certain price, and we shall negotiate for the best possible terms.

Dr. Ranen Sen: The Rumanian Oil Minister has made a proposal to the Government of India to construct the Haldia refinery and that proposal has been renewed again. It is also reported by the high Government officials that the proposal from Rumania is the best among all the proposals that have been made so far. May I know the reaction of the Government of India in this regard?

Shri Humayun Kabir: We welcome this very friendly offer from Rumania. But as for which is the best and which is the second best, I would not like to express any opinion till all of them have been very carefully examined.

श्री रघुनाथ सिंह : हलदिया रिफाइनरी के लिए आयल इम्पोर्ट किया जायेगा, लेकिन वहां का डाप्ट सिर्फ 34 फीट का है। क्या मैं जान सकता हूँ कि वहां के डाप्ट के इम्प्रूवमेंट के लिए ग्रीर पोर्ट की तरफ़ी के लिए मुनासिब इन्वज़ाम किया जायेगा, ताकि घण्टे ग्रीर बड़े टैंकर वहां आ सकें।

Shri Humayun Kabir: We have been concerned with the question of draught and we have taken up that matter with the port commissioners and the Ministry of Transport.

Shri Joachim Alva: What has been the crux of the problem in regard to these companies? Is it the reluctance of the oil companies of the West to tap and refine the oil from Soviet sources and enable us to take account of the rupee payments, or is it because Britain has got real difficulties due to the sum of 375 million pounds taken out of Britain last year and the deficit in balance of payments to the extent of 745 million pounds? Which is it actually?

Shri Humayun Kabir: My hon. friend has given a lot of information which is not quite relevant to this question.

WRITTEN ANSWERS TO QUESTIONS

Naga Hostiles

(**Shri D. C Sharma:**
*1169. **Shri P. R. Chakraverti:**
Shrimati Savitri Nigam:
Shri Rameshwar Tantia:

Will the Minister of Home Affairs be pleased to state:

(a) whether a group of Naga hostiles belonging to the Rani Gudalio party raided Daladhan village in the Cachar Hills and set fire to several houses on the 26th December, 1964;

(b) if so, the details thereof; and

(c) the action taken in the matter?

The Minister of State in the Ministry of Home Affairs (Shri Hathi): (a) No, Sir. It may be added that Naga Hostiles do not belong to the Rani Gudalio party.

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

Indian School of Mines, Dhanbad

*1176. **Shri Indrajit Gupta:** Will the Minister of Education be pleased to state:

(a) whether the Indian School of Mines, Dhanbad, has now been reopened and is functioning normally;

(b) whether the inquiry into the incidents which led to the closure of the School has been completed; and

(c) if so, the findings thereof?

The Minister of Education (Shri M. C. Chagla): (a) Yes, Sir.

(b) and (c). The inquiry is in progress.

Setting up of Hoover-type Commission

*1178. { Shri P. Venkatasubbaiah:
Shri Ram Sewak Yadav:
Shri Bagri:
Shri Utiya:
Shri Vishram Prasad:
Shri Kishen Pattnayak:

Will the Minister of Home Affairs be pleased to state:

(a) whether Government have decided to set up a Hoover-type Commission for a comprehensive enquiry into the present administrative set-up; and

(b) if so, when and its terms of reference? *

The Minister of Home Affairs (Shri Nanda): (a) No, Sir.

(b) Does not arise.

Paintings at Ajanta and Ellora

*1179. { Shri H. N. Mukerjee:
Shri S. Kandappan:

Will the Minister of Education be pleased to state:

(a) whether a UNESCO team of experts has recently reported on the Archaeological Department's work regarding "restoration" of paintings at Ajanta and Ellora;

(b) whether he will lay a copy of it on the Table; and

(c) Government's reaction thereto?

The Minister of Cultural Affairs in the Ministry of Education (Shri Hajarnavis): (a). The official report

has not, so far, been received from UNESCO.

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

Pakistani Spy Ring in Delhi

*1180. **Shri Hari Vishnu Kamath:** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 224 on the 3rd March, 1965 regarding Pakistani spy ring in Delhi and state:

(a) whether the investigation has been completed; and

(b) if so, the result thereof?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) The investigation has since been completed.

(b) Two of the accused persons are being prosecuted under the Official Secrets Act, 1923. Nine others have been detained under the Defence of India Rules, 1962.

Seizure of Transmitters in Kutch

*1181. **Shrimati Renuka Barkataki:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that some transmitters operated by Pakistani spies have been seized in Kutch; and

(b) if so, the action Government have taken to apprehend the spy ring operating these transmitters?

The Minister of State in the Ministry of Home Affairs (Shri Nathl): (a) No, Sir.

(b) Does not arise.

Pak Firing in Cooch-Behar

*1182. { Shri Vishwa Nath Pandey:
Shri Hukam Chand
Kachhavalaya:
Shri Bade:
Shri Prakash V. Shastri:
Shri Onkar Lal Berwa:
Shri Vishram Prasad:
Shri Narendra Singh
Mahida:
Shri Yuchvir Singh:

Will the Minister of Home Affairs

be pleased to state:

(a) whether it is a fact that about 10,000 people in 18 villages lost their homes and belongings as a result of the recent Pakistani firing in Indian territory in Cooch-Bihar District (West Bengal); and

(b) if so the steps taken by Government to rehabilitate them?

The Minister of State in the Ministry of Home Affairs (Shri Hathi): (a) and (b). During the period from 19th to 21st March 1965, while exchange of fire was going on between Pakistan forces and our border Police in Meklingang area a large number of Pakistani nationals aided by East Pakistan Rifles personnel and Ansars entered into Indian territory at a number of points and committed looting and arson. This rendered about 15000 Indian nationals homeless in 12 villages.

For ameliorating the suffering of the affected persons, the State Government immediately adopted emergency measures in the form of opening of temporary relief camps, distribution of tents, affording gratuitous relief, clothings, blankets, milk for the sick and children, and sinking of tube-wells where the evacuees had concentrated. The State Government have also sanctioned a comprehensive scheme for relief and rehabilitation facilities to these persons.

**Central Building Research Institute,
Roorkee**

*1183. **Shri C. K. Bhattacharyya:** Will the Minister of Education be pleased to state:

(a) whether the Central Building Research Institute, Roorkee has evolved better and economical method of building construction;

(b) whether any step has been taken to popularise the method developed by the Institute for adoption by the building industry; and

(c) whether the Public Works Departments at Centre and in the States have adopted any of its methods?

The Minister of Education (Shri (M. C. Chagla): (a) and (c). The Central Building Research Institute, Roorkee has evolved several better and economical methods for building construction, important amongst which are:—

1. Under-reamed Pile Foundations.
2. Design of foundation, based on soil investigations.
3. Low Cost Roofs.
4. Shell Roofs.
5. Acoustic designs.
6. Precast prestressed trusses.
7. Use of fly ash as a pozzolanic replacement for cement.
8. Production of Blast furnace slag cement.
9. Use of Light Weight Aggregates.
10. Improvements in the quality of bricks and tiles.
11. Cavity Walls.
12. RCC Lintels.
13. RCC frames for doors and windows.

Most of the above processes have already been adopted by the Central and State Public Works Departments, Railway authorities, Port Trusts, M.E.S. etc. in some of their works. Six processes have been accepted by the Experimental Housing Assessment Committee of the National Buildings Organisation.

(b) The Institute has taken the following steps to popularise the processes and the technical know-how developed by it:—

- (1) A series of Building Digests is being published by the Institute which is widely circulated amongst Engineers in the Public Works Departments of the Central as well as State Governments, M.E.S., Public and Private sector undertakings and Architects.

- (ii) Popular articles describing the techniques have been published in journals and newspapers for general public.

- (iii) An Extension Cell has been set up for the extension of the techniques developed at the Institute through demonstration of experimental constructions. Field extension cells have been set up at Bhopal and Calcutta for implementation of the processes in actual construction projects.

Prohibition in Kerala

- *1184. { Shri A. V. Raghavan:
Shri Pottekatt:

Will the Minister of Home Affairs be pleased to state:

(a) whether there is any proposal before the Government of Kerala to rationalise their prohibition policy;

(b) if so, the main features thereof; and

(c) when the same will be enforced?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Misra): (a) to (c). The State Government have under contemplation rationalization of the prohibition policy, but they have not yet formulated a detailed scheme for this purpose.

Attack by Naga Hostiles on Police Station

- *1115. { Shri Rameshwar Tantia:
Shri Vishwa Nath Pandey:
Shri Brij Basi Lal:
Shri Hukam Chand
Kachhavaia:
Shri Bade:
Shri Yashpal Singh:
Shri Onkar Lal Berwa:
Shri Prakash Vir Shastri:
Shri Vishram Prasad:
Shri Narendra Singh Mahida:

- { Shri P. C. Borooah:
Shri P. Venkatasubbalah:
Shrimati Renuka Barkataki:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that on the 16th April, 1965 Naga hostiles attacked the Police Station of Chandel Sub-division of Manipur bordering upper Burma;

(b) if so, the particulars thereof; and

(c) the action taken by Government in the matter?

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

(a) to (c). According to the Manipur Administration, on the night of 16th April, 1965, Chandel Police heard two shots fired about four hundred yards away. They then fired five rounds. Nothing else took place.

Seizure of Chinese Literature

*1186. Shri Jashvant Mehta: Will the Minister of Home Affairs be pleased to state:

(a) whether Government's attention has been drawn to a news published in the Gujarat paper at Baroda that Government have seized communist literature despatched by Chinese Government through Pakistani agents; and

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

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) Yes Sir, but the news was not published in a Gujarati paper at Baroda but a Gujarati daily paper published from Ahmedabad. The report, however, was from Baroda.

(b) The persons found in possession of objectionable literature were arrested and released on bail. Investigation is in progress.

सप्रू हाउस में श्वासरोधक गैस की घटना

- * 1187. { श्री बृजराज सिंह :
 श्री श्रींकार लाल बेरवा :
 श्री श्रींकार सिंह :
 श्री हुकम चन्द कछवाय :
 श्री अजीत सिंह :
 श्री यू० व० सिंह :
 श्री लहरी सिंह :
 श्री जगदेव सिंह सिद्धान्ती :
 श्री रघुनाथ सिंह :
 श्री विद्यनाथ पाण्डेय :
 श्री बड़े :
 श्री प्र० च० बरुआ :

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

(क) क्या यह सच है कि 22 अप्रैल, 1965 को सप्रू हाउस, नई दिल्ली में हो रही एक मीटिंग के अवसर पर कुछ शरारती व्यक्तियों ने चुपके से एक ट्यूब से श्वासरोधक गैस छोड़ दी ;

(ख) यदि हां, तो क्या पुलिस ने इस मामले की छानबीन कर ली है ; और

(ग) घटना का विवरण क्या है ?

गृह-कार्य मंत्रालय में उपमंत्री (श्री ल० ना० मिश्र) : (क) से (ग). नई दिल्ली में बिल्टज राष्ट्रीय विचार-गोष्ठी द्वारा आयोजित एक जनसभा, जिसमें 600-700 व्यक्ति भाग ले रहे थे, नई दिल्ली स्थित सप्रू हाउस में 22 अप्रैल 1965 की शाम को हुई थी ।

लगभग 7.30 बजे शाम को जब एक बक्ता सभा में भाषण दे रहे थे, हाल के पिछले भाग में बैठे हुए कुछ श्रोतागणों में हलचल मच गई । उनमें से कई शीघ्रता के साथ हाल से उठ कर चले गये । पता चला कि वे सब तरफ से बन्द हाल के एक कोने से उठने वाली बदबू को नहीं सह सके ।

बिना वर्दी के एक पुलिस कर्मचारी ने, जो उस जगह ड्यूटी पर तैनात था, वल्य के आकार की चार ईंच लम्बी टूटी हुई शीशे की नली का पता लगा लिया जिसमें कुछ चिपचिपा पदार्थ था, जो रासायनिक विश्लेषण करने पर गन्दा प्रपवा निकला । 7.40 बजे वह शीशे की नली वहां से हटाई गई और तिलक मार्ग थाने को इस घटना की सूचना दी गई । स्टेशन हाउस आफिसर एकदम जांच के लिये सप्रू हाउस पहुंच गया । थोड़ी देर बाद ही वरिष्ठ अधिकारी जिनमें दो उप महानिरीक्षक, पुलिस भी शामिल थे मौके पर पहुंच गए ।

उपरोक्त घटना से सम्बन्धित अपराध अहस्तक्षेप्य है, किन्तु जिला दण्डाधिकारी ने दण्ड प्रक्रिया संहिता की धारा 155(2) के अधीन पुलिस द्वारा जांच का अधिकार दे दिया है । भारतीय दण्ड संहिता की धारा 278 (वातावरण को स्वास्थ्य के लिये हानिकर करना) के अधीन एक मामला दर्ज कर लिया गया है और जांच चल रही है ।

सहारनपुर में पाकिस्तानी ट्रांसमिटर

- * 1188. { श्री हुकम चन्द कछवाय :
 श्री श्रींकार लाल बेरवा :
 श्री युद्धवीर सिंह :
 श्री विश्वाम प्रसाद :
 श्री बड़े :
 श्री बाजी :
 श्री नरेन्द्र सिंह महीड़ा :

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

(क) क्या यह सच है कि इस सप्ताह उत्तर प्रदेश के सहारनपुर जिले में एक पाकिस्तानी ट्रांसमिटर पकड़ा गया है ;

(ख) क्या यह भी सच है कि पुलिस ने उस व्यक्ति को, जिसके पास से ट्रांसमिटर

पकड़ा गया था, गिरफ्तार करके बाद में छोड़ दिया ; और

(ग) यदि हां, तो घटना का पूरा विवरण क्या है ?

गृह-कार्य मंत्रालय में राज्य मंत्री (श्री हाथी) : (क) जी, नहीं ।

(ख) और (ग) प्रश्न ही नहीं उठते ।

दिल्ली का प्रशासनिक ढांचा

* 1189. { श्री नवल प्रभाकर :
श्री रघुनाथ सिंह :
श्रीमती रेणुका बड़कटकी :
श्री इन्द्रजीत गुप्त :
श्री विश्वनाथ पाण्डेय :

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

(क) क्या यह सच है कि संघ सरकार ने देहली के भावी प्रशासनिक ढांचे के सम्बंध में अन्तिम निर्णय कर लिया है ;

(ख) यदि हां, तो उसकी मुख्य बातें क्या हैं ; और

(ग) क्या सरकार का विचार इस सम्बंध में विधेयक लाने का है ?

गृह-कार्य मंत्रालय में उपमंत्री (श्री ल० ना० मिश्र) : (क) से (ग) यह मामला अभी तक विचाराधीन है ।

Oil from Rupee Payment Countries

* 1190. Shri Yashpal Singh: Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether to overcome the present foreign exchange position, the refineries in the private sector have been asked to procure their supplies from the rupee payment countries;

(b) if so, the extent of foreign exchange likely to be saved; and

(c) the reaction of these companies in this regard?

The Minister of Petroleum and Chemicals (Shri Humayun Kabir):

(a) No, Sir.

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

Government Servants Conduct Rules

* 1191. Shri Harish Chandra Mathur: Will the Minister of Home Affairs be pleased to state the rules and directions governing the conduct of Government servants in their relationship with press and publicity and whether a copy of these rules and directions will be laid on the Table?

The Minister of State in the Ministry of Home Affairs (Shri Hathl): Rules 8, 9 and 11 of the Central Civil Services (Conduct) Rules, 1964, and paragraphs 156(i) and 158 of the Manual of Office Procedure lay down the rules and directions governing the conduct of Central Government servants in their relationship with press and publicity. Rules 5, 6 and 8 of the All India Services (Conduct) Rules, 1954, lay down the rules and directions governing conduct of All India Service officers in this regard. Extracts from the relevant Conduct Rules and from the Manual of Office Procedure are laid on the Table of the House. [Placed in Library, see No. L.T. 4348/65].

एवरेस्ट पर्वतारोहण

* 1192. { श्री युद्धवीर सिंह :
श्री हुकम चन्द कछवाय :
श्री बड़े :
श्री जगदेव सिंह सिद्धान्ती :

क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि एक भारतीय पर्वतारोही दल आजकल एवरेस्ट पर चढ़ने का प्रयास कर रहा है ;

(ख) यदि हां, तो दल के नेता और सदस्यों के नाम क्या हैं ; और

(ग) इस दल को सरकार ने क्या सुविधायें दी हैं ?

शिक्षा मंत्रालय में उपमंत्री (श्रीमती सौम्य रामबन्धन) : (क) जी हां। दल अब साउथ कोल पर भारी प्रतिरोधों के प्रतिकूल संघर्ष कर रहा है और मुझे यकीन है कि सभा का प्रत्येक सदस्य उनकी सकलता तथा कुशलपूर्वक लौटने की कामना करेगा।

(ख) दल के नेता तथा सदस्यों के नाम नीचे दिए गये हैं:—

1. लेफ्टी० कमाण्डर एम० एस० कांजो—नेता
2. मेजर एन० कुमार—उपनेता
3. श्री गुरदयाल सिंह
4. श्री सी० आर० बोहरा
5. मेजर मुल्क राज
6. श्री सोनम ग्याट्सो
7. श्री सोनम वाजिप्रल
8. केप्टीन एच० एस० अहलुवालिया
9. केप्टीन एच० ए० बहुगुणा
10. केप्टीन ए० एस० चीमा
11. श्री नवांग गोम्बु
12. केप्टीन एच० सी० जोशी
13. केप्टीन ए० के० चक्रवर्ती
14. डा० डी० बी० तेलंग
15. श्री जी० एस० भांगु
16. श्री एच० एस० एस० रावत
17. मेजर बी० पी० सिंह
18. इंस्ट्रक्टर आगंकमि
19. हवलदार बाल कृष्णन

(ग) सरकार ने इस दल को नीचे लिखी सुविधायें दी हैं :—

- (i) भारतीय पर्वतारोही फाउंडेशन को 6 लाख रुपये की रकम

एवरेस्ट पर्वतारोहण, 1965 के खर्चे के लिए दी गई थी।

- (ii) सेवा-कर्मचारिवृन्द तथा अन्य—असैनिक सरकारी सेवक—जो कि दल के सदस्य हैं—पर्वतारोहण की अवधि के लिए ड्यूटी पर माने गये हैं।

नीचे दिया गया सामान युद्ध कारखानों द्वारा तैयार किया गया है :—

- (iii) बर्फ पर चलने वाली खड़ाऊं, जूतों के आवरण, हवादार सूट, हाथ के मौजे, बर्फ काटने के कुल्हाड़े, झालरदार लबादे, नींद लेने के थैले, तम्बू, सिपाहियों के सामान रखन के थैले, करा-वाइनर्स, पिट्स वगैरह।

- [(iv) सेना द्वारा पर्वतारोहण के लिए दूरसंचार उपसकरण, बैटरीज और कुछ औषधियां उधार दी गई हैं।

- (v) मौसम के विभाग द्वारा दैनिक श्रुति सम्बन्धी पूर्वा-नुमान दिये जा रहे हैं और वे आकाशवाणी द्वारा प्रसारित किये जाते हैं।

- (vi) खाद्य व कृषि मंत्रालय ने दिल्ली दुग्ध योजना से करीब चार हजार रुपये का श्रीम-निकला दूध, घी तथा मक्खन उपहार रूप में दिया है।

All India Judicial Service

- *1193. { Shri D. C. Sharma:
Shri Tula Ram:
Shri Vishwa Nath Pandey:
Shri Ram Harkh Yadav:

Shri Murli Manohar;
Shri P. C. Borooah;
Shri Koya:

Will the Minister of Home Affairs be pleased to state:

(a) whether the question of setting up an All India Judicial Service has been considered;

(b) if so, the result thereof; and

(c) if not, the reasons therefor?

The Minister of State in the Ministry of Home Affairs (Shri Hathi): (a) to (c). The matter is under consideration.

Drilling Operation in Kutch

*1195. { Shri Vishwa Nath Pandey;
Shri Subodh Hansda;
Shri S. C. Samanta;
Shri M. L. Dwivedi;
Shri D. C. Sharma:

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether it is a fact that oil drilling and search for gas in the Kutch area has been postponed; and

(b) if so, the reasons therefor?

The Minister of Petroleum and Chemicals (Shri Humayun Kabir): (a) and (b). No Sir, as additional geological and geophysical surveys are considered necessary before a drilling programme can be formulated.

Complaints against Persons in Political Authority

*1196. { Shri Harish Chandra Mathur;
Shri P. C. Borooah;
Shri D. C. Sharma;
Shri Yudhvir Singh;
Shri Hukam Chand
Kachhavaia;
Shri Jagdev Singh
Siddhanti;
Shri Yashpal Singh:

Will the Minister of Home Affairs be pleased to state:

(a) whether Government propose to appoint a permanent body to examine cases of complaints against those in political authority;

(b) the nature of the proposal and the stage at which it rests; and

(c) whether proposal for a Commissioner for Parliamentary Investigations has also been considered in this context and if so, the result thereof?

The Minister of Home Affairs (Shri Nanda): (a) and (b). Government's approach to the problem was explained by the Home Minister in the course of his reply during the discussion of the Demands for Grants of Ministry of Home Affairs on 27th April, 1965.

(c) Government are not considering any proposal for a Commissioner for Parliamentary Investigations.

Border Dispute between Andhra Pradesh and Orissa

*1197. { Shri Yashpal Singh;
Shri P. Venkatasubbaiah;
Shri Ravindra Varma;
Shri K. C. Pant;
Shri M. R. Krishna;
Shri Kapur Singh:

Will the Minister of Home Affairs be pleased to state:

(a) whether there is a difference of opinion between the States of Andhra Pradesh and Orissa over the administrative control of 20 villages; and

(b) if so, the action being taken to resolve the dispute?

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

(b) The Orissa Government have reported that the matter was recently discussed between the Chief Ministers of Orissa and Andhra Pradesh and it was agreed that *status quo* should be maintained till it is resolved amicably.

Teachers Training Colleges, Orissa

3047. Shri Rama Chandra Mallick: Will the Minister of Education be pleased to state:

(a) whether any financial assistance was given to the Teachers' Training Colleges in Orissa during 1963-64 and 1964-65; and

(b) if so, the amounts thereof, year-wise?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) Yes, Sir.

(b) Rs. 54,646 during 1963-64 and Rs. 1,32,630 during 1964-65.

Grants for Educational Tours

3048. Shri Rama Chandra Mallick: Will the Minister of Education be pleased to state:

(a) the amount of aid sanctioned to the Government of Orissa during 1963-64 and 1964-65 and proposed to be sanctioned during 1965-66 for conducting educational tours of students within as well as outside the State; and

(b) whether the Government of Orissa fully utilised the aid during 1963-64 and 1964-65?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan):

(a) 1963-64 and 1964-65—No grants were given. 1965-66—No allocation has yet been made for want of information, which has been called for.

(b) Does not arise.

Social Education Literature

**3049 { Shri Rama Chandra Mallick:
Shri Ramachandra Ulaka:
Shri Dhuleshwar Meena:**

Will the Minister of Education be pleased to state the assistance given

to the publishers, printers and book-sellers of State of Orissa in the field of Social Education, literature and literature for neo-literates during 1963-64 and 1964-65?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): Under the scheme of Prize Competition for books/manuscripts for neo-literates, a sum of Rs. 4,575 was paid to publishers in Orissa during 1963-64 for the purchase of 1500 copies of one prize-winning book and three translations of additional prize-winning books in Oriya. A sum of Rs. 1,950 was paid for the purchase of two prize-winning books in Oriya in 1964-65.

विदेशों में सांस्कृतिक कार्य

3050. श्री बीरप्पा : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) 1964-65 में विदेशों में सांस्कृतिक कार्यों पर कितना व्यय किया गया ; और

(ख) इस प्रयोजन के लिए 1965-66 में कितना धन आवंटित किया गया है ?

शिक्षा मंत्रालय में सांस्कृतिक-कार्य मंत्री (श्री हजरतबीस) : (क) शिक्षा मंत्रालय के 1964-65 वर्ष के बजट में सांस्कृतिक कार्यकलापों के लिए 40 लाख रुपये की व्यवस्था की गई थी। विदेशों में भारतीय राजदूतावासों से सूचना प्राप्त होने के बाद ही खर्च की वास्तविक राशि मालूम हो सकेगी।

(ख) शिक्षा मंत्रालय के बजट में 38,35,000 रुपये।

Greater Cochin Development Scheme

3051. Shri A. K. Gopalan: Will the Minister of Home Affairs be pleased to state:

(a) whether Government have formulated a scheme called "Greater Cochin Development Scheme" in

Kerala to develop the area from Cha Chalakkudy to Omvathupuza;

(b) if so, the details thereof; and

(c) whether it is proposed to give it statutory recognition?

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

(a) The State Government propose to formulate a scheme called "The Greater Cochin Development Scheme" to develop 450 square miles around Cochin including Chalakkudy and Muvattu-Puzha.

(b) The details are being worked out by an Advisory Committee.

(c) The State Government propose to give the scheme statutory recognition.

Treatment to Detenus in Central Jail, Trivandrum

3052. Shri A. K. Gopalan: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that the Communist detenus in Trivandrum Central Jail are not given proper medical treatment and specialised treatment is denied in serious cases;

(b) if so, the reasons therefor; and

(c) the steps proposed to be taken to rectify the matter?

The Minister of State in the Ministry of Home Affairs (Shri Hathi): (a) No, Sir.

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

Canannore Central Jail

3053. Shri A. K. Gopalan: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that there is an acute water scarcity in Canannore Central Jail (Kerala); and

(b) if so, the remedial measures taken?

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

(a) No, Sir.

(b) Does not arise.

Stadium in Canannore

3054. Shri A. K. Gopalan: Will the Minister of Education be pleased to state:

(a) the progress made in the construction of a stadium in Canannore, Kerala;

(b) the expenses incurred so far; and

(c) when it is going to be completed?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) to (c). Necessary information has been called for from the Government of Kerala and will be laid on the Table of the House, when received. The Government of India have, however, not sanctioned any financial assistance for this project.

Ernakulam Stadium

3055. Shri A. K. Gopalan: Will the Minister of Education be pleased to state:

(a) the progress made in the construction of Ernakulam Stadium;

(b) the amount spent so far on the project; and

(c) when it is likely to be completed?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) Filling and levelling of the site of the stadium has been completed.

(b) Rs. 1,01,754.54, including Rs. 75,100.00 being the cost of acquisition of the land.

(c) The project is likely to be completed within three years.

Madras High Court

3056. Shri Dharmalingam: Will the Minister of Home Affairs be pleased to state:

(a) the number of cases disposed of by the Madras High Court during the last three years, year-wise; and

(b) the number of cases pending before it on the 31st March, 1965?

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

(c)	12	26776
	1963	29604
	1964	30604

(b) The information is being obtained and will be laid on the Table of the House.

**पश्चिमी हिमालय पर्वतारोहण विद्यालय,
मनाली**

3057. श्री हेनराज : क्या शिक्षा मंत्री 10 मार्च, 1965 के द्वातरांकित प्रश्न संख्या 942 के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या केन्द्रीय सरकार ने पश्चिमी हिमालय पर्वतारोहण विद्यालय, मनाली को अपने नियन्त्रण में लेने का कोई अन्तिम निर्णय कर लिया है; और

(ख) यदि हाँ, तो तत्सम्बन्धी व्योरा क्या है ?

शिक्षा मंत्रालय में उपमंत्री (श्री भक्त दर्शन) : (क) और (ख). मामले की और घ्रागे जांच की जा रही है ।

Construction of Stadia

3058. Shri Ram Harkh Yadav: Will the Minister of Education be pleased to state:

(a) whether Government have sanctioned special funds for the construction of stadia in the country;

(b) if so, the amount provided for this purpose; and

(c) the sites of the stadia to be constructed?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) No special funds have been sanctioned for the construction of stadia in the country. However, budget provision is made every year for the purpose.

(b) For the financial year 1965-66, a provision of Rs. 2,25,000 has been made.

(c) So far construction of stadia at Dandapat, Keonjhar (Orissa), Ghazipur (U.P.) Kila Raipur (Punjab) and Nagpur (Maharashtra) during 1965-66 has been approved.

Indian Colts' Cricket Team

{ Shri Ram Harkh Yadav:
3059. { Shri Vishwa Nath Pandey:
 { Shri Murlil Manohar:

Will the Minister of Education be pleased to state:

(a) whether Indian Colts' Cricket Team has been sanctioned requisite foreign exchange to travel to U.K.; and

(b) if so, the amount of foreign exchange sanctioned?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) No, Sir.

(b) Does not arise.

Primary School Teachers

3060. Shrimati Ramdulari Sinha: Will the Minister of Education be pleased to lay on the Table a statement showing the present scale of pay and other emoluments and amenities enjoyed by the teachers of primary schools of each State?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): The information is being collected from the State Governments and will be laid on the table of the House.

महाराष्ट्र में लड़कियों की शिक्षा

3061. श्री डे० शि० पाटिल : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) 1963-64 और 1964-65 में महाराष्ट्र सरकार को लड़कियों और स्त्रियों की शिक्षा के लिए कितनी राशि नियत की गई ;

(ख) इस अवधि में महाराष्ट्र सरकार ने वास्तव में कितनी राशि व्यय की; और

(ग) इसी कार्य के लिए 1965-66 में कितनी राशि नियत की गई है अथवा करने का विचार है ?

शिक्षा मंत्रालय में उपमंत्री (श्रीमती सोनद्रम रामचन्द्र) : (क) सन् 1963-64 और 1964-65 में क्रमशः सामान्य शिक्षा के लिए (लड़कियों और स्त्रियों की शिक्षा सहित) महाराष्ट्र सरकार के लिए 127.90 लाख रुपये और 310.90 लाख रुपये नियत किये गये थे। इन वर्षों में लड़कियों और स्त्रियों की शिक्षा से सम्बन्धित विशेष योजनाओं के लिए महाराष्ट्र सरकार के लिए अलग से कोई निधि नियत नहीं की गई थी।

(ख) सामान्य शिक्षा के लिए केन्द्रीय नियतन का एक अंश लड़कियों और स्त्रियों की शिक्षा पर खर्च किया जा चुका है। किन्तु इस नियतन में से लड़कियों की शिक्षा पर वस्तुतः खर्च की गई रकम का अलग से कोई लेखा देना संभव नहीं है।

(ग) सामान्य शिक्षा के लिए, जिसके अन्तर्गत लड़कियों और स्त्रियों की शिक्षा भी शामिल है, नियत की गई रकम के अतिरिक्त सन् 1965-66 में लड़कियों की शिक्षा की गति को बढ़ाने की दृष्टि से ग्रामिण कार्रवाई कार्यक्रम के लिए 2 लाख पये नियत किये गये हैं।

582 (A) LSD—3.

महाराष्ट्र में प्राथमिक स्कूलों की इमारतें

3062. श्री डे० शि० पाटिल : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) महाराष्ट्र सरकार को 1962-63, 1963-64 और 1964-65 में ग्रामीण क्षेत्रों में प्राथमिक स्कूलों की इमारतें तथा ग्रन्थालयों के लिए स्कीमों बनाने के लिए कितना अनुदान या ऋण दिया गया ;

(ख) अलग अलग वर्ष में कितनी राशि व्यय हुई ; और

(ग) 1965-66 में इस कार्य के लिए कितनी राशि मंजूर करने का विचार है ?

शिक्षा मंत्रालय में उपमंत्री (श्रीमती सोनद्रम रामचन्द्र) : (क) 1962-63 और 1964-65 वर्षों के दौरान कोई रकम मंजूर नहीं की गई। 1963-64 वर्ष के दौरान 10 लाख रुपये की राशि ऋण के रूप में मंजूर की गई थी।

(ख) सूचना फिलहाल उपलब्ध नहीं है।

(ग) मामले पर विचार किया जा रहा है।

Vigyan Mandirs in Maharashtra

3063. Shri D. S. Patil: Will the Minister of Education be pleased to state:

(a) the number of Vigyan Mandirs opened in Maharashtra State during 1964-65 and their locations;

(b) the amount of grants given to the Maharashtra Government for the purpose; and

(c) the amount of grant proposed to be sanctioned for the purpose for 1965-66?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): (a) No new Vijnan Mandir was opened in Maharashtra during 1964-65.

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

Central Government Employees Co-operative Consumers Stores

3064. Shri Sivamurthi Swamy: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that a flat was got vacated in Pandara Road colony, New Delhi in May, 1963 for opening a branch of the Central Government Employees Co-operative Consumers Stores;

(b) whether it is also a fact that the branch has not yet been opened and the flat is still lying vacant;

(c) if so, the reasons therefor; and

(d) when the branch store is likely to be opened in that area?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) Yes, Sir.

(b) to (d). The branch store has not yet been opened since the flat allotted was found to be very small and unsuitable for opening a branch store dealing in groceries, consumer goods, textiles etc. The Society required more accommodation in a suitable place in the Pandara Road area. The flat allotted has, therefore, been surrendered. As soon as adequate accommodation is made available a Branch Store will be opened.

Vacant Land on Assam-East Pakistan Border

**3065. { Shri Ram Harkh Yadav:
Shri P. C. Borooah:**

Will the Minister of Home Affairs be pleased to state:

(a) whether the proposal to create a two-mile belt of vacant land on the

Assam-East Pak. border has been virtually abandoned; and

(c) if so, the reasons therefor?

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

(a) and (b). The matter is still under examination.

Symposium on "Puzzolana"

**3066. { Shri R. G. Dubey:
Shrimati Savitri Nigam:**

Will the Minister of Education be pleased to state:

(a) whether in the course of a speech while inaugurating the symposium on "Puzzolana" he suggested to the research workers to find a substitute for cement; and

(b) whether the Central Road Research Institute has done any research in this connection?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): (a) While inaugurating the symposium on 'Puzzolanas' at the Central Road Research Institute, New Delhi on 18th December, 1964, Shri M. C. Chagla, Minister of Education, referred to the work carried out at the Institute on the evolution of 'Reactive Surkhi' and stressed that Government Departments should try this material for part replacement of cement and also that further research work should be carried out.

(b) Yes, Sir.

भूतपूर्व शासकों के विरुद्ध दीवानी के मुकदमे

**3067. { श्री म० ला० द्विवेदी :
श्री स० चं० सामन्त :**

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

(क) भारतीय रियासतों के भूतपूर्व शासकों के विरुद्ध दीवानी के मुकदमे चलाने

के लिए सरकार के विचाराधीन कुल कितने प्रार्थनापत्र हैं ;

(ख) जिन प्रार्थनापत्रों पर मुकद्दमे चलाने की अनुमति नहीं दी गई है उनका ब्योरा क्या है और अनुमति न देने के क्या कारण हैं ;

(ग) क्या प्रार्थनापत्रों को स्वीकार अथवा अस्वीकार करते समय विधि मंत्रालय से परामर्श किया गया था ; और

(घ) यदि नहीं, तो उसके क्या कारण हैं ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री हाथी) : (क) 1-5-1965 को 4.

(ख) उन मामलों का ब्योरा बताने वाला एक विवरण सभा पटल पर रख दिया है (पुस्तकालय में रखा गया देखिए संख्या एल० टी० 4349/65)। जिन पर 1 जनवरी, 1964 से 30 अप्रैल, 1965 तक की अवधि के बीच अनुमति नहीं दी गई। सामान्य नियम के अनुसार जिन मामलों में अनुमति नहीं दी जाती वे इस प्रकार हैं :-

(i) जब इसका सम्बन्ध भारतीय रियासतों के भूतपूर्व शासकों के विलय-पूर्व कार्यों से हो ;

(ii) जब इनका सम्बन्ध शासकों को उनके साथ किये गये समझौतों में दिये गये आश्वासनों से हो ; और

(iii) जब यह स्पष्ट हो कि दावा तृच्छ है और तंग करने के लिये किया गया है।

(ग) और (घ). सभी मामलों में विधि मंत्रालय से परामर्श किया जाता है, जब तक कि स्थिति इस बारे में काफ़ी स्पष्ट नहीं होनी कि इस प्रकार का परामर्श न किया जाय।

Disclosure of Confidential Letter by Malayalam Newspaper

3068. **Shri Yashpal Singh:** Will the Minister of Home Affairs be pleased to refer to the reply given to Unstarred Question No. 1774 on the 23rd December, 1964 regarding disclosure of confidential letter by Malayalam newspapers and state:

(a) whether enquiry has since been completed; and

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

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

(a) The enquiries, which have been taken up by the Central Bureau of Investigation, are still in progress.

(b) Does not arise.

Nehru Memorial

{ **Shri Daljit Singh:**
3069. { **Shri D. C. Sharma:**
 { **Shri H. C. Soy:**

Will the Minister of Education be pleased to refer to the reply given to Unstarred Question No. 1103 on the 23rd September, 1964 and state the up-to-date progress made to build a Nehru Memorial in Delhi?

The Minister of Cultural Affairs in the Ministry of Education (Shri Hajarnavis): In dedication to the memory of the late Shri Jawaharlal Nehru, the Government have decided to establish at the Teen Murti House, the late Prime Minister's residence, a memorial consisting of a Personalia Museum and a Library. The Museum was inaugurated on 14th November, 1964, by the President of India. The details of the Library, which will comprise the Nehru papers and other archives material relating to the Indian struggle for freedom, are being worked out.

Study of Punjabi in Delhi Schools

3070. { **Shri Daljit Singh:**
 { **Shri Onkar Lal Berwa:**

Will the Minister of Education be pleased to refer to the reply given to

Unstarred Question No. 1152 on the 23rd September, 1964 and state:

(a) whether necessary arrangements have been made for the teaching of Punjabi according to the demand in all the schools in Delhi; and

(b) if so, the details thereof?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): (a) Yes, Sir.

(b) Lists of schools in which arrangements have been made are laid on the table of the House. [Placed in Library, See No. LT-4350] 65].

दिल्ली में उच्चतर माध्यमिक शिक्षा

3071. श्री डा० ना० तिवारी : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि दिल्ली में उच्चतर माध्यमिक शिक्षा दो प्राधिकरणों; अर्थात् दिल्ली प्रशासन तथा दिल्ली नगर निगम द्वारा नियंत्रित की जाती है ;

(ख) क्या दोनों प्राधिकरणों का शिक्षा स्तर भिन्न भिन्न है ;

(ग) क्या दोनों प्राधिकरण अग्निम परीक्षाएं अलग अलग लेते हैं; और

(घ) यदि हां, तो इसके कारण क्या हैं ?

शिक्षा मंत्रालय में उपमंत्री (श्रीमती सोनदरम रामचन्द्रन) : (क) से (घ) : दिल्ली में हायर सेकेंडरी शिक्षा पूरी रूप से दिल्ली प्रशासन के शिक्षा निदेशक के नियंत्रण में है। लेकिन दिल्ली नगर निगम और नई दिल्ली नगरपालिका द्वारा भी क्रमशः 9 और 3 हायर सेकेंडरी स्कूल चलाए जा रहे हैं। इन सभी स्कूलों में अग्निम परीक्षा संभाला करने के लिए नियंत्रक

प्राधिकारी केन्द्रिय सेकेंडरी शिक्षा बोर्ड है और अध्यापकों की शिक्षा सम्बन्धी योग्यताओं को निर्धारित करने और शिक्षा का एक जैसा स्तर बनाए रखने के लिए भी यह बोर्ड जिम्मेदार है।

Meeting of Eastern Zonal Council

3072. { Shri P. C. Borooah:
Shri P. R. Chakraverti:
Shrimati Renuka Barkataki:
Shri Ravindra Varma:

Will the Minister of Home Affairs be pleased to state the main observations made and decisions taken at the ninth meeting of the Eastern Zonal Council held in Calcutta in January, 1965?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): The proceedings embodying the observations and decisions of the last (ninth) meeting of the Eastern Zonal Council held at Calcutta on 28th and 29th January, 1965 will be placed in the Parliament Library, as soon as they are finalised.

Prices of Caustic Soda

3073. { Shri Ramachandra Ulaka:
Shri Dhuleshwar Meena:

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether the prices of caustic soda have recently gone up;

(b) if so, the reasons therefor; and

(c) the action taken to check the rise in prices?

The Minister of State in the Ministry of Petroleum and Chemicals (Shri Alagesan): (a) and (b). The rise in the selling prices of caustic soda occurred for the most part immediately after the decontrol in December 1963. Two cases of recent increase have, however, come to notice. One relates to a new unit which has just gone into production. The other is

the State Trading Corporation which has fixed a higher price for the caustic soda it has imported. The reason given by the new unit is heavy capital charges it has to bear on its investment. The rise in the case of the imported stuff is due to the incidence of additional customs duty under the budget proposals for 1965-66.

(c) The situation is under watch and as a first step consultations with the industry have been initiated.

Propagation of Hindi

3074. { Shri Ramachandra Ulaka:
Shri Dhuleshwar Meena:
Shri Sivamurthi Swamy:

Will the Minister of Education be pleased to state:

(a) the financial assistance given to the non-Hindi speaking States during 1964-65 (State-wise) for study and propagation of Hindi; and

(b) the steps taken by Government to popularise Hindi in these States?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) The amount of financial assistance paid to the non-Hindi speaking States during 1964-65 is as under:

Name of the State	For opening of Hindi Teachers Training Colleges	For appointment of Hindi teachers
1. Andhra Pradesh .	1,01,117	16,08,600
2. Assam	..	1,76,706
3. Gujarat	1,62,374	4,53,564
4. Kerala	1,79,500	46,10,631
5. Madras	27,870	58,64,740
6. Maharashtra	78,000	..
7. Mysore	67,800	59,53,159
8. Orissa	..	1,40,554
9. West Bengal	44,000	4,68,732

Note: The grants paid for appointment of Hindi Teachers during 1964-65 include the amount due to the State Governments as arrears of the expenditure incurred by them during the years 1961-62, 1962-63 and 1963-64.

(b) Besides the payment of grants to non-Hindi speaking States for appointment of additional Hindi teachers and establishment of training colleges for Hindi teachers, the following steps have also been taken for popularising Hindi in the non-Hindi speaking States:—

- (1) Grants amounting to Rs. 8.27 lakhs were paid to the various Voluntary Hindi Organisations in non-Hindi speaking States during 1964-65 for such activities as the opening of Hindi teaching classes for teaching Hindi to non-Hindi speaking students, training of Hindi teachers and Hindi Pracharaks, establishment of Hindi Libraries, holding of Hindi elocution contests, debates, exhibitions and dramas, seminars of Hindi teachers and scholars, publication of Hindi journals etc.
- (2) Books worth about Rs. 1.50 lakhs were supplied to the non-Hindi speaking State Governments for free distribution among school, college and public libraries.
- (3) Hindi examinations conducted by various Voluntary Hindi Organisations in the non-Hindi speaking regions have been recognised for purpose of employment under the Government.
- (4) Two Regional Offices have been set up, one at Madras and the other at Calcutta with a view to coordinating the activities of the Voluntary Hindi organisations and the State Governments in the non-Hindi speaking regions.

Administrative Reforms

3075. Shri Vidya Charan Shukla: Will the Minister of Home Affairs be pleased to state:

(a) whether a meeting of Chief Secretaries of various States was held recently to evolve a pattern of Administrative Reforms in the country; and

(b) if so, the recommendations of this Conference?

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

(a) No, Sir.

(b) Does not arise.

Liquid Nitrogen Oxygen Plant

3076. Shri P. C. Borooah: Will the Minister of Education be pleased to state:

(a) whether a liquid nitrogen-oxygen plant has been recently set up at the Indian Institute of Technology, Powai near Bombay with UNESCO aid;

(b) if so, the salient features of the plant; and

(c) the nature of aid received from UNESCO for this plant?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) Yes, Sir.

(b) The plant works on a high pressure cycle with an expansion engine and a single rectification column. It can produce either liquid oxygen or liquid nitrogen at a time. Its compressor has a capacity of 80 cubic meter per hour. The plant is also provided with a 'Castification' which converts liquid into gas at a delivery pressure of 150 atmospheres or above.

(c) The UNESCO has provided the plant costing approx. Rs. 1,06,530/- as also the services of one technician for erecting the plant.

भारतीय प्रशासन सेवा के एक अधिकारी के विरुद्ध भ्रष्टाचार के आरोप

3077. { डा० राम मनोहर लोहिया :
श्री बागड़ी :
श्री रामसेवक यादव :
श्री मधु लिमये :

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

(क) क्या उन्हें हिमाचल प्रदेश के भारतीय प्रशासन सेवा के एक बड़े अफसर के खिलाफ चार सौ बीस और भ्रष्टाचार की शिकायत मिली है ;

(ख) क्या यह भी सच है कि इस शिकायत में सदाचार समिति ने कुछ सार पाया है ; और

(ग) यदि हां, तो इस संबंध में क्या कार्यवाही की गई ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री हाथी) : (क) जी हां ।

(ख) सदाचार समिति ने यह कहते हुए कि पहली दृष्टि में शिकायत के तथ्य सच मालूम पड़े, इस शिकायत को गृह मंत्रालय को भेज दिया है ताकि उस पर वह कार्यवाही की जा सके जो आवश्यक प्रतीत हो ।

(ग) मामले की जांच की जा रही है ।

Degree Courses in Universities

**3078. { Shri Subodh Hansda:
Shri S. C. Samanta:**

Will the Minister of Education be pleased to state;

(a) whether the two-year Degree courses have been done away with in all the Universities;

(b) if not, the names of the Universities which are still continuing the two-year degree courses; and

(c) when it is expected to have a uniform three-year degree course in all the Universities in the country?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) No, Sir.

(b) Universities of Agra, Allahabad, Gorakhpur, Lucknow and Bombay are continuing the two year degree course.

(c) This is a matter for the concerned universities to decide, as they are autonomous institutions.

Surrender of Assets of Late Shri Kairon

3079. Shri M. Rampure: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that the sons of Mr. Kairon, former Chief Minister of Punjab have offered to surrender to Central Government the assets earned during the tenure of their father;

(b) if so, the amount of the property which has thus been offered; and

(c) if so, the action Government propose to take in this regard?

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

(a) The sons of late Shri Kairon, have written to the Prime Minister, offering to surrender the assets earned by them during the tenure of their father as Chief Minister of the State and the party to which their father belonged.

(b) and (c). The letter has been sent to the Government of Punjab, who are examining the legal implications of the offer.

Education Ministers' Conference

3080. { Shri P. R. Chakraverti:
Shri Rameshwar Tantia:
Shri Kanakasabai:

Will the Minister of Education be pleased to state:

(a) whether a conference of State Education Ministers is to be conven-

ed in June, 1965 to consider the educational development programmes; and

(b) if so, the specific subjects fixed for discussion at that Conference?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): (a) Yes.

(b) The Conference will be mainly devoted to consideration of the educational Development programmes for the Fourth Five Year Plan in the light of experience gained so far and the schemes formulated. The occasion will also be utilised for discussion on other educational problems of interest to the participants.

Teaching of History

3081. Shri Shree Narayan Das: Will the Minister of Education be pleased to state:

(a) whether the National Museum has evolved a novel method of teaching history by producing replicas of ancient figures which vividly tell the story of different stages of civilisation of India;

(b) if so, the extent to which such replicas are being utilised by educational institutions here;

(c) whether there has been any demand for such replicas from foreign countries;

(d) if so, the nature and extent of such demands so far received; and

(e) the extent to which efforts are being made to cope with the demands for such replicas?

The Minister of Cultural Affairs in the Ministry of Education (Shri Hajarnavis): (a) Yes, Sir.

(b) Two sets of plaster replicas on Harappan Art and Indian Sculpture through the Ages have been produced by the National Museum and supplied so far to 163 educational institutions in the country.

(c) Yes, Sir.

(d) Demand has been received for sets of replicas from 5 educational institutions and for plaster casts of various pieces of art from 181 individuals. They have been compiled with.

(e) The orders are executed as fast as possible consistent with the accuracy of reproduction.

Central Pool of Officers

3032. **Shri P. R. Chakraverti:** Will the Minister of Home Affairs be pleased to state:

(a) whether the suggestion of the Union Finance Minister for the creation of a Central Pool of Officers, selected mainly from the I.A.S. to man posts in the Economic Ministries has been considered by the States;

(b) if so, their reaction thereto;

(c) whether it is a fact that the I.A.S. Association has protested against the suggestion; and

(d) whether the Cabinet Sub-Committee has considered the view of the States and has submitted its own report?

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

(a) and (b). A proposal to form an Economic Pool based on the late Prime Minister's note was circulated to all the Chief Ministers. Replies from all except one have been received.

(c) The representatives of the I.A.S. (Central) Association met the Home Minister and explained their view point.

(d) The matter is under consideration.

Funds for Scientific Research

3083. **Shri P. R. Chakraverti:** Will the Minister of Education be pleased to state:

(a) whether it is a fact that the Finance Ministry's rejection of the request of the Council of Scientific

and Industrial Research for additional funds has slowed down the tempo of research activity and affected several 'take off' projects;

(b) whether lack of resources has impaired the efforts of C.S.I.R. to make a decisive impact on the industrialisation programmes;

(c) whether the Directors of the Research Institutes met the Finance Minister for increased allotment of funds for key projects undertaken by them; and

(d) if so, the result thereof?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramchandran): (a) The statement is not correct.

(b) No, Sir.

(c) In view of the special importance of the role that the National Chemical Laboratory, Poona, the National Metallurgical Laboratory, Jamshedpur, the Central Electronics Engineering Research Institute, Pilani and the Central Mechanical Engineering Research Institute, Durgapur could play in relation to industrial development in the Fourth Five Year Plan, Directors of these Laboratories/Institutes were invited to a meeting by the Minister of Education which was also attended by the Minister of Finance.

(d) The proposals for additional funds for specific projects are under process.

सारिडिन का निर्माण

3084. { श्री किशन पटनायक :
श्री रामसेवक यादव :
श्री मधु लिमये :

क्या पेट्रोलियम और रसायन मंत्री यह बताने की कृपा करेंगे कि :

(क) सारिडिन बनाने के लिये कीमती से एकसूत्रित स्वाम्य भेषज (Patented Proprietary drugs) का

इस्तेमाल होता है और उन के सालाना आयात पर औसतन कितनी विदेशी मुद्रा खर्च होती है ;

(ख) देश में रीश कम्पनी के सारिडन की सालाना खपत क्या है ;

(ग) क्या दूसरे पीड़ानाशक भेषज बनते हैं जिन के लिये एक्स्क्लूट भेषज के प्रयोग की जरूरत नहीं है और जिन के बनाने में बहुत ही कम विदेशी मुद्रा खर्च होती है ; और

(घ) क्या सारिडन के उत्पादन पर रोक लगाने के किसी प्रस्ताव पर सरकार विचार कर रही है ?

पेट्रोलियम और रसायन मंत्रालय में राज्यमन्त्री (श्री अल्लगेसन) : (क) सैरीडोन टिकियाँ (Saridon tablets) में पाये जाने वाले अमान्य औषधियों (non-Pharmacepecial drug) के नाम निम्नलिखित हैं :—

(i) फनिल-डाइमेथिल-आइसो-प्रोपिल-पिराजोलोन

(ii) ट्रिप्टिल-डाएक्सो-टैट्राहाई-ड्रोपिरिडिन

इनके आयात का वार्षिक मूल्य उपलब्ध नहीं है ।

(ख) सैरीडोन टिकियों की खपत के बारे में सूचना उपलब्ध नहीं है किन्तु इन टिकियों की 1962 और 1963 में कुल उत्पादन क्रमशः 85,762,000 और 85,259,350 हुई है ।

(ग) सैरीडोन शमक (sedative) भेषज नहीं है किन्तु पीड़ाहर औषध है । जहाँ तक सरकार को विदित है इस समय तक ऐसी कोई भेषज तैयार नहीं हुई है जिसका संघटन (composition) सैरीडोन जैसा हो । दूसरी पीड़ाहर औषधियाँ तैयार की जाती हैं । ऐसी औषधियों का

संगठन भिन्न औषध निर्माण करने वालों का भिन्न है ।

(घ) जी नहीं ।

दण्डकारण्य में उद्योगों का विकास

3085. श्री विश्वनाथ पाण्डेय : क्या पुनर्वासि मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि दण्डकारण्य क्षेत्र में उद्योगों के विकास के लिये डेन-मार्क की सरकार ने भारत को काफी वित्तीय सहायता तथा तकनीकी जानकारी देने की इच्छा प्रकट की है ; और

(ख) यदि हाँ, तो सरकार की इसके प्रति क्या प्रतिक्रिया है ?

पुनर्वासि मंत्री (श्री त्यागी) : (क) और (ख) दण्डकारण्य क्षेत्र में कुछ चुनी हुई योजनाओं के सम्बन्ध में डेनमार्क की सरकार ने वित्तीय तथा तकनीकी सहायता देने की इच्छा प्रकट की थी । तदनुसार डैनिश सरकार ने अपने एक अधिकारी को पिछले फरवरी/मार्च में सम्भावनीय योजनाओं के बारे में प्रारंभिक अध्ययन करने के लिये नियुक्त किया था । प्रस्तावित सहायता के क्षेत्र तथा स्वरूप के बारे में डैनिश सरकार की प्रतिक्रिया की प्रतीक्षा है ।

नगर के नामों की बदलना

3086. { श्री युद्धवीर सिंह :
श्री हुकम चन्द कछवाय :
श्री धोंकार लाल बेरबा :
श्री जगदेव सिंह सिद्धान्ती :
श्री लहरी सिंह :

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

(क) क्या सरकार ने गैर-सरकारी व्यक्तियों के नामों पर रखे गये डालमियानगर,

बिरलानगर देश के विभिन्न नगरों के नामों को बदलने का निश्चय किया है ; और

(ख) यदि हां, तो उक्त निर्णय किस तारीख से लागू होगा ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री हाथी) : (क) जी नहीं ।

(ख) प्रश्न ही नहीं उठता ।

Map in the Report of I.C.F.T.U.

3088. { Shri P. Venkatasubbalah:
Shri P. C. Borooah:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that in its report released by the International Confederation of Free Trade Unions, a map is published showing Kashmir as a separate State independent of India; and

(b) if so, the action Government have taken to rectify this grave mistake by the International Confederation of Free Trade Unions?

The Minister of State in the Ministry of Home Affairs (Shri Hathi): (a) It is reported that the report of the 7th Asian Regional Conference of the International Confederation of Free Trade Unions does not contain any map of India showing Kashmir as a separate State. However, during discussions at the Conference some delegates criticised the publication of such maps in the journals published by the I.C.F.T.U. and the President, Asian Regional Organisation (I.C.F.T.U.) is reported to have expressed regret and stated that the map was not published in any of the journals of the I.C.F.T.U. or Asian Regional Organisation after October, 1963.

(b) In view of the expression of regret by the President, Asian Regional Organisation and as no such maps have been issued after 1963, Government of India do not propose to take any action in the matter.

Central Mechanical Engineering Research Institute

3089. { Shri Dinen Bhattacharya:
Shri S. M. Banerjee:
Dr. Ranen Sen:

Will the Minister of Education be pleased to state:

(a) whether the Central Mechanical Engineering Research Institute of Durgapur has perfected a new factory shed design that would reduce capital cost of factories;

(b) whether the same Institute has developed machines also; and

(c) if so, the effect on our industries due to the above factors?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): (a) and (b). Yes, Sir.

(c) It is expected that there will be considerable savings in steel through use of the new design of factory shed and substantial saving of foreign exchange during the Fourth Plan period by the development of the indigenous machines.

कालेज आफ आर्ट्स, दिल्ली

3090. { श्री हुकम चन्द कछवाय :
श्री श्रीकार लाल बेरवा :
श्री युद्धवीर सिंह :
श्री रामेश्वरानन्द :

क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि दिल्ली के कालेज आफ आर्ट्स में आर्ट्स विभाग के अध्यक्ष अब से लगभग तीन वर्ष पूर्व कालेज छोड़ने समय कालेज की कुछ सम्पत्ति अपने साथ ले गये थे ;

(ख) क्या उक्त सम्पत्ति में कुछ पत्थर की मूर्तियां भी शामिल थीं ;

(ग) क्या यह भी सच है कि उक्त अध्यक्ष महोदय ने कालेज की सामग्री से बनी एक पत्थर की पांच फुट ऊंची मूर्ति लगभग 8,000 रुपये में बेची थी, और

(घ) यदि हां, तो सरकार ने उक्त व्यक्ति के विरुद्ध कालेज की संपत्ति तथा मूर्तियां अपने साथ ले जाने और बेचने के कारण क्या कार्यवाही की है ?

शिक्षा मंत्रालय में उपमंत्री (श्री अश्वत्थ दशरथ) : (क) जी नहीं ।

(ख) प्रश्न ही नहीं उठता ।

(ग) जी नहीं ।

(घ) प्रश्न ही नहीं उठता ।

दिल्ली प्रशासन

3091. { श्री युद्धवीर सिंह :
श्री श्रीकार लाल बेरवा :
श्री हुकम चन्द कछवाय :
श्री जगदेव सिंह सिद्धान्ती :
श्री रामेश्वरानन्द :

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

(क) क्या यह सच है कि केन्द्रीय जांच ब्यूरो ने दिल्ली प्रशासन के 14 राजपत्रित अधिकारियों तथा 120 अन्य कर्मचारियों के विरुद्ध जांच की थी ; और

(ख) यदि हां, तो उसका क्या परिणाम निकला ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री हाथी) : (क) और (ख). जी, नहीं । 1964 में केवल एक मामला, जिस से दिल्ली प्रशासन के एक राजपत्रित अधिकारी का सम्बन्ध था, केन्द्रीय जांच ब्यूरो के डी० एस० पी० ई० डिवीजन द्वारा लिया गया था । अब यह मामला उठा लिया गया है ।

रोश कम्पनी की भारत विरोधी गतिविधियां

3092. { श्री किशन पटनायक :
श्री रामसेवक यादव :
श्री मधु लिमये :

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

(क) क्या सरकार को रोश कम्पनी के जनरल मैनेजर की भारत विरोधी गतिविधियों के बारे में कोई शिकायत मिली है ;

(ख) क्या सरकार का ध्यान बम्बई से प्रकाशित "दैनिक मारठा" में इस संबंध में प्रकाशित समाचारों की ओर आकर्षित किया गया है ; और

(ग) क्या उसकी गतिविधियों के बारे में पूरी जानकारी रखने के लिए प्रयास किये जा रहे हैं ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री हाथी) : (क) जी, हां । किन्तु सरकार के पास यह विश्वास करने का कोई कारण नहीं है कि इन शिकायतों में कोई सत्य है ।

(ख) जी हां ।

(ग) राष्ट्र विरोधी गतिविधियों में भाग लेने वाले व्यक्तियों के बारे में पूरी सूचना रखने के सरकार के अपने प्रबन्ध हैं ।

Survey for Pranohita Hydro-Electric Schemes

3093. Shrimati Lakshmikanthamma: Will the Minister of Education be pleased to state:

(a) whether the Survey of India has undertaken a survey of the reservoir area of the Pranohita Hydro-Electric Scheme in the field season of 1965-66; and

(b) whether clearance has been received by the Governments of Maharashtra and Madhya Pradesh?

The Deputy Minister in the Ministry of Education (Shrimati Sundaram Ramachandran): (a) No Sir.

(b) Does not arise.

Chemical Factory at Thana

3094. { **Shri Baswant:**
Shri Vishwa Nath Pandey:
Shri Ram Harakh Yadav:
Shri Madhu Limaye:
Shri Rameshwaranand:
Shri Kishen Pattnayak:
Shri Ram Sewak Yadav:
Shri Kanakasabal:

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether it is a fact that the United States of America provided loans twice for the establishment of a large private chemical factory at Thana near Bombay;

(b) if so, the terms thereof and total amount of loans; and

(c) Government's reaction thereto?

The Minister of State in the Ministry of Petroleum and Chemicals (Shri Alagesan): (a) The Export-Import Bank of Washington, USA and the U.S. Agency for International Development have approved in principle a dollar loan of 3.34 million (equivalent to Rs. 1.59 crores) and a rupee loan of Rs. 26,484,000 respectively to M/s. Herdillia Chemicals Limited, Bombay.

(b) The loan agreements which will incorporate the terms and conditions are under negotiation.

(c) Approval of Government is necessary for such loans.

Motive Behind Kairon Murder

3095. { **Shri Indrajit Gupta:**
Shri D. C. Sharma:
Shri P. Venkatasubbiah:

{ **Shrimati Maimoona Sultan:**
Shri Daljit Singh:
Shri Iqbal Singh:
Shri Vishwa Nath Pandey:

Will the Minister of Home Affairs be pleased to state:

(a) whether Government have been requested by the Chief Minister, of Punjab to entrust the C.B.I. with the task of investigating the 'Motives' behind the Kairon murder;

(b) if so, whether the request has been acceded to; and

(c) the progress if any, made in this connection?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) Yes, Sir.

(b) and (c) The matter is under consideration.

Officers of Mysore State

3096. Shri Mohsin: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that High Court of Mysore has observed in a recent writ petition that the seniority of the officers of the Mysore State fixed by the Central Government is provisional;

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

(c) whether any Committee has been appointed to hear the appeals by aggrieved officials of the Mysore State where seniority is affected by the publication of the list; and

(d) whether any time-limit is fixed for the filling and disposal of such appeals?

The Minister of State in the Ministry of Home Affairs (Shri Hathi): (a) and (b). The High Court of Mysore have observed that the decision of the Central Government regarding the inter-State seniority list of Forest Department, Mysore,

though it purports to be a final decision is really a provisional one. The implications of the judgment are under examination in consultation with the Law Ministry and the State Government.

(c) and (d) Under the State Reorganisation Act, 1956, Advisory Committees have been set up at the Centre and in the State to advise the Government of India on representations submitted by aggrieved officials belonging respectively, to gazetted and non-gazetted cadres. Officers are usually allowed a period of one month from the date of publication of provisional gradation lists, to submit representations.

हिन्दी परीक्षाएं

3097. श्री रंजय सिंह : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या अभी हाल में उन के मंत्रालय ने सभी मंत्रालयों को सूचित किया है कि अहिन्दी भाषी क्षेत्रों में जो संस्थाएं हिन्दी प्रचार का कार्य कर रही हैं उनकी मैट्रिक के समकक्ष परीक्षाओं में उत्तीर्ण होने वाले सरकारी कर्मचारी प्राज्ञ परीक्षा पास करने से मुक्त नहीं किये जायेंगे ;

(ख) क्या यह सच है कि कुछ वर्ष पहले इन संस्थाओं की हिन्दी परीक्षाओं को शिक्षा मंत्रालय द्वारा मैट्रिक, इन्टर और बी० ए० के समकक्ष होने की मान्यता दी गई थी ;

(ग) क्या इनमें से अधिकांश संस्थाओं को हिन्दी प्रचार के लिये अनुदान दिया जाता है और यदि हां, तो क्या मान्यता वापस लेने से हिन्दी प्रचार कार्य पर कोई प्रभाव पड़ेगा ; और

(घ) यदि हां, तो क्या मान्यता रद्द करने के आदेश वापस लेने का कोई प्रभाव है ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री हाथी) : (क) कार्यालय ज्ञापन संख्या 13/13/64-एच, दिनांक 3-12-1964 के द्वारा आदेश जारी किये गये हैं कि सरकारी कर्मचारी जिन्होंने ऐच्छिक संस्थाओं द्वारा ली गई मैट्रिक के समकक्ष परीक्षाएं पास की हैं वे हिन्दी प्रशिक्षण योजना के अन्तर्गत अनिवार्य रूप से नौकरी के दौरान हिन्दी सीखने के प्रावधान से मुक्त नहीं होंगे ।

(ख) शिक्षा मंत्रालय ने ऐच्छिक संस्थाओं की कई एक परीक्षाओं को स्कूल, बोर्डों और विश्वविद्यालयों द्वारा ली जाने वाली परीक्षाओं के समकक्ष मान लिया लिया है ।

(ग) हिन्दी के प्रचार के लिये विभिन्न ऐच्छिक संस्थाओं को अनुदान दिया जा रहा है । नौकरियों में भर्ती के लिये तथा अनिवार्य विभागीय परीक्षाओं से विमुक्ति के लिये इन परीक्षाओं की मान्यता पूर्ववत् कायम है । (क) में उल्लिखित आदेशों के परिणाम स्वरूप अहिन्दी भाषी अग्रजपत्रित कर्मचारी जिन्होंने ऐच्छिक संस्थाओं की निम्न परीक्षाएं पास की हैं वे हिन्दी प्रशिक्षण योजना के अन्तर्गत ली जानेवाली प्राज्ञ परीक्षा में बैठ सकेंगे और उक्त योजना के अन्तर्गत दी जाने वाली अग्रिम वेतन वृद्धि तथा नकद पुरस्कार के हकदार होंगे । अतः यह आशा नहीं की जाती है कि इन आदेशों का हिन्दी प्रचार कार्य पर कोई विपरीत प्रभाव पड़ेगा ।

(घ) कुछ ऐच्छिक संस्थाओं के इस संबंध में प्रतिवेदन प्राप्त हुए हैं जो विचाराधीन हैं ।

Indian Foundation of Poona

3098. { Shri Ram Harakh Yadav:
Shri Vishwa Nath Pandey:
Shri Murli Manohar:

Will the Minister of Education be pleased to state:

(a) whether it is a fact that this

Ministry have refused permission to the Indian Foundation of Poona to send Under Graduates to the U.S.A. for study;

(b) if so the reasons therefor; and

(c) the number of students who visited U.S.A. for study during the last three years?

The Minister of Cultural Affairs in the Ministry of Education: (Shri Hajarnavis): (a) and (b). The Exchange Programme operated by Indian Foundation, Poona in collaboration with the American Field Service, New York since 1962-63 under which Indian Children of the age group of 17-18 years went for a year to study in High Schools in the U.S.A. was carefully examined by the Government of India recently and it was decided to discontinue the programme as it was felt that it would not be in their own interest to send immature children to a society entirely different from their own.

(c) About 91 students under this Programme during the two years 1962-63 and 1963-64.

Pak. Intrusion into Indian Border Village

3099. { Shri Tula Ram:
Shri Vishwanath Pandey:
Shri Rameshwar Tanti:

Will the Minister of Home Affairs b: pleased to state:

(a) whether it is a fact that Pakistani miscreants trespassed into an Indian border village Mohishmore, Cooch-Behar district on 10th April, 1965 and injured some persons and lifted some cattle; and

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

The Minister of State in the Ministry of Home Affairs (Shri Hasbi): (a) On 10th April, 1965, some Pakistani nationals trespassed into Ma-

heshmari village of Cooch-Behar District and took away two head of cattle belonging to an Indian national while he was ploughing his land.

(b) A case has been started.

कंजरकोट पर पाकिस्तानियों का आक्रमण

3100. { श्री मधु सिन्घे :
श्री किशन पटनायक :

क्या गृह-कार्य मंत्री 9 अप्रैल 1965 को लोक सभा में दिये गये अपने वक्तव्य के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या "कंजरकोट इलाके में भारत की चौकी पर पाकिस्तानियों द्वारा हमला" शब्दों का अर्थ कंजरकोट किले पर हमला है ; और

(ख) यदि नहीं, तो यह चौकी उपरोक्त किले से कितनी दूर है ?

गृह-कार्य मंत्रालय में राज्य-मंत्री (श्री हायी) : (क) और (ख). "कंजरकोट इलाके में भारत की चौकी पर पाकिस्तानियों द्वारा हमला" शब्दों के अर्थ का सम्बन्ध सरदार चौकी से है, जो कंजरकोट से लगभग 3 मील दक्षिण पश्चिम की ओर है ।

Rehabilitation of Refugees

3101. Shri P. C. Borooah: Will the Minister of Rehabilitation be pleased to state:

(a) whether a special officer has been appointed for rehabilitation of refugees from East Pakistan in Assam and NEFA;

(b) if so, his precise powers and functions; and

(c) the broad outlines of the rehabilitation plans given to the officer for execution?

The Minister of Rehabilitation (Shri Tyagi): (a) Yes, Sir, an officer designated as a liaison Officer has been posted at Shillong, in Assam.

(b) The Officer will liaise with the Rehabilitation Departments of Governments of Assam, Tripura, Manipur and the NEFA Administration on matters relating to relief and rehabilitation of displaced persons from East Pakistan.

(c) The officer is not directly responsible for the execution of rehabilitation plans. The plans will be implemented by the respective State Governments and he will only assist them in formulation of their plans.

Indo-US Exchange of Teachers

3102. Shri Rameshwar Tantia: Will the Minister of Education be pleased to state:

(a) whether it is a fact that the U.S. Government have suggested for the exchange of teachers between the two countries;

(b) if so, the main features of the proposal; and

(c) when the first batch of teachers is leaving India?

The Deputy Minister in the Ministry of Education (Shri Bhakat Darshan): (a) No, Sir.

(b) and (c) Do not arise.

Coking Coal

**3103. { Shri Rameshwar Tantia:
Shri Yamuna Prasad Mandal:**

Will the Minister of Education be pleased to state:

(a) whether it is a fact that the Central Fuel Research Institute, Jealgora has developed a method of converting non-coking coal into coking coal;

(b) whether Government have given any special grant for further research and setting up a pilot plant for the purpose; and

(c) the steps being taken to make commercial use of the process evolved?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandram): (a) The Institute has been carrying on work on utilisation of non-coking coal for conversion into coke by (i) washing and blending and (ii) briquetting. The Institute has also on carbonisation of lignite or non-standard coals for use in coking and also on carbonisation of lignite or non-coking coals blended with suitable proportion of weakly coking coals.

(b) The Institute has sufficient pilot plant facilities for trials in briquetting compositions. It has also established facilities for work on extensively blending trials. Besides, research on blending of coal is being carried out in the testing plant at Jamshedpur under the joint auspices of the Council of Scientific and Industrial Research and the Tata Iron and Steel Company.

(c) All the steel plants in the country have been advised to utilise the blended coke.

Murder cases in Delhi

3104. Shri Koya: Will the Minister of Home Affairs be pleased to state:

(a) the number of reported murder cases in Delhi from 1st April, 1964 to 31st March, 1965;

(b) the number of cases detected; and

(c) whether there is any proposal to improve criminal investigation section of the Delhi Police by using modern techniques?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) 63.

(b) 43.

(c) Yes, Sir.

Survey of Employed Women

3105. { Shri Koya:
Shri Kanakasabai:

Will the Minister of **Education** be pleased to state:

(a) whether the Delhi School of Social Work conducted any survey about the employment of Women in Government jobs and the reactions of the middle class families to their women folk taking up employment; and

(b) if so, the result thereof?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): (a) The Delhi School of Social Work, Delhi conducted a survey on "Attitude of women towards part-time employment" in general. The data regarding the attitude of the middle class families towards their women folk taking up employment showed that a very large majority of them were in favour of women taking up employment.

(b) The survey showed that the majority of women did not want to take up part-time employment. Full-time employment generally found favour.

Kerala Public Service Commission

3106. Shri Koya: Will the Minister of Home Affairs be pleased to state:

(a) whether two members of the Kerala Public Service Commission retired in the beginning of April, 1965;

(b) whether any substitute have been appointed; and

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

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) Yes.

(b) Yes.

(c) Does not arise.

Calcutta Riots

3107. Shri Koya: Will the Minister of Home Affairs be pleased to state:

(a) whether the West Bengal Government have asked for any Central assistance to rehabilitate the persons uprooted during the Calcutta riots;

(b) if so, the quantum of assistance given; and

(c) whether all the uprooted persons have been rehabilitated?

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

(b) Rs. one crore on an "on account" basis for relief expenditure including riot relief; and

(c) Almost all.

CSIR Unit at Bhavnagar

3108. Shrimati Maimoona Sultan: Will the Minister of Education be pleased to state:

(a) whether there is a scheme to set up a new unit of the Council of Scientific and Industrial Research at Bhavnagar in Saurashtra; and

(b) if so, the details thereof?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): (a) No, Sir.

(b) Does not arise.

Educational Activities

3109. { Shri Yashpal Singh:
Shri Bhagwat Jha Azad:
Shri D. C. Sharma:
Shri Brij Basi Lal:
Shri Vishwa Nath Pandey:
Shri Yudhvir Singh:
Shri Jagdev Singh
Siddhanti:

Will the Minister of Education be pleased to state:

(a) whether Government propose to bring all educational activities in

the field of higher education including agricultural and medical education under one umbrella; and

(b) if so, the broad features thereof and when it will be finalised?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) and (b). The matter is under consideration.

Death Anniversary of Pandit Nehru

3110. **Shri D. J. Naik:** Will the Minister of Education be pleased to state:

(a) whether it is a fact that Government are planning a series of public functions on the occasion of the first death anniversary of Shri Jawaharlal Nehru; and

(b) if so, the broad details thereof?

The Minister of Cultural Affairs in the Ministry of Education (Shri Hajarnavis): (a) and (b). To mark the first death anniversary of the late Shri Jawaharlal Nehru, the Ministry of Education is organising a symposium on Socialism, Democracy and Secularism on 27th May, 1965. Eminent scholars in these fields have been invited to participate in the symposium.

Pakistanis Overstaying in Gujarat

3111. **Shri Raghunath Singh:** Will the Minister of Home Affairs be pleased to state the number of Pakistanis held in Gujarat State for overstaying in the State during the last one month?

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

National Biological Research Institute

3112. **Shri Hem Raj:** Will the Minister of Education be pleased to refer to the reply given to Unstarred 582 (iA) LSD-4.

Question No. 1799 on the 31st March, 1965 and state:

(a) whether it is a fact that the decision to locate the National Biological Laboratory at Palampur (Punjab) is being changed; and

(b) if so, the reasons therefor?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): (a) No, Sir.

(b) Does not arise.

National Institute of Sports, Patiala

3113. { **Shri Ram Harkh Yadav:**
Shri Vishwa Nath Pandey:
Shri Murli Manohar:

Will the Minister of Education be pleased to state:

(a) the achievements of the National Institute of Sports in Patiala;

(b) the number of qualified Coaches so far produced by the Institute; and

(c) the number of Coaches undergoing training at present and the details of the different courses of training?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) and (b). 548 trainees have so far qualified as coaches from the National Institute of Sports, Patiala in various games and sports. Besides, under the National Coaching Scheme of the Institute a number of Regional Coaching Centres are being established in various States. 28 such Centres have already come into existence. The N.I.S. has allotted 66 trained coaches to the States free of charge to run their Regional Coaching Centres as against 73 trained coaches employed by the State Governments.

(c) 203 persons are at present undergoing training in the Institute as per details given below:—

Subject	3 year Course	year Course	Total
Athletics	14	29	43
Gymnastics	8	..	8
Swimming	4	..	4
Badminton	..	13	13
Basket ball	..	20	20
Cricket	..	9	9
Football	..	20	20
Hockey	..	28	28
Lawn Tennis	..	5	5
Table Tennis	..	4	4
Valley Ball	..	31	31
Wrestling	..	18	18

दिल्ली में शराब की नई दुकानें

3114. श्री प्रकाशश्री शस्त्री :
श्री हुकम चन्द कछवाय :

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

(क) क्या यह सच है कि दिल्ली और नई दिल्ली में शराब की दुकानें, जो अब तक बड़े बाजारों में ही थी, अब गलियों, मोहल्लों और छोटी सड़कों पर भी खोली जा रही हैं ;

(ख) क्या यह भी सच है कि हाल ही में रोशनारा रोड पर शराब की एक दुकान खोली गई थी जिसका उस क्षेत्र के लोगों ने विरोध भी किया था ; और

(ग) क्या सरकार ने कोई ऐसी नीति निर्धारित की है जिससे शराब की दुकानें खोलने में प्रोत्साहन न मिले ?

गृह-कार्य मंत्रालय में राज्य मंत्री (श्री हाथी) : (क) जी, नहीं ।

(ख) रोशनारा रोड पर शराब की दुकान का कोई नया लायसेंस नहीं दिया गया । वर्तमान एल-2 लायसेंस वाली दुकानों में से एक को कनाट प्लेस से रोशनारा रोड पर

बदलने की इजाजत दी गई थी । इस दुकान की जगह के बारे में इसके रोशनारा रोड पर बदलने के बाद कुछ अभ्यावेदन प्राप्त हुए थे । अब दिल्ली प्रशासन इस दुकान के नये स्थान के बारे में लायसेंस वापस लेने के बारे में कदम उठा रहा है ।

(ग) सरकार की नीति शराब की नई दुकानों के खुलने को प्रोत्साहन न देने की है ।

दिल्ली पालीटेकनिक द्वारा बनाई गई मूर्तियां

3115. श्री हुकम चन्द कछवाय : क्या शिक्षा मंत्री 14 अप्रैल, 1965 के अतारांकित प्रश्न संख्या 2246 के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) 1962 से 1965 तक दिल्ली पालीटेकनिक में मूर्ति बनाने में किस प्रकार का सामान प्रयोग किया गया, तथा उस पर (वर्षवार) कितनी राशि खर्च हुई ;

(ख) उक्त कालेज में बनी हुई मूर्तियां किन किन राज्यों में और कितनी कितनी बेची गई ;

(ग) क्या यह भी सच है कि उक्त कालेज से कुछ मूर्तियां चोरी हो गई थी ; और

(घ) यदि हां, तो उसका व्यौरा क्या है ?

शिक्षा मंत्रालय में उपमंत्री (श्री भक्त बर्शन) : (क) (i) मूर्तियां बनाने में निम्नलिखित सामान का इस्तेमाल होता है :—

सागोन की लकड़ी ;
एल्यूमिनियम धातु पिण्ड ;
कांसे और पीतल के टुकड़े ;
पत्थर ;
पेरिस प्लास्टर ;
चिकनी मिट्टी और सीमेंट ।

(11) इन विविध चीजों को मुहैरय्या करने में जो वर्षवार खर्च होता है वह इस प्रकार है :

रुपये

1961-62 .	726. 82
1962-63 .	688. 37
1963-64 .	414. 24
1964-65	668. 38

(ख) कालेज ग्राफ आर्ट्स, दिल्ली की कोई मूर्ति, कालेज द्वारा किसी राज्य में नहीं बेची गई है ।

(ग) और (घ) जी हां । लगभग 4'—6" ऊंची और सीमेंट की बनी एक मूर्ति कालेज ग्राफ आर्ट्स से चोरी हो गई थी । इसकी रिपोर्ट पुलिस में करा दी गई थी । पुलिस ने यह मूर्ति कनाट प्लेस से बरामद की है और अब उनकी हिरासत में है । इस सम्बन्ध में जांच जारी है ।

Arrest of a Tibetan

3116. Shri Onkar Lal Berwa: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that a Tibetan, named Changulin was arrested near Raxaul, on Indo-Nepal border, on the 18th April, 1965;

(b) if so, the cause of his presence there; and

(c) the articles recovered from him?

The Minister of State in the Ministry of Home Affairs (Shri Hathl): (a) A person known as CHENGUBIR, who was born in Tibet of a Nepali father and a Tibetan mother and claimed to be a Nepali, was arrested near Raxaul on the 13th (and not on 18th) April, 1965.

(b) It is reported that he was on his way to Kalimpong to perform the 45th day death ceremony of his deceased mother and thereafter intended to visit Calcutta for making

certain purchases for his shop in Kathmandu.

(c) The following articles were recovered from him:—

(i) Rs. 31,180 in Indian Currency and Rs. 581 in Nepalese Currency.

(ii) A motor-cycle driving licence issued by the Nepalese Government.

(iii) A list of articles which he intended to purchase from Calcutta, and details of articles purchased by him during his previous visits to Calcutta.

Refugee Camp at Ganol

3117. Shrimati Renuka Barkataki: Will the Minister of Rehabilitation be pleased to state:

(a) whether it is a fact that a large number of refugees in the camp at Ganol (Garo Hills) have been rendered shelterless as a result of fire that gutted the camp;

(b) if so, whether any enquiry has been conducted into the causes of the fire; and

(c) the steps taken to provide immediate relief to the refugees?

The Minister of Rehabilitation (Shri Tyagi): (a) to (c). A fire broke out in the Ganol camp on the 6th April, 1965 at about 3.45 P.M. About one fourth of the houses, including the Camp Office, Hospital etc. were damaged. There was no loss of human life. The State Government have been authorised to reconstruct the damaged houses.

The fire is reported to have originated from the nearby hills. A detailed report regarding the exact cause of fire and the extent of loss is awaited from the State Government.

Shortage of Teachers

3118. Shri P. C. Borooah: Will the Minister of Education be pleased to state:

(a) whether there is a crash pro-

gramme to meet the shortage of teachers in the country; and

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

The Deputy Minister in the Ministry of Education (Shrimati Sundaram Ramachandran): (a) and (b). To meet the demand for additional teachers in the first year of the Fourth Plan, Government have taken advance action in the current financial year to increase the intake capacity of existing teacher-training institutions. A sum of Rs. 175 lakh has been sanctioned to State Governments outside the State Plan Ceilings. This will help to create about 9000 additional training places in the country.

Letters Addressed by Shri A. K. Gopalan

3119. Shri Indrajit Gupta: Will the Minister of Home Affairs be pleased to state:—

(a) whether it is a fact that Shri A. K. Gopalan has complained of obstructions and unreasonable delay in transmission of correspondence addressed by him to the Speaker, Lok Sabha, the Kerala High Court and his legal counsel;

(b) if so, whether his complaints have been looked into and the outcome thereof; and

(c) Government's reaction in the matter?

The Minister of State in the Ministry of Home Affairs (Shri Hathi): (a) and (b). Yes, Sir. This is the subject matter of an O.P. filed by Shri A. K. Gopalan in the High Court of Kerala which is still pending.

(c) The State Governments have been requested to issue suitable instructions to ensure that there is no cause for complaints of delay in regard to such communications. The Government of Kerala have reported that every attempt is being made to obviate avoidable delay in this respect.

Haldia Refinery

3120. { Shri Narendra Singh
Mahida;
Shri Buta Singh;
Shri Vishwa Nath Pandey;
Shri P. C. Borooah;

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether it is a fact that Burmah Oil Company has made an offer for collaboration in setting up of the Haldia Oil Refinery;

(b) whether two important oil interests,—C.F.P. Gulf and the Kuwait National Oil Company—have also shown considerable interest in participating in the Haldia Refinery;

(c) if so, the terms of reference; and

(d) whether any offer has been accepted by Government?

The Minister of Petroleum and Chemicals (Shri Humayun Kabir): (a) Burmah Oil Company has shown interest but has not so far made a concrete offer.

(b) Yes, Sir.

(c) Broadly on the basis of Press Notes issued by Government on 5-1-1965 and 12-2-1965.

(d) No, Sir.

Painting of coal tar on sign boards in Delhi

3121. Shri Naval Prabhakar: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that coal-tar has been painted over Hindi words on name boards of roads and other sign boards in Delhi;

(b) the persons responsible thereof; and

(c) the steps being taken by Government to check it?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) No such incident has come to the notice of Delhi Police.

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

कालेज ग्राफ आर्ट्स, दिल्ली

3122. श्री हुकम चन्द कछवाय: क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि दिल्ली कालेज ग्राफ आर्ट्स में कुछ ऐसे विद्यार्थी परीक्षा दे रहे हैं जिन्हें इण्टर पास करने के बाद उक्त कालेज में सातवें वर्ष में ले लिया गया था ;

(ख) क्या यह भी सच है कि कालेज के नियमों के अनुसार इण्टर पास करने के बाद उन्हें पांचवें वर्ष में लिया जाना चाहिये था ;

(ग) क्या यह भी सच है कि कुछ ऐसे विद्यार्थी भी परीक्षा दे रहे हैं जो इण्टर पास नहीं हैं और इससे पूर्व भी कुछ ऐसे विद्यार्थी उक्त कालेज में परीक्षा पास कर चुके हैं जो कालेज के नियमों के अधीन परीक्षा में बैठने के लिये पात्र नहीं थे ; और

(घ) यदि हां, तो सरकार कालेज द्वारा अपनाई जा रही इस प्रकार की विभेद नीति को रोकने के लिये क्या कार्यवाही कर रही है ?

शिक्षा मंत्रालय में उपमन्त्री (श्री भक्त बर्शन) : (क) जी नहीं। सातवें वर्ष में केवल एक उम्मीदवार 1964-65 में दाखिल किया गया था जिसने मद्रास के कालेज ग्राफ आर्ट्स एण्ड क्राफ्ट्स से न केवल इन्टरमीडिएट परीक्षा पास की थी किन्तु उसके बाद उसने पाठ्यक्रम के दो वर्ष भी पूरे किए थे। उम्मीदवार को उपयुक्त परीक्षण के बाद नियमानुसार सीधे ही सातवें वर्ष में दाखिल कर लिया गया था।

(ख) जी नहीं।

(ग) जी नहीं।

(घ) प्रश्न नहीं उठता।

Arrest of Chinese spies

3124. { Shri D. C. Sharma:
Shri Vishwa Nath Pandey:
Shri Vishram Prasad:
Shri Bade:
Shri Hukam Chand Kachhavaia:
Shri Onkar Lal Berwa:
Shri Yudhvir Singh:
Shri Daji:
Shri Narendra Singh Mahida:

Will the Minister of Home Affairs be pleased to state:

(a) whether three persons were taken into custody by the police at the Bihata airport, Patna on the 19th April, 1965 for interrogation on the suspicion that they were Chinese spies; and

(b) if so, the result thereof?

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

(a) It is a fact that three persons were arrested at Bihata airport, Patna, on suspicion that they were Chinese nationals.

(b) Immediate police investigation and interrogation revealed nothing to suspect against them. They appear to be genuine Tibetan nationals. They have been kept under police surveillance.

Select List of Section Officers

3125. { Shri Warior:
Shri Hukam Chand Kachhavaia:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that the Select List of Section Officers approved for long term officiation as Under Secretaries issued on the 19th September, 1964, is not being acted upon by Government due to certain technical or procedural laws;

(b) if so, whether any revised Select list in accordance with the C.S.S. Rules 1962 and the Regulations made thereunder, has since been issued;

(c) if the answer to part (b) above be in the negative:—

(i) the reasons for not issuing the revised Select List even after a lapse of seven months; and

(ii) the target date before which Government propose to issue the revised Select List?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) Yes, Sir.

(b) Not yet, Sir.

(c) In accordance with the Regulations governing the drawing up of the Select List the meetings of the Selection Committee are required to be presided over by the Chairman or a member of Union Public Service Commission. Owing to heavy pre-occupations, the Commission could not take up the work till April. The meetings of the Selection Committee have since been fixed and the revised Select List is expected to be issued at an early date.

House Building Co-operative Societies

3126 { Shri Buta Singh:
Shri Yashpal Singh:

Will the Minister of Home Affairs be pleased to state:

(a) the names of the House Building Co-operative Societies in Delhi who have paid the premium per yard as acquisition and other charges levied by the Administration;

(b) the names of Societies who were asked to pay the premium but have not paid the same so far with reasons therefor;

(c) whether certain Societies have approached the Administration not to charge the premium from them with reasons advanced by them; and

(d) the steps being taken in the matter?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) and (b). A list of the Societies who have paid in full the premium charged for the land allotted to them is laid on the Table of the House. [Placed in Library. See No. LT4351/65]. Two Societies, namely, Adarsh Bhawan House-Building Co-operative Society and Gujranwala Co-operative House-building Society have made only part payment of the premium and have agreed to pay the balance in due course. Two other societies, namely, Narang Co-operative House-building Society and Chander Nagar Co-operative House-building Society, have not deposited the amount of premium demanded from them. The Societies have requested for allotment of land on concessional basis as envisaged in the scheme in paragraph 2-IV of the Statement placed on the Table of the Lok Sabha on the 23rd March, 1961 in reply to Call Attention Notice under Rule 197 from Shri P. G. Deb. The request is under consideration.

(c) and (d). Some Societies have requested for allotment of land at reduced rate of premium but their requests have been turned down.

House Building Co-operative Societies

3127. { Shri Buta Singh:
Shri Yashpal Singh:

Will the Minister of Home Affairs be pleased to state:

(a) the names of the House Building Co-operative Societies in Delhi who owned land in Delhi before acquisition notification;

(b) whether their land was also acquired; if so, whether they were offered any special terms; and

(c) if not, the reasons therefor?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) A statement showing the names of house-building co-operative

societies in Delhi who have claimed to have owned land in Delhi before 13th November, 1959, the date of the issue of the notification by the Delhi Administration under Section 4 of the Land Acquisition Act, 1894 announcing Government's intention to acquire about 34,000 acres of land for the planned development of Delhi is laid on the Table of the House. [Placed in Library. See No. LT-4352/65].

(b) and (c). The land of the various societies has either been acquired or is under the process of acquisition. When the land of a society is acquired and if its claim to have owned land prior to 13th November, 1959 is established, alternative land is allotted to that society in accordance with the terms specified in paragraphs 2.III and IV of the statement laid on the Table of the House on the 23rd March, 1961 in reply to Call to Attention Notice under Rule 197 from Shri P. G. Deb.

Allotment of land to Co-operative Societies

3128. { Shri Buta Singh:
Shri Yashpal Singh:

Will the Minister of Home Affairs be pleased to state:

(a) the names of the House Building Co-operative Societies in Delhi who have been given possession of the developed/undeveloped land;

(b) the names of the Societies which have been allotted land but have not been given the possession so far with reasons therefor; and

(c) the steps taken to encourage house-building societies to build houses?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) A list of the societies is contained in Annexure I laid on the Table of the House. [Placed in Library. See No. LT-4353/65].

(b) The requisite information is in Annexure II laid on the Table of the House. [Placed in Library. See No. LT-4353/65].

(c) The policy of Government in this regard has already been stated in the statement laid on the Table of the House on the 23rd March, 1961 in reply to the Call to Attention Notice under Rule 197 from Shri P. G. Deb. Particular attention is invited to paragraphs 2, III and IV.

पाठ्य पुस्तकों का निम्न स्तर

3129. { श्री युद्धवीर सिंह :
श्री जगदेव सिंह सिद्धान्ती :

क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या उनके ध्यान में यह बात आयी है कि देश के अनेक भागों में स्कूलों एवं कालेजों की पाठ्य पुस्तकों का स्तर भाषा एवं विषय की दृष्टि से बहुत निम्न है ; और

(ख) यदि हां, तो देश में विभिन्न विषयों की पुस्तकों का स्तर एक सा करने के लिए सरकार का विचार क्या उपाय करने का है ?

शिक्षा मंत्रालय में उपमंत्री (श्री मधु दशन) : (क) और (ख). यह आमतौर पर महसूस किया जाता है कि पाठ्यपुस्तकों, विशेष कर स्कूल स्तर की पाठ्यपुस्तकों के स्तर में सुधार की आवश्यकता है। चूंकि शिक्षा एक राज्य विषय है, राज्य सरकारें इस सम्बन्ध में, पाठ्य पुस्तकों के प्रकाशनों के राष्ट्रीयकरण जैसे कदम उठा रही हैं। उपलब्ध सूचना के अनुसार, गुजरात और महाराष्ट्र राज्यों को छोड़ कर बाकी सभी राज्यों में, विशेषज्ञ निकायों के पर्यवेक्षण में पाठ्य पुस्तकों के प्रकाशन की व्यवस्था है। ये निकायों

पाठ्य पुस्तकों की समय-समय पर समीक्षा के लिए भी जिम्मेदार है। इसके अलावा, राष्ट्रीय शिक्षा अनुसंधान और प्रशिक्षण परिषद् का, प्रख्यात शिक्षाविदों के एक पैनल के जरिये विभिन्न विषयों पर स्कूल स्तर की मानक पाठ्यपुस्तकों तैयार कराने का एक कार्यक्रम है।

Assault on Public Workers at Chalavara, Kerala

3130. { Shri Warior:
Shri Vasudevan Nair:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that several prominent public workers were assaulted by rowdies in Chalavara, Palghat District Kerala, recently;

(b) whether police took any action against the culprits; and

(c) if so, the details thereof?

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

(a) to (c). On the night of 12th April, 1965, at about 10 p.m. at Chalavara an unlawful assembly armed with sticks assaulted and caused injuries to Sarvashri P. V. Kunhunni Nair Ex-MLA., Amminil, Kall, I.C.P. Namboodiri, K. V Raman Kutty, K.P. Chathan, C. Kunhayappan, K. Prabhakaran and Yahoo.

Crime No. 51/65 under sections 147, 148 and 324 IPC has been registered at Cherplassery Police Station. Accused Sraju, Kunhi Mohamed and Aboobaker Koy were arrested on 14-4-65 and released on bail the same day. Accused K. Marakkur, Mohammed, Kunhibappu, Alavi, Saidali and Aydrutty were arrested on 15-4-1965 and released on bail on that day. Under the supervision of the Circle Inspector of Police, Shorannur, the case is under investigation.

Kerala Water Transport Corporation Employees

3131. { Shri Pottakkatt:
Shri Warior:
Shri A. V. Raghavan:
Shri Vasudevan Nair:

Will the Minister of Home Affairs be pleased to state:

(a) whether the salary of Kerala Water Transport Corporation employees for March, 1965 was not paid on the due date; and

(b) if so, the reasons therefor?

The Minister of State in the Ministry of Home Affairs (Shri Hathl): (a) and (b). The salary was disbursed on 8th April, 1965. The slight delay was due to the Bank disallowing the operation of the overdraft account in favour of the General Manager of the Corporation because of the Kerala High Court's order that the Corporation be wound up.

प्रशोधित तेल का आयात

3132. श्री रणजय सिंह : क्या पेट्रोलियम और रसायन मंत्री यह बताने की कृपा करेंगे कि :

(क) 1964-65 में प्रत्येक तेल कंपनी ने प्रशोधित तेल कितनी मात्रा में मंगवाया और किन किन देशों से मंगवाया ;

(ख) 1964-65 में पेट्रोलियम उत्पाद कितनी मात्रा में बाहर भेजे गये और किन किन देशों को भेजे गये; और

(ग) 1964-65 में देश में कितना अशोधित तेल पैदा हुआ और कितना साफ किया गया ?

पेट्रोलियम और रसायन - मंत्री (श्री हमायून कबीर) (क) कच्चे तेल का आयात—1964-65

मोटरी टनों

	ईरान	दक्षिण अरब	कुवेत	इण्डोनेशिया	योग
बर्मा-शैल	3267,574	..	31,708		3299,282
एस्सो स्टैंडर्ड	—	2342,218			2342,218
काल्टेक्स	799,417			286,149	1085,566

(ख) पेट्रोलियम उत्पादों का निर्यात
1964-65

360,663 मोटरी टन पेट्रोलियम उत्पादों (मोटर स्पिरिट, नेफ्था और पैरे-फिन्स मोम) का निर्यात किया गया ; (1) मोटर स्पिरिट सिंगापुर, इण्डोनेशिया और न्यूजीलैण्ड को, (2) नेफ्था अमरीका और न्यूजीलैण्ड को और (3) पैरे फिन मोम यू. के. आयरलैण्ड, हालैण्ड, पीरू, लंका मनेशिया और आस्ट्रेलिया को भेजा गया।

(ग) उत्पादित एवं शोधित किया गया कच्चा तेल —

1964-65

- उत्पादित किया गया कच्चा तेल
2,285,308 मोटरी टन
- शोधित किया गया कच्चा तेल
9,083,293 मोटरी टन

Training of Swimming Coaches

3133. **Shri Ram Harkh Yadav:** Will the Minister of Education be pleased to state:

(a) whether All India National Institute of Sports, Patiala has organised courses to train swimming coaches;

(b) if so, the details of the scheme;

(c) when the courses are likely to start; and

(d) the number of trainees to be admitted to the Course?

The Deputy Minister in the Ministry of Education (Shri Bhakti Darsan): (a) Yes, please.

(b) A 7 months *ad-hoc* course in 1963 and a 3 years regular course in 1964, have been organised so far. The regular course of study includes:—

Practical.—Actual participation and learning correct techniques of coaching in Swimming.

Theory.—Rules and Regulations, officiating, history and development of the game. In addition, the following subjects are also taught:—

- Anatomy and Physiology;
- Health and Hygiene;
- Physiology of Exercise;
- Kinesiology;
- Treatment of Athletic injuries and First Aid;
- Psychology and Methods of Coaching; and
- Fundamentals of Physical Education.

(c). Last week of July every year.

(d). Fifteen.

Trespass by Pakistanis

3134. **Shri Rameshwar Tanti:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that Pakistani nationals trespassed into Indian

territory and lifted away 100 cattle heads on the 17th April 1965, at Tehatta (Nadia);

(b) whether it is also a fact that again on the 18th April, 1965, the Pakistani Nationals entered the Natua village and clashed with the villagers and killed many Indians;

(c) if so, the details of both the incidents; and

(d) the measures being taken to check such incidents in future?

The Minister of State in the Ministry of Home Affairs (Shri Hathi): (a) to (d). On 17th April 1965 at about 11 hours 10/12 Pakistan nationals of Dariapur and Salkua, P. S. Meherpur, District Kushtia, armed with lathis and crackers, illegally trespassed into Indian territory at Kadachhara Math near border pillar No. 113 and forcibly carried away 111 head of cattle. As the result of hurling of crackers, one Indian national, received injuries on his back.

On 18th April 1965 at about 11 hours 200/300 Pak nationals armed with lethal weapons again trespassed into Indian territory between border pillars No. 110 and 111 and came to Chhuchokhola Beel well within Indian territory and after assaulting Indian fishermen took away two boats, 3 boxes and cash amounting to Rs. 1000 from the temporary shed of the fishermen. On the same day at about 13.45 hours about 300 to 400 Pakistan nationals armed with deadly weapons and backed by E.P.R. men assembled on the Pakistan side of Nabinnagar village in an excited mood. This created considerable tension on the Indian side of the border. There has been no casualty.

A strong protest against such repeated violation of Indian territory and looting and damaging of Indian properties and theft of cattle, boats and cash from Indian nationals has been lodged with East Pakistan authorities. The Pakistan authorities have also been requested to take effective

steps to stop the recurrence of such incidents in future and to restore the ill head of cattle, 2 boats and other articles and also to award deterrent punishment to the miscreants.

Petro-Chemical Projects

{ Shri Subodh Hansda:
3135. { Shri S. C. Samanta:
 { Shri M. L. Dwivedi:

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether Government propose to set up petro-chemical projects attached to each refinery;

(b) if so, the number of such projects to be set up; and

(c) where the first project will be set up?

The Minister of State in the Ministry of Petroleum and Chemicals (Shri Alagesan): (a) and (b). Government's intention is to set up, as far as possible, suitable petrochemical projects near about the refineries. The number and details of such projects are presently under consideration.

(c) The first petrochemical project in the public sector will be in the Koyali area of Gujarat. A group of projects in the private sector, is, however, already under implementation in the Bombay area.

डाक द्वारा माध्यमिक शिक्षा

3136. श्री श्रींकार लाल बैरवा :
क्या शिक्षा मंत्री यह बताने की कृपा करेंगे
क :

(क) क्या यह सच है कि डाक द्वारा
माध्यमिक शिक्षा देने पर विचार किया जा
रहा है; और

(ख) यदि हां, तो प्रस्ताव की रूप रेखा
या है ?

शिक्षा मंत्रालय में उप-मंत्री (श्रीमती
हीनारम रामचन्द्रन) : (क) जी हां ।

(ख) माध्यमिक स्कूल स्तर पर डाक द्वारा पर्यवेक्षित शिक्षा योजना चालू करने का उद्देश्य 8 वीं कक्षा पास करने वाले उन बहुत से छात्रों के लिए व्यवस्था करना है जो विभिन्न कारणों से माध्यमिक कक्षाओं में दाखिला नहीं ले सकते। डाक द्वारा शिक्षा के पाठ्यक्रमों की व्यवस्था एवं अलग विभाग करेगा जिसे केन्द्रीय माध्यमिक शिक्षा बोर्ड, नई दिल्ली के अधीन गठित करने का प्रस्ताव है।

इस पाठ्यक्रम का पाठ्य-विवरण बोर्ड की परीक्षाओं के लिए निर्धारित पाठ्य विवरण के आधार पर ही होगा। डाक द्वारा शिक्षा की अवधि स्कूलों में नियमित रूप में पढ़ने वाले छात्रों के लिए निर्धारित अवधि से एक वर्ष अधिक होगी।

इसके अधीन छात्र सामान्य स्कूलों के अन्य छात्रों के लिए निर्धारित परीक्षा में ही बैठेंगे तथा उन्हें वही प्रमाण-पत्र प्रदान किया जायेगा।

गमियों की छुट्टी में अध्यापकों और छात्रों के बीच व्यक्तिगत सम्पर्क स्थापित करने के लिए, इस योजना के अन्तर्गत एक मुनियोजित कार्यक्रम भी शामिल होगा।

दक्षिण भारत में ग्रीष्मकालीन
विज्ञान शिविर

3137. श्री ओंकार लाल बेरवा : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि दक्षिण भारत में एक ग्रीष्मकालीन विज्ञान शिविर लगाया जा रहा है ;

(ख) यदि हां, तो इस कार्य के लिए किन किन देशों ने सहायता दी है तथा कौन कौन मस्यायें इस में सहयोग दे रही हैं; और

(ग) इसमें कितने अध्यापक भाग ले रहे हैं ?

शिक्षा मंत्री (श्री मु० क० चागला) :

(क) से (ग) . दक्षिण भारत में, ग्रीष्म विज्ञान शिविर जैसा कोई शिविर स्थापित करने का प्रस्ताव नहीं है; किन्तु विश्वविद्यालय अनुदान आयोग और राष्ट्रीय शिक्षा अनुसंधान और प्रशिक्षण परिषद् का एक संयुक्त कार्यक्रम है जिसके अन्तर्गत अन्तर्राष्ट्रीय विकास के लिए अमरीकी एजेन्सी के सहयोग से विज्ञान विषयों में विज्ञान संस्थान आयोजित किये जायेंगे, जिनमें से कुछ दक्षिण भारत में होंगे दक्षिणी क्षेत्र में स्थित लगभग 900 कालेजों और स्कूलों के अध्यापक इस कार्यक्रम में भाग लेंगे।

Chinese Plot for Training Indians in Guerilla Warfare

3138. Shri C. K. Bhattacharyya: Will the Minister of Home Affairs be pleased to state whether it is a fact that the Indian Intelligence source has uncovered a Chinese plot for training Indians in Guerilla warfare in their searches in the residences of pro-Chinese Communist's and have also seized films and documents establishing the existence of such a plot?

The Minister of State in the Ministry of Home Affairs (Shri Hathi): It is not in the public interest to disclose this information on the floor of the House.

Posting of Teachers in Kerala

3139. { Shri A. V. Raghavan:
Shri Pottekkatt:

Will the Minister of Education be pleased to state:

(a) whether in 1964-65 a large number of applications were received from teachers by the District Educational Officers in Kerala requesting transfers to places near their residence;

(b) the number of applications allowed and the number rejected; and

(c) whether it is proposed to review the rejected cases?

The Deputy Minister in the Ministry of Education (Shrimati Soundaram Ramachandran): (a) to (c). The information is being obtained from the State Government and will be laid on the table of the House.

Socio-Economic Survey of Villages

3140. Dr. Mahadeva Prasad: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that as an ancillary to the 1961 census a socio-economic survey of 580 villages in various States had been undertaken;

(b) if so, the names of the villages state-wise; and

(c) when it was undertaken.

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) A socio-economic survey of 583 villages in various States was undertaken as an ancillary to the 1961 Census.

(b) The names of villages selected, State-wise, are given in Appendix I, at pages 97-124 of 'A Guide to the 1961 Census Publication Programme', copies of which have been placed in the Parliament Library and also supplied to the Lok Sabha and Rajya Sabha Secretariats.

(c) Towards the latter part of 1960.

Chief Minister of Rajasthan

**3141. { Shri Vishwa Nath Pandey:
Shri Bagri:**

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that some M.Ps and M.L.As of Rajasthan have submitted a memorandum against Chief Minister of Rajasthan making serious charges against him; and

(b) if so the reaction of Government thereto?

The Minister of Home Affairs (Shri Nanda): (a) and (b). A memorandum dated 22nd April, 1965 signed by a few persons and enclosing a list of charges against the Chief Minister, Rajasthan, was received and is under consideration of Government.

Land Fissure Near Tanjore

3142. Shri S. Kandappan: Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that the earth is opening up in a deep fissure at Vennarpettai village near Tanjore in Tamilnad causing great concern to the people living in the vicinity;

(b) whether any steps have been taken to study the phenomenon; and

(c) the steps taken for protection of panic-stricken villagers?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) Fissures about 2½ centimeters wide and 800 meters long have been noticed at Vennarpettai village in Thanjavur District.

(b) The area has been inspected by a Geological expert. His report is awaited.

(c) No measures for relief or protection are required at this stage.

New Universities in Orissa

**3143. { Shri Ramachandra Ulaka:
Shri Dhuleshwar Meena:**

Will the Minister of Education be pleased to state:

(a) whether Government of Orissa have approached the Central Government for help to open new Universities in the State during the 1965-66 and 1966-67; and

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

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) No, Sir.

(b) Does not arise.

District Gazetteers

3144. { Shri Ramachandra Ulaka:
Shri Dhuleshwar Meena:

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) the financial assistance proposed to be given to the Government of Orissa for compilation and printing of District Gazetteers during 1965-66; and

(b) the details thereof?

The Minister of Petroleum and Chemicals (Shri Humayun Kabir):

(a) and (b). During 1965-66 the Central grant-in-aid to the Government of Orissa would be 40% of the expenditure incurred by the State on the compilation and printing of the District Gazetteers. The grant for compilation is subject to a ceiling of Rs. 6,000/- per volume.

Assam-East Pakistan Border

3145. { Shri Vishwa Nath Pandey:
Shri Ram Harkh Yadav:
Shri Panna Lal:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that the East Pakistani Ansars (local militia) and the East Pakistan Rifles have launched a campaign of terror among the people living along the Dhubari-Goalpara Sector of the Assam-East Pakistan border and the people of that sector are in a panicky condition; and

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

The Minister of State in the Ministry of Home Affairs (Shri Hathl): (a) and (b). On the 13th and 14th March, 1965, Pakistani intruders and criminals backed by some Pakistan uniformed armed personnel tres-

passed into Indian territory in this area and forcibly took away cattle, utensils, clothes and other household articles. On 14th March, 1965, three Indian nationals were badly assaulted. The people of the area became panicky because the Pakistani intruders were being backed by Pakistan uniformed armed personnel.

The Government of Assam have lodged a protest against these incidents with the East Pakistan authorities. The Border security force and the District executive force have been strengthened. The local leaders have also been requested to allay panic and to keep up the morale of the people there.

Delhi University

3146. **Shri Narendra Singh Mahida:** Will the Minister of Education be pleased to state:

(a) the total area in one contiguous block of the Delhi University, Delhi;

(b) whether thoroughfares have been provided for the University area;

(c) if not, whether there is any proposal for the removal of the University outside the busy area of the capital to obviate inconvenience to the general public; and

(d) if so, the action so far taken or being taken at present?

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): (a) About 447.5 crore.

(b) Yes.

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

Urdu as Official Language

3146-A. { Shri Koya:
Shri D. C. Sharma:
Shri P. Venkatasubbaiah:
Shri Kindar Lal:
Shri Brij Basi Lal:
Shri Vishwa Nath Pandey:

Will the Minister of Home Affairs be pleased to state:

(a) whether he has received a memorandum from 104 Members of

Parliament demanding recognition of Urdu as the second official language in U.P., Bihar, Madhya Pradesh, Delhi, Punjab and Rajasthan; and

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

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) Yes, Sir.

(b) The matter is under examination.

महाराष्ट्र में अनुसूचित क्षेत्र

3146ख. श्री डे. शि. पाटिल : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) महाराष्ट्र के विदर्भ के इलाके में अनुसूचित क्षेत्र के बाहर रहने वाले आदिवासियों की कुल जनसंख्या कितनी है ;

(ख) क्या यह सच है कि महाराष्ट्र सरकार ने किसी क्षेत्र विशेष को अनुसूचित क्षेत्र घोषित करने का मुझाव दिया था ; और

(ग) यदि हां, तो केन्द्रीय सरकार ने कौन से क्षेत्र को अनुसूचित क्षेत्र घोषित किया है ?

गृह-कार्य मंत्रालय में उपमंत्री (श्री ल० ना० मिश्र) : (क) सूचना एकत्रित की जा रही है और उपलब्ध होते ही मदन के मभा-पटल पर रख दी जायगी ।

(ख) और (ग). महाराष्ट्र सरकार ने अनुसूचित क्षेत्र और अनुसूचित आदिम जाति आयोग को सलाह दी थी कि कुछ क्षेत्रों को, जिनमें विदर्भ क्षेत्र के भी कुछ इलाके शामिल थे, अनुसूचित क्षेत्रों की सूची परिशिष्ट I पर सभापटल पर रखे गए—पुस्तकालय में रखा गया । देखिए संख्या L. T.—

4354/65—उद्धरण के अनुसार] में शामिल किया जाय । आयोग ने सिफारिश की कि क्षेत्रों को अनुसूचित करने के प्रश्न पर उनके द्वारा उनकी रिपोर्ट के अध्याय 8 में सुझाये गये बैकल्पिक दृष्टिकोण [परिशिष्ट II पर सभापटल पर रखे गए—पुस्तकालय में रखा गया । देखिए संख्या L.T.—4354/65—उद्धरण] की पृष्ठभूमि में विचार किया जाना चाहिये । आयोग द्वारा सुझाया गया “बैकल्पिक दृष्टिकोण” अर्थात् यह कि अनुसूचित क्षेत्रों को अनुसूचित आदिम जाति विकास खंडों के अन्तर्गत परिगणित किया जाना चाहिये, भारत सरकार द्वारा स्वीकार कर लिया गया है । इसलिये महाराष्ट्र में किन्हीं नये क्षेत्रों को अनुसूचित करने का प्रश्न नहीं उठता ।

Expansion of Narela Township

3146-C. { Shri Hukam Chand
Kachhavaia:
Shri Yudhvir Singh:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that Government have notified acquisition of 9500 acres of land for expansion of Narela Township under Section 4 of the Land Acquisition Act;

(b) whether it is also a fact that the proposed acquisition covers agricultural lands of a number of villages including Bhargarh and Kurani villages; and

(c) if so, the broad outlines thereof?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (a) and (b). Yes, Sir

(c) A copy of the Notification No. F.1(43)/63-63-L&H, dated the 30th October, 1963, issued by the Delhi Administration is laid on the Table of the House.

**Welfare of Central Government
 Employees**

3146-D. { Shrimati Renuka Barkataki:
 { Shri Kanakasabai:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that the Planning Commission has asked the Home Ministry to submit a comprehensive social welfare scheme for the benefits of Union Government employees; and

(b) if so, the main features of the scheme that the Home Ministry is considering?

The Deputy Minister in the Ministry of Home Affairs (Shri L. N. Mishra): (d) Yes, Sir.

(b) Details of the scheme are being worked out and they will be referred to the Planning Commission when they are formulated.

12.08 hrs.

**CALLING ATTENTION TO MAT-
 TER OF URGENT PUBLIC IM-
 PORTANCE**

**EXPLOSION ON RAILWAY TRACK BETWEEN
 ARUNACHAL AND SILCHAR IN ASSAM**

श्री हुषम चन्द कछवाय : (देवास) :
 अध्यक्ष महोदय, मैं प्रविलम्बनीय लोक महत्व
 के निम्नलिखित विषय की शीघ्र गृह-कार्य
 मंवी का ध्यान दिनाता हूं और प्रार्थना करता
 हूं कि वह इस बारे में एक वक्तव्य दें :—

“असम में सिलचर रेलवे स्टेशन के
 निकट विस्फोट के समाचार, जिस के
 फलस्वरूप रेल की पटरी उड़ गई,
 तथा कुछ व्यक्ति मर गए और
 घायल हो गए।”

The Minister of State in the Ministry of Home Affairs (Shri Hathi):
 According to the information received from the Government of Assam, on 29th April, 1965, at 3.20 P.M. a serious explosion occurred on the railway track between Silchar and Arunachal at a distance of about a mile from the Silchar Railway station. The local people who rushed to the spot on hearing the explosion managed to stop a train which was coming from Dharmanagar to Silchar more than 150 yards from the scene and thereby saved it from accident.

On receipt of information, the Deputy Commissioner of Silchar accompanied by the District Superintendent of Police and police force rushed to the spot, cordoned off the area, and took the necessary precautionary steps for investigation. Armed guard from the local military unit nearby and a Railway Protection Force Unit from the Silchar Railway Station also reached the spot soon after.

From two cavities in the permanent way it would appear that there were two discharges which perhaps exploded simultaneously. The rail above the cavities was ripped off to a length of nearly 8 feet, the ballast under the track and three wooden sleepers scattered and the alignment of the track displaced.

badly mutilated dead body of a man was found at about 100 feet east of the track. Another person with serious injuries and burns was found in an unconscious state at about 15 feet west of the track. He was taken to the hospital immediately where he succumbed to his injuries.

The possibility of this being an attempt at sabotage of the incoming train is not being ruled out. Investigations are in progress. All measures necessary for aiding investigations and preventing the recurrence of incidents of this kind have been taken by Government.

श्री हुकम चन्द कछवाय : क्या सरकार के ध्यान में यह बात आई है कि आसाम, त्रिपुरा, बंगाल और उत्तर प्रदेश, ये जितने भी सीमावर्ती क्षेत्र हैं, वहां पाकिस्तानी जामूस ज्यादा तादाद में पाए गए हैं और उन्हीं के द्वारा ये सारी करतूतें की जा रही हैं? यह जो विस्फोट किया गया है, क्या इस के पदार्थों की छानबीन की गई है कि कहां के बने हुए थे?

श्री हाथी : आसाम में कुछ जामूस पकड़े गए हैं।

श्री श्रीकार लाल बेरबा (कांटा) : क्या यह समाचार सही है कि पुलिस की जांचरिपोर्ट के अनुसार बिजली के करंट से यह विस्फोट हुआ है; यदि नहीं तो अभी तक इस सम्बन्ध में सरकार ने कितने आदिमियों की पकड़ा-धकड़ी की है और उन से क्या पूछ-ताछ की गई है?

श्री हाथी : अभी तक कोई पकड़ा नहीं गया है।

श्री श्रीकार लाल बेरबा : मैंने यह पूछा है कि क्या यह सही है कि पुलिस की रिपोर्ट में लिखा गया है कि बिजली के तार के छू जाने से, बिजली के करंट से, यह विस्फोट हुआ है।

श्री हाथी : बिजली के तार की रिपोर्ट नहीं है। बिजली का तार नहीं बैटरी थी।

श्री यशपाल सिंह (कैराना) : शिलांग में जो पाकिस्तानी दूतावास स्थित है वह हमेशा एक्सप्लोजन और सैबोटज की एक्टिविटीज को बढ़ावा देता है। सरकार के स्थान में क्या यह बात आई है कि जब तक यह दूतावास बन्द नहीं किया जाएगा तब तक यही परिणाम होते रहेंगे?

श्री हाथी : मैंने कहा है कि कुछ स्पाइज असम से पकड़े गये हैं। दूतावास की बात तो एक्सटर्नल एफेयर्स मिनिस्ट्री करेगी।

श्री श्रीकार लाल बेरबा : मैंने पूछा था तब तो उन्होंने कहा था कि कोई पकड़े नहीं गये हैं, अब कहते हैं कि कुछ पकड़े गये हैं यह क्या बात है?

Shri Hathi: इसके सम्बन्ध में नहीं। मैंने कहा है

Some spies have been arrested, not in this connection.

Shri Subodh Hansda (Jhargram): Since it is presumed that it is a case of sabotage, I would like to know whether all the police force nearby have been alerted by Government.

Shri Hathi: Yes, Sir.

Shri A. P. Sharma (Buxar): Since this is a suspected case of sabotage, what concrete steps have been taken by Government to guard these areas, particularly the railway lines so that such things should not recur in future.

Shri Hathi: Frequent patrolling is the one thing which has been undertaken.

Shri S. C. Samanta (Tamluk): May I know whether the unconscious man who was taken to hospital has been interrogated?

Shri Hathi: No. Upto now, I have no information. He was unconscious.

Shri Warlor (Trichur): Was the person who died in hospital identified? If so, what was his nationality?

Shri Hathi: He belonged to the Cachar district.

श्री प्रकाशबीर शास्त्री (बिजनौर) : अभी मेरठ जिले में गढ़मुक्तेश्वर के पास भी ऐसा ही कल-परसों हुआ है कि मिलिटरी की एक स्पेशल गाड़ी गिर गई थी और इसी तरह की एक घटना का बिबरण मंत्री महोदय ने अभी दिया है। मैं जानना चाहता हूं कि क्या मंत्रालय ने यह जानने का प्रयास किया है कि इसके पीछे पड़यंत्र तो नहीं हो रहा है जो ये

घटनायें बगबर इस तरह से बढ़ती जा रही हैं ?

श्री हाथी : जैसा मैंने कहा है संबोदेज का केस है, ऐसा हम भी मान रहे हैं, इसलिए इसके बारे में कार्रवाई भी कर रहे हैं ?

Shri Narendra Singh Mahida (Anand): In view of the frequency of such explosions at various places, whether it may be in Jammu and Kashmir or it may be in Assam, may I know whether Government are raising volunteer forces? If Government forces are not capable of coping with it or are not in sufficient numbers, are we not going to have home guards or boy scouts or other agencies also to see that such places are safeguarded?

The Minister of Home Affairs (Shri Nanda): That aspect is before us. The strength of the Home Guards is going to be raised in a very large way, and other steps are also going to be taken.

Shri P. Venkatasubblah (Adoni): In view of the recurrence of these incidents, whether on the East Pakistan-Assam border or any other borders and the fact that saboteurs are infiltrating and indulging in such activities with impunity and going scot-free, may I know whether Government proposes to remove the impression among the people that the intelligence apparatus is not as efficient as it should be? If so, what action are Government going to take in this connection?

Shri Hatthi: We have been vigilant. I may say we have arrested as many as 60 such spies.

Shri Hem Barua (Gauhati): When the Chinese aggressed on us in 1962, saboteurs in Assam were active. These saboteurs are on the payroll of Pakistan. They were active and tried to blow up our rail track as many as three times. Now we have been moving our troops in that area after the Pakistani aggression. Now comes this explosion. In 582 (Ai) LS—5.

this context, may I draw the attention of the Government to the assurance given by our late Prime Minister on the floor of this House that when Pakistan closed down our High Commission office in Rajshahi that Government would consider closing down the Pakistan Assistant High Commissioner's office in Shillong which has been the cockpit of all these mischievous things occurring in that frontier area? It is this mission which is organising and engineering these things. Why has no action been taken in pursuance of that assurance. I want a reply from the Prime Minister.

The Prime Minister and Minister of Atomic Energy (Shri Lal Bahadur Shastri): I would like to assure the hon. Member and the House that we will take action very soon in that regard.

Shri Hari Vishnu Kamath (Hoshangabad): Is it not a fact that besides the Pakistani infiltrants, among whom may be agents, spies and saboteurs, there are certain high-placed officers in the Assam Police and Secretariat as well as a Minister in that State whose loyalty and integrity are somewhat suspect, and because of this the security of the State will continue to be in jeopardy unless they are removed from their present positions? If so, what steps are being taken in that direction by Government?

Shri Nanda: I would like to repudiate this, whether to call it insinuation or anything else, I do not know.

Shri Hari Vishnu Kamath: You have transferred the IG of Police.

Mr. Speaker: This has been brought to notice earlier also, once or twice here, and it has been discussed. Otherwise, ordinarily I should not have allowed such a thing to be brought in, an accusation made like that.

Shri Nanda: I am thankful to you for giving me this opportunity to clear the position.

The other day, Shri Prakash Vir Shastri also brought up this question, about the IG of Police in Gujarat. It is alleged that he was brought away from Assam for certain reasons, and therefore, was not the appropriate person to be there. I may state here very categorically that that officer has a very good record. He has got a very satisfactory record in Gujarat also. There is no ground at all for any kind of suspicion about that. I would like to allay any suspicion on that score. It is very unjust to that officer.

So far as the other things are concerned....

श्री हुकम चन्द कछवाय : शेख अब्दुल्ला
के हिमायती भी हैं ।

Shri Nanda: We are not dealing with Sheikh Abdullah now. Sheikh Abdullah will have his due in the proper way.

Regarding these other charges or insinuations, I categorically repudiate them and deny them....

Mr. Speaker: Shri Kotoki.

Shri Hari Vishnu Kamath: They will rue the day if they do not take any action.

Shri Surendranath Dwivedy (Kendrapara): What about some Ministers in Assam?

Shri J. B. Kripalani (Amroha): The nation will rue the day, not they (*Interruptions*).

Shri K. D. Malaviya (Basti): They are also patriotic. (*Interruptions*).

Shri Hari Vishnu Kamath: Why does he butt in? I did not refer to any Member here. Why don't you call him to order? He thinks he is still a Minister here.

Shri Raghunath Singh (Varanasi): We are also patriotic.

Shri Hari Vishnu Kamath: I know.

Shri Hem Barua: You do not have to announce it (*Interruptions*). You come to their rescue.

Mr. Speaker: Why should this competition be there? There ought not to be any doubt about the patriotism of each Member here.

Shri Hari Vishnu Kamath: They started it. Shri K. D. Malaviya former Minister of Mines, provoked everybody here. It was wholly wrong on his part to do so. I did not refer to any Member here at all. The reference was to some officers and a Minister in Assam.

Shri K. D. Malaviya: I do not know why he is so angry.

Shri Hari Vishnu Kamath: It was wholly wrong on his part to butt in. I do not know why you did not call him to order.

Mr. Speaker: It is very unfortunate that Members get excited and do not listen to the Speaker also. There ought not to be such interruptions. They create great confusion. We do not achieve anything by this.

Shri Liladhar Kotoki (Nowgang): May I know whether Government have ascertained the identity of the two persons who were killed in the explosion, that they belong to the Mizo tribe and are part of a gang of the Mizo people who are being trained in Pakistan to commit acts of sabotage in Assam?

Shri Hathi: One of these persons could not be identified because all his limbs were so badly mutilated. The second person who was unconscious was then alive but died later. He is a person from Cachar. He is not a Mizo. He belongs to the Kabuli Nagas. I have inquired only yesterday.

Shrimati Jyotsna Chanda (Cachar): May I know from the Government what steps they are taking to protect the Mizo-Pakistan border, so that Pakistani spies and infiltrators do not come through that district?

Shri Hathi: So far as infiltration into India is concerned, we have increased the number of check posts on the border.

श्री ब्रज बिहारी महरोत्रा (बिल्हीर) :
अध्यक्ष महोदय, सिलचर का जो कांड हुआ है क्या उसके बाद से पाकिस्तानी सीमा के किनारे जो हमारी रेलवे लाइन है उस पर सरकार ने गार्ड गार्ड रखे हैं ताकि मणकूक आदिमियों को पकड़ा जा सके और जरूरत पड़ने पर गोली भी मारी जा सके ?

श्री हाथी : पेट्रोलिंग ज्यादा बढ़ा दिया है ।

Shri P. C. Borooah (Sibsagar): May I know how many cases of sabotaging and spying have so far been apprehended since the beginning of this year, and what arrangement has been made for combing out these elements at least from strategic areas like Assam, Kashmir and Kutch?

Shri Hathi: I have not got the exact number, but, as I said, we have arrested a number of persons who were indulging in spying activities.

Shrimati Renuka Barkataki (Bairpeta): In view of the fact that both the tribal persons mutilated and dead near the scene of the blast were Zeliang Nagas,—the hon. Minister has said that only one was a Zeliang Naga, but press reports say that both are Zeliang Nagas,—may I know whether the Government has ordered any enquiry to find out whether the explosion was a part of a renewed campaign of sabotage organised by Naga hostiles in collusion with Pakistan to disrupt troops movement in this region in the face of military manoeuvres of Pakistan? If so, is the Government aware whether the elec-

tronic device and the explosive materials came from China or Pakistan?

Shri Hathi: I said that the body of one of the persons was so much mutilated that he could not be identified, and that the second person was a Naga.

Shrimati Renuka Barkataki: Is Government aware whether the electronic device and the explosive materials came from China or Pakistan?

Shri Hathi: That is being investigated.

Shri S. M. Banerjee (Kanpur): May I know whether the attention of the hon. Minister has been drawn to a news item in a Bangali newspaper that of the persons who have been arrested, one was a sadhu and he had in his possession some papers, and if so whether investigations have revealed that this sadhu was a Pakistani spy?

Shri Hathi: Neither of these persons was a sadhu about whom news appeared in the newspapers.

Shri S. M. Banerjee: Who is this sadhu?

Shri Hari Vishnu Kamath: Of the Sadhu Samaj.

Shri Hathi: There was a case of a sadhu. What has appeared in the papers is that a person in the guise of a sadhu was arrested, but it does not relate to any of these persons.

12.24 hrs.

RE. STATEMENT ABOUT KUTCH

Mr. Speaker: I have to inform the House that the Prime Minister would be making a statement at 6 o' Clock about Kutch.

Shri S. M. Banerjee: (Kanpur): I want to make a submission. I did not give any Calling Attention Notice, but I would only request that when the Prime Minister makes the statement, the statement should cover two points.

Mr. Speaker: I cannot ask him that he should cover this point or that point. When he makes the statement, we will see.

श्री श्रीकार लाल बरबा (कोटा) : * *

Mr. Speaker: This will not go on record.

12.25 hrs.

PAPERS LAID ON THE TABLE

ANNUAL REPORT OF THE UNIVERSITY GRANTS COMMISSION

The Deputy Minister in the Ministry of Education (Shri Bhakt Darshan): Sir, on behalf of Shri M. C. Chagla, I beg to lay on the Table a copy of Annual Report of the University Grants Commission for the year 1963-64 under section 18 of the University Grants Commission Act, 1956. [Placed in Library. See No. I.T-4346/65].

SIXTH REPORT OF THE COMMISSIONER FOR LINGUISTIC MINORITIES

The Minister of State in the Ministry of Home Affairs (Shri Hathi): I beg to lay on the Table a copy of Sixth Report of the Commissioner for Linguistic Minorities for the period 1st January to 31st December, 1963, under article 350B(2) of the Constitution. [Placed in Library. See No. LT-4347/65].

12.26 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

SIXTY-SIXTH REPORT

Shri Krishnamoorthy Rao (Shimoga): I beg to present the Sixty-sixth Report of the Committee on Private Members' Bills and Resolutions

12.26½ hrs.

JOINT COMMITTEE ON OFFICES OF PROFIT

THIRD REPORT

Shri G. N. Dixit (Etawah): Sir, I beg to present the Third Report of the Joint Committee on Offices of Profit.

12.27 hrs.

FINANCE BILL, 1965—Contd.

Mr. Speaker: The House will now take up Clause-by-clause consideration of the Bill to give effect to the financial proposals of Central Government for the financial year 1965-66.

The question is:

"That Clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3— (Annuity Deposit).

Shri M. E. Masani (Rajkot): I wish to oppose Clause 3 of the Bill. Clause 3, as you see, legalises the imposition of the annuity deposits. When this provision was introduced during the last Budget, we from these benches opposed the imposition of the annuity deposits as something that was not only as bad as the compulsory deposit, but something worse. We felt that the change from the compulsory deposit scheme to the so-called voluntary annuity deposit scheme was a step in the wrong direction, and we had at that time opposed it on the floor. Our opposition remains as vehement against this scheme as it was then.

The way it works is that money which should be productively invested by the people is diverted to the coffers of the Government where, invariably,

this is either spent unproductively or less productively. It is axiomatic that when money is diverted from those who can save and invest it and it goes into the coffers of Government, then the odds are that that money will be used less productively than it would have been by the people who know what their money is worth. It is their money, they have the incentive to use it to the best effect.

In this way, crores of rupees of the country's money, and those of the middle class people, because this affects the middle class people as well as those with wealth, are being diverted to unproductive channels. The hardship of the taxpayer, who is already mulcted in a hundred ways, is also there. For these reasons we are strongly opposed to the continuance of the annuity deposits, and we would like to urge that this clause be rejected.

Mr. Speaker: The hon. Minister.

The Minister of Finance (Shri T. T. Krishnamachari): I have nothing to say.

Mr. Speaker: The question is:

"That Clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Mr. 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 8).

*Amendment made:**

Page 6, line 18, omit "paid by company". (1)

(Shri T. T. Krishnamachari)

Mr. Speaker: The question is:

"That Clause 5, as amended, stand part of the Bill."

The motion was adopted.

Clause 5 as amended, was added to the Bill

Clause 6.—(Amendment of section 10).

*Amendment made:**

Page 7, for lines 1 and 2, substitute

"(iii) for clause (13), the following clause shall be substituted and shall be deemed always to have been substituted, namely:—"
(2)

(Shri T. T. Krishnamachari)

Mr. 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.

Mr. Speaker: The question is:

"That Clause 7 stand part of the Bill."

The motion was adopted.

Clause 7 was added to the Bill.

Clause 8—(Amendment of section 33).

Shri N. Dandekar (Gonda): Sir, I have two amendments—125 and 126.

Shri M. R. Masani: I have two amendments Nos. 93 and 94.

I beg to move:

(i) Page 8, line 11,—

for "1967", substitute "1968"
(93)

(ii) Page 8, line 25,—

for "1965" substitute "1968"
(94)

*Amendment made with the recommendation of the President.

†Moved with the recommendation of the President.

Shri N. Dandekar: I beg to move:
(i) Page 8,—

for lines 8 to 13, substitute—

“(B) for the purpose of any other business, twenty per cent of the actual cost of the machinery or plant to the assessee,” (125)

(ii) Page 8,—

omit lines 19 to 26 (126).

So far as amendment No. 125 is concerned, I submit this. It is concerned with restoring, in so far as the industries that are not meant to be given any higher development rebate, the twenty per cent development rebate which they had been enjoying hitherto. My submission in this connection is twofold. I cannot see any reason whatsoever for reducing the rate of development. Whatever may be the justification for raising the development rebate in certain specific industries or class of industries, I cannot see any reason for the reduction of the rate of development rebate that has been generally prevalent now for some years, to fifteen per cent. What is the precise reason for the precise reduction of five per cent, I am quite unable to imagine. I feel that the way this clause is at present has the effect of robbing Peter to pay Paul, increasing the development rebate for certain industries by reducing the development rebate in other industries.

Amendment No. 126 is concerned with omitting lines 19 to 26 on page 8; these lines are concerned with the insertion of a clause by which no deduction by way of a development rebate shall be allowed in respect of any machinery or plant installed after the 31st day of March, 1965 in any office premises or any residential accommodation. I see no reason at all for the exclusion of office machinery such as recording machines, accounting machines, teleprinters typewriters with the result that the offices could not be equipped in the best way possible. That was made possible by the al-

lowance of the development rebate. I should have thought that if office equipment and so on are now getting more and more modernised, Government would be only too happy; and would indeed go further and modernise all government offices and residences also, because there is no question that the efficiency of work increases very considerably by the installation of these improved, new and developed types of office machinery and equipment, including air conditioners and the like. If this clause remained as it is, the result would be to go backward against in the matter of modernising offices and so forth and hence I have proposed this amendment.

Shri T. T. Krishnamachari: Sir, this is very clear. I have stated in my Budget speech that we are altering the development rebate rate. In fact in my budget speech last year I did give, more or less a notice that the development rebate will be altered. Development rebates are not flat things to be given to everybody on the basis of charity. It has got to have some significance in regard to the plant and also the importance of the industry. Therefore, after careful consideration, Government have split up the industries into two categories of those that will be entitled to a development rebate of 25 per cent and those that will be entitled to a less per cent. The notice that I gave last year was there, and that is why the new rates will not apply to these categories of industries which will after March 1967, get a lower rate. They will still get 20 per cent; after March 1967 they will get a lower rate of fifteen per cent. On the other hand we have increased the development rebate in regard to certain categories of industries which are important and raised it to 25 per cent. This follows the pattern of development that we envisaged in the Fourth Plan that some of the important industries which are heavily capitalised should be aided by a reduction in their capital outlay by the development rebate. Therefore, a scheme which the Gov-

ernment has been thinking of, and about which I had announced last year, cannot be changed now by this amendment.

Another amendment of Mr. Dandekar is in regard to the development rebate for office equipment, refrigerator and various other things. Obviously they are not going into the plant; it is not something which you have to buy for production. Of course it does aid production, no doubt. In some cases, there may be some concerns who do not want all these things while others might want more sophisticated ones. These should come normally out of their normal expenses and normal depreciation. No development rebate should be given to these and, therefore, I am unable to accept any of his amendments.

Mr. Speaker: I shall now put amendments 93, 94, 125 and 126 to the vote of the House.

Amendments Nos. 93, 94, 125 and 126, were negatived.

Mr. Speaker: The question is:

"That clause 8 stand part of the Bill.

The motion was adopted.

Clause 8 was added to the Bill.

Clause 9—(Insertion of new section 33A).

Shri N. Dandekar: Sir, I move* my amendments No. 127 and 128 to clause 9:

(i) Page 8, line 35,—

for "forty per cent", substitute
—"fifty per cent." (127).

(ii) Page 9, line 3,—

for "twenty per cent", substitute—"forty per cent".
(128).

Sir, this is one of those clauses in the Bill for which the Finance Minister deserves our congratulations, namely, The clause bringing in this development allowances for the plan-

tation industry, particularly the tea plantation industry. I wish he had extended it to others too, but that is not the point that I am now making. It is an excellent concession. I have had occasion to go into this matter as a member of the Bonus Commission and the matter has been examined in very great detail by an expert committee that was appointed by Government and of which, I think, the chairman was one who had a very wide experience in income tax (He was also the chairman of Central Board of Revenue of those days). The matter having been so thoroughly enquired into by a committee of experts consisting of such person of such competence as the gentleman I mentioned, and that committee having made very specific recommendations after considering the matter in great detail, I am unable to understand why that committee's recommendation had been whittled down. That committee's recommendation was that in respect of bushes planted on any land not planted at any time with tea bushes or on any land which had been previously abandoned, the development rebate should be fifty per cent whereas this clause allows it at forty per cent. My first amendment seeks to set it right and put it at fifty per cent. The second part of the clause relates to the tea bushes which are planted in replacement of tea bushes that have died or have become permanently useless on any land already planted. The clause gives a development allowance of twenty per cent whereas the committee's recommendation was forty per cent.

I see only one curious justification that has been given that is, that another industry, shipping, gets development rebate at 40 per cent. There appears to be no reason why this should not be fifty per cent. If we were to carry forward that logic, shipping would have to be reduced to coal mining which has a maximum of 35 per cent and coal mining will have

*Moved with the recommendations of the President.

[Shri N. Dandekar]

to be reduced to some other industry, which has a maximum of 25 per cent and all these would have to be reduced to 15 per cent. There is no validity in that kind of argument. The allowance must rest on its own merits.

The only thing that I would like to emphasise in this connection is this. Apart from the fact that fifty per cent and 40 per cent which was the recommendation of this very competent expert committee, this particular product we are concerned with is one of the most important export products and therefore, a foreign-exchange-earning-product. I would, therefore, beg of the Finance Minister to accept the recommendation of that expert committee. Their reasons are perfectly sound and which are the subject matter of my amendment, namely, to read 50 per cent for 40 per cent, in line 35 at page 8 and to read 40 per cent instead of 20 per cent in line 3, para 9.

Shri P. C. Borooah (Sibsagar): Sir, may I speak a few words on my amendment Nos. 196 and 197. I beg to move:*

(i) Page 9, lines 6 and 7,—

omit "the third succeeding previous year next following" (196).

(ii) Page 10,—

omit line 33. (197).

Mr. Speaker: All right.

Shri P. C. Borooah: Sir, under the Bill, the proposed new section 33A of the Income-tax Act provides for a Development Allowance in respect of new plantings and replantations by the tea industry. According to clause (ii) of section 33A(1), the cost of replantation is to be allowed in the third successive previous year after the year in which the land is prepared for planting or replanting. The effect

of this provision is that while a major part of the expenditure over new planting and replanting is incurred in a particular year, the assessee has to wait for three further years before he can claim development allowance. The purpose of the present amendment is that cost incurred up to the time of planting should be taken into account for purpose of development allowance in the year in which planting is done, in the same manner as development rebate on machinery is allowed in the year the machinery is installed.

Shri T. T. Krishnamachari: Sir, the amendments moved by my hon. friend Shri Dandekar are based on the fact that we should have accepted the recommendations of the committee which had been appointed. The chairman of that committee is a senior officer in the Ministry, who is undoubtedly a very competent person, but when we appoint a committee, we do not give the decision to the committee. It is our discretion; when the matter was examined, we felt that 40 per cent would be adequate.

One point of which the hon. Member is not aware is this. Of course, he knows the taxation laws very well; the taxation on plantations, since he was in charge of it. The States have come in with considerable amounts of taxation on these tea plantations; agricultural income-tax and various other duties thereon. The amount that is available for us to distribute is comparatively small.

In regard to the other matter, I explained it the day before yesterday in my introductory speech; the reduction of 20 per cent has been made because the expense for the purpose of replanting is taken into the revenue account, and is deductible as working expenses. Therefore, there is something *ex-gratia* in order to enthuse them to take the work of replanting.

*Moved with the recommendations of the President.

In the circumstances, 20 per cent is quite adequate.

So far as the point raised by Shri Borooah is concerned, his amendment seeks to omit the words "the third succeeding previous year next following". It will have the effect of including the allowance to be made in computing the income of the previous year in which the land was prepared. If this amendment is made, the provision will become almost unworkable since the amount of development allowance can be determined only after the completion of the third successive previous year following the year in which the land was prepared for planting. As a working arrangement, it is not possible to accept this amendment.

The other amendment is to delete the powers prescribed. The Tea Finance Committee itself has recommended a number of procedural changes. If I do not have the power, those changes could not be undertaken. I do not think the hon. Member is aiding the industry, because if procedural changes might have to be made, those conditions will have to be laid down which will benefit the industry. For these reasons, therefore, I am unable to accept the amendments.

Mr. Speaker: Can I put these amendments together?

Shri N. Dandekar: My amendments are different, Sir.

Mr. Speaker: All right. I shall first put amendment Nos. 127 and 128 to the vote.

Amendment Nos. 127 and 128 were put and negatived.

Mr. Speaker: I shall now put amendment Nos. 196 and 197 to the vote.

Amendment Nos. 196 and 197 were put and negatived.

Mr. 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 was then added to the Bill.

Clause 11—(Amendment of section 36)

Shri T. T. Krishnamachari: I beg to move*:

Page 13, after line 5, insert—

"Provided further that the provisions of sub-section (2) of section 32 and of sub-section (2) of section 72 shall apply in relation to deductions allowable under this clause as they apply in relation to deductions allowable in respect of depreciation:

Provided further that the provisions of clauses (ii), (iii) (iv) and (v) of sub-section (2) of section 35, of sub-section (3) of section 41 and of Explanation 1 to clause (1) of section 43 shall, so far as may be apply in relation to an asset representing expenditure of a capital nature for the purposes of promoting family planning as they apply in relation to an asset representing expenditure of a capital nature on scientific research." (3)

Shri N. Dandekar: I beg to move:

(i) Page 12, line 34,—

for "clause shall be inserted" substitute—"clauses shall be, and shall be deemed always to have been, inserted". (129)

(ii) Page 12, line 35,—

for "company" substitute "person". (130)

(iii) Page 12, line 36,—

for "its" substituted "his". (131)

*Moved with the recommendation of the President.

[Shri N. Dandeker]

(iv) Page 13,—

after line 5, insert—

“(x) any rent or royalty paid by the assessee to the Central Government or to any State Government or local authority for mining rights or concessions granted to him under a mining or quarrying lease executed under the provisions of the Mines and Minerals (Regulation and Development) Act, 1957, or under the Rules made by the Central Government or any State Government or local authority in exercise of powers conferred under the said Act.”. (132)

Shri M. R. Masani: I would like to move amendment No. 95.

Mr. Speaker: Amendment Nos. 95 and 130 are the same. That is why I did not call him.

Shri N. Dandeker: I will first take up amendment Nos. 130 and 131. They are very small amendments, but they are very important amendments. As the clause stands, the new clause will admit as allowable expenditure *bona fide* expenditure incurred by a company for the purposes of promoting family planning among its employees. The effect of the two small amendments that I have suggested is, for the word “company” substitute “person” and then, instead of “its”, to substitute “his”, with the result that the expenditure on family planning within the limits and subject to the conditions here prescribed, would be admissible to all employers in respect of such expenditure incurred on behalf of, or for the benefit of their employees. I really see no distinction and no reason for any distinction between a company employer undertaking expenditure on family planning for a few of his employees and any other employer, whether it is a firm, association of persons, individual or any other, who undertakes such an expenditure, because, the urgent need today is that everybody, the State Governments, the local authorities, private institutions, private persons and employers—every-

one—all together—should be pulling in the direction of propaganda and of other things and types of expenditure for integrating the scheme of promotion of family planning. In so far as this restricts this benefit to allowing such expenditure against taxable income only to companies, it seems to me an unreasonable and unnecessary limitation, and I do hope the Finance Minister will find it possible to accept the suggestion.

The other amendment is more important in the sense that it really goes to a considerable extent in the matter of a thing that has given rise to a tremendous amount of doubt lately, mainly the admission of expenditure by way of royalty payment to the owner of a colliery or whatever it is, or mostly to Government. The payment of royalty is in question now, as to whether they are deductible expenditure of a revenue character or whether they are capital expenditure and not therefore allowable as reduction from taxable income. I am entirely in agreement with the view that was earlier expressed by, I think, the Minister of Steel and mines, when this question was at one time raised in the House here, namely, what is capital expenditure and what is revenue expenditure is a matter which is very considerably dependent upon the facts of each case and cannot form the subject-matter of any general legislation. But the point I wish to make is this. In relation to this particular question of royalty, a doubt has arisen, and since it has been the practice to allow royalty payments, whether they are dead-rent royalty in the sense that they are the minimum royalty if there is a certain quantity of mineral which is not lifted or whether they are royalties relating to the quantity of mineral lifted,—though these things never were in doubt—and so far as the department of industry is concerned, these were payments of a revenue character which were not payments that resulted in the acquisition of a right or of property or of a long-term right of any kind, which can be des-

cribed as capital expenditure, they really were directly related to the industrial exploitation of a particular quarry or a particular mine or whatever might be the subject-matter of the royalty payment. Consequently, there was no doubt until, unfortunately, a case arose in Rajasthan. It is a curious case; I have not got the details of the facts in the sense that I have not read the full judgment, since I came to know about it only recently. But it is a peculiar case where another royalty was payable, measured in terms of the quantity of limestone quarried. For some reason that I do not understand—whether it is a particular clause in the agreement or something—the Rajasthan High Court held that it was not an admissible expenditure for the purpose of computation of taxable income. I know that that decision is at present before the Supreme Court in appeal, but I do feel we ought not to wait until that happens if the mind of the Government on the subject is quite clear, as I believe it is. It is not merely a question of numerous essential industries in the private sector that are concerned, for instance, the entire coal mining industry, the entire cement industry and quarrying industry of limestone and all kinds of things, but what is also at stake would be the iron and steel industry. Enormous royalties they undoubtedly have to pay if they have any collieries, if they have any limestone quarries, for their iron ore quarries and mines and so on. It is going to upset the whole structure of industrial costing, the whole structure of incidence of taxation on industrial profits where payment of royalties are involved. I think we ought not to take a risk of that kind, unless Government feel they themselves have a very grave doubt on principle, which I myself do not think they entertain. I am, therefore, suggesting the insertion of a sub-clause by my amendment No. 132 which reads like this, that among the allowances that should be made for computing taxable income there should be included:

“any rent or royalty paid by the

assessee to the Central Government or to any State Government or local authority for mining rights or concessions granted to him under a mining or quarrying lease executed under the provisions of the Mines and Minerals (Regulation and Development) Act, 1957, or under the Rules made by the Central Government or any State Government or local authority in exercise of powers conferred under the said Act.”

The result, Sir, would to restore what has been practised by the department over a number of years, in fact all the time, that royalties paid with reference to the amount of material lifted from a quarry or a mine ought to be definitely an expenditure allowable for the purpose of computation of profits before you can properly ascertain profits. I, therefore, very strongly urge the acceptance of this particular amendment.

I might mention that after I had given notice of this, I also received a copy of a Bill introduced by Dr. Singhvi entitled the “Income-tax Amendment Bill” in which he has taken precisely the same point. I would just like to read two or three lines from his Statement of Objects and Reasons:

“It is commonly accepted that the payment of royalty is made wholly and exclusively for the purpose of a given business. The question, however, is whether such payment is on capital or revenue account. The purpose of the proposed amendment is to ensure that royalty payments under Mining Leases are allowed as deductible expenditure in computing business income under the parent Act.”

Then Dr. Singhvi recites relevant case law and goes on to say:

“It would be pertinent to recall that the Taxation Enquiry Commission (1953-54) in paragraph 7 of its Report (Vol. II, page 87188) has categorically stated that

[Shri N. Dandekar]

"where royalty is payable on the basis of production, it is clearly admissible (as deductible business expenditure)". Similarly, the Direct Taxes Administration Enquiry Committee (otherwise known as the Tyagi Committee) observed "that disallowance of royalties in the assessment cases of mining industry would obviously hamper its development and ability to compete in the world markets." Moreover, the then Finance Minister of India, at the time of the debate on the Income-tax Bill, 1961, clearly said that royalty for mining is eligible for deduction in computing the taxable income of a business *vide* Lok Sabha Debates dated 28th August 1961"

I do not wish to add anything more. I am perfectly certain that the department is familiar with this matter and problem, and I do hope the Finance Minister will find it possible to accept this suggestion by way of accepting my amendment.

Shri M. R. Masani: May I add my plea, Sir, to the plea made by the hon. Member who has just finished, in regard to this matter of royalties. I remember that this matter came up when we discussed the Income-tax Bill of 1961. At that time I asked the hon. Minister's predecessor, Shri Morarji Desai, for a clarification and assurance in the matter, and in response to that plea he was good enough to give the assurance that this would be deductible. When later on it was found that in the case of certain industries in Rajasthan this assurance was not being carried out, I remember, last year, I wrote to my hon. friend, the Finance Minister, drawing attention to the case. If he will look up the files he will find that he was good enough to point out that the Government were of the same view and would like to carry out his predecessor's assurance. But at that time the case was pending in the Rajasthan High Court and the Minister suggested, quite

reasonably, that the judgment of the High Court should be awaited. If the High Court held that to be a deduction, he said there was no need to change the law. I thought that was a very reasonable and satisfactory reply. Now, Sir, however, the High Court has taken a view contrary to the view that should have been taken in the light of the decisions of committees and the assurance of the Finance Minister in this House. I think the time has come when this slight change in the law should be made so that the effect of this judgment may be corrected. I hope, therefore, in terms of his own thinking of a year ago when he replied to me, the Minister would be good enough now to put the matter right.

Dr. L. M. Singhvi (Jodhpur): Mr. Speaker, Sir, I fully endorse the view, expressed by my hon. friend, Shri Dandekar and supported by Shri Masani. In introducing this Income-tax (Amendment) Bill, Amendment of Section 36, the object that impelled me was to ensure that the assurance given by the then Finance Minister is duly implemented. The assurance was given when the matter was raised by Shri Masani on the floor of this House and the assurance is as clear and categorical as can be. Apart from the assurance, there is the unanimous sequence of opinions in this matter which both from the point of view of policy as well as from the point of view of legal interpretation has held that in matters where this related to production it should not be construed as capital expenditure. However, the position has now been made very difficult on account of the decisions of Rajasthan High Court. When I raised this matter in the informal consultative committee the answer once again was that the matter is now pending consideration in the Supreme Court. Mr. Speaker, this is nothing but a policy of postponement. It is quite clear that the assurance was given with the full understanding of its implications, that the department had followed a

practice in consonance with the assurance and that now the time has come when the Government should implement that assurance by accepting the amendment that has been moved by Shri Dandekar. That is also brought out in the Bill that was introduced by me on 30th April 1965. It appears to me that unless this is done there would be very considerable hardship and the cause of giving fillip and incentive to the mining industry would suffer almost irreparable damage in the case of some of these mining industries. I know that they are suffering such hardship that they would have to carry on business almost at a loss. This is hardly a tenable proposition and I hope the hon. Minister would be persuaded to accept the amendment moved by Shri Dandekar.

Shri T. T. Krishnamachari: Sir, this is an omnibus section, and that is why it is not possible to bring any amendment under this section. It says merely "other deductions" and I know Shri Dandekar understands it.

With regard to his amendment about family planning, the Government has made a concession in regard to expenditure by companies. I would like to see how it works before extending the area to institutions where accounting, I suppose, is not of the same character as companies. Therefore, my hon. friends would understand if I am unable to accept their amendment (Interruption).

As regards the second amendment, hon. Members who spoke have emphasised the importance of this particular amendment as a matter of policy.

13 hrs.

In regard to the policy covered by the question of excluding royalty payments from eligibility for deduction for income-tax purposes, a decision has to be taken. In principle, deduction of taxes due to local bodies are not allowed. I think, hon. Mem-

ber, Shri Dandekar, knows it. In fact, sometimes one pays a very high rate of local tax and all that he gets is only one-sixth of the annual value of repairs. In equity, I think, it is adjudged that the person who owns the property pays; therefore, he should be eligible for some kind of reduction in the income-tax. It is not done. As I said, in equity a person can claim that any municipal or other taxes that he pays should be deducted from his income, but the law does not allow it and the law was administered by Shri Dandekar.

Shri N. Dandekar: It is allowed. Only in property assessment it is not allowed. Local taxes are allowed for computation of business income.

Shri T. T. Krishnamachari: It is a question of income from property. It is quite likely in equity that what the hon. Member says is correct.

Sir, the amendments came to me about two or three days back and I am asked to take a decision on principle. Of course, I know, this matter is under study. I know that the hon. Member, Shri Masani, wrote to me. I believe, he mentioned this to me a year back. I also know that my hon. friend, Dr. Singhvi, is very keen about it in regard to one particular State. It is not merely a matter of doing this for the sake of some mining....

Dr. L. M. Singhvi: The Income-tax (Amendment) Bill that I have moved takes care of the entire position.

Shri T. T. Krishnamachari: The provocation came from a particular type. I do not say that it is anything that is wrong.

Dr. L. M. Singhvi: Such cases arise; it is not a particular case.

Shri T. T. Krishnamachari: The hon. Member is needlessly under a misapprehension. I am merely say-

[Shri T. T. Krishnamachari]

ing that the provocation came because of a particular set of facts and a court case in regard to what one State is doing I have to study the whole thing. The income-tax Department has to find out as to what is the total amount of royalty paid by the various industries. As a matter of fact, my hon. friend, Shri Dandeker, was good enough to categorise the wide area which should be covered and relief is sought to be given by accepting an amendment that is now proposed.

Besides, Government would be in a position to make up its mind when the Bill that has been moved by the hon. Member, Dr. Singhvi, comes up for discussion on the floor of this House. By that time, I think, we should be able to make up our mind. We would also know what it costs. It is not merely a question of philanthropy. The Finance Minister is not a philanthropist. I make no claim of that nature. I must find out the revenue considerations and effect of it. I suppose, any promise given by my predecessor is binding on me. I must find out what is the total revenue that is to suffer by this. I must have some examination made. I do hope—I am quite sure: I do not give a promise—that we will be able to get some more facts and give an answer when the Bill of Dr. Singhvi comes up. Then, I should either ask to defer further consideration of the Bill or I should give a categorical answer. I would be better prepared to do one or the other at that time. At the moment I cannot accept this amendment because it is in the nature of something—you will be surprised to know—which will probably have very serious implications from the revenue point of view.

Dr. L. M. Singhvi: I would only like to raise this one very little question that in view of the point of view expressed by the hon. Finance Minister he should consider at least giv-

ing some interim relief to these people because, otherwise, this business will collapse.

Shri N. Dandeker: They are issuing back-assessment notices where assessments were completed and it was allowed. Now they want them to pay more on fresh assessment of past taxes.

Shri T. T. Krishnamachari: When I take a decision, I will consider all the implications that have been suggested; but I cannot say what my decision will be.

Mr. Speaker: I shall put the Government amendment (No. 3) to the vote of the House first.

The question is:

Page 13, after line 5, insert—

“Provided further that the provisions of sub-section (2) of section 32 and of sub-section (2) of section 72 shall apply in relation to deductions allowable under this clause as they apply in relation to deductions allowable in respect of depreciation:

Provided further that the provisions of clauses (ii), (iii), (iv) and (v) of sub-section (2) of section 35, of sub-section (3) of section 41 and of Explanation 1 to clause (1) of section 43 shall, so far as may be, apply in relation to an asset representing expenditure of a capital nature for the purposes of promoting family planning as they apply in relation to an asset representing expenditure of a capital nature on scientific research.”. (3)

The motion was adopted.

Mr. Speaker: May I put all the other amendments to the vote of the House together? Amendment No. 95 is the same as No. 130.

Shri N. Dandekar: I would like amendments Nos. 130 and 131 to be put together and Nos. 129 and 132 to be put together.

Amendments, Nos. 130 and 131, were put and negatived.

Amendments, Nos. 129 and 132, were put and negatived.

Mr. 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.

Clauses 12 and 13 were added to the Bill.

Clause 14.—(Amendment of section 43)

Shri T. T. Krishnamachari Sir I have an amendment. The amendment is purely of a drafting nature and is designed to achieve the intention underlying the provisions more effectively.

*Amendment made: **

Page 13, for lines 25 to 33, substitute

"14. In section 43 of the Income tax Act,—

(a) for Explanation 6 to clause (1), the following Explanation shall be substituted, namely:—

"Explanation 6.—When any capital asset is transferred by a holding company to its subsidiary company or by a subsidiary company to its holding

company, then, if the conditions of clause (iv) or, as the case may be, of clause (v) of section 47 are satisfied, the actual cost of the transferred capital asset to the transferee company shall be taken to be the same as it would have been if the transferor company had continued to hold the capital asset for the purposes of its business";

(b) for Explanation 2 to clause (6) the following Explanation shall be substituted, namely:—

"Explanation 2.—When any capital asset is transferred by a holding company to its subsidiary company or by a subsidiary company to its holding company, then, if the conditions of clause (iv) or, as the case may be, of clause (v) of section 47 are satisfied, the written down value of the transferred capital asset to the transferee company shall be taken to be the same as it would have been if the transferor company had continued to hold the capital asset for the purposes of its business". (4).

(Shri T. T. Krishnamachari).

Mr. Speaker: The question is:

"That clause 14, as amended, stand part of the Bill."

The Motion was adopted.

"That clause 14, as amended, to the Bill.

Clauses 15 to 19 were added to the Bill.

Clause 20—(Insertion of new Chapter VIA)

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

(i) Page 16, line 7,—

for "fifty per cent." substitute—
"sixty per cent." (96)

(ii) Page 19,—

omit lines 10 to 12 (97)

(iii) Page 19, lines 36 to 40,—

for "his share in the income of a registered firm which renders professional service as chartered accountant, solicitor, lawyer, architect, or such other professional service as may be notified in this behalf by the Central Government in the Official Gazette is chargeable to tax and he",

substitute—

"who exercises the profession of a chartered accountant, solicitor, lawyer, architect or management consultant or such other profession as may be notified in this behalf by the Central Government in the Official Gazette". (98)

Shri N. Dandekar: I am not moving amendments Nos. 133....

Mr. Speaker: Amendment No. 133 is the same as No. 96 and amendments No. 137 is the same as 97. He can leave them.

Shri N. Dandekar: Nor am I moving amendments No. 138 and 139, as they are covered. Therefore, the amendments I am moving are Nos.

134, 135, 136, 140 and 141

Sir, I beg to move:*

(i) Page 16, lines 12 and 13,—

omit "out of his income chargeable to tax". (134)

(ii) Page 16, lines 23 and 24,—

omit "out of its income chargeable to tax". (135)

(iii) Page 17, lines 2 and 3,—

omit "out of his income chargeable to tax". (136)

(iv) Page 19, line 38,—

after "architect" insert—

"management consultant, author, play-wright, artist, musician, actor". (140)

(v) Page 19, lines 40 and 41,—

omit "out of his income chargeable to tax". (141)

Mr. Speaker: Amendment No. 142 is not moved.

Shri T. T. Krishnamachari: Sir I beg to move:

(i) Page 16, lines 7 and 8, for "fifty per cent of the aggregate of the sums specified in sub-section (2)", substitute "sixty per cent. of the first five thousand rupees of the aggregate of the sums specified in sub-section (2) and fifty per cent. of the balance, if any, of such aggregate". (5)

(ii) Page 16, lines 36 and 37, for "to the extent provided in rule 7 of Part A of the Fourth Schedule", substitute "in so far as the aggregate of such contributions does not exceed one-fifth of his salary in that previous year or eight thousand rupees, which ever is less.

Explanation.—In clause (d) of this sub-section and in clause (d) of sub-section (1) of section 87, "salary" shall have the meaning assigned to it in clause (h) of rule 2 of Part A of the Fourth Schedule'. (6)

(iii) Page 19, for lines 2 to 8, substitute—

"(i) in a case where the handicapped dependent has, for a period of one hundred and eighty two days or more during the previous year, been admitted in a hospital or a nursing home or a medical institution or in such other institution as may be notified by the Central Government in the Official Gazette to be an institution for the care of handicapped persons, and fees and charges for his medical treatment (including nursing) are payable to such hospital or nursing home or medical or other institution, as the case may be, a sum of two thousand four hundred rupees, or". (7)

(iv) Page 19, omit lines 26 to 33. (8)

I would like to say that these amendments have been covered by my introductory speech. Amendment No. 5 seeks to raise the deductible allowance from 50 per cent to 60 per cent up to Rs. 5,000. The other important amendment is in the case of handicapped dependents. We are not putting a ceiling on the income.

Shri M. R. Masani: Sir, I would like to explain my amendments Nos. 96 and 98 which are on two entirely different subjects. The first says that on

Page 16, line 7,—

for "fifty per cent." substitute—
"sixty per cent."

The story of this amendment is that in my Budget speech I had drawn the Finance Minister's attention to the fact that, no doubt unintentionally, by making a change in the basis on which relief should be given in respect of contributions made to provident fund and insurance premia, etc., he

had, in fact, diminished the quantum of relief and increased taxation over by far the widest range of taxpayers.

Shri T. T. Krishnamachari: Sir, I would like to say, if I might correct the hon. Member, that there would be no increase because there has been diminution in the basic tax.

Shri M. R. Masani: Sir, I do not want to indulge in a quibble. The fact remains that when an income-taxpayer pays a certain tax and certain deductions and reliefs are given, if the reliefs are cut, the quantum of tax goes up. The rate of tax does not go up but the amount that he has to pay goes up, as every taxpayer knows.

Therefore, I pointed out to the Finance Minister that this unintended consequence was likely to follow for all categories of income-tax payers except a small bracket around an income of Rs. 25,000 a year. The man with an income under Rs. 15,000 who does not pay Annuity Deposit was going to suffer and the man with over Rs. 30,000 or Rs. 35,000 income was also going to suffer. So, I suggested that the Minister should re-examine the matter and come before the House with a scheme which would, by and large, not reduce the relief that was intended to be given for deserving purposes like the life insurance, provided fund, etc.

The Finance Minister has now come forward with Amendment No. 5 which he has moved. That is an attempt on his part—I welcome it even though it is partial—to meet the point that I made, as he promised to do. Unfortunately, Amendment No. 5 of the Government does not meet the point completely. By allowing a deduction of 60 per cent only on the first Rs. 5,000 and leaving the rest at 50 per cent, the present position would still commit an injustice on almost all the people concerned except those in whose case the amount involved was less than Rs. 5,000. It is possible that a fair number of people whose insurance premia, provident fund

[Shri M. R. Masani].

contributions, annuity deposit payments, etc. do not exceed Rs. 5000 will get this benefit of 10 per cent more deduction and I am prepared to believe that they will no longer be mulcted. But the fact remains that a large number of people with incomes of over Rs. 30,000 will certainly be mulcted, even so. Therefore, I moved my Amendment No. 96 which makes 60 per cent, as suggested by the Finance Minister, applicable to all tax-payers, that is 60 per cent would be allowed on these payments, whatever may be the income.

Sir, let me point out that even my amendment does not altogether remove the injustice done by the Government proposal. If my amendment is accepted, anyone with an income of Rs. 50,000 or more will still pay more tax. I have not been able to evolve a formula which would be fair to the Government and at the same time be fair to the people with larger incomes. I do feel that a man whose income is not more than Rs. 50,000 should certainly not be mulcted by this change in procedure. The very rich people may be able to take care of themselves. Therefore, even my amendment is not doing justice fully. But it does a great deal more justice than the Finance Minister's amendment is prepared to do. I would, therefore, urge that this limit of Rs. 5000 be dropped and at least justice be done to those whose incomes do not exceed Rs. 50,000 a year, and they are not rich people. Today, a man with Rs. 50,000 or Rs. 48,000 is not a rich man because the amount of Rs. 48,000 is really worth about Rs. 12,000 or Rs. 15,000 in terms of the pre-war rupee.

My second amendment, that is Amendment No. 98, is on an entirely different aspect. I have suggested the following amendment:

“Page 19, lines 36 to 40—

for ‘his share in the income of a registered firm which renders

professional service as chartered accountant, solicitor, lawyer, architect, or such other professional service as may be notified in this behalf by the Central Government in the Official Gazette is chargeable to tax and he”,

substitute—

“who exercises the profession of a chartered accountant, solicitor, lawyer, architect or management consultant or such other profession as may be notified in this behalf by the Central Government in the Official Gazette”.

The point of that is that if a man is a member of a professional firm, such as, a lawyers' firm or chartered accountants' firm or architects' firm, then he may out of his income pay a premium for an annuity contract and he gets a certain amount of relief. But what I am trying to do is this. My amendment has two purposes. The first, which applies to everyone concerned, is to make this relief applicable to a professional man who is not a partner in a firm. There is no reason whatsoever why a man who is not a partner in a firm, who practises the same profession, should not get the relief in so far as his old age and security are concerned. There may be a firm of architects and their partners get the benefit. But there is another architect who practises on his own and runs his business as a one-man firm and he does not get this benefit. There may be a firm of management consultants with three or four partners. They get the benefit. But if there a management consultant practising on his own he does not get the benefit. I am sure that there can be no basis of principle in support of such discrimination. So, one of the things I am asking the Finance Minister to accept is to make this relief applicable to all professional people, whether they work as partners in a firm or they have a one-man firm.

The second relief that my amendment would give would be to include

professional management consultants along with the other professions mentioned in this clause. There are some professions that are old and some which are not so old. The older professions like that of lawyers, solicitors, architects and chartered accountants are mentioned. But during the last decade or so, new professions have come up and one very well established profession is that of the management consultant. There is a Management Consultants' Association. They have written a letter to the Finance Minister pointing out that there is a very well-established vocation of Management Consultants in this country recognised by the Ministries of Government, the National Productivity Council, and so on. I am suggesting that the category of management consultants should be included in this little relief that is given. I do feel that there is nothing controversial about this amendment, which is a reasonable amendment. It just tries to carry out the purposes of the Finance Minister in a slightly more reasonable way and I hope that he will see that there is justice done and he will accept the amendment. Otherwise, the dialogue in which we are indulging all day today becomes meaningless if the Finance Minister is going to say that any amendment he does not move is not worth thinking about.

Shri N. Dandekar: In the beginning. I would like to say a word or two in support of what Mr. Masani has said in respect of the amendments that he has moved. The first is that this relief, instead of being limited to 50 per cent, should be raised to 60 per cent. If I may make one observation, these amendments which Mr. Masani and I have brought forward are exactly the type of things I complained in my speech yesterday. Here is a first-class streamlining of personal taxation that is adopted and then the whole thing is being chiselled into by just nibbling here and nibbling there to no purpose at all. I am unable to grasp why a perfectly good thing is

being really given a bad shape. If our proposals were accepted, though they are in terms of a little revenue to the Government, they concern the assessee considerably.

The point which Mr. Masani made and which I wish to emphasise is that the limit for reliefs in respect of these rebates should be of 60 per cent of the aggregate amount admissible. Each item has its own limit. The aggregate also has an aggregate limit. Further more, that of limited aggregate a certain percentage alone is admissible. One can carry these things a little too far. But I would rather suggest to the Finance Minister, even at the cost of a little revenue, in terms of a little more money that is lost in terms of relief, if the thing could be clean and tidy. I think it is worth doing it.

Similarly, the other matter which Mr. Masani referred to is the question of relief to self-employed people. I entirely support what he has said. I am unable to find a reason why every self-employed person should not get the benefit. I am practising as an individual chartered accountant and I am not entitled to this relief. But if I were a member of a firm, I would be entitled to it. I just do not see the point of exercise at all. If a self-employed person had been employed in an industrial concern, he would have got all kinds of benefit of the kind that are intended to be given. It does not make any sense to me at all that it should be confined to persons who are partners in a firm. Even as regards partners my amendment No. 140 not only seeks to include management consultant but also some other types of professional people which are referred to in an earlier part of this particular clause. For instance, on p. 17, there are a number of various professions mentioned. Which I wish to include here, namely, authors, play-wrights, artists, musicians, actors and so on. These are all the people that suffer terribly because of the fact that they are self-employed or in these particular cases some of

[Shri N. Dandeker]

them, like actors particularly, move from one contract to another and so on and so forth.

I would like now to come to the particular amendments that specifically stand in my name, and I would like to take amendment No. 137 first which is concerned with suggesting the omission of lines 10 to 12 at page 19. Here is an excellent example of an admirable relief newly sought to be brought in, which is chiselled into for reasons I am just unable to understand. The relief is in respect of expenditure incurred by a person upon a handicapped dependant. It is a very good innovation.

श्री हुकम चन्द कछदाय (देवास) :

हाउस में क्वोरम नहीं है ।

Mr. Speaker: Shri N. Dandeker may resume his seat for a while. There is no quorum.

The bell is being rung—

Now, there is quorum. Shri N. Dandeker may now continue his speech.

Shri N. Dandeker As I have said, it is an innovation of an admirable kind. In its own terms, it is limited to dependent relatives. If I choose to look after some handicapped person as my charge, that will not be the case here, but this will cover only the case of a person who is a dependent relative. So, that is one limitation. The second limitation is the period for which he has got to be in hospital, and that limitation also can be accepted. But then the amount limit in such cases is the sum of Rs. 2400, and in every other case, the amount is limited to Rs. 600. I should have thought that this was sufficient for circumscribing the extent to which the relief would be admissible. But this particular clause goes on to say, and which is what I suggest should be deleted, 'as reduced in either case, by

an amount equal to the income, if any, of the handicapped dependant in respect of the previous year.' Supposing my mother is handicapped and she is in hospital, I am supposed first of all not to spend more than so many rupees, and if I do, the relief is limited to this amount, which I must accept because there must be some limit, but I am supposed to find out what her income is and deduct it from this magnificent sum of Rs. 2400 if she is in hospital or the magnificent sum of Rs. 600 if she is not in hospital. Perhaps, you are not aware that there is another limit already provided in this clause namely that nothing in this clause shall apply where the income of the handicapped dependant in respect of the previous year exceeds Rs. 2400 or as the case may be Rs. 600. Why have this thing at all? I think that it is such a ridiculous little piece which is made more ridiculous; actually it is not in itself ridiculous, but it is made so laughable by at least these lines which I have suggested ought to be deleted.

That leads me on to amendments Nos. 134, 135, 136 and 141, each one of which is concerned with the deletion of the words 'out of his income chargeable to tax'. There are all these various reliefs, if I pay life insurance premia, if I pay these various other things or if it is a question of an individual who is a self-employed person as a partner in a firm and so on. But all these reliefs are subject to, as I have already stated, a maximum limit of their own, an aggregate limit taken together and a further limit in terms of proportion of that aggregate which may be allowed, and then we have this meaningless limitation that these payments must have been made by the person concerned identifiably and specifically out of his income chargeable to tax. If this limitation is to be honestly observed, because the income-tax officer is entitled, if these words are there, he can ask me or call upon me to prove that I did not pay this out of

capital sum that I had, I did not pay this out of tax-free income which I had, but I specifically paid it out of my income chargeable to tax. Even after all the other limits are observed,—a specific limit per item of expenditure, an aggregate limit for the whole lot of them, and then a percentage limit for the aggregate limit,—I must specifically and identifiably prove that my life insurance premium was paid out of my income chargeable to tax. The only honest way of doing this for any person with any reasonable amount of money around him is to maintain three bank accounts, one bank account for capital transactions another bank account for income-tax free income like, for instance, tax credit certificates and all those other things that are coming along, and yet another for income chargeable to tax, so as to be able to prove to the income-tax officers specifically and identifiably that 'My funds were not mixed' up but I specifically paid it out of income chargeable to tax. The consequence, if I mix them all, is that the income-tax officer in the discharge of his duties would be in a position to say 'Mr So-and-so, you have paid this; I do not know where you paid this sum from; you have paid it out of a mixture of funds, therefore, I am entitled to apportion, and I am going to apportion these payments out of this mixture of funds and to the elements constituting the mixture of funds in a certain proportion. I shall assess that what you have paid out of your income chargeable to tax was only that proportion of the payments which bears the same proportion as the income chargeable to tax bears to this and to that and the other source of funds.' This is just meaningless, but that is what will happen. It just involves exercises of a kind that should be unnecessary. It involves waste of time and, if I may say so, temper as between the income-tax officer and assessee, which is also unnecessary. I do strongly suggest that this phrase 'out of his income chargeable to tax', the deletion of which I have suggested at

the four places where it occurs, ought to be deleted.

Shri Prabhat Kar (Hooghly): So far as the amendment moved by Government, namely amendment No. 5 is concerned, it has been suggested by my hon. friend Shri M. R. Masani that there should be no limit. of Rs. 5000. Here, I support Government because my grouse has been that the relief which has been granted by way of streamlining this tax chapter has not been fair so far as the lower income groups are concerned. I am glad that at least now there has been some relief, but then the percentage of relief to the low income groups is less in comparison with that for the high income groups. So, if further relief were to be granted, it is necessary to grant it to the low income group people only. Here, I do not know whether it is correct to say that even the low income group people are benefited, because the total amount in respect of life insurance premia and provident fund etc. is Rs. 5000; I think it does not refer to the low income group but only to the middle income group. My hon. friend Shri M. R. Masani has suggested that this should cover people belonging to all income groups.

But let us see what the situation in the country today is, so far as the high income group people are concerned. No doubt, everybody will say that they are suffering due to high prices and the abnormal rise in prices, but it is a question of degree. We have to see to what extent the common people or the people in the low income group or people who have an annual income of Rs. 5000 or Rs. 6000 or Rs. 7000 who are to pay income-tax are suffering. My suggestion, therefore, is that so far as this type of persons is concerned, there should be no income-tax at all, and the income-tax limit should be raised to roughly Rs. 10,000. That is what we are demanding. So, if at all relief is to be granted, it should be granted to the low income groups and it should not be extended to all

[Shri N. Dandeker].

persons. So, here I agree with Government.

I was wondering at what Shri N. Dandeker had said in regard to another provision. If one wants to distort a particular provision, one can distort it to any extent and make it appear ridiculous and one who has the capacity and the wits can do it, and my hon. friend Shri N. Dandeker has that capacity to do so. And that was what he did when he referred to the phrase 'out of his income chargeable to tax' and suggested that it should be deleted. He suggested that in that case one would have to maintain three sets of accounts. I would submit that that is not necessary. If the accounts are maintained properly, it could be easily found where the payments are coming from, and whether the same has been included in the income-tax assessment or not. It is not necessary that you have got to keep three accounts and have to prove that this amount has been debited from a particular account, it has not been debited from the capital account. This, is pure and simple, a device to create a situation to ridicule; it may be argued in that way. But it is not necessary that the man will have to keep all these three accounts and in order to prove before the ITO that this amount is being paid, pure and simple, out of an amount which is only chargeable to income-tax and not out of capital and all those things. This is only to confuse the position; I think it is not necessary at all. It can be proved and there will be no harassment so far as the assessee is concerned.

So far as the other part is concerned, I do not know exactly what are the reasons for the differentiation between a professional man who is a member of a firm and a professional man who is not. I would like the Finance Minister to tell us the reasons for differentiating between a professional man who is a member of the firm, a chartered accountant's or solicitor's firm and a man who is an

ordinary solicitor or chartered accountant. If he is a member of the firm, he can get that advantage; if he is not a partner of the firm, he will not be given that advantage. This requires explanation.

Shri Morarka (Jhunjhunu): I would like to seek a clarification from the hon. Finance Minister. The first is about deductions in respect of medical treatment etc. of handicapped persons. The hon. Minister has proposed that a sum equal to Rs. 2,400. If the patient is hospitalised, otherwise a sum of Rs. 600, may be deducted out of the taxable income of the person on whom this patient is dependent.

In this connection, I would like to know what would be the position in respect of the expenditure tax. Last year, when he restored the expenditure tax, he eliminated this item from the exemptions. You would remember that I pleaded with him very much at that time that at least the amount spent for the treatment of the old parents or dependents or children etc. must be allowed as an item of expenditure. But somehow or other, at that time he did not consider my request reasonable and did not accept it.

Now with this provision that he has allowed it as an item of expenditure, it is all the more necessary that he must make a similar allowance in the expenditure tax also, because the rate of expenditure tax is much higher than the rate of income tax at least up to certain lower slabs.

The second point on which I would seek clarification is the one about which Shri Prabhat Kar also spoke, namely about the professionals to whom this concession has to be given. This concession is given to an individual professional. Whether he is a member of the firm or whether he is an individual or whether he is a member of a company or not is an irrelevant matter. After all, you are

giving this for the benefit of the individual. In what capacity he functions and where, is not a matter of great concern, so far as this fiscal relief is concerned.

Therefore, I think there is a great merit in the amendment and the hon. Minister should consider whether there is any way by which he can implement this thing so as to give this concession to all professional people, wherever they may be, not necessarily that they must be members of a registered firm, I hope the hon. Minister would consider these two suggestions and give necessary relief.

Shri Himatsingka (Godda): The hon. Member, **Shri Prabhat Kar**, said that no separate account need be kept. But I can say that we have to keep separate accounts even of our salary and allowance as MPs. If we make mix them up and if we spend the money, for the purpose of relief we will not be entitled to get the benefit because part of it is taxable—salary is taxable—and part—daily allowance—is not. Therefore, this hedging in of the conditions should be removed to make it available to the persons who spend the money.

Shri T. T. Krishnamachari: I was just wondering whether the position of a Finance Minister is not like that of a demi-mondaine who made the first mistake and, therefore, is taken down the path, I have seen the confusion that comes because of these problems. We give some relief here and some relief there and when we put them in the Bill, we get into trouble. But I think the results certainly justify undertaking the trouble.

There are two matters. I will take up first, the question of dependants who are incapacitated. As I said, I have got a great deal of respect for intelligent people, because I wish I am as intelligent as intelligent people, are. But there is what is called in

logic the fallacy of *reductio ad absurdum*. It is an extremely potent instrument in argument and discussion. My hon. friend, **Shri Dandekar**, just indulged in it. He knows that when you say that this amount can be deducted from your taxable income, it means there must be a taxable income; otherwise, there will be no deduction. If a person has an income which is not taxable, suppose he has an income of only Rs. 4,300 which is not taxable, or he has an income a little more, and with the deductions he has only an income which will not be Rs. 2,400, we cannot give any benefit there. I can only give the benefit to somebody who pays the tax on an income of Rs. 2,400 beyond the allowances, in which case he can have a deduction.

So there is no point in making me look silly.

Shri N. Dandekar: Would identification not be required?

Shri T. T. Krishnamachari: The hon. Member knows that this cannot be done. He himself has been doing this kind of thing.

Shri N. Dandekar: In a particular case I know the ITO has insisted on identification of funds.

Shri T. T. Krishnamachari: I shall certainly issue clarificatory instructions to dunce ITOs—some of them are—to say that you cannot insist on a thing which does not exist. Could you insist on something which does not exist? Therefore, I do not think I need labour that point any more.

Mr. Speaker: If the assessee can prove that there is a taxable income?

Shri N. Dandekar: It is not enough. If as **Shri Himatsingka**, said, I put my salary and allowance as MP together, I am sure the ITO will refuse relief.

Shri T. T. Krishnamachari: Anyway, there is this difficulty. The hon. Finance Minister is pigheaded, he

[Shri T. T. Krishnamachari].

does not accept amendments—it is not that position, I am in a very peculiar position. Of course, I am petifogging. The Finance Minister has to count the paise; otherwise, the rupees will not be there, I will come to it a little later.

In any event, if there is any difficulty, we will look into it. But I do not think there should be. If necessary, if the hon. Member who is certainly an expert in this field could enlighten me, I will issue instructions.

Now we come to the other thing. The main question is of the deductions in respect of deductible expenses like insurance premium, provident fund etc. The hon. Member, Shri Masani, pointed that out at the time of the general discussion. I had the matter examined and I have found that the full benefit of the reduced taxes does not go to the lower income group. In the case of some of them it is 35, some 45, 54 in one case, upto 30 in another case, apart from the deductions in the taxes they would have paid. So, I had said that I would have it examined whether I could make it 60 per cent up to Rs. 5,000. At that time I gave certain figures of five categories which would pay a little more—Rs. 16,000 would pay Rs. 36.25; Rs. 23.00 would be Rs. 50.

I quite agree with my hon. friend Shri Prabhat Kar that the category below Rs. 15,000 is entitled, but we are thinking of many things in which we can help them, and we will find out something more to be done later on.

I have been told that the higher income slabs are not affected because if it is on a slab basis, any concession given to the lower income slab automatically accrues to the higher income slab, i.e., when it is on a slab basis. There are certain things which are not on a slab basis. Here on the first Rs. 5,000 it will be 60 per cent, thereafter it will be 50 per cent. The higher income slab will get the

benefit of the extra 10 per cent on Rs. 5,000; it will be added up.

By making it 60 per cent, I am told I lose something like Rs. 2½ crores.

Shri M. R. Masani: You do not lose. You lose the additional gain you are making by the back door.

Shri T. T. Krishnamachari: Back doors are not available to me. I only come by the front door and go back by it, I do not say of anybody. It may be that some people prefer the back door. Anonymity is sometimes a useful thing to have, but so far as I am concerned, of course, my hon. friend yesterday told me that I was a bankrupt. How can a bankrupt think of giving away Rs. 2½ crores? Now he thinks I am a very affluent person.

Shri M. R. Masani: You are changing the law and taking more money.

Shri T. T. Krishnamachari: The position is that I am not an actor. I am just an ordinary human being. I cannot come out of the room and go on the stage and say that I am a rich man and can give up the money. The next moment I cannot say I am a bankrupt and I have need of money. Therefore, I am afraid I am unable to accept the proposition put forward by the hon. Member.

As I said, there are classes of people, may be of Rs. 15,000 deserving some relief. I would like to tell Shri Prabhat Kar that it may even probably have to go up to Rs. 20,000. They need some kind of relief, some kind of encouragement to save. I think this is merely an encouragement to save. I was very happy to learn from somebody who is in the insurance business that there has been a little spurt in the business which they are getting because of this concession. I would like to give a little more. So, what we want today is that people should earn and save. Therefore, I am not in a position to accept this amendment.

Then, there is the question of artists. Logically everything that the hon. Members have said might be done, but an institution has to identify certain things. So far as the non-insured people are concerned, I have given in my scheme of annuity deposits an additional 25 per cent. I do not know how many have taken advantage of it. Why do not the people who come and ask for concession, take advantage of that? That is without tax. Artists who earn Rs. 2 lakhs to Rs. 10 lakhs can put away a part of it, 10 per cent of what they have; another 25 per cent as annuity which is not taxable, which will be paid back to them in ten years. We have got cumulative time deposits free from tax which can be taken advantage of, and is being taken advantage of. We might perhaps think of some other institutional benefits. One of the things that is working in my mind is whether the State should not start a Pension Fund. Any amount given to the Pension Fund should necessarily be deducted out of the income-tax. I think we should do it.

Then, it is easy to identify institutions. They can subscribe to the Pension Fund, and any subscription that they make will be automatically deducted so far as income is concerned. I have to think of it, and I can assure the hon. Member that this is a matter to which I will certainly give attention and find out what I can do for this class of people.

I do not say they do not deserve anything. My only difficulty is again of identification which becomes more difficult. A firm, a partnership, a lawyer firm or an architects' firm or an auditors' firm is easier to identify than the individuals, but for the individuals we have to find something, and I promise the House that I will try my best to find if I can produce another institution for that purpose where people could put their money and get their pension, and at the same time get some benefit by way of taxation.

For the present I am afraid hon. Members will have to forgive me if I say I am unable to accept the amendment.

Shri Morarka: What about the Expenditure Tax?

Shri T. T. Krishnamachari: It is an anomaly which creeps in. I will have the matter examined.

Mr. Speaker: The question is:

(i) Page 16, lines 7 and 8, for "fifty per cent. of the aggregate of the sums specified in sub-section (2)"; substitute "sixty per cent. of the first five thousand rupees of the aggregate of the sums specified in sub-section (2) and fifty per cent. of the balance if any, of such aggregate". (5).

(ii) Page 16, lines 36 and 37, for "to the extent provided in rule 7 of Part A of the Fourth Schedule", substitute 'in so far as the aggregate of such contributions does not exceed one fifth of his salary in that previous year or eight thousand rupees, whichever is less.

Explanation.—In clause (d) of this sub-section (1) of section 87, "salary" shall have the meaning assigned to it in clause (n) of rule 2 of Part A of the Fourth Schedule'. (6).

(iii) Page 19, for lines 2 to 8, substitute—

"(1) in a case where the handicapped dependent has, for a period of one hundred and eighty two days or more during the previous year, been admitted in a hospital or a nursing home or a medical institution or in such other institution as may be notified by the Central Government in the Official Gazette to be an institution for the care of handi-

[Mr. Speaker]

capped persons, and fees and charges for his medical treatment (including nursing) are payable to such hospital or nursing home or medical or other institution, as the case may be, a sum of two thousand four hundred rupees, or". (7).

(iv) Page 19, omit lines 26 to 33. (8).

The motion was adopted.

Mr. Speaker: I put amendment 96 to the vote of the House.

Amendment No. 96 was put and negatived.

Mr. Speaker: I put amendment 97 to the vote of the House.

Amendment No. 97 was put and negatived.

Mr. Speaker: I put amendment 98 to the vote of the House.

Amendment No. 98 was put and negatived.

Mr. Speaker: I put amendments 134, 135, 136, 140 and 141 to the House.

Amendments Nos. 134, 135, 136, 140 and 141 were also put and negatived.

Mr. Speaker: The question is:

"That Clause 20, as amended, stand part of the Bill."

The motion was adopted.

Clause 20, as amended, was added to the Bill.

Clause 21— (Amendment of section 84).

Shri N. Dandekar: I beg to move*:

(i) Page 23, line 36,—

after "Income-tax Act," insert—

'(i) in sub-section (2), for the word "eighteen", the word "twenty-three" shall be substituted;

(ii) after sub-section (3), the following sub-section shall be inserted, namely—

"(3A) This section shall also apply to an industrial undertaking such as is referred to in section 280ZA in respect of the profits and gains of the undertaking arising after it has been shifted to the new location." (155).

(ii) Page 23, lines 36 to 38,—

the words and figures commencing with "in sub-section (6)" and ending with "shall be substituted", shall be numbered as clause "(iii)". (156).

(iii) Page 23,—

after line 38, insert—

'(iv) for clause (i) of sub-section (7), the following clause shall be substituted, namely:—

"(i) for the assessment year relevant to the previous year in which there is for the first time any income chargeable to tax after setting off the losses, if any, relating to preceding years, and depreciation and development rebate, and". (157).

Shri Himatsingka: I beg to move:

Page 23,—

for clause 21, substitute—

"21. In section 84 of the Income-tax Act,—

(i) in clause (iii) of sub-section (2), for the word "eighteen" the word "twenty-three" shall be substituted;

(ii) in sub-section (6), for the word, figure and letters "Chapter XI-D", the word and figures "Chapter XI" shall be substituted; and

(iii) for clause (i) of sub-section (7), the following clause shall be substituted, namely:—

“(i) for the assessment year relevant to the previous year in which the net result in respect of income of the undertaking from manufacture or production of articles, after setting off depreciation allowance and development rebate is income assessable to tax, and”’. (143).

Shri N. Dandekar: Amendment 135 is concerned with extending the so-called tax holiday for newly established industrial undertakings and hotels to those to be established up to 31st March, 1971. At present, the period up to which they can be established in order to be eligible for the five year tax concession is only 31st March, 1971. At present, the period which they could be established is substantially extended, there is going to be a considerable doubt in the minds of people whether they ought to go ahead counting upon this concession for new industrial undertakings. Hence my amendment.

13.49 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

Shri T. T. Krishnamachari: May I interrupt the hon. Member to point out that all that Clause 21 says is:

“In section 84 of the Income-tax Act, in sub-section (6), for the word, figures and letter “Chapter XI-D”, the word and figures “Chapter XI” shall be substituted.”

There is no amendment made. It is of course for the House and for the Chair to decide whether a basic amendment can now be moved to a section for which there is no substantial amendment at all.

Shri N. Dandekar: I have obtained permission under the Constitution to move these amendments.

Shri T. T. Krishnamachari: I am merely pointing this out and it is for the Chair to decide.

Mr. Deputy-Speaker: The main sections are not sought to be amended by this Bill.

Shri N. Dandekar: I am seeking to insert two sub-clauses in clause 21 and I want that the clauses should be re-numbered.

Mr. Deputy-Speaker: The questions are not being changed or amended by this Bill. They are only re-numbered. Your amendments will not be relevant.

Shri N. Dandekar: Then permission should have been refused by the President. I have asked permission specifically.

Shri T. T. Krishnamachari: The permission given by the President is a blanket permission. If any Member asks for it, I send it and recommend it to the President. Anyway, I do not object to it and the hon. Member can go on. I only pointed out that it is something which is not relevant to the material before the House.

Shri Prabhat Kar: The question is a very important one. If no clause of the Original Act is before the House, could there be any scope for moving any amendment? It is this point which will have to be decided?

Mr. Deputy-Speaker: That is all right.

Shri Sham Lal Saraf (Jammu and Kashmir): There is one thing for some reasonable time the continuity of taxation policy. That is very important.

Mr. Deputy-Speaker: I am not ruling it out.

Shri Morarka: If so, Sir, the consequence would be that hereafterwards to any Bill any amendment could be moved for any section.

Mr. Deputy-Speaker: Provided the clause itself is before the House. Here the clause is before the House.

Shri Morarka: It is true. But so far as this clause is concerned, it does not make any amendment to the substance of the section or of the Act. It only says that it should be re-numbered and if once you give this ruling, you cannot rule out similar amendments in future.

Shri Dandekar: My amendment No. 156 seeks to insert in the income-tax Act two sub-clauses. The first one, as I said, has the effect of extending the period of eligibility for establishment of new undertakings, not merely upto the 31st March, 1966 but upto 31st March, 1971. Otherwise, all planning for the establishment of new undertakings will come to an end or at any rate it will be considerably affected because people do not know whether it will be entitled to this concession. Although in fact this concession does not amount to very much, still it is a factor to be taken into calculation. My amendment No. 155 says that this section shall apply to an industrial undertaking such as is referred to in the new section 280ZA in respect of the profits and gains of the undertaking arising after it has been shifted to the new location. There are provisions later on in the Bill whereby industrial undertakings shifting from the urban area to some other area with the approval of the Central Government are entitled to certain concessions of a very novel kind but very desirable. The movement of the undertaking from one place to another is virtually to be regarded as establishing a new undertaking for the purposes of relief and that is the effect of the clause that I have suggested to be inserted.

Finally my amendment No. 157 is concerned with a very important point in the sense that it is concerned with the substance of the relief. The substance of the relief in the cases to which it is applicable, is that

profits upto six per cent of the capital employed in the new undertakings (computed in a particular manner) will be exempted from tax. But in fact most of the new undertakings that I know of or I have heard of do not, in fact, get the benefit of this tax concession for the reason that in the first three or four years, they make, if at all, very little profits or if they make a profit a good deal of it is absorbed by depreciation, development rebate and the like and the result is that most of them do not get the benefit of this concession for more than a year. A few get it for two years. The amendment that I have suggested in No. 197 would have the effect of mitigating this evil. Shall I read it? It reads:

“for the assessment year relevant to the previous year in which there is for the first time any income chargeable to tax after setting off the losses, if any, relating to preceeding years, and depreciation and development rebate, and...”

If any industrial undertaking can get any benefit out of this, it can be only after the profits begin to emerge. The period of the benefit as laid down in the Act should continue for a period of five years, from the year in which there is for the first time any income chargeable to tax after setting off the losses, if any, relating to preceding years.

Shri Prabhat Kar: Sir, I oppose this amendment. First of all, it is not before the House. Secondly, so far as this provision is concerned, it is not at all a new thing which has come over here. Therefore, the question of extending the period by five years which is 31-3-1965 should not be made a permanent help to go on extending the period and therefore, it should not be accepted.

Shri T. T. Krishnamachari: Sir, as I said we had no amendment to the original section of the Bill at this stage.

Mr. Deputy-Speaker: I will put amendments Nos. 143, 155, 156 and 157 to the vote of the House.

Amendments Nos. 143, 155, 156 and 157 were put and negatived.

Mr. Deputy-Speaker: The question is:

"That Clause 21 stand part of the Bill".

The motion was adopted.

Clause 21 was added to the Bill.

Clause 22.—(Insertion of new section 85A).

Amendments made: *

(i) Page 24, line 11, after "so included",

insert "(other than any such income on which no income-tax is payable under the provisions of this Act)". (9).

(ii) Page 24, line 25, after "so included",

insert "(other than any such income on which no income-tax is payable under the provisions of this Act)" (10).

(Shri T. T. Krishnamachari).

Mr. Deputy-Speaker: The question is:

"That clause 22, as amended, stand part of the Bill."

The motion was adopted.

Clause 22, as amended, was added to the Bill.

14 hrs.

Mr. Deputy-Speaker: Now, we take up clauses 23 and 24. There are no amendments. The question is:

"That clauses 23 and 24 stand part of the Bill."

The motion was adopted.

Clauses 23 and 24 were added to the Bill.

Clause 25.—(Amendment of section 87).

Shri T. T. Krishnamachari: I beg to move**:

(i) Page 25, after line 9, insert—

'(i) in clause (d) of sub-section (1), for the words, figure and letter "to the extent provided in rule 7 of Part A of the Fourth Schedule", the words "in so far as the aggregate of such contributions does not exceed one fifth of his salary in that previous year or eight thousand rupees, whichever is less" shall be substituted;'. (11)

(ii) Page 25, line 10 for "(i)", substitute "(ii)". (12)

(ii) Page 25, line 13, for "(ii)", substitute "(iii)". (13)

Actually, these are again clarificatory amendments. Amendment Nos. 11 and 12 clarify the position. The other amendments re-numbers the clause.

Mr. Deputy-Speaker: The question is:

Page 25, after line 9, insert—

'(i) in clause (d) of sub-section (1), for the words, figure and letter "to the extent provided in rule 7 of Part A of the Fourth Schedule", the words "in so far as the aggregate of such contributions does not exceed one fifth of his salary in that previous year or eight thousand rupees, whichever is less" shall be substituted;'. (11)

The motion was adopted.

Mr. Deputy-Speaker: The question is:

Page 25, line 10, for "(i)", substitute "(ii)". (12)

The motion was adopted.

*Amendment made with the recommendation of the President.

**Moved with the recommendation of the President.

Mr. Deputy-Speaker: The question is:

Page 25, line 13, for "(ii)", substitute "(iii)". (13)

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 25, as amended, stand part of the Bill."

The motion was adopted.

Clause 25, as amended, was added to the Bill.

Clause 26—(Amendment of section 88).

Shri N. Dandekar: I beg to move*:

Pages 25 and 26,—

for lines 40 and 41, and 1 to 10

respectively, substitute—

"Provided further that in respect of any such sums paid during any previous year relevant to the assessment year commencing on the 1st day of April 1965 or any subsequent assessment year, this subsection shall have effect as if for the words 'seven and half per cent.' and the words 'one hundred and fifty thousand rupees' the words 'ten per cent.' and 'give hundred thousand rupees' had been respectively substituted:" ;' (158)

The reason for this amendment is this. The provision as it stands raises the monetary limit up to which donations will qualify for rebate from Rs. 2 lakhs to Rs. 5 lakhs, in respect of donations for renovation and repairs of any temple, mosque, gurdwara or church as may be notified by the Government as a place of public worship. What I am suggesting is this. I do not think it is proper to

make this kind of distinction in a secular State about churches and temples and gurdwaras. I think either it must be a case of extending the monetary limit or charitable donation or not at all. As the Government seem to be quite rightly anxious in these days, because charitable contributions are falling off, they are quite rightly of the view that we ought to increase this. But I think the increased limit should apply to all charitable contributions to recognised charitable institutions and so on, the qualifications and the limitations for which are already quite clear. The effect of my amendment will therefore be that these increased limits should apply to all charitable donations and not merely to donations for the renovation of mosques, temples, gurdwaras, churches and the like.

Shri T. T. Krishnamachari: The definition is intentional, because in one case, the temples, gurdwaras, churches and mosques have to be of particular categories, and accepted as such by the State Governments. Every gurdwara and temple, and every mosque and every church would not be entitled to it. They must have some importance. That itself is restrictive. It restricts the number. These temples are renovated not every time; maybe it is once in 100 years. There has not been any cheese-paring about it so as to spread it out to three or four years. They all make to the total good. In many cases, the charitable institutions and trusts are maintained for charity on the principle that charity begins at home. The distinction is definitely maintained.

I can also say this. I have been told by a very good friend of mine....

Shri N. Dandekar: I do not think donations to private charities are admissible either.

Shri T. T. Krishnamachari: ... that why we should say, "temples of im-

*Moved with the recommendation of the President.

portance." Why not say every temple? Then, you throw open the door wide. It has to be something which is recognised. It has to be temples or like places of worship which are more important and which are recognised, and identified as such by the State Governments. I am unable to accept the amendment, and I am unable to expand the scope of this particular provision.

Dr. M. S. Aney (Nagpur): I should think that the amendment which has been suggested is really important. I do not know what the hon. Minister means by saying that the religious property should be identifiable. The Government can maintain a register—they must be having a register—of the temples that exist, which are supported by the people, or to which donations are made by the people out of religious instinct. I think there is no reason why they should be excluded from this and not be covered by this provision.

Mr. Deputy-Speaker: Anyway, it is not acceptable to the Minister. I shall put amendment No. 158 to the vote.

Amendment No. 158 was put and negatived.

Mr. Deputy-Speaker: The question is:

"That clause 26 stand part of the Bill."

The motion was adopted.

Clause 26 was added to the Bill.

Clauses 27 to 30 were then added to the Bill.

Mr. Deputy-Speaker: Then there is an amendment to include a new clause—clause 30A. Not moved. All right. So, the question is:

"That clauses 31 to 35 stand part of the Bill."

The motion was adopted.

Clauses 31 to 35 were added to the Bill.

Clause 36—(Amendment of section 114).

Shri Morarka: I beg to move*:

Page 28, line 16, for "ten" substitute "twelve and a half". (201).

This amendment concerns the bonus shares and the capital gains tax. The hon. Finance Minister in his budget speech said:

"The companies issuing bonus shares pay a tax of 12½ per cent on the face value of these shares. It stands to reason that if a person pays capital gains tax on bonus shares issued to him some part of the tax paid by the company on the same issue should go to mitigate his liability for capital gains tax. I propose, therefore, to allow a rebate of up to 10 per cent of the face value of bonus shares from the capital gains tax on such shares."

My amendment increases the 10 per cent to 12½ per cent. As you know, the capital gains tax on bonus shares is levied at two stages: first on the Company at the rate of 12½ per cent of the face value of the shares, and then on the shareholders, the individuals, or the company, whatever it may be, on the market value of the shares and not on the face value. The rate is that which is applicable to him according to his income and so on. My amendment is simple. It says that instead of the 10 per cent reduction which the shareholder would get, it must be 12½ per cent. The company is paying 12½ per cent tax on the issue of bonus shares and once the principle is accepted, I am sure the Finance Minister would find it possible to accept this suggestion that out of the capital gains tax payable by the shareholder, a sum equal to 12½ per cent of the face value of the shares should be refundable. So, I move.

*Moved with the recommendation of the President.

Shri T. T. Krishnamachari: In fact, the logic of putting it as 10 per cent also extends to 12½ per cent which could be fixed. So, I accept this amendment, and also the next amendment of the hon. Member, since both of them are having the same purpose.

Mr. Deputy-Speaker: The question is:

Page 28, line 16, for "ten" substitute "twelve and a half". (201)

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 36, as amended, stand part of the Bill."

The motion was adopted.

Clause 36, as amended, was added to the Bill.

Clause 37—(Substitution of new section for section 115).

Shri Morarka: I beg to move :

Page 28, line 32, for "ten" substitute "twelve and a half" (202)

Mr. Deputy-Speaker: The hon. Minister has already said that he accepts this amendment also. The question is:

Page 28, line 32, for "ten" substitute "twelve and a half". (202)

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 37, as amended, stand part of the Bill."

The motion was adopted.

Clause 37, as amended, was added to the Bill.

Clauses 38 to 43 were then added to the Bill.

Clause 44—(Amendment of section 192).

Shri T. T. Krishnamachari: I beg to move*:

Page 31, for lines 17 and 18, substitute—" (v) the Explanation shall be omitted." (14)

This is to transpose this explanation to the next section. That is why the next amendment also comes. We omit the explanation here and put it on to the next section.

Mr. Deputy-Speaker: The question is:

Page 61, for line 17 and 18, substitute—" (v) the Explanation shall be omitted." (14).

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 44, as amended, stand part of the Bill."

The motion was adopted.

Clause 44, as amended, was added to the Bill.

Clause 45— (Amendment of section 193).

श्री श्रीकार लाल बेरवा (कोटा) :
उपाध्यक्ष महोदय मेरा एक व्यवस्था का सवाल है कि हाउस में इस समय कोरम नहीं है और कोरम के बगैर ग्रमैंडमेंट्स और क्लॉजर्स पास नहीं किये जाने चाहिये ।

Mr. Deputy-Speaker: The Bell is being rung.

There is quorum and we may proceed now with the other clauses.

There is a Government amendment to clause 45.

Amendment made**:

Page 31, for lines 19 and 20, substitute—

*Moved with the recommendation of the President.

**Amendment made with the recommendation of the President.

'45. In section 193 of the Income-tax Act,—'

(a) the words "and super-tax" shall be omitted;

(b) the following Explanation shall be inserted at the end, namely:—

"Explanation.—In this section, and in sections 194, 195 and 197, the expression 'rates in force' means the rate or rates specified for the purpose of deduction by the Finance Act of the year in which such deduction is required to be made." (15).

(T. T. Krishnamachari).

Mr. Deputy-Speaker: The question is:

"That clause 45, as amended, stand part of the Bill."

The motion was adopted.

Clause 45, as amended, was added to the Bill.

Clauses 46 to 61 were added to the Bill.

Clause 62—(Insertion of new Chapter XXIB).

Mr. Deputy-Speaker: There are some amendments to clause 62.

Shri M. R. Masani: Sir, we have several amendments to clause 62, but before we move them I would like to raise a point of order about the validity of this clause. The Constitution, in article 265, says:

"No tax shall be levied or collected except by authority of law."

Now, Sir, the whole of clause 62, and there may be other clauses of that nature, seeks to get the authority of this Parliament to enable Government by executive authority to levy taxes. Let me explain this. It may be argued that this clause does not levy a tax, it gives relief from taxes. That is true. But, as we well know, the exercise of a power includes its

reverse. The authority not to levy a tax is also the same as the authority to levy a tax, and this House of the People is seized of the right, and the exclusive right, to levy taxation. Levying taxation is not just to prescribe a tax but following it through right to the time when the tax is collected. If Parliament levies a tax and then gives its authority to somebody else to forgive anyone from paying that tax, that is also delegating the right to tax. Let us take a very extreme example. I am not saying that this example is an extreme one. Supposing Parliament, in the course of passing the Finance Bill, were to say that these are the taxes that should be levied, however the Finance Ministry or the Government of India may at any time excuse anyone from paying any tax, would that or would that not be an interference with the rights of this House? Would it or would it not be a violation of the Article of the Constitution which I read out? I submit, Sir, that there can be only one answer, that any delegation to the executive which would ride a coach and four through the tax that Parliament had enacted would be a departure from the Constitution and a violation of it. What does this clause do? This clause for all practical purposes enables the Government from time to time, any time in the next twelve months, to prepare schemes which are referred to in this clause at various places. The Government may prepare a scheme. It might provide for anything to happen. It is those schemes that should be in the Finance Bill either as clauses or as schedules. Those schemes should have been part of the Finance Bill, because then Parliament would have been carrying out the purposes of the Constitution. But what this clause does is to say that Government may at any time frame a scheme. It may contravene the legislation or the tax levied by the House.

Mr. Deputy-Speaker: What is the article he is referring to?

Shri M. R. Masani: I read article 265 of the Constitution which says "No tax shall be levied or collected except by authority of law". I am pointing to the principle of no taxation without representation. The principle is that the House of the People is the power that can levy taxes. It is one thing which we have taken over from the British House of Parliament

Shri T. T. Krishnamachari: Sir, may I just say.....

Shri M. R. Masani: Let me finish my point of order and then the Minister can reply.

Shri T. T. Krishnamachari: Sir, I rise to a point of order.

Shri M. R. Masani: I am on a point of order already. How can he have another point of order? The Minister can reply to the point of order. There cannot be a point of order on a point of order.

Sir, my plea is that clause 62 should be struck down as being invalid and not consistent with the Constitution. This clause tries to deprive Parliament of its right to levy taxation. It takes away into the hands of the executive powers that should rightly belong to this House, and in doing so to say that just because Parliament gives a power that becomes law is not correct. As I said, if the House were to decide by a majority today to allow the Finance Minister to levy any tax or cut out any tax, it would certainly not be a thing that would be upheld by the Supreme Court of this country. Where should we draw the line? I say clause 62 contravenes the line at which Parliament can legitimately give power to frame rules to the hon. Minister. This goes beyond the rulemaking power. This gives him a substantial right to decide who shall be taxed and who shall not be taxed.

It also violates another part of the Constitution, which says that there

should be equality before the law. It enables the Finance Minister to say that someone is unequal and he is to be taxed but that by an administrative decree forgive him from paying the tax. I, therefore, suggest that clause 62 is out of order and should be struck down as not being a valid clause.

Shri T. T. Krishnamachari: I am afraid, Sir, the hon. Member has been too previous. I thought he was going to take up this question in regard to another clause about which one can raise such a question and deal with it. Here there is no taxation. There is only tax credit. In one scheme tax credit is mentioned, that so much is going to be given. There is the question of framing schemes. Naturally, the schemes will be prepared and placed on the Table of the House. The Parliament can object to a scheme or modify it and that will be accepted by the Government. It is, Sir, virtually, a question of foregoing an income and not a question of levying a tax.

Then, my hon. friend jumped from there to article 14, equality before law. Yes, people have to be treated equally. But courts both here and elsewhere where this fundamental right of equality before law obtains have held that there is the basis of classification. If the basis of classification is correct, even though certain sections have been given some benefits, there is no question of any patent inequality. Here there is classification with regard to particular industries. The export industries will get a particular benefit. According to their importance they will be classified. You cannot find anything in the Constitution in regard to this matter. You may say that you have to come up with the budget and get it sanctioned. It is a different matter. Probably the thing will be put in the budget when the whole thing is done because it will probably come up next year. Besides, Parliament can pass a law. The whole idea is

that Parliament must accept clause 62. The plea of my hon. friend is that Parliament is incompetent to pass this law under the Constitution. There is nothing in the Constitution, I may say with all deference to my hon. friend who probably is a lawyer and I am not. But I have spent almost 3 to 3½ years on the Constitution, and I can find nothing in the Constitution which will deter Parliament from giving its imprimatur to a clause like this.

Mr. Deputy-Speaker: This is the ruling that has been given earlier when a similar point was raised:

"It is not for Chair to decide the vires of a Bill. The House also does not take a decision on the question of vires of a Bill. It is open to Members to express any views on the matter and in the light of that instead of taking a decision separately on the vires of the Bill they could take such decision as they deem fit on the motion before the House with regard to the Bill"

So, if the House feels that it is *ultra vires*, it can throw it out; but the Chair will not decide. It is a matter for the courts to decide. There is no point of order and we will go on with it.

Shri T. T. Krishnamachari: Sir, I move my amendments Nos. 16 to 37.

Shri M. R. Masani: I am moving my amendments Nos. 99 and 100.

Shri N. Dandekar: I am moving my amendment: Nos. 159 to 164.

Shri P. C. Borooah: I am moving my amendments Nos. 203 to 208.

Mr. Deputy-Speaker: Amendment No. 205 is the same as No. 99 and No. 207 is the same as No. 100. The rest will be treated as moved.

Shri T. T. Krishnamachari: I beg to move*.

(i) Page 35, for lines 1 and 2, substitute—

'Explanation.—For the purposes of this section—

(i) "subscribed" includes acquisition of the shares forming part of an eligible issue of capital from a person who is specified as an underwriter in pursuance of clause 11 of Part I of Schedule II to the companies Act, 1956 (I of 1956) (hereinafter in this section referred to as the underwriter);

(ii) a payment shall be treated as having been made to the extent to which and' (16).

(ii) Page 35, for lines 5 to 14, substitute—

"(4) A tax credit certificate for the amount specified in sub-section (3) shall be granted to an individual or Hindu undivided family—

(a) where payment by way of subscription has been made to the company, in respect of the financial year in which payment has been made and each of the three financial years following that year; and

(b) where the acquisition has been made from the underwriter, in respect of the financial year in which the capital was so acquired and each one, if any, of the following financial years not falling beyond the third financial year from the end of the financial year in which the payment by way of subscription has been made to the company by the underwriter:

Provided that, in either case, the capital is held by or on behalf of the individual or on behalf of the Hindu undivided family,

*Moved with the recommendation of the President.

[Shri T. T. Krishnamachari]

as the case may be, at the end of the relevant financial year." (17).

(iii) Page 35, after line 27. insert—

"(5) If any individual by himself or on behalf of any other individual or on behalf of any Hindu undivided family has acquired any shares forming part of an eligible issue of capital from the underwriter, he shall not be entitled to a tax credit certificate under this section, unless his name is entered as a shareholder in respect of such shares in the register of shareholders of the company." (18).

(iv) Page 35, line 28, for "(5)", substitute "(6)". (19).

(v) Page 36, line 1, for "(6)" substitute "(7)". (20).

(vi) Page 36 line 4, for "(7)", substitute "(8)". (21).

(vii) Page 37, for lines 39 to 44 page 38, for lines 1 to 20, substitute—

"280ZB. (1) Where any company engaged in the manufacture or production of any of the articles mentioned in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951) is, in respect of its profits and gains attributable to such manufacture or production,—

(i) liable to pay any tax for the assessment year commencing on the 1st day of April, 1965 (here-in-after referred to as the base year) and for any one or more of the five assessment years next following that year; or

(ii) not liable to pay any tax for the base year but becomes so liable for any succeeding year (here-in-after referred to as the succeeding base year) and also for any one or more of the assessment years following that year, not being an

assessment year commencing on the 1st day of April, 1971, or any subsequent assessment year

and the tax for any such succeeding year exceeds—

(a) in the case referred to in clause (i), the tax payable for the base year;

(b) in the case referred to in clause (ii), the tax payable for the succeeding base year, then the company shall be granted a tax credit certificate for an amount equal to twenty per cent, of such excess:

Provided that the amount of the tax credit certificate shall not for any assessment year exceed ten per cent, of such tax payable by the company for that year." (22).

(viii) Page 38, for lines 38 to 41, substitute—

"period as may be specified in the scheme—

(i) for repayment of loans taken by the Company from any of the financial institutions notified in this behalf by the Central Government, or

(ii) for redemption of its debentures, or

(iii) for the acquisition of any capital asset in India including the construction of any building, for the purposes of the business of the company." (23).

(ix) Page 39, for lines 1 to 14, substitute—

"Explanation I.—In this section, "tax" means income-tax payable under this Act and surtax, if any, payable under the Companies (Profits) Surtax Act, 1964 (17 of 1964).

Explanation 2.—The amount of income tax in respect of the profits or gains attributable to the manufacture or production of the articles referred to in sub-section (1) shall be an amount bearing to the total amount of income-tax payable on the total income (such income-tax being computed in the manner specified hereunder) the same proportion as the amount of such profits or gains bears to the total income. The amount of income-tax payable by the company for any assessment year shall be computed after making allowance for any relief, rebate or deduction in respect of income-tax to which the company is entitled under the provisions of this Act or the annual Finance Act and after deducting from such amount of income-tax the amount of additional income-tax, if any, payable by the company under the provisions of section 104 and also, the amount, if any, by which the rebate of income-tax admissible to the company under the provisions of the annual Finance Act is, under the provisions of the said Act, reduced with reference to the face value of any bonus shares or the amount of any bonus issued by the company to its shareholders during the previous year or any previous year prior to that year or with reference to any amount of dividends declared or distributed by it during the previous year or any previous year prior to that year.

Explanation 3.—The amount of surtax in respect of the chargeable profits attributable to the manufacture or production of the articles referred to in sub-section (1) shall be an amount bearing to the total amount of surtax payable under the Companies

(Profits) Surtax Act 1964 (7 of 1964) the same proportion as the amount of such chargeable profits bears to the whole of the chargeable profits'. (24).

(x) Page 39, line 15, for "A person", substitute—

"Subject to the provisions of this section a person". (25).

(xi) Page 39, line 23, for "may", substitute "shall". (26).

(xii) Page 39, line 23, after "sub-section (1)", insert

"(including the destination of their export)". (27).

(xiii) Page 39, line 28, after "merchandise", insert—

"(including the destination of their export)". (28).

(xiv) Page 39, after line 35, insert—

"(c) the need to earn foreign exchange;" (39).

(xv) Page 39, line 36, for "(c)", substitute "(d)". (30).

(xvi) Page 40, for lines 9 to 16, substitute—

"280ZD. (1) Subject to the provisions of this section, a person, who during any financial year commencing on the 1st day of April, 1965 or any subsequent financial year (not being a year commencing on the 1st day of April, 1970 or any financial year thereafter) manufactures or produces any goods, shall be granted a tax credit certificate for an amount calculated at a rate not exceeding twenty-five per cent. of the amount of the duty of excise payable by him on that quantum of the goods cleared by him during the relevant financial year which exceeds the quantum of the goods cleared by him during the base year, whether the clearance in either case is for home consumption or export". (31).

{Shri T. T. Krishnamachari}

(xvii) Page 40, line 18, for "may", substitute "shall". (32)

(xviii) Page 40, after line 30, insert—

"(4) Where any undertaking begins, after the 1st day of April in the base year, to manufacture or produce any goods in respect of which a tax credit certificate may be granted under sub-section (1), the quantum of goods cleared in that year shall, for the purposes of that sub-section, be determined in such manner as may be provided in the scheme." (33)

(xix) Page 40, line 31, for "(4)", substitute "(5)". (34)

(xx) Page 41, for lines 13 to 16, substitute—

"as may be specified in the scheme—

(i) for repayment of loans taken by the person from any of the financial institutions notified in this behalf by the Central Government; or

(ii) for the acquisition of any capital asset in India including the construction of any building, for the purposes of his business, or

(iii) where the person is a company, also for redemption of its debentures." (35)

(xxi) Page 41, line 17, for "(5)" substitute "(6)". (36)

(xxii) Page 42, line 13, for "280ZD", substitute—

"280ZD and the destination of the export of such goods or merchandise for the purposes of section 280ZC". (37).

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

(i) Page 38,—

omit lines 35 to 41. (99).

(ii) Page 41,—

omit lines 10 to 16. (100).

Shri N. Dandekar: I beg to move:

(i) Page 35,—

omit lines 15 to 27. (159).

(ii) Page 35, lines 33 and 34,—

for "or any such liability arising within the period of twelve months from",

substitute—"on". (160).

(iii) Page 35,—

omit line 39. (161).

(iv) Page 36, line 14,—

for "public company" substitute "assessee". (162).

(v) Page 36, line 17,—

for "it" substitute "he". (163).

(vi) Page 36,—

omit lines 19 to 32. (164).

Shri P. C. Borooah: I beg to move:

(i) Page 36, line 14,—

for "public company" substitute—"company or firm". (203).

(ii) Page 37, lines 40 to 42,—

omit "mentioned in the First Schedule to the Industries (Development and Regulation) Act, 1951". (204).

(iii) Page 39, lines 22 and 23,—

omit "goods or merchandise in respect of which a tax credit certificate may be granted under sub-section (1) and the". (206).

(iv) Page 42,—

after line 32, insert—

"280ZF. Any assessee aggrieved by any order of an Income-tax Officer under any provision of this chapter may appeal to the Appellate Assistant Commission—

er against such order and the provisions of Chapter XX shall apply." (208).

Sir, the amendments which I have moved have been fully explained in the note that I have submitted to hon. Members. Still, I would like to say that this particular clause introduces a new chapter and deals with the grant of tax credit certificates in respect of the following matters:—

To an individual or Hindu undivided family with reference to the amount subscribed and paid by him or it to an eligible issue of capital by a public company.

To a public company which shifts, with the prior approval of the Central Board of Direct Taxes, its industrial undertaking from an urban area, benefits out of the capital gains that accrue by selling its property.

To a company engaged in the manufacture or production of specified articles and pays income-tax and surtax and, if its productivity or production increases, 20 per cent of it as a rebate in future.

To any person who exports goods or merchandise a certain concession by way of tax credit certificate.

To any person who manufactures goods which are of an excisable character and if his production increases a certain percentage out of the increased production not exceeding 25.

The Central Government has been empowered to frame schemes in regard to all these items, namely, export tax credit certificates and tax credit certificates for increased production and rebate out of excise duties levied on the increased production.

The amendments proposed to this clause are intended to secure the following purposes:—

Tax credit certificates in relation to exports: It is proposed to enable the Government to prescribe different rates for the grant of tax credit certificates with reference to the destination to which the goods are exported and having regard to the need for augmenting the foreign exchange resources of the country through such exports.

Tax credit certificates with reference to the central excise duty paid: It is proposed to provide that the amount of the tax credit certificates will be calculated with reference to the central excise duty payable on the extra quantum of such goods which are cleared during the relevant financial year over the quantum of such goods which were cleared during the base year regardless of whether the goods are cleared in either year for home consumption or for exports. It is also proposed to provide that in the case of an undertaking which commenced production after the 1st day of April of the base year, the production of the base year shall be determined in such manner as may be provided in the scheme.

The utilisation of the amount of tax credit certificates has also been prescribed by these amendments.

Tax credit certificates with reference to the subscriptions by individuals and Hindu undivided families to eligible issues of capital by public companies: Under the provisions as they stand in the Bill, tax credit certificates will be granted to individuals and Hindu undivided families subscribing to and making payments in respect of any eligible issue of capital by public limited companies engaged in important industries. The tax credit certificate will be granted for the financial year in which payment for an eligible issue of capital is made and for each of the three succeeding years if the shares continue to be held by the original subscriber until the end of the relevant financial year. It is proposed to amend these provisions to enable

[Shri P. C. Borooah]

the grant of tax credit certificate also to an individual or Hindu undivided family who purchases, any time during the four-year period from the year of issue, the shares forming part of an eligible issue of capital from an underwriter declared as such in the relevant prospectus.

Shri M. R. Masani: My amendments Nos. 99 and 100, although they are on two different pages, pages 38 and 41, have the same purpose, namely, to drop the proviso that occurs on page 38 and on page 41.

When I spoke on the Budget I made the point that these tax credit schemes were being restricted, and unnecessarily, to companies which had borrowed money and that for some reason companies that had not gone to borrow money were denied the benefit of this very legitimate incentive dependent on productivity or meritorious exports. At that time, my hon. friend, Shri Ajit Prasad Jain, who is not here, questioned my statement and said, "No, no; it is not so; these credits are available for those who have not borrowed money". But I am glad that the Minister at least has seen the point and has brought in an amendment of his own. While his amendment broadens the category of people entitled to these tax credit certificates, it is not broad enough and I regret that I cannot accept it as a satisfactory correction of the mistake that was there in the original Bill.

There should be no correction of the people who should get the benefit of these tax credits provided they earn them. After all, if this Bill is passed in its present form, it is the Minister and the Ministry who are going to decide as to who will get the benefit of these tax credits. Once a company or a party qualifies for the benefit, there is no reason to stipulate that it must use that benefit either for paying a loan or for building a building as the new

amendment does. Why must it be invested in a building for the purpose of the business or for a capital asset? After all, if certain exports have been made which are good for the country, if productivity has been improved, let the beneficiary have the right to decide as to what to do with that money. It is like giving a man a little relief and saying, "But I insist that you spend it either to repay a loan or to put up a building." That is not good enough. Although the present amendment of Government has met my point that because the man does not borrow money he should not be punished, he is now being forced to use the money got from that relief in a particular way. There may be other ways in which the business that is doing a good job of productivity or export wants to use the money. It may want to use the money for advertisement, for paying its labour a decent wage. Why should it not improve the wages of its labour? Why should it put up a structure to satisfy the Government? I, therefore, do not think that the present Government amendment is at all acceptable. The beneficiary of the tax credit must be given the undisputed right to decide how to use the proceedings of that credit; otherwise it is giving with one hand and then imposing fetters with the other.

Shri N. Dandekar: Sir, I have moved several amendments which I shall group into three or four separate groups. The first one is amendment No. 159 which seeks to delete the proviso to the new section 280Z sub-section (4), sub-clause (a). The effect of this proviso, as it stands, is the curious one that where a person having made investments of the kind that are specified here and, therefore, having qualified to get the tax concession, just because subsequently disposes of that investment, loses the tax credit. Frankly, it seems to me that once the object of the whole exercise is achieved, the object being

that small people should be encouraged to become a little more venturesome to invest in new enterprises and if they do that, they should get these tax credits. That is why there is not only a limit to the overall investment but it is also on a slab system whereby the first Rs. 15,000 is entitled to a large tax credit rate, then the next slab and then the third slab. The person concerned is entitled to these tax credits so long and only so long as he continues to hold on to the scrips. This limitation seems to me utterly superfluous because the main purpose is served the moment a person shows sufficient adventure and enterprise in spotting a good thing, and investing in it. This thing encourages him. And may be, he was right, and may be he is able to sell those shares at a good price. He is the sort of man who ought to get it, and the tap ought not to be shut off in this manner as envisaged by the proviso which is to the effect that when and if he sells these new investments then he must suffer a pro-rata reduction of the relief to which he would otherwise have been entitled.

Then, amendments Nos. 159, 160 and 161 are concerned with another matter relating to these tax credit certificates for new investments. The effect of what I have suggested there is this. There should be no question of a person having to wait for payment of the tax credit. If it is what it says in the clause as it stands, then it would be adjusted against any existing tax liability—that is fair enough—but also against any such liability arising within the period of twelve months following, so to speak, and where there is no such liability of any kind, will he get back the money or the excess of his money over these liabilities? Again, it seems to me that you give with one hand and take it away by the other. Why are these things being chiselled down? Either they are good or they are not good. I really don't under-

stand; I tried to explain this to somebody and I said, "Now, you will not get that proportion of this rebate as the shares you don't hold bears to the shares that you do hold". This is the effect of proviso, I referred to earlier. Then I said, "Although this thing effect you are entitled to get tax credit, my dear fellow, you won't get it, you will have to wait for twelve months, and if after that something goes wrong and the law is amended, etc., Heaven knows what happens to you". Sir, seeing the uncertainties attaching to this thing, I do not know why they are being whittled down. If you read the thing first-hand, it is a good, a reasonably good incentive for the small people to come along and invest. But then the thing gets chiselled down. And therefore these amendments. Amendments Nos. 160 and 161 are designed to eliminate this waiting period of twelve months, with the result that the tax credit certificate holder can either have the tax credit certificate adjusted against his existing tax liability, if there is any, or he will get the balance or the excess or the entire amount as the case may be cash down.

The next group of amendments are Nos. 162 and 163 and their object is a very simple one. As I said, this is quite a good thing that has been thought out. For instance, I think schemes like this exist, for instance, in France where they wished to have less and less of concentration of industries in big towns. This is for shifting of industry, and therefore tax credit certificate are computed in a particular way for the shifting of industry. Why on earth this should be available only in the case of public companies. I do not know. Line 14 on page 36 restricts this to a public company—"If any public company owning an industrial undertaking situate in an urban area shifts, with the prior approval of the Board etc.". Now, it has got to be an urban area; it has got to receive the prior approval of the Board. The officers of

[Shri N. Dandekar]

the Board will try to find out whether this is a *bona fide* kind of thing or not—where is this undertaking going, the whole thing will be looked into. Why then is the thing restricted to a public company? Bombay is today cluttered up with small industrial undertakings all over place in residential areas. So is the case with Calcutta. It is not so bad in Madras, but many other cities like Kanpur, Sholapur etc. are all cluttered with little industrial units either owned by a firm or by an individual or by a private limited company. This kind of thing which will encourage the dispersal of these things, why should it be limited to a public company. My amendments, Nos. 162 and 163, are deliberately made, because I have seen here that the board, that is to say the Board of Direct Taxes, will be looking into the *bona fides* of the case and turning the thing inside out before granting this kind of tax credit certificate all. That being the case, there seems to be no ground to restrict it to public companies.

Finally, my amendment No. 164 is concerned with omitting quite a substantial portion of this proposal at page 36, that is lines 19 to 32. The scheme places restrictions on the transfer of the undertaking, that is transfer of the ownership of the undertaking to any other person, for a period of five years. In other words, a person has shifted from an urban area to an approved area, with the approval and scrutiny of all kinds, presumably by the Board of Revenue. Having shifted and got the benefit of this tax credit certificate, the beneficiary has got to stay out. The enterprise, the undertaking, may not be transferred to anybody else. Why? It seems to me that the main purpose, the main objective of this whole exercise is that the thing should be shifted. Incentives are given for de-industrialising, if you like to call it that way, various ur-

ban areas and spreading the industry all round—dispersal of industry. If somebody does it, he does a good job. People say it is good. Then he wants to say goodbye to it and somebody makes him an offer. Then, apparently, the tax credit certificate is not valid any longer. It seems to me, once the purpose of this tax credit scheme has been served, it surely should not matter at all whether that industrial undertaking continues to be owned by that bold and venturesome person who shifted it, or is owned by someone who wants a rather more safe investment. The industrial undertaking has been transferred; it is running all right. Somebody who is less venturesome than the original owner, who may be more timid, says, "I will buy it over." Why should the tax credit certificate scheme be turned off like a tape because the ownership after the transfer of location has been changed?

These are the amendments which I wish them to consider.

Shri P. C. Borooah: I have got six amendments. So far as amendment No. 203 is concerned, I would like to say this. It is proposed to grant tax credit certificates to public companies who shift their factories from overcrowded areas to other areas. There are, however, many factories which are not owned by public companies, but which could nevertheless be induced to shift to other areas with a view to relieve over-crowding. The benefit of the tax credit scheme should therefore be extended to factories run by private companies or firms also.

So far as the second amendment, namely No. 204, is concerned, here also it is proposed to grant tax credit certificates to companies engaged in the manufacture of any article specified in the First Schedule to the Industries (Development and Regulation) Act, 1951. In the context of

the need for rapid industrial growth all round, it is necessary that the benefit under this section should also be made available to all manufacturing concerns, and not only to specified industries.

My third amendment is No. 205. Here it has been proposed to issue tax credit certificates to companies engaged in the manufacture of specified articles, while such certificates are to be granted in respect of excise duties payable for increased production of certain goods. In order to get the benefit of the certificates, the companies must utilise an amount equal to the amount of the certificate for the repayment of loans and debentures. As a result, companies which are able to carry on without any loans or debentures, or those which have already repaid them, will not be able to get the benefit of these certificates. It is equitable that such companies should also get the benefit.

My next amendment is No. 206. Here also it is proposed to grant tax credit certificates for the export of certain goods or merchandise which may be specified under sub-section (2) of the section. However, in the context of the need to earn the maximum possible foreign exchange, it is necessary that tax credit certificates should be granted to all exports rather than to a few specified goods and merchandise only.

The next one is No. 207. The new chapter XXIB deals with the grant of tax credit certificates. But here there is no express provision of appeal against any order of the Income-tax Officer under this Chapter. Some genuine difficulties or differences of opinion may arise in these matters between the Department and the assessee, and hence there is need for provision of an appeal.

Then, my other one is amendment No. 208. The selection of the base

year is a very crucial question. 1964-65 has been accepted as the base year and this year does not suit every industry. Tea, for instance, had an all-time high record production in 1964-65. If, unfortunately, it is the optimum production, there will be very little margin of expansion of production entitled to tax credit. Perhaps, it may also be true of other commodities like jute. I, therefore suggest that in such cases the average value of the production of preceding three years should be taken into consideration.

Shri T. T. Krishnamachari: Sir, the complex nature of the amendments make it difficult to answer every point. My hon. friend Mr. Masani did not want this clause at all. But having it now, he wants the clause to be enlarged so that the benefits will extend over a wider area.

Naturally, one has to be very careful in giving concessions. The concessions are given with a particular view. I do not mind admitting that the whole scheme of this particular clause has been devised from the point of view of increasing production, increasing exports, relieving of congestion in the cities and making the factories go out so that those areas will be available for housing and other worthwhile purposes and also, by means of these tax credits on additional production, where excise duty is payable, to amortise the portion of the additional expenditure that they would put in the form of capital expenditure. This is broadly the scheme and the scheme is intended to augment our production during the Fourth Five Year Plan.

There may be a few imperfections here and there and in the process of working, it is quite possible that the utilisation of the tax credit certificates might raise some trouble. I do not think it is possible to anticipate every thing now and provide for every contingency which will mean only whittling it down. The Direct Taxation

[Shri T. T. Krishnamachari]

Board will have to exercise some discretion in the matter to see if it is a question of a person selling a property and wanting the capital gains thereon as an additional benefit for his going and starting somewhere else. Similarly, when we give a rebate on additional income-tax, the Income-tax that a company pays because of the additional income, whether due to higher production or because of additional capital assets being in play, naturally we want that money to be spent in a useful direction. If they had anticipated the need for expansion and had acquired the capital they will pay off the loans. If on the assets other hand, they had used their existing resources for the purpose of procuring capital assets, this can go towards the acquisition so that the existing resources will not be unduly diminished.

The amendments that I have put before the House, as the amendment to the Finance Bill itself are to make this possible that a person who has got resources uses those resources. He should not be told, "No, no; you will not get the benefit under this." There is the scheme and I cannot extend this scheme further. You cannot use it for furniture, for housing and for other purposes which are not productive. The whole thing is to increase production. That is why we say, "Yes, you can have this money back; you can pay off your loan which you have incurred for the purpose of increasing production."

In regard to the amendments moved by Mr. Dandekar, about the manner in which the tax credit certificates should be given, I would only say this. One or two amendments are not understandable to my somewhat limited understanding. For instance, he says, on p. 36, lines 19 to 32 should be taken off. Line 19 begins with sub-section (2) of the proposed Section 280ZA, "The tax credit certificate to be granted under

sub-section (1)...." and ends at "... acquiring lands or constructing buildings for the purposes of the business of the company in the area to which the undertaking is shifted". Sir, if this is removed, what will remain? Nothing will remain....

Shri N. Dandekar: I am not moving any such amendment.

Shri T. T. Krishnamachari: The hon. Member wants the lines 19 to 32 on p. 36 to be omitted. Unless the hon. Member has got something else in his mind, this is what he wants. I am speaking on amendment No. 164. It says:

"Page 36,—

omit lines 19 to 32."

Anyway, I leave that.

Mr. Borooah said that there should be the provision of appeal in respect of the income-tax assessment. Here there is no Income-Tax Officer and there is no question of appeal here. That does not come here at all.

Shri N. Dandekar: I am sorry, they have printed it wrongly. I couldn't obviously ask for that.

Shri T. T. Krishnamachari: Maybe somebody made a mistake. I am perfectly sure and I will not even dream of believing that the hon. Member would have asked for anything of that sort. I might do it but not the hon. Member.

Then, Mr. Borooah wanted a simplification in a very general way by saying, "You give a tax credit certificate to everybody who asks for it." I shall not be able to do it.

Shri N. Dandekar: It should be p. 37 and not p. 36.

Shri T. T. Krishnamachari: The amendment is to omit:

"Where a capital asset, being building or land or any right in building or land, acquired or, as

the case may be, constructed in the area to which the undertaking of the company is shifted, is transferred by the company within a period of five years from the date of acquisition or, as the case may be, the date of completion of construction to any person other than the Government, a local authority, a corporation established by a Central, State or Provincial Act....".

I do not see why the hon. Member seeks to do that. We want him to be there. We do not want him to transfer. If he is transferred, he will have to pay back. I do not see why it should be objected to. It is not a matter of going and living in a house; it is not a concession in regard to the purchase of a house. If you want him to sell a house and go somewhere, he can do it. But here is the production unit in which we are vitally interested as adding to the gross potential of the country and he is stifled in a city where the space can be used for other purposes. We want him to go and expand the unit somewhere else and he goes to some other place and expands the unit. I do not think everybody will do it. I think this is by way of an abundant caution. I do not know if any institution would sell it. But if it does, it will have to refund the money. In one thing, the hon. Member is correct: Why do you anticipate something which may not occur? But if it does occur, this is by way of abundant caution. There is nothing more than that in this provision.

Shri P. C. Borooah: What about the base year?

Shri T. T. Krishnamachari: As regards the base year, I cannot come forward and commit myself and say 'You can choose your base year', because then the person will choose that year which is most favourable to him. Naturally the base year has to be chosen by the person who grants the benefit. So, I am afraid

that it is not possible to leave that choice to the person concerned.

There is, however, one point that I would like to mention with all deference to the hon. Member, and that is that this is an experiment which we are trying, and I can certainly give this assurance to the hon. Members that we shall watch it. If in the process of working it, some changes are necessary, we shall consider it; after all, the whole thing will have to occur during this year. This is more or less an incentive. I might even say, if I can use somewhat of a vulgar phraseology that this is a carrot. If the carrot is bitten and the thing is done, it is all right. If there are any difficulties, I can assure hon. Members that we shall try to remove them. Perhaps, my hon. friends may say that this is an assurance given by one Finance Minister and another one may not give it; but if there are any procedural difficulties, I am quite prepared to look into them, and we shall have them set right. If there is anything which could be done within reason, without the fundamental structure being altered, we are prepared to look into the matter. So, I would beg of hon. Members to give us a year's time to work it.

Mr. Deputy-Speaker: I shall now put amendments Nos. 99 and 100 moved by Shri M. R. Masani to vote.

Amendments Nos. 99 and 100 were put and negatived.

Mr. Deputy-Speaker: I shall now put amendments Nos. 159 to 164 moved by Shri N. Dandekar. to vote.

Amendments Nos. 159 to 164 were put and negatived.

Mr. Deputy-Speaker: What about Shri P. C. Borooah's amendments?

Shri P. C. Borooah: I would beg leave of the House to withdraw my amendments.

Amendments Nos. 203, 204, 206 and 208 were, by leave, withdrawn.

Mr. Deputy-Speaker: I shall now put the following Government amendments to vote namely amendments Nos. 16 to 37.

The question is:

(i) Page 35, for lines 1 and 2, substitute—

'Exp'planation.—For the purposes of this section—

(i) "subscribed" includes acquisition of the shares forming part of an eligible issue of capital from a person who is specified as an underwriter in pursuance of clause 11 of Part I of Schedule II to the Companies Act, 1956 (1 of 1956) (hereinafter in this section referred to as the underwriter);

(ii) a payment shall be treated as having been made to the extent to which and— (16)

(ii) Page 35, for lines 5 to 14, substitute—

"(4) A tax credit certificate for the amount specified in sub-section (3) shall be granted to an individual or Hindu undivided family—

(a) where payment by way of subscription has been made to the company, in respect of the financial year in which payment has been made and each of the three financial years following that year; and

(b) where the acquisition has been made from the underwriter, in respect of the financial year in which the capital was so acquired and each one, if any, of the following financial years not falling beyond the third financial year from the end of the financial year in which the payment by way of subscription has been made to the company by the underwriter;

Provided that, in either case, the capital is held by or on behalf of the individual or on behalf of the

Hindu undivided family, as the case may be, at the end of the relevant financial year". (17)

(iii) Page 35, after line 27, insert—

"(5) If any individual by himself or on behalf of any other individual or on behalf of any Hindu undivided family has acquired any shares forming part of an eligible issue of capital from the underwriter, he shall not be entitled to a tax credit certificate under this section, unless his name is entered as a shareholder in respect of such shares in the register of shareholders of the company". (18)

(iv) Page 35, line 28, for "(5)", substitute "(6)". (19)

(v) Page 36, line 1, for "(6)" substitute "(7)". (20)

(vi) Page 36, line 4, for "(7)", substitute "(8)". (21)

(vii) Page 37, for lines 39 to 44, page 38, for lines 1 to 20, substitute—

"280ZB. (1) Where any company engaged in the manufacture or production of any of the articles mentioned in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951) is, in respect of its profits and gains attributable to such manufacture or production,—

(i) liable to pay any tax for the assessment year commencing on the 1st day of April, 1965 (hereinafter referred to as the base year) and for any one or more of the five assessment years next following that year; or

(ii) not liable to pay any tax for the base year but becomes so liable for any succeeding year (hereinafter referred to as the succeeding base year) and also for any one or more of the assessment years following that year, not being an assessment year commencing on

the 1st day of April, 1971, or any subsequent assessment year and the tax for any such succeeding year exceeds—

- (a) in the case referred to in clause (i), the tax payable for the base year;
- (b) in the case referred to in clause (ii), the tax payable for the succeeding base year, then the company shall be granted a tax credit certificate for an amount equal to twenty per cent. of such excess:

Provided that the amount of the tax credit certificate shall not for any assessment year exceed ten per cent. of such tax payable by the company for that year." (22)

(viii) Page 38, for lines 38 to 41, substitute—

"period as may be specified in the scheme—

- (i) for repayment of loans taken by the company from any of the financial institutions notified in this behalf by the Central Government, or
- (ii) for redemption of its debentures, or
- (iii) for the acquisition of any capital asset in India, including the construction of any building, for the purposes of the business of the company." (23)

(ix) Page 39, for lines 1 to 14, substitute—

"Explanation 1.—In this section, "tax" means income-tax payable under this Act and surtax, if any, payable under the Companies (Profits) Surtax Act, 1964 (7 of 1964).

Explanation 2.—The amount of income-tax in respect of the profits of gains attributable to the manufacture or production of the articles referred to in sub-section (1) shall be an amount bearing to the total amount of income-tax payable on the total in-

come (such income-tax being computed in the manner specified hereunder) the same proportion as the amount of such profits or gains bears to the total income. The amount of income-tax payable by the company for any assessment year shall be computed after making allowance for any relief, rebate or deduction in respect of income-tax to which the company is entitled under the provisions of this Act or the annual Finance Act and after deducting from such amount of income-tax the amount of additional income-tax, if any, payable by the company under the provisions of section 104 and also the amount, if any, by which the rebate of income-tax admissible to the company under the provisions of the annual Finance Act is, under the provisions of the said Act, reduced with reference to the face value of any bonus shares or the amount of any bonus issued by the company to its shareholders during the previous year or any previous year prior to that year or with reference to any amount of dividends declared or distributed by it during the previous year or any previous year prior to that year.

Explanation 3.—The amount of surtax in respect of the chargeable profits attributable to the manufacture or production of the articles referred to in sub-section (1) shall be an amount bearing to the total amount of surtax payable under the Companies (Profits) Surtax Act, 1964 (7 of 1964) the same proportion as the amount of such chargeable profits bears to the whole of the chargeable profits." (24)

(x) Page 39, line 15 for "A person", substitute

"Subject to the provisions of this section, a person". (25)

(xi) Page 39, line 23, for "may", substitute "shall". (26)

(xii) Page 39, line 23, after "sub-section (1)", insert

"(including the destination of their export.)" (27)

[Mr. Deputy-Speaker]

(xiii) Page 39, line 28, after "merchandise", insert

"(including the destination of their export)". (28)

(xiv) Page 39, after line 35, insert—

"(c) the need to earn foreign exchange;". (29)

(xv) Page 39, line 36, for "(c)", substitute "(d)". (30)

(xvi) Page 40, for lines 9 to 16, substitute—

"280ZD. (1) Subject to the provisions of this section, a person, who during any financial year commencing on the 1st day of April, 1965 or any subsequent financial year (not being a year commencing on the 1st day of April, 1970 or any financial year thereafter) manufactures or produces any goods, shall be granted a tax credit certificate for an amount calculated at a rate not exceeding twentyfive per cent. of the amount of the duty of excise payable by him on that quantum of the goods cleared by him during the relevant financial year which exceeds the quantum of the goods cleared by him during the base year, whether the clearance in either case is for home consumption or export.". (31).

(xvii) Page 40, line 18, for "may", substitute "shall". (32)

(xviii) Page 40, after line 30, insert—

"(4) Where any undertaking begins, after the 1st day of April in the base year, to manufacture or produce any goods in respect of which a tax credit certificate may be granted under sub-section (1), the quantum of goods cleared in that year shall, for the purposes of that sub-section, be determined in such manner as may be provided in the scheme.". (33)

(xix) Page 40, line 31, for "(4)", substitute "(5)". (34)

(xx) Page 41, for lines 13 to 16, substitute—

"as may be specified in the scheme—

(i) for repayment of loans taken by the person from any of the financial institutions notified in this behalf by the Central Government; or

(ii) for the acquisition of any capital asset in India, including the construction of any building, for the purposes of his business, or

(iii) where the person is a company, also for redemption of its debentures.". (35)

(xxi) Page 41, line 17, for "(5)", substitute "(6)". (36)

(xxii) Page 42, line 13, for "280ZD", substitute—

"280ZD and the destination of the export of such goods or merchandise for the purposes of section 280ZC". (37)

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 62, as amended, stand part of the Bill".

The motion was adopted.

Clause 62, as amended, was added to the Bill.

Clauses 63 to 65 were added to the Bill.

Clause 66—(Amendment of Fourth Schedule)

Shri T. T. Krishnamachari: I beg to move*:

Page 43, for lines 9 to 18, substitute—

*Moved with the recommendation the President.

'(ii) for rule 7, the following rule shall be substituted, namely:—

"7. *Exemption for employee's contributions.*—An employee participating in a recognised provident fund shall, in respect of his own contributions to his individual account in the fund in the previous year, be entitled to a deduction in the computation of his total income of an amount determined in accordance with section 80A or, as the case may be, to a deduction from the amount of income-tax with which he is chargeable on his total income-tax of an amount of income-tax determined in accordance with section 37." (38)

This amendment seeks to safeguard the position of the employees' contributions.

Mr. Deputy-Speaker: The question is:

Page 43, for lines 9 to 18, substitute—

'(ii) for rule 7, the following rule shall be substituted, namely:—

"7. *Exemption for employee's contributions.*—An employee participating in a recognised provident fund shall, in respect of his own contributions to his individual account in the fund in the previous year, be entitled to a deduction in the computation of his total income of an amount determined in accordance with section 80A or, as the case may be, to a deduction from the amount of income-tax with which he is chargeable on his total income of an amount of income-tax determined in accordance with section 87." (38)

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 66, as amended, stand part of the Bill."

The motion was adopted.

Clause 66, as amended, was added to the Bill.

Clause 67—(Insertion of new Schedule)

Mr. Deputy-Speaker: There are some Government amendments to this clause.

Shri T. T. Krishnamachari: These amendments seek to add to the list of articles in the Schedule. The other amendments merely seek to renumber. There is no matter of principle involved. It is only a question of additions of the particular commodities mentioned.

*Amendments made**

(i) Page 44, after line 9, insert—

"(3) Iron ore, bauxite, manganese ore, dolomite, limestone, magnesite and mineral oil." (39)

(ii) Page 44, line 10, for "(3)", substitute "(4)". (40)

(iii) Page 44, line 14, for "(4)", substitute "(5)". (41)

(iv) Page 44, after line 15, insert—

"(6) Flame and drip proof motors." (42)

(v) Page 44, line 16, for "(5)", substitute "(7)". (43)

(vi) Page 44, for lines 18 to 20, substitute—

"(8) Machine tools and precision tools (including their attachments and accessories, cutting tools and small tools), dies and jigs.

(9) Tractors, earth-moving machinery and agricultural implements.

(10) Motor trucks and buses." (44)

(vii) Page 44, line 21, for "(8)", substitute "(11)". (45)

(viii) Page 44, for line 23, substitute—

*Amendment made with the recommendation of the President.

"(12) Cement and refractories." (46)

(ix) Page 44, line 24, for "(10)", substitute "(13)". (47)

(x) Page 44, for line 30, substitute—

"(14) Soda ash.

(15) Pesticides.

(16) Paper and pulp". (48)

(xi) Page 44, line 31, for "(12)", substitute "(17)". (49)

(xii) Page 44, line 36, for "(13)", substitute "(18)". (50)

(xiii) Page 44, for line 39, substitute—

"(19) Ships.

(20) Automobile ancillaries.

(21) Seamless tubes.

(22) Gears.

(23) Ball, roller and tapered bearings". (51)

(xiv) Page 45, lines 1 and 2 for "(15)", "(3)", "(4)", "(5)" and "(7)", substitute respectively "(24)", "(4)", "(5)", "(7)" and "(9)".

(xv) Page 45, after line 7, insert—

"(25) Cotton seed oil". (53)

(Shri T. T. Krishnamachari)

Mr. Deputy-Speaker: The question is:

"That clause 67, as amended, stand part of the Bill".

The motion was adopted.

Clause 67, as amended, was added to the Bill.

Clause 68— (Voluntary disclosure of income)

Shri T. T. Krishnamachari: I beg to move*:

(i) Page 45, line 22, omit "either".

(ii) Page 45, for lines 24 to 27, substitute—

"(ii) furnishes adequate security for the payment thereof in accordance with sub-section (4) and undertakes to pay such income-tax within a period, not exceeding six months, from the date of the declaration as may be specified by him therein, or

(iii) on or before the 31st day of May, 1965, pays such amount as is not less than one-half of the amount of income-tax as computed at the said rate or furnishes adequate security for the payment thereof in accordance with sub-section (4), and in either case assigns any shares in, or debentures of, a joint stock company or mortgages any immovable property in favour of the President of India by way of security for the payment of the balance, and undertakes to pay such balance within the period referred to in clause (ii)".

(iii) Page 46, line 16, after "Central", insert "or State".

Shri Morarka: I beg to move:

(i) Page 45,—

for lines 22 to 27, substitute—

"pays the amount of income-tax as computed at the said rate in the following manner:—

(a) 20 per cent of the said amount is paid within a period of one month from the date of declaration, and

(b) the balance 50 per cent is paid in five equal annual instalments, the first instalment commencing from the date within 12 months from the date of the declaration:

*Moved with the recommendation of the President.

Provided that adequate security for the payment of the said amount within the periods aforesaid is furnished to the satisfaction of the Commissioner." (209).

(ii) Page 46, line 7,—

for "sixty per cent." substitute "seventy per cent." (210)

(iii) Page 46, line 33,—

for "paid" substitute "payable". (211)

(iv) Page 46, line 38,—

for "paid" substitute "payable". (212)

Shri Himatsingka: I beg to move*:

(i) Page 45, line 26,—

for "six months" substitute "two years". (145).

(ii) Page 45,—

after line 27, insert—

"Provided that if two years period is asked for, at least 33 per cent. of the tax liability shall be paid at the time of the declaration and the balance shall be paid in such instalments as may be agreed to within the said period." (146)

(iii) Page 45,—

for lines 24 to 27, substitute—

"(ii) furnishes adequate security for the payment thereof in accordance with sub-section (4) and undertakes to pay such income-tax within a period, not exceeding two years, from the date of the declaration as may be specified by him therein, or

(iii) on or before 31st day of May, 1965, pays such amount as is not less than thirty-three per cent of the amount

of income-tax as computed at the said rate, and or furnishes security for the payment thereafter and in either case assigns any shares in, or debentures of, joint stock companies or mortgages any immovable property, in favour of the President of India by way of security for the payment of the balance within the period referred to in clause (ii) or gives any other approved security or guarantee acceptable to the Commissioner, for the payment of the balance within the period referred to above." (228)

Mr. Deputy-Speaker: These amendments are now before the House.

Shri T. T. Krishnamachari: As I have said, these amendments relate to what I have mentioned in my speech, and these relate to the question of alternative in the matter of disclosure of unaccounted money. The present scheme is that six months' time would be given, if before the appointed day, the person provides a bank guarantee or provides securities in respect of it. The variation is that the person is allowed to provide half by way of security to the satisfaction of the income-tax commissioner

Shri Morarka: I have moved amendments Nos. 209 to 212 to clause 6A.

This clause deals with a subject rather unpopular in the House. It is supposed to deal with people who have been guilty of evading tax. So, it is natural that the House should be in no mood to make any concessions for such people. Yesterday's statement of the hon. Minister expressing his views on the scheme actually discourages me from pressing my amendments. At the same time, I feel that once the need of the scheme is felt by Government and realised, to the extent that Government are obliged to put before the country and

*Moved with the recommendation of the President.

[Shri Morarka]

before this House a complete scheme, in order to make that scheme more acceptable, more useful and more practical, I feel that I must make some suggestions to the House for its consideration.

The Government's scheme is that out of the undisclosed money the person has to pay 60 per cent by way of tax to Government and he can bring in his books the 40 per cent balance, if he likes, immediately. As regards the 60 per cent which Government want, Government say that he must pay either immediately, or if he cannot pay immediately, he can pay after six months, provided for those six months, he gives them either a bank guarantee or Government securities. Now, the hon. Minister has amended it further by saying that if he cannot immediately pay and he cannot give a bank guarantee or furnish Government securities then he can pay half the amount, that is, 30 per cent immediately in cash, and for the remaining 30 per cent he can give other securities, that is, securities of shares and debentures of joint-stock companies etc. This is the scheme of Government.

Under the scheme which I am proposing, I am saying that instead of 60 per cent Government may take 70 per cent by way of tax. They may take 20 per cent immediately and the remaining 50 per cent can be taken by them at the rate of 10 per cent each year in five successive years. The sum total of the scheme comes to this. If today a person has undisclosed money and he wants to disclose it, by paying Rs. 20 to Government, he can bring Rs. 80 in his books, and on those Rs. 80 he can earn, and he can employ it in his business and make profits. If the Government's scheme is to be accepted, then for bringing Rs. 40 only in his books, he has to pay Rs. 60 to Government. In effect, the burden of this tax would be for the first year 150 per cent because that is what he will have to

give to Government to bring a certain amount on his books, whereas under my scheme, he will have to pay only 20 per cent in the first year and the rest of the amount can be brought in his books.

15 hrs.

The whole point is this. The malady of tax evasion, of unaccounted money, exists. There is no doubt about it. Also, because of the existence of this malady, your monetary system, the administration of your monetary system is not as effective as Government would like it to be either in controlling prices or in making your credit apparatus more effective. Secondly, apart from income tax, we are also losing wealth tax on this amount. Therefore, whatever measures you adopt, it is necessary that this hidden amount must come out on the surface.

There are two methods. One is the soft method and the other the hard method. First, you have tried the hard method, namely, raids, seizures, searches etc. That was successful to some extent, but not as successful as Government wanted it to be. Then they have given a chance to these people to return to the path of civic responsibility or civic duty. The result of this easy method has not been very encouraging either in the sense that people have not yet made disclosures sufficiently and Government's expectations in this respect have been belied.

What is the reason? Either there is no money at all to disclose or whatever the facilities given, they would not come and disclose or, thirdly, that they do want to come and disclose, but practically it is not possible for them to do so because of the requirement of immediate payment of the amount. Even person guilty of tax evasion and persons who have got hidden money, do not necessarily have

it in cash or currency notes. That money has been converted into many things like investment in buildings, land, factories, shares, debentures etc. Therefore, it is not possible for them to immediately give 60 per cent to Government. The only change my scheme proposes is that you give them more time and for that, you charge 10 per cent more, which in effect, according to the interest rate, comes to 5 per cent interest which you would be charging from them for the period for which you allow this government money to remain with them. Apart from the fact that there is no revenue loss, apart from the fact that there is no interest loss, the big merit of my proposal is that the hidden money would come on the surface, and that would enable Government to make their monetary policy and credit instruments more effective.

When I say this, I am quite conscious of the fact that this scheme is not popular. People would not like Government to adopt this method. They would be dismiss the whole thing and ask why should these people be given more concessions? But I would beg of the House to consider whether what I am suggesting amounts to asking for more concession in a financial or monetary sense or whether this allows them a chance to come back to the path of civic responsibility as the hon. Finance Minister called it. If you had not proposed this scheme at all, it was a different matter altogether. But once you have accepted the need for a scheme like this and you are prepared to go to some extent, then I think you must make the scheme more practical so that these people can take advantage of it and make a clean breast of the thing.

There are two or three misgivings about the scheme. The hon. Minister said that so far as income tax is concerned, once you pay the 60 per cent, there would be no further inquiry or investigation etc. What is not clear is what about the wealth tax, because this amount hidden by them must ob-

viously have been hidden for the last several years during which the wealth tax was in existence. Would these people automatically get exemption from the payment of wealth tax also? If not, then the 60 per cent would become a higher figure.

Secondly, the hidden amount may also involve offences or irregularities concerning foreign exchange regulations. What would happen about those provisions? The moment a person declares that he got the money from such and such source, he would immediately face the threat of prosecution under the Foreign Exchange Regulations Act.

I am not asking for any clemency for these people. If you want, do whatever you like with them. But since a scheme is proposed and it is being put on our statute book, I want it to be clear, precise and perfect. I also want that it should be framed in such a way that, if possible, people can make practical use of it and come forward.

The hon. Finance Minister said yesterday that he does not want to enlarge the scope of the scheme any further and he would not care if the scheme becomes infructuous. I agree with him. At the same time, I would request him to consider this: since he has taken this bold step and brought this scheme before the country, and the country knows that the Government are prepared to give these people a chance to come back, why not make it a practical proposition? I am not saying—I repeat it—that you give them 59.9 per cent. You have suggested 60 per cent. My scheme says 70, but give them to make the payment.

Before I conclude, I would say that to give time for payment of tax liability is not abnormal. Even under the normal tax laws, Income Tax Commissioners do give the facility of instalments to the person who is liable to pay the tax. These instalments are to give convenience to the

[Shri Morarka]

assessee so that he can make payments and redeem his tax liability.

In this context, I must also remind the House of the procedure adopted by the Income Tax Investigation Commission. There the prescribed percentage was—if a man voluntarily disclosed: 66-2/3; if he did not voluntarily disclose, but the Commission found it out: 75. There were settlements made at 66-2/3 per cent and also at 75 per cent. The Commission, after considering the high rate of taxation still gave them instalments to make payment. That discretion was there with the Commission and they did use it in favour of the assessee, and as a result, many settlements were made and many of those cases were settled.

I therefore request the hon. Minister once again to give thought to this matter. In his speech yesterday, he said he would not be prepared to consider it further. Even if he cannot do it immediately, I want him to do something which might not close the door for the future. I hope he would just apply his mind and if he thinks it proper, consider this suggestion and take appropriate action.

Shri Himatsingka: Shri Morarka has explained the position very clearly. I have suggested one simple amendment, that in the place of 6 months, the period may be extended, at the discretion of the officer dealing with the cases, upto two years, on proper security being furnished by the person who voluntarily discloses. The scheme will be that the disclosures have to be made within the time allowed by the Finance Minister, i.e., 31st May 1965. No further extension is suggested in my scheme. But the payment that is provided for in cl. 68 says that it has to be within 6 months, 50 per cent now and 50 per cent within six months on guarantee being given.

I am suggesting that in place of 6 months—cl. 68, in amendment No. 55—the period may be made two years. Then as regards payment, one third of the amount of tax liability may be paid now and the balance may be given at intervals considered suitable in each particular case with proper guarantee being given.

If the scheme has to be practical and practicable, time must be given. I understand from the statement of the Minister that upto now very few disclosures have been made. I feel that if the time is extended as suggested, perhaps there may be more disclosures and to that extent the need for searches, seizures and all that may be obviated. After all, these searches are not being conducted under the guidance or supervision of the Finance Minister or his Deputy or even the Commissioners. Ordinary police officers are called. Supposing a man is going to be caught with a big amount of Rs. 5 or Rs. 10 lakhs, there is very great room for temptation to the persons who go to make these searches. Therefore, I feel that if you can eliminate at least some of these things, to that extent it will be to the benefit of all parties concerned. Therefore, I feel that the Finance Minister should consider the suggestion.

Shri Prabhat Kar: During the Budget discussion itself we asked whether the Finance Minister was expecting any voluntary disclosures of unaccounted money because we had the experience that at the time of the issue of gold bonds, no gold came out. Similarly, this offer has not brought out any disclosure.

There has been so much talk of unaccounted money in the House and also by the Finance Minister himself. We know that all the attempts of the Reserve Bank at credit control have not been successful because of this unaccounted money in this country, because in cities like Bombay and Cal-

cutta transactions in hundis are going on for cornering commodities. It is a well known fact.

Under the circumstances, even in our efforts to control prices and the serious situation created due to the abnormal rise in the price of every commodity, this unaccounted money is one of the greatest dangers to our economy. Even our Plans may not be successful because of this. So, to think in terms of any concession to this kind of people will not be agreeable to any one.

Shri Morarka very apologetically put forward his scheme for unearthing this unaccounted money. I do not know what exactly he expects. Perhaps he expects that all the unaccounted money will come out. No income-tax, no wealth tax, nothing will be charged, and they will be allowed pure and simple to turn all this black money into white. But I do not think that they are going to bring out the money because today the turnover of this black money is so easy and so speedy, the return they get is so high, that whatever concession you may give them to turn this black money into white, I do not think they will do it. In the circumstances, certain stricter measures are required.

It is not a question of extending the time. Time has already been given of six months, and 31st May is the last day. Even if it is extended, I do not know whether any amount is at all going to come out in the open, because they are not at all interested in this matter.

It may be that the scheme of the Finance Minister is not satisfactory, but Shri Morarka's scheme will also not meet with success. In any scheme, first of all, we will have to make up our mind. Certain other stricter measures will have to be taken against these persons who are today by their activities completely upsetting our economy, our monetary and banking

system and credit. This matter will have to be borne in mind while discussing or deciding any scheme.

Shri Sham Lal Saraf: My hon. friend Shri Morarka has placed his amendment in tempting terms, giving a tempting incentive to the people who are withholding money, but it is very wrong to make any change in the principle enunciated by the Finance Minister about this scheme. Shri Prabhat Kar has pointed out that they have been upsetting our economy very seriously. Therefore, we should give full support to the Finance Minister in the scheme that he has put before us for unearthing black money. At this time if we extend the time or amend it this way, people will feel that the Government is not serious about it. I can say that the country is very sore about it. Therefore, it is time that once and for all we get this money as early as possible.

As for the amendment of Shri Himatsingka, personally I would not mind. There may be circumstances where the Commissioner or the authority concerned might say that the person from whom money has to be collected may be given more time if he is not able to pay in six months. But I fear one thing. Today we talk so much about corruption. It will open the flood gates of corruption. After all, it is not the Commissioner, but the smaller fry who do these things. Therefore, it is better for the Finance Minister to be strict. I submit that my hon. friend should not press his amendment.

So, the line of the Finance Minister is the line which should be taken up. The country is with him. If he sticks to a principle, more forces will come forward to unearth this black money.

Shri Peter Alvares (Panjim): Shri Morarka is nothing if not persuasive, but it will be difficult for the House to accept his amendment. I neither accept the amendment, nor the original Clause 68. I do not think it is a

[Shri Peter Alvares]

bold step that the Finance Minister has taken. Without any personal reference, it was a cowardly step. There were other methods which he could have taken to unearth this black money.

The suggestion about demonetisation was turned down by him. He was perhaps justified, but he has not given full reasons for it. This policy was once adopted in 1948. Why should it not be repeated again?

After all the amount of black money circulating in the country almost runs a parallel economy. We know that for the past few years, particularly in the last year, it has brought about a lateral strain in the economy. In spite of this, to put a premium on dishonesty would, I think, be unfair to those vast numbers of businessmen and industrialists who are honest. They have paid on what they earn, they have stood by the Finance Minister in his proposals, and now to give relief to those who have been dishonest, I think, would be very unfair not only to the country, but to those who have remained honest.

As far as Shri Morarka's amendment is concerned, I do not see the argument where he says that it will give them time to make a fresher assessment. After all, the Finance Minister said that he would be satisfied with 57 per cent if it was before 1st April, and 60 per cent up to 1st June. Up to the 1st April nothing came to the Government coffers. Hardly any worthwhile declaration was made. Even now, when the 1st of June is approaching, the recoveries are not substantial. Therefore, the assumption that any further concession would bring out a larger declaration of unaccounted money is not justified.

Secondly, he said that the first instalment would start after one year, and it would continue for the next five years.

Shri Morarka: The first instalment should be paid immediately.

Shri Peter Alvares: In the first year they will pay 20 per cent and the balance in the remaining instalments. That would give them time to make a declaration.

Shri Morarka: No. Time to make the payment, but the declaration is to be made now only.

Shri Peter Alvares: Nevertheless, there is such a large amount of money which is kept in circulation by these people. It will give them an unfair advantage. Therefore, both from the point of ethics and the economy, I think both the original clause and the amendment of Shri Morarka must be opposed.

Shri A. N. Vidyalkar (Hoshiarpur): The Finance Minister will excuse me if I say that from the point of view of moral principle, the whole proposition is untenable. I can appreciate his practical difficulties, and I think that it is due merely to practical difficulties that he has proposed this scheme. This scheme has not so far succeeded.

From what Shri Morarka has said, it is clear that the incentive provided by the Finance Minister has not worked. From what he and Shri Himatsingka has said, it appears it will not work. Nobody can guarantee. Even Mr. Morarka and Himatsingka cannot guarantee if their proposal is accepted that this scheme will work. I do not think that they can give any guarantee nor can anybody give a guarantee. I personally feel that the House should not associate itself on principle to legalise a thing which is illegal. In fact this is practically the misappropriation of the Government money. It appears to me as if tomorrow the Government can declare that all the thieves or dacoits who have taken money and misappropriated money, if they could voluntarily surrender the money, they will be allowed to retain-

forty per cent of it. Nobody is going to surrender. It is clearly misappropriation. If the simple, ordinary people, do not pay income-tax they are hauled up and they are treated in a harsh way by the income-tax authorities. Why should these persons who can pay money, who are continuing in business should be treated leniently? It does not appeal to me on principle and it is really a novel thing that the whole House is going to associate itself with legalising an illegal thing—misappropriation. From the moral point of view, it appears to me absolutely untenable. I can appreciate the practical difficulty that the Finance Minister is facing and for that reason the House might agree to his proposal. I do not think that any more leniency should be shown and this scheme should in no way be diluted further.

Dr. M. S. Aney: Sir, I do not want to enter into the moral or the immoral aspect of the provision there. The scheme as it stands here contains a proviso to which I would draw the attention of the hon. Minister. Suppose some persons have thought it fit that a portion of the income which he has got has not been shown for some years in the past and that he was motivated by a desire to disclose his income and made a statement to that effect to the income-tax officer sometime before this Bill has come before the House and the matter was under enquiry. I find that the proviso says that this scheme shall apply only to those who shall disclose their income and make a declaration about their incomes after the 27th day of February, 1965 and before the first day of June 1965. If he has made a declaration before, then the benefits which are mentioned there will not apply to that person who has voluntarily come forward out of a desire to be truthful to the State and to make up for his omissions of his duty and made the disclosures. He will not be entitled to any advantages on account of the wording of this provision. I want to know why it is so. Why should such a person not be covered by this scheme?

Secondly, it relates to the question of income—my second point. The rate of tax would be sixty per cent and forty per cent would be taken to his books. This may be all right in regard to persons who are liable to pay income-tax at higher rates. But for persons who are liable to pay a lower rate of income-tax even if the whole income had been brought into account, should they not be given some advantage in respect of the rate of tax to be paid? Was this point considered? I would request the Minister to look into this.

Shri T. T. Krishnamachari: I will first refer to the points raised by my venerable friend Dr. Aney. About the first point made by him the scheme was thought of on 27th February and we cannot anticipate periods earlier than that. As is said, law is an as sometimes and I am afraid it has to be an ass in this case. In regard to persons who are liable to pay less than sixty per cent, he can disclose it under the ordinary law and pay the tax that he is liable to pay. He need not take advantage of this scheme. We have by law permitted a person to make voluntary disclosures to escape penalty and he can make a voluntary disclosure and pay the tax he is liable to pay if it happens to be lower.

श्री श्रीकांत लाल बेरवा : उपाध्यक्ष

महोदय, जरा कोरम का भी ध्यान रखिये।

हाउस में कोरम नहीं है।

Mr. Deputy-Speaker: The Bill is rung—Now there is quorum.

Shri T. T. Krishnamachari: My hon. friend Mr. Morarka has been very kind to me and he said he does not want me to reply; it is embarrassing. All that I propose to say is that while I request the House to accept my amendment, I am unable to accept any other amendment.

Shri Morarka: Sir, I withdraw my amendments.

Shri Himatsingka: Sir, I withdraw my amendments.

Mr. Deputy-Speaker: Have the hon. Members leave of the House to withdraw their amendments?

Amendments Nos. 209 to 212, 145, 146 and 228 were, by leave, withdrawn.

Mr. Deputy-Speaker: I shall not put Government amendments, Nos. 54, 55 and 56 to the vote of the House. The question is:

(i) Page 45, line 22, omit "either". (54).

(ii) Page 45, for lines 24 to 27, substitute—

"(ii) furnishes adequate security for the payment thereof in accordance with sub-section (4) and undertakes to pay such income-tax within a period, not exceeding six months, from the date of the declaration as may be specified by him therein, or

(iii) on or before the 31st day of May, 1965, pays such amount as is not less than one-half of the amount of income-tax as computed at the said rate or furnishes adequate security for the payment thereof in accordance with sub-section (4), and in either case assigns any shares in, or debentures of, a joint stock company or mortgages any immovable property, in favour of the President of India by way of security for the payment of the balance, and undertakes to pay such balance within the period referred to in clause (ii)". (55).

(iii) Page 46, line 16, after "Central", insert "or State". (56)

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 68, as amended, stand part of the Bill."

The motion was adopted.

Clause 68, as amended, was added to the Bill.

Clause 69 was added to the Bill.

Clause 70—(Amendment of Act 27 of 1957)

Shri T. T. Krishnamachari: I beg to move*:

(i) Page 50, for lines 9 to 15, substitute

"(xx) the value of any equity shares held by the assessee in any company of the type referred to in clause (d) of section 45, where such shares form part of the initial issue of equity share capital made by the company after the 31st day of March, 1964, for a period of five successive assessment years commencing with the assessment year next following the date on which such company commences the operations for which it has been established." (57)

(ii) Page 52, line 18, after "or", insert ..

" , in either case". (58)

(iii) Page 52, line 34, after "or", insert

" , in each case". (59)

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

(i) Page 50,—

for lines 9 to 15, substitute—

"“(xx) the value of any equity shares subscribed and paid for by the assessee for a period of five successive assessment years commencing with the assessment year next following the date of their allotment;”" (101)

(ii) Page 50, line 22,—

for "one lakh" substitute "two lakhs". (102)

(iii) Pages 50 to 53,—

Omit lines 33 to 41, 1 to 40, 1 to 42, and 1 to 6 respectively. (103)

Shri N. Dandekar: Sir, I beg to move*:

(i) Page 50,

for lines 9 to 15, substitute—

“(xx) the value of any equity shares, issued by a company in which the public are substantially interested (including the subsidiary of such a company), subscribed and paid for by the assessee, for a period of five successive assessment years commencing with the assessment year next following the date of their allotment;” (165)

(ii) Page 50, line 28,—

for “two lakhs” substitute
“three lakhs”. (1963)

Mr. Deputy-Speaker: These amendments are now before the House.

Shri M. R. Masani: Sir, I would like to say a word in support of my amendment No. 103. These major deletions contained in my amendment that I have moved just now refer to the provision for imposing an additional wealth tax in respect of immovable property held in big cities. It is rather surprising that at a time when there is a great shortage of housing in our cities and tremendous distress and hardship for people of all classes, particularly for the working classes and for the lower middle class, a disincentive should be sought to be imposed on what is undoubtedly a beneficial activity, namely, the construction of houses in big cities. We know from our personal experience of numerous cases where young married couples cannot get a small flat to live in. I have in my own firm employees who live as paying guests in one room with their brides after marriage. We know about the overcrowding of working classes and about the slums. At this stage, we should give incentives to the people to come in and build houses in big cities. The effect of this penal tax on what is a desirable activity is, therefore, most

ill-timed and ill-conceived. It is not as if people with houses are not being taxed. The tax on wealth is already there. But, now, a penal tax, an additional wealth-tax on landed property in big cities is sought to be imposed. This is something extremely difficult to understand. It is anti-social; it is anti-people; it is anti-incentive, to the distress of the ordinary people who live in cities. It is not a crime to live in cities. Why there should be the penal, additional wealth-tax on those who indulge in this beneficial activity passes one's comprehension. I therefore move this amendment, and I urge that there should be no additional wealth-tax simply because a building is put up in big cities.

Shri N. Dandekar: I have moved my amendment Nos. 165 and 166, though you have ruled out the other one

Mr. Deputy-Speaker: 165 and 166 are the same as 101 and 102.

Shri N. Dandekar: My amendments are 165 and 166, which is the same as 102, and then 167. As regards amendment No. 165, I am proposing a brief change of omitting lines 9 to 15 which is in connection with the investments of shares in companies of the type referred to in clause (d) of section 45, for a period of five successive assessment years and so on. I am suggesting that this should be widened and my amendment reads to the effect that the value of any equity shares, issued by a company in which the public are substantially interested (including the subsidiary of such a company), subscribed and paid for by the assessee, should be excluded from wealth tax for a period of five successive assessment years, etc. The chief point is this. I do not see any reason why—since these things are coming into effect from a certain date, as is stated here—the people who hold shares which were issued earlier should not be made eligible for the exemption from wealth-tax

*Moved with the recommendation of the President.

[Shri N. Dandekar]

Surely, this must relate to the equity shares issued by a company in which the public are substantially interested, subscribed and paid for by the assessee, for a period of five successive assessment years, and it should not really matter whether it is an issue of a particular date or a particular type of company. The point is, it should be available for wealth-tax exemption for a period of five successive years following the date of their allotment. That will cut out all old issues, which are older than five years. There may be some which may be for one year; some for two years and some for three years, and some which have not yet been issued at all will come in for the full five-year period. So, the real point is, all investment in new issues ought to be exempted from wealth-tax for a certain limited period.

The next amendment, Amendment No. 166, which is the same as Shri Masani's, and my amendment No. 167 seek to raise the minimum slab of wealth that is exempt from wealth-tax from Rs. 1 lakh to Rs. 2 lakhs in the case of the individual and from Rs. 2 lakhs to Rs. 3 lakhs in the case of an Hindu Undivided Family. This is equal to no more than Rs. 40,000 pre-war and Rs. 60,000 pre-war respectively. I do not think anybody would call a person possessing Rs. 40,000 as a wealthy person now. Consequently, I do not think anyone who now owns an asset of Rs. 2 lakhs, a net asset of Rs. 2 lakhs, can be called a wealthy person. Until the last year or the year before last, Rs. 2 lakhs used to be the minimum limit for exemption from wealth-tax and Rs. 4 lakhs used to be the minimum limit for exemption from wealth-tax for Hindu undivided families. In other words, in the case of individuals, I am suggesting its restoration and in the case of Hindu undivided families, I am still putting down the limit of what used to be tax-exempt at one time.

I would like to add one more point, and it is this. I know that there is

an exemption in the case of house property or residential property up to a limit of Rs. 1 lakh in the case of an individual from payment of wealth-tax. I have received letters from retired people, people who have retired from Government or private service, saying that nowadays they are finding it quite impossible to find the necessary building material to make an investment in the shape of a residential building. It is an odd thing that if somebody has managed to build a residential house some years ago, two years ago, he continues to get the advantage, and he gets the materials, while someone else who is willing to build a residential building, he is unable, in view of the present circumstances and the present cost of things, to get the building material or the land. He does not get the benefit. He has to pay through his nose in order to occupy rented residential premises. So, I would only repeat that I am not extending anything munificent by way of gift to anybody. I am just restoring the wealth-tax exemption limit back to where it was, and in the case of the Hindu undivided family, I am restoring it to some extent to what it used to be.

Mr. Deputy-Speaker: Shri Morarka. We must finish this discussion by 5 o'clock.

An hon. Member: We can sit till 7 o'clock if necessary.

Shri Morarka: I want to seek one or two clarifications about this provision. Firstly, as you know, this exemption from wealth-tax was given in the Wealth-tax Act right from the beginning. Then, by the Finance Act of 1962 this concession was withdrawn and now it has again been introduced by the hon. Finance Minister, retrospectively from 1st April, 1964. So, it was only for the interregnum of two years, from 1st April, 1962 to 31st March, 1964, that this concession was not available. I would like to know why the people who

have purchased shares during this interregnum, during this intervening period, should be deprived of this particular exemption.

The second point in the proposed amendment of the Finance Minister is this. He says that even if the shares are purchased from the market this concession would be available. It is not specified in the scheme as to the person from whom they are to be purchased. Is it to be purchased from the under-writers only, or, could they be purchased from one shareholder by another from the stock market or what? Then there is the third amendment of the Finance Minister which says that this concession would not be available from the date you purchase the shares but it should be available only from the time that company goes into production. That means the person who initially purchases the shares, holds the shares till the company goes into actual production, has to pay the wealth-tax on the shares. But if he is tired of holding on, or if at the end of the period, when the company is unable to go into production by some force of circumstances, he is obliged to sell the shares, then for the next five years the new purchaser will get the benefit. The main purpose of this concession was that when a company is floated, new capital must be subscribed, and for that purpose, some incentive should be provided and the incentive was in the form of exemption of the amount, which is to be invested in the new shares from wealth-tax. The scheme of the Finance Minister now would be if you subscribe to the shares of the new company you will have to pay wealth-tax till the time when the company goes into production. But after the company goes into production, for the next five years thereafter, he would be exempt from the wealth-tax.

Shri T. T. Krishnamachari: I am afraid it is not right.

Shri Morarka: I may read from page 62 of the Explanatory Memorandum which he has kindly circulated.

It says:

"The five year period of the exemption also runs from the assessment year next following the date of issue of the equity capital."

Then it also says that "the value of any equity shares held by the assessee in any company of the type referred to in category (d) of section 45, will also be taken into account after 31st March, 1964". Then, "the period of the exemption will be five successive assessment years next following the date on which the company started the operations for which it was established."

Shri T. T. Krishnamachari: It is only operational.

Shri Morarka: Operation and production means the same thing. You do not say "commencement of business". Then a certificate is necessary to be issued by the Company Law Department. Why have all these different phrases like "commencement of operation, commencement of production, commencement of business" and so on?

Shri T. T. Krishnamachari: The whole thing is for a period of five years.

Shri Morarka: Five years from which date? Is it from the date on which the capital is issued, the company goes into production or from the date on which the certificate of commencement is issued? It would make all the difference, because the initial incentive which you want to give to the people to invest in new equity capital would be defeated by this. Only persons who buy shares from the market afterwards would get the benefit. I hope the Finance Minister would examine this point and restore this thing and give the incentive to the people who subscribe to the capital in the new issue so that during the period when the company is not in production and a person does not get any dividend at least he will

[Shri Morarka]

get this relief of exemption from the wealth tax.

Shri T. T. Krishnamachari: I think this "commencement of operation" is the date on which the company commences work. Really the whole idea is that when a person is not getting any income from wealth he should not be taxed on that. I think the interpretation that the hon. Member has given is the correct interpretation. It does not wait for the company to go into production, it is from the commencement date of the operation of the company. If the hon. Member's idea is that I should not give this concession that is a different matter. I would withdraw the concession, I have no objection at all. But I cannot extend the concession. Of course if a person within that period of time buys shares—of course, the man who sells may be a fool and the man who buys may be wise or vice versa—it will come within this. He argued, there is a gap, why don't you cover the gap. I cannot. I have merely done one thing. I thought I should give this concession from 1st April 1965. It has been represented by many people that there are a lot of shares with under-writers and it will help them to sell if you make it retrospective for one year. I have made it retrospective for one year so that under-writers which are mainly institutions might perhaps be able to sell the shares. This is the purpose of this amendment. Sir, and nothing more.

Shri Morarka: I may be permitted, Sir, to draw the attention of the hon. Finance Minister to his amendment. The clause as it stands in the Bill is quite different. Since the objective of the Finance Minister and my own are the same, I hope the Finance Minister will take care of this drafting point. The clause as it stood in the Bill says:

"(xx) the value of any equity shares subscribed and paid for by the assessee where such shares form part of the initial issue of

equity share capital made after the 28th day of February, 1965 by a company of the type referred to in clause (d) of section 45, for a period of five successive assessment years commencing with the assessment year next following the date of such issue;"

The wording in the amendment that has been moved is:

"...commencing with the assessment year next following the date on which such company commences the operations for which it has been established."

Shri T. T. Krishnamachari: Operation does not mean production.

Shri Morarka: I agree. You should explain what you want. Why change the clause at all? Why bring in this amendment?

Shri T. T. Krishnamachari: I am a layman. I have been advised by legal people that this is correct. If the legal people say that this is wrong I will bring in an amendment.

Shri N. Dandekar: I may add one more point and that will explain the thing clearly. In the original clause it is very specific namely: "assessment year next following the date of such issue". "Commencement of operation" is completely uncertain. Who can argue about it as to when it commenced? The wording in the original clause is more specific.

Shri T. T. Krishnamachari: I can say that if it is wrong I will have to come with an amendment. I can only be guided by the legal people.

Mr. Deputy-Speaker: I shall put amendments 101, 102 and 103.

Amendments Nos. 101 to 103 were put and negatived.

Mr. Deputy-Speaker: I shall now put amendments 165 and 167 standing in the name of Shri Dandeker.

Amendments Nos. 165 and 167 were put and negatived.

Mr. Deputy-Speaker: I shall now put the Government amendments. The question is:

(i) Page 50, for lines 9 to 15, substitute—

"(xx) the value of any equity shares held by the assessee in any company of the type referred to in clause (d) of section 45, where such shares form part of the initial issue of equity share capital made by the company after the 31st day of March, 1964, for a period of five successive assessment years commencing with the assessment year next following the date on which such company commences the operations for which it has been established." (57).

(ii) Page 52, line 18, after "or", insert—

" , in either case". (58)

(iii) Page 52, line 34, after "or" insert—

" , each case". (59)

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 70, as amended, stand part of the Bill."

The motion was adopted.

Clause 70, as amended, was added to the Bill.

Clauses 71 and 72 were added to the Bill.

Clause 73—(Amendment of Act 52 of 1963)

Mr. Deputy-Speaker: There is one Government amendment to clause 73.

*Amendment made:**

Page 55 line 7, after "Unit Trust", insert

"of India". (60).

(Shri T. T. Krishnamachari)

Mr. Deputy-Speaker: The question is:

"That clause 73, as amended, stand part of the Bill."

The motion was adopted.

Clause 73, as amended, was added to the Bill.

Clause 74—(Amendment of Act 7 of 1964)

Mr. Deputy-Speaker: Then we come to clause 74.

Shri T. T. Krishnamachari: Sir, I beg to move:

(i) Page 58, for lines 1 to 3, substitute—

"(8) Machine tools and precision tools (including their attachments and accessories, cutting tools and small tools), dies and jigs.

(9) Tractors earth-moving machinery and agricultural implements.

(10) Motor trucks and buses." (61)

(ii) Page 58, line 4, for "(10)", substitute "(11)". (62).

(iii) Page 58, line 6, for "(11)", substitute "(12)". (63).

(iv) Page 58, line 7, for "(12)", substitute "(13)". (64).

(v) Page 58, for lines 15 and 16, substitute—

"(14) Soda ash.

(15) Pesticides.

(16) Paper and pulp.

(17) Tea". (65).

(vi) Page 58, line 17, for "(15)", substitute "(18)". (66).

(vii) Page 58, line 24, for "(16)", substitute "(19)". (67).

*Amendment made/moved with the recommendation of the President.

[Shri T. T. Krishnamachari]

(viii) Page 58, for line 28, substitute—

“(20) Ships.

(21) Automobile ancillaries.

(22) Seamless tubes.

(23) Gears.

(24) Ball, roller and tapered bearings.” (68).

(ix) Page 58, line 29, for “(18)”, substitute “(25)”. (69).

(x) Page 58, after line 36, insert.—

“(26) Cotton seed oil” (70).

Shri M. R. Masani: Sir, I beg to move*:

Pages 56 and 57,—

for lines 24 to 41, and 1 to 21 respectively, substitute—

“Provided further that where in the case of any company the aggregate tax liability by way of income-tax under the Income-tax Act (other than the liability under section 104 of the Act) and surtax under this Act exceeds fifty per cent. of the total income of the company, the amount of such excess shall be deducted from the amount of surtax and the balance shall be the amount of surtax payable by the company.” (104).

Sir, my amendment No. 104 deals with the question of a ceiling. You remember, the Finance Bill has laid down a ceiling of 70 per cent on corporate taxation on certain companies or certain categories of companies. It was explained by some of us during the debate on the Budget and also on the Finance Bill that this ceiling is a fraud. It is a fraud because it applies to companies where it does not arise. There are other companies which do pay more than 70 per cent to which this ceiling does not apply. If a ceiling is seriously meant, then the amendment that I have moved would make it a sincere and serious ceiling because the amendment

that I have moved makes the benefit of a ceiling applicable to all companies. In other words, it makes it apply to other companies who really would benefit by there being a ceiling and does not only make it applicable to companies which in any event will not have to pay more than 70 per cent. Therefore, there are two points in my amendment. One is to make it applicable to all companies. A ceiling has no meaning if it is not applied to those who exceed the ceiling.

The other point of my amendment is to bring down the ceiling from 70 per cent to 50 per cent. I think a ceiling of 70 per cent is pointless. Even in the most prosperous and advanced industrial countries, the normal ceiling on corporate taxation is 50 per cent. It is considered to be as much as an enterprise will bear if half the fruits of the enterprise are given to the Government and the other half are retained—50:50. In Britain today, and theirs is a Socialist Budget, the ceiling on corporate taxation is 40 per cent. No company in Britain today is expected to pay more than 40 per cent, however prosperous it may be. That is British Socialism. Therefore, in the context of these circumstances, the amendment that I have moved would reduce the ceiling to 50 per cent which we consider, from these Benches, to be a very reasonable ceiling. If this amendment is not accepted, then the less we talk about a ceiling and the less we try to fool the people the better.

As I said, when I spoke last month on the Budget, I do not know whom the Finance Minister thinks he is fooling. I do not know of anyone who has been taken in by this attempt to fabricate a false ceiling which has no relevance and no meaning.

Shri T. T. Krishnamachari: I am probably fooling myself. I have nothing more to say.

*Moved with the recommendation of the President.

Mr. Deputy-Speaker: I shall put **Shri Masani's** amendment (No. 104) to the vote of the House first.

Amendment No. 104 was put and negatived.

Mr. Deputy-Speaker: Now I shall put Government amendments (Nos. 61 to 70) to the vote of the House.

The question is:

(i) Page 58, for lines 1 to 3, substitute—

"(8) Machine tools and precision tools (including their attachments and accessories, cutting tools and small tools), dies and jigs.

(9) Tractors, earth-moving machinery and agricultural implements.

(10) Motor trucks and buses." (61).

(ii) Page 58, line 4, for "(10)", substitute "(11)", (62).

(iii) Page 58, line 6, for "(11)" substitute "(12)", (63).

(iv) Page 58, line 7 for "(12)", substitute "(13)", (64).

(v) Page 58, for lines 15 and 16, substitute—

"(14) Soda ash.

(15) Pesticides.

(16) Paper and pulp.

(17) Tea." (65).

(vi) Page 58, line 17, for "(15)", substitute "(18)", (66).

(vii) Page 58, line 24, for "(16)", substitute "(19)", (67).

(viii) Page 58, for line 28, substitute

"(20) Ships.

(21) Automobile ancillaries.

(22) Seamless tubes.

(23) Gears.

(24) Ball, roller and tapered bearings." (68).

(ix) Page 58, line 29, for "(18)", substitute "(25)". (69).

(x) Page 58, after line 36, insert—

"(26) Cotton seed oil." (70).

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 74, as amended, stand part of the Bill."

The motion was adopted.

Clause 74, as amended, was added to the Bill.

Clauses 75 and 76 were added to the Bill.

Clause 77— (Regulatory duty of customs)

Shri N. Dandekar: Sir, I am objecting to this clause on two grounds. In the first place, it is designed to confer upon the executive the power to levy tax which is perfectly incompetent because the power to levy tax is vested in Parliament. This clause in other words is completely incompetent and cannot be legislated because it confers upon the executive the power to levy taxes. It is, therefore, utterly obnoxious and entirely outside the scope of the constitutional provisions on the subject.

Secondly, it might be said that this House did in the Finance Act of 1963 and in the Finance Act of 1964 pass exactly identical provisions. They were passed in good faith and in the belief that the reasons given for having those similar clauses in the Finance Acts of 1963 and 1964 were genuine, the only time when the reason was properly speaking given was in the course of the Finance Bill, 1963, when the corresponding clause 24 was under consideration. The reason given was perfectly simple, namely, that the intention was to regulate the quantity of goods imported.

A similar clause in terms of section 58 was included in the Finance Act, 1964. Experience has shown that this clause has been deliberately mis-

[Shri N. Dandekar]

used by the Government, not for the purpose for which it was intended, namely, to control the quantity of goods imported but for the purpose of collecting substantial revenues which was not the purpose for which it was intended and where the purpose for which it was intended would have been incompetent and ruled out as unconstitutional.

As it happens, I raised this point yesterday and the Finance Minister attempted a reply, but he said that he was not prepared. So, no doubt, today he will give a more considered reply. But among the observations he made then was the observation that there was nothing unparliamentary about this; that, in fact, the present socialist British Government have used a similar provision for the purpose of levying a duty, 15 per cent regulatory duty, and that if one Parliament could permit the Government to do so, presumably by parity of reasoning this Parliament could also permit such a thing to be done by this Government.

Sir, the circumstances are entirely different. In the first place, I do not know for what reason that particular clause was contained in the legislation in the United Kingdom. But I know the purpose for which a similar clause was allowed to be included by this House in the legislation of 1963 and 1964, namely, to regulate the quantity of goods imported. But the fact remains that as the years have gone by the powers of Government to regulate the quantity of goods imported, which are so very specific and drastic already under various import control rules, regulations and laws and also under the foreign exchange control rules and regulations, that there is nothing, nothing at all, that can be done under this Finance Bill to regulate the quantity of goods to be imported. All that can now be done is to collect more revenue. This clause has been used in that way under section 58 of the Finance Act, 1964. And so this clause 77 will un-

doubtedly be so used hereafter.

Therefore I object to it on these grounds: first of all, it is utterly unconstitutional because the power to levy tax is a power vested in this House and in Parliament and cannot be delegated to anybody; secondly, the objective stated at any rate when it was stated is utterly misleading—the real objective of Government is to raise taxes; thirdly, they have in fact acted in that manner under the corresponding section 58 of the Finance Act, 1944; and, fourthly, on merits, therefore, the clause is to be objected to.

Shri T. T. Krishnamachari. Sir, the first thing is that the question of anything being *ultra vires* is not raised in the House. Secondly, if my hon. friend would forgive me to say, his experience has been on the direct taxes side and I do not suppose he knows very much about the indirect taxes side. All powers given by Parliament to the executive happen to be a ceiling. In fact, in regard to the customs and excise duties the executive lowers the rate of tax and can raise it within the ceiling. It has been doing that. It is perfectly legitimate. Maybe, the ceiling is very high, but they are levying a lower duty, but the executive has to inform Parliament of whatever it does. If it does something which Parliament thinks is inappropriate, Parliament can pull it up.

With regard to this particular provision of having two sets of additional powers—one is to have a 10 per cent duty on all articles or a 25 per cent increase in the existing rate of duty, which is the ceiling prescribed—as the hon. Member has mentioned has been on the statute book since 1963. In introducing the Finance Bill my distinguished predecessor in 1963 said:—

“I propose to ask for powers to vary excise and customs duties with the limits to provide a me—

asure of flexibility in either direction in response to the changing circumstances."

That was in 1963; 1964 has gone and now we have come up to 1965. It is true that I have used this power. But in using this power, as Parliament was about to sit, I deferred using it and have put it before Parliament. Whether this is something which is an inroad into the privileges of Parliament or not is a thing which can easily be determined by the fact that the privileges of this House enshrined in the Constitution, until altered, are supposed to be those of the British House of Commons.

In the UK Finance Act of 1961 they have a section 9 which gives the power:—

"If it appears to the Treasury that it is expedient, with a view to regulating the balance between demand and resources in the United Kingdom, that the following sub-section should have effect, the Treasury may by order direct that it shall have effect as respects the period during which the order is in force:".

Then, it goes on to say:

"the liability to duty or right to drawback, rebate or allowance shall be adjusted by the addition or deduction, as may be prescribed, of such percentage, not exceeding ten per cent."

Then, it was re-enacted in 1962, 1963 and 1964. I have not seen the Finance Bill of the UK this year. It may or may not be there. Therefore it is a thing which is part of parliamentary practice and the hon. Member would know that even when Parliament fixed a particular duty it is only the ceiling and it leaves to the executive the discretion to lower it.

16 hrs.

I do not want to go into the legality of it because it is abundantly clear that it is legal, while it is perfectly open to hon. Members to oppose it and to the House not to give that power. But the question of the principle has been upheld by the Supreme Court in the matter of sales-tax in the case of Pandit Banarsi Das and others vs. the State of Madhya Pradesh. The Chief Justice S. R. Das, the Judges, T. L. Venkatarama Ayyar, S. K. Das, A. K. Sarkar, Vivian Bose—a full Bench—have held that this power can be given by the legislature to the executive in a matter like this. It is not of the same nature but it is of a salestax. Therefor, on the merits of the problem, I have no doubt that the Government is right in asking the Parliament for this power. On the legality of it, I do not see that there is any doubt but if there is any doubt, one can never prevent any aggrieved person from seeking the remedy that is in his hands.

Mr. Deputy-Speaker: The question is:

"That Clause 77 stand part of the Bill".

The motion was adopted.

Clause 77 was added to the Bill.

Clause 78 was added to the Bill.

Clause 79—(Amendment of Act 1 of 1944).

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

Pages 60 and 61,—

Omit lines 19 to 42, and 1 to 22 respectively. (105).

Mr. Deputy-Speaker: The Amendment No. 105 is before the House.

Shri M. R. Masani: Sir, my amendment would delete the very savage excise duties sought to be levied on steel and copper products. When the Budget was being debated, we pointed

*Moved with the recommendation of the President.

[Shri M. R. Masani]

out that these duties are of an inflationary nature because they are bound to raise the prices of innumerable products of steel and copper. The prices of sewing machines and all kinds of consumer goods are going to go up. This is an inflationary clause. On the one hand, we talk of containing inflation and on the other hand gratuitous measures are taken of this nature which are bound to put up the cost of ordinary consumer goods used by the bulk of our people. Therefore, this amendment of mine would seek to cut out this vicious and savage imposition of excise duties which are out of all proportions to the needs.

Shri Sham Lal Saraf: Sir, I support what Mr. Masani has said. I hope the hon. Finance Minister would very kindly keep this in mind. When we look to the industrial structure all over the country, I would say, that the greatest sufferer is the small-scale industry. I had to do something with both the Ministry of Commerce and Industry at the Centre and that of my State. I can show you how many of these small-scale industries in my State and in Punjab have gone to ruin because of the non-availability of billets of different varieties and particularly because of the non-availability of non-ferrous metals. Under such conditions, the prices of these things go up very high. Then, the industries that are already ruined will have no hope at all of any survival. That is one thing. Secondly, in regard to the commodities that they manufacture, the country will also suffer very much. The other day, the Finance Minister spoke one thing—it is weighty certainly—and said that in case we do not mop up all this extra profit that these people will be making because of price rise and so on and so forth, we may have to find some other way of mopping such profits.

I would very respectfully submit that this imposition of excise duties will jeopardise the interest of the industry and also of the country. With

these few words, I would request him to pay some attention to this and do something in the matter.

Shri T. T. Krishnamachari: Sir, I have explained the position. The prices of these commodities are so high and so much money is being made by the people who are able to get it. We try to mop up the profits proportionately. So far as the small-scale industries are concerned, they do not get it. But when they are able to convert some of these things into alloys, then only that question comes. The other day, I made a statement in the House giving some concessions to small-scale industries. So, small-scale industries can get some concessions without affecting the general position. We will look into it if we can give any further advantage to it. I am always prepared to examine it. But basically, the whole idea is that the prices are ruling high and perhaps even with this, it will be about hundred per cent more. The State which allows these products into the country with a considerable amount of expenditure of foreign exchange is entitled to mop up the portion of it for the benefit of the public.

Mr. Deputy-Speaker: I shall now put Amendment No. 105 to the vote of the House.

The question is:

Pages 60 and 61.—

omit lines 19 to 42, and 1 to 22 respectively. (105)

Lok Sabha divided:

Shri Sonavane (Pandharpur): Sir, I wrongly pressed 'Aye' button. I am for 'No'.

श्री चन्द्रमणि लाल चौधरी (मद्रास) :
उपाध्यक्ष महोदय, मेरी मशीन ने वाम नहीं किया है। मेरा वोट "नो" में गिन लिया जाये।

Mr. Deputy-Speaker: That will be recorded.

Division No. 19]

AYES

[16.07 hrs.

Aney, Shri M. S.
Dandekar, Shri N.
Gounder, Shri Mathur
Kachhaviya, Shri Hukam Chand
Masani, Shri M. R.

Mukherjee, Shri H. N.
Nair, Shri Vasudevan
Rao Singh, Shri
Ranga, Shri

Reddy, Shri Narasimha
Sesh, Shri Bheemachandra
Singh, Shri J. B.
Soravane, Shri T. H.

NOES

Alva, Shri A. S.
Arunachalam, Shri
Azad, Shri Bhagwat Jha
Bajaj, Shri Karmalnayan
Barua, Shri R.
Basappa, Shri
Surendra Bahadur Singh, Shri
Chanda, Shrimati Jyotens
Chandak, Shri
Chandriki, Shri
Chaudhuri, Shrimati Kamala
Chavan, Shri D. R.
Chavda, Shrimati Joraben
Chuni Lal, Shri
Dafte, Shri
Daljit Singh, Shri
Dasa, Shri C.
Dhuleshwar Meena, Shri
Dighe, Shri
Dubey, Shri R. G.
Dwivedi, Shri M. L.
Ganapati Ram, Shri
Gowdh, Shri
Gupta, Shri Badaheh
Hajarnavis, Shri
Harvani, Shri Anwar
Himatsingka, Shri
Jadhav, Shri M. L.
Jadhav, Shri Tulshidas
Jamunadevi, Shrimati
Jena, Shri
Jyotishi, Shri J. P.
Kabir, Shri Humayun
Kadadi, Shri

Kekkar Shri Gauri Shanker
Kam th, Shri Hari Vishnu
Kedaria, Shri C. M.
Khanna, Shri P. K.
Kotoki, Shri Liladhar
Koujalgi, Shri H. V.
Krishnamachari, Shri T. T.
Kureel, Shri B. N.
Lalit, Sen, Shri
Laskar, Shri N. R.
Laxmi Bai, Shrimati
Mahadeo Prasad, Shri
Mahtab, Shri
Mahishi, Dr. Sarojini
Maniyangadan, Shri
Mrandi, Shri
Maruthiah, Shri
Masuriya Din, Shri
Mehrotra, Shri Braj Bihari
Mehta, Shri Jashvant
Mishra, Shri Bibhuti
Morenka, Shri
More, Shri K. L.
More, Shri S. S.
Muthiah, Shri
Naik, Shri D. J.
Pandey, Shri R. S.
Patel, Shri P. R.
Patel, Shri Rajeshwar
Pratap Singh, Shri
Raghunath Singh, Shri
Raghuramsiah, Shri
Raja, Shri C. R.
Rajdeo Singh, Shri

Ramaswamy, Shri V. K.
Rane, Shri
Ranga Rao, Shri
Rao, Shri Muthyal
Rao, Shri Ramaspathi
Rao, Shri Rameshwar
Reddy, Shrimati Yashoda
Roy, Shri Bishwanath
Sahu, Shri Rameshwar
Saigal, Shri A. S.
Samanta, Shri S. C.
Sanji Rupji, Shri
Satyabhama Devi, Shrimati
Shakuntala Devi, Shrimati
Sharma, Shri A. P.
Sheo Narain, Shri
Shyam Kumari Devi, Shrimati
Siddanjanappa, Shri
Singha, Shri G. K.
Subraman, Shri
Subramanyam, Shri T.
Thengal, Shri Nallakoppa
Thimmaiah, Shri
Tiwary, Shri D. N.
Tiwary, Shri K. N.
Tiwary, Shri R. S.
Tula Ram, Shri
Upadhyaya, Shri Shrivardhan
Veerabhasappa, Shri
Vidyasahay, Shri V. N.
Virbhadrasingh, Shri
Vyse, Shri Radhela
Yadab, Shri N. P.
Yadav, Shri Ram Harsh

Mr. Deputy-Speaker: The result of the Division is: Ayes . . . 13; Noes 102.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 79 stand part of the Bill"

The motion was adopted.

Clause 79 was added to the Bill.

Clause 80 was added to the Bill.

Mr. Deputy-Speaker: Then, we take up clause 81.

Clause 81.— (Regulatory duty of excise)

Shri N. Dandekar: The objections that I have to regulatory duties of excise which the executive will be empowered to impose by clause 81 are exactly the same as those which I had urged as regards clause 77 for the imposition of regulatory duties of customs, but I have one more point to add.

[Shri N. Dandekar]

16.11 hrs.

[SHRI SONAVANE in the Chair]

In replying to the objections which I had raised in respect of clause 77 seeking to give power to impose regulatory duties of customs, the Finance Minister again referred to what had been done in England by the British Government towards the end of last year in imposing certain regulatory duties and he said that that was done under similar powers that existed in U.K. since 1961. I had hoped that he would add that notwithstanding that the socialist Government in U.K. had powers to impose those duties of regulatory kinds under some old standing legislation, nevertheless the Government there specifically put the matter to the House for approving the proposal, and the resolution approving the imposition of 15 per cent import duty as a regulatory duty was passed without a division when this matter was put to the House by the Government in the United Kingdom. In other words, when they were proposing to use these regulatory duties for the purpose of revenue or for bringing in a good bit of money, in addition to restraining imports, they took the trouble, and they certainly, I think, acted rightly, in submitting the matter to a resolution of the House, whereas here the objectives of these regulatory duties were stated to be something whereas the real objectives with which they were imposed on the 17th February were admittedly and entirely—and it has not been denied—and almost wholly a matter of revenue, and this was done ten days before the budget. I submit that at least Government are not fit to have powers like these conferred upon them. I object to this clause both on the constitutional grounds which I have already mentioned as well as on the ground that it is improper, as well as on the ground that Government cannot be trusted to use these powers for the purpose for which they are intended.

Shri T. T. Krishnamachari: I have nothing much to add. I have nothing further to add to what I had said before on a previous clause to which also the same objection had been taken by the hon. Member.

Mr. Chairman: The question is:

"That clause 81 stand part of the Bill".

The motion was adopted.

Clause 81 was added to the Bill.

Clause 82—(Discontinuance of salt duty)

Shri N. Dandekar: I beg to move:*

Page 63, after line 15, insert—

"(2) In the First Schedule to the Central Excises Act—

(a) in item No. 2 under 'Coffee, cured' for the words and figures in column 3, the following words and figures shall be substituted:—

'Rs. 40 per quintal'

(b) in sub-items Nos. (1) and (2) of item No. 3 under 'Tea' for the words and figures in column 3, the following words and figures shall be substituted:—

(1) 50 Paise per kilogram

(2) 30 Paise per kilogram plus the duty for the time being leviable under sub-item (1) of this item if not already paid.

(c) in item No. 7 under 'Kerosene' for the words and figures in column 3, the following words and figures shall be substituted:—

'Rs. 175 per kilo litre at 15 degrees of centigrade thermometer'.

(d) in sub-item I and II of item 15 under 'Soap' for the words

*Moved with the recommendation of the President.

and figures in column 3 the following shall be substituted:—

I. (i) Soap, household and laundry—

Rs. 8 per quintal

(ii) Other sorts—Rs. 20 per quintal

II. (i) Plain bars of not less than 454 grams in weight—
Rs. 7 per quintal

(ii) Other sorts—Rs. 8 per quintal

(e) in item No. 38 under 'Matches' for the words and figures in column 3 the following shall be substituted:—

"50 Paise for every 1000 matches or fraction thereof." (172)

Mr. Chairman: This amendment is now before the House.

Shri N. Dandekar: I have moved amendment No. 172 to clause 82. This amendment is to the effect that a second sub-clause be inserted. Without going through the whole thing again, I may tell you that I do not know whether I have put this down in a technically competent manner, because the Excise Act and Manuals and rules and regulations are so impossible for anybody to understand even after one day's study.

Nevertheless, the object of this amendment is this. All the provisions that are contained in this Bill about income-tax and customs duties and excise duties are all for raising the rates of duties. But I find nothing there to enthruse the ordinary person who is interested in the ordinary goods of life such as coffee, tea, matches, kerosene and soap. These amendments that I have put in cover five items; the first two are intended to reduce the duty on coffee, and the duty on tea—these will cover the common man throughout India, be-

cause he either drinks tea or he drinks coffee. Then, there is the duty on kerosene which I have suggested should be reduced; then there is the duty on soap which I have suggested should be reduced, and finally, the duty on matches also should be reduced.

I am very strongly hoping that the House will not merely make professions about the common man but will accept those professions in practice when it comes to specific proposals of this kind.

Shri Ranga (Chittoor): I very strongly support this amendment and I commend it to the House for its acceptance, because it affects the interests of the ordinary people, not merely the common people, but in fact, the people as such, irrespective of all differences, and more especially the poorest in our country. Except for a few among every hundred people, everyone else is today addicted to smoking. The rest of them also are householders and they would like to have matches to light their kerosene lamps in their houses, and that is the reason why we have moved this amendment.

When originally the proposal was made before the previous Finance Minister that kerosene ought not to be taxed, he said that not many people were using kerosene oil. We had to contest that statement. I hope that you yourself, Sir, hailing from the poorer sections of our nation would be able to bear out my statement that it is more essentially the poorest of the poor in our country who are depending upon the use of kerosene oil for lighting purposes, in order to enable their children to read and also to enable themselves to see things in their own small huts, hovels and homes. It is most unfortunate that Government should have thought of imposing these duties upon the people especially when they profess to try their best to raise the standard

[Shri Ranga]

of living of the people. They have not so far succeeded in raising the standard of living of the poorest of the poor in our country. By their own admission they have failed in this. But on the other hand they have certainly succeeded in the most malicious manner in heaping upon them many burdens, especially these burdens of taxes by way of excise duties on kerosene, coffee, tea, soap and matches. These five alone are indicated in our amendment. But on the other hand, there are so many other commodities also, such as sugar, tobacco, vegetable products etc. which are taxed; then, there is the salt cess and also the tax on diesel oil. The excise duty on diesel oil has been affecting our agriculturists, and we have been protesting against it all these years but in vain. These other commodities are all in daily use by the ordinary people, and if Government really care to improve the conditions of these people at least so as not to adversely affect their condition and make them poorer than what they are, then they ought to accept in all conscience our amendment. If at all they accept our amendment, they would be losing much less than Rs. 91 crores. They are collecting already Rs. 827 crores through the Central excise duties, and out of these, we are only asking for about one-sixteenth, that is, about an anna in a rupee by way of reduction. Is it impossible for Government to accept this? If we are to take the Finance Minister's statement, which he made yesterday, in all seriousness, then it should be possible. He expects to be able to raise from the present budget itself and through his financial proposals so much more money than what is shown in the budget that it would be possible for him to be completely independent of foreign aid, foreign loans and so on and also to be completely indifferent to the fate of our exports, and still he would be able to finance our national government here all this additional expenditure on defence and so on. That was

the brave statement that he had made. Now, if that is correct, surely we would be justified in assuming that Government would be having up its sleeves hundreds of crores of rupees and so it can try to give up by offering to reduce, if not abolish, quite a number of these excise duties. But I do not think it is going to do that, and the manner in which the Finance Minister has been summarily dismissing these amendments by simply referring Members to what he said yesterday or what he did not say yesterday, makes it clear. It is clear that he is not going to accept our amendment.

But I wish to warn Government that a time would come when they and we would be going to the people, when we would be stating to the masses how this Government has been dealing with them, how instead of being able to raise their standard of living, it has been reducing it by its own sedulous efforts, and the efforts it makes in such evil-minded and determined manner in spite of the warnings that we gave, and in spite of the plea that we put forward in favour of reduction of these tax burdens.

Now, just look at it. How much on kerosene alone? Rs. 45 crores. If Mahatma Gandhi was alive today, I am sure he would have chosen this in preference to salt for exemption, or in addition to salt. At the time, they were collecting, that is, the British Government was collecting, only Rs. 6 crores. Now these people are collecting 9 times as much as the British Government was collecting on kerosene alone, and this in the wake of the so called plan.

Then matches—Rs. 23 crores. Half the amount they are collecting from kerosene alone. Then there is diesel oil, the duty on which falls upon the agriculturists predominantly and also the rural people who have to use road transport. That comes to Rs. 14 crores.

Then more and more people are taking to coffee. Many more have already taken to tea, and more should take to tea also. Quite a number of doctors have also advised our people to take to these things in preference to ordinary cold water because cold water happens not always to be very clean and is likely to carry diseases. Government is collecting on this alone Rs. 20 crores.

Then does not Government want our people to have an oil bath and clean themselves from time to time, at least once a week? No, on soap also they must put a burden. How much is it? Rs. 4.62 crores. Then matches: Rs. 23 crores.

I, therefore, want Government to consider seriously the advisability of abolishing these excise duties, and if it cannot, at least accept our amendment.

श्री श्रीकार लाल बॅरवा : सभापति महोदय, मैं इस संशोधन का समर्थन करता हूँ। जो रोजाना के इस्तेमाल की चीजें हैं सरकार उन पर भी टैक्स लगाने जा रहा है। गरीब आदमी जो सिट्टी के तेल से रोशनी कर लेता है उस को हमारे वित्त मंत्री उजाले में नहीं रहने देना चाहते। मैं वित्त मंत्री से इस से ज्यादा और क्या कह सकता हूँ कि जो इस तरह की रोशनी का चीज है उन पर टैक्स लगाना ठीक नहीं है।

सन् 1961-62 में मंत्रियों के बंगलों को वातानुकूलित करने पर 22 लाख ६० खर्च कर दिये गये, इस के बाद सन् 1962-63 में 27 लाख ६० खर्च कर दिये गये। ऐसी चीजों को बन्द करना तो अच्छा है लेकिन जिन चीजों से गरीब आदमी को थोड़ी राहत मिलती है, जैसे तम्बाकू है, चाय है, बीड़ी है, सिगरेट है, साबुन है, अगर इन पर भी टैक्स बढ़ा दिया गया तो जनता का, मामूली आदमी का, जिन्दा रहना दुश्वार हो जायेगा।

जिस समय हम को चारों तरफ जनता से सम्पर्क रखना है, चारों तरफ जनता को प्रेम से भागे बढ़ाना है, जिस समय चारों तरफ से हमारी सीमाओं को दुश्मनों ने घेर रक्खा है, ऐसे समय में उन गरीब लोगों को टैक्सों से दबा दिया जाये तो हम को कैसे जनता का सहयोग मिल सकता है? अगर ऐसे समय में हम उन्हें कहें कि भागे बढ़ो, मरने को तैयार हो जाओ, और उस पर बराबर टैक्सों का बोझ लादते चले जायें तो यह कैसे हो सकता है।

अगर आप को पैसों की जरूरत है तो टैक्स लगाने के बजाय जो 167 करोड़ विदेशी मुद्रा के रूप में शराब पर जाता है, बरांडी शराब पर जाता है, उस पर बन्दिश लगाइये ताकि उस का जाना बन्द हो जाये और जनता को शराब से कुछ राहत मिले। आज अगर वह 20 ६० बोतल भाती है तो उस को आप 50 ६० बोतल कर दीजिये। दूसरे शंट शंट कामों पर जो विदेशी मुद्रा खर्च होती है उस को न रोका जाये और गरीब जनता पर टैक्स लगाया जाये, यह कहाँ तक उचित होगा?

इसलिये मैं इस संशोधन का समर्थन करता हूँ। आज गरीबों पर जो टैक्स लगाया जा रहा है यह उन के साथ घोर अत्याचार है और महापाप है।

Shri Prabhat Kay: So far as cl. 82 is concerned regarding the discontinuance of the salt duty is a welcome feature. But along with that, we would ask Government to effect a reduction, if not withdrawal, of the duty on some other articles commonly used by the people.

As regards the amendments moved, kerosene is an item of common use, particularly in villages where people cannot do without it. When the Finance Minister also has expressed his anxiety over the difficulties of the common man due to high prices, how difficult it is becoming for him to live, and considering the fact that in the present situation to keep up

[Shri Prabhat Kar]

the morale of the people, some concession should be granted to them, I think the duty on kerosene should be reduced if not withdrawn.

The same thing about matches. It is a commodity of common use, particularly in villages. I think the excise duty on it is yielding roughly Rs. 23-24 crores. This also can be taken away.

So along with the welcome feature of the discontinuance of the salt duty, we would request the Finance Minister to agree to the withdrawal of the duties on matches and kerosene, which will give some relief to the common man who is groaning under the pressure of prices. Also, in order to keep up the morale of the people and to enthuse them to live and meet the challenge posed on the borders, it is essential that these concessions should be given. He has already granted concessions to the corporate sector and to the higher income groups. So it is necessary that this concession should be granted to the common man also. I support the amendment which will go to extend the concession provided in clause 82.

Shri Alvares: Support for the amendment in regard to kerosene oil must come from two angles. The first is in the matter of giving relief to the common man and the second is from the point of view as to assess how rational the rationale of the new taxation the Finance Minister has imposed in the Finance Bill is.

16.28 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

In making his proposals, sometime ago the Finance Minister said he wanted to streamline the entire taxation proposals. For that reason, he proceeded on certain assumptions, one of which was there is such a margin of profitability between the import price of raw material and that of manufactured goods, and therefore,

he was trying to mop up that difference. For instance, on copper, he raised the excise duty from Rs. 300 to Rs. 1,000, on the assumption that in the price of the manufacture, this relief would be passed on to the consumer. Everybody knows that where the industry is profit-oriented, such a thing does not and will not happen. At the same time, he argues that because kerosene oil is an important item of import, he cannot give any relief on it. I find the Finance Minister has given excise relief on various items in industry to the extent of Rs. 29.68 crores, and he has raised excise duty on consumer items to the extent of Rs. 16.58 crores. Therefore, the Finance Minister has surrendered a revenue of almost Rs. 13 crores in this discriminatory manner, and in exercising his discretion, he has not thought of the common man because the common man is a beast of burden who provides him with a certain amount of indirect taxation.

Yesterday, while speaking on the profits of industry, I had said that there was a certain amount of buoyancy in the situation. That was proved not merely by the total amount of tax collection, but also by the incidence that each industry was able to pay. In such a situation, to give incentives to industry, to those who can afford to pay, to those who make their money by selling the products to the common man, and at the same time to argue that because of the need of finance the duty on kerosene cannot be reduced is not to argue about it rationally, but to cynically maintain the burden of the common man and to continue to squeeze him till he can bear it.

A little while ago we argued about the inadvisability of accepting the amendment relating to voluntary disclosures. At that time I had said that the two trends in the economy were vertical and lateral. The vertical was able to bear the strain; that

is, industry can always bear the strain because by and large these additional strains imposed are passed on to the consumer. But there are others, the lateral strains, which must come in for consideration.

Therefore, both from the point of view of continuing the rationale which he has talked about and also from the point of view of the immediate need of giving some relief to the common man, I support the amendment on the issue of kerosene.

Shri T. T. Krishnamachari: Hon. Members will realise that this particular Clause only says that no duty shall be levied on salt and it does not introduce any taxation. I do not mind the discussion. Hon. Members wanted to have a discussion on this matter, and they have used this Clause. What can I say when it is something which is not germane to the Clause under consideration? I am, therefore, sorry that I am unable to offer any comment. About the rationale of it and all that sort of thing, I can express no opinion.

Shri H. N. Mukerjee (Calcutta Central): We expect some reply. There are some specific points made out. We are very common people with very common powers of understanding. Why not he treat us to some explanation?

Shri Hari Vishnu Kamath (Hoshangabad): Has he got an open mind?

Shri T. T. Krishnamachari: Hon. Members will realise that this is not an amendment to the particular section. Of course, they are all taxation. It is in the third reading speech I have to reply. I have dealt with this question as to what I could and what I could not do in the original speech. This is not something which ought to be raised here. Therefore, I cannot give an answer to

specific items here because the subject is not before me.

Shri Nath Pai (Rajapur): Reticence is not one of the weaknesses of the Finance Minister. He has very charmingly put it that there is nothing he can add. This is the first time we have found him telling the House that on a given matter he has nothing to add. He has perhaps by implication accepted that this particular proposal is something which he cannot defend in the light of what has been submitted. In view of the fact that he has so gallantly, not as gallantly as he ought to have been, conceded the point that he cannot defend the taxation, why not be a little more gallant and say that he withdraws and accepts the amendment?

Shri T. T. Krishnamachari: Where is the question of withdrawing? There is nothing to withdraw. I do not want to exchange words with a very clever person like my hon. friend, but there is no use putting words in my mouth. I cannot withdraw Clause 82, can I? If I withdraw Clause 82, it means I have to levy a tax on salt.

Shri Nath Pai: Accept the amendment.

Shri T. T. Krishnamachari: I cannot. He says I should give away Rs. 92 crores, as if I have a bag of tricks and I can produce it out of my pocket. I cannot.

Mr. Deputy-Speaker: I shall now put amendment No. 172 to the vote of the House . . . (Interruptions.) You want a division.

Some hon. Members: Yes.

Mr. Deputy-Speaker: Let the lobbies be cleared.

The question is:

Page 63.—

after line 15, insert—

[Mr. Deputy-Speaker]

"(2) In the First Schedule to the Central Excises Act—

(a) in item No. 2 under 'Coffee, cured' for the words and figures in column 3 the following words and figures shall be substituted:

'Rs. 40 per quintal'

(b) in sub-items Nos. (1) and (2) of item No. 3 under 'Tea' for the words and figures in column 3, the following words and figures shall be substituted:—

(1) 50 Paise per kilogram

(2) 30 Paise per kilogram plus the duty for the time being leviable under sub-item (1) of this item if not already paid.

(c) in item No. 7 under 'kerosene' for the words and figures in column 3, the following words and figures shall be substituted:—

'Rs. 175 per kilo litre at 15 degrees of centigrade thermometer'.

(d) in sub-item I and II of item 15 under 'Soap' for the words and figures in column 3 the following shall be substituted:—

I. (i) Soap, household and laundry—Rs. 8 per quintal.

(ii) Other sorts—Rs. 20 per quintal.

II. (i) Plain bars of not less than 454 grams in weight—Rs. 7 per quintal.

(ii) Other sorts—Rs. 8 per quintal.'

(e) in item No. 38 under 'Matches' for the words and figures in column 3 the following shall be substituted:—

'50 Paise for every 1000 matches or fraction thereof.'"

Lok Sabha divided:

Division No. 20]

Alvaros, Shri
Bhargava, Shri P. H.
Borwys, Shri Onkar Lal
Dandekar, Shri N.
Kakkar, Shri Gauri Shankar
Kamath, Shri Hari Vishnu
Kar, Shri Prabhat
Krishnapal Singh, Shri

AYES

Masani, Shri M. R.
Mazumdar, Shri
Misra, Dr. K.
Mukherjee, Shri H. N.
Nair, Shri N. Sreekantan
Nair, Shri Vasudevan
Nath Pai, Shri
Pattanyak, Shri Kishen

[1639. has.]

Ram Singh, Shri
Ranga, Shri
Reddy, Shri Narasimha
Sen, Dr. Rajen
Shinkre, Shri
Singh, Shri J. B.
Singh, Shri Y. D.
Swamy, Shri Sivamurthi

NOES

Alva, Shri A. S.
Aney, Dr. M. S.
Arunachalam, Shri
*asad, Shri Bhagwat Jha
Babunath Singh, Shri
Bajaj, Shri Kamalnayan
Barkatki, Shrimati Renuka
Basappa, Shri

Birendra Bahadur Singh, Shri
Chandak, Shri
Chaudhury, Shri Chandramanj Lal
Chavan, Shri D. R.
Chenni Lal, Shri
Dafte, Shri
Daljit Singh, Shri

Dhuleshwar Meena, Shri
Dorai, Shri Kasinatha
Dubey, Shri R. G.
Dwivedi, Shri M. L.
Ering, Shri D.
Ganapati Ram, Shri
Gupta, Shri Bedabhab
Hajarnavis, Shri

*Moved with the recommendation of the President.

Hanada, Shri Subodh
 Haq, Shri M. M.
 Harvani, Shri Anwar
 Hazarika, Shri J. N.
 Hem Raj, Shri
 Himatsingka, Shri
 Jadhav, Shri M. L.
 Jadhav, Shri Tulshidas
 Jamunadevi, Shrimati
 Jyotishi, Shri J. P.
 Kaddai, Shri
 Kedarla, Shri C. M.
 Khanna, Shri P. K.
 Kinder, Lal Shri
 Kishan Vir, Shri
 Kotoki, Shri Liladhar
 Kripa Shankar, Shri
 Krishnamachari Shri T. T.
 Kureel, Shri B. N.
 Lahtan Chaudhry, Shri
 Lakshmikanthamma, Shrimati
 Lalit Sen, Shri
 Laskar, Shri N. R.
 Laxmi Bai, Shrimati
 Loniker, Shri
 Mahadeo Prasad, Shri
 Mahishi, Dr. Sarojini
 Melevisya, Shri K. D.
 Maniyangadan, Shri
 Marandi, Shri

Maruthiah, Shri
 Mathur, Shri Harihar Chandra
 Mehrotra, Shri Braj Bihari
 Mishra, Shri Bibhut
 Morarka, Shri
 More, Shri K. L.
 Muthiah, Shri
 Naik, Shri D. J.
 Niranjan Lal, Shri
 Pandey, Shri R. S.
 Patel, Shri P. R.
 Patel, Shri Rajeshwar
 Patil, Shri S. B.
 Patil, Shri Vasantao
 Pratap Singh, Shri
 Raghunath Singh, Shri
 Raghuramajiah, Shri
 Raja, Shri C. R.
 Rajdeo, Singh, Shri
 Ram Swarup, Shri
 Ramaswamy, Shri V. K.
 Rampure, Shri M.
 Rane, Shri
 Ranga Rao, Shri
 Rao, Shri Ramapathi
 Rao Shri Rameshwar
 Reddy, Shrimati Yashoda
 Roy, Shri Bishwanath
 Sahu, Shri Rameshwar
 Saigal, Shri A. S.

Samanta, Shri S. C.
 Sanji Rupji, Shri
 Saraf, Shri Sham Lal
 Sharma, Shri A. P.
 Sharma, Shri K. C.
 Shastri, Shri Ramanand
 Sheo Narain, Shri
 Shinde, Shri
 Shukla, Shri Vidya Charan
 Shyam Kumari Devi, Shrimati
 Siddanajappa, Shri
 Siddiah, Shri
 Singh, Shri D. N.
 Singha, Shri G. K.
 Sinha, Shri Satya Narayan
 Sinhasan Singh, Shri
 Subrahman, Shri
 Subramanyam, Shri T.
 Tania, Shri Rameshwar
 Thengal, Shri Nallakoya
 Tiwary, Shri D. N.
 Tiwary, Shri K. N.
 Tiwary, Shri R. S.
 Tula Ram, Shri
 Upadhyaya, Shri Shiva Dutt
 Vaishya, Shri M. B.
 Verma, Shri Ravindra
 Veerabharappa, Shri
 Virbhadra Singh, Shri
 Yadav, Shri N. P.
 Yadav, Shri Ram Harkh

Mr. Deputy-Speaker: The result of the division is: Ayes 24; Noes 115.

The amendment was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 82 stand part of the Bill."

The motion was adopted.

Clause 82 was added to the Bill.

Clause 83 was then added to the Bill.

The First Schedule

Mr. Deputy-Speaker: There are several amendments by the Government.

Shri M. R. Masani: Can we not divide it? It is a very big schedule.

Mr. Deputy-Speaker: We shall have discussion on the whole lot.

Shri T. T. Krishnamachari: I beg to move:

(i) Page 65, line 16, for "in the case of", substitute.

"where such person is". (71)

(ii) Page 66, line 10, after "Government", insert—

"or income received in respect of units from the Unit Trust of India under the Unit Trust of India Act, 1963 (52 of 1963).", (72)

(iii) page 66, line 28, after "Government", insert—

"and income received in respect of units from the Unit Trust of India under the Unit Trust of India Act, 1963 (52 of 1963).", (73)

(iv) page 67, after line 39, insert—

"Provided that—

(i) no income-tax shall be payable on a total income not exceeding Rs. 3,000; and

(ii) where the total income is twenty thousand rupees or less the income-tax payable shall not exceed forty per cent. of the amount by which the total

[Shri T. T. Krishnamachari]

income exceeds Rs. 3,000". (74)

(v) Page 77, for line 30, substitute,

"(8) Machine tools and precision tools (including their attachments and accessories, cutting tools and". (75)

(vi) Page 77, for line 32, substitute.

"(9) Tractors, earth-moving machinery and agricultural implements. (76)

(10) Motor trucks and buses."

(vii) Page 77, line 33, for "(10)", substitute "(11)". (77)

(viii) Page 77, line 35, for "(11)", substitute "(12)". (78)

(ix) Page 78, line 1, for "(12)" substitute "(13)". (79).

(x) Page 78, after line 7, insert
"(14) Soda ash.

(15) Pesticides." (80)

(xi) Page 78, line 8, for "(13)", substitute "(16)". (81)

(xii) Page 78, line 9, for "(14)" substitute "(17)". (82)

(xiii) Page 78, line 10, for "(15)", substitute "(18)". (83)

(xiv) Page 78, line 15, for "(16)", substitute "(19)". (84)

(xv) Page 78, for line 18, substitute.

"(20) Ships.

(21) Automobile ancillaries.

(22) Seamless tubes.

(23) Gears.

(24) Ball, roller and tapered bearings". (85)

(xvi) Page 78, line 19, for "(18)", substitute "(25)". (86)

(xvii) Page 78, after line 25, insert.

"(26) Cotton seed oil". (87)

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

(i) Page 64,—

for lines 12 to 38, substitute—

"Rates of income-tax

(1) where the total income does not exceed Rs. 6,000.	Nil.
(2) Where the total income exceeds Rs. 6,000 but does not exceed Rs. 10,000.	5 per cent of the amount by which the total income exceeds Rs. 6,000.
(3) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000.	Rs. 200 plus 10 per cent of the amount by which the total income exceeds Rs. 10,000.
(4) where the total income exceeds Rs. 20,000 but does not exceed Rs. 30,000.	Rs. 1,200 plus 20 per cent of the amount by which the total income exceeds Rs. 20,000.
(5) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000.	Rs. 3,200 plus 30 per cent of the amount by which the total income exceeds Rs. 30,000.
(6) where the total income exceeds Rs. 50,000 but does not exceed Rs. 70,000.	Rs. 92,00 plus 40 per cent of the amount by which the total income exceeds Rs. 50,000.
(7) where the total income exceeds Rs. 70,000.	Rs. 17,200 plus 45 per cent of the amount by which the total income exceeds Rs. 70,000." (106)

*Moved with the recommendation of the President.

- (ii) Page 65,—
omit lines 3 to 15. (107)
- (iii) Page 67,—
omit lines 30 to 36. (113)
- (iv) pages 67 and 68,—
omit lines 37 to 41, and 1 to 19 respectively. (114)
- (v) Page 68,—
omit lines 24 to 27. (115)
- (vi) Page 68,—
omit lines 28 to 33. (116)
- (vii) Page 68, line 30,—
for "80 per cent." substitute—
"60 per cent." (117).
- (viii) Pages 72 and 73,—
omit lines 17 to 48, and 1 to 3 respectively. (118).
- (ix) Pages 73 and 74,—
omit lines 29 to 40, and 1 to 16 respectively. (119).
- Shri N. Dandekar: I beg to move*:
- (i) Page 65, line 5,—
for "Rs. 6,00" substitute
"Rs. 8,000" (173).
- (ii) Page 65, line 15,—
for "Rs. 3,000" substitute
"Rs. 5,000" (174).
- (iii) Page 65, line 20,—
for "Rs. 100" substitute "Rs. 150" (175).
- (iv) Page 65, line 21,—
for "Rs. 175" substitute "Rs. 200" (176).
- (v) Page 65, line 25,—
for "Rs. 195" substitute "Rs. 225" (177).
- (vi) Page 65, line 30,—
for "Rs. 215" substitute "Rs. 250" (178).
- (vii) Pages 66 and 67,—
omit lines 1 to 39 and 1 to 7 respectively. (179).
- (viii) Page 67,—
omit lines 30 to 36. (180).
- (ix) Pages 67 and 68,—
omit lines 37 to 41 and 1 to 19 respectively. (181).
- (x) Page 68,—
omit lines 24 to 27. (182).
- (xi) Page 68, line 39,—
for "80 per cent." substitute—
"60 per cent." (183).
- (xii) Page 71, line 22,—
after "an Indian concern" insert—
"or from the Central Government or a State Government or a local authority". (184).
- (xiii) Page 71, line 25,—
after "the Indian concern" insert—
"or from the Central Government or a State Government or a local authority". (185).
- (xiv) Page 71, lines 43 and 44,—
for "after the 29th day of February, 1964", substitute—
"or with the Central Government or a State Government or a local authority" (186).
- (xv) Pages 72 and 73,—
omit lines 17 to 48 and 1 to 3 respectively. (187).

*Moved with the recommendation of the President.

[Shri N. Dandekar]

(xvi) Page 73, line 7—

omit "Sub-clauses (a), (b) and (c) of" (188).

(xvii) Page 73, line 8,—

omit "In that order" (189).

(xviii) Pages 73 and 74,—

omit lines 29 to 40 and 1 to 16 respectively. (190).

Shri Sham Lal Saraf*: Sir, I beg to move:

(i) Page 67,—

for lines 12 to 29, substitute—

"(1) on income up to Rs. 10,000—Nil.

(2) on income over Rs. 10,000 and upto Rs. 12,500—20 per cent of the income.

(3) where the total income exceeds Rs. 25,000—40 per cent of such income. (88).

(ii) Page 67,—

for lines 40 and 41, substitute—

"(1) where a firm consists of two partners and the total income does not exceed Rs. 20,000—Nil.

(2) where a firm consists of three partners and the total income does not exceed Rs. 30,000—Nil.

(3) where a firm consists of four or more partners and the total income does not exceed Rs. 40,000—Nil (90).

Shri Prabhat Kar: I beg to move*:

Page 67,—

for lines 12 to 29, substitute—

"(1) on income upto Rs. 10,000—Nil.

(2) on income over Rs. 10,000 and upto Rs. 15,000—15 per cent.

(3) on income over Rs. 15,000 and upto Rs. 25,000—25 per cent.

(4) on income over Rs. 25,000 and upto Rs. 40,000—35 per cent.

(5) on income over Rs. 40,000—45 per cent." (150).

Shri D. P. Naik (Pachmahals): Sir, I beg to move*:

(i) Page 67,—

omit lines 12 to 19 (109).

(ii) Page 67,—

for lines 20 to 22, substitute—

"(4) where the total income exceeds Rs. 15,000 but does not exceed Rs. 25,000—15 per cent" (110).

(iii) Page 67,—

for lines 23 to 25, substitute—

(5) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000—15 per cent." (111).

(iv) Page 67,—

for lines 26 to 29, substitute—

"(6) where the total income exceeds Rs. 25,000—20 per cent." (112).

Shri M. R. Masani: Sir, I would like to explain certain amendments, out of the many I have given notice of which are of considerable importance. The first group of amendments I would like to draw attention to are amendments 106, 107 and 108. If hon. Members will kindly look at these amendments, they will find that amendment No. 106 seeks to substitute a new schedule for the present rates of income-tax, which are to be found on page 64 of the Finance Bill.

*Moved with the recommendation of the President.

16.46 hrs.

[MR. SPEAKER in the Chair]

It will be found that at present the Finance Bill has set out on page 64 an exemption limit and then has certain rates of taxes laid out against each slab. If hon. Members will turn to amendment No. 106 moved by me, they will find that I have excluded from income tax altogether those whose total income does not exceed Rs. 6,000. This morning in the course of the discussion, the hon. Member, Shri Prabhat Kar, said that he for one would welcome an exemption limit of Rs. 10,000, that anyone who earns only Rs. 10,000 should not be asked to pay income-tax at all. I sympathise with him, that an income of Rs. 10,000 today should not bear any income-tax at all. But I do not want to go so far. I am making a modest proposition.

Shri Sham Lal Saraf: I have suggested a limit of Rs. 10,000.

Shri M. B. Masani: I will vote for your amendment if you will vote for mine. I would welcome a slab of Rs. 10,000 being exempted. If this House is so inclined, I will certainly go along with it. I am only suggesting an exemption limit of Rs. 6,000. Beyond Rs. 6,000, the rates that I suggest are more reasonable and seasonable than these in the Government table. Let us take just two slabs of people who have modest incomes. Let us take the Government's category, where the total income exceeds Rs. 5,000 but does not exceed Rs. 10,000. There, Sir, between Rs. 5,000 and Rs. 10,000, the Government want a tax of Rs. 250 plus 10 per cent of the amount by which the total income exceeds Rs. 5,000. In my schedule, the corresponding figure from Rs. 6,000 to Rs. 10,000 cuts out the Rs. 250 and only levies 5 per cent of the amount by which the total income exceeds Rs. 6,000. That means a saving of at least Rs. 250 to the poor income-tax payer. Take another slab—those

who have an income of Rs. 10,000 but not exceeding Rs. 20,000. They are very modest people, people who do not have a four-figure monthly salary these days. According to Government, they would pay Rs. 750 plus 15 per cent of the amount by which the total income exceeds Rs. 10,000. Under my schedule they would pay Rs. 200 plus 10 per cent of the amount by which the total income exceeds Rs. 10,000. From this it will be seen that the lower middle class man with a fixed income today is made to bear an altogether disproportionate burden because, on the one side, of the stupid and unscientific policies of the Government and, on the other, because of the mass evasion of taxes by dishonest people with money. It is because of these bad policies and mass evasion that the lower middle class people are today mulcted out of all proportion. If my amendment is accepted, the net result would be that the income-tax payer today would pay about 50 per cent of what he was paying last year—not 50 per cent of what the Minister has suggested, that would be going, in my view, a little too far. The incidence would come down to half. I suggest that this is a measure of social justice, and we owe it to our employed classes, people from the technical and clerical level up to the junior executive level and junior managerial level.

I hope, therefore, that the House will support this amendment on the ground of social justice to a class of people who, because they are honest, because they have fixed incomes, because they do not evade taxes, are being mulcted out of all proportion to their capacity.

The other amendment to which I would like to draw attention a little later is amendment No. 116, refers to a clause on page 68 which refers to the tax to be paid by the Life Insurance Corporation of India. On page 68, hon. Members will see, a levy is laid of 47.5 per cent on the profits and gains

[Shri M. R. Masani]

from life insurance business by the Life Insurance Corporation of India. This may sound reasonable at first blush, but let us consider what it means. It means that the ordinary man who takes out a life insurance policy with the Government monopoly, for he has no choice, is made to pay a tax. It is universally understood that mutual life insurance is a desirable thing. It is a measure of social security in a country where we are not able to give social security on the Anglo-American or the German or Japanese model. Therefore, when a man tries to insure for his old age or for the subsistence of his dependents against premature death, then, where there is a mutuality and where there is no profit motive as in a mutual company, there should be no tax.

It is true that the Life Insurance Corporation is a State corporation. But the real owners and beneficiaries of that Corporation should be the policyholders. Why should the policyholders be made to pay a tax when all they are doing is to put in their premia and wait for their policies to mature? There is the principle of mutuality that is very relevant in this case. They are not shareholders; they are not profit-makers. This Government calls itself socialist; but I claim that my amendment is much more socialist than anything that they have done for many years. What I am saying is that the policyholders should not be taxed. If this amendment were accepted, the policyholder will get a bigger bonus. For the same premium he will get better value by way of bonus and the business will expand further. Therefore, in the interest again of justice to the policyholder, whom we all wish to encourage, I suggest that this amendment be accepted and the rate of tax cut out altogether.

Shri N. Dandekar: Sir, it is unfortunate that all these amendments to

the First Schedule are going to be taken all together instead of paragraph by paragraph in which Part I of the First Schedule has been conveniently divided in the Bill itself. I will try, however, to group my own amendments part by part so that it may be clear as to what I am really talking about and the bearing of it upon the whole scheme.

Paragraph A of Part I of the First Schedule is concerned with taxation on individuals, families, associations of persons and so on. In other words, normal personal taxation which now contains an amalgam of income-tax and super-tax. Shri Masani, in his amendment, has already proposed certain changes in the main rate structure that has been put down in paragraph A at page 64. of the Bill. I myself have no hopes of his amendment being accepted. I am, therefore, making a more modest proposal concerned with the reliefs that are set out at page 65 of the Bill, that is to say, the three provisos—provisos (i) (ii) and (iii).

My amendments in this regard are Nos. 173 to 178 and quite briefly what I am suggesting is this. If the slab rates are to be as proposed by Government at page 64, then the reliefs, namely, proviso (i), the relief of minimum income, which in the case of a Hindu undivided family ought not to be subject to taxation at all, should be raised from Rs. 6,000 to Rs. 8,000 and the minimum amount, which in all other cases ought not to be subject to taxation at all, should be raised from Rs. 3,000 to Rs. 5,000.

Proviso (ii) is concerned with allowances of a personal nature depending upon personal circumstances of each assessee. Now, for instance, in proviso (ii), where the allowance is Rs. 100 in the case of an unmarried individual, I am suggesting that it should be raised to Rs. 150. As regards an allowance of Rs. 175

in terms of tax in the case of a married individual who has no child wholly or mainly dependent on him, I am suggesting that for such a married individual, the tax relief ought to be Rs. 200. Further more, in the case of a married individual having dependent children or in the case of a Hindu undivided family having dependents of the kind described, I suggest that the tax relief ought to be Rs. 225. In other cases specified here, my submission is that the tax relief ought to be Rs. 250.

So much as regards the Paragraph A of the First Schedule, Part I, in so far as the normal imposition of income-tax and super-tax amalgamated now into income-tax is concerned.

I am next dealing with the problem of sur-charge on persons such as individuals or Hindu undivided families and the like. On p. 66, there is a whole series of formulae for calculating sur-charge on earned income and sur-charge on unearned income, or rather the other way about, that is, the sur-charge on unearned income and sur-charge on earned income has been set out. My submission in amendment No. 179 is that the whole of this from lines 1 to 39 on p. 66 and lines 1 to 7 on p. 67 should be deleted. We have come to a point at which we are at least beginning to recognise—and certainly Government's own admission is that they are beginning to recognise—that the interest on securities ought not to be treated as an unearned income and that it should be treated as if it were earned income. The interest of the dividend received from the Unit Trust investment should also be treated as an earned income. Frankly speaking, except of course in those specific cases, where one can nail down inherited unearned income, it is really quite impossible to distinguish between earned income and un-earned income in any scientific way. If, for instance, I am earning income today from my past savings, from which I buy shares

and from those shares I get dividends, by what stretch of imagination is that dividend an unearned income? If my salary income is earned income, then frankly speaking, and in fact, my dividend income if it represents income from savings, it is really is doubly earned in the sense that I have not only earned the source from which the investment comes but I have refrained from consumption, I have invested it and I am thereby contributing to better production for the country. I am really earning that income and there is no reason why it should not be treated so. Even where identifiably the dividend or other income from property is really unearned in the sense that these were inherited from one's ancestors, even there I see little justification for distinguishing between earned and unearned income when, in fact, unearned income which arises from the properties of various kinds, whether it is shares or investment or house property, is subject to wealth tax. The moment you are taxing wealth as something to be taxed in itself—and you are taxing it at fairly stiff rates,—the distinctions between the income rising from such wealth and the income rising from personal exertions really should cease. The income should be taxed as income; the wealth should be taxed as wealth. Wealth is assessed to tax qua wealth; income assessed to tax qua income. Therefore, my amendment No. 179 is concerned with the altogether abolition of this distinction as between earned and unearned income, which is unreal in most cases and unjustifiable in others.

My next Amendment is 180, dealing with the cooperative societies. Here, I have only a small amendment in conformity with the amendments that I have previously moved, namely, that lines 30 to 36 on p. 67 dealing with surcharge should be omitted so that there should be no surcharge on cooperative societies.

The next amendment is about the registered firms. Here, I am afraid,

[Shri N. Dandekar]

my proposal is very drastic. I am suggesting that the whole concept of taxation on registered firms, whether it is taxation in the ordinary way or taxation by way of surcharge is without any justification whatsoever. A firm is no more than a collection of the individuals who constitute it. A firm is not a legal entity. A firm is, in fact, merely a collective description for the individuals who are in partnership in business or profession. In other words, it is merely half a dozen persons jointly engaged in an endeavour. It is not like a company which has a separate legal entity and, therefore, it acquires and maintains certain special legal status, rights, duties, obligations and so on nor is a firm anything more than individuals who have their own individual rights, obligations and duties. A firm being thus merely a collective description of a number of people who have joined together to do business or some other activity, I think this innovation of taxing firms which was introduced some years ago is utterly unjustifiable. There is no reason whatever for it. I can think of no reason, of any specific benefit which the law confers upon a firm as a firm to justify their separate taxation. There is no benefit such as there is in the case of a local authority or there is in the case of a co-operative society or a company, or even in the case of a Hindu undivided family. All these are legal entities. A firm is not a legal entity. It is merely a collective description. I therefore, urge that these taxes on firms, whether they be in the form of income-tax or in the form of surcharge, ought definitely to go.

17 hrs.

My next amendment is No. 182. It is a logical consequence of what I have been saying hitherto, namely the abolition of surcharge, as applicable to local authorities.

Then, sir, I come to the main provisions relating to companies namely paragraph F. But I would like here

to say a few words first in regard to Shri M. R. Masani's amendment for non-taxation of the Life Insurance Corporation. The debate here is not whether it is proper that the business of Life Insurance should have been nationalised and whether it should be in the public sector or private sector or any other; the debate here is this. Is it proper that profits arising out of mutuality, that is, profits arising out of myself trading with myself, so to speak, should be taxed? When a hundred people join together and trade with each other, the principle of mutuality comes in, because they have got together for mutual good; if they make profits, they share the profits, and if they make losses, they suffer. If they make profits, they are merely making profits out of themselves. It is an accepted principle of mutuality that operates here, except where they are making profits from outsiders. For instance, any profits which the LIC may make (through its Subsidiary) in fire insurance business or general insurance business or marine insurance business are not restricted to the policyholders; they come in other words, from entirely outside sources. Properly speaking, only these profits would be taxable; and of course, since this type of insurance business is being done through a subsidiary, the profits would be taxed at the hands of the subsidiary. But so far as the LIC is concerned, it is a corporation based on mutuality. There are no shareholders there. It is a body-corporate, of course, but there are no shareholders. There are no profit-makers, and there are no dividends, and there is nothing but straight-forward mutuality; and on a thing like that there ought not to be any question of taxability whatsoever.

Now, Sir, coming to paragraph F which is concerned with companies, here; my proposal is somewhat drastic. The House will have by this time appreciated that I have been taking a very dim view of the

state of affairs in this country as regards the present state and the future prospects of the corporate sector, as regards the capital market, and as regards that enormous sector of activity comprising industrial production, commercial transportation and whole lot of other activities, that are today carried on in India in the corporate sector. My proposals in connection with the corporate sector are, therefore, somewhat drastic. My first amendment in this regard is amendment No. 183. Here, the proposal is that instead of 80 per cent, the maximum should be 60 per cent. In other words, the whole exercise of taxing corporations, which in the structure of the corporate tax as it is here, takes the form of a certain rate, a ceiling rate from which you give a certain rebate depending upon particular circumstances of particular cases, but on which later you take a somersault and say that the rebate will be reduced or will not be given depending upon certain other circumstances of particular cases, is sought to be modified or simplified by my amendment, starting with a ceiling rate of 60 per cent instead of 80 per cent. Retaining that structure for the moment as it is, because it would be a major exercise for me, by way of an amendment to attempt an alteration of that structure,—that obviously is a problem which the Finance Minister has got to tackle sooner or later,—keeping that structure as it is, I am suggesting that the maximum rate of tax which is here provided at 80 per cent, should be brought down to 60 per cent. I may say that on making some calculations I find that one of the consequences of this will be that the maximum net taxation that may be suffered in most cases would not exceed 50 per cent, whereas in some cases today it goes as high as 70 or 74 per cent.

Then I have certain amendments of a technical character, Nos. 184 and 185. They are a little technical, but I will endeavour to explain them in simple

terms. They are concerned with the rebate to be given from the ceiling rate on so much of the total income as consists of royalties received from an Indian concern by a foreign concern in pursuance of an agreement made by it with the Indian concern on or after 1st April 1961. My amendments are very simple. I see no reason why royalties received from Indian concerns alone should be taxed at a lower rate. I suggest that royalties received by foreign concerns from Central or State Governments or local authorities, if there are any such cases, should also be taxable at the same rate as royalties receivable by them from commercial and industrial concerns.

Now I come to amendment No. 186 which is, again, a technical one, and of some importance. It is concerned with a ceiling on the taxation of technical aid fees received by foreign concerns under technical aid agreements with Indian concerns. For no reason that I can think of, except that the concession was introduced at a particular time, a distinction has been made between technical aid fees drawn under agreements made prior to February 29, 1964 and after that date. Those who did this before February 1964 are not entitled to this concession whereas those who delayed matters and entered into technical collaboration agreements after 29th February, 1964 are entitled to it. I do not think there is any rational in this distinction. I have therefore proposed that that this not-so-important critical date 29th February 1964 should be deleted. My second change in that clause is that it must be available as much in respect of technical aid agreements with companies and so on as in respect of technical aid agreements with the Central Government, the State Governments or local authorities.

Now I come to amendment No. 187 which again, is a fairly drastic one. At pages 72-73, there is a structure, such as I have described earlier. The

[Shri N. Dandekar]

structure of the Indian corporation tax has now become a somewhat curious one. You impose a ceiling rate; then you say that you get so much relief in respect of such and such; and then you say, no you won't get that relief, because of such and such. This last bit about not getting relief is concerned with three things. I am suggesting that those three things ought to go. The first is concerned with an ante-diluvian situation. If you try to trace it back from one Finance Act to another, it is just like going in a circle, where you cannot find your way out, a maze. That is why it is anti-diluvian and I think it ought to go.

Then there is the further denial of rebates, concerned with two other matters. One involves taxation on the issue of bonus shares and the other the taxation of dividends. I have repeatedly stated here my very firm conviction that there is no justification, nor any rationale, for the taxation of issues of bonus shares by companies that issue them. There is a rationale for the taxation of bonus shares in the hands of the recipients who receive them; for when they sell those shares, there is capital gain. Of that I am quite clear. But I am equally clear that a mere transfer entry in the books of a company from reserve account to paid up capital account (which is all that happens when bonus shares are issued) does not make the slightest bit of difference to the economy of the company, or to the economy of the shareholder, if he does not sell those bonus shares or does not do anything with them. Therefore, that bonus share issue tax must go.

Secondly, Sir, as I said yesterday, the denial of rebate, which means the same thing as taxation at $7\frac{1}{2}$ per cent. of the dividend paid by companies, is again something that is wholly unjustifiable. If I have a firm, I draw my share of profits in the partnership. But I am a shareholder in a com-

pany and the company decides to distribute a certain amount of dividend, I have to pay a penalty through company for having to get a dividend on my own investment. I just cannot make any sense of it.

There was a time some years back, prior to 1959 or 1960, when there was a levy called Excess Dividend Tax. That was something that made sense. If the Government felt that one of the ways of controlling the inflationary situation was to control the dividend declared, just as you have various other controls, if you say that beyond a particular percentage there will be an Excess Dividend Tax, there is some rationale in it. But to say that I cannot get even one per cent of return on my capital investment without the company being taxed for giving me the return is, I submit, to talk nonsense.

Therefore, Sir, I am suggesting that the whole of that scheme concerning the denial of rebates ought to be deleted.

The other amendments are consequential. I would not spend any more time on them. I hope, therefore, that the amendments to which I have referred will have the support of the House.

Shri Sham Lal Saraf: I have moved two amendments, 88 and 90. Amendment 88 is with regard to income-tax on co-operatives.

The co-operative movement has been sponsored, supported and welcomed by every quarter in the country right from the days of the Britishers. During the days of the Britishers, the co-operative movement came into existence with all its defects, and mainly dealt with credit. Today we see all round the country that the activity is so strong and so brisk that, as is being said by everybody, this movement must grow and grow. If it grows in proper proportion, it may help very much in

achieving the social objectives envisaged in the Constitution.

That being so, I personally feel that a tax on co-operatives on a profit of Rs. 5,000 and above would be really unreasonable. No doubt, our Finance Minister has circulated a statement in which the taxable income levels have been raised, and a little more relief is being given, but personally I feel that that statement may not have a legal sanction unless it is brought into the Act. Therefore, these amendments, I feel, are necessary.

In my amendment I have suggested that income up to Rs. 10,000 of co-operative societies should be exempt from tax. Today we have consumer co-operatives, growers' co-operatives, marketing co-operatives, weavers' co-operatives and so on. Therefore, I feel it is incumbent upon us, upon the Government particularly which is wedded to socialism, which will be the ultimate objective as far as our country is concerned, to see that at least an exemption limit of Rs. 10,000 is given. Between Rs. 10,000 and Rs. 12,500 I have suggested that 20 per cent of the total income may be taxed, and incomes above Rs. 25,000 may be taxable to the extent of 40 per cent of the income.

This is a very simple amendment which I feel the hon. Finance Minister has agreed to in the statement that is already circulated. Therefore, I need not say much about it.

With regard to the second proposal, I feel a little discouraged after hearing Shri Masani. Perhaps my mind has been working on people with a smaller income and his mind with people with a bigger income. Therefore, an income of Rs. 10,000 may not be much in his view. We must take courage in our hands and declare the exemption level at Rs. 10,000, whether it is an individual or a firm. I remember even prior to the Second World War the taxation limit was Rs. 3,000 or Rs. 3,500. What is the

price level and the cost of living today and how has the standard of living risen compared to that? Yesterday certain quotations were quoted here and it was shown how from 1939, prices have risen 500 times as far as the necessities of life was concerned. I will take only 400 per cent. If we bring the level to Rs. 2500, we will be taxing people with Rs. 10,000 at the present time. Therefore, my submission is that upto Rs. 10,000 there should be exemption.

What I have explained here about the firms, our friend Mr. Dandekar has explained in a different manner. The exemption level for a firm should be Rs. 10,000. Where there are two partners in a firm, the exemption limit should be Rs. 20,000. Where there are three partners, Rs. 30,000. Where there are only two partners in a firm which makes a profit of Rs. 50,000, beyond Rs. 20,000, they should pay six per cent. If there are three partners, beyond Rs. 30,000 they should pay a tax of six per cent. Similarly, beyond Rs. 40,000 if there are four partners. Frankly speaking, after hearing Mr. Masani I feel rather discouraged to speak more on this subject. I would be happy if the Government would accept the suggestion and certainly and sincerely I feel that it will bring relief to the middle-class and lower middle-class and smaller category of traders and small businessmen. Compared to the value of money in the years 1940 or 41 or 1945 and to the present value, Rs. 6,000 would be the most reasonable limit. That is all I have to say. I have not pressed my amendment.

Shri D. J. Naik: Sir, my amendments relate to the co-operative societies. I fully endorse what the hon. Member Mr. Saraf has said. Co-operative societies are of various kinds—forest labour co-operatives, artisans co-operatives and weavers cooperatives. These type of co-operatives are still in the stage of development and I do not see why these societies should be taxed. My amendment puts it at ten per cent

[Shri D. J. Naik]

between Rs. 15,000 and Rs. 20,000 and 15 per cent between Rs. 20,000 and Rs. 25,000 and beyond Rs. 25,000, it is 25 per cent. These forest labour co-operatives are for the poorest people. The other sections of the people such as the artisans societies are also of the poorest sections of the people. These people should not be taxed so heavily. The forest labour co-operatives earn some money but that money is being utilised for some welfare activities and a part goes to the reserve fund. These societies require a sympathetic attitude from the Government. When the Government is wedded to socialism, co-operative movement alone will bring in socialism. That is my firm belief. I hope that my amendments will be accepted by the Finance Minister. The artisans' society, the weavers' society and all such societies require very sympathetic consideration by the Government. I have nothing more to add. As Shri Saraf has said, these societies must get some relief and that relief should be a substantial relief.

Shri Prabhat Kar: My amendment is No. 150. In respect of the first Schedule, my main purpose is to see how the fixed income group people at the lowest level can get certain relief. The persons in the fixed income group, especially in the lower ranks of the services, are those who are the worst sufferers. The cost of living is rising and there is no relief, and there is no immediate possibility of holding the price-line. Today, the value of Rs. 100, which is generally the monthly earnings of a person in the lowest rung of the ladder, is such, that it cannot fetch even the minimum requirements of the lower middle class or the working class family. Today, the position is such that apart from the prices, the housing problem, the transport problem, and the educational problem have all combined to create a crisis in the life of the common man who is at the lowest rung of the ladder. They are in the fixed income group.

The question of dodging taxes does not arise so far as these persons are concerned.

Not only that. Every incidence of indirect taxation is on the consumer goods and it is the persons in the lower rungs who have to pay the higher cost in their turn, and they are hit by the indirect taxation, and they are also hit by the high price as a result of the present situation. They require a certain relief. The Finance Minister agrees that they require a certain relief, but to what extent should it be? If we compare the sum of Rs. 3,000 or Rs. 3,500 which was earlier the tax base with the rise in the consumer price index, the present Rs. 10,000 is not only low but it will be less than Rs. 3,000 17 years ago. From that angle, it is necessary that some relief should be granted. Last year, the compulsory deposit scheme was taken away, and those who had deposited below Rs. 150 were immediately paid back the amount. But that is not all. During the last year, if we see the movement of the price index, you will realise that roughly a rise of 20 to 22 points has taken place during the last year. At this particular moment, frustration is taking place in the minds of the lower middle class intelligentsia, and it is necessary that some help should be given and from that angle I have requested that the tax base should be raised. Today, it is Rs. 6,000 or Rs. 3,600 or Rs. 4,200, depending upon whether the person remains single, or is married or has children. So far as the persons who have two children or more are concerned, the limit should be raised. It is imperative, in order to see that all the people get at least the minimum, that some relief should be given. I know it is not possible immediately for the Government to announce that they have got an effective machinery to hold the prices. It is not possible. So, some relief

should be granted, and from that angle, I have moved my amendment.

श्री श्रीकार लाल बेरवा : श्रीमन्, जो प्रमैडमेंट श्री मसानी साहब ने मूव किया है मैं उसका समर्थन करता हूँ। मेरा धन्धा ठेकेदारी का है, और कोआपरेटिव के बगैर यह धन्धा चल नहीं सकता। आज मैटीरियल का यह हाल है कि जो चीज पहले तीन रुपये में मिलती थी उसका भाव आज 11 रुपया है। सीमेंट की बोरी जो पहले 3 रुपये की थी आज 11 रुपये की है। पहले मैं एक क्वार्टर 450 रुपये में तैयार कर देता था, आज उसके तीन हजार रुपये लगते हैं। मुझे भी अपने दस बच्चे पालने हैं। साढ़े सात रुपये रोजाना का तो मेरा पेट्रोल का ही खर्चा हो जाता है इधर उधर आने जाने में। अगर तीन हजार से ऊपर ही इनकम टैक्स लग जायेगा तो मेरा तो जीवन ही अस्तव्यस्त हो जायेगा और गुजारा नहीं कर सकूंगा।

अगर सहकारी बनाते हैं तो वह 11 आदमियों से कम की नहीं होती, ऊपर चाहे जितने चले जायें। कम से कम 11 तो होने ही चाहिए। अगर आप एक आदमी के लिए 200 रुपया भी कर दें तो महीने में 2200 होगा और साल भर का जोड़ा जाये तो 26400 से ऊपर निकल जायेगा। आज 200 में गुजर नहीं होती। इसलिए जो 6000 की सीमा के लिए कहा गया है वह ठीक है। बल्कि मैं तो कहूंगा कि ठेकेदार के लिए तो दस हजार होनी चाहिए। सहकारी वाला अगर इस 6000 को 11 आदमियों में बांटेगा तो 550 एक आदमी को पड़ेगा। और महीने में 47 या 46 रुपये पड़ा। इसमें किस तरह गुजारा हो सकता है। अगर 5000 रुपया रखें और उसमें से भी 250 निकाल लें तो बचा 4750। अगर इसको 11 आदमियों में बांटा जाये तो 37 रुपया महीना हर व्यक्ति को मिलेगा। ठेकेदारों के लिए तो 6000 भी कम होगा,

उनके लिए तो दस हजार की सीमा होनी चाहिए। हां जो स्वतंत्र धन्धा करता है उसके लिए आप कुछ कम रख दें, लेकिन उसके लिए भी कम से कम पांच हजार रखना होगा, क्योंकि आप देखें कि आज रुपये का भाव 17 नये पैसे रह गया है। पहले एक रुपये मन ज्वार आती थी जो कि आज 20 रुपये मन आती है। इसी तरह से चूने की एक गाड़ी जो पहले 4 रुपये में आती थी आज 25 रुपये में आती है, पत्थर जो पहले 3 रुपये का आता था आज 33 रुपये का आता है। बिल्डिंग मैटीरियल और दूसरी चीजों के दाम कितने बढ़ गये हैं। जो भी काम करने वाला सहकारी बना कर चार पैसे अपने बच्चों के लिए पैदा करना चाहता है वह इस रेट में बसा कर नहीं सकता और अपने बच्चों को पाल नहीं सकता। तीन हजार का आता ही क्या है। तीन हजार तो कुछ भी नहीं होगा। इसलिए अगर उनकी रक्षा करनी है और राहत देना चाहते हैं और सहकारी को प्रोत्साहन देना चाहते हैं तो उनका रेट बढ़ाना चाहिए। लेकिन आप एक तरफ तो कहते हैं कि हम सहकारी काम को बढ़ाना चाहते हैं और प्रोत्साहन देना चाहते हैं, और दूसरी तरफ टैक्स बढ़ाते जाते हैं, तो सहकारी काम कैसे बढ़ सकेगा। इसी कारण सहकारी बनाने वाले फेल होते जा रहे हैं। मैंने सुना है कि 1700 सौ सहकारी समितियां मद्रास में फेल हो गयीं नुकसान की वजह से, इन्हीं तरह से नुकसान के मारे राजस्थान में 1100 सहकारी समितियां फेल हो गयीं। एक तरफ तो आप कहते हैं कि कोआपरेटिव सोस.इटियां आगे बढ़ें और दूसरी तरफ आप उनके ऊपर बोझ डालते जाते हैं। एक आदमी के ऊपर एक मन बोझ रख दिया और फिर उससे कहते हैं कि दोड़ो 25 मील की रफ्तार से। यह कैसे हो सकता है। अगर आप कुछ फैसिलिटीज दोगे तो सहकारिता का काम आगे बढ़ेगा और गरीब जनता को पेट पालने के लिए सुविधा हो जायेगी। इसलिए

[श्री श्रींकार लाल बेरवा]

मेरा निवेदन है कि जैसा मसानी साहब ने संशोधन रखा है इस सीमा को 6000 कर दिया जाये, और अगर दस हजार कर दिया जाये तो और भी अच्छा ।

Shri C. M. Kedaria (Mandvi): Mr. Speaker, Sir, I support the amendments moved by my hon. friend, Shri D. J. Naik. I would like to submit that the co-operative societies are not profit-making institutions. They are more or less doing a social service. The profits of co-operative societies do not go to any individual as in the case of a private concern or a registered company. It is used for a common good. Therefore, in the present structure of our society I would like to draw the attention of the Finance Minister to the point that to tax the co-operative movement is not justifiable or reasonable. Sir, I do not want to say more on this. He has yesterday in his concluding speech said that he is going to move a Bill in this connection. I would request him to keep in mind this point about the co-operative societies, that they may be exempted under that Bill.

Looking to the objectives of the co-operative societies, which is to remove middlemen or profiteers, co-operative societies are always to be promoted. So, just to stabilise and strengthen the co-operative societies movement at the present juncture in the democratic structure, I request the Finance Minister to accept our amendment. If at this stage in the developing age the co-operative movement has to contribute something towards national development, our suggestion is that above Rs. 15,000 income 10 per cent, above Rs. 20,000 income 15 per cent and above Rs. 25,000 income 25 per cent tax may be levied so that the co-operative movement will have a better footing.

I come from a backward area where I know the Adivasis would not have dreamt of doing the business of taxes of jungle contract. But because of the

co-operative movement they are doing the jungle contract work and by that they are not exploited by the jungle contractors. In the present structure the various labourers' co-operative societies are also levied income-tax and this way also the Adivasis are the sufferers. So, I urge upon the hon. Finance Minister to exempt the co-operative movement.

श्री किशन मटनायक (सम्बलपुर) :
अध्यक्ष महोदय, फाइनेंस बिल की यह रीडिंग कब ली जायगी ? वह महत्वपूर्ण है ।

अध्यक्ष महोदय : यह मैं कैसे कह सकता हूँ कि कब ली जायगी बाकी इतना जरूर है कि ली वह आज ही जायगी क्योंकि इसे हमें आज पास करना है ।

Shri Firodia (Ahmednagar): Sir, I support the amendment of Shri Sham Lal Saraf which he has moved regarding taxation on co-operative societies. In 1961 when Shri Morarji Desai had brought forward a Bill for taxing the co-operative societies under the Income-tax Act, he had said that the revenue from this sector would be negligible. Therefore I always felt that if the revenue was negligible, why should we give trial to such sort of taxation in respect of co-operative societies from which the revenue is negligible? But lately the Finance Department is looking to the co-operative sector. In that also the authorities who tax the co-operative sector do not really look to the principles or the real intention of starting—co-operative sugar factories or other basic factories in the co-operative sector. For instance, in my State, the State of Maharashtra, co-operative sugar factories were started in 1950. They collected sugarcane from the growers, paid a good rate to the sugarcane cultivators and made sugar out of that. After about ten years the Income-tax Officer taxed them in such a manner that they have got to take a refund from those people who had

supplied the sugarcane. The Income-tax Officer had taken the sugarcane rate, which was the lowest or minimum rate fixed by the Government, as the maximum rate and whatever extra was paid by the sugar factory was taken as disallowable and was taxed. If taxation is to be levied on co-operative institutions, you must keep the co-operative principle before you and it must not be taken separately. So, I should support the demand that we should not try to tax very much the co-operative sugar factories and for small factories we should not have any taxation at all because then they have got to keep good accountants, employ income-tax experts, fill all sorts of forms, which they cannot do with the little resources at their disposal. So, the exemption limit which the Finance Minister has given as Rs. 3,000 should be increased at least to Rs. 10,000 and the other limits may remain stationary, as they are.

श्री तुलशीदास यादव : (नांदेड़)

अध्यक्ष महोदय, इस बारे में माननीय सदस्य ने जो प्रमोशन रखा है उस को मैं सपोर्ट करता हूँ और मैं भी चाहता हूँ कि कोऑपरेटिव सैक्टर के ऊपर टैक्स न लगाया जाय। मेरी समझ में नहीं आता कि यह कोऑपरेटिव सैक्टर के ऊपर टैक्स लगाने में क्या हासिल होता है? एक तरफ तो आप ने अपने देश में सोशलिज्म की पालिसी अख्तियार की है और इतना ही नहीं बल्कि कांस्टीट्यूशन के आर्टिकल 46 में यह लिखा हुआ है :

"The State shall promote with special care the educational and economic interests of the weaker sections of the people and in particular, of the Scheduled Castes and the Scheduled Tribes and shall protect them from social injustice and all forms of exploitation."

ऐसा कांस्टीट्यूशन में कहने के बाद अभी तक 15,000 के नीचे जिस सोसाइटी को मुनाफ़ा होता था उस के ऊपर कोई भी

टैक्स नहीं था लेकिन अभी जो टैक्स रखा है वह नीचे से आखिर तक रखा है। वैसे ही आज़कल डर के मारे कोऑपरेटिव सैक्टर प्रोसेसिंग इंडस्ट्रीज़ बनाने में लोग आगे नहीं आते हैं और उन को बहुत कुछ समझा बुझा कर उस पर लाना पड़ता है इसलिए यह बहुत जरूरी है कि कोऑपरेटिव सैक्टर पर इस तरह का टैक्स न लगाया जाय।

वैसे भी कोऑपरेटिव सैक्टर में जो लोग आते हैं वे गरीब लोग ही आते हैं क्योंकि बड़े और धनवान लोग तो अपनी एक जगह पर फर्म या प्राइवेट कम्पनी बना लेते हैं लेकिन गरीब लोग चूँकि निजी फर्म या कम्पनी बनाने की स्थिति में नहीं होते हैं इसलिए छोटे छोटे काश्तकार, लेबरर्स लैसर्स लेबरर्स यह सब आपस में मिल कर थोड़ा थोड़ा पैसा इकट्ठा करके शेयरहोल्डर्स बनते हैं और गवर्नमेंट से कर्जा लेकर अपनी कोऑपरेटिव चलाते हैं और उस कर्ज का उन्हें सरकार को 4 या 5 परसेंट गूद देना पड़ता है। ऐसी हालत में कोऑपरेटिव बेसिस पर यह लोग धंधा करते हैं और उसमें उनको कोई ज्यादा मुनाफ़ा नहीं मिलता है। गरीब लोग ही यह धंधा मिल कर करते हैं और अगर कोऑपरेटिव के धंधे पर सरकार टैक्स लगाती है तो फिर मेरी समझ में नहीं आता कि सरकार अपनी सोशलिज्म की पालिसी को कैसे अमल में लायेगी? इसलिए मेरा कहना है कि उस के ऊपर टैक्स नहीं रखना चाहिए।

कई लोगों का ऐसा खयाल है कि यह शुगरकेन की जो फैक्टरीज़ चलती हैं उनको बहुत मुनाफ़ा मिलता है लेकिन यह उन लोगों और सरकार को भी यह बात ध्यान में रखनी चाहिए कि शुगरकेन के रेट्स फिक्स किये गये हैं और जो प्रोडक्शन होता है शुगर का वह भी फिक्स किया गया है, दोनों ओर से रेट फिक्स करने के बाद तब कहीं जा कर उनको मुनाफ़ा होता है। मुनाफ़े

[श्री तुलशीदाम यादव]

में से भी मुकर्रर किये हुए डिबीडेंड के ऊपर मुनाफे को बांटा नहीं जाता है। इसलिए आवश्यकता इस बात की है कि सरकार इस पर पुनर्विचार करे और कोऑपरेटिव की जितनी भी प्रोसेसिंग इंडस्ट्रीज हैं, लेबर सोसाइटीज और इंडस्ट्रियल सोसाइटीज उन के ऊपर कोई टैक्स नहीं लगना चाहिए। मैं आशा करता हूँ कि फाइनेंस मिनिस्टर मेरी प्रार्थना को स्वीकार करेंगे।

Mr. Speaker: The Finance Minister.

डा० राम मनोहर लोहिया (फर्रुखाबाद): अध्यक्ष महोदय, आज वित्त विधेयक पर तीसरी पढ़त होगी न क्योंकि बहुत सी नीतियों का जिक्र हो रहा है ?

अध्यक्ष महोदय : हम ने फैसला किया हुआ है कि आज इसे पास करने के लिए अगर लेट भी बैठना पड़े तो हम लेट बैठ कर इसे आज खत्म करेंगे।

डा० राम मनोहर लोहिया : तब ठीक है आखिर तक चलें।

Shri T. T. Krishnamachari: Sir, I will take up this question of co-operative societies. I knew that there was a little misapprehension in the minds of some hon. Members and I circulated a note about the taxation of co-operative societies.

There is a feeling that the cooperative societies having a business income of less than Rs. 15,000 are liable to tax. Two amendments have been moved suggesting that tax on the business income below Rs. 15,000 should be at the nil rate in respect of co-operative societies. In respect of cooperative society which has a business income of Rs. 15,000 the income from the property is Rs. 3,000, the income from the interest on securities is Rs. 2,000 and the total income would be Rs. 20,000. Both the in-

come from the interest on securities and the income from the property will be totally exempt from tax. Such societies will not pay any tax. Normally speaking, therefore, the small cooperative societies are totally exempt from tax and even bigger societies engaged in a particular industry mentioned here are exempt from tax. There are certain industries which have been outlined here. It would appear, in view of this, that no revision of this is necessary. My hon. friend, Mr. Saraf, had proposed an amendment. In fact, if I accept that amendment, the societies will be taxed a little more, that is, those who have got an income between Rs. 10,000 and Rs. 25,000 will be taxed a little more because, at the present moment, the slab is lower than what he had envisaged.

A question was raised about sugar factories. Sugar factories are taxed at the lower schedule of rates, that is, at 41 per cent as against other types of factories which are taxed at a higher rate. But I can tell hon. Members that if there are individual cases where there are any difficulties, then we have a whole lot of exemption for co-operative societies working in various areas. For instance, a society engaged in the following can get some exemption; the entire profits if a society cessing on the following business is exempt from tax, namely the business of banking or providing credit facilities, cottage industry, marketing of agricultural produce purchase of agricultural implements, seeds live stock and other articles engaged in processing without the aid of power, primary societies engaged in supply of milk raised by members to a federal milk society; then we have interest on dividends derived from its investments in any other co-operative society, and then income derived from letting of godowns, warehouses or storage facilities. Then, we have this provision in the case of a society which is not a hous-

ing society or an urban consumer society or society carrying on transport business, if its total income does not exceed Rs. 20,000. These are all exempt. I therefore, feel that co-operative societies will have some exemptions, unless it be that the bigger societies like co-operative sugar factories should be totally exempt, as was the plea that some hon. Members had actually made; but if it is a question of some of the societies having for some reason or the other any difficulty, I am quite prepared to sit with hon. Members and discuss this matter.

Then, the question was raised in regard to taxation of registered firms. I quite agree because of the fact that partners of registered firms get in their personal assessments a rebate of tax on the proportionate part of the income tax paid by the registered firm, it does seem to be meaningless. But it is not as if as some hon. Members have imagined, that the registered firms pay and there is an end of it, the partners get back a rebate. Perhaps, the better thing will be a lower rate of tax on registered firms and no refund to partners. The matter can be examined, but it is not a fact that the registered firms mean a burden on the partners; the partners get back some amount; of course, it means a lot of accounting, and it may be that that could be avoided by my hon. friend Shri Sham Lal Saraf's proposition, namely some sort of graded rate of taxation according to the number of partners that there should be. It may be that the matter might be considered by having a smaller tax which will not be refunded, so that the question of association of persons who have really no particular legal entity, as my hon. friend Shri N. Dandekar mentioned could be dealt with in this way. At the moment, the tax is there, and though there are a number of formalities in getting refund, nevertheless, the refund is given.

A point was raised by two hon. Members opposite about the LIC be-

ing taxed. As hon. Members know very well, and as some hon. Members may not know, the LIC is being taxed on the valuation of their property and the surplus that is determined by an actuarial report; the surplus is treated as a profit, and on the evaluation of the profit, on the surplus, 47.5 per cent is the tax. I do not think that it is a tax on regular income. But it is a tax on the appreciation of the property which they have.

Shri N. Dandekar: No.

Shri T. T. Krishnamachari: There may be an appreciation or there may not be an appreciation. Sometimes the valuation would be such that there may not be much of a surplus.

Shri N. Dandekar: It is not a tax on property but it is a tax on the valuation surplus.

Shri T. T. Krishnamachari: It is a tax on the valuation of the assets. It may be that there is an appreciation or it may be that their assets have to be depreciated in which case they get the benefit of it. So, I do not think that there is any case made out for exempting the LIC from taxation.

Shri M. R. Masani: Shame

Shri T. T. Krishnamachari: Then, I come to the general question about rates of tax on companies and individuals. I have tried in this Finance Bill to streamline personal taxation, as I said yesterday, and reduce it substantially. Of course, after my having reduced it substantially, naturally, some surcharges are inevitable. So, we have a surcharge of 5 per cent on income over Rs. 1 lakhs, 10 per cent on incomes over Rs. 2 lakhs and 15 per cent on incomes over Rs. 3 lakhs. The hon. Member wants it to be taken away I am afraid I am not in a position to agree.

Similarly the question of distinction between earned and unearned in-

[Shri T. T. Krishnamachari]

come. I did speak about it yesterday. There is a very definite distinction between the two. Also in the case of unearned income, we have raised the rate upto 15,000. Anybody who has an unearned income upto Rs. 15,000 only will not be charged. Therefore, the rate operates above Rs. 15,000. I do not think it is unreasonable.

So far as taxation of the lower income groups are concerned, the point hon. Members should recognise is that the tax operates only above Rs. 4300, in the case of a person with wife and two minor children. That is to say, if he has got Rs. 5,000 and his tax is Rs. 250, he can deduct Rs. 215 straightway and he pays only Rs. 25 on Rs. 5,000. I do not think it is something which is so bad.

Then on the higher income groups, we have this rebate for purpose of insurance and various other things.

Altogether, I think we have made a beginning in trying to lower the burden on the lower income groups. May be some more fringe benefits can be given. We have to consider about it. As I said earlier, there may be a pension fund for people working for themselves, may be something in regard to housing. These fringe benefits for the lower income groups and the lower middle class groups would have to be considered. But they cannot be done all at one. This year, I have given away in respect of direct taxes something of the order of more than Rs. 25 crores. I cannot do anything more.

So far as corporate taxes are concerned, somebody said it was only Rs. 5 crores or Rs. 6 crores being given. No. As a matter of fact, the benefit in regard to corporate taxes, in one way or another, without the concessions in regard to increased production, of which we have not evaluated the figure, is of the order of about Rs. 16 crores. It is not possible for me to go further.

Of course, two points were mentioned by Shri Dandeker. One

is taxation on bonus issues. He says there is no difference if a person has a reserve and that person transfers it to capital. It is not so. Once you transfer it to capital, it earns dividend. Secondly, sometimes this money which is transferred in the case of some persons is able to escape taxation. That is why I had agreed that if anybody pays a capital gains tax on bonus issue, from that tax for the purpose of bonus issue in the case of the company would be refunded.

So far as dividend tax is concerned, the whole idea of giving concessions in corporate taxes is to see that they plough back money for purposes of development. Once a dividend is given in the case of a public company, money is taken away and given as dividend. Therefore, where is a check on giving dividend is something which is correlated to the concession that we are giving for purposes of capital formation by means of rebate in taxes. I personally think, and many other people seem to think, that it is logical.

It may be that there is a difference of opinion. People who are interested in business and industry may have a difference of opinion. I do not think there is anything wrong in it. But since one has to follow the other. If we are giving concessions in corporate taxation to enable people to plough back money so that the assets of the company would increase, there must be some check on the amounts being distributed by way of dividend.

I therefore regret I am not able to accept the somewhat complicated suggestions made by two hon. Members opposite in regard to re-grading both personal and corporate taxation.

Mr. Speaker: I shall now put Government amendments Nos. 71 to 87 both inclusive.

The question is:

- (i) Page 65, line 16, for "in the case of", substitute "where such person is". (71)

(ii) Page 66, line 10, after "Government", insert—

"or income received in respect of units from the Unit Trust of India under the Unit Trust of India Act, 1963 (52 of 1963)." (72)

(iii) Page 66, line 28, after "Government", insert—

"and income received in respect of units from the Unit Trust of India under the Unit Trust of India Act, 1963 (52 of 1963)." (73)

(iv) Page 67, after line 29, insert—

"Provided that—

(i) no income-tax shall be payable on a total income not exceeding Rs. 3,000; and

(ii) where the total income is twenty thousand rupees or less, the income-tax payable shall not exceed forty per cent of the amount by which the total income exceeds Rs. 3,000." (74)

(v) Page 77, for line 30, substitute

"(8) Machine tools and precision tools (including their attachments) and accessories, cutting tools and". (75)

(vi) Page 77, for line 32, substitute

"(9) Tractors, earth-moving machinery and agricultural implements.

(10) Motor trucks and buses." (76)

(vii) Page 77, line 33, for "(10)", substitute "(11)". (77)

(viii) Page 77, line 35, for "(11)", substitute "(12)". (78)

(ix) Page 78, line 1, for "(12)", substitute "(13)". (79)

(x) Page 78, after line 7, insert

"(14) Soda ash.

(15) Pesticides." (80)

(xi) Page 78, line 8, for "(13)", substitute "(16)". (81)

(xii) Page 78, line 9, for "(14)", substitute "(17)". (82)

(xiii) Page 78, line 10, for "(15)", substitute "(18)". (83)

(xiv) Page 78, line 15, for "(16)", substitute "(19)". (84)

(xv) Page 78, for line 18, substitute

"(20) Ships.

(21) Automobile ancillaries.

(22) Seamless tubes.

(23) Gears.

(24) Ball, roller and tapered bearings." (85)

(xvi) Page 78, line 19, for "(18)", substitute "(25)". (86)

(xvii) Page 78, after line 25, insert
"(26) Cotton seed oil". (87)

The Motion was adopted.

Mr. Speaker: I put all the other amendments to the First Schedule. Amendments Nos. 180, 181, 182, 183, 187 and 190 are same as amendments Nos. 113, 114, 115, 117, 118 and 119 respectively.

Amendments Nos. 88, 90, 106, 107, 109 to 119, 150 and 173 to 179 and 184 to 189 were put and negatived.

Mr. Speaker: The question is:

"That the First Schedule, as amended stand part of the Bill."

The motion was adopted.

The First Schedule as amended was added to the Bill.

Mr. Speaker: The question is:

"That the Second schedule stand part of the Bill."

The motion was adopted.

The Second Schedule was added to the Bill.

Mr. Speaker: The question is:

"That the Third Schedule stand part of the Bill."

The motion was adopted.

The Third Schedule was added to the Bill.

Mr. Speaker: The question is:

"That Clause 1, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clause 1, the Enacting Formula and the Title were added to the Bill.

Shri T. T. Krishnamachari: I beg to move:

"That the Bill, as amended, be passed."

Mr. Speaker: Motion made:

"That the Bill, as amended, be passed."

Shri Ranga: I rise here to express our total opposition to this Finance Bill and the whole policy of the Government behind this Bill.

This Government has not only been imposing all this taxation, but also the burden of public debts on our people. The public debt has risen so high that the interest alone has gone up from Rs. 82 crores in 1954 to Rs. 351 crores in 1964, that is in ten years. That comes to nearly Rs. 9 per capita in our country. This is a burden which they have imposed in such an adroit manner and they continue to impose higher burdens in this way and in order to make up this interest payment, they are obliged from time to time to go on increasing the tax burden.

We have taken objection, on this occasion especially, to the failure of the Government to abolish the excise duty on kerosene, matches, tea,

coffee and soap, and the other excise duties also. We have made very reasonable proposals in regard to these five excise duties in particular, but even these proposals did not find favour with the Government.

We have also suggested that the exemption limit for income-tax should be raised to Rs. 6,000. It is not as high as it may appear in view of the fact that all over India the working classes, through their organised unions, have been demanding that all those people who get a monthly income of Rs. 500 and less ought to be treated as wage-earners. We are only asking that these wage-earners and others employed in various offices, getting only as much as Rs. 500, should be exempt from income-tax. Even this reasonable proposal has been negatived by the Government, and with scant courtesy too.

The Government claims to be socialistic and says that we are not. We have always been contesting it. It is not really socialistic, it is only Statist. It wants more and more power for itself and for its corporations, and in that way to increase the power of the civil servant and of its bureaucracy, and not work for the welfare of the masses, whereas people like me have always stood for what is known in this country anyhow, as Gandhian socialism. But because these people have monopolised this word of socialism and put into it wrong meanings, we have simply said that we are not going to stand for socialism and we are opposed to it tooth and nail.

This Government claims to be socialistic and it has raised these tax burdens 4½ times in the last ten years, and more than four times our interest charges on loans. So, it is pursuing the improvident policy of one who is not ashamed of becoming a bankrupt. When my hon. friend Mr. Masani has charged the Finance Minister of helping the country to become more and more bankrupt, he

took exception to it. What else is happening in this country? Coming to the ordinary people themselves, the burden of excise duties has been raised in the last ten years, as much as eight times and yet they say: we are helping the ordinary people. If they are doing so, it ought to be in this way, that when the burden of taxation and excise duties would generally fall upon the ordinary masses and it had risen eight times, their standard of living rises at least four times, if not eight times. Has it risen? Is it not a fact that wherever you go, you come across millions and millions of people who say that their standard of living has not risen at all. The pensioners are obliged to complain; their own Central Government employees are obliged to complain and even the gazetted officers are obliged to complain because the inflation that has come in the wake of their plan expenditure and taxation has been eating into the incomes of our people, into the public revenues; so much so even the middle-class people are being crushed down by these burdens and they are made to feel terribly unhappy. If that is the position in regard to middle-classes, one can only imagine what must be the real condition of the masses, the working classes, the peasants and all the other people who are obliged to depend upon their own income, such as the self-employed people.

Now, Sir, the excise duties that our ordinary people are paying amount to 827 crores; that covers the whole of our expenditure on defence, Rs. 748 crores, leaving an excess of Rs. 79 crores. That nearly covers the total amount of money that this Government is spending on its own administration, Rs. 91 crores. Therefore, I charge this Government of impoverishing the ordinary masses, the poorest of the poor in this country. Instead of raising their standard of living it is bringing down their standard of living and it is maintaining its defence forces as well as its administration from taxes imposed on the slender, weakened, and debilitated

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shoulders and bones of the ordinary masses of this country. In these circumstances, I do not see any reason why we should give any kind of support to its Finance Bill and the Budget proposals.

In conclusion, I wish to say that our Party stands here and also in the country as a parliamentary democratic opposition to this Government and the ruling party behind it and it is our bounden duty to go on exposing its failures and lay bare its professions of socialism and say to the people again and again in this Parliament as well as outside that this Government is not really socialist; it is not Gandhian; it is not the people's Government but it is a Government which stands only for more and more power for itself and its services and for wasting the resources of our people, impoverishing the country as well as bringing our country to the brink of financial as well as social ruin.

Shri H. N. Mukerjee rose—

Mr. Speaker: I am calling the Prime Minister now to make a statement. I will call him afterwards.

Shri Priya Gupta (Katihar): We are to hear the surrender of Rann of Kutch.

Mr. Speaker: Order, order. The Prime Minister.

17.57 hrs.

STATEMENT RE. SITUATION ON KUTCH-SIND BORDER

The Prime Minister and Minister of Atomic Energy (Shri Lal Bahadur Shastri): A few days ago I had referred to the initiative which the British Prime Minister, Mr. Harold Wilson, had taken to bring about a peaceful settlement of the Kutch-Sind boundary. The main new development which has taken place is that late last night we received

[Shri Lal Bahadur Shastri]

from the British High Commissioner further details of the British proposals. They were communicated to the Government of Pakistan also yesterday. No proposals in this respect have been made by Lord Mountbatten, who has come to India for an entirely different purpose.

We are examining these suggestions in the light of the basic principles which I have already placed before this House. As I had said earlier, while this process of consultations through diplomatic channels is still in progress, it would not be appropriate for me to make any public statement about the details of these proposals. It is essential that Pakistan should refrain from the use and threat of force and withdraw its forces from positions which they did not occupy before. For a number of days there has been a lull in fighting. While the efforts for a peaceful settlement are being made our Armed Forces will do nothing to aggravate the situation unless there is any provocation from the other side.

Shri Hari Vishnu Kamath (Hoshangabad): Sir, on a point of clarification.

Shri Nath Pai (Rajapur): You should allow one or two questions, Sir.

Shri Hari Vishnu Kamath: We gave calling attention notices this morning, but you have rejected them.

Shri Ranga (Chittoor): Would the Prime Minister be good enough to explain in what way the conclusions that he has reached differ from what is known as cease-fire? We would like to know it, because I do not know the full significance of the last sentence that he has uttered here.

Shri Lal Bahadur Shastri: Cease-fire will mean a regular declaration of cease-fire. As I have stated, there will be no cease-fire unless the

principle of restoration of the status quo ante is also agreed to. What I have said at the end of my statement is that there is a lull, but still, shelling sometimes goes on. One does not know; it might develop into a fight, but just at present it is something of a kind of lull.

Shri H. N. Mukerjee (Calcutta Central): Have we, therefore, in point of fact, ceased fire from our side, depending upon the good offices offered by the United Kingdom to be likely to be successful? Unless we can make up our mind about whatever the terms have been offered by the United Kingdom being in conformity with the statement made by the Prime Minister in this House before, there should not be a statement of the Prime Minister to this House that at the present moment we on our part have already, in practical terms, started practising cease-fire while hoping for the best. Is that the position, for in that case, it would be going against the kind of assurance which the Prime Minister has given to the country.

Shri Lal Bahadur Shastri: No, Sir, As I said, it was suggested that there should be as far as possible no fighting—I mean, that there should be a lull. As far as I know, though Pakistan sometimes do shelling no doubt, but there has been not any big offensive from that side. Of course, we have also not retaliated. This is the position.

Shri Harish Chandra Mathur (Jalore): May we ask a question?

Several Hon. Members rose—

Mr. speaker: One by one. I cannot allow all Members. I can allow a Member or two. Not all.

Shri Hari Vishnu Kamath: Is it a fact that in 1960, when Shri Jawaharlal Nehru was the Prime Minister, a Minister-level conference was held in

January 1960, where the Indian delegation was led by the present Minister of External Affairs, Shri Swaran Singh, and at the conclusion of that conference a communique was issued which stated *inter alia* that both countries agreed to collect further data in respect of the dispute regarding the Kutch-Sind boundary and, that discussions would be held later with a view, to arriving at a settlement of the dispute? I am only reading from the External Affairs Ministry's document. If so, I would like to know whether talks were held subsequently about the so-called dispute. Do Government agree there was a dispute at that time? I would like to know whether the Prime Minister was aware of this communique and this document, this so-called dispute at the time he made the statement on Kutch in March or a little later this year?

Shri Lal Bahadur Shastri: Yes, Sir, what the hon. Member has stated is entirely correct. This was exactly said in so many words by the Foreign Minister when he made the statement on April 8th. He has mentioned about this in that statement. But what I have said is, whatever the differences, the differences concern the boundary line. We do not accept that there is any kind of territorial dispute. But in regard to the boundary line, of course, this matter could be discussed; we can meet and talk about it.

Shri Harish Chandra Mathur: There is a news item just appeared from London to say that Pakistan and India have agreed to a cease fire and the Prime Minister of U.K. will make a statement in the House of Commons tonight. May I know what truth is there in this statement and what is meant by the hon. Prime Minister when he says that "until and unless there is provocation....". There is already provocation. The very fact that that Pakistan is occupying a part of our territory is itself a provocation. Do we mean to say that we are not going to drive them out? The provocation is already there.

Shri Lal Bahadur Shastri: So far as provocation is concerned, it is merely a question of time. There is no doubt about it that we take every action possible to drive them out. There is no doubt about it.

श्री मधु लिमये (मुंगेर) : लद्दाख के बारे में भी यही कहा गया था, आज तक क्या किया। अध्यक्ष महोदय, इस तरह से गुस्से से आप मेरी तरफ मत देखिये। यह जिन्दगी और मौत का सवाल है।

अध्यक्ष महोदय : क्या उन का बोलना बन्द कर दूँ।

Shri Lal Bahadur Shastri: In so far as agreement between Pakistan and India in regard to cease-fire is concerned, it is absolutely wrong. We have arrived at no such agreement.

श्री मधु लिमये : व्यवहार में तो मान लिया है।

Shri Lal Bahadur Shastri: I might also add that in fact there was a formal proposal by the U.K. Prime Minister that there should be a cease-fire for one week. That formal proposal had come to us and we had rejected it. We had rejected it outright (*Interruptions*).

Mr. Speaker: I have already said that unless I call an hon. Member he should not speak.

Shri Priya Gupta (Katihar): Then how am I to catch your eye, Sir?

Mr. Speaker: He should remain silent.

Shri Vidya Charan Shukla (Mahasamund): Is it a fact that the U.K. Prime Minister desired that there should be a lull in fighting unless there is a fresh case of provocation or aggression; if so, will the Prime Minister make it clear whether we have accepted this suggestion of the British Prime Minister?

Shri Lal Bahadur Shastri: It was suggested by him. It is quite true. But we did feel that during this time when the talks are going on if Pakistan will also not try to aggravate the situation we will also not do so.

Some hon. Members rose—

Mr. Speaker: I will call only one hon. Member from each group.

श्री हुकम चन्द कछवाय (देवास) : अध्यक्ष महोदय, आज ही सुबह सब संसद सदस्यों को पाकिस्तान द्वारा एक नक्शा दिया गया है जिस के अन्दर डिग, कंजरकोट, सरदार पोस्ट, विगकोट, बयारबेट, करीम-शाही, गुलु तालाब और चांड को पाकिस्तान का भाग बतलाया गया है। उन्होंने दावा किया है कि यह स्थान उन के हैं। क्या सरकार ने दुनिया के देशों को बतलाने का प्रयत्न किया है कि यह नक्शे गलत हैं और जब तक पाकिस्तान इस सारे इलाके को खाली नहीं कर देता तब तक हम उससे बातचीत करने के लिए तैयार नहीं हैं। क्या यह बात सही नहीं है कि इससे हमारे स्वाभिमान को चोट लगती है और जब तक हम पाकिस्तान से इसका बदला नहीं ले लेंगे तब तक हम उनसे बातचीत करने के लिये तैयार नहीं होंगे।

अध्यक्ष महोदय : नक्शे वह जारी कर रहे हैं तो क्या किया जाये।

श्री हुकम चन्द कछवाय : उस के जवाब में क्या हम ने कोई नक्शा जारी किया है।

अध्यक्ष महोदय : प्रधान मंत्री को जो कहना था वह उन्होंने बयान में कह दिया। नक्शे तो दूसरा जारी कर रहा है।

श्री हुकम चन्द कछवाय : क्या हम ने कोई नक्शा इसके विरोध में जारी किया है ?

Shri Priya Gupta: How did Pakistan do it in India?

Shri Bhagwat Jha Azad (Bhagalpur): It is a provocation.

Shri Priya Gupta: Yes, it is a provocation.

श्री लाल बहादुर शास्त्री : जहां तक उन जगहों को खाली कराने की बात आप ने पूछी है, उसके बारे में तो हमारी नीति साफ है, हमारा निश्चय है कि जब तक वह उन तमाम जगहों को खाली नहीं करते हैं, तब तक कोई सीज फायर नहीं हो सकता।

Shri S. M. Banerjee (Kanpur): Sir, I rise on a point of order.

श्री प्रिय गुप्त : गलत नक्शा क्यों छापा है ?

अध्यक्ष महोदय : इस तरह आप बार-बार दरम्यान में कहते चले जाते हैं, मैं ने आप को बार-बार ऐसा न करने को कहा है।

श्री हुकम चन्द कछवाय : जो गलत नक्शे छापे गये हैं, क्या इसके जवाब में हम ने भी दुनिया के देशों को अपने नक्शे भेजे हैं। दूसरे जो हमारे स्वाभिमान को चोट लगी है।

अध्यक्ष महोदय : जो उनकी पोजीशन है, उसको उन्होंने दो तीन बार साफ कर दिया है। अगर उसको बार-बार दुहराये जायेंगे तो उससे कोई फायदा नहीं होगा।

श्री प्रिय गुप्त : गलत नक्शे छापे जाने के बारे में क्या कहना है ?

अध्यक्ष महोदय : मैं कैसे आप को बन्द कर सकता हूँ। मैं आप को बोलने की इजाजत नहीं देता, आप बैठ जायें।

श्री हुकम चन्द कछवाय : क्या इसके जवाब में कोई नक्शे हमने दुनिया के दूसरे देशों को भेजे हैं ?

श्री लाल बहादुर शास्त्री : हम ने नक्शे भी भेजे हैं और एक रेफ्लेट भी भेजा है और

कुछ और भी बना रहे हैं, उसे भी भेजा जायेगा ।

श्री डा० ना० तिवारी (गोपालगंज) :
आज स्थिति यह है कि . . .

Shri S. M. Banerjee: Sir, I rise on a point of order.

Mr. Speaker: Let me hear the point of order first.

Shri Ranga: How does a point of order arise over this?'

Shri S. M. Banerjee: When you raise it. . . .

Shri Ranga: I have not raised a point of order.

Shri S. M. Banerjee: The Speaker has called me now.

Mr. Speaker: But I would not hear a speech.

Shri S. M. Banerjee: I am sorry, such interference should not be there from a senior Member.

Mr. Speaker: Would he formulate his point of order now?

Shri S. M. Banerjee: My point of order is that the question asked by Shri Kachhavaia was whether a map has been circulated by the Pakistan High Commission here. These maps have been circulated to all Members of Parliament which, according to us, is seditious, because they show our areas as their areas.

Mr. Speaker: What is the point of order?

Shri S. M. Banerjee: The Prime Minister has not answered that point.

Mr. Speaker: Therefore it is a point of order?

Shri S. M. Banerjee: We are not getting a reply.

Mr. Speaker: Shri D. N. Tiwary.

Shri S. M. Banerjee: You should protect us. This is a specific question.

Mr. Speaker: He might resume his seat. This is no point of order.

श्री डा. ना. तिवारी : आज स्थिति यह है कि पाकिस्तान हमारी भूमि के एक खंड पर दखल जमाये हुए है और पीस मेकर लोग आकर कहते हैं कि सीज फायर हो जाये . . .

Shri S. M. Banerjee: They are the disrupters.

श्री डा. ना. तिवारी : और हम लोगों ने एक तरह से उनकी बातों को मान लिया है और कोई कार्रवाई नहीं कर रहे हैं । यह स्थिति कब तक चलेगी और कितने दिनों के बाद कार्रवाई की जायेगी । पाकिस्तान को तो कोई हानि नहीं है, वह तो कब्जा किये बैठा है । यह स्थिति कब तक चलेगी ।

एक माननीय सदस्य : जब तक कांग्रेस सरकार है ।

श्री डा. ना. तिवारी : और कितने दिनों बाद हम कार्रवाई शुरू करेंगे ?

श्री हुकम चन्द कछवाय : और हमारे स्वाभिमान को जो चोट लगी है, उस का बदला कैसे लिया जाएगा ?

श्री लाल बहादुर शास्त्री : यह स्थिति बहुत जल्द खत्म होगी । मैं ने कल ही यू०के० के प्राइम मिनिस्टर को यह कहाया है कि देर लग रही है, हम ज्यादा दिनों तक इस को बरदाश्त नहीं कर सकते । इसमें कोई शक नहीं है कि हम इस मामले को जल्दी-से-जल्दी खत्म करेंगे इस तरफ या उस तरफ ।

श्री प्रकाशवीर शास्त्री (बिजनौर) : एक सप्ताह में भारत के प्रधान मंत्री ने कच्छ के सीमा विवाद के सम्बन्ध में स्थान स्थान पर जो वक्तव्य दिये हैं वे परस्पर विरोधी हैं । पहले एक वक्तव्य में लोक सभा में प्रधान मंत्री ने यह कहा कि 1 जनवरी, 1965 की जब तक स्थिति पैदा नहीं हो जाती, तब तक बातचीत का कोई सवाल पैदा नहीं होता । राज्य सभा

[श्री प्रकाशवीर शास्त्री]

में इसी प्रकार का वादविवाद का उत्तर देते हुए प्रधान मंत्री ने यह कहा जो अभी तिवारी जी के उत्तर में कहा कि हमारे धैर्य की सीमा बहुत लम्बी नहीं है, हम देर तक प्रतीक्षा नहीं कर सकते। लेकिन एक स्थान पर प्रधान मंत्री ने यह भी कहा है कि पांच छः महीने में हम कंजरकोट को वापस ले लेंगे। मैं जानना चाहता हूँ कि आखिर भारतीय प्रधान मंत्री के मन में क्या है? एक ओर तो इह प्रकार हमारी प्रतिष्ठा गिर रही है और दूसरी ओर हमारी सेनाएं बदला लेने को मचल रही हैं, तथा देश दुखी हो रहा है। ब्रिटेन वाले तो चाहते हैं कि कुछ दिन में वहां समुद्र का पानी भर जाए और यह बात लम्बी हो जाए और भारत का स्वाभिमान जो नष्ट हुआ है वह इसी प्रकार आगे भी नष्ट होता रहे। आप लोक सभा के माध्यम से देश को कुछ तो कहिए, दो दिन में चार दिन में या कम से कम जब लोक सभा समाप्त हो उस समय आप कुछ ऐसी घोषणा करें जिस से सारे देश में जो नराशा छाई हुई है उस में कुछ तो साहस का संचार हो।

श्री लाल बहादुर शास्त्री : मैं नहीं समझता कि कहां तक माननीय सदस्य को ऐसी बातें कहना मुनासिब हैं जिन का बाहर असर गलत तरीके का हो। इस समय हम को थोड़े बहुत संयम से काम लेने की जरूरत है।

जहां तक समय की बात है, मैं ने कहा है कि हम उसको जल्दी करना चाहते हैं, उस समय को बढ़ाना नहीं चाहते। हम स्वयं तीन-चार-पांच रोज से यह कह रहे हैं। परसों तो हम को इतनी परेशानी हुई कि हम को कहना पड़ा कि हमारा धैर्य बहुत ज्यादा देर तक नहीं चल सकता।

श्री प्रकाशवीर शास्त्री : बहुत देर की क्या व्याख्या है।

अध्यक्ष महोदय : दिन तो नहीं बतलाए जा सकते।

श्री लाल बहादुर शास्त्री : दूसरी बात सीज फायर की है। कायदे के साथ सीज-फायर के साथ यह उसूल रहेगा कि यह बात मानी जाएगी कि 1 जनवरी, 1965 की स्थिति वापस हो। लेकिन इस के साथ-साथ यह चीज भी माननी होगी कि सीज फायर तो एक्चुएली फौरन हो जाएगा, हैकिन जब हटने की बात है तो उस में कुछ समय लगेगा, उस को करने में कुछ फिजिकल समय लगेगा। यह अन्तर तो रहेगा। लेकिन इस उसूल को मान लेने की बात है सीज-फायर के साथ-साथ।

एक माननीय सदस्य : यह चीज चीन के साथ भी तो अभी तक नहीं हो पायी।

श्री प्रकाशवीर शास्त्री : जब तक दुश्मन हमारी धरती पर है, तब तक युद्ध विराम कैसे हो सकता है? इस का उत्तर आना चाहिए।

अध्यक्ष महोदय : मैं इस बारे में क्या कर सकता हूँ। मैं तो सवाल की इजाजत ही दे सकता हूँ।

Shri Bhagwat Jha Azad: The hon. Prime Minister in his statement has said in the end that we shall not do anything to aggravate the situation unless we are provoked. I would like to know, firstly, whether the constant presence of the Pakistani forces on our soil south of the *de facto* line is a provocation or not and, secondly, whether our receiving of insulting and nonsensical literature and also the map telling us constantly every morning, "This is not your territory but it is ours" is a provocation or not and, if they cease to be the provocations for our Government and for us, I would like to know what are the other provocations which will provoke the Government of India so that they may retaliate even when all these talks are going on?

Shri Lal Bahadur Shastri: I have already replied to that question earlier. I have made it clear that, what-

ever the lull, our forces will not aggravate the situation. When I said that, I said it only for the period during which these talks are proceeding. Otherwise, we are quite clear in our mind as to what our responsibilities are and what we propose to do. In regard to the publication of this literature or the maps, etc. I shall look into that matter.

डा० राम मनोहर लोहिया (फर्रुखाबाद):
श्री विल्सन और उन के साथी श्री जानसन हिन्दुस्तान के मामले में या तो नादान हैं या हिन्दुस्तान को बलि की बकरी बनाते हैं। उत्तरी वियतनाम से यह साबित है। वहां तो वह गोलाबारी करने को तैयार थे, लेकिन जब चीनी सेनायें भारत में आ रही थीं उन पर नहीं। और उस के साथ साथ अपने बारे में थोड़ा सा यह बता दें अध्यक्ष महोदय, कि कुछ इस लोक सभा के कारण ही मैं बदनाम हुआ हूं एक युद्धवादी की हैसियत से और मैं जैसे कोई पाकिस्तान पर और खास तौर से पूर्वी पाकिस्तान पर हमला करना चाहता हूं। वह बात साफ हो जानी चाहिए। मैं युद्ध नहीं चाहता हां अगर युद्ध होता है तो बात दूसरी है। यह मेरी राय जरूर है कि हिन्दुस्तान पाकिस्तान का किसी न किसी तरह से महा संघ बने और अध्यक्ष साहब के संयुक्त सुरक्षा प्रस्ताव को ठुकरा कर हिन्दुस्तान ने बुरा किया (इंटरप्शंस) इन्हीं सब चीजों से बदनामी होती है। अभी प्रधान मंत्री जी ने कहा।

अध्यक्ष महोदय: आप सवाल न पूछ कर लम्बी तकरीर करने लग गए।

डा० राम मनोहर लोहिया: मैं लम्बी तकरीर नहीं कर रहा। प्रधान मंत्री ने कहा कि अभी संयम रखो फिर आप मुझे बदनाम करेंगे। ठीक है मैं नहीं करूंगा। आप मुझे बदनाम करिए। अब हमारा यही नतीजा होगा।

मैं प्रधान मंत्री से यह पूछना चाहता हूं कि 15 अगस्त 1947 का जो भी नकशा इन के पास है दिल्ली के दफ्तर में और किसी सरकार से मुझे मतलब नहीं। उस नक्शे की जो पुरानी चीजें बली गई उन के बारे में मुझ को कुछ नहीं कहना है। वह तो जब वक्त आयेगा तब कहूंगा लेकिन अब के कंजरकोट वगैरह अबसे कोई भी चीज जाने पर प्रधान मंत्री साहब यहां ऐलान करें कि वह किसी भी हालत में गोलीबंदी नहीं करेंगे जब तक कि वह चीज वापिस नहीं मिल जाती। बस सिर्फ यही सवाल है।

श्री लाल बहादुर शास्त्री: यह तो मैं साफ कर चुका हूं और कह चुका हूं कि अपने देश की एक इंच भी भूमि हम किसी भी हालत में छोड़ने के लिये तैयार नहीं हैं उसे भ्रम करने के लिये तैयार नहीं हैं और उस के लिये जो भी जरूरी होगा हम करने से पीछे नहीं रहेंगे।

(कई माननीय सदस्य खड़े हुए)

अध्यक्ष महोदय: बस मेरा और मैम्बरों को मौका देने का विचार नहीं है। मि० मुर्कजी

श्री मधु लिमये: अध्यक्ष महोदय, डा० लोहिया ने जो सवाल किया था क्या उस का जवाब आ गया है? क्या आप को उस से नमल्ली है?

अध्यक्ष महोदय: उन्होंने ने सवाल किया और प्रधान मंत्री जी ने उस का जवाब दे दिया।

श्री किशन पटनायक (सम्बलपुर):
मेरा एक प्वाइंट आफ आर्डर है....

अध्यक्ष महोदय: कोई प्वाइंट आफ आर्डर नहीं है।

श्री किशन पटनायक: सवाल का जवाब आना चाहिए। शास्त्री जी ने जवाब नहीं दिया।

अध्यक्ष महोदय : जवाब आ गया ।

श्री किशन पटनायक : शास्त्री जी ने जवाब नहीं दिया है । सवाल का जवाब आना चाहिए ।

अध्यक्ष महोदय : मैं ने कहा कि वह विषय खत्म हो गया है और नया मामला शुरू है ।

श्री किशन पटनायक : जब तक जवाब नहीं आता तब तक वह मामला खत्म नहीं होता है ।

अध्यक्ष महोदय : माननीय सदस्य मुझे अब आगे चलने दें ।

श्री किशन पटनायक : जल्दी से आप शास्त्री जी से सवाल का जवाब दिलवा दें तभी यह मामला खत्म होगा ।

अध्यक्ष महोदय : मैं ने कहा कि आप बैठ जाएं ।

श्री किशन पटनायक : शास्त्री जी जवाब दें ।

अध्यक्ष महोदय : आर्डर, आर्डर । मैं ने आप को तीन दफा कहा है कि आप बैठ जायें । श्री मुकर्जी ।

श्री किशन पटनायक : अभी नहीं तो बाद में वे उस का जवाब दें ।

18.23 hrs.

FINANCE BILL, 1965—contd

Shri H. N. Mukerjee: The Finance Bill was before us a little while ago, and I must say that for reasons very different from what were pressed by my hon. friend Shri. Ranga, I am also not particularly happy with the measure. The Finance Bill is the conspectus. . .

श्री हुकम चन्द कछवाय : ठी बज गये हैं ।

अध्यक्ष महोदय : इस हाउस ने खुद यह फैसला किया था कि अगर इस फाइनेंस बिल को पास करने के लिए हमें पांच तारीख को लेट बैठना पड़ा तो हम लेट बैठ कर इस को पास करेंगे । इसलिये हम इसे आज पास करेंगे भले ही इस के लिए आध घंटा और लगे या घंटा बैठना पड़े ।

Shri H. N. Mukerjee: I could refer to many points of dissatisfaction in regard to the Finance Bill. I won't refer to all of them. But I want to refer to one matter in particular in regard to which I wish the Finance Minister to give us some satisfaction.

It has been brought to the notice of the Finance Minister that certain financial transactions which this country has been entering into with the US have been causing a great deal of damage not only to our economy but also to the independence and development of our country.

18.26 hrs.

[Mr. Deputy-Speaker in the Chair]

The Finance Minister said a few things about the PL 480 transactions and was trying to point out how they did not mean any particularly inflationary danger to our economy. I shall even grant, for argument's sake, since there are so many other factors making for inflation, that the PL 480 transaction by themselves may not come under that category of criticism. But what I fear is that out of the PL 480 transactions upto date, which up to the 20th November 1964 came to about Rs. 1,421.9 crores, some Rs. 80 crores are made available for private enterprise and Rs. 105.3 crores are placed at the disposal of the US Government to meet its expenditure in India.

Recently, particularly over this Kutch crisis, we have seen something of the character of the policy of the US, and this allocation of accrued rupee resources to the extent of more than Rs. 100 crores in several years

to the United States of America has a far-reaching significance from the economic, political and social standpoints, which I wish Government to say something about. The US is not just providing patronage for our country. It is not providing generous assistance. They are giving aid to us out of their farm surpluses. Either they destroy the farm surpluses, either they keep them in warehouses at great expenses and then they deteriorate or are destroyed or they dump them into the sea, for they cannot keep up farm prices in the US in view of the kind of production that they have got.

I could have understood if the US had placed the farm surpluses of their country at the disposal of the Food and Agriculture Organisation so that poor countries like India could have taken advantage of it. I could have understood the generous idea behind assistance to this country. But what happens is that the money goes back and we pay freight to a very large extent. But at the present point of time I am emphasising that the fact that of more than Rs. 100 crores being placed at the disposal of the US Embassy, for whatever purposes it wished to fulfil, is a matter of very great danger to the interests of our country.

Now these PL 480 imports have not stabilised prices in this country. These imports which we tried at one time to justify by saying that we would have a buffer stock of 5 million tons—this was said about four or five years ago by Shri Patel—have not achieved that object. In regard to building up a reserve of 5 million tons, we have not made much progress. These imports have been of no avail in realising that objective. Their only result has been loss of will to procure even 4 million tons inside our own country, and our dependence on American bounty has become a sort of habit. On account of unwillingness and inability of Government to mobilise and utilise our own inadequate resources of food, we are getting into this very pernicious

and dangerous habit of depending on the US bounty. We have now assumed that perhaps for five years or more without such imports we cannot achieve security from prospective shortages. The shortages, however, are avoidable. With strenuous national effort, we can overcome these shortages without much difficulty. Some of us here have been trying to find out from Government whether some effort has been made to examine the impact on our economy and on our independence of PL 480 transactions.

The battle of Plassey, which was fought in 1757, was a very minor military operation, but it had stupendous political implications. In a different way, in a very different context, an economic Battle of Plassey is being sought to be won by means of this weapon of PL 480 transactions, and I do hope that the Finance Minister tries to satisfy the country as to whether there is a real high-level attempt to examine the impact on our country's economy of these PL 480 transactions—impact not only on the economy of the country, but the security and independence of India.

That is a matter to which no answer has come from Government even though the Finance Minister tried to answer the accusation of inflationary tendencies being caused or not caused by PL 480 transactions. But the danger to our integrity, to our independent development, is something like a new Battle of Plassey being in the offing in the new context of things that prevails in the world today. This is a matter to which I wish to draw the Minister's attention.

Shri Harish Chandra Mathur (Jalore): The Finance Bill, as amended, will be passed in a few moments, and the hon. Finance Minister will walk away with all that he wants. I have no grudge against that. I have no complaint to make, because it is not a minor amendment here and there, or a marginal adjustment or concession which will satisfy me.

[Shri Harish Chandra Mathur]

I am not at all in a position to agree to what the hon. Member of the Swatantra Party said about the level of taxation and the concessions and the economy, because I think that in the present context it is impossible to think of any more tax reliefs than what have already been given by the Finance Minister. I think we must talk in an entirely different context at the present moment.

It is my belief that there is need not for these marginal adjustments, not for an amendment here and there, but for some bold rethinking by the hon. Finance Minister. In spite of the various steps taken by him, it is obvious that all is not well with our economy at the present moment. Our industrial growth is not what it ought to be, not even what we achieved in the earlier years. Our national income is not going up as we had expected, and the price line, for which the hon. Finance Minister took the entire responsibility, has defied him and he had to retreat from time to time. He has given certain dearness allowances, revised those allowances and also given some relief in income-tax on personal incomes, but all these benefits are wiped out by the ever-increasing price line. Therefore, in the light of all this, I think we have got to take a fresh look at everything.

Here we have got the Fourth Plan, a massive one, which our friends consider to be inadequate when it suits them, and which they consider to be too large when it suits them. It should be obvious to every one sitting in the House that if our economy has to become self-sustaining if we are to make any progress, we cannot have a Plan of lesser magnitude.

Why do I talk of the Fourth Plan now? It is to ask the Finance Minister to take note of the fact that while we want and are planning for a Fourth Plan of Rs. 22,000 crores, at the same time, the various States are having deficit Budgets. How can the deficit

budgets in all the various States and the Fourth Plan of this magnitude can go together?

Another point to which I would like to invite the special attention of the hon. Finance Minister and the country is that in today's context, it is not only our domestic affairs as we see them which are to be taken into consideration while framing our Budget proposals. Today our budget proposals are very much determined by what China does; what Pakistan does. Here we have these two menaces on our borders and in this context I would like the hon. Finance Minister to have a fresh look at the whole thing and give a reassuring picture to the country as to how we are going to meet the challenge of the times. The type of the Bill that we have before us is hardly likely to meet this. We have got to deal with far more serious things and it is no time when we should be talking about the United States Aid as Mr. Mukerjee did. What is wrong about the US aid? The Finance Minister had circulated the papers to indicate that the US aid is in no way going to influence adversely our economy and if you just want to ignore all that has been said in that paper, that is another matter. But today we have got to take care of every little pie and it is not for us to ask for any relief here and there. It is, therefore, that I entirely abstain from asking for any relief at any place. But in spite of this attitude that we take, I believe that the present state of economy is not going to meet the challenge of the time and it is proper and advisable that we take a fresh look at the things, how we can meet the challenge of the Fourth Plan and how we can stimulate the stagnation that has already set in and how we are going to meet the challenge of China and Pakistan who are on our borders.

डा० राम मनोहर लोहिया : माननीय वित्त मंत्री ने मेरे सभी विरोधियों की आदत को पकड़ कर मेरे ऊपर आरोप लगाया है :

एक, मैं चरित्र-हनन करता हूँ और खास तौर से उन के परिवार का, दूसरे, . . .

Mr. Deputy-Speaker: This is not relevant; this is the third reading of the Bill.

डा० राम मनोहर लोहिया : यह कैसे ? यह फिनांस बिल है । माननीय वित्त मंत्री जी

Mr. Deputy-Speaker: You say something on the Finance Bill.

डा० राम मनोहर लोहिया : जी हाँ, ये वित्त मंत्री जी के भाषण हैं । एक कल हुआ है . . .

उपस्थित महोदय : यह बात आप बार बार हाउस में लाए हैं ।

डा० राम मनोहर लोहिया : माननीय वित्त मंत्री लाए हैं, मैं नहीं लाया हूँ । आप जरा देखिये, उन्होंने ने कहा है कि पर्सनल रेफरेंसिज हुए हैं ।

"Parliamentary democracy can be worked without personal mud-slinging."

Mr. Deputy-Speaker: You made the reference and you got the reply.

डा० राम मनोहर लोहिया : पर्सनल मड-स्लिंगिंग ?

Mr. Deputy-Speaker: Yes, you did it. Say something on the Finance Bill.

डा० राम मनोहर लोहिया : क्या मैं ने उन पर किया ? वही तो मैं कहना चाहता हूँ कि मैं ने नहीं किया । यह बिल्कुल गलत बात बोलते हैं ? उन्होंने ने कहा है कि उन के लड़कों ने कोई सम्पत्ति या जायदाद नहीं बढ़ाई है । साथ साथ उन्होंने ने मुझे कहा है कि मैं उन के लड़कों का या परिवार का चरित्र-हनन करता हूँ । ये सब बातें आप ने मुझ से कहाँ सुनीं ? उन्होंने ने यह भी कहा है कि वह कानून

के मामले को चाहते हैं । मैं कहना चाहता हूँ कि वह जहाँ चाहें वही दिल्ली में, जिस किसी जगह, जो मैं यहाँ लोक सभा में कहता हूँ, मुझ से मुन लें और फिर कहीं भी मुझ पर मुकदमा चला दें ।

मुझ से वह छेड़खानी करते हैं, तो उन्हें सोचना चाहिये कि मुझ जैसे प्रादमी के मन में अपने निजी मामले में चोट लग सकती है । यह सही है कि कुछ दिनों बाद वह चाँट खत्म हो जायेगी, लेकिन अभी उन्होंने ने चोट लगाई है और काफी गहरी चोट लगाई है ।

आप जो कहते हैं कि मैं झूठ बोल रहा हूँ तो आप को पहले तो यह सोचना चाहिये कि मैं ने आप के वित्त बिल के ऊपर क्या कहा था । मैं ने कहा था कि चाहे आप ने चुंगी घटाई है लेकिन कपड़े का दाम बढ़ा है । उस के लिए दो नमूने मैं ने बताए थे । यहाँ पर आप के मंत्रालय ने एक जवाब में जो नम्बर 1110 था कहा था कि कहीं कोई दाम बढ़ा नहीं है । यह सब असत्य बातें होती रहती हैं । इन असत्य बातों के होते हुए आप कहते हैं कि आप ने कभी किसी का पैसा नहीं लिया, आप ने किसी की बीबी नहीं ली । बीबी लें या न लें, इस से मुझे कोई मतलब नहीं है ।

Mr. Deputy-Speaker: Order, order. You should not use such words; you must use more respectable words.

डा० राम मनोहर लोहिया : किस बात पर आर्डर आर्डर कर रहे हैं ?

He says: "I have not taken any man's money; I have not taken anybody's wife."

What is that?

श्री किशन पटनायक : हाउस में कहा था, यहाँ पर कहा था वित्त मंत्री ने ।

Mr. Deputy-Speaker: These are personal allegations you are making.

डा० राम मनोहर लोहिया : मुझ को जबर्दस्ती अंग्रेजी आप बोलने के लिए क्यों मजबूर करते हैं ? क्यों जोर दे रहे हैं ? अगर कोई किसी की बीबी लेता है-कानून के मुताबिक, तलाक के मुताबिक तो मुझे उस से क्या मतलब पड़ा हुआ है। कोई भी शरीफ आदमी अगर बीबी ले लेगा बिना तलाक के, तो यहां उस को यह जरूर कहेंगे . . .

Shri Vidya Charan Shukla (Mahasamund): This is a personal attack on the Finance Minister. It should not be permitted. This should be expunged from the proceedings.

Mr. Deputy-Speaker: This is character assassination which you are making.

Shri Vidya Charan Shukla: It affects the privileges of the House.

Mr. Deputy-Speaker: It is thoroughly irrelevant to the Finance Bill.

डा० राम मनोहर लोहिया : मुझे क्या मालूम क्या होता है। * *

Shri Vidya Charan Shukla: I take very strong objection to this. I rise to a point of order.

Mr. Deputy-Speaker: If you want to oppose the Bill, you oppose it. Do not make such allegations.

डा० राम मनोहर लोहिया : क्या रोक रहे हैं, किस बात पर रोक रहे हैं ? मेरे चरित्र का हनन हुआ है। मुझ को गालियां देते रहे हैं और मैं सत्य बात न बोलू . . .

Shri Vidya Charan Shukla: May I have your ruling on the point of order?

डा० राम मनोहर लोहिया : मैं हमेशा कोशिश करता हूं कि . . .

श्री किशन पटनायक : इन को बिठाइये। ये वक्त बरबाद कर रहे हैं।

डा० राम मनोहर लोहिया : कृष्णमाचारी साहब के प्रति मेरे मन में कोई द्वेष नहीं है,

आप यह जानते ही हैं। कृष्णमाचारी साहब कम से कम अपने आदमियों को तो बन्द करें। मैं साधारण सी बात कहता हूं और साधारण बात यह है कि . . .

Mr. Deputy-Speaker: Order, order. There is a point of order.

Shri Vidya Charan Shukla: Is the attack of the hon. Member and the kind of personal attack and insinuation he has been making against the Finance Minister personally relevant to the discussion on the third reading of the Finance Bill? If you hold them irrelevant or not relevant to the present discussion, I beg to move that those remarks be expunged.

Mr. Deputy-Speaker: They are irrelevant; they will not be on the record. You please speak on the Bill.

श्री किशन पटनायक : गलत उदाहरण पेश कर रहे हैं। एक्सपंज नहीं कर सकते हैं इन बातों को। एक्सपंजन के लिए रूल बन चुके हैं और उन के मुताबिक एक्सपंजन होता है। इस दृंग से आप दबाने की कोशिश कर रहे हैं। आप रूलज आफ प्रोसीजर का दमन करने हैं। संविधान का दमन इस तरह से आप नहीं कर सकते हैं। आप हमारी आवाज को इस तरह से दबा नहीं सकते हैं। यह आप गलत काम कर रहे हैं।

Mr. Deputy-Speaker: You cannot go on like that.

Shri Ranga: How can you rule out the irrelevant things as not to be on the record? If they are obscene and so on, that is another matter.

डा० राम मनोहर लोहिया : एक हद हुआ करती है . . .

Mr. Deputy-Speaker: That portion will be deleted. I have ordered expunction of the remarks. You are irrelevant.

Shri Koya (Kozhikode): He was referring to the statement made by the hon. Finance Minister regarding somebody's wife. Will that also be expunged?

Mr. Deputy-Speaker: Order, order. We are not concerned with that.

डा० राम मनोहर लोहिया : मैं छोड़ देता हूँ। वित्त मंत्री को मैं कहता हूँ कि सोचा करो कि मैं क्या बोल रहा था (इंटरफ़ॉस) क्या थोड़ी देर के लिए भी चुप नहीं रह सकते हैं? आप के सामने मैं साधारण सी बात रख रहा हूँ कि सरकार का और व्यापारियों का कैसा सम्बन्ध होना चाहिये। यह साधारण सिद्धान्त की बात आप के सामने मैं ने रखी है। कभी आप ने यह नियम बनवाने की कोशिश कहीं की है कि सरकार का और व्यापार का सम्बन्ध तोड़ दिया जाए, जिस में कि स्वार्थ लगा हुआ हो। दूसरी सिद्धान्त की बात यह रखी है कि मंत्रियों और नौकरशाही का सम्बन्ध ऐसा नहीं होना चाहिए जैसा आप का बूथलिंगम और देसाई साहब से रहा है, मंत्री के नौकरशाह उपग्रह।

एक माननीय सदस्य : यह बहुत आन्जैक्शन-नेबल है जो यह कह रहे हैं।

श्री किशन पटनायक : कोई इस में आन्जैक्शन-नेबल बात नहीं है। बार बार आप समय खराब कर रहे हैं। क्या आप इन के दलाल हैं?

Mr. Deputy-Speaker: Order, order. Sit down. If you do not sit down I will have to take action. I request Dr. Lohia to speak something on the Finance Bill and leave alone the others.

डा० राम मनोहर लोहिया : अब और कोई तरीका नहीं रह गया है। कृष्णमाचारी साहब आप अपने आदमियों को रोकिये।

Shri Vidya Charan Shukla: Sir, this is very objectionable.

श्री किशन पटनायक : कोई आन्जैक्शन-नेबल नहीं है। बार बार आप समय हाउस को खराब कर रहे हैं।

Shri Sonavane (Pandharpur): Sir, I rise to a point of order. The hon. Member, Shri Kishen Patnaik stated, referring to Shri Vidya Charan Shukla, that he has been kept as a *dalal*. I do not know whether you have understood the meaning of that word. It is very objectionable. It means "tout".

Mr. Deputy-Speaker: There is no point of order.

Shri Vidya Charan Shukla: Sir I rise to a point of order. This is a personal allegation against me which cannot be made, under the Rules of Procedure, by another Member while speaking. I do not know whether you have understood the import of this. It should be properly translated. It is a highly objectionable usage. Either it should be expunged or the Member concerned should take back his words. It is not only *unparliamentary* but it reflects on my conduct as a Member.

Mr. Deputy-Speaker: It is not *unparliamentary*.

Shri Vidya Charan Shukla: It reflects on my duty, on my conduct as a Member in the House. What I say, Sir, I say on my own volition.

Mr. Deputy-Speaker: The hon. Member should not use such words.

Shri Vidya Charan Shukla: Either he should withdraw those words or they should be expunged. They are not only wrong but they apply to them. They are *touts* of the capitalist reaction.

डा० राम मनोहर लोहिया : तीसरी बात यह है कि मैं ने हमेशा कहा है कि वित्त मंत्री साहब ध्यान में रखें कि जब तक खर्च के ऊपर रोक नहीं लगाई जाएगी, चाहे वह खर्च मंत्रियों का है या करोड़पतियों का और

[डा० राम मनोहर लोहिया]

खर्च में मैं खाली नौकरी को शामिल करता हूँ, सुविधाओं को शामिल नहीं करता हूँ, तब तक विन्यास नहीं होगा, खेती कारखानों आदि के लिए पूँजी नहीं बनेगी।

मैंने मंत्री और परिवार के रिश्ते के बारे में कहा है कि कम से कम मंत्री के परिवार का कोई भी ऐसा व्यापार नहीं मिलना चाहिए जिस में कि सरकार से कोई कोटा परमिट वगैरह मिलता हो। इन में से किसी का भी आप ने जवाब नहीं दिया है। मेरे ऊपर कुछ आप न्याय किया करें

उपाध्यक्ष महोदय : अब आप समाप्त करें। आप ने पन्द्रह मिनट ले लिये हैं।

डा० राम मनोहर लोहिया : उस में से कितना समय बरबाद गया है इस को भी आप देख लें।

Mr. Deputy-Speaker: Hon. Member should conclude now. Other hon. Members have taken only 5 to 7 minutes. He has already taken 15 minutes.

डा० राम मनोहर लोहिया : श्री कृष्णमाचारी ने मुझ को काफी चोट पहुंचाने की कोशिश की है। उन्होंने ने मुझ को हिटलर और जेबी हिटलर भी बताया है।

श्री बी० चं० शर्मा (गुरदासपुर)
घण्टी बात है।

डा० राम मनोहर लोहिया : कभी मन में आ जाएगा तो कृष्णमाचारी साहब चीज खराब होगी न ? ऐसी बात नहीं कहनी चाहिये

श्री राम सहाय पण्डेय (गुना) : क्यों घमकियां दे रहे हैं कि खराब हो जाएगा। आप को क्या मालूम है ?

श्री किशन पटनायक : आप बैठ जाओ। सदन की कार्यवाही में बाधा डाल रहे हैं।

डा० श्री राम सहाय पण्डेय : आप बैठो।

Mr. Deputy-Speaker: Order, order. The hon. Member cannot get up and talk like that. Dr. Lohia should conclude now. I am calling the next Member—Shri Onkar Lal Berwa.

डा० राम मनोहर लोहिया : अभी खत्म नहीं कर पाया हूँ। दो मिनट दीजिए, खत्म किए देता हूँ। सब चुप रहें तो मैं खत्म कर दूंगा।

Shri Vidya Charan Shukla: Sir, when you have called the next Member how can he go on speaking.

Mr. Deputy-Speaker: I am giving him another two minutes.

Shri P. Venkatasubbaiah (Adoni): On a point of order, Sir. Shri Kishen Pattanayak has shouted at the other Member saying, "Sit down". Is he entitled to do that?

Mr. Deputy-Speaker: He is not entitled. If he repeats it, I will take action against him.

डा० राम मनोहर लोहिया : उपाध्यक्ष महोदय, केवल वित्त मंत्री के खिलाफ मेरा आरोप नहीं है, सरकार के सारे लोग ऐसे हैं * *

Mr. Deputy-Speaker: The Minister is not here.

Shri Vidya Charan Shukla: He cannot make any allegation like that.

Mr. Deputy-Speaker: They are all irrelevant. I am sorry, you cannot go on like that.

डा० राम मनोहर लोहिया : उपाध्यक्ष महोदय, आप सुनते क्यों नहीं हैं। बिना मुझे ही आप कहते हैं। यहां पर वह मामला आ

चुका है। सेनैल कैबिनेट कमेटी
(Interruptions).

Mr. Deputy-Speaker: I am sorry, I am not allowing you to continue.

डा० राम मनोहर लोहिया : उपाध्यक्ष महोदय, आप गलत फैसला दे रहे हैं।

Mr. Deputy-Speaker: Order, order.

The Deputy Minister in the Ministry of Finance (Shri Rameshwar Sahu): These remarks must be expunged from the proceedings.

श्री चन्द्रमणि लाल चौधरी (महुआ) : प्वाइंट ऑफ ऑर्डर मेरा है। अभी मेरे बड़े लीडर लोहिया साहब ने ** मैं समझता हूँ कि यह उचित नहीं है। यह सरासर गलत है, इस को काट दिया जाये।

डा० राम मनोहर लोहिया : अच्छा है, राम मनोहर लोहिया का नाम हिन्दुस्तान से काट दो।

Shri P. Venkatasubbaiah: Those words should be expunged.

Shri Vidya Charan Shukla: All those words should be expunged.

Mr. Deputy-Speaker: Will you please withdraw those words?

डा० राम मनोहर लोहिया : कौन से शब्द, आप बतलायें तो सही।

Mr. Deputy-Speaker: I do not allow you to make a speech. You withdraw those words; otherwise I will expunge them.

डा० राम मनोहर लोहिया : आप चाहे जो चाहिये कीजिये, मैं ने कुछ नहीं कहा है जो गलत हो।

Mr. Deputy-Speaker: They will be expunged.

डा० राम मनोहर लोहिया : आप सब एक्सपंज कीजिये।

श्री श्रींकार लाल बेरबा : आज जो सीन यहां देखने में आये, उससे तो ऐसा जान पड़ता है मानो पाकिस्तान यहां ही बढ़ाई कर रहा है।

बड़े अफसोस के साथ कहना पड़ता है कि हम योजना पर योजना बनाते चले गये लेकिन योजनायें पूरी नहीं हो रही हैं। एक योजना बनती है दूसरी उसके पूरे होने के पहले ही आ जाती है। उसका काम अधूरा रहता है कि फिर तीसरी आ जाती है। इस तरह से हमारे यहां योजना पर योजना बनती चली गई परन्तु काम अधूरा पड़ा रहा। मैं जानना चाहता हूँ कि क्या कारण है कि हम इतना ग्रंट शंट खर्च करते चले गये और योजनाओं को बढ़ाते चले गये। गरीब जनता टैक्सेशन के भारे पिसी जा रही है और हमारा खर्च किसी भी तरह से कमी की तरफ नहीं आ रहा है। क्या कारण है कि आज हमने इतनी कम्पनियां बनाई, इतने बांध बनाये लेकिन वह इस तरह से टूटते चले जा रहे हैं। खड़गवासला टूट गया। एक साहब जब बीमा कराने गये तो पूछा क्यों साहब, इसका बीमा करने आये हो, हां साहब। पूछा खड़गवासला पर आपका कितना रुपया लगा। कहाँ लगा होगा 16, 17 या 18 करोड़ रुपया। तो, साहब इस तरह से हम कैसे बीमा करेंगे जब करोड़ों रुपयों के बांध बह जायें। इनका बीमा करने से फायदा क्या है। इसी तरह मैं कहना चाहता हूँ कि अगर पब्लिक पर टैक्सों का बोझ बढ़ता जायेगा तो इस से क्या हित होने वाला है। आज जनता गले तक टैक्सों से भर गई है। जो टैक्स सन् 1951-52 में कुल 903 करोड़ रु० था वह सन् 1962-63 में 2164 करोड़ रु० हो गया। इस टैक्स के बोझ से कोई लाभ नहीं है। न लोगों को अनाज मिलता है न कुछ। अगर अनाज मिलता भी है तो अमरीका का मिल रहा है। अगर देश का भी मिलता तो इतना टैक्स देकर भी कुछ सब आ जाता। लेकिन यह भी नहीं है। आज जनता पर अन्धाधुंध टैक्स लगाये जा रहे हैं। तीसरी

**Expunged as ordered by the Chair.

[श्री श्रीकार लाल बेरवा]

योजना में 1710 करोड़ रु० पाने का लक्ष्य था लेकिन मिला 2400 करोड़ रु०। लक्ष्य से जब ज्यादा मिल गया तो इस टैक्स के लगाने की क्या जरूरत आ गई। हमने 91 करोड़ रु० टैक्स लगा दिया पब्लिक पर लेकिन कर्म-चारियों को 22 करोड़ रु० दिया है और उसका चौगुना जेब से निकाल लिया। यह तो उनी तरह से है कि कोई आदमी मर्त्या टेकने गया मन्दिर में। उसने चबत्री डाली लेकिन उसको रुपा समझ कर वापस बारह आने वापिस निकाल लिये। मर्त्या टेकने के लिये बजाय कुछ देने के बारह आने और निकाल लिये। वही हाल आपने किया है कि आपके गुछारे पर आप के कर्मचारी मर्त्या टेकने गये लेकिन आपने उन की जेब से बारह आने निकाल लिये। अरे परमात्मा यह क्या हाल है। कर्मचारी आज पैसे जा रहे हैं।

आपने कम्पनियों का जिक्र किया कि हमने इतनी कम्पनियां बनवा दीं, उन पर रुपा खर्च हो गया। सन् 1956 में 29854 कम्पनियां थीं लेकिन अब लगाई गई हैं 24,657 कम्पनियां। मैं आप को इंग्लैण्ड का उदाहरण देना चाहता हूँ कि वहां पर 3 लाख 59 हजार, 182 कम्पनियां थीं और उन्होंने इस साल 34 हजार 312 कम्पनियों के इसी साल लाइसेंस दिये हैं। आप ने कहा कि हम को सात बिजली घर बनाने हैं तीनों योजनाओं में। लेकिन अब तक कुल तीन चालू हो सके हैं। बाकी जगहों पर अंधेरा ही अंधेरा है। शकर पर आपने सन् 1962-63 में 18 करोड़ रु० का घाटा उठाया और मूंगफली का तेल बाहर भेज दिया जिसमें आपने 2.13 करोड़ का घाटा उठाया। मूंगफली का तेल भी हमें नसीब नहीं हुआ। ऐसी योजना बनाने से हमें क्या फायदा जब बेचारी गरीब जनता को भी नसीब नहीं, तेल नसीब नहीं, मूंगफली का तेल भी नसीब नहीं। ऐसी योजनाओं से काम नहीं चलेगा।

अब मैं थोड़ा सा सुरक्षा सेवा के लिये

भी कहूँ। आज देश के ऊपर चारों तरफ से विपत्ति आ रही है तब आपने करोड़ों रुपये भिनाई, दुर्गापुर में लगाये हैं, खर्च किये हैं, और घाटा दिया है। इसके लिये भी मैं आप को थोड़े से आंकड़े बतला दूँ। हरकेला में 1 करोड़ 7 लाख का घाटा दिया, दुर्गापुर में 84 लाख का घाटा दिया, भिनाई में 45 लाख का घाटा दिया। यानी कुल 2 करोड़ 36 लाख रु० का घाटा सन् 1962-63 में दिया और सन् 1961-62 में 9.07 करोड़ का घाटा दिया। अगर इतना रुपा खर्च कर के एक अणु बम हम बना लेते तो दुश्मन को पीछे हटा सकते थे। जब डिफेन्स का सवाल आता है तो आप कहते हैं कि हमारे पास पैसा नहीं है, जब पैसा खर्च करने की जरूरत है तो वह कहते हैं कि हमारे पास अणुबम बनाने की शक्ति नहीं है। इसलिये मैं कहना चाहता हूँ कि आप अपने रुपों को ग्रंट शंट कामों में खर्च करने के बजाय अच्छे कामों में खर्च करें।

Mr. Deputy-Speaker: The Finance Minister.

Shri T. T. Krishnamachari: Sir, I am afraid, the Finance Bill has ended.....

श्री शिव नारायण (वांसी) : मैं फाइनेंस मिनिस्टर से कहना चाहता हूँ कि तीन प्लैन गुजर गई लेकिन आप ने एक प्लैन का भी पैसा नहीं दिया। मैं चाहता हूँ कि गवर्नमेंट इन ओर ध्यान दे।

Mr. Deputy-Speaker: Order, order. Please sit down.

Shri T. T. Krishnamachari: I am afraid, the Finance Bill has ended as a war of attrition and unfortunately or fortunately it is not much that I have to say in reply to the criticism.

I will deal with the points raised by my hon. friend Prof. Mukerjee.

श्री श्रीकार लाल बेरवा : मेरी बात का उत्तर आप के पास है ही नहीं।

Shri T. T. Krishnamachari: He has raised a question on which admittedly there could be a considerable difference of opinion. I can quite appreciate that he does not like American help. I do not think it is easy for us to say that PL 480 food-grains and cotton and various other things have not helped us. It has helped us and it is wrong to say that it has not helped us and particularly it helped us even in the recent crisis, when we ran down our stocks, when food was short, in order to feed the people. Perhaps, if there was no strike in the docks in the United States, we might have been able to bring down the prices locally. Altogether we, as a Government, have to feel grateful to the United States for the help they have given, massive as it has been—and that is why Prof. Mukerjee complains about it; it is worth Rs. 1400 crores—and it has been a great help to us and we cannot forget it.

Much of the money that we realise from PL 480 is by agreement between the United States Government and the Indian Government spent for the purpose of development. There is undoubtedly a certain amount of money given to the United States Embassy—he has mentioned the figure—and I do not mind telling the House that the United States themselves feel rather concerned about any accretion of money in the hands of the Embassy and there are some proposals for funding it for some purpose beneficial to India about which both the United States Government and we agree. I think the amount will then be brought down. We differ with the hon. Member on this matter and we must agree to differ. Our outlook in regard to United States help and PL 480 is something totally different and having said that, I say no more.

19 hrs.

Prof. Ranga returned with the charge categorising, as he thinks, the

misdeeds of this Government. My hon. friend Shri Harish Chandra Mathur is a critical supporter of Government and he has mentioned something in this regard. But there is one point which I would like to say and it is this. I think that we as a nation have nothing to be ashamed of in respect of what we have done during the last seventeen years, and I think we have made progress under very difficult conditions. As I said yesterday, we are not bankrupt, and when I say it I mean it. We are not bankrupt. I do not mean to say that we can do without the aid; I did not say it. If aid is not forthcoming, then we have to reorient our own ideas of progress. It means a tighter belt, undoubtedly, and we have got to work hard for it, but there is no use taking just one bit of what I said and categorising it as a bravado or something which is unreal; if no aid comes, or if it is considerably short of our expectations, then we have to meet it by hard work, by readjustment, by forgoing things which are not quite so essential for purposes of import. There has to be a reorientation of the Plan. But I have no doubt in my mind, given the support of the people of this country which I think is forthcoming, we will not go bankrupt; on the other hand we will progress; it will be progress under difficult circumstances; the progress might be somewhat slower perhaps, but progress there will be.

I do not want to refer to any other controversial matter. My hon. friend who has just concluded seems to think that everything that we do is wrong. I would like to tell my hon. friend Shri Onkarlal Bawa that we are making progress, and Bhilai, Durgapur and Rourkela are standing monuments to our foresight and hard work and they will pay and they are paying. I have no doubt in my mind that when they expand to their fullest capacity, they will be model plants in the world.

श्री श्रीकार लाल बेरवा : एक को पूरा कर लिया जाए, बाद में दूसरे को पूरा कर किया जाए।

Shri T. T. Krishnamachari: By and large, as I said yesterday, the House and the country have taken to the modest effort of the Government towards reorientation of its finances and the redistribution of the moneys

available, well, and I am grateful to them for it.

Mr. Deputy-Speaker: The question is:

"That the Bill, as amended, be passed".

Let the Lobby be cleared.

Lok Sabha divided:

Division No. 21]

AYES

[19.04 hrs.

Achal Singh, Shri
Alva, Shri Joschim
Azad, Shri Bhagwat Jha
Babunath Singh, Shri
Banerjee, Dr. R.
Basmadari, Shri
Bhagat, Shri B. R.
Brajewar Prasad, Shri
Chanda, Shrimati Jyotsna
Chandrabhan Singh, Dr.
Chandrasekhar, Shrimati
Chandrika, Shri
Chaturvedi, Shri S. N.
Chaudhri, Shri Chandramani Lal
Chaudhri, Shri Sachindra
Dase, Shri C.
Dhuleshwar Meena, Shri
Dinesh Singh, Shri
Dubey, Shri R. G.
Firodia, Shri
Ganapati Ram, Shri
Ghosh, Shri Atulya
Hajarnavis, Shri
Haq, Shri M. M.
Hem Raj, Shri
Himatsingka, Shri
Jadhav, Shri Tulshidas
Jagjivan Ram, Shri
Jamunadevi, Shrimati
Jyotishi, Shri J. P.
Kabir, Shri Humayun
Kanungo, Shri
Karuthiruman, Shri
Kedaria, Shri C. M.
Khan, Shri Osman Ali
Khanna, Shri P. K.
Kotaki, Shri Liladhar

Kripa Shankar, Shri
Krishnamachari, Shri T. T.
Kureel, Shri B. N.
Lakshmikanthamma, Shrimati
Lalit Sen, Shri
Lashkar, Shri N. R.
Mahishi, Dr. Sarojini
Malaviya, Shri K. D.
Manan, Shri
Maniyagadan, Shri
Mantri, Shri D. D.
Masuriya Din, Shri
Mathur, Shri Shiv Charan
Mirza, Shri Bakar Ali
Mishra, Shri Bibhuti
Morarka, Shri
Mukane, Shri
Muthiah, Shri
Naik, Shri D. J.
Nanda, Shri
Naskar, Shri P. S.
Nayak, Shri Mohan
Oza, Shri
Pandey, Shri R. S.
Pant, Shri K. C.
Patel, Shri Chhotubhai
Patel, Shri Rajeswar
Pattabhi Raman, Shri C. R.
Pratap Singh, Shri
Raghunath Singh, Shri
Rajdeo Singh, Shri
Ram Sewak, Shri
Ram Subhag Singh, Dr.
Rane, Shri
Ranga Rao, Shri
Rao, Dr. K. L.
Rao, Shri Muthyal

Rao, Shri J. amapathi
Rao, Shri Rameshwar
Reddier, Shri
Reddy, Shrimati Yashoda
Roy, Shri Blahwanath
Sadhu Ram, Shri
Saha, Dr. S. K.
Sahu, Shri Rameshwar
Samanta, Shri S. C.
Snatak, Shri Nardeo
Sanji Rupji, Shri
Sen, Shri A. K.
Shah, Shri Manabendra
Sharma, Shri D. C.
Shastri, Shri Lal Bahadur
Sheo Narain, Shri
Shukla, Shri Vidya Charan
Shyam Kumari Devi, Shrimati
Singh, Shri D. N.
Singh, Shri S. T.
Singha, Shri G. K.
Sinha, Shri Satya Narayan
Sinha, Shrimati Tarkeshwari
Sonawanw, Shri
Subbaraman, Shri
Subramanyam, Shri T.
Sumat Prasad, Shri
Tantis, Shri Rameshwar
Tiwary, Shri D. N.
Tiwary, Shri R. S.
Upadhyaya, Shri Shiva Dutt
Valvi, Shri
Varma, Shri Ravindra
Venkatasubbaiah, Shri P.
Virbhadra Singh, Shri
Vyasa, Shri Radhela
Yadav, Shri N. P.

NOES

Berwa, Shri Onkar Lal
Bheel, Shri P. H.

Dandekar, Shri N.
Krishnapal Singh, Shri

Ranga, Shri
Raddy, Shri Narasimha

Mr. Deputy-Speaker: The result of the division is: Ayes 111; Noes 6.

The Lok Sabha then adjourned till Eleven of the clock on Thursday, May 19.03 hrs.

The motion was adopted.

6, 1965/Vaisakha 16, 1887 (Saka).