

**SHRI KHURSHEED ALAM KHAN :**  
Sir, in the first instance, I would like to assure the hon. Member that we do not ignore any particular region or any particular side.

*(Interruptions)*

**SHRI SATISH AGARWAL :** You have neglected Rajasthan completely.

**MR. SPEAKER:** Question No. 456—  
Shri Ghulam Mohd. Khan.

**National Rural Development Fund.**

\*456 : **SHRI GHULAM MOHAMMAD KHAN :**

**SHRI B. V. DESAI :**

Will the Minister of FINANCE be pleased to state :

(a) the details of programmes of rural development inviting concession to tax-payers and other financial support ;

(b) whether in pursuance of the promise in this year's Budget, the National Rural Development Fund had been set up ; and

(c) if so, the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PATTABHI RAMA RAO) :** (a) A Statement is laid on the Table of the House.

(b) and (c) The National Fund for Rural Development is yet to be set up.

#### Statement

For rural development only tax concessions are provided under section 35CC and 35CCA of the Income Tax Act. Illustrative list of categories of projects approved for rural development is annexed.

#### ANNEXURE

**ILLUSTRATIVE LIST OF CATEGORIES OF PROJECTS FOR RURAL DEVELOPMENT TO BE CONSIDERED**

**FOR APPROVAL BY THE PRESCRIBED AUTHORITY FOR THE PURPOSES OF SECTION 35CC/35CCA OF THE INCOME-TAX ACT, 1961.**

1. Assistance in the setting up of rural industries in selected areas by the rural weak to provide them self-employment.
2. (a) Establishment and (b) running of dispensaries, maternity and child welfare centres and family welfare centres.
3. Nutrition programmes for school children.
4. (a) Establishment and (b) running of educational and vocational training centres.
5. (a) Construction and (b) maintenance of rural link roads, village streets, Pavements and drainage.
6. (a) Construction and (b) maintenance of drinking water projects, such as wells, tubewells, etc. and cleaning of wells and ponds.
7. Rural electrification, i. e. provision of street lighting in villages and electrification of Harijan/tribal homes.
8. Assistance to the weaker sections in constructing houses on sites provided in rural areas by Government, village panchayats, etc.
9. Minor irrigation schemes, including boring of tubewells and installation of pumping sets for the benefit of groups of small/marginal farmers.
10. Supply of improved varieties of seeds and provision of facilities for seed testing to groups of small/marginal farmers and assistance to such farmers for establishing seed farms.
11. Supply of fertilizers and insecticides to groups of small/marginal farmers and giving guidance and training to such farmers in the use of fertilizers, insecticides, etc.

12. Supply of plant protection equipment, sprayers, farm machinery, implements, etc. to the village panchyat for the use of groups of small/marginal farmers.
13. Animal husbandry-assisting the farmers in cattle improvement through establishment of veterinary dispensaries, Artificial Insemination centres etc., dairy products processing and marketing.
14. Assistance to groups of small marginal farmers, landless labourers, etc. in poultry farming, horticulture, pisciculture, etc.
15. Establishment of workshops for servicing and repair of farm machinery and training of artisans, mechanics, etc.

श्री गुलाम मोहम्मद खां : मैं जवाब समझ नहीं पाया, मैं हिन्दी में जवाब चाहता हूँ ।

वित्त मंत्री (श्री प्रणव मुखर्जी) : एक स्टेटमेंट मभा-पटल पर रखा है ।

श्री गुलाम मोहम्मद खां : (क) का जवाब नहीं आया, (ख) का जवाब और दें ।

SHRI PRANAB MUKHERJEE : Sir, I am sorry this part I cannot explain in Hindi. You use your machine. (*Interruptions*).

Most respectfully I would like to submit that there are two parts in the question. One part is : What are the projects which are approved for the rural development ? I have given them in the whole statement, I have identified the projects which are entitled to be approved for assistance — here there is no question of assistance, it is a tax concession — and in regard to the formation of the National Rural Development Fund, I have mentioned that the Fund has not yet been established. As the hon. Member is aware, the proposal was in the budget of the current year. First I initiated the proposal in the Budget and subsequently some amendments were made while I got the approval of the Finance Bill on the floor of this House.

Recently an inter-ministerial meeting took place. It has been decided that this fund will be under the administrative control of the Ministry of Rural Development. But actually the fund has not yet been set up. It will take some time to establish it.

श्री गुलाम मोहम्मद खां : फण्ड के बारे में बतलाइये कि कब तक रिलीज़ किये जायेंगे ।

SHRI PRANAB MUKHERJEE : It will be done as expeditiously as possible.

SHRI B. V. DESAI : The hon. Minister has replied that the National Rural Development Fund will be created. They are entitled to tax concession under Sections 35CC and 35CCA. May I know from the hon. Minister whether till to-day the individual industrialists used to adopt a village and take up some works mentioned in 35CCA and 35CC and go on with their concessions and with the work ? Will they be allowed or will they have to donate it to the National Rural Development Fund and this fund will be operated through the Government to carry on the works which will be approved by this or both of them will run concurrently.

SHRI PRANAB MUKHERJEE : It will have to be worked out.

It is not my intention to deprive those organisations who want to participate in the rural development. That is why I spelt out in this way. Two types of concessions they are entitled to have — one under 35CC and another under 35CCA.

35CC is-if the organisation undertakes certain approved rural development programme, expenditure incurred on those heads are deducted from the taxable income. I explained if the organisation wants to carry on the rural development themselves, they will be entitled to have it. But the project is to be approved by the Central authority under approved programme. The second point is if they make some contribution to some organisations who are engaged in the rural development work, then

they are also entitled to have the benefit of tax deduction under 35C (C) (a). Therefore, we have suggested, now they will have to contribute to the National Rural Development Fund.

श्री रामस्वरूप राम : माननीय मंत्री जी ने जो ग्राम विकास कोष खोला है . . .

श्री सत्यनारायण जटिया : खोला नहीं है :

श्री रामस्वरूप राम : खोलने का प्रस्ताव है। भारत 7 लाख गावों का देश है, उनके लिये ग्राम विकास कोष स्थापित किया जायगा। मैं माननीय मंत्री जी से जानना चाहता हूँ - आप जो ग्रामीण विकास कोष स्थापित करेंगे क्या इसे पंचायत स्तर पर स्थापित करेंगे या गांव का क्या क्राइटेरिया फिक्स करेंगे जहां पर यह कोष स्थापित किया जायगा ?

SHRI PRANAB MUKHERJEE : I am afraid the hon. Member has misunderstood the concept of the National Rural Development Fund. It is not an agency which is going to undertake the entire rural development work of the villages. That is the job of the Governmnets—Central and State Government. That is their responsibility. A fund has been created where contributions can be received from the individuals, businessmen, companies, corporate sector. They will get some tax concession against the contributions which they are making. If those contributions are made available, those will be spent on certain approved projects. But the job of entire rural development is not entrusted to these organisations.

SHRI KRISHNA CHANDRA HALDER : Sir, first of all, I would like to put a question to you. Are you presiding over the last day of the 7th Lok Sabha today ? Is Mr. Speaker presiding over the last day of the 7th Lok Sabha ? (*Interruptions*)

MR. SPEAKER : Why are you so pessimistic Mr. Halder ? Why are you so pessimistic from the early morning ?

SHRI K. MAYATHEVAR : He wants to change the Government. (*Interruptions*)

SHRI KRISHNA CHANDRA HALDER : Sir, in the National Rural Development Fund which will be created, you have given 15 points. I would like to know whether this National Rural Development Fund will be operated in the backward area of our country and specially to the weaker sections and those who belong to the Scheduled Castes and Scheduled Tribes. Will these areas be given fund ?

SHRI SOMNATH CHATTERJEE : Durgapur.

SHRI PRANAB MUKHERJEE : I was just going to tell that he does not come from the backward area of Calcutta but backward area of Durgapur. (*Interruptions.*)

As the hon. Member would appreciate, as the type of programmes which have been indicated in the statement itself, the major share is for the rural development and mainly to create certain assets there. Naturally, these types of works will be taken up in the most backward areas. But everything depends to what extent we get the contributions and what are the nature of the projects. But we would like to give priority to the least development area so that some money could be made available to those areas.

#### Transfer Policy in Directorate General of Inspection

\*458. SHRI DAYA RAM SHAKYA : Will the Minister of DEFENCE be pleased to state :

(a) whether it is a fact that civilians and Service officers are at par in the matter of transfers in Directorate General of Inspection organisation ;

(b) whether Service officers in DGI are provided with 100 per cent residential accommodation and free transport facilities wherever they are posted;

(c) whether such facilities are not provided for civilian officers and staff ;