

[Shri Jyotirmoy Bosu]

I want to ask about the Kenya-Indian affairs which are agitating the mind....

MR. SPEAKER : No questions after the statement. Kindly sit down.

SHRI JYOTIRMOY BOSU : As you remember....

MR. SPEAKER : I ask you to sit down.

SHRI JYOTIRMOY BOSU : I said that.

MR. SPEAKER : That is not allowed.

SHRI JYOTIRMOY BOSU : I am saying that the Minister has given no positive information. We know nothing....

MR. SPEAKER : Order please.

13.31 hrs.

STATEMENT RE : CRITICALITY OF THE FIRST UNIT OF RAJASTHAN ATOMIC POWER PROJECT

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI K. C. PANT) : The first Unit of the Rajasthan Atomic Power Project located at Rawatbhata near the Ranapratap Sagar Dam on the Chambal went critical today at 10 hours 58-1/2 minutes I.S.T. After criticality a programme of further tests and experiments at various power levels will commence and last for a period of a few months. On the successful completion of these tests including the response of the system to the conditions existing in the grid, the Unit will be declared as operational.

I should like the House to know that this reactor has been constructed by the Indian Engineers and Scientists with the assistance of the Government of Canada through the Atomic Energy of Canada Limited and is the culmination of vigorous efforts on the part of the Department of Atomic Energy to make India self-sufficient in stages in the peaceful uses of atomic energy. Our collaboration with Canada is an old one, starting in 1956 with the construction of CIRUS reactor at Trombay.

The fuel for this reactor is natural uranium, and half of the initial fuel used for loading the reactor has been made at the Bhabha Atomic Research Centre from uranium produced in our mines at Jaguguda in Bihar by the Uranium Corporation of India Limited. The other half was obtained from Canada under the Agreement of Co-operation signed with that country in the year 1963.

The House will be glad to know that the control system of the reactor was built in India by the Electronics Corporation of India Limited, a Public Sector Corporation under the Department of Atomic Energy.

As the House is aware, the first nuclear power station was the Tarapur Station which supplies electricity to the States of Maharashtra and Gujarat. The Rajasthan Station will form a part of the proposed northern grid so that its power is available to the States located in this grid. The Government is actively considering the modalities of distribution of this power in a manner which permits its most efficient and economic use in this region.

I am sure that the House will join me in congratulating the staff of the Department of Atomic Energy who have worked sincerely and with single-minded devotion to bring this project to fruition and in conveying our gratitude to the Government of Canada for the assistance they have rendered us in this project of national importance.

13.34 hrs

COMPANIES (AMENDMENT) BILL*

THE MINISTER OF COMPANY AFFAIRS (SHRI RAGHUNATHA REDDY) : I beg to move for leave to introduce a Bill further to amend the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956 and the Monopolies and Restrictive Trade Practices Act, 1969.

*Published in Gazette of India Extraordinary, Part II, section 2, dated 11-8-72.

MR. SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956 and the Monopolies and Restrictive Trade Practices Act, 1969.”

The Motion was adopted

SHRI RAGHUNATHA REDDY :
I introduce the Bill.

MR. SPEAKER : We now adjourn;
when do we reassemble? 2 or 2.30 ?
SOME HON. MEMBERS 2.30.

MR. SPEAKER : Yes.

13.35 hrs.

*The Lok Sabha adjourned for Lunch
till thirty Minutes past Fourteen of the
Clock*

*The Lok Sabha re-assembled after Lunch
at thirty one minutes past Fourteen of
the Clock*

[MR. DEPUTY SPEAKER : in the Chair]

SHRI JYOTIRMOY BOSU (Diamond Harbour) : Sir, I had written to the Speaker that I want to raise an issue. It is about Mr. D. P. Malhotra, the State Bank cashier. It has come out in papers twice; nothing is being done. An enquiry was instituted about a year ago. I am told he is going to be rewarded. Would you kindly ask the knowledgeable hon. Minister Shri K. R. Ganesh to make a statement on what steps have been taken against Mr. D. P. Malhotra, whether the enquiry has been completed in the last one year's time and if not the reasons therefor and also whether there is any truth in the statement that he is going to be rewarded.

14.32 hrs.

INCOME-TAX (AMENDMENT) BILL
1972.

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI K. R.
GANESH) : Sir, I beg to move:

“That the Bill further to amend the Income-tax Act, 1961 and to provide for barring, in the computation of total income in respect of certain assessment years prior to the assessment year 1962-63, deduction of amounts paid on account of wealth-tax, be taken into consideration.”

This short Bill seeks to replace the Income-tax (Amendment) Ordinance, 1972 which was promulgated by the President on the 15th July, 1972.

The circumstances which necessitated immediate legislation by an Ordinance have been explained in a statement placed on the Table of the House. I do not, therefore, propose to go into these reasons and shall only explain the provisions of the Bill and the rationale behind them.

In a recent case, the Supreme Court has held that wealth-tax paid by a person in respect of his business assets is deductible in computing his taxable income. In arriving at this decision, the court has virtually over-ruled its earlier judgement given in 1966. The recent Supreme Court ruling has certain important implications. Firstly, income-tax and wealth-tax have been increasingly used in recent years as instruments for reducing disparities in incomes and wealth. Thus, at higher levels of income and wealth, the combined incidence of income-tax and wealth-tax exceeds the entire income yielded by the wealth. If wealth-tax were to be allowed as a deduction in computing the taxable income, the combined incidence