

[Shri Prabhat Kar]

make him understand. Even then, I represent the bank employees and I look to their interests and therefore, I have come again and again before the Ministry.

Now the Bill is going to be passed. The hon. Minister said he will take into consideration all factors. I am very glad He has assured that he will hear the representatives of the workers I am very glad about that also. The only point I want to stress is this. Will he give this assurance that until all these things are done, he would ask the employers not to reduce the D.A. at least until all the differences are finally settled by the Government?

I am very apprehensive that today when the prices of daily necessities of life are going high, any reduction in the emoluments of an employee will react very severely and we will be charged that we were the persons creating all these troubles. In spite of all these efforts, I can tell you that it is the bank employees who will make the Government know exactly how they feel. We do not want to create that situation. I am appealing to the hon. Minister. Now that the Bill is going to be passed and this power has been given to the Government, will the Government at least ask the employers not to reduce the D.A. until the whole matter is settled, so that we may have an opportunity to discuss the matter with the Labour Ministry and with the employers and come to a final understanding, because any reduction will have serious repercussions? That is my appeal to the hon. Minister.

**Shri Abid Ali:** As I said, we had decided already that before issuing any notification, we should have the benefit of consultation with the representatives of the parties concerned and I have given an assurance to that effect.

With regard to amalgamation of D.A. with wages, as the hon. Members themselves know very well, in all our enactments, wage means including the D.A. The D.A. has already been included in the wage for the purpose of overtime and several other matters. The employees' provident fund scheme also is applicable not only to the basic wage, but also to the D.A. On that basis, the provident fund scheme is working.

With regard to the hurrying up with the work of the survey, the hon. Member should appreciate that it is a big job to be done thoroughly and sufficient time should be taken. But in the meantime, there is no hardship, because the increase or decrease is on the basis of the same index. If the basis is the same, when it goes up, workers get more and when it goes down, workers get less. So, the cost of living index calculation basis is applicable both ways. Therefore, there is no hardship because of this delay.

With regard to the last suggestion, I may submit that there have been such suggestions by the employers also that Government should change the basis of the recommendations of the bank commission. We are not accepting that, because, as I have said, a thing which has been finalised after eight years of efforts should remain *pucca* for four years at least. So, there is no intention of making any change in that.

**Mr. Deputy-Speaker:** The question is—

“That the Bill be passed”.

*The motion was adopted.*

15.00 hrs.

**ESTATE DUTY (AMENDMENT)  
BILL**

**Mr. Deputy-Speaker:** The House will now take up the Estate Duty (Amendment) Bill, 1958 as reported by

the Select Committee. As the House is aware, five hours have been allotted for all the stages of the Bill. I would like to take the sense of the House as to how these five hours should be distributed among the various stages of the Bill.

**Shri Prabhat Kar (Hooghly):** 4 and 1.

**Pandit Thakur Das Bhargava (Hissar):** 3½ and 1½.

**Shri V. P. Nayar (Quilon):** Yesterday we found that as soon as the general discussion was over, there were no speakers and when the clause-by-clause consideration started, it collapsed.

**Mr. Deputy-Speaker:** I cannot help that.

**Pandit Thakur Das Bhargava:** There are 30 amendments.

**Mr. Deputy-Speaker:** Yes; so there should be some time for that also.

Let it be 3½ hours and 1½ hours

**The Minister of Revenue and Civil Expenditure (Shri B. Gopala Reddy):** I beg to move:

"That the Bill further to amend the Estate Duty Act, 1953, as reported by the Select Committee, be taken into consideration."

As the House is aware, this Bill was referred to a Select Committee consisting of 43 members on the 25th April, 1958. The Committee has submitted its report on the 18th August 1958. I do not propose to go into all the details of the changes made by the Select Committee as they are fully explained in the report. I shall refer only to the more important points.

As hon. Members are aware, during the discussion on the motion for reference to the Select Committee, a point of order was raised in this

House by Shri K. Periaswami Gounder that Parliament was not competent to consider the Bill in the absence of resolutions passed by the Legislatures of at least two States, as envisaged in clause (2) of article 252 of the Constitution. After a full discussion of the constitutional position the speaker ruled that clause (2) of article 252 of the Constitution applied, but that it did not act as a bar to the consideration of the Bill by the House and its reference to a Select Committee. The Bill was, accordingly, referred to the Select Committee and, in the meanwhile, we also consulted the Attorney-General as to the further procedure to be followed, and in particular, the form of the resolutions which should be passed by the State Legislatures. Following his advice, a new clause has been added to the amendment Bill by the Select Committee in order to make it clear that the provisions of this Bill do not apply to the levy of estate duty on any estate which consists wholly or in part of agricultural land. Clause (1) of the Amendment Bill has also been amended so as to make it possible for the Central Government to bring the Act into force from a suitable date to be notified by Government, instead of from 1st April, 1958. The intention is that after this Bill is passed in its present form by Parliament, steps will be taken to consult the State Governments with a view to get resolutions passed by the State Legislatures, requesting the application of the amending Act to agricultural land in their States. After the resolutions are passed by the State Legislatures, Government will again bring before this House a short Bill, which would make the amending Act applicable to estate duty on agricultural land in the States concerned. It is only thereafter that the amendment Act will be brought into force for non-agricultural property as well as agricultural property in the States which pass the resolution. I hope this procedure that has been suggested by the Select Committee will not only solve the practical difficulties but also

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remove the doubts expressed by the Members of this House on the last occasion. This procedure will also ensure that the State Legislatures know definitely what changes in the principal Act they are being asked to agree to, and there would be no possibility of different States suggesting the adoption of varying and possibly contradictory amendments.

Another important change made by the Select Committee is with regard to the rates of estate duty prescribed under clause 30 of the amendment Bill. As hon. Members are aware, no estate duty is at present leviable on an estate the principal value of which does not exceed Rs 1 lakh and which does not include coparcenary interest in the property of a joint Hindu family. The amendment Bill seeks to reduce this limit to Rs 50,000. Thus, an estate of the principal value of Rs 1 lakh would have had to pay an estate duty of Rs 3,000 according to the rates originally proposed in the Bill, whereas nothing is payable under the existing Act. An estate of the value of Rs 1,50,000 would have had to pay a duty of Rs 7,000 under the rates proposed in the original Bill, whereas the duty leviable at present is only Rs 3,750. Members of the Select Committee felt that the increase in duty on estates of the value of Rs 1,50,000 and less was rather steep and that some concession should be shown in such cases. The Committee has, accordingly, recommended that the duty on the second slab of Rs 50,000 should be reduced from 6 per cent to 4 per cent and the duty on the third slab of Rs 50,000 should be reduced from 8 per cent to 6 per cent. With the change suggested by the Select Committee the duty payable will be Rs 400 in the case of an estate of the value of Rs 60,000, Rs 1,200 if the value is Rs 80,000 and Rs 2,000 if the value is Rs 1,00,000. As the reductions are in the lowest slabs, the effect of this reduction in rates will be felt not only

in the case of the small estates, but also the bigger estates.

The House is aware that in the amendment Bill, as introduced before the House, it has been proposed that the period within which gifts are charged to estate duty should be raised from the present two years to five years. This was based on the recommendation of the Taxation Enquiry Commission. At the same time, to prevent double taxation of gifts, first under the Gift-tax Act and later under the Estate Duty Act, it was provided in clause 22 of the amendment Bill that no estate duty would be levied on any property which had been gifted and in respect of which gift tax had been paid. On a careful consideration of this clause, the Select Committee felt that it would lead to large-scale tax avoidance by the making of large gifts just before one's death. At the same time the Committee noted that the proposed extension of the two year period to five years had also been criticised on the ground that it would lead to hardship in genuine cases and that in any case, it amounted to giving retrospective effect to legislation. It was also argued that now that the Gift-tax Act has been enacted, it would itself be a check on attempts at avoidance of estate duty through the making of gifts and hence there was no need to extend the two year period to five years. The Committee, therefore, felt that it would be better to retain the two year period for chargeable gifts. At the same time, they have recommended that clause 22 of the Bill should be amended so as to provide that any gifts made within the two year limit should be included in the principal value of the estate and subjected to estate duty, a rebate being given for the amount of gift-tax actually paid on such property.

It will be recalled that when the amendment Bill was originally introduced in the House, the Prime

Minister had estimated the yield from the measure at Rs. 50 lakhs for the current year. As was explained during the Budget Debate, that figure represented the effective receipts for six months only, because of the period of six months allowed for the filing of returns. For a full year, therefore, the additional revenue expected was of the order of Rs. 1 crore. In a matter like this, it is very difficult to make any firm estimate of the probable yield. However, at a rough guess, I feel the result of the changes made by the Select Committee, particularly in respect of rates, would bring down the additional revenue in a full year by about Rs. 30 lakhs. So far as this year is concerned, as I had stated earlier, we have to consult the various State Governments and, through them, the State Legislatures. I doubt, therefore, whether it would be possible to notify the coming into force of the amendment Act on a date earlier than the 1st April 1959; hence, no portion of the additional revenue budgeted for may be realised this year.

I have briefly explained the changes made by the Select Committee and their financial effect. The changes suggested by the Committee are, in my opinion, fair and equitable and constitute a definite improvement on the original provisions. I hope they will have the overwhelming support of the hon Members of this House.

With these words, I move that the Bill, as amended by the Select Committee, be taken into consideration by the House.

**Mr. Deputy-Speaker:** Motion moved:

"That the Bill further to amend the Estate Duty Act, 1953, as reported by the Select Committee, be taken into consideration."

**Shri Prabhat Kar:** Mr. Deputy Speaker, I am sorry, the Estate Duty Amendment Bill, as it has emerged out

of the Select Committee, will only serve purposes other than the one for which it was introduced. At the time of moving this Bill it was stated that the revenue will come to the tune of Rs. 50 lakhs. Now the Select Committee has varied the rate and it will reduce the expected revenue. Not only that. An assurance was given at the time of moving the Bill in this House that out of the experience of the last five years it has now been proposed to change the two years' time to five years. That suggestion of the Government which was made in the Bill presented before the House has completely again been taken out. While moving the Bill it was said that almost five years are now passed and we can now review our experience of the operation of the Act. As far as I can judge from the reference made and questions asked in this House, I see a certain amount of disappointment at the poor yield from this duty. Though definite estimates were never made, and by the very nature of things could not have been made, of the actual yield of the duty, I believe both the House and the country expected that the actual yield would be much more than Rs. 2 crores per year. We know that there was an expectation and a concrete statement was made by the then Finance Minister that the yield will be about Rs. 7 crores annually. Actually, during the last five years, we have received only Rs. 8.63 crores, that is, less than Rs. 2 crores a year. An amending Bill was brought with a view to increase the revenue. But, instead of making provisions so that the revenue may be increased, it has been recommended to the House that any such suggestion made by the Government should not be taken into consideration and as the hon. Minister has said, it was said that this will cause harassment and a change from two years to five years will, in fact, give retrospective effect which is not fair.

Knowing well how in this country there are many persons who evade taxes and knowing also what a big

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amount of tax evasion still exists, now to talk of harassment of this type of people at the cost of the country cannot be understood, and I am sorry to find a soft corner for this type of anti-social people, I would say, from the Government. It was admitted that there was inherent difficulty here in this country for the recovery of this particular duty because of so many complications and manipulations. Yet, while passing legislation imposing taxes, we spend much more time in considering the so-called harassment of this type of people and every time during the last two years, whether in the case of the wealth tax or expenditure tax or gift tax, the Bill has come back from the Select Committee granting concessions to those persons who, in the past, have evaded payment of tax. When we place these legislations before the House, we let our people know that, with a view to bridge the gulf between the higher income group and the smaller and with a view to tax more those people who can pay, these legislations are being introduced. The expected revenue, whether of the wealth tax or of expenditure tax or estate duty, all the time, we find, is not only not being fulfilled, but it has been found that it has gone down to an extent which nobody could have imagined. In the case of expenditure tax, very recently introduced, for the assessment year 1958-59, very few returns have been received from assessees before 30th June, 1958. Individual notices have therefore been issued calling for returns of the expenditure in about 6,000 cases. So far, the returns have been received only from a small number of people. The same thing happened in the case of estate duty, where, in spite of all provisions, it was found that we expected about Rs. 7 crores annually and against that, we have received during 5 years only Rs. 8.63 crores, that is, less than Rs. 2 crores a year. To grant any concession to this type of people.....

An Hon. Member: Which type?

Shri Prabhat Kar: Persons who evade tax; these are the persons who have been evading the taxes. Because, the estate duty or wealth tax is being imposed on persons who are in a position to pay the taxes. These are the persons who, all the time, circumvent by any means the provisions of the Act and find out by their manipulating of their accounts how not to pay the tax to the Government.

When this amending Bill was placed before the House, it was stated that for two years, five years have been substituted. It has been omitted now, as already said by the hon. Minister here.

Again, in the schedule which was placed before the House, you will find that the suggestion was that it would be 6 per cent. and 8 per cent. It has now been reduced to 4 and 6. It is admitted that so far as estate duty is concerned, it is the lowest in this country. If I may give you the figures, so far as U.K. is concerned, for Rs. 20 lakhs of property, it is 19 per cent. in India and in the U.K. it is 50 per cent; for Rs. 30 lakhs of property, it is 22 per cent. in India and in the U.K. it is 60 per cent; for Rs. 50 lakhs of property, it is 27 per cent. in India and in the U.K. it is 60 per cent. For Rs. 1 crore of property, it is 44 per cent. in India and in the U.K. it is 70 per cent. For Rs. 1½ crores of property it is 35 per cent. in India and in the U.K. it is 80 per cent. I could have understood that while amending the estate duty Bill, a reduction is made at the lower slab and there is a corresponding increase in the case of properties worth more than Rs. 15 lakhs or 20 lakhs. No such thing has been made. A suggestion was made, but it was said in the Select Committee that the rule requires the permission of the President and the Cabinet did not think that it will be possible at this particular moment to increase the rate in the

higher property group. You reduce the percentage here. You want money for the fulfilment of the Plan. You impose indirect taxation on the people. You give concessions to the richer class and you impose taxes on the poorer class. Coming before Parliament you say that we are amending the Estate Duty Act with a view to enlarge its scope. Coming before Parliament you say that we are imposing the wealth tax, gift tax and expenditure tax. In the Bill itself you make provisions by which you allow these persons to escape and impose taxes on the common people. I think that this taxation policy of the Government needs change.

There is one provision in clause 18 of the Bill which I am not able to understand, and that is the provision that half of the probate duty should be exempted. I can understand that if the estate is worth Rs. 1 lakh, and the probate fee is paid for Rs. 5,000, while imposing a tax on the estate, you impose it only on Rs. 95,000. That is understandable. But that has not been done. As I have said, these duties are imposed with a view to increase the revenue. So, an attempt should be made to see that the revenue increases. But that was not the consideration which the Select Committee had while discussing this matter, and that is why instead of putting in provisions to improve the revenue, they have placed before the House a Bill which will reduce the revenue to something less than was expected when the Bill was originally introduced by the Minister.

About the retrospective effect, I would like to say a word. It has been said that the Bill will come into operation after one year. Now, the persons who are to pay this estate duty were aware that the Estate Duty (Amendment) Bill was coming. Knowing fully well how these gifts are made, how the accounts are manipulated and how the transfers are made, we should have taken this into consideration and given retrospective

effect. But, instead of doing that, it has been proposed that this Bill will come into operation not earlier than 1st April, 1959. This will again give scope for further manipulation of the transactions in between. It has been said that the State Governments have to pass legislations in regard to agricultural income. Now, it was within the competence of the Central Government to have taken this matter up with the State Governments, and I can say that even a whisper from the Centre would have sounded thunder on the ears of the State Governments and they would have acceded immediately to such a proposal. Therefore, to take the plea that the State legislatures have to pass resolutions and, therefore, we have to wait for another year before this Bill can come into operation, is not the proper way for bringing this particular section of the Bill into force.

Lastly, I would say that the Bill will surely be enacted. The main point is how to collect the revenue. Every time a Bill seeking to impose taxes is brought forward, we have brought it to the notice of the House that unless and until the tax-collecting machinery is put in order, it will be difficult to realise the taxes, and every time, it has been said before the House that the expected revenue, whether it be from wealth tax or expenditure tax or income tax has not come. What is the reason for that? What are Government doing? What steps are Government going to take to remodel the whole structure of the tax-collecting machinery! Parliament's duty is not merely to pass legislations, but also to see that the expected revenue is realised by Government.

In this connection, I would like to say that the other day I saw a paper which is coming out from Delhi, where they have challenged the Government that all these tax evasions are done with the connivance of the officers, and they have said that they are even prepared to prove it. I am

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not going so far as that. But I am sure the Minister will agree that there are some lacunae somewhere. Unless the loopholes are plugged, it is no good passing legislations with the expectation of a particular amount of revenue, and then coming before the House and telling us that as against an expected sum of Rs. 7 crores a year by way of estate duty, only Rs. 1.5 or 1.7 crores have been realised and so on. This is a matter which should be taken into consideration very seriously. I hope while replying to the debate, the Minister will inform the House of what steps are being taken to see that the expected revenue may be realised by the Department.

I hope that even at this stage, Government will see their way to increase the rate of estate duty in the case of property worth more than Rs. 10 lakhs and will, if necessary, take the sanction of the President for that purpose, so that really we can get good revenue out of this estate duty, in respect of which the present Bill has been placed before us.

**Pandit Thakur Das Bhargava:** I do not know whether I should congratulate Government, so far as this Bill is concerned, or I should condemn them for doing certain things in this Bill which are of a monstrous nature.

**Mr. Deputy-Speaker:** He may not do anything.

**Shri Prabhat Kar:** Or do both.

**Mr. Deputy-Speaker:** That is also open to him.

**Pandit Thakur Das Bhargava:** I shall certainly congratulate Government on the good things that they have done. At the same time, I shall not spare them in regard to things which I think have not been rightly done.

To start with, let me dispel the confusion which may have occurred in the minds of the hon. Members who heard the previous speaker. It appears that the previous speaker had it in mind that the Government's function is only to collect money and do nothing else by way of taxes. He is not alone in this, for, I know of a speech by the previous Minister of Finance who said to me on one occasion that he was the Finance Minister and he was not concerned with the equities of taxation, and that he was only to collect money. When I brought up that point last time, while considering the Gift Tax Bill, I was very glad to find that our present Finance Minister did not accept that position of the Finance Minister. On the contrary, he gave us to understand that as a matter of fact, the fairness of a tax and the equity of a tax were considerations which must be taken into account at the time of imposing any tax.

From the Bill as it has emerged from the Select Committee, I find that the Finance Minister has in the Select Committee concurred with hon. Members, and from the speech of the Minister in charge now, I find that they have practically accepted what the Select Committee has done. In regard to certain matters, the Select Committee has done very well. I congratulate the Select Committee on their reducing the rates of duty as well as on their not changing the limit from two to five years and on their general approach to the relevant questions.

It would be a sorry thing if we did not act according to equity, so far as taxes were concerned.

The previous speaker told us that Government were not right in agreeing to adhere to the limit of two years. May I quote from the Finance Act of Great Britain when they enhanced this period from three to five

years? They did not do it retrospectively. They had some transitional provisions to which I need not refer at this stage. If an amendment to this effect is moved, I will have occasion to quote from the Act of Great Britain what the law is there and all the world over the law is—that so far as taxes are concerned, they are not imposed in a retrospective manner. So I think the Select Committee and the Finance Member did very well in not agreeing to the recommendations contained in the original Bill that this period be increased.

So far as the taxing limit is concerned, I am sorry I do not agree with the provision that the limit of Rs. 1 lakh should be reduced from Rs. 1 lakh to Rs. 50,000. So far as this limit is concerned, originally we fixed Rs. 1 lakh, and the conditions in the country, if any, are to be considered in this matter. This Rs. 1 lakh is not of the same value today as it was in 1953 or earlier. At the same time, so far as India is concerned, this *kafanfar* tax—as it is called by ordinary people—is not suited to our genius. A person dies and the servants of the Government are happy at the prospect of realising taxes. They go there and before his dead body is taken away, they think they must have their own share.

**Shri M. C. Jain (Kaithal):** Only when a rich person dies.

**Pandit Thakur Das Bhargava:** At the same time, when this Bill came before this House in 1953, I supported it, because so far as our country is concerned, it cannot stand alone; in the whole world there are enactments like this, and in a welfare State we need money. Therefore, on both these grounds I supported it, and I support it now.

At the same time, I think the way in which the previous speaker has told us, that we are only to collect money, will not be a fair thing to do. For instance, this amount of Rs. 1 lakh is, in my humble opinion, too much.

**Shri Prabhat Kar:** It is a tax-imposing Bill. So we are thinking of revenue. If there are other things, they will be considered separately.

**Pandit Thakur Das Bhargava:** I understand that if the Government bring forward a Bill for imposing taxes on air and water, my hon. friend will be there to support them, because it is a tax-imposing Bill.

**Shri Tangamani (Madurai):** Water is already taxed.

**Pandit Thakur Das Bhargava:** This is not a fair way of looking at things. You may certainly tax people, but in a fair way. This limit of Rs. 50,000 may, in fact, be sure to lead to harassment. My hon. friend is not at all concerned with the harassment to the ordinary people. He says harassment will be there and the tax will be there. May I humbly submit that if we fix the amount at Rs. 50,000 as the taxable limit, it will be the middle class people, who have not got much, who will be affected?

What about agriculture? Does my hon. friend think that in villages people can pay taxes like the one proposed? It is too much. Even where land is worth Rs. 1,000 an acre, what will be the position? A man owning 50 acres will be taxed. An ordinary house in a city is worth 50,000. Therefore, the amount of Rs. 1 lakh which we had fixed in 1953 was fair.

What about joint family, to which I will come later? Joint family property worth Rs. 50,000 is to be taxed; practically, I say joint family property worth Rs. 50,000 will be taxed though the property of the deceased passing on his death may be only ten thousand. In a case of this nature, the question will not be whether the deceased had property to that extent, since we have made a very serious encroachment in this Bill on the rights of the Hindu joint family, because we do not tax only the property of the deceased person but we



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tax the property of the entire family. This is the amendment that we are making, and I am very sorry that except for one dissenting note, I have not seen many dissenting notes to the Report of the Select Committee on this matter. This is a very serious matter. I will come to it later.

The first thing I want to suggest to the Government is this. Of late, I have been saying that the Government are acquiring greater and greater powers so far as income tax officers are concerned. Practically, income tax officers or those like them will use all these powers against the assesses. Since the enactment of the Income Tax (Investigation Commission) Act, I find that all those provisions which were contained in that Act are being imported into our ordinary law year by year and very drastic powers have been taken by the Government for their income tax officers. I have always been opposing it and will go on opposing it because, in my humble opinion, it is not fair to arm these income tax officers with these large powers.

To start with, the income tax officer in India—and perhaps all the world over—is a person who is himself an investigating officer. He is also a taxing officer. He has got very large powers in his hands. He is himself the police officer and the judge. Therefore, he is all powerful, and any assessee can be coerced into doing anything. And when we find that the income tax department is not so competent and at the same time not free from corruption, we can very well appreciate the difficulties of an ordinary assessee.

The income tax department has been burdened with so much work. There are the gift tax, expenditure tax, wealth tax and other taxes concentrated in the hands of the income tax officers and we have got a dearth of competent officers. After two or three years of his joining, a person becomes

an income tax officer and is invested with these large powers whereas previously only after 8 or ten years the man who entered the department used to be made income tax officer. Incompetent officers are there with authority to discharge all these functions. These functions are new to India. I know, at the same time, that the department has sent many officers to foreign countries to study the administration of these taxes there and they have come back. All the same, the work is very new.

Therefore, I think we should see that all those safeguards which we have been advocating here should be adopted by Government to see that between the income tax officers and the general public there is a sort of *rapprochement*. Every assessee does not go to an income-tax officer as he now goes to a police officer. In fact, the police officer is not so dreaded now as the income tax officer.

In this chain of officers, I would submit that there is one officer in this department who is, as a matter of fact, loved by the assesses and whose services are appreciated by them. He is the Appellate Commissioner. He is independent of the Board theoretically, though in practice he is not so independent. At the same time, in all these laws of income tax, expenditure tax, gift tax and so on, we have put in these words for the Appellate Commissioner, for the Appellate Controller and for their counterparts in the other Acts:

“Provided that no such orders, instructions or directions shall be given by the Board so as to interfere with the discretion of the Appellate Controller of an estate duty in the exercise of appellate functions”.

Under this Bill also, Appellate Controllers are being appointed for the first time. We have got this safeguard. At the same time, as I have

submitted earlier on many occasions in this House, we have got article 50 of the Constitution which enjoins upon Government, which makes it the fundamental duty of Government, to see that there is separation of the executive from judicial functions. This Appellate Officer—call him Appellate Commissioner or Appellate controller—ought not to be subject to the Board in matters of his own promotion, transfer and conditions of service. This is absolutely necessary if you want to see that people approach Government and honestly pay their taxes. If you do this, they will certainly have confidence in the officers also. But if you make it a rule that the terms and conditions of these officers are conditioned to their enhancing the taxes and recovering more and more money, it will be disastrous for the Government as well as for the people.

You talk of tax evasion. Tax evasion is there because the taxes are too many and too onerous. And further if an honest man goes there, his word is not accepted. You mistrust him and think he is evading tax. This is one of the grounds for evasion, though I do not say that evasion is only due to this. When the appellate functions are discharged, it is very necessary that the assessee should feel that he is being dealt with according to law and no such considerations as enhancement and drastic assessment of the assessee will affect the promotion of the officers functioning in that capacity.

Therefore, I am anxious, as I have always submitted before this House, that this appellate authority should be absolutely free from all these considerations. I have, therefore, proposed an amendment to this effect. I hope it will be rejected, as others have been rejected before.

This is not the first time. Once in 1953, there was Income Tax Amendment Bill before us which went to the Select Committee and I happened

to be the Chairman of the Select Committee. We tried to see that this reform was accepted, and in spite of all our efforts and the efforts of the Finance Minister—Shri C. D. Deshmukh was the then Finance Minister—who realised what we said was right, it could not be done. Even now, in spite of the best intentions of our Finance Ministers—so far as I am concerned I have got confidence in them—they will not be able to effect this reform because the Board as well as the Income-tax Officers and the department are too strong for them also. Therefore, I am submitting that this may also be rejected. But, at the same time, I know there must come some time when this thing will be accepted.

I am only submitting that this Government should follow the Constitution which they themselves have framed. Under article 37 it is one of the fundamental duties of Government to follow the Constitution. If you cannot do it in the Incometax Department, how can you do it in other departments of Government? Therefore I am submitting that the time should come—it should come as soon as possible—when these Appellate Commissioners will not be subject to the Board, in all these matters.

**Shri Braj Raj Singh (Ferozabad):** Why should it not come here and now?

**Pandit Thakur Das Bhargava:** They raise many objections; they say they have not got an ample cadre; there are no chances of promotion. Twenty other objections are raised which are such that could be brushed aside if the Finance Minister is strong. But, at the same time, the Department is too strong.

As I have complained before, of late years I find that all these Acts, the Expenditure Tax Act, the Wealth Tax Act and all these have got the same provisions as are found in the Income-tax Act. Since 1948 our laws have

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been worsened and all those things are being introduced which were the subject-matter of the Investigation Commission Act. If a person wants to appeal the sword of Damocles is hanging over his head. In criminal appeals the appellate courts cannot enhance the punishment whereas in this Bill you also say that the appellate court can enhance the tax. Therefore, you are discouraging appeals.

Similarly in matters relating to assessment and re-assessment also, though for the first time I find that you have placed section 73A on the Statute book. All the same, these laws are too stringent. They say, at any time the assessment order can be rectified.

So far as these provisions are concerned, I have given some amendments and I know their fate. They will meet with the same fate as other amendments in other cases have met with. The result will be the same. But, all the same, I believe in going on hammering. One day we will see the result of all this as I have seen results in many other cases. We went on doing the right thing and ultimately we got results. I have got that confidence.

Ultimately, I come to a very important aspect of the matter. Governments are generally capable of doing very wonderful things. When we passed the Marriage Act in this House, we enacted that an impotent person could have a son. In fact, parenthood was forced on an impotent person by section 16 of that Act. But this time we have done something better. Go to any part of the world and you will find that Estate Duty is applicable to the estate of the deceased persons. The property of a living person can never be the subject of Estate Duty. I went to the Library and saw some books and I found that they were all death duties and no living person was charged with death duty.

**An Hon. Member:** That is why they call it Estate Duty here and not Death Duty.

**Pandit Thakur Das Bhargava:** But here I find that Government are going to charge duties on the properties of living persons. This is an anomaly—I should say a monstrosity—which I find in this Bill.

As a matter of fact, so far as previous Governments were concerned, I had occasion many times to criticise those Governments in this House in regard to their treatment of the Joint Hindu family so far as taxation is concerned. On many occasions I found that the Finance Ministers of previous Governments did admit that the incidence of income-tax was hard and unfair to the joint Hindu family. With your permission Sir, I will just quote two Finance Ministers. This is what Sir George Schuster said:

"I am quite ready to admit that, as the law stands at present, there are frequent cases of I may almost say injustice, certainly of hardship as regards taxation. But I do submit that the existence of these cases does not justify the wholesale alteration of the law without careful consideration."

Then, on the 28th March 1946 Sir Archibald Rowlands said:

"From my short study of this question, it seems to me that there may be cases in which the operation of the law at present works hardship on the Hindu joint family. I do recognise there are several cases in which the operations of the present law may be hard on a Hindu Joint Family."

At this stage I do not want to go into the entire history of what happened so far as the Hindu Joint family is concerned in the last 80 years. But, since 1928, when we realised that the Hindu Joint family was

not being fairly treated like all other families in the land, we brought this question. I have quoted only two Finance Ministers who admitted this fact and I can quote many more.

Even in 1947, when I brought this matter before Parliament, Liaqat Ali Khan of blessed memory was the Finance Minister and he also said that when the next Taxation Enquiry Committee comes, then we will go into this question. Our Finance Ministers have been saying the same thing lately also.

In 1924 the question arose and the Taxation Enquiry Committee said that so far as the Estate Duty is concerned it cannot apply to the Hindu joint family. In 1946, the same question arose but they found a solution which I accepted as the right one. But before I come to this aspect of this case, let me, for your consideration, complete the history.

When Shri Mathai was here he accepted my criticism and was pleased to say that the limit on taxation of joint Hindu family should be increased from 3,000 to 3,500 and then from 4,200 to 8,400. Ultimately, the matter went to Investigation Commission and they said it should be Rs. 12,600, that is, three times Rs. 4,200 for Hindu joint families where the family had got 3 or more than 3 coparceners as a palliative measure. The matter went before the Taxation Enquiry Committee and I appeared as a witness before the Committee and I asked Shri Mathai to look into the matter. Again, he shirked the issue. If you go through the Taxation Enquiry Committee Report you will be pleased to find that the report said that since the Hindu Code was on the anvil of the Legislature it refrained from making any recommendations whatsoever. The report said that so far as joint family property was concerned, the incidence of taxation depended on the rules of the Hindu law and therefore they were not competent to go into the question.

They shirked the issue, but at the same time, they confirmed the recommendation of the Income-tax Investigation Commission and they said: "We accept this that so far as three members are concerned, the family will not be taxed unless it has got an income of three times the taxable limit if the family consisted of three or more adult members.

16 hrs.

When the matter came up before the predecessor of the present Finance Minister, Shri T. T. Krishnamachari, he brushed aside everything and said: "No, I am not going to accept this. Money is the only consideration with me, and I am not going to be influenced by these considerations of the Hindu joint family, etc." I told him that for the last so many years we had fought out the issue and gained certain points and asked him how he would be guided by the stroke of the pen brush that aside. He was very obdurate but on my resistance, he became a bit considerate and said that he would appoint a committee which would go into this question and then the Government will take decision. He disregarded the three times the amount of the taxable limit and said that only twice the amount would be considered in regard to families which had a membership of two persons or more.

Last time when we were considering the issue, our present Finance Minister adopted a somewhat hesitating attitude, and then on my insistence agreed that he would appoint a committee, but the committee has not been appointed, and this Bill has come imposing new penalties and committing new monstrosities as I have submitted.

Now, so far as the previous Bill was concerned, in 1953 the Hindu joint family was discriminated against. Whereas in the case of ordinary persons, Rs. 1 lakh was the limit, in the case of the Hindu joint family, Rs. 50,000 was the limit, and I had

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very hard things to say from my place here, and went on for hours submitting to the Finance Minister that he had not acted properly. However, at that stage the thing had gone too far. Section 34 had been passed, and when he came to the schedule, he could not do anything

This time I find that the limit is placed, so far as the individual and the Hindu joint family are concerned, at the same level, but they have introduced another unthought of innovation, a thoroughly unjustifiable, a thoroughly iniquitous innovation I will read it out and you will kindly consider what they have done

**Shri D. C. Sharma** (Gurdaspur): When will the committee be appointed?

**Pandit Thakur Das Bhargava**: I am sorry I could not hear him

**Shri D. C. Sharma**: Will the hon Minister who is in charge appoint a committee?

**Mr. Deputy-Speaker**: That would be seen afterwards

**Pandit Thakur Das Bhargava**: He is only reminding me of the promise of the Finance Minister to appoint a committee which he has not so far carried out. I will certainly ask him to do the right thing because this is a matter which does not end here. That committee related to income-tax. This committee just might . . .

**Mr. Deputy-Speaker**: By the time Pandit Thakur Das Bhargava has succeeded in his efforts to get something for the Hindu joint family, perhaps the family might have disappeared from the scene.

**Pandit Thakur Das Bhargava**: I am at one with you in wishing the same thing. In fact, when we were considering the question of succession, I

said to the Government: "Take courage in both hands and finish this family, because, after all, in these 80 years crores, hundreds of crores of rupees have been taken illegally from the Hindu joint family based on no principle of justice."

Now, what is happening? You are quite right I am just reading out, and this very sentence will show that the joint family will disappear sooner than we think. What do they say? In the new section 34 they say:

"(1) For the purpose of determining the estate duty to be paid on any property passing on the death of the deceased,—

(c) in the case of property so passing which consists of a coparcenary interest in the joint family property of a Hindu family governed by the *Mitakshara*, *Marumakkattayam* or *Ahiyasantana* law, also the interests in the joint family property of all the lineal descendants of the deceased member,

shall be aggregated so as to form one estate and estate duty shall be levied thereon at the rate or rates applicable in respect of the principle value thereof."

Now, what would happen? Supposing a man of 75 dies and he has got six sons, the eldest being 55. Supposing he has got some daughters also, they are also lineal descendants. The expression used is not "male lineal descendants". The property of all his sons, and of his daughters if he has any daughters, will all be aggregated, and the more sons the greater the aggregation. I do not know whether it is a population control measure, whether this is a birth control measure, or what it is. If a person has got one son, well, the aggregate will not be too much. If he has got five, the aggregate will be five times the amount, so that in the case of living people . . .

**Mr. Deputy-Speaker:** Then it is wealth control or duty control and not population control.

**Pandit Thakur Das Bhargava:** According to Hindu law a copy of which I have got in my hand, a Hindu in a *Mitakshara* family gets an interest by birth. As soon as he is born, he gets rights in the family, whereas in the *Dayabagha* this is not so, and he gets all his rights independent of his father. The father has got an equal right with the son in a *Mitakshara* family. If a *Mitakshara* family consists of a father and four sons, all the five have got one-fifth—not more, not less, so that the birth gives him the right, and not succession. There is no succession in a Hindu joint family practically so far as joint family property is concerned. This joint family even defied death and the family continued in spite of the death of the father. My submission, therefore, is that when the sons have got an independent right, how can you take into account their properties?

**Shri M. C. Jain:** Then, there cannot be any estate duty on a joint Hindu family according to you.

**Pandit Thakur Das Bhargava:** My friend is only submitting a thing which is quite obvious and which was conceded by this Government; for a very long time since 1924 till 1946 they did not impose this duty as they said the joint family was not capable of being subject to any estate duty.

Then again in 1946 the Government brought a new proposal. They said any property which passes on the death of a member of a *Mitakshara* family is a property equal to the property which would fall on a notional partition made just before his death. This is the principle even today. There is a notional partition and it is taken that the man who is dead has effected a partition of his property just before his death and that is the property which is taxable. This is the principle

today. Why do you add the property of other lineal descendants? Perhaps when they impose taxes Government forget the ordinary principle of Euclid, that the part cannot be equal to the whole, the whole must be greater than the part. Today an individual getting Rs. 5,000 pays the same tax as a family constituted by ten members. Is it justice, is it equity?

**Mr. Deputy-Speaker:** All must be deemed to have died.

**Pandit Thakur Das Bhargava:** At least a partition can be made very easily. Even in succession there is a notional partition when the share of the daughter is determined under the Hindu law.

What has happened in the succession law? When we passed the Hindu Succession Act, there was a Joint Committee according to which section 6 ran as follows:

“When a male Hindu dies after the commencement of this Act, having at the time of his death an interest in a *Mitakshara* coparcenary property, his interest in the property shall devolve by survivorship upon the surviving members of the coparcenary and not in accordance with this Act:

Provided that, if the deceased had left him surviving a female relative who is an heir specified in class I of the Schedule, such female relative shall be entitled to succeed to the interest of the deceased to the same extent as she would have done had the interest of the deceased in the coparcenary property been allotted to him on a partition made immediately before his death.”

And this did not satisfy the daughters. Therefore an Explanation was added:

“Explanation.—For the purpose of the proviso to this section, the

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interest of the deceased shall be deemed to include—

(a) the interest of every one of his undivided male descendants in the coparcenary property, and

—that is not all—

“(b) the interest allotted to any male descendant who may have taken his share for separate enjoyment on a partition made after the commencement of this Act and before the death of the deceased, the partition notwithstanding;

and the female relative shall be entitled to have her share in the coparcenary property computed and allotted to her accordingly.”

According to the Select Committee on that Bill, the daughter was entitled to a share out of the entire family property including the independent property of the sons who had separated from the family. This came up for discussion before the House and then this proposal of the report was rejected by the House and it was accepted that the daughter could take a share only in the property of the deceased. The operative part of section 6 reads like this:

“Provided that, if the deceased had left him surviving a female relative specified in class I of the Schedule or a male relative specified in that class who claims through such female relative, such female or male relative shall be entitled to succeed to the interest of the deceased to the same extent as she or he would have done had the interest of the deceased in the coparcenary property been allotted to him on a partition made immediately before his death.”

The only thing passed in the proviso was that the only property which could be inherited was the property which would fall to the share of the

deceased if he had separated from the coparcenary before his death. The principle accepted was that only the share of the deceased would be divisible among the sons and daughters and not the independent rights of the sons also who got them by birth. We accepted this principle in the Succession Law. With what face can we now come and say that we do not accept this principle because according to the Government and some of my non. friends in the Opposition, they want money and nothing else. This was the accepted principle in 1946 and even in 1953. What has happened since then in these years to change this law? It is very unfair. We have got articles 14 and 15 of the Constitution; we shall have equality before law. We do not want any discrimination so far as law is concerned.

May I just give an example, Sir? Suppose a man of 75 dies and he does not belong to a joint Hindu family. Will the property of his sons and daughters also be calculated for this purpose? My submission is that so far as the law goes there are certain things in a joint Hindu family which give certain advantages; there are certain things which give some disadvantages. We must take it as a whole as we find it. I am not here to complain about the difficulties of a joint Hindu family so far as this Bill is concerned. But at the same time, I do wish to contend that so far as the Hindu joint family is concerned the Government is not well advised in changing its fundamental rules like this. I am one of those who would be happy if the joint family goes away; nothing will be lost. But if you allow it to continue, let it continue in its pure form with all the incidents and fundamentals which govern it; these should not be changed.

May I just give only one more example for your consideration?

Mr. Deputy-Speaker: Panditji has taken about forty minutes; now he should be brief.

**Pandit Thakur Das Bhargava:** I am sorry to have taken such a long time.

**Shri Tyagi (Dehra Dun):** There are many coparceners (*Interruptions*).

**Mr. Deputy-Speaker:** I concede to Mr. Tyagi that there are many coparceners in this argument.

**Pandit Thakur Das Bhargava:** My difficulty so far as Mr. Tyagi is concerned is that he knows as much about the Hindu law as the Government, about the difference between a coparcenary and a Hindu joint family. I do not think that this is appreciated by any person. Hindu joint family is different from coparcenary. A coparcenary consists of father and those who inherit something by birth and not daughters and wives. That is so far as *matashara* is concerned. Whereas in *dayabhaga*, wives, daughters and mothers are all parts of the coparcenary. I do not think Shri Tyagi knows it. Shri Tyagi knows about coparceners. He has enough knowledge of Hindu law. Among lineal not a coparcener You are speaking of rights of daughters also because a daughter is a lineal descendant. You do not realise the difference between coparcener and lineal descendant.

**Mr. Deputy-Speaker:** I was getting nervous that I may also be accused of the same ignorance

**Shri D. C. Sharma:** Even he has not made clear the difference between coparcener and lineal descendant.

**Pandit Thakur Das Bhargava:** Sir, I will try to be brief. As a matter of fact, I can understand the anxiety of Government to get more money, the anxiety of many other Members to get more money, but at the same time I was submitting another rule which has made a lot of difference so far as the Hindu joint family is concerned. You know, Sir, a member of a Hindu joint family or a coparcenary has within the hollow of his hand the entire solution for himself. He can separate any

time by an unequivocal declaration that he is separate. Even if he brings a suit for partition, the family will be divided and joint status would be disrupted. If he makes an application for partition, even by that very act he loses his joint status. Similarly, if a member unequivocally declares that he is not a member of that joint family, according to strict Hindu law there and then the joint status of that family will be finished.

But what have the income-tax people done to get more tax? They have enacted section 25 in the Income-Tax Act in which they say that unless there is a registered deed,—even that is not sufficient—unless there is division by metes and bounds, unless each property has been partitioned off and divided into bits, they will not accept that family as disrupted, as not joint, as separate. It is because their income suffers. This is the basis why they have really maimed and wounded all these principles of Hindu law; it is for the purpose of getting more revenue.

In the British Government days I made all these points before the then hon. Finance Ministers. They only sympathised with me and said: "Let the Taxation Enquiry Commission come." It has come now, and it has not given us justice on the plea that they are not competent to deal with it as long as there are social laws about joint family on the anvil of the legislature.

What I submit to Government now is, finish with this joint family business, we will all be happy, or do things in the right way. So far as this Act is concerned, you cannot tax the property of all those who are not subject to Estate Duty. I can give you many examples, but as you have already said, Sir, that I have taken too much time, I will only give one example. Let us see what happens in a Hindu joint family where the father has retired at the age of 60 and he



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and his wife, who are parents in the family, get only maintenance, and the real work is done by the juniors who may acquire the whole property. The father might have got only a property of Rs. 10,000 or Rs. 20,000, whereas the sons may have acquired property worth some lakhs. When the father dies, is it fair to tax the entire earnings of the whole family to which the young men not only contributed but vigorously contributed and acquired the whole property of the family? Is it fair to put all the property in the name of the father and say that it should be taxed, as if not the father alone but the whole family has died? That is not fair at all

**Shri Braj Raj Singh:** They want the whole family to die.

**Pandit Thakur Das Bhargava:** Therefore, Sir, my submission is that this 'aggregation' section No. 34 requires modification.

**Shri M. C. Jain:** A very good argument by the capitalists.

**Pandit Thakur Das Bhargava:** In fact, Sir, I wanted to say many things, but since I have taken a long time I will not take any more time of the House. I will only submit for the consideration of the House that so far as this Bill is concerned, we will be doing an entirely wrong thing if we pass this section. Therefore, I am going to press my amendment seeking the deletion of the words "lineal descendants of the deceased". It is, as a matter of fact, to my mind, certainly discriminating, iniquitous and entirely wrong to include those properties which are not included in the case of other persons.

I will therefore respectfully submit that they should take it as a serious problem. The House should not be a party to it, to the tyranny which has been exercised for many years over the joint family. The broad question of the income-tax is not before the House.

This is a new measure, a new innovation which the Government are putting before the House. The House will not be stultifying all the previous laws by accepting this suggestion of mine, because it relates to a separate measure which has got a background of its own. We had accepted in 1946 and also in 1953 that only the property of the deceased which on partition would have fallen to his share is the subject of or is subject to this duty and nothing else. We ought not to enlarge it by including the interests of the members of the Hindu joint family. The daughters are also lineal descendants and they have got an interest in the joint Hindu family, an interest on maintenance, getting married, etc. I can go on giving you many examples, but I refrain from doing it.

I feel that the House should kindly consider sympathetically what I have urged, and on principle also, we as the House, have got a duty to discharge to the entire population. It is not a question of money alone. Let money be taken, and money will be taken. Who are the persons to pay it? The joint Hindu family is to pay a very large amount. I do not grudge it since we have to contribute to the coffers of the Government, but in this manner, putting an estate duty, as soon as a person dies when the whole family is stricken with sorrow, and the minions of this Government going on making inventories of the entire property and not the property of the deceased only, but of his descendants also, is not correct. An inventory shall be made of all the ornaments of the wives of the sons and every piece of property shall be taken into account. As against only the property of the deceased, everything in the family will be made an inventory of, and ultimately, if the words relate to 'aggregation', the property will be much more. Perhaps the words as they are relate only to the rates. But the words are very ambiguous. I will beg of the House to read the words. So far as the first operative part is concerned, it says that it will form an entire estate and

for the purpose of rates, an explanation is given. The opening words of the clause are:

"For the purpose of determining the estate duty to be paid on any property passing on the death of the deceased,—"

For that, aggregation shall be made I am afraid that if these words remain there, not only for the purposes of the rates, but the entire property may be subject to duty.

I oppose both the things—either for aggregation purposes or for the purpose of rates. It should not be done. At least so far as the aggregation for the purpose of actual charging of the estate duty is concerned, this is absolutely unjustified.

Shri M. R. Masani (Ranchi—East). I am sure the House has listened with sympathy to the forceful plea of the speaker who has just concluded. As a Member of the Select Committee I was glad to hear at the beginning of his speech that he felt that the Select Committee had made certain improvements in the Bill. That is true, and I think we all welcome the improvements to which the Finance Minister was good enough to agree.

There is, however, one feature of this Bill with which I cannot possibly associate myself, a feature to which I shall now confine my remarks, and that is the lowering of the limit of taxation or the bringing within the scope of this duty all estates worth between Rs. 50,000 and a lakh of rupees. Somebody at the back—one of my hon. friends—talked about the rich. The plea that I am making has nothing to do with the rich, because the people involved in this change which I resist are not the rich but the relatively poor.

An estate of Rs. 50,000 today is the equivalent of an estate of Rs. 12,000 before the war. If we cast our minds

back to 1939, I wonder whether we would have thought that if a senior clerk or a junior official or a shop-keeper died, leaving Rs. 12,000 to his widow and four or five children, we should consider it a lordly inheritance which may be mulcted or penalised. I am sure Members of the Government, as all of us here, would agree that that thought would not have occurred to us. And yet, we are so hypnotised by the larger figures which the inflation through which we have gone since 1939 make us real, in that, when we think of Rs. 50,000, we think of something rather big. Actually, what we are discussing is whether a man leaving Rs. 12,000 to his family, on the pre-war purchasing power of the rupee, leaves such an inheritance or estate as deserves to be penalised or mulcted. Today a man who leaves Rs. 50,000 or a little over would be a middle-class man who might have drawn the greater part of that amount from his provident fund or retirement gratuity. Those Rs. 50,000 may reflect the hard-earned savings of his life-time on which a great deal of tax has already been paid. In other words, the man about whom I am talking is the small man and I must confess that I am amazed that the Government should think that the savings of the small man, born out of hard labour, should be forfeited even up to the extent that is contemplated.

The middle-class is the back-bone of our nation and to hit at his back-bone on every financial issue that comes before this House is bad economics and bad politics. By demoralising and depressing the middle-class, this Government, which resists communism and other disruptive tendencies in other fields, is aggravating those very tendencies on the economic field without knowing it.

As I said, these Rs. 50,000 represent the savings of a life-time, which we are all supposed to encourage. The fact is, if I do not save these Rs. 50,000 out of my earnings, but spend them,

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I escape from the tax. But if I take the trouble of leaving Rs. 50,000 for my widow and children, which the Government wants us to do, then I should pay tax.

That I am not alone in this view was borne out a few days ago by editorials in two leading newspapers of this capital, from one of which I shall quote, because it is well put. This is what the editorial says:

"...it is certainly the case that neither at the stage of the introduction of the Bill nor at any subsequent stage have the Government brought forward any convincing argument for flinging its tax-net so wide as to catch such small fish . . . It remains for the Government to consider whether it is really worth their while to persist in the intended unremunerative harassment of relatively small property-owners."

Shri B. Gopala Reddy: Which is that newspaper?

Shri M. R. Masani: This is the Hindustan Times. About four days ago the *Times of India* carried a very similar editorial which you must have read also.

What are the Government going to get out of it? As far as I can make out from discussions with the Finance Minister in the Select Committee, the amount is relatively small, and the Finance Minister at one stage in the Select Committee, I think at the concluding stage, was good enough to say, "All right, you find the money by modifying the rates and I shall agree to reconsider this matter."

I have given notice of an amendment and I am glad to see that some other Members of the House, Shri Khadiolkar, Shri Assar and Shri P. K. Deo, who have also put in minutes of dissent similar to mine have moved in the same direction. We are quite prepared to agree that part of the reduction in the rates from 5 to 4 per

cent. and from 3 to 6 per cent. be revoked and that we go back to 5 and 7 per cent. striking the mean, so that part of the loss that would accrue to the Government through keeping the limit at Rs. 1 lakh and not at Rs. 50,000 may be restored to them. I think the figures can be worked out and I hope the Finance Minister will do so. He will find that by accepting what we are suggesting, the loss will be only a very few lakhs of rupees. I do suggest to him that the psychological harm that he will do and the disincentive to saving that he will set in motion will be out of all proportion to the gains that he will make with a few lakhs of rupees from these poor people. So, the force of my amendment would be to tax the people with Rs. 1 lakh and more higher, and thereby to tax the rich more and to relieve the poor or relatively poor.

The first speaker, from the communist benches, made the statement that this is the lowest estate duty rate in the world. I was expectantly waiting for him to tell us the very high inheritance tax and estate duty in the Soviet Union, from which he derives his inspiration. But he was silent; and that is not an accident, because the fact is that in the Soviet Union, the so-called communist country, there are no estate duties and no inheritance taxes whatsoever. After the first ten years' attempt at equality, the Soviet Union has swung so far back in the direction of inequalities of wealth and income that today in the Soviet Press, you can read reports of millionaires, people with millions of roubles leaving their fortunes to their family without paying even 1 per cent. tax. So, it is not for people who derive their inspiration from that part of the world to preach to us as to how much we should tax our lower middle-class or the poor people. Now, as the Finance Minister is not here I do request the Minister in charge of this Bill to consider, along with his colleagues, whether in response to the wide feeling that was expressed in the Select Committee which, I am con-

vinced, is shared by this House, this unfortunate retrogressive measure of taxing the poor is really necessary. I do appeal to him to consider whether by raising the slabs on estates over Rs. 1 lakh in the manner that I have suggested, or some other manner that Government might devise, this amount of Rs. 20 lakhs or 30 lakhs, whatever it may be cannot be recouped from those estates which are better-placed to bear this loss, this burden. I do hope, therefore, that even now, belated though it might be, the Government, whose general political ideologies are esteemable, will refrain from passing this Act, which injures the general climate of political democracy and the growth and development of the middle classes in which they believe. I believe all these measures, with which you come before us every year, increasing the burden on the middle class, people who work hard, people who are the backbone of the nation, will encourage the forces of disruption and communism in this country. And if the Government will not accede to this suggestion, I do hope at least some of the governments of our States will apply their minds to these considerations and desist from applying this law in its present form.

श्री यू० चं० जैन : माननीय डिप्टी स्पीकर साहब, सिलेक्ट कमेटी ने अपनी रिपोर्ट में जो कनसेशन दे दी हैं, में उन को अपोज कर रहा हूँ, न सिर्फ़ इस लिये कि हायर लिमिट्स में, रेट को कम कर के रियायत दी गई है, बल्कि इसलिये भी कि पिछले सेशन में, जब कि यह बिल पेश हुआ था, वह कहा गया था कि एग्जीक्यूटिव प्रापर्टी पर यह बिल लागू नहीं हो सकता है, जब तक कि प्रदेश असेम्बलियों से इस की इजाजत न ली जाय, लेकिन मुझे अफ़सोस है कि इतने दिनों तक किसी असेम्बली से इस की संकशन नहीं ली गई है।

मुझ से पहले बोलने वाले दो स्पीकर ने हिन्दू ज्वान्ट फ़ैमिली के नाम पर, मिडिल

क्लासिस के नाम पर और वहाँ तक कि शरीबों की बिना पर इस बिल की मुबालाज़त की है। मुझे ताज़्जुब है कि श्री मसाली से पहले पंडित भागंब ने हिन्दू ज्वान्ट फ़ैमिली के नाम पर बहुत कुछ कहा है। उन्होंने जिस दफ़ा ३४ का हवाला दिया है, उस में साफ़ तौर पर लिखा है —

“in the case of property so passing which consists of a coparcenary interest in the joint family property of a Hindu family governed by the Mitakshara, Marumakkattayam or Aliyasantana law, also the interests in the joint family property of all the lineal descendants of the deceased member;”

इससे तो जहाँ तक में समझा हूँ यह जाहिर है कि अगर किसी डिप्टीज्ड की अपनी हिन्दू ज्वान्ट फ़ैमिली है और उसके लड़के चाहे कितने ही हों, अगर उनकी अपनी अपनी प्रापर्टी अलग से नहीं है और सारी की सारी हिन्दू ज्वान्ट फ़ैमिली की है तो उन लड़कों का जो हिस्सा है वह बाप की वजह से बनता है और वह हिस्सा सारे का सारा शामिल किया जायेगा न कि अगर में अपने बाप से अलग हूँ और में अपने नाम पर अलग से मकान बनाता हूँ और मेरा मकान भी उस प्रापर्टी में शामिल होगा। यह नहीं हो सकता है। पंडित ठाकुर दास भागंब जी के दिमाग में ये समझता हूँ यह बात नहीं थी . . . . .

उपाध्यक्ष महोदय : अगर आप अलहदा हैं तो आपकी बाप से ज्वान्ट फ़ैमिली कैसे हुई ?

श्री यू० चं० जैन : उनकी प्रार्थना से यह बात साबित होती है कि . . . . .

उपाध्यक्ष महोदय : उन्होंने तो ज्ञानदान मुवातरिका के बारे में कहा। अगर ज्ञानदान मुवातरिका होगा तो लड़का इकट्ठा होगा।

जी बू. बं. बीन : उन्होंने अपनी स्पीच में यूकलिड की मिसाल दी है और कहा है कि हमारी गवर्नमेंट ने उसे मात कर बिबा है और उसको भी भुला दिया है। इसके साथ ही साथ उन्होंने यह भी कहा कि पार्ट इज प्रेटर देन दी होल। अगर खानदान मुशतरिका है तो हमें यह नहीं भूलना चाहिये कि बेशक लडके का भ्रय से राइट होगा लेकिन वह राइट बू फादर होता है। अगर किसी बाप के चार बेटे हैं और पांचबा हो जाता है, तो उनका हिस्सा कम हो जायगा और पांचबा भी हकदार हो जायगा। इसी तरह से अगर छठा लडका हो जाता है तो इन छहों में वह बायदाद बटेगी और जो हिस्सा है वह भी कम हो जायगा। मेरे कहने का मतलब यही है कि जो हिस्सा लडके को मिलता है वह बाप के बू ही मिलता है। अगर उसके लडके का जो हिस्सा है वह मुशतरिका खानदान में है तो बाप के मरने के बाद उसके द्वारा मिली सारी प्रापर्टी को एग्जीगेट करना ही होगा। क्या वह यह चाहते हैं कि इसको एग्जीगेट न किया जाये ?

उन्होंने कास्टीट्यूशन का हवाला दिया और कहा कि खुद कास्टीट्यूशन को बना करके हिन्दू ज्वाइंट फैमिली के साथ डिसक्रिमिनेट किया जा रहा है। अगर पंडित ठाकुर दास जी की धारणा को माना जाये तो मैं समझता हूँ कि हम हिन्दू ज्वायंट फैमिली के हक में डिसक्रिमिनेट करेंगे। अगर उनकी धारणा को मान लिया जाये और जैसा उन्होंने चाहा है कर दिया जाये और हिन्दू ज्वायंट फैमिली पर इस्टेट ड्यूटी न लागई जाये तो क्या हम उसके हक में डिसक्रिमिनेट नहीं करेंगे ? इन्वेन्स्यन्स देने का मतलब यह होना कि हम सब कहने लग जायेंगे कि हमारी ज्वायंट फैमिली है और इसका मतलब यह होगा कि स्टेट ड्यूटी ही उड़ जायेगी। मैं

समझता हूँ कि जो बिल में प्रोवाइड किया गया है वह मुनासिब है और काबिले स्पॉट है।

मुझे से पहले बोलने वाले स्पीकर महोदर ने ख़ास तौर पर मिडिल क्लासिस और लोअर मिडिल क्लासिस का जिक्र किया है और वह यहाँ तक कह गये कि यह एक रेट्रोग्रेड मशर है जिसके जरिये से गरीबों पर टैक्स लगाया जा रहा है। उन्होंने इसकी सपोर्ट में टाइम्स प्राफ इंडिया और हिन्दुस्तान टाइम्स का हवाला दिया है और जो कुछ इन प्रब्लवारों के एडिटोरियल्स में लिखा गया है, उसको पढ़ कर सुनाया है। मैं आपको बतलाना चाहता हूँ कि हमारे देश की जो कैपिटलिस्ट क्लास है वह बहुत होशियार है। वैसे तो दुनिया की कैपिटलिस्ट क्लास ही बहुत होशियार है लेकिन यहाँ की क्लाम ख़ास तौर पर बहुत होशियार है।

16.35 hrs.

[PANDIT THAKUR DAS BHARGAVA in the Chair]

वह जब सीधे टैक्स की मुसालिफत नहीं कर सकती है तो गरीबों की भाड़ लेती है और गरीबों की भाड़ लेकर उनको उकसाती है। मुझे अफसोस है कि हमारी गवर्नमेंट की तरफ से जो कुछ प्रेस में छपता है उसका कोई जवाब नहीं दिया जाता है। दूसरी बात यह भी है कि ये जो प्रब्लवार हैं वे बड़े बड़े लोगो के हैं जैसे डालमिया का है या बिडला का है। इन प्रब्लवारों से जो कुछ भी कैपिटलिस्ट क्लास चाहती है लिखवा सकती है। मैं आपको एक मिसाल बतलाना चाहता हूँ जो कि शायद मैं पहले भी बतला चुका हूँ। जो कैपिटलिस्ट क्लास है वह गरीबों की भाड़ में इन टैक्सों की मुसालिफत करती है। उस कहानी को अगर मैं पहले यहाँ बयान कर चुका हूँ तो फिर ने दोहरा देना चाहता हूँ।

एक मुसाफिर जो कि एक भ्रमीर आदमी था रेल में सफर कर रहा था। डिब्बे में बैठे बैठे किसी मुसाफिर ने उससे कहा कि भाई तुम जिस जगह जा रहे हो उस के रास्ते में डिब्बे में बैठे बैठे लोगों की डाकू घा करके लूट लेते हैं। उसके पास १०,००० के करीब रुपये थे। वह बहुत घबराया। उसने सोचा कि यह तो बहुत मुश्किल हुई और अब क्या किया जाये। उसको खयाल आया कि पास में बैठे दूसरे मुसाफिर से भी पूछ लिया जाना चाहिये, शायद कोई रास्ता निकल आये। उसने दूसरे मुसाफिर से पूछा कि भाई तुम कहां जाओगे? उसने कहा कि मैं जासूल जाऊंगा। वह वही स्टेशन था जहां वह भ्रमीर मुसाफिर जा रहा था। उसने इस के बाद उससे पूछा कि तुम्हारे पास कितने रुपये हैं? उसने जवाब दिया कि मेरे पास २० रुपये हैं। उसने कहा कि उफ तुम्हारे पास २० रुपये हैं? यहां पर तो डाके इत्यादि की वारदातें हो जाती हैं, तुम्हें कहीं कोई लूट न ले। इस पर वह घबरा कर पूछने लगा कि अब क्या करना चाहिये? उसने कहा कि तुम्हें जागना पड़ेगा और अगर कोई वारदात हो जायेगी तो शोर मचाओगे इत्यादि। फिर क्या था, वह बीस रुपये वाला जो आदमी था वह तो सारी रात जागता रहा और जो भ्रमीर मुसाफिर था वह रात भर मजे म सोया। यह सब वह गरीब के दिल में डर पैदा करने में कामयाब हुआ।

इसी तरह से कैपिटलिस्ट क्लास गरीबों को भड़काती है। मैं इससे कहूंगा कि वह इस प्रवृत्ति को त्याग दे। साथ ही साथ मैं गवर्नमेंट से भी कहूंगा कि कैपिटलिस्ट क्लास जो हैवाक प्ले (Havoc play) कर रही है घाम गरीबों की आड़ में, उससे वह इंडिफरेंट (Indifferent) न हो। हिन्दुस्तान टाइम्स और टाइम्स आफ इंडिया इत्यादि ऐसे पेपर हैं जिन को कि मिडिल क्लास तथा लोअर मिडिल

क्लास इत्यादि भी पढ़ती हैं। इसका असर जन पर भी होता है। इस वास्ते इस तरह के प्रापेगंडा से गवर्नमेंट इंडिफरेंट न हो और लोगों को गवर्नमेंट की टैक्सेशन पालिसी के खिलाफ जिस तरह से भड़काया जा रहा है, उसको रोकें। इस क्लास से भी मैं कहना चाहता हूँ कि गरीबों को इस तरह से वह भड़काती नहीं रह सकती है और हमेशा किले में नहीं बनी रह सकती है। हिन्दुस्तान के अर्थव्यवस्था आहिस्ता आहिस्ता आगे बढ़ रहे हैं और वे चाहते हैं कि टैक्स लगे तथा हमारा जो दूसरा प्लान है वह कामयाब हो। ये जो टैक्स हैं ये उन्हीं पर लग सकते हैं जो देने के काबिल हैं। ब्रिटिश राज्य में इन कैपिटलिस्टों पर टैक्स बहुत कम लगा करते थे और वे इनमे बच जाया करते थे। आज भी उनमें यही आदत घर किये हुये हैं। आज भी वे यह चाहते हैं कि उन पर टैक्सेस न लगे। यह नहीं हो सकता है। उन पर हमको टैक्स लगाने ही होंगे।

मुझे यह देख कर अफसोस हुआ कि सिलेक्ट कमेटी ने कई मामलों में कैपिटलिस्टों को रियायतें दी हैं और ये ऐसी रियायतें हैं जो कि पहले प्रोपोज्ड बिल में नहीं थीं। ये रियायतें उनको नहीं दी जानी चाहियें थीं। जो टैक्सों में कमी की गई है वह नहीं की जानी चाहिये थी। मसामी साहब ने तजवीज पेश की है कि ५०,००० की लिमिट को बढ़ा कर एक लाख कर दिया जाय। और जो शरह है वह घाट से छः और छः से चार न करके उसको बढ़ा दिया जाये। मेरी तजवीज यह है कि शरह उसी तरह से रहनी चाहिये जो पहले बिल में थी तथा जो कंसेशन दिये गये हैं वे उड़ा दिये जायें और जो लिमिट है वह ५०,००० तक ही रखी जाय। जब यह होगा तभी हमारा जो प्लान है वह कामयाब होगा और तभी सब चीजें चलेंगी।

Shri Khadilkar (Ahmednagar):  
Before coming to the Bill proper, on

[Shri Khalilkar]

this occasion I would like to make two observations. This is perhaps the last measure in the effort of our Government to broaden and integrate the tax structure in this country, and as we all know, this integration and broadening were more or less based on the proposals of Mr. Kaldor. In fact, this is the last measure in the process. When this Bill came before the House, I thought that there was no intention to change the basis of it, for, as I said, the time had come when Government should take into consideration the social effects of taxation in our society and the result of taxation. I would, at the outset, appeal to Government to apply their mind to this social aspect of taxation.

Do you really desire, and is it possible by imposing taxes, to reach the so-called ideal of an egalitarian society? It is really a matter for serious study, how the different sections in society and how the whole class structure have been affected by the taxation measures which Government have brought forward. I would appeal to Government and the Planning Commission to apply their mind to this aspect of taxation.

There is another aspect which is equally important. As I had observed while criticising the budget proposals there is a certain amount of stagnations, if we were to see the results of all the tax proposals and imposition of burdens that Government have put on the people. That is also an aspect I mean the yield, which has to be thoroughly gone into. My little inquiry leads me to the conclusion that it has not only affected the class structure unevenly, but it has put an added burden on the lower strata of society, the middle strata, while the upper strata are comparatively untouched by the taxation measures.

Some people might think that Government have lowered the limit down to Rs. 50,000, and therefore, this is a

very radical measure. I would like to appeal to the House not to go by pseudoradicalism, but to try to apply some scientific thinking to everything that is done. Otherwise, tomorrow, Government may say that they want some money and they would go down to the limit of Rs. 25,000. Of course, that might be welcome. But, ultimately, while enacting a measure of taxation of this nature, do you really want to hit a class which I have called in my minute of dissent as the lower middle class, consisting of teachers, professors, lawyers and government servants, who have certain cultural traditions and traditions of learning; they want to preserve it, but in the changing pattern of society, they are finding it extremely difficult to preserve that tradition. If at all, you are aiming at pauperising this particular section of society, I have no grouse, and you can go ahead and bring down the limit to Rs. 25,000 also. And why keep it at Rs 50,000? Tax the lowest strata as much as possible. But what would be the result? Are you really serious in laying down a democratic foundation for a social change? If you are, then you have to follow a different course.

Therefore, they should give serious thought to all their taxation measures and particularly this measure. The class I have referred to has no economic pulls. It does not live on coupons as the richer class lives; it lives on its earning either by way of retirement benefits or by way of gratuity or provident fund or whatever earnings it has. That is their only ambition, a certain cultural standard, a certain academic life, a life of learning. Preservation of that tradition in their family is their only ambition.

Therefore, if you are going to pauperise those people in a society who have socio-ideological influence and no economic pull, no means to exploit the society at their disposal, I have nothing to say. Go ahead. But my

humble submission is that it is contrary to your ideal that you have placed in the Five Year Plans and the method by which you want to achieve that and build up our society. That is my first submission.

I referred to stagnation. In a developing society, while taxing, Government must see the results, whether they are really mopping up, whether tax evasion is lessening. Have Government started a study of this nature? To my knowledge, they have not. On the contrary, they feel, 'All right; go ahead'. But unfortunately, they have not given deep thought to this aspect of the problem. In a developing economy, incomes are growing. But the incomes of the upper strata in our country grow in a geometric proportion and that of the lower strata in an arithmetic proportion if at all—calculating it in this way.

Therefore, if Government keep this aspect in mind, the first consideration they have to take into account is: what are the effects? Have we tightened up the machinery? Have we removed that blot which Prof. Kaldor has pointed out of Rs. 200 crores going away by way of tax evasion? Has some machinery been set up and is it at work to remove it? Government are proceeding in a complacent manner. They think: 'Go ahead. This is the last Act of estate duty to integrate, broaden and cast the net as wide as possible'. This measure has been visualised and they have brought it before the House. But what are they going to get by it? I asked this question of the Finance Minister in the Select Committee. He fumbled a little. He was not sure about it, because he has not given any serious thought to this aspect of the problem. He knows that the Cabinet has taken a decision and it is a matter of prestige and the rigid man that he is, as we know, by temperament—though he is now showing some signs of flexibility; perhaps this House is responsible for that change—said to me: 'Look here, of all persons you are asking this?' I said: 'Yes, because I

have seen what the effect of this measure would be. You are going to practically uproot by pauperising a class of people who are really the bulwark of democracy, if at all you are thinking of democracy in this country'. He said he would get about Rs. 30 lakhs. Then I said, 'I am prepared,—and my hon. friend, Shri M. R. Masani said the same thing—to find a way out. You begin your lowest slab at the present limit; keep it at Rs. 1 lakh. If it reaches Rs. 1 lakh, of course give effect from Rs. 50,000 to Rs. 1 lakh. In that reverse proportion you can tax the whole estate, but do not tax property worth Rs. 50,000'.

What would be the effect? Now urbanisation is taking place. If you take any district place, a small house there will be worth about Rs. 50,000. And it depends on the evaluation officer, and under this law the man becomes accountable. He is served with notice; and at the time of death or immediately after death the family is posed with the problem of where to get the money from to get probate, pay the income-tax authorities and satisfy them and how, in the present situation, live with the same prestige which perhaps, the father enjoyed. This is a very serious problem before the middle class people. With urbanisation and the money value having gone down 4 or 5 times as we all know, this is a measure which is most inequitable on record and would not lead to any substantial addition to the Government treasury. This is my submission.

I would very humbly submit that, without making it a point of prestige, Government should give serious consideration to this serious aspect of this taxation proposal and reconsider their original proposal because Estate Duty was never intended to get more money. Primarily, it was intended to plug the loophole. There was a lot of evasion and Government could not get anything. By what logic have they brought forward this measure in such a way by lowering the limit?



[Shri Khalilkar]

We say that higher rates for the apex class does not matter. But from this angle, if at all, it was not intended to get more money for Government. But we intended it as a last measure in the process of new taxation proposals that we have adopted to make it really a broadbased and integrated one, and casting the net wide and it would be in the fitness of things to accept the proposal.

Even now it is not too late. I would appeal to the Finance Minister and the hon. Members opposite that they should give very serious thought to this aspect of the problem. I am not motivated or pleading any cause. I feel my hon. friend, Shri Jain, will also admit that I am not pleading for any particular class of exploiters. On many an occasion I have criticised my hon. friend Shri Masani; but, on this occasion he is applying his mind in a broad scientific way and that should appeal to the House. I would again appeal to Government not to allow prestige to stand in the way of accepting the amendment as it has been suggested.

**Shri Karni Singhji (Bikaner):** Mr. Chairman, I rise to speak on the note that I have appended to the Report of the Select Committee on the Estate Duty Amendment Bill. I shall confine myself to the exemptions that I wish to secure for the members of the Armed Forces and the Police Forces, when they are killed on active service, while discharging their duties in the service of the nation.

In the Select Committee meetings when I had raised this point, though some of my brother Members were sympathetic, I do not know whether they were fully apprised of the situation as it exists in other parts of the world. Since then, I have collected certain data and I would like to place it before the House.

In the United Kingdom and in the United States, members of Armed Forces killed on active service have been given very specific exemptions. I shall read out extracts from what I have with me. In the United Kingdom, the exemption extends to the exemption of the property of Commons, Seamen, mariners, soldiers or airmen who are slain or die in His Majesty's Service. In the United States, it goes on this way:—

“(a) Deaths after December 6, 1941 and before January 1, 1947.—The tax imposed by section 985 (Additional Estate Tax)—in addition to the estate provides for taxation of estate of residents and non-residents of the United States—imposed upon the transfer of the net estate of a citizen or resident of the United State dying on or after December 7, 1941 and before January 1, 1947, while in active service as a Member of the military or naval forces of the United States or of any of the other United Nations if such descendant—

(1) was killed in action, or

(2) died as a result of wounds or other injuries, or of disease suffered while in line of duty by reason of a hazard to which he was subjected as an incident of military or naval service.”

On the basis of that I appeal to my brother Members here that we have probably one of the finest armed forces in the world, and I think we may be doing a great service to them in recognising their services if we came forward with an exemption to exempt them when they give their lives in defending us.

**Shri Tyagi:** We accept your amendment.

**Shri Karni Singhji:** There are some reasons which I will also advance as

to why I feel this exemption should be given. I have already given the first reason as it pertains to other countries.

Secondly I feel that when our armed forces or policemen are discharging their duties, they must have their mind completely free. They should not be thinking: "If I got killed today, what is going to happen to my children? Maybe my son will be paying estate duty for the next 20 years." We expect every fighting man in the country will give the best that he can.

Thirdly I think it is only fair that the nation, or rather the Finance Ministry, should not directly or indirectly gain by the death of a soldier who is ordered to give his life in the interests of the country. Taking the case of the police, we see that in anti-dacoity works policemen are killed frequently. We also want that our policemen should discharge their duties and rid the country of dacoits. But we must also likewise recognise their service, and when they are killed in such service, exempt them from estate duty.

There are a number of arguments, of course, advanced by people as to why we should not exempt the armed forces from the duty. One of them is that we should wait till war comes.

**An Hon. Member:** Who says so?

**Shri Karni Singhji:** That was advanced as one of the arguments. There are some of our troops who are today in the Middle East. There may be Indian troops who will be going out to do U.N. work. There are people who may be killed in police action in our country. We must have a provision whereby we can give them that exemption. Every day policemen are killed in discharging their duties. We do not have to wait for wars to enact this exemption.

Another question I have been asked, which is rather strange: "How are the Indian army people any braver than others?" It is obvious that

the troops are governed by an entirely different code. If during warfare any army personnel refuses to fight, he can be shot or court martialled, whereas no action can be taken against any of us refusing to fight or give up our lives.

**Shri Tyagi:** Or refusing to vote.

**Shri Karni Singhji:** Another question which some of my friends have asked is: how many men are going to be affected in the armed forces by estate duty? Firstly, by reducing the exemption limit to Rs. 50,000 a very large number of fighting men are going to come in this category. Secondly, we are also proud that some of our richest families' boys are going through the mill, and they are coming up from the lowest rung of the ladder, and climbing up. These men will be fighting in the forefront to defend their country, and they may be slain while doing so. Therefore, I feel that, although not a very large number may be affected by this, a certain number is bound to be attracted to the tax. I should finally conclude by making an appeal to my friends here. Let not our brave men of the armed police forces feel that we, the Members of Parliament, are not their friends and let us, therefore, recognise their services and let us recognise their sacrifices. We can be proud of our gallant men of the armed forces and the least we can do is to exempt them from the Estate Duty when they die in defending our homes.

17 hrs.

**BUSINESS ADVISORY COMMITTEE**  
**TWENTY-EIGHTH REPORT**

**Shri Raghunir Sahai (Budaun):** Sir, I beg to present the twenty-eighth report of the Business Advisory Committee.

17.01 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Saturday the 30th August, 1958.*