

**STATE FINANCE MINISTERS CONFERENCE**

\*114. **Shri A. C. Gaba:** Will the Minister of Finance be pleased to state:

(a) the subjects discussed and the decisions arrived at, in the Conference of the State Finance Ministers held recently in Delhi; and

(b) whether these decisions are obligatory or only of recommendatory nature?

**The Deputy Minister of Finance (Shri M. C. Shah):** (a) and (b). The main object of the Conference was to exchange views on various financial issues so that action on problems connected with the economic development of the country may be taken with the greatest common measure of agreement. A statement showing the items which formed the agenda of the Conference and the broad conclusions thereon is laid on the Table of the House. [See Appendix I, annexure No. 21]

**RECRUITING CENTRES**

\*115. **Shri Achuthan:** Will the Minister of Defence be pleased to state the number of recruiting centres for the Defence Forces and where they are located?

**The Deputy Minister of Defence (Sardar Majithia):** There are 10 main and 44 sub-recruiting Centres which carry out recruitment of Other Ranks for the Army and of ratings of the Navy. Air Force has 14 recruiting centres. Their location and the territory allotted to each is shown in the statement which is placed on the Table of the House. [See Appendix I, annexure No. 22]

**EXPORT OF SILVER AND GOLD JEWELLERY**

28. **Shri A. N. Vidyalkar:** (a) Will the Minister of Finance be pleased to state whether it is a fact that Government propose to withdraw or have already withdrawn the restrictions on the export of silver and gold jewellery and utensils?

(b) If so, what steps do Government propose to take in the matter?

**The Deputy Minister of Finance (Shri M. C. Shah):** (a) Since January, 1950 the export of jewellery and utensils made of silver has been allowed freely in order to encourage cottage industry and to earn foreign exchange. The export of jewellery made wholly or mainly of gold requires the 250 P.S.D.

permission of the Reserve Bank. The export of utensils made of gold is not permitted.

(b) Government do not consider that any particular steps are called for.

**LIBRARY PROJECT**

29. **Shri A. N. Vidyalkar:** Will the Minister of Education be pleased to state:

(a) whether it is a fact that the UNESCO made certain contributions to provide for the establishment in India of a pilot Library Project;

(b) if so, the amount of contribution;

(c) the number of persons trained under the scheme;

(d) whether the project has been started and, if so, the details thereof; and

(e) what the project will annually cost India?

**The Minister of Education and Natural Resources and Scientific Research (Maulana Azad):** (a) and (d). Yes. Unesco has made financial contribution for setting up a Delhi Public Library. The details of its set up and activities were furnished in reply to Unstarred Question No. 454 asked by Shri S. N. Das on 18th July, 1952.

(b) Unesco's contribution in the various years has been as follows:—

1949	\$ 1428
1950	\$ 6112
1951	\$ 15380
1952	\$ 16818

(Budget Provision)

(c) The present Director of the Library was trained under a Unesco Fellowship and a second fellowship is being provided for training another member of the Library staff.

(e) Under the terms of an Agreement dated the 22nd May, 1951 drawn up between the Government of India and the Unesco for the period 1951-54 (fiscal year, 1955), the Government of India are to provide a sum in rupees equivalent to \$ 1,20,000 while Unesco will contribute for the same period a sum of \$ 60,000. The following amounts have been paid by the Government

of India and the Delhi Municipal Committee so far:—

**Government of India:—**

1950-51	Rs. 1,07,600.
1951-52	Rs. 60,000.
1952-53	Rs. 45,000.

Out of a Budget provision of Rs. 2,10,000).

**Delhi Municipal Committee:—**

1950-51	Rs. 25,000
1951-52	Rs. 25,000

**EXCISE ON DRUGS AND MEDICINES**

**30. Dr. Amin:** Will the Minister of Finance be pleased to state whether Government propose to make excise on drugs and medicines a subject for the Central Administration as per item 84 of the Seventh Schedule of the Constitution?

**The Minister of Revenue and Expenditure (Shri Tyagi):** In pursuance of item 84 of List I of the Seventh Schedule to the Constitution, Government are considering the question of bringing forward legislation before Parliament to prescribe uniform rates of excise duties on medicinal and toilet preparations containing spirit. By Article 268 of the Constitution, however, these duties are required to be collected by the State Governments in Part A and Part B States. Provision will accordingly be made in the proposed legislation for collection of the duties through the agency of the State Governments in such States.

**ETHYL ALCOHOL**

**31. Dr. Amin:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that possession and use of ethyl alcohol or rectified spirit for industrial purposes is governed by the Central Excise Act as well as by the Excise Acts of various State Governments; and

(b) if the answer to part (a) above be in the affirmative, what action Government propose to take to avoid this dual control over the same commodity?

**The Minister of Revenue and Expenditure (Shri Tyagi):** (a) Ethyl alcohol absolute (99.5 per cent), whether in its pure or denatured form, is "power alcohol" within the meaning of the term as defined in the Central

Excises and Salt Act, 1944, and is, therefore, subject to the control of the Government of India.

The State Governments who have a high revenue interest in the pure form of this alcohol, exercise strict control over its possession and use, whether for industrial purposes or otherwise. The Government of India have, therefore, refrained from imposing their own control also, over the possession and use of the pure form of the alcohol.

The State Governments, however, only an insignificant revenue interest in the denatured form of this alcohol and, therefore, exercise little control over its possession and use. When this form of absolute Ethyl alcohol is issued for industrial purposes, its possession and use are controlled by the Central Excise authorities. Industrial users of such alcohol do not have to pay the Central Excise duty (15 annas per gallon plus 5 per cent. surcharge) on the alcohol, but are required to take out Central Excise licences, and maintain excise accounts of the receipt and utilisation of the alcohol.

Rectified spirit (94-96 per cent) which is unfit for normal use as fuel in motor vehicles, is not subject to control under the Central Excises and Salt Act, 1944.

(b) Does not arise.

**AMERICAN CITIZENS IN INDIA**

**32. Dr. Ram Subhag Singh:** Will the Minister of Home Affairs be pleased to state the number of American citizens in India who are at present engaged in following work:—

- (i) U.S. Government employees;
- (ii) Businessmen;
- (iii) Students;
- (iv) Americans under the employ of the Indian Union and State Government;
- (v) Americans engaged in the Point Four Aid to India programme; and
- (vi) Missionary work?

**The Minister of Home Affairs and States (Dr. Katju):** (i) 338:

(ii) 536 (including employees in private firms);

(iii) 312;

(iv) 37;

(v) 65; and

(vi) 2022.