

THE CHAIRMAN: The question is

"That clause I, Enacting Formula and the long Title stand part of the Bill "

The motion was adopted

*Clause 1, Enacting Formula and
.... Title were added to the Bill.*

SHRI A. K. PANJA: I beg to move:

"That the Bill be passed."

MR. CHAIRMAN: That question is:

" That the Bill be passed."

The motion was adopted

16.25 hrs.

DELHI MUNICIPAL LAWS (AMEND- MENT) BILL

[*English*]

THE MINISTER OF STATE IN THE
MINISTRY OF HOME AFFAIRS (SHRI
SONTOSH MOHAN DEV): I beg to move:

"That the Bill further to amend the Delhi Municipal Corporation Act, 1957 and the Punjab Municipal Act, 1911, as in force in New Delhi, be taken into consideration."

Sir, the Delhi Rent Control (Amendment) Act, 1988 came into force with effect from the 1st December, 1988. This amendment Act has changed the ratio of standard rent and in a way has affected the assessment and realisation of property tax by Municipal Corporation of Delhi and New Delhi Municipal Committee because the rateable value of property is closely linked with the concept of standard rent under the Delhi Rent Control Act. The main changes

brought in by the amendment Act are,—(a) premises with a rent of Rs. 3,500/- per month and more are beyond the purview of the Rent Control Act; (b) properties constructed after 1st December, 1988 will not be liable to be assessed for standard rent for the first ten years; (c) the rate of standard rent applicable to different categories of properties as a proportion of the cost of construction etc., has been raised to 10 per cent; and (d) a provision has been made that after every three years standard rent or any rent agreed upon between the landlord and the tenant (where no standard rent is fixed) may be increased by 10 per cent.

As a result of the above changes in the Delhi Rent Control Act, 1985, which came into force from 1st December, 1988, the Commissioner, Municipal Corporation of Delhi is required to make revisions in the Assessment List of property tax under subsection (1) of section 126 of the Delhi Municipal Corporation Act, 1957 from 1st December, 1988 to 31st December 1989. Consequently, the commissioner is required to issue notices for revision of Assessment Lists within the same financial year i.e. before 31st March, 1989. In view of the fact that a very large number of properties—about five lakhs—have become due for a re-assessment and the fact that the time available for issuing notices to the property owners is very short, it may not be possible for the Commissioner to get surveys completed, documents scrutinised and then to issue well-founded notices proposing revision of assessments, before 31st March, 1989. It is, therefore, felt necessary to amend the Delhi Municipal Corporation Act, 1957 to provide adequate time for the process of initiating assessment and re-assessment.

As present there is no time limit prescribed for finalisation of the Assessment List once it is initiated by the Corporation. More than one lakh cases of this nature are pending with the Corporation. It is proposed

to prescribe a time limit of three years for finalisation of the old cases pending at present. It is also proposed to put a similar time limit in respect of future cases. The hon. members will agree with me that these proposals are aimed at providing relief to the tax payer.

Similarly, it is proposed to amend the Punjab Municipal Act, 1911 as in force in New Delhi to enable the New Delhi Municipal Committee to issue notices for the amendment of the Assessment List for the financial year commencing on 1-4-1988, 1-4-1988 and 1-4-1990 before the first day of April 1991. The time limit for finalisation of the Assessment Lists is also being prescribed in New Delhi Municipal Committee area.

The Metropolitan Council of Delhi has considered and recommended in essence the enactment of the law on the above lines.

It is an amendment Bill which is a **sequel** to the Delhi Rent Control (Amendment) Act, 1988.

I commend this Bill to the House for consideration and acceptance.

MR. CHAIRMAN: Motion moved:

"That the Bill further to amend the Delhi Municipal Corporation Act, 1957 and the Punjab Municipal Act, 1911, as in force in New Delhi, be taken into consideration."

SHRI K. RAMACHANDRA REDDY (Hindupur): Mr. Chairman, Sir, by this Delhi Municipal Laws (Amendment) Bill, the Government proposes to amend two different Acts. One is the Delhi Municipal Corporation Act and the second is the Punjab Municipal Act, 1911, as in force in New Delhi.

Now, in the first Act, that is the Delhi Municipal Corporation Act the Government

is trying to add a new provision in **Section 126** and in the second Act, the Punjab Municipal Act, 1911, the Government is trying to add a new provision after section 67, in form of 67A.

These two Acts are in force. last year the Rent Control Act has been made effective for Delhi also. That came into force from 1.12.1988. That is why, after making that amended Act applicable, a revision of the property tax became necessary. There are a number of properties. Their number has also increased. In 1981-82 they were somewhere around 84,000 and by 1986-87 their number has gone up to more than two lakhs. Now the hon. Minister told us that there are five lakhs of properties where some revision of tax has to be done. That means five lakhs of assessments have to be reviewed and notices have to be issued to those people. New Assessments Lists have to be prepared, because when they want to increase the tax payable or reduce it they have to give notices to the property holders.

I can quite understand the stupendous task of the Government. They have to deal with more than five lakhs of people and it will not be possible for them to do it within three or four months. That is why they have come forward with this Bill. This is a Bill which deals with the revision of tax and with the assessment of the tax. Instead of bringing a comprehensive Bill to deal with all the other aspects, they just wanted to increase the tax. I went through the Bill half a dozen times. I am not able to understand whether the Bill is in favour of the tax payers or against them and whether the Municipal Corporation will get more revenue. The Bill has been proposed in such a way that the provisions are vague.

As far as the revision of tax is concerned, I feel that the Government should not have come forward with this Bill in a piecemeal. What are the norms prescribed

[Sh. K. Ramachandra Reddy]

for the assessment of tax? You should see whether the present staff is sufficient to make a survey and fix the assessments; and whether they could do it in such a short time. It is left to the Municipality.

Whatever the officers of the Municipality give, the Municipal Corporation accepts them. We have been hearing a lot of case where there has been a lot of connivance between the Municipal officers and the tax payers. And because of the connivance, the Municipality is deprived of a lot of tax revenue. I do not know why the Government has come forward with the Bill in a piecemeal manner instead of bringing a comprehensive Bill. The Government must have come forward with regulations and norms on which the tax has to be levied or assessed. Unless you come forward with such regulations, I would not think that you will be able to do any justice to the tax-payers and reduce the malpractices that are prevalent now.

A Committee has been set up under the chairmanship of Mr. Chidambaram about three or four years back. The Committee made certain recommendations in regard to revision of tax and the assessment of tax. But those recommendations have been kept pending for last three or four years and the Government has not taken any action on the recommendations. Even now, I request the Minister to come forward with a comprehensive Bill in order to see that the malpractices which are prevalent now are reduced. Properties worth 20 lakhs, Rs. 30 lakhs, Rs. 40 lakhs, are involved. These people have to pay more. Naturally the property owners somehow or the other strike a deal with the Municipal officers and the tax is under rated. These people who are not able to resort to such under hand methods have to pay more tax. That means, you are leaving it to the discretion of the Municipal Officers. I request the Minister to come forward with some

procedures so that it can be made applicable uniformly to all the people and the discretion of the Municipal Officer is taken away.

Another thing is prevalent in Delhi.

The property might have changed hands during thirty or forty years. Now he may be getting a nominal rent of Rs. 1000/- and during these thirty forty years the property changes many hands. A *pagri* of Rs. 20 lakhs or RS. 30 lakhs is paid for a property worth Rs. 5 lakhs. That means, the *pagri* is more. The owner of the building does not get anything. He does not get an enhanced rent. He gets only Rs. 1,000 or so which he has been receiving some 30-40 years back. There may be some increase of say, five or ten per cent. But the man who had taken the building on rent, gives it to some other person and thus makes lakhs of rupees through that property. Why don't you think of this man? You bring in an Act whereby this practice is put to an end. If a man is there, see that he vacates that building. The building must automatically come to the possession of the owner so that he can rent it out. If that is done, then the owner can pay more tax. I do not know whether in Delhi the tax is charged on the basis of rental value or capital value. You should do it on the basis of capital value. The rate of tax will then increase. If it is on rental value, the rent to the owner will be very very less. So, the Municipality suffers. This practice has to be put to an end.

Then, there are a number of cases pending. About two to three lakhs of cases are pending. The Municipality will not be able to deal with these cases very quickly. So, there will be revenue loss for two or three years. Now, the Bill says that these cases must be settled within three years. It is a very good amendment and I welcome it.

As far as the collection of these five thousand cases is concerned, do you think

the present staff is sufficient? Will the Municipality be able to deal with these cases within a short period of a few months without increasing the staff? I do not think you will be able to do justice to the tax-payers. These cases may be kept pending for years together. Then ultimately by this amendment, some of the tax-payers will get their cases delayed for years together and if the delay is more than three years, they will be able to escape. So, I think this provision in a way is harmful to the Municipality.

As far as the pending cases are concerned you are giving authority to the Municipality. Do you really think that this Municipal authority will be able to do justice to all these cases? They are going to be the final authority. Why don't you create an Appellate Tribunal so that the people may seek a judgement about the amount of assessment—whether the assessment is correct or not, whether the assessment is more or less? why don't you create a Tribunal? Unless you are able to take all these things into consideration, this Bill, I think, will not serve the purpose.

[Translation]

SHRI JAI PRAKASH AGARWAL (Chandni Chowk): Mr. Chairman, Sir, I welcome the amendment in Delhi Corporation Act proposed by the hon. Minister. This will give relief to the people who have received house tax notices recently. The people who used to be issued notice for Rs. 3000 to Rs. 4000 earlier, have now been given notices for Rs. 1 to Rs. 2 lakhs which has perturbed the people and has raised a big controversy. Therefore, you have brought this amendment to provide some relief to them and to extend the time for finalisation of assessment from one year to three years so that cases may be settled through appeals and Corporation authorities may get time to issue revised notices. But the basic problem

remains as it was. The problem is that notices of house tax have been issued on enhanced rates. First they will appeal against these notices and if they have to go to a court of law, they will have to first deposit the full amount of house tax before their appeals can be heard. Thus they will be the loser. You passed the Rent Control Act, Property with ratable value of more than Rs. 3500/- was excluded from its purview and then notices were issued to them on the basis of agreed rent. While you are empowering the Corporation through this Bill to decide cases within the extended period of three years or more, no benefit is going to accrue from it to the tax-payer. They will still remain in the clutches of inspectors who issue the notices. I belong to Delhi and I have all praise for the Delhi Corporation for the good work done by it for the poor and those living in the slums. But this measure is going to cause undue pressure on many people. After a hard fought battle in the court, judgement was given that house tax will be levied by the Corporation on the basis of agreed rent for five years and thereafter on the basis of standard rent, accordingly to which it worked out to above 7-8 per cent. But now, it will be based on agreed rent and they will have to pay at the rate of 30 per cent in case of commercial property and it will go up in case of occupied residential property also. You should make provision to solve their problem so that their hardships could be mitigated. Whole of Delhi is one unit but the M.C.D. charges 30 per cent while N.D.M.C charges 12 percent as commercial tax. Thus, there is no fun in having two different sets of bye-laws. Therefore, provision should be made to bring uniformity in the tax structure and to end this dual bye-laws. Had this been done, we would have been very happy and we would have praised you that you gave relief to Delhites. Large number of cases are pending with the corporation. I have not still understood clause 4(a) on page 2. It implies that cases pertaining to three years prior to 1988 can also be reopened.

[Sh. Jai Prakash Agarwal]

[*English*]

(4) No amendment under sub-section (1) shall be made in the assessment list in relation to...

(a) any year prior to the year commencing on the 1st day of April, 1988, after the 31st day of March, 1991;"

[*Translation*]

In these three years, cases pertaining to three years prior to 1988 can also be reopened. Thus they will get 6 years. Notices for tax at enhanced rate are being issued after the enforcement of Rent Control Act, it should have been stopped. But if they are empowered to review cases in respect of three years prior to 1988, they will reopen all the files and it will result in inspector rule and they will have the people. First of all, you should stop it. You must have read in the newspapers that notices for Rs. 3 to Rs. 5 lakhs have been issued. People are raising their voice against this oppression. I want to tell you that you must put a stop to it. The houses with ratable value upto Rs. 1000 had been exempted from house tax. It was on the lower side, you should raise it to Rs. 5000/- so that the poor people living in resettlement colonies and new colonies, where houses have been built on 25 sq. yards of land, may also get relief. No provision has been made to charge interest from defaulters who do not make payment for years or from persons who avoid payment by filing cases in courts. They continue to use for years the money otherwise belonging to the Corporation and they pay the same sum even after 10 years. Thus they are the least affected. I want that you should look into it. The properties in old Delhi have been converted into unauthorised markets. Your building bye-laws do not permit new construction. It is very strange that there exists a four-storeyed

house on a road and if some other person wants to build another four storeyed house there, permission is denied to him. What type of law it is? Similarly, cases of issue of completion certificates are pending with you. People authorisedly drawing electricity and water go unpunished but person applying to you for issue of completion certificates are charged of deviation, harassed and asked to pay lakhs of rupees under the penalty clause. I appeal to you to give the intended relief. 30 per cent tax is really too much. They should be granted relief from the Rent Control Act. The Committee constituted by the Metropolitan Council will be of no consequence, it should be at the level of your Ministry otherwise the Act brought forward by you will become meaning less. The benefits which you pretend to give, are not going to benefit the tax-payers. The tax collecting body i.e. Delhi Municipal Corporation will be the sole beneficiary. It is already a rich body. You keep providing lot of money to Delhi Municipal Corporation, huge funds are placed at their disposal, you should save the tax-payer from their stranglehold. Nobody will object if you tax the big people who own big commercial establishments and who are 50 to 100 markets, but the poor living in small houses, owners of self occupied houses should not be harassed.

With these words I appeal to you that you should bring a new act with good provisions granting relief to the poor people so that people of Delhi may benefit and remember you for your good deeds.

[*English*]

SHRI AJIT KUMAR SAHA (Vishnupur):
Sir, I rise to support the Delhi Municipal Laws (Amendment) Bill, 1989, to amend the Delhi Municipal Corporation Act 1957, and the Punjab Municipal Act, 1911.

According to the Statement of Objects and Reasons given in this Bill, "the Commis-

sioner, in view of provision to sub-section (1) of section 126, is required to issue notices for revision of assessment within the same financial year i.e., before the 31st day of March, 1989." It is also stated here that "it is felt essential to amend the Delhi Municipal Corporation Act, 1957, to provide adequate time for the process of initiating assessment."

The hon. Minister has brought this Bill very hurriedly because they have to pass this Bill before 31st March, 1989.

Sir, the Punjab Municipal Act of 1911 is a very old Act and this Act should be looked into because this is a very old Act. But with this piecemeal legislation, the purpose for which the Bill has been brought forward will not be served. Therefore, I urge upon the Minister that he should come forward with a comprehensive Bill so that everything is properly looked into.

Sir, this Bill seeks an amendment for extension of time in regard to house tax or property tax in Delhi. I have no objection to that. But the question is: What is the scientific criterion for this assessment to be decided? There is no scientific criterion. Just now my friend said that the big property owners are not paying and the small house owners have to pay more tax. Therefore, there is no scientific criterion for these taxes. In other words, I can say there is no scientific basis for assessing the amount of house tax or property tax in Delhi. It depends on the whims of the bureaucrats. There is a lot of corruption in this Department from top to bottom. The officers of this Department go on sending notices to the house owners arbitrarily increasing property tax and demand bribe for the reduction of this tax.

In this connection I want to make one point and that is about the present administrative set up in Delhi. It is very unfortunate that Parliament is always forced to spend its

valuable time and resources for every small thing regarding the Union Territory of Delhi. Therefore, it is necessary to grant Statehood to Delhi so that all these things are done by the State Government and the State Assembly. The people of Delhi are demanding Statehood for Delhi for quite a long time. Even the Congress (I) in their Manifesto in 1980 promised this Statehood for Delhi. So, I demand that this just and genuine demand of Delhi people should be granted.

With these words, I conclude.

SHRI N. TOMBI SINGH (Inner Manipur): Mr. Chairman, Sir, I rise to support this important Bill. As my hon. friend, Mr. Agarwal has just said the tax payers of Delhi are being harassed during the last three months, from January, consequent upon the amendment of the Delhi Rent Control Act. The issue now is, how to remove the element of connivance. The harassment to the taxpayers should be avoided.

Delhi being the national capital, all the property owners in Delhi cannot claim themselves as Delhites as they all come from different parts of the country. Particularly the property owners in Delhi represent all cross sections of the entire country. On the one side, those of us who belong to the remote corners of the country also have been feeling the pinch of the tax payers. On the other side, there is a difficult situation faced by the Delhi Administration, in the absence of such an amendment, as they have to bear the burden and that they have to serve assessment notice invariably every time. Every assessment notice is being followed by a note that this is not a final assessment. Some how in order to fulfil the requirement of time, they have to serve the assessment notice before 31st March. Now this difficulty is being removed by this amendment. The time given for serving the notice has been extended from one year to three years and also for finalisation of cases. This will also in a way

[Sh. N. Tombi Singh]

give relief to the officials of the tax department.

The question was raised whether the present staff will be able to meet the requirements. This also has to be given due consideration. Any taxation department—may be income-tax, or sales tax or property tax department—is not free, whether it is in Delhi or in some other cities. Taxation department as such is not free from pressure on the one side and also on the other, not free from the criticisms that they always connive with tax payers.

There are three categories of tax payers in Delhi. Many property owners are genuine people, poor people and they cannot be termed as property owners and they do not deserve to be taxed. The second category is the people who are somewhere in the middle, i.e. between the class of people who stand extremely very rich and those who are just oppressed people. The third category is the extremely rich people. When we decide the cases of these different grades of tax payers, we should be strict with those who are extremely rich because they have the power to pull and counter-pull and manipulate things. They connive with the taxation officials and inspectors. The present work is being done by inspectors numbering less than 400. The increase in the number of staff is not proportionate to the increase in the number of property owners and the amount increased in the property to be assessed. In order to meet the situation, we have to see that the department is also properly maintained and also we have to see from time to time, how they work, how honestly and efficiently they work. As we all know, it would not be convenient for the average tax payers to make manipulation, to go into litigation and to prolong the litigation. But those who do not like to pay can indulge in going to courts, High Court, pay higher fees to the lawyers

and to prolong the litigation. Mostly these cases would be to their advantage and to the disadvantage to the Government. But the Government, as it is today, has to increase their revenue. According to the revised assessment, at least Rs. 35 crores to Rs. 40 crores revenue—I am not very sure of the amount—some such figure, is expected. But that remains a theoretical expectation because the majority of the tax payers who are in Delhi and who can indulge in litigation and who can go in appeals and counter-appeals, will prolong matters and this will create disadvantage to the Government. In order to remove this disadvantage to the Government as well as to the genuine tax payers, we have to make the amendment a little more comprehensive and farsighted. This amendment has come when it is hardly two days to go for the earlier schedule. According to the earlier Schedule, the last date of assessment is 31st March and this could have been taken up a little in advance. After this, one does not know whether there will be any improvement in the implementation of the amended law. We cannot doubt the sincerity and honesty of the Delhi Administration and also the Union Ministry which is looking after the Delhi Administration. We have to remember every time that this is a taxation, particularly, taxation of property which relates and concerns not the poor, not those who are below poverty line but those who can pay. This is a levelling factor in society. If we are serious about socialism and bringing justice and Ram Rajya in the country—Gandhiji did not agree that Ram Rajya means distribution of wealth and prosperity—it takes time. As a community, we cannot jump from one step to another. The element of justice that is understood in Ram Rajya means fair distribution of whatever is available. It may be little or more or very much more but the element of fairness of distribution of what is available in any given situation in society is decided by this element of taxation. So, taxation is very important in our economy to bring about socialism in the

country and also to bring prosperity to the lowest rang of society. Every rich man in the rural areas and even those who can afford a little are coming to the urban areas because taxation is very high in urban areas whereas the rate of taxation in the rural areas is very low and they are taking advantage of the high rate of taxation in urban properties and land. People are coming to the urban areas and those who can afford are purchasing buildings and land in the name of their relatives and they are indulging in many *benami* transactions. Naturally, it is important that the Home Ministry, the Taxation Department and the Delhi Administration, for that matter, have to go deeply into the genuine requirements of this, because we do not like just to be satisfied with this time given, which is one year or three years and then we have extended the time and we have also increased certain rates for the assessment of taxes. But we should not be satisfied with this. We should see that from this we get really the required element of levelling of the social income. This is one factor. In this light, I would like to point out that there are several urban areas in the country; there are several municipal areas and Municipal Corporations in the country. But they are not put in the same situation as Delhi is. Delhi has got a very special situation. I would suggest that for those municipal areas, similar conditions and similar revenue earning provisions should be given so that they will be able to utilise this revenue collected from the urban ceiling properties for the development of the society. I know of the Municipal Corporations where the revenue earned by means of taxation for property and for other urban possessions is not going to the Municipal bodies. If similar provisions are kept there, then I think that would have a good impact on the whole society because today, as we see, India is seen only through the big cities. Among the big cities, first we have got Delhi and after Delhi we have got the other metropolitan cities like Calcutta, Bombay and Madras. But them these cities alone should

not represent the country. Whatever happens and whatever is collected from the cities should also go to the benefit of the rural areas, I feel that this legislation will have its own implications.

17.00 hrs

With these few words, I welcome and support this legislation. I hope the few suggestions that I have made will have the due consideration from the hon. Minister.

SHRI V.S.KRISHNA IYER (Bangalore South): Mr. Chairman, Sir, I rise to support the Delhi Municipal Laws (Amendment) Bill, Sir, we all expected that the Government would come forward with a Bill for the re-organisation of the Delhi set up and for giving Statehood to Delhi as well as unifying the several civic agencies like the Municipal Corporation of Delhi, the Delhi Development Authority and also the New Delhi Municipal Committee. There has been a persistent demand from the people of Delhi and also from the hon. Members like Shri Agarwal in this House that there should be a unified agency so that there could a better civic administration in Delhi. But unfortunately that is not to be seen. I do not know what is happening to the Sarkaria Commission; whether that Commission has completed its task and when its report will be ready and when the Sarkaria Commission's recommendations will be placed before this House. As one of the hon. Members has already stated, it is high time that Delhi should have been granted Statehood. It is unnecessary for this august House, a national body like Parliament, to discuss the Municipal Laws pertaining to the Municipalities in Delhi. It should be left to the State which should be created in Delhi. It is very necessary that Delhi should have the State Assembly very soon. I think even the Congress Members have also got the same sentiments as other have.

[Sh. V. Krishna Iyer]

Sir, I have gone through this Delhi Municipal Corporation Act. As a former Mayor I made an impassionate plea. This Delhi Municipal corporation Act is the most outmoded Act. Being the Capital of our country, the whole country expects leadership from this City of Delhi. The Delhi Municipal Act should be such a model Act so that other Corporations might follow it. I would like to cite an instance regarding this taxation measure. I find from the Act that even now the property tax comprises four divisions—one is the water tax, the second is the scavenger tax, the third is the fire tax and the fourth is the general tax. It is high time that all these taxes are merged into one tax because if there are several taxes, each tax gives room for more corruption as there is no scientific method by which the assessment is made. I will come to that later on. I suggest that it is high time that Government should think about it. You should see to it that all the taxes are merged. Can there be any house without water? Water charges are being collected by a separate agency. Can there be any house or building without scavenging facilities, toilets, W.C. etc? Every house shall have and will have these. Then there is a fire tax which is compulsory. Then you have got a general tax. I think, it is necessary in the interest of the Corporation and also the property owners to merge all the taxes. That is what we have in Bangalore and it is working very well.

I will now come to assessment. I find from the Act—even in the Bangalore Corporation—that there is no scientific basis by which assessment is made. It is left to the discretion of the officials. Which officials are they? They are the Revenue Inspectors and officers of low cadre. It is they who assess this. In many cases their assessment will be final because there will be nexus between the property owner and the official and the property will be assessed for a very low rate.

And the owner will not go to appeal at all. Why should he go when the assessor has given him so much relief? He does not care for that. What I suggest is you should find out a method by which there is a scientific basis on which this assessment is made.

Another thing which I find is that, whenever assessment is made, the aggrieved party is allowed to appeal to the Commissioner. In some cases, it is likely that Commissioner may delegate it to some other official. That is not correct. I suggest that—that is what we have in Bangalore—you should have an Appeals Committee. It should be a tribunal and it should not be given to any particular official.

So far as under assessment is concerned, there should be a Watchdog Committee. There should be a squad whose main duty should be to see whether the house tax been correctly assessed or not. Then only the assessment officials will have fear and it is likely that they may do justice. *(Interruptions)*

SHRI K.S. RAO (Machilipatnam): Official or non-official.

SHRI V.S. KRISHNA IYER : Assessment Committee is separate. There is a lot of manoeuvring in the assessment. I give one instance. Generally, when the rent is collected, many landlords, if they collect Rs. 1,000, what they do is, they put Rs. 500 as House Rent; Rs. 300 as fan-fitting charges; Rs. 200 as water charges and other furniture charges etc. That is how they evade paying property tax. It is going on everywhere. Whenever one tenant goes and another tenant comes, what they do is, they charge *Pagri* which is unaccountable. They take lot of advance and also the *Pagri* which is unaccounted. That will not come under tax. When they take huge *Pagri*, the rent will be reduced and thereby Corporation also loses its revenue. Wherever these loopholes are

there, I suggest, you should have an expert committee to look into all the aspects so that you could have a model in the Delhi Municipal Act which other corporations might also follow.

So far as this particular Bill is concerned, I do not think, there is any objection to it. The only fear is—there are five lakh properties involved—whether you have sufficient staff to assess this thing within these two years. Of course, it is for the municipality. If they want, they can ask for more staff. But they should see to it that it is completed in time.

I finally would like to stress once again that unifying of agencies is very much important so far as Delhi is concerned because I know what trouble the people of Delhi are facing. I know a number of instances through my friends here; the land lords collect heavy rent. For a small room of 100 sq. feet (10 X 10'), I am surprised to find that the rent collected is Rs. 500/- And what tax are they paying? No tax, because they are not giving receipts. It is necessary that it should come under the Rent Control Act. The land lords should be insisted upon to give rent receipts and the responsibility of taking receipts should be put on the tenants also. Unless we do that, we lose a lot of revenue.

I am sure the Hon. Minister will apply his mind to these aspects and see that all these loopholes in the tax collection in the Delhi Municipal Corporation Act are plugged so that other corporations would follow them.

With these words, I support the Amendment Bill.

[Translation]

SHRI GIRDHARI LAL VYAS (Bhilwara): Mr. Chairman, Sir, I support the Delhi Municipal Laws (Amendment) Bill, 1989.

First of all, I want to know that, since you wanted to cover such a large number of properties, why did you not pay attention to the various aspects such as time to be taken in issuing notices, procedure for finalisation of assessments, etc. and make provision in the original act for all the matters connected therewith. Due care was not taken at that time which necessitated this amendment. Frequent amendments in this manner have for reaching affect on the administration and it also leads to greater corruption. You have stated the following in the statement of objects and reasons:

[English]

"In view of certain amendments to the Delhi Rent Control Act, 1958 which have become effective from the 1st day of December, 1988, the Commissioner, Municipal Corporation of Delhi, is called upon to make revisions in the assessment list for property tax under sub-section (1) of section 126, of the Delhi Municipal Corporation Act, 1957. In order to realise the property tax becoming due for the period from 1st December, 1988 to 31st March, 1989, the Commissioner, in view of proviso to subsection (1) of section 126, is required to issue notices for revision of assessment within the same financial year, i.e., before the 31st day of March, 1989".

[Translation]

You knew very well that all notices of assessment will have to be issued by 31st March, 1989 and this law has been made effective from 1st December, 1988. How can notices in respect of 5 lakh properties be issued in a short span of 3 months. It was a very relevant point to be considered but your bureaucrats overlooked it and the law was enacted. You have created panic among the people by issuing notices and you cannot imagine the anxiety and harassment caused to the people of Delhi. Shri Agarwal has

[Sh. Girdhari Lal Vyas]

already referred to the anxious moments passed by lakhs of people on receipt of notices.

[MR. DEPUTY SPEAKER *in the Chair.*]

17.14 hrs.

You must be familiar with the *modus operandi* of the rich to evade taxes in collusion with the authorities. They may exploit the judicial process by going to courts, by obtaining stay order and by corrupting the people. They have various agencies at their disposal but the poor and the people belonging to the weaker sections were quite incapable of facing the misery wrought on them and difficulties springing up in the wake of notices issued to them. Therefore, it is a matter which deserves serious consideration, specially when this issue of house tax does not concern Delhi alone but is a matter of concern and anguish for the people of the entire country. There is widespread discontentment over the House Tax all over the country. The Government should evolve some full proof method of assessing House Tax in conformity with the value of the House as is done in case of Income Tax and the same should be recovered accordingly.

If we compare with the past, we find a large variation in the property tax assessment. For instance, what will be the valuation of a house which was constructed on a piece of land purchased 20-30 years ago and whose valuation was done at that time. There is a large variation between the present and the past valuation. Earlier the Commissioner had been given wide powers viz. changing of name, including the additional property, omitting some property and many provisions under section 126. How will the Government's provision go with the wide powers which it has given regarding alteration, assessment etc.? This needs to be

considered.

Regarding the assessment of properties proposed to be made after 3 years, I would like to know as to who will make the assessment? Some hon. Member told a little while ago that some Revenue Inspector makes the assessment. Regarding that assessing authority, everyone knows what measures he adopts for making valuation and assessment of the House, and how people mislead and influence him. This also needs to be paid attention. The Government should make some such provision that instead of the Revenue Inspector some technical officer should also be included in this. In the team of assessing authority, some executive engineers or assistant engineers from PWD (Works) should be included who are connected with the assessment of land and property and who know the proper method of valuation. The Government should make provision to find out ways and means to make assessment of increased value of the properties. Everyone knows that the technical services personnel are familiar with the expenditure to be incurred on different kinds of brick laying. They also make an exact assessment of the cost involved. As a number of hon. Members said some scientific method must be found out for making correct assessment. As I submitted, people face a great problem in paying House Tax since its proper assessment is not made. Therefore the Government should adopt different methods for making assessment of different properties. At present, the assessing authorities do not have any well defined guidelines to make assessment of trading, commercial and housing complexes. Unless the assessment of these complexes is made properly, the proper realisation of taxes will also not be possible.

A number of hon. Members have expressed apprehension that this will lead to numerous litigations. If 5 lakh properties are to be assessed, and in case people find

difficulty they will approach the court and in that situation the Municipal Corporation will have to waste its energy in fighting cases in the courts. Therefore assessment should be made in such a manner that litigations may be avoided and the tax is recovered properly.

Just now an hon. Member suggested that some Appellate Authority should be appointed which should be above assessing authority so that cases of wrong assessment of property tax could be heard by them and relief could be provided. There is dire need of making such a provision.

There is a variation of time limit prescribed in the Delhi Municipal Act and the Punjab Municipal Act 1911. The Punjab Act provides a time for three years', while in this Act there is a provision for only 2 years for making assessment. What is the reasons for this differentiation? How will the arrangement of the property which is under Delhi Municipal Act be made?

Earlier Delhi was under Punjab and the same Act used to be enforced here. Even now a number of properties will be under Punjab Act. Therefore this differentiation of time should not be there and it should be kept at par.

Shri Aggarwal aptly said that commercial tax in Old Delhi is 30 per cent and in New Delhi it is only 7.5 per cent. This discrimination should be removed. New Delhi is a more beautiful place and value of property in New Delhi is also higher as compared to Old Delhi. This too should brought at par. The Government has made the provision of 7.5 per cent tax for people in New Delhi but it is higher for the people living in Old Delhi since centuries and who have witnessed all the ups and downs of the history. Similar treatment should be met with everyone.

In the end I would like to submit that I

hope the hon. Minister will consider the suggestions made by me so that people may get relief.

SHRI C. JANGA REDDY (Hanamkonda): Mr. Deputy Speaker, Sir, I totally oppose this Bill presented in the House. Its notice was given in December 1988 and if they did not want to implement it within three months, it could have been implemented from first April. But they are having election in mind and that is why they made provision for 3 years since they are sure that they are going to lose the next general elections, so they wanted to leave this headache for the Party which will form the next Government.

SHRI JAI PRAKASH AGARWAL: Do not dream so.

SHRI C. JANGA REDDY: Had it been a dream, you would have conducted elections (*Interruptions*)

SHRI JAI PRAKASH AGARWAL: You may get them conducted whenever you want. (*Interruptions*)

SHRI C. JANGA REDDY: It is the Government of your party which has postponed the elections.

SHRI JAI PRAKASH AGARWAL: Forget about these dream now. B.J.P. and Jana Sungh only are responsible for having spoiled Delhi and it is in the hands of Congress Party alone that it has made substantial improvements.

SHRI C. JANGA REDDY: Even the international press have applauded that it was the Jana Sangh Party which gave Delhi its real form.

SHRI JAI PRAKASH AGARWAL: It only got the crematorium renovated, and you may see that everything else was done at a later stage (*Interruptions*)

SHRI C. JANGA REDDY: The results of the elections will demonstrate this. I want to ask as to why you have been postponing elections for the last two years (*Interruptions*)

SHRI JAI PRAKASH AGARWAL: This is so because we have made a demand for Assembly. Once the report of the Committee is received and we get the Assembly, you may get the elections conducted at any time. Congress Party is bound to win since Shri Rajiv Gandhi enjoys the support of the people.

SHRI C. JANGA REDDY: In so far as demand of an Assembly for Delhi is concerned, B.J.P. is with you. Are you sleeping for the last 4 years that all of a sudden Shri Buta Singh awoke from his slumber and realised that the elections are round the corner so he set up a Committee because elections are approaching. What did you do during the last 4 years. Your Election Manifesto mentions that Delhi Metropolitan Council will be given the status of State Assembly. Now when you are in majority not only at the Centre and in the Metropolitan Council but also in the Corporation, what is the problem in giving the status of State Assembly to Delhi. Now that elections are approaching, it has struck your mind that a committee should be constituted to fulfil the promise made in the Election Manifesto. That is why you are postponing the election. This proves that you are going to lose the elections and you will understand whether this is a dream or else. You have got control over the committee and you can impress upon the committee to furnish its report within two months. Then you could order elections.

SHRI JAI PRAKASH AGARWAL: We are prepared for that.

SHRI C. JANGA REDDY: You are prepared to do so but Shri Buta Singh is not

prepared. If you are prepared why do you not get the elections conducted... (*Interruptions*)...

Therefore, my submission is that this disparity of 2 and 3 years should be removed. The authorities for recovering water and electricity charges are separate. B.J.P. simply wants that Delhi should get the status of a State. If your intention is also the same, then why is it not given that status. You have control in the Central Government, Corporation, Metropolitan Council and the Law. Similarly, you are very close to Shri Buta Singh and Shri Rajiv Gandhi and enjoy their confidence. So who has opposed this. What reply do you have for this. For the last 4 years, Shri Rajiv Gandhi, Shri Buta Singh and even you were asleep... (*Interruptions*)...

SHRI JAI PRAKASH AGARWAL: Why did you not fulfil the promise in 1977 itself, when you made it.

SHRI C. JANGA REDDY: You have been enjoying power for the last 35 years. How could we do it in only 2 and a half years.

SHRI JAI PRAKASH AGARWAL: You have been there since 1967.

SHRI C. JANGA REDDY: When you could not do it in 35 years, how could it be fulfilled in 2 and a half years. You do not intend holding elections. You will lose. When you do not intend to recover it? Why have you given the notice? The Party which comes to power after 3 years will give the notice, why do you give it? The people in Delhi are resenting. Re-assessment should be made within three months. Shri Vyasji was saying that laws should be framed with utmost deliberation. Since rent control has been amended, it could be implemented from the first April. Otherwise, it could be extended for another two years and could have to be passed when Delhi was provided

with a State Assembly. Everyone has the same demand that Delhi should be provided with a State Assembly. Even the Opposition's support is with you in this regard. So what is the need of a Committee? What would it do? Why can you not merge the Municipal Committee and the Municipal Corporation in a single unit? Separate laws are being formulated. The laws which you are formulating now could have been formulated even earlier. You have introduced this Bill to mislead people. When you will recover this after three years, why are you making efforts for it now, since you will not remain in power after three years. The Party which will come in power will formulate law. My submission is that the Government should bring a comprehensive Bill....(Interruptions)

SHRI JAI PRAKASH AGARWAL: You are dreaming.

SHRI C. JANGA REDDY: We have realised it. It has been mentioned in the foreign Press also. I do not know whether you were present at that time or not. In 1967 you must have been in the Municipal Corporation. Now you have become an M.P. You are not aware of it. Hon. Shri Krishna Ayyar has rightly said that either a Tribunal should be set up or assessment should be made after every two years. If a house is constructed on a plot which was acquired 20 years ago but the assessment is made on the current market value, the result would be that it would increase by more than 400 percent. The land which had cost only Rs. 5000 then, now costs more than Rs. 1.25 lakhs. If the assessment is made on the increased value it will not do. The property tax should be levied on those who rent out their properties and self occupied properties should be exempted from this tax. In case an accommodation is vacated its occupation is transferred to another person and 'pagri' (goodwill amount) is taken and the owner of the house does not get its occupation, someother person gets the occupation.

Therefore, I oppose this Bill. If the Government still want to go ahead, then the tax should be recovered within next three months and if not, the people who will be in power after the coming elections will do it. A legislation will be passed in the Parliament but it will be difficult for the M.C.D. and N.D.M.C. to implement. Therefore, I oppose this Bill. There should be uniform taxation instead of 30 per cent for one and 7 1/2 per cent for the other and similarly 2 years of assessment period for N.D.M.C. and 3 years for M.C.D. Hence, Delhi should be given the status of a full fledged state as early as possible. There is no need for the committee which has been constituted. It has been done to evade elections. Delhi can be given the status of full fledged state by issue of an ordinance. Is Delhi in any way less than Mizoram and Nagaland. Here the separate authorities for scavenging drinking water, water tax and the people are fed up. I want all of them to be brought under one umbrella. You are taking so much time to give the status of State because you want to do so when the elections are round the corner. There is no argument behind the provision which has been made of making assessment for three year period. A technical committee should be constituted consisting of 3 or 4 members and assessment should be made at the lowest level.

I conclude while opposing the Bill.

DR. G.S. RAJHANS (Jhanjharpur): Mr. Deputy Speaker, Sir, I support this Bill. It has been a very timely exercise. If we go through the Delhi editions of newspapers of the last two months we will find several articles against the property tax and also several letters to Editors published in them. I mean that in Delhi people with small properties have been struck by a sense of terror. People who have been paying Rs. 1000/- as property tax have now received notices for Rs. 30 thousand and Rs. 40 thousand and I have seen such notices myself. It is indeed

[Dr. G.S. Rajhans]

a tyranny. Any gentlemen will be amazed to read such notices. It has been mentioned that if the property tax is not paid within a specific period, coercive methods shall be adopted. Is there any justification for it? The position of M.C.D. areas is very bad. We in the House had thought that a committee headed by Justice Sarkaria has been constituted and its major function would be to rationalise property tax structure of Old Delhi, New Delhi and South Delhi. Justice Sarkaria has left and a new Chairman has been appointed. Let us wait for sometime and let the Report be submitted. I had stated earlier also that a salaried class person having a small property in R.K. Puram has to pay as much as 34 per cent tax while a person owning property in Cannaught Place has to pay 71/2 per cent tax. No one can think that this can happen in Delhi. As such, Bihar has a very bad reputation but the people of Bihar are of the opinion that in Delhi, no one listens and that people do not get justice in Delhi. It is a fact that in areas where the rich people reside, the rate of taxation is only 71/2 per cent and where the middle classes have managed with much difficulty to construct a house, the rate of taxation is 33 1/2 or 34 per cent. This is paradoxical. Will any outsider be prepared to accept this position. Taxes are levied all over the world so that certain amenities could be provided to the people and this is the underlying principle behind taxation. I am a resident of South Delhi and I can say with certainty that no facilities are being provided. The condition of posh colonies is deplorable today. We can see pigs roaming and heaps of garbage lying everywhere. If the officers of the Municipal Corporation are sitting in the official gallery, they should accompany me to such colonies and verify it themselves. Therefore, the government have no right to recover taxes. People say openly that.

[English]

‘No taxation without sanitation.

[Translation]

There is so much of filth every where and the entire Delhi has turned into one big slum. A sweeper cannot be told to sweep a particular spot and they do not attend to their duties for two months continuously. If we give ring to the Corporation, they do not reply. I would say that Delhi Municipal Corporation has become a biggest den of corruption. It is high time, when we should pay attention to all these points. The entire tax structure should be rectified. The report of that committee should be submitted at the earliest. The Government should impose a uniform tax of 7 1/2 percent all over Delhi. You will be surprised to know about the manner in which the tax-inspectors treat the tax-payers. They advise them to get two agreements signed with their tenants. In one agreement, Rs. 2000/- should be entered as furniture charges and in another the amount of rent should be entered as Rs. 1000. In this way, House Tax will be paid on the basis of rent of Rs. 1000/- and the rest of the amount would be saved. The inspectors get a part of this money saved through tax evasion. I am well aware and I can dare say that this situation prevails everywhere. I would like that wherever two or three agreements are made to evade taxes, full taxes should be recovered from them. What is the justification of not doing so? Today the honest tax payers are put to trouble and those who have entered into 2 or 3 agreement in collusion with the inspectors manage to evade taxes. Therefore, the entire amount included in the various agreements should be taxed. Such agreements like furniture charges or service charges are made in order to evade taxes. I think that the Government has been very clever in introducing this bill. The period of assessment is being increased to three years through this bill but along with it tax

structure should be rationalised and rate of taxes should be uniform everywhere. There should be no arbitrariness in this matter. There are commercial as well as residential properties at the same place. More tax is charged on commercial properties and less tax is charged on residential properties. Residential properties are being put to commercial use openly and thus excess payment of tax is being evaded. What have you to say in this regard? Nowhere else in the world it can happen that residential properties are openly used for commercial purposes and paying taxes at the rate of residential properties. This plainly implies that honest tax-payers should face hardships and tax evaders should flourish. Government should ensure that assessment is made properly so that the middle-classes and the weaker sections do not suffer and the rich are not able to evade taxes by dividing their rental income into two or three parts. Again, there should be a uniform rate of taxation in Old Delhi, New Delhi and South Delhi. The tax-rate should also be reduced. The principle underlying taxation all over the world is that people would pay their taxes honestly if the taxes are reduced and income out of taxation will also be more as compared to a situation in which rate of taxation is high because the tendency to evade taxes will increase under such a situation.

Government has moved a commendable bill. I would like to urge upon the Government that Municipal Corporation should be made to realise that before recovering taxes, the tax inspectors should see whether all amenities like sanitation, water arrangements, power supply etc. are available or not. If the Government pay attention to the amenities to be provided to the people, the people will have no objection in paying their taxes regularly but if tax arrears of several years are imposed in one year, the people will, naturally, not be in a position to pay taxes. The tax structure should be such that

it does not become a burden for the tax payers.

[English]

SHRI SONTOSH MOHAN DEV: Mr. Deputy-Speaker, Sir, at the very outset I convey my thanks to all those hon. members who have participated in this debate. Except my good friend Mr. Janga Reddy all have supported the Bill very rightly and even Mr. Reddy, I think in his heart of hearts supports it. His only fear is about the elections. This has nothing to do with the elections.

The main problem is that we volume of work—because a number of assessments are there—has compelled the Government to move this amending Bill. Because, the procedure of assessment that has to be followed should be so judicious that the people should not feel that there is some harassment, and instructions have been given to this effect. The Government also felt that it will not be proper to finish the work hurriedly because five lakh thirteen thousand and odd assessments have to be done, in both the local bodies put together.

In the course of the debate some members have pointed out that in the Municipal Corporation and also in NDMC the tax payers are harassed. The hon. Member from Delhi has very rightly pointed out that there are two types of tax rates in these two Corporations which are in close proximity to each other. In the NDMC the rate of tax is twelve and a half per cent and in the other it ranges from 10 per cent, up to 30 per cent. That is a fact. And in view of this and taking into consideration the various aspects the Government thought over it how best it could be redressed. I will come to that particular point, how we are going to solve the problem, later, but firstly I must say that one of the members has raised—I think it was Mr. Agarwal—a question, and said that by amending the Section 4A, we are trying to go

[Sh. Sontosh Mohan Dev]

back. We are not trying to go back. Our aim is only to go for those cases which are issued up to 31.3.1988, not before that. I will assure you. There is no such going back. We will not go back. You can rest assured.

Another member has raised a question that the number of persons who are employed is very small. But, on the assessment of the volume of work from time to time both the organisations have increased their staff strength for assessment of the rank of inspectors as well as assessors and this is been done continuously. I understand—I do not have the total figures with me—that approximately a good number of people have been appointed to help. Always care has been taken to see that sufficient strength is there, and a good number of people are deployed. The position is, that from 1983 to 1986 the number of assessment officers has been increased from 49 to 101 and that of inspectors has increased from 205 to 406 or so. So, steps have been taken to see that proper staff strength is made available to look into this particular aspect. As Mr. Jai Prakash Agarwal has very rightly said, when we started the process of assessment, it came to our notice that the quantum of money which has been assessed is so high that it needs to have a fresh look. We got various representations from the public as well as from both the Corporations. I am glad that the Delhi Administration have already announced setting up of a Committee for evolving a satisfactory structure of property taxation in Delhi. The Committee would be headed by the Chief Executive Councillor and would include the following members:

Mayor

Three representatives of Metropolitan Council

Two Municipal Members

Chief Secretary

Finance Secretary

Commissioner, MCD
Administrator, NDMC
An expert in public finance
Secretary (LSG).

The Committee has been asked to submit its report by the 30th September, 1989...*(Interruptions)*

[*Translation*]

SHRI JAI PRAKASH AGARWAL: An M.P. should also be included in the Committee *(Interruptions)*

[*English*]

SHRI SONTOSH MOHAN DEV: We will definitely recommend it. While coming to its conclusions, the Committee will take into account the following important concerns:

The imperative of promoting rapid increases to housing stock in Delhi.

Special consideration for owner-occupied properties and allottees of group housing flats and other housing meant for low income and economically weaker sections.

Our thrust is to make more housing accommodation in the Delhi area, but at the same time the weaker sections must not be neglected, the poorer sections must not be neglected and they should be encouraged. The structure should not be such that it becomes a discouraging thing for these people. As per the existing tax structure, I have been told, the self house owner has to pay tax to the extent that it becomes a very discouraging thing for him to stay in his own house; rather he prefers to go in for a rented house. In order to redress the grievances of the people, as Mr. Agarwal has said, we have taken this step. This Committee will look into the limit of tax structured, self occupied houses, rented houses and Govern-

ment buildings. Now we are not charging anything from the diplomatic enclaves. All these things will be looked into by the Committee.

Sir, in the course of the discussion, the hon. Members have brought before us the Sarkaria Commission, the multiplicity of associations in Delhi; why the State is not being formed and what action the government is taking and why two years and three years timelag in both the Corporations. Now the Committee has been appointed. The Committee has started its work. The time of this Committee has been extended upto 30th September 1989. The Committee is looking into all these aspects; whether Delhi can be given a Statehood; if it is given a Statehood, what should be the procedure adopted about multiplicity. Delhi State Transport Corporation, DESU, NDMC, Municipal Corporation, DDA—each has got its own set up and the coordination between all these is not up to the satisfaction of the Government and the Government feels that some thing has to be done. The multiplicity of associations must not be there. Keeping this in view, the Committee has been formed and we expect that by the 30th September, 1989 the Committee will submit its report.

Sir, other Members have pointed about corruption in the Corporations. I am having connection with the Delhi Corporations and others of the last two and a half years. I have not got any major case. If the hon. Members draw our attention, we assure them we will take proper action and see that it is effectively checked.

With these words, I request you to kindly.....(*Interruptions*).

[*Translation*]

SHRI JAI PRAKASH AGARWAL: The hon. Minister may stay the inflated cases pending the Report of the Committee.

[*English*]

SHRI SONTOSH MOHAN DEV: This factor we are looking into. I cannot give an assurance right now but I had noted the points raised by you, by Mr. Rajhans and other and I will discuss them. It is for that very reasons that this amendment has been brought for extending the time. We shall certainly see that those cases which are thought to be not reasonable, do get some care to see that this harassment is not done. Sir, you might have been seen that recently the Municipal Corporation has issued an advertisement also in the papers, giving various information to help the assesseees so that they also know what are the various facilities available to them...(*Interruptions*). Exemption is also being given to certain categories...(*Interruptions*).

[*Translation*]

SHRI C. JANGA REDDY: Assessment should be made and notices should be sent only after the Report is submitted in June, 1989. Only after that you should decide the question of granting statehood.

[*English*]

SHRI SONTOSH MOHAN DEV: It is your suggestion. We may not accept all your suggestions...(*Interruptions*). But we have nothing to do with elections. Our interest is to redress the grievances of the people and to see that these two organisations serve notices after examining all the things...(*Interruptions*). In order to make an assessment, they have to make a survey of all the properties. They have to collect all the relevant documents from the property owners about the cost of construction, issue notices to the property owners for the rateable value, give one month's time to file objections. All these things are time-consuming.

[Sh. Sontosh Mohan Dev]

I am sure, as Mr. Aggarwal has very rightly said, and as we ourselves also feel, some injustice has been done. Considering all these things, we do not want that this should be done hurriedly. As Mr. Janga Reddy has very rightly said, whether Delhi should get Statehood or not, this has been the demand of the public. This has not only been the demand of his party, this has been the demand of Congress(I) also. If Congress(I) was afraid of fighting the elections, they would not have asked for the Statehood. So, they are not afraid. But the problem that comes before us is that once we try to do something, we must examine what are the fall-outs of that. Now, DDA is there, Municipal corporation is there, NDMC is there, Electricity Board is there, Delhi Milk Scheme is there, DTC is there. So, all these things have to be examined. They have called memoranda from various public organisations, they have had several sittings, and they have examined all these things. Because of the complexity of the whole issue, they have asked for extension of time and we have extended the time twice. I am sure that they are going into the details of these particular things. Why is the hon. Member trying to mix up the elections and this assessment of the property owners of Delhi? He is saying that they will come back to power and they will have to do the assessment and, therefore, we should not make them unhappy. We do not want to make Delhi house-owners unhappy. We want that they should pay reasonable tax. We want that there should not be any scope for corruption. We want that while assessing, justice should be given and there should not be any scope for injustice. Many Members have said that there should be liaison amongst various bodies. This will not be there if we do it hurriedly. If two or three years time is given, the supervision from the top officials will be very good. They will be able to see whether justice has been done or not. It cannot be

done if we do it in a hurried manner. Only nine months' time was given to us and we have been able to clear at least 13,000 and odd cases. But there also we have made mistakes. In this Bill we have brought a time limit within which all the pending cases of the past have to be completed. Now there are certain pending cases but there is not time limit to complete those cases. Here a time limit has been provided. Even the pending cases have to be cleared within a particular time. What is the idea? The idea is to help in those pending cases for which people are approaching the Municipal Corporation which are not being completed for some reason or other. I do agree that for the second year the taxes have not at all been levied. Now, we have got particular ceilings like one thousand or less, ten thousand or less and so on. In these cases the taxes will not be levied. But there are certain cases which have gone to the court. One hon. Member has rightly said that if we try to do it hurriedly, these cases will go to the court and there will be litigations. Then the only purpose of the Municipal Corporation and the New Delhi Municipal Committee will be to run to the court and to fight the cases there. We do not want that.

[*Translation*]

SHRI JAI PRAKASH AGARWAL: You should have a self-declaration instead of a survey. In case of a survey, people will be harassed whereas in a self-declaration, people will come forward themselves.

SHR: SONTOSH MOHAN DEV: As I have said, a Committee has been formed and I will see that involvement of some MPs is also there so that their views can be projected there. You are the representatives of the people and you have got the direct inter-action with the people. You know better; you know the market conditions and you are coming to me and saying that the markets should also be developed. These are

known to us and taking all these things into consideration, we have rightly said that this can be done. We assure you that we are not in any mood to see that harassment is done to the assessee. We have done it with good intention and we do agree that when we had originally passed the Rent Control Act we should have considered all these points. But because we had not foreseen, it does not mean that we should go ahead to do injustice to the people. Sir, with these words, I commend the Bill to the House and I think the House will unanimously pass this Bill.

MR. DEPUTY-SPEAKER: The question is:

"That the Bill further to amend the Delhi Municipal Corporation Act, 1957 and the Punjab Municipal Act, 1911, as in force in New Delhi be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER: The House will now take up Clause by Clause consideration.

The question is:

"That Clauses 2 and 3 stand part of the Bill."

The motion was adopted

Clauses 2 and 3 were added to the Bill.

MR. DEPUTY-SPEAKER: The question is:

"That clause 1, Enacting Formula and the Long Title stand part of the Bill."

The motion was adopted

Clause 1, Enacting Formula and Title were added to the Bill.

SHRI SONTOSH MOHAN DEV: I beg to move:

"That the Bill be passed."

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill be passed."

Kumari Mamata Banerjee to speak.

[*Translation*]

KUMARI MAMATA BANERJEE (Jadavpur): Mr. Deputy Speaker, Sir, I rise to support the Delhi Municipal Corporation Bill introduced by the hon. Minister of State in the Ministry of Home Affairs, Shri Sontosh Mohan Dev.

The tax to be levied by the Delhi Municipal Corporation will not now be levied for the period of next three years. It is true that the work of the Delhi Municipal Corporation is not merely collecting taxes. As hon. Shri Agarwal and hon. Shri Rajhans has said it also looks after the welfare of the general public in New Delhi and Old Delhi. Its responsibilities include the provision of water, electricity and sanitation facility in this city. We generally receive complaints that the bills prepared by the Delhi Municipal Corporation are mostly based on averages whereas the factual position in this regard is quite different. You should please look to it that only the bills based on actual consumption should be sent to the people. Computerization of the billing procedure has made it somewhat difficult for the public. The conditions in New Delhi are quite good as it is a V.I.P. area, but in Old Delhi which includes Chandni Chowk, conditions are not good. I do not know much about Delhi as I am not a resident of this city but the Old Delhi area does not have well-built roads and good houses and satisfactory sanitary conditions. There is a large number of people who live in

[Kumari Mamata Banerjee]

slums. Development of slums is also the responsibility of the Delhi Municipal Corporation as it comes under its jurisdiction.

I won't say much on it. As this area falls under the jurisdiction of the Delhi Municipal Corporation, they are duty-bound to attend to and solve the problems of the people. The tax burden is most felt by the poor and the middle class, and it has not that bearing on the affluent. Hon. Shri Santosh Mohan Dev is a capable person and worker of the grass-root level. I would request him to pay more attention to the working of the Delhi Municipal Corporation. With these words, I thank you and conclude.

[English]

SHRI SANTOSH MOHAN DEV: Sir, I fully appreciate the suggestions given by the hon. Member and we shall try to act on some of the suggestions given by her.

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

18.01 hrs.

HALF-AN-HOUR DISCUSSION

[English]

Short Supply of Foodgrains

SHRI SHARAD DIGHE (Bombay North Central): Sir, I raise the discussion on the points arising out of the reply given by the Minister of Food and Civil Supplies on 15 March, 1989, to Starred Question No. 304 regarding short supply of foodgrains.

Sir, on 15th March my Starred Question No. 304 was listed and the question was:

- "(a) whether Government are aware of the acute shortage of essential food items supplied through Public Distribution System in Bombay from February 1989 due to the short supply of rice and wheat by Central Government; and
- (b) if so, what steps are proposed to be taken to improve the supply position?"

The reply was in the form of a Statement laid on the Table of the House and the Statement said:

"The Central Government makes allocations of wheat and rice to States as a whole. Internal distribution to different cities/districts is decided upon by the concerned State Governments. The Central allocations for Maharashtra in February and March, 1989, and allotments made by the State Government for Bombay/Thane Rationing Area are given below:"

Then the figures are given. As far as the Central allocation to Maharashtra in February 1989 was concerned, wheat allotted was 94,500 Metric Tonnes, and Maharashtra State's allocation to Bombay and Thane Rationing area was 34,000 Metric Tonnes. Similarly, rice allotment was 52,000 Metric Tonnes and Maharashtra State's allocation to Bombay/Thane Rationing Area was 17,000 Metric Tonnes. In March 1989, wheat allocation by Center to Maharashtra is one lakh Metric Tonnes and Maharashtra State's allocation to Bombay/Thane Rationing Area is 36,000 Metric Tonnes. Similarly, Central allocation of rice to Maharashtra is 52,000 Metric Tonnes and State's allocation to Bombay/Thane Rationing Area is 20,000 Metric Tonnes.