

President is exempt from payment of Income Tax on all its earnings;

(b) if not, details of Income Tax paid by the Samaj till now to the Central exchequer?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI) :** (a) and (b) The Bharat Krishak Samaj applied on 29th May 1964 for exemption as a charitable trust under section 11 of the Income Tax Act 1961. The claim is being examined by the Income-tax Officer. The assessments for assessment years 1963-64 and 1964-65 were completed under section 144 of the Income-tax Act, 1961, *ex parte* for non-production of certain books of accounts, raising demands of Rs. 1,06,177 and Rs. 69,816 respectively. The assessee filed petitions under section 146 of the Income-tax Act, 1961 requesting cancellation of the assessments on the ground that sufficient time for production of old books of accounts was not given. This was found correct and the Income-tax Officer cancelled the said assessments under section 146 of the Income-tax Act, 1961 on 28-8-1969 and 24-4-1969 respectively.

**TAX FREE ENTERTAINMENT EXPENSE ALLOWANCE OF FIRMS**

914. **SHRI M. RUTHNASWAMY :** will the PRIME MINISTER be pleased to state :

(a) what is the maximum of tax-free entertainment expense allowance permitted to any individual firm;

(b) the names of the firms which have the largest entertainment expense allowance;

(c) whether this tax-free entertainment expense allowance is in any proportion to the paid up capital of the firms; and

(d) if so, what is the proportion?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI) :** (a) According to Section 37 (2A) of the Income tax Act, 1961, the maximum amount allowable as entertainment expense incurred by any assessee during the previous year ending after 30th September, 1967 is Rs. 30,000. However, in the case of companies for the previous year ending prior to 30th September, 1967 the maximum amount allowable is Rs. 60,000.

(b) The information is being collected and will be laid on the Table of the House.

(c) No Sir. It is not in any proportion to the paid-up capital of the firms.

(d) Does not arise.

**DRAINAGE CONTROL**

915. **SHRI M. RUTHNASWAMY :** will the Minister of IRRIGATION AND POWER be pleased to state:

(a) what arrangements are there at present for the control of the drainage of (i) minor rivers (ii) tributaries and (iii) streams; and

(b) how far these arrangements if any have been able to prevent or control floods?

**THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (PROF. SIDDHESHWAR PRASAD) :** (a) and (b) Usual flood control measures such as construction of embankments and river training works are adopted in the case of minor rivers and streams where necessary. They have been generally effective for the areas for which they are provided.

916. [Transferred to the 10th December, 1969]

**L. I. C. BUSINESS**

917. **SHRI M. THILLAI VILLALAN :** Will the PRIME MINISTER be pleased to state :

(a) whether there is any increase in the business of the LIC both internal and foreign during the year 1969; and

(b) if so, what are the monthwise details thereof?

**THE MINISTER OF SUPPLY AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. K. KHADILKAR) :** (a) Yes, Sir. Figures for the new life business transacted during the first seven months of the financial year 1969-70 show that there has been an increase in the life business of the L.I.C. both internal and foreign as compared to the new life business transacted during the corresponding period of the financial year 1968-69.

Figures for the gross premium income in India of the L. I. C., in respect of its general insurance business during the year 1969-70, which are available for the first six months of the year, also

show an increase as compared to the business transacted during the first six months of the financial year 1968-69. L.I.C. does not transact general insurance business outside India.

(b) Monthwise details are as under :—

## LIFE BUSINESS

*Monthwise completed New Life Business*

(In crores of Rupees)

Month	In India		Out of India		Total	
	1969	1968	1969	1968	1969	1968
April . . . . .	21.97	21.92	0.30	0.26	22.27	22.18
May . . . . .	39.71	42.59	0.46	0.53	40.17	43.12
June . . . . .	49.70	44.78	0.61	0.46	50.31	45.24
July . . . . .	61.82	59.82	0.74	0.88	62.56	60.70
August . . . . .	57.17	56.79	0.64	0.74	57.81	57.53
September . . . . .	68.78	56.20	0.86	0.66	69.64	56.86
October . . . . .	66.07	55.37	0.86	0.71	66.93	56.08

## GENERAL INSURANCE BUSINESS

*Monthwise gross premium income in respect of General Insurance Business*

(In crores of Rupees)

Month	1969	1968
April . . . . .	3.44	2.69
May . . . . .	0.78	0.50
June . . . . .	0.85	0.86
July . . . . .	0.99	0.87
August . . . . .	1.85	0.82
September . . . . .	1.20	0.83