

but even then they say that it will not be less than so much or it will not be more than so much. That kind of thing has always been done. But here I fail to find any statement where Government have said that the figure will not be more than this or less than so much. If as Shri Bade himself has said, in the Supplementary Demands for Grants, a sum of Rs. 1 crore or so has been given, then it should be possible for the Ministry to anticipate and give an estimate, though it may not be very exact.

SHRI RAJ BAHADUR : May I just have a word ? It has been mentioned here that the income of the DTC is likely to be of the order of Rs. 9 crores per annum and the expenditure of the order of Rs. 11 crores per annum on the basis of the present schedule of fares and operational efficiency. So, an amount of Rs. 2 crores has to be accounted for. You, Sir, are asking me to indicate a specific amount. I have already indicated that Rs. 9 crores would be the income and Rs. 11 crores the expenditure, and, therefore, the difference of Rs. 2 crores is there as the estimate. But if you ask me to specify it in exact terms, it is not possible for me to indicate it.

MR. DEPUTY-SPEAKER : The hon. Minister has given the estimated income and expenditure of the DTC and the difference between the two. But that is only a statement of what it is. It is necessary to say in clear words that it is not possible to anticipate the exact amount but it would not be more than so much or it would not be less than so much, that is the usual way in which it is done. Here the hon. Minister has not said anything of that sort.

SHRI RAJ BAHADUR : If I may say so, there may be some objection to the extent, as your goodness observed that I have not indicated that it will not be more than a given amount or it will not be less than that amount but I would submit that it has been broadly indicated, as I have just pointed out. In view of the fact that steps had to be taken through an ordinance, and this ordinance would have to be replaced by the Bill, I would submit that this Bill may be taken into consideration. But in case you say that there is any infringement or violation of any rule, then I can only

state here the steps that we have taken. I have got the full record here with me of how we have tried to move in the matter, and we have in fact shown everything to the Lok Sabha Secretariat, and taken their advice. I think that should satisfy everyone. But in case you are not satisfied, and you say that the rule should be observed in that particular way, then I would submit that the rule may be suspended for this purpose.

MR. DEPUTY-SPEAKER : I do not know about the motion for suspending the rule.

SHRI RAJ BAHADUR : I shall make that motion immediately if so required.

SHRI JYOTIRMOY BOSU : No, how can it be done ? It is atrocious.

MR. DEPUTY-SPEAKER : I would not like to give my ruling so quickly over this issue. It looks to me rather ticklish. So, I would like to go into the matter a little deeper, therefore, we shall hold it over until tomorrow and we may not discuss it today.

SHRI RAJ BAHADUR : As you please, Sir,

14.18 hrs.

# RESOLUTION RE : INTERIM REPORT OF RAILWAY CONVENTION COMMITTEE

THE MINISTER OF RAILWAYS  
(SHRI K. HANUMANTHAIYA) : I beg to move :

"That this House approves the recommendations contained in the Interim Report of the Committee appointed to review the rate of dividend which is at present payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with the Railway Finance *vis-a-vis* the

General Finance which was presented to Parliament on 7th December, 1971."

Unlike other public undertakings, the Railways happen to be under the complete control of Parliament. Everything connected with the railways comes before Parliament through a budget.

14.19 hrs

[MR. SPEAKER *in the Chair*]

What contribution the Railways should make to the general finances is a subject on which Parliament gives its decision every five years.

In socialist countries in Europe, public undertakings contribute to the general revenues. In fact, the direct and indirect taxation are the minimum and the contribution through public undertakings are considerable. That is the way socialist countries manage their financial affairs. Railways are more or less in that category. It may be that in some years we have been able to contribute more and in some less. But the fact remains that we have been contributing quite a considerable sum of money to general revenues through payment of dividend. What exactly should be the quantum, the rate of interest, these are processed by a Committee of Parliament appointed for the purpose. Such a Committee was appointed recently, in August 1971, consisting of 12 members from Lok Sabha and 6 members from Rajya Sabha. This is the sixth Convention Committee appointed. I am happy to state that this Committee has done its work more expeditiously than any of its predecessors. Though the time available was only about three months, they have done their work so efficiently and conscientiously that they have been able to present an interim report which really matters for framing our next budget.

The main question before the Committee was the form and quantum of the return that general revenue should receive on the capital invested in the Railways during the period of the Fifth Plan. The Committee was constituted in terms of the Resolution

passed by this House on 2nd August 1971 and by the Rajya Sabha on 9th August 1971. The Committee held several meetings and also visited some railway establishments. The interim report presented to the House is for their approval.

The recommendations made broadly follow the 1965 Convention with some modifications. The basic structure will be the same. The dividend payable to general revenues is 4.5 per cent on the capital as on the capital as on 31st March, 1964; in addition per cent in lieu of passenger fare tax to the State Governments and contribution to the Railway Safety fund will also be payable. On the capital invested after 31 March 1964, the dividend will be 6 per cent of the capital. The Committee has recommended that some relief should be given to railways in respect of certain elements in the capital at charge which are unremunerative. These include over-capitalisation amounting to Rs. 119 crores, the capital on the non-strategic portion of the North East Frontier Railway amounting to Rs. 132 crores and the capital at charge on unremunerative branch lines amounting to Rs. 42 crores. The Committee has recommended that for the years 1971-72 and 1972-73, these amounts should be exempted from the payment of dividend.

Another important recommendation made by the Committee is that having regard to the long period of construction and gestation of railway investment, and the time taken by such investment to reach full earning potential, 25 per cent of the outlay in the year on works in progress should be exempted from payment of dividend for a period of three years.

The committee has also recommended that consistent with the commercial practice of utilisation of reserves as internal resources, the Railways should be given the benefit of interest at the current dividend rate on the reserve fund balances. This will be given effect to in the calculation of the dividend by taking credit for the difference in the dividend rate of six per cent and the average borrowing rate on which interest accrues at present to the funds. These concessions will reduce the dividend payable by the railways to the general revenues by Rs. 21.53 this year and Rs. 21.19 crores

next year. The provision for payment to be made to the States in lieu of passenger fares tax remains the same. The amount allotted for passenger amenities will remain at the present level of Rs. 4 crores. The extent arrangement for calculating the dividend regarding the strategic lines,—Kiriburu-Bimalgarh, Sambalpur-Titilagarh and Kathua Jammu,—will continue on the same basis. The Committee has further recommended that appropriation to the depreciation reserve fund from the railway revenues for 1971-72 and 1972-73 should be at Rs. 105 crores and Rs. 110 crores respectively or as close there to as possible, taking account of the financial position.

The Committee has also approved of the suggestion of the Railways taking temporary loan from the general revenues in order to meet the dividend liability. Similarly, the have recommended that the present practice of temporary borrowing from the general revenue when the balance in the development fund is inadequate to meet this obligation should be continued.

In the end, I would like to pay my compliments to the Chairman and members of the Committee who, as I said, have done an excellent and expeditious work.

**MR. SPEAKER :** Motion moved :

"That this House approves the recommendations contained in the Interim Report of the Committee appointed to review the rate of dividend which is at present payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with the Railway Finance *vis-a-vis* the General Finance which was presented to Parliament on 7th December, 1971."

**SHRI JAGADISH BHATTACHARYYA (Ghatal) :** Mr. Speaker, Sir, in this interim report of the Committee, it has been recommended that an enhanced rate of dividend be paid by the railway undertaking to the general revenues. The Minister has just now said that this is a practice to be followed in socialist countries. I would like to remind him that we are not yet living in a socialist country or under socialism. Of course, I would have been very happy, if the country were in such a position, to commend this recommendation.

But I think before that we should think of the performance of the Railway Administration which has not been commendable during the last five or six years. We have been witnessing a deficit and this deficit is increasing year after year. Even the hon. Minister will admit this but the mere admission of guilt does not absolve one of it.

It may be argued and we have often heard it in this House that it is nothing but transfer of money from one pocket to another. But the truth is that in such cases the interest of the people who actually pay the revenues is often adversely affected. The system of borrowing money from the general revenues to meet the shortfall in the payment of dividends should also be discontinued. Apparently this proposal seems to be a harmless one, but on closer scrutiny it will be clear that by so doing the railway Minister is paving the way to increased taxation on the people. In the next budget the Railway Minister will come to the House with increased fares and freights and that will have to be borne by the people. The question that troubles us is why could not the Railways have bigger earnings and more savings? It is because of continuous mismanagement, corruption and inefficiency that is prevailing there.

What has been done to do away with over-capitalisation? Numerous instances of over-capitalisation and how it should be avoided had been cited in this House, particularly by Members on this side times without number. Everybody knows that this is sucking the very life blood of the people. I think the Railway Minister has not taken them seriously into consideration and nothing tangible has yet been done. The Railway Ministry ought to have been able to stop corruption that is prevalent there.

Railways sustain losses every year because of thefts of not only railway property but also of goods during transit. The claims paid by the Railways are mounting year after year. In 1969-70 the Railways paid Rs. 11.24 crores as claims which was Rs. 1.06 crores higher than the previous year. People are afraid of sending goods by train for fear of loss or damage during transit.

**MR. SPEAKER:** This is not a general debate on Railways.

**SHRI JAGADISH BHATTACHARYYA:** For booking goods and for getting wagons they experience great difficulty in the form of delay and harassment. All sorts of malpractices are there.

What has been done to stop the wastage of railway property? Any day one can find things belonging to the Railways lying by the roadside. All kinds of materials are dumped here and there and are allowed to be wasted. It seems that they are nobody's property. That is why the Railways are sustaining great losses. I think they must put their own house in order; they have many things to do, for employees. It has to do something for the casual workers who number several thousands. Extensions of lines are not up to the mark. I may particularly mention here the case of Martin Burn Light Railway in West Bengal. The taking over of this line will mean only the expenditure of Rs. 30 lakhs, but it would have benefitted 35,000 travellers daily, and would have saved 2,000 workers from starvation, but nothing has been done. There was an assurance given by the former Railway Minister to take over this line, but nothing has been done. I think the present Railway Minister should honour the assurance given by his predecessor. Before he pays the dividend, he ought to do all these things, and take all these things into consideration.

**SHRI P. VENKATASUBBAIAH (Nandyal):** The hon. Minister has presented this report to the House with regard to the rate of dividend payable to the general revenues. The Committee have gone into this matter and have pointed the salient factors which account for the losses incurred by the railways.

The first point which they have made is with regard to the fall of freight to 50 percent of the target, and they say that there is competition from road transport in the movement of freight. Another point which they have made out is with regard to the amount spent on unremunerative railway lines. They have also dealt with pilfer-

ages and thefts and gone on to say that the Board is engaged in looking in to these matters.

Since assuming his present office, the Railway Minister has been trying his best to give a new look to the entire railway administration. While supporting him fully in his efforts, we have to bring to his notice one Act that the revenues of the railways have been dwindling from year to year. When passenger traffic has increased enormously in the country and goods traffic has also gone up to a large extent, what is the reason for the railways suffering from all these maladies enumerated in this report? There is a lot of pilferage which is going on which, if plugged, will enable the railways to save Rs. 15 to Rs. 20 crores every year. We see the sad spectacle of coal being stolen in broad daylight without anybody checking it. Ticketless travel and other things are negligible compared to the large-scale thefts of railway materials they are going on. So, I want to ask the hon. Minister what steps he is going to take to see that these pilferages and thefts are avoided so that the railways may not be deprived of their just revenues.

Another important point is the competition that is going on between railways and road transport. Road transport is gaining more popularity because of their efficient deliveries without pilferage and theft. Private companies are spreading lorry services to the nooks and corners of the country. If the Minister looks into these matters, I think railway revenues could be augmented without inflicting increases in passenger fare and freight and he would be able to give more dividends to general revenues.

Regarding unremunerative lines, instead of looking upon them as a sort of liability rather than as an asset, the Minister must see that they are made remunerative by devising ways and means of attracting more passenger and goods traffic. If these lines are abolished, it will be a hardship on the passengers.

**SHRI M. RAM GOPAL REDDY (Nizamabad):** Sir, I congratulate the

Minister for doing a very good and efficient work in the department. After assuming charge of railways, he has effected many desirable changes in the administration. He has made trains run to time all over the country. He has been in charge for only eight months now and he could not effect much more economy. The investment on railways is Rs. 3482 crores made long ago and the returns we get are not more than 4½ percent. But in several other industries, the dividends declared went up to 25 per cent and the Finance Minister has recently cut down the dividend rate to not more than 18 percent. Here in the railways, the return should be at least 6 percent, which comes to Rs. 200 crores per year. As a matter of fact, the Minister is having a bad legacy. For the last four or five years, the railways have been incurring a deficit. The deficit was Rs. 18 crores and odd in 1966-67, Rs. 31 crores in 1967-68, Rs. 7 crores in 1968-69 and Rs. 9.3 crores in 1969-70; 20 years ago, the expenditure on staff was only 60 percent of the working expenses of the railways. Now it has gone up to 171 percent. By no means can this be justified, I request the Minister to see that the expenditure on staff is reduced. He should plug the loopholes so that the railways may earn a decent amount and contribute not less than Rs. 200 crores per year to the general exchequer.

SHRI K. S. CHAVDA (Patan) : Sir, if ticketless travel is reduced to 50 percent than the railway administration may earn to the extent of Rs. 20 crores.

श्री रामाबलार शास्त्री (पटना) : अध्यक्ष महोदय, अभी हम रेलवे कन्वेन्शन कमेटी की अन्तरिम रिपोर्ट पर बहस कर रहे हैं। अभी तक ऐसा होता रहा है कि रेलवे से हम साधारण राजस्व खाते में धन देते थे। लेकिन पिछले कुछ वर्षों से यह प्रक्रिया बन्द हो गई है। सरकार की तरफ से इस बारे में यह दलील दी जा सकती है और दी जाती है कि खर्चा बढ़ गया, रेल कर्मचारियों को ज्यादा वेतन देते हैं इस तरह की दलील आप दे सकते हैं। लेकिन पहले भी कर्मचारियों को आप वेतन बढ़ाते थे।

उस समय तो आपको ग्रामदानी ज्यादा होती थी और जनरल रेवेन्यू में आप राशि देते थे। लेकिन अब ऐसा क्यों नहीं हो रहा है? केवल मजदूरों को या कर्मचारियों को देने के नाम पर आपको घाटा लगने लगा है, यह तर्क स्वीकार नहीं किया जा सकता है। असल में दूसरे पहलू पर भी आपको ध्यान देना होगा। आज पहले से ज्यादा चोरियां बढ़ गई हैं और भ्रष्टाचार बढ़ गया है। आपने जो अन्तरिम रिपोर्ट दी है इसमें कोई बुनियादी बात चोरियों को पकड़ने के बारे में और ग्रामदानी ज्यादा बढ़े इसके बारे में नहीं कही है। मोटी इस रिपोर्ट में बात यही कही गई है जो अब तक कही जाती रही है। जो ग्रामदानी रिपोर्ट आती उस समय कमेटी इस स्थिति में होगी कि कोई नया सुझाव दे सके। अभी कोई नई बात आपने इसमें नहीं कही है। लेकिन यह आवश्यक है कि हम रेलवे की कमाई बढ़ाकर जनरल रेवेन्यू में ज्यादा से ज्यादा पैसा दें। यह सम्भव हो सकता है। आज देश के विभिन्न हिस्सों में जो चोरियां चल रही हैं और जो कर्प्शन चल रही हैं, जिसकी ओर कई माननीय सदस्यों ने इशारा भी किया है, अगर उसे आप बन्द कर दें तो जरूर आज भी, मजदूरों की तनखाहों में वृद्धि करने के बाद भी, उनकी दूसरी सहूलियतें बढ़ाने के बाद भी आप ग्रामदानी बढ़ा सकते हैं और जनरल रेवेन्यूज में और ज्यादा रकम दे सकते हैं। जमालपुर की चोरी के बारे में समय-समय पर यहां कहा जाता रहा है। अभी भी जमालपुर में आप चले जायें, वहां आप देखेंगे कि किस तरह से पीतल की चोरी होती है, मुगलसराय के बारे में रेल मंत्री स्वयं कह चुके हैं कि इतनी अधिक चोरियां होती हैं लेकिन किसी के खिलाफ कोई कार्रवाई अब तक नहीं की गई है। अभी कुछ दिन पहले हमारे देश के रेल मंत्री श्री गंगुली जी रेलवे बोर्ड के चेयरमैन थे, उनका सवाल आया था तो बड़ी वर्षों से मैं होने लगी थी, कहा जाने लगा कि इन दोनों

ने मिलकर करप्शन को रोकने के लिए कोई रास्ता निकाला था तो मैं जानना चाहता हूँ कि क्या वह बात सचमुच में सही है कि आपने श्रीर भूतपूर्व रेलवे बोर्ड के चेयरमैन श्री गांगुली ने कोई ऐसा रास्ता निकाला था ? खासकर बैंगन के बटवारे में जो भ्रष्टाचार होता था, बैंगन सप्लाई करने में आपके भ्रष्टाचार जो देरी करते थे श्रीर जिसकी वजह से कोयला खानों के मालिकों या लोहा खानों के मालिकों या दूसरे लोगों को ज्यादा डैमरेज देना पड़ता था ... (अवधान) । वे लोग इधर उधर से पैरवी में बीड़ने लगे और भ्रष्टाचार में भागीदार बहुत से रेलवे के भ्रष्टाचारों ने दबाव डाला और आपके इस प्रयास को बन्द करने की कोशिश की । मैं जानना चाहता हूँ कि इसमें कहां तक सच्चाई है कि आप लोगों ने करप्शन को दूर करने के लिए कोई योजना बनाई थी, भ्रष्टाचार बनाई थी तो वह क्या थी और उसे खत्म करने के लिए जो बड़े-बड़े किया गया उसके लिए कौन-कौन लोग जबाबदेह थे ।

दूसरी बात यह है कि करप्शन को भ्रष्टा आप बन्द कर दें, चोरी को बन्द कर दें तो बहुत बड़ी आमदनी आपकी बढ़ सकती है । जो रेलवे पुलिस है वह क्या करती है ? दस करोड़ या बारह करोड़ रुपया आप उस पर व्यय करते हैं लेकिन वह तो चोरी में हिस्सेदार रहती है । मैंने अभी परसों आपको पत्र लिखा है कि पूर्व रेलवे के फुलवारी शरीफ और नेऊरा स्टेशनों पर खुलेआम बैंगन तोड़े जाते हैं और चोरियां होती हैं— (अवधान) । यह मैं बिल्कुल रेलवे बोर्ड बोल रहा हूँ और खत्म कर रहा हूँ— (अवधान) चोरियों को बन्द किया जाय तो हमारी आमदनी बढ़ सकती है । इस तरह रेलवे कर्मचारी कमेटी और आपका ध्यान जाना चाहिये और इसके बिना रेलवे कर्मचारियों की

यूनियनों का सहयोग आपको लेना चाहिये । आपने स्वीकार भी किया है कि प्रायः सहयोग लेंगे । इसकी व्यवस्था शीघ्र कीजिये तो जरूर चोरी बन्द होगी, आमदनी बढ़ेगी और रेलवे घाटे में नहीं पड़ेगा, मजदूरों को भी दोष नहीं दे सकेंगे और मजदूर दिल से आपकी मदद करेंगे ।

मेरा यही निवेदन है कि करप्शन बन्द करने की तरफ ज्यादा से ज्यादा ध्यान दीजिये, इससे आपकी आमदनी बढ़ेगी ।

**SHRI K. HANUMANTHAIYA :** Mr. Speaker, Sir, this Motion relates only to the financial aspect of our administration. Several Members have gone beyond the scope of discussion and made suggestions. Courtesy requires that I should briefly reply to some of the points made.

It is true that Railway finances are suffering to some extent because of corruption, inefficiency..... (Interruption). It is not a general statement that I am making. We are paying damages for thefts and other things of goods in transit to the tune of about Rs. 9 crores. But the Railways Protection Force is costing us about Rs. 13 crores. My commonsense has never been able to acclimatise itself to this kind of a system. Even if I disband the R.P.F., I will still be saving about Rs. 2 crores. But we cannot do that. As the hon. Members are aware, the question of unemployment, mercy, pity and other considerations arise, I am looking into the matter. It is a very serious matter.

**AN HON. MEMBER :** Kindly do not disband it.

**SHRI K. HANUMANTHAIYA :** That is why I am saying that I am trying to improve it. I have taken a step further. Hereafter, the recruitment will have to be made out of the de-mobilised personnel of the army so that at least they will be able to show a better performance. I have already initiated that move. We are going to form separate companies of the de-mobilised soldiers and probably, Haryana and Punjab are going to benefit most out of this recruitment policy.

The hon. Member, Shri Ram Avtar Shastri, has made a suggestion and I have been discussing it with some of my labour friends. I want their cooperation. As men knowing the things as they are happening, if the leaders of trade union movement make up their mind to stop this corruption whenever it is, I know, if it cannot succeed 100 per cent, it will succeed at least upto 75 per cent. That is my feeling. I am going to have a talk with them on the subject. In fact, one of the labour leaders has already begun to discuss this problem with one of my Directors concerned. We are going to evolve a policy.

Progressively, I want the elimination of this R.P.F. The railway property has to be guarded by railway servants themselves. I examined the possibility of linking personal responsibility of the railway employees to the losses sustained. There are some legal difficulties, I am told. I do not know whether I will be in a position to get that legislation passed in this House because it has great repercussions. If and when the Government and the Parliament approve of such a course, you can rest assured that there will be no more damages and thefts in the Railways. But, this is such a serious step, I have to obtain the voluntary consent of the labour in particular and of the House in general. This is an idea I am placing before you, not for immediate implementation.

Ticketless travel--- That is there. My hon friend said that it is costing us more then Rs. 20 crores. Some others said it is Rs. 20 crores. Some hon. Member said it is Rs. 25 crores. There is no precise estimate. The States that are benefiting most out of this ticketless travel are Bihar and part of UP. I am making an appeal to the State Governments of these two States...

**PROF. MADHU DANDAYATE (Rajapur):** Are you referring to election tickets?

**SHRI INDRAJIT GUPTA (Alipore):** That is the special privilege of the under-developed States.

**SHRI B. P. MAURYA (Hapur):** Eastern UP.

**SHRI K. HANUMANTHAIAH:** That is why I said "a part of UP". I have taken

concrete steps to stop this ticketless travel. I wrote to the Chief Minister of Haryana and we met at a joint conference and we constitute a committee of State Government officials and the Railway administration. That committee has been working for the last 1/2 months and every day 200 to 300 people who are travelling without a valid ticket are being caught. Never before has such an effective campaign been initiated and implemented in this fashion.

I want to bring it to the notice of the House the great good work the Chief Minister and the Government of Haryana are doing in the matter of ticketless travel. They have promised that at the end of two months they will be able to show results and I am getting daily reports. Daily 200 to 300 people are being caught and some thousands of rupees are being recovered. Indirectly the sale of tickets at the counters in the railway stations is going up because of this drive.

If every State Government follows this procedure, I am sure ticketless travel will become so rare that it will not deserve the attention of this House. I am bringing out a pamphlet detailing the performance of the Haryana Government and I will make it available to the hon Members and the House. I am much beholden to the Chief Minister and the Government of Haryana for helping us in this direction.

The Railway finances, if we look at them from every aspect, are not really in the red. Many people are under the mistaken impression that the third-class passenger traffic is a highly paying proposition. But the statistics show that even the third-class passenger fare is subsidised by goods traffic to the tune of about Rs. 50 crores and odd. The real income is earned by good traffic and that too not by coal or foodgrains but by other commodities. Therefore, a small sector of goods traffic is subsidising the other goods traffic as well as the passenger traffic. That is the correct position. Therefore, let us not go under the impression that the third-class passengers are paying everything and, therefore, the other sectors are very non-paying. Here also, the Railway Convention Committee is looking into the matter. I am much obliged that the Railway Convention Committee is looking



into every aspect of our finances and I welcome it. Let them make a thorough probe. Often I have heard and during the General Budget, my hon friend, Shri V. K. R. V. Rao, made a suggestion for a Committee.

Here is the Committee consisting of Members of Both the Houses—the Railway Convention Committee—which has got the opportunity and which has the power to look into the financial problems, and I hope they will be able to do this, and help us with their recommendations in order to remove this red light and put the green one.

15 hrs.

**SHRI K. S. CHAVDA :** The passengers are travelling not only in third class or second class. They are travelling on roof class, that is, on the roof of the trains, and also on buffer class, that is on the buffer of the trains. If overcrowding is reduced then ticketless travelling will be reduced.

**SHRI K. HANUMANTHAIYA :** Travelling on roof is not throughout India ; I don't see, for instance in South India or Maharashtra. It is confined to a particular area.

**SHRI K.S. CHAVDA :** They are travelling on roof, of trains running between Ahmedabad and Delhi.

**SHRI K. HANUMANTAIYA :** I don't want to enter into any argument. We are making all efforts to reduce ticketless travel. I don't know whether I will succeed or not. But unless the people of Bihar and Eastern U.P. cooperate I will not be able to do that.

With these words I request that the House may kindly approve the resolution that I have moved.

**MR. SPEAKER :** The question is :

"That this House approves the recommendations contained in the Interim Report of the Committee appointed to review the rate of dividend which is at present payable by the Railway

Undertaking to General Revenues as well as other ancillary matters in connection with the Railway Finance *vis-a-vis* the General Finance which was presented to Parliament on 7th December, 1971."

*The motion was adopted.*

15. 02 hrs

# COMPANIES (SURCHARGE ON INCOME-TAX) BILL

**THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) :** Sir, I beg to move :

"That the Bill to provide for the levy of a surcharge on income-tax payable in advance by companies during the financial year 1971-72 under the Income-tax Act, 1961, be taken into consideration."

Sir, I am bringing forward this Bill in fulfilment of the announcement that I made the other day regarding raising of additional resources to meet the present financial problems as a result of Pakistani aggression. The other levies which were announced were brought into effect by promulgating certain notifications under the powers which were already there under the Finance Act, 1971.

But, so far as the tax on companies was concerned, it was necessary to amend the law and the present Bill represents that amendment. I don't think this needs very elaborate explanation. It really speaking, proposes to add 2-1/2 per cent of surcharge to the basic income-tax that is already there on different companies and the enabling provision is made that the payment, which is an additional payment, as a result of this levy, will have to be paid before the 15th March, 1972. Normally the method of assessment of advance tax is this. This year's payment is adjusted against the tax due on assessment for the next year. Sometimes some of the companies' financial year ends with the end of December. Some of the companies' financial year ends in