

LOK SABHA

Tue-day, March 11, 1969/Phalgun 20, 1890
(Saka)

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The Lok Sabha met at Eleven of the Clock.

[Mr. Speaker in the Chair]

ORAL ANSWERS TO QUESTIONS

Income Tax Appellate Tribunal for
Mysore

*392. SHRI P. GOPALAN : Will the Minister of LAW AND SOCIAL WELFARE be pleased to state ;

(a) whether it is a fact that an Income-tax Appellate Tribunal for Mysore State was set up in December, 1968 ;

(b) if so, whether the announcement of this was made by him at a dinner given in his honour at a newly opened hotel on the 22nd November, 1968 ;

(c) whether such policy announcements regarding agencies connected with Central revenues at private places are in consonance with Government Policy ; and

(d) if not, the reaction of Government thereto ?

THE DEPUTY MINISTER IN THE MINISTRY OF LAW AND IN THE DEPARTMENT OF SOCIAL WELFARE (SHRI M. YUNUS SALEEM) : (a) Yes, Sir.

(b) No, so far it is recollected the Law Minister attended an informal dinner in a newly opened hotel in Bangalore. He did not, however, remember the exact date. In the conversation he might have said that a Bench was going to be opened in Bangalore. But this was not an announcement. It may be added that in answer to a question by Hon'ble Shri K. Chandrasekharan in the Rajya Sabha on 20.11.68, earlier, he had

stated that attempts will be made to have more Benches as far as possible, one in every State.

(c) Does not arise.

(d) Does not arise.

SHRI P. GOPALAN : On behalf of the Law Minister, the Deputy Minister has come out with an outright denial of the reported announcement made by the Minister at the dinner which was given in his honour at Bangalore in November, last year. It was reported in the *Deccan Herald*, Bangalore, dated the 23rd November, 1968 :

"An income-tax appellate tribunal for Mysore State will be opened in Bangalore on December 22, according to Mr. P. Govinda Menon, Union Minister for Law and Social Welfare... Mr. Menon made this announcement in Bangalore on Friday at a dinner got up in his honour at the newly opened Airlines Hotel by its proprietors Messrs. K. Thomas and B. N. G. Rao."

This was what was reported in the *Deccan Herald*. I would like to know from the hon. Minister whether this report has come to his notice and if so, why he has not contradicted this report. Moreover, I would like to know whether this Mr. Thomas, whose hospitality the Minister has accepted is notorious for suppressing his real income and cheating the Government by tax evasion and all sorts of things? May I know why the hon. Minister had accepted his hospitality? If he had not accepted his hospitality, may I know why that report was not denied? There appears to be something fishy in this whole episode.

THE MINISTER OF LAW AND SOCIAL WELFARE (SHRI GOVINDA MENON) : I have not come across that report.

SHRI P. GOPALAN : In view of the fact that the Law Minister is always in the

habit of denying what he has said earlier when he finds that it causes some inconvenience to him to justify it before this House, and it has become his usual habit to put the entire blame on the shoulders of the press, I would like to know from the hon. Minister whether he is prepared to prosecute that paper for having published this false news and thereby teach a lesson to the press which is always hostile to him.

SHRI GOVINDA MENON : I am not prepared to prosecute that paper.

SHRI A. SREEDHARAN : Why not ?

SHRI P. GOPALAN : He says he is not prosecuting ? Why should he not prosecute it ?

SHRI A. SREEDHARAN : In this country there should be certain standards of public conduct, and when aspersions are cast against Ministers for violating the standards of public conduct, we naturally expect the Minister concerned to come forward and defend his honour and dignity. Here is a Minister who does not care even for his honour and dignity, and there is no point in accusing him also ..

SHRI R. D. BHANDARE : This is not right...

SHRI A. SREEDHARAN : The Deputy Minister in his reply...

MR. SPEAKER : Let him come to the question. The Deputy Minister will take care of himself.

SHRI A. SREEDHARAN : The Deputy Minister in his reply stated that the Law Minister did attend that function. I would like to know whether the Law Minister enquired into the antecedents of this firm and its proprietor before he had accepted that invitation and whether he had tried to find out that that man was a perpetual taxdodger.

SHRI GOVINDA MENON : I did not inquire into the antecedents of the person.

SHRI A. SREEDHARAN : Even if blackmarketeers invite him, he will go ?

SHRI K. LAKKAPPA : This is a question pertaining to the constitution of an income-tax appellate tribunal in the Mysore State. In the course of his main reply, the Deputy Minister has conceded the point that the Law Minister was an honoured guest of the private proprietor of the Airlines Hostel in Bangalore which was recently opened. We find that the Minister had made a policy statement, as reported in the *Deccan Herald*. May I know whether it is in keeping with the code of conduct of a Minister who is shouldering the responsibility of this country to pronounce such a policy statement at a dining table, especially when the man who had invited him is a notorious thug and he is dealing in suppression of income-tax, and he has got notorious activities in the Kerala Government also ? When there was a conversation between the owner and the hon. Minister, what prompted the hon. Minister to make such a statement at that dinner ?

SHRI GOVINDA MENON : No policy statement was made. I did not even make a speech. There were some ten or twelve people, and casually I stated that an income tax appellate tribunal was being opened in Bangalore, and I had made that statement earlier also.

SHRI K. LAKKAPPA : What about the code of conduct for Ministers ? Could he make such a policy statement in the course of a conversation ?

SHRI GOVINDA MENON : It is not a policy matter.

SHRI K. LAKKAPPA : Has he got any code of conduct ?

SHRI BENI SHANKER SHARMA : I am not concerned with whether the announcement was made by the hon. Minister at a dinner table or at a funeral. What I am concerned with is the motive underlying behind the setting up of this Bench at Mysore. In reply to my unstarred question No. 2509 asked on the 28th November, 1968, the hon. Minister had

stated that in Maharashtra, there were four Benches, in West Bengal four Benches and one Bench was going to be set up soon at Mysore. In regard to the pending number of appeals, he had stated that in Maharashtra, there were 10,488 cases pending while in West Bengal there were 14,749 and in Mysore only 819. What was the motive underlying the setting up of a tribunal at a place where the number of cases pending was only about 819 as against places where the pending ran into such colossal figures as to 14,000 and 10,000? May I ask him whether it was due to his policy of appeasing some people or there were some administrative reasons behind it?

SHRI GOVINDA MENON : A bench of the ITAT was opened in Bangalore in order to help assesses in Mysore State so that they need not go to Bombay or Madras in order to have their cases tried. Bombay and Calcutta are the centres where there are the largest numbers of income-tax cases, but there is no use of adding to the number of benches in those places because there is no proportionate increase in disposal of work, for want of departmental officers and for want of advocates who may be called in one bench and who will then ask for adjournment in the other bench. So we have maintained 4 benches in Calcutta and Bombay and are trying to establish benches in different parts of the country so that the assesses in those areas will be benefited.

There is presently a proposal to establish a new bench somewhere in MP, most probably in Indore

Old Age Pension Scheme

*393. **SHRI P. VISWAMBHARAN :** Will the Minister of LAW AND SOCIAL WELFARE be pleased to refer to the reply given to Unstarred Question No. 2624 on the 5th August, 1968 and state :

(a) whether Government have since considered the scheme to pay old-age pensions ; and

(b) if so, the decision taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND IN THE DEPARTMENT OF SOCIAL WELFARE (DR. SHRIMATI PHULRENU GUHA) : (a) and (b). Due to the existing constraint

of resources and other pressing priorities for the welfare of the children, the handicapped, the Backward Classes etc., it is not considered feasible to introduce the Central Old Age Pension Schemes during the Fourth Plan Period.

SHRI P. VISWAMBHARAN : This Government professes to swear by the socialist pattern of society and implementation of schemes towards that end. One of the first things to be introduced in a welfare state wedded to social security measures is old age pension. May I know why has such a scheme not found a place in the list of priorities ?

DR. (SHRIMATI) PHULRENU GUHA : I have already explained that first priority has been given to welfare of children, the handicapped, backward classes and so on. After discussion, it was felt that it was not possible to take up this scheme in the Fourth Plan.

SHRI P. VISWAMBHARAN : Eight States in India have already introduced and implemented schemes of old age pension. So far as they are concerned, old people deserve such help, but so far as the Central Government are concerned, they do not deserve any help from Government. I may also mention that in those eight States in addition to this scheme, schemes mentioned by the hon. Minister are also being implemented. In Kerala, for example; in addition to old age pension scheme, there is a scheme to pay pension to the physically handicapped, destitute women, grants to TB patients and so on. This is in spite of the fact that those States are more hard pressed for finance than the Central Government. That being so, why is it not possible for the Central Government to introduce this scheme at least in the Union Territories? Also, will Government help State Governments with financial assistance to implement schemes not only of old age pension but other schemes that the Minister has mentioned ?

THE MINISTER OF LAW AND SOCIAL WELFARE (SHRI GOVINDA MENON) : Apart from the eight States, the old age pension scheme is in force in two Union Territories also Chandigarh and Himachal Pradesh. It is our desire to see