

दिया गया है और सारे बाजार में "इको-नौमिक ब्लैक आउट" सा किया हुआ है। इस के बारे में क्या गवर्नमेंट कोई निर्णय देगी?

Sardar Majithia: It is true that it was declared out of bounds. But I have not got the latest information, but I can give this assurance that I will look into that question and I will see that it does not remain out of bounds any longer.

Mr. Speaker: This seems to be a small matter, but several hon. Members seem to be interested in this, and the whole town seems to be up against it. This kind of relationship between the military and the civilian population is not welcome. Next question.

Sepoy Clerks

*833. { Shri †Warior:
Shri Kunhan:

Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that the services of sepoy clerks recruited during the post-war period are not counted for increments etc. on their appointment in civil services; and

(b) if so, the reasons therefor?

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

(a) No. Completed years of military service rendered by an ex-serviceman on a basic pay equal to, or higher than, the minimum of the scale of pay of civil post to which he is appointed are counted for increments in fixing his initial pay.

(b) Does not arise.

Shri Warior: When havildar clerks are recruited, they are given these increments and promotion. Why is this discrimination in the case of sepoy clerks alone?

Shri Datar: It is not a discrimination. The hon. Member asked a question regarding sepoy clerks and that is why this answer has been given.

Shri Warior: The havildar clerks are also in the same category. But when they are transferred to civilian posts, they are given increments and all the facilities. Why are they denied to the sepoy clerks?

Shri Datar: We are following a uniform policy in this respect.

Shri V. P. Nayar: A uniform policy of discrimination.

Shri Kodiyan: Is it a fact that the services of only those who are drawing a basic pay of Rs. 55 at the time of retrenchment from the military are taken into account in deciding the question of increment and seniority?

Shri Datar: What I have stated is quite clear. All the completed years of service are taken into account and the basic pay that they were drawing there is taken into account, in connection with the basic pay of the posts to which they are appointed. Either the same pay or a higher pay is given.

Estate Duty Act, 1953

*834. **Shri S. C. Samanta:** Will the Minister of Finance be pleased to state:

(a) whether Government propose to amend the Estates Duty Act, 1953 according to the advice and recommendations of the Taxation Enquiry Commission; and

(b) what are the difficulties, if any, faced by Government in implementing the recommendations of the Taxation Enquiry Commission?

The Deputy Minister of Finance (Shri B. R. Bhagat): (a) and (b). The matter is under consideration.

Shri S. C. Samanta: May I know whether it is a fact that in all other countries, the exemption limit is the lowest than in India?

Shri B. R. Bhagat: In some countries like the United Kingdom and other countries, it is higher than in India.

Shri S. C. Samanta: May I know whether complaints about the fixing of the rates of the estate duty and appeals against it have come to the notice of the Government?

The Minister of Finance (Shri T. T. Krishnamachari): I think we have dealt with 12,000 cases so far. I think there is only one case in which there is an appeal against valuation. So, it seems that nobody has treated the complaints as being serious enough as to take them on appeal.

Shrimati Tarkeshwari Sinha: In view of the fact that the target that was fixed and the calculations that were made about the collection of estate duty have not proved very much fruitful, because the actual collections were very small compared to the calculations, may I know whether Government propose to amend the Act in such a way as to start collection in kind as it is done in the United Kingdom, which is very popular?

Shri T. T. Krishnamachari: It is a suggestion for action, but I may tell the House that the expectations were based not merely on the possibility on which people die, which apparently has not now come to a pass, because the age of expectation on which we based our calculations is going up, but provision has not been made for gifts to be made by parties during their life-time, and even the recommendation of the Taxation Enquiry Commission that the period for *inter vivos* should be raised from 2 to 5 years would not cover the case so far as India is concerned, because it is a matter of common habit with our people that for the purpose of evading income-tax or lowering the slab, partitions or gifts take place even within the life-time of person concerned. The question of reviewing the working of the Act and remodel-

ling it is now engaging our attention and I do hope to be able to put some proposal before the House—that is my expectation—in the November session.

Shri Mahanty: May I know if the Government are reviewing from time to time the working of the Estate Duty Act and if so, whether it is a fact that in the meantime a number of millionaires have died in Bombay and Calcutta without leaving a single copper?

Shri T. T. Krishnamachari: I may tell my hon. friend that one of the columns in newspapers in which I am interested is the obituary column and I have not found many millionaires die. But the question, as I said before, is being reviewed by us. There are a number of pitfalls in the legislation. As you see, we cannot take any action until six months elapse after the death of the person whose estate is to be subjected to taxation. The payment time allowed extends over a period of 8 years, and there are enough loopholes to see that the revenue is not forthcoming. That is a thing which we have to learn. It is a new Act which is implemented in a country where habits are different from the country where it has been experimented upon. That is why I said I propose to place before the House some proposals for modification of this particular enactment in the November session.

Shri Gajendra Prasad Sinha: May I know whether there was a proposal to amend the Estate Duty Act? Is it because of the large number of tax evasions?

Shri T. T. Krishnamachari: I have said that the yield is small and that presumably it is due to some form of gifts being made during the life-time of the person. You may call it evasion but legally, it cannot be said to be such.

Pandit D. N. Tiwary: May I know which of the States have agreed to enforce this Act to agricultural lands?

Shri T. T. Krishnamachari: I believe all of them bar two had. I would not like to commit myself to any statement. If the hon. Member puts down a question, I shall answer.

Shri Nagi Reddy: In view of the fact that quite a number of millionnaires are dying having become paupers through gifts, would the Finance Minister consider very seriously the bringing in of a gifts tax too?

Shri T. T. Krishnamachari: It is a suggestion for action.

Public Undertakings

*835. { **Shri Mahanty:**
Shri Mohamad Imam:

Will the Minister of Finance be pleased to state:

(a) whether the industrial and commercial undertakings in the public sector, have been declaring profits;

(b) the total amount invested in such undertakings upto the 31st March, 1957; and

(c) the percentage of contribution from these sources to general revenue?

The Deputy Minister of Finance (Shri B. R. Bhagat): The information has to be collected from the Ministries of the Government of India. The information so far received, is laid on the Table of the House. [See Appendix III, annexure No. 1]. A further statement will be laid on the table of the House as soon as possible.

Shri Mahanty: From the statement it appears that the investment contribution ratio is practically nil even though a huge sum of Rs. 97.31 crores have been invested up to 31-3-1957. May I know if the Government have evolved any machinery to investigate into this aspect of the question?

The Minister of Finance (Shri T. T. Krishnamachari): If the hon. Member would also go into the details given

in the statement, he will observe that quite a number of concerns which bear a high capital cost are in the stage of construction. One cannot, therefore, draw a conclusion that because the total amount involved is Rs. 97 crores and the return is not considerable, it is a matter for investigation. I would expect that within the next two years, the amount will be considerably augmented and still we will not be getting any return. It is unlikely that we would get any return on the investment until 1960-61.

Shri Mahanty: I have got two or three questions to ask. With all humility, I contest what the hon. Minister has just now stated about the statement because only two or three projects are under construction, the Iron and Steel projects. Otherwise, the rest are completed. My point in asking this question is, in countries where Governments are engaged in substantial commercial and industrial undertakings, a percentage from the profits from these undertakings goes to augment the public revenue to a substantial extent. The point at issue is, why concerns like the Hindustan Cables (Private) Ltd., or the Indian Airlines Corporation or the Eastern Shipping Corporation (Private) Ltd., Bombay, should not declare any profit.

Mr. Speaker: Hon. Members will see— I do not know how many have seen—the list of undertakings. There are 23 or 25. It is not as if because one undertaking is profitable and declares a profit, another undertaking also, merely because it goes by the same English name undertaking, it must declare a profit. Am I to allow the Question Hour to be utilised for the purpose of going into the administration report of each undertaking? I merely gave an opportunity to this House to know this. If any hon. Member, thereafter, is interested in any particular undertaking, let him go into that undertaking. The hon. Minister will be ready if questions are then put in. Even then, the