

(b) whether Government have made any investigation on the basis of this memorandum; and

(c) if so, the details of the findings and action, if any, taken against the person concerned?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) Yes, Sir.

(b) Investigations in this case are being made.

(c) The findings will be known only after the completion of the investigations. Thereafter necessary action as required by law will be taken.

Payment to winners in cash by Royal Western India Turf Club

1497. SHRI VITHAL GADGIL : SHRI B. T. KEMPARAJ : SHRI JANARDHANA RE-DY :
SHRIMATI SUSHILA SHANKER ADIVARE-KAR :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Royal Western India Turf Club is paying the winners in cash at the Bombay and Poona races without deducting 34 per cent towards income-tax; and

(b) if so, what action Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) It has been ascertained that the Royal Western India Turf Club is paying the winners in cash and by cheque at the Bombay and Poona races without deducting 34 per cent towards Income-tax.

(b) There is no liability under the Income-tax Act, 1961, on the Royal Western India Turf Club to deduct tax at source on winnings from races.

Therefore, the question of Government taking action in the matter does not arise.

Governor's proposal on supply of consumer Goods to Government Employees

1498. SHRIMATI SAVITA BEHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that at the recent Conference of Governors in New Delhi, some Governors proposed that consumer goods be supplied to Government employees at subsidised rates instead of giving them increases in Dearness Allowance; and

(b) if so, whether Government have studied the proposal and decision, if any, taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) and (b) The suggestion that, instead of giving dearness allowance as compensation for the rise in prices, Government should supply to its employees essential commodities at subsidised rates, has been made at various forums. The Third Pay Commission had occasion to go into this question. On a consideration of the various aspects of the matter, they came to the conclusion that the supply of certain essential commodities only to Central Government employees at subsidised rates was not a feasible proposition and recommended that employees should continue to be compensated for increase in prices by the grant of dearness allowance. The specific recommendations made by the Commission regarding the scale of dearness allowance has since been accepted by the Government.

Joint venture between a Nationalised Bank and Private Organisation

1499. SHRIMATI PRATIBHA SINGH : Will the Minister of FINANCE be pleased to state :