

श्री मोरारजी देसाई : जो आश्वासन माननीय सदस्य चाहते हैं वह आश्वासन मैं उन्हें नहीं दे सकता। मैं इतना ही आश्वासन दे सकता हूँ कि संविधान और संसद् के नियमों के मुताबिक जो जरूरी होगा वही मैं करूंगा।

12.19 hrs.

PAPERS LAID ON THE TABLE

NOTIFICATIONS UNDER EXPORT (QUALITY-CONTROL AND INSPECTION) ACT 1963  
ETC, ETC

बंधेशिक व्यापार तथा पूर्ति मंत्रालय में उप-मंत्री (श्री चौधरी राम सेवक) : मैं निम्नलिखित पत्र सभा-पटल पर रखता हूँ—

(1) निर्यात (किस्म नियन्त्रण और निरीक्षण) अधिनियम, 1963 की धारा 17 की उपधारा (3) के अन्तर्गत निम्नलिखित अधिसूचनाओं की एक-एक प्रति—

(एक) स्टेनलेस स्टील के बर्तन (निरीक्षण) संशोधन नियम, 1969, जो दिनांक 15 अप्रैल, 1969 के भारत के राजपत्र में अधिसूचना संख्या एस० ओ० 1428 में प्रकाशित हुए थे।

(दो) अन्नक निर्यात(निरीक्षण) संशोधन नियम, 1969, जो दिनांक 15 अप्रैल, 1969 के भारत के राजपत्र में अधिसूचना संख्या एस० ओ० 1431 में प्रकाशित हुए थे।

[Placed in Library. See No. LT—1020/69.]

(2) (एक) उद्योग (विकास तथा विनियमन) अधिनियम, 1951 की धारा 18 क की उपधारा (2) के अन्तर्गत बंगाल नागपुर, काटन मिल्स लिमिटेड, राजनन्दगांव के

प्रबन्ध के बारे में अधिसूचना संख्या एस० ओ० 741 (हिन्दी और अंग्रेजी संस्करण) की एक प्रति, जो दिनांक 20 फरवरी, 1969 के भारत के राजपत्र में प्रकाशित हुई थी।

(दो) उपर्युक्त अधिसूचना की सभा-पटल पर रखने में हुए विलम्ब के कारण दशनि वाला एक विवरण (हिन्दी और अंग्रेजी संस्करण)।

[Placed in Library. See. No. LT—1021/69.]

12.20 hrs.

ESTATE DUTY (DISTRIBUTION)  
AMENDMENT BILL

THE DEPUTY PRIME MINISTER  
AND MINISTER OF FINANCE (SHRI  
MORARJI DESAI): Sir, I beg to move:\*

“That the Bill further to amend the Estate Duty (Distribution) Act, 1962, be taken into consideration.”

This Bill relates to the distribution of the net proceeds of Estate Duty among the States as recommended by the Fifth Finance Commission. The Commission was, among other things, required to make recommendations in regard to the changes, if any, to be made in the principles governing the distribution among the States of the net proceeds of Estate Duty in respect of property other than agricultural land. In its interim report, which together with an explanatory memorandum on the action taken thereon was laid before the Lok Sabha on 15th November, 1968, the Commission has made final recommendations in this regard. The Commission has increased the share attributable to Union territories from 2 per cent to 3 per cent taking into account the population of the Union territories as

\*Moved with the recommendation of the President.

constituted following the changes under the Punjab Reorganisation Act. In regard to the balance of the proceeds other than those attributable to Union territories the Commission after having considered various suggestions came to the conclusion that no change was called for. Accordingly the Commission has recommended that the sum apportioned to immoveable property may be distributed in proportion to the gross value of the immoveable property located in each State and brought into assessment in a year and the sum apportioned to other property may be distributed in proportion to the population of each State. The recommendation of the Commission has been accepted by Government and the Bill before the House seeks to give effect thereto.

MR. SPEAKER: Motion moved:

"That the Bill further to amend the Estate Duty (Distribution) Act, 1962, be taken into consideration."

SHRI SHIVA CHANDRA JHA (Madhubani): Sir, I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st December, 1969."

MR. SPEAKER: Both the motions are now before the House.

SHRI R.K. AMIN (Dhandhuka): Mr. Speaker, Sir, the Bill amending the provision for the distribution of the Estate Duty is as a result of recommendations of the Fifth Finance Commission. Between the earlier scheme of distribution and the present one there is not much of a difference, but, for the consideration of the Finance Minister I would like to make one or two observations and I hope he will not get angry as he was last time when he was on the third reading of the Finance Bill.

The first observation which I would like to make is that we have already passed yesterday the wealth tax on agricultural land. This tax is on agricultural land which was excluded from Estate Duty. You are introducing taxes in a tinkering manner, one by one, i.e., in an *ad hoc* manner, without taking into account the entire

picture. In this distribution also you are adopting different principles because you have introduced taxes one by one or bit by bit. Is it not time for the Finance Minister to consider the entire scheme *de novo* and think about this scheme also so that no injustice is being done to any State whatsoever?

Secondly, after the recommendation of the Finance Commission there has been one or two changes. We have a separate Hill State in Assam and very soon probably something about Telengana you are going to think about. Therefore, in order to avoid making changes every now and then would he consider it advisable to refer this matter again to the Finance Commission so that when it gives the final report it can also make a final recommendation in this regard.

The second observation which I would like to make is that the principle adopted here for distribution among the States is that for movable property population is the basis and for immoveable property location of the property is the basis. In so far as Estate Duty or even for that matter agricultural wealth tax are concerned the spirit is that the man ordinarily residing in the state should pay or the Centre is raising resources on behalf of the States.

So, what the States would have got if they had introduced these taxes should be their share. If you adopt that principle, there is no need for making this discrimination between movable and immoveable property. It could be done on the basis of ordinary residency. So, to adhere to the spirit of the estate duty as well as agricultural wealth tax, which also you have introduced, it is better that the government should consider this scheme *de novo* after referring the matter to the Finance Commission. That is why I say that instead of making changes now, would he consider my suggestion of referring the matter back to the Finance Commission and await their report so that we need not make changes every now and then?

SHRI S. KANDAPPAN (Mettur): I will very briefly refer to the point which was already touched by Professor Amin. Now the tendency among the States is

[Shri S. Kandappan]

to demand that they should be left with more revenues and more areas of taxation so that they can take the initiative and go ahead with their plans. Yesterday, while replying to clause 24 of the Finance Bill, the Finance Minister stated that even in regard to estate duty on agricultural land, which is in the State List, the State have asked the Government of India to enact the legislation. So, it is a Government of India Act and not a State Act. It is true that under article 2521 of the Constitution this enactment came into being in 1953 or so when the monolith Congress rule was there in all the State. Now it is time to consider whether it is not advisable to rationalise the entire tax structure, especially when in addition to estate duty the Minister is thinking of collecting wealth tax from 1970-71, and entrust it to the State Government. I think it will give a psychological impetus to the States to make more efforts for tax collection. After all, there is some difference between States with regard to their stage of development. While some States are doing so well in agriculture, others are not. It should be left to the States to decide whether they should tap more revenues from the agricultural front for their developmental activities, without attaching any blame on the Centre. So, I would request the Finance Minister to reconsider the entire matter.

DR. RANEN SÉN (Barasat): This Bill seek to distribute the estate duty collection among the States. When we consider this Bill it is very important to state that the question of distribution of different taxes and duties among the States has come to the forefront and is before Parliament and the whole country because of the change in the pattern of Indian politics after the fourth general elections. Not only United Front and other non-Congress governments but even Congress run governments are demanding more and more financial powers and financial advantages from the Centre. So, we have to look at this amending Bill in the perspective of the changed political relationship between the Centre and the States.

So far as raising the share of the Union Territories from two to three per cent is concerned, I have no objection. But I would agree more or less with Professor Amin and Shri Kandappan that the distribu-

tion of these taxes among the States should be done in such a way that they would get that percentage or quantum which they would have got had they collected it themselves.

This is fair and just and this will not be objected by any State whatsoever because, as I have already stated about the States which are viably very weak namely, Union Territories, their allotment nobody would grudge. This is the point which has been mentioned by many of our friends and I completely agree with them.

The second point which I want to stress is that under article 269 of the Constitution, certain duties and taxes are to be levied and collected by the Government of India but shall be assigned to the States in the manner provided in clause 2 of the Bill. There is a mention of two things, apart from others, namely, succession to property other than agricultural land and estate duty in respect of property other than agricultural land. Now, the Government of India is already levying estate duty on movable and immovable property other than agricultural land. But the difference between estate duty already levied by the Government of India and the duty in respect of succession to property is very thin. One must remember this. Both come under the jurisdiction of the Central Government. The borderline is very thin between succession duty and estate duty. So, the Government of India must make it sure that there is no overlapping and there is no double taxation. This particular point had been stressed by some States when they met the Deputy Prime Minister, and Finance Minister, as far as I know.

To round it up, I come to the position that though the Bill has direct bearing on certain things, it has also indirect bearing on many other things, the Centre-State relationship, the political relationship, between the Centre and the States, the devolution of income-tax and other Union excise duties and other duties collected from the States and also the assignment of political power to the states. Therefore, I consider it very important from all these angles.

Lastly, I endorse the appeal made by Shri S. Kandappan and Shri Amin that each State should get that particular share which

it would have got on its own if it had levied the tax.

12.33 hrs.

[MR. DEPUTY SPEAKER *in the chair*]

SHRI DINKAR DESAI (Kanara): Mr. Deputy-Speaker, Sir, I would like to know why the Finance Minister is in such a great hurry in bringing this amending Bill before the House. After all, it is the interim report of the Commission and the final report is awaited.

Today, in the whole of India, the question of inter-States relationship and the Centre-State relationship has assumed very important proportions. Under these circumstances, there should be no hurry at all in bringing this amending Bill as to how the estate duty should be distributed amongst various States. We can certainly wait for the final report of the Commission.

Moreover, the time has also come when we should have a Commission on 5-years or 10-years basis. Every two years, we have got a Finance Commission. By having these temporary Commissions, we are not giving any definite idea to the States. They cannot plan; they do not know how much they will get and so on. We should give a new orientation to the distribution system of duties amongst the States.

One of the principles enunciated by the Finance Commission is, with regard to the immovable property, that the share will go according to the location of the property in a particular State and, with regard to the movable property, it will be according to population basis.

I, for one, feel that we should give more importance to population because, after all, what are the needs of a State?

SHRI S. KANDAPPAN: Population control or increase?

SHRI DINKAR DESAI: Population control has nothing to do with this Amendment Bill. When the population is more, naturally the needs are more and the State has to spend more on education, more on medi-

cal relief and other facilities to be given to the people. That is why I feel that the distribution of the estate duty must be done on the basis of population only. What does it matter if the property lies in Mysore or Bihar or Maharashtra? After all, it is Indian property. All are Indians. The needs of a State should be determined on the basis of population. That is really very important because if the population is more, the State will have to spend more on so many welfare activities in that State.

I am not very happy with this Amendment Bill. My humble suggestion to the Deputy Prime Minister would be that we should get the public opinion and particularly the opinion of the State Governments; the concurrence of the States may be obtained. The whole question of allocation of resources between the States and the Centre should be properly examined. We should not do this in a hurry. Moreover, the agricultural wealth tax has also come. That is also a point because it is a similar tax. I would like to know why there should be this hurry. I would suggest that this should be done not on a periodical basis of one year or two years, but there must be certain definite principles evolved for distribution and it must be done on a five-year or ten-year basis. If it is four or five years, the States can also plan their resources properly; otherwise, there will be more confusion.

I would request the Finance Minister to give proper consideration to the views that I have expressed.

SHRI N.K. SANGHI (Jodhpur): This is a simple legislative Bill regarding redistribution of the proceeds of estate duty between the various States. I do not think that there can be much argument about this. My hon. friend who spoke earlier has suggested that this work of collecting the estate duty should be entrusted to the various States. But that would create more confusion and State feelings. It was a very surprising argument that he had advanced. We want all taxes to be unified and to be worked throughout the country on a uniform basis. The working of the estate duty by the Central Government is the only appropriate manner in which the tax should be recovered. There is absolutely no reason

[Shri N. K. Sanghi]

or argument for the suggestion that this work should be entrusted to the State Governments. Today there has been a demand that the various taxes that are being worked by the different States should be unified. Take, for example, the entertainment tax. This is worked by the States. And there is a feeling that this should be unified and there should be a uniformity. Take also the States' sales-tax: the various States are having different rates; there are different types of legislation, and for every legislative pronouncement, they have to go to High Courts and the Supreme Court. I feel that all these taxes—entertainment tax, sales-tax, estate duty and so on—should be worked by the Central Government so that there will be some uniformity throughout the country.

This legislation has been taken from the English law. The estate duty was introduced in England in 1894. The Indian legislation has taken advantage of the various judicial pronouncements made in various judicatures. In India, complication has been created by our Hindu law; the Hindu law of coparcenary has created a lot of complication. I feel that the Central Board of Direct Taxes should give guidelines for filing of returns. There should be clarifications on problems rather than taking up the matters with the High Courts and the Supreme Court for clarification.

This law has a similarity with wealth tax, income-tax and gift tax. But we find that the various clauses that are given in regard to estate duty are different from what have been given in regard to wealth tax or income-tax. I shall not take much time. I will explain only one thing. For example, in section 10 of the Estate Duty Act, a second proviso has been added which has really simplified that a husband who has gifted the house to his wife can stay in the house and this will not attract estate duty. Similar simplifications should be made by the Central Board of Direct Taxes in other matters also. Take, for example, the valuation of assets. A different method is adopted in regard to wealth tax, a different method is adopted in regard to gift tax and a different method has been laid down for estate duty. What I feel is that the method for the valuation of assets that is followed in regard to wealth tax should be adopted

here also. If such simplification is done, this law can be worked in a satisfactory manner.

Then, Sir, take the valuation of the house property. In the house property we have taken by capitalising the rental value in the wealth tax. This system is not followed in the Estate Duty Act. I think if the valuation has been done in the wealth tax, it will simplify the matters if the same method is adopted for the Estate Duty Act.

We are shortly embarking on the simplification of income-tax law particularly after Bhoothalingam's report. Estate Duty Act is a new Act. A number of references have been lying pending in the High Court, Supreme Court and various tribunals. I think the Government should examine these references and come out with clear-cut clarifications. I remember of a case where a certain assessee went in appeal for certain additions in his E.D. case. The AAC gave all the relief. Then the Department went in appeal to the Tribunal and the Tribunal gave relief. Then again the Department has gone in appeal to the High Court. I do not know if the Department would later again go to the Supreme Court. When they fail in the High Court. My own feeling is that the Income Tax Department should clarify many of these difficulties rather than solving them in the High Courts and Supreme Court. In fact for better administration of tax, simplification of Estate Duty Act should also be taken up.

श्री शिव चन्द्र झा (मधुबनी) : उपाध्यक्ष महोदय, जब यह एस्टेट ड्यूटी (वितरण) संशोधन विधेयक पेश किया गया था, तो मैंने यह आपत्ति उठाई थी कि अभी इस विधेयक पर विचार मुलतवी किया जाये और जब पांचवें फिनांस कमीशन की आखिरी रिपोर्ट आ जाती है, तब इस विधेयक को सदन के सामने लाया जाये। आज भी मैं वही आपत्ति उठा रहा हूँ।

आज स्थिति यह है कि खासकर त्रितीय प्रश्नों को लेकर केन्द्र और राज्यों में तनाव सा पैदा हो गया है। इसमें कोई शक नहीं है कि पाँचवें फिनांस कमीशन ने यह सिफारिश की है कि यूनियन टैरिटरिज़ को कलेक्टिव एस्टेट ड्यूटी में से 2 परसेंट के बजाय 3 परसेंट

मिलना चाहिए। हालांकि यह सिफारिश यूनियन टैरीटरीज के सम्बन्ध में है, लेकिन यूनियन टैरीटरीज केन्द्रीय सरकार के अन्तर्गत होने के कारण यह सिफारिश केन्द्रीय सरकार के हित में है, क्योंकि केन्द्रीय सरकार इस रकम को अपनी इच्छानुसार इस्तेमाल करेगी। दूसरे शब्दों में जिस सिफारिश से केन्द्रीय सरकार को फायदा होगा, वह उसी सिफारिश को कार्यान्वित करने जा रही है। लेकिन पांचवें फिनांस कमीशन की इनटैरिम रिपोर्ट में और भी कई सिफारिशें हैं, जिनको केन्द्रीय सरकार कार्यान्वित करने के लिए तैयार नहीं है।

उदाहरण के लिए इनटैरिम रिपोर्ट में कहा गया है कि राज्यों की तरफ से यह माँग की गई है कि एक पर्मानेंट फिनांस कमीशन बनाया जाये, जो हर साल यह इवैल्यूएशन करे कि राज्यों की क्या जरूरतें हैं और केन्द्र क्या दे सकता है, आदि। लेकिन चूंकि इस सिफारिश से केन्द्र को कोई फायदा नहीं है, इसलिए केन्द्रीय सरकार इसको कार्यान्वित नहीं करेगी। ऐसी और भी सिफारिशों को केन्द्रीय सरकार कार्यान्वित नहीं करेगी। वह केवल उन्हीं सिफारिशों को कार्यान्वित करेगी, जिनसे केन्द्र को फायदा हो। जैसे, इस विधेयक के द्वारा जिस सिफारिश को कार्यान्वित किया जा रहा है, भले ही वह यूनियन टैरीटरीज के नाम से हो, लेकिन वास्तव में उससे केन्द्र को फायदा होने जा रहा है।

पिछली दफा नैशनल डेवेलपमेंट कौंसिल की बैठक में एक मुख्य मंत्री ने कहा था कि हमको पैसा दे दो, हम चुप हो जायेंगे। उन्होंने बात बाजारू रूप से कही लेकिन यह हकीकत है कि आज सब राज्य अविकसित हैं और तेजी से अपना विकास करने के लिए उन्हें पैसा चाहिए। कुछ राज्यों में आज ऐसी सरकारें हैं, जो वास्तव में बराबरी का समाज बनाना चाहती हैं और विकास की गाड़ी को तेज चलाना चाहती हैं। इसके लिये उन्हें पैसे की जरूरत है लेकिन केन्द्र की तरफ से कहा जाता

है कि हम इतना देंगे, हम इससे ज्यादा नहीं दे सकते हैं, आप ओवर ड्राफ्ट नहीं कर सकते, आदि। इस प्रकार की पाबन्दियों से केन्द्र और राज्यों में तनाव बढ़ता जा रहा है।

मैं यह नहीं कहता कि केन्द्र की अपनी जिम्मेदारियाँ नहीं हैं। उसकी जिम्मेदारियाँ हैं, उसकी अपनी प्राजेक्ट्स हैं, जिनको पूरा करने के लिए उसके लिए धन इकट्ठा करना जरूरी है। लेकिन आज यह स्थिति है कि बंगाल और केरल में दूसरे दलों की सरकारें हैं, जो अपने प्रदेशों के विकास की दशा में तेज रफ्तार से आगे बढ़ना चाहती हैं। इसी तरह दूसरी राज्य सरकारों की भी यह माँग है कि उन्हें ज्यादा पैसा मिले, ताकि वे तेजी से अपना विकास कर सकें।

इस अवस्था में यह लाजिमी हो जाता है कि जब फिनांस कमीशन की आखिरी रिपोर्ट आ जाये, तभी इस विधेयक पर विचार किया जाये। मोटे तौर पर इस विधेयक के बारे में एतराज नहीं हो सकता है, लेकिन चूंकि फिनांस कमीशन की आखिरी रिपोर्ट नहीं आई है और चूंकि वित्तीय मामलों को लेकर केन्द्र और राज्यों में तनाव बढ़ रहा है, इसलिये यह विधेयक लाने का कदम जल्द-बाजी में और केन्द्र के स्वार्थ से प्रेरित होकर उठाया गया है। इसलिए मैं चाहता हूँ कि जब तक फिनांस कमीशन की आखिरी रिपोर्ट नहीं आ जाती है, तब तक के लिये इस विधेयक को मुलतवी किया जाये।

SHRI S. S. KOTHARI (Mandsaur): This is a very small Bill implementing the interim report of the Fifth Finance Commission. The distribution of revenues between the Centre and States has been indicated. 3 per cent goes to the Centre. The balance is distributed in the ratio of immovable property to movable property. The amount derived from immovable property is distributed among States in proportion to gross value of immovable property located in each State and the balance amount distributed in accordance with the popula-

[Shri S.S. Kothari]

tion. In my opinion, the taxes obtained under Art. 269 should form part of a common pool of resources, which should be distributed on uniform principle and this I would say, should be, the respective needs of the States.

There is Madhya Pradesh which I represent, which has a vast area, and a sizable tribal population. There are various underdeveloped districts in Madhya Pradesh; and its needs are great. Compared to Madhya Pradesh, Maharashtra, U.P. or Bihar are prosperous States; and the need of Madhya Pradesh is greater. The percentage of Estate Duty derived from other than immovable property and its distribution is like this: Madhya Pradesh gets only 7.53 per cent, UP gets 17.15 per cent, Maharashtra 9.20 per cent, and Bihar 10.80 per cent. A State like Madhya Pradesh which should get more is getting less. That is the position. What I would say is this. They should keep in view the changed political situation and distribute it according to the needs of each State. The Finance Commission must examine the distribution of the taxes and also of revenues amongst the States *inter se* and then arrive at an equitable basis of distribution which would look to the needs of the various States and the requirements for development of the various regions in those States. During the last 20 years the development of various States has not been uniform. Some States have gone far ahead; some States are still backward. The needs of the backward States should be taken into account.

There is one more point and it is this,

I am concluding within two minutes. When you look at this side pointedly, I feel I have to hurry up.

My next submission is that the States have only two important taxes, namely, sales tax and entertainment tax. Most of the major sources of revenue are in the hands of the Centre. Of course, we want a strong Centre. My submission is this: Let the whole scheme be reviewed and reconsidered by the Finance Commission. After all, it is a body of objective and learned people who understand their job.

Let them arrive at some conclusion and reallocate all the taxes and revenue derived from the taxes among the various States in accordance with some equitable principle which would particularly give an attention to the relative needs of the various States, particularly the underdeveloped ones.

SHRI MORARJI DESAI: I have not quite understood the idea behind the objection raised and the suggestion made that this should be postponed. Postponed for what? Postponed till the final report of the Fifth Commission? This is the final report so far as this item is concerned. There is not going to be any change in this.

श्री शिव चंद्र झा : क्या उन लोगों ने यह कह दिया कि यह फाइनल है ?

SHRI MORARJI DESAI: This particular thing is final. There is not going to be any change in it. They have further said:

The existing principles of distribution were enunciated by the Second Finance Commission, and they were fully endorsed by the subsequent Commissions, with only a minor change in respect of the portion attributable to Union territories. These Commissions were of the view that the levy and collection of the taxes and duties specified in Article 269 of the Constitution had been placed under the Union Government so as to ensure uniformity of taxation and convenience of collection. They considered that although that Article did not rule out any principle of distribution, the principles to be laid down should be such as to secure for each State, as nearly as possible, the amounts which it would have itself collected if it had the power to levy and collect such tax or duty. The basis of location of the property subject to estate duty was considered by them to be the most appropriate principle of distribution. However, as this basis of location could not be applied to movable property, they felt it necessary to have some general principle of distribution for the part of proceeds of the duty relating to such property; and for this purpose they adopted the basis of population.

I do not know what change can be made in this, even if it is postponed for any

length of time. It is going to be the same—all Commissions have said this—except that one more per cent has been given to the Union territories in view of the population and a change is accordingly made. No other change is being made.

I do not know what the learned professor from the Swatantra Party wanted to suggest by saying that a Hill State is being formed. It will not be separately formed. It is part of Assam State. It is internal and that will be taken care of by the Reorganisation Act, if there is any necessity, It will go to the State from which it will share it. That is all what is going to happen,

He mentioned also Telengana. There is his desire. But his desire is not always going to be fulfilled. As a matter of fact, the desire is unholy in my opinion. These are opinions and everybody is free to give his opinion. I cannot go on thinking that something will happen in future and therefore I should postpone it. It is not necessary to postpone it. As a matter of fact this report came in 1968 and we have got to give effect to their recommendations. That is why this Bill is brought forward. I do not see why my honourable friend. Shri Kothari, said that everything should be taken into account and distribution should be made according to some equitable principle. Nobody can make redistribution unless the Constitution is changed. When the Constitution gets changed, it will take care of this. I do not say that the Constitution will be changed. It is not possible for those who want to change it, to change it also. Therefore, this is not a matter on account of which this can be postponed.

SHRI S. KANDAPPAN: What about my suggestion to have a scheme of things by which the entire initiative of collection may be left to the States?

SHRI MORARJI DESAI: This is what the States have themselves...

SHRI S. KANDAPPAN: That was in the fifties. Now the situation has changed.

SHRI MORARJI DESAI: But the principle holds good. For the States it

becomes a difficult matter when properties are distributed in different States. Therefore, they will find it difficult to recover this and there will be more quarrels thereby. That is why they have handed it over to the Centre. The Centre is not interested in any revenue; all that the centre is interested in is to see that the maximum goes to the States and it goes to them according as they would receive it if they were levying it separately. Therefore, I do not see how any other method would be useful.

If any changes have come in the political situation in 1967, that is not the final word; there can be other changes also in the future and with every change we cannot go on changing the Constitution as we like.

SHRI S. KANDAPPAN: If it is left to the States, there will be more initiative on their part.

SHRI MORARJI DESAI: This country is a stable country and no instability can be brought about by any such accidental results of elections. I, therefore, do not accept what my hon. friends have stated,

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31, December, 1969."(1)

*The motion was negatived.*

MR. DEPUTY-SPEAKER: The question is:

"That the Bill further to amend the Estate Duty (Distribution) Act, 1962, be taken into consideration".

*The motion was adopted.*

MR. DEPUTY-SPEAKER: Since there are no amendments of the clauses, I shall put them together to vote.

The question is:

"That Clause 2, 3, and 1, the Enacting Formula and the Title stand part of the Bill".



*The motion was adopted*

*Clauses 2, 3 and 1, the Enacting Formula and the Title were added to the Bill.*

SHRI MORARJI DESAI: I beg to move:

“That the Bill be passed”.

MR. DEPUTY-SPEAKER: The question is:

“That the Bill be passed”.

*The motion was adopted.*

SHRI NATH PAI (Rajapur): Is it accurate for you to declare that the Bill is passed. Rather it is ignored. For, look at the strength in the House?

MR. DEPUTY-SPEAKER: It is no use raising that point at this stage.

SHRI NATH PAI: I did not use the word ‘quorum’ at all.

SHRI MORARJI DESAI: Whatever is the House is the House.

12.58 hrs.

#### REGISTRATION OF BIRTHS AND DEATHS BILL—*contd.*

##### *Clause 10—contd.*

MR. DEPUTY-SPEAKER: The House will now take up further clause-by-clause consideration of the Bill to provide for the regulation of registration of births and deaths and for matters connected therewith, as passed by Rajya Sabha.

Clause 10 and all the amendments thereto were discussed threadbare, now we have only to put them to vote.

First, I shall put amendment No. 20 by Shri Lobo Prabhu to vote.

SHRI BENI SHANKER SHARMA (Banka): I submit that this may be taken up after lunch. There is no quorum also in the House now.

MR. DEPUTY-SPEAKER: All right, we shall take it up after lunch.

12.59 hrs.

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

*The Lok Sabha reassembled after Lunch at three minutes past Fourteen of the Clock.*

[MR. DEPUTY-SPEAKER IN THE CHAIR]

#### Re : LEGISLATION FOR ABOLITION OF UPPER HOUSES IN TWO STATES

SHRI S. M. BANERJEE (Kanpur): I have a submission to make. During the lunch recess, I got a telephonic message from Shri Jatin Chakraborty, Minister of Parliamentary Affairs, West Bengal, informing me that all the formalities required by the Centre to clear the Bill regarding the abolition of the Upper House in West Bengal have been completed by the West Bengal Government. He further told me that the Bill has been sent back. My information is that the Bill has come back here.

It requires two, three or four hours for discussion and disposal here. I also met the Minister of Parliamentary Affairs today. Since the matter is very urgent, I would only request you to see that some time is found to discuss and pass that Bill in this session itself. I would request you to ask the Minister to do something about it because it is very urgent.

SHRI K. NARAYANA RAO (Bobbili): Has it become very urgent because Shri Banerjee says it.

SHRI SHRI CHAND GOYAL (Chandigarh): I have to add that so far as Punjab is concerned, the Punjab Government has sent the Resolution through a messenger so that this may be taken up in this very session. It is feared that otherwise this might not be passed this session here.

SHRI SHEO NARAIN (Basti): There is no emergency in the country today.