

Volume III

No. 24



Monday
7th September, 1953

PARLIAMENTARY DEBATES

HOUSE OF THE PEOPLE

OFFICIAL REPORT

(Vol. III contains Nos. 1—25)

(Part I—Questions and Answers)

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THE

PARLIAMENTARY DEBATES

(Part I—Questions and Answers)

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HOUSE OF THE PEOPLE

Monday, 7th September, 1953

The House met at a Quarter Past Eight of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

REMODELLING OF AHMEDABAD STATION

*1071. **Shri Dabhi:** (a) Will the Minister of Railways be pleased to state whether Government are aware of the fact that there is an urgent necessity for the re-modelling of Ahmedabad Station?

(b) If so, when are Government going to commence the work of remodelling?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shah Nawaz Khan): (a) and (b). The Government has already considered the question of providing additional passenger amenities at Ahmedabad station. It would entail a thorough remodelling of the station at a cost of more than Rs. 1½ crores, which I am afraid will have to wait.

Shri Dabhi: May I know how long it will have to wait? May I know the approximate time when it will be taken up?

Shri Shah Nawaz Khan: We have not fixed any definite date. With the opening of the Kandla port and its subsequent development, we are watching the developments. We hope that traffic would be diverted to that side. We are studying the facts.

Shri S. G. Parikh: When was the present station designed and then remodelled?

The Deputy Minister of Railways and Transport (Shri Alagesan): We cannot give the date offhand.

Shri Dabhi: May I know whether Government are aware of the fact that several metre gauge trains are to be stopped outside the yard because of want of accommodation and consequently passengers are put to great inconvenience?

Shri Shah Nawaz Khan: Yes; we are aware of that. We are thinking of shifting the metre gauge railway station and the yards to Asarva station.

IMPORT OF RICE FROM PAKISTAN

*1072. **Shri Dabhi:** (a) Will the Minister of Food and Agriculture be pleased to state whether it is a fact that sometime ago, there was a talk between the Governments of India and Pakistan for exchange of a certain quantity of Pakistan rice for Indian wheat?

(b) If so, what was the nature of the talk?

(c) What has been the result of the talk?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) Yes, Sir. The talk was for the exchange of Pakistan rice with wheat imported by India.

(b) The proposal originally was for a barter of one lakh tons of imported wheat against Pakistan rice.

(c) Nil.

Shri Dabhi: May I know the reason for the failure of the talks?

The Minister of Food and Agriculture (Shri Kidwai): Pakistan thought that the terms that we offered were too favourable to us.

FORD FOUNDATION GIFT

*1073. **Shri S. C. Samanta:** Will the Minister of Food and Agriculture be pleased to state:

(a) how many Pilot Development Projects Extension Wings and Extension Training Centres have been opened up to date with Ford Foundation gift;

(b) the amount promised by the Ford Foundation and the amount received so far;

(c) how the allocations to different schemes are being made; and

(d) the amount received by individual schemes and spent so far (scheme-wise)?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) (i) Pilot Development Projects—15.

(ii) Extension Wings to Agricultural Colleges—3.

(iii) Extension Training Centres—34.

(b) (i) Amount promised by the Ford Foundation—Rs. 1,68,03,662.

(ii) Amount received so far—Rs. 73,91,440.

(c) and (d). Allocations to the different projects are based on accepted formulæ: in some cases the Ford Foundation meets the entire expenditure and in others the expenditure is shared among the Ford Foundation, the Government of India and the State Governments on a sliding scale basis, the State Governments assuming full responsibility after a specified period. The expenditure incurred on each scheme is booked through the Accountant General concerned and up-to-date information is not therefore available.

Shri S. C. Samanta: May I know how the amount received has been deposited with the persons concerned and who keeps the accounts and the money?

Dr. P. S. Deshmukh: I would like to have notice to give all these details as to how the money is deposited, how it is issued, etc.

Shri B. K. Das: May I know whether the amount mentioned by the hon. Minister in reply to part (b) of the question included any amount which was agreed upon under the last Ford Foundation agreement?

Dr. P. S. Deshmukh: This is under the specific agreement which we have entered into. I do not know which last agreement the hon. Member is referring to.

Shri B. K. Das: There were two agreements separately. What was the original amount and what was the amount agreed to later?

Mr. Deputy-Speaker: Are there two agreements?

Dr. P. S. Deshmukh: I would like to have notice of the question.

सरदार ए० एस० सहगलः क्या मन्त्री महोदय बतलायेंगे कि किनकिन प्रकार में पाइलेट डेवलपमेंट प्राजेक्ट स्कीम चल रही हैं !

Dr. P. S. Deshmukh: Fifteen development projects have been opened, one each in the States of Assam, PEPKSU, Hyderabad, West Bengal, Madhya Pradesh, Himachal Pradesh.....

Mr. Deputy-Speaker: All that need not be read.

Dr. P. S. Deshmukh: Madhya Pradesh is there.

Shri Heda: The hon. Minister said that in some cases the expenditure is shared by the Union Government and the State Governments. What are those cases? What is the proportion of the expenditure that has been shared by these two Governments?

Mr. Deputy-Speaker: It is a sliding scale, he says.

Dr. P. S. Deshmukh: Yes, Sir. The whole expenditure for the first year is met by the Ford Foundation. In the next year, the Government of India and the States and the T.C.A. meet a portion. Later on, after 3 years, it is to be shared by the Government of India and the States. After a time the States alone have to bear the whole expenditure.

Mr. Deputy-Speaker: In all such cases, may I suggest, where hon. Members are anxious about the details which cannot be given on the floor of the House for want of time, if the Government sees no objection, a copy may be placed in the Library.

Dr. P. S. Deshmukh: This has been placed on the Table already.

Prof. D. C. Sharma: May I know how these development projects and Extension training centres are administered: whether they are administered jointly by Indians and foreigners or only by Indians?

Dr. P. S. Deshmukh: With regard to none of these items have foreigners anything to do except to work as experts wherever we have them. They are completely under the administrative control of the Government of India and the States.

Shri Nanadas: May I know on what basis these training centres and project extension wings are selected?

Dr. P. S. Deshmukh: By negotiation with the State Governments.

Shri Nanadas: May I know whether any of the training centres are working in Andhra?

Dr. P. S. Deshmukh: The Andhra State did not exist and is yet to come into being.

Shri Punnoose: May I know the number of foreign experts working under this scheme?

Dr. P. S. Deshmukh: I would like to have notice.

Shri Simhasan Singh: May I know how long these foreign experts will be retained in India?

Dr. P. S. Deshmukh: In every case, there is a specific condition and a specific agreement. Some are here only for 6 months; some for one year. I do not think, in any case, we have experts for more than 3 years.

Mr. Deputy-Speaker: Yes; Mr. Samanta; next question.

Shri S. C. Samanta: I want to put a Supplementary. May I know....

Mr. Deputy-Speaker: He has another question, which I am calling.

J. J. COMMITTEE REPORT

*1074. **Shri S. C. Samanta:** (a) Will the Minister of Communications be pleased to state the recommendations of the J. J. Committee on the formula for determining the Telegraph share of cost of combined offices?

(b) Have those recommendations been examined?

(c) If, so, what is the decision thereon?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) The J. J. Committee have recommended that in view of the fact that in recent years cost of service in combined offices had increased considerably due to the enhancement of Dearness Allowance etc. and revision of scales of pay, the existing formula for determining the telegraph share of cost of combined offices, which was framed in 1937-38, may be revised on certain lines indicated by the Committee.

(b) The recommendations are being examined and no decision has been taken so far.

(c) Does not arise.

Shri S. C. Samanta: May I know whether this Committee considered about the renewal of the reservation fund which may be added to more and more?

Shri Raj Bahadur: The Committee considered this and many other questions. This question, however, pertains to the recommendations in respect of the Telegraph share of cost of combined offices.

Shri S. C. Samanta: May I know whether this Committee went into the question of dividing the Posts and Telegraphs revenue and fixing of the Posts and Telegraphs shares?

Shri Raj Bahadur: Offhand I cannot say.

LABOUR WELFARE

*1075. **Shri S. C. Samanta:** Will the Minister of Labour be pleased to state:

(a) how far Government have proceeded to remove hardships caused to workers on account of the casual nature of their employment or the closure of mills;

(b) whether any new scheme is going to be introduced for the purpose;

(c) the name of the scheme and places where it has already been introduced; and

(d) the number and percentage of workers that have a casual nature of employment?

The Minister of Labour (Shri V. V. GirI): (a) Government encourage the organisation of decasualisation Schemes in particular industries and areas where such action is called for. In the case of dock labour, the Dock Workers (Regulation of Employment) Act, provides for establishment of such schemes.

(b) Steps are being taken to establish decasualisation schemes for dock labour at Calcutta, Madras and Cochin. It is proposed to take up the question of framing schemes for the port of Visakhapatnam after gaining more experience of the working of the schemes at other ports. As regards decasualisation of textile workers, the State Governments who were recently consulted in the matter, have replied that there is no case at present either for extending the existing schemes or for introducing new schemes.

(c) Name of the Scheme and Places where introduced—

(1) Bombay Dock Workers Regulation of Employment Scheme—Bombay.

(2) Decasualisation Scheme for Textile Labour—Bombay, Ahmedabad and Sholapur.

(3) Decasualisation Scheme (Textile workers, leathers workers, etc.)—Kanpur.

(4) Decasualisation Scheme for Textile Labour—Beawar (Ajmer).

(d) Information is not available.

Shri S. C. Samanta: May I know how the decasualisation scheme of dock workers in Bombay is working, and whether the hon. Minister is receiving complaints even now?

Shri V. V. GirI: There are always complaints, and they are always receiving attention. The decasualisation scheme in the port of Bombay provides, *inter alia* for regulation, recruitment and entry into the scheme of dock workers and their registration; for regulating the terms and conditions of employment, i.e., rates of remuneration, hours of work, holidays with pay; prohibiting, restricting or otherwise controlling the employment of dock workers to whom the scheme does not apply; benefit to dock workers covered by the scheme of minimum pay for periods during which employment or full employment may not be available for them.

Shri S. C. Samanta: May I know, Sir, the reason why in Calcutta this scheme is not being taken up? What are the difficulties?

Shri V. V. GirI: It is now applied there.

Shrimati Renu Chakravarty: What has been done to remove the hardships caused to workers due to the closure of the mills? That part of the question has not been answered.

Shri V. V. Giri: Closure of mills?

Shrimati Renu Chakravarty: Yes. It is there in the question itself—last part of (a).

Shri V. V. Giri: All depends upon the conditions under which the closure has taken place.

Shrimati Renu Chakravarty: Has Government enunciated any principles which allow closure of mills?

Shri V. V. Giri: As regards the closure of mills due to short power supply and other causes, certain understandings have been arrived at at the recent meeting of the Standing Labour Committee of the Labour Conference.

Shri Punnoose: The hon. Minister stated that decasualisation steps are taken in Cochin also. May I know the number of casual labour now unemployed and sent away, and the steps taken by the Government....

Shri V. V. Giri: I have not got the information before me now.

Shri Muniswamy: May I know, Sir, how many mills have been closed during 1952-53, and how many workers have been affected?

Shri V. V. Giri: That question does not arise out of this question. If the hon. Member puts down a question, probably I will be able to collect the information.

Mr. Deputy-Speaker: He has not got the information.

Shri Damodara Menon: May I know whether the Madras Government has any decasualisation scheme?

Shri V. V. Giri: Yes, that has been introduced. A Dock Board has been formed very recently.

Shri Nanadas: May I know, Sir, whether the casual labourers are entitled to leave facilities and compensation in case of accidents? If so, how are these leave facilities and compensation calculated?

Shri V. V. Giri: I would like to have notice of that question.

Shri Punnoose: Are Government aware of the retrenchment of large numbers of workers in the Sitaram Mills on the ground that they are casual labour and the very serious situation that has come up there?

Shri V. V. Giri: I would like to have more information about this matter.

TELEGRAPH OFFICES FOR DARBHANGA

*1076. **Shri L. N. Mishra:** Will the Minister of Communications be pleased to state:

(a) whether the Government of Bihar have represented to the Government of India for opening some new telegraph offices in the District of Darbhanga;

(b) if so, the names of such places; and

(c) what action Government have taken in the matter?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) and (b). A requisition was received from the Government of Bihar for the opening of telegraph offices at Loukaha and Loukhi by the Postmaster-General, Patna.

(c) The guarantee terms for the opening of the two offices have been quoted to the State Government by the Postmaster-General, Patna. The acceptance of those terms is still awaited.

Shri L. N. Mishra: By what time are these offices expected to start functioning?

Shri Raj Bahadur: As soon as the guarantee terms are accepted by the Government, and intimation is given to the concerned officer of the Central Government.

TERMINATION OF SERVICES OF RAILWAY EMPLOYEES

*1077. **Shri Gidwani:** (a) Will the Minister of Railways be pleased to state whether it is a fact that the Railway Administration has been asking its employees to sign an agreement in which one of the clauses

gives the exclusive right to the Administration to terminate the services of the employees on one month's notice without assigning any reason therefor?

(b) If so, are Government aware that the clause contravenes Article 311(2) of Constitution?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The agreement provides for termination of service by either party on giving the specified notice.

(b) Does not arise.

Shri Gidwani: Is every care taken by the Government to explain to the illiterate employees this particular clause before their signatures are taken?

Shri Alagesan: This refers not to Class IV servants, but to the others.

Mr. Deputy-Speaker: Very well.

Shri Frank Anthony: The question has not been answered. Is this clause for removal without assigning any reason not in contravention of article 311 of the Constitution?

Shri Alagesan: It was stated in the answer itself that the agreement provides for giving notice by either party, and as such, it does not attract the relevant article of the Constitution. That is the answer.

Shri G. P. Sinha: May I know whether an Agreement can override the articles of the Constitution?

Mr. Deputy-Speaker: We are not asking the hon. Minister to become the Law Minister.

Shri Gidwani: My point was most of these employees are illiterate.

Mr. Deputy-Speaker: This does not apply to Class IV servants he said.

Shri Amjad Ali: May I know, Sir, whether this agreement applies to the

new entrants or old, and what was the particular purpose for which this measure has been taken?

Shri Alagesan: It applies to all employees, old and new, and since the Railway service is non-pensionable, this clause in the agreement has been there for very long, and it is continuing.

Shri Muniswamy: Since when has this agreement been in force?

Shri Alagesan: It has been in force over a long number of years.

Mr. Deputy-Speaker: Before 1947?

Shri Alagesan: Certainly.

Shri Frank Anthony: Is it not a fact that the former Railway Minister, Shri Gopalaswami Ayyangar, in replying to my criticism of this—I think it is Rule No. 178—admitted that this rule for removal without assigning any reasons was abnoxious, and gave an assurance that it would be removed? What has been done in view of the assurance of the former Railway Minister?

Shri Alagesan: Just now I am not able to answer the question straightaway as to the assurance given by the former Railway Minister, late Shri Gopalaswami Ayyangar. But, as far as action under this clause of the agreement is concerned, I can inform the House that action generally is not taken, and many have not been removed under this clause of the agreement.

Mr. Deputy-Speaker: Next question. Mr. Saigal.

Sardar A. S. Saigal: Is it a fact that some of the employees in the Eastern Railway have made representations with regard to termination of service according to this rule?

The Minister of Food and Agriculture (Shri Kidwai): Is that the next question?

Shri Alagesan: I am not aware of it.

TELEPHONE AND TELEGRAPH OFFICES

***1079. Shri Jhulan Sinha:** Will the Minister of Communications be pleased to state the progress made in the implementation of the scheme for opening (i) telephone public call offices at sub-divisional Headquarters and (ii) telegraph offices at Thana Headquarters in Bihar?

The Deputy Minister of Communications (Shri Raj Bahadur): (i) Telephone public call offices have been opened at two sub-divisional headquarters stations since April 1953 in Bihar. Proposals relating to 9 more are under consideration.

(ii) Telegraph offices have been opened at two of the thana stations since April 1953. Other cases are under examination.

Shri Jhulan Sinha: May I know, Sir, what are those two places where telephone offices have been opened, and what are those two places where telegraph offices have been opened?

Shri Raj Bahadur: Telephone offices; new Telephone Link at Saharsa; two telegraph offices one at Tarapur and the other at Kharagpur in Monghyr district.

Shri Jhulan Sinha: May I know what is happening to the other sub-divisions where the offices have to be opened this year?

Mr. Deputy-Speaker: Another sub-division?

Shri Raj Bahadur: As I have said, we have got nine cases under examination, and adequate steps will be taken to see that these offices are opened there, expeditiously.

Shri Jhulan Sinha: What are those nine places?

Shri Raj Bahadur: I will not be able to give the names.

श्री एम. एल. लोकी: क्या एसी योजना सब राज्यों में लाग की जा रही है?

राज बहादुर: जी हाँ :

Shri L. N. Mishra: The hon. Minister just now said that public call offices have been opened at Saharsa. Are Government aware of the fact that the existing office is not working well and voices are not audible in trunk calls?

Shri Raj Bahadur: No such complaint has yet been sent to me or this department so far as I know, but in case a proper complaint is made, or even without that I will look into it.

Prof. D. C. Sharma: May I know whether it is the policy of Government to open telephone public call offices at every sub-division headquarters, and to open telegraph offices at every thana headquarters, all over India, or only in the State to which reference has been made in this question? If so, what kind of implementation is being done all over India?

Mr. Deputy-Speaker: The hon. Member is enlarging the scope of the question to the whole of India. There might be a question on a matter of policy.

The hon. Member wants to know whether this proposal of opening telegraph and telephone offices at particular headquarters of a sub-division or a thana is confined only to the State of Bihar, or is being extended to other States also.

Shri Raj Bahadur: An announcement was made on the floor of the House in the course of the budget debate, that this policy extends to the whole of the country. That is our target which we hope to achieve in course of time, maybe, two years or three years.

Shri A. M. Thomas: May I know whether as in the case of opening post offices and telegraph offices, any minimum number of population is fixed for opening telephone public call offices?

Shri Raj Bahadur: That is fixed, for telephone public call offices, it is, I think 20,000 population.

Shri G. P. Sinha: Have the Government opened two telephone offices in one district of Palamau in Bihar?

Mr. Deputy-Speaker: How can the hon. Minister remember all these details? Even the hon. Member may not remember, should he become a Minister.

Shri Sarangadhar Das: May I know the target date by which this scheme will be fully implemented all over India?

Shri Raj Bahadur: We have not yet fixed any rigid target date. That however, obviously depends upon the availability of finances as also of equipment, which are to some extent to be imported from outside, while the rest will be manufactured here.

CENTRAL RESEARCH INSTITUTE AT JAMNAGAR.

*1080. **Shri Jhulan Sinha:** (a) Will the Minister of Health be pleased to state whether the proposed Central Institute for Research in the indigenous systems of medicine at Jamnagar has started functioning?

(b) If so, what are its achievements, if any?

The Deputy Minister of Health (Shrimati Chandrasekhar): (a) Yes; from the 24th August, 1953.

(b) It is too early to assess its achievements.

Shrimati A. Kale: May I know what is happening to the solarium that has been built here, whether the experiments are successful?

Mr. Deputy-Speaker: What is it, solarium?

Shrimati A. Kale: For treating diseases by making use of sun's rays, they have built a solarium at Jamnagar.

Shrimati Chandrasekhar: This Institute that has been mentioned by the hon. Member may not be the same as the one to which I am referring. This Jamnagar Institute is established in the hospital which was there already.

Mr. Deputy-Speaker: This relates to indigenous medicine. A solarium seems to be a discovery.

Shri B. K. Das: May I know whether any programme for research has been chalked out, and if so, may I have an idea of the programme?

Shrimati Chandrasekhar: The Scientific Advisory Committee, which is responsible for chalking out programmes of research, has drawn out different research schemes on anaemia and allied diseases to be investigated. Then there is an investigation on guinea worm, in collaboration with the Director of Ayurveda, Saurashtra. There is a Director who is to draw up necessary *pro formae* for collecting data of treatment and to prepare a scheme for presenting the results. He would also specify the period. Researches are also being done on drugs. Steps are being taken to establish an out-patient department in the same Institute.

Shri B. K. Das: How many research workers have been appointed so far?

Shrimati Chandrasekhar: That has not yet been finalised.

Shri T. S. A. Chettiar: How many of the staff are allopathic doctors, who have been trained in Ayurvedic medicine, so that they will have some sympathy in understanding the needs of Ayurveda?

Shrimati Chandrasekhar: A committee has just met to decide about the technical staff. The information will be obtained and released later.

Shri Dabhi: What is the total recurring as well as non-recurring expenditure of this Institute? From which source is it to be met?

Shrimati Chandrasekhar: The Institute has just started functioning on the 24th of August, as I said earlier. For 1953-54, Rs. 4 lakhs have been set apart for it. Out of that, about Rs. 67,500 have been paid to the Institute.

Shri Jangde: How many Ayurvedic research centres in India are receiving

financial help from the Government of India, and may I know whether the Government are proposing to set up any other *Ayurvedic* research centre anywhere else in India?

Shrimati Chandrasekhar: This is the only Institute that I know of, which has been set up by the Central Government. As for the other part of the question, I require notice.

Shri Muniswamy: May I know whether the *Siddha* system has been included in this indigenous medicine, for research purposes?

Mr. Deputy-Speaker: He wants to know whether this is purely for *Ayurveda* or for the *Siddha* system also.

Shrimati Chandrasekhar: This is for indigenous systems of medicine. I think *Siddha* system also will be included, if anybody is interested in doing research on it.

Shri Achuthan: May I know whether any herbs gardens have been attached to this Institute, for the purpose of growing certain varieties of herbs in India?

Shrimati Chandrasekhar: I require notice.

MENTAL HOSPITAL AT RANCHI

*1081. **Shri Jhulan Sinha:** Will the Minister of Health be pleased to state the position at present with regard to the proposal for taking over the inter-State Mental Hospital at Ranchi?

The Deputy Minister of Health (Shrimati Chandrasekhar): The contributing States, who were consulted in the matter, have stated that they have no objection to the Central Government taking over the Hospital for Mental Diseases, Ranchi, and the question of future administration is being examined with reference to its financial and administrative implications.

Shri Jhulan Sinha: How long has the matter been under examination?

Shrimati Chandrasekhar: The Central Government wrote to the various

States for their consent. Only recently, about a few weeks back, we got a reply from the West Bengal Government, that they are willing to accept the proposal of the Central Government taking over this institution.

Shri Jhulan Sinha: Are the Government aware that because of the hospital being under different States, such as Bihar, West Bengal, and the Central Government, there is a sort of indifference and inefficiency prevailing, and therefore the necessity of taking over by the Central Government is urgent and immediate?

Mr. Deputy-Speaker: This is implied in the question. An inquiry has been made of the various States.

Shri S. C. Samanta: May I know the names of the contributing Governments? May I also know whether when the Central Government take over this institution, all the establishment will be handed over to them, or they will have to spend something?

Shrimati Chandrasekhar: The idea of taking over the mental hospital is to upgrade it as a research and teaching institute on mental health. The various States that were contributing towards the upkeep of the hospital were West Bengal, Uttar Pradesh, Bihar, Orissa, Madhya Pradesh, Assam, Delhi and a few others, from where patients were being sent to this hospital.

IMPORT OF SUGAR

*1082. **Dr. Ram Subhag Singh:** Will the Minister of Food and Agriculture be pleased to state:

(a) the quantity of sugar imported into India since the beginning of the current financial year;

(b) the country or countries from which it has been imported; and

(c) the prices at which it was imported?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) 6,300 tons from Java. But purchase of another 1,30,000 tons sugar has also been completed.

(b) and (c). A statement showing the required information is laid on the Table of the House. [See Appendix V, annexure No. 36]

Shri Nanadas: May I know whether this sugar has been imported on Government account or through private permit-holders?

Dr. P. S. Deshmukh: It is imported on Government account, but the agencies through which import has been made, are mentioned in the statement.

Shri Jhunjhunwala: The immediate object of importing sugar is said to be to bring down the prices of sugar. Is it not a fact that the prices have been brought down to some extent only in Delhi, while in other parts of India, the price remains as high as it was?

The Minister of Food and Agriculture (Shri Kidwai): The prices were a little higher than they should have been, and therefore this sugar has been imported, so that it may be sold at prices at which our controlled sugar should have been sold, and thus control the prices in the market.

Shri T. K. Chaudhuri: What are the arrangements for holding these stocks of imported sugar, and also for handling and releasing them so as to ensure that the retail consumers get it at the desired price?

Shri Kidwai: So far as Bengal is concerned....

Shri T. K. Chaudhuri: I am not asking only for Bengal....

Shri Kidwai: I have to explain the position from place to place. So far as Bengal is concerned, a distributing agency has been formed, which will handle this sugar, and it has undertaken to sell this sugar at uniform prices throughout the State, viz at As. 12½ per seer; thus the prices will remain steady. As for the other port towns, in Bombay also, an association is being formed, but the position has not been finalised yet. In other places, it will be released to private trade at the wholesale rate mentioned here.

Shri Raghuramaiah: May I know whether the production of sugar in this country is not sufficient to meet our requirements, whether this import is meant only to bring down prices, and whether the Government are satisfied that this is the best way of doing it?

Mr. Deputy-Speaker: We had a discussion on this.

Shri Kidwai: We had several discussions and questions were answered.

Sardar Lal Singh: Considering the acute unemployment, the capacity of India to produce the required quantity of sugar and thirdly, the fact that the manufacture of 2 lakh tons of sugar would give employment to lakhs of people, is it really in the interest of the country to import sugar from abroad?

Shri Kidwai: I think the hon. Sardar Sahib knows about the sugar industry more than any Member here. I think the hon. Member knows that the sugar factories have already closed down. Therefore, importing of additional sugar would not close down any factory. The import has been to control the prices and to ensure that the consumers get sugar at reasonable rates.

Shri Gadgil: May I know, Sir, whether the hon. Minister has found out the fool-proof formula which will adjust the interests of the consumer, the cane grower and the producer, to which a reference was made by him a few days ago?

Shri Kidwai: The fool-proof formula is the formula to have in the market more sugar than can be consumed and therefore, the prices will remain low.

Shri Gadgil: Have you found it out?

Shri Kidwai: I have found it.

Shri Bansal: May I know, Sir, what is the source of the information of the hon. Minister when he stated that the hon. Member, Sardar Lal Singh, knows better than anybody else in this House about our sugar industry?

Shri Kidwai: I accepted his claim. I did not go into the matter.

Mr. Deputy-Speaker: No cross questions and answers.

Shrimati Beno Chakravarty: May I know, Sir, if it has come to the notice of the Minister that in the case of the Bengal Syndicate which has been set up to distribute sugar in Bengal, the price can be reduced further by 2 pice and yet ensure a profit of Rs. 2-12-0 per maund? Has this been done, and, if not, the reasons therefor?

Shri Kidwai: I have not perhaps followed the hon. Member correctly. But the sugar prices will be uniform prices. Therefore; it may be that the profit at Calcutta is a little larger. But money spent in transporting to Cooch-Behar and other places will have to be taken into consideration and then prices in Calcutta, Cooch-Behar, Darjeeling and other far distant places will remain the same.

An Hon. Member rose.—

Mr. Deputy-Speaker: Hon. Members may know that simultaneously when a number of hon. Members stand, I just have a picture as to who are all standing. Then after they sit down, I call on the hon. Members who want to put questions. But if an hon. Member sits down when I ask him to get up, I cannot persuade him to get up. Shri V. B. Gandhi.

Shri V. B. Gandhi: Is it.....

Mr. Deputy-Speaker: Why should hon. Members get up before they formulate questions?

Shri V. B. Gandhi: Government have imported so much of sugar now and if the controls had been in force now, do Government think that they could have done without the necessity of importing sugar?

Mr. Deputy-Speaker: This is asking hypothetical questions for getting hypothetical answers.

Dr. P. S. Deshmukh: We had a bitter experience of controls.

Shri T. K. Chaudhuri: The hon. Minister just referred to distributing agencies having been formed in Bengal and also in Bombay. Are these agencies private agencies or Government agencies, and by whom are they administered?

Shri Kidwai: They are private agencies. I understand that a special distributing company—a limited company—has been formed which has undertaken to sell this sugar throughout Bengal in distant villages and in big cities at a uniform price. I think this will serve the consumer better than any other arrangement.

श्री विभूति शिंदे: अभी मंत्री जी ने कहा कि साढ़े बारह आना सेर चीनी बाजारों में मिलती है। इस तरह से ३१ ह० ४ आ० मन चीनी का दाम हुआ। लेकिन ऊँख उपजाने वालों को २७ हृपये मन चीनी की कीमत के अनुसार गन्ने का दाम दिया। तो क्या मंत्री जी की इस नीति से केन उपजाने वालों को सवा चार हृपये मन के हिसाब से जो गन्ने की (proportional) कीमत मिलती उसमें छाटा महों पड़ा है?

श्री विद्यवाई: यह कीमत इसी हिसाब से लगाई गयी है कि मिलों में २७ हृपये पर, शकर बिकेगी तो वहां जा कर गवर्नरमेट के टैक्स, रेल का भाड़ा और मोटर का भाड़ा, सब मिला कर कलकत्ते में ३२ हृपये पर बिकेगी, बम्बई में ३० हृपये पर बिकेगी और मद्रास में ३० हृपये पर बिकेगी। उसी पर २७ हृपये का हिसाब लगाया गया है।

Shri A. M. Thomas: It has often been admitted by the hon. Minister himself that the price that the consumer has to pay in India is very high. May I enquire whether it is not the highest in the world?

Shri Kidwai: I do not know what is the price in our neighbouring countries like Pakistan and Ceylon; but it is much higher than ours. Our price is

based on the cost of production of sugar in this country.

Shri Jhunjhunwala: Arising out of the answer of the hon. Minister that sugar is distributed in port towns and some agencies have been formed, is it the policy of the Government to supply sugar at cheap rates only in ports, and is the Government satisfied that the distributing agencies which had been formed are selling at a reasonable price or they are selling it at very high rates?

Shri Kidwai: The distribution has been arranged at a fixed price. We have yet to see whether this fixed price will be adhered to or abused. So far as Government is concerned, if, say, I find that the prices in Meerut have gone up to Rs. 30, then I will send sugar to Meerut and sell it at Rs. 27-4-0 there.

Shri Sinhasan Singh: Is the hon. Minister aware that when introducing the sugar cess of Re. 1 per maund he made an announcement that sugar would be selling at 10 annas per seer, but now it is selling at about 13 annas per seer? Has he taken any steps to see that sugar is sold according to his statement made in the House?

Shri Kidwai: I do not know who made that wonderful statement.

Shrimati Renu Chakravarty: May I know, Sir, if the majority of the shares of the limited company which has been formed are held by the Bengal Sugar Merchants' Association and the Bengal Sugar Syndicate both of which have a very black record?

Shri Kidwai: I have no information as to who constitutes the Board. That firm has been recommended to us by the Bengal Government. As a matter of fact, it is for the Bengal Government to distribute it itself or to entrust it to somebody else.

Mr. Deputy-Speaker: What I would like to say is this. I do not know anything about these institutions. The hon. Member possibly has got all information about them. But as far as possible, on the floor of the House.

such incidental references as 'black record' and so on regarding persons who have not got an opportunity to defend themselves here may be avoided.

Shri Sarangadhar Das: When the hon. lady Member spoke about 'black record', it was about the Sugar Syndicate. Her information is that the Sugar Syndicate is connected with this newly-formed limited company. If it is not connected with it, the Minister might say that it is not.

Shri T. K. Chaudhuri: I may also refer in this connection to the findings of the Ganganath Committee.

Mr. Deputy-Speaker: Next question.

IMPORT OF FOODGRAINS

*1683. **Shri Radha Raman:** (a) Will the Minister of Food and Agriculture be pleased to state whether there has been any cut in the import of foodgrains in India during the year 1953-54?

(b) If so, what is the amount of such cut and under which items?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa):
(a) Yes Sir.

(b) Foodgrains are imported on a calendar year basis. Against the requirements for the year 1953 the cut in the imports of foodgrains is likely to be about 2 lakh tons in wheat, 5 lakh tons in rice and 1 lakh tons in milo making a total of about 8 lakh tons.

Shri Radha Raman: May I know, Sir, if this cut is due to sufficient stock in hand or expected increase in foodgrains production due to reclamation of land or improved methods of agriculture? Does the Minister propose to apply rationing in more towns in India?

The Minister of Food and Agriculture (Shri Kidwai): Obviously, the reduction in import is due to more production in this country and also to relaxations in the control which have brought more foodgrains in the market than was previously available.

Shrimati Renu Chakravarty: In view of the fact that we have a better stock position of rice, may I know, Sir, whether the rice quantum will be further increased?

Shri Kidwal: I think the hon. Member knows that in Bengal (outside Calcutta) there is no restriction on the purchase of rice and people are getting more rice than perhaps they require but in the areas where the control is in effect more rice will be available.

Shri Shivananjappa: May I know, Sir, the quantity of foodgrains imported during the last two years and its value?

Shri Kidwal: I think that has a reference to the reply given about a few days ago but for the information of the hon. Member I would give the figures. In 1951 we imported 4.8 million or 48 lakh tons. In 1952 we had planned to import 4.7 million i. e. 47 lakh tons but actually the imports were 3.8 million or 38 lakh tons. In 1953 we had planned to import 2.9 million or 29 lakh tons but we actually imported 2.1 million or 21 lakh tons.

INDUSTRIAL APPELLATE TRIBUNAL

*1084. **Shri Shivananjappa:** Will the Minister of Labour be pleased to state:

(a) the number of Industrial Appellate Tribunals in India;

(b) the places where they are situated; and

(c) whether there has been any request made by South Indian Labour Associations to locate one tribunal at some place in South India?

The Minister of Labour (Shri V. V. GirI): (a) and (b). The Central Government have constituted a Labour Appellate Tribunal under the Industrial Disputes (Appellate Tribunal) Act, 1950. The headquarters of the Tribunal is at Calcutta and two Benches of the Tribunal are located at Bombay and Lucknow. The Bench at Lucknow visits Madras regularly to hear appeals filed before the Tribunal

by parties in Madras and adjacent States.

(c) Yes.

Shri Shivananjappa: May I know Sir, whether there is any proposal to locate one such Tribunal somewhere in South India?

Shri V. V. GirI: That matter is being examined.

Shri Punnoose: May I know the number of appeals made to this Tribunal from the States of Travancore-Cochin and Madras?

Shri V. V. GirI: I require notice.

WITHHOLDING OF INCREMENTS OF RAILWAY STAFF

*1085. **Shri Frank Anthony:** (a) Will the Minister of Railways be pleased to state whether Government are aware that the withholding of increments of railway staff who are governed by the Payment of Wages Act is *ultra vires* or the Act?

(b) What action, if any, has been or is proposed to be taken by Government in the matter?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). Government are aware that it has been held in certain quarters that the withholding of increments of railway staff governed by that Act is *ultra vires* and the matter is under the consideration of Government at present.

STATION MASTERS

*1086. **Shri Frank Anthony:** Will the Minister of Railways be pleased to state:

(a) whether there are Station Masters on the scale of Rs. 64-4-170;

(b) whether their subordinates, such as Booking Clerks, Parcel Clerks and Ticket Collectors are in higher pay scales; and

(c) whether a percentage of posts of Traffic Inspectors and Section Controllers, formerly open to Station

Masters, is now reserved for direct recruitment?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes, Sir. The scale Rs. 64-4-170 is the lowest of the prescribed scales of pay applicable to Station Masters.

(b) Government are not aware of any such instances. The various prescribed scales of pay applicable to Station Masters are higher than those applicable to Booking Clerks, Parcel Clerks and Ticket Collectors.

(c) Yes, Sir.

Shri Frank Anthony: With regard to answer to part (b), the Minister has said that the Government are not aware of Booking Clerks and Ticket Collectors getting more salary than the Station Masters. Is it not a fact that at Tenali Station the Station Master is in the grade of Rs. 150-225 while the Head Ticket Collector works in the Rs. 200-300 scale?

Shri Alagesan: This has a reference to some of the Assistant Station Masters who may be in the lower scale. Even there I am not clear when the hon. Member says that in that particular instance the Head Ticket Collector is receiving more pay than the Station Master.

Shri Frank Anthony: The Head Ticket Collector is in the scale of Rs. 200-300 while the Station Master is in the scale of only Rs. 150-225.

Shri Alagesan: That can be examined.

Shri Frank Anthony: At Salem, is it not a fact that the Chief Booking Clerk is in the scale of Rs. 200-300 whereas the Station Master is in the scale of Rs. 110.

Shri Alagesan: If the hon. Member brings to our notice any of such rare instances we shall certainly look into them.

Shri Vittal Rao: May I know the considerations which led to doing away with the percentage of reservation for Station Masters for promotion

as Traffic Inspectors and Section Controllers?

Shri Alagesan: The hon. Member is not clear.

Mr. Deputy-Speaker: The hon. Member wants to know the considerations which led to do away with the percentage of reservations for Station Masters for promotion as Traffic Inspectors and Section Controllers.

Shri Alagesan: It is to improve the quality of the cadre that we are having direct recruitment to 25 per cent. of the vacancies.

Shri Frank Anthony: Is it a fact that the scales of pay recommended by the Pay Commission for people like Guards and Drivers are upgraded as a result of a strike but the Station Masters have not been upgraded?

Shri Alagesan: That is not so. Even the Station Masters have been upgraded.

DEMONSTRATIONS BY RAILWAY PORTERS AT DELHI

*1088. **Shri Muniswamy:** (a) Will the Minister of Railways be pleased to state whether Government are aware that the Railway Porters made demonstrations at Delhi on the 5th August, 1953?

(b) Were any representations made to the Railway Minister regarding their grievances and demands?

(c) If so, what steps have been taken to redress their grievances?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) Yes.

(b) and (c). A representation dated 2nd July 1953 was addressed to the Minister for Railways by the President Railway Coolie Union, Delhi, which was forwarded to the General Manager, Northern Railway, for appropriate action.

Shri Muniswamy: May I know the grievances and demands made by the porters?

Shri Shahnawaz Khan: The demands were made direct to the Ministry. I know that a Memorandum has been received on their behalf on the 5th of August after which they demonstrated outside the Parliament House where, it is said, they met Mrs. Sucheta Kripalani.

Shri Muniswamy: May I know whether any such representations were made from any other Railways?

Shri Shahnawaz Khan: I require notice.

Sardar A. S. Saigal: Has the Government enquired whether the demonstration was spontaneous or an engineered one?

The Minister of Defence Organisation (Shri Tyagi): Good question!

Shri Shahnawaz Khan: Government has no information.

Shri Punnoose: The representation by the President of the Coolie Union was sent to the President of the Railway Union. After these demonstrations may I know if their grievances have been attended to?

Shri Shahnawaz Khan: Wherever there are genuine grievances they are always attended to.

Shri Punnoose: I want to know whether after these demonstrations Government have enquired if their representations have been attended to by the Government?

Shri Shahnawaz Khan: We have not received any representation.

Shri Punnoose: One representation has been sent over to the authorities.

Shri Shahnawaz Khan: That representation was received before this demonstration.

Mr. Deputy-Speaker: Is the Minister in a position to say what has happened to that representation? Is the Ministry pursuing any particular memorandum that has been sent to them?

Shri Shahnawaz Khan: Yes Sir. Certain grievances were brought to the notice of the Ministry which were properly attended to.

Shri Dabhi: Are we to understand that Government are not aware of the demands and grievances which they wanted to represent?

The Deputy Minister of Railways and Transport (Shri Alagesan): We have no objection to place a statement in that respect on the Table of the House.

भारत तथा टर्की के बीच माल की यातायात

*१०८९. श्री रमेश सिंह: क्या यातायात मंत्री यह बतलाने की कृपा करेंगे:

(क) भारत तथा टर्की द्वारा अपने बीच हुये व्यापार-समझौते के उस लंड के अधीन, जिस में दोनों देशों के नौपरिवहन को प्रोत्साहन देने का उपबन्ध रखा गया है, क्या पग उठाये गये हैं; तथा

(द) यह दोनों देशों के बीच माल का यातायात अपने जहाजों में होगा अथवा वे इसके लिये एक दूसरे के जहाज भी काम में लायेंगे?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The shipping clause referred to is of a permissive or enabling character. In view of the limited volume of cargo moving between India and Turkey and also of the fact that a share of the cargo intended for Turkish ports is even now being carried in Indian ships on the India-U.K. trade, no special steps have been taken or are considered necessary by the Government of India to implement that clause. The Government of India have no information regarding the steps taken by Turkey under this clause.

(b) The Agreement envisages the use of the ships of both countries as far as possible. The goods will mostly move on commercial account and

there will be no bar to their being carried by ships of any nationality.

श्री रघुनाथ सिंह: इन दोनों देशों के व्यापार के लिये प्रति वर्ष कितने जहाजों की आवश्यकता होगी?

Shri Alagesan: As I said, the ships that run on the India-U.K. trade carry some of the cargo intended for Turkey and they are transhipped at Egyptian port.

श्री रघुनाथ सिंह: अब तक क्या हिन्दुस्तान में वहां से कोई सामान जहाज से आया है, कोई व्यापार हिन्दुस्तान और टर्की के बीच में अब तक हुआ है?

Mr. Deputy-Speaker: Has there been any trade between India and Turkey?

Shri Alagesan: Yes Sir.

MACHINES TO SIEVE RICE

*1091. **Shri Buchhikotaiah:** (a) Will the Minister of Food and Agriculture be pleased to state whether it is a fact that Government have got power-driven machines to sieve rice?

(b) If so, how many State Governments are at present in need of these machines?

(c) What is the cost of such machines?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) The Bombay Government have 17 power driven cleaning machines distributed at 8 places in the State. Madras Government have one at Madras city and Central Government one in their depot in Bombay. No other State Government has power cleaning machines. The machines are used for cleaning all grains.

(b) Reports received indicate that no State Government is in need of these machines.

(c) The cost varies depending on the type. The machine in Madras costs

Rs. 2,500 whereas those installed in Bombay cost Rs. 8,000 to Rs. 10,000 each. The Central Government purchased it for Rs. 5,000.

Shri Buchhikotaiah: May I know who will bear the cost of these machines—whether it is the Centre or the State Governments?

Shri M. V. Krishnappa: In the case of the Centre, we pay. In the case of the States, they will have to pay from their funds.

Shri Buchhikotaiah: May I know whether these machines are intended to sieve stones as well as broken rice?

Shri M. V. Krishnappa: It is intended to clean the rice and other food-grains.

Shri Buchhikotaiah: May I know whether any State Government prosecuted anybody for mixing stones and broken rice before introducing these machines?

Mr. Deputy-Speaker: Prosecution is a different matter. We are now concerned with the machines.

Shri Buchhikotaiah: May I know whether the Government have received any complaints from the State Governments for mixing stones and broken rice with the rice, before introducing these machines?

Mr. Deputy-Speaker: That is a well-known fact. Why should the State Governments intervene?

Shri Muniswamy: May I know whether these machines were purchased from foreign countries or were made in India itself?

Shri M. V. Krishnappa: I have not got the information; but most probably, they are imported from foreign countries.

Shri Dabhi: May I know how much work do these machines turn out?

Shri M. V. Krishnappa: I have not got any idea about that.

Shri Buchhikotaiah: May I know whether the machines prove to be suc-

cessful, and in case they have not proved successful, who will bear the cost of these machines?

The Minister of Food and Agriculture (Shri Kidwai): If any machine does not prove successful, the importer or the purchaser has to pay the cost.

EARNINGS OF RAILWAYS

***1095. Pandit Lingaraj Misra:** Will the Minister of Railways be pleased to state:

(a) whether the attention of Government has been drawn to the apprehension expressed in some section of the press that the Railways and particularly the Eastern Railway have been losing substantially in their earnings after the introduction of the present Zonal system; and

(b) what is the actual position?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). No. The actual gross earnings of the Indian Railways for 1952-53 were Rs. 289.79 crores as against Rs. 275.28 crores in 1951-52 (excluding freight charges on railway coal and materials); the drop being mainly attributable to the decline in passenger traffic due to economic factors.

So far as the Eastern Railway is concerned a comparison with the constituent units before regrouping cannot be made, since 3 out of 7 Divisions of the former East Indian Railway were transferred to the Northern Railway and statistics of earnings are not maintained by sections of the railway.

Pandit Lingaraj Misra: Do the Government contemplate creating a seventh zone with the former B.N.R. areas?

Shri Alagesan: No, Sir.

Shri Nanadas: May I know whether there has been any fall in any other railway in passenger traffic?

Shri Alagesan: Yes, Sir. The decline in passenger traffic has been universally felt.

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Shri Sarangadhar Das: May I know, Sir, if, in consideration of the decline in revenue, Government have any proposal to reduce the fares?

Shri Alagesan: No, Sir.

Shri A. M. Thomas: An assurance was given on the floor of the House during the last budget discussion that a Committee would be constituted to enquire into the fall in passenger earnings. May I know whether the Committee has been constituted and whether it has enquired into the matter?

Shri Alagesan: I am not aware of any such assurance having been given to constitute a committee to enquire into the fall in passenger earnings.

Shri Frank Anthony: Have Government got any figures to show specifically whether there has been a fall in passenger earnings with the abolition of Class I travel on certain lines?

Shri Alagesan: No, Sir.

Shri Nanadas: What steps have the Government taken to induce more passenger traffic?

Shri Alagesan: The House is already aware that we introduced the 'Shatabdi' tickets—the concessional zonal tickets, and I may inform the House that it has not brought much revenue.

Shri Frank Anthony: I was not able to understand the Minister. Does he mean that there has been no fall in passenger earnings as a result of the abolition of the first class? Have Government got no figures?

Shri Alagesan: The hon. Member seems to imply that the fall in earnings is due to...

Mr. Deputy-Speaker: Is any portion of the fall in revenue due to the abolition of the first class? That is a simple question.

Shri Alagesan: I cannot say definitely, but no such indication is yet available.

WATER TANKS IN RAILWAY CARRIAGES

***1096. Shri Achuthan:** (a) Will the Minister of Railways be pleased to state whether the water tanks in the railway carriages are having the same dimension, size and capacity for second class, inter class and third class on the long routes?

(b) If not, what are the variations?

(c) Are Government aware of the difficulty caused to passengers due to want of water in the tank between filling stations, specially in the third and inter class carriages on the long routes?

(d) If so, what measures do Government propose to take to remove the water scarcity?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) Yes.

(b) Does not arise.

(c) In spite of an allowance of about 2.5 gallons per passenger in third and inter class compartments water shortage has been noticed at times. This to a large measure is due to extravagances on the part of some passengers in the use of water between two consecutive water filling stations.

(d) It is proposed to increase the size of water tanks feeding a single lavatory from 50 to 60 gallons capacity and that of the tanks feeding two adjoining lavatories from 100 to 120 gallons capacity. These are the largest practicable sizes that can be accommodated over the lavatories.

Shri Achuthan: May I know whether there is any proportion between the size of the water tank and the number of passengers that one carriage can contain?

Mr. Deputy-Speaker: Is it adjusted according to the number of passengers that a carriage is intended to carry?

Shri Shahnawaz Khan: Yes, Sir.

Shri Achuthan: In the inter class and the third class?

Shri Shahnawaz Khan: At present, the allowance is 4.2 gallons for second class passengers, and 2.5 gallons for third and inter class passengers.

Shri Achuthan: Are the Government aware that in the inter class and third class carriages, more passengers travel than in the second class carriages?

Mr. Deputy-Speaker: So, is it calculated at so much per head?

Shri Achuthan: In the inter class and third class carriages, there are more passengers travelling than in the other classes.

Mr. Deputy-Speaker: They are overcrowded. Is overcrowding also taken into account?

Shri Sarangadhar Das: May I know if Government are aware that the tanks are not filled at the proper places wherever there are watering arrangements?

Shri Shahnawaz Khan: We are not aware of any such thing happening, but if the hon. Member would bring specific cases to our notice, we will certainly attend to them.

Shri K. K. Basu: May I know the reason behind the different proportions between the second class and the third and inter class passengers?

Mr. Deputy-Speaker: There will be more crowd.

Shri Achuthan: Do the Government intend to increase the number of watering stations on the long routes?

Shri Shahnawaz Khan: We do not have any such proposal under contemplation at present.

बाढ़ द्वारा हुई हानि

*१०९७. श्री रघुनाथ सिंह: क्या जात्य तथा हुई मंत्री यह बतलाने की कृपा करेंगे कि :

(क) पूर्वी उत्तर प्रदेश, बिहार, पश्चिमी बंगाल और गोदावरी ज़िलों में

हाल की बाढ़ के कारण हुई फसलों की अनु-
मानित हानि कितनी है;

(ख) क्या गत वर्ष की तुलना में धन
की उपज कम होने को सम्भावना है; तथा

(ग) क्या इस बाढ़ के फलस्वरूप
सरकार को विदेश से चावल मंगाना पड़ेगा?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa):
(a) The State Governments have not so far been able to assess the exact damage to crops due to floods as they are still collecting information from districts. They have however intimated that the damage to crops has been extensive. Attention in this connection is also invited to the replies given to Short Notice Question regarding Godavari floods on 28th August 1953 and Short Notice Question regarding Bihar floods on 3rd September 1953 in the House of People.

(b) and (c). An exact idea of the paddy yield this year will be formed only after the State Governments have assessed the exact damage to paddy crop and the question of purchasing additional quantity of rice from abroad to cover the loss caused by floods will also be examined on receipt of this information from the States.

श्री गणपति राम: इस बाढ़ से ईस्टर्न पू. पौ. की फसल पर क्या असर होगा?

सात तथा कृषि मंत्री (श्री किशोराई):
बाज जगह पर खराब हो जायेगी और बाज जगह पर अच्छी हो जायेगी।

Shri Punnoose: In view of the large-scale floods happening in many parts of India, is it the proposal of the Government to take an overall estimate of the losses done to paddy cultivation?

Shri Kidwai: Rains have fallen throughout the country. Though in some parts the crop has been damaged, the increased production in other parts will more than make up the loss.

Shri Punnoose: Are the Government taking an estimate of the loss that has accrued all over India?

Shri Kidwai: It has been said that the State Governments will submit their estimates of the loss.

Short Notice Questions and Answers

ROAD BETWEEN FRENCH MAHE AND TELLICHERRY

I. Shri N. P. Damodaran: (a) Will the Prime Minister be pleased to state whether the French authorities at Mahe had tried to repair a road belonging to Indian Union running along an overbridge on the Southern Railways between Mahe and Tellicherry, about the 14th August?

(b) What action have the Government of India taken to establish the right on the road and on the Railway overbridge?

(c) Is it a fact that both the Indian and French police are on guard there on this road and that there is considerable tension in Mahe and surrounding areas on account of this?

(d) Is it a fact that some French officers including the Secretary of the Foreign Affairs Department of the French Government at Paris visited an Indian Union road near Mahe and took photographs of the road recently and that it was done with the permission and knowledge of the Government of India?

(e) If not, what action has been taken in the matter?

(f) Is it a fact that some persons, including citizens of French India have recently been deported from Mahe to the Indian Union for their pro-Indian views?

(g) If so, what action have the Government of India taken regarding this?

The Prime Minister (Shri Jawaharlal Nehru): (a) Yes.

(b) and (c). On receipt of information about French encroachment on

Indian Union territory, a detachment of Malabar Special Police was posted on the overbridge to prevent any further encroachment. The French have now withdrawn their men from Indian Union territory. The Government is not aware of any tension on this account.

(d) and (e). There have been reports that a junior official of the French Foreign Office on a fact finding tour of the French settlements, accompanied by local French officers visited the disputed area in Mahe and took photographs of the site. As the frontier has not been declared a restricted area, there is no restriction on the taking of photographs. A fuller report about this has, however, been called for from the Madras Government.

(f) and (g). Yes. The Consul General Pondicherry has already protested to the French in the case of one of the deportees. The whole question is under active consideration of the Government.

Shri N. P. Damodaran: In view of the fact that the French authorities in Mahe have of late been indulging in a number of unfriendly acts against India, are the Government considering the desirability of introducing some sort of permit or passport system for the entry of French Indians into the Indian Union? If so, from which date; if not, why not?

Shri Jawaharlal Nehru: The hon. Member wants to know whether we should not introduce a permit system?

Mr. Deputy-Speaker: It is a suggestion for action.

Shri Jawaharlal Nehru: It may be; but there is a larger question which has often been considered and may be considered again, balancing the credit and debit side of it. But in this particular affair, Mahe is a very very small area and part of it is French settlement. So long as a French settlement of that type remains there, there is bound to be tension and bound to be incidents; because it is an abnormal

situation; it should not be there at all under a foreign power. That is the real basis of it.

Shri A. K. Gopalan: May I know, Sir, whether it is a fact that in 1949 a similar incident took place near Kallai when the French troops occupied the place and the Collector of Malabar had to reoccupy it.

Shri Jawaharlal Nehru: I believe something happened. I have not got a clear recollection of it; of course, something did happen. In this particular matter the incident itself has no very great significance. It is an odd thing. The land on both sides of the bridge is supposed to be French Mahe territory, but the roads are Indian territory. It is a complicated matter. Because the railway line is Indian the bridge is supposed to be Indian. Unfortunately for the last few years owing to the slackness of the local authorities, they allowed the French people to come and repair the bridge. So they claim that they have some kind of a share in the bridge. When people said that they invaded the territory it means they came on the bridge—they did not come very far—and they were pushed out from that place.

Shri Punnoose: It is said that the French Police was posted there on the 14th August and that the Malabar Special Police was sent there on the 21st August. May I know, Sir, how full seven days were wasted in re-occupying our territory and pushing out the French Police?

Shri Jawaharlal Nehru: I have not got the exact date. But I have tried to put before the House that this 'territory' consisted taking a few steps on the bridge which they were repairing. They ought not to have repaired it no doubt, but on previous occasions when no great importance was attached to this matter, they were allowed to repair it. So they were repairing it. Technically they were wrong; therefore, we took exception. But it can hardly be called a major invasion of India.

Shri Kelappan: Is it a fact, Sir, that in Mahe certain areas belonging to the Indian Union have been in the possession of the French Government for some time?

Shri Jawaharlal Nehru: I do not know, Sir. I cannot answer that question unless the hon. Member supplies me with some more information.

Shri N. P. Damodaran: In view of the difficulties and hardships caused to the Indian Union citizens passing through Mahe, are the Government considering any proposal to divert the Calicut-Tellichery road in Malabar in a way to avoid French Mahe?

Shri Jawaharlal Nehru: Yes, Sir. Not only are we considering it, but we have considered it. We have almost taken steps to that end.

Dr. Lanka Sundaram: The Prime Minister just now said that the French Settlement in Mahe should not have been there. May I know, Sir, the specific steps the Prime Minister, or the Government of India, are taking to see that it is not there?

Shri Jawaharlal Nehru: The hon. Member does not expect me to reply to that question, because although Mahe may be a very tiny spot of India, the question of Mahe is involved in much larger questions which affect the world. Therefore, that question has to be considered in relation to those other questions also.

Shri Damodara Menon: Is it a fact, Sir, that the French authorities at Mahe are recently increasing their military strength by bringing soldiers from Karaikal through the Indian territory?

Shri Jawaharlal Nehru: Even if the military strength at Mahe is increased by a hundred per cent. it can still be dealt with by a small platoon.

BARTER DEAL WITH BURMA

II. Shri Heda: (a) Will the Minister of Food and Agriculture be pleased to state whether his attention has been drawn to the report under caption 'Bitter Rice' appearing in the *Times*

of India, dated the 27th August, 1953 with particular reference to the words attributed to him by the hon. Thakin Thakin, Burmese Commerce Minister and state what are the facts?

(b) How is Indo-Burmese trade affected by this episode?

(c) At what stage does the rice deal stand at present?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa):

(a) Yes Sir; the report is, however, not correct. A note giving facts of the case is placed on the Table of the House. [See Appendix V, annexure No. 37]

(b) This has nothing to do with the normal Indo-Burma trade.

(c) We have told the Burma Government that we do not require any more rice during the remaining period of 1953 and that in December 1953 we shall give them an indication of our requirements for 1954.

Shri Heda: In view of the charge by the so-called responsible officials of the Burmese Government that Mr. Kidwai wanted Burmese rice at incredibly low prices and asked exorbitant rates for Indian goods, will the Food Minister reveal the details of his offer in this barter deal?

Shri Kidwai: There was no talk of any rice deal when the Burmese Mission was here, because by that time we had estimated that this year we would not require any more rice. All that we had asked for and agreed to by the Burmese Purchasing Mission was that they will be prepared to supply us next year any quantity that we require upto 5 lakh tons if we informed them of our requirements in November or December. Therefore, there was no question of asking any price or offering any low price for Burma rice. So far as our supply to Burma Government is concerned, whatever they wanted, we gave them and we gave them at a price which was favourable to them as compared with prices in other countries.

Shri Heda: In the press report there were some specific words. Therefore, I would like to ask, did the Food Minister see to it that the words as are alleged to have been said by him are brought to the notice of Thakin Nu? Mr. Kidwai is reported to have said "Why don't you go to any other country for rice transaction instead of coming to India?"

Shri Kidwai: There was no such talk. There was really no talk of this nature and I have written a letter to the Prime Minister of Burma inviting his attention to this report and requesting him to ask Thakin Tha Khin, the Finance Minister, and the Supply Minister to contradict this report.

Shri M. S. Gurupadaswamy: May I know whether the Burma Government offered one million maunds of rice as a token of goodwill to India, and after knowing the tone of the Food Minister's views here they withdrew this offer?

Shri Kidwai: I think there is some misunderstanding about this report. I may state what happened actually. When I was in Burma, there was some talk of barter at that time and they said that they will give some concession if they find that the prices of our goods were cheaper than those prevailing in other countries. We were then not in a position to quote the prices and, therefore, it was agreed that the Purchasing Mission will come to India. The Mission came here and I am glad to inform this House that we offered them whatever they required—the quantities they required at prices very favourable to them. They offered some rice for barter, but as at that time we were not prepared to purchase any more rice, the barter talk was dropped.

Shri U. M. Trivedi: May I know, Sir, whether the Burma Government purchased rice locally at Rs. 22 per ton and wants to sell to us at double that price and thereby only all our money for running its Government?

Shri Kidwai: That is the concern of the Burma Government. Rice is their

principal crop which may be treated as money-buyer and they have to build up their own economy. Therefore, it is open to them to accept the price that will suit them.

Shri Sarangadhar Das: In view of the fact that our Minister has been misrepresented according to himself, is it not advisable for Government, besides writing to the Prime Minister of Burma, to issue a press note so that the public will know what was the situation?

Shri Kidwai: A statement has been laid on the Table of the House today.

Shri Kasliwal: May I know if it is a fact that Burma has offered to sell rice to Ceylon at much cheaper rates than were offered to us?

Shri Kidwai: That was the press report. I don't know really what occurred, but it is expected that the price of rice will go down next year.

Shri Heda: Was there any Burmese official present when the talks between our Food Minister and the Burmese Commerce Minister were going on.

Shri Kidwai: In the talks that took place, all the officers of both the Governments were present.

Dr. Ram Subhag Singh: The report that appeared in the papers said that the official concerned had held out certain threats against India. May I know, Sir, whether the hon. Minister in his letter had also requested the Burmese Prime Minister to contradict it?

Shri Kidwai: I don't think that the Burma Government will carry out any of those threats. There was no need of our drawing the Burma Government's attention to this.

WRITTEN ANSWERS TO QUESTIONS TECHNICAL AID PROGRAMME

***1070. Shri M. L. Dwivedi:** Will the Minister of Food and Agriculture be pleased to state the progress of the Technical Aid Programme which was concentrated in two small fishing communities in Travancore-Cochin?

The Minister of Food and Agriculture (Shri Kidwai): A statement showing the progress of the Fishery Community Development Project in Travancore-Cochin is laid on the Table of the House. [See Appendix V. annexure No. 38.]

PASSENGER TRAIN FROM DELHI TO AHMEDABAD

*1078. **Pandit M. B. Bhargava:** (a) Will the Minister of Railways be pleased to state whether it is a fact that there is no passenger train which stops at all stations running on the main line of the Western Railway direct from Delhi to Ahmedabad or between Delhi and Ajmer and vice versa?

(b) If so, have Government received representations for the introduction of at least one train for the convenience of direct passengers from roadside railway stations?

(c) By what time is it proposed to introduce such a train?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) Yes.

(b) Yes, for the provision of a passenger train between Delhi and Ajmer via the main line.

(c) It is proposed to convert Nos. 231 Up and 232 Down Express trains between Delhi and Ajmer via the Chord into passenger train service from 1st October, 1953. There is, however no justification for the provision of an additional passenger train stopping at all stations between Delhi and Ajmer via the main line besides the two fast trains each way running at present between Delhi and Ahmedabad via Ajmer.

DISPOSAL OF DISMANTLED RAILWAY STORES

*1087. **Shri Ganpati Ram:** Will the Minister of Railways be pleased to state:

(a) whether sleepers and rails dismantled from Lohta Base Depot have been disposed of or are still stored at Lohta Station;

(b) the total amount spent in opening the depot and dismantling the said railway branch line;

(c) the total amount received by Government by sale or auction of articles;

(d) the reasons for keeping this store of unserviceable sleepers and other articles at Lohta Station; and

(e) the expenditure incurred by Government in guarding these stores?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) Most of the sleepers and rails have been disposed of and the balance is stored at Lohta station.

(b) A sum of Rs. 10,19,137 was spent in opening the Depot and Rs. 55,715 was spent at the time of dismantling.

(c) The credit for released material afforded to Railway accounts is Rs. 4,16,252.

(d) Surplus materials are stored at the nearest suitable site to avoid unnecessary expenditure on handling and moving.

(e) Rs. 1,241 since 1951.

PRICES OF WHEAT

*1090. **Shri K. P. Tripathi:** (a) Will the Minister of Food and Agriculture be pleased to state whether there is a pooled price for wheat at which the Central Government sell wheat to State Governments?

(b) If so, what is the price?

(c) At what price is wheat sold to the Government of Assam?

(d) Is it a fact that the Central Government sell wheat to the Assam Government at Calcutta?

The Minister of Food and Agriculture (Shri Kidwai): (a) Yes, for imported overseas Wheat.

(b) and (c). Rs. 16-8-0 per maund for delivery of bagged cargo ex-Port Commissioners Transit Shed/Central

Government Godown loaded into wagons/trucks which is applicable to Assam also.

(d) Yes. The delivery is given ex-Port/Central Government Godowns at Calcutta.

चौकाषाट-सीतापुर लाइन पर भारी भीड़

*१०९२. श्री जी० एल० चौधरी: क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि पूर्वोत्तर रेलवे की चौकाषाट-सीतापुर लाइन पर कुछ समय से तोसरे दरजे के दो ही डिब्बों वाली एक गाड़ी चल रही है ; तथा

(ख) क्या इससे तोसरे दरजे के यात्रियों को असुविधा होती है ?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) and (b). This was the case on some occasions in June and July last which resulted in inconvenience to passengers. The position is, however, being remedied to the extent possible with the available number of third class carriages.

KALACHARA-KHOWAI ROAD

*१०९३. श्री Dasaratha Deb: (a) Will the Minister of Transport be pleased to state how much money has been spent on the construction of Kalachara-Khowai road, Tripura up to July, 1953?

(b) When is this road expected to be opened for public vehicular traffic?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Rs. 1.38 lakhs (approximately).

(b) By December 1953.

ASSAM-AGARTALA ROAD

*१०९४. श्री Dasaratha Deb: (a) Will the Minister of Transport be pleased to state how much money has

so far been spent on the construction of Assam-Agartala road from Dharmanagar to Agartala?

(b) When is the construction of this road expected to be completed?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a), About Rs. 208 lakhs up to the end of June 1953.

(b) By March 1954.

AIR SERVICE BETWEEN BOMBAY AND AURANGABAD

*१०९८. श्री H. G. Vaishnav: Will the Minister of Communications be pleased to state:

(a) whether there is any proposal to resume the air service between Bombay and Aurangabad (Deccan) which was stopped six months ago; and

(b) if not, the reasons thereof?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) and (b). There is no proposal, at present, to resume the Bombay-Aurangabad air service, but the question will be considered by a Technical Committee which the Indian Airlines has appointed to advise the Corporation on the new route pattern.

ACCUMULATION OF FOODGRAINS

*१०९९. श्रीमति Kamlendu Mati-Shah: (a) Will the Minister of Food and Agriculture be pleased to state whether it is a fact that Government have got a big food grains stock in the godowns?

(b) Is it a fact that the food grains are rotting in those godowns?

The Minister of Food and Agriculture (Shri Kidwai): (a) The total stocks of foodgrains in Central Government godowns, at present, is estimated at a little more than 7 lakh tons.

(b) The answer is in the negative.

TELEPHONES

*1100. **Shrimati Maydeo:** (a) Will the Minister of Communications be pleased to state what is the State-wise requirement from public of Telephone instruments still unprovided?

(b) How many applicants are on the waiting list for telephones in Poona?

(c) Do Government propose to extend the 'Own-Your-Telephone' Scheme to Poona?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) A statement indicating the waiting list for telephone connections State-wise as on 1st April 1953 is placed on the Table of the House. [See Appendix V, annexure No. 39.]

(b) The number of applicants on the waiting list at Poona is 1,022.

(c) No, as there is no capacity at present in the Poona Telephone Exchange for giving new connections.

राजस्थान में बनीकरण

*११०१. **श्री बलबन्त सिंह महता :** क्या ज्ञात तथा कृषि मंत्री यह वतलाने की कृपा करेंगे :

(क) राजस्थान में रेगिस्तान का प्रसार रोकने के प्रयोजन से किये जाने वाले बनीकरण के लिये विमानों द्वारा बोए गये बीजों के किटने प्रतिशतक में अंकुर निकले हैं :

(ख) किटने वर्षों में यह भरा-पूरा बन हो जायगा ।

(ग) क्या इस विषय में विदेशी या भारतीय विशेषज्ञों का परामर्श लिया गया है ; तथा

(घ) यदि लिया गया है, तो उन विशेषज्ञों के नाम क्या हैं ?

The Minister of Food and Agriculture (Shri Kidwai): (a) to (d). The seeds were broadcast by air by the Rajasthan Government. The information has been called for from the State Government and will be laid on the Table of the House in due course.

BEE KEEPING

*1102. **Shri Buchhikotaiah:** (a) Will the Minister of Food and Agriculture be pleased to state whether it is a fact, that a decision on the amalgamation of the All-India Bee-keepers' Association and the "Indian Council of Bee-Keeping", was reached recently?

(b) If so, on what understandings did the amalgamation take place?

(c) What are the steps that Government are going to take to help this organisation?

(d) In how many and in which States is the organisation functioning?

The Minister of Food and Agriculture (Shri Kidwai): (a) The proposed amalgamation has yet to be ratified by the Organisations concerned.

(b) to (d). It is difficult to answer until a clear picture of the amalgamated Organisation emerges.

FERRY BOAT FOR GOALPARA

*1103. **Shri Amjad Ali:** Will the Minister of Transport be pleased to state whether the ferry arrangement across the Brahmaputra from Joghigaon to Goalpara in Assam is a part of the National Highways?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): Yes, Sir.

VEGETABLE OILS

*1104. **Pandit Thakur Das Bhargava:** (a) Will the Minister of Food and Agriculture be pleased to state whether in Dalda and other Vegetable oils Vitamins are added?

(b) If so, do Government propose to state what Vitamins are added and from what materials?

(c) Is it a fact that marine oil is also added to these products?

(d) If so, Is this oil extracted from fishes only or from other aquatic animals?

The Minister of Food and Agriculture (Shri Kidwai): (a) Yes, by some factories only.

(b) Synthetic Vitamin 'D' which is obtained from yeast.

(c) No.

(d) Does not arise.

सहरसा तथा मानसी रेलवे-स्टेशनों के बीच रेल पथ

५५९. श्री बी० मिथ : क्या रेल मंत्री यह बतलाने की कृपा करेंगे कि :

(क) क्या बिहार में पूर्वोत्तर रेलवे के सहरसा स्टेशन और मानसी जंक्शन के बीच स्थाई रेल-पथ बनाने की कोई योजना सरकार के पास है;

(ख) उन पुलों की संख्या, जो मानसी और सहरसा तथा मध्यपुरा और मुरलीगंज के बीच बनाने पड़ेंगे;

(ग) क्या उन पुलों का निर्माण, जो बनने वाले थे, आवश्यक पदार्थों की कमी के कारण रुक गया है;

(घ) यदि हाँ, तो नई लाइन के कब तक पूरे होने की सम्भावना है; तथा

(ङ) वह राशि, जो इस पर व्यय होगी?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Not at present.

(b) The question does not arise so far as the Mansi-Saharsa length is concerned. Eighteen bridges will be constructed between Madhepura and Murliganj.

(c) The completion of bridges between Madhepura and Murliganj has been delayed on account of non-availability of piles in time.

(d) The line between Madhepura and Murliganj is expected to be completed before the next monsoon.

(e) Rupees thirty-three lakhs approximately.

MARINE FISHERIES

560. Shri V. P. Nayar: (a) Will the Minister of Food and Agriculture be pleased to lay on the Table of the House a statement showing separately the quantities of important varieties of fish during the period from 1950 to 1952 annually?

(b) How many fishing vessels operate in this region now?

(c) What is the estimated number of sea-going fishermen on this coast at present?

(d) What is the area of the sea-surface exploited by them?

The Minister of Food and Agriculture (Shri Kidwai): (a) to (d). A statement is placed on the Table of the House. [See Appendix V, annexure No. 40.]

TELEPHONE DIRECTORIES

561. Shri S. N. Das: Will the Minister of Communications be pleased to state:

(a) the number of telephone directories issued by the Post and Telegraph Department during 1951-52 and 1952-53.

(b) whether any separate account of income and expenditure incurred in each case has been kept;

(c) if so, (i) the cost of paper, (ii) the cost of printing and binding, (iii) the staff employed, its category and number along with the annual expenditure on this account, (iv) the income from the sale of new copies, (v) the income from the insertion of

extra lines or entries from the public and from the Government departments, (vi) the gross and net advertisement revenue, (vii) the arrangement for securing advertisements, (viii) the number of telephones for which directory is printed, and (ix) the proceeds from the sale of old copies returned by subscribers; and

(d) which of the telephone units showed profit and which of them showed loss during these years?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) to (d). The information is being collected and will be laid on the Table of the House in due course.

"GROW MORE FOOD" SCHEMES

562. Shri V. P. Nayar: Will the Minister of Food and Agriculture be pleased to refer to the answer given to unstarred question No. 457 asked on 25th August, 1953 regarding "Grow More Food" Loans and state:

(a) whether Government have received any detailed scheme for the amount asked for by the Travancore-Cochin State; and

(b) if so, whether Government propose to lay on the Table of the House a copy of the scheme?

The Minister of Food and Agriculture (Shri Kidwai): (a) Yes.

(b) A copy each of the proforma containing details of the schemes for which loans have been asked for by the State Government during 1953-54 are placed on the Table of the House. [See Appendix V, annexure No. 41.]

CENTRAL TRACTOR ORGANISATION

563. Pandit C. N. Malviya: Will the Minister of Food and Agriculture be pleased to state:

(a) the State-wise total acreage ploughed by the Central Tractor Organisation; and

(b) the State-wise total amount spent on the Organisation plus ploughing charges including the administra-

tive and supervising expenditure incurred by allied departments?

The Minister of Food and Agriculture (Shri Kidwai): (a) The acreage so far reclaimed by the Central Tractor Organisation in various States is as follows:—

| | | |
|----------------|------|-----------------|
| Uttar Pradesh | | 2,09,006 acres. |
| Madhya Pradesh | | 3,10,751 |
| Madhya Bharat | | 1,85,925 |
| Bhopal | | 2,61,089 |
| Punjab | | 13,521 |
| TOTAL... | | 9,80,292 acres |

(b) The total amount spent on the Organisation up to the end of the 1952-53 financial year is about Rs. 8,75,37,700. The figure is approximate because the expenditure for 1952-53 has not yet been finalised. Accounts of the State-wise expenditure are not being maintained, and the entire expenditure incurred by the Organisation is taken into account for arriving at uniform rates of recovery from the various States for the different kinds of work done by the Organisation. The amount indicated above covers all expenditure including that on the staff employed, cost of tractors and other equipment, expenditure on fuel and lubricants, etc.

TELEPHONE EXCHANGES

564. Prof. D. C. Sharma: Will the Minister of Communications be pleased to state:

(a) how many telephone exchanges there are in the districts of Hoshiarpur, Kangra and Gurdaspur;

(b) whether there is any proposal to open new telephone exchanges in these Districts or to extend telephone lines; and

(c) how many public telephone call offices there are in these Districts?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Hoshiarpur ... 1

Kangra ... 1

Gurdaspur ... 1

(b) An exchange at Palampur (Kangra District) will be opened during this year; public call offices have been proposed at Nurpur and Shahpur.

| | |
|----------------|----|
| (c) Hoshiarpur | 8 |
| Kangra | 11 |
| Gurdaspur | 15 |

TICKETLESS TRAVELLING

565. Prof. D. C. Sharma: Will the Minister of Railways be pleased to state:

(a) the steps taken to check effectively ticketless travelling on the Northern Railway; and

(b) the results obtained?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The following steps have been taken to check effectively ticketless travelling on the Northern Railway:—

1. Ticket collectors are posted at principal and junction stations to check tickets of incoming and outgoing passengers.

2. At ticket checking stations which are large junction stations, all trains originating or passing through are thoroughly checked.

3. Wherever possible, at least one T.T.E. is booked to check passengers on a train throughout its run.

4. Flying Squads of T. T. Es. are provided to exercise checks on trains and at stations under the direct supervision of the Senior Subordinates.

5. Surprise checks are conducted by the squads working with the Special Railway Magistrates and by the Headquarters' Squad under the supervision of a Gazetted Officer. Occasionally these parties go by buses and make surprise raids at road side stations. The defaulters are summarily dealt with.

6. A publicity campaign is kept up in the press and otherwise dilating on

the undesirability of ticketless travelling and the civic duty of every citizen to purchase a proper ticket before getting into a train.

(b) The number of passengers detected travelling without tickets or with irregular tickets over the Northern Railway and the amounts realised from them during the years 1951-52 and 1952-53 are shown below:—

| | Total number of passengers detected | Amount realised |
|---------|-------------------------------------|-----------------|
| 1951-52 | 2,212,587 | Rs. 42,62,506/- |
| 1952-53 | 1,862,689 | Rs. 35,88,721/- |

PASSENGER AMENITIES COMMITTEE ON
NORTHERN RAILWAY

566. Prof. D. C. Sharma: Will the Minister of Railways be pleased to state:

(a) whether Passenger Amenities Committee has been formed on the Northern Railway;

(b) whether it has begun to function;

(c) the important recommendations made by it; and

(d) the steps so far taken to implement them?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) With the reorganisation of the Railway Advisory Committees, the Passenger Amenities Committee previously functioning on the Northern Railway ceased to exist with effect from 1-3-1953. A new Committee was formed on July 27, 1953 only after the Zonal Railway Users' Consultative Committee came into being in replacement of the old Local Advisory Committee.

(b) The new Passengers Amenities Committee will examine the proposals for 1954-55 and make its first recommendations some time next year.

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

SURPLUS GRAM AND GRAM DAL IN PEPSU

567. Sardar A. S. Saigal: (a) Will the Minister of Food and Agriculture be pleased to state whether it is a fact that P.E.P.S.U. is surplus in gram and gram dal?

(b) What steps have Government taken to utilize this surplus to fight famine in Bikaner, Rajasthan, etc.?

(c) What steps have Government taken to utilize bhusi and churi of gram from P.E.P.S.U. for cattle of famine areas?

The Minister of Food and Agriculture (Shri Kidwai): (a) Yes.

(b) Rajasthan is also surplus in gram and the question of utilising PEPSU gram for Rajasthan does not therefore arise.

(c) Relief in scarcity areas is primarily a State responsibility. There being no ban on the inter State movement of fodder the State Governments concerned are free to import from PEPSU any quantity of fodder that they may consider desirable.

FORBESGANJ—BIRPORE TELEGRAPH LINE

568. Shri L. N. Mishra: Will the Minister of Communications be pleased to refer to the reply given to starred question No. 1453 asked on the 20th April, 1953 and state:

(a) whether the guarantee terms for constructing a telegraph line from Forbesganj to Birpore via Narpatganj and Balwabazar in Bihar, have been accepted by the Government of Bihar; and

(b) if so, when the work is expected to be taken up?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) No.

(b) Does not arise.

RAILWAY EMPLOYEES

569. Pandit M. B. Bhargava: Will the Minister of Railways be pleased to state:

(a) the number of Graduate and post-Graduate Railway employees working in the various ministerial categories as on the 31st March, 1953;

(b) the number of temporary and permanent sanctioned posts for which the prescribed qualification is a University Degree and which were placed in the Central Pay Commission scale of Rs. 80-220, as per decision of the Railway Board on the recommendation of the Joint Advisory Committee; and

(c) whether in the Railways, unlike other Government departments, there are no Upper Division Grade Clerks or similar ministerial posts, for which only Graduates and post-Graduates can be eligible for appointment or promotion?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) A statement is attached. [See Appendix V, annexure No. 42.]

(b) There are no ministerial posts now on Railways for which the prescribed qualification is a University Degree, but 120 clerks who had been recruited prior to 1949 with the stipulation of a University Degree were given the scale Rs. 80-220 as personal to them.

(b) There are no ministerial posts now for which candidates are required to be graduates.

TICKLESS TRAVEL

570. Pandit M. B. Bhargava: Will the Minister of Railways be pleased to state:

(a) (i) the number of tickless travellers detected during the year 1952-53, and (ii) the total amount of fare and penalty realised from such travellers;

(b) (i) the number of persons chalaned in the Court. (ii) the number

found guilty and convicted, and (iii) the amount of fine realised from them; and

(c) how these figures compare with the figures of the previous year?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) 1952-53 (i) 8,415,088

(ii) Rs. 1,66,68,073

(b) (i) 262,653

(ii) 172,053

(iii) Rs. 5,12,219

(c) The comparative figures for 1951-52 in respect of part (a) and (b) of the question are as under:—

(a) (i) 7,900,918

(ii) Rs. 1,65,58,180

(b) (i) 224,500

(ii) 159,486

(iii) Rs. 4,57,064.

NEW HOSPITALS

571. Dr. Ram Subhag Singh: Will the Minister of Health be pleased to state the total amount of grants-in-aid so far sanctioned by the Government of India for constructing new hospitals in the country during the year 1953?

The Deputy Minister of Health (Shri Chandrasekhar): Nil, so far during 1953-54.

TOBACCO

572. Dr. Ram Subhag Singh: Will the Minister of Food and Agriculture be pleased to state:

(a) the total quantity of tobacco produced in the year 1952-53; and

(b) the acreage of land under tobacco cultivation in the year 1953-54?

The Minister of Food and Agriculture (Shri Kidwai): (a) 211,000 tons according to the Final Estimate of Tobacco for 1952-53. This is, however, subject to revision in the light of the Supplementary Estimate which is not yet available.

(b) Not available. The sowings of tobacco in most areas have not been completed yet.

सार्वधानुक रेलवे-कोचें

573. सेठ गोविन्द दास: क्या रेल मंत्री यह बताने की कृपा करेंगे:

(क) भारत में आज कल प्रयोग में आने वाली सार्वधानुक रेलवे कोचों की कुल संख्या;

(ख) भारत में निर्मित होने वाली इस प्रकार को कोचों की संख्या; तथा

(ग) विदेश से आयात होने वाली कोचों की संख्या?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) 795.

(b) 580.

(c) 215.

चाय बागों के अभिक

574. सेठ गोविन्द दास: क्या अमंत्री यह बताने की कृपा करेंगे कि १९५३ में चाय बागों के अभिकों में से कितनों को छंटनी कर दी गई हैं?

The Minister of Labour (Shri V. V. Giridharan): According to available information, 12,558 workers were retrenched during 1953 from tea gardens situated in States other than West Bengal. As a result of closure of tea gardens in West Bengal 8,073 workers became unemployed during the period November 1952 to April, 1953. Separate figures for 1953 for West Bengal are not readily available.

LABOUR TROUBLE IN KYNITE MINES

575. Shri Raghaviah: (a) Will the Minister of Labour be pleased to state whether there has been any labour

trouble in the Kynite mines in Nellore District in the months of June and July, 1953?

(b) If so, what are the reasons therefor?

(c) What steps have Government taken to redress the grievances of the workers?

The Minister of Labour (Shri V. Giridhar): (a) No

(b) Does not arise.

(c) A recent inspection revealed that there was no major irregularity like non-payment of wages or illegal deductions. The workers are not asked to work extra hours without over-time. There were a few minor cases of delayed payments and these along with the question of providing welfare amenities considered necessary are being taken up with the management. The question of certifying standing orders for the establishment and for the setting up of works committees has also been taken up.

ORISSA ROAD TRANSPORT COMPANY

576. **Shri Sanganna:** Will the Minister of Transport be pleased to state:

(a) what was the amount spent on the purchase of vehicles for starting the Orissa Road Transport Company Limited;

(b) whether the Railway Administration was consulted before the purchase of vehicles;

(c) the amount paid by way of compensation to the owners of the private vehicles;

(d) what procedure has been adopted in the matter of payment of compensation;

(e) whether any claims for compensation are still outstanding;

(f) what kind of control the Railway Administration have over the management of the Company;

(g) how many vehicles have been purchased since the inception of the Company; and

(h) how many are now road-worthy?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). The Orissa Road Transport Co. Ltd. spent Rs. 7,375 lakhs on the purchase of vehicles at the time of commencement of operation in January, 1951. The purchase of these vehicles was approved by the Board of Directors of the Company at their first meeting held on the 5th December, 1950.

(c) to (e). According to the information received from the Orissa Government, the Company has paid compensation amounting to Rs. 10,880 to dislodged operators, in accordance with the Orissa Motor Vehicles (Regulation of State Carriage and Public Carrier's Services) Act, 1947 and the Rules framed thereunder. The number of claims for compensation still outstanding is 14.

(f) The company is administered by a Board of eight Directors of whom two are nominees of the Railway Administration.

(g) and (h). Since its inception, the company has purchased 72 buses, one truck, one station wagon, one breakdown-van and two motor-cycles. All these vehicles are still road-worthy, except 12 old buses taken over from dislodged operators. Out of these 12 worn-out vehicles, five have been sold by auction; two others are not considered road-worthy and the remaining five which are undergoing major repairs are expected to become road-worthy again very shortly.

ACCIDENT IN SINGARANI COLLIERIES

577. **Shri Vittal Rao:** (a) Will the Minister of Labour be pleased to state whether it is a fact that three workers were killed and one seriously injured due to the fall of roof at Incline No. 3, Singarani Collieries, Kothagudium during early hours of 25th July, 1953?

(b) What was the total number of fatal accidents in Singarani Collieries during the calendar year 1952 and

between 1st January and 31st July, 1953?

(c) When was Incline No. 3 last inspected by the Inspector of Mines?

(d) How many times in a year is he expected to carry out inspection of a mine?

(e) How many days after the accident at Incline No. 3 did the Inspector of Mines enquire into the accident?

(f) What is the result of his enquiry?

(g) Do Government propose to set up a non-official committee to enquire into this accident in view of the assurance given by the Minister during the half-an-hour debate on 30th July, 1952 in connection with large number of accidents in Singarani Collieries?

The Minister of Labour (Shri V. V. Giri): (a) Yes.

(b) 20 in 1952 and 4 in 1953 up to 31st July, 1953.

(c) 28th January, 1953.

(d) Once a year and, conditions permitting, more frequently. The Inspector has a Junior Inspector of Mines who also inspects the mines.

(e) Eight days.

(f) According to the inspectors the accident was by fall of roof due to hidden slips in the roof strata. The roof had been well supported and the supervisory staff had done their duties properly.

(g) The accident rate in the Singarani mines which was nearly three times the average of all coal mines in India in the year 1951 has been brought below the average for India in 1953. In view of this improvement, and as the present accident has already been enquired into by the Inspector of Mines and the causes therefor clearly established, which show that the management was in no way to blame. It is not considered necessary to order a further inquiry into the accident.

WAGON HANDLING CAPACITIES ON KATNI—MARWARA

578. Shri T. K. Chaudhuri: Will the Minister of Railways be pleased to state.

(a) the figures of daily averages of the following, year by year, from 1947 onwards up to 1952 and for the first six months of 1953:—

(i) the number of wagons indent-
ed by the Central India Coal-
fields including the two Orissa
Collieries of Hinger Rampur
and lb. River.

(ii) the number of wagons re-
quired by these coal fields as
per the programme of coal
despatches sanctioned by the
office of the Coal Commis-
sioner, and

(iii) the number of wagons ac-
tually supplied to these coal
fields;

(b) whether it is a fact that the limited handling capacities of the Katni-Marwara is one of the chief factors of shortage of transport of coal from these coal fields; and

(c) whether Government have under consideration any scheme for increasing wagon handling capacities of the Katni-Marwara and easing thereby the accumulation of large stocks of coal in these coal fields?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) (i) to (iii). A statement showing the daily average, number of wagons, indented by allocations by the Coal Commissioner and actual supplies to the Central India Coal fields includ-
ing the two Orissa Collieries of Hinger Rampur and lb. River, is placed on the Table of the House [See Appendix V, annexure No. 43.]

(b) The limited handling capacity in Kanti-Marwara Yard is one of the factors responsible for shortage of coal transport from the Central India Coal fields.

(c) Yes and some of the works required to increase the capacity are likely to be completed in the year 1954-55.

POST AND TELEGRAPH WORK

579. **Shri K. C. Sedhia:** (a) Will the Minister of Communications be pleased to state the total number of employees in each of the Post and Telegraph Workshops at Alipore, Bombay and Jubbulpore under the heads (i) Supervisory staff (ii) Workmen, skilled and unskilled on the 31st March 1952 and 31st March, 1953 respectively?

(b) What was the total output of each of these workshops during the years 1951-52 and 1952-53, respectively?

(c) What was the total value of raw materials used by each of these workshops during the years 1951-52 and 1952-53?

(d) What was the total maintenance expenditure on each of these during the same period?

(e) What was the expenditure on the Board of Management during the same period?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) The required information is furnished below:—

Category of Total number of employees on employees

31-3-52 31-3-53

Alipore Workshops

| | | |
|-------------------|-------------|-------------|
| Supervisory staff | 106 | 134 |
| Skilled workmen | 1674 | 1664 |
| Unskilled workmen | 295 | 207 |
| TOTAL. | 2075 | 2068 |

Bombay Workshops

| | | |
|-------------------|-------------|-------------|
| Supervisory staff | 74 | 85 |
| Skilled workmen | 979 | 1050 |
| Unskilled workmen | 147 | 166 |
| TOTAL. | 1200 | 1301 |

Jubbulpore Workshops

| | | |
|-------------------|-------------|-------------|
| Supervisory staff | 76 | 76 |
| Skilled workmen | 960 | 991 |
| Unskilled workmen | 341 | 347 |
| TOTAL. | 1377 | 1414 |

(b) The total out-put was as indicated below:—

| | 1951-52 Rupees | 1952-53 Rupees |
|---------------|-------------------|-------------------|
| Alipore | 65.1 Lakhs | 81.2 Lakhs |
| Jubbulpore | 52.1 .. | 74.9 .. |
| Bombay | 80.8 .. | 110.8 .. |
| TOTAL. | 198.0 .. | 266.9 .. |

(c) The total value of raw materials used was as shown below:—

| | 1951-52 Rupees | 1952-53 Rupees |
|---------------|--------------------|--------------------|
| Alipore | 27,44,752 | 37,91,392 |
| Jubbulpore | 37,43,760 | 58,67,522 |
| Bombay | 50,77,800 | 70,39,606 |
| TOTAL. | 1,15,66,312 | 1,66,98,420 |

(d) The total maintenance expenditure was as follows:—

| | 1951-52 Rupees | 1952-53 Rupees |
|---------------|-------------------|-------------------|
| Alipore | 21,67,782 | 20,56,169 |
| Jubbulpore | 12,62,491 | 16,43,971 |
| Bombay | 20,35,501 | 17,30,693 |
| TOTAL. | 54,65,774 | 54,30,833 |

(e) The maintenance charges of the Board of Management during 1951-52 were Rs. 10,500 (approximately) and during 1952-53, Rs. 11,200 (approximately).

RICE

580. **Shri Achuthan:** Will the Minister of Food and Agriculture be pleased to state the stock position of rice in India with the Centre in the second half of 1953 and the estimate for 1954?

The Minister of Food and Agriculture (Shri Kidwai): On 1st July, 1953, 26,000 tons of rice was available in Central Reserve Depots and 912,000 tons with the State Governments or a total of 938,000 tons. On the basis of present indications, about 3½ lakh tons of rice is likely to be available with the Centre and State Governments on 1st January, 1954.

MEDICAL COLLEGES.

581. **Shrimati Maydeo:** (a) Will the Minister of Health be pleased to state how many new Medical Degree colleges were started in India since 1947?

(b) How many of them are still unrecognised?

(c) How many States in India have Medical Degree colleges?

(d) Is the Medical College in Poona recognised by Government?

(e) If not, what are the reasons?

The Deputy Minister of Health (Shrimati Chandrasekhar): (a) Nine.

(b) Eight of these Medical Colleges are still unrecognised.

(c) Fifteen.

(d) No.

(e) The facilities for study provided at the College and the standard of examinations prescribed were investigated in October, 1952. The reports of the Inspectors were forwarded to the Poona University in January 1953 for their comments. The comments of the University were received by the Medical Council of India in June 1953, too late to be considered at the meeting of the Council held in March last. The Council will consider the matter at its next meeting in October, 1953.

आमला-परसिया लाइन पर एक मालगाड़ी

की ट्रैकर

५८२. श्री रघुनाथ सिंह : क्या रेल मंत्री यह बतलाने की कृपा करेंगे कि :

(क) क्या यह सच है कि मध्य रेलवे के नागदुर डिवीजन की आमला-परसिया लाइन पर २२ अगस्त, १९५३ को एक मालगाड़ी एक इंजन से टकरा गयी, जिसके कालस्वरूप छ: डिव्हे पलट गये और चार डिव्हे पटरी से उतर गये ;

(ख) यदि यह सच है, तो दुर्घटना का कारण, तथा

(ग) क्या कोई हताहत हुआ और यदि हो, तो कितने ?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) about 14.45 hours on 22-8-53 No. 790 Up Goods train collided head-on with a Down Light engine between Bordhai and Nawegaon stations on the Amla-Parasia Branch Line. This resulted in the derailment of both the engines as also of nine wagons next to the engine of the Goods train, of which the first six capsized. The tenth wagon was damaged.

(b) The cause of the accident will be known on receipt of the Report of the Government Inspector of Railways who has held an enquiry into it.

(c) The driver and the two firemen of the Goods train were injured, the former grievously.

COMBINED TICKETS

583. **Shri M. L. Agrawal:** (a) Will the Minister of Railways be pleased to state what are the rules for the issue of combined tickets both as regards the various classes of accommodation and of trains viz. Mail, Express or Ordinary?

(b) Does the rule vary from Zone to Zone or is the same for all the six Zones?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). The General Rule provides that combined tickets are only to be issued where the same class of accommodation is not available throughout the railway portion of a journey. The subsidiary rules on all the Railways except the Southern Railway provide for the issue of combined tickets also when one part of the journey has to be performed by Mail/Express trains and the remainder by ordinary trains. On the Southern Railway combined Mail/Express and Ordinary tickets are issued in local booking only; in the case of booking with other Railways, tickets

are issued either available by Mail/
Express or by Ordinary trains.

**IMPORT OF COLOURING MATERIALS FOR
VEGETABLE OILS**

584. Pandit Thakur Das Bhargava:
Will the Minister of Food and Agriculture be pleased to state how much in quantity and of what value the colours and the scents used for colouring and giving ghee aroma to vanaspati, were imported during the period from 15th August 1947 to 31st March 1948 and the financial years 1948-49 to 1951-52?

The Minister of Food and Agriculture (Shri Kidwai): The information is being collected.

WILLINGDON HOSPITAL, NEW DELHI

585. Shri Jhulan Sinha: Will the Minister of Health be pleased to state what is the position at present in regard to the taking over and expansion of Willingdon Hospital, New Delhi?

The Deputy Minister of Health (Shri mati Chandrasekhar): The views of the New Delhi Municipal Committee and the Delhi State Government who have been consulted in the matter have been received and the question is now being examined in the light of these views.

— — —

THE
PARLIAMENTARY DEBATES
Dated.....24.11.201

(Part II—Proceedings other than Questions and Answers)
OFFICIAL REPORT

2585

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HOUSE OF THE PEOPLE

Monday, 7th September, 1953

The House met at a Quarter Past
Eight of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

9-32 A.M.

PAPERS LAID ON THE TABLE

STATEMENTS SHOWING ACTION TAKEN BY
GOVERNMENT ON VARIOUS ASSURANCES
ETC.

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): I beg to lay on the Table the following statements showing the action taken by the Government on various assurances, promises and undertakings given during the various sessions shown against each:—

- (1) Supplementary Statement No. IV—Third Session, 1953 of the House of the People [See Appendix VIII, Annexure No. 1]
- (2) Supplementary Statement No. V—Second Session, 1952 of House of the People. [See Appendix VIII, Annexure No. 2]
- (3) Supplementary Statement No. VI—First Session, 1952 of the House of the People. [See Appendix VIII, Annexure No. 3]
- (4) Supplementary Statement No. VI—Third Session (First

Part), 1950 of the Provisional Parliament. [See Appendix VIII, Annexure No. 4]

- (5) Supplementary Statement No. IX—First Session, 1950 of the Provisional Parliament. [See Appendix VIII, Annexure No. 5]

ESTATE DUTY BILL—Contd.

Clause 30.—(Allowance for quick succession etc.)

Mr. Deputy-Speaker: The House will now take up further consideration of the Bill to provide for the levy and collection of an estate duty. The House has disposed of clauses 2 to 29. We will now take up clause 30. But before the House starts discussing, let me say we have done one stage, namely, the group of clauses from 2 to 29. The first group having been disposed of, we shall take up clauses 30 to 34 which the Sub-Committee of the Business Advisory Committee has recommended as the second group. This is for three days plus two afternoon sittings, the afternoon sitting on the second day being compulsory and on the third day, if necessary.

Shri S. S. More (Sholapur): May I know whether the Schedule under Clause 34 will be included?

Mr. Deputy-Speaker: Clauses 30 to 34 and the Schedule all go together. Now hon. Members will indicate if they want to move their amendments on clause 30.

The Minister of Finance (Shri C. D. Deshmukh): I beg to move:

In page 18, line 40, for "ten" substitute "thirty".

Shri G. D. Somani (Nagaur-Pali):
I beg to move:

In pages 18 and 19, for clause 30, substitute—

"30. Allowance for quick succession.—Where the Board is satisfied that the estate duty has become payable on any property passing upon the death of any person and that subsequently estate duty has again become payable on the same property or any part thereof passing on the death of the person to whom the property passed on the first death, the amount of estate duty payable on the second death in respect of the property so passing, shall be reduced as follows:

Where the second death occurs within five years of the first death, by hundred per cent;

Where the second death occurs within six years of the 1st death, by fifty per cent;

Where the second death occurs within seven years of the first death, by fifty per cent;

Where the second death occurs within eight years of the first death, by thirty per cent;

Where the second death occurs within nine years of the first death, by twenty per cent;

Where the second death occurs within ten years of the first death, by ten per cent;

Provided that where the value on which the duty is payable on the second death exceeds the value of the property on which the duty was payable on the first death, the latter value shall be substituted for the former for the purpose of calculating the amount of duty on which the reduction under this section is to be calculated.

Explanation—For the purpose of this section every death shall be deemed to be a second death in relation to the death immediately preceding."

Shri V. P. Nayar (Chirayinkil):
Sir, I beg to move:

In page 18, line 27,—

for "Where" substitute "During a national emergency when".

Shri Mulchand Dube (Farrukhabad Distt.—North): I beg to move:

(1) In page 18, line 29,—

after "passing" insert "or deemed to pass".

(2) In page 18, line 31,—

after "passing" insert "or deemed to pass".

Shri Shobha Ram (Alwar): I beg to move:

In page 18, for lines 35 to 44, substitute—

"Where the second death occurs within two years of the first death, by fifty per cent;

Where the second death occurs within three years of the first death, by thirty-seven and a half per cent;

Where the second death occurs within four years of the first death, by twenty-five per cent;

Where the second death occurs within five years of the first death, by twelve and a half per cent".

Shri S. V. Ramaswamy (Salem): I beg to move:

In page 18, omit lines 35 to 38.

Shri U. M. Trivedi (Chittor): I beg to move:

In page 18,—

(i) line 35, for "one year" substitute "three years"

(ii) line 36, for "by fifty per cent" substitute "no duty shall be levied"

(iii) omit lines 37 to 40.

Shri H. G. Vaishnav (Ambad): I beg to move:

(1) In page 18, line 36, for "by fifty per cent" substitute "no estate duty shall be payable".

(2) In page 18, line 38, for "forty per cent" substitute "fifty per cent".

(3) In page 18, line 40, for "ten per cent" substitute "forty per cent".

(4) In page 18, line 42, for "twenty per cent" substitute "thirty per cent".

(5) In page 18, line 44, for "ten per cent" substitute "twenty per cent".

Shri Jhulan Sinha (Saran North): I beg to move:

(1) In page 18, line 40, for "ten per cent" substitute "thirty per cent".

(2) In page 18, omit lines 39 and 40.

Shri Krishna Chandra (Mathura Distt.—West): I beg to move:

In page 18, line 40, for "ten per cent" substitute "thirty per cent".

Shri S. V. Ramaswamy: I beg to move:

In page 18, line 40, for "ten" substitute "fifty".

Shri Krishna Chandra: I beg to move:

In page 18, line 40, for "ten" substitute "thirty".

Shri Sinahasan Singh (Gorakhpur Distt.—South): I beg to move:

In page 18, line 40, for "ten" substitute "thirty".

Shri U. M. Trivedi: Sir, I beg to move:

In page 18, line 42, for "twenty per cent" substitute "fifty per cent".

Shri S. V. Ramaswamy: Sir, I beg to move:

In page 18, line 42, for "twenty" substitute "forty".

Shri U. M. Trivedi: Sir, I beg to move:

In page 18, line 44, for "ten per cent" substitute "thirty per cent".

Shri S. V. Ramaswamy: Sir, I beg to move:

In page 18, line 44, for "ten" substitute "twenty".

Shri Shobha Ram: I beg to move:

In page 19,

(i) line 5, for "three months" substitute "one year"; and

(ii) line 9, for "three months" substitute "one year".

Shri C. R. Iyyunni (Trichur): Sir, I beg to move:

In page 19, line 5, for "three months" substitute "one year".

Shri Telkikar (Nanded): Sir, I beg to move:

In page 19, lines 5 and 9, for "three months" substitute "six months".

Shri U. M. Trivedi: Sir, I beg to say:

In page 19, lines 7 to 9 omit—

"and no estate duty shall again be payable on the same property by reason of the subsequent deaths occurring within the said period of three months".

Shri C. R. Iyyunni: Sir, I beg to move:

In page 19, line 9, for "three months" substitute "one year".

Shri K. K. Basu (Diamond Harbour): Sir, I beg to move:

In page 19, after line 9, insert—

"Explanation 3—Notwithstanding any provision in any other section of the Act, the property for the purpose of this section

[**Shri K. K. Basu]**

includes agricultural land and implements, one family dwelling house and such industry as Parliament may by law prescribe."

Mr. Deputy-Speaker: I will first call upon the Finance Minister to speak upon his amendment, and then the other hon. Members.

Shri C. D. Deshmukh: Sir, my amendment No. 528 is to this effect that—

In page 18, line 40, for "ten" substitute "thirty".

It should have been fifty, forty, thirty, twenty and ten. But somehow by a typing mistake this has crept in originally and it has been perpetuated in subsequent versions of the Bill. We are very sorry we did not spot it at an earlier stage.

Shri U. M. Trivedi: In view of that I would withdraw my amendment No. 83.

Mr. Deputy-Speaker: I would come to the withdrawals later on.

The question is:

In page 18, line 40, for "ten" substitute "thirty".

The motion was adopted.

Shri Sinhasan Singh: In view of this I would also like to withdraw my amendment No. 529.

Mr. Deputy-Speaker: I will come to withdrawals later. Mr. Somani. Does the hon. Member want to speak on his amendment? Instead of my asking hon. Members—I am not very much interested!—any hon. Member who wants to speak on his amendment may get up.

Shri G. D. Somani: Mr. Deputy-Speaker, Sir, I do not want to take very long. My amendment is quite obvious. Conditions in our country are different from those in U.K. from whose Act this clause has been taken.

The rate of mortality is quite high in our country and it is quite essential that the relief in quick succession should be adequate. I therefore commend my amendment for the acceptance of the House.

Shri Krishna Chandra: Mr. Deputy-Speaker, concessions have been allowed in this clause on the basis of quick successions. It is alleged that as the concessions embodied in this clause are on the lines of the U. K. Act they would not serve the purpose in this country where the mortality rate is higher. Sir, I feel this argument can lead us the other way. If the mortality rate in England is lower than it is clear that death succeeds death than at a longer interval in the normal course. Therefore, if the concessions allowed in England are to prevail,—and they have been prevailing—the exchequer there is not put to so much loss because, there it is not a normal factor. It is an abnormal factor. Mostly, the concessions there remain a dead letter. But, as has been said, the mortality rate in this country is much higher and normally deaths will occur here more quickly. Therefore, the concessions allowed in this clause will be substantial and will mean a substantial loss to the revenue. I therefore urge that none of these amendments should be accepted.

Secondly, these arguments of mortality rate do not lead us anywhere. If the mortality is higher in this country, than in England, it does not mean that deaths will succeed here much quicker. If the mortality rate is higher, it will be higher for all deaths. If the interval between one birth and another birth in England is higher, than, the interval between one birth and another birth in this country, it is clear that deaths in England normally will follow each other at longer intervals and in this country they will follow at shorter intervals. Sons here are born at an interval of 1½ years or 2 years generally. In England, they are born at longer intervals. So, in England,

deaths follow each other at longer intervals. There is a gap of more than 2 or 3 years normally in England. Here, in this country, the gap will be not more than 1½ years. If we allow these concessions, which are allowed in England, in this country, then, I am afraid we will lose much more revenue than England is losing because here, in the course of 5 years, there are bound to be successive deaths and in the case of almost each family, this concession will be availed of, and we will be losing a good deal. Therefore, the logic that as the mortality rate in this country is higher, the concessions allowed here must be larger, and that if in England, concessions have been allowed for deaths within 5 years, in this country concessions should be allowed for deaths within ten years, leads us nowhere and therefore, this argument is of no use.

Shri C. D. Pande (Naini Tal Distt. cum Almora Distt.—South West cum Bareilly Distt.—North): I think, Sir, Mr. Krishna Chandra has totally misunderstood the position in this country. There is no joint family system there as it is in India. If there are 4 or 5 sons in one family, it is likely that there will be more deaths. Though they have property in their own names, the properties are joint and if this concession is not allowed, there will be a great hardship on account of quick deaths. In England, deaths from father to son, generation to generation is counted. Here, even in one generation of 4 brothers, deaths will occur more quickly than in England.

Shri U. M. Trivedi: The amendments which have been moved to this clause 30 are quite reasonable;—I say all the amendments—practically every one has thought on reasonable lines. The hon. Finance Minister by his amendment has agreed to change this 10 per cent. in line 40 where the second death occurs within three years of the first death, (*An hon. Member: A mistake*)—mistake or no mistake. We must not say that it is a mistake;

twice it has occurred, in the Bill; in the Select Committee's report it is there. It was deliberate. Anyhow, he has considered and he has agreed to take it 30 per cent.

Similarly, in the Select Committee also, a great majority of the Members, I do not say, an absolute majority, but a big majority had suggested that where the second death occurs within 3 years there should be no duty. The period of one year is very small. So far as the second death is concerned, the argument that has been advanced by the various dissenting notes is that we have simply copied the Act as it stood in the U.K. We have not seen our own local conditions. We have not studied our local conditions. The mortality rate is very high in India and the way of living of the people is entirely of a different type. We know that generally it is the Mitakshara school which is going to be affected by this quick succession clause. I must say that I do not agree,—I must be honest about it—that if this provision is applied to those governed by the Dayabhaga system it will affect them or those who do not belong to the Hindu religion. We have already made a great concession in favour of the Dayabhaga system. A great majority of the people living in this country follow the Mitakshara system. When the question of giving some relief to the Mitakshara system was considered, we ruled it out. At least, we were hard hearted enough not to pay any attention to the demand. My contention then was, and even today is, that we are unnecessarily taxing a Mitakshara young boy of 18 when he dies. At the same time, we go to that very family again if another boy of 19 dies. Just one year later, we go again and tax him. Then a third boy dies at the age of 21 within another one year. We are going to tax him again. This sort of thing must be stopped. We have been very kind to the Dayabhaga system; we have been very kind to Mohammedans, Christians, Parsis and Jews. What wrong have the Mitakshara people done? We are concentrating all our efforts some-

[Shri U. M. Trivedi]

how or other to do injury to those, if I may say so, for whose benefit, this whole State has been established. We are going to do greater harm to them by putting in this quick succession clause 30. We will be taxing them even if the death occurs within one year of the first death. The only relief that we are going to grant is 50 per cent. My suggestion is that where the second death occurs within three years of the first death, there should be no duty levied. For three years at least, there must be a solatium to those who are losing the earning members of their families. It is not going to be so in the case of the Dayabhaga system. Let us take a small example. There is no question of quick succession in the same family. It will not be the same type of family as we have under the Mitakshara school. There all the families are divided and separate. The same thing will happen with Mohammedans and Christians and Jews. In the case of a Dayabhaga family, if the father dies, his whole estate is assessed and the duty is paid. After that, if there are five sons, all the five sons are separate and the deaths that may occur may occur in the family of one of the five sons. In the case of the Mitakshara joint family, the deaths will occur in the family itself. Therefore, it will be doing greater injustice to the greater majority of the people in this country.

My suggestion, therefore, is that the question of quick succession may be considered from this angle, and there should not be any duty levied where a death occurs in the same family within three years of the first death. And if that position is accepted, I have suggested that the question of giving a relief of 40 per cent. in the case of a death occurring within two years should be omitted entirely. There should be no duty. If these two things are there, then there is the third proposition. That amendment of mine, as I have already said, has been accepted by the Finance Minister by putting in his own amendment, Amendment No. 528. Once you

accept my first proposition that no duty should be charged, that no duty should be levied, in case death occurs within three years, the other things follow as reasonable consequences of the acceptance of the first proposal, viz., that where the second death occurs within four years of the first death, then the relief given shall be 50 per cent.; if it is within five years, it would be 30 per cent.

Now, in the dissenting notes, it has been very clearly pointed out that even in a rich country like the U.S.A., the exemption for quick succession is for five years. However there is no question of quick succession there, but let us assume it for the moment—i.e., death occurring in the same family does arise there in the U.S.A. This particular position does not come before us in Japan also, but in the U.S.A. specifically we must apply our mind to the position that there also the exemption limit, i.e., the exemption period for quick succession is put down at five years. With a very low mortality and a greater longevity that is obtaining there, they have still got an exemption for five years. What can be the grounds for making any suggestion in our country for succession immediately opening up after one year of another death? We know that we have no question of succession. We have got a right of survivorship. We have cut at the very root of this survivorship and after having cut at the root of survivorship, we are bringing in another theory of this quick succession, and thereby, the result would be this. On the one hand, there would be a good deal of grief in the whole family by the death of one member of the family, another member of the family and a third member of the family. The whole family will be grieved on account of this attachment of life that is there for a family member. On the top of it, the Government would be there to pounce upon the very family, attaching the estate on every succession and taking out more money from it, and making the life of the whole family more miserable. Looked at from

this humanitarian point of view, it is not advisable for Government to do this. It is not that Government are going to get very much by this method. I do not think the Government has computed how much it would get by this method of quick succession, and how much it is going to lose. It might be losing in a whole year about one or two or five lakhs of rupees. It is immaterial in our country, in a vast country like ours where the resources are very vast, to put down this clause and cause unnecessary misery to a big number of people, whosoever may be affected thereby.

I, therefore, request the hon. Finance Minister to look into this from this angle, and not be obsessed with the things obtaining in England. It is not necessary that we should follow the method obtaining in the U. K. We have got the examples of the U.S.A. and Japan before us, and I think wherever Estate Duty is obtaining in other countries—I have not got data before me, nor am I aware of it—but I think everywhere people are reasonable enough to accept this proposition, that wherever the question of succession arises, whosoever in a family suffers by these quick deaths following in the same family should not be so much harassed by its own Government. I therefore, submit that my amendments may be accepted.

10 A.M.

Shri S. S. More: Sir, regarding the first part of Clause 30, I have got some doubts about the interpretation, and I think the Finance Minister will be pleased to clarify these doubts. I will read the particular clause and point out the place where the doubt creeps in.

"Where the Board is satisfied that estate duty has become payable on any property...passing upon the death of any person, and that subsequently within five years estate duty has again become payable on the same property or any part thereof passing on the death of the person to whom

the property passed on the first death, the amount....."

Now, I have to ask the Finance Minister, one or two positive, concrete questions. Take for instance, the case of a Mitakshara family. The father dies, leaving about half a dozen sons.

Shri K. K. Basu: Only?

Shri S. S. More: I am very modest in estimating.

Dr. Lanka Sundaram (Visakhapatnam): Not half a dozen madames?

Shri S. S. More: Now, the father's share will be going, by the right of survivorship, to his six sons—one-sixth to each. Now that one-sixth will be part of the property. Now, subsequently supposing one of the six sons dies, what will happen?

"...again become payable on the same property or any part thereof passing on the death of the person to whom the property passed....."

Here, on the death of the father, the property passed collectively to a bunch of six persons. But, one of them dies. Now, what is going to be the fate of the five persons?

Shri Gadgil (Poona Central): Will you kindly read the proviso?

Shri S. S. More: I will come to that later on as a matter of fact. Supposing now on the first death, that is the death of the father, the property is passed on to six persons. Out of these six persons, another person dies within the stipulated period for quick succession. Then, what about the other five persons? Shall they also be treated as deaths, or included in the second death, or will they not be? I think I have made myself sufficiently clear.

"...passing on the death of the person to whom the property passed..."

Now, here is not one person to whom the property has passed. The property has passed to six persons. Only

[**Shri S. S. More**]

one-sixth of the successors dies. Then, will all the six brothers or the surviving five brothers be treated as the person to whom the property has passed?

Shri Gadgil: Yes. That is, the coparcenary as such.

Shri S. S. More: Will the man who has died, one of the six who has died, be treated as the person who has passed? What will happen to the others?

Shri Gadgil: What happens in the first death will happen in the second.

Shri S. S. More: Do not rush to explanations Mr. Gadgil. Please give me a hearing. Because, what happens is this? Even after the death of the first son, some of the property passes on to the remaining five.

Shri Heda (Nizamabad): Unless he has no sons.

Shri S. S. More: I assume that. And even if he has a son, he continues to join the others.

Shri Heda: The others will not get anything.

Shri S. S. More: Supposing he dies son-less. I am taking a case which need not be confused. Supposing he dies and leaves his property in favour of the remaining five sons. How does this question of satisfaction arise? As far as the State is concerned, there is no question of satisfaction of the Board. Why should you make it dependent on the satisfaction of the Board? Death is a concrete fact on which no one need be satisfied as a matter of fact. Why that controlling, restricting clause again?

Then, there is another point which I have to bring out. It has appeared in the press, and possibly the lobbies are full of talk, that in the case of the Dayabhaga families, some conces-

sion is going to be extended, and that the exemption limit is going to be raised to a higher amount. In our effort to remove the discrimination made to the disadvantage of the *Dayabhaga* people, are we going to incorporate another discrimination to the disadvantage of the *Mitakshara* family? I have been taking a particular line all along; I am not the champion of any particular system, nor do I stand the risk of being assessed for estate duty after my death.

Mr. Deputy-Speaker: The hon. Member will be above the jurisdiction of this Act.

Shri S. S. More: Shakespeare has said that a dying man discharges all debts. I may say that a dying man may discharge all taxes also, if we can make an amendment to that effect. I have all along been stressing one point. If the discrimination is provided by the personal laws of the different sections in this country, it is the foremost and fundamental business of the Government to hold the scales even as between the various sections. In doing so, even if they are going to make some adjustment here for a particular section, it should not result in any sort of inequality in the case of another section. For this purpose, they will have to hold in their hands a very sensitive balance. If a concession is held out to one section, then it will upset the balance, and you will have to add something to the other side also to restore the balance and to remove the angularities which go to create so many discriminations. As a matter of fact, I hear that some of the sections will provoke not a united opposition from the estate-holders, but there will be some sort of sub-sectional opposition.

The *Dayabhaga* or the *Mitakshara* people will be raging their heads against some of these sections, and our Government will be between the deep sea and the devil. It is for Government to hold the scales even, and I have taken a concrete case to illustrate my point. The amendment may

be very clear to the clear thinking mind of the hon. Finance Minister, but at least we would like to be enlightened on that point.

[SHRI PATASKAR in the Chair.]

Now I come to the proviso which reads:

"Provided that where the value on which the duty is payable of the property on the second death exceeds the value on which the duty was payable of the property on the first death, the latter value shall be substituted for the former for the purpose of calculating the amount of duty on which the reduction under this section is to be calculated."

In other words, the lesser value shall be the basis for the purpose of levying the duty. Why this concession? When you have already taken cognizance of the fact of quick succession and given some percentage remissions, why do you again go ahead with your generous tendency, by putting in this particular proviso by which you create another fiction, that though during this period the property has increased in its value, due to the bazar conditions, by, say, 25 per cent., you are going to say, no, I am not going to take into consideration the 25 per cent. increase in value. I am going to stick to the original valuation?

Shri U. M. Trivedi: What about decrease?

Shri S. S. More: The decrease will see its own way, if there is any doubt. This relief is not confined to any decrease. This is a wholesale general relief, in a sweeping form. Not only is a percentage concession given, but another fiction is created in the interests of persons who are going to be assessed. By this fiction, even though there is an actual rise in prices, only the lesser value is taken into account. An increase in prices is possible for a property, if it happens that at that particular place, some development takes place, a big thoroughfare is chalked out and completed, or some railway station comes in the vicinity. Due to all these factors, the prices can

go up. Even this legitimate increase, which is brought about by certain actions taken by Government or by some other development projects being taken there, will not be taken into consideration by Government, and will not be made subject to estate duty. Why are you making this left-handed gift to the estate-holders, in addition to the concession in the percentage rates.

Arguments have been advanced on the floor of the House and also in the minutes of dissent, that our mortality rate is higher than what prevails in England. I could not get the break-up of the mortality figures for the different sections and classes in our country, such as the rich, the middle classes, and the poorer classes. We take the average when we talk about the mortality rates in India. The average in the case of the poorer classes is much higher. If you go through the mortality rates in Bombay, if you look into the health reports submitted by the officers of the Corporation regarding the persons who are residing in the slums, regarding child mortality and mortality due to other causes, among them, you will find that the rate goes up like anything. On the other hand, if you go to the Malabar Hills side, where possibly Mr. Tulsiadas Kilachand may be residing—I do not know where he is residing—you will find that the mortality rate will be so low, and the longevity may be as high as in England. My submission, therefore, is that we need not be persuaded by this argument of mortality rates. The persons who are going to be taxed under this Bill are in as happy a position as the people of England are in. Possibly the mortality rate in Malabar Hill will be on a par with that in England, so far as these persons are concerned. We need not therefore be influenced by this mortality rate argument.

Shri Nand Lal Sharma (Sikar): Mr. Tulsiadas Kilachand does not reside in Malabar Hill.

Shri S. S. More: Those who are going to be taxed live in the Malabar

[Shri S. S. More]

Hill side. In your Ram Rajya, there is no Malabar Hills, and therefore there is no question of people living on that side. These are the points, on which the hon. Finance Minister, not Mr. Gadgil—will have to apply his mind.

Shri Heda: I have nothing much to say, but at the outset I would like to narrate to this House an exchange of words that I happened to have with a rich man. I asked him when this Bill was first introduced, what the effect would be on the mortality rate amongst the richer classes. He seems to have been a good-humoured man, and he said that the will to live among the richer people would be rather increased, and so the richer people will try hard not to die early, and thus save the property from estate duty.

My point is that mortality or death is a solid fact, which we have to take into account. The question arises what should happen, if there is a succession of deaths. If there is a second death within the period of three months after the first death, practically there will be no estate duty levied on the property which has been taxed already.

Shri U. M. Trivedi: It will be levied. If death occurs within three months the saving is there.

Shri Heda: In the explanation, it is stated that

“..deaths occurring within a period of three months after the death of any person in respect of whose property estate duty has become payable, shall be treated as one death...”

Shri Sarmah (Goalghat-Jorhat): He does not pay within three months of the first death. You are right.

Shri Heda: I think I am right. Where is the question of a third death?

“In computing any period for the purposes of this section, deaths

occurring within a period of three months after the death of any person in respect of whose property estate duty has become payable, shall be treated as one death”.

Shri U. M. Trivedi: The whole thing is governed by “Where the second death occurs within one year of the first death...”

That is only a proviso.

Shri C. D. Pande: It includes three months also.

Shri Heda: The point is what sort of concessions we give in the case of the second and third deaths. In this regard, firstly, I would take the case of a widow. The seven years' period given to a widow seems, in one way, quite reasonable. But my own view is that widows, particularly in the Hindu families, should be treated more liberally. Moreover, I do not think that our Government would be benefiting much on her property. Therefore, if we make a good gesture and make a more liberal provision so far as the property that she gets after the death of her husband is concerned, I think that would be more reasonable.

Mr. Chairman: We are now considering only clause 30. He is referring to clause 31.

Shri Heda: It includes 31 also. I am taking deaths together and therefore I got into it.

Mr. Chairman: Clause 30 is being discussed now. The hon. Member may be better advised to refer to it when clause 30 is reached.

Shri Heda: Yes. So my own view is that Government should have some more liberal view on this point and see that the taxation in the initial stages is not felt. People should not feel that it is very acute; in course of time they become habituated and they will calculate that so much will go as the share of the sons and so much will

go as estate duty and so on. In course of time they will feel habituated and at that time it may be a bit more rigid than the rates which have been already proposed in this section. These rates may be introduced at some later stage. But in the beginning there should be some more liberal provision. That is my request.

Shri H. G. Vaishnav: As clause 30 stands; I think Government have accepted the principle of giving some relief in case of quick or successive deaths. I think the relief which has been granted by the Government in this clause is rather inadequate, and my amendments Nos. 377, 378, 379, 380 and 381 relate to the same clause requesting for greater relief.

Before going into those amendments, I think there is some force in the doubt raised by my friend, Mr. More. What is that doubt or ambiguity? I want to know whether it is clear or not. First of all, it is stated:

Where the second death occurs within one year, two years and so on. I want to know how the person will be taxed. Suppose a father dies leaving property worth Rs. 5 lakhs, and he has 5 sons. When the father dies, it being a joint family, his share to the extent of Rs. 1 lakh will be taxed.

An Hon. Member: Less than Rs. 1 lakh.

Shri H. G. Vaishnav: Father with 5 sons—his share will be 1/6th. Of course, he will be taxed. Then his share amounting to some Rs. 75,000 will be vested to his sons. Each son has his own share in the joint family property when the father was alive, say, about Rs. 75,000 to Rs. 80,000. Again, when the share of the father is vested in the sons, the property of each son will be rather increased by Rs. 20,000 odd. That is to say, if the son was formerly owning property Rs. 80,000, that property plus Rs. 20,000 of the father's share will be Rs. 1,00,000 after the death of the father. Then suppose within a period of one year one son dies. What will be the value of his property to be taxed according

to the reduced rate? And what will be the position when the second death occurs for the purpose of taxation? This is very important. Now, as far as the definition of 'second death' is concerned, it will be only second death in connection with the property of Rs. 20,000 which he inherited from the share of his father. But he already owns as a co-parcener property to the extent of Rs. 80,000. Now, if the definition of 'second death' is to be taken for the purpose of this clause 30, what will be the position? I want to know this from the Finance Minister. Will the 'second death', as defined in this clause mean second death—i.e. the death of the son within a period of one year from the death of his father—so far as the whole property owned by the son i.e. his previous property of Rs. 80,000 plus Rs. 20,000 which he had inherited from his father? Will the whole property worth Rs. 1,00,000 be charged as per this reduced rate shown in the table in clause 30? It that it the position, I think the clause is ambiguous. Otherwise if it is to be taken that second death relates to the extent of the share inherited by him from his father, and first death relates to his own property of Rs. 80,000 which he owned as a co-parcener—if this split is to be made—I think the taxation will be very complicated. For this purpose, I think the objection raised by my friend, Mr. More, seems to be rather a good one and it is necessary to remove ambiguity as far as this fact is concerned, i.e. definition of second death relates to what property—second death regarding the property or second death regarding the person. If it is to be taken to be second death regarding property which he has inherited from the first death, and first death as regards the physical death of the person, of course that thing will be very complicated, and for that purpose some explanation or some definition should be there as far as this clause 30 is concerned.

Now, I come to my amendments. As I have said just now, the principle of relief has been accepted, i.e. if the second death occurs within a five year

[Shri H. G. Vaishnav]

period, the tax will be less; such as no taxation: if the second death or third death occurs within three months later on 50 per cent., 40 per cent., 30 per cent. or 10 per cent. relief is provided as mentioned in the sub-clauses of clause 30.

I have submitted by my amendment that when the principle of giving relief for quick succession is accepted, it should be rather adequate and not nominal without affecting the revenue. If really relief is to be granted, it should be some good relief which in the real sense can be said as relief given for the quick succession. Therefore, what I have submitted by my first amendment is that if the second death occurs within a period of one year there should not be any tax at all and if the second death occurs after a period of two years then 50 per cent. should be taxed. If the second death occurs within three years 40 per cent. relief should be given, then 30 per cent. and later on for death occurring within five years 20 per cent. relief should be given. The purpose of my amendment is to give some adequate relief,—some relief in the real sense. If it is done, I think there will be neither hardship to the person concerned nor the Government will lose any revenue by way of quick succession.

Just as, seeing some apparent discrimination in taxation between *Dayabhaga* and *Mitakshara* families, the Finance Minister has agreed to make some changes to lessen the hardships, —if it is so done for the purpose of *Dayabhaga*, I think some relief or some concession also will have to be given to *Mitakshara* people by making some reduction; by giving some more relief in case of quick succession because the number of deaths in *Mitakshara* joint family will be many more than expected in other systems such as *Dayabhaga* or people of other religion e.g. Muslims or Christians. So if my amendment is accepted both purposes will be served i.e. giving some adequate relief in case of quick succession and lessening a

sort of discrimination which appears in case of *Mitakshara* people as far as Clause 30 is concerned.

Shri Altekar (North Satara): I would say a few words with respect to some ambiguities which, it is said, exist in the wording of this Clause. In my opinion there is no such ambiguity. So far as what share is to be taxed on the second death is concerned, the Clause is very clear and it says that the "subsequently within five years estate duty has again become payable on the same property or any part thereof passing on the death of the person to whom the property passed on the first death". If the father dies and the estate goes to his four sons and one of them dies later on what is to be taxed again for the second time is the share which has gone to that particular son of the father's interest in the property. So if the father's share was to the extent of Rs. 80,000/- the son who dies later on within a period of five years has an interest of Rs. 80,000/- of his own plus the share of the father that has come to him which is Rs. 20,000/-. According to the wording of this clause it is clear beyond any shadow of doubt that the share that has gone to him from the father's share i.e. Rs. 20,000 only is to be given that benefit of reduction; nothing more than that. The wording is very clear and in my opinion there is absolutely no doubt left as regards the particular position.

Then there was some concern expressed with respect to the Board. The matter is to be proved to the satisfaction of the Board. There are two things which are to be proved to the satisfaction of the Board: One is that when the first death occurs the property was charged and subsequently at the time of the second death whether that property is such as is within the particular sphere of being charged. The other thing is whether that particular death has occurred within that period. It is no use to say roughly that he has died within the course of

three or four years, but exact period has to be proved. These things are to be proved to the satisfaction of the Board. In my opinion this clause is quite clear in that respect and there is no ambiguity left on that point.

Shri Gadgil: Mr. Chairman, Sir, of all the points that are relevant for the consideration of any estate duty system, the most unpalatable is this part of "quick succession" and where the estate duty is never welcome the matter of quick succession is all the more repulsive, but it is unavoidable. Therefore, a system of relief has to be evolved. There cannot be any special basis for accepting any particular thing. All that can be done is only on *ad hoc* conditions.

Now whatever be the amendment that may be accepted eventually it does not in the least affect the objection raised by Mr. More. Whatever be the rates, his objection was that the difficulty in the taxation remains. Therefore, I propose, Sir, to deal with that objection. Take the example of a coparcenary where the father dies with the result that the whole property, whatever it is, after the payment of duty on that share which belonged to the father goes to the coparcenary as such. Therefore, when the second death occurs i.e. of any other coparcenary, we have to consider what is the property to be taxed and what is its relation to the first death if the second death occurs within the period stated here. Now assume the share of each coparcener while the father was alive to be X. Now on account of the death of the father it is bound to increase by Y. Then X plus Y will be the estate of the person whose death we consider to be the second death. But for the purposes of reduction the value of that property which was left by the father will be taken into consideration. That point has been made abundantly clear by Mr. Altekar. Therefore, there is no difficulty whatsoever and if my friend Mr. More understands the Clause in the light of what I have said then probably his difficulty will be removed.

Shri S. S. More: I could understand the mathematical logic of Mr. Gadgil but the point is that Clause 30 should make it specifically clear so that there is no confusion. Mr. Chairman, Sir, I would like to supplement what I said. I have taken 1 father and 6 sons in a joint family; the share of each is $1/7$. After the death of the father the sons get $1/7$ th i.e. the father's share. Split it into six parts i.e. $1/42$. That is the share which the son will now get along with the other share. Now it is the $1/42$ share of the father which has come to A and as far as the charge goes, his death for the purpose of $1/7$ th of the property is the first death, while in the case of the other $1/42$ part, it is the second death. So in order to help the assessor and remove all difficulties it will have to be brought out more clearly.

Shri Gadgil: I am glad that he accepts the logic of my mathematical formula. So far as the proviso is concerned, it is clearly stated, "for the purpose of reduction." Only that property which was left by the father could be equated with the share of the father in the joint family property. So there is no difficulty. I think there are several amendments which go up to the length of ten years and fifteen years. All these can be argued one way or the other. I honestly feel that the scheme in the clause has been evolved after very great deliberation in the Select Committee and the scheme proposed in this clause is the best. The sorrow of death is softened by the falling in of inheritance. So, whenever in our life we want something to be done very quickly, we have to pay more. Here is a proposition in which for getting things quickly, we pay less.

Shri Tulsidas (Mehsana West): I had no intention of participating in this debate. I had voiced my views already, but since I have heard the hon. Mr. More saying that mortality in the Malabar Hills is not as high as it is perhaps somewhere else. I would like to say a few words. He seems to forget that this relief will not be given

[Shri Tulsidas]

there, because mortality is not high. They will not die quick. Therefore, there is no question of relief.

Shri S. S. More: I am supporting your cause.

Shri Tulsidas: The point is.....

Shri Gadgil: At any rate, you are on the same bench today.

Shri Tulsidas: I would like to make one point clear. Somehow or other, there is a certain amount of feeling that shows how the mind runs. If I may use the word, it is perverse. Somehow or other, there is some sort of concession felt in this matter. There is no question of concession here; because, after all, nobody is going to die for getting this concession in a shorter time. I am really surprised how they think there is a concession coming here. There is a question of relief, relief to a family where there is a quick succession of death. That is the only position. Then, where is the question of concession here? In America, even though the people are much more rich than here,—this is so even in the middle class,—the people have realized that relief must be given to the extent of seven years. Perhaps in England it is not so—we do not know. But that is the fact. My hon. friend Mr. Gadgil says that it was done after great deliberation. Sir,—if I am not disclosing anything what happened in the Select Committee—there was no question of deliberation: only copying U.K. and nothing else. It is no use saying: "considered after a great deal of deliberation." It is an absolute copy of the U.K. Act. Somehow or other, I am sorry to say, whenever there is a question of any relief to be given on anything, considering the conditions of our country, then we must copy the U.K. Act! Whenever there is something in the U. K. Act which has got some little benefit to be given somewhere, or leaves something more to be done, then we forget to copy from the U.K. Act!

Let us take the example of clause 9, —normal expenditure. In U.K. there

is no mention of putting any limit. But we have put a limit. It is going to create much more hardship than is imagined. I sometimes really wonder whether Mr. Gadgil's logic or somebody else's logic works. But I do feel, Sir, that in things like this, when we are framing a new legislation, when we are having an Act like this, why do we have this mind—I mean—of having a sort of loophole here, a catch there, and so on? This is a legislation which we have to evolve in this country, and we must understand that before this legislation is understood by the people, we must do something in a manner which would be reasonable, and in consonance with our conditions here. I feel very strongly about this clause. There is no question of concession, but of relief. We know that in the families where there is a quick succession of death, there is a catastrophe. Here again, on top of it, there is another question of taking whatever he has in the family. You very well realise, when there is a death in a family, what takes place. It is a complete disorganisation of the family. There is a certain amount of trouble, and it takes time before it settles down. Then there is another member in the family who dies. It again comes to the same thing. It will take two years for the property of the first person, who died, to be taxed. Therefore, it is not a question of concession. It is more to be looked upon from the administrative point of view. From the administrative point of view it would be necessary that the period should have been increased. I do not understand when Mr. Gadgil says that it has been done after great deliberations. There is no question of deliberations. I feel it is really not a question of concession. Somehow or other, there is some misunderstanding that there is a concession in this. Thank you.

Shri K. K. Basu: I have moved an amendment—No. 450—to this clause to put in an explanation defining the property which should come under the purview of this particular section which

we are discussing today. Before I come to my amendment, I would like to answer Mr. Kilachand about an expression that we have just copied from the U.K. Act. I have a very strong case for it. He tries to justify the point of view by the new proviso we have added to clause 9 wherein we have restricted or limited the gift for marriages, for normal expenditure, to Rs. 5,000. I would like to remind him that in the same clause under the U.K. Act, the period for making this gift to be left out of the purview of this particular provision is five years: whereas here we put in two years. Now, we have always tried to say that it is a new thing in our country and so we should follow from where 75 years back England began. In that event, of course if you extend the logic further, possibly Mr. Kilachand will say that even for the industrial development let us go to that period of British history when the industrial revolution first came three centuries back, with all those machines and with all that advantage of colonialism that developed there. What I feel, Sir, is that it is true our judicial system and largely our fiscal system is dependent on the British model, because of our past history and our connection with the British system. But you know our point of view about the British assets and all such things. What I feel is that it is certainly true that we want a change from many of the British institutions and British legacies that are harmful to the interests of the nation. But we are certainly willing to copy or take from the pages of their legal system, not, as I said, in the way in which we used to do in those days, not for the weight of its authority but for its weight of wisdom. But if you find from the experience of 75 years, how they do it, we might well adopt those aspects which we feel would be good for the improvement of our country and also for the purpose of achieving the ideals which our Constitution has placed before the people. Therefore, I do not find there is any harm even if we copied the British system, at least from their enactments as they are.

Whether it has been done after much deliberation or for just providing it, it is very difficult to say, because in this House, there are a large number of Members who have dealt with the matter possibly at length and which Mr. Kilachand thought should have been so. As the Finance Minister said the other day, actually the Bill was originally drafted by one of the greatest jurists of our country, and I think he did not just copy like a clerk in the office. Possibly he applied all his mind with whatever judicial training he had. Then, it was pointed out that this is a popular concession. I do not know whether it is a popular concession or not, because it will affect only the richer classes. Naturally this taxation is on those people who have enough wealth and who can afford to pay. I do not wish at this stage to go into the rate of mortality in the different social strata of our country, because we wish, whether rich or poor all should live long. Because of the peculiar economic condition of our country one class of people may be at an advantage than the other. The intention of this particular provision is to give certain concessions in the case of death in quick succession. Therefore, if the wealthy people are not so crafty as to give away their property either by way of gift or trust, possibly they can take advantage of this particular provision. About the other people nobody can say when the second death will occur after the first death. So this clause is meant for those people who will be liable to be taxed and who will have some surplus money after meeting all their expenses. Sir, I do not wish to elaborate, as my friend Mr. More did, but whoever dies in quick succession will get the benefit of this provision.

The other point raised—which has already been answered by Kakasahib Gadgil—is about the interpretation of property and also that it is harsh and discriminating to the Mitakshara system. Sir, property has been defined in two ways, as in the case of the coparcenary interest and as in the case of separate or other absolute interest.

[Shri K. K. Basu]

But I do not think this clause is ambiguous and I do hope the administration and the judiciary will be in a position to interpret it correctly. Of course, as Mr. More suggested possibly for extra caution or greater clarification in the last sentence we might add 'in respect of property or part of the property so passing shall be deduced as follows.' But I do not think it is necessary. But in view of the doubt that has been raised by a certain section of the House, the hon. the Finance Minister may perhaps consider whether the incorporation of this provision is necessary.

Then, Sir, I want to say a few words about my own amendment. In the original Bill that was discussed in the House and which was adapted from the United Kingdom Act, the definition of property was not so wide. It was only restricted to the agricultural land and business. Now we want to extend it to all classes of property that a person holds. In view of the peculiar economy of our country, which is essentially feudal. I am very doubtful whether this type of concession should be extended to all classes of property. We know, Sir, that in our country there are persons who possess a lot of black-market money and delight in hoarding wealth and jewellery made of gold and silver. We do not, in the interest of the nation, wish such wealth should be given any concession. We feel that the taxation policy of the Government should be framed in such a way that in the long run all this hoarded wealth of feudal lords should be ploughed back for the industrial development and advancement of the country.

The explanation which I seek to add by my amendment reads:

"Notwithstanding any provision in any other section of this Act, property for the purpose of exemption includes agricultural land and implements, one family dwelling house and such industries as Parliament may by law prescribe."

I want that concession should be extended in such a way that there is

no impediment on the creation of wealth, or there is hardship in the case of marginal cases and also on account of the sentimental value attached to family dwelling houses. Our country is, essentially an agricultural country and we have to make concessions to the agricultural community for the increase of our national wealth. I do not also want to put any check on the growth of industries. That is why I have said 'such industries as Parliament may by law prescribe'. I do not want the industries which have grown up to be adversely affected by quick deaths. Therefore, I have tried to distinguish these three classes of property from other types of property. No concessions should be extended to any other kind of property. We know that on account of the peculiar economic condition of our country a large section of people take pleasure in hoarding wealth in the form of jewels or silver or gold utensils which have no value to the community and which are of no service to the nation. By giving further concessions under this clause we are positively and consciously not making efforts to bring all this hoarded wealth to the service of the community.

I want the House and the Finance Minister to give consideration to my proposal because by our taxation policy we must make a conscious effort to do away with the 'feudal' character of our economy and see that all the hoarded wealth in the country is utilised for the development of the nation. Whatever money we get out of this measure we intend utilising for developmental purposes. It is therefore very necessary that our policy must reflect the mind which guided us in bringing forward this measure. I, therefore, request the Finance Minister to consider my proposition with a reasonable and open mind to which he is usually accustomed.

Mr. Chairman: I think the matter has been sufficiently discussed. The clause is a simple one and I think all aspects have been placed before the House.

Shri Shobha Ram: We are discussing clause 30 which deals with allowances for quick succession to property. My hon. friend Mr. Trivedi has thrown some light on this point; but I do not agree with him *in toto*. There are two fundamental things in this clause; firstly the clause deals with the allowance which is extended for a period of five years.

Secondly, the Select Committee while introducing Explanation No. 2, had pointed out that deaths occurring within a period of three months after the death of any person should be treated as one death. Therefore, there should be no double taxation on that property. The basic question comes whether the period of three months which has been given under Explanation No. 2 is quite sufficient or not. When deaths take place in quick succession and it is demanded that some concession should be made in the case of immediate succession, then we ought to see the propriety on the basis of judgment, equity and fairness to the people. So far as the question of finances is concerned, I don't know if the period of three months is raised to one year it is going to naturally affect the total duty of the country. My amendment No. 85 lays down that instead of three months it must be one year. It is very difficult to argue whether three months is more suitable or one year is more suitable, it is a question of judgment and propriety of the enactment. Three months, in my humble opinion, is no period at all. It must be at least one year and I don't want to quote other countries for its extension to three years or five years. A period of one year in our country is a very reasonable period. After four months if a man has to pay double duty, then naturally he feels the burden. The second amendment No. 68 is a consequential amendment of amendment No. 85, which deals with Explanation No. 2. The second point which I just referred to, *viz.* that the allowance has been extended over a period of five years, I also agree to it and I say that the period should be extended to 5 years.

If the duty in case of deaths occurring within a period of one year is exempted naturally we have got only four years for the allowances to be made. Therefore my amendment No. 68 runs as follows:

"Where the second death occurs within two years of the first death, by fifty per cent:

Where the second death occurs within four years of the first death, by 37½ per cent:

Where the second death occurs within four years of the first death, by 25 per cent:

Where the second death occurs within five years of the first death, by 12½ per cent."

That means that the concession period has not been extended. It has remained at five years and within these five years, for the first year no duty shall be levied. So far as the remaining four years are concerned, the duty is reduced by 12½ per cent. every year, which, I think, is more reasonable. I don't agree with the argument advanced by Kaka Sahib Gadgil that the sorrow of death is rather softened by the inheritance. There are so many factors by which the sorrow of death can be softened—might be due to a second marriage. Having regard to the sentiment of the nation, we are not to make any enactment which affects very broadly the sentiment. We have also to keep in view the finances of our country. If they are reduced or lessened to a great extent, naturally we will not care for the sentiment of the people also. If I mistake not, if a period of one year is totally exempted under Explanation No. 2, it will hardly have any financial effect—it cannot be more than half per cent. These are my amendments and I appeal to the hon. the Finance Minister to kindly look into them and be good enough to accept them.

11 A.M.

Shri V. P. Nayar: Mr. Chairman, there is some danger in this provision as a whole because I presume that

[Shri V. P. Nayar]

relief in cases of quick succession is to be granted, so that there may not be a complete depletion in the productive economy of the land. I suppose Mr. Deshmukh also hinted to in his speech, but, Sir, one point has been completely missed in this section, and that is, this Section which affords relief on the basis that the productive economy should not be disturbed, is likely to be taken advantage of in the case of properties which are not productive at all. I think Government have a genuine fear that what is obtained by the levy of estate duty will not be invested in productive means to compensate on one side. If the Government do not have a genuine fear, I do not think that a provision like this is at all necessary. One can understand that some relief is given on successive taxation in the case of a national emergency, but one cannot understand why this concession should be given as a rule in case of successive deaths, when we know as a matter of fact, that all the investments are not in productive business alone. There is some tendency on the part of some people to invest money on the least productive property. As the House knows and the Finance Minister knows, that money or property is not invested always in productive business. For example, there are several rich people who own thousands of acres of land which they do not either cultivate themselves, or give to people who do not have land and who wish to cultivate. This rule will be advantageous to such persons. In this connection I would like to read out a passage, not from any one of our economists but from an economist whom Mr. Deshmukh, I am sure would also like to hear. I am reading from page 232 of the book, "Public Finance" by Ursula K. Hicks.

"If capital taxes are not accompanied by a compensatory increase in real investment they may lead to "capital consumption"—a deterioration in the community's provision for the future, relative to its provision for the

present. This will only happen if saving, equal in value to the taxpayer's loss of capital does not take place somewhere else in the community—"

Here is a case where Government wants to give some relief, but I think, Sir, some means ought to be found, by which we can completely exclude this non-productive property from the benefit of such relief. Personally I think, Sir, that such exemption is necessary only in the case of a national emergency as otherwise there will be a tendency for the rich to invest in non-productive properties. I am not going to get into the controversy whether the rich man at Malabar Hill dies less frequently than the rich man at another place. My point is that there will be a tendency for the people somehow to avoid the duty and we know especially that the richest classes of people will not give this duty to Government, and it will be a source of encouragement to such people to further invest their money on non-productive business in order to get advantage of this provision.

Shri C. R. Iyyunni: Nos. 436, 437 and 438 are the three amendments that I have tabled to Clause 30.

One observation I have to make is that when the taxation measure is to be passed in this House, it is absolutely necessary that the economic condition of the people should be looked into. It is true that there are various measures of taxation in highly industrialised countries in the world. That does not necessarily mean that in a country, where the economy is not very much developed the same thing should be adopted. What is it that this Explanation seeks to provide? In the case of a second death taking place within three months, that is ninety days, it is exempt from duty. In respect of those properties on which duty has been paid and on which duty has again to be paid within three months, then exemption is granted. But if a member of the family who inherits the property dies on the 91st day, in that

case that property will be liable to pay a duty according to the schedule. That is, only 50 per cent. reduction is granted. What I submit is that in a country where the Public Health Department has not come up to its height, where the rate of mortality is higher than in any other country—perhaps it is the highest in the whole world—certainly it is absolutely necessary that the period should be a bit further extended from three months. My submission is it should be extended to one year.

Shri Punnoose (Alleppey): Is the hon. Member aware that the mortality rate is miserably low among the rich?

Shri C. R. Iyyunni: To my mind I do not think there is any statistics with regard to the rate of mortality among the rich?

Mr. Chairman: I think that has a remote bearing on this!

Shri C. R. Iyyunni: I am talking as far as the whole country is concerned. What I am submitting is that even in countries like U.S.A., Japan and so on the period is much more than three months. Sometimes it goes up to two years or three, four or five years. According to clause 30 of this Bill it is only three months. If in the same family another member who has inherited the property dies within one year there need not be duty leviable on that property. The duty has already been paid within that year.

With regard to the other matter there is only some slight change in the rate that I have submitted. The Finance Minister may consider it and accept it because after all the difference is very little. And if he does it, certainly the people will appreciate it very much.

Mr. Chairman: I shall now call upon the Finance Minister.

Shri R. K. Chaudhury (Gauhati): I want to say a few words.

Mr. Chairman: I hope the hon. Member will add something new. I want

to make one announcement before the hon. Member begins. Originally three days were fixed for the discussion of clauses 30—34, and we were going to have an afternoon sitting tomorrow and, if necessary, day after tomorrow. But instead of that it is proposed that we make a change and meet this afternoon. Tomorrow we *may* sit in the afternoon, if necessary. Because, at least so far as I have been able to see from the discussion of clause 30, we are bound to finish it by tomorrow. And we have three days for these five clauses, 30—34. So we might dispense with tomorrow's afternoon session.

Shri R. K. Chaudhury: I am very glad to know that my hon. friend the Finance Minister is shortly going to visit the poor province of Assam. And I do not depend on the newspaper or the press for this information, I had it first-hand from his host and I am glad...

Mr. Chairman: I think the hon. Member might avoid these things because the other Members may not have much interest in them.

Shri R. K. Chaudhury: If he had only visited my province before this Estate Duty Bill was brought before this House, not only the hon. Members of the House but also the hon. Finance Minister would have been persuaded to accept an amendment like this:

"That the Act shall extend to the whole of India excepting the State of Jammu and Kashmir and the State of Assam".

Shri Punnoose: Because the mortality rate is very high in Assam?

Shri R. K. Chaudhury: Yes, I was coming to that. Then he would have been convinced that in a State like Assam where the rate of mortality is very high it would be futile, it would be unnecessary to subject the people of the province to the harassments which are usual...

Shri A. M. Thomas (Ernakulam): What is the birth rate?

Shri B. K. Chaudhury: I may tell this to my hon. friend that if we are to counteract the rate of mortality by the birth rate I will have to invite my hon. friend to come and live there. I hope he would gladly accept it because after all Assam may be poor in various respects but it is not poor in beauty or its womenfolk.

I was saying that in that State the mortality rate is indeed very high. Kala-azar in spite of Dr. Brahmachari's injections, sweeps absolutely clean village after village of its population. Cholera takes a very large toll every year. Not to speak of kala-azar and cholera, ordinary malaria claims a large number of victims. If the hon. Health Minister was here, I would have charged her of being too obliging to the hon. Finance Minister in order to let death stalk freely in the part of the country which is known as Assam. If he stays there a little more time,—I hope he will not stay there many days and will not visit any place other than Shillong—he will be infected with malaria at once, unless he takes the precaution of taking a dose of quinine every day. That is what happened to Pandit Thakur Das Bhargava. He was there for seven days and when he came back, he came with shivering fever. This is the state of that part of the country. I submit, in a place where numerous deaths occur in the same family within one year, some exemptions should be made in favour of Assam. As a matter of fact, I would say that the whole of India is almost on the same footing from this point of view. At least one year's time should be granted. Even for *Adya shraddha* one year is taken. I do not know whether the Finance Minister claims to be a Brahmin or not. But, I think this estate duty is a vendetta on the action of those Hindus who are not paying their proper duty to their priests at the time of death. They are not paying the proper duty. In order to have a revenge on those classes of Hindus who do not observe the annual funeral ceremonies, this Bill has come, which wants to take much more than what the Brahmin would have taken.

Dr. Krishnaswami (Kancheepuram): What does it mean?

Shri R. K. Chaudhury: I do not know if that custom is prevalent in the part of the country of my hon. friend. But, here, not only according to custom, but according to religion also, funeral ceremonies, and *adya shraddha* have to be performed and sometimes the rich people have to pay something like Rs. 10,000 or Rs. 20,000, at the time of the ceremonies.

Mr. Chairman: The hon. Member will please come to the clause under discussion.

Shri R. K. Chaudhury: My point is that at least for one year exemption ought to have been granted, which even a Brahmin should allow. If at least within one year, another death takes place, exemption should be granted. That must at least be conceded. Particularly I again request the Finance Minister to have such safeguards in this Bill which would protect the ordinary person of moderate means. We should enable him to fight against the estate duty. Once you are assessed, it is very difficult to get rid of that assessment. Once you are on the border line of assessment, it always happens that you are subjected to assessment and you do not get any relief.

श्री एन० एल० जोशी (इन्दौर) :
मैं एक सवाल पूछना चाहता हूँ। एक सफाई चाहता हूँ, और वह यह है कि क्या एक संयुक्त कुटुम्ब में सरबाइवरशिप के आधार पर विरासत में मिली हुई ५० हजार से कम मूल्य की आयदाद पर भी दूसरी मूल्य के सम मूल्य कर लग जायेगा, या उसे मुक्त माना जायेगा ?

Shri C. D. Deshmukh: The last speaker from Assam spoke of the border line of assessment. All I know is that his observations were more or less on the border line of relevancy. Many of the considerations which he advanced were of an embarrassingly

personal nature and I do not think they call for any reply. There is only one point which he has raised and that is the possibility of making a distinction between one State and another on the basis of rates of mortality. I think the House will agree that this is a principle which we could not possibly accept, because, then we would plunge into the unplumbed depths of complexity, not to speak of possible discrimination.

In regard to the bulk of the amendments, roughly there are two categories. One goes to the root of the matter, in regard to the socio-economic principles that are imagined to govern this particular clause. Many of the arguments which have been used by Mr. V. P. Nayar would affect the whole pattern of the Bill and not particularly this clause itself. That is to say, if one has to encourage capital formation or savings or investment, that is a point of view that would have to be kept in mind throughout, and not with reference to just one clause which seeks to temper the wind to the shorn lamb.

There is the amendment No. 450 of Mr. K. K. Basu. Here again, I should say that the motive force behind this clause is not financial or socio-economic considerations so much as administrative and psychological. The administrative consideration is this. When we have once given a comprehensive definition of property in sub-clause 15 of clause 2, if on account of the impact of this levy on the Hindu undivided family, there are bound to be various complications, some of which were referred to by Mr. More, we do not consider it worth while to add to them by enacting a separate definition of property for the purpose of this clause. There is, of course, some authority for this, in the sense that in the U.K. this kind of relief which we are giving by this clause 30 is confined to land or business and not to all property. But, here, in this country, we have to take note of the psychological atmosphere. That is to say, when the tax-gatherer enters the house

struck by death and deep in mourning, possibly, there would be far greater repercussions than in a country like the U.K. I do not quite agree with Mr. Gadgil when he says that the joy of inheritance...

Shri Gadgil: I put it negatively: sorrow of death is softened by the inheritance.

Shri C. D. Deshmukh: I would like to put it this way: when the satisfaction of succession is spoiled by sadness or sorrow, we want to soften it by this clause in regard to quick succession. Therefore, I think this clause is intended to apply when, shall we say, the scythe of the reaper moves a bit more rapidly than normally.

That brings me to the question of mortality rates. I have some figures here. But, they are not with reference to Mr. More's query. These figures refer to a point made by some other hon. Member there. In India, deaths under one year, in a thousand, is 101.2; in UK 32.7; France 58.1; in USA 34.1. There is a very large difference.

Shri R. K. Chaudhury: On a point of information, Sir, is the Government going to give us any concession or allowance on account of births in a family, just as they do in other countries in the West, so that they may be counter-acting on each other?

Shri C. D. Deshmukh: We are not concerned here with the birth rate. This is a death duty and not a birth duty.

Shri R. K. Chaudhury: It is an one-sided affair.

Shri S. S. More: Not a birth prize.

Mr. Chairman: We are concerned with death duty here.

Shri C. D. Deshmukh: I was going to say that when the expectation of life in India is 29 or 30 years as against 55 or 60 in other countries, statistics are coloured very largely by the huge mortality in this country of children under one year. Then, in the age group 1 to 19, our figures are also

[Shri C. D. Deshmukh]

very high. Death among adolescents is 11.1 in India, 1.1 in the United Kingdom; France 1.6, U.S.A. 0.9. Then, in the age group 20 to 49, we have 8.6 for India, 2.7 for U.K., 3.4 and 3.2 for France and U.S.A. So, although one might say that the relative difference still continues, the absolute figures are so small, that one need not take these into account. Altogether, on account of the difference in mortality rates, a difference in the scale of relief is not called for.

As regards death among the rich, or deaths classified as rich, middle and poor, I am sorry I have no statistics. Only the Subhashitkar says:

भनवान् बलवाल्लो के सर्वः सर्वत्र सर्वदा ।

A rich man is always a powerful man. So may be that he may live longer. Another Subhashitkar says:

प्रसी जीयानेकः सकलगुणहीनोऽपि

भनवान् ॥

A wealthy person, even if he has no merit, may live very much longer. But, all these are other people's experiences. I do not know any thing about them. And, anyway, they are qualitative and not quantitative which is what was required by the hon. Member. Therefore, I do not think it is worth while our trying to redraft this clause in the light of some fancied differences between mortality rates among different classes or generally in this country and in any other country.

Then, Shri More had some doubts about drafting. I personally think that this clause is clear enough, and that is, it wishes to give a certain concession for quick succession, all other things being equal. Whatever it is, whatever property falls to be taxed again—it may be part of a property, it may be any other object which is defined as property—we have to take into account not only Clause 6, but also Clause 7. Taking all that into account, all that we wish to avoid is property having to be taxed again within a certain period. And therefore, I do not think, Sir, that in construing there will be any particular difficulty.

I cannot quite understand his statement that the proviso is a concession. It is not a concession because the reduction is calculated on a lower value. And if less is deducted, then more will be assessed. Therefore, I do not think his fear is well-founded.

Now, as regards the points made by other Members—they have either suggested enhancement of relief or they suggest the increase of the period or the increase of the percentage or both; and of course, there are one or two amendments which suggest limitations of the scope of the benefit—all I would like to say at the outset is that this is a mutation duty, i.e., in theory it has to be paid every time property changes hands on account of death. That was the decision which we took when we approved of the principle of the Bill. And therefore, needless to say that unlike succession duty, it does not take into account all the consequences on the successors, and that is why the duty is the same whether the deceased leaves six children or more or less. Now, what do we want to achieve by quick succession relief? By quick succession relief we merely try to moderate the harshness of its effect, and, as I said, largely from the psychological point of view. I must confess that. But this attempt at moderation should not go so far as to prevent its levy at all except in an exceptional case as some amendments seem to suggest. In other words, it is very difficult to find the golden mean when there are so many variables and imponderables and immeasurables. We can only go in a matter like this on the experience of other countries. Now, in Australia and New Zealand they give no relief at all. Apparently, they are not bothered by the sort of problems which are facing many of our Members here. In the United Kingdom, relief is given on the same scale as proposed in our Bill, but no exception is made for deaths within three months. That was a very special concession which was made by us at the Select Committee stage. And the reason why we chose three months,

and not one year, was that we had epidemics in mind. And we felt that if a succession of deaths took place in the same family as happened in 1918, I think, when the influenza epidemic raged in this country, deaths did occur in very quick succession—fortunately, since then, we have not had an epidemic of that kind, but we thought it wise to provide against it. Therefore, there is no particular point in saying that three months is too little and one year is too long. An epidemic surely does not come and stay for one year. Therefore, it departs from the very basis of the relief that we are seeking to give.

Now, as I have pointed out. Sir—again I am referring to the United Kingdom provisions—there the relief is not given on all property, but is confined only to land and business. And that is the practice which has been adopted also in the measures of Pakistan and Ceylon. In the United States of America, the system is a little more complicated, but the effect of it seems to be that the deduction of property previously subject to tax is available only to one of the descendants of the estate. There must be an intervening estate tax paid before a second deduction can be secured. So, it is a more complicated procedure which we have not thought fit or advisable to adopt.

Now, I would like the House to appreciate that, according to our Bill, therefore, we give relief on the value of the whole property, and that we have inserted this special provision where no duty is payable in the case of the second death. On the whole, Sir, after considering very carefully the observations made by hon. Members, I think we ought to reject all the amendments that have been moved, and I oppose them.

Mr. Chairman: Amendment No. 528 which was moved by the hon. Minister has already been passed, and therefore, amendment Nos. 75, 413, 242 and 83 which are almost the same are barred. I would like to put all the

other amendments together to the vote of the House.

Shri K. K. Basu: They are quite different.

Mr. Chairman: If, of course, any hon. Member wants.....

Shri K. K. Basu: There are amendments to increase. Certainly we do not support them.

Shri C. D. Deshmukh: I think theirs will have to be separated.

Mr. Chairman: Supposing there are some who want only an increase, and some who want a decrease in the period, because I do not have a classified list before me I have to put them together.

Shri S. S. More: If I may make a suggestion, those who are in favour of an increase may vote for all the amendments regarding increase together, and those who are opposed may vote together for the other amendments.

Mr. Chairman: There are certain amendments which are of a different nature also. Let me put each amendment separately.

The question is:

In pages 18 and 19, for clause 30, substitute—

"30. *Allowance for quick succession.*—Where the Board is satisfied that estate duty has become payable on any property passing upon the death of any person and that subsequently estate duty has again become payable on the same property or any part thereof passing on the death of the person to whom the property passed on the first death, the amount of estate duty payable on the second death in respect of the property so passing, shall be reduced as follows:

Where the second death occurs within five years of the first death, by hundred per cent;

[Mr. Chairman]

Where the second death occurs within six years of the first death, by fifty per cent;

Where the second death occurs within seven years of the first death, by forty per cent;

Where the second death occurs within eight years of the first death, by thirty per cent;

Where the second death occurs within nine years of the first death, by twenty per cent;

Where the second death occurs within ten years of the first death, by ten per cent;

Provided that where the value on which the duty is payable on the second death exceeds the value of the property on which the duty was payable on the first death, the latter value shall be substituted for the former for the purpose of calculating the amount of duty on which the reduction under this section is to be calculated.

Explanation.—For the purpose of this section every death shall be deemed to be a second death in relation to the death immediately preceding.”

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 27, for “Where” substitute “During a national emergency when”.

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 29, after “passing” insert “or deemed to pass”.

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 31, after “passing” insert “or deemed to pass”.

The motion was negatived.

Mr. Chairman: The question is:

In page 18, for lines 35 to 44, substitute—

“Where the second death occurs within two years of the first death, by fifty per cent;

Where the second death occurs within three years of the first death by thirty-seven and a half per cent;

Where the second death occurs within four years of the first death, by twenty-five per cent;

Where the second death occurs within five years of the first death, by twelve and a half per cent”.

The motion was negatived.

Mr. Chairman: The question is:

In page 18, omit lines 35 to 38.

The motion was negatived.

Mr. Chairman: The question is:

In page 18—

(i) line 35, for “one year” substitute “three years”.

(ii) line 36, for “by fifty per cent” substitute “no duty shall be levied”

(iii) omit lines 37 to 40.

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 36, for “by fifty per cent” substitute “no estate duty shall be payable”.

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 38, for "forty per cent" substitute "fifty per cent."

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 40, for "ten per cent" substitute "forty per cent."

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 42, for "twenty per cent" substitute "thirty per cent".

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 44, for "ten per cent" substitute "twenty per cent".

The motion was negatived.

Mr. Chairman: The question is:

In page 18, omit lines 39 and 40.

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 40, for "ten" substitute "fifty".

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 40, for "ten" substitute "thirty".

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 42, for "twenty per cent" substitute "fifty per cent".

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 42, for "twenty" substitute "forty".

The motion was negatived.

Mr. Chairman: The question is:

In page 18, line 44, for "ten" substitute "twenty".

The motion was negatived.

Mr. Chairman: The question is:

In page 19,

(i) line 5, for "three months" substitute "one year"; and

(ii) line 9, for "three months" substitute "one year".

The motion was negatived.

Mr. Chairman: The question is:

In page 19, line 5, for "three months" substitute "one year".

The motion was negatived.

Mr. Chairman: The question is:

In page 19, lines 5 and 9, for "three months" substitute "six months".

The motion was negatived.

Mr. Chairman: The question is:

In page 19, lines 7 to 9, omit—

"and no estate duty shall again be payable on the same property by reason of the subsequent deaths occurring within the said period of three months".

The motion was negatived.

Mr. Chairman: The question is:

In page 19, line 9, for "three months" substitute "one year".

The motion was negatived.

Mr. Chairman: The question is:

In page 19, after line 9, insert—

"Explanation 3.—Notwithstanding any provision in any other section of the Act, the property for the purpose of this section includes agricultural land and implements, one family dwelling house and such industry as Parliament may by law prescribe."

The motion was negatived.

Mr. Chairman: The question is:

"That Clause 30, as amended, stand part of the Bill."

The motion was adopted.

Clause 30, as amended, was added to the Bill.

Clause 31.—(Exemption of interest of Hindu widow etc.)

Shri G. D. Somani: I beg to move:

In page 19, for clause 31, substitute—

"31. When on the death of any person governed by any school of Hindu Law, his interest or any part of his interest in any property has devolved on his widow, then on the death of the widow no estate duty shall be leviable in respect of property thus passing or such interest or any part thereof to the reversionary heirs of her husband".

Dr. Krishnaswami: I beg to move:

In page 19, for clause 31, substitute—

"31. Where on the death of any person governed by any school of Hindu Law, his interest in any property has devolved on his widow, the duty leviable shall not exceed half of what it would have been, had the property devolved absolutely."

Shrimati Sushama Sen (Bhagalpur South): I beg to move:

In page 19, for clause 31, substitute:

"31. When on the death of any person governed by any school of Hindu law, his interest in any property has devolved on his widow, then no estate shall be leviable in respect of property thus passing to her."

Shri N. Somana (Coorg): I beg to move:

(1) In page 19, line 10, after "dying" insert "or remarrying".

(2) In page 19, line 13, after "dies" insert "or remarries".

Shri S. V. Ramaswamy: I beg to move:

In page 19, line 13, omit "within seven years of her husband's death".

Dr. Krishnaswami: I beg to move:

In page 19, line 13, for "seven years" substitute "fourteen years".

Shri C. D. Deshmukh: I beg to move:

In page 19, lines 14 and 15, for "persons who were members of a coparcenary immediately before or after his death or any of them" substitute "the revertors or any of them".

Shri Barman (North Bengal—Reserved—Sch. Castes): I beg to move:

In page 19, lines 14 to 18, for "devolves upon persons who were members of a coparcenary immediately before or after his death or any of them, no estate duty shall be leviable in respect of the passing of the interest aforesaid on the death of the widow, if and in so far as estate duty had been paid in respect of the passing of such interest on the death of her husband".

Substitute—

"devolves upon any person where on the death of any person governed by any school of Hindu Law his interest in any property has devolved on his widow then if the widow dies within fourteen years of her husband's death and the interest devolves upon any person either by survivorship or succession, no estate duty shall be leviable in respect of the passing of the interest aforesaid on the death of the widow if and in so far as estate duty had been paid in respect of the passing of such interest on the death of her husband."

Shri G. D. Semani: I beg to move:

In page 19, line 15, after "coparcenary" insert "or not".

Dr. Krishnaswami: I beg to move:

In page 19, line 15, for "any of them" substitute—

"or to any other heir under any school of Hindu law."

Shri K. K. Basu: I beg to move:

In page 19, line 15, after "or any of them" insert—

"or to his immediate reversioner".

Shri N. Semana: I beg to move:

In page 19, line 17, after "death" insert "or remarriage".

Shri Mulchand Dube: I beg to move:

In page 19, line 18, omit "within seven years of her husband's death".

Shri C. D. Pande: I have given notice of an amendment to Clause 31, today.

Mr. Chairman: It cannot be taken up today.

Now, there will be general discussion on the clause as well as the amendments moved.

Shri C. D. Deshmukh: I have moved amendment No. 531. The justification for that is that clause 31 was intended to apply to all cases; where the estate known as Hindu widow's limited interest passed to reversioners, no estate duty would be payable, if the widow died within seven years of her husband's death. The opening words of this clause merely indicate that it is intended to apply in all cases, but a doubt has arisen because of the words 'persons who were members of a coparcenary'. They give the impression that its application is confined only to cases governed by the Mitakshara school of Hindu Law. The amendment clarifies the position to the effect that this is not so.

Mr. Chairman: I shall put only this amendment.

Dr. Krishnaswami: I would like to speak, Sir.

Shri C. D. Deshmukh: It might be put at the end, Sir. There may be some other amendments which may say that the whole clause may be removed. On the substance of it, there may be controversy.

Dr. Krishnaswami: Then it is all right.

Shri S. V. Ramaswamy: Sir, I will speak on my amendment. Sir, my amendment is a brief one. The purpose of this amendment is only to see that the lifetime of the widow, so far as this Bill is concerned, may not be seven years. The Bill, as it stands, seeks to impose estate duty if the widow dies after seven years of her husband's death. I do not know why the State should step in and say that there will be no duty if she dies within seven years of her husband's death and there will be duty if she dies after seven years. I contemplate a situation like this: the reversioners will be praying for the speedy death of the widow—the unfortunate widow—so that they may not be liable to pay the estate duty and, on the other hand, the State will be praying for her long life so that they may be able to collect estate duty.

An Hon. Member: Widows have a chance.

Shri S. V. Ramaswamy: In between the two prayers—the prayer of the reversioners that the widow may die quickly and the prayer of the Government that the widow may live longer than seven years so that they may be able to collect the tax—the lot of the unfortunate widow will be rather miserable. (Interruptions). If estate duty has to be collected on the estate passing after the death of the husband, I do not see why it should be collected again, whether the widow dies within seven years or after. That is my only purpose. I do not want that this Bill should interfere with her lot—she may live happily according to the time allotted to her by her own destiny—and step in either to tempt the reversioners to limit her lifetime within seven years of the death of the husband or to seek to extend it beyond seven years in order that the duty may be levied, I hope, Sir, the hon. the Finance Minister will persuade himself to accept my amendment and see that no time-limit is set upon this. Thank you.

Shrimati Sushama Sen: My amendment to clause 31 is No. 246. My object in moving this amendment is this. The condition of Hindu widows in the country is well known. The Hindu law in the revised form has not been passed yet. So I fear that this clause is going to make her position even more hard for her than what already exists. I think that the Government amendment which was just moved by the hon. Finance Minister does not meet my point. The original clause says:

“....if the widow dies within seven years of her husband's death....”

— and again:

“....if and in so far as estate duty had been paid in respect of the passing of such interest on the death of her husband”.

Supposing the assessment of the husband's property is still pending, and the wife dies, then what happens? What will happen to the minor children or those who are dependent on her?—there are many helpless invalids old parents, who have no other source of maintenance and of paying the Estate duty?

They are not able to pay the estate duty twice over. The clause as it stands once the husband dies estate duty should have been paid. Then where is the exemption? Suppose she dies within one or two years after her husband's death? What would be the position? It is the same as under the clause of quick succession of deaths which has just been argued and passed? So I would like the Government to clarify in what way they are going to give relief to the Hindu widows? I do not see that this clause, as amended by Government, is going to have any effect on the property devolving on Hindu widows. Sir, I would like this point to be clarified.

Shri R. K. Chaudhury: I thank you, Sir, for giving me this opportunity. I was reading this clause very closely and I was tempted to oppose the provision of this Bill altogether. But having heard my hon. friend, Mrs. Sushama Sen, I feel that it would meet the needs of the case if her amendment is accepted. Now, Sir, to whom do we wish to give relief? We should, first of all, try to give relief to the widows, Hindu widows who are going to get a limited estate only. Why should her estate, which she inherits, be subjected to estate duty at all? She has got only a limited estate. She does not inherit the entire, absolute right.

Shri A. M. Thomas: She is the legal owner for all practical purposes.

Shri R. K. Chaudhury: She is the legal owner for all practical purposes, but she cannot sell or dispose of that property. She cannot make a gift of the property. A rich widow who inherits her husband's property cannot even make a suitable gift for a university or any such thing. She can

make an agency for a legal necessity and the burden of proving that legal necessity will be on the person who alleges it (*Interruption*). She will have to pay so much estate duty and she will get only a limited estate. Therefore, our first duty ought to be to make some provision for the protection of that widow's interest. The rest of the clause is immaterial, so far as my idea goes. I do not understand the philosophy of this—that minor children of a deceased person will have to pay estate duty, whereas on account of the intervening period, on account of the intervening succession, the distant relative will be exempt from paying this estate duty. What is the logic of it. Suppose a widow lives a long time and the property of her husband ultimately reverts to a relation which may be a distant, distant cousin, with whom perhaps the widow or her husband had nothing to do during their lifetime. Still that reversioner will be exempted from paying estate duty provided the widow dies within seven years. It is very easy to make widows die in a short period. When there is a scheming reversioner, when there is a clever reversioner, he can make the widow die.....

The Deputy Minister of Finance (Shri M. C. Shah): You want exemption for him?

Shri R. K. Chaudhury: The reversioner gets the exemption. He may be a distant cousin, a remote cousin who has perhaps been praying day and night for the death of the widow within seven years so that he may come into the property. He gets the benefit of this provision. And the widow herself, who had inherited a limited estate, does not get any benefit. Where is the logic of it? In the matter of collecting taxation, there should be some logic in the whole scheme. There is absolutely no logic here. You do not give relief to the widow, but you give relief to a person who is perhaps entirely unconnected with the family, who is per-

haps at loggerheads with the family, who is perhaps in litigation with the husband in order to get a portion of the property. That reversioner will be exempted from paying any estate duty provided the widow dies within seven years. Now the best course for all the reversioners would be to revive the old *Sati* system in that line. After the widow succeeds she should die as soon as possible in memory of her husband. I have read in the papers that the system has been practically revived again. There have been a number of cases in Delhi itself. The provisions of the Clause, of which I think, my friend Mr. Shah is the author, would enable the orthodox Hindus to revive the *sati* system and give benefit to the reversioner. If the wife dies with the husband or after the husband, because the moment the husband dies she becomes the successor to the property, the property becomes exempt from estate duty for the reversioner. I cannot see the logic of "seven years". How can the lease of life of a widow be given as "seven years"? After all what is the meaning of this "seven years"? Is it taken from that sense when a husband goes away and is not heard of for seven years then the widow can remarry? Let us now do something about it. You cannot say that the average life of a widow is seven years in which case you will have to say that no widow has a right to live after seven years. Is that the logic of it? I will thank the hon. Minister for giving us a suitable explanation for this.

Dr. Krishnaswami: I should like to make a few observations on this clause and I hope my friend Mr. Gadgil, who is present here, will lend a sympathetic ear to my appeal.

An Hon. Member: Is he the Finance Minister?

Shri Raghavachari (Penukonda): On a point of order! It is quite inconsistent with the dignity of this House that Members, who do not form part of the Government, should be asked

[Shri Raghavachari]

to listen and give some sympathy and support.

Mr. Chairman: I entirely agree. I have got one suggestion to make. It will be better for hon. Members not to ask for explanations from non-official Members.

Dr. Krishnaswami: I have not asked for anything from any hon. Member but it is open to ask hon. Members to be attentive.

Mr. Chairman: All the same it is not proper that hon. Members should always be addressing Mr. Gadgil or any particular hon. Member. After all what Government does and through whom is a different matter.

Dr. Krishnaswami: I am quite aware of the constitutional position. All that I want is to enlist his powerful support for the case that I am pleading and I hope at least this particular important clause will receive his earnest attention.

This particular clause, if I might say so, has been very badly worded. "Exemption of interest of a Hindu widow dying within seven years of her husband's death" is the marginal note that has been put to this clause. What exactly is the interest that a Hindu widow gets? It gives the Hindu widow a life interest. According to this clause I am not able to make out whether the life interest of a Hindu widow is exempted from duty. This was brought to the notice of the House when Mrs. Sen moved her amendment in the House that it would be hard to tax the life interest of the Hindu widows exactly on the same footing as the absolute interest that devolves on any other individual.

12 Noon.

Secondly when a widow dies what is the interest that devolves on the reversioner. With her death itself that interest is liquidated. Therefore,

one finds it rather difficult to apprehend the full meaning of this Clause. But apart from this, Mr. Chairman, I should like to place before this House certain aspects of injustice which are likely to accrue by our taxing the widow's life interest.

The widow's life interest has been in Hindu law—particularly in the Mitakshara system of Hindu law, nothing until the Legislature took into its head to pass in 1938 a piece of legislation conferring on the Hindu widow a life interest. The trend of social opinion in this country and the trend of justice also is in favour of enlarging the Hindu widow's interest and giving her more than what she had previously got viz. what was known as income previously, is now known as "life interest". I am aware of the argument that has been propounded that she has certain rights over the estate but the rights that she has are of an essentially limited character. She can only spend on legal necessities. She can, of course, sell a portion of the corpus to defray the taxation expenditure. For instance when the estate duty is levied on her property and when she does not have sufficient income to meet the estate duty then she would be perfectly within her rights to sell away a portion of the corpus from which she gets a life income. In that event what happens? You indirectly reduce the amount of her life income which she is entitled to get and I, therefore, feel that it is certainly a great act of injustice that the widow should be compelled to pay an estate duty.

Secondly this is a point that I would like to place before those who have given some thought to this question. What exactly is the social policy behind this particular clause? I have been trying very hard to find out what exactly is the social policy behind this clause: It is to be realised that so far as this particular clause is concerned we have sought to bring about taxation of some interest within about

seven years. Whether she dies within seven years or after seven years no interest of hers devolves to any of the reversoners.

There is another small point to which I should like to make a reference. Even if the Clause, as it stands now, requires some amendments and the Finance Minister moved an amendment some time ago for the purpose of clarification. I have also moved an amendment which meets the object much better than the amendment suggested by the official benches and it is for this purpose that I should like my friend Mr. Gadgil to give me his earnest support. The amendment reads as follows:

"devolves upon any person where on the death of any person governed by any school of Hindu Law his interest in any property has devolved on his widow then if the widow dies within fourteen years of her husband's death and the interest devolves upon any person either by survivorship or succession, no estate duty shall be leviable in respect of the passing of the interest aforesaid on the death of the widow if and in so far as estate duty had been paid in respect of the passing of such interest on the death of her husband."

I have assumed for a moment that it is logical to tax.....

Shri R. K. Chaudhary: Does it help the Hindu widow?

Dr. Krishnaswami: I assume for a moment that on some grounds the House will assume that in spite of all these pleas that have been put before the House, they do not find favour yet I want to make them look more sensible. As the Clause now stands, it reads as follows:

"Where on the death of any person governed by any school of Hindu law"

Therefore, I suggested the amendment that even whether a person takes, either by survivorship or by succession, any property, estate duty shall be leviable if the death occurs within fourteen years. The reason why I put "fourteen years" was to mitigate the difficulties of the estate which might have to pay more if it were only "within seven years". But even if you are not prepared to accept seven years, I think still this amendment would be technically better than the official amendment that has been suggested by the Finance Minister. Personally I should be happy if he could have the widow's life interests exempted altogether. I think it would be very just if that was done. But if that is not possible, the other amendments that I have suggested may be taken up, namely, leaving half the rate of duty which would be leviable on an absolute interest. I have great pleasure in supporting the amendment that has been moved by Mrs. Sushama Sen.

Shri N. Somana: This is a clause which I feel has no justification to be on the statute book at all. I have been trying my best to find out what really this clause meant and what is the necessity for the introduction of this clause in the Bill. From a reading of the report of the Select Committee that sat in 1948 when this Bill was introduced earlier, I found it was that Select Committee that introduced this section for the first time, though this clause was not there in the original Bill. I feel, Sir, that there is absolutely no justification for this exemption that is found in this clause. My reasons are firstly, that it is against the tenor of section 30. I really do not understand why in the case of death of a Hindu widow there should be no taxation at all, while in the case of other persons, there is taxation within even one year. I feel that in this case, the position in the case of the widow's death is certainly better than even the death of a son in the case of a family, where the father and the son

[Shri N. Somanal]

are members of a co-parcenary. My submission is that, normally, succession does not go to the co-parceners. It is only in extraordinary cases where a person dies without leaving an issue that the succession goes to the co-parceners. So, in the normal course of things, they do not expect any estate to get at all. I do not see any reason at all why there should not have been any taxation even when the widow dies even though after the death of her husband.

Then there is another injustice that is inherent in this clause. Sir, you are aware that a Hindu widow, on her re-marriage, loses her right to the properties of her husband. In law, it is civil death, and the property immediately goes to the reversioners. Now, we shall take the case of a Hindu widow dying or re-marrying even within six months after the death of her husband. My humble submission is that immediately the property goes to the reversioner, and there is no reason why in the case of the reversioner who enjoys the property by a re-marriage of a widow should not be taxed. So, as I submitted, there is an inherent defect in this section and I was trying to introduce an amendment whether re-marriage also could be introduced. But technically my feeling is that it may not be quite within the scope of this Bill, because though this Bill is called "Estate Duty Bill," it is essentially a duty levied on the death of a person. So, technically, my amendment may not be within the scope of the Bill, but I do feel it as an argument in favour of the deletion of this clause altogether. This inherent defect is there, and there is a clear injustice done to the persons in the case where a widow re-marries and interests pass to the reversioners. I do not see any reason at all, as I said in the beginning, why there should be no exemption in the case of a Hindu widow. I read through the report of the Select Committee that was submitted in 1948, but I do

not find any reasoning therein except that they say that this new clause was thought necessary by them. I therefore feel that this section should either be deleted or the period must be reduced, say at least one year, so that it may be quite in keeping with the tenor of section 30. I do not know whether I have made my point very clear. I again refer to section 30 in which connection I have stated that if a son dies after the father's death, the property is taxable, but if a widow dies after the husband dies, within one year, no tax is payable at all. I do not see why a widow's death should be placed in a much better position than the death of a son. I do not think the framers of this Bill have given sufficient thought to this matter. I thought this section was quite unnecessary. If this section is to be retained at all, I should think the exemption limit should not go beyond one year, because in any case it would be very unfortunate that there should be any exemption at all.

My friend, Dr. Krishnaswami, was referring to the fact that the widow has no rights at all. I am sorry the position of law is not so on the matter. The widow has certainly a right of disposal, of course, subject to certain limitations, but subject to them, she has rights of disposal. But she has certainly all rights of even absolute disposal, apart from the right of full enjoyment of the property. There is a widow's interest that passes on her death. So far as that position is concerned, there is nothing in that section. I still feel that the exemption limit should never be for more than one year. That would cause great hardship and that again would certainly go against the very tenor of section 30 for which alone there is a limitation of one year, and so on. I therefore feel that this section requires certainly a reconsideration and I make a very earnest appeal to the hon. Finance Minister to see if this section could not be brought in line with section 30 and the limitation

that is put upon the widow's death—seven years—could not be reduced to at least one year.

Shri Altekar: The hon. Member who has just spoken has not, I may submit, rather properly grasped the significance of the principle on which this concession is being given. A widow has in herself no power of alienation. The circumstances under which she is entitled to alienate are only those which she can alienate as a representative of the last male holder. The legal necessities which have been recognized as entitling her to alienate the property are those which are the responsibilities of the last male holder. Take, for instance, selling the property, for the purposes of debt of the last male holder. These were the debts which were incurred by the last male holder and as such the widow was entitled to pay and for which he was entitled to alienate. She comes there simply as a person who is in possession of the estate as a trustee, though not exactly as a trustee, but in a similar capacity. She is entitled to sell the property or charge it or mortgage it for the purposes of the marriage of the girls and other persons. That also again is a condition which is not being exercised by her in her personal capacity, but as a representative of the last male holder. So, in almost all the cases wherein she is entitled to alienate. She does so not in her personal capacity but as a representative,—as such she was entitled and responsible to be—of the last male holder. Therefore, the power of alienation which is in her is not in her personal capacity. I submit, therefore, that she has got no power of control or disposition over the property as her own.

Then, a widow is only a mere carrier of the estate. She can enjoy the corpus of the estate during her lifetime, and as such when she is enjoying that, she is not in any way diminishing the size or property of the estate that came in her hands. Therefore, the estate which has been

in her hands passes, as a matter of fact, almost in the same condition as it came in her hands.

Then again, the analogy was suggested by the previous speaker that why, when there is a death of the male holder within one year and there is quick succession the estate is taxed even according to the concession granted to him and with all that, in the case of a widow, the seven years free concession should be given. I submit, Sir, that the reason is that even if the male holder who succeeds to the property of the previous person should die, in a year, he can within that year alienate the property for himself; he can sell it, he can mortgage it, or he can make a gift of it which of course, under this Act, is admissible for exemption. That the widow is not entitled to do. She cannot on her own account in any way reduce the corpus of the estate and therefore, those concessions, that have been given to her or rather to her heirs, that have been mentioned here, are on account of the fact that the estate will remain practically the same in her hands. Therefore, I submit, Sir, that this concession of seven years that has been given is quite sound and of course should be supported.

Shri R. K. Chaudhury: Would the hon. Finance Minister kindly consider one *via media*, which I am suggesting? Let us exempt the widows from payment of estate duty, but let us remove this exemption for seven years. The estate will at once be subjected to estate duty as soon as he dies. We can compensate one by the other. So we can have a *via media*. Exempt widows altogether, but subject the estate to estate duty immediately on the death of the deceased.

Shri Mulchand Dube: There is an amendment in my name on which I wish to say a few words. My submission is that there does not seem to be any reason for imposing the estate duty on the death of the widow, because after the death of the widow

[Shri Mulchand Dube]

the succession does not open to the widow at all, the succession opens to the last male holder. Therefore the widow during the time she was in possession had only a limited interest or life estate and on her death the succession in fact goes to the last male holder. Whoever succeeds must be the heir of the last male holder. Therefore, there is no succession on the death of a Hindu widow. If the duty has been levied once, there is no reason why it should be levied a second time on the same estate on the death of the widow, because she has no interest which could be succeeded to by a reversioner.

Mr. Chairman: The head note is rather misleading and that is why all this confusion has been caused. So far as I find the relief is to the estate. The principle on which it is given is that the estate having once paid the duty, it need not pay again if the widow dies within seven years.

Shri Mulchand Dube: If she dies within seven years.

Mr. Chairman: Otherwise the clause seems to be all right so far as it carries out the objective.

Shri Mulchand Dube: The question is whether the limit of seven years should be there or not.

Shri C. D. Deshmukh: The head notes are not part of the Bill. So drafting change could be introduced there to make it clear. It is not the interest of the widow that passes. The draftsman can make it clear. That need not be passed as part of the clause. I follow your point. I am prepared to consider it.

Shri Raghavachari: Sir, I have risen to disabuse the minds of people from whom we have heard the argument that the widow's life interest is not property at all. It is some property that has already passed and there is nothing that really passes again. My

submission is that clause 7, sub-clause (1) perfectly brings such interest also as property taxable, including the interest of a co-parcenary. According to that clause any interest which enlarges itself after the death of any particular individual is property taxable. Therefore a property that passes after the death of a widow is taxable under the law.

Shri Sinhansan Sinha: Have you read clause 6 along with that?

Shri Raghavachari: I have read it. Section 31 as originally drafted was meant to give relief only to the estate, provided the widow's death took place within seven years. The idea was that the estate after the death of the husband had paid the duty once, therefore it was entitled to exemption for quick succession. Further in this provision the successors entitled to this exemption were to be people who were coparceners or entitled to a share at the time of the death of the person who obstructed it for some time. By the substitution of the word "reversioners" no doubt it is made applicable to the other system of Hindu law also, but it simultaneously extends the benefit to people who might be distant reversioners also. That is one extension of the benefit to people which the Select Committee did not intend to give; though it is to be made applicable to both the systems of Hindu law, the language there is not happy. Possibly it would have been permissible to add the words "who were male members of the joint family with her husband". That would have really extended the operation to both the systems of law and would not have really extended it to distant reversioners who might not have already paid the tax. The reason for the exemption made available to those who were members of the coparcenary or who were male members at the time is that they have already paid the tax and therefore it is unnecessary to tax the estate again. When you add the words "distant reversioners"

it may be that even in these few years some distant man may come who may well afford or expected to pay the tax again. Now this modification by the substitution of the word "reversioners" has expanded the benefit to distant people also.

Shri S. C. Samanta (Tamluk): My friend Dr. Krishnaswami pleaded that the period of 7 years should be enhanced to 14 years and the arguments he put forward did not convince me. Sir, he is telling us that the interest of the widow should be taken into consideration. How can the interest of the widow be enhanced when the property will be passing after her death? I would have been glad if he pleaded for her that when the property would come to her, it should be exempted from duty. I find no reason for the enhancement of the period. We are glad that at least the Government have provided for 7 years' exemption as regards duty on estates. Estates that have been inherited by a widow will be up to her life-time and during her life-time she will utilise the property and will enjoy it. So, the property after her death will pass to another coparcener who should pay the same duty to Government. So, I whole-heartedly support the amendment of Shri Deshmukh.

Shri Telikkar: I think this provision is a golden mean between the different opposing views—one favouring the widow's interest and the other in favour of taxation. Some argue that the woman has not got much interest in the property and even that interest is a limited one. But she has got the full right to enjoy the property in her life. The general proposition in law is that one cannot give another person more than what one possesses, but we find the exception in the widow. She gives the right to enjoy the property fully to others. If some property is deemed to have passed on her death and if that property is taxed, I don't think there is any injustice done to her. I agree

that a widow is incapable of increasing her property and therefore there should be some concession in her favour. That is why it has been provided that if she dies within 7 years of her husband's death, the property which she leaves behind her is exempted from this tax. On the other hand, she enjoys the benefits fully as any male member does and the only difference is that she has not got the right to squander away the property; she has only the right to spend it for the purpose of the family. So this clause has been provided to meet these two cases and I fully support the provision as it is.

Shri C. D. Deshmukh: In regard to the interests on the death of a Hindu widow, logically a stand can be taken that the whole thing is really unnecessary. It has also been argued that some kind of concession is given. But at this stage we cannot take note of the logical argument. We must concentrate our attention on the possible improvement of the clause and that is what I have tried to do by means of an amendment. So far as the title is concerned, i.e. the side heading, I agree that it means the exemption in respect of the cesser of an interest of a widow, instead of 'the interest of a widow'. Whatever interest the widow has ceases on her death within 7 years of her husband's death. Then, a certain exemption is provided for. I don't know if it would be an improvement—exemption in respect of a cesser of an interest of a Hindu widow. Everyone knows what exactly this clause means and I don't think it is likely to mislead anyone in its application and that is what we are concerned with. So, I think with all due respect we might leave the matter there.

[MR. DEPUTY-SPEAKER in the Chair]

Whatever interest ceases on the death of the widow is bound to pass to the reversioners of the husband and nothing in this clause is going to change the state of affairs.

[Shri C. D. Deshmukh]

Then there was a point that if the widow re-marries, an undue advantage may be taken of it. Now, the whole point is that we are concerned with what happens on the death of a person and not on his or her re-marriage. If the widow re-marries, of course, she loses all title to property and therefore the interest which devolved on her husband's death would revert to the reversioners. Such reversion is not contingent on the death of any person and, therefore, no estate duty is leviable. In my opinion, therefore, the amendment is redundant and does not serve any purpose.

Shri S. S. More: Supposing she marries within two years of her husband's death.....

Mr. Deputy-Speaker: If the cesser of an interest of a widow may come in diverse ways. It may come by death; it may come by some other marriage. If the cessation comes in by virtue of re-marriage, what would happen?

Shri C. D. Deshmukh: We are only concerned with interests which pass on death and we are not concerned with any other interests here.

Shri S. S. More: Again, with your permission, Sir, may I say this. The interest is supposed to pass on the death of her husband. Taking a strictly legal view of the position—I have read clause 21 and here we are interpreting the canons of Hindu Law—as far as the widow is concerned, she is a limited owner. The interest on her husband's death as far as the reversioners are concerned is suspended for some time by the intervention of the widow and it is only after her death that this passing on takes place. It is only after her death that the passing of the interest of the original owner, the absolute owner, takes place.

Mr. Deputy-Speaker: The hon. Member is only giving a better explanation, not that he is saying anything

against what the Finance Minister has said.

Shri C. D. Deshmukh: We are not concerned with civil death but only with actual physical deaths.

Shri R. K. Chaudhury: Sir, on a point of personal explanation...

Shri C. D. Pande: Are you a widow?

Mr. Deputy-Speaker: 'Personal explanation' must have some reference to what the hon. Member has said. Has he said anything on this?

Shri R. K. Chaudhury: Yes, Sir, you were not here when I did. I said that the life of a widow may be in danger—something like that I said. But what I wanted to know from the Finance Minister and what I begged of him several times was this that when "A" dies his widow inherits the property. The widow pays the full estate duty. When she dies even a distant reversioner inherits the property. This may be a pure windfall to him.

Mr. Deputy-Speaker: He pays.

Shri R. K. Chaudhury: After seven years.

Mr. Deputy-Speaker: Unless he is a member of the coparcenary.

Shri R. K. Chaudhury: No. "reversioner" is the word used.

Mr. Deputy-Speaker: He is reversioner.

Shri R. K. Chaudhury: He may be a distant cousin.

Mr. Deputy-Speaker: The hon. Member will kindly look into the language "persons who were members of a coparcenary".

Shri R. K. Chaudhury: There is no coparcenary in certain families. Actually he may be the enemy of the deceased husband. Even then he will get it as a windfall. And he will have to pay no tax, whereas the widow has to.

Mr. Deputy-Speaker: There is no personal explanation so far as I can see!

Shri R. K. Chaudhury: I said of the danger for seven years to the widow. That is the personal explanation.

Sardar Hukam Singh (Kapurthala-Bhatinda): That should be from the widow, not from you!

Mr. Deputy-Speaker: Here the wording is "who were members of a coparcenary".

Several Hon. Members: No, Sir.

Mr. Deputy-Speaker: Has there been an amendment to this?

Shri Raghavachari: Yes, No. 531.

Mr. Deputy-Speaker: That is to say, even if it should be a distant reversioner? Why is this?

Shri Gadgil: If a widow does not die but remarries...

Mr. Deputy-Speaker: We are not on the question of remarriage. Why is this concession enlarged in the case of a distant reversioner on whom it is a windfall? That is the point.

Shri Barman: It need not be a distant cousin as Mr. Rohini Kumar Chaudhury says; it may be the brother's son.

Mr. Deputy-Speaker: All that Mr. Rohini Kumar Chaudhury wants to know is this. The present language confines itself to persons who were members of a coparcenary. But this amendment enlarges the scope and extends it to a person however remote a reversioner he may be. Insofar as they are near reversioners who were members of a coparcenary, Mr. Chaudhury has no objection. But why should it be enlarged in the case of a distant reversioner? It is a simple point. The Finance Minister may answer it.

Shri C. D. Deshmukh: There is no way of answering it, Sir, because we

don't know what kind of reversioner will have interest. But it is only the life interest of the widow, which will be calculated separately. What passes to the reversioner is the life interest of the widow. It won't be the whole property.

Shri Gadgil: When a widow gets her husband's property *ex hypothesi* it means that she gets her husband's property which is a separate property for all purposes. If he were a coparcener the widow never gets anything out of that coparcenary property.

Mr. Deputy-Speaker: I am afraid I find it difficult to accept this interpretation. The widow's interest alone is not the property which is taxable. Because in the earlier portion it is said "Where on the death of any person governed by any school of Hindu law, his interest in any property has devolved on his widow"....and then "the interest aforesaid devolves upon persons...etc.". The same interest which passes to the widow, if it repasses to the reversioner, the entire thing, on which the widow would have paid the duty, will again be liable to duty. It may be even with respect to a near reversioner and that is why a seven years' exemption is given. The only point which Mr. Rohini Kumar Chaudhury raises is why should this windfall go to a distant reversioner.

Shri R. K. Chaudhury: When you are not giving an exemption to the widow you want to give an exemption to the other reversioners, however distant they might be. Let it not be subject to duty when the husband dies and then, when the widow dies, let it be subject to duty.

Shri C. D. Deshmukh: Sir, I was going to suggest that in view of the complicated nature of this clause we may hold this over to the afternoon and proceed to the next clause. Because there are certain matters of doubt, for instance this point of remarriage. That difficulty arises, whether we have this clause or not. In other words it will have to be considered on its merits rather than with

[Shri C. D. Deshmukh]

reference to clause 31. Suppose a Hindu widow re-marries.

Mr. Deputy-Speaker: This was referred to in the definitions also—civil death or physical death.

Shri R. K. Chaudhury: Sir, we are on a difficult point of law and I think you ruled that the Law Minister should be present on such occasions. But he is not even represented by his Deputy.

An Hon. Member: He has no Deputy.

Mr. Deputy-Speaker: It is true I said yesterday—the matter was raised by Mr. Bansal—that where any point of law might arise the Law Minister may be here to help. But the Law Minister saw me today and told me that whenever the Finance Minister finds any difficulty on a point of law, certainly the Law Minister will be available here. Even then what he said was that if perchance any particular point is brought up, even he has to consult so that what he says may be authoritative. The Finance Minister has said that this may stand over. I am sure if it is necessary and if it is felt that any explanation might be necessary or his advice might be useful he would be here.

Shri C. D. Deshmukh: That is what I had in mind, Sir, that I would consult him.

Mr. Deputy-Speaker: And if necessary he may also be here to explain things further.

Shri C. D. Deshmukh: Because, Sir, I confess I have no satisfactory answer on these points—what the interests will be when a widow re-marries, irrespective of this clause: when the interest is supposed to devolve on the cesser of interest of the widow; and then the doctrine of civil death. And then the other question is what is the kind of interest that passes on the death of the widow, because the property has once been assessed to Estate Duty on the death

of the owner. When the widow inherits a life interest, if we do not have this clause, is it only the life interest that goes? Because that is the only thing that ceases on her death. Therefore, what is the right in respect of "the interest aforesaid" because it refers to the interest of the husband, not of the widow. These are complicated points and I would like to take counsel with the Law Minister.

Mr. Deputy-Speaker: Very well. Clause 31, along with the amendments to it, will stand over.

Shri Sarmah: Sir, I was asked whether I would move amendment No. 439 standing in my name and I said I would not because the Finance Minister's amendment covers my amendment.

But, Sir, from the trend of the observation that was made from the Chair....

Mr. Deputy-Speaker: If the amendment is changed for any reason, then I will allow an opportunity to the hon. Member to reconsider his decision.

Shri Sarmah: There is no question of reconsideration of the merits of the amendment.

Mr. Deputy-Speaker: No assurance can be given now. If perchance there is any change in the amendment moved by the Government, we will consider when the time arises. On account of the present form of the amendment, the hon. Member did not want to press his amendment.

Shri Raghavachari: Now that this section is left over for further consideration in the afternoon, may I also suggest another point which may be considered. This section is concerned with cases in which on a person's death, his widow has succeeded. There are instances in which a mother can succeed and she is a limited owner: any woman, not necessarily a widow, can succeed. A coparcener may die and his mother might happen to succeed.

Mr. Deputy-Speaker: The daughter also succeeds.

Shri Raghavachari: Any woman's estate. That also may be considered instead of a widow.

Mr. Deputy-Speaker: It has been held under the Hindu law, that there is no difference between the widow's estate and a woman's estate. Nobody has absolute right of disposal. They hold subject to certain rights.

Shri C. D. Deshmukh: The complicating element is the woman, usually.

Shri Raghavachari: As I said, that matter may be considered. The other matter is this. You were not here, Sir. The hon. Minister explained that this word 'reversioner' was introduced because it must apply to both systems of Hindu law, whatever system of Hindu law may be followed in the family. The idea originally was, that the very people who have paid the duty once, and not distant or remote reversioners, should have this benefit. Therefore, I also suggested that the male members of the joint family at the time should be taken into account. That also may be considered.

Shri Barman: At the time when the Chair wanted us to move amendments, I did not move my amendment No. 247, because of the amendment moved by the hon. Finance Minister. If he changes the amendment, I shall have to move my amendment.

Mr. Deputy-Speaker: The hon. Member is equally entitled to change his mind.

Shri Pataskar (Jalgaon): Now, clause 31 is to be held over. So far as I can understand, apart from the head note, this clause means: if there is an estate, which on the death of the person who owns it, passes to a limited owner like a widow or mother or some such person, if she dies within 7 years, where the duty has already been paid when this estate was in the possession of the limited owner, this estate is proposed to be given the

advantage or relief. Within seven years, it cannot again be taxed. In the case of a limited owner inheriting that property, she cannot alienate. The estate is the same. Therefore, to my mind, the underlying principle is correct. What is meant is if the estate has already paid the duty, when it passed to a limited owner, when that limited interest ceases, it should not be taxed again during that period. The misconception has arisen from the idea that some relief is being given to the widow. It is not so. The widow is given no relief. The widow is paying. So far as the present section is concerned, the limited owner—a widow is mentioned in this section—has to pay and she has paid. She pays out of the estate. If that limited interest ceases, the estate need not be made to pay again within seven years. Considering the whole section, it may be re-drafted to give effect to what is really intended by the section. The head-note should also be considered.

Mr. Deputy-Speaker: Now, clause 32 will be taken up. There is a new clause 31A, proposed by Mr. Iyyunni. Has it anything to do with clause 31?

New clause 31A

Shri C. R. Iyyunni: There is some mistake in printing here. It is stated here 'husband's family'. It should read as 'husband's death'. The amendment reads as follows:

"31A. Exemption of share of a widow dying within 7 years of her husband's death. When on the death of a husband governed by any law other than the Mitakshara law, his widow gets a share in the property then if the widow dies within seven years of the husband's death, no estate duty shall be leviable in respect of the aforesaid share if and in so far as the estate duty had been paid in respect of the share on the death of the husband."

Shri Sinhasan Singh: Is the hon. Member speaking on Clause No. 31 or 32?

Mr. Deputy-Speaker: Hon. Members must have the Order Paper with them. Between Clause 31 and Clause 32, there is a new Clause 31A which the hon. Member wants to insert. Clause 31 is held over. The new Clause 31A also relates to widow's estate. Therefore, let it also be held over till Clause 31 is passed.

Shri C. R. Iyyunni: I want to bring to your notice that there is some discrepancy. Instead of "family" it must be "death". (*Interruption*).

Shri V. P. Nayar: How can he say "his widow"?

Mr. Deputy-Speaker: Let no misunderstanding be created on account of expressions like "his" or "her".

Shri C. R. Iyyunni: There is a word "family". It should be "death". This is what is stated:

"When on the death of a husband governed by any law other than the *Mitakshara* law, his widow gets a share in the property then if the widow dies within seven years of the husband's family...."

It should be "husband's death", and not "husband's family".

Mr. Deputy-Speaker: For the word "family", it should be "death". All right. When it is moved, the hon. Minister will consider. If it is "family" it has no meaning.

Shri C. D. Deshmukh: Very reasonable.

Mr. Deputy-Speaker: So, this will also stand over.

Clause 32- (Exemptions)

Shri Krishna Chandra: I beg to move:

(1) In page 19, for lines 23 to 25, substitute:

"(a) property taken under a gift made by the deceased for a prescribed public charitable purpose:".

(2) In page 19, for lines 23 to 25, substitute:

"(a) property taken under a gift made by the deceased for such public charitable purposes as may be prescribed:".

Shri S. V. Ramaswamy: I am moving Mr. Tek Chand's amendment if you will permit me.

Shri A. M. Thomas: No permission.

Mr. Deputy-Speaker: Why did not the hon. Member give notice of it himself?

Shri S. V. Ramaswamy: I thought of giving it, but since it is already there....

Shri K. K. Basu: Permission refused.

Shri S. V. Ramaswamy: The amendment stands in the name of Mr. Tek Chand. He has authorised me to move it. You may kindly permit me.

Mr. Deputy-Speaker: Is it such an important one? The practice is no hon. Member, except when he is a member of the Government, can delegate his authority, and ask another member of the Government....

Shri S. S. More: Is it not discrimination?

Mr. Deputy-Speaker: The only point is that if an important amendment is there, and the Member is absent, on account of any serious or personal difficulty, in an exceptional case another Member may be allowed to move that amendment as if he were the author of the amendment, as Parliament has, on the whole, notice of his amendment, but I do not think that this is of such vital importance that I should pass over the absence and allow him to move the amendment without any excuse for delay in giving notice.

Shri S. V. Ramaswamy: My explanation is this, Sir. I thought of giving it, but since it was already in the name of Mr. Tek Chand....

Mr. Deputy-Speaker: That is no ground, unless he can explain to us

that it is of great importance. What the hon. Member must do if he wants to move an amendment on behalf of another is that he should immediately give notice incorporating the amendment.

Shri C. D. Deshmukh: I beg to move:

(1) In page 19, line 24, for "from" substitute "before".

(2) In page 19, line 39, add at the end "but not exceeding rupees fifty thousand".

(3) In page 19, after line 39, insert:

"(ff) moneys deposited with the Government in such manner as may be prescribed for the purpose of paying estate duty, together with the interest which has accrued due thereon at such rate as may be prescribed, to the extent of the amount of duty payable but not exceeding rupees fifty thousand;"

(4) In page 19, line 43, after "or" insert "archæological or".

(5) In page 20, for lines 4 to 9, substitute:

"(j) moneys earmarked under policies of insurance or declarations of trust or settlements effected or made by a deceased parent or natural guardian for the marriage of any of his female relatives dependent upon him for the necessaries of life, to the extent of rupees five thousand in respect of the marriage of each of such relatives."

Shri Banerjee (Midnapore-Jhargram): I beg to move:

In page 19, lines 24 and 25, omit,—

"within a period of six months from his death, to the extent of rupees two thousand and five hundred in value".

Shri B. P. Sinha (Monghyr Sadr cum Jamui): I beg to move:

In page 19, lines 24 and 25, omit—

"within a period of six months from his death, to the extent of rupees two thousand and five hundred in value."

Shri Telkikar: I beg to move:

In page 19, line 24, after "from his death" insert "which is not accidental".

Shri G. D. Somani: I beg to move:

In page 19, lines 24 and 25, omit:

"to the extent of rupees two thousand five hundred in value".

Shri U. M. Trivedi: I beg to move:

In page 19,—

(i) line 24, before "charitable" insert "or".

(ii) line 25, for "two thousand" substitute "twenty-five thousand".

Shri Jhunjhunwala (Bhagalpur Central): I beg to move:

That in the amendment proposed by me, printed as No. 667 in List No. 24 of amendments,—

for "one-fifth of his property" substitute "five per cent. of his property".

Shri Altekar: I beg to move:

(1) In page 19,—

in line 25, add at the end—

"or to the extent of five per cent. of the value of the whole estate of the deceased whichever may be higher;"

(2) In page 19,—

in line 28, add at the end—

"or to the extent of three per cent. of the value of the whole estate of the deceased whichever may be higher;"

Shri Krishna Chandra: I beg to move:

- (1) In page 19, omit lines 26 to 28.
- (2) In page 20, omit lines 4 to 9.

Shri Banerjee: I beg to move:

In page 19, lines 27 and 28, omit—

“within a period of two years before his death, to the extent of rupees one thousand and five hundred in value”.

Shri C. D. Pande: I beg to move:

- (1) In page 19, lines 27 and 28, omit—

“to the extent of rupees one thousand and five hundred in value”.

- (2) In page 19, line 28, for “rupees one thousand and five hundred” substitute “five per cent. of the deceased person’s estate”.

Shrimati Sushama Sen: I beg to move:

In page 19,—

(i) line 29, before “household” add “residential house”; and

(ii) after line 32, add:

“Provided that if the value of the house does not exceed to rupees one lakh”.

Shri Barman: I beg to move:

In page 20, after line 9, insert—

“(k) one dwelling house to the extent of rupees twenty-five thousand in value”.

Shri H. G. Vaishnav: I beg to move:

- (1) In page 20, after line 17, insert—

“Provided that the class of persons to whom such additional relief is sought to be given does not belong to the princely order,

Rulers of the former Indian States or their family members”.

- (2) In page 19, line 29, after “agricultural” insert “cattle and”.

Shri Telkikar: I beg to move:

- (1) In page 19, line 29, after “agricultural” insert “cattle and”.

- (2) In page 20, lines 4 and 5, after “consideration of” insert “the education and”.

- (3) In page 20, line 5, after “his” insert “male or”.

Shri C. D. Pande: I beg to move:

In page 19, lines 31 and 32, omit—

“to the extent of rupees two thousand and five hundred in value”.

Shri Sinhasan Singh: I beg to move:

In page 19, lines 31 and 32, omit—

“to the extent of rupees two thousand and five hundred in value”.

Shri U. M. Trivedi: I beg to move:

- (1) In page 19, line 32, for “two thousand and five hundred” substitute “five thousand”.

- (2) In page 19, lines 34 and 35, for “but not including any precious or semi-precious stones or ornaments worked or sewn into the wearing apparel”.

Shri K. K. Basu: I beg to move:

In page 19, omit lines 36 to 39.

Dr. Krishnaswami: I beg to move:

In page 19, for lines 40 to 42, substitute—

“(g) to the extent of one-fifth of the principal value of the estate

ievable to duty or rupees fifty thousand whichever is less".

Shri G. D. Somani: I beg to move:

In page 19, lines 41 and 42, for "five thousand" substitute "twenty-five thousand".

Shri C. D. Pande: I beg to move:

In page 19, lines 41 and 42, for "rupees five thousand" substitute "rupees ten thousand".

1 P.M.

Shri G. D. Somani: I beg to move:

In page 20, lines 4 to 6, for "gifts made by a deceased parent or natural guardian in consideration of the marriage of any of his female relatives dependent upon him for the necessaries of life" substitute "gifts made by the deceased in consideration of the marriage of any person".

Mr. Deputy-Speaker: Amendment No. 262. Mr. Tek Chand is absent.

Shri S. V. Ramaswamy: May I move it, Sir?

Mr. Deputy-Speaker: What is the amendment?

In page 20, line 5, omit "female".

Shri S. V. Ramaswamy: It may be important.

Mr. Deputy-Speaker: The hon. Member is not certain.

Shri S. V. Ramaswamy: I am submitting. It omits an important category of persons. Actually it affects half the population.

Mr. Deputy-Speaker: That I know. We are not concerned with the whole population. Enough about Hindu widows. I will allow this. I will waive notice. The hon. Member will write it out now.

Shri S. V. Ramaswamy: I beg to move:

In page 20, line 5, omit "female".

Shri Raghbir Sahai (Etah Distt.—North East cum Budaun Distt.—East): I beg to move:

(1) In page 20, line 5, after "female relatives" insert "or for the education of minor male relatives".

(2) In page 20, line 9,—

(i) for "relatives" substitute "female relatives".

(ii) after "relatives" add "and a like amount in respect of education of such minor male relative or relatives".

Shri K. K. Basu: I beg to move:

In page 20, line 9, after "such relatives" add—

"and dealt with or disposed of in accordance with such conditions as the Board may prescribe."

Shri G. D. Somani: I beg to move:

In page 20, after line 9, add—

"(k) one dwelling house in which the deceased ordinarily resided;

(l) gratuities and all the moneys received or receivable by the deceased or his nominees from any provident fund in which he was a member and salary or pension received or receivable for two months prior to death;

(m) moneys invested by the deceased in any industrial undertaking which has begun manufacturing at any time within a period of five years before his death or such further period as the Central Government may, by notification in the Official Gazette, specify with reference to any particular industrial undertaking;

(n) heirlooms, property consisting of drawings, paintings, prints,

[Shri G. D. Soman]

manuscripts, works of art of scientific collection;

(o) property taken under gifts which form part of the normal expenditure of the deceased, reasonably having regard to the amount of his income or to the circumstances;

(p) gifts to recognised charities which are exempted from income-tax under section 15B of the Indian Income-tax Act, 1922;

(q) gifts from State."

Shri S. V. Ramaswamy: I beg to move:

In page 20, after line 9, add:

"(k) one residential house belonging to the deceased and if there is only one residential house the whole of it irrespective of the value."

Shri C. D. Pande: I beg to move:

In page 20, after line 9, add:

"(k) one residential house".

Shri B. P. Sinha: I beg to move:

In page 20, after line 9 insert—

"(k) agricultural land to the limit of ceiling fixed by the State or equal to the value of rupees twenty-five thousand;

(l) one dwelling house occupied by the family members."

Shri H. G. Vaishnav: I beg to move:

In page 20, after line 9, insert—

"(k) ancestral dwelling house to the extent of rupees ten thousand."

Shri S. S. More: I beg to move:

In page 20, after line 9, insert—

"(k) gifts made by the deceased to persons who have married out-

side his own caste or community, or who is born of an inter-caste marriage."

Shri R. K. Chaudhury: I beg to move:

In page 20, after line 9, insert—

"(k) dwelling houses in which the heirs and near relatives of the deceased actually lived during the lifetime of the deceased and have continued to live thereafter."

Shri U. S. Dube: I beg to move:

In page 20, omit lines 10 to 17.

Shri S. V. L. Narasimham (Guntur): I beg to move:

In page 20, omit lines 10 to 17.

Shri Tulsidas (Mehsana West): I beg to move:

In page 20, after line 9, insert—

"(k) gratuities and all the moneys received or receivable by the deceased or his nominees from any provident fund in which he was a member and salary or pension received or receivable for two months prior to death".

Shri S. V. Ramaswamy: I beg to move:

In page 20, after line 17 insert,—..

"(3) Where an estate in respect of which estate duty is payable comprises land on which timber, tree, wood or underwood are growing, the value of such timber etc., is not taken into account in estimating the value of the estate and the estate duty is not payable thereon; but the estate duty is payable (1) on any net moneys, after deducting all necessary outgoings since the death of the deceased, which may be received from the sale of timber, trees or

wood when felled or cut during the period until the land again becomes liable or would but for this provision become liable, to estate duty on a subsequent death; and (ii) if the timber, trees or wood are sold either with or apart from the land on which they are growing, on the principal value thereof which, but for this provision, would have been liable to duty on the death of the deceased, after deducting the amount of any estate duty paid in respect of the timber etc., since that date.

(4) In the case of any agriculture property which comprises cottages occupied by persons employed solely for agricultural purposes in connection with the property no account is to be taken of any value attributable to the fact that the cottage is for residential purposes of any persons other than agricultural labourers or workmen on the estate.

(5) The Union Government may declare from time to time the holding of any Government Security issued or to be issued, as free from liability to pay Estate Duty.

(6) The Union Government may exclude investments made in new ventures from the estate of the deceased."

Shri U. M. Trivedi: Sir, I have given notice of one further amendment to the amendment of Mr. Deshmukh, No. 537.

Mr. Deputy-Speaker: When was it given?

Shri U. M. Trivedi: This morning.

Mr. Deputy-Speaker: The amendment has not been circulated to the hon. Members. Let me consider that later in the afternoon.

Shri Tulsidas: I sent an amendment on Friday. There has been some mistake.

Mr. Deputy-Speaker: On whose part?

Shri Tulsidas: Obviously on the part of the office.

Mr. Deputy-Speaker: I will ask for its verification. It is not in the order paper at the moment.

Shri Tulsidas: It was sent last Friday.

Shri Mulchand Dube: I beg to move:

In page 19, line 33, after "books" insert "declared to be".

Shri V. B. Gandhi (Bombay City—North): I beg to move:

(1) In page 19, omit lines 36 to 39.

(2) In page 19, omit lines 40 to 42.

Shri Tulsidas: I beg to move:

In page 20, after line 9, insert,—

"(k) gifts, settlements or other dispositions made in favour of the Central Government or the State Governments or in favour of any local or public authority;

(l) monies invested by the deceased in any new industrial undertaking under conditions to be prescribed by Government."

Shri U. M. Trivedi: Sir, my amendment....

Mr. Deputy-Speaker: As an exceptional case, I waive notice of an amendment to an amendment put forward by Mr. Trivedi.

Shri U. M. Trivedi: I beg to move:

That in the amendment No. 537 proposed by Shri C. D. Deshmukh, at the end, omit the words "but not exceeding rupees fifty thousand".

Mr. Deputy-Speaker: Then all the amendments have been moved. No more amendments will be allowed hereafter. Now, the hon. Minister.

Shri C. D. Deshmukh: My amendment No. 534 is:

In page 19, line 24, for "from" substitute "before".

The object is to bring the phraseology in conformity with the phraseology in sub-clause (b) and also in other clauses in the Bill. Sir, it is an improvement in drafting.

Then, amendment No. 536 is:

In page 19, line 39, add at the end "but not exceeding rupees fifty thousand".

We put a limit at Rs. 50,000, as otherwise, it will give an undue concession to the more well-to-do assesseees.

Mr. Deputy-Speaker: In the aggregate? Otherwise, it may mean to each one of the items.

Shri C. D. Deshmukh: On the aggregate.

Mr. Deputy-Speaker: Is it said so?

Shri C. D. Deshmukh: This is on line 39: "moneys payable under one or more policies of insurance effected by the deceased on his life, to the extent of rupees five thousand".

Mr. Deputy-Speaker: Is it to the extent of Rs. 5,000? Where does this come in, in 32(g)?

Shri C. D. Deshmukh: It is 32(f). It restricts the unlimited amount.

My next amendment is:

In page 19, after line 39, insert:

"(ff) moneys deposited with the Government in such manner as may be prescribed for the purpose of paying estate duty, together with the interest which has accrued due thereon at such rate as may be prescribed, to the extent of the amount of duty payable but not exceeding rupees fifty thousand;".

This is to enable advance payment. This is a very important amendment.

This is to enable advance payments to be made of estate duty, as such a provision would be necessary, as it may not be possible in all cases for persons to take out policies of insurance. At a certain age group no insurance company will insure, particularly when the person is advanced in age. A limit of Rs. 50,000 has been put in, for the same reason. Otherwise, it would give an undue advantage to the more well-to-do assesseees.

Then, the next amendment is:

In page 19, line 43, after "or" insert "archæological or".

We have inserted this at the instance of the Ministry of Education.

My last amendment is:

In page 20, for lines 4 to 9, substitute:

"(j) moneys earmarked under policies of insurance or declarations of trust or settlements effected or made by a deceased parent or natural guardian for the marriage of any of his female relatives dependent upon him for the necessities of life, to the extent of rupees five thousand in respect of the marriage of each of such relatives."

We feel that the clause deleted is redundant, in view of the amendments to clause 9; so, sub-clause (j) is re-drafted. The rest of it is for the reason I have explained.

Mr. Deputy-Speaker: So, I will put the amendments to vote, except in so far as Mr. U. M. Trivedi's amendment is concerned.

Shri U. M. Trivedi: I think we can take it up in the afternoon.

Mr. Deputy-Speaker: The House will now adjourn and meet again at 4 p.m. today.

The House then adjourned till Four of the Clock.

The House re-assembled at Four of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

Mr. Deputy-Speaker: We shall continue the discussion on clause 32.

Shri Raghuramaiah (Tenali): So far as this clause is concerned, I want to confine myself to a matter of constitutional importance. Both in the original clause 32 and in the amendment which has been moved by the Finance Minister, it is proposed to include agricultural land in a State which has not yet decided to adopt this legislation within the total aggregate for purposes of determining the rate payable.

Mr. Deputy-Speaker: That is in clause 33. We are on clause 32.

Shri Raghuramaiah: I am very sorry.

Shri Altekar: Following the progress of the debate in the House on this Estate Duty Bill, an impression is growing upon me that the age of charity is gone and that the age of severity with controllers, calculators and tax-masters as its ushers is succeeding. The glory of charitable institutions seems to face a veritable disaster. These institutions are in the throes of an eclipse, be it partial total or annular. They are being over-run by the shadows of the new orbs on the planning horizon. It appears that ideas and ideologies change with ages, and here also we find some change in the attitude towards charity. Before the attainment of *Swaraj*, charity was a matter of great piety and serenity but after our attaining *Swaraj*, it has been relegated to a minor position. As regards our attitude towards charity, I may, in support of my statement, namely, that charity is held in high esteem in our civilisation, give a quotation—as the Finance Minister did. The quotation is:

यदासि विशिष्टेभ्यो यच्चाशनासि दिने दिने ।
तते वित्तमहं मये शेषं कस्यापि रक्षसि ॥

The meaning of it is this: "Only that much wealth is yours which you enjoy day by day and which you advance towards good causes or to good per-

sons. The rest is being stored by you for someone else". Charity has always been held in high esteem in Indian society.

An Hon. Member: Is not estate duty held in esteem?

Shri Altekar: Estate duty is a tax; it is not a charity. What I was saying was that charitable institutions have, as a matter of fact done great good to the country, and yet it appears that somehow or other they are not being looked to with as much concern today as they deserve. We have abolished untouchability from our land. Nature abhors vacuum and that back place, in spite of the good things we have done in the new set-up, appears to be reserved for charity. Social reformers are out to rescue women from the miserable conditions under which they suffer. I am referring particularly to widows. There are certain types of them who are awarded only a starving maintenance under the Hindu law. But it now appears that this starving maintenance has been reserved for the purpose of these charitable institutions. The word "charity" appears to be a scarecrow to the sponsors of planning.

I am reminded of a beautiful Sanskrit verse in this connection. Resisting the temptation of citing the original, I shall give the English translation.

An Hon. Member: No, no. Give the original.

Shri Altekar: Very well. If the House so wishes, I shall quote it. It runs thus:

तृणात्तलवुतरस्तूलस्तूलादपि च याचकः ।
बायुना किं न नीतोऽसौ—

The meaning is: "Cotton is lighter than hay, but a mendicant is lighter still." When a friend said this, the companion asked, "How is it then that the wind has not blown up the mendicant and carried him along with it?" Then the friend replied.—(I shall first give the Sanskrit version):—

मामव्य याचयिष्यति ॥

[Shri Altekar]

The English meaning is this: "The wind was afraid that, should it come in contact with the mendicant, he would spread his hands and beg for some alms." So, said the friend, "Rather than touch him, the wind therefore passed by him." In the same way, those who are in charge of this Estate Duty Bill are treating the charitable institutions with utter lack of sympathetic consideration.

I would like to point out that there is no need for any misconceived fright in regard to these charitable institutions. The idea of taking great care in regard to gifts is to see that there is no avoidable evasion of estate duty, made, and persons owning big estates give away gifts only for *bona fide* purposes and not for others which are not countenanced by the state. I may say, from the same point of view, that the concern of rich people is not so much to give money for the purpose of charitable institutions, but rather to give it to their own nearest and dearest relatives, to their own kith and kin. If this abuse is prevented then I would submit that charitable institutions should be meted out a better treatment than is being given to them. Only those who are interested—only those who are generous-hearted—will be giving money from their estates for charitable institutions, and if such money is given for public charitable institutions, I submit that it is a cause for which we should give proper consideration and offer better treatment than we show at present. There is no ban as such, because a back-door is kept which is Rs. 2,500. But after all it is a back-door. Such a sort of ceiling on an estate, be it however big, is not proper and proportionate. There may be persons owning lakhs and crores. In their case also to place a limit of 2,500 seems rather strange. If such a limit is put and then we approach these wealthy persons for gifts to charitable purposes, they will not be in a mood to give a handsome sum for such institutions, because they are not influenced by arithmetical or other cal-

culations; but rather by the general effect that is worked on their mind by the approach of Government towards such gifts; and that weighs a great deal with them. They would think that after the death when the calculations are being made their heirs may come into trouble, there may be a great cut in the estate that is to pass to them and there will be difficulties of litigation. They may as well think: better not give anything; rather than give something and get our heirs involved in endless litigation. So, this measure will act as a check; it will act as a hindrance; it will act as a deterrent influence, so that they will not in any way be inclined to give such gifts.

Sir, I would like to submit to the Finance Minister that charitable institutions are the backbone of good social work and they should be given a fair deal. Then, Sir, I would like to approach this question from another point of view, that is the possible gain to the society. Suppose a sum of Rs. 10 lakhs is given for charitable purposes by a person worth a crore. The whole of it will go to the charitable institution and for the benefit of the society. But if he does not make such a gift, what will go to the coffers of Government? At the most Rs. 4 lakhs and the society would thus be losing Rs. 6 lakhs. After all in the higher synthesis we should better take into consideration the total gain that is there for the society as a whole and not only towards a section of it, that is Government. Government after all is a part of the whole social structure and from that point of view if we look at this measure, society would be a loser by putting such a sort of restraint and ceiling on the donations for public charitable purposes. Therefore I submit that this would be like losing a good deal for the matter of gaining a little.

Well, look at the great work that is done in the interest for the uplift of the masses by various charitable institutions in this country. We find that very big institutions like the

Banaras Hindu University or the Lady Thackersay University for Women in Poona would never have come into existence but for the princely gifts that were made by rich persons. It would be impossible that any institutions of that type would ever come into existence if we lay such a ceiling on the donation to charitable purposes. Then again we shall find that most of the colleges, almost all the high schools that are there in various districts are run by institutions which are started by private bodies for educational purposes. The huge buildings in which the institutions are housed and the necessary equipment required to run them are all built out of donations. I am running at least half a dozen public charitable institutions and I find that it is rather difficult to get donations even under the conditions at present obtaining. With this particular provision in the Estate Duty Bill the difficulty would be greater still. I would for myself like that the State should take charge of these institutions and leave us free of the care of conducting them. Many of those who are conducting such institutions think in the same way.

Now it is said that this ceiling on donations for charitable purposes has been placed after taking into consideration the priorities. I would like to point out that there are priorities in the Five Year Plan, but they are priorities fixed after taking into consideration the institutions that already exist in this country. These priorities can be worked only in the circumstances that obtain in the country for the time being, with the various educational institutions, institutions for the purpose of giving medical relief, institutions for the purpose of giving some sort of rescue-home to women, gone astray and orphanages. I am rather reminded of a remark that was made by Prof. Max Muller in connection with Sayanacharya. Sayanacharya has written a great commentary on the Vedas and Prof. Max Muller said that we are in a position to look farther because we are standing on his shoulders. We are in a position to go ahead

with the priorities which are placed before us because there is that condition precedent, there is that condition obtaining, already in the country by which educational facilities, medical facilities and other social benefits are provided by the existing charitable institutions are made available. You cannot ignore this fact and take it out of consideration.

From that point of view, I beg to submit that these charitable institutions do deserve a good deal and a square deal, because not only would charitable institutions be prevented from coming into existence in future, but also those which are already there will find it very difficult to go on. Some of them would have been started in anticipation of some charities: it would be difficult to complete them. For instance in the case of institutions like Sradhananda Ashram whose budget exceeds lakhs obtained only through charities, I do not know how such charities will be forth-coming in the future. A ceiling on donations will place these charitable institutions in a very difficult position. I would therefore request the hon. the Finance Minister to pay particular attention to this aspect of the matter and be a little more charitable to such institutions.

I have suggested, Sir, and it is a very moderate suggestion, that the ceiling for this should be Rs. 2,500 or 5 per cent. of the total estate belonging to the deceased, whichever is higher. It is very moderate request. If a person intends to give a donation of Rs. 2,500, he should be allowed to do so; but if there are rich persons possessing very large estates and they want to give donations for public charitable purposes, a good deal more—i.e. up to a limit of 5 per cent. of their total estate, should be allowed to be given to such institutions. I think, Sir, this is a very moderate demand and it should find acceptance at the hands of the Hon. the Finance Minister.

With reference to other gifts, I have to state that if there are rich persons who have got many dependants or distant relatives reared up by them, more or less as their children, and if

[**Shri Altekar**]:

they intend to give such dependants a sum larger than Rs. 1,500, they should be allowed to do so. I do not mean that the Government should be deprived of any sort of tax on a very large part of the estate. What I have suggested is 5 per cent. for the purpose of public charitable institutions and about 3 per cent. for the purpose of some other gifts that I have stated in connection with relatives, dependants and so on. Altogether it comes to 8 per cent. Other exemptions will not be more than Rs. 75,000 or a lakh of rupees. If there is a person who owns a crore of rupees, it will come to about Rs. 9 lakhs, that is, less than 10 per cent. This is not a great concession as compared with the whole estate.

Mr. Deputy-Speaker: This is to be given away in six months of death.

Shri Altekar: No one knows when the death will be coming. As a matter of fact, when one sees the number of legal difficulties, one rather wishes to err on the safer side and not to give any money at all as donation. It is not without persuasion or repeated and pressing requests that these donations are secured. Those who are running public charitable institutions know all these things; and it is not so easy as one may think. I find at this time, S.r., that it is easier to get a handsome gift from a rich man than to get a consent to it from the hon. the Finance Minister. That should not be. I request him to be a little more charitable.

Shri C. D. Deshmukh: I am not running a charitable institution for all the poor in the country.

Mr. Deputy-Speaker: What if the Government starts a charitable fund? Whoever really wants to clear his conscience before he passes away may give a certain amount and these may be utilised by Government for charities.

Shri Altekar: There is no such charitable fund scheme in the Five Year Plan. Charity should rather begin at home and from the Finance

Minister, and I request the Finance Minister to be a little bit more generous.

So far as the interests of the whole country are concerned, I would rather like to see that there should be no cause nor room left for the public charitable institutions to exclaim out of anguish "Oh Heavens! save us from our friends, the Finance Minister and his Advisers."

Mr. Deputy-Speaker: I would like to know for the purpose of clarification whether this Rs. 2,500 is included in Rs. 5,000. The amendment I think was moved by Mr. Gadgil.

Shri C. D. Deshmukh: This is separate and comes under 9 (2).

श्री श्री० पी० सिन्हा : उपाध्यक्ष महोदय, मैं संशोधन नम्बर ३१६ का समर्थन करता हूँ। इस मृत्यु कर बिल के स्थान पर यदि हम सम्पत्ति कर या उत्तराधिकार बिल लाते तो भारतीय भावनाओं का हनन न होता। आज इस मृत्यु कर बिल से जिसे हम एस्टेट ड्रूटी बिल के नाम से पुकारते हैं, भारतीय भावनाओं को बहुत ठेस पहुँच रही है। परन्तु, जो कुछ भी हो, इस का सिद्धान्त हम ने कबूल कर लिया है, फिर भी उत्तम होता कि इस बिल को हम मृत्यु कर बिल के रूप में न रख कर उत्तराधिकार या सम्पत्ति कर बिल के रूप में लाते। इस बिल का उद्देश्य आर्थिक समता लाना है। मैं नहीं चाहता हूँ कि देश में महलों और छपरों का अन्तर न मिटे। परन्तु साथ ही साथ मैं यह चलूर चाहता हूँ कि मध्यम स्तर का मार्ग इस के लिये निकल सके जहाँ पर कि हमें निम्न वर्ग के लोगों को ऊपर उठा कर ले जाने की चेष्टा करनी चाहिये और जो ऊंचे स्तर पर हैं उन को उस स्तर तक नीचे ले जाने की चेष्टा करनी चाहिये। ऐसा न होने से समाज में अव्यवस्था हो जायेगी, हमारा समाज अस्त अस्त हो जायेग और हम देश के

अन्दर शान्ति की स्थापन न कर सकेंगे। इस लिये सरकार को इस के लिये प्रयत्नशील होना चाहिये। वह इस तरह का प्रयत्न करे कि जो आज नीचे के स्तर के लोग हैं उन को अध्यम स्तर पर ले जाये। यदि हम इस प्रकार से बिना उचित विचार किये हुए बिल लावेंगे जिस से कि हम निम्न स्तर के लोगों को अध्यम स्तर पर न ला सकें, तो अध्यम स्तर छिन भिन्न हो जायेगा और देश में अशान्ति फैल जायेगी। इस लिये मेरा ख्याल है कि अध्यम वर्ग के लोगों को छेड़न अनुचित होगा। १९४६ और १९४८ में एस्टेट डूटी बिल का जो ढांच तैयार किया गया था उसमें भूमि कर नहीं लगाया गया था। आज ऐसी कोई विशेष अवस्था पैदा नहीं हुई है जिस में जमीन और भूमि कर लगाने का हमें फैसला करना चाहिये था। आज देश में उत्पादन में जो कमी हो रही है वह हमारे लिये एक मुख्य विषय है। जो साधन इस बड़ी समस्या को हल करने में सहायक हों हमें उन को ही श्रेयस्कर मानना चाहिये और उन्हीं को प्रोत्साहन देना चाहिये। मेरा ख्याल है कि इस प्रकार के बिल से आप के उत्पादन में कमी होगी। आज भूमि की जो अवस्था है, जिस के लिये अभी हम ने कोई नीति निर्दिष्ट नहीं की है, उस से उत्पादन में बड़ी कमी हुई है। आज किसानों के पास जो जमीन है जिसे आप बेस्ट लैंड कह सकते हैं, यह जो जमीन साधारण मिट्टी की है उसे वे उर्वरा बनाने की चेष्टा नहीं करते हैं क्योंकि वह नहीं जानते हैं कि कितनी जमीन उन के पास रहेगी और कितनी नहीं रहेगी। यह जो ऐप्रिल क्लवर टैक्स की बात रक्खी गई है उस में किसानों के बीच में और भी भ्रम फैल जायेगा और जो जमीन जिस अवस्था में है उसी अवस्था में वही रह जायेगी। जिस के पास बेस्ट लैंड है वह उस को मुधारने की चेष्टा नहीं करेगा, जिस के पास निम्न स्तर की जमीन है वह उसे मुधारने की चेष्टा नहीं करेगा।

इस लिये इन बातों पर बहुत गम्भीरता पूर्वक विचार किया जाना चाहिये। साथ ही साथ यदि आप जमीन को एस्टेट डूटी बिल के अन्दर लेते हैं तो आप के कर्मचारियों को बहुत बड़ी संख्या उस के मूल्यांकन में ही लगी रह जायेगी, और मैं समझत हूँ डेय डूटी के बाद जब दूसरी डूटी का सवाल आयेगा तो आप नूल्यांकन करने में असमर्थ होंगे। इस लिये यह जो कानून है वह वित्कुल अनुयायक है और आप के उत्पादन में बाष्पक होने वाला है। साथ ही साथ जो आप निम्न स्तर को ऊचे स्तर पर लाना चाहते हैं उस में भी बाष्प पड़ेगी। आप को सोचना चाहिये कि ग्रब देश में जमीदार नहीं रहे। केवल किसान ही देश के अन्दर हैं जिन के पास भूमि है। यह भले ही हो कि किसानों में दो प्रकार के लोग हैं। एक ऊचे वर्ग के किसान और दूसरे निम्न वर्ग के किसान। इस में आप कमी कर सकें तो करें। आज देश में समत लाने के लिये ताकि गरीबों के घर में दोनों बक्त रोटी बन सके, चूल्ह जल सके, जो सब से बड़ी आवश्यकता है वह है नशाखोरी को बन्द करना, जिस की ओर से देश उदासीन है। नशाखोरी के कारण गरीबी कम नहीं हो रही है, इस ओर सरकार को विचार करना चाहिये। यदि सरकार इस ओर विचार करती तो मैं समझत कि आज वह देश में आर्थिक समता लाने की बात सोच रही है। आज यदि सरकार के पास यह सुधारने भी होता कि इस डेय डूटी से जो पैसा आयेगा उस से नशाखोरी बन्द करने से जो कमी होगी उस की पूर्ति की जायेगी, तो हम समझते हैं कि गरीबों की अवस्था सुधारने की बात कही जा सकती है। लेकिन वह सब कोई भी योजना हमारे देश में नहीं है। योजना हमारे देश में ऐसी हैं जिन के दिन प्रति दिन सरकार के प्रति लोगों के दिल के अन्दर अविश्वास बढ़ होता जा रहा है और आज जनतः यह समझती है कि सरकार जितने पैसे हम से

[श्री बी० पी० सिन्हा]

लेती है उन पैसों का कोई उचित उपयोग वह नहीं करता है। इस के अनेकों उदाहरण दिये जा सकते हैं, लेकिन मैं समझता हूँ कि उदाहरण न देना ही बेहतरीन होगा। क्या अर्थ मंत्री या सरकार के शासन को चलाने वाले लोग यह समझते हैं कि जो पैसा हम लेते हैं उस पैसे का उचित उपयोग हो रहा है? जहां तक जनता का सम्बन्ध है उस के दिल में ऐसा भ्रम रोदा हो रहा है कि जो पैसा सरकार लेती है वह उचित रूप से खर्च नहीं होता है। इस प्रकार बिल पर बिल ला कर टैक्स लगाने हम समझते हैं कि जनता का विश्वास खोना है। इसलिये इन दृढ़ वर्जन की दृप्ति हम अपने अर्थ मंत्री का व्यान विशेष रूप से देलाना चाहते हैं।

इस के ऊपर जो एस्टेट ड्यूटी कर लगाने की बात संची जा रही है यह तो बहुत ही गम्भीर विषय है, बहुत ही विचारणीय विषय है। अब हमारे अधिकारियों को, जो शासन के अधिकारी हैं, उन को सोचना चाहिये कि भीदार दर्ग खत्म हो गया। किसान हैं किसानों को भूमि से जो आय होती है, उस पर आप जो टैक्स लगावेंगे तो किसानों की आय तो अनिश्चित है। किसानों की आय वर्ष पर निर्भर करती है। लगातार दो तीन वर्ष तक वर्षा न होने के कारण किसानों की फसल नष्ट हो जाती है। आप को सोचना चाहिये कि दो या तीन वर्ष तक खेती करने में किसानों को दुर्भिक्ष के कारण कितना नुकसान होता है। फिर उस की पूर्ति कितने वर्ष में हो सकती है, यह सोचने की बात है। आजकल किसानों की आय पर जो टैक्स स्टेट्स में लगाये जा रहे हैं, वे ही यथोष्ट हैं। यदि अकाल में कोई किसान मरा और उस पर मृत्यु कर लगा तो उस का सर्वेन श हो जायेग। उस ने खेती के

ऊपर जो खर्च किया उस की पूर्ति करने में ही कई वर्ष लग जायेंगे और उस से मृत्यु कर के रूप में, उस की एंग्रीकल्चर के ऊपर उस को और टैक्स देना पड़ेगा तो वह किसान कई वर्ष तक के लिये बँठ जायगा और देश की बड़ी भारी अति होगी। किसानों की सहायता करना, उन को प्रोत्साहन देना, हमारा काम है। साथ ही यदि आज किसानों के पास सम्पत्ति है, तो उस को लेने में भी मुश्के कोई हंडकिचाहट नहीं है। लेकिन उसे ही ड्यूटी के बिल से, एस्टेट ड्यूटी के नाम पर न ले कर आप दूसरे बिल के द्वारा भूमि कर के रूप में लें, जैसे कि बहुत से राज्यों में प्रचलित है। हम समझते हैं कि आज आर्थिक समता की जो भावना है तो उस में इस तरह से पैसा लेना चाहिये एस्टेट ड्यूटी के नाम पर नहीं। एंग्रीकल्चर टैक्स के नाम से ही सरकार को पैसा प्राप्त हो सकता है और मैं नहीं समझता हूँ कि भूमि के लायक जमीन पर कोई एस्टेट ड्यूटी टैक्स लगाने की समस्या सरकार के सामने है।

आज देश में हाहाकार मचा हुआ है। आज नशाखोरी के कारण कितने घरों में दोनों वक्त चूल्हा नहीं जलता है। आप नशाखन्दी कर दें तो गरीबों का कितना बड़ा सुधार हो सकता है। मुझे दुःख है कि शासन ने इस ओर काफी व्यान नहीं दिया है। वह तो कहते हैं कि स्टेट्स का यह काम है। लेकिन जमीन का विषय भी तो स्टेट्स का है। उस पर सरकार कर लगाने की बात क्यों सोचती है? यदि आज इस तरह के गरीबों की अवस्था वास्तव में सुधारने की बात है तो सरकार इस तरह का सुधार राज्यों को दे सकती है कि वे नशाखोरी बन्द करें, जिस से गरीबों की अवस्था सुधरे। हम नहीं समझते हैं कि सरकार वास्तव में गरीबों की अवस्था सुधारना।

चाहती है, वास्तव में आर्थिक समता लाना चाहती है। यदि वास्तव में यह बात है तो हमारी सरकार से यह नम्र निवेदन है कि वह राज्य सरकारों को इस तरह का आदेश दे, सुझाव दे, कि वे नशाबोरी को बन्द कर दें और जो आज ज्ञोपड़ों और महलों का अन्तर है, उस में किसी तरह कुछ समता ला सकें, उसी की बात हम को करनी चाहिये। जो यह मध्यम स्थान पर लोग हैं, जिन की अवस्था हम सुधारना चाहते हैं, जिस तरह हम लोगों में आर्थिक समता लाना चाहते हैं, तो हम को इस की ओर इस तरह नशाबन्दी आदि के उपायों की ओर ध्यान करना चाहिये। तभी हम वास्तव में कोई सुधार का काम कर सकेंगे।

किसानों की जमीन का भविष्य क्या होगा, यह भी अन्धकार में है। बहुत से लोग सोचते हैं कि जमीन का बराबर बराबर बंटवारा होना चाहिये। मैं समझता हूँ कि जो इस तरह की बात सोचते हैं, उन को किसान के सम्बन्ध में कोई आईडिया नहीं है। आज देश में जो आबादी है, इस के लायक जो जमीन है, यदि सारी जमीन बराबर बराबर लोगों में बांट दी जाय तो वह सब जमीन आराकानामिक होल्डिंग में बांट जायगी और उत्पादन में इतनी कमी हो जायगी, जिस का कोई ठिकाना नहीं है, कोई हद नहीं है।

आज हमारे अर्थ मन्त्री जी ने बराबर इस बात का हमें विश्वास दिलाया है और कहा है कि जो उचित सुझाव किसी भी ओर से आवेंगे तो वे दलगत की भावना के बिना उन पर विचार करेंगे। मैं समझता हूँ कि भूमि सम्बन्धी नीति के बारे में हमारे अर्थ मन्त्री को बहुत ही गम्भीरता पूर्वक सोचना चाहिये। मैं उन से आग्रह करूँगा कि भूमि को इस कर से नहीं निकालेंगे तो उस के मूल्यांकन

करने में बहुत बड़ी दिक्षतें पेश आवेंगी और सब मामला बहुत ही अस्तव्यस्त हो जायगा। इसलिये आज आप को देखना चाहिये कि जिन किसानों पर हम भूमि कर डैथ ड्यूटी के रूप में लगाने जा रहे हैं, उन किसानों की अवस्था क्या हो जायगी। मैं फिर भी याद दिलाऊंगा कि श्री श्रीमन्नारायणजी अग्रवाल ने इस बिल का प्रथम बाचन में समर्थन करते हुए यह कहा था कि यह बिल इसलिये जरूरी है कि किसानों के ऊपर दूसरे दूसरे बहुत से ज्यादा कर लगे हुए हैं, लेकिन दूसरे वर्ग इन से अछूते हैं, इसलिये इस बिल का लाना बहुत ही जरूरी है। मैं समझता हूँ कि कम से कम इस बिल में इस कर के रूप में किसानों को छूट मिलनी चाहिये। जब दूसरे दूसरे वर्ग ही इस में रहेंगे तो आर्थिक समता के बाने में सहायता होगी। मेरा अर्थ मन्त्री को यह सुझाव है कि आज देश में बड़ा भ्रम फैलेगा कि आज से पहले जो सरकार थी, १९४६ के ढांचे के अनुसार जो सरकार थी, १९४८ के ढांचे में जो सरकार थी, उस ने किस तरह भूमि को इस कर से मुक्त कर रखा था, लेकिन यह जो हमारी राष्ट्रीय सरकार है, वह कोई भी ऐसी जगह नहीं छोड़ना चाहती है, जहां पर कि उस को किसी न किसी रूप में टैक्स मिल सके।

आज यह टैक्स तो आ ही रहा है और आ ही जायगा। लेकिन भूमि की अनिश्चित स्थिति है, किसानों की आय तो वर्षा पर निर्भर करती है। लगातार दो तीन वर्षों तक अनावृष्टि हो तो उस की क्या दशा हो जाती है और फिर उस के ऊपर डैथ ड्यूटी, एस्टेट ड्यूटी बिल कर लागू हो तो वह किसान तो उठ भी नहीं सकेगा। उस की रीढ़ टूट जायगी।

इसलिये हमारे अर्थ मन्त्री से तीन निवेदन हैं। पहला निवेदन तो यह है कि वह भूमि १

[श्री बी० पी० सिन्हा]

खेती के लायक है, उस को इस बिल से निकाल दें। यदि वह उस को निकालना न चाहते हों तो उस को तब तक के लिये स्थगित कर दें जब तक कि सरकार की भूमि सम्बन्धी नीति निर्दिष्ट नहीं हो जाती है। यदि इस के लिये भी वह तैयार नहीं हैं तो सब से निम्न, सब से छोटा जो निवेदन है, वह हमारा इस अमेंडमेंट का निवेदन है, वह इस अमेंडमेंट को क़बूल करने की कृपा करें।

दूसरी छूट के बारे में चाहता हूँ कि हर परिवार को एक मकान रहने के लिये चाहिये। उस को इस बिल से छटकारा मिलना चाहिये। आज बहुत से लोग कहते हैं कि बहुत स्यादा मूल्य का मकान है तो उस को क्यों छोड़ा जाय। मैं समझता हूँ कि आप मकान को नहीं छोड़ेंगे तो जो आप के कर्मचारी हैं, वे मकान दा इस तरह मूल्य लगावेंगे कि जिस से उस की किसी तरह छूट नहीं हो सके। हमारी कांस्टीट्यूएंसी में एक नवाब बहादुर है। उन के पास बहुत बड़ा मकान है। यदि कोई भी उस का मूल्य लगावे तो वह मूल्य एक लाख तक जा सकता है। लेकिन मैं ने देखा है एक हालत यह है कि उस मकान की एक टूटी हुई खिड़की है तो उस में वह कोई तस्ता भी नहीं लगा सकते हैं। मैं ने रोवा ग्राम में देखा था कि धूप से बचने के लिये खजूर की छड़ी (पत्ता) लगा हुआ था, नवाब के मकान की खिड़की में तस्ते की जगह एक खजूर की छड़ी लगी हुई थी। इसलिए एक मकान का छोड़ना निहायत ज़रूरी है और अगर ऐसा नहीं किया जायगा तो इस के फलस्वरूप देश के अन्दर बहुत बदामजी फैलेगी, अशान्ति फैलेगी वैसे ही देश की जनता सरकार का जो एज्जीक्यूटिव बर्दाही है, उस से तबाह हो रही है। जिस बारा में कहा जा रहा था कि मूल्यांकन की जांच

करने के लिए कोई जुड़ीश्यल अधिकारी होना चाहिए, उस के लिए हमारे अर्थ मंत्री महोदय ने कहा कि उस काम को एज्जीक्यूटिव स्यादा सहलियत से कर सकती है, आज जनता में एज्जीक्यूटिव के प्रति वैसे ही भारी असन्तोष है और जनता ब्राह्मण कर रही है, अब अगर इस काम को जुड़ीश्यल को न सौंप कर एज्जीक्यूटिव को दिया जाएगा, तो देश में जो हाहाकार मचेगा, उस का हम इस बक्त अन्दाजा नहीं कर सकते।

अन्त में मैं और अधिक न कह कर अर्थ मंत्री महोदय से नम्रतापूर्वक निवेदन करना चाहता हूँ कि आप खेती के लायक जो जमीन है, उसे आप इस कर से मुक्त कर दें, दूसरे एक रहने का जो मकान हो, उसे भी इस कर से मुक्त कर दें भले ही वह किसी भी मूल्य का क्यों न हो। सरकार को यह उचित नहीं है कि जनता की सहलियत का रूपाल किये बिना उस से पैसा लिया जाय। जनता की सरकार का काम यह देखना है कि जनता में सर्वत्र शान्ति, सुख और चैन हो और जब देश स्मृदिशाली होगा, तब पैसा मिलने में कोई कठिनाई नहीं होगी, इसलिए मेरा अर्थ मंत्री महोदय से अनुरोध है कि मेरा जो पहला सुझाव एज्जीक्यूटिव लैंड को कर से मुक्त करने का है, उस को स्वीकार करेंगे, लेकिन अगर वह संभव न हो तो मेरा भूमि नीति निर्दिष्ट होने तक इस कर को स्थगित करने के सुझाव को मंजूर कर लें, लेकिन अगर वह भी मंजूर करने में अपने को असमर्थ पाते हों, तो हृपया मेरा जो अन्तिम सुझाव है और एक मवान को कर्ग से मुक्त करने का, उसे अवश्य स्वीकार करने का कल्प करेंगे, ऐसा मेरा उम से अनुरोध है।

Mr. Deputy-Speaker: Mr. Mishra. Has he tabled any amendment?

Pandit S. C. Mishra (Monghyr North-East): Not on this clause. I have other amendments.

Mr. Deputy-Speaker: I thought I should give preference to those hon. Members who have given amendments. Any way, I have called him.

Shri R. K. Chaudhury: I have an amendment, Sir.

Mr. Deputy-Speaker: I can never forget Mr. Rohini Kumar Chaudhuri.

Shri A. M. Thomas: There will be a spice of humour also.

Pandit S. C. Mishra: Mr. Deputy-Speaker, it looks as if the Finance Minister wishes to make an impression upon us and perhaps upon the people outside that he is very careful and very meticulous about small gains, about things which will bring certain pennies. Certainly it is very good and if one takes care of the pennies, pounds will take care of themselves. But, there is another side. It seems the Finance Minister is getting penny wise and pound foolish. It looks like that because we will soon see that when there are points from which much more money could be had, he is very generous, but on these little things, it seems as if we are higgling and haggling like vegetable sellers in the market. I do not see why all these things are brought here in such a niggardly form. I have seen in this House,—perhaps he may quote us examples from other lands—when he wants anything, he always takes it from wherever he likes, but on other points he rejects. But, I would request him that he should not show that he is strict on these small things which will not bring much revenue, and leave the greater and bigger things like rates etc. I would request him not to be like petty people.

One thing that particularly strikes me in connection with this clause 32 is this. Here are little ceilings: 2500; I do not know what he means by Rs. 1,500 then 2,000 and 2,500. However, if you think that these are any reliefs, I tell you on behalf of the tax-payers, that you can take them out as well. Not even the poorest man will grum-

ble for this 2,500 or 5,000. But, if you give something, you must give something which will bring substantial relief. This is only tinkering with the name relief. Then about sub-clause (2) of clause 32. My request is this. If there are things which the Government knows and which the Finance Minister knows that they will have to make certain exceptions about it would have been much better for them if they had brought those things here. Because, even without going into the Acts, you take certain rights to yourself and it looks as if you cannot do always without having something up your sleeves. Whereas we wish that the whole country and everybody should be law-abiding and should have respect for law, if the very makers of law feel that they cannot exist without keeping exceptions for themselves and arbitrary actions reserved for themselves, I say you are generating something which is not at all respectable for law. Everybody will think, "Well, look here, they have kept enough scope for favouritism, for nepotism, etc. in sub-clause (2)." I say, if after this Bill had come into operation, certain things happened and then they brought forward this proviso, everybody would have been satisfied as to the bona fides of the Government. As things stand, it looks as if the very bona fides of the Government and the finance people and the tax-gatherers comes into suspicion. Why are these things here? I will tell you what will happen by showing this favouritism. You talk of fissiparous tendencies and say that linguistic provinces will do harm. All these little favouritisms in rates or somethings which will exclude more money from the treasury will result in heart-burning and people will feel dissatisfied. Fissiparous tendencies will arise in this country. Therefore I say, if you have something already in your mind, it would have been much better and much more honest if you had brought them here. I appeal that these small things be taken away and if you are thinking of some relief, let it be substantial, otherwise on behalf of the small people. I

[Pandit S. C. Mishra]
say take away all these things wholesale.

Shri S. S. More: Sir, I want to make a submission through you to the Finance Minister.

Shri U. M. Trivedi: Mr. More has no amendment.

Shri S. S. More: I have; it is No. 492.

Sub-clause (c) says:

"household goods, including tools of artisans, agricultural implements or any other tools or implements....."

The Finance Minister is particular to give relief as far as agricultural implements are concerned. But, Sir, what about the minimum cattle of the agriculturists?

Shri C. D. Pande: That is included.

Shri S. S. More: No.

Shri C. D. Pande: Yes. That is my complaint.

Shri Sarmah: What is your amendment?

Shri S. S. More: I will read it.

Shri Sarmah: Read it now.

Shri S. S. More: May I refer to section 60 of the Civil Procedure Code, Sir?

Mr. Deputy-Speaker: Would they not come under implements?

Shri S. S. More: No. That is why I am referring to section 60 of the Civil Procedure Code, which says, tools of artisans and where the judgment debtor is an agriculturist, implements of husbandry and such cattle and seed grain as may...etc. It means that cattle, by any stretch of imagination, cannot be said to be implements.

Mr. Deputy-Speaker: What is the amendment?

Shri S. S. More: I have not tabled any amendment. But, the Finance Minister.....

Shri C. D. Deshmukh: His amendment is about inter-caste marriages.

Shri S. S. More: Before I go to that topic, at present, I will restrict myself to the cattle of the agriculturists.

Mr. Deputy-Speaker: Are there castes amongst cattle also?

Shri R. K. Chaudhury: On a point of order, may I draw the attention of the House and the hon. Minister that his amendment runs like this:

"gifts made by the deceased to persons who have married outside his own caste or community, or who is born of an inter-caste marriage."

How can tools come here?

Shri S. S. More: What the hon. Member has said is absolutely irrelevant. As far as amendment No. 492 of mine is concerned, I want to insert another clause (k). I am not now referring to clause (k). I am discussing clause (c). He seems to be in a hurry to reach inter-caste marriage, without taking into consideration the clause that I am referring to.

Mr. Deputy-Speaker: Because there is no amendment.....

Shri S. S. More: During the course of the discussion—the Finance Minister is responding on occasions very splendidly.....

Mr. Deputy-Speaker: The hon. Member evidently wants to add after "any other tools or implements".....

Shri S. S. More: Cattle.

Mr. Deputy-Speaker: "or necessary cattle".

Shri S. S. More: As a matter of fact, I find that this particular Clause bears a sort of special likeness to clause (b) of Section 60 of the Civil Procedure Code.

Mr. Deputy-Speaker: Any other tools or implements as may be necessary to enable him to earn his livelihood including cattle.

Dr. Ram Subhag Singh (Shahabad South): Then the money value should be raised.

Shri S. S. More: It is for the Finance Minister. I am making a suggestion for his acceptance, because Section 60 of the Civil Procedure Code is there. This particular expression has been used in that particular context as a matter of fact, and this particular clause bears a sort of special likeness to that particular provision with the difference that cattle have been eliminated. And, as a matter of fact, the Congress ought to be very thankful to the cattle, because their symbol is a pair of bullocks which has given them a surprising majority, at least in gratitude.....

Dr. Krishnaswami: Gratitude to the cattle?

Shri S. S. More: So, at least to the bullocks which gave them a majority as a matter of fact, they ought to extend some concession.

Then, I may refer to sub-clause (i):

"drawings, paintings, photographs, prints, manuscripts and any other heir-loom, not falling within clause (h), which are retained in the family of the deceased and are not intended for sale;"

You know already that some rich persons have the habit of collecting such drawings, paintings etc., at a heavy cost, at a fancy price. They may not be immediately intended for sale, but, nonetheless, they carry some value, and a precious value. Why these should be exempt I cannot understand as a matter of fact. And Sir, what is the definition of an heirloom? One of my friends, Mr. Nayar, suggested to me that a Ruler may say that the crown, possibly studded with diamonds and rubies, is an heirloom. It is quite possible to interpret it in that way, and possibly, articles which are worth Crores of Rupees, at least lakhs of rupees, will be sought to be included under this particular clause. I can understand that under (h), such drawings, if they

are given to any public institutions etc.. should be exempted, but if he wants to keep them in his own family his precious treasure, what happens? We have been hearing from English people as a matter of fact, on many occasions, that when the father who was collecting such precious things dies, his sons bring all these things for auction, and then they recover fancy prices as a matter of fact. If they have got any intrinsic value—they may be intended for sale or not—such articles are bound to have a very heavy price on them. Why they should be excluded I cannot understand, when, in the case of agriculturists, you are prepared to exclude them over an amount of Rs. 2,500? In this particular clause there is no ceiling. As a matter of fact property worth many lakhs may escape without any ceiling. I hope the Finance Minister will take this fact also into consideration

Then, Sir, my amendment No. 492, which Mr. R. K. Chaudhury was so kind enough to read in advance for me.....

Mr. Deputy-Speaker: Has not the House already expressed its opinion with regard to this?

Shri S. S. More: I know your anxiety as far as this particular matter is concerned.

Mr. Deputy-Speaker: The hon. Member need not think it is too late for me to have an inter-caste marriage!

Shri S. S. More: I am not prepared to take you as one of the running exhibits for this purpose, as a matter of fact, but.....

Shri C. D. Pande: A dialogue of this kind with the Chair is not proper, and to call you "an exhibit" is very objectionable.

Shri S. S. More: If the word is objectionable, I withdraw it, but as far as we lawyers are concerned, we are every day concerned with exhibits.

Mr. Deputy-Speaker: I am not here to answer the hon. Member. Therefore, I may be left out of the picture.

Shri S. S. More: I am also leaving myself out of the picture along with you, but I do not want to make a speech. I have already expressed my views as strongly as possible in spite of very stormy opposition the day before yesterday, but on that occasion when I put in this sort of amendment for Clause 26, the Finance Minister was concerned. I think now, at least relevant as far as that particular clause was concerned. I think now, at least in this particular place, it will be relevant as far as exemption is concerned, and this is the only thing I want to say about this particular clause.

Shri C. D. Pande: Though I have put in amendments to almost every sub-clause of this clause, I wish to confine myself to sub-clause (c), because, in my opinion, in this whole Bill, though there are many objectionable features, this is the darkest spot in the sense that this clause deals with the most intimate life of the people and their household goods.

Shri S. V. Ramaswamy: What are the other dark spots?

Shri C. D. Pande: Banning of charities, that is one of the dark spots.

The Minister of Communications (Shri Jagjivan Ram): Closing of the loopholes.

Shri C. D. Pande: Then comes the exemptions you have made for the sake of giving relief to the people. I also admit that the limit of Rs. 2,500/- is pretty high provided you do not include the cattle of the peasants, of the farmers, in this sum. If you mean by "agricultural implements" the bullocks also, then I can tell you that in my opinion this should be increased. Otherwise, there is no provision for that. If you include bullocks, then four pairs or five pairs of bullocks of a very ordinary farmer—even my Socialist friend, Mr. Mishra, who is

a very ordinary farmer, has got four pairs of bullocks—will cost Rs. 2,000/-.

Dr. Ram Subhag Singh: Then he is not ordinary.

Shri C. D. Pande: He will be taxable, because even an ordinary farmer in our parts has 30 acres which will cost Rs. 60,000 or Rs. 70,000. Therefore, even a person like Shri Banarsi Prasad Sinha who is by no means rich will be taxable.

The intention is to give relief, and you have put a limit of Rs. 2,500 on what?—on so many things:

"household goods, including tools of artisans, agricultural implements or any other tools or implements as were necessary to the deceased to enable him to earn his livelihood....."

So, I suggest, "to the extent of rupees two thousand and five hundred in value" should be deleted. As I was telling you, the purpose is to afford relief to the people, but in practice, it will not be relief at all. It will be a source of hardship, indeed a source of harassment. The question may be put: how? I will tell you. The moment you put a ceiling or a limit, the question comes of valuing or putting a value on every article that is left. Suppose there is a man of a moderate means of one lakh of rupees, and he dies. Then, after a week or so, or it may be the very day of his death, the people of the Income-tax Department may approach the heirs of the deceased, and may say: "Tell us, what are the goods left?" They will be busy in making an inventory of the entire gamut of the articles left. It is quite possible that a fountain pen of the deceased, a watch, or spectacles, or old chappals even may be put to value, and there may be a lot of harassment in ascertaining as to what actually belonged to the deceased. In a joint family system is there any demarcation between the property of the deceased and the people left be-

hind? Is there any difference in the chair or the sofa set? Do not quote England every time because in England.....

Shri M. C. Shah: You belong to the Dayabagha.

Shri C. D. Pande: Dayabagha is over now.

In England the people live separately from their children. When the children are grown up, the parents live separately, so that in England you can always say that this much of property either in a hotel or a flat or in an apartment belongs to a certain individual who is deceased. But, in India, suppose I die.....

Several Hon. Members: No, no.

Mr. Deputy-Speaker: Hon. Member need not die at all.

5 P.M.

Shri C. D. Pande: Framers of the Bill are looking for that. Then the people come and say, "What is the property left?" My son will find it difficult to point out the exact sofa that belonged to me, or the sofa that he purchased for himself. So, household goods of any value should be made altogether free. They have to be exempted from duty if harassment has to be avoided. Mr. Shah is laughing, how it is possible. Do you think people will have an incentive to turn their fortunes into furniture?

Shri K. K. Basu: There are persons.

Shri C. D. Pande: If there are persons, then they are fools not sound businessmen. If a piece of furniture is purchased after a period of six months, its value is reduced to half. Do you think, when the maximum duty is 40 per cent. on any amount of wealth, people will be foolish enough to invest their fortunes in furniture? I am talking here of big fortunes, not small wealth. Big fortunes will never be converted into furniture. You can take it from me, because the duty is

40 per cent. at the most, and second-hand goods are never sold for more than 50 per cent. of their original value.

My point is if you look into the difficulties of making an inventory of the goods which the deceased person has left, you can visualise the harassment and vexation to which the persons who are left behind will be subjected. Just picture how it will happen. The man is dead, and people are preparing for his funeral. The man from the estate duty office will come and ask, look here, where is that watch that he purchased in Switzerland for Rs. 300, where is that stick which he purchased in Naini Tal for Rs. 2, where are those spectacles which he had ordered from Lawrence and Mayo, and the like.

Mr. Deputy-Speaker: The hon. Member is giving out information in advance.

Shri C. D. Pande: These are the questions that will be asked, where is the bed that he used to sleep in? (Interruptions.) Dutiful sons will give it to the *mehtar* as it is done usually. But they will be told, no, you cannot give away the effects of the deceased, you may be penalised, if you give them to the sweeper.

An Hon. Member: Give it to the tax-gatherers.

Shri C. D. Pande: In my opinion, this will be the greatest source of harassment and vexation to the people concerned. Our household things are such that they are not assigned to individuals. People do not know what utensil belongs to whom. A son may have bought in the lifetime of his father, a few of the utensils for himself, and it may be that they were living together, but the tax collector may come and say, since the deceased was living with you, and you are his dependent, you can never be supposed to have purchased these utensils for yourself. These are the things which are likely to happen very shortly. People with small wealth

[**Shri C. D. Pande**]

will not mind the petty amounts of taxes. It is not a question of paying taxes only. Mr. Gadgil says always, the exemption is so much, do you know that we have afforded an exemption of Rs. 2,500 here, a Rs. 2,500 there, and so on, and the total exemption is Rs. 11,500. I think he has not calculated the relief in actual amount of tax he has afforded to ordinary middle class people. Up to Rs. 1 lakh, the rate of duty is 5 per cent. What is the relief that you have afforded? It is only Rs. 125 in all, in the case of household effect.

Shri Gadgil: Rs. 2,500.

Shri M. C. Shah: When he was a member of the Select Committee. (*Interruptions*).

Mr. Deputy-Speaker: The hon. Member is not yielding.

Shri C. D. Pande: I have appended a minute of dissent. Therefore I have a right to speak. What I want to say is that it is not a question of goods of the value of Rs. 2,500 but the duty on this merciful exemption. The reduction in duty is to the extent of Rs. 125 only. It is indeed you are waging a constant cold psychological war on the people of middle class means.

Shri M. C. Shah: It is not so. Will the hon. Member read Clause 51(3)... (*Interruptions*).

Shri C. D. Pande: Even a man worth Rs. 40,000 of fortune.....

Mr. Deputy-Speaker: The hon. Member will kindly look at me and talk.

Shri C. D. Pande: I was telling you that even a man of middle means may be in constant terror that if there is a death, it is possible that his wealth may be worth only Rs. 50,000, and yet the agents of the Income-tax Department may put it at Rs. 60,000 just to harass him. It is not a question of paying duty that I am referring to, but the vexation, harassment and difficulties to which the people will be subjected. I would even say that

you might put a clause to the effect that under Rs. 1 lakh, it is better to give Rs. 2,000 in advance, rather than say that his property should be probed into, the *thali* should be valued, that the spectacles should be valued, that the old chappals should be valued, and so on, because all this is a constant source of harassment and worry.

Therefore, it is not a question of a benefit of Rs. 125 being given to the persons concerned. An inventory has to be made of the household goods, because a ceiling is fixed for them. I would say that instead of subjecting these people to vexatious difficulties, this concession might be withdrawn as well, rather than the concession remain there and people be put to the duress of declaring the price of the old carpet, the worn out utensils, and the torn bedstead of the deceased. That is all I have to say in this connection.

Shri R. K. Chaudhury: May I ask one question of the hon. Member? He was referring to beds. To whom does the bed of a married person actually belong? Is it the property of the wife who lives or that of the husband who is deceased?

Shri C. D. Pande: The interpretation of the department will be final even in this matter.

Shri T. S. A. Chettiar (Tiruppur): I would like to refer to the amendment moved by Government to sub-clause (f) of clause 32. The original provision in the Bill as it stands now is:

"moneys payable under one or more policies of insurance effected by the deceased on his life for the purpose of paying estate duty or assigned to the Government for the said purpose, to the extent of the amount of duty payable".

Only very rich people can do this. Supposing somebody has to pay a tax of Rs. 1 lakh, if he insures a policy for that amount, definitely for

the purpose of paying this duty, the whole of that Rs. 1 lakh will be exempt from duty. For purposes of aggregation, it will be utilised, but it comes under exemptions. Now this exemption is sought to be limited to Rs. 50,000. The value of the property which will be subject to this tax would be not less than Rs. 5 lakhs.

The hon. Finance Minister has been saying more than once that many concessions have been given to the propertied classes. I agree. But to what kind of propertied classes has this concession been given? Many of these concessions have been given to the large-propertied classes, to which I certainly object. All principles of taxation and all methods of taxation should be based on the fact that the lower classes should be given relief, while as we go to the higher classes, they must be taxed as much as possible. I shall have to say more about this, when we come to the Government amendment in regard to clause 34. I shall rest content with referring to one or two things to which I have referred previously also. Supposing a man is worth Rs. 5 lakhs, you are prepared to give an exemption to him in respect of the whole amount of tax, namely Rs. 50,000. Though for purposes of aggregation, it is included, still it is exempted under this clause.

Then let me refer to the other provisions in regard to exemptions. I would not like to refer just now to charitable institutions which were referred to by my hon. friend over there. I would, however, like one point to be cleared—and that was an important point raised by Mr. More—namely whether agricultural implements or other tools include cattle. I would like to know it from the hon. Finance Minister, if he will oblige us with his opinion.

Mr. Deputy-Speaker: Hon. Members need not go on asking for clarification at every stage. Finally when the hon. the Finance Minister

replies, he will reply on all these points.

Shri T. S. A. Chettiar: I hope so, Sir. Then, coming to the points raised by many other Members, we know the cost of things today. The amounts mentioned here are bound to create hardship with regard to the middle class in their application. It will lead to harassment. I would like to urge, Sir, that while tax can be levied, and we do not want anyone to escape taxation, the lower rungs should be prevented from harassment. As far as the richer people are concerned, they have a lot of money, and as Mr. Kilachand said the other day, they will be free from harassment because they can engage first-rate lawyers and they can meet people, discuss things with people over a cup of tea or over a dinner. They have means by which they can get things done.

Shri K. K. Bose: What are those means?

Shri T. S. A. Chettiar: As far as the people in the lower rungs are concerned, it is they who suffer. Sir, in a matter of administration of law like this, when the head of the family is dead and there is nobody to look after things, there will be hardship. Most of the people are not literate, educated people, most of our agriculturists are not educated and some of them are widows who are in charge of estates. In my part of the country, I know there are many families in which only widows are in charge of estates and it is they who will suffer—people who are of middle-class families with Rs. 50,000, Rs. 75,000, even Rs. 1 lakh. (Interruption by Shri S. V. Ramaswamy). So what I would say is that these things will result in harassment to the lower middle class people.

Shri M. C. Shah: How?

Shri T. S. A. Chettiar: If I have not explained it sufficiently to you, I cannot explain it to you.

[**Shri T. S. A. Chettiar**]

Then, Sir, with regard to public charitable endowments, I had an amendment. I did not move it.

Mr. Deputy-Speaker: Is he moving it?

Shri T. S. A. Chettiar: No, I am not moving it. But the point is this. Last time when we were discussing clause 9, the Finance Minister stood up and said that this House had voted crores of rupees for social services and other things. Certainly, the Government is the biggest social service-doing agency in the country. But the point that I then made and I must make now is this, that for the provision of social amenities like education, medical relief etc. the Government even today, and in the future should continue for a long time to depend upon social service organisations, and our pattern of Acts should be such as to encourage help to these social service organisations.

There are a few people who are professional beggars in this country and I am one of them. From 1930, when we went to jail for the first time, we have been in charge of social service work collecting money. I am not one of those who think that simply because this clause comes into existence, help to social service institutions will stop. It is not that always gifts are made six months before they die. I am sure the people will continue to rise to the occasion and support all good causes. But that is not the point. The point is whether this will discourage contributions to that extent. To some extent, I am sure this will discourage contributions and this is a point of view which I want Government to take note of. Not that I say that all contributions to social service institutions will stop. They won't stop, because our people want to give for good causes. Even poor people want to give something for good causes, more than the middle and lower classes want to give. But this clause will discourage it. My amendment was to the effect

that following the precedent in the Income-tax Act—Section 15B—people should be allowed to recognise charitable institutions.

Shri C. D. Deshmukh: May I ask one question of the hon. Member? What percentage of the money for charities that he has collected represents collections made from people within six months of their death?

Shri T. S. A. Chettiar: I do not think anybody thinks about death when giving money.

Mr. Deputy-Speaker: As a matter of fact, the hon. Minister wants to know how many people died immediately after giving donations?

Shri T. S. A. Chettiar: Not many perhaps. But I know this, that the recent concessions made under Section 15B encourages people to make contributions. I know that because when we go about for contributions, they ask whether it is allowed under the Income-tax Act, and in many cases where these allowances are made, the contributions are easier. There is no gainsaying that.

Shri Gadgil: They die, whether they like it or not.

Shri T. S. A. Chettiar: Yes, but some people have a prescience that they may die within a few months and to that extent it will be an encouragement to people to make contributions and to recognise charitable institutions.

Shri Jagjivan Ram: At Government's cost.

Shri T. S. A. Chettiar: I do not think Government lose. What are the Government collecting money for? The Government are not collecting funds to keep them in their coffers. They collect funds so that they may distribute them for social service operations, and when they can achieve these very objects in a better method through different

means, I think they should recognise these things. If the Government think that these contributions do not serve any public purpose, they would not have come with an amendment to section 15B of the Income-tax Act. That they have accepted this principle in itself proves that Government think that helping social service institutions by charitable contributions is good for society. I only say that what is considered as good to the society under the Income-tax Act must be accepted, and can be accepted, for purposes of the Estate Duty Bill. I do not take a narrow view. Government want to spend money over these services. These services gain directly by this provision and so, Sir, I do not think there is anything contrary to the spirit of the law prevailing in this country if this is accepted.

Now, I would like to make one observation with regard to sub-clause (2). This is an omnibus provision—that the Government may make certain exemptions as they think fit. I would like the Government to make it clear as to what sort of cases they have in view. Certain amendments have been moved to that clause. It will ease the conscience of this House if the position is made clear, because odd rumours are afloat. It is good that the Finance Minister has made a categorical statement that it is not intended to apply to the Princes, and to that extent things have been made clear. But it will help much more if the Government can come forward with a policy statement about that clause—as to what sort of cases they expect that clause to apply to.

Mr. Deputy-Speaker: A number of hon. Members want to speak, though we are sitting in the afternoon also, continuously for 8 or 8½ hours.

Dr. Krishnaswami: This is a very important clause.

Mr. Deputy-Speaker: I will allow every hon. Member an opportunity.

But let them not repeat what others have said.

Dr. Krishnaswami: We won't.

Shri Raghbir Sahai: Sir, I have already moved amendments Nos. 114 and 117. With your permission, I want to tag them together because they are part of one and the same thing. (Interruptions).

Mr. Deputy-Speaker: Hon. Members have now extended their talk to other Benches also.

Shri Raghbir Sahai: Sir, my first amendment reads:

In page 20, line 5, after "female relatives" insert—"or for the education of minor male relatives".

The second amendment reads:

In page 20, line 9:

(i) for "relatives" substitute "female relatives".

(ii) after "relatives" add "and a like amount in respect of education of such minor male relative or relatives".

After these two minor amendments, the sub-clause would read like this.

"32(j). Gifts made by a deceased parent or natural guardian in consideration of the marriage of any of his female relatives or for the education of minor male relatives depending upon him for the necessaries of life or moneys earmarked for such purpose in policies of insurance or declarations of trust or settlements effected or made by the deceased to the extent of Rs. 5,000 in respect of the marriage of each such female relatives, and a like amount in respect of education of such minor male relative or relatives."

Sir, at the very outset I may submit that in moving these two minor amendments my object is not to water down this Bill as has been feared by some hon. Members of

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this House but to make it more equitable. My arguments in support of these two amendments are the same which were adduced by Members of the Select Committee when they agreed to add sub-clause (j) to Clause 32 i.e. making provision for the marriages of minor daughters and exempt a sum of Rs. 5,000 for that purpose. Now my arguments in regard to these two amendments are just the same as have been advanced in respect of the exemption in regard to the marriages of minor daughters.

You may be aware that in these days it is very difficult for ordinary middle class people, not to speak of poor people, to get their sons and male relatives educated. At the present moment it is not the policy neither is it regarded as the duty of the Government to educate every son of the soil. So it is the duty of every person, who has got a son or a male relative, to educate him properly. Now, Sir, Education is a very costly affair and the practice generally on the part of the middle classes is that whenever a son is born to them, they either get a pass book opened in the post office or they enter into an insurance policy. They make payments by instalments or they deposit sums in the name of that minor son or minor male relative in their pass books. Now suppose the father of those male relatives dies accidentally and he simply leaves a residential house which he might have built in the year 1925 or 1930 when it cost him simply Rs. 10,000 or Rs. 12,000. Now at the present valuation it would cost something like Rs. 45,000 or Rs. 50,000. The poor fellow, when he dies, leaves merely sums in the names of those minor daughters and minor sons. Now my submission is in case the estate duty was to be charged from that money, which is left in possession of the widow and all those minor sons and minor daughters, it would be very hard on them. Just as you

have made an exemption of Rs. 5,000 in consideration of the marriage of minor daughters, I submit, an exemption should be made to the same extent for the education of those minor sons.

An. Hon. Member: What about daughters?

Shri Raghbir Sahai: I was reading an admirable book on death duties by Shri Gadgil which has been very often quoted in this House. I would just draw the attention of the hon. the Finance Minister to those weighty remarks that Mr. Gadgil made therein:

"It should, however, be made clear that in the case of the surviving spouse and minor children who have lost their bread-winner and to whom the inherited property is the only basis of their inheritance, any tax, without sufficient exemption would be an unjust imposition." Further he says, "In the case of widows and minor children any unjust imposition of the death duty would diminish to a great extent the survivor's financial capacity owing to the death of their sole bread-winner."

Mr. Deputy-Speaker: When was that book written?

Shri Raghbir Sahai: I think it was written only a few years ago and Shri Gadgil may not have changed his views.

Shri C. D. Pande: The love and affection for wife and children is eternal.

Shri Gadgil: It is out of date. Much water has flown below Jamuna since then.

Shri Raghbir Sahai: I am surprised to hear that the book is out of date. I think these observations were very pertinent and I think they apply to the present case.

Now, it was suggested that for the education of those minor sons a trust

could have been created. I think that the creation of a Trust would create greater difficulties for in the case of the Trust it was necessary that the possession should go over to the beneficiary. This would be impossible in the case of minor sons or minor daughters. So it would be just and proper that as we have made an exemption in the case of gifts in consideration of the marriage of a female minor daughter so an exemption should be made for the education of minor sons. I hope this amendment will commend itself to the hon. the Finance Minister.

Shri V. P. Nayar: Mr. Deputy Speaker, Sir, I do not have any amendment on this particular clause standing in my name but I would like to say something on amendment No. 454 moved by Messrs K. K. Basu, K. A. Nambiar and others. I do not understand why there is a provision as sub-clause (i) especially when you find that just before that there is sub-clause (h):

"drawings, paintings, prints, manuscripts, works of art or scientific collections which are of national, scientific or historical interest and which are retained in the family of the deceased and dealt with or disposed of in accordance with such conditions as the Board may prescribe."

Sir, Mark the words "and dealt with or disposed of etc."

In the next sub-clause (i):

"drawings, paintings, photographs, prints, manuscripts and any other heir-loom, not falling within clause (h), which are retained in the family of the deceased and are not intended for sale;"

It is there in this sub-clause (i) where the amendment says that the words "and dealt with or disposed of in accordance with such conditions as the Board may prescribe" should be inserted.

Shri K. K. Basu: As it is printed, there is some mistake.

Shri V. P. Nayar: It is put in the next clause by mistake. You know, Sir, that the heir-looms will include several things. Mr. More was just referring that, I suggested to him that it may include precious stones and even crowns also.

If you refer to Wharton's Law Lexicon, you will find that crowns actually are included in what is called heir-looms. I know that in the crown of that gentleman, who used to be His Highness the Maharaja of Travancore, there are so many precious stones and that crown will be easily worth several lakhs of Rupees. That will come within the meaning of heir-looms. You know also that there was a saying in the olden days that all the jewels in the land belong to the king. I may be permitted to quote a Malayalam quotation for *Nalacharitam Aottakkatha* which means that "all the treasures in the land are yours, O, thou King. Devas must be satisfied with the *yagnas*". In fact in actual practice we have found that when anybody had a stone, which may be called precious, the former Rajahs used to have it for themselves. So, Sir, you find that there is a great accumulation of all precious stones—rubies, emeralds, sapphires—of everything which you call precious stones with these ex-Rulers, with almost everyone of them. They will all be claimed under the term, "heir-looms." Take, for example, the crown of the Nizam of Hyderabad, or his dress. He may have buttons of gold in which will be set the most costly diamonds and these will be claimed as heir-looms by his heirs. So, Sir, the word 'heir-loom' will prevent the collection of estate duty on certain things on which these ex-Rulers have lavished their money.

Then, take the case of drawings and paintings. There may be rich men, who, not being satisfied with what our people have drawn, will

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go in for a picture drawn by old masters, as for example, Leonardo da Vinci or Fred Barnard or somebody else. They may pay £ 20,000 for that and keep it with them, and later on their successors will claim them as heir-looms. It will then come within the meaning of drawings. These may be kept in frames of gold set with sapphires. Sir, in the recent Railway Exhibition which we had in Delhi, there was a train and all the local newspapers reported the news under banner-headlines as "the costliest toy in the world." One Maharaaja, it appeared, found that his child could not play with any toy other than a regular railway train. So, he spent lakhs of rupees on that. That will be claimed as an heirloom. How are you going to tax all this? Are you going to allow such things to go tax-free? In fact, Sir, the moment you see that there is an escape under this section, you will find all the ex-Rulers making robes of gold and set them with precious stones. Their buttons will not be the ordinary type of coral buttons which you and I wear. So, Sir, this section.....

An Hon. Member: It will come under clause (f).

Shri V. P. Nayar: No. They can and will certainly say, it is an heirloom. We have stopped wearing it. In fact, you cannot expect a man to wear a dress made of gold, but they will themselves say that it is not a wearing apparel, that it is not intended to be a wearing apparel but that it had been given to him by his father and that it will go to his son as an heir-loom. There is that possibility of mischief. In this section,—I do not say it is accidental—it is deliberately included there. This is a clause which essentially gives relief to the ordinary men, middle-class men. So, under a very crafty disguise, the Finance Minister has so cleverly managed to smuggle in this provision. It is precisely why in the dissenting minute you will find.....

Mr. Deputy-Speaker: I am afraid the whole thing was done in the Select Committee. There is no good attributing the whole thing to the hon. Finance Minister.

Shri C. D. Deshmukh: Is it parliamentary to use the word 'crafty'?

Shri V. P. Nayar: I know only persons with craft can be called crafty, and it means only skilful. Why I say this is because we have expressed our dissent on this particular clause in general. You will find that this is how we began:

Mr. Deputy-Speaker: 'Dishonest' is unparliamentary.

Shri V. P. Nayar: I did not say 'dishonest.'

Mr. Deputy-Speaker: But unless a person specially goes into all the expressions that have been found unparliamentary—normally 'crafty' and such other things which attribute a particular kind of....well, let us proceed.

Shri V. P. Nayar: I will read to you the relevant portions. You have been kind enough to allow this in the dissenting minute, and you have been good enough to publish it although some portions have had to be expunged. This particular passage refers to the Insurance Policy and the provision relating to that. So, Sir, that is exactly why, when we gave the dissenting minute, we were forced to write this sentence: "We have long had in our mind suspicion regarding Government's softness, especially the softness of the Finance Minister, for the microscopic minority of very prosperous citizens occupying the topmost rung of our social ladder." This is a concession which is knowingly given. I still hold that this concession has been introduced into a section which, to all intents and purposes, seems to be one intended primarily to give relief to the poor. I submit that this House must take away this section.

Shri G. D. Somani: Mr. Deputy-Speaker, Sir, I have got four amendments. So far as the amendment about charity and dwelling house and other matters is concerned, the preceding speakers have already said so much that I do not want to go into the same. The hon. Finance Minister had just enquired from one of the preceding speakers whether he was aware of any case where the person died within six months of making a contribution. I would like to bring to the notice of the hon. Finance Minister that I am aware of a case where a person made a contribution of Rs. 15 lakhs and died within six months and at the time of his death, his sons and brother made another contribution of Rs. 25 lakhs and the public charities are being benefited considerably from the trust that was created. I am also aware, Sir, of another case of a Bombay merchant who died a few years ago and created a trust of Rs. one crore a few hours before his death, and that trust is also at present proving of considerable benefit to several public institutions in the country. So, Sir, such cases of substantial contributions either within six months or at the time of death do occur. You, Sir, will agree that such contributions will now be things of the past under the Estate Duty Bill as it at present stands. Now, Sir, I will not labour this point, as I said, about charities. Sufficient has been said and now I would come to my other amendments, and specially to amendment No. 122. In this amendment, I would like to draw the special attention of the hon. Finance Minister to one clause which says:

"(m) monies invested by the deceased in any industrial undertaking which has begun manufacturing at any time within a period of five years before his death or such further period as the Central Government may, by notification in the official Gazette, specify with reference to any particular industrial undertaking."

This, in my opinion, is a very important matter and I would request the hon. Finance Minister to give his special attention to the implications of this amendment. Sir, I am aware that many of the amendments have been rejected on the ground that the Government revenues will suffer. But I would like to make a submission that so far as this amendment is concerned, if it is accepted, it will not result in any loss of revenue to the Government, but it will bring, on the other hand, increased revenue to the Government, besides being helpful to our economy in so many other directions. Sir, I would like to illustrate my point. If this amendment is accepted, then for the purpose of calculation, I will take an average rate of 30 per cent. for those who may be getting the benefit under this clause and who may be investing in new productive channels because the highest slab is 40 per cent. So, I think they may be safely taken as 30 per cent. The loss to the Government revenue from those people who may be establishing new undertakings if they die within five years of that investment, would be at an average of 30 per cent. from that amount. Now, Sir, it follows that for every Rs. 30 that the State may lose, the party concerned will have to find another Rs. 70 of his own to ensure that this Rs. 100 on which he will be claiming exemption of this 30 per cent. will go to new industrial undertakings. It will also be agreed that these new industrial undertakings, after a period of, say, three years or four years, will be yielding at least an aggregate or gross return of 8 per cent. by way of taxation. That means that the Government, by making a sacrifice of Rs. 30, will be getting Rs. 3/8/- from these industrial undertakings which this encouragement has brought into existence, in the shape of income-tax and corporation tax. A return of Rs. 3/8/- on Rs. 30 works out to about 11½ per cent.

Sir, the picture is still not complete. Kaka Saheb Gadgil has advised the

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other day some of his rich friends that they should leave this world before the Estate Duty Bill comes into force, but I hope he will now give credit to his friends that they have not followed his advice, and that they have managed somehow to ensure that they will not deprive the State of its legitimate dues.

Shri Gadgil: I want them to live long, so that they may pay income-tax and sales tax.

Shri G. D. Soman: These persons who will be taking the benefit of this exemption for new undertaking will not all die within the specified period of five years. After all, many of them—at least a majority of them—will survive this exemption period of five years, and therefore once they survive this exemption period, then the investment in these new undertakings will also be brought within the purview of this legislation. If you calculate from this point of view, the return will be much more than what might appear to be the initial loss in the first period of five years in a few cases in which death occurs and exemption is claimed.

Then, so far as this question is concerned, it has also to be considered in the context of the present situation. The other day, the House considered the unemployment problem, and the Finance Minister himself admitted that unemployment was growing and the Five Year Plan should be suitably modified and everything should be done to encourage new avenues of employment. Now, here is an opportunity under this Bill to give some incentive to those individuals who may be interested in investing their capital in new productive channels which will enjoy exemption only for a temporary period of five years. While there will be no very great sacrifice to the State, Government will be giving a definite impetus and encouragement to the establishment of new industries which will, to some extent, relieve the unemployment problem about which so much

concern is being expressed everywhere.

On the other hand, it should not also be forgotten that there are fears expressed on many occasions that if there is no counter-attraction under the Estate Duty Bill, people might easily convert their moneys into precious stones, jewellery, gold etc. which may be easily hidden, and which it may not be easy for the Estate Duty Department which will be established to tax. In order to counteract any such likely evasion of estate duty, it is desirable that some counter-attraction may be provided in the Bill itself, which will induce people to invest their money in productive channels which will enrich our economy, and not place their money into such unproductive channels like investment in jewellery or gold. From all these points of view, I feel that the Finance Minister should give his serious attention to this matter. It is not a question of sacrificing any big amount of revenue. It is a question of ensuring the establishment of new industries, which will have to be approved by the Government—I mean, the investment will have to be made only in those industries which are selected and approved by Government—and since these industries are likely to be a permanent source of revenue to the Government and are also going to help our economy in many other directions, I see no reason why this small concession which looks only on paper as big but which is in reality a very small loss to the Exchequer and which at the same time will be a constructive approach in the present circumstances to the establishment of new industries—I see no reason why this small concession should not be given. I hope the Finance Minister will seriously and sympathetically consider this question.

Shri Sinhasan Singh: Clause 32 relates to exemptions that are proposed to be granted to several items under this Bill. If we compare this clause

with the provisions in the Civil Procedure Code relating to exemptions from attachment or sale in execution of a decree, we find that the reliefs provided here are much smaller. Sections 60 and 61 of the Civil Procedure Code provide exemptions from attachment or sale in execution of a decree, and they have been in vogue for a long time and have provided great relief to the sufferers. Particular reference may be made to the relief given to agriculturists. For the first time, we are going to include landed property in this legislation. Let me read Section 60 of the Civil Procedure Code. In the case of agriculturists, it provides exemption for the following items:—

"tools of artisans, and, where the judgment-debtor is an agriculturist, his implements of husbandry and such seed-grain as may, in the opinion of the Court, be necessary to enable him to earn his livelihood as such and such portion of agricultural produce or of any class of agricultural produce as may have been declared to be free from liability under the provisions of the next following section;"

and the next following section, viz. 61, provides exemption for "such portion of agricultural produce, or of any class of agricultural produce, as may appear to the Provincial Government to be necessary for the purpose of providing until the next harvest for the due cultivation of the land....."

We are faced with an acute shortage of food in the country, and Government is conducting a Grow More Food Campaign. But what are we doing here? While the Civil Procedure Code has exempted the tools of artisans, cattle etc. in the case of agriculturists, here we are putting a maximum exemption limit of Rs. 2,500. It hardly means any relief to the agriculturists. In these days, an ordinary bullock costs Rs. 500, and naturally the agriculturist, who has

to produce more foodgrains for the benefit of the country must have enough bullocks and other implements like ploughs. If you take away these possessions of his—and now-a-days tractors are in vogue—what will be the result? Every agriculturist will try to evade this legislation by telling lies, or by stealthily selling away his property, or by making false entries and saying that the bullocks do not belong to him.

Dr. Ram Subhag Singh: Bullocks are not touched. He can have them.

Shri Sinhasan Singh: But they are not adding bullocks, as far as I can see. For bullocks, for the implements etc. they are putting the value so low that nothing much can be retained. I would appeal to the Finance Minister to make this sub-clause (b) of clause 32 conform to what is provided in section 60 of the Civil Procedure Code. Apart from sections 60 and 61 of the Civil Procedure Code, State Governments can provide relief to agriculturists through other provisions. Our country is mainly agricultural and by the addition of this sub-clause (b), we are taking away whatever relief we mean to grant to the agriculturists. I would, therefore, request the hon. the Finance Minister to adopt the words used in the Civil Procedure Code. With that purpose in view I have moved an amendment to the effect that "Rs. 2,500" be deleted. That would go a long way to afford some relief.

Then, Sir, there is one thing which again looks awkward. Here we are providing certain relief for wearing appurtenances, but have excluded ornaments which are usually worn by women. The Civil Procedure Code provides for the "necessary wearing appurtenances, cooking utensils, beds and bedding of the judgment debtor, of his wife and children and such personal ornaments as in accordance with religious usage cannot be parted with by any woman."

Shri C. D. Pande: It was made clear in the Select Committee that such exemptions would be made.

Shri Sinhasan Singh: But nowhere is it provided in the Bill. If the Select Committee had agreed to it, provision should have been made in the Bill at least in regard to such ornaments as a woman cannot sell or part with under certain customs of society. If that is done much of the hardship that would be caused by this measure would disappear.

As the House is aware the Court of Wards Act is operating in Uttar Pradesh. One day I happened to meet a Court of Wards employee and he jocularly remarked that when a Raja dies issueless we pounce upon the property of the Raja like Mahapatras who fall upon the family of the deceased to get alms. So, once a rich man dies the Controller and his staff will pounce upon the family of the deceased. These are certain elementary necessities which must be safeguarded and no limit should be provided in their case. If we do not do so, great hardship will be caused to the agriculturists, they will be harassed and our objective of 'Grow More Food' will be defeated. A note should also be added to Clause 33 regarding 'Aggregation' because the aggregate as at present provided also includes the exemptions.

Another important feature which I notice in this measure is that we are more generous to the urban people than to the rural people. We are making a provision for an exemption to the extent of Rs. 5,000 for insurance or for marriage. But what about the rural people. They don't know anything about insurance, their property will not be exempted as they cannot take advantage of this provision. My suggestion is that more relief should be afforded to the agriculturists than to urban people. India is mainly an agricultural country and the prosperity of the country depends on the agriculturists. The moment you kill our agriculture, you kill our very economy, because industrialisation alone will not save the country.

I would, therefore, request the hon. the Finance Minister to accept my amendments.

Shrimati Sushama Sen: I rise to speak on my amendment No. 255, which suggests the addition of the words "residential house" before "household" in line 29, and also the addition of a proviso after line 32—"Provided that if the value of the house does not exceed rupees one lakh."

Sir, I feel that a residential house has a very deep and sacred sentimental value in this country, quite unlike foreign countries where most of the people like to live in hotels or in boarding houses. People of our country have a deep sentimental attachment to their residential house. As was pointed out by one of the previous speakers, a house which had cost only about Rs. 25,000 about twenty years back when it was bought or built, would today cost over Rs. 1 lakh. So, it would be very unfair to the middle class people if a residential house is not exempted.

Shri Velayudhan (Quilon cum Mavelikkara—Reserved—Sch. Castes): Then the whole Bill can be thrown out.

Shrimati Sushama Sen: Another amendment which we, the women Members of Parliament are particular about is to sub-clause (j) which provides for an exemption to the extent of Rs. 5,000 in respect of money earmarked for marriage. We are very anxious that such exemption should apply to amounts set apart for education of girls also. There are many girls these days who are not married, who want to go in for some vocational life. Money set apart for their education should be eligible to exemption.

In the end I would like to support my hon. friend who has suggested that jewels which a woman is expected to wear according to customs of society should be exempted.

6 P.M.

Shri M. S. Gurupadaswamy (Mysore): I was listening to the various speeches made by several Members on this clause. Some of them were pleading for elaborating the exemptions under this clause and they wanted the list.....

Shri R. K. Chaudhury: On a point of information, Sir. I do not follow why Mr. Gadgil who was taking his stand was asked to sit down in favour of a lady and just now after the lady has finished, Mr. Gadgil is not there in the House? Is there anything sacrosanct about an assurance given to a lady?

Shri M. S. Gurupadaswamy: I feel, Sir, that the list of exemptions that is provided in this clause is already unduly large and if more exemptions are given, I feel that the main purpose of the Bill will be frustrated and the strength of the Bill will be taken away. So I want that the exemptions that have been provided under this clause may be reduced and further restricted. In England, Sir, I am aware that exemptions given are larger than the exemptions provided here. I may just cite a few instances of exemptions provided in England:

Property in which the deceased is interested as a holder is exempted.

Property situated out of Great Britain is exempted.

Property held by the deceased only as trustee is exempted.

There are other exemptions also.

So, there is a huge list in English Law exempting properties and that is why in England the purpose of the Act is not realised. The main purpose of the Law in England was to establish equality in society by reducing great disparities in the distribution of wealth. But that has not been realised till today. So, we must draw a lesson from England and as far as possible we should restrict the list of exemptions. Here some exemptions have been valued to put a

ceiling. For certain other exemptions no limitations have been prescribed. They have been left vague and I feel that if liberal interpretations are given, the total amount coming under this clause may even reach a lakh or more. I feel therefore that the main purpose of the Estate Duty Bill will be frustrated. And moreover, new amendments have been brought forward by the Finance Minister. I was really surprised why he was made to bring forward these amendments. I feel, Sir, that he must have been with new difficulties; pressure might have been brought on him and he might have been induced to grant more exemptions. We realise his difficulties, but I want to know why should there be elaboration of exemptions? For instance, for lines 4 to 9, a new sub-clause (j) is added for the original (j), and it is provided that Rs. 5,000 should be given for the marriage of each female relative. Sir, nowadays in all families there are more girls than boys.

Shrimati Sushama Sen: What about education?

Shri M. S. Gurupadaswamy: I am only talking of marriage of female dependants, and if Rs. 5,000 is reserved for the marriage of each female dependant, then it will mean a huge amount at the end, and to that extent tax is evaded. So, I feel the original provision (j) may stand as it is and should not be altered.

Regarding wearing apparel, I want to say one or two things. Wearing apparel will mean gold and silver, and if there is no valuation limit fixed, then I feel that many families may take to the method of evading tax in this way. They may get a lot of jewels made of gold and call it wearing apparel and thus escape the duty. I feel that here also some limit is necessary.

Coming to the last point, I would point out that sub-clause (2) of clause 32 is not necessary, and may well be deleted. This sub-clause, as it stands, gives powers to the Centre

[**Shri M. S. Gurupadaswamy**]

to give further exemptions if they are deemed necessary in certain circumstances. Sir, we know how the powers of the Government are used nowadays and if scope is given to the authorities concerned to grant the exemptions whenever they feel they are necessary, then it will lead to lot of favouritism and, more than all, vested interests may use their pressure now and then and exploit the situation. The whole principle of the Bill will be negated to that extent. So, I feel that sub-clause (2) in clause 32 should be deleted as it is not necessary. In case there are any difficulties experienced by the Government in the operation of this particular clause, then they may bring forward some amendments to the exemption list and this House may then consider the proposal.

[**SHRI PATASKAR** in the Chair]

Shri Gadgil: I was just trying to visualize what will be the 'huge burden' on account of estate duty. Under the present proposal, a man having a lakh of rupees as property will have Rs. 83,000 by way of exemptions and deductions, and he will have to pay just Rs. 650 on a property worth Rs. 1 lakh. It is for the House to consider whether this is a burden. If what is rumoured in the air, namely, that the exemption limit is to be raised to Rs. 1 lakh, really happens, then nobody who has a property of Rs. 1,13,000 will have to pay anything. The deductions contemplated in clause 32 amount to Rs. 11,500 plus such amount as may be available if a man takes out a policy for the payment of death duty. If a man leaves an estate worth Rs. 1,25,000 his heir will have to pay Rs. 975—less than 3/4 per cent. If a man leaves an estate worth Rs. 1,50,000 his heir will have to pay Rs. 2,800—just a per cent. and a half. And if a man leaves Rs. 2 lakhs worth of property his heir will have to pay less than 4 per cent.

Shri R. K. Chaudhury: He may be earning nothing.

Shri Gadgil: For whom are we crying? Just consider. A man with Rs. 1 lakh is not a poor man at all, taking the circumstances in our community. I think there is a limit to our asking for more. The more generous is the Finance Minister the more his generosity is exploited and like Oliver Twist we are asking for more.

Shri S. V. Ramaswamy: I object to the word 'exploited'.

Shri Gadgil: We have to consider the general economic position of the masses and then consider whether it is a burden if a man worth Rs. 1 lakh of property is asked to pay Rs. 650. If he is a joint family man he has to pay Rs. 1,650, at the most.

Shri R. K. Chaudhury: Where will he pay it from?

Shri Gadgil: Let us have some consideration for the poor masses in the country. If we are going to ask for all these exemptions let us better ask the Government to withdraw the Estate Duty Bill and go home.

Shri S. V. Ramaswamy: Sir, I have moved six amendments. The hon. Member who preceded me, Mr. Gadgil, has repeated for the Nth time the threat that if you are going to insist on exemptions you had better withdraw the Bill.

Mr. Chairman: He did not mean it as a threat.

Shri S. V. Ramaswamy: My amendment No. 95 seeks to delete the words "within a period of six months from his death, to the extent of rupees two thousand and five hundred in value". This is the second or third time I have had to speak on this subject and I still emphasise that the State should not intervene between a man and his charitable dispositions. I have argued, I have urged, I have cried hoarse on clause 9. I sought the deletion of the Proviso to clause 9. But it went the way of all amendments. That also was negative. Still I urge and still I repeat that the State should not interfere between a man

and his charitable dispositions. It should not impose this limit of six months. Sir, I am not so very well versed in Sanskrit as my hon. friend Mr. Altekar is. I endorse every word of what he has said. In *Gita* it is said:

दातव्यमिति यदानं दीयतेऽपुकारिणे ।

देशे काले च पात्रे च तदानं मात्रिवक

स्मृतम् ॥

That is what it means with regard to charitable endowments, with regard to charities; they are *satvik* charities. And in the *Gita* it is not stated that it must be done within six months. We are going against the teachings of one of our greatest books.

I apprehend that this clause, as it is, might give rise to a new trade. When the monsoons failed and water became scarce we saw the advent of a *Paniwalah Maharaj* who could predict where water was. Similarly I venture to think that this clause will give rise to the emergence of astrologers who will predict whether a man will die within six months or not—who will predict the date of death of a man—so that he may do whatever he wants with regard to his property and dispose of it within that time! While it is unfortunate that we should limit the period of disposition of property for charitable purposes to six months—so far as this House is concerned it has dealt with it threadbare—nevertheless it will bear any amount of repetition and I again urge that there should be no limitation of time on the man's charitable dispositions.

Shri Raghavachari: On a point of order, Sir. The House has already decided a period of six months in respect of charitable purposes. Can it be again and again agitated?

Mr. Chairman: The hon. Member may go on.

Shri S. V. Ramaswamy: Sir, my next amendment is No. 105 which seeks to substitute "five thousand" for the words "two thousand and five hundred" in sub-clause (c). Take this limitation of Rs. 2,500. Take for instance the

case of bulls. We have Kangayam breed of bulls costing Rs. 1,000 to Rs. 1,500—one pair of bulls. The man may not be worth Rs. 1 lakh or 2 lakhs. He may be an ordinary farmer with a pair of bulls costing Rs. 2,500 at the present value. If he owns one pair of bulls and dies, his estate will be liable to duty. It will be very hard. Take a Sindhi bull or cow or an English cow. Suppose a man has a dairy and is selling milk. He may be having two cows. A Sindhi cow or an English cow costs Rs. 10,000. With the help of two cows he may be eking out his living.

Dr. M. M. Das (Burdwan—Reserved—Sch. Castes): How will he be taxable if he is eking out his livelihood on two cows only?

Shri S. V. Ramaswamy: Not on the cows but on the milk drawn from the cows.

Then I come to sub-clause (g) where money is payable with regard to insurance. What is this Rs. 5,000? It is nothing. If you are going to restrict the exemption only to Rs. 5,000, you might as well not give this exemption at all.

Shri M. C. Shah: Agreed!

Shri S. V. Ramaswamy: The hon. Deputy Minister says "agreed". If that is so, it may be deleted. I will submit with all the emphasis at my command that we must encourage insurance, thrift. But we are going to penalise thrift by restricting this only upto Rs. 5,000. I feel we are not helping people to save money.

With regard to sub-clause (j) there is an amendment by Mr. Tek Chand which I have adopted. The sub-clause as it is, reads like this:

"gifts made by a deceased parent or natural guardian in consideration of the marriage of any of his female relatives dependent upon him.....etc."

This amendment seeks to delete the word "female", so that, in consonance with the fundamental ideas of our Constitution, the equilibrium may be

[**Shri S. V. Ramaswamy**]

restored between the two sexes. I do not see why there should be an exemption for females alone. There are also male relatives who deserve to be encouraged, whose marriage expenses have to be met. And by stretching a point I may submit that this distinction in favour of female relatives alone would be discrimination in the language of article 15 of our Constitution. Therefore I would submit that the word "female" may be deleted, so that, whether it is for male or female relative, if this gift is going to be for the purposes of marriage it may be exempted.

I come to my next amendment which relates to residential house. I do not know whether the House will accept it or not, but my own feeling of the sense of the House is that a majority of them would like to exempt one house. If there is more than one house, one house which is the residential house may be exempted. If there is only one house it may be exempted, whatever be the value. There are some cases where families have no other property except the house in which they live. It may be that the house costs Rs. 1 lakh or more. But they may have absolutely no other cash or property. Does Government want them to walk out of the house, pay the duty and live in a rented house? But, in actual working, it will lead to great hardship. If the Government is pleased to exempt one residential house if there are more than one house, or the residential house if there is only one, I believe much of the hardship could be obviated. In spite of what Mr. Gadgil has said,—not that I am exploiting the generosity of the hon. Finance Minister—I am appealing to his generosity to accept that amendment.

Then, I come to the last of these amendments, namely No. 126. I must confess that I have, in drafting the amendment with regard to timber, wholesale bodily lifted that clause from Volume 13 of Halsbury's Laws of England. That has been introduced by

the Finance Act of 1910. I believe the reason why they have introduced that specific clause is they valued their timber very much. Their oak trees and walnut trees were so valuable that they saw to it that in the hurry to pay the tax, they should not cut down the trees and thus lose valuable timber. I am also urging that this clause be accepted because in our own country we have seen the senseless destruction of forests, especially in the wake of the proposed legislation for the abolition of zamindaris. We know, as a matter of fact, in the Madras State, the trees standing on the zamindari land have just been removed wholesale. It may be a matter of gain to the individual zamindar concerned; but in my humble view, it has been a national loss. Therefore, in order to protect our forests and our timber, it would be necessary to accept this clause, so that, in the hurry to pay the tax, let not the owners of property where these valuable trees stand, cut and remove them and sell them.

Then, with regard to clause (4) also which I have sought to introduce as a new clause, with regard to agricultural property which comprises cottages occupied by persons employed solely for agricultural purposes, I confess that this clause also has been bodily lifted from para. 273 of Halsbury's Laws of England, Vol. 13. I think this is also a salutary provision which may be accepted.

Then, clause (5) which I have sought to introduce says:

"The Union Government may declare from time to time the holding of any Government Security issued or to be issued, as free from liability to pay Estate duty."

I derived inspiration for this from para 259 of Halsbury's Laws of England, Vol. 13. Also in the Indian Income-tax Act, certain concessions are shown in respect of certain securities. This is only an enabling provision. It does not specify the nature of the securities. But, it gives the power to the Government to specify the securities, investments in which will be exempted from

Estate duty. Lastly, Sir, there is clause 6:

"The Union Government may exclude investments made in new ventures from the estate of the deceased."

There is a similar provision in the Indian Income-tax Act. We might usefully adopt this also, because, we must encourage private investment. I am one of those who believe that private industry and capital have still a part to play in the economy of this country. I believe every encouragement must be given to increasing investment in the private sector. If my amendment is accepted, more and more moneys may be diverted towards fresh investment, in which case our problem of unemployment may be tackled in a more satisfactory manner.

An Hon. Member: We are having a debate.

Shri S. V. Ramaswamy: We have had it.

Mr. Chairman: In support of his amendment he is putting forward this plea.

Shri S. V. Ramaswamy: I request the hon. Finance Minister to accept this amendment and make the estate duty less onerous and more profitable to the nation.

Mr. Chairman: Mr. Gandhi.

Shri Barman: I have also got an amendment to place before the House.

Mr. Chairman: There are so many hon. Members who desire to speak. But, the fact is that when one hon. Member is on his legs, I find there is some noise and inter-talk going on. In the interests of proper discussion, I would request the hon. Members whom I am now going to call hereafter to confine themselves to new arguments and new points so that other Members may listen to them.

Shri R. K. Chaudhury: May I request you, Sir, to make some allowance for age? We cannot rise every time and sit down. Younger persons get more opportunities.

Mr. Chairman: I shall note that.

Dr. M. M. Das: That would be discrimination between the young and the old. We are all Members of this House.

Mr. Chairman: That only shows that you are not interested in the discussions.

Shri U. M. Trivedi: I would request you to call Members who have moved amendments.

Mr. Chairman: Yes; Mr. Gandhi.

Shri V. B. Gandhi: I have moved two amendments to clause 32. Clause 32 deals with exemptions from Estate duty of certain classes of property. My amendments call for the deletion of sub-clause (f) and sub-clause (g). Sub-clause (f) provides that if a person takes out insurance policies in order that a fund may be provided for the payment of Estate duty, then, the proceeds of that insurance shall be exempted from Estate duty. Sub-clause (g) also deals with insurance, but of another kind. Sub-clause (g) provides that if a person takes out an insurance policy on his own life, then, to the extent of Rs. 5,000 that amount will be exempted from Estate duty.

Let us consider sub-clause (f) first, as it originally stands in the Bill. Under this clause it is easily possible for rich people to take out insurance for large amounts and escape Estate duty on these large amounts. Now, there is another sub-clause (ff) a new clause, which is sought to be introduced by way of an amendment, moved by the hon. Finance Minister. That clause also provides that if a person deposits sums of money with the Government to provide a fund for the payment of Estate duty, this amount deposited with the Government shall be exempt from Estate duty. I propose to deal with both these clauses together, (f) and (ff) because, they have provisions which are very similar in nature. Let us first take a simple illustration. Let us take the illustration of three wealthy men, each one of these three men possessing property, say, valued at about 64 lakhs of rupees.

An Hon. Member: Why 64 lakhs?

Shri V. B. Gandhi: That is just in order to bring them in Mr. Deshmukh's highest slab of rates. Let us say, the first man employs about 14 lakhs out of his 64 lakhs in taking out insurance. What happens? After his death, his property is assessed at Rs. 50 lakhs, and Rs. 14 lakhs which he utilised for payment of insurance money to provide himself with funds is exempted. Now, on this Rs. 14 lakhs in the highest slab, he would have been liable to pay estate duty of the amount of Rs. 5,60,000. So, here he saves Rs. 5,60,000 by the simple action that he has utilised Rs. 14 lakhs in taking out an insurance. That is all. Let us suppose second man takes his Rs. 14 lakhs, actually in cash or in paper, and deposits with the Government. And what does he get? He gets interest on the Rs. 14 lakhs deposited with Government, and he reduces the property taxable after death to Rs. 50 lakhs. So, he comes under the lower slab. And on these Rs. 14 lakhs, but for this exemption, he would have been called upon to pay a duty of Rs. 5,60,000 which he saves. The third man with the same amount of property does not do any of these two things, and what happens to him? Because he does not do any of these two things, he pays the full rate of the highest slab, that is to say, he does not get the benefit of Rs. 5,60,000 exemption. Now, I want to ask what good reason is there for making such a concession to these men? How have they deserved this concession? Why should Government give up its revenue from estate duty in the case of these men simply because one, of course, uses his foresight or prudence and takes out an insurance and utilizes the amount there, and the other deposits the money with the Government? And for this simple act, these two men are going to be made a gift of Rs. 5,60,000 each by Government. Really, we have not had given to us any rational basis on which they have based this provision for exemption of this property in the case of these men.

Subsequently, the Government have moved an amendment, and they have

said that the amount deposited with Government as well as the insurance amount taken out for the purpose of providing funds for paying estate duty which will be exempted will not exceed Rs. 50,000. Now, that is a very great gain, and by this amendment, of course, the Government have mitigated a good deal of the mischief, but even then the results that it is possible to expect from this moderated provision are still of a sufficiently important character for us to reconsider this whole position. What happens? Who are the people who are likely to be called upon to pay estate duty of the amount of Rs. 50,000? Such people will be people who ordinarily will have a property—or taxable property, I mean—of the value of Rs. 5 lakhs. The same process applies to a man in the slab or in the property group of the value of Rs. 5 lakhs. If this Rs. 50,000 is allowed as duty free to this man, then this man with a property of Rs. 5 lakhs—about Rs. 5 lakhs—would be paying at the rate of 15 per cent. If this Rs. 50,000 was not exempted and was added on to his property as it really should be and ought to have been added, he would go into the next slab and pay at the rate of 20 per cent. What does he thereby save? He saves 20 per cent. on Rs. 50,000, that is to say, he saves Rs. 10,000. Now, why is this gift being made to this man possessing a property of Rs. 5 lakhs? How has he deserved it, and why should the Government give up its revenue from estate duty in favour of a man who possesses a property of Rs. 5 lakhs? But the mischief does not stop there. It is not only the man with a property of Rs. 5 lakhs who will take advantage of this Rs. 50,000 property exemption. Even the top-most man, the man with Rs. 60 lakhs may choose just to put away Rs. 50,000 by way of deposit or insurance. He can do that today and forget it the next day. It does not bother him. But, in the end, he will get an exemption, he will get the benefit.

An Hon. Member: Rs. 20,000 at the most.

Shri V. B. Gandhi: At the rate of 40 per cent.

Shri C. D. Pande: It is not much for him.

Shri V. B. Gandhi: It is not much for him, I admit, but I am pleading for the revenues of the Government. Is it right? And then, what is the equitable basis on which such a provision is sought to be incorporated here? That is about all on this clause.

Now, about the personal insurance, the life insurance of a man. Here we are dealing with a property of a very modest scale, and that is the life insurance of a poor man which is to be exempted only up to the amount of Rs. 5,000. This class of people who insure, take out an insurance on their own life of the amount of Rs. 5,000 are necessarily a class of people who deserve our sympathy. But then, here we have also to consider the ethics, the equity as well as the sympathy. Here I have information from a number of countries, and in none of these countries is this life insurance exempted. In the U.K., in the U.S., in Canada, in Australia, in Sweden, in all these countries, life insurance is considered, that is to say, the proceeds of life insurance are considered, just as good taxable property as any other property. As good, for instance, as a deposit in a bank.

Mr. Chairman: Does the hon. Member want to oppose this provision in the Bill?

Shri V. B. Gandhi: Yes, Sir. I will finish in two minutes.

I can understand that this class deserves a certain amount of relief or concession or sympathy. I do not grudge any relief granted to this class, but let us do it in a more forthright way. Let us extend the minimum limit of exemption from Rs. 50,000 to Rs. 55,000 or Rs. 60,000, but in granting relief in this indirect manner, we are granting it on an unscientific basis. Then we are granting it to a restricted class of property-owners. It is said sometimes that the number of people who own life insurance in the value of Rs. 5,000 is

hardly a few thousand people in the country. Very well, then that is all the more reason why we must not do this, because in that event we shall be discriminating in favour of a small class of property-owners, owners of a certain class of property, small in numbers. There are larger numbers all over the country who from lack of education, through lack of facilities, through having to live on agriculture and in far away places, really never have had a chance to take out an insurance on life. Now they are being discriminated against. But, if a relief is at all desired to be given, by all means let us give it, but in a more forthright way as I said, even by extending the minimum exemption limit from Rs. 50,000 to whatever the House pleases.

Mr. Chairman: Shri Rohini Kumar Chaudhury.

Shri R. K. Chaudhury rose—

Shri Bansal (Jhajjar-Rewari): On a point of information, Sir. Just a small point from the hon. Member who has just spoken.

Shri R. K. Chaudhury: Am I supposed to answer your point?

Mr. Chairman: Order, order. I have called upon the hon. Member Mr. Rohini Kumar Chaudhury to speak. Let him proceed.

Shri R. K. Chaudhury: I wholeheartedly support the amendment about which my hon. friend Mrs. Sen has spoken. I have a similar amendment in my name. I love my own amendment. I look upon it as one of my own children. I do not like it to get lost. I do not wish to follow my hon. friend Mr. More on this. He leaves alone his child. He leaves alone his inter-caste marriage, and the marriage issues. He entirely forgot his own amendment and spoke on somebody else's amendment. He forgot this inter-caste marriage, altogether, and took to some other subject. I hope, Sir, that Mrs. Sen will support me—she is not here—and I will support her, and together we shall appeal to the hon. Finance Minister if he is so pleased as to accept our amendments.

[**Shri R. K. Chaudhury**]

(**Shrimati Sushama Sen** entered the House)

Do you wish me to repeat what I said a little while ago?

Mr. Chairman: Let there be no repetition in the House.

Shri Sinhasan Singh: With the permission of the Chair, it can be done. (*Interruptions*)

Shri R. K. Chaudhury: My amendment runs thus:

In page 20, after line 9, insert "dwelling houses in which the heirs and near relatives of the deceased actually lived during the lifetime of the deceased, and have continued to live thereafter."

Shri K. K. Basu: Is it only dwelling house or houses? What is the intention of the hon. Member? We would like to know.

Shri R. K. Chaudhury: It may be a dwelling house or dwelling houses in which the several near relatives and heirs of the deceased lived.

My amendment is more modest than that of my hon. friend Mrs. Sen. I do not want that all dwelling houses should be exempted. I do not want those houses which are let out, or a portion of which is let out, to be exempted. I want only those houses to be exempted from payment of estate duty, in which the deceased or his near relatives or heirs lived during his lifetime, and are still living after the death of the deceased. It is a very modest demand that I am making, and I hope that my amendment coupled with the force which has been given by Mrs. Sushama Sen will persuade the hon. Finance Minister to accept the principle embodied in this amendment.

Take, for instance, the case of a retired man, who after getting his annuity or provident fund, had built a house some ten years ago. Suppose his heirs are unfortunately not educated enough, and have unfortunately not been able to get suitable appointment, and are living from hand to mouth in the house which was built by their ancestors, the value of

that house coming to about Rs. 1 lakh nowadays. My hon. friend Mr. Gadgil was saying that if the property is worth only Rs. 1 lakh, he would have to pay only about Rs. 1600 as estate duty. But he is forgetting that a man who is called upon to pay estate duty may not have any income at all, and may not be assessable under the Income-Tax Act. Does my hon. friend Mr. Gadgil want that family to sell away their property privately in order to pay estate duty?

Shri Gadgil: If the property has no income, how do they live?

Shri R. K. Chaudhury: Or does my hon. friend want that house to be sold in public auction, for the realisation of the duty? They may not have sufficient money in their hands to pay the estate duty in cash. What is the alternative left to them? What is the alternative left to the tax-collectors? They will have to sell that house in order to realise the duty. I am not asking for any favour for a person who owns several houses and is living on the income from those houses. I am not asking for any exemption in favour of persons who are having very fine and valuable houses just for the sake of pleasure and comfort. It was not in a spirit of jest that I was saying this morning that I would be glad if the hon. Finance Minister would go and visit Assam. If he goes there and looks round, what will he see? He will see a cluster of houses belonging to one person, and in which he or his relatives live. Now, how were these houses built? Ten or fifteen years ago, they were built with corrugated iron sheets, which were selling at Rs. 2 per piece. Today the price of these corrugated iron sheets is very much different. When these houses were built, timber was selling at Rs. 1/4/- or Rs. 1/8/- a.c. ft. Now it is selling at Rs. 6 per c. ft. If only the person had known that this house would be subject to payment of estate duty, he would not have built it at all.

If you would allow me to introduce a personal matter in this House, I would like to say I had built a house years ago with corrugated iron sheets,

and timber and planks. The valuation of that house after the war, would have gone very much upwards. What have I left for my family to pay the estate duty on that house? My heirs will have to sell that house in order to pay estate duty, and they will be turned out of that house. Even if the timber is taken piece by piece, it will not cost more than a lakh of rupees. How are they to pay a duty of Rs. 20,000 or Rs. 25,000?

As Mrs. Sen was saying, in this country we value living in a house. We do not want my hon. friends, the present progressive thinkers in this House and in the Treasury Benches, to tamper with this. They want us to live just like the people of Western countries, that we should live either in a hotel, with family, or in a boarding house, or in floods in different regions. That is the way in which our hon. friends want us to live. But we do not want to live in that fashion. We want to preserve the sanctity of our own houses. Supposing we have a house in which there is a *mandir* or a *puja* house, attached to it, we do not want to part with it at any cost. Why should we part with that house? Why should you not grant exemption in respect of a house in which I am living, and in which my family would be living after my death? Why do you wish to turn them out of this House? That is the simple question that I am asking. Exempt these houses from estate duty. If you like, reduce the exemption in the case of other properties, if you do not want to grant exemptions of more than a certain amount, I have no quarrels with that. But do not turn my people out of my house, do not turn out my children or widow after my death out of this house, in order to realise estate duty. (*Interruptions*). Your laughter does not encourage me to be serious at any time. (*Interruptions*).

Mr. Chairman: Do not provoke the hon. Member. (*Interruptions*).

Shri R. K. Chaudhury: I do not know whether I have been able to make my point clear.

Mr. Chairman: It was quite clear in all respects.

Shri R. K. Chaudhury: You think my point has been clear enough, and that every reasonable man in this House will accept my amendment? Do you think so?

Mr. Chairman: There was no difficulty in understanding his points.

Shri Achuthan (Crangannur): We are convinced also.

Shri R. K. Chaudhury: Sir, when anybody dies in a family in our part of the country, people generally mourn that he is dead and he has also gone killing us. Now, in this case, Sir, not only the man, the bread-winner of the family, the Government pensioner, for instance, goes and his pension is stopped, but the income of the family is stopped. And what is more the house which he had built out of love and affection for his family—his children and relatives—will be taken possession of and his family is going to be ousted. So it is simply a case of mourning and bewailing; the man dies and he kills the others. Now, what is the remedy for this. I do not think, Sir, as far as I can judge from the face of the hon. the Finance Minister that he is going to relent on this point at all, if I am a physiognomist.

Shri Bansal: How can he judge from the face of the Finance Minister?

Shri R. K. Chaudhury: Now, what is the remedy? In olden days, heroes—big heroes—went in penance and worshipped God to give them an immortal life—'amrit'. Even big kings like Ravana went in penance and worshipped God and asked for 'amrit'. Why? In order perhaps to protect himself from the ravages caused in the name of Estate Duty and similar Bills. In the modern days of civilisation, we have tried our best to organise a well thought-out health scheme. There is the WHO and many organisations like that, of which we have heard, but the practical working of which we have not seen. They have proved cent

[**Shri R. K. Chaudhury**]

per cent futile in the matter of granting us any longer life than before. Modern methods have failed. So far as the United States and United Kingdom are concerned, their death rate is fewer and they can very easily afford to have smaller exemptions. But in our country what are you going to do? What have we been able to do so far as health is concerned, so far is improvement of life and longevity is concerned? You are complaining only about too much birth. You are complaining about the increasing rate of birth and things of that kind.

An Hon. Member: No.

Shri R. K. Chaudhury: You are not telling them what steps should be taken to prevent child mortality and things of that kind. What are you going to do now? The country is too poor to pay the Estate Duty. The majority of the people are too poor. You are not taking any steps to protect the health of the people. In the present circumstances, have you got any other means but to go and pray for immortal life so that estate duty may not be paid at all in future? That is the only remedy.

In the good old days of Ramayan, I think it will be news to my hon. friend, Mr. Deshmukh, that Inderjit, that is, Meghnad, was under the protection of God Siva. And it was understood that so long as he had worshipped God Siva and came out to fight, he was invincible and nobody would be able to defeat him. So that when Lakshman was about to fight with him, what he did was that he went to God Siva and prayed to him so that he may not be present there throughout, and thereby he was able to kill Meghnad. Now, if this country wishes to kill this great avarice on the part of the Government, kill the easy-going nature of the Government to carry on its expenditure by taxing in whatever way.....

Mr. Chairman: We are not going into the general merits of the Bill. The hon. Member will kindly confine

himself to the clause under discussion. The illustrations are very good. But we are on a particular clause.

Shri R. K. Chaudhury: I am not asking for a general exemption. I am not asking for a favour here, there and everywhere. I am asking for this small favour, just as I asked for a widow and the heart of the Finance Minister was somewhat moved and he has promised to look into this matter and with the help of my hon. friend, Mr. Biswas, we may be able to come out with a solution.

The Minister of Law and Minority Affairs (Shri Biswas): For a widow?

Shri R. K. Chaudhury: In this matter also. I will sit down immediately if my friend, the Finance Minister, says that so far as the dwelling house—actual dwelling house where the relatives are actually living and not for show or for gaining any profit—is concerned, it will be exempted. If these houses are exempted, I do not care what exemption you grant in respect of other property. But you must allow me to live there and have a roof over my head so that I can earn something and leave something. Do not compel us to forsake our temples and Mandirs. (*Interruptions*). I shall have to die certainly when my property will be subjected to estate duty. Here we have to pay duty after our death. But the State has no duty at all. The State has no duty to protect the people from increasing child birth. In other countries, they provide for maternity and safe delivery of child and proper bringing up. As a matter of fact, some sort of allowance is given to families which have a certain number of children. Here also in the European companies, they actually give concessions—a higher rate for married people and a higher rate of allowance for persons who have children. In our country, this has been entirely overlooked.

7 P.M.

On account of the peculiar conditions which had intervened during the war period, the value of the property has exceeded so much and in that case, Sir, allowance should be given so that

the man may live. But if it is true that the price according to the P.W.D. computation would come up to a large sum which is actually valued at Rs. 25,000/- but for the purpose of duty which will be valued at Rs. 1,00,000/-, if you go to the market to sell that property it would not fetch as much amount. So you lose both ways. The prices, of land and buildings, generally speaking, are increasing but actually when you go out to sell it you cannot get the increased price but you will be assessed at the rate of the present market value. I would once more appeal to the hon. the Finance Minister, particularly with regard to the condition of things obtaining in the Assam where the houses are just small cottages but where they are valued higher because the prices have increased in the cities.....

Mr. Chairman: That point has already been made by the hon. Member.

An Hon. Member: He must be feeling tired now.

Shri R. K. Chaudhury: Why should I feel tired? This is not a humour-making time.

Mr. Chairman: We are discussing this point for such a long time. There are so many hon. Members who wish to speak.

Shri R. K. Chaudhury: If that is your wish I will sit down.

Mr. Chairman: If you can contribute something new then I will allow you.

Shri R. K. Chaudhury: It reminds me of a story of a frog which was pelted by the boys. Some of that spirit is present in this House. You are laughing but it pinches me because we are going to pay much more for our small hovels than you are paying for your palaces. That is the difference between you and me. That is my difficulty. I cannot ask you to go against the wishes of the House. It seems that the House does not wish me to speak any further.

Sardar Hukam Singh: Mr. Chairman, Sir, I had no intention to speak at this time but Mr. Gadgil's remark did provoke me. I want to tell him the special conditions obtaining in the Punjab when he has observed that a man with property of one lakh cannot be called a poor man. But lest I forget extending my support to Mr. Rohini Kumar Chaudhury first of all I should do that. I would have wished very much to extend my whole-hearted support to Mr. Rohini Kumar Chaudhury but he has tried to hug to his bosom so many children.....

Shri C. D. Pande: And widow!

Shri R. K. Chaudhury: I have only one son, and one house

Sardar Hukam Singh: He said "as many houses as are occupied by the children." That has created a very difficult position for me to explain so far as one house is concerned. I mean the house belonging to the deceased.

Shri R. K. Chaudhury: In which the heirs and relatives actually reside?

Shri C. D. Pande: Why don't you exempt one house?

Sardar Hukam Singh: Exactly. If he had restricted himself to one house perhaps his embrace of that child would have been more closer and he would have got much support from all sides.

Shri R. K. Chaudhury: I am prepared to have that embrace.

Sardar Hukam Singh: Some hon. Members have expressed that that is only a question of sentiment that people are in favour of one house but besides that sentiment there are actually circumstances wherein it is only the house that is left after the bread-winner goes away and the widow and the children find themselves in a very difficult position because they have no other source of income. The house left by the deceased is their only property. If that house alone is subject to estate duty it will be very hard for the family. That would bring perhaps more disaster for the whole family after the death of that bread-winner.

[**Sardar Hukam Singh]**

Now, after saying so much I come now to the remarks made by Mr. Gadgil. Perhaps he is more loyal than the king himself in supporting the Bill and justifying it in a heroic way. He said very bravely that a man with a property of one lakh cannot be called a poor man. Punjab is a land of peasants, I should say. Taking the case of an average man, I can say that the peasant there has a land varying from 5 to 10 acres, say an average of seven acres, a small house with him, a pair of bullocks, one milch cattle, say a cow, and some implements all of which aggregated together would bring the value of the property to about a lakh of Rupees. Perhaps Mr. Gadgil would be surprised how this property would be worth a lakh. In Punjab, I can assure you, one acre of land is certainly worth Rs. ten or twelve thousands.

Shri Gadgil: One acre!

Sardar Hukam Singh: Yes, one acre. But then what is the condition of such a family? I would ask him the burden that the estate duty would bring to that family. In such a family the lady cooks food, carries it to the field and there works for the whole day looking after the cattle and driving them when they are yoked on the well. The boy grazes the bullocks, and the man works in the field the whole day. When they come back in the evening he brings fodder for the cattle. They are so much tired that they have nothing to look about to but to sleep during the night. When the harvest comes that gives them only so much that after keeping those cereals for the rest of the year with which they have to maintain themselves, very little is left. Perhaps something goes to the shopkeeper from whom they have been getting their groceries and the rest goes towards the land revenue that is payable to the Government. Such a family looks forward every time to the hour when the crop is ripe so that they might pay off the debt that they have raised, pay the Government revenue and then keep

themselves alive for the rest of the year.

I ask Mr. Gadgil whether he means to say that such a man is rich enough and that he should be subject to some duty like this estate duty. Would he be able to pay that, when he dies even if he has to pay Rs. 600/-, Rs 500/- or Rs. 200/-? If you go to such a person any time during the year you would not find even Rs. 5/- in cash with him. He cannot give you even Rs. 2/-. I say that is my experience. If you go to these villages, you will find that they live from hand to mouth. Besides the property that I have described, they have no cash at all; and when such a peasant has died, then, it is very difficult to concede that he would be able to recover that estate duty. In fact, you can very well imagine the harassment to which his family would be subjected when he dies. My submission is that it is not an easy question and this is not the limit that you are proposing here where you can say that you are safeguarding all the people who need protection, but rather you are subjecting them to a great deal of harassment and difficulties. Therefore, at least at this time, I want to support that amendment which Mr. More proposed—though it was not in the form of an amendment. But he said, so far as cattle were concerned, they also must be included. When stress has been laid on this question whether there should be a limit to the extent of the property under sub-clause (c) and when some people have suggested—Mr. Pande has suggested—that this limit should go, I would have supported him but my fear is that if that limit goes, then perhaps the question would arise whether tractors and other equipment that a cultivator has are to be included in his implements for earning his livelihood. That would create confusion so that the only course left would be that this limit should be raised. Cattle should be included and the limit should be raised to at least Rs. 5,000 when a peasant can have a pair

of bullocks exempted and also those implements that are required by him to eke out his livelihood. That would be very necessary so far as far as I think it, especially for those parts of India like Punjab where there are peasant proprietors.

Mr. Chairman: Now, there are 15 minutes more. According to the bulletin, the time should be not later than 7-30 P.M. There are still a number of speakers and I would like to know how long they will continue, because there is no chance of it being finished today probably.

Shri M. C. Shah: Till dinner time, it may continue.

An Hon. Member: That has been agreed to.

Shri R. K. Chaudhury: Sir, there has been some misunderstanding about the use of the word "dwelling houses." I did not mean several dwelling houses. In our part of the country, we have got one dwelling house consisting of several small houses, small.....

Shri C. D. Pande: Huts.

Shri R. K. Chaudhury: Yes; huts, where the married son lives separately; widow, sister—all live separately. All this constitutes one dwelling house.

Mr. Chairman: I think the hon. Member has been fairly understood.

Shri G. H. Deshpande (Nasik—Central): How many times is one hon. Member to speak on this amendment? It is four times that he has spoken on this. We have been listening to him all this while. Even when it was being discussed, some question of time-limit was discussed. There should be some time-limit fixed, because these things have been discussed, discussed and discussed.

Shri R. K. Chaudhury: Sir, on a point of order. Did you call upon him to speak?

Mr. Chairman: I was saying that according to the bulletin we should adjourn at 7-30. I think it is better to adjourn at 7-30. From the way in

which the discussion is being carried on, I find it is much better we do not carry on any longer. I don't like to interrupt every time and curb the discussion. I find that for the past three-fourth of an hour,—I think hardly anybody was listening, except the hon. Minister who has to listen and most of the Members were in lighter vein. I think it will not be better to carry on further than 7-30.

Shri Biswas: Might I suggest that we should give previous notice if the House is to sit beyond the time stated in the bulletin? I understand it was agreed by the Members who happened to be present in the House this morning that the House will go on till 8-30. But it is not right that we should follow—if I may say so—any timing which has not been announced previously. Notice must be given to all the Members. Let there be notice for tomorrow that the House will if required, sit till such and such an hour.

Mr. Chairman: The hon. Member has not been correctly informed. There is the bulletin which was issued and it specially mentions that the House might commence at 4-0 P.M. and conclude at 7-30 P.M.

Shri K. K. Basu: The Finance Minister promised, but he has backed out from it. If we can wait in the House for some time, we can utilise that time, have half an hour more for discussion. That might shorten our debate.

Mr. Chairman: There is also the question of the office. I am informed that there are some people who have got religious ceremonies also today. Again, as I said, the most important consideration with me is that the way in which—as I have been observing—the debate is being carried on for the last 45 minutes convinces me that if we continue any longer it could be proper, it is better not to try the patience of the Members. Therefore, I am going to stick to the time. As the hon. Minister Mr. Biswas said, let us stick to the time. I agree with him, and I feel that the House might rise at 7-30.

Shri U. M. Trivedi: I have moved amendment No. 98. I would seek the leave of the House to drop the first part in this Amendment No. 98, that is to say: "in line 24, before 'charitable', insert 'or.' Since a new definition—16(a)—for public charity has now been made, this becomes redundant. I would therefore suggest that I may be given leave to withdraw this amendment. I have tabled another amendment—No. 107—also, and so the first part in amendment No. 98 may kindly be deleted.

Now, I come to the more important amendment which was moved by the hon. Finance Minister. It is amendment No. 537.

Mr. Chairman: Let there be no talk in the House. I would request hon. Members to have patience for 15 minutes more and listen to the debate.

Shri U. M. Trivedi: It is strange that although the Members in the Select Committee agreed, according to previous conventions that they were precluded from moving amendments, we have this time allowed them to move amendments and the amendment that has been moved by the hon. Finance Minister is in contravention of that convention. Clause 32, as reported by the Select Committee, is in these terms:

"In the opinion of the Select Committee, the Bill itself should make provision for certain exemptions, and the Select Committee, after a careful consideration of the conditions obtaining in India and the suggestions made by various members in this connection, have provided for cases which in their opinion, deserve to be exempted expressly. At the same time, there may be cases where further reliefs have to be given and, therefore, a general power is retained in sub-clause (2) authorising the Central Government to grant further reliefs in suitable cases."

Now the Finance Minister was a Member of the Select Committee, and he made no mention of any ceiling that is intended to be put by the way of the amendment. Therefore, I submit that the amendment that he has proposed is out of order, that is, amendment No. 537. Actually, the Select Committee has substituted a new clause and specific mention has been made of some items of property on which estate duty shall not be payable. These are all described in clause 32. Now, it is provided that "moneys payable under one or more policies of insurance effected by the deceased on his life for the purpose of paying estate duty or assigned to the Government for the said purpose, to the extent of the amount of duty payable." Why a ceiling has been found necessary one cannot understand. Actually when the principle was accepted that you go on accumulating money for paying to the Government and to the advantage of the Government, so that Government may not have to hunt for money and will find ready cash for payment of this estate duty, how is it to the advantage of the Government to bring in this ceiling figure? My suggestion, therefore, is that this ceiling in the amendment that has been moved by Mr. Deshmukh may be dropped: in other words the words that are used in amendment No. 537 "but not exceeding Rs. 50,000" should be omitted. It may be anything. Let it be built up and let Government derive the full benefit out of it. My suggestion therefore is that this ceiling may be taken out, and the Bill, as reported by the Select Committee, without this amendment, may be accepted.

Mr. More and some others in the course of their speeches suggested that in granting exemption to agriculturists we must take account of certain factors. But nobody has suggested any suitable amendment and the one suggested by Mr. More himself is very wide. The Finance Minister in granting such exemption must follow the lines of Section 60 of the Civil Procedure Code. The use of the word

"cattle" is suggested by my hon. friend Mr. Vaishnav. The dictionary meaning of the word cattle is "oxen, horses, camel, etc." If all these are exempted you will have certain rich persons in Bombay who may be having race horses and who may get the benefit of the exemption. Such persons should under no circumstances be exempted.

Sub-clause (c) reads: "household goods, including tools of artisans, agricultural implements or any other tools or implements as were necessary to the deceased to enable him to earn his livelihood to the extent of rupees two thousand and five hundred in value." I suggest we must adopt the language of sub-section (b) of section 60 of the Civil Procedure Code which reads. "tools of artisans, and where the deceased is an agriculturist his implement of husbandry and such cattle as may be necessary to enable him to earn his livelihood." But if we loosely use the word "cattle," then.....

Sardar Hukam Singh: Donkeys may be brought within that.

Shri U. M. Trivedi: Not only 'donkeys' but also mules, asses and race horses may be brought within the meaning of it. Some of these race horses worth Rs. 50,000 or a lakh may escape payment of the tax.

So my suggestion is this. The maximum must certainly be raised. After all for purposes of cultivation, some bullocks are necessary, some cows are necessary, some buffaloes are necessary. As was suggested by Sardar Hukam Singh, it is quite wrong on the part of Kakasaheb Gadgil to have

asked: "Why should we quarrel, why should we waste time for the sake of this?" Kaka Sahib Gadgil has not lived in a village at least recently. Of course he was born in a very small village; but recently he has not lived in a village. He does not know how values have fluctuated; how rich people have entered even small towns and how they want to push out poor people. Houses worth Rs. 200 or Rs. 300 a few years back are offered to be purchased for Rs. 20,000 or Rs. 30,000 and the Government will jump upon these people. I remember of an instance where a house which was purchased by a neighbour of mine for Rs. 310 some time back, is being offered Rs. 30,000. What will be the position of that man? If you want to tax him, the only alternative for that man would be to live on the streets.

So, the suggestion has been made that one dwelling house at least meant for the family must be exempted. The value of one lakh which you attach to it today may not have much value. It may appear one lakh to you—but it will not be really one lakh.....

Mr. Chairman: How long will the hon. Member take to finish his speech?

Shri U. M. Trivedi: About ten minutes, Sir,

Mr. Chairman: In view of the atmosphere of the House I am going to adjourn it. The House stands adjourned till 8-15 A.M. tomorrow.

The House then adjourned till a Quarter Past Eight of the Clock on Tuesday, the 8th September 1953.