

(c) if so, what was the reaction in the National Development Council and what are Government's decision?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) The major recommendations of Dr. Raj Committee relate to the imposition of Agricultural Holdings Tax. Decision regarding the imposition of this tax rests with the State Governments who have been requested to take the necessary action. The recommendations of this Committee on which a decision has to be taken by the Central Government are under consideration.

(b) No Sir.

(c) Does not arise.

Study made by the Reserve Bank of India in finances of Government Companies

726 SHRI C K. CHANDRAPPAN: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to study on the finances of the Government Companies for the year ending March, 1971, made by the Reserve Bank of India, as was published in their Bulletin;

(b) if so, the important findings of the study; and

(c) the reaction of Government to those problems?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) Yes, Sir.

(b) The study related to the financial results of operations of 105 'non-financial' and 'non-promotional' Government companies, belonging to both the Central Government and the State Governments, having a paid up capital of Rs. 5 lakhs and above. The study related to the year ending March 31, 1971. The main findings were:

(i) Of the companies studied, 39 were "non-giant" companies

having a paid up capital of less than Rs. 20 crores each. These companies performed better as compared to the remaining 12 "giant" companies (each having a paid up capital of Rs. 20 crores and above);

(ii) "Mining and Quarrying" companies, both "giant" and "non-giant", generally fared badly in comparison with "engineering" and "chemicals" companies;

(iii) Although the "giant" companies have lagged behind the "non-giant" companies in improving their sales performance, in the overall operating results, "giant" companies were able to reduce their overall net loss from Rs. 26 crores in 1969-70 to Rs. 24 crores in 1970-71, while the overall net loss of "non-giant" companies increased from Rs. 11 crores to Rs. 13 crores during the same period; and

(iv) Internal sources contributed a minor portion to the financing of assets formation, both of "giant" and "non-giant" companies.

(c) The Government keep a constant watch over the performance of the Central Government industrial and commercial undertakings in order to take timely remedial action. Various measures have been taken to improve the working of these enterprises, which include steps:

(i) to improve maintenance organisation and practices for reducing equipment downtime;

(ii) better production, planning and control; and

(iii) incentive schemes and training for better motivation and higher productivity, etc.

Government are aware of the special problems facing the "mining" enterprises, particularly, the Neyveli

Lignite Corporation, which is experiencing a number of technological handicaps. Necessary remedial action has been initiated based on a special study of these problems.

Government are keen that these enterprises improve their operating results so as to make a larger contribution to the economic development of the country and also generate greater internal resources to finance their own growth.

Bill to curb black money

727 SHRI C K CHANDRAPPA
Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposals to bring a Bill to curb the black money;

(b) if so, what are the salient features thereof, and

(c) when it is likely to be introduced?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) to (c) A comprehensive Bill to implement those recommendations of the Wanchoo Committee which have been accepted by the Government is being brought forth in the current session of Parliament

Overdrafts by States

728. SHRI D. B. CHANDRA GOWDA:
Will the Minister of FINANCE be pleased to state:

(a) whether Mysore Government have urged upon the Central Government to adopt a lenient and sympathetic view so far as the question of overdrafts is concerned; and

(b) if so, the reaction of the Central Government thereto and what are the latest guidelines laid down by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) No Sir. The refer-

ence is presumably to the decision taken by the Government that no State will be permitted to regard overdrafts on the Reserve Bank of India as a budgetary resource. The Mysore Government has not raised any objection to this decision.

(b) Does not arise.

Proposal to Establish Joint Indo-British Economic Commissions

729 SHRI D B CHANDRA GOWDA:
Will the Minister of COMMERCE be pleased to state:

(a) whether India has exchanged notes with UK on a proposal to establish joint Indo-British Economic Commissions, for finding avenues of greater co-operation between the two countries and

(b) if so, the reaction of British Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE): (a) and (b) The Government of India and the Government of UK have agreed to consult each other on matters of mutual interest and to explore the possibilities of sustaining the widest range of co-operation between India and the United Kingdom. The question of institutionalising these consultation arrangements will be taken up as and when considered by both the Governments.

Clubbing of incomes of wife and husband for income-tax

730 PROF MADHU DANDAVATE:
Will the Minister of FINANCE be pleased to state:

(a) whether non-clubbing of incomes of husband and wife has led to tax-avoidance on a large scale; and

(b) if so, whether there is any proposal to club these incomes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) Although Government is aware that the taxation of an