

LOK SABHA DEBATES

(Tenth Session)



(Vol. XXXVI contains No. 11-20)

LOK SABHA SECRETARIAT
NEW DELHI

Price: Re. 1.00

CONTENTS

No. 12—Tuesday, December 1, 1964/Agrahayana 10, 1886 (Saka)

	COLUMNS
Oral Answers to Questions—	
*Starred Questions Nos. 280 to 285.	2547—84
Written Answers to Questions—	
Starred Questions Nos. 286 to 301 and 303.	2585—98
Unstarred Questions Nos. 709 to 772 and 774 to 781	2598—2651
<i>Re: Calling Attention Notice (Query)</i>	2651—52
Calling Attention to Matters of Urgent Public Importance—	
(i) Shortfall in the generation of power in the Gandhi Sagar Dam	2652—57
(ii) Anti-Indian Demonstrations in Nairobi and the security of Indian nationals in Stanleyville, Congo.	2781—86
Papers laid on the Table	2658, 2660-63
Petition <i>re: Gold Control Bill</i>	2659
Business Advisory Committee—	
Thirty-second Report	2659
Bills introduced—	
(1) Appropriation (No. 6) Bill, 1964	2659—60
(2) Essential Commodities (Amendment) Bill	2660
Payment of Wages (Amendment) Bill	2663—90
Motion to consider	2663
Shri D. Sanjivayya	2663—66
Clauses 2 to 22 and 1	2670—81
Motion to pass, as amended.
Shri D. Sanjivayya	2681
Shri Ranga	2681—82
Shri Dinen Bhattacharya	2682—84
Shri K. N. Pande	2684—85
Shri Nambiar	2685—87
Shri Yashpal Singh	2687—88
Wealth Tax (Amendment) Bill	2690—2780
Motion to consider	2690
Shri G. T. Krishnamachari	2690—95, 2770—80
Shri M. R. Masani	2696—2708
Shri H. N. Mukherjee	2708—18
Shri Man Sinh P. Patel	2718—24
Shri U. M. Trivedi	2725—32

*The sign + marked above the name of a Member indicates that the Question was actually asked on the floor of the House by that Member.

(4)

COLUMNS

Shri V. B. Gandhi	·	·	·	·	·	2732—36
Shri Kashi Ram Gupta		·	·	·	·	2736—41
Shri R. G. Dubey			·	·	·	2741—43
Shri Bagri	·	·	·	·	·	2743—49
Shrimati Renuka Ray		·	·	·	·	2749—52
Shri Nambiar	·	·	·	·	·	2752—57
Shri D. C. Sharma	·	·	·	·	·	2757—61
Shri N. Dandeker	·	·	·	·	·	2761—66
Dr. M. S. Aney	·	·	·	·	·	2766—70

LOK SABHA

Tuesday, December 1, 1964/Agrahayana 10, 1886 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

Mr. Speaker: I would request hon. Members to see that we do not feel the necessity of ringing the bell for quorum at the very commencement of the sitting of the House.

ORAL ANSWERS TO QUESTIONS

Conflict between Allahabad High Court and U.P. Legislature

+

- Shri Yashpal Singh:
- Shri Hem Barua:
- Shri Shree Narayan Das:
- Shri Bibhuti Mishra:
- Shri K. N. Tiwary:
- Shri Daljit Singh:
- Shri S. M. Banerjee:
- Shri Bagri:
- Shri Vishram Prasad:
- Shri Heda:
- Shri Bhagwat Jha Azad:
- *280. Shri Warrior:
- Shri Daji:
- Shri Kajrolkar:
- Shri Sezhiyan:
- Shri J. B. S. Bist:
- Shri Sidheshwar Prasad:
- Shri Hem Raj:
- Shri Vishwa Nath Pandey:
- Shri Tridib Kumar Chaudhuri:
- Shri Y. S. Chaudhary:
- Shri Man Sinh P. Patel:
- Shri D. C. Sharma:

Will the Minister of Law be pleased to state:

(a) whether Government have completed the examination of the various issues involved in the opinion given by the Supreme Court on the juris-

dictional conflict between the Allahabad High Court and the U.P. Legislature;

(b) whether it is intended to amend the Constitution to set the matter beyond any doubt or ambiguity; and

(c) if so, how long it will take to bring in the legislation?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) to (c). The matter is under consideration and a statement on behalf of Government will be made soon.

श्री यशपाल सिंह : क्या सरकार के ध्यान में यह बात आई है कि उत्तर प्रदेश के लोगल एडवाइजर्स ने यह कहा है कि यह जजमेंट नहीं है, यह तो एक एडवाइज है और यह बाइंडिंग नहीं है ?

विधि तथा सामाजिक सुरक्षा मंत्री (श्री अ० कु० सेन) : अखबारों में ऐसा पढ़ा गया है।

श्री यशपाल सिंह : आपकी राय क्या है ?

श्री अ० कु० सेन : मैं क्या कहूँ। आपने भी देखा है, मैंने भी देखा है।

श्री यशपाल सिंह : इस मामले में कोई डिजिशन लेने से पहले क्या पार्लियामेंट में कोई डिस्कशन होगा ?

श्री अ० कु० सेन : डिजिशन तो हाउस को लेना है।

श्री यशपाल सिंह : पार्लियामेंट में डिस्कशन होगा ?

श्री प्र० कु० सेन : पार्लिमेंट को ही तो डिशियन लेना है ।

श्री विभूति मिश्र : क्या सरकार ने लोक सभा के अध्यक्ष, राज्य सभा के चेयरमैन तथा विभिन्न स्टेट असेम्बलियों के अध्यक्षों की राय प्राप्त कर ली है इस मामले में क्योंकि उन्हीं को तो सदनों की कार्रवाई को चलाना होता है ? क्या उनसे राय प्राप्त कर ली गई है कि कानून में परिवर्तन हो या न हो ?

श्री प्र० कु० सेन : यह तो आपका कहना है । मैं क्या कहूँ कि स्पीकर साहब की राय क्या है ।

श्री विभूति मिश्र : मेरे सवाल का जवाब . .

अध्यक्ष महोदय : आप बैठिये । वह पूछते हैं कि क्या सरकार ने अध्यक्षों की राय प्राप्त कर ली है ?

Mr. Speaker: The question is whether Government have ascertained the opinion of the Presiding Officers or not. He can say "Yes" or "No".

Shri A. K. Sen: Formally, the opinion of the Speaker or the Chairman has not been taken.

श्री क० ना० तिवारी: अभी हाल में ला मिनिस्टर ने एक लैक्चर में कहा था कि इससे लेजिस्लेचर और ज्यूडिशरी में कोई फर्क नहीं पड़ता है । यह जो राय उन्होंने पब्लिकली जाहिर की है और जो पब्लिश हुई है वह क्या उनकी व्यक्तिगत राय है या वह गवर्नमेंट की कंसिडर्ड ओपिनियन है ?

Mr. Speaker: The question is whether it is the personal opinion of the Minister or the opinion of the Government.

Shri A. K. Sen: I was asked in the Rajya Sabha yesterday whether the conflict created by the opinion of the Supreme Court was going to be attended to. I said that according to me quite clearly there

is no conflict created by the opinion of the Supreme Court.

Shri S. M. Banerjee: Recently there had been many symposiums in which eminent lawyers, legislators, educationists, economists and others took part in the various debates. I would like to know whether the Government is aware that the general opinion in this country is that the opinion of the Supreme Court is correct and that there is no need to amend the Constitution. What is the reaction of Government to that?

Shri A. K. Sen: I do not think there has been any question anywhere about the correctness of the opinion of the Supreme Court. The majority opinion of the Supreme Court always guides the Government, as anybody else. The matter which has been agitated is whether in view of the interpretation put by the Supreme Court any change of law was necessary.

Shri S. M. Banerjee: My question has not been answered.

Mr. Speaker: Shri Bagri.

Shri S. M. Banerjee: What is the reaction?

Mr. Speaker: What should be the reaction? Opinion has been given. What is the reaction?

Shri S. M. Banerjee: Is the Constitution likely to be amended?

Mr. Speaker: That was not his question.

Shri S. M. Banerjee: There is an opinion in the country that there is no need to amend the Constitution.

Mr. Speaker: That was not his question. Shri Bagri.

Shri S. M. Banerjee: I say that there is no need to amend it.

Mr. Speaker: Then, that is his opinion. What should the Government say about that?

Shri S. M. Banerjee: What is its opinion?

Mr. Speaker: Opinions cannot be given during the Question Hour.

Shri S. M. Banerjee: Reaction? I do not want their opinion.

Mr. Speaker: Shri Bagri.

श्री बागड़ी : राज्य असेम्बलियों में कांग्रेस के बहुमत का जिस तरीके से उपयोग किया जाता है, जैसे कि महाराष्ट्र असेम्बली से श्री डोटे को बरखास्त कर दिया था . . .

अध्यक्ष महोदय : उसका इससे क्या ताल्लुक है। अंपिनियन के बारे में सवाल पूछना चाहते हैं तो पूछिये।

श्री बागड़ी : इसी के बारे में . . .

अध्यक्ष महोदय : आप दूर न जायें और बताने लग जायें कि किस जगह क्या बाका हुआ था।

श्री बागड़ी : राज्य असेम्बलियों पर क्या कोई ऐसा कानून बना कर रोक लगाने पर विचार किया जा रहा है जिससे कि वहाँ पर मनमानी न की जा सके? उच्च न्यायालय के फैसले को देखते हुए क्या राज्य असेम्बलियों के अन्दर जो कांग्रेस बहुमत का बल पर मनमानी करती है, उसके ऊपर रोक लगाने के लिए कोई कानून बनाने की बात क्या केन्द्र सोच रहा है?

श्री अ० कु० सेन : मैं नहीं समझता हूँ कि एना कोई मनमानी हुई है।

Shri Bhagwat Jha Azad: In view of the fact that the Government says that they are still considering the matter and the legislators all over the country and the general public are awaiting their considered views, has Government taken note of the aggres-

sion almost launched by a section of the people in this country, specially the lawyers, regarding the decision and the repercussions of the public and the legislators in this connection?

Shri A. K. Sen: The Government will consider the reaction of every section of the community including the lawyers.

श्री सिद्धेश्वर प्रसाद : मैं जानना चाहता हूँ कि इस प्रश्न पर निर्णय लेने में सरकार ने इतनी देर क्यों की है और क्या सरकार इस प्रश्न पर विचार करते समय संविधान सभा में जब इन धाराओं पर विचार किया जा रहा था उस समय के विधि मन्त्री ने जो विचार व्यक्त किये थे, उन विचारों को भी ध्यान में रखेगी?

श्री अ० कु० सेन : मैं नहीं मानता हूँ कि ज्यादा देर हुई है इस मामले में। कारण यह है कि कोई निर्णय लेने से पहले, किसी निष्कर्ष पर पहुँचने से पहले बहुत अच्छी तरह से सारे मामले पर सोच विचार होना चाहिये।

श्री विश्वनाथ पाण्डेय : अभी बताया गया है कि सुप्रीम कोर्ट की राय के ऊपर सरकार विचार कर रही है। मैं जानना चाहता हूँ कि सरकार कब तक विचार पूरा कर लेगी और कब तक उसको सदन के सामने प्रस्तुत कर देगी?

श्री अ० कु० सेन : जब तक किसी अन्तिम निर्णय पर नहीं पहुँचा जाता है तब तक विचार चलता रहेगा।

Shri Man Sinh P. Patel: In view of the majority decision of the Supreme Court and an opinion confined specially to the members of the Bar in favour of the decision, may I know whether Government would like to take the opinion of the different legislatures and of this House before framing the new amendment to the Constitution which is likely to be amended?

Shri A. K. Sen: Any decision with regard to the final course of action to be taken will have to be decided by Parliament and you, Sir, as the Speaker of the House and as the custodian of the House's consensus will have to aid the House in arriving at a proper conclusion. It can be done only with the aid of the House in such a way as possible.

श्री ए० सि० चौधरी : मैं समझ नहीं पा रहा हूँ कि प्रश्न आप से पूछूँ या विधि मन्त्री जी से पूछूँ। जब पहले सर्वोच्च न्यायालय के इस निर्देश पर हाउस में विचार हुआ था उस वक्त आपने कहा था कि सारे के सारे मामले पर विचार करने के बाद जल्दी विधान सभानों के अध्यक्षों का मैं एक सम्मेलन बुला कर तथा उनके विचार जान कर सारी परिस्थिति का अध्ययन करूँगा। मैं जानना चाहता हूँ कि क्या इस प्रकार का सम्मेलन आपकी तरफ से बुलाने की योजना बनाई गई है या बनाई जा रही है या बनाई जा चुकी है ?

अध्यक्ष महोदय : न बनाई गई है, न बनाई जा रही है। सालाना एक सम्मेलन होता है। उसकी इत्तिला आपका पहले भी होगा।

Shri Ranga: May I know whether the Government are taking note of the opinions expressed not only by lawyers but also by the general public as well as political parties and that it is not correct to say that lawyers alone have reacted with regard to this particular matter on behalf of the citizen; the citizens also are interested?

Shri A. K. Sen: I do not think I have ever expressed any such view that lawyers alone count in this matter. Representatives of political parties including Professor Ranga, count possibly as much, if not more than, as lawyers.

Shri H. N. Mukerjee: In view of the peculiarly complicated questions involved and in view of a certain kind

of propaganda which is purported to say that the majority opinion is, more or less, binding on Government while the minority opinion and other interpretations are not likely to be as effective as that, may I know if Government is going to set in train some processes of thinking on this issue on the part of Parliament as well as other interests before a decision is arrived at so that we are not taken unawares and the decision is made behind our back?

Shri A. K. Sen: The Government is not competent to arrive at a decision behind anybody's back. Government can express only its own views. It is for Parliament to finally decide upon the matter and what course of action should be taken. So far as Government is concerned, I would certainly repeat that we must accept the interpretation put by the majority opinion as the opinion of the court.

Mr. Speaker: Shri Hem Raj.

Shri H. N. Mukerjee: May I seek a clarification?

Shri Hanumanthaiya: On a point of order, Sir.

Mr. Speaker: Let us hear the point of order.

Shri Hanumanthaiya: The hon. Minister makes a distinction between the Government and the House. In all matters of major policies, Government represents Parliament because it represents the majority party. Therefore, whenever such a question arises, they cannot set at rest the issue by saying, "We only express the opinion; it is left to Parliament to decide it." That would be...

Mr. Speaker: Why not? Does he think that the Parliament and the Government are the same thing?

Shri Hanumanthaiya: Though they are not the same, it lies within the jurisdiction of the majority party and the Government to take a lead in the matter.

Mr. Speaker: It would be a tragedy when both become one.

Shri H. N. Mukerjee: May I seek a clarification?

Shri S. M. Banerjee: Sir, this is an ex-Chief Minister talking like this. On a point of order.... (Interruption).

Mr. Speaker: Order, order. I have allowed him his turn. He is going on putting a question.

Shri S. M. Banerjee: I am not putting questions.....

Shri H. N. Mukerjee: The Law Minister in this House as well as outside has said from time to time that the majority opinion is binding on the Government. If that is so, there is no question of Government taking more time to make up its decision. If that is so, Government should come before Parliament and place its views so that Parliament also can pronounce upon it.

Mr. Speaker: What is there to be placed? If the Government thinks it is binding on them, that is where the matter ends. There is nothing more to be done. It is only for the Parliament to consider whether they think differently. That is all.

Shri H. N. Mukerjee: I want Government to make it very clear. As far as they are concerned, they have accepted the majority opinion.

Mr. Speaker: We ought to take the word of the Law Minister. When he says it is binding on the Government, what can I do?

Shri Mukerjee: Do we take it that the majority opinion has been accepted by the Government in which case our reactions will have to be communicated to you as quickly as possible?

Shri A. K. Sen: If the hon. Member looks into my answer, I have quite carefully said that the Govern-

ment must accept the majority opinion as the opinion of the court. As to whether the matter should rest there as is interpreted by the Supreme Court or not is to be finally decided by Parliament under your guidance. The Government can only give expression to its own views in the matter. So many times it has happened that the Supreme Court has declared a particular law invalid and we have then decided to amend the Constitution to take more powers, or not to amend the Constitution. In this case also, when the President had sent certain questions for answers answers to the Supreme Court, what other thing can we say except to say that the opinion of the Supreme Court should be taken as the majority opinion? After that, what further course of action is to be pursued is a matter on which the Parliament has to give its final verdict.

Mr. Speaker: Shri Chaturvedi,

Shri Hem Raj: I was called, Sir.

Mr. Speaker: He should sit down. I will call him if I can give him an opportunity.

Shri A. K. Sen: May I add one thing more? So far as the question of privileges is concerned, we have never regarded it either as a matter concerning the majority party alone or any particular group alone. It is a matter on which the entire House has concerned itself and we have never divided on party lines in the past.

Mr. Speaker: There is one thing. I read in the papers that the hon. Minister of Law was of the opinion that the Supreme Court would see, when a citizen is punished for contempt, whether the order by the House is frivolous, illegal and—the third was—*mala fide*. Suppose tomorrow the Supreme Court holds that the order passed by this House was *mala fide* and frivolous. Then, would this Parliament have any right to continue, or the Speaker to continue, in office?

Shri Ranga: Sir, he should not take decisions either as *mala fide* manner or frivolous manner, because there may be occasions, when it is led by the majority, when the House can possibly behave in that fashion.

Mr. Speaker: Opposition Members are ignoring that they might have to sit on the other side some time.

Shri Ranga: Even then there must always be an opposition. Even according to your own earlier statement it would be a tragedy if there would be no opposition at all. Even when we transport ourselves to that side they will have to come here.

Mr. Speaker: They will come to this side.

Shri Ranga: Therefore, it will be a great privilege to restrain our Government from advising Parliament and getting Parliament to do frivolous or irresponsible things.

Shri Nath Pai: Sir, on a point of order. You have been pleased to ask a question. May I point out that normally, whenever we have ventured to ask a question which you in your judgment thought was of a hypothetical nature, you have sternly come down and said, "I don't allow it", whereas the question which you raised started with "Suppose" and so it was *prima facie* hypothetical. Therefore, with the greatest consideration, I hope that you will be pleased to extend this latitude to us also in future.

Mr. Speaker: Not at all.

Shri Nath Pai: Because the question you asked was absolutely hypothetical.

Mr. Speaker: I only wanted to know his reaction.

Shri Nath Pai: Mr. Speaker, your fair play will demand that you will extend to me what you claim for yourself.

Mr. Speaker: Sometimes he will give to me something more!

Shri S. N. Chaturvedi: In view of the interpretation given by the Supreme Court on the constitutional position, do you not apprehend that because of this decision there may be other awkward situations and there may be very great difficulty for the Speakers of Parliament and Legislatures to maintain order in the House and in the galleries?

Mr. Speaker: This is not a question to be answered.

Shri Nath Pai: Is it not the consensus of opinion, as expressed by different bar associations, eminent jurists and through the columns of the papers, that since the conflict is not as to supremacy between the legislature and the courts but one of primacy as to fundamental rights, well defined under the Constitution, and the unlimited privileges of the House, it will be wiser to have a healthy debate throughout the country before Government rushes with any amendment? Is it not the consensus of opinion?

Shri A. K. Sen: Well, if the consensus of opinion is equated with the opinion expressed by the lawyers who had met in the last Seminar in Delhi, then it would be the consensus. But I do not think there will be others who will agree so readily.

Shri Nath Pai: I said bar associations.

Shri A. K. Sen: I have not seen the resolutions of all bar associations, but I have seen some.

Shri Nath Pai: Those who are capable of expressing an opinion have expressed it.

Mr. Speaker: Now he is arguing. Does he mean that those who have not spoken are not capable of expressing an opinion?

Shri Nath Pai: They are waiting.

Shri A. K. Sen: But I think it will be an over-simplification of the matter to say that it is only a question of fundamental rights.

Shri Kapur Singh: I want to know whether Government are in a position to indicate broadly as to when this matter is likely to come up for discussion before the House.

Shri A. K. Sen: Sir, Mr. Kapur Singh is known for his patience; he would not hurry us.

Shri Hem Raj: Is it a fact that the opinion which had been given by the Supreme Court is simply of an advisory nature?

Mr. Speaker: This is for you to judge.

Shri Hem Barua: This anomaly has arisen because of the Indian Legislatures failing to define the powers, privileges and immunities of the Members. In that context, may I know why is it that Government have not considered it proper so far to repeal sub-clause (3) of article 105, and also article 194, because that would mean the end of this situation?

Mr. Speaker: Order, order. Now, he has put the question.

Shri A. K. Sen: Does this question really call for an answer? The hon. Member is wanting me to commit the Government to a particular course of action which Government are not competent to do in such a matter, as it is a matter concerning the privileges of the House.

Shri D. C. Sharma: May I know whether the hon. Minister of Law is going to consult the various State Legislative Assemblies before he brings forward some amendment before this House? May I also know when he will bring forward that amendment before this House?

Shri A. K. Sen: If the House decides upon a particular course of

action, the House will no doubt indicate also whether the final action should be taken in consultation with the State Legislatures or with other Speakers.

Shri Basappa: Is it the intention of Government to wait till the courts interfere on the basis of the decision of the Supreme Court and then come to a settlement?

Shri Nath Pal: Where is the question of settlement?

Shri A. K. Sen: I have never said so.

श्री दलजीत सिंह : हिन्दुस्तान के संविधान की धारा 22, 32 और 54 के अनुसार पालियामेंट को सुप्रीम माना गया है . . .

श्री स० मो० बनर्जी : नहीं माना गया।

Mr. Speaker: Order, order. That would be an expression of opinion.

श्री दलजीत सिंह : मैं जानना चाहता हूँ कि क्या सुप्रीम कोर्ट ने इस झगड़े पर फंसला देने से पहले सरकार को लिखा था कि संविधान में कोई अमेंडमेंट लाया जाए ?

अध्यक्ष महोदय : यह उन का फर्ज नहीं था ।

श्री शिव नारायण : मैं जानना चाहता हूँ कि क्या गवर्नमेंट राज्यों के स्पीकरों, एटार्नी जनरल और एडवोकेट जनरलों को बुला कर उनकी कमेटी में इस बात पर विचार करना चाहती है ?

अध्यक्ष महोदय : वह अलाहिदा बात है ।

Shri R. Ramanathan Chettiar: In view of the Lok Sabha having been elected directly by the people . . .

Mr. Speaker: The hon. Member is arguing out the case . . .

Shri R. Ramanathan Chettiar: In view of this Parliament being

sovereign, may I know whether Government will take into consideration the views of Parliament as well as the legislatures in this country before coming to any conclusion?

Shri S. M. Banerjee: It is not sovereign.

Mr. Speaker: They are sovereign in this respect at least that they can differ in this manner. They cannot go on arguing in this manner.

श्री म० ला० द्विवेदी : मैं जानना चाहता हूँ कि प्रेसीडेंट ने विधि मन्त्रालय से पूछ कर इस विषय को सुप्रीम कोर्ट के पास भेजा था ? यदि हाँ, तो विधि मन्त्रालय ने किस से परामर्श लिया था कि इस विषय को सुप्रीम कोर्ट के पास भजा जाए ?

श्री अ० कु० सेन : समूचे कैबिनेट के परामर्श से यह किया गया था ।

श्री रामसेवक यादव मैं जानना चाहता हूँ कि क्या कांग्रेस संसदीय दल ने इस मसले पर विचार करने के लिए कोई उप समिति बनायी थी और माननीय न्याय मन्त्री भी उस उप समिति के सदस्य थे ? यदि हाँ तो उनकी क्या राय थी और विधि मन्त्री की क्या राय थी ?

अध्यक्ष महोदय : यह नहीं पूछा जा सकता ।

Shri B. Ramanathan Chettiar: On a point of order. The other day, the hon. Minister of Parliamentary Affairs said that he would await the conference of the Speakers. But the hon. Speaker interjected him and said that already the Speakers' opinion was known, and, therefore, he need not wait for that. That was why I put this question whether Parliament's opinion and that of the legis-

latures would be taken into consideration before Government came to a decision.

Mr. Speaker: That question has already been asked by so many hon. Members.

Consumer Cooperative Societies

+

Shri D. C. Sharma:
Shri Yashpal Singh:
Shri P. R. Chakraverti:
Shrimati Savitri Nigam:
Shri Heda:
Shri Rameshwar Tantia:
Shri M. L. Dwivedi:
Shri S. N. Chaturvedi:
*281. Shri Bhagwat Jha Azad:
Shri Daji:
Shrimati Vimla Devi:
Shrimati Ramdulari Sinha:
Shri Sham Lal Saraf:
Dr. Ranen Sen:
Dr. Saradish Roy:
Shri Dinen Bhattacharya:
Shrimati Renuka Barkataki:

Will the Minister of Community Development and Co-operation be pleased to state:

(a) whether Government propose to give any assistance to the consumer co-operative societies started in different colonies of Delhi and New Delhi as a result of the price resistance movement?

(b) if so, the nature thereof; and

(c) whether Government have studied the impact of the appeal to consumers, made by various voluntary organisations in the Capital not to use sweets, to assess the reduction in consumption and prices?

The Deputy Minister in the Ministry of Community Development and Co-operation (Shri B. S. Murthy):
(a) Yes, Sir.

(b) Assistance in the formulation of bye-laws, Registration of societies, finding of accommodation, supply of controlled commodities and technical guidance.

(c) No specific and comprehensive study was made, but from all accounts available, there was an impact on prices.

Shri D. C. Sharma: The hon. Minister has listed some of the concessions given to these consumers' co-operative societies. May I know how many consumer co-operative societies have received these concessions, and where they are located?

Shri B. S. Murthy: As far as we know, there are only six societies which have been formed into consumer co-operative societies. Two are in Malaviyanagar, one is in Nizamuddin, one is in Nehrunagar, one is in Janpith lane, and one is in Madangir.

Shri Inder J. Malhotra: What about the M.P.s' consumer co-operative society? Is the hon. Minister not aware of that?

Shri D. C. Sharma: Have Government under consideration some more applications? If so, when are they going to decide about these?

Shri B. S. Murthy: Government have under consideration a scheme, but have no applications under consideration.

Shri Inder J. Malhotra: Is the hon. Minister aware that there is an MP's consumer society? If so, have any concessions or help to that society been given upto now?

Shri B. S. Murthy: The hon. Member should know that the question relates to the price rise resistance movement. The MPs' co-operative

consumer society has not come into existence as a result of that.

Shrimati Savitri Nigam: Is the type of help mentioned by the hon. Minister going to be a sort of a permanent feature or has it been given only on an experimental basis to the price rise resisters of Delhi?

Shri B. S. Murthy: All the new co-operative societies that have come into existence as a result of the PRRM will have to be permanent, and whatever help is to be given given, financial and otherwise, will be on that basis—as long as they are in a working condition.

श्री अशपाल सिंह : क्या सरकार के ध्यान में यह बात आयी है कि नई दिल्ली के दूधिए ताजा दूध पी रहे हैं और वहाँ के कज्यमर लोग दिल्ली मिल्क स्कीम का चार चार दिन का पुराना दूध पीते हैं ? और दूधियों ने जो इन सोसाइटी वालों की मरम्मत कर दी है और वे लोग जो अस्पताल में दाखिल हैं, उनकी हिफाजत का सरकार क्या इन्तिजाम कर रही है ?

Shri B. S. Murthy: This consumer co-operative society has not come into existence as a result of the PRRM.

श्री काशी राम गुप्त : दिल्ली में कज्यमर कोआपरेटिव सोसाइटीज के लिए सब से बड़ी बाधा मकान न मिलने की है । मैं जानना चाहता हूँ कि क्या मंत्रालय इसके बारे में कोई योजना बना कर उनको मकान दिलवाने की कोशिश कर रहा है ?

Shri B. S. Murthy: Yes, this has been one of the items, as has been given in the answer. There is a very acute shortage of accommodation and we are moving the Ministry of Housing as well as the Delhi authorities to make accommodation available as early as possible.

श्री म० ला० द्विवेदी : मैं यह जानना चाहता हूँ कि कितनी ग्रीर कंज्यूमर्स कोआपरेटिव सोसाइटीज के लिए सरकार के पास दरखास्तें आयी हैं, ग्रीर सरकार इस दिशा में क्या कदम उठाने जा रही है ?

Shri B. S. Murthy: The Government as such do not deal directly with applications. There is the Delhi Administration and also the Registrar of Co-operative Societies. According to information supplied by the Delhi authorities, these six societies have come into existence. Out of these, two have already been affiliated to the wholesale consumers' societies.

Shri A. P. Sharma: Will these facilities for housing co-operative societies be available only in Delhi or all over the country, particularly in the areas where public sector undertakings are located?

Shri B. S. Murthy: Generally, this is a difficulty all over the country, especially in the big cities.

Shri A. P. Sharma: My question was about the areas where public sector undertakings are located. Nowhere are such facilities available. We are talking only about Delhi.

Mr. Speaker: There are no consumers' resistance movements there.

श्री नुकम चन्द कछवाय : मैं यह जानना चाहता हूँ यह जो व्यवस्था उपभोक्ता सहकारी समितियों की यह दिल्ली में की गयी है क्या इसके विस्तार की योजना पर अन्य शहरों के लिए भी सरकार विचार कर रही है ?

Shri B. S. Murthy: The House will be happy to know that we are trying to convene a conference of the leaders of the PRRM so that if possible the same enthusiasm to hold the price line may spread to other cities in the country.

Shri A. P. Sharma: Who are the leaders of the PRRM?

श्री भ.गवत झा आज़ाद : क्या सरकार ने इस बात पर गम्भीरतापूर्वक विचार किया है कि यह उपभोक्ता सहकारी समितियों का आन्दोलन बड़े पैमाने पर तब तक सफल नहीं होगा जब तक सरकार द्वारा व्यक्तियों ग्रीर समितियों के साथ व्यवहार में भेद करना बन्द नहीं होगा। आज व्यक्तियों का काम आसानी से हो जाता है ग्रीर समितियों के काम आसानी से नहीं किये जाते। क्या जो रूल बने हैं उन में सुधार करने पर सरकार विचार कर रही है, क्योंकि जब तक इन में संशोधन नहीं लाया जायेगा जिससे इन समितियों को वे सुविधाएं मिल सकें, जो कि व्यक्तिगत व्यापारियों को मिली हुई हैं, तब तक यह आन्दोलन सफल नहीं हो सकता।

Shri B. S. Murthy: It is a very long question. My Hindi is not enough to follow it.

Mr. Speaker: He is not using the translation facilities.

Shri Bhagwat Jha Azad: I insist on an answer to my question. I have said that this movement cannot succeed unless the Government amends the rules. What is their opinion? **Mr. Dey** is there.

Mr. Speaker: Opinions cannot be asked.

Shri Bhagwat Jha Azad: I have not asked for an opinion. I am asking....

Mr. Speaker: He just now said opinion.

Shri Bhagwat Jha Azad: I have asked what action Government propose to take to make this movement successful. It will not succeed unless the discrimination practised by the administration themselves between a trader and the co-operative society is removed. This is a very simple, and very important question too and has to be answered.

The Minister of Community Development and Co-operation (Shri S. K. Dey): The Government will do everything possible to assist the organisation of societies whenever these societies come as a result of the price rise resistance movement, and we would welcome this movement all over the country.

Dr. Sarojini Mahishi: May I know whether Government is finding more of voluntary effort in such of the consumer co-operative societies which have come into existence as a result of the price rise resistance movement and less of such voluntary effort in such of the societies which have come into existence as a result of the circular issued to the officials?

Shri B. S. Murthy: We cannot draw a distinction like that.

Shri Nath Pai: Has the Minister's attention been drawn to this fact that whenever the citizens in certain colonies in Delhi have shown the initiative, imagination and courage to establish co-operatives of their own, they have failed in getting any assistance and ultimately the protection to which, as citizens, they are entitled, and they have been subjected even to physical assaults like lathi charges by vested interests and blackmarketeers; if so, what steps Government is taking to foster this movement and extend protection to them?

Shri S. K. Dey: I am not aware of any such tyrannies having been practised anywhere.

Shri Nath Pai: May I point out that daily such things happen.

Shri S. K. Dey: I would like to add that the question of consumers' co-operatives in the metropolitan cities is undergoing a serious revision in the light of our experience during the past 16 months. The matter is now under discussion with the Planning Commission, and very shortly we shall take a definite decision.

Shri Nath Pai: What I was submitting to you was that the Minister promptly contradicted me on this issue of physical assault. You who go through the papers very carefully, will recall that when in a certain colony, Vinay Nagar, the citizens there, being lower-middle class, refused to buy milk, housewives were assaulted, people were dragged in and beaten. Don't they know this simple thing?

Shri S. K. Dey: I have not heard of any such tyrannies being inflicted.

Shri A. P. Sharma: On a point of order. Your ruling in the past has been that whenever a specific question is asked, the answer should also be specific, but for every question the Minister is answering "all possible", "shortly" etc. Therefore, it is no answer to the question.

Mr. Speaker: I have said that, and I can repeat it even now, but my difficulty is that whereas I have to ask the Ministers that they should be specific, clear, definite, positive, concrete in their answers, I have also to ask the Members that their questions should not be burdened with pre-conceived notions, giving expression to opinions and bringing in other things that are not necessary to make the question intelligible. Therefore, if the question is straight and short, certainly I shall insist that the answer also should be precise and definite, but all Members have to assist me in this respect, not only one side.

Shri Nath Pai: I hope your *obiter dicta* does not refer to my question.

Mr. Speaker: It does refer to that also. Next question.

श्री अंकार लाल बरेवा : मेरा नाम आप ने बुला लिया था ।

अध्यक्ष महोदय : लेकिन अब तो रह गया हालांकि मैंने वाकई आप को बुलाने का इरादा किया था ।

गुड़ और खांडसारी के भाव

+

* 282. श्री बागड़ी :
श्री विश्राम प्रसाद :

क्या खाद्य तथा कृषि मंत्री 15 सितम्बर, 1964 के तारांकित प्रश्न संख्या 191 के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ने गुड़ और खांडसारी के भावों तथा उसके उत्पादन पर नियंत्रण लगाने का इस बीच निर्णय कर लिया है ;

(ख) क्या चीनी की खपत कम करने के लिए सरकार ने उपभोक्ताओं को खांडसारी उचित मूल्य पर उपलब्ध कराने के बारे में भी इस बीच निर्णय कर लिया है ; और

(ग) यदि हां, तो उसका व्योग क्या है ?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) to (c). Government have not taken any such general decision. The Government of Uttar Pradesh have, however, fixed maximum prices for sale of khandsari and the States importing khandsari from Uttar Pradesh have been asked to arrange sale of imported khandsari at prices in parity with the controlled prices in U.P. The State Governments have also been empowered to license khandsari units and power crushers and to regulate their working in reserved areas of the sugar factories.

श्री बागड़ी : बड़े उद्योगों के बढ़ाव के वास्ते छोटे उद्योगों पर पाबन्दी लगाने से देश में जो छोटे उद्योग हैं वे टूटते हैं और समाजवाद के बिलकुल यह विपरीत बात है हालांकि सरकार बात समाजवाद की करती है । क्या मंत्री महोदय के ध्यान में यह बात आई है कि खांडसारी के ऊपर लाइसेंस और पाबन्दी लगाने से किसानों में आम बेचैनी है और

खांडसारी का उद्योग बिलकुल घटता जा रहा है तो क्या सरकार इस पाबन्दी के ऊपर पुनर्बिचार करने जा रही है ?

The Minister of Food and Agriculture (Shri C. Subramaniam): As far as gur is concerned, we have not placed any restriction either on its movement or on its price. As far as khandsari is concerned, the Uttar Pradesh Government have taken certain measures for the purposes of regulating the production of khandsari. That is all. I do not think that any impediments are placed in the development of these industries.

श्री बागड़ी : क्या मंत्री महोदय यह बतलाने की कृपा करेंगे कि चीनी के कारखानदारों को विदेश के अन्दर चीनी भेजने की जहां बदले में एक सहूलियत यह है कि अपना मूल्य वह किसी तरीके से बढ़ाये उस के अलावा भी करोड़ों रुपये सरकार को उन को इसलिए देने पड़ते हैं कि उनको घाटा लगा तो क्या इस किस्म की उमदाद खांडसारी या गुड़ बनाने वालों को भी देने का विचार है ?

Shri C. Subramaniam: Khandsari units are small for which high finances are not required. But to the extent necessary, help is being given for the development of gur industry and also khandsari industry.

Shri K. N. Tiwary: Is it a fact that the price of gur has fallen after removing the zonal system and de-control and, if so, keeping in view the sugar production near about the target for 1964-65, is the Government going to de-control sugar also?

Shri C. Subramania: No, Sir. It is not under our consideration now.

श्री प्रकाशवीर शास्त्री : उत्तर प्रदेश की सरकार ने जब खांडसारी के भंडारों को सीज किया था उस समय खांडसारी का भाव ७३ रुपये और कुछ आने मन था । अब जब खांडसारी के ऊपर से प्रतिबंध हटना है तो उत्तर प्रदेश सरकार ने सीज करने समय कह।

था कि इस से भाव नीचे जायेंगे तो गर्बनमेंट उसे खुद खरीद कर लेगी। अब खांडसारी के भाव २७ रुपये मन आ गये हैं तो उन्होंने खुला कर दिया है। मेरे कहने का अभिप्राय यह है कि एक सरकार जो इतना बड़ा आश्वासन देती है कि भाव इससे नीचे गिरने पर वह खुद खरीद कर लेगी लेकिन उस अपने आश्वासन को अमल में नहीं लाती है तो भाव उस से इतने नीचे गिरने का दोष फिर किस के ऊपर रहेगा ? या तो यह करें कि दूसरे राज्यों में जाने की सुविधा करें या फिर उतने भाव में स्वयं सरकार खरीदे। एक आश्वासन देने पर यदि इस तरह से उसे पूरा करने से बचा जायेगा और राजा स्वयं ही अगर अपनी प्रजा के साथ इस प्रकार का न्याय करने लगे तो आखिर किस तरीके से यह काम चलेगा ?

अध्यक्ष महोदय : अब इस का बे क्या उत्तर दे सकते हैं ?

Shri C. Subramaniam: It is the U. P. Governments responsibility and I hope the Uttar Pradesh Government will discharge its responsibility. This is not the forum to raise it.

Shri A. P. Jain: Gur and khandsari being substitute products of consumption, may I know whether gur and khandsari come within the ambit of all-India sugar policy and, if so, whether the action taken by the Uttar Pradesh Government is in consonance with the all-India policy or is it otherwise?

Shri C. Subramaniam: As far as khandsari production and consumption are concerned, the major production takes place in Uttar Pradesh and the major consumption also takes place in Uttar Pradesh. That is why we have allowed the Uttar Pradesh Government to control it and to the extent surplus is available for export that is allowed to be exported. There is nothing contrary to the national policy.

Shrimati Sharda Mukerjee: What is the estimated amount of sugarcane which is utilised for gur and khandsari production and may I know if the Government is thinking of having some integrated policy regarding the purchase of sugarcane by the sugar factory owners and the khandsari and gur manufacturers? At present there seems to be a large diversity in prices.

Shri C. Subramaniam: About 30 per cent or a little more than that is utilised for sugar production in the mills. The rest of it is used for the purpose of gur and khandsari manufacture. In certain places, areas are reserved for sugar factories. It is on that basis we also fix the price for sugarcane which would be paid by the sugar factories.

श्री जगदेव सिंह सिद्धावती : आजकल गन्ना पेटा जा रहा है तो उनके यहाँ से जो गुड़ और खांड आती है तो व्यापारी लोग उसका भाव गिराते हैं तो क्या सरकार गुड़ और खांड के भाव व्यापारियों द्वारा कम करने से किसानों को बचायेगी ?

Shri C. Subramaniam: We have notified the minimum price which the farmer should get for his cane. I do not think at any place, the price has come down below this level.

श्री श्रीकार लाल बोरवा : इस वक्त पब्लिक सेक्टर में गुड़ और खांडसारी के कितने कारखाने चल रहे हैं ? क्या इसकी खपत को बढ़ाने के लिए कोई नये कारखाने लगाने का विचार है ; अगर हाँ, तो कौन ?

Shri C. Subramaniam: To my knowledge, there is no public sector factory for the manufacture of gur and khandsari. There might be cooperative sector units on this. There is no proposal to start any unit in the public sector.

Shri S. M. Banerjee: In view of the fact that there is shortage of sugar and that shortage is met with khandsari

sari as substitute, may I know what steps Government propose to take to give more incentive to the khandsari manufacturers?

Shri C. Subramaniam: It is a question of utilising the available cane for the purpose of manufacture of Sugar, Khandsari and Gur. What is the most economical way of utilising the cane has to be decided. The scientific and technical opinion is that sugar manufacture is the best way of utilising the cane because of the various by-products coming out of it. That is why we try to give first priority to the manufacture of sugar. As far as the utilisation of cane for the purpose of manufacturing gur and khandsari also is concerned, because we are not utilising the entire cane for the purpose of manufacturing sugar, we are allowing that and we are giving encouragement to that also.

Shri K. N. Pande: Is it a fact that Government have fixed minimum price for the cane to be supplied to the sugar factory? Have they directed the UP Government to fix a minimum price for the cane which is supplied to khandsari manufacturers?

Shri C. Subramaniam: Till now the prices obtained by the farmers from the khandsari industry is more than the minimum price which has been fixed. Therefore, if such a situation arises, then it will be considered.

श्री हुकम चन्द कछवाय : उत्तर प्रदेश में खंडसारी 27 रुपये मन बिकती है, यह रुक बना है और यही खंडसारी राजस्थान, गुजरात और अन्य प्रान्तों में साठ, सत्तर रुपये मन के हिसाब से बिक रही है। भावों में इस अन्तर का एक कारण यह है कि जो प्रतिबन्ध लगाया गया है, उसके कारण भाव बढ़े हुए हैं। क्या सरकार का विचार इस प्रतिबन्ध को तोड़ने का है, क्योंकि इसी कारण काफी ब्लैक-मार्केटिंग हो रही है ?

Shri C. Subramaniam: The restriction is placed for the purpose of making khandsari sugar available for U.P. consumption. As a matter of fact, the allotment of factory sugar is limited to that extent, because they have got khandsari sugar. It is only that quantity which is available after meeting the consumption needs of U.P. are met which is allowed to be moved out. That is why perhaps, because of the scarcity in other areas, it fetches a higher price.

श्री शिव नारायण : मैं यह जानना चाहता हूँ कि जब आज गुड़ 27 रुपये मन बिक रहा है तो गवर्नमेंट क्यों नहीं खरीदती है ? पिछले साल गुजरात में गुड़ अस्सी रुपये मन क्यों बिका है ? गवर्नमेंट क्यों नहीं उसको अपने कब्जे में करती, जिससे ब्लैक मार्केटिंग न हो ? इसमें सेंट्रल गवर्नमेंट को क्या आइजिक्शन है ? सेंट्रल गवर्नमेंट कहती है कि यह यू० पी० गवर्नमेंट की रेस्पॉन्सिबिलिटी है। तो सेंट्रल गवर्नमेंट की रेस्पॉन्सिबिलिटी क्या है ?

श्री हुकम चन्द कछवाय : माननीय सदस्य जिस गुस्से से सवाल पूछते हैं, उससे डर लगता है।

अध्यक्ष महोदय : माननीय सदस्य को डर क्यों लगता है ? डर तो मुझे लगना चाहिए। सब तरफ की नाराजगी मुझ पर कन्सेन्ट्रेट होती है।

Shri C. Subramaniam: I have stated already that the production of khandsari is mainly consumed within U.P. That is why UP requirements are given first priority and that is why UP Government is allowed to control its production and distribution.

Shrimati Savitri Nigam: Keeping in view the demand of brown sugar in various foreign countries and also the crashing prices of gur and khandsari which it make it difficult for the farmers in the long run, may I know if Government intend to purchase khandsari for export purposes?

Shri C. Subramaniam: No, Sir; there is no such proposal.

श्री काशी राम गुप्त : मंत्री महोदय बार बार यह फरमाते हैं कि यू० पी० के लोगों को मुहैया करने के लिये उत्तर प्रदेश सरकार ने यह नीति अपनाई है और भारत सरकार भी सम्भवतः उस से स्मृत है। मैं यह जानना चाहता हूँ कि जिस नीति से वहाँ के किसानों का भाव इतना गिर जायें, उस नीति का पालन करने में भारत सरकार क्यों सत्यता दे रही है और क्यों नहीं उसको रोकती है।

Shri C. Subramaniam: Sir, even now the producers of gur and khand-sari are in a position to pay higher prices than what the sugar factories pay. Therefore, so far as the farmers are concerned there has been no distress in this respect. As a matter of fact, there is a premium for gur and khand-sari. Therefore, there is no question of giving any direction in this respect.

अध्यक्ष महोदय : नेक्स्ट क्वैस्टियन—
श्री आर० जी० दुबे ।

श्री काशी राम गुप्त : अध्यक्ष महोदय, मेरा प्रश्न यह नहीं था। मेरा प्रश्न तो यह था कि भारत सरकार क्यों

अध्यक्ष महोदय : माननीय सदस्य अब बैठ जायें। अब हम अगले सवाल पर चले गये हैं।

Improved High-Yielding Varieties of Crops

+

283. { **Shri R. G. Dubey:**
Shri Yashpal Singh:
Shri Vishram Prasad:
Shri Bagri:
Shri Brij Raj Singh-Kotah:
Shri S. N. Chaturvedi:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether the Indian Agricultural Research Institute had developed

high-yield hybrid varieties of maize, jowar, cotton and rust-resistant wheat; and

(b) the steps taken to supply these new varieties to the farmers throughout the country?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shahnawaz Khan): (a) Yes. Excepting cotton, high-yielding varieties and hybrids of the other crops have been produced at the Indian Agricultural Research Institute.

(b) The seeds of hybrid maize and jowar are multiplied by the National Seeds Corporation. The seeds of wheat varieties, bred at the Indian Agricultural Research Institute, are multiplied both by the Institute and State Departments of Agriculture. The improved seeds, after multiplication are distributed to the farmers.

Shri R. G. Dubey: May I know what exact amount of increase in the yield in respect of various varieties has been found out in the stage of experiment and what is the expectation when actually they are distributed and sown in various areas?

Shri Shahnawaz Khan: It depends on so many factors like irrigation, the fertilizer that you put in, the quality of soil etc. But, generally speaking, as far as hybrid maize is concerned it has secured results between 70 to 80 per cent. The same is the case with sorghum, a variety of jowar. It has also produced very good results.

Shri R. G. Dubey: In view of the fact that in respect of jowar, bajra and other varieties a lot of foodgrain is lost due to rust, may I know whether this institute has been able to devise any rust-resistance element in respect of varieties other than wheat?

Shri Shahnawaz Khan: Jowar and bajra do not have rust. They may have some other diseases. Rust is a problem only in the case of wheat.

The Minister of Food and Agriculture (Shri C. Subramaniam): For other millets also it has been possible, in the institute, to evolve rust-resistant varieties.

श्री यादवराज सिंह : यः ब्यूरोक्रेटिक सिस्टम कब तक खत्म होगा कि पूरे छः महीने से फार्मर दरख्वास्त लिए फिर रूठ है और एग्रीकल्चर आफिसर बात नहीं करता है ? कब तक सरकार काश्तकारों के घरों में बीज पहुंचाने की ड्यूटी अपने ऊपर लेगी ?

श्री ताड़नाराज खाँ : बीज तमाम ब्लैक-सटर्ज और को-आपरेटिव सोसायटीज के दफ्तरों में है और जित जित किसानों ने मांगा है जहां तक हो सका, उन को दिया गया है ।

श्री बागड़ी : क्या मंत्री महोदय के ध्यान में यह बात आई है कि इस दफा रबी और खरीफ की बिजाई के समय ज्वार का बीज 40 रुपये मन और गन्धुम का बीज दिल्ली के आस पास 32 रुपये मन है और चने के बीज का 11 रुपये हाल है । सरकारी क्षेत्र में या ही नहीं । इसी कारण इतना महंगा बीज मिला । क्या मंत्री महोदय यह बताने की कृपा करेंगे कि वः ज्वार, बाजरा और गन्धुम का कितना प्रतिशत बीज किसानों को दे सकते हैं और उनके पास कितना स्टॉक, जखीरा है, जिसेसे वह देश में बीज की जरूरत पूरी कर सकते हैं ?

श्री ताड़नाराज खाँ : केन्द्रीय सरकार बीज अपने पास नहीं रखती है । इस बारे में प्रदेश सरकारें अपना अपना इन्तजाम करती हैं । इस साल उत्तर प्रदेश में बीज की कुछ ज्यादा कमी महसूस हुई है । उन्होंने शुरू में कुल बीज, पच्चीस लाख टन मांगा था और बाद में चालीस लाख टन मांगा । उसका बहुत बड़ा हिस्सा उनको दे दिया

गया है । दूसरे सूबों में से, राजस्थान और दूसरों से, जितनी मांग आई थी, वह पूरी की गई है ।

Shri S. N. Chaturvedi: What is the area that has been sown during the last kharif crop with improved varieties of jowar and wheat?

Shri Shah Nawaz Khan: As far as hybrid maize is concerned, an area of 1.30 lakhs acres was sown all over under cultivation of hybrid jowar? new variety. It was started only very recently, in 1960. The area sown is not very much.

Dr. M. S. Aney: What is the area under cultivation of hybrid jowar?

Mr. Speaker: That is not so significant as might be mentioned here. Shri Ranga.

Dr. M. S. Aney: It is very significant to the farmers of Vidharb and Maharashtra.

Shri Ranga: Is it the policy of Government to supply improved seeds free of cost to certain producers who are recommended by the panchayat samities or panchayats or at concessional rates and, if so, what concession is being made in the price?

Shri Shah Nawaz Khan: The seeds are not supplied at concessional rates. First of all, a nucleus seed is prepared. Then it is sent out for multiplication. It is distributed at the cost price which is remunerative and attractive to the producers.

Cochin Shipyard

+

{ Shri Surendra Pal Singh:
*284. { Shri Vishram Prasad:
{ Shri Shree Narayan Das:

Will the Minister of Transport be pleased to refer to the reply given to Starred Question No. 36 on the 8th September, 1964 and state:

(a) how far the negotiations with the Japanese firm of M/s. Mitsubishi

regarding the setting up of the Cochin Shipyard have progressed; and

(b) how soon the agreement with that firm is likely to be concluded?

The Minister of Transport (Shri Raj Bahadur): (a) and (b). A written reply from M/s. Mitsubishi, Japan regarding their final terms for collaboration, is expected to be received very soon.

Shri Surendra Pal Singh: What are the main important issues over which the negotiations have been going on for so long with the collaborators?

Shri Raj Bahadur: The main issues are about the quantum of payment in respect of royalty for the construction of ships and purchase of drawings and designs etc.

Shri Surendra Pal Singh: After the agreement has been reached between the two parties, may I know whether the Government is in a position to tell us as to how long it will take the Japanese collaborators to prepare the project report?

Shri Raj Bahadur: We gave them our terms and conditions in August. They have been studying them. In the meanwhile, they have also entered into some informal exchange of views in regard to the final form in which it should be concluded. I hope the reply will be received in the course of the next two weeks. After that I hope they will come and the agreement will be concluded. As soon as the agreement is concluded we shall start the work.

Shri P. R. Chakraverti: May I know whether M/s. Mitsubishi Company have indicated the amount of investment they are likely to make in this project?

Shri Raj Bahadur: These are matters of details. I think it will be premature to mention anything at this stage.

1772 (Ai) LSD—2.

Shri Kunhan: In view of the delay in reaching an agreement with this concern, are Government considering negotiations with any other concern?

Shri Raj Bahadur: I think the hon. Member knows that we were trying for collaboration from 1960 to 1962 with other countries. Now after 1962 our negotiations with the Japanese have been going on and have reached a very advanced stage and I have no doubt that they will come to a successful conclusion.

Mr. Speaker: Next question.

Shri Kunhan: One more supplementary. It is a very important question.

Shri Nambiar: Sir, this matter has been pending for a very long time.

Mr. Speaker: Therefore, a little delay does not matter. Next question.

Conference of State Directors of Agriculture on Soil Conservation Plan

+

- Shri Bagri:
 *285. Shri Rameshwar Tantia:
 Shri Vidya Charan Shukla:
 Shri Vishram Prasad:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that a Conference of the State Directors of Agriculture and Chief Conservators of Forests was held in the first week of October, 1964 to discuss the formulation of soil conservation measures; and

(b) if so, the suggestions made at the conference and action Government propose to take in the matter to implement them?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) Yes.

(b) A statement is placed on the Table of the House. [Placed in Library. See No. LT-3504/64].

श्री बागड़ी : जो जमीन काश्त के नाकाबिल है उसके ऐसा होने का एक यह कारण भी है कि पानी सतह से ऊपर आ गया है। तो उसकी जो सेम की जमीन है उसकी रोक थाम के लिये भी क्या कमेटी में विचार किया गया। यदि किया गया तो क्या।

श्री शाहनवाज खां : जिस जमीन में सेम आ गई है उस जमीन को फिर काबिल काश्त बनाने के लिये वहां पानी की निकासी का इन्तजाम किया जा रहा है।

श्री बागड़ी : मैं जानना चाहता हूँ कि पानी की निकासी का क्या कोई लक्ष्य बनाया गया है। यानी देश में जितनी जमीन सेम के अन्दर आ गई है उस के पानी को किस तरीके से और कितने असें में निकासी की जायेगी। जैसे कि पंजाब की कितनी जमीन कितने असें में और राजस्थान कोटा वगैरह की कितनी जमीन कितने असें में पानी से खाली हो जायेगी, इसका क्या कोई लक्ष्य बनाया गया है। अगर बनाया गया है तो कैसे और क्या।

श्री शाहनवाज खां : जो हाँ, लक्ष्य तैयार किया जा रहा है। पंजाब में लगभग 90 लाख एकड़ जमीन ऐसी है जो कि पानी के नीचे आ जाती है, या कहीं पर सेम आ जाती है। राजस्थान में भी बाढ़ की वजह से कुछ इलाकों में सेम आ रही है। मैं अभी गया था। कोटा, चम्बल की जो नहरें हैं वहाँ कहीं कहीं पर वाटरलागिंग और सेम हो रही है। इन सबका इन्तजाम करने के लिये गवर्नमेंट एक बड़ी लम्बी चौड़ी स्कीम के ऊपर गौर कर रही है। यू० पी० में भी।

Shri R. G. Dubey: May I know whether it has come to the notice of the Central Government that in some States the amount of subsidy given by the Centre is adjusted against the establishment cost and then the rate of interest and levy is so exorbitantly high that the cultivators are reluctant to accept bunding and soil conservation?

The Minister of Food and Agriculture (Shri C. Subramaniam): That matter is always kept under consideration. As a matter of fact, we are considering whether greater inducement should be given for the farmers to come forward to adopt these soil conservation methods.

Shri Shivaji Rao S. Deshmukh: Since all the soil conservation measures have to depend upon accumulation of silt away from the soils under cultivation, does Government propose to have those measures at the cost of the State so that soil conservation measures in cultivated lands and the cost of soil conservation is ultimately reduced?

Shri C. Subramaniam: We have got different rates of subsidy for different programmes of soil conservation. As far as possible we take into account what the per acre cost will be and what will be the return that the farmer is likely to get. Taking that into account we give greater or lesser subsidies.

Shri Shivaji Rao S. Deshmukh: The question was different. Soil conservation measures require treatment of soil at sites where there is accumulation of silt and that necessarily is away from the land under cultivation. So, the question is whether Government is prepared to bear the cost of those measures at sites which are away from cultivated lands.

Shri C. Subramaniam: These are not with reference to individual farms; soil conservation is with reference to an entire area. Now it is also shifted to the entire watershed concerned with this. Therefore, individual problems do not arise.

Shri Basappa: May I know whether it is a fact that many of the State Governments, in order to have advanced action on soil conservation measures, have asked for Central assistance; if so, what is the decision of the Government?

Shri C. Subramaniam: Yes, Sir, for the next year we are intending to give increased assistance for the purpose of taking advance action for the Fourth Plan.

श्री श्रीकार लाल बरेवा : मैं जानना चाहता हूँ कि जिन क्षेत्रों के अन्दर सीम की वजह से फलन नष्ट हो रही है और जमीन बंसी हो पड़ी है, लेकिन लगान ली जा रही है उन के बारे में क्या सरकार ने विचार किया है और उन को निश्चय है कि उस को माफ कर दिया जाये या घटा दिया जाये।

Shri C. Subramaniam: This question is completely different from the main question. This is with reference to soil conservation; water-logging does not come under this.

श्री श्रीकार लाल बरेवा : भूमि संरक्षण के सम्बन्ध में और क्या सवाल हो सकता है।

श्री यशपाल सिंह : क्या सरकार के ध्यान में यह बात आई है कि स्त्रायेल कंजर्वेशन मेंटर नहीं कायम किये जा रहे हैं जहाँ लैंड इरोजन नहीं हो रहा है, और जहाँ लैंड इरोजन हो रहा है उस के आस पास भी जाना लोग पसन्द नहीं करते हैं क्योंकि वहाँ मच्छर होते हैं।

श्री शाहनवाज खाँ : माननीय सदस्य की इत्तना बिल्कुल गलत है।

Shri Muthu Gounder: The preservation of forests is quite essential for soil conservation, but to get firewood everywhere, trees in forests are being indiscriminately cut. Is the Government aware of it and, if so, will the Government find ways and means to give kerosene or gas at cheap rates so that the forest produce may not be indiscriminately cut to get firewood and this will help in soil conservation?

Shri C. Subramaniam: This will not come under this question by any stretch.

Shri Bhagwat Jha Azad: According to the statement I find that the proposal is to spend three to four times more in the Fourth Plan as compared to the Third Plan. May I know whether these suggestions are based on the expenditure actually incurred during the Third Plan; if so, is that expenditure according to the target of the Third Plan?

Shri C. Subramaniam: It is with reference to the machinery available for implementation that this expenditure can be incurred. So, it is not merely the allotment of money for expenditure. It is a question of building up the necessary machinery. That is why advance action is contemplated so that during the Fourth Plan the programme can be stepped up.

श्री दलजीत सिंह : बहुत सी बंजर जमीन पड़ी है, बहुत सी बंजर जमीन जंगलों में पड़ी है और जो पब्लिक अंडरटेकिंग्स हैं उनके पास बहुत सी बंजर जमीन पड़ी है। मैं जानना चाहता हूँ कि उन जमीनों को काश्त में लाने के लिए सरकार क्या कोशिश कर रही है?

खाद्य तथा कृषि मंत्रालय में उपमंत्री (श्री शाहनवाज खाँ) : हर मुमकिन कोशिश की जा रही है कि कोई जमीन जो काबिले काश्त है बंजर न पड़ी रहे। तमाम प्रान्तों को हिदायत जारी कर दी गयी है और हर मुमकिन कोशिश की जा रही है।

श्री शिव नारायण : मैं जानना चाहता हूँ कि इस साइल कंजर्वेशन स्कीम के अन्तर्गत उत्तर प्रदेश में कितनी जमीन ली गयी है और उस पर कितना रुपया खर्च किया गया है?

अध्यक्ष महोदय : एक एक स्टेट में नहीं जाया जा सकता।

WRITTEN ANSWERS TO
QUESTIONS

Assistance to Co-operatives

*286. **Shri P. C. Borooah**: Will the Minister of **Community Development and Co-operation** be pleased to state:

(a) whether Government have decided to revise the policy of State assistance to co-operatives;

(b) if so, in what respects;

(c) what standards have been laid down for the eligibility of co-operatives for such assistance; and

(d) what are the reasons for this revision in policy?

The Deputy Minister in the Ministry of Community Development and Co-operation (Shri B. S. Murthy):

(a) and (b). The Government is considering a proposal for revising the scale of assistance to be given to potentially viable service co-operatives to meet their deficit in employing full time paid secretaries for a limited period of 3 to 4 years, till they can stand on their own legs.

(c) The standards for the revised scale of assistance being considered are broadly as below:

(i) the society should be identified as potentially viable as a result of a survey of the area;

(ii) the society should employ a full time paid secretary;

(iii) the society should implement an approved programme of development for increasing membership, share capital, loans to its members, one-credit business like sale of fertilizers, essential consumer articles etc., and

(iv) the society will be given subsidy equal to its deficit for the first three or four years subject to a certain maxi-

mum limit and the payment of the subsidy in any year will be conditional on its having shown satisfactory performance during the preceding year.

(d) It is important that service co-operatives develop into viable units in as short a time as possible and for this purpose enlarge their membership and resources and undertake credit and non-credit business on a much larger scale. This would not be possible unless each society has at least one full time paid employee.

Agricultural Farms

*287. { **Shrimati Savitri Nigam**;
| **Shri P. R. Chakraverti**;
| **Shri S. N. Chaturvedi**;
| **Shri Shree Narayan Das**;
| **Shri Bhagwat Jha Azad**;
| **Shri Yashpal Singh**;
| **Shri M. N. Swamy**;

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether a technical Committee of the Ministry has recommended that Government should take over farms, not run according to certain prescribed norms of cultivation;

(b) if so, what are the reactions of the State Governments;

(c) whether the norms are to be related to various agricultural practices adopted or to the yields obtained; and

(d) whether the extension agency has to report on the cultivators' failure to comply with the norms?

The Minister of Food and Agriculture (Shri C. Subramaniam): (a) to (d). A statement is laid on the Table of the Sabha. [Placed in Library, See No. LT-3505/64].

Bridges over the Ganges

- *288. { Shri P. R. Chakraverti:
Shri P. C. Borooah:
Shri Yashpal Singh:
Shri Sarjoo Pandey:
Shri A. P. Sharma:
Shri Vishram Prasad:
Shri Ram Sewak:
Shri P. G. Sen:
Shrimati Ramdulari Sinha:
Shrimati Savitri Nigam:
Shri Vishwa Nath Pandey:

Will the Minister of Transport be pleased to state:

(a) whether it is a fact that the Directorate of Transport Research has initiated a cost-benefit analysis of the two sites to study the economics of the rival propositions of Uttar Pradesh and Bihar, with respect to the proposed bridge over the Ganges; and

(b) if so, the result of the study and the final decision, if any, taken in the matter?

The Minister of Transport (Shri Raj Bahadur): (a) Yes, Sir,

(b) The study has not yet been completed.

भू-राजस्व के रूप में अराज का लिया जाता

289. { श्री ओंकार लाल बैरवा :
श्री गुलशन :
श्री सिद्धेश्वर प्रसाद :
श्री सुरेन्द्रपाल सिंह :
श्री विश्वनाथ पाण्डेय :
श्री विश्राम प्रसाद :
श्री यशपाल सिंह :
श्री हुकम चन्द कछवाय :

क्या खाद्य तथा कृषि मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या केन्द्रीय सरकार ने राज्यों को सुझाव दिया है कि वह भू-राजस्व तथा कृषि ऋणों का अनाज (कृषि उत्पाद) के रूप में उगाहने के प्रश्न पर विचार करे ; और

(ख) यदि हां, तो उस पर राज्य सरकारों की क्या प्रतिक्रिया है ?

खाद्य तथा कृषि मंत्री (श्री चि० सुब्रह्मण्यम्) : (क) जी, हां।

(ख) अधिकांश राज्य सरकारों ने प्रत्यक्ष कठिनाइयों जैसे कि खाद्यान्नों की किस्म और मानक पर निगरानी रखना, मार्गों से दूर अनेक स्थानों पर थोड़ी मात्राओं में खाद्यान्न संचय करने की समस्याएँ, खाद्यान्न एकत्रित करने की ऊँची लागत, विभिन्न क्षेत्रों में भिन्न प्रकार और किस्मों के खाद्यान्नों का मूल्य निर्धारण, बहुत बड़ी प्रशासनिक मशीनरी स्थापित करने आदि के कारण इस सुझाव को अव्यवहार्य समझा।

Foreign Exchange for Haldia Project

- *290. { Shri Hem Barua:
Shri Surendra Pal Singh:
Shri R. Barua:
Shri A. K. Gopalan:
Shri Laxmi Dass:
Shri M. N. Swamy:
Shri Imbichibava:
Shri B. K. Das:
Shri R. S. Pandey:
Shri D. D. Mantri:

Will the Minister of Transport be pleased to refer to the reply given to Starred Question No. 468 on the 29th September, 1964 and state:

(a) whether the World Bank has communicated its decision on the Government's request for a loan to cover the foreign exchange requirements of the Haldia Project; and

(b) if so, the nature of the decision?

The Minister of Transport (Shri Raj Bahadur): (a) Not yet. The Study Group constituted by the Government of India in September, 1964 to conduct the studies required by the World Bank and collect the requisite economic data is still engaged in its study. The team has been asked to complete its work in four months. The Bank has promised a quick decision as soon as the additional data have been furnished to them.

(b) Does not arise.

Reorganisation of Income-tax Appellate Tribunals

*291. { Shri S. M. Banerjee:
Shrimati Ramdulari Sinha:
Shri J. B. S. Bist:

Will the Minister of Law be pleased to state:

(a) whether it is a fact that the Income-tax Appellate Tribunals are to be reorganised; and

(b) if so, the lines on which reorganisation has to take place?

The Minister of Law and Social Security (Shri A. K. Sen): (a) The matter is still under consideration.

(b) Does not arise.

Looting of Fair Price Shops

*292. { Shri Vishwa Nath Pandey:
Shrimati Renuka Barkataki:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that recently during September and October, 1964 there were certain cases of looting of fair price shops in some of the States due to the faulty distribution and offering of unreasonable prices; and

(b) if so, how many such type of looting and disturbances took place all over the country during September and October, 1964

The Minister of Food and Agriculture (Shri C. Subramaniam): (a) and (b). There were three cases in Mysore and one in U.P. of looting of fair price shops in September and October, 1964. These cases, however, were not due to any faulty distribution or unreasonable prices. In no other State looting of fair-price shops has been reported.

Indian Airlines Corporation Pilots

*293. { Shri Harish Chandra
Mathur:
Shri Yashpal Singh:
Dr. Ranen Sen.
Shri Dimen Bhattacharya:
Dr. Saradish Roy:
Shri J. B. S. Bist:
Shri Onkar Lal Berwa:
Shri Hukam Chand
Kachhavaiya:

Will the Minister of Civil Aviation be pleased to state:

(a) whether Government have considered the need to overhaul and strengthen the top management of the Indian Airlines Corporation and if so, the nature of the steps taken or proposed to be taken;

(b) what are the grievances which the pilots of the Indian Airlines Corporation continued to have and the steps taken to examine and redress them; and

(c) the disciplinary action taken against those of the pilots who have acted in an irresponsible manner and let down the services?

The Minister of Civil Aviation (Shri Kanungo): (a). The Indian Airlines Corporation are considering ways and means for effecting improvement from all aspects.

(b) As a result of recent discussions between the Indian Commercial Pilots' Association and the Indian Airlines Corporation Management most of the point raised by the pilots

have been satisfactorily negotiated and as far as Government are aware there is no major point at issue now.

(c) The incident in which a number of pilots reported sick on 24th and 25th October, 1964, is under investigation. In this connection I also invite a reference to the statement made by me in the House on 26-11-1964.

Sethusamudram Project

- *294. { Shri Kapur Singh:
Shri Solanki:
Shri Narasimha Reddy:
Shri Dharmalingam:
Shrimati Savitri Nigam:
Shri Vishwa Nath Pandey:
Shri Yashpal Singh:

Will the Minister of Transport be pleased to state:

(a) whether the Prime Minister recently said in Madras that he was very keen in favour of an early completion of the Sethusamudram Project connecting Palk Straits with the Gulf of Mannar;

(b) if so, whether this project has been included in the Fourth Plan; and

(c) if so, the broad particulars thereof and its financial implications?

The Minister of Transport (Shri Raj Bahadur): (a) In his speech on the occasion of the opening ceremony of the Jawahar Dock at Madras on the 6th November, 1964, the Prime Minister said that he was keen on work on the Sethusamudram Project being started early in the Fourth Five Year Plan.

(b) The proposal is at present being considered for inclusion in the Fourth Five Year Plan.

(c) The cost of a canal which can take ships of 30 ft. draft is estimated at about Rs. 22 crores.

ज्वार के भाव

*295. श्री बे० शि० पाटिल : क्या खाद्य तथा कृषि मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि हाल में ही केन्द्रीय सरकार द्वारा घोषित ज्वार के न्यूनतम भाव विभिन्न राज्यों में समान नहीं हैं ;

(ख) क्या राज्य सरकारों ने इन भावों को स्वीकार कर लिया है अथवा कुछ भाव राज्यों ने अपने यहाँ स्वयं न्यूनतम को निश्चित किए हैं ;

(ग) विभिन्न राज्यों ने क्या भाव निश्चित किए हैं ; और

(घ) प्रत्येक राज्य द्वारा अलग अलग भाव निश्चित करने के क्या कारण हैं ?

खाद्य तथा कृषि मंत्री (श्री वि० सुब्रह्मण्यम्) : (क), (ख), (ग) और (घ) अब तक प्राप्त सूचना के अनुसार केवल राजस्थान और महाराष्ट्र राज्यों की सरकारों ने ज्वार के उत्पादक भाव निर्धारित किये हैं। राजस्थान सरकार द्वारा निर्धारित भाव केन्द्रीय सरकार द्वारा बताये गये भावों के बीच हैं। महाराष्ट्र सरकार ने उत्पादक भाव भारत सरकार के ऐसे भाव निर्धारित करने के निर्णय करने और भाव स्तर बताने से पहले ही निर्धारित कर दिये थे। इसीलिये पहले घोषित भाव चालू हैं।

दो राज्यों द्वारा निर्धारित किये गये भाव निम्न प्रकार हैं :—

(र० प्रति क्वंटल)

र०

राजस्थान :	लाल और पीली किस्मों की ज्वार	38
	सफेद किस्म	40
महाराष्ट्र :	पीली सामान्य किस्म	43
	सफेद बढ़िया किस्म	45

Rice from U.A.R.

- *296. {
Shrimati Renuka Barkataki:
Shri Dharmalingam:
Shri P. C. Borooah:
Shri D. C. Sharma:
Shri Ram Harkh Yadav:
Shri Baswant:
Shri Himatsinghka:
Shri Rameshwar Tantia:

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that India is entering into an agreement with the United Arab Republic for the purchase of substantial quantities of rice; and

(b) if so, the main features of the agreement?

The Minister of Food and Agriculture (Shri C. Subramaniam): (a) and (b). An agreement was signed on the 19th November, 1964 for the purchase of 71,000 metric tons of rice from the U.A.R. The shipments are to commence in the second week of December, 1964 and are expected to be completed by May, 1965. The cost of the rice is to be paid in non-convertible Indian rupees to be utilised by U.A.R. for the purchase of Indian goods.

Co-ordination between Ministries of Food and Agriculture and Community Development and Co-operation

- *297. {
Shri Yashpal Singh:
Shri Rameshwar Tantia:

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether a Committee has been appointed to study the problem of

bringing about effective co-ordination in the activities of the Ministry of Food and Agriculture and the Ministry of Community Development and Co-operation so as to eliminate delays in the matter of finalising the steps for increasing the agricultural production.

(b) if so, whether the Committee has submitted its report; and

(c) the recommendations made in this report?

The Minister of Food and Agriculture (Shri C. Subramaniam): (a) No such Committee has been appointed but the Minister for Food and Agriculture has asked Shri V. Shankar, Secretary Ministry of Civil Aviation, who had been till recently Secretary, Department of Food to study the problem of bringing about effective Co-ordination in the activities of the departments of Food and Agriculture and Community Development and Co-operation with a view to 'maximisation of their impact on agriculture production.

(b) No, Shri Shankar is expected to submit his report shortly.

(c) Does not arise.

Joint Co-operative Farming

- *298. {
Shri Vishram Prasad:
Shri Bagri:
Shri Yashpal Singh:
Shri Shree Narayan Das:
Shri D. D. Puri:
Shri Oza:
Shri Onkar Lal Berwa:
Shri Omkar Singh:
Shri Gulshan:
Shri Y. S. Chaudhary:

Will the Minister of **Community Development and Co-operation** be pleased to refer to the reply given to

Starred Question No. 199 on the 15th September, 1964 and state:

(a) whether any decision has since been taken by Government to introduce an intermediate stage in joint co-operative farming;

(b) whether the Report of the Committee of Direction appointed under the Chairmanship of Prof. D. R. Gadgil has since been received; and

(c) if so, the reaction of the Government thereto?

The Deputy Minister in the Ministry of Community Development and Co-operation (Shri B. S. Murthy):

(a) The matter is still under consideration.

(b) No, Sir.

(c) Does not arise.

Modernisation of Sugar Mills

*299. { Shri R. G. Dubey:
Shri Yashpal Singh:
Shri Bibhuti Mishra:
Shri K. N. Tiwary:
Shri Subodh Hansda:
Shri S. C. Samanta:
Shri M. L. Dwivedi:
Shrimati Savitri Nigam:

Will the Minister of **Food and Agriculture** be pleased to refer to the reply given to Starred Question No. 200 on the 15th September, 1964 and state:

(a) whether the Report of the Experts Committee appointed by Government to go into the question of rehabilitation and modernisation of old and uneconomic sugar factories in the country has since submitted its report;

(b) if so, the main recommendations made therein and Government's reaction thereto; and

(c) whether the modernisation is likely to entail any unemployment and if so, to what extent?

The Minister of Food and Agriculture (Shri C. Subramaniam): (a) Not yet, Sir.

(b) and (c). Do not arise.

Kharif Crop

*300. { Shri Surendra Pal Singh:
Shri P. C. Borooah:
Shri Prakash Vir Shastri:
Shri Jagdev Singh
Siddhanti:
Shri Harish Chandra
Mathur:
Shri Yudhvir Singh:

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that the Kharif crop this season has been above average all over the country; and

(b) if so, what has been the approximate total production of kharif grains state-wise, and how far has that been helpful in solving the food shortage in the country?

The Minister of Food and Agriculture (Shri C. Subramaniam): (a) According to available reports, the overall output of kharif crop during the current year is expected to be higher than average production during the last three years in most parts of the country.

(b) Quantitative estimates of production of kharif crops during 1964-65 have not yet become available. The new crop has just started coming into the markets. The impact on prices and availability will be felt as the arrivals increase and get into full swing and the trade adjusts itself to the new price policy.

Corporations for Development of Tourism

- *301. { Shri D. C. Sharma:
Shri Ravindra Varma:
Shri P. Venkatasubbaiah:
Shri Yashpal Singh:
Shrimati Renuka Barkataki:

Will the Minister of **Transport** be pleased to state:

(a) whether it is proposed to set up three Corporations for the development of tourism; and

(b) if so, the names of the corporations and how they are going to help the tourists?

The Minister of Transport (Shri Raj Bahadur): It is proposed to set up two Corporations to handle various activities connected with the development of Tourism. One of these Corporations will undertake to provide hotels and the second Corporation will handle other commercial activities, such as, provision of shopping facilities, evening entertainment, transport services for tourists and production and sale of tourist publicity material. The running of tourist taxis and coaches will be undertaken by a Company of which this Corporation will be the holding Company.

Starvation Deaths

- *303. { Shri Yashpal Singh:
Shri Kapur Singh:
Shri Solanki:
Shri Buta Singh:
Shri Narasimha Reddy:
Shri Gulshan:
Shri Y. S. Chaudhary:

Will the Minister of **Food and Agriculture** be pleased to refer to the reply given to Unstarred Question No. 1505 on the 29th September, 1964 and state:

(a), whether any cases of deaths due to starvation have since been reported to Government;

(b) if so, where; and

(c) whether any inquiry was instituted into them?

The Minister of Food and Agriculture (Shri C. Subramaniam): (a) No. Sir.

(b) and (c). Do not arise.

Seminar on Training of Gram Panchayat

709. Shrimati Ramdulari Sinha: Will the Minister of **Community Development and Cooperation** be pleased to lay on the Table a copy of the instructions issued to all States on the basis of the recommendations of the seminar on training of gram panchayat held at Nilokheri?

The Deputy Minister in the Ministry of Community Development and Cooperation (Shri B. S. Murthy): A copy of the instructions is laid on the Table of the House. [Placed in Library. See No. LT-3506/64].

Expenditure on Co-operation

710. Shrimati Ramdulari Sinha: Will the Minister of **Community Development and Co-operation** be pleased to state:

(a) the Statewise percentage of the total expenditure incurred during the first three years to the total plan outlay of the Third Five Year Plan on cooperation;

(b) the reasons for disparities in the expenditure which obtain from State to State; and

(c) the percentage of State-wise total shortfall during the first three years to the total breakups of the Plan for the corresponding period?

The Deputy Minister in the Ministry of Community Development and Co-operation (Shri B. S. Murthy): (a) and (c). A statement is laid on the Table of the House. [Placed in Library. See No. LT-3504/64].

(b). The extent to which states are in a position to provide funds in the light of their resources position and consideration of *interse* priorities as between different sectors of the plan, the relative strength of the administrative and organisational structure, the level of development of the co-operative movement and its ability to absorb the funds provided, indicate the more important reasons.

Nationalisation of Passenger Road Transport

711. { **Shri Vidya Charan Shukla:**
Shri Onkar Lal Berwa:
Shri Gulshan:
Shri Hukam Chand
Kachhavaiya:
Shrimati Jamunadevi:
Shri Uikey:

Will the Minister of Transport be pleased to state:

(a) which are the States where passenger road transport has been fully nationalised;

(b) which are the States who have applied for concurrence of the Government of India to nationalise passenger road transport; and

(c) which are the States to whom permission has been granted for the purpose or is being granted?

The Minister of Transport (Shri Raj Bahadur): (a) Himachal Pradesh only.

(b) and (c). Since the executive authority in respect of motor transport vests with the State Governments, the concurrence of the Government of India is not required for rationalising passenger road transport services, except where the schemes relate to inter-State routes. The requests of the State Government for the approval of the Central Government to the schemes pertaining to inter-State routes are examined, as and when they are received and the permission required under Section

68D(3) of the Motor Vehicles Act, 1939, is given, wherever considered necessary.

Sugar Mills in Madhya Pradesh

712. { **Shri Vidya Charan Shukla:**
Shri R. S. Pandey:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether the Government of India have received any proposals for the establishment of sugar mills in Madhya Pradesh;

(b) how many proposals were received and when; and

(c) what decisions have been taken in the proposal?

The Deputy Minister in the Ministry of of Food and Agriculture (Shri D. R. Chavan): (a) and (b). Ten applications were received—one in 1959 and 9 in 1963 for establishment of new sugar mills in Madhya Pradesh.

(c) These are under consideration and a decision on them may take some time.

Cottage Industries in Kerala

713. { **Shri A. V. Raghavan:**
Shri Pottekkatt:

Will the Minister of Social Security be pleased to state:

(a) whether there is any proposal to establish cottage industries in each panchayat area in Kerala; and

(b) if so, the amount allotted by the Central and State Governments to implement the scheme?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) Government are not aware of any such proposal.

(b) Does not arise.

Landing Facilities for Fishermen at Quilandy

714. { Shri A. V. Raghavan;
 { Shri Pottekkatt;

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether Government are aware of the difficulties experienced by the fishermen of Quilandy in Kerala in the matter of landing their boats as a result of the construction of sea-walls; and

(b) if so, what steps Government propose to take to provide landing facilities at Quilandy?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) Yes.

(b) Arrangements are being made to leave a gap of about 100 ft. in length in the sea-wall being constructed at Quilandy, so as to provide landing space for fishing craft. It is expected that this will solve the difficulties experienced by the fishermen there.

Locusts

715. Shri Karni Singhji: Will the Minister of **Food and Agriculture** be pleased to state:

(a) the extent of breeding of locusts, with reference to particular areas, in Rajasthan during this year; and

(b) the extent of damage caused?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shahnawaz Khan): (a) The movement of locust swarms and breeding was confined to Scheduled Desert and non-cropped areas. Scattered isolated breeding took place in Sundra area of Barmer district Adia, Badewala, Kishangarh, Longwala, Nokh, Pochina, Ranhau, Sadewala and Tanot areas of Jaisalmer district, Bikaner

and Kolayat areas of Bikaner district of Rajasthan covering about 5,500 hectares.

(b) No damage to crops has been reported, as the organised control operations were conducted well in time and hoppers were controlled in early stages.

Indo-German Agriculture Development Programme

716. Shri Sham Lal Saraf: Will the Minister of **Food and Agriculture** be pleased to refer to the reply given to Unstarred Question No. 489 on the 26th November, 1963 and state the progress since made in the development activity in agriculture as a result of the Indo-German programme?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shahnawaz Khan): A note embodying the progress achieved in the development activity in agriculture as a result of Indo-German Programme is laid on the Table of the House. [Placed in Library. See No. LT-3508/64].

Bridge over Koduvally, Kerala

717. { Shri Pottekkatt;
 { Shri A. V. Raghavan:

Will the Minister of **Transport** be pleased to state:

(a) what progress has been made in the matter of constructing a bridge over Koduvally river on the West Coast Road in the Cannanore District of Kerala; and

(b) when the work will commence?

The Minister of Transport (Shri Raj Bahadur): (a) and (b). The existing bridge at Koduvally over the Eranholi river is weak and is in a dilapidated condition. The State Government are reconstructing the bridge out of State funds. There is, however, a proposal to construct another bridge over the Koduvally river

as a part of the Tellicherry bye-pass on the West Coast Road in Kerala. The alignment of the bye-pass has been approved by the Government of India and the investigation work for the construction of the new bridge is in progress.

Bridge on Baliapattam, Kerala

718. { **Shri Pottekkatt:**
 { **Shri A. V. Raghavan:**

Will the Minister of Transport be pleased to state:

(a) what steps have been taken to construct a bridge over the Baliapattam river on the West Coast Road in Kerala; and

(b) whether construction work will commence during the Third Five Year Plan period?

The Minister of Transport (Shri Raj Bahadur): (a) and (b). There is a proposal to construct a new road bridge across the Baliapattam river at about 1600 feet upstream of the existing road-cum-railway bridge. Investigations are in progress for selecting an appropriate site for the new bridge. It is therefore likely that the work will be started during the current Plan.

Supply of Ammonium Sulphate

719. **Shri Hem Raj:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the ammonium sulphate is supplied in the hilly areas in the various States in bags of 100 kilo capacity while the other fertilizers are supplied in bags of 50 kilo capacity;

(b) whether it is a fact that the carriage of 100 kilo bag in the mountainous areas is difficult; and

(c) if so, whether Government propose to supply the ammonium sulphate in bags of 50 kilo capacity for the hilly areas of the country?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shahnawaz Khan): (a) At present Sulphate of Ammonia, both indigenous and imported, is packed normally in 100 kilo capacity bags. Other nitrogenous fertilisers and complex fertilisers e.g. Urea, ammonium sulphate nitrate, calcium ammonium nitrate, ammonium phosphate and nitrophosphate are supplied in bags of 50 kilo capacity.

(b) The Union Territory of Himachal Pradesh has informed this Ministry that 100 kilo bags are difficult to handle in the hilly areas.

(c) The proposal to supply sulphate of ammonia in bags of 50 kilo capacity to meet the specific requirements of State Governments and Union Territories is under consideration.

Researches in Hill Crops

720. **Shri Hem Raj:** Will the Minister of Food and Agriculture be pleased to state:

(a) the researches which have so far been undertaken in the hill crops of the different regions of the country;

(b) whether results of researches have been published and if so, in which languages;

(c) how far have they been disseminated amongst the agriculturists of the different regions; and

(d) whether any assessment has been made of the gains made by agriculturists in the hills?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shahnawaz Khan): (a) to (d). A statement is laid on the Table of the House. [Placed in Library. See No. LT-3509/64].

Prices of Kharif Food-Grains

721. { **Shri Ram Harkh Yadav:**
 { **Shri Murlī Manohar:**

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether Government have fixed the prices of Kharif food-grains in Uttar Pradesh in consultation with the State Government;

(b) whether Government propose to purchase any grains themselves;

(c) if so, which grains Government propose to purchase direct from the producers; and

(d) whether Government propose to give any special margins to the producers?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) Yes, Sir.

(b) No, Sir.

(c) and (d). Do not arise.

Road Projects in Orissa

722. **Shri Ram Chandra Mallick:** Will the Minister of **Transport** be pleased to state:

(a) the names of road projects which were approved to be constructed in Orissa during the Third Five Year Plan period with financial assistance from the Central Road Fund;

(b) how many of these have been completed so far; and

(c) the total amount sanctioned for the purpose?

The Minister of Transport (Shri Raj Bahadur): (a) to (c). A total amount of Rs. 16.00 lakhs was offered to the Orissa Government as a grant from the Central Road Fund (Ordinary) Reserve during the Third Plan period. The State Government propose to utilise part of the grant (Rs. 11.50 lakhs) for covering the excess in the cost of developing the

Pipli-Konarak Road in Orissa. This road work was earlier approved for a grant from the Reserve amounting to Rs. 18.00 lakhs and the revised cost of improvements to this road is estimated to be Rs. 63.00 lakhs.

The Orissa Government proposed to utilise the balance of Rs. 4.50 lakhs for the establishment of a Control and Testing Laboratory. This proposal has, however, not been approved by the Government of India and the State Government have been asked to propose some other road or bridge work for utilising this amount.

In addition a free balance of Rs. 45.50 lakhs is available out of the allocations made to the Orissa Government from the Central Road Fund. Proposals for the utilisation of this amount are awaited from the State Government.

Prices of Edible Oils

723. **Shri Sham Lal Saraf:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the prices of edible oils have considerably soared high during the past year; and

(b) if so, the steps under contemplation to hold the price line in the commodity?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah-nawaz Khan): (a) Yes, Sir.

(b) A number of steps have already been taken to keep the prices in check. They include ban on Forward Trading imposed in June 1964 (though later it was withdrawn on 15th September in view of prospect of better groundnut crop), tightening of credit facilities and restrictions on exports. Lately, movement restrictions on edible oil-seeds and oils within the country have also been relaxed. To augment internal supplies, some imports of rape/mustard seeds and soyabean oil are also being arranged.

Potato Seeds from Burma

724. { Shri Ram Harkh Yadav:
 { Shri Murlī Manohar:
 { Shri Onkar Lal Berwa:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that India has signed an agreement to purchase a large quantity of potatoes from Burma for seed purposes;

(b) if so, the quantity of potatoes stipulated for purchase; and

(c) the terms of the agreement?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) to (c). The State Trading Corporation is arranging, on an *ad hoc* basis, import of seed potatoes from Burma for supplying Co-operative Societies of Growers in different States. Quantity of seeds proposed to be imported during this season, is 40,000 maunds worth Rs. 10 lakhs.

Adviasis of Maharashtra

725. { Shri D. S. Patil:
 { Shri Kamble:

Will the Minister of Social Security be pleased to state:

(a) whether it is a fact that the Members of Parliament from Maharashtra State have submitted a memorandum on the 22nd September, 1964 to the Prime Minister regarding the problems of Adviasis of Maharashtra; and

(b) if so, the action taken thereon?

The Deputy Minister in the Department of Social Security (Shrimati Chandrasekhar): (a) Yes, Sir.

(b) The main points made were:—

- (i) that there should be a separate Commissioner for Scheduled Tribes; and

- (ii) revision of the list of Scheduled Tribes, with special reference to the Maharashtra State.

The question whether there should be an exclusive Commissioner for Scheduled Tribes was carefully examined, and it was considered that a separate Commissioner was not necessary. As regards revision of the lists of Scheduled Tribes, this matter is under examination. In this connection attention is invited to the reply given to Unstarred Question No. 2379 in the Lok Sabha on the 22nd April, 1964.

Rabi Seeds for Maharashtra

726. Shri D. S. Patil: Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that there was a great demand of rabi seeds from the Government of Maharashtra; and

(b) if so, the quantity of various seeds supplied to meet the demand?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) and (b). With a view to ensuring supply of Rabi seeds to farmers at a reasonable price, the Government of Maharashtra asked for the assistance of the Government of India in the supply of 5000 tonnes of wheat seed only. This quantity was allocated to them in full from Punjab. Against this, 3000 tonnes were despatched to Maharashtra upto 25th November, 1964.

Delimitation Commission in Madhya Pradesh

727. Shri Radhelal Vyas: Will the Minister of Law be pleased to state:

(a) whether it is a fact that in the absence of Associate Members, some other persons met the Chairman and the Members of the Delimitation Commission regarding the delimitation of

Parliamentary and Assembly constituencies in Madhya Pradesh and expressed their views thereon; •

(b) if so, whether any record of their talks has been maintained; and

(c) the names of those persons and the dates on which they met?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) and (b). The Delimitation Commission does not keep a list of persons who meet the Chairman or Members of the Delimitation Commission in connection with the delimitation of constituencies or a record of their talks.

(c) Does not arise.

Delimitation Commission in Madhya Pradesh

728. Shri Radhelal Vyas: Will the Minister of Law be pleased to state:

(a) the date and the place of the last meeting of the Delimitation Commission with the Associate Members from Madhya Pradesh State;

(b) the number of meetings of the Delimitation Commission held after the aforesaid meeting, their dates, durations and the places where they were held without inviting or associating the Associate Members and in which the delimitation of Parliamentary and Assembly constituencies in Madhya Pradesh State was discussed; and

(c) the number of Parliamentary and Assembly constituencies in Madhya Pradesh State regarding which decisions were taken and announced by the Delimitation Commission in the presence of Associate Members and also the number of cases in which decisions were postponed and whether a statement showing the names of such constituencies would be laid on the Table of the House?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) The Delimitation Commission met last with the Associate Members from 22nd to 24th February, 1964, at No. 1, Aurangzeb Road, the office of the Election Commission, India, New Delhi.

(b) Meeting of the Commission without the Associate Members were held in the office of the Election Commission, India, New Delhi, on the 25th February, 4th March and 6th April, 1964. No record has been maintained in the office about the duration of the meeting on each of the above mentioned dates.

(c) No final decisions were taken in the presence of the Associate Members. In the course of the discussion with the Associate Members, any member of the Commission might have expressed himself in favour of a particular suggestion but that could not be taken as the decision of the Commission. Decisions in respect of all the constituencies were taken at a meeting of the Commission at which the Associate Members were not present. There is, therefore, no question of laying on the Table of the House a list of the constituencies in respect of which decisions are taken before the Associate Members and those on which decisions were postponed.

Constituencies in Madhya Pradesh

729. Shri Radhelal Vyas: Will the Minister of Law be pleased to state:

(a) the names of the Parliamentary and Assembly constituencies in Madhya Pradesh regarding which final decisions were taken by the Delimitation Commission but which were not put up before the Associate Members in the form in which they were finally decided; and

(b) the names of such Parliamentary and Assembly constituencies regarding which final decisions were taken by the Delimitation Commis-

sion in the presence of the Associate Members but the decisions were altered later on without consulting the Associate Members?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) and (b). After the discussions with the Associate Members, final decisions were taken by the Delimitation Commission. None of these decisions were placed before the Associate Members nor is such a procedure required by the Delimitation Act, 1962. These decisions of the Delimitation Commission were published in the Gazette of India in the form of an Order and copies thereof were supplied to each Associate Member for Madhya Pradesh.

Proceedings of Delimitation Commission

730. Shri Radhelal Vyas: Will the Minister of Law be pleased to state:

(a) whether the proceeding of the sittings held by the Delimitation Commission regarding the reorganisation of Parliamentary and Assembly constituencies in Madhya Pradesh have been maintained and if so, whether copies thereof have been sent to the Associate Members; and

(b) if not, the reasons therefor and if maintained, whether the copies would be sent to the Associate Members now?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) and (b). Each "member" of the Delimitation Commission keeps a note of the views expressed by the Associate Members during the course of the discussions. No separate record is kept. There is, therefore, no question for forwarding the proceedings of the sittings to the Associate Members.

1772 (Ai) LSD—3.

कपास का उत्पादन

731. श्री विभूति मिश्र :
श्री क० ना० तिवारी :
डा मा० श्री० अग्ने :
श्री अ० क० गोपालन :
श्री नम्बियार :
डा० सरादीश राय :

क्या खाद्य तथा कृषि मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार कपास की पैदावार 115 पौंड प्रति एकड़ से बढ़ा कर रूस के समान 543 पौंड तक पहुँचाने की कोई योजना बना रही है ;

(ख) यदि हाँ, तो योजना का स्वरूप क्या है ; और

(ग) इस सम्बन्ध में इंडियन काटन मिल्स एसोसिएशन द्वारा कितनी सहायता देने का वचन दिया गया है ?

खाद्य तथा कृषि मंत्रालय में उपमंत्री (श्री शाहनवाज खाँ) : (क) हाल ही में भारत सरकार ने कपास के लिये जो पैकेज कार्यक्रम की योजना शुरू की थी, उसका अभिप्रायः यह है कि उन चुने हुए क्षेत्रों में कपास की प्रति एकड़ उपज को अधिकधिक बढ़ाया जाए जिनमें कि उत्पादन बढ़ाने की अधिक सम्भावनाएं मौजूद हैं।

(ख) योजना का अभिप्राय है:—(1) देश में लम्बे रेशे की कपास का उत्पादन बढ़ाना ताकि उन कारखानों की मांग को पूरा किया जा सके जोकि इस समय इस प्रकार की रई को एक बहुत बड़ी मात्रा में विदेशों से आयात करते हैं ; (2) 1965-66 के अन्त तक निम्न क्षेत्र कपास की खेती के अन्तर्गत आ जाये:—

वर्ष	एकड़
1963-64	5,69,708
1964-65	11,85,000
1965-66	17,15,000

(ग) अभी तक इंडियन काटन मिलज़ एसोसिएशन ने इसके लिये सहायता देने का स्पष्ट रूप से कोई वायदा नहीं किया है।

Co-operative Sugar Factories

732. { **Shri P. C. Borooah:**
Shri Daljit Singh:
Shri Pottekkatt:
Shri A. V. Raghavan:
Shri Kappen:
Shrimati Ramdulari Sinha:
Shri D. S. Patil:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether Government have granted licences for the expansion of some existing co-operative sugar factories and setting up of some new factories during October this year;

(b) if so, how many units are to be expanded and how many new units are to be set up;

(c) the total additional production capacity licenced; and

(d) how far the Third Plan target for sugar production is expected to be achieved thereby?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) No, Sir.

(b) and (c). Do not arise.

(d) A major portion of additional capacity for the Third Plan had been licensed earlier and much of it has been established. It is expected that the Third Plan target of sugar production will be achieved.

Employees Provident Fund Scheme

733. { **Shri P. C. Borooah:**
Shri Tridib Kumar Chaudhuri:

Will the Minister of Social Security be pleased to state:

(a) whether the Employees Provi-

dent Fund Scheme is proposed to be extended to 26 more industries and classes of establishments;

(b) if so, to which ones, and their total membership; and

(c) which are the industries and classes of establishments to which the scheme has not been extended so far and the total number of employees therein who are deprived of the benefits of this scheme?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) and (b). The Employees' Provident Funds Act, 1952, and the scheme framed thereunder are being applied to more and more industries gradually after consultation with the interests concerned. A list showing the details of 92 industries and classes of establishments covered under the Act is laid on the Table of the House. [Placed in Library. See No. LT-3510/64]. The number of workers benefiting from the Scheme is about 40 lakhs.

(c) Statistical data relating to the industries not covered under the Act has not been collected.

Grants by U.S.A. for Research

734. { **Shri Vishram Prasad:**
Shri Bagri:
Shri Bibhuti Mishra:
Shri K. N. Tiwary:
Shri Ram Sewak:
Shri P. G. Sen:
Shri Onkar Lal Berwa:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that U.S.A. have given some grants to the University of Allahabad and Forest Research Institute, Dehra Dun; and

(b) if so, what are the details of research which will be conducted by these institutions?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) Yes.

(b) The grants will be utilised for undertaking research as per details below:

Allahabad University:

1. Collection and isolation of molds belonging to the order Mucorales and classification of the isolates in order to find micro-organisms suitable for fermentative processes of importance in cereal grain utilization.

2. A study of survival and possible genetic change in industrially useful micro-organism subjected to lyophilization to obtain basic information needed for the maintenance of culture collection for industrial fermentation of cereal grains.

3. Post harvest diseases of tropical and sub-tropical frost.

4. A study of soil Algae of the rice fields and their contribution to the fertility of the soil.

5. Study of molecular processes of organic compounds containing atomic grouping similar to those present in wool by measurement of ultrasonic absorption in the liquid state at frequencies below one megacycle.

6. Giology of gall midges affecting mangoes with special reference to the extent of damage.

7. Investigation of the protein, auxins acid and biographically active components of dry beans to provide information necessary for the development of new and improved processes and products leading to increased utilization of dry beans.

8. Studies on the free amino acids of insect hemolymph and the accumulation of citric acid in insect tissues.

9. Minerals and metabolism of plants: The role of major elements, particularly calcium in the metabolic activities of plants.

10. Biology of gall midges affecting citrus plants with special reference to the extent of damage.

Forest Research Institute and Colleges Dehra Dun:

1. Accelerated Laboratory investigations on termite resistance of woods.

2. Working qualities of Indian timbers.

3. Accelerated laboratory investigations on durability of wood.

4. Investigations on Myccrrihihiza forming fungi with special reference to conifers in India.

5. Studies of density and fibre characteristics of Indian timbers as indicators of wood quality.

Production of Sugar

735. { Shri Vishram Prasad;
Shri Bagri;
Shri Rameshwaranand:

Will the Minister of Food and Agriculture be pleased to refer to the reply given to the Starred Question No. 40 on the 8th September, 1964 and state:

(a) whether Government have since considered the measures to step up production of sugar in 1964-65; and

(b) if so, the details thereof?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. B. Chavan): (a) Yes, Sir.

(b) Government have taken the following measures:

(1) The basic minimum price of sugarcane payable by sugar factories during 1964-65 has been fixed at Rs. 5.36 per quintal for a recovery of 10.4 per cent and below, with provision for increasing the same by 4 paise per quintal for every 0.1 per cent increase in recovery above 10.4 per cent.

(2) The deduction from cane price on account of transport

charges on cane transported from cane purchasing centres connected by road has been limited to 32 paise per quintal.

- (3) A rebate of 50 per cent in basic excise duty has been allowed on the production of sugar during the period October-November 1964 which is in excess of sugar produced by the factories during the corresponding period in 1962.

- (4) The State Governments have been asked to ensure adequate cane supplies to the factories by demarcation of reserved areas, and to regulate establishment and working of khandsari units and power crushers in reserved areas by a system of licensing.

निर्वाचन याचिकाएँ

736. { श्री विभूति मिश्र :
श्री क० ना० तिवारी :

क्या विधि मंत्री यह बताने की कृपा करेंगे कि :

(क) विभिन्न राज्यों में विधान सभाओं विधान परिषदों, लोक-सभा और राज्य सभा के लिए पिछले आम चुनावों के बाद कितनी निर्वाचन याचिकाएँ पेश की गईं;

(ख) उन में से कितनी याचिकाओं का फाँसला 9 अक्टूबर, 1964 तक हो गया है;

(ग) कितने मामले अभी विचाराधीन हैं ?

विधि मंत्रालय में उ-मंत्री (श्री जगन्नाथ राव) : (क) 1962 के सत्राण निर्वाचनों से सम्बद्ध 367 निर्वाचन याचिकाएँ पेश की गई थीं जिन में से 19 को निर्वाचन आयोग ने लोक प्रतिनिधित्व अधिनियम 1951 की धारा 85 के अन्तर्गत खारिज कर दिया था

और 348 याचिकाएँ परीक्षण के लिए निर्वाचन न्यायाधिकरणों को निर्देशित की गई थीं ।

(ख) 9 अक्टूबर, 1964 तक निर्वाचन न्यायाधिकरणों द्वारा 300 निर्वाचन याचिकाएँ निपटा दी गयी थीं ।

(ग) 9 अक्टूबर, 1964 को निर्वाचन न्यायाधिकरणों के समक्ष 48 निर्वाचन याचिकाएँ नम्बित थीं ।

रक्सौल हवाई अड्डा

737. { श्री विभूति मिश्र :
श्री क० ना० तिवारी :

क्या असेनिक उड्डयन मंत्री 13 अगस्त, 1963 के अतारंकित प्रश्न संख्या 5 के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि

(क) क्या यह सच है कि रक्सौल हवाई अड्डा अभी पूर्ण रूप से तैयार नहीं हो पाया है;

(ख) यदि हाँ, तो इसके क्या कारण हैं; और

(ग) निर्माण कार्य कब तक पूर्ण होकर हवाई अड्डा आताजात के लिए खुल जायेगा ?

असेनिक उड्डयन मंत्री (श्री कानूनगो) :

(क), (ख) और (ग). टरमीनल इमारत को छोड़कर बाकी सभी बड़े निर्माण कार्य पूरे हो चुके हैं। धावन पथ (रनवे) इम्नेमाल के लिए उपलब्ध है। टरमीनल इमारत का निर्माण कार्य चालू है और उसके 1965 के अन्त तक पूरा हो जाने की उम्मीद है।

Hotel Development Loan Fund

738. Shri Surendra Pal Singh: Will the Minister of Transport be pleased to refer to the reply given to Unstarred Question No. 1030 on the 22nd September, 1964 regarding the

setting up of a Hotel Development Loan Fund for giving loans to the Hotel Industry and state at what stage this matter stands at present?

The Minister of Transport (Shri Raj Bahadur): The matter is still under consideration and no decision has yet been taken.

Experiment in Crop Cultivation by I.A.R.I.

739. { **Shri Surendra Pal Singh:**
Shri P. G. Sen:
Shri Ram Sewak:

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that a successful experiment has been carried out by the Indian Agricultural Research Institute which has conclusively proved that if a particular method is adopted in regard to the rotation of crops and fertilization, a farmer can double the yield of his crops; and

(b) if so, what are the main outlines of this particular method of crop cultivation and what effective steps have been taken to popularise it amongst the farmers of this country?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shahnawaz Khan): (a) Yes. The experiments conducted at the Indian Agricultural Research Institute have shown that the yield of crops can be substantially increased by use of suitable rotations and fertiliser doses.

(b) The method consists mainly of introduction of legumes in crop rotations and giving proper doses of fertilisers. The crop rotations and the fertilizer doses successfully worked out are given in the statement. [Placed in the Library, See No. LT-3511|64].

Articles have been published in popular journals like 'Indian Farming' and 'Kheti' to popularise these

practices. Field Days are also being conducted at the Indian Agricultural Research Institute to demonstrate the same.

Agricultural Farms

740. { **Shri P. C. Borooah:**
Shri Yashpal Singh:
Shri P. R. Chakraverti:
Shri S. N. Chaturvedi:
Shri P. Venkatasubbaiah:
Shri Ravindra Varma:

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the Israel offer to help set up agricultural farms in India has not been found suitable;

(b) if so, in what respect; and

(c) whether any alternative schemes are contemplated to develop such farms in areas where Israel aided farms were proposed to be set up?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shahnawaz Khan): (a) No such offer has been made by the Government of Israel.

(b) and (c). Do. not arise.

Diwali Celebrations in Delhi

741. **Shri Naval Prabhakar:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that most of the housewives in Delhi did not celebrate Dussehra and Diwali festivals for want of sugar, rawa and maida; and

(b) if so, the reasons for the shortage?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) No, Sir,

(b) Does not arise.

Contract for Extraction of Timber in South Andamans

742 { Shrimati Savitri Nigam:
Shri M. L. Dwivedi:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it has been a long and persistent demand of the villagers in South Andamans that they should be given small contracts for extraction of timber from forest areas under their villages with a view to having some gainful occupation to augment their meagre income from agriculture;

(b) what has been the policy of Government in the matter of giving such contract, to the said villagers in view of the fact that only one crop is raised in the Andamans due to lack of irrigation in the islands;

(c) whether the villagers are not being given any such contract while a big firm's tender is being considered for extraction of timber from a large area in the South Andamans; and

(d) if so, what steps Government propose to redress the grievances of the villagers in South Andamans?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) No. But Andaman Administration has encourages formation of Village Co-operatives and such Societies are functioning for the last two years or so due to the effort of the Administration.

(b) The policy of the Government is to help such Village Co-operatives with a view to augmenting their income by working in the forest areas in lean season.

(c) Wherever genuine Co-operative Societies formed by Villagers came up, they were given forestry work consistent with their resources. Contract for extraction of timber from

the Hanglutan and Nayashayar area awarded to a firm was not detrimental to the interest of any genuine Co-operative Society of local villagers.

(d) The question does not arise.

Sale of L.C.T. of Andamans Forest Department

743. { Shrimati Savitri Nigam:
Shri M. L. Dwivedi:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the Forest Department Andaman Islands, had invited tenders for the sale of a landing craft tanker which was thoroughly overhauled and replaced only a couple of years or so before calling the said tender and if so, the amount spent on repairs and replacements;

(b) whether it is also a fact that the Department did not then sell it to the highest tenderer who had offered nearly two lakhs of rupees for the landing craft tanker, but sold it recently by inviting a fresh tender for about Rs. 55,000 only;

(c) whether the party which has purchased it is repairing it to re-float and run it, if so, why Government itself did not have the landing craft tanker repaired and kept it in commission; and

(d) the reason for not selling the L.C.T. to the first highest tenderer and whether responsibility has been fixed on any official for causing loss to Government?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) Although tenders for the disposal of Landing Craft Tanker "Anand Sagar" were invited in 1963-64, no expenditure on its repairs was incurred since 1957 onwards as it remained unserviceable since then and was beached in that year.

(b) The highest tenderer offering Rs. 1,11,110 and the next highest tenderer offering Rs. 91,157 backed out and forfeited their earnest money. The alternative left was to sell it to the third tenderer who had offered Rs. 35,100; or to re-invite tenders. Therefore, even after the two tenderers had backed out, all the tenderers were asked to submit revised offers before the highest offer of Rs. 55,500 received by negotiation was accepted and the L.C.T. sold.

(c) The party which purchased the L.C.T. has undertaken repairs. The L.C.T. was inspected by the Marine Engineers of the Andamans Administration in the year 1960-61 and they considered that it was beyond economical repairs. A decision was, therefore, taken for its disposal by inviting tenders.

(d) Does not arise, in view of reply to part (b) above.

Delimitation of Constituencies

744. **Shri Daljit Singh:** Will the Minister of Law be pleased to refer to the reply given to Starred Question No. 137 on the 8th September, 1964 and state:

(a) whether the final decisions have been taken by all the States Delimitation Committees regarding the delimitation of constituencies for elections to State Legislatures and Lok Sabha; and

(b) if so, the decisions taken regarding delimitation of Lok Sabha Constituencies?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) There are no separate Delimitation Committees for the States. The Delimitation Commission set up under the Delimitation Commission Act, 1962 has completed the delimitation of parliamentary and assembly constituencies for Kerala, Pondicherry, Madhya Pradesh and Goa, Daman and Diu.

(b) The delimitation of constituencies for these States and Union Territories is contained in the Delimitation Commission's Orders 7, 21, 8 and 18 which have already been placed on the Table of the House.

Development of Hill Areas

745. { **Shri Daljit Singh:**
Shri Hem Raj:
Shri Sham Lal Saraf:

Will the Minister of Food and Agriculture be pleased to refer to the reply given to Unstarred Question No. 1449 on the 29th September, 1964 and state:

(a) whether the Working Group of the Central Hill Development Committee has since submitted its report; and

(b) if so, the broad features thereof?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) and (b). No. The submission of the report by the Working Group will take some time.

Regulation Re: Declaration of Stocks and Prices

746. { **Shri P. R. Chakraverti:**
Shri P. C. Borooah:

Will the Minister of Food and Agriculture be pleased to state:

(a) what are the specific regulations introduced in different States compelling the dealers in foodgrains to declare their stocks and prices;

(b) how far these have been given effect to with the willing co-operation from the foodgrain dealers;

(c) the number of prosecutions launched by the State Governments against the foodgrain dealers and the quantity of foodgrains unearthed; and

(d) the form of amendment introduced in the Prevention of Hoarding Orders in different States to promote free flow of grain from the villages and mandis?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) The foodgrain dealers are required to submit fortnightly returns of stocks to the licensing authorities in the various States and Administrations under the Licensing Orders in force. They are also required to submit once a quarter information relating to their average purchase and sale prices and average margins.

(b) Many foodgrain dealers and their associations had represented against the submission of such stock returns and such information.

(c) A statement is laid on the Table of the House. [Placed in Library. See No. LT-3512/64].

(d) No amendment has been made in the anti-hoarding Orders issued by the States which might affect free flow of foodgrains.

Conference of Ministers of C.D. and P.R.

747. { Shri P. R. Chakraverti:
} Shri P. C. Borooah:

Will the Minister of **Community Development and Cooperation** be pleased to state how far the main recommendations of the Conference of State Ministers of Community Development and Panchayati Raj held in July, 1964 have been given effect to?

The Deputy Minister in the Ministry of Community Development and Cooperation (Shri B. S. Murthy): Many of the recommendations of the conference can be acted upon by the State Governments themselves. These are being processed and implemented by them.

Recommendations requiring consideration at the Central level are being processed in consultation with the other Ministries concerned and the Planning Commission.

Agricultural Production

748. { Shri P. R. Chakraverti:
} Shri P. C. Borooah:

Will the Minister of **Food and Agriculture** be pleased to state:

(a) to what extent the recommendations of the working group on inter-departmental and institutional co-ordination for agricultural production have been found acceptable to the State Governments;

(b) whether the implementation of the recommendations of the said group, in part or wholly, has raised the potentialities of agricultural production; and

(c) if so, the technique of their assessment and the findings thereof?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) The replies received indicate that generally the State Governments have accepted the recommendations. Only in some cases the State Governments have expressed their inability to implement the recommendations *in toto* on account of the peculiar set-up obtaining in the State and/or because the object of the recommendation is being substantially fulfilled under the existing arrangements.

A statement indicating the position with regard to implementation of major recommendations by various States is placed in the Library. [See No. LT-3513/64].

(b) In most of the States, the recommendations have been accepted recently. It is, therefore, too early to make any assessment with regard to rise in agricultural production as a result of the implementation of the recommendations of the Working Group.

(c) Does not arise.

Import of Foodgrains from U.S.A.

749. { Shri P. R. Chakraverti:
Shri P. C. Borooah:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the U.S.A. is sending 20 per cent of its wheat production and 15 per cent of its rice production to India under P.L. 480;

(b) whether the attention of Government has been drawn to a statement of the U.S. Ambassador on 10th October, 1964 that India could obtain self-sufficiency in food production and should not depend on foreign food; and

(c) if so, whether Government have taken steps to provide incentives to the farmer by a regulated pricing system in terms of the suggestions of the U.S. Ambassador?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) The statement is correct as relating to imports expected to be made during 1964-65 under P.L. 480.

(b) According to a United States Information Service press release, the U.S. Ambassador said, "India can achieve self-sufficiency in food production through individual farm ownership, better use of fertilizers and irrigation and a fair pricing system providing incentives to the farmer to produce more and improve his own standard of living".

(c) The U.S. Ambassador has made no detailed suggestions as to regulated pricing system for the farmer. The Government has been following a policy of price support since 1962. Recently, on the basis of the recommendations of the Foodgrains Prices Committee (Jha Committee) and after discussions with the State Governments, producers' prices for important

foodgrains, including rice and wheat, for the 1964-65 crops have been revised so as to provide incentives to producers and these revised prices have already been announced.

Demonstration Flight by "Z.326 Trenner Master"

750. { Shri Brij Raj Singh:
Shri P. C. Borooah:
Shri Ram Sewak:
Shri P. G. Sen:

Will the Minister of Civil Aviation be pleased to state:

(a- whether a two-seater Czech trainer plane "Z-326 Trenner Master" gave a demonstration flight at the Delhi Flying Club on October 11, 1964;

(b) if so, whether the aircraft was found suitable; and

(c) whether Government propose to procure any such aircraft; if so, their number and the cost?

The Minister of Civil Aviation (Shri Kanungo): (a) Yes, Sir.

(b) Yes, Sir.

(c) A proposal for the purchase of such aircraft is still under consideration.

Death Relief Fund

751. **Shri D. D. Puri:** Will the Minister of Social Security be pleased to state:

(a) whether a final decision has been taken regarding the setting up of the Death Relief Fund for affording financial assistance to the nominees/heirs of deceased members of the Coal Mines Provident Fund; and

(b) if not, why not?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) This is under active consideration.

(b) Does not arise.

Boeings

752. Shri Ramanathan Chettiar: Will the Minister of Civil Aviation be pleased to state:

(a) the number of Boeings purchased by the Air India so far and the number for which orders have been placed;

(b) whether the Boeing Company in the United States of America is having a representative in India;

(c) if so, whether any commission has been paid to this representative in respect of the purchase of each such Boeing and if so, the amount thereof and the foreign exchange component of such commission; and

(d) whether it is a fact that the representative of this Boeing Company is directly or indirectly associated with the business-house or one of its subsidiary concerns in India or abroad with which the present Chairman of the Air India is connected?

The Minister of Civil Aviation (Shri Kanungo): (a) Air India have acquired seven Boeing-707 Jet aircraft and one more is on order.

(b) Yes, Sir.

(c) No information regarding commission, if any, paid by the Boeing Company to their representative in India is available.

(d) No, Sir.

Tribal Development Blocks

753. Shri H. C. Soy: Will the Minister of Social Security be pleased to state:

(a) whether it is a fact that the tribal development blocks in Bihar have seriously failed to utilise the funds placed at their disposal and one of the main reasons is to have tribal officers as Block Development Officers and their failure to train up in adequate number of extension and field staff (supervisors and village level

workers) from amongst the tribals; and

(b) if so, the steps taken to remedy the situation?

The Deputy Minister in the Department of Social Security (Shrimati Chandrasekhar): (a) and (b). The required information has been called for from the State Government and will be laid on the Table of the House when received.

Nationalisation of Passenger Transport in Madhya Pradesh

**754. { Shri Uikay:
Shri Vidya Charan Shukla:**

Will the Minister of Transport be pleased to state:

(a) whether the Government of Madhya Pradesh have forwarded any Bill for speedy nationalisation of passenger transport in the State for concurrence of the Government of India;

(b) if so, is there any legal difficulty in giving concurrence of the Government of India; and

(c) if there is any difficulty, when is it likely that the concurrence of the Government of India would be conveyed?

The Minister of Transport (Shri Raj Bahadur): (a) Yes.

(b) and (c). The matter is under consideration.

Consumption of Foodgrains

**755. { Shri Krishnapal Singh:
Shrimati Ramdulari Sinha:**

Will the Minister of Food and Agriculture be pleased to state:

(a) what was the consumption of various foodgrains during 1961-62, 1962-63 and 1963-64 in the country, State-wise; and

(b) how much out of it was produced in the country and how much was imported?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) Under conditions of decontrol, when there is considerable inter-State movement of food-grains both by rail and by road, it is difficult to assess with any degree of accuracy, the quantities of various foodgrains consumed in the different States of the country during a given period.

(b) A statement showing the quantities of various foodgrains produced in India during the crop years 1961-62, 1962-63 and 1963-64, and quantities imported during calendar years, 1962, 1963 and 1964 (upto the end of October) is placed in the Library. See No. LT-3514[64].

Lift Irrigation on Co-operative Basis

756. Shri Sivamurthi Swamy: Will the Minister of Food and Agriculture be pleased to state:

(a) whether any representation has been made to the Government of India to help lift irrigation on co-operative basis from Tungabhadra Project Reservoir; and

(b) if so, what help has been and is proposed to be given to the Mysore State?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) No such representation has been received.

(b) Does not arise.

Acquisition of Land for Mangalore Port

**757. { Shri Sivamurthi Swamy:
Shri Kolla Venkatah:**

Will the Minister of Transport be pleased to state:

(a) whether any representations

have been received from some villagers and panchayat committees in Mangalore district against the acquisition of some additional area of land by the Mangalore Harbour Project; and

(b) if so, the action proposed to be taken in the matter?

The Minister of Transport (Shri Raj Bahadur): (a) and (b). In connection with the proposal to acquire an additional area of 1,500 acres of land for the Mangalore Harbour Project, some representations against the proposed acquisition have been received. The representations will be given due consideration keeping in view the requirements of the project and all other relevant aspects.

Soil Conservation in Kerala

**758. { Shri P. Kunhan:
Shri Namblar:**

Will the Minister of Food and Agriculture be pleased to state:

(a) the progress made by the soil conservation scheme in Kerala during the Third Plan; and

(b) how much land Government propose to cover during the plan period?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) An area of 6,450 acres was covered under Soil Conservation Scheme in agricultural lands up to 1st November, 1964 at a cost of Rs. 25.889 lakhs.

(b) The State Government propose to cover an additional area of 14,000 acres in the remaining period of the Third Five Year Plan.

Delhi Milk Scheme

759. { **Shri Solanki:**
Shri Buta Singh:
Shri Gulshan:
Dr. Ranen Sen:
Shri Dinen Bhattacharya:
Dr. Saradish Roy:
Shri Kapur Singh:

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that during October, 1964, no buffalo or cow milk was supplied to the card-holders by the Delhi Milk Scheme;

(b) if so, the reasons therefor; and

(c) what action has been taken by Government to re-organise the Delhi Milk Scheme to discharge its obligations to the consumers in Delhi?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) Delhi Milk Scheme was unable to meet its commitments for the supply of buffalo milk for some time during October, 1964.

Cow milk was supplied to the card-holders throughout the month of October, except on 7th, 23rd and 27th October, 1964. On 24th, 26th, 28th and 31st October, 1964 a partial supply of cow milk was made.

(b) There has been a sharp fall in the quantity of buffalo and cow milk procured by the Delhi Milk Scheme for the following reasons:

(i) For a time there was some agitation among milk contractors because of procurement of milk by this scheme through co-operative societies at the Milk Collection and Chilling Centre at Kithore, Uttar Pradesh.

(ii) The greatly increased price in the Delhi Market of products like cream and ghee which encourage the suppliers to divert milk for the manufacture of cream and ghee.

(iii) Competition by private purchasers particularly in regard to price and quality of milk purchased from the suppliers.

(iv) Increased demand due to 'Shradhas' and festivals, etc.

(v) Effect of heavy rain and floods on fodder crop, which affected the production of milk.

(c) The various problems facing the Delhi Milk Scheme have been examined in detail by a team of experts headed by Shri Kurien, General Manager of Kaira District Milk Producers Cooperative, Anand. The report has been considered by the Ministry of Food and Agriculture and a large part of the recommendations have been accepted. The implementation of the recommendations is in hand. It is expected that the measures that are being taken will lead, in course of time, to the removal of difficulties facing the Delhi Milk Scheme.

Amendment of the Constitution

760. Shri Yashpal Singh: Will the Minister of Law be pleased to state:

(a) whether Government's attention has been drawn to the judgment of the Supreme Court on the validity of the Constitution (17th Amendment) Act, 1964 wherein it has been suggested that amendment of Part III of the Constitution should be brought about with the consent of the States; and

(b) if so, whether Government intend to bring forward legislation to give effect to this?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao):

(a) A suggestion has been made in the judgment of the Supreme Court delivered on 30th October, 1964, that any amendment of fundamental rights should be brought within the scope of the proviso to article 368 of the Constitution.

(b) The matter requires careful consideration and no indication can be given at this stage whether any legislation would be undertaken to give effect to the suggestion.

Tribals of Vidarbha

761. { Shrimati Renu Chakravarty:
Shri D. S. Patil:

Will the Minister of Social Security be pleased to state:

(a) whether it is a fact that in 1961 census the tribals living outside the scheduled areas of Vidarbha have not been enumerated as Tribals because they were not deemed to be Scheduled Tribes;

(b) the reasons for not amending the list to include the districts of old Madhya Pradesh which now form part of the new State; and

(c) the steps taken to stop the evictions which are taking place in Chanda district where the concentration of these tribals is highest?

The Deputy Minister in the Department of Social Security (Shrimati Chandrasekhar): (a) Yes.

(b) Government are aware of the existence of certain anomalies and the entire position is being reviewed for removal of such anomalies.

(c) Relevant information is being collected and appropriate action will be taken.

Assistance to Social Welfare Extension Projects, U.P.

762. Shri Vishwa Nath Pandey: Will the Minister of Social Security be pleased to state:

(a) the amount of central assistance given to Uttar Pradesh during 1963-64 and 1964-65 so far for Social

Welfare Extension Projects, social and moral hygiene and after-care programme?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao):

(a) The requisite information is given below:—

(i) Welfare Extension Projects:

	(Amount in Rs.)
1963-64	1,90,636
1964-65	18,500

(ii) Social and Moral Hygiene and After-care Programme:

1963-64	Nil
1964-65	Nil ***

***The Working Group on Social Welfare has recommended Rs. 50,000 for this year. Actual releases, if any, will be made in March, 1965.

Assistance for Social Defence (Care) Schemes in U.P.

763. Shri Vishwa Nath Pandey: Will the Minister of Social Security be pleased to state:

(a) whether any financial aid was given by the Centre to the Government of Uttar Pradesh for the implementation of Social Defence (Care) schemes to the State during 1963-64; and

(b) the amount given or proposed to be given for the same purpose during 1964-65?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao):

(a) and (b). A sum of Rs. 1,70,899-00 (Rupees one lakh, seventy thousand, eight hundred and ninety-nine only) was sanctioned to the State Government of Uttar Pradesh during 1963-64 for implementation of Social Defence (Care) schemes. A grant of about Rs. 1.6 lakhs is expected to be given to the State Government during 1964-65, but the actual amount will be determined in the light of the definite proposals which may be received from the State Government.

Agricultural Statistics

764. { **Shri P. Venkatasubbaiah:**
 { **Shri Inder J. Malhotra:**
 { **Shrimati Reuka Barkataki:**

Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the working group on Agricultural Statistics has submitted its final report; and

(b) if so, what are the main recommendations of the report?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) Yes Sir.

(b) The main recommendations of the Report are as follows:—

- (1) The primary and supervisory land record agencies should be suitably strengthened in all the States where they already exist, so as to improve the quality, coverage and timeliness of agricultural statistics and to ensure effective implementation of land reform, development and welfare measures.
- (2) The system of maintenance of detailed land records on field-to-field enumeration basis should be introduced in Kerala, Orissa and West Bengal also, so as to obtain reliable and comprehensive statistics for purposes of both planning and administration.
- (3) Necessary safeguards should be made to ensure proper and timely maintenance of land records and regular flow of agricultural statistics under the Panchayats.
- (4) The revised land record forms as recommended by the Standing Committee on Improvement of Agricultural Statistics should be introduced in all the States so as to ensure adoption of standardised classification and

uniform concepts and definitions in the field of area statistics in the country.

- (5) The ensuing World Census of Agriculture in 1970 should be conducted in India through a complete enumeration of cultivators' holdings by making use of the data already available in the village land records and by supplementing it through further enquiries.
- (6) The crop-cutting surveys should be extended to the crops and areas not covered so far, so as to enhance the reliability of the statistics of crop production in the country.
- (7) Surveys should be conducted for obtaining estimates of crop production at the Block-level.
- (8) Sample surveys should be conducted for assessment of additional area and production from irrigation and other improved agricultural practices.
- (9) Efforts should be made to collect data on inter-State movement of foodgrains by motor vehicles.
- (10) The concerned agencies at the Centre and in the States should be strengthened and trained for collection of comprehensive and timely market intelligence, which is important for formulating and executing the agricultural production and price policies.
- (11) Attempts should be made to construct both at the national and State levels the various index numbers relating to agricultural economy.
- (12) Necessary surveys should be conducted periodically to collect data on inputs and other costs in agriculture, output of by-products and minor crops, seed, food and wastage, and derived statistics.

(13) Full-fledged statistical Units under competent, qualified statisticians should be set up in the State Departments of Agriculture, Animal Husbandry, Dairy, Forest and Fisheries, to fill the gaps in the existing Statistics and to undertake new studies. Similar Cells should be set up at the Centre to co-ordinate the work of the State Cells.

(14) Research investigations relating to (a) impact of milk supply schemes on rural milk collection centres, (b) sample surveys on fertiliser and manuring practices, (c) estimation of incidence of pests and diseases, (d) estimation of cost of cultivation of crops, (e) estimation of cost of production of milk, poultry, etc. should be continued.

(15) The schemes for crop and cattle insurance should be taken up by States.

Election Tribunal at Allahabad

765. { Shri Vishram Prasad:
Shri Ram Sewak Yadav:
Shri Hem Barua:

Will the Minister of Law be pleased to state:

(a) whether an Election Tribunal was appointed after the last general elections in Allahad (U.P.) to take up petitions regarding different elections;

(b) if so, the number of petitions received by the Tribunal so far;

(c) the number of them disposed of and the number pending decision;

(d) whether any petition was made for which the hearing of the case was requested at Meerut; and

(e) if so, whether any decision has been taken by the Election Commission in the matter?

The Deputy Minister in the Ministry of Law (Shri Jagannatha Rao):

(a) Two Election Tribunals were appointed in Allahabad after the last general elections, one presided over by Shri B. K. Chaudhury, Retired Judge of the High Court of Madhya Pradesh, and the other presided over by the District Judge, Allahabad.

(b) Six petitions were referred to the Tribunal presided over by Shri Chaudhury, and five petitions to the Tribunal presided over by the District Judge, Allahabad.

(c) Eight election petitions have already been disposed of by these Tribunals, and 3 election petitions, viz., two with the first Tribunal and one with the second Tribunal, are still pending.

(d) Shri Hari Raj Singh, petitioner in election petition No. 208 of 1962 calling in question the election of Shri Shah Nawaz Khan to the House of People from the Meerut Parliamentary constituency, filed a petition dated the 3rd July, 1962, before the Election Commission with the following prayer:—

(i) that the said petition be withdrawn from the present Tribunal, i.e. of Shri Chaudhury, and be transferred to a Tribunal at Meerut; and

(ii) in the alternative, the present Tribunal be shifted to Meerut.

(e) The petition was rejected. As the election petition in question has been referred to a Tribunal constituted with a Retired High Court Judge as its Member, and in view of the fact that five more important petitions were referred to him for trial from different parts of the State, it was found necessary to appoint Allahabad generally as the place of trial for all the petitions. Shri Hari Raj Singh was, however, informed that it will, of course, be open to the Tribunal to hold any part of the trial of any of the petitions at a more convenient place under the proviso to section 88 of the Representation of the People Act, 1951, and the Election

Commission had no doubt that the learned Judge of the Tribunal will do so whenever necessary.

Simla-Amingaon Road

766. { Shri K. C. Pant:
Shrimati Renuka Barkataki:

Will the Minister of Transport be pleased to state:

(a) whether there is a proposal to construct a lateral road connecting Simla in Himachal Pradesh to Amingaon in Assam via Siliguri;

(b) if so, the estimated expenditure likely to be incurred on this project;

(c) whether the total cost of the above project will be borne by the Centre or is likely to be shared by the concerned States; and

(d) when the project is likely to be completed?

The Minister of Transport (Shri Raj Bahadur): (a) to (d). There is no proposal to construct a lateral road connecting Simla to Amingaon via Siliguri as mentioned in the question. There is already an existing National Highway route connecting Simla and Amingaon via Delhi and Siliguri. The hon. Members are presumably, referring to the lateral road proposed to be developed near the foothills to connect Bareilly in Uttar Pradesh with Amingaon in Assam via Siliguri. In West Bengal. This project is estimated to cost about Rs. 110 crores. The works on this road will be executed by the State Public Works Departments concerned, in their respective State territories, and the entire cost would be met by the Central Government. The work is likely to be completed by the end of 1968-69.

Exhibition at Bal Bhavan, Delhi

767. { Shri Ram Sewak:
Shri P. G. Sen:

Will the Minister of Social Security be pleased to state:

(a) whether it is a fact that an

exhibition for children was opened on the 20th October, 1964 at Bal Bhavan, New Delhi; and

(b) if so, the special features thereof?

The Deputy Minister in the Ministry of Law (Shri Jaganatha Rao): (a) and (b). An exhibition on "Our Nervous System" was opened on the 22nd October, 1964. The main features of the exhibition were:

- (1) Three big paintings explaining different aspects of the nervous system.
- (2) 14 beautiful charts prepared by special spraying technique, dealing with different aspects of the nervous system.
- (3) One model of the human figure, half in plastic, in which a substantial part of the nervous system is exposed also, plastic models of the head and the hand showing various types of receptors.
- (4) A specially designed exhibit in which the travel of a nerve impulse upto the brain and in reflex action upto the spinal cord is shown by making coloured light travel up and down.
- (5) Six jigsaw toys depicting various aspects of the nervous system in which children take out different parts and reassemble them, have been introduced. This promotes education through play.
- (6) The children have been shown enlarged projection of minute microscopic material.
- (7) The children become familiar with different animals and their dissections and they learn about the trends in evolution of our nervous system.

Use of Rock-phosphate as Fertilizer

768. **Shri S. N. Chaturvedi:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether rock-phosphate has been found to be a cheaper and more effective method of raising fertility of land than artificial fertilizers;

(b) whether it has yielded good results in other countries where it has been tried;

(c) if so, whether Government have tried it in this country as a substitute and with what results; and

(d) to what extent rock-phosphate is available in this country?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): (a) Rock-phosphate is less effective and less economical than water-soluble phosphatic fertilisers on neutral and alkaline soils, but may be equally effective or more effective than the latter on acid soils high in organic matter.

(b) It has yielded good results on acid soils in areas such as the corn belt of U.S.A. and the water regions of U.K.

(c) A few trials have been conducted. On acid soil in Kerala, rock-phosphate compared favourably with super-phosphate on paddy. In Nilgiris, super-phosphate was indicated to be superior to rock-phosphate on the potato crop. Further experiments are under way to study the relative efficacy of phosphatic fertilisers including rock-phosphate, on said soils.

(d) The information is being collected.

Ex-Mill Prices of Sugar

769. { **Shri Y. S. Chaudhary:**
 { **Shri P. C. Borooah:**

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that a

1672 (A) LSD-4.

deputation of the Western Uttar Pradesh Sugar Mills Association recently called on the Chief Director, Sugar and Vanaspati and urged the Government to raise and announce the ex-mill prices of sugar for 1964-65 and for a selective control on sugar;

(b) if so, their precise demands; and

(c) Government's reaction thereto?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) Yes, Sir.

(b) The deputationists urged that the new ex-factory sugar price should take care of the increase in costs due to the recommendations of the Wage Board for sugar industry and other increases, such as increase in dearness allowance etc., recently allowed in Uttar Pradesh. They also urged that the ex-factory price of Rs. 131 per quintal fixed in May 1964 for factories situated in Meerut, Muzaffarnagar and Bulandshahr districts might be continued until April 1965 and enquired about the possibilities of introducing selective control on sugar.

(c) Government have notified on 12th November, 1964 ex-factory prices of sugar for factories in various regions. The ex-factory price fixed for the said districts of Western Uttar Pradesh is Rs. 129.25 per quintal. It is not proposed to introduce selective control.

Development of Fisheries

770. { **Shrimati Renuka Barkatki:**
 { **Shrimati Laxmi Bai:**

Will the Minister of Food and Agriculture be pleased to state:

(a) whether the Government of Iceland has offered to help India in developing its fisheries; and

(b) if so, the main outlines of this scheme?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. B. Chavan): (a) and (b). The Government of Iceland have offered to consider programmes of technical and economic co-operation between Iceland and India on fisheries development in India; the extent of economic and technical assistance is to be determined, when a suitable project is prepared.

National Highways in Madhya Pradesh

771. Shri R. S. Pandey: Will the Minister of Transport be pleased to state:

(a) whether it is a fact that the Government of India propose to declare some more roads in Madhya Pradesh as National Highways; and

(b) if so, the roads being considered for this?

The Minister of Transport (Shri Raj Bahadur): (a) There is at present no proposal for declaring any road in Madhya Pradesh as a National Highway.

(b) Does not arise.

Inter-State Movement of Sugar

772. Shri Balkrishna Wasnik: Will the Minister of Food and Agriculture be pleased to state:

(a) whether some of the Districts of Maharashtra have to get their sugar quota from Uttar Pradesh, whereas the sugar factories in Maharashtra have to supply sugar to some parts of Gujarat;

(b) whether the inconvenience caused due to the arrangement as referred to in part (a) above has come to the notice of Government; and

(c) if so, the action Government propose to take in the matter?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. B. Chavan): (a) Sugar produced in Maharashtra is utilized mainly for meeting the local requirements and for exports, except for small quantities allotted to adjoining areas of Gujarat, Madhya Pradesh and Mysore. Out of an annual allotment of nearly 3.6 lakh tonnes of sugar to Maharashtra, a total of 10,317 tonnes of sugar had to be allotted from Uttar Pradesh factories during three months—August, September and October, 1964.—because the local production fell short of the earlier estimates.

(b) Yes, Sir. But the allotment of such small quantities from outside may be unavoidable in the interest of proper distribution of supplies.

(c) Does not arise.

सहकारिता आन्दोलन

774. श्री नवल प्रभाकर: क्या सामुदायिक विकास तथा सहकार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकारी कर्मचारी या अधिकारी सहकारिता आन्दोलन में भाग ले सकता है; और

(ख) यदि हां, तो क्या वह किसी सहकारी समिति अथवा सहकारी स्टोर की प्रबन्धक समिति में कोई पद ग्रहण कर सकता है ?

सामुदायिक विकास तथा सहकार मंत्रालय में उमंत्रि (श्री ब० सू० मूर्ति) :
(क) जी, हां ।

(ख) जी, हां, बशर्तकि वह समिति का प्राथमिक सदस्य हो अथवा सरकार द्वारा प्रबन्ध समिति में मनोनीत किया गया हो ।

दिल्ली थोक उपभोक्ता सहकारी स्टोर

775. श्री नवल प्रभाकर क्या सामुदायिक विकास तथा सहकार मंत्री यह बताने की कृपा करेंगे कि :

(क) दिल्ली थोक उपभोक्ता सहकारी स्टोर को 1961-62, 1962-63 तथा 1963-64 में कितना धन अनुदान तथा कितना ऋण के रूप में दिया गया;

(ख) क्या प्रत्येक एकक को अलग-अलग धन दिया जाता है;

(ग) यदि हां, तो कितने प्रारंभिक उपभोक्ता सहकारी स्टोरों को एक यूनिट माना जाता है; और

(घ) इस समय कितने प्रारंभिक उपभोक्ता सहकारी स्टोर, थोक उपभोक्ता सहकारी स्टोर के सदस्य हैं ?

सामुदायिक विकास तथा सहकार मंत्रालय में उपमंत्री (श्री ब० सू० मूति) :

(क) केन्द्रीय सरकार द्वारा प्रायोजित उपभोक्ता सहकारी समितियों को योजना के अन्तर्गत दिये गये उपदान और ऋण :—

वर्ष	दिये गये	दिये गये
	उपदान की राशि	ऋण की राशि
	र०	र०
1961-62	शून्य	शून्य
1962-63	शून्य	..
1963-64	4,500	2,75,000

इसके अतिरिक्त एक लाख रुपये सरकारी भंडार-भूजी के रूप में दिये गये हैं ।

(ख) पहले दिल्ली के लिए केवल एक भण्डार मंजूर किया गया था किन्तु अब अधिक भण्डारों के बारे में विचार हो रहा है ।

(ग) एक थोक भण्डार से अपेक्षा की जाती है कि वह 50 प्राथमिक भण्डारों की आवश्यकताओं की पूर्ति करे ।

(घ) 130 प्राथमिक भण्डार ।

Rationing Cell

776. { Shrimati Renuka Barkataki:
Shri Ravindra Vama:
Shri P. Venkatasubbaiah:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that a rationing cell is being set up in the Ministry of Food and Agriculture;

(b) if so, what will be the task assigned to this cell?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) and (b). It is proposed to set up a cell in the Department of Food to deal with matters connected with the introduction of rationing in the big cities.

Training for East African Airways Employees

777. { Shrimati Renuka Barkataki:
Shri Ravindra Varma:
Shri P. Venkatasubbaiah:

Will the Minister of Civil Aviation be pleased to state:

(a) whether it is a fact that the Air India has approved a scheme to train East African Airways Corporation employees in basic aeronautical engineering; and

(b) if so, what are the broad features of the scheme and when will it be put into effect?

The Minister of Civil Aviation (Shri Kanungo): (a) and (b). Yes, Sir, Air India made an offer to Government of Kenya for imparting training to a few Kenyan nationals as Aircraft Maintenance Engineers. The scheme provides for theoretical training in their Engineering School followed by practical experience in their workshops on Boeing aircraft and engines for a period of approximately 4 years. At the end of the

training the apprentices will be in a position to appear for the Indian Aircraft Maintenance Engineer's Licence examination in categories 'A' and 'C' to cover Boeing aircraft and its engines. The training is expected to commence in the first week of January, 1965.

Procurement of Foodgrains

778. **Shri D. C. Sharma:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is proposed to take over surplus food from States for distribution to the deficit areas by the Centre; and

(b) if so, the details of the proposal?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) and (b). Yes, Sir. It is proposed to procure rice on Central Government account from the 1964-65 crop to the extent indicated below:

State	Target of Procurement
Andhra Pradesh	lakh tonnes
Madras	2 lakh tonnes
Madhya Pradesh	4 lakh tonnes
Orissa	1 lakh tonnes
Punjab	2.5 lakh tonnes
TOTAL:	19.5 lakh tonnes

Working Group on Animal Husbandry

779. **Shri Mansinh P. Patel:** Will the Minister of Food and Agriculture be pleased to refer to the reply given to Unstarred Question No. 152 on the 8th September, 1964 and state the action taken on the report received from the Working Group on Animal Husbandry and Dairy Co-operatives?

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shahnawaz Khan): The report was sent to the Planning Commission who desired that the recommendations

should be examined and a reference made to them on such points as may be necessary. Comments and suggestions regarding the action to be taken on the recommendations were sent to them and are under their examination.

उत्तर प्रदेश में आटे की मिलें

780. **श्री श्रींकार लाल बेरवा :** क्या साद्य तथा कृषि मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि केन्द्र से गेहूँ न पहुँचने के कारण उत्तर प्रदेश में कई एक आटा मिलें बन्द हो गई हैं; और

(ख) यदि हाँ, तो वे कितनी हैं और ये मिलें सम्भवतः कब तक पुनः चालू हो जायेंगी और भविष्य में वे बन्द न हों इस के लिये क्या कार्यवाही की गई है ?

साद्य तथा कृषि मंत्रालय में उपमंत्री (श्री डा० रा० चव्हाण) : (क) और (ख) गेहूँ की सीमित उपलब्धि के कारण उत्तर प्रदेश में मिलों को गेहूँ का कोटा नहीं दिया जाता जिससे कि वे महीना भर सारी पारियां काम कर सकें। तथापि, यह कहना भी ठीक नहीं है कि इन मिलों में से कोई मिल बन्द हो गयी है।

Flour Mills in U.P.

781. { Shrimati Savitri Nigam:
Shri Vishwa Nath Pandey:

Will the Minister of Food and Agriculture be pleased to state:

(a) the number of flour mills in Uttar Pradesh along with their location which have applied for licences and grant of quota of imported wheat for milling and manufacturing of wheat products;

(b) the number amongst them which are complete and ready to go into production but have not got clearance from Government so far;

(c) the reasons for the delay in allowing these mills to work; and

(d) how long it will take to decide their cases especially when the idle capacity could be utilized usefully in the context of the present food scarcity?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) Two, one each at Gorakhpur and Moradabad.

(b) to (d). The mill at Gorakhpur is not yet complete. The mill at Moradabad has been set up without prior approval of Government. There were allegations against the mill that it had misused machinery imported by another party. The case is under investigation.

12 hrs.

RE: CALLING ATTENTION NOTICE
 (Query)

Mr. Speaker: Calling Attention notice. Shri Onkarlal Berwa.

Shri Hem Barua (Gauhati): Sir, may I make a submission for your consideration on the Calling Attention Notice No. 2? I beg to submit that I submitted a Calling Attention notice last Friday on this very subject about anti-Indian demonstrations in Nairobi and the security of Indian nationals in Stanleyville in Congo and it was rejected outright. Now, my complaint is this—this is an allegation also....

Mr. Speaker: I will call for the papers and see. That has to be taken later.

Shri Hem Barua: In this connection I want to submit an allegation also—that is the impression I am getting. When we submit Calling Attention notices, before the Calling Attention notices reach you, they are rejected somewhere at the lower level. I can substantiate what I have submitted.

of Urgent Public Importance

Mr. Speaker: If he can substantiate it, I will certainly welcome it. But I must just observe here that no Calling Attention notice is decided by anybody else. These are all brought to my notice and all are collected and then the Secretary reads each one, one after the other, and then I take the decision. Sometimes, it so happens that we have to find out the facts and we keep that under consideration. If the hon. Member can bring anything to my notice....

Shri Hem Barua: I can do it now.

Mr. Speaker: Not now. Shri Onkarlal Berwa.

12.02 hrs . .

CALLING ATTENTION TO MATTERS OF URGENT PUBLIC IMPORTANCE

(i) SHORTFALL IN THE GENERATION OF POWER IN THE GANDHI SAGAR DAM

श्री श्रीकार लाल बरवा (कोटा) :
 मैं अविलम्बनीय लोक महत्व के निम्नलिखित विषय की ओर सिंचाई और विद्युत् मन्त्री का ध्यान दिलाता हूँ और प्रार्थना करता हूँ कि वह इस बारे में एक वक्तव्य दें :—

“गान्धी सागर बांध में बिजली के उत्पादन में कमी।”

The Minister of Irrigation and Power (Dr. K. L. Rao): Sir, I shall lay the statement on the table of the House. [Placed in Library. See No. LT-3498|64].

अध्यक्ष महोदय : उनके पास तो स्टेटमेंट होगा।

श्री श्रीकार लाल बरवा : नहीं साहब, नहीं है।

Shri S. M. Banerjee (Kanpur): This is a new procedure. (*Interruption*).

Shri Ranga (Chittoor): It is for our convenience.

Mr. Speaker: He does not want that convenience.

May I know whether the copy of the statement was placed in the Notice Office?

Dr. K. L. Rao: Yes; I have placed the statement in the notice office.

अध्यक्ष महोदय : जिस तरह प्रीर सवालों का जवाब मेम्बरों को दिया जाता है उसी तरह काल एटेंशन नोटिस का भी दिया जाता है। अगर नहीं दिया गया है तो जवाब हाउस में दे दिया जाए।

Shri Radhelal Vyas (Ujjain): I had also given notice of Calling Attention notice.

Mr. Speaker: Order, order.

Dr. K. L. Rao: Owing to poor rainfall—about 22" against the average annual of about 34"—the inflow in the Gandhisagar Reservoir was only 2 million acre ft. in 1964 against 6.2 maft. in 1962 and 4.3 maft. in 1963. Besides this there was also an overdraft from the reservoir during the period September 1963 to October 1964 when 4.5 million acre ft. of water was utilised against annual utilisation of 3.6 million acre ft. Because of these two reasons, the water available in the reservoir at the end of September 1964 for power generation was only about 2.2 million acre ft. resulting in considerable power shortage in the Chambal service area.

Power from Gandhisagar Power Station is shared half and half by Madhya Pradesh and Rajasthan. By running all the available sets, Madhya

Pradesh has been able to cope up with its demand so far, but Rajasthan having insufficient thermal capacity had to impose cuts.

To evolve measures to meet the shortage, I held discussions with the concerned Ministers and officers of both the States on 31st October 1964, and the following steps were decided upon:

Rajasthan

- (1) Transmission line to be constructed from Rattangarh to Jaipur to enable utilisation of 10 MW of Bhakra power;
- (2) Transfer of one MW diesel set from Punjab to Rajasthan. The Punjab State Electricity Board has already agreed to spare 3 such diesel sets;
- (3) Transfer of one gas turbine plant of 10 MW capacity from Mysore to Rajasthan to which the Mysore Government has already kindly agreed.

Madhya Pradesh

- (1) Expediting the construction of Jabalpur-Itarsi transmission line, so that power from Amarkantak thermal station can be utilised in the Chambal service area;
- (2) Installation of an additional boiler at Chandni so that this power station can be operated at full capacity.

श्री श्रींकार लाल बैरवा : इस बिजली की कमी से राजस्थान में उत्पादन में खास कर लघु उद्योगों के उत्पादन में कितने लाख रुपए की कमी हुई है ?

Mr. Speaker: What deficiency in production has been caused by this?

Dr. K. L. Rao: Naturally, due to the power cut, there will be a certain amount of shortage. The Rajasthan Government has imposed three kinds

of cuts: (1) for industries having 25 h.p. no cut was imposed, except to ask them to avoid working during the peak hours between 5 to 10 p.m.; (2) for industries having 25 to 100 h.p. they have imposed a cut of 10 per cent; and (3) for industries having more than 100 h.p. they have imposed a cut of 20 per cent.

Mr. Speaker: He wanted to know how much deficiency in production has been caused in consequence of this.

Dr. K. L. Rao: That is what I submitted. It is for the State Government.

Mr. Speaker: Then that should have been the answer, that it is not possible to give the deficiency.

श्री ओंकार लाल बरवा : जब बिजली के आंकड़े दे दिए हैं तो उत्पादन के आंकड़ देने में क्या मुसीबत है ?

अध्यक्ष महोदय : मुसीबत यह है कि उनके पास नहीं हैं ।

श्री हुकम चन्द कछाय (देवास) : माननीय मन्त्री जी ने बताया कि वहाँ बिजली की कमी के कारण उत्पादन में कमी हुई है और पंजाब और दूसरे स्थानों से लाकर वहाँ यन्त्र लगाए जा रहे हैं । मैं जानना चाहता हूँ कि इसमें कितना समय लग जाएगा और इसमें केन्द्रीय सरकार कितना खर्चा भोगेगी और राज्य सरकार कितना खर्चा भोगेगी ?

Dr. K. L. Rao: We expect the transmission line will be completed by the end of January; and the 10 MW set from Mysore will become available in the next two months; and similarly, the diesel sets from Punjab also in another two months.

Mr. Speaker: How will the cost be shared?

Dr. K. L. Rao: The transmission line from Rattangarh to Jaipur is already included in the plan, and therefore there is no question of any extra cost. In regards the question of cost

of the diesel set from Mysore, it will be in the order of a few thousand rupees, taking into consideration the transport and dismantling.

Mr. Speaker: How would the cost be shared by the State and the Centre?

Dr. K. L. Rao: The cost has to come only from the State.

Shri Kashi Ram Gupta (Alwar): One of the main reasons for this acute shortage in Rajasthan is the faulty distribution system there. May I know whether that distribution system was evolved in consultation with the Government of India; and if not, whether for the future the Government of India will see that the Rajasthan Government does not evolve a system without consulting them? And may I also know that one of the causes is the fact that one company, known as P.V.C., has been given one-fourth of the total production of the Chambal share of Rajasthan; and if so, whether the Government of India was consulted in this respect when this was arranged, and if not, whether they are going to see that such things do not happen in the future?

Dr. K. L. Rao: The present shortage is not due to the reason which the hon. Member has stated. This is entirely due to the poor rain-fall this year and also the overdraft on the reservoir for the excessive power that they generated last year. There was no other reason.

Shri Kashi Ram Gupta: My point has not been answered by the hon. Minister . . .

Mr. Speaker: I have followed his point, but that is not connected with the present shortage.

Shri Kashi Ram Gupta: It is connected. If there had been no faulty distribution, this acute shortage would not have been there. Why is Madhya Pradesh not having a similar shortage?

Mr. Speaker: The hon. Member will kindly listen to me. This shortfall in the Gandhisagar dam is purely on account of deficiency in rains. This is what the hon. Minister is saying. It is not due to taking away of any energy from the Chambal project, which must have gone to Rajasthan. The hon. Minister's point is that that share which had to fall to Rajasthan has been taken away by them already, and, therefore, this shortfall has taken place.

Shri Radhelal Vyas: May I know to what extent the reservoir of water in the Gandhisagar dam has fallen short of the expectation or of the decisions that were taken by the engineers in the project report?

Dr. K. L. Rao: I have already submitted that in the answer, but I shall repeat it. Annually, the water required for the operation of the Gandhisagar dam is 3.6 million acre-feet, but this year the water available is only 2 million acre-feet.

Shri Bado (Khargone): Since there is shortage of water owing to shortage in rain-fall in the Gandhisagar dam, are Government going to start thermal stations or power-houses in Indore and other places where they have been discontinued?

Dr. K. L. Rao: That is exactly what is being done now. The starting of a new thermal station will take a long time, and we want to make it up as early as possible especially we expect the shortage to be very excessive in the month of February and onwards, and we want to try to make up that shortage by the measures that I have already indicated.

श्री बड़े : इंदौर का जो पावर हाउस है उस में शुरू क्यों नहीं करते हैं ?

Mr. Speaker: He has said that that is exactly what being done.

12.13 hrs.

PAPERS LAID ON THE TABLE

INDIAN AIRCRAFT (SECOND AMENDMENT) RULES

The Minister of Civil Aviation (Shri Kanungo): I beg to lay on the Table a copy of the Indian Aircraft (Second Amendment) Rules, 1964, published in Notification No. GSR 1416 dated the 3rd October, 1964, under section 14A of the Aircraft Act, 1934, together with an explanatory note. [Placed in Library. See No. LT-3500/64.]

ANNUAL REPORT OF MAZAGON DOCK LTD., BOMBAY, TOGETHER WITH AUDITED ACCOUNTS ETC.

The Minister of Defence Production in the Ministry of Defence (Shri A. M. Thomas): I beg to lay on the Table a copy of Annual Report of the Mazagon Dock Limited, Bombay, for the year 1963-64, along with the Audited Accounts and the comments of the Comptroller and Auditor-General thereon, under sub-section (1) of section 619A of the Companies Act, 1956. [Placed in Library. See No. LT-3501/64.]

INTER-ZONAL WHEAT PRODUCTS (MOVEMENT CONTROL) EIGHTH AMENDMENT ORDER

The Deputy Minister in the Ministry of Food and Agriculture (Shri Shah Nawaz Khan): On behalf of Shri D. R. Chavan, I beg to lay on the Table a copy of the Inter-zonal wheat and Wheat Products (Movement Control) Eighth Amendment Order, 1964, published in Notification No. GSR. 1647, dated the 21st November, 1964, under sub-section (6) of section 3 of the Essential Commodities Act, 1955. [Placed in Library. See No. LT-3502/64.]

12:14hrs

PETITION RE. GOLD (CONTROLL)
BILL

Shri S. M. Banerjee (Kanpur): I beg to present a petition signed by Shri Anil Basu and others relating to the Gold (Control) Bill, 1963, as reported by the Joint Committee.

I may add that the number of signatures is more than 20 lakhs.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1964-65."

The motion was adopted.

Shri T. T. Krishnamachari: I introduce the Bill.

BUSINESS ADVISORY COMMITTEE

THIRTY SECOND REPORT

The Minister of Communications and Parliamentary Affairs (Shri Satya Narayan Sinha): I beg to move:

"That this House agrees with the Thirty-second Report of the Business Advisory Committee presented to the House on the 30th November, 1964."

Mr. Speaker: The question is:

"That this House agrees with the Thirty-second Report of the Business Advisory Committee presented to the House on the 30th November, 1964."

The motion was adopted.

12.15 hrs.

ESSENTIAL COMMODITIES
(AMENDMENT) BILL

The Deputy-Minister in the Ministry of Food and Agriculture (Shri Shahnawaz Khan): On behalf of Shri C. Subramaniam, I beg to move for leave to introduce a Bill further to amend the Essential Commodities Act, 1955 and the Criminal Law Amendment Act, 1952.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Essential Commodities Act, 1955 and the Criminal Law Amendment Act, 1952."

The motion was adopted.

Shri Shahnawaz Khan: I introduce the Bill.

PAPERS LAID ON THE TABLE—
contd.

12.14½ hrs.

APPROPRIATION (NO. 6) BILL*,
1964

The Minister of Finance (Shri T. T. Krishnamachari): I beg to move for leave to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1964-65.

STATEMENT REGARDING ESSENTIAL COMMODITIES (AMENDMENT) ORDINANCE

The Minister of State in the Ministry of Home Affairs (Shri Hathi): On behalf of Shri Nanda, I beg to lay on the Table a copy of the explanatory statement giving reasons for immediate legislation by the Essential

†Introduced with the recommendation of the President.

*Published in Gazette of India, Extraordinary, Part II, section 2, dated 1-12-64.

**Published in Gazette of India, Extraordinary, Part II, section 2, dated 1-12-64.

[Shri Hathi]

Commodities (Amendment) Ordinance, 1964 (No. 3 of 1964) as required under rule 71 (1) of the Rules of Procedure and Conduct of Business in Lok Sabha. [Placed in Library. See No. LT-3503/64].

Shri Hari Vishnu Kamath (Hoshangabad): On a point of clarification. I would invite your attention to the juxtaposition of items 10 and 11 of the order paper. The first is, introduction of a Bill to amend the Essential Commodities Act and the Criminal Law Amendment Act, and the other is a statement regarding the Ordinance. I find from item 10 that two amending Bills are clubbed: one is, the Bill further to amend the Essential Commodities Act, 1955, and the other is a Bill to amend the Criminal Law Amendment Act, 1952. Item 11 is a statement giving reasons for immediate legislation by the Essential Commodities (Amendment) Ordinance, 1964.

Under rule 71, which has been referred to here, reasons should be given for legislation by Ordinance. But then in the previous item, I do not know why two amending Bills are clubbed. I do not know whether the Ordinance applies only to one of the Bills or both, that is to say, whether the Criminal Law Amendment Act, 1952, has also been amended by ordinance earlier.

Another point to be clarified is why it is that two Ministers have taken upon themselves the onerous obligation or responsibility of doing two parts of the same affair. The Minister of State in the Ministry of Home Affairs has laid on the Table just now a copy of the reasons for the ordinance. It is item 11 of business. Let them explain.

Mr. Speaker: I cannot go into too small a matter as to why two Ministers have taken it up separately.

Shri Hari Vishnu Kamath: This is the first time within my recollection that this has been done.

Mr. Speaker: Has the Criminal Law Amendment Act 1952 also been amended by ordinance?

Shri Hathi: The main purpose of the ordinance was as has been stated in the statement I have laid on the Table, and along with that amendment to the Criminal Law Amendment Act has been undertaken.

Shri Hari Vishnu Kamath: By Ordinance?

Mr. Speaker: Both have been amended.

Shri Hari Vishnu Kamath: Then there is clearly some lacuna because the second part of item 11 refers only to the Essential Commodities (Amendment) Ordinance.

Mr. Speaker: The explanation for the other must also be there.

Shri Hari Vishnu Kamath: It must be laid on the Table. It has not been done. I would request you earnestly that the Treasury Benches should be asked....

Mr. Speaker: I am asking them. They should give that explanation.

Shri Hari Vishnu Kamath: They should be more careful in future. You should direct them....

Mr. Speaker: I would ask them.

Shri Hari Vishnu Kamath: because they are becoming more and more remiss nowadays—the Treasury Benches. Unless you sternly call them to order and take them to task, they wouldn't improve.

Mr. Speaker: My sternness and my meekness are both the same. Therefore, there is nothing more I can do.

The second explanation has not been placed. He will convey it to me. Then I will see whether something more is needed.

12.19 hrs.

PAYMENT OF WAGES (AMENDMENT) BILL—Contd.

Mr. Speaker: Further consideration of the following motion moved by Shri D. Sanjivayya on 30th November, 1964, namely:—

“That the Bill further to amend the Payment of Wages Act, 1936, be taken into consideration”.

The hon. Minister to continue his reply.

The Minister of Labour and Employment (Shri D. Sanjivayya): Mr. Speaker, last evening as the House was about to rise for the day, I had started my reply. In fact, I have answered all the points raised by my hon. friend, Shri Banerjee.

Now I come to my hon. friend, Shri Nambiar, who raised two important points. One is with regard to the introduction of a provision relating to recovery of interest. In fact, in the original Act, no provision was made for deduction of loans in such a measure as it has been done now by the amending Bill. Therefore, we thought that a provision should be made with regard to deduction of interest also. Moreover the expression used there is ‘interest due’. So due regard may be paid to the word ‘due’ there. Moreover, in cl. 9 of the Bill, it has been clearly laid down that the State Government will make rules with regard to the interest that has got to be deducted.

The other point Shri Nambiar raised was whether the employees in the loco sheds were covered by the Payment of Wages Act. It is a fact that they are not covered by the Factories

Act, but the Payment of Wages Act as such applies to the railway administration, including the loco sheds. Therefore, the employees or the workers in the loco sheds are covered by the Payment of Wages Act.

He probably misunderstand the provision made in Clause 7 which intends to amend Section 10. There, we have not made any change whatsoever with regard to the existing provision in the original Act. All that we have done is that we have made provision for the new deductions which have been provided for in the amending Bill. The expressions used in the original Act, namely “on account of negligence” etc., are retained in the present Bill also.

Then, he wanted to know whether any deduction slips would be issued to all the workers. No doubt, it is a very good suggestion, but it involves a lot of work. We will certainly examine that suggestion further.

Coming to Shri Heda, I would like to answer one point which he raised, namely that the Financial Memorandum provides for only Rs. 25,000, and that amount is rather inadequate for the implementation of the new provisions. I would like to point out to the hon. Member that this is mainly implemented by the State Government's, except for the fact that we have taken on ourselves to implement the provisions relating to the air transport service etc. Therefore, the additional cost would be very negligible.

He also raised several other points with regard to the trade union movement. I entirely agree with him. Today the position is that almost all the trade unions have some political bias or the other. That is why we have started a new scheme called the Workers' Education Scheme. The main purpose of this new scheme is to see that leadership of the trade union movement is thrown up by members who are workers themselves.

[Shri D. Sanjivayya]

He supported the advances given for festivals etc., but I for one do not like this idea. In our country we spend much too much on festive occasions. We have got to cut it down.

The other very important point which the hon. Member raised relates to the prohibiting of moneylenders in the industrial areas. It is the moneylenders who really take the lion's share of the earnings of the workers. In fact, some legislation is very necessary to see that their activities are prevented in so far as they relate to the working classes in our country.

Shri Kachhavaia also made some points. Both he and Shri Wasnik made a suggestion with regard to the bidi industry. In fact, today the condition of the bidi workers is really deplorable. In the State of Madras there is an Act regulating their employment etc., but that Act is not being implemented I am told. Only recently I received a letter from some workers' organisations that the Act is not being properly or effectively implemented in the State of Madras because, if that Act is implemented effectively in that State, probably the industry would be transferred to the neighbouring States. Therefore, the Government of India is thinking of undertaking Central legislation. In fact, we have circulated the Madras Act to all the State Governments and others concerned, to elicit their opinions, and we are going to introduce legislation in Parliament with regard to the bidi industry.

Shri Tulshidas Jadhav spoke welcoming the provisions of the Bill but he has his own local difficulties in Sholapur where a textile mill has been closed down. The management, though they collected the provident fund shares from the workers, have not deposited them with the Government. So, the workers are put to a lot of difficulties. This subject, namely, the administration of the provident funds was with the Labour Ministry

till recently. While it was with the Labour Ministry, we made some part payment to the workers. Now, we understand that the Department of Social Security which is dealing with this subject is considering this matter. It is understood that they have already decided to pay to the workers the contribution made by them in full in spite of the fact that much of it was not deposited with the provident fund authority by the employers.

Shri Jadhav also referred to the delayed payments to teachers, etc., but unfortunately this Act does not apply to teachers. The teachers have probably their own method of recovering any delayed or denied payment. Then the hon. Member made a very valuable suggestion, namely, that the workers' wages should be the first charge on the assets whenever a firm or a company goes into liquidation. Both in the Companies Act and the Indian Succession Act, sufficiently high priority is given to the wages of the workers. I hope the Social Security Department will take into consideration the valuable suggestion given by the hon. Member Shri Jadhav and see that such a provision is made in the Employees' Provident Fund Act.

Shri A. P. Sharma stoutly opposed the provisions relating to the Railway Ministry. In fact the Railway Ministry have been deducting in the same manner as has been suggested in the present Bill. All that we have done is to legalise the deductions that were being made. In fact, the Public Accounts Committee also made a recommendation to that effect.

Shri A. P. Sharma (Buzar): The hon. Minister said that whatever the Railway Ministry had been doing illegally will be now legalised. What action will be taken for the illegal action in the past?

Shri D. Sanjivayya: I am sorry if I have given that impression to the hon. Member. Whatever was being done, it is given a sort of statutory backing now.

Shri Nambiar (Tiruchirapalli): In that case, what happens is that in all and sundry cases the officials will try to deduct from the wages even at a later date, for counterfeit coins and so on. At the rush in the booking counter, it may be said that the booking clerk has received a false note, not deliberately, but it may be deducted after sometime, and it will be deducted from his wages at a subsequent date. This is very hard, and that is why we do not want that provision to be incorporated.

Shri D. Sanjivayya: That provision exists in the Posts and Telegraphs also. Moreover, as I said earlier, the Public Accounts Committee made a recommendation that such a provision should be made in the Payment of Wages Act.

Shri A. P. Sharma: What about the fixation of the responsibility? The people who fix the responsibility may themselves be responsible for this loss. But the onus of responsibility may fall on the smaller people and the deduction may be made.

Shri D. Sanjivayya: The administration must have fixed the responsibility at various stages. Suppose there is a booking clerk, he will be responsible for having received a counterfeit coin or a note which is not valid.

Shri U. M. Trivedi (Mandsaur): If he is cheated and the money is stolen from him, if somebody steals the money and if it is a theft case, who will be responsible then? That poor man will be made responsible and you will reimburse the amount from him!

Shri D. Sanjivayya: If it is stolen, that is a different matter. Probably a case will be registered. There is no provision with regard to such a kind of thing.

Shri A. P. Sharma: Whatever reference I made, I made it regarding

the loss and damage. In the past, the administration was required to prove the responsibility for loss and damage. But according to this Bill, it will not be necessary for the administration to prove that it is the responsibility of the workers.

Shri D. Sanjivayya: The employee or the worker is given an opportunity to say whether this is correct or not. Therefore, that provision is made.

Shri Sharma took objection to a particular provision in the present Bill, namely, that the State Government should consult the Central Government whenever they make a notification with regard to the industries of the Central Government which have a sort of all-India character. We wanted this provision particularly because if an industry which has an all-India character is going to be affected by a notification by the State Government, the Government of India should know it and should take such precautions as are necessary to see that uniformity obtains in all the States in the industry.

Shri A. P. Sharma: Who will decide? Is it the Labour Ministry or the employing Ministry? If it is the employing Ministry which is to be consulted, in that case they are the employers and this concession is not given in other industries.

Shri D. Sanjivayya: Normally it is the Labour Ministry which is consulted. But the Labour Ministry in its turn will certainly consult the employing Ministry.

श्री हुकूम चन्द कड़वाय (देवास) :
अध्यक्ष महोदय, अभी मन्त्री जी ने कहा कि बीड़ी मजदूरों के लिये कुछ नियम बने मद्रास के अन्दर वह लागू नहीं हुए। इस का क्या कारण था, और केन्द्रीय सरकार इस नियम के बनाने में कितना समय लगायेगी ताकि उन्हें लाभ मिल सके। इसके अलावा मैंने कल कहा था कि कोयला खदान के और बीड़ी के मजदूरों

[श्री हुकम चन्द कछवाय]

के साथ पक्षपात किया जा रहा है। उन्हें ठीक से पैसा नहीं मिलता। इसके बारे में सरकार का क्या विचार है।

श्रम और रोजगार मन्त्रालय में उपमन्त्री (श्री २० कि० माजबीय) : मिनिस्टर साहब ने मद्रास राज्य के एक्ट के बारे में यह बतलाया है कि अगर इत एक्ट को पूरी तरह से लागू कर दिया जायेगा तो जो आस पास में दूसरे राज्य हैं, मैसूर वगैरह, वहाँ के बीड़ी मजदूरों पर उसका असर होगा। इसलिये भी उसका पूरा पूरा इम्प्लिमेंटेशन नहीं हो रहा है। इस लिये यह सोचा गया कि मद्रास और उसके आस पास मैसूर, केरल, आंध्र प्रदेश और दूसरे राज्यों में लागू करने के लिये एकसा एक्ट बने। इसके लिये जरूरी है कि सेंट्रल लेजिस्लेशन हो, और उसके लिये कोशिश हो रही है। मद्रास का एक्ट और राज्यों को भेज दिया गया है और उनकी राय उस पर मांगी गई है। जैसी राय आयेगी उसके अनुसार सेंट्रल लेजिस्लेशन बनाया जायेगा।

श्री हुकम चन्द कछवाय : मैंने पूछा था कि कब तक हो जायेगा, और कोयला खदानों और बीड़ी मजदूरों के साथ जो पक्षपात हो रहा है, जिनको महीने में कम पैसा मिलता है...

अध्यक्ष महोदय : अब दूसरी तकरीर तो नहीं हो सकती। आपने सवाल किया और उन्होंने जवाब दे दिया।

श्री २० कि० माजबीय : मद्रास का एक्ट सम्बन्धित स्टेटों को भेजे हुए काफी दिन हो गये। कुछ स्टेटों का जवाब आया है और कुछ का आना बाकी है। आशा है कि हमें जल्दी उनका भी जवाब मिल जायेगा और तब हम लेजिस्लेशन पेश करेंगे।

श्री हुकम चन्द कछवाय : कोयला खदानों के मजदूरों के बारे में क्या बात है।

श्री २० कि० माजबीय : कोयला खदानों के बारे में अर्वाइड मौजूद है। नया वेज बोर्ड बंटा हुआ है। उसके अर्वाइड के मुताबिक वेज बढ़ा दिये जाते हैं। कोयला खदानों के मजदूरों की मजदूरी के बारे में इण्डस्ट्रियल रिलेशन्स मंत्रालय बड़ी सतर्क है और साथ ही मजदूर संगठन इतने मजबूत हो गए हैं कि जो झगड़े उठते हैं वे या तो आपस में और सेंट्रल गवर्नमेंट के द्वारा तय होते रहते हैं।

Shri K. N. Pande (Hata): When a fine is imposed upon a worker, it is realised first and later if the authority concerned decides that the fine was not properly imposed and the worker was not liable to pay it, then it is refunded. Why should not the realisation of the fine be held up till the final decision is given by the appellate authority?

Shri D. Sanjivayya: I do not think it is proper. So far as the fines are concerned, they should be paid. With regard to other things like loss, etc., opportunity is given to the person from whom it is claimed.

श्री हुकम चन्द कछवाय : अध्यक्ष महोदय, मैं व्यवस्था चाहता हूँ। व्यवस्था का सवाल यह है कि यहां पर जो बात उठाई गई उसके लिये माननीय मन्त्री महोदय ने उत्तर दिया कि नियम बने हैं। इस पर मैंने कहा कि नियम बने हैं लेकिन उनका पालन नहीं होता। एसी हालत में बीड़ी मजदूरों के बारे में जो झगड़े उठेंगे उनका वह क्या करने जा रहे हैं।

अध्यक्ष महोदय : वह तय करने जा रहे हैं।

Mr. Speaker: The question is:

"That the Bill further to amend the Payment of Wages Act, 1936 be taken into consideration."

The motion was adopted.

Mr. Speaker: We shall now take up the Bill clause by clause. There are no amendments to clauses 2 to 10. I

shall put them to the vote of the House.

Shri Nambiar: No, Sir; I want to oppose clause 6.

Mr. Speaker: All right. The question is:

"That clauses 2 to 5 stand part of the Bill."

The motion was adopted.

Clauses 2 to 5 were added to the Bill.

Clause 6—Amendment of Section 7

Shri Nambiar: Sir, I have already stated my objection. My point is that the hon. Minis'er has not applied his mind fully to this question. On page 3 of the Bill you will find the words "interest due in respect thereof". He says that "in'erest due" covers whatever interest is due. Why should there be any necessity to deduct interest on the money advanced to an employee? Supposing an employee is given some travelling allowance in advance to undertake a journey and he completes his journey after some time, is interest to be deducted for the travelling allowance that was paid in advance? This was not there in the parent Act. Why has this been included now? This point has not been met by the hon. Minister in his reply.

Then, on page 4, sub-clause (m) reads like this:

"deductions for recovery of losses sustained by a railway administration on account of acceptance by the employed person of counterfeit or base coins or mutilated or forged currency notes;"

I have already raised this point. The hon. Minister has tried to give an explanation to this saying that the Public Accounts Committee wanted that to be done. Perhaps, the Public Accounts Committee might have found out that there were certain deductions which could have been made and they might have made a general recommendation. Once the Public Accounts Committee makes a general

recommendation, it is not incumbent on the part of the Government to accept it and introduce it straightaway unless and until the Government has gone into it in detail to find out whether it is necessary or not. Here, I would submit, this is not fair. How is it to be found out how much money is due from which employee in lieu of counterfeit or base coins or forged currency notes? Crores and crores of rupees are being collected daily from thousands of counters of the railways for booking passengers and goods. Supposing a railway employee in a hurry receives a forged ten rupee note, all the collection for the day in different counters at that station is given to the station master. The station master then deposits that amount in the cash chest which is taken out later to the central cash office. If there after some time that forged ten-rupee note is found out, even though employee 'A' at the counter received that note it may happen that you may decide to deduct that amount from employee 'B' after three or six months. That is why I say that it will be unfair. Employee 'B' may not be in a position to say whether it was through his counter that the forged note was received. All these things will create complications. That was exactly the reason why this provision was not there in the parent Act. Now, in the name of introducing some improvement in the Payment of Wages Act this provision is being introduced which will work to the de'rimment of the employees. That is why you will find that in the parent Act, section 7 contains only sub-sections (a) 'o (b) and sub-sections (m) to (o) are being introduced as additional sub-sections. This goes against the interests of the employees and that is why I object to this clause.

The argument that the Government may advance is that it is a loss to the exchequer. They may ask, is it not to be made good? If that is to be done, it has to be done on the spot. As I said, what happens is the

[Shri Nambiar]

booking clerk takes the daily collection to the station master. Supposing the station master finds out a forged note in that day's collection, he points it out to the clerk. Then immediately that is made good on the spot. So the deduction question arises only if the money is received by the person concerned and deposited in the cash box, which is found out later on. That is exactly the reason why it was not provided earlier. I object to that provision.

Then I come to sub-clause (n) which reads:

"Deductions for recovery of losses sustained by a railway administration on account of the failure of the employed person to invoice, to bill, to collect or to account for the appropriate charges due to that administration, whether in respect of fares, freight, demurrage, wharfage and crantage or in respect of sale of food in catering establishments or in respect of sale of commodities in grain shops or otherwise;"

It is all-embracing; everything under the sun is brought in. It is an omnibus amendment under which any mistake found out later on could be thrust on the poor employee and he could be asked to make good that amount. It is a very harsh provision. Let us take booking. Luggage is booked by a passenger. At the terminal point another set of people weigh the luggage and find it is a little more, which can very well be due to the defect of the weighing machine. If the money could not be collected at the destination from the passenger, the poor employee who has booked the luggage is found out and it is deducted from his wage bill. So, I submit it is going against the interests of the workers. Therefore, I want all these three sub-clauses to be omitted.

Shri U. M. Trivedi: On principle I support what has come out from Shri Nambiar. The provisions contained in sub-clauses (m), (n) and (o) are, to

say the least, absurd and oppressive propositions which will very badly hit the already poorly paid railway employees. Those of us who have some knowledge of how the railway officers work know to our utmost disgust that the railways officers jumps on the neck of every railway employee and squeeze out the last farthing from him, trying to make him more dishonest. The difficulty is, if he is not left with any money at the end of the month to feed his children even though he receives his wages what is the alternative left for him is a consideration which always escapes the attention of the hon. Minister. I do not understand why it is so.

I remember a case where a cheque for Rs. 2,000 was presented in the name of D.S. on a false trunk call. It was verified by office and on a further verification by a third call a cheque for Rs. 2,000 was given to the poor head booking clerk, who received it. Ultimately the cheque was found to be false. D.S. showed his hands and asked "why did you cash it? I cannot do anything in the matter." This was the attitude of his immediate superior who had the power to dismiss or remove him from service even though he was himself at fault. So, that Rs. 2,000 was recovered from this young man. He had to pay it by selling the ornaments that his wife had brought as Sreedan as well as his own property and now he has become a pauper.

Do you want such instances to go on? So, I vehemently protest against the inclusion of these three sub-clauses (m), (n) and (o). I hope they will be dropped by the Minister. Then, it is very difficult to find out even for experts whether a currency note is a counterfeit or forgery. There are clever forgeries which ultimately get detected in the State Bank. After they are detected by the State Bank a year or a year and a half hence, the booking clerk through whom this note was received is asked to make good the amount as "deduction for recovery of losses

sustained by a railway administration on account of acceptance by the employed person of counterfeit or base coins or mutilated or forged currency notes". It is a clear case of forgery by an outsider. There is absolutely no question of any negligence on his part; there is no malfeasance or non-feasance on his part. Yet you try to recover this money from the poor railway employee by depriving him of his wage.

If the Government has got a case, let Government go before a court of law and file a suit; let the right be determined by a court of law as a civil right. The court will determine whether there is the question of negligence or not. On the one hand, Government refuses to pay any money on torts if it is committed by a Government department, because of a recent ruling on this question; on the other, when a railway employee, an individual, does something which is not even tort, that poor and ignorant fellow is asked to make good the full amount.

Very recently I had occasion to preside over the meeting of the Commercial Clerks' Association and I received a long memorandum from them. These are the people who will be hit by this provision, the poor commercial clerks, the lowest paid and the most heavily worked officers, who work for hours together and who help you earn money through their salesmanship. On these poor people you want to impose this penalty by the backdoor. It is an abominable measure on any principle and by any standards and it should not be put on the statute book.

Then I will draw your attention to sub-clause (o) which says:

"deductions for recovery of losses sustained by a railway administration on account of any rebates or refunds incorrectly granted by the employed person where such loss is directly attributable to his neglect or default".

Who will determine this neglect or default? Have you got any machinery? No. Who will determine it? The officer concerned. The officer will try to give his neck; he will ultimately trace it to somebody, some poor clerk.

I will give you an instance. Very recently a whole safe weighing seven maunds was stolen by some thieves. It was said to have been stolen between Neemuch and Ajmer. There was an inquiry by the police and the police as usual said:

गार्ड साहब चोर है, गार्ड ने चोरी की है।

The poor guard was dragged into the enquiry and the money was tried to be recovered from him. As the money could not be recovered from him, he was removed from service. He lost his job. Now it is found that the safe was stolen from the running train between Ratlam and Neemuch and not between Neemuch and Ajmer and it is safely lying in a well. A whole safe weighing seven maunds, when it was stolen could not be detected and yet the poor guard got it in his neck.

The hon. Minister should take into consideration these instances. Who has recommended this law? It is something which is incomprehensible to me? I would suggest that you, as representative of this country, as the Minister who is handling this situation, have got a responsibility towards the workers also; you are not responsible merely to get more money, squeeze more money from the poor man. Therefore, I would appeal to you, and through you to the Ministry, to look into this matter and omit these provisions.

Shri Ranga (Chittoor): I support the plea for the omission of these sub-clauses (m), (n) and (o). When the original Act was introduced here as a Bill in the Central Assembly I had the privilege of taking part in the discussions. It was intended purely as a measure to protect the interests of the workers, not as a punitive measure, as implied in these

(Amendment) Bill

[Shri Ranga]

three sub-clauses. If the Railways wish to prevent this kind of pilferage or wilful mischief, they should come forward with some legislation, take this House into confidence and ask for its approval. I do not see any reason why my hon. friend, who is in charge of labour and who is specially charged with the task of protecting the interests of labour and not penalising them, should have come forward with these sub-clauses also in this Bill. I do not know how he came to be advised so badly and so wrongly.

Thirdly, it is not proper that these railway employees should be saddled with these penalties and pains because, as my hon. friend, Shri Trivedi, has said, it may quite happen that for no fault of their own they may come to lose their whole monthly salary, or maybe, over a period also. So, it is better if my hon. friend would be good enough to agree to this suggestion to drop these three sub-clauses now and, if found necessary later on, to advise the Railway Ministry to come forward with the necessary legislation.

Shri K. N. Pande: Sir, although I do not oppose these sub-clauses that have been introduced here, we have to go into the merits of the case. It is very hard on the workers. There may be some *bona fide* cases; there may be some pilferage or loss incurred by the Railways not due to the fault of the employees or because of something which was beyond the control of the employee. For that if he is penalised . . .

Mr. Speaker: Why did it not strike any hon. Member to send in an amendment for the omission of these sub-clauses?

Shri K. N. Pande: I am sorry, I was not here. I came only today.

Shri A. P. Sharma: I had an intention to do so, but I am sorry, I did not.

Mr. Speaker: Who prevented him? The hon. Members support the other sub-clauses but they oppose sub-clauses (m), (n) and (o).

Shri A. P. Sharma: The reason is this.

Mr. Speaker: I follow the reason. I also appreciate the extent of that feeling, but either they have to oppose the whole clause or accept these also.

Shri Nambiar: I requested the hon. Minister yesterday that he could move an amendment himself.

Shri K. N. Pande: I suggested in the beginning that if the final authority also decides against the employee concerned, he should be required to pay that amount and till a decision is given by the authority concerned the matter of realisation should be held in abeyance so that he will get an opportunity to put his case before the authority. I was not here, I am sorry, otherwise I would have given notice of an amendment.

Shri A. P. Sharma: In my speech while generally supporting the other amendments, I also pointed out that the addition of these sub-clauses was not necessary because already there is a provision about deduction of losses and damages directly attributable to the fault of the employee. That should have been enough. According to the original Act, up till now a show-cause notice was, in practice, issued and the responsibility of the employee had to be established. According to this what will happen is this that deduction will be made without asking the reason. They have, for example, referred to the catering department. You can yourself imagine that whenever there is breakage of crockery or something like that, in most cases in the running train and even in restaurants it is beyond the control of the employees. Sometimes some passengers come, clash and the damage takes place and the employee is made responsible for

the damage. Therefore the addition of these three sub-clauses is definitely against the interest of the employees.

I know the Department and, as I pointed out yesterday in my speech, the Railway Department and most of the employing ministries, who are very keen to apply these rules against the employees, have not been able to implement the Industrial Disputes Act through which the employees can get justice, as it is done in the case of other employees in the private sector. Therefore I also hold the same opinion as other hon. Members. Yesterday also I requested the hon. Minister to consider this and, if necessary, consult the labour and later on come with an amendment.

Mr. Speaker: All the labour leaders are united. Now, the hon. Labour Minister.

Shri D. Sanjivayya: Including Professor Ranga.

Shri Nambiar: Labour plus political leaders.

The Minister of Rehabilitation (Shri Tyagi): Why not apply this to all the Government servants?

Shri D. Sanjivayya: In the original Act in section 7(2) provision is already made for certain deductions. It is not as though this Bill is intended to give protection to the workers only; it is also giving, to a certain extent, protection to the properties in charge of which the workers are placed. Under section 7(2) of the original Act, according to sub-clause (a) fines could be deducted; according to sub-clause (b) deduction for absence from duty could be made and so on and so forth up to sub-clause (k). They are there and we have added only sub-clauses (l), (m), (n) and (o). With regard to sub-clause (l) they will have no objection because they also welcomed the provision since we are providing for loans for

house construction, for purchase of cycle etc. Therefore it is in their own interest and, naturally, they were wanting to have such loans.

With regard to the other sub-clauses to which objection has been taken, namely, sub-clauses (m), (n) and (o), I would like to say that the employed are specifically entrusted with certain jobs or work. If, on account of the neglect of work by those employed, loss is caused, should not the management have an authority to deduct such loss? In fact, in practice the railway administration have been deducting that. If there is no provision in the Act and if the railway administration continues to do that, naturally, the relationship between the management and the employed will not be very cordial.

Moreover, the Public Accounts Committee, as I stated earlier, has also recommended that such a provision should be made because the railway administration is losing.

Shri Nambiar: A very weak argument.

Shri A. P. Sharma: It has already been pointed out that there is no consideration . . .

Mr. Speaker: After the reply of the Minister there is no argument. The question is:

"That clause 6 stand part of the Bill".

The motion was adopted.

Clause 6 was added to the Bill.

Clauses 7 to 10 were added to the Bill.

Clause 11—(Amendment of section 14)

Amendment made:

Page 6, line 13,—

after "industrial establishment"

insert—

"at any reasonable time".

(1)

(Shri R. K. Malviya)

(Amendment) Bill

Mr. Speaker: The question:

"That clause 11, as amended, stand part of the Bill."

The motion was adopted.

Clause 11, as amended, was added to the Bill.

Clauses 12 to 22 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

Shri D. Sanjivayya: Sir, I move:

"That the Bill, as amended, be passed."

Mr. Speaker: Motion moved:

"That the Bill, as amended, be passed."

Shri Ranga: I am glad that this Bill has been brought before us and is about to be passed. I only wish my hon. friend, the Labour Minister, had been permitted by his friend to agree to the suggestion that we had made just now. Unfortunately, he did not find it possible to accept it. That is a great pity.

But, apart from that, it is a wonder how it is that though the International Labour Organisation has recommended, through a Convention more than 15 years ago, against the continuance of contractual labour system, till now the Government has been remiss in this regard and have not been able to abolish this system in all sectors of employment in our country. I think they may have some good reasons for not having been able to abolish it till now. But I do think that it is high time that they should, if necessary, appoint a small study committee or a group and get this particular matter studied and find out to what extent they can work towards the elimination of this system and in that way afford the necessary protection to our labour.

I am glad that this Bill seeks to extend the protection of this Act to

the increasing number of workers who are now employed in this road transport systems. For a very long time this has been creating avenues of employment and larger and larger number of people have come under it. But unfortunately they have not been given this protection. That has caused a lot of loss to a number of workers as much because of the *mala fide* activities of some employers as because of the smallness of investment made by some employers and when they came to grief in that industry, they were not in a position to pay their employees properly and fully.

So, on the whole it is a good Bill and I welcome it but with that reservation that an opportunity should be taken by the Government to re-examine against about the possibility for re-phrasing those three sub-clauses, (m), (n) and (o), of clause 6 in such a manner that the harm that they are capable of doing to the workers can be minimised, if not eliminated. With these words, I support this Bill.

Shri Dinen Bhattacharya (Serampore): Mr. Speaker, Sir, as regards clause 10, a provision 13A after Section 13 has been added saying that every employer shall maintain these registers and records. I support these things. But in this respect I may point out that the leave wages, the medical leave wages and casual leave wages, are also the wages and, if so, I suggest that those wages also should be recorded. This is what has been found quite often. In case an employer refuses to pay the leave wages to any employee this is what happens. Where is he to go? If he goes to the Inspector of Factories, he tells him just to go to the Labour Commissioner who will deal with this matter.

Mr. Speaker: This is the third-reading stage. He should confine himself only to the submission of arguments either in support of the Bill or for the rejection of the Bill.

Shri Dinen Bhattacharya: There are very serious loopholes in the Bill due to which workers are suffering.

Mr. Speaker: That must have been brought to the notice of the Minister at the second-reading stage of the Bill. If there have been any amendments made, then only the case arises and he might say that those might have been accepted.

Shri Dinen Bhattacharya: At the second-reading stage, I tried to catch your eye but unfortunately I could not get an opportunity.

Mr. Speaker: There are certain unfortunate things that happen

Shri Dinen Bhattacharya: Then, I come to another point. The time-limit has been extended within which time an employee may apply for his dues. But where is the provision under which an employer is bound to pay the wages to his employees within a certain time-limit? What is taking place throughout the country? Where there is a legal strike, the employer refuses to pay the wages to the workmen in due time and in case of lock-out also the same thing is taking place. Only yesterday, I came back from Calcutta. There has been a lock-out in the Lagon Jute Engineering works in Bhadreswar area of my constituency for a very simple reason that a worker was smoking a cigarette and he was asked by the Manager as to why he was standing there and smoking a cigarette when he was smoking a cigarette in the specified area allotted for the smoking by the workers. But even then the Manager charge-sheeted the worker and ultimately as a result of that the workers protested and because the workers protested the management declared a lock out. Now the management is refusing to pay the wages to the workers in due time.

Mr. Speaker: Order, order. I may again repeat that he should confine himself to the general aspects of the Bill.

Shri Dinen Bhattacharya: There should be such a provision which may compel the management to pay the

wages within a certain limited time. The worker was just smoking a cigarette in a place which is specially allotted for the workers where they may smoke cigarettes. But I do not know why it enraged or infuriated the manager that he took him to task and as a result the workers protested and because the workers protested, the management declared a lock-out in the factory and now they are refusing to pay their wages. In my constituency, the workers came to me day before yesterday but the management is adamant. My point in this respect is that there should be a time-limit for the payment of wages also. In many cases . . .

Mr. Speaker: I would read Rule 94 to the hon. Member:

"The discussion on a motion that the Bill or the Bill as amended, as the case may be, be passed shall be confined to the submission of arguments either in support of the Bill or for the rejection of the Bill."

He should either say it should be passed or it should be rejected.

Shri Dinen Bhattacharya: There is no *via media*: I am supporting a part of it and opposing some other part of it.

Mr. Speaker: He cannot go into the details at this moment.

Shri Dinen Bhattacharya: I am not going into the details. I am only submitting to the hon. Minister to see that in future such provisions may be brought in.

Shri K. N. Pande: I am happy that the Bill has been adopted by the House. But in this connection I want to bring this to the notice of the hon. Minister. About those objectionable clauses that have been adopted, he has taken the shelter under the recommendation of the Public Accounts Committee. The Public Accounts Committee is a respectable Committee—there is no doubt about it—and we have to respect its recommendations. I know that many recommen-

[Shri K. N. Pande]
 dations of the Public Accounts om-
 mittee and also of the Estimates Com-
 mittee have not been implemented by
 the departments concerned because of
 some reason or the other. Here there
 was a vital question whether the exe-
 cutive should also be armed with the
 powers of judiciary.

Mr. Speaker: When the Government
 differs from a recommendation, it
 does not implement it; when the
 Government agrees with a recommen-
 dation, it implements it.

Shri K. N. Pande: Sir, before bring-
 ing in any legislation, any such Bill
 before the House, the practice of the
 Ministry has been to bring in all those
 things before the Indian Labour Con-
 ference or the Standing Committee in
 order to know the opinion of the parties
 concerned also. I do not think in
 this case the opinion of the Indian
 Labour Conference and the parties
 concerned has been taken. I think in
 future they will take their opinion
 also and, of course, there is no ques-
 tion of the parties concerned rejecting
 or accepting it. In any case, the Bills
 have to be brought here before the
 House, and this is the supreme body
 where a Bill can be approved or re-
 jected. But the practice has been
 that they have been taking the advice
 of these bodies. But it was denied
 this time. I do not know what was
 the reason. But in future, I want that
 after the Bill comes into operation,
 the Minister concerned will kindly
 realise the difficulties of the workers
 and try to modify it again, if possible.

Shri Nambiar: My submission is
 that I make a general support to the
 Bill, but not full support. The reason
 why it is not full is because I feel...

Mr. Speaker: The question here is
 whether it should be passed or reject-
 ed.

Shri Nambiar: I am commenting on
 that point. I cannot give full support
 because..

Mr. Speaker: Therefore, it should
 neither be passed nor rejected

Shri Nambiar: In the end I will
 say what is to be done. My submis-
 sion is this, that with regard to the
 addition of these three sub-clauses, it
 looks as if this is a measure which has
 been brought against the railway
 people.

Mr. Speaker: He has argued that
 twice.

Shri Nambiar: I have some fresh
 point, Sir.

The point is whether it is necessary
 to have such a thing here in the sta-
 tute-book. The railway employees
 are governed by the Railway Ser-
 vants' Conduct Rules, and whatever
 be the failure, commission or omis-
 sion, there are provisions to deal with
 them separately. In a labour statute,
 in which the country should see that
 labour is given due consideration, in
 such a statute whether this portion
 should be there, singling
 out the railway employees
 and bringing them here, is the
 question. Whereas in the government
 service there are several other varie-
 ties of employees whose case is not
 brought in here, in this amendment
 only the railway employees are brought
 in. This shows the peculiar attitude
 towards railway employees or of a
 feeling of a witch-hunt against them.
 That is why it looks strange and out
 of the way. It is not a general clause,
 that wherever an employee is re-
 ceiving a coin which is counterfeit or
 anything—applicable to all employees
 —the amount can be deducted. It is
 not a general clause like that. But it
 is particularly mentioning the railway
 employees.

Mr. Speaker: It has been said that
 it is already there in P. & T.

Shri Nambiar: Not in this Act.
 Then, he could have brought in the
 P. & T. also. But he does not. And
 I don't want him to do that. There
 are 12 lakhs of railway employees

and their feeling will be that something is being done against them in labour legislation also. They are getting it at the hands of the railway administration separately.

So it looks a very strange and a very bad thing to bring it on the statute-book, and that is why I object to it. If the money is to be correctly repaid, it has been repaid all these years. There is no objection. So I cannot give full support. However, Sir, I am in your hands....

Mr. Speaker: I am not asking him to say one way or the other. He has his own vote and he might exercise it in the way he likes.

श्री यशपाल सिंह (कैराना) : अध्यक्ष महोदय, जहाँ तक बिल का सम्बन्ध है, वह बहुत अच्छा है। मिनिस्टर साहब को इसके लिये मुबारकवाद है। पास भी होना चाहिये, लेकिन इसमें यह साफ नहीं किया गया कि कर्ज की क्या मियाद होगी। ऐसी चीजों के लिये वर्कर्स को कर्ज देना जिसका उसके बच्चों के भविष्य के साथ ताल्लुक नहीं है, उसकी तनख्वाह के साथ खिलवाड़ करना है। मान लीजिये कि वर्कर कर्ज लेकर उससे रेडियो खरीदता है, बच्चों के लिये किताबें नहीं खरीदता है, तो उससे क्या लाभ। मैंने भी एक दफे कर्ज लिया था। साहूकार ने मेरा छोड़ा पकड़ लिया। मैं समझता हूँ कि इस तरह से कर्ज लेना भी बच्चों के भविष्य के साथ ताल्लुक नहीं रखता। कर्ज दिये जायें, लेकिन कर्ज के साथ कुछ रेस्ट्रिक्शन्स भी होनी चाहियें क्योंकि इसमें बच्चों के भविष्य का सवाल है। मान लीजिये आपने कर्ज दे दिया और वह उसको समय से वापस नहीं कर पाता है, तो वह तो बेकार हो गया। हमारे यहाँ धर्म शास्त्र में व्यवस्था है, धर्म शास्त्र में लिखा है कि सुखी वही है जो आठवें दिन भले ही सूखी रोटी खा ले लेकिन किसी का कर्जमन्द न बने। इसलिये यहाँ पर लगजरीज के लिये कर्ज देना वर्कर्स के बच्चों के लिये अच्छा नहीं है। मैं कहना

चाहता हूँ कि वर्कर्स को कर्ज वहीं पर दिया जाये जहाँ पर कि उसका ताल्लुक बच्चों के भविष्य के साथ हो।

Shri D. Sanjivayya: Sir, coming to the point raised by the hon. Member Shri Nambiar, I would like to point out the fallacy in his argument. He is appealing, and he thinks that railways have been singled out and that this provision is made for that purpose. In fact, the Payment of Wages Act applies to the railways alone, not to the others. Of course, as regards the P & T, this Act applies only to certain industrial establishments under the P. & T. Therefore, the P & T as such cannot be brought under this Act, and it is not applicable also.

Shri Nambiar: I am not for bringing in that also. I may not be misunderstood. I am not for bringing in the P & T here. I am for taking it away so far as the railways are concerned.

Shri D. Sanjivayya: When the payment of Wages Act applies to the railways, including loco sheds as desired by Shri Nambiar, I do not know why he is objecting to the deduction. The deductions relate to all the employees to whom the provisions of this Act apply. Therefore, though these three clauses—sub-clauses (m), (n) and (o)—specifically apply to railways, there are other clauses which apply to other workers covered by this Act.

Moreover I would like to point out as to what has been provided under clause 7. Sub-section (1A) of section 10 says:

"A deduction shall not be made under clause (c) or clause (m) or clause (n) or clause (o) of sub-section (2) of section 7 until the employed person has been given an opportunity of showing cause against the deduction, or

[Shri D. Sanjivayya]

otherwise than in accordance with such procedure as may be prescribed for the making of such deductions."

Therefore, there is a safeguard also. Coming to the points raised by the hon. Member Prof. Ranga, he wanted that some action should be taken with regard to regulating or abolishing contract labour.

In fact, a Bill is almost ready. On the 9th and 10th of this month the Standing Labour Committee is meeting and will be considering this particular question, and thereafter legislation will be introduced.

Shri Nambiar: A Resolution is also coming on the 11th.

Shri D. Sanjivayya: Probably. The Bill will be introduced shortly in this House.

The other point that Prof. Ranga raised related to road transport workers. In fact, we have brought them under the purview of this Act by this amendment.

Then, the hon. Member Shri Dinen Bhattacharya was referring to various points, whether sick leave pay, etc. could be recovered under the Payment of Wages Act. In fact, this Act, the Payment of Wages Act, applies to all payments due to the worker. But he raised another very ticklish point, namely, the salaries or wages of the workers during the period of strike. That is dependent on several factors. If the strike is ultimately declared illegal, to what extent they are entitled to wages etc., that question has to be decided. (*Interruption*). If subsequently it is decided that the workers who were on strike are eligible for payment of back wages, then recovery of the wages will be covered by this Act.

Shri Nambiar: That is done in one out of a thousand cases.

Shri D. Sanjivayya: Then Shri K. N. Pande raised a valid point. He said that these amendments were not placed before any tripartite body like the Indian Labour Conference or the Standing Labour Committee. In fact, the practice has been that whenever any labour legislation is thought of, we consult these tripartite bodies. We have not specifically placed these amendments or the proposals for this amendment before any tripartite body but we have consulted all of them and we have got their views with us, and taking into consideration those views alone we came to a sort of final conclusion before introducing the Bill.

Sir, I have nothing more to say.

Mr. Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

13.19 hrs.

WEALTH-TAX (AMENDMENT) BILL

The Minister of Finance (Shri T. T. Krishnamachari): Mr. Speaker, I move:*

"That the Bill further to amend the Wealth-tax Act, 1957, be taken into consideration."

The Wealth-tax Act, 1957 follows the pattern of the Income-tax Act, 1922. As the House is aware, the law relating to income-tax has been recodified by the Income-tax Act, 1961 and several changes of form and substance have been made in that Act with a view notably to checking avoidance and evasion of tax more effectively and ensuring prompt collection of tax and granting of prompt refunds. It is necessary that the provisions of the Income-tax Act pertaining to collection and recovery of tax, to the grant of refunds and to the checking of evasion of tax should be adopted for wealth-tax purposes as well.

*Moved with the recommendation of the President.

It would be recalled that the Income-tax Act, 1961 incorporates a number of provisions relating to assessments, appeals and collection of tax based on the recommendations of the Direct Taxes Administration Enquiry Committee of which my colleague Mr. Tyagi was the Chairman. Some of those recommendations apply as much to wealth-tax as to income-tax and can be usefully adopted for purposes of wealth-tax.

Opportunity has also been taken to introduce a few amendments which have been found necessary in the light of experience gained in the operation of the Wealth-tax Act during the last seven years.

I may say that roughly about 40 clauses pertain to amending the Wealth-tax Act in order to bring it in line with the Income-tax Act. Only about nine clauses are those that refer to amendments outside. I have no desire to trouble the House with these formal amendments. A large number of the provisions proposed in the Bill are based on the corresponding provisions, as I said earlier, of the Income-tax Act. The more important of these provisions to which I would refer are as follows:

The existing provisions of the Wealth-tax Act, under which assets transferred by an assessee to his wife or minor child are includible in his net wealth, are proposed to be made broad-based, as in the case of Income-tax Act. In order to defeat transfers of assets made to defraud revenue, it is provided that assets transferred by either spouse to the other or to the minor children not only directly but indirectly as well, otherwise than for adequate consideration, would be includible in the net wealth of the transferor. Likewise, the value of the assets transferred for the deferred benefit of the assessee or his or her spouse or minor children will also be included in the assessee's net wealth. In view, however, of the heavy incidence

of gift-tax as a result of the increase in rates made by the Finance Act, 1964, it is proposed to move an amendment that the value of such assets will not be included in the net wealth, if gift-tax is either chargeable in respect of their transfer or if such transfer is specifically exempt under the provisions of the Gift-tax Act. This benefit will be given to the transfers chargeable to gift-tax in the assessment year 1964-65 or a later year.

One of the recommendations of the Direct Taxes Administration Enquiry Committee specifically relating to wealth-tax was regarding deduction from the net wealth of taxes which an assessee was disputing in appeal. Under the present law, taxes which are outstanding on the valuation date and which are claimed by the assessee as not being payable by him in appeal, revision or other proceeding, and taxes which are outstanding for more than 12 months on the valuation date for any other reason, will not be treated as debts and will, therefore, not be allowed as deduction in computing the net wealth. In pursuance of the recommendation of the Direct Taxes Administration Enquiry Committee it is now provided that if the assessee pays the disputed taxes within six months of the decision in first appeal or revision, the Wealth-tax Officer will rectify the relevant assessment and allow deduction of such taxes which had not been earlier deducted.

The provisions relating to penalties and prosecutions have been recast on the lines of the Income-tax Act. A minimum penalty of 20 per cent of the tax sought to be evaded is provided for concealment, while the maximum penalty remains the same as before. Minimum penalties are also prescribed for failure to furnish return of net wealth or for failure to comply with notices for production of evidence. The provisions relating to prosecutions are made more stringent by extending punishment for false verification of the return to rigorous imprisonment for two years

[Shri T. T. Krishnamachari]

Instead of simple imprisonment for one year as at present. Such imprisonment shall not be less than six months unless there are special and adequate reasons to the contrary to be recorded by the court. Similar punishment is also provided for persons who abet or induce furnishing of false particulars of net wealth. At the same time, in order to encourage persons to come forward with evidence of concealment, the Central Government will have power to grant immunity from prosecution to such persons in suitable cases. The immunity is, however, liable to be withdrawn if it is found that the terms of its grant are not observed by the person concerned or if he is found to be wilfully concealing anything or to be giving false evidence.

Hon. Members will recall that by the Finance Act, 1964, a provision has been made for self-assessment by the assessee under the Income-tax Act 1961. A similar provision has now been made in the Wealth-tax Act, whereby an assessee is required to pay *suo motu* tax on the basis of his return if the tax payable exceeds Rs. 500. A provisional assessment can also be made as in the Income-tax Act.

Rights of appeal are provided against all orders adverse to an assessee, for example, orders of rectification, orders imposing penalty on defaulters for non-payment of tax on the basis of self-assessment, orders imposing fine for non-compliance with summons issued, and an order treating a person as an agent of a non-resident. Provision is also made for the filing of a memorandum of cross-objections by the assessee or the Department when the opposite party has gone in appeal to the Appellate Tribunal. The Appellate Assistant Commissioner is empowered to review the wealth-tax assessment in appeal before him and enhance the assessment, if necessary, in respect of matters considered by the Wealth-tax Officer, even if the issues were not raised in appeal before him by

the appellant. The provisions relating to valuers are also brought in line with the provisions of the Income-tax Act as amended by the Finance Act, 1964. A direct reference may be made to the Supreme Court by the Appellate Tribunal in a case where there exists a conflict of decisions of different High Courts.

The provisions relating to refunds have been recast to ensure refunds being granted promptly. Where a refund is due to an assessee and the Wealth-tax Officer does not grant refund within a period of six months from the date of the order resulting in the refund, the Central Government shall pay to the assessee simple interest at four per cent per annum on the amount of the refund due. Similar interest will also be payable where, under certain circumstances, the refund is withheld to safeguard the interests of revenue.

The Income-tax Act, 1961 contains a self-contained code for the purpose of recovery of income-tax. These provisions will now apply *mutatis mutandis* for the purpose of the Wealth-tax Act. It is no doubt necessary to discourage persons from transferring property to defraud revenue. Such transfers shall be void against the claim of revenue unless it is made for valuable consideration and without notice of the pendency of proceedings under the Act. A similar provision already exists under the Income-tax Act.

In order that the machinery for countering tax evasion will be more effective, Wealth-tax Officers as well as other authorities under the Wealth-tax Act will have powers for search and seizure, as under the Income-tax Act. Wealth-tax authorities will be able to fine witnesses who do not comply with their requisition to appear before them or produce evidence. They can also impound documents produced before them.

Hardship is often caused where an assessee pays wealth-tax both in India as well as in a foreign country in respect of the value of the same assets. To obviate this hardship, Government will have powers to enter into agreements to avoid double taxation with a reciprocal basis and also to provide for grant of unilateral relief in respect of the value of assets in a country with which such an agreement has not been entered into. These provisions are in line with the corresponding provisions in the Income-tax Act.

I shall now briefly refer to a few of the other provisions which have been found to be necessary. At present the computation of the net wealth of an assessee is based on market value of his assets. Experience has shown that there is considerable divergence as to valuation made by different valuers, by different wealth-tax authorities as well as by the Appellate Tribunal. It is therefore, necessary to empower the Central Board of Direct Taxes to make rules in regard to the valuation of assets. The rules will provide for the valuation of assets on an equitable basis.

There is no specific provision at present for the assessment of executors who administer the estate of a deceased person. Such a provision has now been made, and this also clarifies that where there is more than one executor, the executors shall be assessed as an individual for the purposes of wealth-tax. The status of the executors as regards residence and citizenship would be the same as that of the deceased person on the valuation date immediately preceding his death.

As hon. Members would be aware, the wealth-tax is an important part of our integrated tax structure. The present Bill is intended to mould the Wealth-tax Act to fit into the general scheme of direct taxes.

Sir, I move.

Mr. Speaker: Motion moved:

"That the Bill further to amend the Wealth-tax Act, 1957 be taken into consideration."

Five hours have been allotted for this Bill. May I know how much time hon. Members would like to have for the general discussion?

Some Hon. Members: 3 hours for the general discussion and two hours for the other stages.

Mr. Speaker: All right, we shall have 3 hours for the general discussion, and the balance of the time for clause-by-clause consideration and the third reading.

Shri M. R. Masani (Rajkot): As the hon. Minister has explained, this is a Bill to make more effective the collection of wealth-tax. Our approach to the wealth-tax is well known.

13.29 hrs.

[MR. DEPUTY-SPEAKER *in the Chair*]

We have no objection in principle to the wealth-tax or to a tax on wealth. But, unfortunately, this wealth-tax as implemented in the last few years has been torn out of context.

This idea of an integrated tax structure was borrowed from Professor Kaldor. Professor Kaldor had made it very clear that, if this country was to follow his advice in going in for wealth-tax, expenditure tax and the other taxes recommended by him, a pre-condition of such a reform should be that there would be a ceiling on income-tax, and that the income-tax should in no case exceed seven annas in the rupee for the highest slabs.

In other words, he wanted to tax idle wealth on the one hand, giving incentives for those who have income and would use it productively by means of drastic relief on the other. What has been done is to provide the worst of both worlds. While additional burdens in direct taxation have

[Shri M. R. Masani]

been placed on the shoulders of those who produce, the relief that was envisaged by Prof. Kaldor to stimulate productive enterprise was overlooked. That is why, while not opposed in principle to a tax on wealth, we from these Benches voted against the Wealth Tax as a whole, because we feel that the total burden of direct taxation, of which this is a part, is not only excessive but is such that it is hurtful to the economy of this country.

We are not concerned with a few rich individuals here and there who may have wealth. They are welcome to it. So far as we are concerned, if Government desires to tax them, we are not going to shed any tears over a few very rich people. But what we are concerned about is the effect of this on capital formation in this country.

Wealth is a good thing. Wealth that is productively used is for the benefit of this country, and when wealth is taxed in this excessive and vindictive manner, as it is today, then the capital formation that this country so badly requires is impeded and harmed. Therefore, the effect of the wealth tax on the economic growth of this country and the rate of growth is adverse and deleterious.

It seems from this Bill that the Government have learnt no lesson from the mistakes they made during the last Budget. That Budget was a disastrous budget for this country. It has retarded the development of our economy in the last few months and the cause of much of the mischief from which this country today suffers—the food shortage and inflation—is to be found in that bad budget that was passed by this House during the last Budget session. One would have thought that, having done this great harm, those concerned would have been content to leave things alone, if not to draw in their horns and admit their mistakes, at least to keep

quiet and not to add to the damage done. But this additional pinprick—this Bill is nothing but an additional pinprick—shows that that vindictiveness and that folly of the last Budget are still intact, and persistence in that error is still shown in this Bill.

This Bill is nothing but a reflection of primitive and outmoded socialist ideas that have been thrown on the scrapheap by advanced socialist parties like the German Social Democrats, even the British Labour Party and many others.

We have an entirely different approach from that of the Treasury Benches. We do want welfare. We want a better life for the mass of the people, and particularly for those who are the poorest. But to want welfare is one thing and to want a Welfare State is another. Because, as my friend, Jaya Prakash, has quite rightly described it, the Welfare State is "a creeping paralysis" that destroys the whole economy of the country. In other words, welfare and State are a contradiction. There is nothing welfare about a state. The state is primarily an engine of rule, it is an engine of control, a police mechanism, and a police mechanism is essentially not meant for welfare. Welfare comes from the production in a society of an ample measure of goods and services which the people can enjoy. If you want welfare, if you want to wage a war on poverty and want, as we want to, then we want welfare, but we want it through a modern industrial society.

In a modern industrial society—and this is increasingly true of even of communist countries like Yugoslavia, Poland and now Soviet Russia, where the ideas of Prof. Lieberman, of profit motive only through some measure of competition, were being progressively accepted under the Khrushchev regime and even more rapidly under the Kosygin regime—

—we want new ideas, we want new technique, we want new equipment to be harnessed to the good of the people of this country. We do not want to adopt, as the present Government is adopting, discarded techniques and discarded ideas from other countries.

Our people do not object to wealth. Our people want wealth. The poor people want to be well off.

Shri Nambiar (Tiruchirapalli): How can all be wealthy?

Shri M. R. Masani: True, not even in Soviet Russia does that exist. But we want more and more people to be wealthy. We want a property-owning democracy, such as we find today in Scandinavia, in Switzerland, in Australia, in New Zealand, in Germany, Britain and America. We want more and more people to have some little wealth. If you ask the common man an ordinary villager, 'Is wealth good or bad?' he would say, 'Of course, good; I would love to have some'.

In other words, what we have to play upon is the desire of the common man to improve his lot and not this petty envy, not on these disgraceful motives on which the present Government plays to keep its inflated and artificial majority.

We want that crores of people in our villages should learn to share, should be given an opportunity to share, in the good things of life, to be able to buy consumer goods, to have some comfort. That not only is social justice, which we believe in, but it also means that a big home market is created, a big home market on which the products of industry can be absorbed, a big home market which would create purchasing power in the pockets of our people, through which they can buy the things they need to enrich their lives.

This Bill, and the Wealth Tax on which it is based, is an enemy of everything that I have put before progress and social advance, it is an enemy of welfare, it is an enemy of progress and social advance it is an enemy of a richer life for our people. All that it has got is the appeal to the envoy of the poor to pull down the rich. That, Sir, is not the way a country advances.

Now, the hon. Minister will say: capital formation is retarded among the common people. But we will form capital. By this kind of taxation, we divert money or capital from private pockets to the state pocket. That is exactly what is wrong with the Wealth Tax and all other excessive taxation of this kind, because every rupee that is diverted from the pocket of a man who would invest it productively in a spirit of enterprise to make more profit, that rupee is being diverted to the sterile channels of Government. A government can no more create profit than a mule progeny. It is sterile. No government has ever created profitable enterprises anywhere in the world. Therefore, every rupee diverted by the Wealth Tax from the pockets of those who might have productively invested it, as Prof. Kaldor wanted, is being diverted to the sterile channels of the State where it is wasted in the way that we find in our State sector enterprises.

Dr. M. S. Aney (Nagpur): What is the guarantee that a private person will divert that rupee to public utility and not use it for selfish purposes?

Shri M. R. Masani: That is a very good question. That is why Kaldor wanted taxation to be so adjusted that the man who did not use his wealth for a productive purpose would be taxed heavily, but the man who used his wealth for creating goods and services the country requires would get relief. The Finance Minister and the Government accepted the first part of the advice, but

[Shri M. R. Masani] they forgot the second part, because they wanted to have in their hands more and more money for the sterile and unproductive State sector.

Now this is why, while the Bill in itself may be partly good and partly bad—as I shall explain presently—any measure to intensify the injury those who can invest productively is a bad thing for this country at present. Psychologically this Bill, like its other predecessors, is bound to do harm. Now such a Bill is not one measure; it is a collection of odd amendments to odd clauses of the Wealth Tax Act. Many of the provisions are harmless. Many of them are harmless routine provisions and I have nothing to say against them. Others are objectionable. There are several provisions in the Bill which are objectionable. Such a Bill should have gone to a Select Committee where it could have been carefully examined and reported on to this House.

Shri N. Dandekar (Gonda): Definitely.

Shri M. R. Masani: This is a good practice that is being increasingly ignored by the government of the day. A technical measure of this kind should have gone to a Select Committee where my hon. friend, Shri Morarka, and many other intelligent members of the Congress Party could have joined us in scrutinising the provisions of this Bill.

Shri Nambiar: He himself is assessed to wealth tax

Shri M. R. Masani: Unfortunately, that opportunity for an intelligent examination of the Bill has been denied to us. I say that this is an ill-digested and hasty measure. The very fact that the hon. Minister had to table two amendments within a few days of the Bill being placed before the House shows how very ill-digested and hasty it is. After proper consideration, Government brings forward a Bill and one would

think that the wisdom at least of the Secretariat and the Ministry has been devoted to it. But before the Bill is debated, another amendment comes along. Two more have come; two may come tomorrow. This shows how hastily we are putting on the Statute Book laws that do not endure for more than a few months or a year or two at the most.

There are many defects in the Bill. We have tabled amendments to various clauses of the Bill which will be discussed when that stage is reached. But, may I, to illustrate the nature of these objections, draw attention to just three features of this Bill?

The first is to be found in Clause 18, at page 12 of the Bill. There, there is an Explanation as under:

"Where the net wealth returned by any person is less than eighty per cent. of the net wealth..... as assessed under section 16 or section 17, such person shall, unless he proves that the failure to return the correct wealth did not arise from any fraud or any gross or wilful neglect on his part, be deemed to have concealed the particulars of assets or furnished inaccurate particulars of assets or debts for the purposes of clause (c) of this sub-section."

It is an amazing provision. It is an elementary principle of jurisprudence that you cannot prove a negative. You cannot prove negative in most situations in life. The onus is on those who want to prove something positive. This principle of jurisprudence says that everyone is innocent unless he is proved to be guilty. This Explanation is exactly the reverse: every one is guilty unless he can prove himself to be innocent.

Imagine what would happen to Members of this House if they were to be strung up for crimes, the asked to prove they are innocent, otherwise they would be sent to jail. Even the most innocent, if he is not very clever and very resourceful, might fall by the wayside.

What does this 80 per cent mean? It means that if I or any other hon. Member were to value his wealth at "X" thousand rupees, and it was found that there was an error of 20 per cent or more in our estimate of wealth, then we are guilty of concealment and can be sent to jail. It is very interesting to see that evaluation is what is to be challenged.

Shri Nambiar: Why should there be an error? That is a deliberate thing.

Shri M. R. Masani: Shri Nambiar is innocent. I will educate him presently.

Nobody knows his wealth if he is at all sensible. Evaluation is something which is variable. The Minister himself mentioned a few minutes ago that evaluations vary very considerably. If Shri Nambiar or any other Member were to disclose his total assets, saying this is what I have, has he not performed his duty by the community? Must he also give his subjective idea of the value of everything he has in the world? And then, if the Minister or the Government can prove that his estimate was a little modest, is he to be sent to jail? Would he not be entitled to say, "I showed you everything I have. You value it. Why send me to jail? If my estimate is wrong, I bow to your estimate"?

This clause will persecute and prosecute a man who has made a complete, full and honest disclosure of his assets. Because he made a mistake in valuing a piece of property, he is to be sent to prison.

Many Members of this House know, and particularly the lady Members know it, that if you take a piece of jewellery to six good jewellers, honest-to-God people, they will give fantastically varying values to it. I know it, because I used to practise as a lawyer. It is very difficult to get one man as an arbitrator to say this piece is worth so much.

The same thing happens in land. Unless the thing is in the market, it is very difficult to value a bit of property.

Then, there are shares. Some shares are quoted on the market. That is easy. But there are many shares that are not quoted on the market, and the difference between what one man may imagine to be the price of that share and what another man may be prepared to pay for it is considerable.

These problems arise when estates have to be evaluated. Under the Estate Duty Act, two years and sometimes even five years pass because experts and lawyers are not able to agree on what the value of a plot of land or building or a piece of property is.

I think this is an outrageous proposal, and I am shocked that any intelligent and decent Government should dare to bring this before the House.

If they had said that anyone who conceals his assets shall be guilty, I agree. That is not the case. It says:

"Where the net wealth returned.....".

You have to give the value in your return. I say that this Explanation means that if a citizen makes an honest and total disclosure of his assets, it can happen that because the value is later on found to be 20 per cent less than the value of the department, he would be considered a criminal. I say: on what basis in any decent society can this happen? If that is not the intention, let the language be changed. Let it be said that whoever does not make a full disclosure of his assets shall be guilty of concealment. I will support such an amendment.

Therefore, I say that this Explanation is one that should never have been brought before the House, and I do not mind saying that if the hon. Minister does not amend it suitably

[Shri M. R. Masani]

and induces the House to pass it, it will be a shame that this Parliament should pass such an Explanation.

Then, I come to another Clause, Clause 31 on page 24. There it says that if during the pendency of a proceeding under this Act, property passes hands, then the transfer will be void as against any claim in respect of any tax or sum payable by the assessee. The point is this. How is a person supposed to know that there is a proceeding pending? No public notice is given. Here we have failed to say that it is those who say that the transfer is void who should prove that the man knew it. Here again, he is asked to prove he did not know. You cannot, again, prove a negative, you cannot prove judicially that you did not know the thing.

Shri Nambiar: It says, "with intention to defraud revenue". It is in the proviso.

Shri M. R. Masani: It says:

"Provided that such charge or transfer shall not be void if made for valuable consideration and without notice of the pendency.."

I am suggesting that that last bit is unnecessary. If the notice was there, let those people prove it. It cannot be left to a man to prove that he was innocent of it.

Thirdly, there is Clause 36 at page 29. The Clause, in parts, is all right, I have no quarrel with most of it, but there is one offending or objectionable sub-clause, namely sub-clause (c). The new section would read like this:

"Where the Commissioner, in consequence of information in his possession, has reason to believe that—

- (c) any person is in possession of any articles or things including money disproportionate to his known assets, particulars of which will be useful for, or relevant to,

any proceeding under this Act, or"

In such a case, the Commissioner can authorise a search or a raid on a man's residence or home or place of business.

Let us examine the language of this rather dangerous provision. The Commissioner has to say: "I have reason to believe". He has to give no proof, he has to satisfy no Court, he has to make out no *prima facie* case. Many of us have reason to believe things that do not exist. The very fact that we disagree about it shows that these are subjective beliefs. I express my beliefs now. I am sure the Minister does not share my beliefs. It does not mean that either he or I are dishonest. Certainly not. Our subjective analysis of a situation happens to differ. We both are honest, but we see things differently.

The Commissioner has reason to believe, whatever that means, subjectively that a person is in possession of things which are disproportionate to his known assets. In other words, the person was not known to have such and such things, but he may have them. Is that a reason why a man's home should be raided, his office should be raided, he should be humiliated in the eyes of his neighbours, treated as if he was some kind of a potential criminal.

Sub clauses "a" and "b" are different. They deal with people who are defrauding revenues, who have committed some offences, who are likely to do some other things. Those are people against whom a raid may be all right but, because the Commissioner believes that some man may have something that nobody knows about, to indulge in a raid is not something that is normal in a democracy.

We have had raids in our country in the last few months. Maybe, in some cases those raids were justified. I know that in some cases they were

not justified. That, again, is inevitable in such cases. But I do want to say this, that the Government of a country which has to resort to this kind of raiding apparatus which is part of police *raj*, a police state, and not a free society, must be obviously incompetent in many ways. A competent Government that knows how to collect its taxes does not have to indulge in flying raids in the middle of the night. The knock on the door in the middle of the night is an accompaniment of a Fascist or Communist tyranny, a dictatorship, of which all of us in the House, with the exception of the Communist Party are opponents.

Shri Nambiar: Why does he forget that sub-clause (c) says that if he refuses to obey any order, when notice of summons is issued, etc?

Shri M. R. Masani: It does not cover (c). There is an "or" between (b) and (c). Sub-clause (b) has nothing to do with sub-clause (c). There are three categories of cases in which raids are in order. Between (b) and (c) there is an "or". I have read the clauses quite correctly, and if my hon. friend Shri Nambiar will read them again carefully, he will see that he is wrong. "Where the Commissioner, in consequence of information in his possession, has reason to believe that any person is in possession of any articles or things...." etc. Therefore an innocent man against whom it is believed that he happens to have something which nobody knows about, can be raided. That would mean that we are now entering the portals of the Police State. Many of us have feared that this is the thing that was going to happen. We have said in this House for the past five or seven years that the pattern of planning in which this Government is engaged is the Soviet pattern of planning which, in the end, must lead to the erosion of individual liberties and ultimately the erosion of parliamentary democracy.

I consider sub-clause (c) to be an erosion of a democratic society and the kind of raids that have been taking place in our country may or may not reflect credit on those who are raided but they certainly do not reflect credit on the Government that raids them. Is it suggested that the British Government does not know how to collect its taxes? Is it suggested that the department of revenue in the United States does not collect taxes better than our Government? Do they have crores and crores of rupees going round evaded which this Government have been tolerating now for 17 years? The answer is: No. They know how to run their business; they know how to spot people and trace the undisclosed wealth. The crude method of police informers and police raids had better be left to totalitarian regimes.

Those are just three examples of the objectionable nature of many of the provisions of this Bill. Therefore, we cannot support this Bill and we are opposed to it.

Shri H. N. Mukerjee (Calcutta Central): Mr. Deputy-Speaker, Sir, we have had the pleasurable experience of listening to these smooth formulations to which our friend Shri Masani has accustomed us in this House. While I leave Shri Masani's arguments to be countered in the main by my friend the Finance Minister, I am afraid I will have to make a few observations in regard to the point of view which in disregard public opinion in this country he has sought to present in this House.

Shri Masani has told us in his characteristic way how we have in this country a very innocent picture of life; that there are a very few rich men who, if they are in the industry and similar pursuits, are extremely knowledgeable and virtuous people in the main, that we should not touch these few rich men because they are doing a good job of work for our economy and also that the idea of the facilitation of capital formation in our country should be the principle motive

[Shri H. N. Mukerjee]

factor in our economic policy. I wish that the picture was just as innocent as our friend Shri Masani has sought to point it before us here, but it is a fact of life that exceptions notwithstanding, the rich and the very rich among our people have a record which is better not be written home about.

Shri Masani has tried to plead the cause of the country's economy and hide.

Shri M. R. Masani: No; I pleaded cause of the country's economy and effect on it. I am not interested in the other thing.

Shri H. N. Mukerjee: Shri Masani is interested in the effect on the country's economy forgetful of the factor that we are an underdeveloped country that is trying to raise itself; we are a country which has got to take steps which would really produce the maximum possible results in the quickest possible time.

Shri M. R. Masani: Hear hear.

Shri H. N. Mukerjee: And if we are going to leave it to the good graces of those people in whose hands the task of capital formation would have to be conducted, then God help this country; God help the Government of this country. The Government is answerable to the people and it is not on account of any particular ideological pre-suppositions that the Government of this country has had to be committed to the idea of socialism. Shri Masani, of course, has his own conception of socialism, but we ought to realise that at one time socialism was to him anathema altogether, but nowadays, of course, he cannot put it in that way and so he has to draw upon the very respectable examples of the social democratic party in West Germany and the British Labour Party as a paladin of the kind of socialism which he wishes to put forward in this country. But I should say to Shri Masani that perhaps with all their

faults, the British Labour Party would not be parties to the kind of argumentation which he makes in the Indian context of things in the Indian Parliament.

Shri Masani forgets that what we need in this country is socialism, because this idea of socialism has come to stay, and the fact that capitalism also is here, is a fact which is militating against the introduction of socialism by democratic methods. It is because of the stolid resistance put up by those friends for whom willingly or unwillingly, wittingly or unwittingly, Shri Masani speaks in this House; it is because of the stolid resistance of those people that this idea of socialism is found to be the only way out of the economic crisis in which we find ourselves so chronically involved.

It is necessary, Sir, in our country to think not merely in terms of the affluence of which a picture has been sought to be painted by Shri Masani. It is a very good thing to say everybody, more or less should become rich or as many of us should get rich as far as possible. Nobody has any objection to that sort of thing if it does happen. But my idea of what this country aims at—I do not know if my friend Shri T. T. Krishnamachari would agree with me or not—is that we do not merely want an affluent society; we want a non-acquisitive society; it is not the mere fact of affluence, on the part of chunks in society that is going to bring about that sea-change in the life of our old country in this new and changing world. That is the kind of concept which we have in view. It is not merely trying to increase the number of people, who are very small on the whole in the wealthy-bracket that we are going ahead; we are trying to have a new kind of society and that is why certain steps have got to be adopted.

Shri Masani perhaps at one time when he used to talk about the mixed

economy was not too allergic to the idea of a welfare State but from time to time, he develops fresh allergies and says that any welfare State is an anachronism; that the State itself is a police mechanism and it is a coercive apparatus and so on and so forth. It is good to hear echoes of what had been said by philosophical anarchists but I do not quite understand how in this country, in our kind of country, Shri Masani proposes to go ahead with economic reconstruction if he wishes to continue to look upon the State as a coercive apparatus with no welfare functions of its own. As a matter of fact, the State has got to come into the picture in our sort of country because of the factors of which Shri Masani is very well aware, and therefore, all this argumentation to which he has taken recourse seems to me to be so much wishful thinking, so much effort at justifying what cannot be justified.

He has also tried to take up a moralist's pose and given us some homilies about some people in this country trying to rouse the envy of the poor as an instrument against the rich. It is not a question of the poor getting envious of the rich and a state of conflict coming into the picture. It so happens that in society when there are such divergencies, when it happens to have such disproportions, it is necessary to bring about that kind of reconciliation at a higher level which can only be attained by the concept of socialism. Therefore, I think that the homilies to which Shri Masani has so delectably treated us do not really touch the fringe of the matter and it is largely on account of the approach which he has taken to the Bill that I am perhaps prepared to be a little more sympathetic and a little more favourable to the Finance Minister than I would otherwise be.

14 hrs.

I was trying to find out how Government has been at fault in not properly implementing the wealth-tax legislation and similar measures which

Government has got in its storehouse. After all, Prof. Kaldor was referred to by Mr. Masani. Mr. Masani only singled out the concept that perhaps the quantum of income-taxation could be less by way of percentages but forgot to say it could only happen if income-tax, wealth-tax, gift-tax and such things could be dovetailed into each other and worked so that evasions could be prevented and a proper check would be kept on the country's economy. It is only because of the stolid and obdurate crusade against anything like giving a correct account of their wealth, their assets and income, it is only on account of the attitude of the people who have the biggest moneybags in our country, that it becomes necessary to have something like prohibitive taxation on certain incomes, because at the higher levels, most of the income is not shown.

Mr. Kaldor had made a calculation about tax evasion to which, of course, he would not make a reference. I am not going to repent it; it was repeated *ad nauseam* by everybody in the country. But the fact remains that money is withheld and income is never shown. Wealth is never properly valued or told about to the Government. Mr. Masani is very concerned that raids would take place. In the case of what sort of persons? I was amazed; I would like to know what he takes this House for. After all, clause 36 says: that where the Commissioner has reason to believe that any person is in possession of any articles or things including money disproportionate to his known assets, particulars of which will be useful for, or relevant to, any proceeding under this Act, he may proceed to make arrangements for an examination of the premises: Mr. Masani objects to it. How does he object to it? He himself has said that only recently raids have taken place in certain premises and certain things came out. I am not going to refer to these raids which have been publicised so much. Actually, these recent raids are something on which

[Shri H. N. Mukerjee]

Government can congratulate itself. After all, Government has made something like a quasi-vigilance drive for spotting the tax-dodgers. I find papers reporting that the income-tax department hopes to uncover more than half a million new assessee before the end of this calendar year and that about 3½ lakhs of names are already booked. It is a very good thing. This sort of enterprising activity requires the admiration of the House and of the country. Recently 60 or more searches have taken place which have yielded almost a crore of rupees of concealed income in cash, jewellery and ornaments. It may be a great deal more than a crore. I find in some Press reports reference to 60 searches yielding about Rs. 93 lakhs in cash, jewellery and ornaments. I am not going to specify the kind of people in whose custody this concealed money, these concealed assets, had been found. They are worthy people, it seems, who are looked up to by the common man, who do this kind of thing.

Apart from this, I would like Government to initiate studies to determine whether the other principal modes of avoidance are going to be tackled very soon or not. For instance, there is this phenomenon of the undivided Hindu family. This could be eliminated as an assessable category. The Hindu undivided family problem, of course, is very intricate. It has political and religious overtone, which I just cannot wish away by a speech in Parliament. But these political and religious overtones are exploited against reform. But that does not invalidate the idea that there should be an enquiry into this matter or an investigation as to how without detriment to our social traditions, to our norms of life, we can do something about eliminating the Hindu undivided family, which is an obstacle in the way of collection of taxes which are due to the Government.

It is also worth investigating the number, and the assessed income involved, of non-working wives and minor children who are assessed separately from heads of households, in spite of the provision in the Income-tax Act which is already there in that regard. I was told—I cannot vouch for it myself—by somebody who is a Member of the House—but I am not going to give the name—that there is one family in this country which is in the top most bracket of rich people and not one member of that family is assessed to wealth-tax. I would give the name of the family to Mr. T. T. Krishnamachari later. If that sort of thing can happen, surely all sort of other things might also happen.

Mr. Masani, who is not here unfortunately, chose not to refer to what Prof. Kaldor has said in his report that the top income-tax payers in this country yield to nobody anywhere in the world in their grasp of the technicalities and the complications involved in evading income-tax and similar taxation. I know that the Income-tax Investigation Tribunal once put it down on record that it was a cruel shame that some of the most eminent legal talent of our country and other kinds of talents by way of auditing, engineering, etc. are placed at the disposal of these tax thieves who rule the roost, because of their control over big-money and their indirect control over the administration of this country. How on earth, with what reasons, can we justify, on grounds of jurisprudential rights, which are rather theoretical and abstract, when you come down to brass tacks, by speaking of the idea that nobody should be condemned and nobody should be asked to prove a negative accusation and that sort of thing, how are we going to import that sort of thing in order to defend people who use all the mechanisms of self-defence in order to perpetuate their economic position in this country, which means one of strangulation of our developments? If we had left it to the private sector to develop our country, we

would have known where we would have reached by this time. It is a shame that it is still open, because of certain things happening in our country for Parliament to listen to the argument that the private, sector, if left to itself to run our economy, would have done a very much better job than was otherwise being done.

I am not going to defend the Government and its defaults. I know the public sector administration has so many faults. I know the income-tax administration and allied organisations have so many reforms still to be properly given effect to. But that is neither here nor there. The idea is that we have all to go ahead together to find out a way, so that without doing away by violent means with the apparatus of the economy which we have got, we pursue something like a non-capitalist path towards the objective which everybody has in view, namely, the objective of socialism. It may be that in the process, the whole idea of socialism would receive newer connotations, but that is an effort to which India also has to dedicate herself. But I am afraid that the Government of India has not shown conspicuous awareness of that idea. As far as Mr. Masani is concerned, he has put his case in such a way that I am sure the House cannot possibly countenance the kind of things which he said.

I would like the Finance Minister, therefore, to bear in mind that we have in this country still a very dangerously slow rate of economic growth. We have increasing and serious disproportions in economic life. There is social polarisation and increasing dependence on foreign aid, as a result of which the basic weakness of our economy remains and whatever we seem to do appears to be tinkering with the problem, putting an ideal somewhere in the picture, talking to people about it, sometimes saying in very brave terms that we are going ahead in the socialist direction, but as far as brass-tacks activities are con-

cerned we are merely tinkering with the problem here and there. I would like, therefore, the Finance Minister to tell us as to how far he has taken any special steps for an effective system of taxation of incomes and assets, how far the idea of dovetailing of the different taxation measures which the Government has at its disposal has actually proceeded and how far the wealth and expenditure taxes are not going to be permitted to remain as unimportant appendages to income-tax affecting only a small number of taxpayers. These are the kind of things which I would like the Finance Minister to give us some more information about.

Sir, there is such a large lot of unaccounted money in this country. The flow of income generated over a period of time has evaded all fiscal levies, and this evaded income takes the form not only of currency, but sometimes Shri Krishnamachari's agents do not grab the currency, jewellery and such things which are stowed away, God knows where. There are other aspects which have to be kept in mind. There is wild speculation in urban property. I cannot imagine how in a city like Calcutta, for instance, new areas are being developed by the Improvement Trust and fantastic sums are being charged so that money is available in that quantity only to a microscopic section of our people. All that land and property is going to a very few people who are getting the entire new development results. These wild speculations in urban property are something which have got to be looked into. After all, the money comes from somewhere. Money passes hands. They know ways and means of cheating the capital gains tax structure, cheating everything, cheating even the registration fees. This process of cheating the exchequer has been developed into a fine art by the friends of Shri Masani to an extent which has got to be stopped. Either it has to be stopped or the Government will have to say that it is quite unable to cope with the picture. We

[Shri H. N. Mukerjee]

hear from time to time very delectable tales about the purchase at auctions held by the Government of luxury automobiles by all sorts of people. People come forward and offer Rs. 60,000 and Rs. 70,000 for a miserable old automobile left over by one of these embassies. It is a most amazing thing. Where is the money to come from? The origin of the money is not something that requires research in the national archives and looking into the dusty papers which you cannot properly decipher. The origin of this money can surely be discovered by Shri Krishnamachari's apparatus.

Then, of course, smuggling of gold and other smuggleable commodities goes on. There is the scramble for ownership of flats in places like Bombay which continues. From time to time there are stories about foreign exchange leaks. So I feel that the currency hauls yielded by the recent raids are a good thing as far as they go, but they do not give even a measure of undetected incomes and action must cover non-currency assets as well as the currency assets which are being found out by Government.

Sir, I do not want to take more time of the House—perhaps Shri Masani derailed me somewhat—but, in any case, what I wanted to point out was that on no computation can the kind of stand which Shri Masani has taken in this House be countenanced by the country. The country has made up its mind about the way it wants to go. The method of our moving ahead is something which we can decide together, and I wish to God that we can all decide it together so that a non-capitalist path of development could be a sort of united stand for everybody to gather around.

Therefore, I feel that the penalty provisions should not only be kept but they should be tightened up. I felt, when the Finance Minister was speaking over the question of relation of gift tax to wealth tax he was giving a certain kind of advantage to the wealth tax assesses. As a tribe—there are exceptions and I am not

going to condemn the whole tribe—the wealth tax assesses are an unsavoury lot and in spite of their capability as manoeuvrers and “fixers” in the economic sphere they cannot be given any kind of countenance. If penalties have to be imposed, they have to be imposed properly. Of course, they are given the right to defend themselves. If they can come forward and say that for no wilful neglect on their part they have been hauled up and punished, some relief ought to be given to them. But it is necessary to see that wealth tax produces the kind of assets for the country which it was intended for. Professor Kaldor had calculated, I think, the possibility of our getting about Rs. 18 crores from wealth tax. I do not think we have reached anywhere near that amount even though Prof. Kaldor reported some eight years ago. Therefore, I feel that this measure should be tightened and the loopholes should be removed so that we can really and truly have a kind of administration of our taxation measures, which would help the economy of our country to develop itself and to move ahead in a non-capitalist manner towards the ideal of socialism.

Shri Man Sinh P. Patel (Mehsana): Mr. Deputy-Speaker, Sir, as my two predecessors have said that none of them is against the wealth tax in principle, and especially when we all agree that all possible loopholes of evasion either by an honest man or a dishonest man or a capitalist or a non-capitalist person with socialist intentions should be eliminated, I also welcome this amendment Bill. The hon. Minister has tried to include many of the clauses in consonance with the Income-tax Act. About nine clauses are being suggested to do away with the reported loopholes.

I was very glad to hear the speech of hon. friend Shri Mukerjee. He was trying to argue on the idealist line. Shri Masani tried to show to the House that every person who is bound to pay or is likely to pay the wealth tax is necessarily a honest man and it will

be something against jurisprudence if more powers are given to the officers.

Let us look at the picture of the country as a whole. We have a population of about 45 crores. Hardly a million people were on the list of assessees for income tax, before two years. In the last drive to eliminate evasion, the Government have been able to bring in about 35 lakhs people for assessment of income tax. That is the position in the country. Even though income tax is paid by a person who earns more than Rs. 3,600, only a million people are being assessed for income tax. How are we to say that any economic measure is likely to hamper capital formation. Professor Mukerjee rightly said that the so-called "haves" in this country, the people who are to pay taxes are trying to evade payment of taxes. Sufficient reason has been shown to the Government that they have to do away with all the possible loopholes.

Shri Masani said that he was a practising lawyer. He had some glaring objections to some clauses in the Bill. He mentioned two or three clauses. I too had the opportunity of practising in a court of law. My hon. friend says that clause 18 has got a negative burden on the person concerned. I would like to point out to my hon. friend that there are two negatives in this clause which makes one positive. It says:

"Unless he proves that the failures to return the correct wealth did not arise from any fraud or any gross or wilful neglect on his part."

It means a margin of 20 per cent for a person who has got enough to pay wealth-tax. A person who has to pay wealth tax under the existing measure must have a wealth of Rs. 1 lakh or above. So, am I to understand that a person who owns wealth of Rs. 1 lakh in this country cannot assess his property to a margin of 20 per cent? And, there too he may commit mistakes; only, it should not necessarily be wilful mistakes with fraudulent

intentions of hiding the income. Not only that. It is in consonance with the Income-tax Act where for normal assessment we have to file our own returns for each assessment year and the same margin of 20 per cent is provided for there also. This provision has been in the statute book for quite some time. There is nothing against jurisprudence there. If a person with a *mala fide* intention, with a fraudulent intention files a return where the margin is more than 20 per cent, then alone will he come into trouble. Because, 20 per cent is one-fifth and a person who owns wealth worth Rs. 1 lakh can assess his property easily within that margin. But what usually happens is, when a person with a wealth of over Rs. 1 lakhs wants to fill up a form, how can anyone believe that he is not in a position to guess the worth of his property. Then he tries to say about "a piece of jewellery". Am I to understand that in this country persons owning Rs. 1 lakh of property ever have a piece of jewellery? It is practically impossible for persons owning Rs. 1 lakh of wealth to own jewellery. As persons paying wealth-tax belong to the higher class, they can very well know the price or value of the jewellery they possess. Therefore, there is nothing against jurisprudence in this provision.

No doubt, here, power is given to the income-tax officer or the wealth-tax officer. But normally such powers are to be used as and when necessary for administrative purposes. In view of the attempt of people in the higher income bracket to hide their property and keep currency notes hidden in lockers in the latrine or elsewhere, unless these powers are given to these officers, how can they ensure that these people do not evade taxes?

Then, my hon. friend has referred to another clause, clause 31, and suggested that when a proceeding of assessment of an individual is going on, and if there be any charge on that property, then the buyer should not

[Shri Man Singh P. Patel]
 be held responsible. It is a well-known principle of the Transfer of Property Act that the buyer must beware. So, it is always at his risk that the buyer buys the property. Suppose a person wants to clear off his property because he is in difficulties or because of the intentional motive of avoiding or evading payment of tax, should the buyer be made free from all obligations? So, there is nothing against jurisprudence in this provision. It is the normal principle of the Transfer of Property Act. It is the duty of the buyer while purchasing the property to ascertain and find out the position of the property, whether there is any charge on that property either because of Government assessment of tax or because of other reasons. So, I repeat there is nothing against civil jurisprudence in this provision and it is not a burdensome provision.

Regarding the power of searches, my learned friend, Shri Hiren Mukerjee has sufficiently replied to that point. So, I would not go into the details of it.

As I look into the amendment Bill as a whole, I find two or three glaring features. One of them is the procedure for refund. Normally, if refunds are not paid within a short period of six months, interest is to be paid by Government. This provision was already there in the Income-tax Act, but not in the Wealth-tax Act. Now it has been introduced in the Wealth-tax Act also. It has been well said that for whatever reasons, the excess amount paid by the assessee whether by his own assessment or the provisional assessment of the officer, if it is not refunded in right earnest, it will be a burden on the Government on which it will have to pay interest at the rate of four per cent. Considering the present market rate of borrowing

and lending, the interest rate is quite reasonable and I think it is a good feature.

Then I come to the transfer of cases from one wealth-tax officer to another officer. Previously, the assesses used to grumble or complain against individual assessing officers saying that there was great hardship caused to them because they were on inimical terms on account of some particular incident, and there was no possibility of transferring the case from one assessing officer to another. Now, as a result of this amendment, it is possible to transfer a case from one officer to another.

Similarly, there are many other improvements. But I will refer only to one or two amendments which, I feel, are likely to harm the interests of agricultural class as such, specially the cultivators. First of all, I will take clause (2) (b) (e) which now reads:

"any building owned or occupied by a cultivator or receiver of rent or revenue out of agricultural land,"

Now, the words "or occupied" are suggested to be changed into "and occupied". It is well-known that many agriculturists have two houses, one the normal house and the other a farmhouse. As the definition so far as a building "either owned or occupied" both the houses, which cost him somewhere between Rs. 10,000 to 20,000, they were covered by the definition of exemption for calculating the assessment limit. Now, a big farmhouse will not cost less than Rs. 10,000 to 15,000 and a moderate farmer with irrigated land will come under this clause if the definition is changed as suggested in this Bill. What is the position in urban areas? If a person owns a residential building in a town with a population of above 10,000 up to a value of Rs. 1 lakh, it is exempted; if not the operation of this Act. How

many towns with a population of above 10,000 are there in this country? Yet, you are going to exempt all such people from the operation of this Act. So, are we going to discriminate between persons owning a building costing about Rs. 1 lakh in a town with a population of above 10,000 and persons owning two small houses, one in the village and another in the field known as the farmhouse? I earnestly request the hon. Minister of Finance to realise the situation. If a cultivator has got say, 4, 5 or 10 buildings, I have no objection if all his buildings except the one where he is residing are brought within the scope of the Act. But if a simple and honest cultivator has got 30 acres of land and owns one residential house and another farm house, which is absolutely necessary for conducting farming operations, there will be difficulty for the wealth officer to exempt the farm house from the operation of the Act if the present amendment is passed as it is. If the cultivator has a big farm land house with all the modern facilities, including electricity, costing about Rs. 50,000 or so, you can very well bring it within the scope of the Act. But if you include even small farm houses under the Act, while giving exemption to residential buildings valued up to Rs. 1 lakh for urban dwellers, it would be a clear discrimination between rural and urban people. Therefore, the amendment should not have the effect of putting only the rural people under a particular difficulty.

Then, the same difficulty will be felt by the agriculturists under sub-clause (f). According to sub-clause (f), any debt created on an exempted building is not to be deducted from the assessment limit. Suppose, the same cultivator, who has got a farmhouse and a residential house, by good fortune resides in the farmhouse. His residential house, therefore, does not come, in according to the new amended section 2(e), within the exemption limit. If this man wants to take a loan either for purchasing tractors or for having electric pumps, costing

Rs. 50,000, according to the rules of the Development Bank, his residential house can also be mortgaged along with the agricultural lands. If this loan of Rs. 50,000 taken by the cultivator is not deducted from the assessment limit because this is a debt charges on an unexempted residential house in the village, it will again create a difficulty. I do understand that a man owning wealth beyond a lakh of rupees wants to develop some industry or something and, to a certain extent, creates debts for his development purposes. That cannot be exempted. It may be that the intention of the Government might be very simple. But as you are amending section 2(e) as also section 2(m) (ii), this will again create difficulties only for a particular class where exemptions are given. The exemptions are given only to those cultivators who are owning one or two houses or a building owned or occupied. These debts which are created for agricultural development Banks and are normally required. (Now-a-days the cost of a tractor is not less than Rs. 20,000 to Rs. 25,000. So, agriculturists owning certain acres of land and two residential houses, by taking this development loan will be included in the assessment and will be liable to pay wealth-tax. Therefore, this also deserves reconsideration.

I have not given notice of specific amendments to this clause, but looking to the difficulties explained by me, the Government by itself will move the amendments or will think of adjusting in such a way that the honest agriculturist who because of the alluvial agricultural lands having two houses or loan from the Development Banks does not come within the clutches of this Wealth-tax Act.

In the end, I support the amending Bill, I hope, my hon. friend will look into it as early as possible and will try to accommodate the spirit shown so far rather than act against the interest of the cultivators.

Shri U. M. Trivedi, (Mandsaur): Mr. Deputy-Speaker, Sir, one request which I will make through you to the Government is that whenever such long Bills and measures, which require a good deal of study, are brought before the House, it will be well and proper that the Government lets them through into the House by a Select Committee. It gives hardly any time to study this Bill with one, two or three Bills coming in at a time. Sometimes I get four or more Bills in the same packet and it becomes extremely impossible. With the Government machinery at the beck and call of the same packet and it becomes extremely impossible. With the Government machinery at the beck and call of the Ministers, the Ministers also do not know where mistakes have crept in and they come with a long list of corrections and corrigenda. If that happens with the Ministers, our lot is very unenviable on this question. If the Food Adulteration Bill with 10 clauses could be taken to a Select Committee, this Bill with 41 clauses ought to have been put through the Select Committee where every pro and con of the whole question could be studied.

The unfortunate position is that the Government is conscious all the time that it has got a brute majority. This brute majority is of such people who will always say, "Aye, aye". Whatever they may talk or say here, at the time of voting they will say, "Aye, aye". That is why the Government cares tuppence as to how they make the laws. But in fairness to democracy by which we swear it is necessary even for such a Government with a brute majority to have the matter studied well.

Sometimes it so happens that a Member of Parliament who is also a professional lawyer, has got to stand before a court of law and the judges are very apt to remark, "You are the persons who make this rubbish law". It is very hard to swallow, but then it does hit us. You and I are all be-

longing to the same machinery and we have to hear harsh words on account of this.

I give an illustration about this here. I will invite the attention of the hon. Minister to clause 27 of this Bill. In clause 27, at page 21, sub-clause (vi) you say:—

"in relation to the Union territories of Dadra and Nagar Haveli and Goa, Daman and Diu, the High Court at Bombay;"

Why are you so much enamoured of the High Court at Bombay for putting Daman, Diu, Dadra and Nagar Haveli into the picture? Goa is all right because Goa must go to Maharashtra. We are all agreed on that proposition. But how is it that you have come to a particular decision and by the back-door want to put under the High Court at Bombay Daman and Diu which are obviously Gujarati, which are in Gujarat and which are nearer to the Gujarat High Court than the Bombay High Court? But because this is going on for some time and the Bombay High Court is the only High Court you remember, you just shove it in.

When I look to the various clauses of this Bill, I should say, I do not claim to say that I have studied the whole of this Bill but that much which I have studied makes me feel that this measure is merely, as it usually happens, a symptomatic treatment of the various complaints that are made. I am not a protagonist either of the capitalists or, as I would put it, of the ideology represented by my hon. friend, Shri Hiren Mukerjee although I have very great regard for both the persons who represent each view.

What I find is this. I cannot conceive the reason behind the provision that has been made in clause 18 in the language in which it has been put. In

clause 18, at page 11, you have put down:—

“has without reasonable cause failed to furnish the return which he is required to furnish under sub-section (1) of section 14 or by notice given under sub-section (2) of section 14 or section 17, or has without reasonable cause failed to furnish it within the time allowed and in the manner required by sub-section (1) of section 14 or by such notice, as the case may be; or

has without reasonable cause failed to comply with a notice under sub-section (2) or sub-section (4) of section 16; or

has concealed the particulars of any assets or furnished inaccurate particulars of any assets or debts;

he or it may, by order in writing, direct that such person shall pay by way of penalty—

in the cases referred to in clause (a)” etc.

Then, it says:—

“in the cases referred to in clause (c), in addition to any wealth-tax payable by him, a sum which shall not be less than twenty per cent, but which shall not exceed one and a half times the amount of the tax, if any, which would have been avoided if the net wealth as returned by such person had been accepted as the correct net wealth.”

Further, it says:—

“Where the net wealth returned by any person is less than eighty per cent of the net wealth as assessed under section 16 or section 17, such person shall, unless he proves that the failure to return the correct wealth did not arise from any fraud or any gross or wilful neglect on his part, be deemed to have concealed the particulars of assets or furnished in-

accurate particulars of assets or debts for the purposes of clause (c) of this sub-section.”.

Now, Sir, reading this, it appears that the little discretionary power that could exist in any officer in the proper discharge of his duties is being taken away and more so he will act as clause 7 provides, that is, the value will be as prescribed by the rules and not the value as ascertained by the market. The market value is the usual criterion for all purposes under the Land Acquisition Act or under all other Acts where the market value is to be determined. In this case, you do away with it and you go by the prescribed rules. What can be those rules? The Government may prescribe the rules and say that it will be five times the value of the shares which are quoted in the market. Naturally, the man would have assessed his property at the market value and then, if prescribed rules say that it is five times the market value, what will happen to him? He will unnecessarily be charged with concealment. Any honest man will also be hit—I am not concerned with the dishonest who may be hit by it—and such a law should not be made by virtue of which the provisions would be such as to hit any honest person who makes his return honestly. Therefore, such a provision in my opinion is uncalled for.

Then, it says:

“(5) No order imposing a penalty under this section shall be passed after the expiration of two years from the date of the completion of the proceedings in the course of which the proceedings for the imposition of penalty have been commenced.”

Now, this is a good provision. But then when the Government is so considerate in making these provisions applicable to wealthy persons, I do not see any reason why the similar provisions are not made applicable say, for example, in the case of ex-

[Shri U. M. Trivedi]

cise duty on tobacco. If a poor farmer does not know how to keep the accounts and he keeps no account, there is no time-limit for recovering the excise duty that is to be recovered from him. At once, a notice comes after four years or six years or even eight years for the recovery of the excise duty. If the hon. Minister cares to know about it, I will give him the notices which I have in my possession which were served upon a person in 1964 for having grown some tobacco in 1954. And all his cattle were sold away; all his buffaloes were sold away; all his bullocks were sold away; all his fodder was taken away; all the grain that he had grown was taken away. Why are you considerate for the rich and why this consideration is not being shown to the poor? The law must not make this difference between the rich and the poor. I quite see this point and I do not say that it is a bad law. But then make it a good law for everybody. You must forget this method of discrimination and it is this method of discrimination which brings you the odium. I should say that whenever such laws are made, a proper study thereof must be made, not only on the question of drafting but also on the whole perspective of the law as it exists in our country in a particular department. Formerly, it was administered by the Revenue Board. Now, of course, two Boards are there but still they are under the same department. I see no reason whatever for providing a time-limit in one case and no time-limit in another case.

Then, I will draw your attention to the provisions of clause 61. It is entirely a new provision. This is a very peculiar provision. Those of us who have anything to do with the study of law know that the principle of lispendence will apply if they were dealing with property which was itself the subject-matter of litigation. But will it make a good law if you go to this extent, for the sake of revenue, as not to hit the person who does the

wrong but to hit the person who has himself been duped? This provision says:

"Where, during the pendency of any proceeding under this Act, any assessee creates a charge on or parts with the possession by way of sale, mortgage, exchange or any other mode of transfer whatsoever.....".

Now, the sale is a complete transfer and a *bona fide* purchaser for value cannot know whether any proceedings are pending against the assessee or not and even the assessee may not know it because the proceedings may be still kept in the dark. And if these proceedings are pending, how can it be conceived that a *bona fide* purchaser for value will come to know of the proceedings and in the absence of his knowledge how is it that instead of doing harm to the person who transfers the property knowing that there is something to do with the estate duty, he sells it to another person and that poor person is harmed by the law? I will, therefore, request you to see that such a law which hits innocent person must not find a place on the statute book. What it says is:

"... or transfer shall be void as against any claim in respect of any tax or any other sum payable by the assessee as a result of the completion of the said proceedings;"

Now, the proceedings will be completed after 10 years or 20 years. The man has enjoyed his property and he sells property without his knowing anything about the proceedings. Therefore, this law must show that the purchaser for value must be a *bona fide* purchaser. There must be the determination of the intention and the intention must form part of this particular provision. Then only, this provision can stand as a good law. Otherwise, it cannot be a good law and it will be harmful to the cause for which it is being made.

Now, I will draw your attention to clause 36. A new section 37A is being added. The language adopted in this clause has been the subject of interpretation from time to time in different ways by different High Courts and also by the Supreme Court. This is what it says:

"37A. (1) Where the Commissioner, in consequence of information in his possession, has reason to believe that—

- (a) any person to whom a notice under sub-section (4) of section 16 or a summons under section 37 was issued to produce, or cause to be produced any books of account or other documents, has omitted or failed to produce, or cause to be produced, such books of account or other documents as required by such notice or summons, or.....

he may authorise any Inspecting Assistant Commissioner or any Wealth-tax Officer to enter and search, with such assistance as he may deem necessary, any building or place where he has reason to suspect that such books of account"

Now, what will happen? There are honest officers, and there are dishonest officers. And in my opinion there are more of the latter category than of the former. A threat is held out to any man that "here there is an information, we are coming for a search, unless and until you give some hush money this will be carried out and carried out to the detriment of your prestige." Will it not be proper, therefore, to say that this clause must be so moulded as to suggest some definite information in writing? Just as in the case of the Opium Act a definite information in writing is necessary for the opium officers to go and search, why should such a provision be not here: why should there be only just a little hush-hush word? I re-

member, in so many cases, even if information is sent in writing to the Finance Department, the Finance Department does not move. But in cases where there is any animosity with any particular assessee, this will be found as a weapon of offence and a weapon of oppression of some person who may not be in the good books, or for some reason might have fallen in the grace, of the income-tax officer or wealth-tax officer, as the case may be.

Therefore, a provision of this type must not be made in the manner in which it has been drafted. There ought to be definite information in writing, not merely probable. 'Definite' and 'indefinite' itself is very vague. What is required is definite information in writing in his possession.

The Minister of Planning (Shri B. B. Bhagat): Have you tabled some amendments? These are not your amendments, I suppose.

Shri U. M. Trivedi: I have given only one amendment, about giving by the back door Dadra and Nagar Haveli to Maharashtra. I am only making a suggestion. It must come from you and it must be passed; no use my giving an amendment which will not be passed.

Therefore, I say, this criticism that I have offered I have offered in a reasonable, legal, legitimate manner, and I hope that the Finance Minister will accept it.

Shri V. B. Gandhi (Bombay Central South): Mr. Deputy-Speaker, Sir, it is too late in the day for this Parliament to discuss whether it is desirable to have a wealth-tax or not. Time and again, several times this House has taken a decision. It has accepted the principle of direct taxation; it has levied taxes like income tax, wealth tax, gift-tax and expenditure-tax. Therefore, we need not labour that point any more at this stage.

[Shri V. B. Gandhi]

The Bill before this House is a simple one. In view of the fact that we have already recodified the income-tax law in 1961, it was necessary and also unavoidable that such a Bill should be brought before Parliament. Now, since the basic pattern of the wealth-tax Act is very much similar to that of the Income-tax Act, such a Bill was due and to be expected.

As I said, it is a fairly simple measure and yet it requires certain minor changes in some of the provisions which will improve it considerably, and I hope that the few suggestions that I am going to make will be considered by the Government.

I will first begin with clause 7. Clause 7 provides that the estimation of the market value of an asset will be made subject to any rules made in that behalf by the Government. It has been the experience of many of us, and we have heard from many people whose opinion we should ordinarily value if we are not prejudiced, that the way this valuation at present is made—I mean valuation based on market value which is made at present,—is made in a very rigid manner. And if we accept this new amendment, I think the procedure is going to be extremely rigid and, I think, likely to cause more trouble than any good to the assesseees.

What usually happens is that the wealth-tax officers do not give sufficient regard to all the circumstances involved in a certain case. For instance, there are such circumstances to be considered, say, in the case of shares, unquoted shares, such circumstances as the relative security of the business security of the shares, the nature of the business of the company, the liquidity in the event of emergency, and such other consideration. Usually what they do is, they go upon the instructions that the wealth-tax officers have been provided with by the Government, by the Board of Direct Taxes, or what is called the

yield method or, the breakup-value method. Breakup-value method is that which amounts to estimating the total assets and dividing them by the number of shares. These are all right, as they are, up to a point.

Fortunately, before this new amendment in clause 7 is to come into operation, we at least have had some kind of an element of flexibility in the case of valuation, because the appellate authorities were not bound by this new provision as they would be after the rules come into force. Now, that would not be the case. My suggestion would be that we should not have any such rigid provision by making the thing subject to such rules as the Government may make, but that Government should provide certain criteria and certain guide-lines which the wealth-tax officer should bear in mind.

15 hrs.

May I also make one more suggestion that we would very much like if Government would consider, when they bring out these rules, that these rules should in the first place, be brought out as draft rules and be allowed to be circulated and considered by Parliament and other bodies concerned?

Then, I turn to clause 18. In clause 18, the power to impose penalty has been vested or continues to be vested. I should say, in the wealth-tax officer, the appellate assistant commissioner, the commissioner of wealth-tax and the appellate tribunal. We thought that if this Bill was to follow the pattern of the income-tax law, then probably they should have dropped the last two authorities, namely the commissioner of wealth-tax and the appellate tribunal. In fact, recommendations to that effect had been made in the past. For instance, the Income-tax Amendment Act, 1939 omitted the commissioner and substituted the appellate tribunal. The Law Commission later omitted the appellate tribunal also. There is something

to be said in the idea that after all sufficient consideration or detailed consideration is received by the case at the level of the wealth-tax officer and the appellate assistant commissioner, and the higher authorities should be left to take care of the judicial considerations only and they should not be burdened or involved in the imposition of penalties.

Then, I shall come to an important point, namely the explanation in clause 18. That explanation reads as follows:

"Where the net wealth returned by any person is less than eighty per cent of the net wealth ... as assessed under section 16 or section 17, such person shall, unless he proves that the failure to return the correct wealth did not arise from any fraud or any gross or wilful neglect on his part, be deemed to have concealed the particulars of assets or furnished inaccurate particulars...."

Here, the question that we have to consider is this. Is it not possible under this provision that a person could be proved not to have failed to return the correct wealth and not to have been guilty of any fraud or gross neglect on his part, and yet he could be involved or there could be a kind of implication and he could be brought within the purview of this explanation only on the ground that the net wealth as returned by him is less than 80 per cent of the net wealth as assessed by the wealth-tax officer? Such a thing conceivably can happen. The person can be one who has given all the details of his assets to the authorities, but his valuation or his estimation of the value of his net assets could be different from the valuation placed by the officers. There could certainly be an honest difference between the two. So long as this explanation remains in this Bill, the presumption will be there against the man simply for the reason that the two estimates differ from one another. Here, it seems that this provision is included in this Bill perhaps because

a similar provision has been included in the Income-tax Act. That is not a ground good enough to include it here for the simple reason that the concept of wealth and the concept of income are entirely two different concepts.

In the dictionary, the meaning of 'wealth' is given as:

"riches, large possessions, opulence..".

The meaning of 'income' is given as:

"periodical (usually annual) receipts from one's business, lands, work, investments etc..".

In economics, of course, the difference is made very clearly and elaborately full. However we need not go into that. But it is very clear that the two concepts are different. In the case of income, it is possible to calculate income and give it some kind of a monetary expression and also to have a greater precision. But in the case of wealth, all kinds of things can constitute wealth, and, therefore, the possibility of an honest difference of opinion in the value of one's net wealth or one's net assets is very much present there, and, therefore, this fact should be considered. I would only add that if the provision must be retained it should be further provided that the question of penalty shall not arise if the difference between the return and assessed net wealth arises on account of difference of opinion in the matter of valuation. If the assessee has given information regarding all the assets to be taken into consideration, there should be no ground for inferring concealment. It may be submitted that in a Wealth Tax Act, a provision of this kind about wealth as distinguished from income will be misplaced.

Shri Kashi Ram Gupta (Alwar): Deputy-Speaker, Sir, whenever there is a Bill of this nature, there is always a controversy between my friends of the Swatantra Group and the Communist Group. I do not know whether such things should come in a Bill of this nature. But one thing is certain,

[Shri Kashi Ram Gupta] that the democratic socialism of the ruling party is so confused that all these controversies are going to increase instead of decreasing.

I think the time has come when instead of having bills of this nature, we should revolutionise the whole thing. In my opinion, the problem of evasion of taxes can be tackled successfully only if the Finance Minister and the Government take a dynamic attitude and bring forward a Bill to limit the assets of persons.

Shri Nambiar: Ceiling on wealth.

Shri Kashi Ram Gupta: Yes, a ceiling on wealth, rather than adopt this indirect way of taxing.

Shri Nambiar: And confiscate the remainder.

Shri Kashi Ram Gupta: The question will be asked, if a ceiling on wealth is put, what will be the incentive for people? In my opinion, incentive will be there if you definitely divide wealth into three or four categories. The first question is whether landed property is to be patronised or discouraged. In my view, this should be discouraged. But persons who own certain property as a means of livelihood may be treated leniently. At present, there is no such provision. Secondly, possession of jewellery, gold etc. should also be discouraged and highly taxed. At present, there is no such provision. Now that the limit of wealth tax has been reduced to Rs. 1 lakh, people who do not know how to keep accounts in a proper manner will be hard hit. Suppose a person has got a total wealth of Rs. 1½ lakhs, some in landed property, some, a limited amount, in liquid capital. He will be harassed the most.

Therefore, to bring amendments in this manner, putting all persons in one category, making no difference between the high and the low and the middle class, will not serve the purpose and will only increase hardship.

Coming to certain clauses, in cl. 4, as regards computation of net wealth, there is a phrase used, 'adequate consideration', regarding the inclusion of the wealth in the name of the wife. This expression 'adequate consideration' can mean anything and can be interpreted in any way by the officer concerned. My opinion is that if a limit is put on the wife's wealth, that so much of the wealth need not be computed and included in the wealth of the husband, that will be much better, because the main factor is: under what conditions that wealth has been given. Suppose a man is very old. His sons are not on good terms with him. To provide for his wife who may not be a literate lady, he sets apart that much amount. Such amount should always remain with the lady and should not be assessed in the wealth of the husband.

The same point holds good about minor children. There are instances of people who have got two or three sons. The older ones die. To safeguard the interest of the child, the person thinks that he must do something for him or her. That amount also should not be taken into consideration for computation. So there should be a proper definition of 'adequate consideration'.

Dr. M. S. Aney (Nagpur): Do you suggest one?

Shri Kashi Ram Gupta: My point is that such amounts should be exempted. I was late in coming. I thought this Bill would not come up so soon. So I could not table any amendment.

Then in cl. 10, there is reference to a 'Director of Inspection'. No qualifications have been laid down for this officer. What sort of man he can be and what will be his functions—I do not know. I do not understand why a special category of official has been designated in this Bill at this juncture. The hon. Minister will kindly explain it while replying.

So many members have expressed their doubt about the explanation on page 12 wherein an 80 per cent limit is put. In my opinion, this limit is not needed in this case because the question of income tax is on a quite different footing. This provision has been copied from the Income Tax Act. I think it was not necessary to bring it here. When the Finance Bill was being passed in this House, I had sent in an amendment saying that those persons whose income was Rs. 20,000 or Rs. 15,000 should not be subjected to this. The same thing applies here. Below a certain limit, Rs. 3 or 4 or 5 lakhs, this should not apply. Otherwise, this will give rise to so many difficulties for the lower middle class.

The hon. Minister had given an assurance last time on one point, that so far as action against concealment is concerned, it will be taken specially in the higher categories and unless and until the information is very definite, small people will not be harassed. I think he must be able to think out some amendment putting a limit below which it will not be applied; otherwise he shall have to give an assurance so that persons who are honest but are not so capable as to keep up-to-date accounts can get relief.

Shri Bade (Khargone): 80 per cent. of the assessed valuation of property—no use of saying that.

Shri Kashi Ram Gupta: I am coming to that. The main difficulty, as has been expressed, is this. Take the provision for putting up two valuers, one from the side of the assessee, and the other from the side of the Government. If they do differ, the provision will come in. That is why I say that people owning small properties, below Rs. 2 or Rs. 3 lakhs should not be harassed. That can only be done when you specify an exemption limit for the purpose of this Clause.

If the valuer nominated by the assessee gives his report, but the Government valuer does not give the re-

port, what will be position? It has been stated that if one valuer does not give his report, the tribunal will proceed with the matter. In my opinion, if the Government side lacks in its responsibility, then the report of the assessee's valuer must be respected to a very large extent. The tribunal should give due weight to that report, instead of proceeding in a one-sided manner.

I do not understand how rural properties can be taken up for Wealth Tax. A peasant may give an estimate of Rs. 1 lakh for his rural property, but the market value may not be even Rs. 10,000. The determination of the market value is not a practical thing there. Therefore, Government has to see what steps they have to take about rural property. So far as housing in the rural area is concerned, whatever maybe its value, it is needed only for residing purposes. People do not even reside there, they go out to earn, closing their houses. Therefore, such rural property must never be taken into account while computing the Wealth Tax.

Land, too, is a very complex problem. How to fix its market value. Every year it increases or decreases as the value of land in the village goes up or down. Therefore, such cases have to be specially dealt with, and while framing the rules, village people's property must be put on a different footing from urban property.

Shri Bade: What is the standard for valuing the land?

Shri Kashi Ram Gupta: I have said that it is a very difficult problem.

I have mixed feelings towards this Bill, and I welcome it to a limited extent. I do not think this Bill can serve the purpose of eradicating evasion among the rich people, but at the same time, I think that such provisions are necessary to see that in future people may not try to dupe Government.

[Shri Kashi Ram Gupta]

Monopoly capital has got such a big power in its hands that it can flout the present provisions also, and hence, while seeking to implement the provisions, special care must be taken to see that a certain category of people who know how to evade taxes are taken to task drastically, while the others are dealt with leniently.

Shri R. G. Dubey (Bijapur North): I find myself in the happy position of being able to agree with some reservations which Comrade Mukerjee, the leader of the Communist Party has made. I hope Comrade Nambiar would not grudge my calling him the leader of the party because he acknowledges Shri Gopalan as his leader.

Shri Mukerjee referred to conditions prevailing in the U.K., the Labour Party, socialism and all that. I agree with much of what he said. In fact, I would go a step further and say that this has nothing to do with socialism. Even in the so-called capitalist countries, such measures are adopted with a view to attain the welfare of society.

I think the time has come for us in this country and in this House to make up our minds as to whether we care for the top dog in the society, for the welfare of a few people, or for the large majority who, even today, go without a meal a day, leaving aside the conditions in Kerala. On the one hand we want the Finance Minister to have a drive for recovery of taxes, arrears and all that, on the other hand, we do not leave a chance to criticise him for doing this and that.

What about the standards or code of conduct of the merchants, traders and industry in this country? I do not think in any other country in the world milk or foodstuffs are adulterated. The other day Shri Chatterjee quoted from his own experience about coaltar being mixed with some kinds of edible oils. Is that the way you allow things to go on in this country?

Leave aside socialism or communism. There is humanism also. While millions and millions starve without food, you allow the people to make profits at the cost of millions, whatever ism you may call it. We must see to this that people in our country hereafter are enabled to have two square meals a day, and they are fully clothed.

The Finance Minister, in the course of his Budget speech, made an observation that he would be able to make good the deficit in the Budget with the help of recovery of arrears. I congratulate the Finance Minister and his Ministry on their very serious drive to recover arrears in the country. I do not know the exact figure, but I am told there were many lakhs of people in this country who, though they deserved to pay tax, have somehow escaped the income-tax law. They have been brought on record now, and they are going to be taxed. There is necessity for more taxes every because only because such people escape taxation. It is ridiculous that although there are people who can pay and should be taxed, although there is scope for recovery of arrears, more taxes are being put on the others. We must see that we do not allow scope for such kind of people hereafter.

I am also glad that serious efforts are being made to recover what is called unaccounted or hidden money. This is the first time it is being done. I know the Finance Minister and his Ministry has to incur the displeasure of people in the country who are possibly influential, but we need not care for those people.

15.28 hrs.

[DR. SAROJINI MAHISHI *in the Chair*]

I agree with Shri Patel and other friends. It is true that sometimes clauses are so framed and so interpreted that innocent people also might be brought into trouble, but in every law there is this trouble.

The purpose of this Bill is very limited. The Income-tax law was amended in 1961, and they now want to bring the Wealth Tax Law in conformity with that, because both are inter-related. So, this is a timely measure, and we have to support it wholeheartedly.

I would also join other hon. Members in requesting that our legal system must be reoriented. We pass many laws in this country. In a modern society we cannot avoid passing complex laws, but the laws should not be passed in a hurry. They should be framed in such a way that the innocent people are not put to trouble.

With these observations, I broadly support the intention of this Bill and commend it to the acceptance of the House.

श्री बागड़ी (हिंसा) : सभापति महोदया, सरकार वाणी से बात गरीब की करती है, और मन पूजीपतियों में है और कर्म से वह सिर्फ अना भला चाहती है ऐसा ही कुछ प्रतीत होता है। यह जो संशोधन विधेयक है उस से ऐसा प्रतीत होता है कि इस संशोधन के जरिए पूजीपतियों से कर वसूल होगा और फिर वह पैसा इस देश में गरीबों के लिए और इस देश के उद्धार के लिए लगेगा लेकिन जैसा मैं ने कहा अमल उस के बिलकुल विपरीत होगा।

आज आप देखिये कि देश के अन्दर अणु बम को लेकर एक बड़ी अच्छी खासी चर्चा चल रही है। हमारे प्रधान मंत्री बार बार उस के बारे में कहते हैं कि हम इस देश में अणु बम नहीं बनायेंगे। लेकिन आप सोचियेगा कि क्या दरअसल इस देश के अन्दर अणु बम बनाने की शक्ति भी है या नहीं? अब शक्ति तो हमारे अन्दर इतनी भी नहीं है कि हम अपने भारत के लोगों का पेट भर पायें। हिन्दुस्तान में 37 करोड़ इंसान आज सिर्फ पाव भर अन्न के ऊपर जीवित हैं। आधा पेट भी उनको

भोजन मयस्सर नहीं हो पाता है। देश की जनता की बड़ी खराब हालत हो रही है। हमारे देश की जनता की हालत तब बेहतर हो सकती है जबकि उनके खाली पेटों को हम भरें और इस देश की जो सनअत है, उद्योग धंधे आदि हैं उन की तरक्की हो। जब कभी सनअत की तरक्की करने की बात आती है तो उसके लिए हमारे कांग्रेसी भाई चिल्ला उठते हैं कि हमारे देश ने बहुत तरक्की इस क्षेत्र में की है लेकिन उन लोगों से मैं ने बार बार इस सदन में पूछा है और आज फिर पूछना चाहता हूँ कि अगर हमारे देश ने सनअत के मैदान में वाकई तरक्की की है तो आप बतलाइये कि अग्नेजों के जमाने में हिन्दुस्तान का नम्बर सनअत की फ़ील्ड में आठवां था तो आज अन्य देशों के मुकाबले में उद्योगों के अन्दर हिन्दुस्तान का कौन सा नम्बर है? अब अगर हिन्दुस्तान का नम्बर आठवें से छठा या सातवां हुआ है तब तो यह माना जा सकता है कि उसने हाल में इस क्षेत्र में तरक्की की है लेकिन अगर उसका नम्बर अब आठवें के बजाय नवां, दसवां, ग्यारहवां और बारहवां हो रहा है तो वह तो तरक्की करना नहीं कहला सकता है और उस हालत में तो हम दूसरे मुल्कों के मुकाबले में तनज्जुली की तरफ ही जा रहे हैं।

मैं अर्ज करूंगा कि आज देश के अन्दर 50 अरब रुपया हिन्दुस्तान की 33 सैकड़ा जो आमदनी है वह हिन्दुस्तान के सिर्फ 45 लाख इंसानों के पास चली जाती है। अब अगर इस देश के अन्दर कोई कर की वसूली ज्यादा करने की ज़रूरत हो तो वह इस 45 लाख की जनसंख्या पर होनी चाहिए जिनके कि पास 50 अरब रुपया चला जाता है। सरकार को उसे सक्ती के साथ वसूल करना चाहिए। लेकिन वह वसूल नहीं हो पाता है। इस के बरखिलाफ़ आप देखेंगे कि हिन्दुस्तान के अन्दर जो छोटे लोगों का बकाया है उन से तो डंडा मार कर और पुलिस के जरिए वसूल कर लिया जाता है। अगर किसी गरीब

[श्री बागड़ी]

आदमी के ऊपर 10 रुपये भी कर की वसूली बकाया रह जाती है तो गरीब लोगों से वह डंडे के जरिए वसूल कर लिये जाते हैं और उसके लिए फटाफट वारन्ट कट जाते हैं लेकिन इसके विपरीत देश के उद्योगपति उससे कहीं अधिक पैमाने पर बड़े धन की चोरी करते हैं, टैक्सेश बचाते हैं लेकिन उन के साथ सख्ती के साथ पेश नहीं आया जाता है। हमारे देश के अन्दर उद्योगपतियों द्वारा करों की जो भारी चोरी चलती है वह तो एक तरफ रही लेकिन सरकार ने अपने रजिस्टर्स में जो उन पर वाजिब कर वसूली के आंकड़े दर्ज कर रखे हैं वह वाजिब कर भी यह सरकार उन से वसूल नहीं कर पाती है। इसका मतलब यह है कि मन उधर है बाकी कर्म सिर्फ अपने में है। जब तक सरकार इस तरह से कथनी और करनी में फर्क रखेगी और इस तरहसे बहकती और भटकती रहेगी तब तक यह काम नहीं हो पायेगा क्योंकि वह अपनी कथनी को अमल में तो लाती नहीं है।

जब सरकार के अफसरान और मंत्रियों के अपने बजट में, थोड़ा बहुत उन की सुविधा में फर्क पड़ता है तो एक वसूली की चर्चा कर के हम उद्योगपतियों और पूंजीपतियों से 5, 10, 20 या 30 करोड़ रुपया इकट्ठा कर लेते हैं। अगर उसने इस तरह से इतना रुपया उनसे इकट्ठा कर लिया तो ऐसा समझने लगती है मानों उस ने कोई तीर मार लिया हो और उस के बाद बस सब ठप्प हो गया। यह भी देखा गया है कि जब देश में एक ग्राम चर्चा चलती है कि सरकार निर्बल है और वह पूंजीपतियों और उद्योगपतियों पर हाथ नहीं डाल सकती तो वह किसी एक आघ पर हाथ डाल देती है जैसे कि उसने साहू-जैन पर हाथ डाला। इससे जनता में एक संतोष की भावना आई और उस के मन में आशा जगी कि सरकार इस देश से अष्टाचार का मिटायेगी और यह एक मुट्ठी भर पूंजीपति जो देश की और जनता की कमाई को लूटने

हैं और उनको ऐक्सप्लैट करत हैं उनको यह सरकार काबू में करेगी लेकिन जल्दी ही उसकी आशा निराशा में बदल जाती है क्योंकि साहू-जैन के बाद इस सरकार ने और किसी उद्योगपतियों पर हाथ नहीं डाला। सरकार अगर उसके बाद बिलकुल चुप न बैठ जाती और बिड़ला बंधुओं पर और बाजोरिया बंधुओं पर अपना हाथ डालती तो जनता में उसके प्रति एक विश्वास आता और वह यह समझने लगती कि इस देश के अन्दर जो करोड़पति और अरबपति-पूंजीपति और उद्योगपति काला धन इकट्ठा करके उस सम्पत्ति पर सांप की मानन्द फन उठाये बैठे हुए हैं और जोकि करों की चोरी करते हैं उनसे इस देश को मुक्ति मिलेगी। इस देश के अन्दर जहाँ 37 करोड़ इंसानों को पाव भर अनाज मयस्सर न हो जहाँ कि 27 करोड़ आदमियों को तीन आने रोज की आय हो उनकी खराब हालत बदलेगी और वह भी इंसान की तरह जिन्दगी बसर करने के लायक बन जायेंगे।

मैं आपकी मार्फत अर्ज करूंगा कि यह सरकार कभी चीन के संकट की तो कभी पाकिस्तान के संकट की बात करती है और इधर अणु बम की चर्चा होने लगी है लेकिन मैं तो इस सरकार से यही अर्ज करूंगा कि हिन्दुस्तान के उद्योगों को इस काबिल बनाइये कि वह संसार के दूसरे देशों का सनअन के क्षेत्र में मुकाबला कर सके। हिन्दुस्तान की जनता को पेट भर रोटी दो तब जाकर आप लोग इस देश के अन्दर अणु बम की बात कर सकेंगे। डा० भाभा या किसी मंत्री ने तो इतना कह दिया कि अणु बम के बनाने में लगभग 15 लाख खर्च आते हैं और हिन्दुस्तान भी अणु बम बना सकता है। एक अणु बम की कीमत 15 लाख है ऐसा उन्होंने अन्दाजा लगाया है लेकिन 15 लाख का अणु बम हिन्दुस्तान भी बना सकता है ऐसा कहना तो उसी तरह होगा जैसा कि 14000 की गाड़ी के लिए कह दें कि 14000 की गाड़ी हम भी

बना सकते हैं लेकिन जब वह यह बात कहते हैं तो वे यह क्यों भूल जाते हैं कि 14000 की लागत की गाड़ी तैयार करने के लिये करोड़ों रुपये का कारखाना लगाना पड़ता है। उसी तरह से अणुबम तैयार करने के लिए उसका कारखाना सेट अप करना होगा और उसके कारखाने के लिये 15 अरब रुपया चाहिये तब जाकर कहीं आपका 15 लाख रुपये का अणु बम बनेगा। और वह भी इस देश के उद्योग धंधे एक दूसरे से इतने जुड़ें और अपनी शक्ति को मिलायें, तब जाकर कहीं अणु बम की बात बनती है। उसी वक्त आप फँसला कर सकते हैं अणु बम बनना है या नहीं। घर में सूत न कपास, कोरी से लट्टम लट्टा वाली बात इस अणु बम के बारे में हो रही है। अब हमारे प्रधान मंत्री बेचारे आधे थके हुए तो पहले ही थे पर अब इस अणु बम की चर्चा करके बिल्कुल ही थक गये और वह कहने लग गये कि हम अणु बम नहीं बनायेंगे, नहीं बनायेंगे। लेकिन असली सवाल जो उनके सामने दर-पेश है वह यह है कि हिन्दुस्तान की भूखी जनता का पेट भरना है या नहीं। हिन्दुस्तान के पूँजीपति जो कि काले सांप की तरह से हिन्दुस्तान की सम्पत्ति पर फन फैलाये कुंडली मारे बैठे हुए हैं उनके फनों में से और उनके पंजों में से इस देश की गरीब जनता को और उस महान सम्पत्ति को निकालना है या नहीं? इस देश की गरीब जनता को हक दिलाना है या नहीं? देश की जनता को भूखा मारने वाले लोगों को अंकुश से काबू में लाना है या नहीं? सवाल तो इस बात का है? लेकिन वह अमल कितना होता है यह किसी से भी छिपा हुआ नहीं है। इनकम टैक्स देने वाले किस तरह से टैक्स को इवेड करते हैं और धोखा करते हैं वह भी किसी से छिपा हुआ नहीं है।

अब मैं बतलाऊँ कि लोक सभा और राज्य सभा के जो सदस्य हैं उन पर जो आयकर लगता है वह सिर्फ उनकी तनख्वाह पर

लगता है, उनके भत्तों और अन्य सुविधाओं आदि पर कोई इनकम टैक्स नहीं लगता है। इसी तरीके से जिस किसी की सरकार में 1000 रुपये तनख्वाह है उसे सुविधा 5000 रुपये मासिक तक की रहती है। इस देश के अन्दर एक अजीब रिवाज है कि मूँछ लम्बी और दाढ़ी छोटी होती है। दरअसल टैक्स भत्तों और उनकी सुविधाओं पर भी लगना चाहिये।

काफ़ी टैक्स का पैसा बकाया पड़ा हुआ है। मैं आपकी मार्फत सरकार से अर्ज करूँगा कि टैक्स लगाने से पहले जो पिछला बकाया पड़ा हुआ है और वह बहुत काफी है उसे सरकार सख्ती से वसूल करने के लिए अमली कदम उठाये। चूँकि वह काम नहीं चलता है इसलिए इस देश की जनता को सरकार की कथनी में और उसके वायदों में विश्वास नहीं रहा है और यही कारण है कि जनता का सहयोग सरकार को नहीं मिलता है। देश की आम जनता समझती है कि सरकार का मन पूँजीपतियों के ही साथ अभी तक है।

मैं एक छोटी सी मिसाल आपके सामने रखना चाहता हूँ। आज हालत यह है कि 100 रुपये का क्लर्क, मास्टर, पटवारी अगर अपनी तनख्वाह बढ़ाने की मांग करता है तो सरकार उसकी कोई परवाह नहीं करती है और सरकार कह देती है कि उसके पास इसके लिए पैसा नहीं है लेकिन दूसरी तरफ़ यह देखते हैं कि पार्लियामेंट के मेम्बरों ने 100 रुपया अपनी तनख्वाह में बढ़ा लिया और 300 रुपये भत्ते में बढ़वा लिया। इन सब बातों से जनता का विश्वास सरकार के प्रति टूटता जा रहा है। उसे यह पता है कि कागज में कोई भी कानून क्यों न रहे उससे कुछ बनने वाला नहीं है।

थोड़ा मैं जमीन की बाबत अर्ज कर दूँ। हिन्दुस्तान में अगर जनता का पेट भरना है तो चार करोड़ टन अनाज और पैदा करना

[श्री बागड़ी]

पड़ेगा। उसके लिए जरूरी है कि जमीन की सुविधा दी जाय और जमीन पर से कर हटाया जाय। शहरों में जहां 3000 रुपये से कम की आमदनी वाले लोगों पर कोई टैक्स नहीं है वहां दूसरी तरफ गांवों में एक एकड़ वाले पर भी माल आबियाना है। उसके ऊपर भी कर लगता है। सरकार को चाहिए कि गांवों में जिस किसान के पास 6 एकड़ या 6 एकड़ से कम जमीन हो उस पर कोई कर नहीं होना चाहिए। मैं इन शब्दों के साथ अपनी जगह लेता हूँ।

Shrimati Renuka Ray (Malda): Mr. Chairman, I welcome this measure which is trying to bring the wealth-tax into line with the Income-tax Act of 1961. It shows that the Government seriously intends to put this wealth-tax into operation and not just make it a kind of appendage of the taxation structure to which Shri H. N. Mukerjee referred. It shows the right intent, and I am certain that the clauses of the Bill which bring them into line with the Income-tax Act will help the implementation of the Wealth-tax Act in a much more satisfactory manner.

When Shri Masani was speaking, he was pleased to bring up the whole question of whether the Wealth-tax should be there or not. But we are actually not considering that. We are not considering the entire taxation structure but only certain amendments to the Wealth-tax Act which already exists. Shri Masani is sometimes a very gloomy prophet of how the economic growth of this country is going to be destroyed because the country has to collect taxes from the rich. This is one of the themes on which he labours very often and even when it is somewhat irrelevant to the Bill under consideration he still brings it up. He has, however, brought up certain points which are in reference to the actual clauses on which I should also like to say a few words. This is done on both sides. But this time Mr.

Mukerjee has made a very reasonable speech understanding to some extent the need of being practical in regard to releasing the taxes rather than have some theoretical approach, which cannot actually become a reality. It is good thing.

To collect the taxes and to deal with tax-dodgers, these provisions have got to be made effective. We are on the one hand telling the Government time and again, "Why don't you catch the tax-dodgers?" But when they do make some attempt—they made some spectacular attempts recently to catch those who have unaccounted money—there is always a hue and cry that those who pay taxes are being harassed. I am all against harassment. It does take place sometimes no doubt, but in the name of harassment, to say that no steps should be taken and the income-tax authorities should not be properly armed to get hold of the tax-evader is to beg the question and not to be in line with the ideas that have gone into our budget. Mr. Masani said that the budget this time would destroy the entire production in the industrial sector of our economy. The communists said that Mr. T. T. Krishnamachari, as Finance Minister, has been making concession after concession to the big business. I think the truth lies in between and Mr. Krishnamachari, while taking into consideration the private sector, which does exist in a mixed economy and to which we must give consideration so long as we have a mixed economy, has made certain changes by which the private sector is now on its mettle. If it really wants to help in building the economy of this nation, I suggest that they take advantage of the opportunity given to them while the going is good. Through a mixed economy, we have to build this country in such a manner that the distribution of wealth does in fact bring to all the people a minimum standard of living. We can only continue in this democratic framework, which is the only frame-work in which I certainly believe, if we can at the

same time be successful in our endeavour to build a socialist economy through democratic means. To that end, the Finance Minister has been giving a good deal of attention and his budget and the subsequent Bills that he has brought before the House are with that end in view. But it does not mean that we want to harass those who pay taxes.

Clause 19 is a very healthy provision. When a person is deceased, if the executor is not empowered to act for him in a proper manner, some harassment does take place. It has happened and I am very glad to see the rational manner in which the Finance Minister has immediately acted by bringing this clause.

Mr. V. B. Gandhi has suggested an amendment to clause 18.

Shri Nambiar: Mr. Masani also wanted that.

Shrimati Renuka Ray: Yes. When he came down to brass tacks, the only fault he could find with the Government was that there may be some difficulties regarding valuation. If there are different valuations done, the assessee may suffer. I am sure the Finance Minister will look after this in the rules. He is a very practical man and he will not let the assessee suffer undue hardship. This is a matter which could be looked after in the rules. This is not a matter which should hold up the operation of this Bill. There is no doubt that the wealth-tax has remained for some time on the statute-book without being effectively operated. This Bill is essential, so that wealth-tax can be operated properly. So, I would again say that clause 19 is a healthy provision.

I cannot for the life of me see anything in this Bill which can be objected to. So far as the structure of the wealth-tax is concerned, it is an accepted policy of our Government, endorsed by the House. It is already

there in our taxation chapter. The question is how to operate it in a proper manner and to see that the tax-dodger does not get away with it, and also to see that no harassment takes place. These are looked after in this Bill.

I do feel that this Bill is something which is over-due and I am glad it has come. I am glad Government is trying to take measures through which, while avoiding harassment of those who pay taxes, the tax-dodger is caught. Probably tax-dodging is there in every country in the world; it is nothing new to India. But there are ways and means by which it is done in other countries. There may be legal devices through which people do not pay their taxes. Perhaps India is one of those unfortunate countries where a portion of the business community—not all—evade paying their taxes through very much more questionable means than the legal means that allow them to dodge taxes. Therefore, every measure that is taken to make it more stringent is necessary.

With these words, I welcome this Bill.

Shri Nambiar: Sir, I must confess that I am not very much enthused by this amending Bill, because the hon. Finance Minister, by introducing this measure during the budget debate, has sought to undo what Mr. Morarji Desai had done, but failed. Mr. Morarji Desai had scrapped the whole thing saying that it is not going to fetch much results and the amount that has to be spent on its collection is very high; and therefore, it is not worth trying. But Mr. T. T. Krishnamachari thought he should bring it again with gusto. But what is the result? So far as I can understand, the revenue that is accruing out of it is only about Rs. 10 crores and the amount that is going to be spent for its collection is very considerable. Therefore, ultimately it reduces to the position which Mr. Morarji Desai took previously.

I thought, on the other hand, while bringing this amending Bill he would

[Shri Nambiar]

bring in certain stringent measures to see that more revenue is brought out of the hidden or partly unaccounted wealth. After all, what is the principle behind this wealth tax? The principle is that a few elements have amassed wealth at the cost of the common man and that wealth is to be shared very slowly by all people by imposing taxes so that the common man can get the benefit out of it. Amassing of wealth is nothing but exploitation. I can understand one amassing wealth directly by hard labour, but it cannot be to the extent of lakhs and crores in a short time. If one acquires lakhs and crores in a short time, it must have been earned out of the sweat and labour of the common man. Therefore, he who has amassed so much wealth has no right to keep it all for himself. If he is allowed to keep that all for himself, there is no possibility of the common man leading a prosperous life, leave alone the question of our moving towards socialism.

Therefore, the question to be asked is whether the measures that Shri Krishnamachari has brought will serve the purpose of building up socialism in this country, or take us anywhere near it. I can understand the part being played by Shri Masani. He adopted the policy "offense is better defence". He thought that he must attack it from a wrong angle so that Shri Krishnamachari might at last yield to some extent and thus neutralise it. But at the same time, for Government it would appear to the world that in this country under the regime of the Congress where they want to build socialism, wealth tax is imposed so that the wealthy people are taxed for the benefit of the common man. It will be a good subject for them to preach from the platform so that the people can be, in a way, I would say, fooled.

Sir, tax evasion is the order of the day. Whatever tax you may impose, whether it be wealth tax, income-tax, expenditure tax or any other tax, it is

being evaded. You may go to any part of the country and you will find that it is happening everywhere. The hon. Minister has tried through his apparatus to raid certain houses and unearth certain account books and hidden money. That has created an impression in the country that tax evaders are being haunted. But I would submit that it is only a very very minute part of what is actually hidden. I am sure the hon. Minister will agree with me when I say that the black money in this country is to the tune of several thousand crores. It must be something between Rs. 500 crores to Rs. 10,000 crores. This amount is nowhere in the picture. The wealth tax imposed is only a very small amount. It is only 0.5 per cent. on the wealth which is above Rs. 1 lakh. There is the gradation. The amount that is being taxed is very small compared to the wealth that is there in the country. Therefore, I feel that the hon. Minister should have brought in more stringent measures.

Shri Masani mentioned certain examples of harassments. On the other hand, I would say that he has given certain concessions compared to what he stated in his speech on the Finance Bill. He says that it is being done to bring it up on a line with the Income-tax Act. On page 8 of the Bill, under clause 15 you will find that 15B(3) says:

"If any assessee fails to pay the tax or any part thereof in accordance with the provisions of sub-section (1) he shall, unless a provisional assessment under section 15C or a regular assessment under section 16 has been made before the expiry of thirty days referred to in that sub-section, be liable, by way of penalty, to pay such amount as the Wealth Tax Officer may direct, so, however, that the amount of penalty does not exceed fifty per cent of the amount of such tax or part, as the case may be."

We can understand what the Wealth-tax Officer will direct against a

wealthy person under the circumstances obtaining in India. Further, the amount of penalty does not exceed 50 per cent. Therefore, the chances of any penalty over 50 per cent is not there. A wealthy person can wilfully evade and get away by paying only 50 per cent. If, for instance, I am a wealthy person—I do not have any wealth at all—and I have—God forbid—Rs. 5 lakhs, if I say that I have only Rs. 1.5 lakhs I will be taxed, say, Rs. 500 or a little more. The maximum penalty that will be imposed on me, if the whole amount is detected, is 50 per cent more of the taxation. Therefore, I will always have a tendency to say the minimum possible because the punishment is not much. Always the assessee will try to under-ply his assets and the officer who is to order punishment can always be influenced by him. That is what is happening in this country. On the other hand, if it had been provided here that if proper evaluation is not given the penalty will be something harsh, to the extent of five times or ten times the amount or imprisonment which may extend to six months or one year, then the assessee will be very careful to give the correct assessment. Now the assessee will not give the correct assessment, he will show some small figure and say that he had been taxed heavily.

The Hon. Minister wanted to be very gummy-gummy, and friendly with all—to the assessee and the common man. These two things cannot go together. Perhaps the Minister will say that this is mixed economy. He wants to play a role between Shri Masani and Shri Mukerjee and to show two faces to both sides. He wants to show that he is friendly with both sides. That way you cannot get the hidden money out. If you want to take the hidden money out you will have to come forward with more stringent measures. The Parliament is behind you to support you even against the resentment that may come from the extreme right. How are you going to balance your budget

without such measures? How are you going to meet the requirements of the Five Year Plans? How are you going to build up socialism in this country. These are facts which have to be considered. Without taxing the ill-gotten riches you cannot get the money out, and when there is that possibility of taxing the rich you should not hesitate.

I would only like to deal with the so-called abnoxious provision which was quoted by Shri Masani to show that it was a case of terrible harassment. He was quoting the explanation to section 18. I would say that after a careful reading of the whole section Shri Masani will have to admit that it is after all a provision in his favour, in favour of the dodgers.

Shri N. Dandekar: Is it right to call Shri Masani a dodger?

Shri Nambiar: I said "tax dodgers".

Shri N. Dandekar: You said "in his favour".

Shri Nambiar: Sub-section (c) of this section says:

"has concealed the particulars of any assets or furnished inaccurate particulars of any assets or debts;"

"he or it may, by order in writing, direct that such person shall pay by way of penalty."

It says that a person who has deliberately hidden or who did not reveal his assets will have to show that by his so doing he did not do that with a wilful intent to defraud. That aspect of wilful intention to defraud has to be disproved by him. Shri Krishnamachari has given even that sort of concession to a person who from the very fact of the whole situation looks as though he has deliberately defrauded and he could be proceeded against. Instead of saying that he should be proceeded against straight away the Minister is giving

[Shri Nambiar]

him an opportunity to prove that he had no intention to defraud. Through the loophole he is allowed to escape. That is how he has been given concessions. Therefore, Shri Masani wants to beat about the bush so that he will get something more from Shri Krishnamachari. This sort of bullying and pressurising will not work in this country when the people have got their eyes open and ears very clearly attentive.

16 hrs.

I would submit in the end that I am not at all satisfied with this amending Bill. Because, with the vigour with which he brought the Bill I thought he would go forward far ahead. But he has not gone that far. I would suggest that there should be very stringent application of this measure and, if necessary, later on he should come for increasing the rates of taxation. Otherwise, he will be faced with a very serious situation in February 1965 when he comes forward with his new budget proposals. He knows very well that the country is facing a serious crisis. So, he will have to rescue the country by correct financial methods; otherwise, there will be a very difficult situation to face. At the same time, he should not be cowed down by the reactionary voices that are heard round about him. He must take courage in both hands and come forward to do the right thing.

Shri D. C. Sharma (Gurdaspur): I welcome this Bill. I welcome it as far as it goes, though my honest opinion is that one of the most infructuous pieces of legislation enacted by this country has been the Wealth-tax Act. I am glad that the Wealth-tax Amending Bill has been made as comprehensive as possible and I hope it will lead to better results. Whether the legislation is good or not is immaterial; it is the implementation of the legislation that matters.

It is true that the Wealth-tax Amending Bill has been framed in accordance with the recommendations of the Direct Taxes Enquiry Committee, and it is good so far as it goes. But I wish the hon. Finance Minister had taken note of another report also, which has been engaging the attention of this country for a long time, namely, the report of the Mahalanobis Committee. What are the findings of the Mahalanobis Committee? It says that most of the wealth has gone into the hands of a few persons, and those persons form a very very small minority of the entire population of this country. Shall we be able to mop up some of the ill-gotten wealth which has accrued to that small minority in this country by means of this Wealth-tax Act? I doubt very much.

I do not talk of black money, hoarded money or any other money which lies concealed beneath the earth or up in the rafters of the house or beneath the well or somewhere else. I talk of the money which has gone into the pockets of people on account of the two Five Year Plans that we have implemented in this country. Shri Mahalanobis has told us how many persons have been benefited by that. Will this Bill cover at least all those people? Will this Bill be able to get as much from them as possible? I doubt it very much. But I think something is better than nothing. Therefore, this Wealth-tax Bill is something that may bring us some money from those persons who have become rich at the expense of most of the inhabitants of this country. But I look more to the implementation of this Bill.

I know that a hierarchy of officers has been created in this Bill. I refer to page 12 of this Bill. A big hierarchy has been created, like the hierarchy which we used to have in some of the religious denominations in the world. I wonder if any fish caught in the net of the Wealth-tax Act will be retained.

Shri Nambiar: It will easily escape.

Shri D. C. Sharma: After one officer comes another officer; after the second officer comes the third officer. There is a battalion of officers. If you cannot get away at the hands of one officer, there is another officer to look to and so on and so forth. Therefore, I think this Bill is vitiated by this very fact that it has too many officers to deal with this. I wish there had been fewer officers to implement the recommendations of this Bill. One wealth-tax officer would have been enough. Then, there is an appellate tribunal.

Shri T. T. Krishnamachari: The income-tax officer is named as wealth-tax officer.

Shri D. C. Sharma: I was referring to page 12 of the Bill. Look at the number of officers you have got under this Bill—Wealth-tax Officer, Inspecting Assistant Commissioner, Appellate Assistant Commissioner, Appellate Tribunal and so on. Then you have got so many other judicial bodies to deal with this. I think all these will complicate the matter and the clever assessee will know how to get out of it. That is what is happening in this country. Our intentions have been very good but we have given a loophole to all those assessees to escape at our hands.

Thirdly, I think a valuer under this Bill has a very important function to discharge. But I am sorry to say that he has been made valueless. I am referring to page 18 of the Bill. I find the valuer has been handicapped by so many things, so many "ifs" and "buts". I think the valuer should have been left as free as possible. But here we have got four clauses which restrict his powers. The powers of the valuer are so cramped and cribbed and confined that I wonder if he will be able to act as well as he should under the Act.

I am glad that something has been said about those persons who abet the evasion of taxes. You will find that in clause 36 on page 27. I find that the abettors have also been given so many ways of escape. What I want to emphasize is this. In a democratic set up there should be no harassment. I can tell you one instance. When I went to my constituency, Dera Baba Nanak, the whole population of shopkeepers were up in trouble—I could say up in arms but I do not want to use that term. What was the reason? The income-tax officer had arrived there and he was going to assess the panwallas and beediwallas.

An hon. Member: Why not?

Shri D. C. Sharma: Of course, you are not the Revenue Minister. So, I need not listen to you. Sometimes what happens is this. It is not the big man that is harassed. I think my friends over there should have no fear on that account. The big man does not stand in fear of any harassment at the hands of any officer of this Government; but it is the small man that stands in fear of harassment and it is the small man that has to be protected and not the big man. If the big man is sometimes harassed, I think, there will not be any trouble.

I wanted to say one thing and it is this. May I ask the hon. Minister one question? What is he going to do so far as cases of fraud are concerned? He has said something on page 44, in the note to clause 30; but, I think, even cases of fraud will require a great deal of looking into and sometimes this fraud will be perpetrated without anything fruitful.

It is a good Bill. The Government has made every possible attempt not to harass anybody. The Government has been very, very fair to the assessee. The Government has been very, very just to those persons for whom

[Shri D. C. Sharma]

this Bill is meant; but I would say that for the implementation of this Bill the Government must have a special set of officers who can deal effectively with the big people for whom this Bill is meant.

Shri Lahri Singh (Rohtak): Only a Communist regime can do that.

Shri D. C. Sharma: I do not know where you stand now. You were, at one time, in the Congress; now you are in the Jan Sangh and you may go to the Communist regime some day.

Shri Nambiar: The last resort is the Communist Party where everyone will go to.

Shri Lahri Singh: One may sit anywhere; but these things happen only in the Congress regime.

Shri D. C. Sharma: I know, your ideas are primarily good, honest and true. However, what I was actually submitting was that too many loopholes have been left in this Bill.

Shri Lahri Singh: Point out one.

Shri D. C. Sharma: I have been pointing out the loopholes all this time. Too many loopholes are there in the Bill and I hope, the Minister will be able to plug as many of these loopholes as possible.

Shri N. Dandekar: Mr. Chairman, I have listened with interest to the debate so far and I do not envy the position of the Finance Minister in this matter. He is not just between the devil and the deep sea; he has four different problems to contend with. On one side, there is the tax evader who has got to be brought to heel; on the other side, there are the necessary requirements of the Department in terms of appropriate machinery provisions and powers to enable them effectively to cope with the tax-dodgers. On the third side, there are

considerations, very weighty considerations, of the kind Shri Masani pointed out bearing on the economic development of this country so long as we accept the institution of private property and of free economy or, at any rate, a mixed economy. Lastly, and on the fourth side, is the continued and persistent attacks to which he is subjected by the Communist Benches here, for not resorting to wholly extreme measures against all owners of wealth. I suppose, on this occasion, the Finance Minister must be rather glad—he, in fact, looked cheerful during Professor Hiren Mukerjee's speech,—because, apparently, the somewhat exhibitionist type of raids that have been taking place and the savage legislation that has become the order of the day during the last six months have apparently succeeded in their propaganda effect with the result that Members of the Communist Party have, at any rate, on this occasion found time to give him a couple of soft pats on the back.

I would like to state our general objection to this legislation on a more practical basis, in terms of the institutional structure which we have accepted in the Constitution for this country and the best way I can do that is to indicate what Professor Hiren Mukerjee apparently stands for, and for which he congratulated the Finance Minister, as regards the qualitative character of this Bill. Professor Mukerjee, for instance, has no use at all for democracy, though he and his comrades like to use the word "democracy", doubtless as a kind of compliment which political vice pays to virtue. But any kind of a really democratic process, such as of a Select Committee for instance, where one could have thrashed out many of the procedural provisions in this Bill and perhaps got a point of view accepted and necessary amendments made, has unfortunately been negatived by him and the finance Minister for reasons which are not at all clear to me.

Similarly, there is the question whether one does or does not accept the basic democratic concepts of the Rule of Law and of Fundamental Rights. What has been happening in recent months is that under the guise of democratic socialism, under guise of trying to take this country to a "take-off stage",—take-off to a tremendous fall, I imagine—and all that kind of claptrap, we have been enacting a good deal of what is plainly Communist legislation. What I wish particularly to emphasise is that the kind of jurisprudence that we seem gradually to be evolving in this and the sort of Bills that we have had lately; is the kind of justice and jurisprudence which only the people in the Communist countries are inflicted with.

I would like to take, first of all, the concept of valuation. Its definition in Section 7 of the present wealth Tax Act is very simple to understand and fair though it is difficult to operate sometimes. Section 7 reads—

"The value of any asset...for the purposes of this Act, shall be estimated to be the price which in the opinion of the Wealth-Tax Officer it would fetch if sold in the open market".

This perfectly good principle of valuation is sought to be destroyed—there is no other word for it—by clause 7, sub-clause (a) of this Bill where this section is proposed to be preceded by the words—

"Subject to any rules made in this behalf, the value" etc.

I just do not understand how there can be a market value assessment which is to be subject to Rules to be made by the Central Board of Direct Taxes. Either you have the valuation in accordance with the Rules made by the Central Board of Direct Taxes, in which case we can take a look at the Rules, or you can have valuation according to the market value. But how market value is to

be determined in accordance with some rules of an executive authority is something really quite beyond me. Indeed I regard this as somewhat deceptive legislation, not the kind of straight forward thing that it ought to be.

Shri Nambiar: This is the procedure laid down under the rules.

Shri N. Dandeker: This is not the procedure. I would like to read this section as it would be if this particular provision is added and then perhaps Shri Nambiar, who has as great a command over English, if not more, as I have, will understand my point. It reads:—

"Subject to any rules made in this behalf,"—

not rules as regards the procedure for valuation—

"the value of any asset...for the purposes of this Act, shall be estimated to be the price which in the opinion of the Wealth-tax Officer it would fetch".

The whole of it with the proposed addition, becomes nonsense, if the valuation has to be made in accordance with the rules.

I am aware—I would not like to state the case unfairly—that there are certain categories of assets where valuation in accordance with the market value is a matter of difficult guesswork and certainly a high degree of improbability or impracticability attaches to the valuation of that sort of assets. For instance, shares in companies that are not quoted on the stock exchange, or valuation of an interest in expectancy, or various other complicated situations in which there are property rights which have to be valued. I can quite understand in regard to specific assets of that kind, if it were said that "Subject to rules made" would apply only in regard to those types of assets and the rest of the section remained as before. I would

[Shri N. Dandekar]
 be only too glad to support that. But the position now is that virtually the whole of section 7 would be destroyed if the estimating of the market value, and market value means what the asset would fetch if sold in the market, for all assets is to be determined in accordance with rules laid down by the very authority that is responsible for assessment and collection of revenue. I do earnestly submit that it goes beyond what is probably intended by the Finance Minister. If what is intended is what I have just said, namely, to remove certain difficulties in relation to specific categories of assets, I would support the clause provided it is amended to that effect.

Then, a good deal has been said on this question of penal provisions—I would say, embodying Communist jurisprudence—certain provisions which have been talked about and are contained in clause 18 and the Explanation thereto. Many people seem to think that what the assessee would prove, as if this were enacted, is only that he has disclosed all his assets. That is not true. What the assessee will have to prove is not merely that he has disclosed all his assets and all particulars concerning them, but also that his valuation of those assets, as returned by him does not fall short of the valuation as assessed by more than 20 per cent. Supposing he is unable to prove that; then it is not enough for him to prove that perhaps he was negligent or perhaps he was careless. He has to prove—I just do not know how;—it is an incredible proposition, but it is not enough if he admits his negligence or his carelessness but he has to prove that there has not been any gross negligence or gross carelessness or fraud or anything of that kind. I find it quite impossible to understand.

Finally, there is this other question of compulsory imprisonment, that is in clause 33. Again, this has become characteristic of legislation

that I have been looking at during the short period I have had the honour to be a member of this House. The burden is cast on the Magistrate to show special and compelling reasons as to why he does not think fit to award the compulsory term of imprisonment. I do not know which Magistrate is going to take the burden upon himself of recording special and compelling reasons that necessitate the exercise of his judgment against the statutory, a minimum sentence of imprisonment. That is the kind of thing that is going on, has been going on in Russia,—I believe it is less now—but it is certainly going on in China and all over the Communists world. This to me is utterly obnoxious, utterly undemocratic, totally contrary to the Rule of Law and totally contrary to the Fundamental Rights.

I submit that the general purpose of the Bill is all right. Had it gone to a select committee, one would have been pre-disposed, not merely disposed, but pre-disposed to a co-operative effort towards tightening up the machinery for the two reasons that I have stated, namely, the need to get the tax-evaders by the heel and the need to provide the department with appropriate machinery and powers. But this legislation is hasty, ill-digested and it leaves no scope for anything except to move amendments which I know will be thrown right out. It is just like beating one's head against the wall. It is for those reasons that I regret I have to oppose this Bill.

Dr. M. S. Aney: Madam, I join with many colleagues here who have preceded me in supporting the Bill which, I think, is a very salutary Bill. The main object of the Bill so far as I have been able to find out is to bring in line the provisions of Wealth Tax Act with those of Income-Tax Act and that is good because the object of both the Acts is to collect taxes from the people and the procedure with regard to both should be, as far as possible, uniform so that the

people can understand what are the lines along which the taxes are to be recovered from them.

Before I say anything on that, I want to make one or two observations here. From reading the reports that have been published, we find that in this country the evasion of tax is of a very great nature about which Government ought to be more anxious. It could mean only two things. Either there is an inveterate tendency in the people to avoid taxes, a tendency which has to be controlled, or there is a tendency on the part of Government to tax the people more than what they are capable of paying. I personally think that the evasion is mainly due to the inveterate tendency on the part of the people to avoid taxes. It is not only the big men who avoid taxes but it is also the small man who avoids the taxes. But the tendency is to condone this vice in the case of small men because there, after all, is the evasion of a small and petty amount. In the case of big men, the evasion of tax means a big loss to the Treasury and, therefore, there is a greater difficulty for the Government to carry out the work of progress and upliftment for the country.

The main point is this. Has the evasion of tax been due to absence of adequate number of officers to carry on this work of collection of taxes or the absence of necessary powers in their hands? If it is due to the absence of certain powers which they ought to have, then I can understand the Government coming forward with a Bill to claim more powers because in the absence of that they are not able to collect the taxes fully. And if it is due to the absence of adequate staff which is engaged on this particular work, then also I can understand the Government coming forward to ask for more money for the appointment of more staff. In my opinion, it has not been clearly stated here. This evasion of tax has been going on for years. It is a long story. I do not think even with the greater powers that we give and the

funds that we give to have more officers, directors and all those things, we can stop this evasion. Unless there is some change in the morale of the persons who are entrusted with the work of collecting taxes, you cannot get the results. The morale of the people has to change. This Bill is coming at a time when his other senior colleagues, the Home Minister is engaged in trying to purge the country of this vice of corruption and all those things. So long as these things are there, whatever laws you may make, nothing will come out and all those laws may leak out. It is like taking water in a pot which has got holes. And this big hole is the big officers who are all there. (*Interruption*).

My suggestion is this. Not only he should come forward for having more powers and for adequate funds for the purpose of having more staff to work this out but at the same time he must also try to find out persons with ingenious brain who know all the secrets of the trade and the big men who generally deceive them. I think he should be able to find out better way of dealing with them and I have no hesitation in supporting him in craving for whatever he wants for the sake of achieving better results.

Now, as I already stated, the aim is to bring this law in line with the Income-Tax Act. It is a good move. At the same time I want to say that in doing that the attempt should be that elementary principle of jurisprudence ought not to be ignored. In my opinion, after all, nothing can save this country or any other civilised country from its proper position unless there is due regard for the principles of jurisprudence and justice, fair play and the rule of law. Rule of law can be maintained only if there is regard for the principles of jurisprudence by those who make the law and those who have to observe the law. Therefore, from that point of view I agree with my friend Mr. Masani.

[Dr. M. S. Aney]

As I was reading the Bill last night I have also noted certain clauses, for instance in clause 18 it is said in the Explanation:

"Where the net wealth returned by any person is less than eighty per cent. of the net wealth (hereinafter in this Explanation referred to as the correct wealth) as assessed under section 16 or section 17, such person shall, unless he proves that the failure to return the correct wealth did not arise from any fraud or any gross or wilful neglect on his part, be deemed to have concealed the particulars of assets or furnished inaccurate particulars of assets or debts for the purposes of clause (c) of this sub-section."

I would not have minded a section like that had there been a real criterion laid down either in the Act or in the rules which already exist, about evaluation of the property or assets. Because, after all, wealth is here calculated by evaluating the property or assets. There is no criterion for that. Although there is a definition, as my friend Shri Dandekar pointed out, it is subject to the rules to be made hereafter. It is a thing to come later on. And in the meantime it is the discretion of the officer who is to handle this affair which is supreme in determining the value of the property. If there is a difference between the value which he assesses and the value which I have declared in my return, I am supposed to have concealed the thing deliberately and I am treated as an offender, and I have to prove that I am quite innocent of all these things.

Shri Bade: That is negative.

Dr. M. S. Aney: This is giving jurisprudence almost a decent burial, nothing more than that. After all, the man will use his own brain in assessing the property, unless you give him some standard. So it is a difference on account of the different standards which each man has got, and that being the case, in

my opinion, to treat him as an offender as has been laid down in the Explanation is rather a gross departure from all the rules which should be just and fair.

So, in order to enforce respect and proper allegiance and willingness and co-operation from the people for the law that you are making, you should see that the principles which will be used in working it out are fair and commendable to all persons who respect the rule of law. If these things are kept constantly in mind and the law is worked out, I think it may help.

An Hon. Member: The Explanation is defective.

Dr. M. S. Aney: Therefore I submit, though I give my support, I also expect that the hon. Minister will try to see that the morale of the assesses will go up and at the same time the working of the law does not cause injustice to or antagonism so far as the people are concerned.

Shri T. T. Krishnamachari: Madam Chairman, I must say, the four hours during which I listened to the discussion on this Bill has been extremely entertaining, if not also educative.

Madam, the hon. the Deputy Chairman of the Swatantra Party, or rather the Deputy Leader, who opened the debate...

श्री हुषम चन्द कछवाय : (देवास)
सभापति महोदय, हाउस में कोरम नहीं है।
मिनिस्टर क भाषण के समय कोरम अवश्य
होना चाहिये। यह बहुत महत्व का बिल है।

Mr. Chairman: The bell is being rung—Now there is quorum, the hon. Minister may continue.

Shri T. T. Krishnamachari: I said, Madam Chairman, that I felt educated. So I think I am altogether a better man after these four hours. The hon. Deputy Leader of the Swa-

tantra Party opened his innings with sound and fury. I would not assess, Madam, whether there was more sound or more fury. But it was not something which was altogether unexpected, and therefore it was not very unpleasant to hear. I thought he left the points to be made by his colleague who knew more about this type of legislation than he himself did.

Shri M. R. Masani: Quite right.

Shri T. T. Krishnamachari: Well, of course, all the old clichés were brought back, about the staleness of a welfare state, the fraudulent character of Indian socialism, the lessons that we have to learn from Britain, from the British Labour Party—he did not this time mention Mr. Gomulka of Poland—the non-existence of similar provisions in any law in any civilised country, with the exception of the United States of course—which, I suppose, is not a civilised country—and so on. The real fact about the hon. Member's speech was, he did not ask for a reply—for which I tender my humble thanks to him—because there is no point on which I could have replied. Madam, I leave him there.

I was very agreeably surprised and pleased at the support given to the measure by my hon. friend Shri Hiren Mukerjee; and it almost looked as though he was speaking from the benches on this side. Anyway, as he said, being legislators, we might perhaps sometimes forget some of these party labels and if we can come together on specific issues we could do so. One particular point he made which I would like to, sort of, repeat if that is not an offence. We are not really trying to build up what you call an affluent society for the reason that it is to be very far away. Affluence in this country to people generally is not going to be a thing which could be had in the near future. And what we have to do in order to provide a decent living for people is

to prevent those who are in a position of advantage from being acquisitive. Of course, this book on acquisitive society was not written by a comrade, but it was a book that was written by an Englishman who would I think, probably be in the labour Party, if he wanted to. That is the main factor. It is not a question of speaking of socialism or communism or anything else. What we try to seek today is to curb the acquisitive nature of people who are in a position today to disrupt the economic life of the people of the country. I have no desire to enter into a dissertation on the first principles of economics which we on this side of the House hold dear. But at the same time there are certain matters of topical relevance which we cannot ignore.

We are at the moment going through, as a country, in practically all classes of society excepting the top one, a period of time which is extremely trying, and finding that to make both ends meet is extremely difficult. We are having the picture here today of people wanting more, more allowances, more dearness allowance, not because they want it merely for the purpose of a better standard of life but just in order to live, and that itself is going to throw a strain on society. If Government have to give more to their servants, they have to get it from taxation. If industry has to give more dearness allowance to the people who work, it is going to increase the cost. That would be the economic effect of what is happening today, the causes of which undoubtedly are known; the cause is just the acquisitive instinct of certain sections of society which are raising prices without any rhyme or reason. It is not the law of demand and a supply. There is no economic law that is functioning today except the law of the jungle. Therefore, I think my hon. friend was correct when he said that it was idle to attempt an affluent society. It may exist in England; they might

[Shri T. T. Krishnamachari]

have it never as well as they have it today. It might exist to some degree, with variations, in the United States, but it cannot exist here for a long time to come. What we do is to provide decent living for most of the people, but by curbing the acquisitive instinct of man. That is the basis.

I think that the interpretation given by my hon. friend is something which the Congress Party might be thankful to him for. That is exactly the basis of the entire piece of legislation, and that was why I adverted to this. If my hon. friend Shri M. R. Masani had another chance to speak, he would say 'clap-trap of the Finance Minister'; it might be clap-trap or it might be slap-dash or it might be anything, and he might use any phrase that he could find in any dictionary of slang, and my words might perhaps qualify for it. But the fact is that the situation in which we are living is extremely grim, and I can tell the House that it is one which if it continues for a period of time is going to destroy what my respected friend Dr. M. S. Aney wants to preserve, namely law and order and respect for jurisprudence. Nobody respects law and order on an empty stomach, and, therefore, it is no good talking of jurisprudence today in the face of what is happening in this country; of course, it is right, that we have to be reminded of that thing again and again. But the situation is extremely grim. I am not pleading that as any justification for this measure.

This measure, as I said at the outset, follows the pattern of the income-tax law. As I said, 40 clauses in this particular measure just follow the income-tax law—it may be, even unintelligently, but it does—which the House has approved. And the nine new provisions that we have introduced in it are those that my

hon. friend Shri Nambiar will say favours the well-to-do.

Clause 2 (b) (i) clarifies that only a building owned and occupied by a cultivator will be exempt. If there is any objection to it, it is not a very serious matter. Clause 2 (b) (ii) clarifies the period of six years as having to be reckoned from the date the interest vests in the assessee. Practically everyone of these is of that nature. I can read them out, but I do not want, to waste the time of the House by doing so. Everyone of these nine provisions is in some sense or the other for the benefit of the assessee.

My hon. friend Shri M. R. Masani said that I did not think of this Bill, I did not examine it properly, that I had merely accepted what was put before me, and here I have to come forward with an amendment, so soon after having introduced the Bill. I would like hon. Members to read the amendment that I have proposed. Is it an amendment to correct a mistake? If that be so, I am quite prepared to withdraw the amendment. But if the amendment is withdrawn, there will be injustice. I can tell the hon. Member that I do not want to claim any credit. As I was preparing my speech and going through the sections again, I did feel that this restriction that was being put in regard to transfers was a thing which should not be put, if somebody had made a transfer and paid a tax for it. I can certainly say that if I did not think of it earlier, it was wrong, but I did think of it at the time of preparing my speech. If the hon. Member thinks that it is wrong, I am prepared to withdraw it.

Shri M. R. Masani: That shows that you were not careful in the beginning.

Shri T. T. Krishnamachari: That shows that I can tell my hon. friend

that if he goes and looks into his mirror he will find that he can use the razor on his chin again, because there is a small patch which he has left which needs the attention of the razor.

Shri M. R. Masani: Taxation can hurt a lot of people unlike shaving.

Shri T. T. Krishnamachari: There is nothing that man can do in which he can be perfect.

16.48 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

If my hon. friend will permit me, I shall use the privilege of having lived a little longer in this world, to tell him that everything can be bettered; even the best law can be bettered by somebody going through it again. My only crime was that I went back again over what I had done. The officers, of course, did work hard and produced a Bill. And when I was going through the speech that I had to make, I thought that this was a thing which ought to be corrected. Even though I knew that Shri M. R. Masani would say that it was not done properly, because I came back with a correction, I would rather plead guilty of having bettered the Bill rather than allowed the Bill to go without a correction. That is all that I am guilty of. Here, there is nothing wrong. It is not an error of law. Without this correction, the Bill can go on. But I think that if it is not corrected it would lead to this situation; if somebody had paid a gift tax in regard to transfer, the wealth-tax officer might say 'Well, you have transferred it to somebody in whom you have an interest, and, therefore, it is fraudulent, and therefore, I shall pool it in your own wealth and tax you'. Secondly, it might be a case within the exemption limit of the gift tax, which is perfectly legitimate and allowed. I do not see why something which is allowed by law should be treated as something different and not allowed

by the Wealth Tax Act. That was all that I did. Therefore, I do not want to be complimented for being careful, but I do not want to be condemned for having been careful. That is all that I would submit to this House.

My hon. friend Shri Man Sinh P. Patel raised an objection. I do not think that his objection is quite valid today, because there has been an overall exemption of one house for anybody. So far as wealth tax is concerned, under the Finance Act of 1964, we have reduced the rate at which it is operable, namely from Rs. 2 lakhs to Rs. 1 lakh, but we permitted one house, no matter of what value, up to a value of Rs. 1 lakh not to be assessed. I think that most of these cases will be covered by that exemption. But I am not very particular. I am quite prepared to say that I would omit that particular clause. Again, my hon. friend Shri M. R. Masani might object. If there is somewhat of a nervousness on the part of an hon. Member, I am certainly prepared to omit clause 2(b) (i), or in other words, what appears in lines 7 and 8 at page 2; I am quite prepared to accept the omission of that.

The gravamen of the charge was the explanation in cl. 18. This explanation follows the pattern of the Income Tax Act, where you are allowed to make a mistake and not explain it adequately if the mistake is 20 per cent of what would be assessed. At the same time, a person like the hon. Member for Gonda, whose knowledge of this law is certainly something which I would not be able to acquire during my lifetime—because he spent a whole lifetime on it—objected to the explanation and sort of—if I may use the word without meaning any reflection on the hon. Member—just drifted into clause 7, and he found that in that clause we have taken a rule-making power in respect of prescribing the modes of valuation. But then having found that there was a provision against any excessive

[Shri T. T. Krishnamachari]

use or adverse use of that power in the explanation, the only fault he can find is, 'Oh, the word that you have used, the phraseology that you have employed in regard to the rule-making power is extremely wide'. May I tell the hon. Member that any rules made is placed on the Table and within a period of time, any hon. Member can take up the question and have a discussion in the House? Naturally, because hon. Members will scrutinise the rules, the department makes the rules extremely carefully. May I compliment him on some kind of thought reading? The very fact which made me thinking of amending that particular clause, cl. 7, and taking in the rule-making power for the purpose of defining what a valuation is and how it should be done, that was mentioned by him somewhat inadvertently.

He himself mentioned the case of shares of certain companies which are not quoted in the market. What we do at present moment is that we take up the breakup value. So the person who has got a marketable share which can be passed on as a scrip, sold when it is high and bought when it is low, where he can manipulate, gets away with the market value, whereas the person who makes a genuine investment in a private company where the shares are not quoted, where you cannot gamble with it, there the breakup value is taken up, may be sometimes arbitrarily—I do not say we do not do things arbitrarily. Sometimes a person has to pay something like 4 times what he would pay, if it was taken on the market value. The hon. Member himself knows that for some of the well known scrips today, the market value does not represent the breakup value at all. The breakup value of those scrips happens to be 3, 4 or sometimes 5 times, that is, the present day value. It cannot buy today the equipment at anything less than four times that value.

There are various factors that operate. But they are scrips which are being sold and bought, not kept as investment, so that sometimes they go up and at other times come down. What you have to do is to look into the paper, see the high and the low; the difference may be at least 5, 6 or 10 per cent.

I felt that these people who own these shares in what you might call private limited companies, who are sometimes people who have nothing whatever, who keep them as investment and do not sell them, are being mulcted to an extent which is unfair and, therefore, we should frame rules to provide some kind of criteria for purposes of assessment of the value of these shares which are not quoted. That is one of the things for which we have to frame rules. What I have done—for which Shri Nambiar might say that I have yielded to the vested interests—is just to be fair and not make one type of vested interest profit and let another type of vested interest suffer. In fact, in this case, the vested interest might be of a weaker variety, the genuine investor who lives on the dividends he gets.

That is why we took the power to make rules and that is in relation to explanation to section 18. I do not think Shri V. B. Gandhi's suggestion to have another amendment, which is virtually nugatory of what exists, would help. It is virtually nugatory. You can as well omit the explanation—which would be much better, instead of putting an *explanation two* nugatory of *explanation one*. It is surely vedantic for you to say that you do not exist and then say 'I am'. It is vedantic, no doubt, but that does not obtain in law.

Therefore, I would like to tell my hon. friend, Shri Dandekar, to look into the rules carefully when they are laid on the Table, and if he has any criticism to make, I will certainly listen to it. We can even have a

discussion, or he can write a letter to me. Every member has the right to discuss the rules. I may tell the House that the rules will be made carefully so as to avoid hardship; at the same time to preserve the interests of revenue which is the paramount matter in this case.

Shri Kapur Singh (Ludhiana): I do not like to interrupt my hon. friend. But he has missed the point of Shri Dandekar. His point is that there is no market value which is subject to any rules subsequently to be framed. Now he says that the clause should be read after the rules are made. He is just missing the point.

Shri T. T. Krishnamachari: I thought Shri Dandekar was vocal enough and did not want any support. The hon. Member knows that sometimes one has to miss a point which is not relevant. I do not mean to say that what Shri Dandekar said has no relevance. What he said is completely relevant. I think I understood him probably a little better than his colleague of the same party, though they belonged to the same service at one time. He comes from South India; that is one advantage.

Therefore, the point the hon. Member made is covered. I can certainly say that the question may be taken up when the rules framed are laid on the Table. Otherwise, I do not think he made any other point which needs replying.

I was very happy that Prof. Mukerjee had a good word to say of the department. At the present moment, whatever we are doing is not something which I like. I can tell you nobody likes to go on a probe into other people's secrets and upset things. Instructions are that they should be extremely polite. I feel the younger people who are in the department, who are very keen, are trying to do their bit and are also straining themselves.

Reference was made to figures of assesseees. The number of assesseees on 31-3-62 was 12,00,367; on 31-3-63: 13,08,854; on 31-3-64: 15,59,149; on the 30th September it was 17,24,739. I do hope they will be able to bring it up to 20 lakhs by the time we finish the year. I hope to set a very high target for the Fourth Plan. We have found in many cases not only people who are considered to be small are people who have a big income; but there are also big people who have not even been caught.

17 hrs.

Some hon. Member mentioned about arrears. There was a considerable increase in collection; it was budgeted last year for Rs. 440 crores and it went up to Rs. 530 crores in actual collection; Gross arrears has remained more or less the same for a number of years—Rs. 288 crores in 1962, Rs. 270 crores in 1963, Rs. 289 crores in 1964, effective arrears being only Rs. 170 crores; a number of people having gone to Pakistan and so on. So the department is trying hard, and I am extremely grateful that there are hon. Members who appreciate the working of the department.

I am not going to estimate the amount of black money, but I do think that, while we cannot probably get completely even with it, we will certainly be very near mastering the problem over a period of a year or two. I am grateful that the House supports whatever we have been doing in this matter.

Mr. Deputy-Speaker: The question is:

"That the Bill further to amend the Wealth-tax Act, 1957, be taken into consideration".

The motion was adopted.

Mr. Deputy-Speaker: We shall take up clause by clause consideration tomorrow. Calling Attention.

17.02 hrs.

CALLING ATTENTION TO MATTERS OF URGENT PUBLIC IMPORTANCE—contd.

- (ii) **ANTI-INDIA DEMONSTRATIONS IN NAIROBI AND THE SECURITY TO INDIAN NATIONALS IN STANLEYVILLE, CONGO.**

Shri Bade (Khargone): I call the attention of the Minister of External Affairs to the following matter of urgent public importance and request that he may make a statement thereon:

The recent anti-Indian demonstrations in Nairobi and the security of Indian nationals in Stanleyville, Congo, in the context of recent developments.

The Deputy Minister in the Ministry of External Affairs (Shri Dinesh Singh): Hon. Members are aware of the landing of Belgian paratroopers in Stanleyville on 24th November. This move has evoked a sharp reaction from many African Capitals. In Nairobi, the Kenya African National Union Party organized a protest demonstration on 26th November outside the Embassies of Belgium and the U.S.A. Slogans protesting against Western interference in the Congo were raised and many demonstrators carried placards against Belgium, the U.S.A., Mr. Tshombe and others. One of the placards exhorted the Indian High Commissioner in Nairobi to quit Kenya.

The demonstration was primarily a reaction to outside interference in the Congo. No undue significance need be attached to the single placard against the Indian envoy. The demonstrators however, in the course of their march through the streets damaged four cars bearing CD plates including those of Swedish Ambassador, British Information Secretary and the personal car of our High Commissioner in Kenya. The Ambassador's car bore a CD plate but had no marking to indicate its ownership.

2. The Indian High Commissioner has lodged a strong protest with the Government of Kenya on these incidents and has personally called on some Ministers of the Government of Kenya in the same connection.

3. In regard to events in the Congo, Belgian paratroopers after landing in Stanleyville have evacuated the Europeans and some other people of various nationalities. Among these are included 43 Indian nationals and 4 children.

According to reports received there were 43 Indian nationals and 415 people of Indian origin in Stanleyville. Of these, 455 have been flown out to Leopoldville. One person of Indian origin is presumed to be killed and two others are missing; these three are not Indian nationals.

The Indian nationals or people of Indian origin were not treated as hostages nor were ill-treated either. The danger to them may have grown with the panic which seized the Stanleyville troops and from which even the Congolese civilians were not exempt. The Indian refugees who are in destitute condition are receiving necessary assistance through our Embassy in Leopoldville.

Shri Bade: Looking to the present disturbances, has the Government of Congo assured us about the safety of Indians in that country; if not, what other measures do we propose to adopt?

Shri Dinesh Singh: The difficulty has arisen because the Congo Government does not have full control over all the territory of Congo. There is no point in asking for guarantee for the safety of Indians in areas which are not under their territory.

Shri Bade: My question is whether we are in contact with the Congo Government, about this.

Shri Dinesh Singh: Of course, our Ambassador is there, but I was only pointing out the difficulty. If there is a territory which is not directly controlled by them at the moment, what guarantee can they provide?

Shri Nambiar (Tiruchirapalli): It is in the interests of the House he should answer.

Mr. Deputy-Speaker: When he himself does not want the answer?

श्री दुषम चन्व कलवाय (देवास) :
 मैं यह जानना चाहता हूँ कि चूँकि भारतीय राष्ट्रियों को वहाँ पर इस प्रकार का संकट हो रहा है, तो क्या सरकार उनको यहाँ बुलाने के सम्बन्ध में कोई विचार कर रही है। जिन भारतीयों को वहाँ पर कैदी बना कर रखा गया है, क्या उनके सम्बन्ध में कोई कठोर कदम उठाया जा रहा है; यदि हाँ, तो क्या ?

Shri Nambiar: Now it is in the possession of the House. The House wants it.

Shri Dinesh Singh: I heard his question, but I thought it was so contradictory that I wanted a clarification. Now he himself realises the contradiction.

Shri Kapur Singh: It is not that.

श्री दिनेश सिंह : कोई ऐसा विशेष संकट उन पर नहीं है। मैंने अभी अर्ज किया कि जो स्टैनलेबिल में थे, वे कैदी की तरह नहीं रखे गये। थोड़े से भारत के नागरिक स्टैनलेबिल में तो नहीं, लेकिन पूर्वी यूरोप में बचे हैं। वे आसानी से आ सकते हैं। उन्होंने अभी तक हम से कोई मांग नहीं की है।

Shri Nath Pai (Rajapur): I have a little protest to make before I ask my question, that the clubbing of my Calling Attention which was limited only to the events in Stanleyville with happened in Nairobi is unwarranted. We do not want this kind of clubbing together of absolutely different matters.

Shri Kapur Singh (Ludhiana): In view of the growing phenomenon that the more anti-Western postures we adopt, the more hostile these newly emerging African countries become to us, and in view of the fact that the Belgian paratroopers' operations have rescued a considerable number of Indians, who otherwise might have been clubbed to death by black fury, why have we found it necessary to deplore this Belgian action as foreign intervention?

Having registered the protest, may I proceed to ask my question as to whether Government's attention has been drawn to a statement allegedly made by Indian nationals who have been, I do not like the word, rescued from Stanleyville, to the effect that but for the intervention of the Belgian paratroopers, their lives would have been jeopardised? If their attention has been drawn to this, what is the Government's over-all assessment with regard to the paratroopers' intervention in Stanleyville?

Shri Dinesh Singh: I am afraid I have not quite followed the question.

Shri Kapur Singh: Since the hon. Minister has not followed my question, I have a feeling that he will not be able to follow it till he reads it in the script. So, I do not press for an answer.

Shri Dinesh Singh: We are not aware of this statement which the hon. Member has referred to in the sense that no such statement has been made to our Embassy. Maybe, they have made it to some journal in which it has appeared, but as I mentioned, these people have been living there in reasonable security. When the situation in the town deteriorated

[Shri Dinesh Singh]

very much, maybe they were in danger, but earlier they had made no representation to us to enable them to come out.

श्री यशपाल सिंह (कैराना) : क्या सरकार ने कभी इस बात पर गौर किया है कि जितनी हम अफ्रीकन कंट्रीज़ से मुहब्बत बढ़ा रहे हैं, उतने ही ये लोग हमसे खिंचते जा रहे हैं, इसका क्या कारण है ?

श्री दिनेश सिंह : मुझे खुशी है कि दूसरे मेम्बर साहब ने माननीय सदस्य के

स्टेटमेंट को सही कर दिया। ऐसी बात तो नहीं है। मैं नहीं समझता कि हम अफ्रीका के लोगों के साथ जितनी दोस्ती बढ़ा रहे हैं उतनी हमारी दिक्कतें बढ़ रही हैं। हमारी दोस्ती बढ़ने से हमारी दिक्कतें कम हो रही हैं।

17.09 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday December 2, 1964/Agrahayana 11, 1886 (Saka).