

Shri S. N. Chaturvedi: In which sector has the failure been larger, in the private sector or the public sector, which has led to this shortfall in agriculture production?

Shri B. R. Bhagat: It is a matter of opinion.

Shri S. N. Chaturvedi: It is a question of facts, not of opinion.

Shri B. R. Bhagat: It is a matter of opinion. So far as fertiliser production is concerned, it is true that we gave some licences to the private sector, but they could not fructify.

Shri P. R. Chakraverti: In consideration of our sad experiences resulting from shortfalls, may I know whether Government have devised measures to hold somebody responsible for the duties assigned?

Shri B. R. Bhagat: It is a continuous process, and all of us have to exercise that check.

Shri Lahri Singh: May I know whether it is under the active consideration of Government to bring forward legislation for stopping the burning of cow-dung for fuel?

Shri B. R. Bhagat: That is for the State Government to see.

Realisation of Wealth and Expenditure Taxes

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*685. { **Shri P. C. Borooah:**
Shri Prakash Vir Shastri:
Shri Jagdev Singh Soodha
Shri S. M. Banerjee:
Shri Yashpal Singh:
Shri Hukam Chand
Kachhavaia:
Shri Onkar Lal Berwa:

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that there was an appreciable fall in the revenue realisation from Income-tax, Wealth-tax, Gift-tax and Expenditure tax

(separately) during the first nine months of the financial year 1964-65;

(b) if so, how the collections during this period compare with those made in the corresponding period last year; and

(c) the reasons for the fall in realisation and the steps taken or proposed to be taken in this behalf?

The Deputy Minister in the Ministry of Finance (Shri Rameshwar Sahu): (a) There was no short-fall in respect of Income-tax and Gift tax but in the case of Wealth tax and Expenditure tax there was a slight short-fall in collections during the first nine months of 1964-65.

(b) The comparative figures of collections are as under:

	(Rs. in crores)	
	1964-65	1963-64
1. Income-tax	328.98	300.01
2. Gift-tax	.95	.62
3. Wealth-tax	2.33	2.90
4. Expenditure-tax	.03	.07

(c) The reason for the fall in the realisation of Wealth-tax and Expenditure-tax was that Income-tax Officers were giving more importance to matters relating to Income-tax during the first nine-months of the financial year as this was the principal source of revenue of the Income-tax Department.

Instructions have been issued to all officers to pay due importance to the other direct taxes also.

Shri P. C. Borooah: How far are the uncertainty and complexity of the tax structure responsible for people avoiding assessment, and what steps have been taken to simplify the tax.

calculations so that they may be intelligible to the ordinary, average tax-payers?

The Minister of Finance (Shri T. T. Krishnamachari): I think some attempt has been made in the current budget to that end.

Shri P. C. Borocah: The other day the hon. Finance Minister was telling the House that so far as our incidence of individual tax was concerned, we were at the highest level in the world. May I know if the multiplicity and complexity of the tax structure is not responsible for making honest taxpayers dishonest evaders, thus lowering the quantum of collections?

Shri T. T. Krishnamachari: It is a matter of opinion. Government holds a contrary view.

श्री प्रकाशवीर शास्त्री : जिन करों की इस प्रश्न में चर्चा की गई है, उन के बारे में क्या सरकार ने यह जानने का यत्न किया है कि सब मिला कर कितने कर इस प्रकार के हैं जिन की वसूली होना आवश्यक है और क्या ये सरकार को इसलिये प्राप्त नहीं हो रहे हैं कि आयकर अधिकारी स्वयं करदाताओं से मिल जाते हैं ?

Shri T. T. Krishnamachari: I am afraid I must repudiate any suggestion that the officers are colluding with income-tax payers in preventing revenue from coming to Government. The other part of the question has been answered in the main answer.

श्री जगदेव सिंह सिद्धान्ती : जो कर्मचारी कर जगाहने के लिये लगाये जाते हैं वे कर पूरा जगाह नहीं पाते हैं । इस बारे में क्या सरकार कोई दूसरा उपाय ऐसा सोच रही है जिस से सीधे वहां से कर प्राप्त हो सके और वे बिचौलिये हटा दिये जायें ?

Shri T. T. Krishnamachari: As stated in the main answer, merely because greater attention was being given to collection of income tax arrears, officers have not been able to devote an equal amount of attention to the collection of other taxes. But the position is being remedied because officers have been asked to devote more attention to this matter also.

Shri S. M. Banerjee: Are Government considering any proposal by which the income tax law is simplified and litigation avoided so that more arrears could be realised without litigation?

Shri T. T. Krishnamachari: All that we can do is to simply the structure in rates, which is being done, so as to make the Income Tax Act more readable. I think I have sometime back offered a prize to anybody who could produce a model Act.

Shri Ranga: Who can understand it?

Shri T. T. Krishnamachari: Until that is done. I think we have to go on with the Act as it stands at present.

श्री यशपाल सिंह : जैसे एधिकलचरिस्ट्रस के लिए कानून बना रखा है कि अगर पांच रुपया भी मालगुजारी का या लगान का बाकी रह जाए तो उनको जेल में डाल दिया जाता है वैसे ही वैल्यू टैक्स और एक्सपीडीचर टैक्स वाले भी हैं जिन्होंने तीन तीन साल से जो टैक्स देना था नहीं दिया और इसलिए सरकार क्या इस तरह का कोई कानून इन के लिये भी बनाने की सोच रही है ?

Shri T. T. Krishnamachari: As a matter of fact, the arrears of other taxes are also collected as land revenue is collected.

श्री हुकम चन्द कच्छबाय : इस समय कितने केसिस विचाराधीन हैं । प्राया खां को जो छुट दी गई है वह किस प्राधार पर दी गई है कर की वसूली में ?

Shri T. T. Krishnamachari: I do not know. It is an old story. I think it is finished. I think I have answered that question, not here or in the other House. All that I can say is that I can help the hon. Member to find that answer.

श्री हुकम चन्द कश्यप : कितने केसिस पेंडिंग हैं, विचाराधीन हैं, इस का उत्तर नहीं दिया गया है। 80 लाख आगा खां पर कर था और उस केस को बीस लाख में ही समाप्त कर दिया गया है, इस का क्या कारण था ?

Mr. Speaker: How many cases are pending?

Shri T. T. Krishnamachari: I require notice.

श्री श्रींकार लाल बेरवा : कई एक राज्यों के अन्दर अधिकारियों की तनख्वाहें ज्यादा हैं और केस आते नहीं हैं, वसूली होती नहीं है। मैं जानना चाहता हूँ कि कौन कौन से राज्य हैं जहाँ अधिकारी बैठे हुए हैं और उन को तनख्वाहें ज्यादा मिलती हैं और पैसा आता नहीं है ?

Shri B. R. Bhagat: We want notice as it is a question of details.

Shri Hari Vishnu Kamath: May I remind the Minister of the statement he made in the last session that the concerned income-tax authorities would look into the reported statement of the former Chief Minister of Orissa, Shri Patnaik, that he had amassed Rs. 10 crores in ten years, and also the reported large number of money orders, ten thousand or so each of one rupee, received by Shri Biren Mitra? Have the income-tax authorities looked into these matter, and have the income amassed by both of them been assessed to income tax?

Shri T. T. Krishnamachari: I am afraid I have to ask for notice in regard to the first part. In regard to the second part, I must ask for more information.

Shri R. S. Pandey: What is the shortfall in the realisation of the Wealth Tax and the Expenditure Tax, and which are the States from which we are getting more taxes?

Shri Rameshwar Sahu: I require notice.

Dr. Ranen Sen: It is commonly known that big business houses, in order to evade income-tax, keep two sets of books. Has the Government devised any method to check this and to bring to book those responsible for this?

Shri T. T. Krishnamachari: This common knowledge I do not have the privilege of sharing with the hon. Member. If he will let me have information, I would look into the matter.

Shrimati Savitri Nigam: May I know now far this is correct that since 1962 income-tax laws have been changed and insertions and substitutions have been made as many as 141 times, that this has created a muddle in the minds of the income-tax collectors and a sense of insecurity in the minds of the taxpayers, and has also resulted in lesser number of new assesseees?

Shri T. T. Krishnamachari: I do not know if all this follows as a consequence of the first question of the hon. Member. So far as income-tax officers are concerned, I can assure the hon. Member that there is no muddle in their minds. In regard to the difficulty of paying, I think the hon. Member pays tax, and I do pay tax. I do not think I have found any difficulty.

Shrimati Savitri Nigam: I wanted to know whether changes have been made 141 times in these years.

Shri T. T. Krishnamachari: I would like to verify before I give an answer to that question.

Shri R. Ramanathan Chettiar: May I know whether due to the increased work-load on the income-tax officers,

there has been a fall in the receipt of Wealth Tax and Expenditure Tax, and if so, what steps Government will take to increase the strength of income-tax officers?

Shri T. T. Krishnamachari: The position is this. Over a period of a year, the income-tax department has added more than six lakhs of assessees. We had about 1.3 million assessees, and they have reached very nearly 2 million now. They have been working very hard. Naturally we do suffer from paucity of officers, and the Ministry is trying to get permission from the requisite authority to recruit them.

Linking of Brahmaputra with Ganges

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- +686. { **Shri P. R. Chakraverti:**
Shri Indrajit Gupta:
Shri Daji:
Shri Vishwa Nath Pandey:

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

(a) the progress made in regard to the proposed canal, linking Brahmaputra with the Ganges;

(b) the number of rivers which will be crossed by the proposed Navigation Canal;

(c) the steps devised to train the rivers and reduce the flood damage caused by these rivers in North Bengal;

(d) whether the new alignment will avoid Pakistan territory; and

(e) whether the economic feasibility of the project has been considered in the context of the savings on transit charges, likely to be made from the working of the link canal?

The Deputy Minister in the Ministry of Irrigation and Power (Shri Shyam Dhar Mishra): (a) As the investigations carried so far indicate high costs for the link canal, further alternative investigations are in pro-

gress. Suitable phasing of the scheme is also under consideration.

(b) The important rivers to be crossed by the Navigation Canal are Mahananda on the Right and Jaldhaka, Torsa, Raidak, and Sankosh on the Left.

(c) A statement is laid on the Table of the House. [Placed in Library, see No. LT-4120|65].

(d) Yes, Sir.

(e) Economic feasibility studies are not yet made. It will be taken up after investigations and studies mentioned in para (a) are completed.

Shri P. R. Chakraverti: May I know whether from the studies made so far, Government can indicate to us the financial involvement in this big project?

The Minister of Irrigation and Power (Dr. K. L. Rao): As per the preliminary investigations that have been done so far, the cost of the system comes to Rs. 320 crores.

Shri P. R. Chakraverti: May I know whether the Government has assured itself that the undertaking of this big project will not stand in the way of expediting the final construction of the Farakka Barrage?

Dr. K. L. Rao: This is not linked with the Farakka Barrage. The Farakka Barrage work is being taken up, and will be completed irrespective of this link system. What we are trying at the moment is to find out whether we can take up this project in phases, whether we can reduce its size and so on and see whether it becomes a manageable amount to undertake it in a series of plan period.

Shri Indrajit Gupta: In view of the increasing difficulties of maintaining the smooth operation of the present inland water way route between Bengal and Assam through Pakistan, can we take it that this scheme for the new canal will definitely be taken up.