

technical background. May I know whether there is any phased programme and in how many years are they going to replace these people with persons who have a technical or commercial background?

Shri K. C. Pant: Management is by itself a technique these days, and it is almost a technical field. But barring that, as I said earlier, we are setting up a panel in which only those officers are included who have special aptitudes and these selections by the public undertakings are made from this panel and they are not allowed to go outside these panels.

Shri Surendramath Dwivedy: They have this training institute; they have the other personnel in the public undertakings themselves. I want to know whether really they are making any efforts to see that technical persons take over the management and these non-technical persons are replaced.

Shri Morarji Desai: May I say that a Bureau of Public Undertakings is set up in the Finance Ministry. That is examining all these questions. Who are to head these projects will be decided by their capacity to have full conversance with the projects themselves and also their ability to manage. Every technical person is not able to manage; that also has got to be taken into account. But mostly there should be technical people who are able to manage and the administrators also will not be debarred from doing it if they are also qualified to do that. But there will be a larger number of technical people who will manage this and not a smaller number as it is at present.

Shrimati Sharda Mukerjee: Is it not a fact that a number of young engineers who have had the benefit of training at Government expense are leaving the public sector undertakings? May I know from the Minister if he has made any assessment as to the percentage of the drainage of these engineers, what are the causes, what frustrations are they suffering from

and why do they leave the public undertakings after they have had their training?

Shri Morarji Desai: Many are not leaving the public undertakings. A few might be leaving. It is possible that they are not getting the advancement that they seek. It is not possible to give all the advancement that they seek, and if they go for larger salaries to foreign countries, it only shows that they have less feeling for this country.

Shrimati Sharda Mukerjee: Will the Minister kindly make an enquiry into this? (*Interruption*).

Shri P. Gopalan: I would like to know whether it is a fact that one ex-military official has been appointed as the Managing Director of the Suratgarh farm and, if so, whether it is to fight against the pests that this military official has been appointed?

Shri Morarji Desai: The military officer is appointed not for his military abilities but for the disciplined management that he has learned during his military career. And that is how he manages the farm in a better manner. A manager must know how to manage and not just know how to manage the plough or the bullocks; that is not what is required. He has to manage men.

Auditing of Income-Tax Revenue

[4]

*662. **Shri B. S. Sharma:**
Shri Onkar Lal Berwa:
Shri Sharda Nand:

Will the Minister of Finance be pleased to state:

(a) whether it is a fact that recently the Indian Audit Department has been exercising excessive control over the activities of the Income Tax Officers, Assistant Commissioners, and Commissioners of Income Tax and asking explanations from them to justify their orders and even pass strictures and criticise their work; and

(b) if so, the reasons therefor and how far it is justified?

The Minister of State in the Ministry of Finance (Shri K. C. Pant): (a) and (b). The Comptroller & Auditor General of India conducts Revenue Audit through the Officials of the Indian Audit Department. The purpose of Audit is to see that adequate regulations and procedures have been framed by the Revenue Department to secure effective check on assessments and collections as also to see that such regulations and procedures are actually being duly carried out. In the discharge of these functions the Comptroller & Auditor General points out mistakes involving substantial revenue. It will be in the discretion of the Income-tax Department to take suitable remedial measures as also to call for the explanation of the defaulting officials. The question of Revenue Audit exercising any control over the activities of the officials of the Income-tax Department, therefore, does not arise.

श्री बेनीशंकर शर्मा : अभी मंत्री जी ने कहा है कि जहाँ तक ब्राइट डिपार्टमेंट का काम है वह केवल रेवेन्यू का ब्राइट करता है। लेकिन उनको मालूम होना चाहिये कि इनकम टैक्स डिपार्टमेंट में जो आफिसर काम करते हैं उन्हें कानून द्वारा बहुत से ज्युडिशल डिस्क्रिशन दिये गये हैं और उस ज्युडिशल डिस्क्रिशन के मुताबिक जब वे काम करते हैं तो ब्राइट डिपार्टमेंट वाले उस से पूछते हैं कि आप ने अमुक केस में इतना कम ग्रास प्राफिट क्यों लगाया और इतना क्यों नहीं लगाया। ऐसी आलोचना क्या उनके कार्यों की सीमा के भीतर आती है ?

श्री कृष्णचन्द्र पन्त : यह ब्राइट देखता है कि टैक्स का जो कानून है जो नियम है वे ठीक हैं या नहीं हैं और उनका ठीक से पालन किया जाता है या नहीं यह देखने के लिए कभी कभी उनको कुछ केसिस में जांच भी करनी पड़ती है। लेकिन यह उनका लक्ष्य नहीं है।

लय तो यह है कि कानून और नियमों को देखें और उनके पालन को देखें।

श्री बेनी शंकर शर्मा : यदि मैं आपको यह बताऊँ कि बहुत से मामलों में वे इनकम टैक्स डिपार्टमेंट के आफिसरों से यहाँ तक जिरह करते देखे गये हैं कि आपने अमुक हार्ड कोर्ट के फैसले के मुताबिक क्यों काम किया और अमुक हार्ड कोर्ट के फैसले के मुताबिक क्यों नहीं तो आपकी क्या प्रतिक्रिया होगी ? क्या यह ब्राइट डिपार्टमेंट का काम है या कमिश्नर और असिस्टेंट कमिश्नर का। अधिक से अधिक सैल बोर्ड आफ रेवेन्यू उनसे ऐसी बातें पूछ सकता है जाकि ब्राइट डिपार्टमेंट। क्या ऐसा करके वे सुप्रीम कोर्ट के अख्तियारत स्वयं नहीं ले रहे हैं ? मैं जानना चाहता हूँ कि ब्राइट डिपार्टमेंट के लिये यह कहाँ तक उपयुक्त है ?

उप-प्रधान मंत्री तथा वित्त मंत्री (श्री मोरारजी देसाई) : माननीय सदस्य का श्याल है कि ब्राइट होना ही नहीं चाहिये। ब्राइट का मतलब यही है कि जो काम हुआ है वह कानून के मुताबिक हुआ या नहीं हुआ और जो फैसला इनकम टैक्स आफिसर ने किया वह कानून के मुताबिक बिदा या मनरवी खयाल से किया या किसी को प्रेशन करने के लिए किया या कुछ दूसरे कारणों से किया। इसको ब्राइट देखता है और अगर जवाब मांगा जाए तो सीधा सा जवाब इतकम टैक्स आफिसर दे सकता है। इस में कोई झगड़ा तो है नहीं।

Shri Shashji Ranjan: The hon. Minister said that the audit department checks whether the income-tax officers act according to the law or not. May I know whether it is a mechanical thing and it goes only into the process of actions of the revenue officers or it also goes into the integrity of the revenue officers, whether they are honest people or they realise the tax by coercion, compulsion or personal vindictiveness? If so, may I know how many cases of such type

have been brought to the notice of Government?

Shri K. C. Pant: If in the course of their investigation they come across cases of harassment, witting or unwitting or fraud, certainly they bring it to the attention of the PAC. It is the PAC which looks into them.

Shri S. S. Kothari: In certain cases, even the decisions of the Central Board of Direct Taxes are questioned by the audit department. They become too technical and officers begin to lose their initiative, with the result they are over-cautious and there are excessive "add backs", as they are called, resulting in appeals and unnecessary litigation. Will the minister look into this matter?

Shri Morarji Desai: The purpose of the Auditor General and the work that is performed by the audit department is not properly realised. The Auditor General can question even the decision of a minister, if it is wrong. There is nothing wrong in that. Why should any officer be afraid if he is an honest man and if he does his work properly? He need not be afraid of any criticism made by the Auditor General. Government are bound to protect him in that case. But if he has done something wrong, the audit should be thanked for pointing it out.

Shri S. M. Banerjee: The Auditor General is supposed to be the watchdog of the Central Government and watch its finances. I would like to know the circumstances under which the ex-Comptroller and Auditor General has taken up an appointment in the British India Corporation, which is manned mainly by a big business house? I want to know whether he was permitted or not.

Shri Morarji Desai: No permission is required for that purpose.

Shri Hem Barua: Since 80 per cent of the unaccounted money, better known as 'black money' today, in this country is concentrated in the hands

of the officers and the neorich, whether they are businessmen or contractors or ministers or Members of Parliament, may I know whether this tightening up of the audit has succeeded in mopping up this unaccounted money and pinpointing the persons or putting the finger; on the persons who are responsible for doing all this?

Shri Morarji Desai: I think it is an impossible task for the audit to perform.

Shri Krishna Kumar Chatterji: Will the hon. Minister enlighten us as to how many cases of evasion of income-tax have been revealed due to the vigilance of the Audit Department?

Shri K. C. Pant: As I said earlier, the objective of this audit is not to go into individual cases and to perform functions which legitimately belongs statutorily to the Revenue Department. But in the course of the inquiries when they come across cases of under-assessment or over-assessment they bring them to the notice of the concerned authorities and they have brought such cases to the notice of such concerned authorities.

श्री हरदयाल बेबगुण : देश में काले धन की बहुतायत होने से यह निश्चित बात है कि जो भ्रायकर सरकार को मिलना चाहिये वह नहीं मिल पा रहा है और उसमें इनकम टैक्स डिपार्टमेंट के अधिकारियों का बहुत बड़ा हाथ है। मैं जानना चाहता हूँ कि क्या सरकार ऐसे भ्रष्ट व्यापारियों और ऐसे भ्रष्ट अधिकारियों के कामों पर रोकथाम लगाने के लिये आडिट को और अधिक सक्त करने पर विचार करेगी ?

Mr. Speaker: How can that be audited?

श्री कंबर लाल गुप्त : मैं जानना चाहता हूँ कि क्या आडिट ने ऐसे भी केसिस सामने लाये हैं जो ग्रंथर-एसेसमेंट के थे और कुछ भ्रष्ट एसेसमेंट के भी लाये हैं ? यदि हां तो

कितना रेबन्यू में फर्क पड़ा और मोटे तौर से कौन कौन सी चीजें हैं जो इनकम टैक्स डिपार्टमेंट के ध्यान में नहीं थीं और आडिट ने उनको उसके ध्यान में लाया ?

श्री कृष्ण चन्द्र पन्त : अंडर एसेसमेंट के केसिस सन 1965 में 10560, 1966 में 9141 और 1967 में 9880 थे। ओवर एसेसमेंट के 1965 में 1283, 1966 में 1408 और 1967 में 2014 थे। इसमें अंडर एसेसमेंट की कुल राशि 1965 में 4 करोड़ 39 लाख था, 1966 में 8 करोड़, 64 लाख थी और 1967 में 7 करोड़ 41 लाख थी। कितनी राशि इसमें से रिकवर हुई ये आंकड़े मेरे पास नहीं हैं।

श्री कंबर लाल गुप्त : दूसरे पार्ट का जवाब नहीं दिया गया है कि कौन कौन सी चीजें हैं जो इनकम टैक्स डिपार्टमेंट के ध्यान में नहीं थीं और आडिट ने उनको उसके ध्यान में लाया।

अध्यक्ष महोदय : नैक्सट क्वेश्चन।

Foreign Investment in Fertiliser Industry

*663. Shri Madhu Limaye:
Shri S. M. Banerjee:
Shri George Fernandes:
Dr. Ram Manohar Lohia:

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether Government have seen reports in the Christian Science Monitor and other foreign papers that despite the concessions to foreign capital and the extentions of the time-limit, foreign enterprise was not likely to be attracted to India on a big scale;

(b) if so, whether the report is true; and

(c) the concrete steps taken to step up indigenous production of fertilisers?

The Minister of State in the Ministry of Petroleum and Chemicals and of Planning and Social Welfare (Shri Raghu Ramiah): (a) Government have seen a report in the Christian Science Monitor of the 4th April, 1967, to the effect, in brief, that "a group of American Oil and Chemical Companies now seems to have rejected a series of concessions" granted by the Government of India to attract investment in the fertiliser industry.

(b) It is naturally not possible to classify such a report as true or otherwise. But some oil and chemical companies have continued to evince interest in our fertiliser developments.

(c) Apart from the projects which will go into production during this year, viz. Namrup and Gorakhpur, in the public sector, and Visakhapatnam and Ennore Expansion in the private sector, additional fertiliser factories are being built or have been approved at Durgapur, Cochin, Madras, Barauni, Namrup and Trombay in the public sector. New fertiliser factories in the private sector have been approved at Kota, Kanpur, Goa, Mangalore and Haldia and in Gujarat. These when completed together, with the existing capacity, will total 2.82 million tonnes of Nitrogen capacity. Government has also taken steps to develop indigenous design, engineering and fabrication capacity so as to achieve greater self-reliance in this industry.

श्री मधु लिमये : अध्यक्ष महोदय, मंत्री जी ने अपने जवाब में कहा है कि क्रिस्चियन साइंस मॉनिटर की रपट सही है या गलत, इसके बारे में वह कुछ नहीं कह सकते हैं, लेकिन कुछ अमरीकी फर्मों ने इसमें दिलचस्पी दिखाई है। मैं यह जानना चाहता हूँ कि अभी अभी नई फर्टिलाइजर नीति घोषित होने के पश्चात् यह दिलचस्पी दिखाई गई है या वे पहले से यह दिलचस्पी दिखा रहे हैं और इसका नतीजा क्या निकला है। क्या यह सही है कि वे इन्तजार कर रहे हैं कि अगर