

(c) whether Government have considered this proposal and arrived at any decision?

The Minister of Commerce (Shri Kanungo): (a) No such proposal has been made either by the former All India Khadi and Village Industries Board or by the Khadi and Village Industries Commission.

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

Shri Shree Narayan Das: May I know whether there is any co-ordination in the matter of village industries between the community development authorities and the Khadi and Village Industries Commission?

Shri Kanungo: Yes, there is constant co-operation and co-ordination.

Shri S. E. Arumugham: Will Government consider the question of transferring the khadi work from the Khadi Commission to the All India Sarva Sevak Sangh which is carrying on work on an ideological basis?

Mr. Speaker: The hon. Member can ask whether there is any proposal. He ought not to make a suggestion. Indirectly, he can ask whether there is any such proposal, and the Minister will say, no.

Shri S. E. Arumugham: Is there any proposal to transfer the khadi work from the Khadi Commission to the All India Sarva Sevak Sangh which is carrying on work on an ideological basis?

Shri Kanungo: There is no such proposal.

Shri Venkatasubbalah: May I know whether Government propose to co-ordinate the work of the Khadi Commission with that of the extension officer in-charge of small-scale and cottage industries in the community development and national extension service blocks?

Shri Kanungo: That was the question that I answered earlier. It is being done.

Betterment Levy

*1136. **Shri Supakar:** Will the Minister of Planning be pleased to refer to the reply given to Starred Question No. 16 on the 15th July, 1957 and state:

(a) the average rate per acre at which betterment levy has been fixed in the different States of India; and

(b) the total annual collection likely to be realised in each State?

The Deputy Minister of Planning (Shri S. N. Mishra): (a) and (b). A statement is laid on the Table of Lok Sabha. [See Appendix III, annexure No. 87.]

Shri Supakar: We find that in the case of industrial areas, the value of land goes up much higher than in the case of agricultural land. May I know the policy of Government regarding this increment in the land value, so far as the industrial areas are concerned, and whether Government propose to levy any betterment levy in the case of these industrial areas also?

Mr. Speaker: This is with respect to river valley projects

Shri Supakar: Not necessarily.

Dr. Ram Subhag Singh: It is in different States.

Mr. Speaker: What does the previous question refer to?

Shri Supakar: It refers to betterment levy.

Mr. Speaker: In general? That means even if a municipality is established, a betterment levy will be there?

Shri Supakar: I think so. Let him at least answer so far as the multi-purpose projects are concerned. They are also there in industrial areas.

Mr. Speaker: I want to be as relevant as possible. Does the starred question No. 16 refer to industrial estates also or betterment levy in general? Or is it only confined to river valley projects?

Shri Supakar: Betterment levy in general, so far as I remember.

Shri S. N. Mishra: All these considerations are taken into account in assessing the increase in the value of land.

Shri Supakar: That is not the question. So far as the industrial areas are concerned, where the land goes up in value much higher than in the case of irrigated area where the land receives irrigation from the multi-purpose projects, may I know what is the policy of Government regarding this increase in land value in the case of industrial areas?

Mr. Speaker: If a project is put up, on account of it there is betterment levy. Industrial area grows of its own accord. We are straying far away from the original question.

Shri Supakar: No, Sir. In the multi-purpose project areas also, industries grow up in the case of some States.

The Minister of Labour and Employment and Planning (Shri Nanda): This betterment levy idea applies only to irrigated land. The question of its repercussions on industrial areas has not been taken into consideration at all in this, and it does not apply.

Shri Supakar: My question was not understood.

Mr. Speaker: He has said that so far as industrial areas are concerned, it does not apply. Betterment levy is only charged in respect of land benefited by projects for which money has been spent, and money has to be recovered because those areas have suddenly gone up in value.

Shri Sadhan Gupta: We find from the statement that betterment levies in the case of certain States like Assam, Madhya Pradesh and Orissa are levied at a flat rate. These rates might differ according to areas. May I know whether in levying betterment levy at a flat rate there is any provision in the law to ensure that there has really been betterment before levying that betterment levy or is it assumed that because irrigation has been provided, there must have been

betterment and therefore the levy has to be imposed?

Mr. Speaker: How long are they to wait after putting up the project? Until actual yield comes?

Shri Surendranath Dwivedy: Three or four years.

Mr. Speaker: These are all matters of argument.

Shri Sadhan Gupta: Is it argument to ask whether it is actually ensured that betterment takes place or whether the levy is levied on the assumption that betterment must have taken place?

Shri S. N. Mishra: This is on the reasonable assumption in many cases, and these assumptions do materialise. We have also reason to think that the State Governments in having their legislation passed always take into account the fact of these benefits materialising. Otherwise, they would not have recourse to it.

Shri Ranga: Is it not a fact that this levy is liable to be paid only by those peasants whose lands are brought under irrigation?

Shri Nanda: The basis is a certain proportion of the increase which occurs in the price of land as between the date of the completion and the existing date. A certain proportion of it alone is taken. It is only after actual irrigation benefit has been extended to the land that this question arises, and therefore, nobody is going to pay anything in the form of betterment levy if actually land has not received betterment.

Shri Jaipal Singh: Have Government considered the wisdom of putting this betterment levy in the reverse gear? That is to say, whereas the present position is that betterment levy is imposed because there has been some improvement in the areas covered by these multi-purpose projects, I want to know whether Government have any desire to extend this to the industrial areas where industries spring up but the surrounding areas

do not benefit, whereby they would impose a betterment levy on those areas where the industries operate

Shri Nanda: In certain urban areas, they have town planning schemes

Shri Ranga: Is there anything on an all-India basis?

Shri Nanda. Not on an all-India basis but in several places

Mr. Speaker: The benefit of it cannot go to the Centre. So far as river valley projects are concerned, they are undertaken by the Government here or the local government. They get it. The others will go to the municipalities.

Shri Yajnik: Are the State Governments authorised to regulate—reduce or increase—the better levies, and have they actually been compelled to reduce them in certain parts of the country in view of the great agitation of the peasants against the rates of the levy imposed on them before they actually began to get the benefit of the irrigation projects?

Shri Nanda. It depends upon the terms of the legislation in the area.

Shri R. Ramanathan Chettiar: Will Government consider the question of having a uniform betterment levy in all the States and keep it at a reasonably low level?

Shri S. N. Mishra: In the very nature of things, this cannot be done uniformly in all the States.

Shri Ranga: Will that question be examined? Will the need for a uniform betterment levy system in different States all over the country be considered?

Shri Nanda: The question of betterment levy, the principle, methods etc is considered together for the purpose of an all-India approach. It was considered in the Planning Commission and also in the Irrigation and Power Ministry with a view to evolving some principle. Not that uniformity has been achieved or even may be achieved fully, but some kind of a uniform

approach. Some efforts have been made.

Shri Supakar: Is there a correlation between the annual instalment of the betterment levy and the rent that is realised from the land?

Shri Nanda: There are two different bases. One is on increase in the gross value of the gross produce. A certain ratio is established in relation to that. The other system is the total capital value increase of the price of the land.

Small-scale Enterprises

*1133. { **Shri Jaganatha Rao**
Shri Shree Narayan Das:

Will the Minister of Commerce and Industry be pleased to state

(a) whether Mr William Graham, a United States business-man has offered to advance 25 thousand Dollars for starting five small-scale enterprises in India,

(b) the reactions of Government thereto,

(c) whether this offer has been accepted by any youngman,

(d) if so the nature of industries to be taken up, and

(e) whether Government propose to grant any income-tax concessions to Mr William for the first five year period?

The Minister of Industry (**Shri Manubhai Shah**). (a) Mr William Graham had an exploratory talk with the Development Commissioner for Small Scale Industries, when he expressed his desire to advance a total of \$25,000 at the rate of \$5,000 each to five small scale entrepreneurs. No concrete and detailed proposals have yet been received by Government from Mr Graham.

(b) to (d) Do not arise

(e) No, Sir

Shri Shree Narayan Das: What are the terms and conditions on which this