

these, the three categories mentioned in the question would have benefited from L.I.C.'s other investments, specially in Central and State Government securities, loans to State Governments and loans to and securities of various bodies in the public and Cooperative sector; the exact extent of such benefits however cannot be separately identified.

Information in respect of State Bank of India is being collected and will be laid on the Table of the House as soon as it is available.

(b) & (c) The proposal for revision of premium rates of the L.I.C. is under the consideration of both the Corporation and the Government and a decision in the matter is expected soon.

As regards revision of interest rates of the Banks, the information is being collected and will be laid on the Table of the House as soon as it is available.]

891. [Transferred to the 15th December, 1969-]

#### PEARSON COMMISSION RECOMMENDATIONS

892. SARDAR H ARCH ARAN SINGH DUGAL : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that the Pearson Commission of the World Bank has recently submitted its report on the problems of the developing countries;

(b) if so, what are the main recommendations of the said Commission *vis-a-vis* its assessment about the development of India; and

(c) to what extent India could benefit by the recommendations of the Commission when implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI) : (a) The Commission on International Development (also known as the Pearson Commission), which was appointed by the President of the World Bank, submitted its report entitled 'Partners in Development' on September 15, 1969.

(b) A Statement giving the recommendations of the Commission, is laid on the Table of the House.

(c) It is expected that the Report will be carefully examined by the aid-giving and aid-receiving countries and by the international institutions and in the

formulation of their policies the recommendations will be kept in view. While it is not possible to say now when and what effect will be evident in the field of aid as a result of this, if the recommendations are implemented they will be beneficial to all developing countries, including India.

#### STATEMENT 'PARTNERS IN DEVELOPMENT'

*Report of the Commission on International Development (Pearson Commission)*

##### Summary of Recommendations

##### *Summary of Recommendations in Chapter 4*

1. Developed countries should eliminate as soon as possible excise and import duties on non-competing products of special interest to the developing countries

2. Developed countries should draw up plans in respect of protected commodities, designed to assure that over time an increasing share of domestic consumption is supplied by imports from developing countries.

3. Discussions should be expedited leading to a program of supplementary finance to deal with problems caused by expected and sustained shortfalls in the export earnings of developing countries.

4. Financing of reasonable buffer stocks in support of well-conceived commodity agreements and policies should be recognized as a legitimate object of foreign aid.

5. No new quantitative restrictions should be imposed on products of special interest to developing countries, and all existing quantitative restrictions on these products should be abolished during the 1970's as rapidly as possible.

6. Developed countries should establish a generalized non-reciprocal scheme of preferences for manufactured and semi-manufactured goods produced by developing countries before the end of 1970.

7. Developing countries should negotiate a wide-ranging agreement on tariff concessions, extended to all developing countries, before the end of 1970.

8. The IMF, in cooperation with UNCTAD, should study the possibility of a clearing arrangement for the financing of trade among developing countries on a global scale.

9. Bilateral and international agencies should provide wide financial assistance to institutions, such as development banks and clearing and payment unions, which are designed to promote trade among developing countries on a regional scale.

io. Regional development banks, in co-operation with other international agencies, should take the lead in making available special funds for the refinancing of export credits granted by developing countries, and in establishing regional export credit insurance facilities.

#### *Summary of Recommendations in Chapter 5*

1. Developing countries should take immediate steps, where consistent with legitimate national objectives, to identify and remove disincentives to domestic private investment.

a. Developing countries should preserve the greatest possible stability in their laws and regulations affecting foreign investment.

3. Developed countries should strengthen their investment incentive schemes wherever possible.

4. Developing countries should structure their tax systems so as to encourage profit reinvestment by foreign companies.

5. Because the I.F.G. and organizations like it have links with the private sectors of both developed and developing countries, they are logical agents for project identification and investment promotion work, and they should become much more active in this field.

6. Governments of developing countries which attach great value to domestic ownership of industry should establish positive incentives for all companies, foreign and domestic, to share ownership with the public by sale of equity in suitable forms.

7. International institutions, such as the World Bank and U.N.I.D.O., should expand further their advisory role regarding industrial and foreign investment policies.

8. Developed countries should remove legal and other barriers to the purchase by institutional investors of bonds issued or guaranteed by governments of developing countries.

g. Developed countries should remove balance-of-payments restrictions presently

inhibiting the bond issues of developing countries in international capital markets.

10. In regard to the possible excessive use of export credits, a strong "early warning system" based on external debt reporting should be evolved by the O.E.C.D. and the World Bank.

#### *Summary of Recommendations in Chapter 6*

Preparations should begin at the earliest possible moment for establishment, where necessary, of new multilateral groupings which provide for annual reviews of the development performance of recipients and the discharge of aid and related commitments by donors. The World Bank and the regional development banks should take the lead in discussions to this end, and the World Bank, or another appropriate existing agency, should provide the necessary reporting services for such groups.

#### *Summary of Recommendations in Chapter 7*

1. Each developed country should increase its resource transfers to developing countries to a minimum of 1 per cent of its Gross National Product as rapidly as possible, and in no case later than 1975-

2. Each developed country should increase its commitments of official development assistance to the level necessary for net disbursements to reach 0.70 per cent of its Gross National Product by 1975 or shortly thereafter, but in no case later than 1980.

3. All member nations of the Development Assistance Committee should prepare plans for reaching the 0.70 per cent target, and the President of the World Bank should place discussion of these plans on the agenda of the 1971 meeting of the Board of Governors. The national plans should be submitted for publication to the Chairman of the D.A.C. by January 1, 1971.

#### *Summary of Recommendations in Chapter 8*

1. Debt relief operations should avoid the need for repeated reschedulings and seek to re-establish a realistic basis for development finance.

2. When it is necessary to set limits on new export credits, equal attention should be given, where there is a sound development program, to the possible need for concessional external assistance.

3. Aid-giving countries should consider debt relief a legitimate form of aid and permit the use of new loans to refinance debt payments, in order to reduce the need for full scale debt negotiations.

4. The terms of all official development assistance loans should be henceforth provide for interest of no more than 2 per cent, a maturity of between 25 and 40 years, and a grace period of 7 to 10 years.

#### *Summary of Recommendations in Chapter 9*

1. The D.A.G. should sponsor a meeting of major aid donors and recipients in 1970 to define the major procedural obstacles to effective aid implementation, to explore measures to reduce them, to introduce greater uniformity in the aid regulations of the donors, and to improve procedures in aid receiving countries.

2- All aid-givers should consider extending appropriation periods to at least three years, and permitting appropriated funds to be carried forward for several years.

3. A sequence of actions to halt and reduce tying should be adopted : (1) aid-givers should undertake not to intensify their tying procedures (2) a study of the principal balance of-payments losses and gains likely to arise from untying should immediately be commissioned by D.A.C., in co-operation with the I.M.F., for report by the middle of 1970 ; and (3) on the basis of this report, a conference of major donors should be called to consider the progressive untying of bilateral and multilateral aid.

4. Aid-givers should permit aid-financed procurement in other developing countries.

5. The costs arising from the tying of aid to the use of donor shipping should be excluded from statistics of official development assistance.

6. Multilateral agencies should extend the practice of joint or parallel financing of projects.

7. Provisions in aid agreements which limit the rights of recipients to invite competitive tenders should be suspended immediately.

8. Suppliers of food aid on concessional terms should recognize the importance of promoting trade between low-income countries and redesign their concessional

sales programs so as to take account of the need of new exporters to participate in growing commercial markets.

9. Wherever possible, suppliers of food aid should finance such assistance under their general aid programs so as to permit recipients to choose aid-financed imports on the basis of their needs.

ic. Aid-givers should remove regulations which limit or prevent contributions to the local costs of projects, and make a greater effort to encourage local procurement wherever economically justified.

11. Aid-givers should adopt the forms of aid to the needs and level of development of the receiving country and recognize the great value, in many cases, of more program aid.

12. IDA should undertake program lending wherever appropriate, seeking, if necessary, statutory change to make this possible.

13. Aid-givers should provide greater help to development banks and similar institutions in developing countries.

14. Multilateral and bilateral technical assistance should be more closely inter-grated with capital assistance.

15. To improve the effectiveness of technical assistance : (1) specialists and planners in developing countries should consult regularly to determine their priority needs for advisory services, institution building, project aid, and the operation of educational and other public services; (2) developing countries should program technical assistance requirements by spelling out the sequence of operations the performance objectives of the personnel and of the training schemes, the cost of each stage, and their own commitment to institutional and structural change

16. Donor should extend budgetary commitment for technical assistance programs to at least three years.

17. Donors should give financial assistance for local recurring expenditures and for equipment, transport, and other supplies in connection with technical assistance projects. \*

18. Loans for projects should include a greater component of technical assistance.

19. International technical assistance should be strengthened by the creation of national and international crops of

technical assistance personnel with adequate career opportunities.

20. Study should be undertaken, with the support of foundations, in a number of countries, to study the needs and possibilities of an international volunteer corps.

*Summary of Recommendations in Chapter 10*

i. Developing countries should identify their population problem if they have not already done so, recognize the relevance of population growth to their social and economic planning, and adopt appropriate programmes.

2. Bilateral and international agencies should press in aid negotiations for adequate analysis of population problems and of the bearing of these problems on development programmes.

3. Developed countries should initiate or strengthen their own facilities for population studies.

4. International organization should extend their training of population and family-planning specialists in all relevant categories.

5. The proposal to appoint a Commissioner for population in the United Nations is endorsed.

6. The World Bank, in consultation with the WHO should launch immediately a wide ranging international program for the direction, coordination, and financing of research in the field of human reproduction and fertility control.

7. Greater resources for education should be made available for (a) research and experimentation with new techniques, including television and programmed learning and (b) a systematic analysis of the entire learning process as it applies to developing countries.

8. Where suitable facilities exist, scholarships or training grants should be given primarily for attendance at local institutions of acceptable quality in aid receiving countries of regions.

9. Goal-oriented research should be linked with regional or other national universities or institutions of higher education.

10. Regional or national laboratories and research institutes should be established to study techniques of natural resource utilization and to improve

industrial product design and production techniques

11. Nationally based corporations should be created for the purpose of developing products and processes which have national or international marketing possibilities, or are based on frontier technology (e.g. low-cost housing processing of domestic raw materials, protein foods, educational television).

12. Aid suppliers should devote a significant share of their research and development resources and facilities to projects specifically related to problems of developing countries.

13. Industrialized countries should assist in the establishment of international and regional centers for scientific and technological research in developing countries, designed to serve the community of developing countries, and specializing in distinct fields of research and their application.

*Summary of Recommendations in Chapter 11*

1. Aid-providers should increase grants and capital subscriptions for multilateral development finance to a minimum of 20 per cent of the total flow of official development assistance by 1955.

2. The World Bank and the IMF, in countries where both operate, should adopt procedures for preparing unified country assessments and assuring consistent policy advice.

3. Developed countries should commit the equivalent of one-half or more of the interest payments due them on official bilateral loans from developing countries subsidize the interest rates on some World Bank lending.

4. Negotiations for the third replenishment of IDA should cover the five year period 1971-75 and contributions should reach the order of \$1 billion annually in 1972 and \$1.5 billion by 1975-

5. The President of the World Bank should undertake a review of the need for organizational change in IDA as its functions increase.

6. IDA should formulate explicit principle and criteria for the allocation of concessional development finance and seek in its policies to offset the larger inequities in aid distribution.

7. The President of the World Bank Should invite heads of appropriate organs of the U. N. pertinent multilateral agencies, and the regional development banks and coordinating bodies, to a conference to be held in 1970 to discuss the creation of improved machinery for coordination capable of relating aid and development policies to other relevant areas of foreign economic policy, moving towards standardized assessments of development performance, making clear, regular and reasonably authoritative estimates of aid requirements, and providing balanced and impartial reviews of donor aid policies and programs. Representatives of at least the major bilateral donors and appropriate representatives of developing countries should also participate in the conference..

**आयकर निर्धारण के लम्बित मामले**

**893. श्री राम सहाय :**

**श्रीमती सरला भदौरिया :**

क्या प्रधान मंत्री यह बताने की कृपा करेंगी कि :

(क) 31 अक्टूबर, 1969 तक आयकर निर्धारण के कितने मामले लम्बित थे ; ऐसे कितने मामले लम्बित हैं जिनमें अभी तक आयकर की रकम का अन्तिम फैसला नहीं हुआ है ; इनमें से ऐसे कितने मामले हैं जिनमें दस हजार रुपये से कम आयकर की रकम अन्तर्ग्रस्त है और ऐसे कितने मामले हैं जिनमें एक लाख रुपये से ज्यादा आयकर की राशि अन्तर्ग्रस्त है ; और

(ख) लम्बित मामलों के शीघ्र निपटारे के लिये सरकार ने क्या कदम उठाये हैं ?

#### PENDING INCOME-TAX ASSESSMENT CASES

893. SHRI RAM SAHAI :  
SHRIMATI SARLA  
BHADAURIA :

Will the PRIME MINISTER be pleased to state:

(a) the number of income-tax assessment cases which were pending as on 31st October, 1969, the number of pending cases in which a final decision regarding the amount of income-tax has not been

taken so far; the number of cases out of these in which the amount of income-tax involved is less than ten thousand rupees and the number of those cases in which the amounts involved is more than Rs. one lakh; and

(b) the steps taken by Government for the early disposal of the pending cases ?]

**वित्त मंत्रालय में राज्य मंत्री (श्री पी० सी० सेठी) :** (क) 30-9-69 को आयकर निर्धारण के 33,45,517 मामले अनिर्णित पड़े थे । 31-10-69 को आयकर निर्धारण के अनिर्णित पड़े मामलों के बारे में सूचना अभी उपलब्ध नहीं है । 30-9-69 को आयकर निर्धारण के बाकी पड़े मामलों की संख्या के सम्बन्ध में सूचना वर्गवार रखी गयी है और वह नीचे दी गयी है :-

वर्ग	सितम्बर 1969 के अन्त में बाकी पड़े कर निर्धारण
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**वर्ग i :**

25,000 रुपये से ऊपर की आय के व्यापार सम्बन्धी मामलों . . . . . 3,01,541

**वर्ग ii :**

15,000 रु० से अधिक परन्तु 25,000 रु० से अनधिक की आय के व्यापार सम्बन्धी मामलों . . . . . 2,71,735

**वर्ग iii :**

7,500 रु० से अधिक परन्तु 15,000 रु० से अनधिक की आय के व्यापार सम्बन्धी मामलों . . . . . 5,65,719

**वर्ग iv और v :**

(1) 7,500 रु० से कम की आय के व्यापार सम्बन्धी मामलों .	} 22,06,522
(2) सरकारी वेतन के मामलों .	
(3) गैर सरकारी वेतन के मामलों .	
(4) धारा 237 के अन्तर्गत वापसी के सभी मामलों .	