

MR. SPEAKER : If he likes to make a speech now or later, he is at liberty to do so.

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : I do not want to make any formal statement, but I can certainly give the answers in a couple of sentences. Government are reviewing the position. As you know, according to the interim report of the Third Pay Commission, Government should review the position when the index reaches 228, and it is a fact that it has reached 228, and so the process of reviewing has started. This is all that I can say.

AN HON MEMBER : When will that review conclude ?

SHRI YESHWANTRAO CHAVAN : We have taken a specific step in the sense that...

SHRI S. M. BANERJEE : There is no question of review, but the position is that whenever it reaches 228 increased dearness allowance should be given.

SHRI YESHWANTRAO CHAVAN : We are committed to reviewing the position, and as a first step towards review, we have...

SHRI K. BALATHANDAYUTHAM (Coimbatore) : What is there to review ?

SHRI YESHWANTRAO CHAVAN : Review means many things. As a first step towards that review, we have written to the Pay Commission to advise us on that matter.

SHRI S. M. BANERJEE : May I submit that...

MR. SPEAKER : There can be no debate on it now.

SHRI S. M. BANERJEE : May I seek your guidance on one matter ?

MR. SPEAKER : There is no question of any guidance now.

SHRI S. M. BANERJEE : The Pay Commission has nothing to do with it. So, how can the Pay Commission come into the picture ? This is wrong. It is a great injustice that the Pay Commission is still to be consulted. The Pay Commission had clearly given their recommendation...

MR. SPEAKER : I am not allowing it. Every time, he is making a debate out of everything. If I had known that he would be entering into a debate, I would not have allowed him.

SHRI S. M. BANERJEE : Kindly hear me. Last time, the Pay Commission had said that when the index reached 228, it should be given...

MR. SPEAKER : I am not allowing it now.

12.43 hrs.

#### TAXATION LAWS (AMENDMENT) BILL—Contd.

MR. SPEAKER : The House will now take up further consideration of the following motion moved by Shri Y. B. Chavan on the 15th November, 1971, namely :—

“That the Bill further to amend the Income-tax Act, 1961, the Wealth-tax Act, 1957 and the Gift-tax Act, 1958 be taken into consideration.”

There is a motion that this Bill be referred to a Select Committee. Is the hon. Minister moving it?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : I think Shri Piloo Mody was speaking. Let him conclude his speech.

MR. SPEAKER : Does Shri Piloo Mody want to speak after the report of the Select Committee or now ?

SHRI PILOO MODY (Godhra) : I shall inform you in the course of my speech.

I would have finished Yesterday but for the fact that you had provoked me to speak today.

MR. SPEAKER : I am very sorry, if I had provoked him. But I had good intentions at that time.

SHRI PILOO MODY : I appreciate that at all times.

I was saying yesterday that laws must be made which did not victimise honest and innocent citizens and while welcoming a measure which tended to curtail tax evasion, we should see that it did not become an instrument of witch-hunting in the hands of the Department.

A lot of discretion has been left in the hands of officers, and it must be discretion and not discrimination; discretion and not intimidation, discretion and not favouritism.

Even on the question of appeals, my hon. friend Shri N. K. P. Salve has said something in this respect. I hope that the Committee will pay special attention to it. Whenever a complaint is made against the Department ..

MR. SPEAKER : He need not mention the Committee, because no one knows whether it is going to be voted for or not.

SHRI PILOO MODY : I am talking about the Select Committee, the proposed Select Committee. I hope you will permit it to go to the Select Committee, and when it does, I hope they will bear this in mind that if I have a complaint against somebody and I am not satisfied then I must go to somebody who is independent and not connected in any fashion with the person against whom I have a complaint.

Therefore, the setting up of an independent tribunal on the lines suggested by Shri Salve is a very good idea.

Finally, I would like to say that a procedure has to be set up in deciding what is to be acquired. Shri Chavan cannot turn round and say 'I will acquire Piloo Mody's property, but I will not acquire Salve's property.'

SHRI N.K.P. SALVE (Betul) : I have none to be acquired, he has.

SHRI PILOO MODY : I have not yet acquired any, but I am hoping to.

The difficulty arises out of this choice which he can make. Suppose I have a property for two lakhs of rupees. It is a nice property, well situated. There is a

shortage of such properties. Shri Chavan would like to have that property for himself. So he says 'This has been undervalued. Let us acquire this.' That property is acquired and latter of Shri Chavan buys it at a slightly higher price, thereby justifying that the property was undervalued in the first place.

I say all manner of these things can happen, have happened in the past, because the taxation laws, as they have been framed over the last twenty years, have really ensnared only a few honest or peripheral groups. The big fish have always gone scot-free. In fact, they openly say, "As long as men are purchasable"—and I see ample proof of it everywhere—"We do not have anything to worry about." When you arm yourself with powers, use those powers so that you can catch the people who are ruining the economy of this country and not those who are innocent bystanders trying to do their own bit for this country.

SHRI YESHWANTRAO CHAVAN : Before I move the motion standing in my name I wish to make a few observations. After hearing the speeches of many of my colleagues, I thought it better that the Bill should go to a Select Committee, because I do not want to leave any feeling in the minds of members of the House, specially those who have participated in the debate, that proper care was not taken while finalising the Bill. I cannot entirely agree with some members who said that the Bill is very badly drafted. I think most of the points raised have been taken care of in the Bill as drafted, but I would certainly seek the co-operation of some of articulate members who will be on the Committee to improve the Bill. I have no objection to that.

Shri Salve made some points. He said that before the competent authority started action, certain pre-conditions had to be fulfilled. According to him two of these are all right. The third is that the action of the parties to the sale must be with a view to evade tax. My difficulty is this. He is a specialist in taxation laws, but he does not see the other constitutional aspect that when property is acquired it has to be for a public purpose. Unless public purpose is mentioned there, it is very difficult for anybody to start proceedings.

**SHRI N. K. P. SALVE :** Which is the public purpose? There is none. It has to be a deterrent.

**SHRI YESHWANTRAO CHAVAN :** Public purpose is to avoid evasion of taxation.

**SHRI N. K. P. SALVE :** I will explain what I said. I will take only half a minute. He has not been properly briefed by the officers. What I said has been misunderstood.

**SHRI YESHWANTRAO CHAVAN :** We will discuss it in Select Committee. I will hear him there for half an hour. I do not need any briefing on this. He is looking at it merely from the taxation point of view, whereas there are constitutional aspects also. I am saying this as I know something about the law generally, not the taxation law as expertly as he knows. But when I said that this condition had to replace the clause —(Interruption)

**SHRI N. K. P. Salve :** It has to be something different....(Interruption)

**SHRI YESHWANTRAO CHAVAN :** When you want to acquire property...

**SHRI N. K. P. SALVE :** For acquisition that is necessary. For assumption of jurisdiction, to initiate the proceedings, that is not necessary.

**SHRI YESHWANTRAO CHAVAN :** Even for that matter, I said I am going to give an amendment. Possibly, you did not hear me when I introduced the Bill. Amendments are being given by the Government so far as that matter is concerned.

Then, the hon. Member who participated on behalf of the DMK, made a suggestion about the Select Committee, and I have agreed to the Select Committee discussing this Bill. He said that only for the purpose of sale this Bill is going to be operative. He asked why transactions of other types like exchange of gift are not included. I would say that this question was also examined, and it is very difficult to include the other

parts of it, because some of the transactions of property do not require the mention of the value in the deed. For example, take gift. It is not necessary for the parties to mention the value of the property in the gift deed.

**SHRI SEZHIAN (Kambakonam) :** But the calculation can be made.

**SHRI YESHWANTRAO CHAVAN :** When I sit with you in the Select Committee, I would like to know how you will give me the data, because, here, the presumption is that unless the value of the property is mentioned, it is very difficult to proceed further. You must see the mechanism of this Bill. It is really speaking based on the mention of the value of the property in a sale document.

My only point of reply was that the hon. Member need not think that we have not considered these aspects. We considered them and it was found rather difficult to provide these things in the measure. When we are going to the Select Committee, it would, depend upon the ingenuity of some of the hon. Members to help as to get out of this difficulty. I do not want to mention all the points that hon. Members have made. The only point I am trying to make is that all the issues that have been raised were given thought to, and we thought that it was rather difficult for us to make any mention of transfers by exchange or gift etc. I have agreed to move a motion for referring the Bill to the Select Committee.

**MR. SPEAKER :** The motion is already circulated.

**SHRI YESHWANTRAO CHAVAN :** I have to make certain changes in the names of the Members.

**SHRI P. K. DEO (Kalahandi) :** My consent was not taken. I suggest that against No. 6, SHRI Pilo Mody's name may be inserted instead of my name.

**SHRI YESHWANTRAO CHAVAN :** I have no objection.

**SHRI INDRAJIT GUPTA :** I do not think we were consulted. Against No. 16, we would like to have Shri Balathandayutham in the place of Shri H. N. Mukerjee.

**SHRI YESHWANTRAO CHAVAN :**  
Yes.

**SHRI R. V. BADE (Khargone) :** I suggest that against No. 11, in the place of Shri Bishwanath Jhunjhunwala, Shri Virendra Agarwal may be put.

**SHRI YESHWANTRAO CHAVAN :** Yes. Then, against No. 18, in the place of Shri Natwar Lal Patel, the party has suggested Shri Satyendra Narain Sinha. Again, against No. 3, in the place of Shri M. C. Daga, the name of Shrimati Sahodrabai Rai may be inserted.

The Committee may report by the 15th day of December, 1971, so that we can pass this measure, if possible, in this session.

I am moving the motion as modified. I beg to move :

“That the Bill further to amend the Income-tax Act, 1961, the Wealth-tax Act, 1957 and the Gift-tax Act, 1958, be referred to a Select Committee consisting of 30 members, namely :—

1. Shri Bhagwat Jha Azad
2. Shri Chhotey Lal
3. Shrimati Sahodrabai Rai
4. Chaudhary Dalip Singh
5. Shri Anandi Charan Das
6. Shri Piloo Mody
7. Shri K. R. Ganesh
8. Shri H. R. Gokhale
9. Shrimati V. Jeyalakshmi
10. Shrimati Chiranjib Jha
11. Shri Virendra Agarwal
12. Shri Dinesh Joarder
13. Shri A. Kevichusa
14. Shri K. Mallana
15. Shri Nageshwararao Meduri
16. Shri K. Balathandayutham
17. Shri Tarkeshwar Pandey
18. Shri Satyendra Narain Sinha
19. Chowdhury Ram Sewak
20. Shri Ram Surat Prasad
21. Shri Birender Singh Rao
22. Shri P. Narasimha Reddy
23. Shri Mulki Raj Saijal

24. Shri N. K. P. Salve
25. Shri S. C. Samanta
26. Shri Era Sezhiyan
27. Shri Sheo Pujan Shastri
28. Shri T. Sohan Lal
29. Shri V. Tulsiram; and
30. Shri Y. B. Chavan

with instructions to report by the 15th day of December, 1971.” (11)

**MR. SPEAKER :** The changes in the names of members of the Select Committee have been made and I shall now put amendment No. 11 to the vote of the House. The question is :

“That the Bill further to amend the Income-tax Act, 1961, the Wealth-tax Act, 1957 and the Gift-tax Act, 1958, be referred to a Select Committee consisting of 30 members, namely :—

1. Shri Bhagwat Jha Azad
2. Shri Chhotey Lal
3. Shrimati Sahodrabai Rai
4. Chaudhary Dalip Singh
5. Shri Anandi Charan Das
6. Shri Piloo Mody
7. Shri K. R. Ganesh
8. Shri H. R. Gokhale
9. Shrimati V. Jeyalakshmi
10. Shri Chiranjib Jha
11. Shri Virendra Agarwal
12. Shri Dinesh Joarder
13. Shri A. Kevichusa
14. Shri K. Mallana
15. Shri Nageshwararao Meduri
16. Shri K. Balathandayutham
17. Shri Tarkeshwar Pandey
18. Shri Satyendra Narain Sinha
19. Chowdhury Ram Sewak
20. Shri Ram Surat Prasad
21. Shri Birender Singh Rao
22. Shri P. Narasimha Rao
23. Shri Mulki Raj Saijal
24. Shri N. K. P. Salve
25. Shri S. C. Samanta
26. Shri Era Sezhiyan
27. Shri Sheo Pujan Shastri
28. Shri T. Sohan Lal
29. Shri V. Tulsiram; and
30. Shri Y. B. Chavan

with instructions to report by the 15th day of December, 1971.” (11)

*The motion was adopted.*

MR. SPEAKER : There is hardly one minute and I think we can adjourn for lunch now. We shall take up item No. 15 after lunch.

12.59 hrs.

*The Lok Sabha adjourned for Lunch till Fourteen of the Clock.*

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

(MR. DEPUTY-SPEAKER in the Chair)

**MOTION RE : ELEVENTH REPORT OF THE COMMISSIONER FOR LINGUISTIC MINORITIES**

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND IN THE DEPARTMENT OF PERSONNEL (SHRI RAM NIWAS MIRDHA) : I beg to move :

“That the Eleventh Report of the Commissioner for Linguistic Minorities for the period 1st July, 1968 to 30th June, 1969, laid on the Table of the House on the 31st July, 1970, be taken into consideration.”

Having regard to the multi-lingual character of our society, the framers of our Constitution felt that there was an imperative need of assuring to the linguistic minorities a sense of security. A comprehensive scheme of safeguards for the linguistic minorities was therefore written into the Constitution. Subsequently, on the basis of the decisions taken at the national level from time to time, particularly in the meeting of the Chief Ministers and Central Ministers held in August 1961, specific schemes of safeguards for linguistic minorities in the matter of education, provision of text-books and teachers, use of minority languages for official purposes, recruitment to State services etc. have been evolved.

To meet the requirements of article 350B of the Constitution, the office of the Commissioner for Linguistic Minorities was set up in July 1957. The Commissioner and the officers under him investigate all matters relating to the safeguards provided for linguistic minorities. The results of investigations mentioned in the annual reports of the Commissioner of Linguistic Minorities are required to be submitted to the President and laid before each house of Parliament. However, the responsibility for implementation of various safeguards for the linguistic minorities rests on the State Governments and the Commissioner for Linguistic Minorities is not required to discharge any executive functions for the purpose. Unless full co-operation is extended to him by the State Governments, he cannot show results.

So far 11 reports have been laid on the Table of both Houses of Parliament. The first seven reports have been discussed in Parliament, either in both the Houses or in Lok Sabha or in Rajya Sabha and 8th to 10th reports could not be discussed in Parliament. In the mean time, the 11th report covers the same topic as dealt with in the 8th, 9th and 10th reports, it was considered that only the 11th report may be discussed in Parliament. The Eleventh Report was laid on the Table of the Lok Sabha on the 31st July, 1970, and it is with a view to discuss this report that I move this motion.

MR. DEPUTY-SPEAKER : There are two substitute motions by Shri Mohanty.

SHRI SURENDRA MOHANTY (Kendrapara) : Sir, I move :—

That for the original motion, the following be substituted, namely :—

“This House, having considered the Eleventh Report of the Commissioner for Linguistic Minorities for the period 1st July, 1968 to 30th June, 1969, laid on the Table of the House on the 31st July, 1970, is of the opinion that the office of the Commissioner for Linguistic Minorities be abolished as it has failed to properly investigate the problems of the linguistic minorities with a