

urban consumers' societies or transport societies.

(3) Income of a society from its investments with other co-operative societies is exempt from tax.

(4) Income of a society from letting out godowns and warehouses is exempt from tax.

(5) In the case of a housing society, the income from the property is taxed only in the hands of the member-tenants though the society itself is the legal owner of the property.

(b) Except the concession referred to at item (1) above which has been in existence since 1925, the rest of the concessions in items (2) to (5) were introduced through the Finance Act, 1955. Only one full year (1955-56) has passed since these have been effectively in operation, and it is not possible to make an appraisal of their impact on the development of co-operative organisations in the country so soon. The period is also too short for attempting an estimate of the loss of revenue likely to result from the extended concessions. The taxation Enquiry Commission (pursuant to Whose recommendations the concessions were extended in 1955) themselves have suggested that a review should be made at the end of ten years from the time the concessions recommended by them commence to be implemented. No instances of misuse of the concessions have so far been brought to the notice of Government.

#### Lower Division Clerks of Air Force Headquarters

880 { Shri B. C. Das:  
Shri Tushar Chatterjee:

Will the Minister of Defence be pleased to state:

(a) whether it is a fact that while the Lower division Clerks in the Central Secretariat who have joined service before January, 1948 are exempted from the test for promotion and are given promotion on the basis of seniority-cum-merit, similar clerks in the Air Force Headquarters are not given that benefit;

(b) if so, why;

(c) whether the Lower Division Clerks of Air Force Headquarters will be included in the Reorganisation Scheme of the Central Secretariat; and

(b) if so, when?

**The Deputy Minister of Defence Sardar Majithia :** (a) to (d) It is not a fact that all persons who joined

the Central Secretariat before January 1948 are, as a class, exempt from taking the test for promotion as UDC.

With the introduction of the Central Secretariat Clerical Service in 1954 the post of UDC was declared a selection post. It was recently decided that selection should be on an all Secretariat basis and should be made on the basis of an UPSC examination which should be taken by everyone not already selected for the post of UDC. Prior to this decision it so happened that promotion in the offices participating in the Central Secretariat Clerical service had been made on a Ministry-wise basis and had already reached the seniority level of December 1947 in the LDC grade.

A proposal to merge all classes of the civilian establishment of the Armed forces Headquarters with that of the Central Secretariat Service is under consideration of Government. In view of this proposal, standard rules for determining merit and suitability for promotion are generally followed also for the Armed Forces Headquarters. A decision was therefore taken in respect of the Armed Forces Headquarters that the post of UDC will be filled on the basis of an examination. In the case of the AFHQ the seniority level for promotion to UDC already reached is about the end of 1943. The question of holding the examination for promotion to UDC in the AFHQ is at present being re-examined by Government.

#### Central Excise Inspectors

881. **Shri Viswanatha Reddy :** Will the Minister of Finance be pleased to state :

(a) whether it is a fact that a large number of Central Excise Inspectors in Hyderabad Collectorate have not received their routine increments since 1952; and

(b) if so, the reasons therefor?

**The Minister of Finance and Iron and Steel (Shri T. T. Krishnamachari):** (a) Only six officers out of a total strength of Inspectors in that Collectorate of slightly over 800, have not got the routine increments.

(b) In 3 cases, the delay was mainly due to the disciplinary cases pending against them during this period. The disciplinary cases have since been finalised and steps are being taken to fix their pay in the revised scale of pay of Inspector and draw their increments.