

The House reassembled after lunch at half-past two of the clock, Mr. DEPUTY CHAIRMAN in the Chair.

THE RAILWAY PASSENGER FARES
(AMENDMENT) BILL 1960

THE MINISTER OF REVENUE AND
CIVIL EXPENDITURE (DR B
GOPALA REDDI): Sir, I beg to move:

"That the Bill to amend the Railway Passenger Fares Act, 1957, as passed by the Lok Sabha, be taken into consideration."

The purpose of the Bill is to express distance-groups specified in the Schedule to the Railway Passenger Fares Act, 1957 in terms of kilometres instead of miles. Following the adoption of the Metric System of Weights and Measures by the Railways from the 1st April, 1960, the tax is being charged in terms of metric units. Thus the metric system is already in force and the conversion of miles into kilometres is being made as authorised by the Standards of Weights and Measures Act. This Bill, therefore, seeks merely to make a textual amendment in the Act by replacing the Schedule expressing the distances in miles by one which expresses them in kilometres. The rate of conversion adopted is 1.609344 kilometres per mile as authorised by the Standards of Weights and Measures Act, 1956. The figures of kilometres so arrived at are rounded off to the next higher integers. As the distance-groups sought to be converted are contiguous and as there is no change in the rate of the tax applicable to the different distance-groups, it is not expected that there will be any material change in the yield from the tax.

Sir, I move.

DR. H. N. KUNZRU (Uttar Pradesh): After all it may not be a material change, but how much additional amount do you expect?

DR. B GOPALA REDDI: It is only a rounding off.

DR H. N. KUNZRU: What is it? Is it Rs. 40 lakhs or Rs. 50 lakhs?

DR B GOPALA REDDI. Nothing. No forty lakhs or fifty lakhs.

The question was proposed.

DR. RAGHUBIR SINH (Madhya Pradesh): Sir, as the hon. Minister has said, it is an inevitable and unavoidable measure. The introduction of the metric system and the acceptance of the principle of introducing the metric system in our weights must have automatically resulted in such a Bill. I only want to make one query. As the hon. Minister himself said, collection on the basis of kilometres has started. I think it was also mentioned in the other House that the notification of the 25th November, 1959 brought into being the new basis of collection, charged on the basis of kilometres, from the 1st April, 1960. Now, with the introduction of this metric system, collection on the basis of that system has started already with effect from the 1st April, 1960. As we know from practical experience, as a result of the introduction of this system, there has been a slight rise in the fares of the Railways. I would like to know why this Bill was not brought in or introduced much earlier. Why was this not introduced much earlier? That is number one. Moreover, when collection on the basis of this system has already started, I do not see any reason why there should be the provision in clause 1 (2), which says:—

"It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint."

Now, it may be said that it relates only to tax. But I say that when the actual fares are being collected on the basis of kilometres, obviously this tax is also being automatically counted

[Dr. Raghubir Singh.]

accordingly on those fares. So, I would like the Minister to tell us how this Bill is going to alter or affect the rates and fares on the Railways after the new date has been announced; or is it only a method of legalising what has actually been started earlier? In case it is only a question of legalising, we would like to know why this Bill was not introduced earlier, so that the whole thing could have been sanctioned by Parliament before the introduction of the new system on the Railways. Thank you.

DR. B. GOPALA REDDI: Sir, I did not quite catch what the hon. Minister said. We have accepted the metric system and one Act after another is being brought before you to get the approval of both Houses to introduce the new system. After all there are so many Acts. Legislatures have passed so many Bills and all of them have to be converted into the metric system. So, from time to time the Postal Department people, the Commerce and Industry people and others are bringing forward such measures.

DR. RAGHUBIR SINH: My point is that collection on the basis of the metric system has already started. In the case of the post office, they have not yet started it. They will do it afterwards. In the case of Railways, these taxes are being collected. Along with the fare the tax is also being collected. Therefore, what I say is that before the introduction of the fare and tax on the new basis, they should have . . .

MR. DEPUTY CHAIRMAN: Please do not make any speech now.

DR. B. GOPALA REDDI: After all the difference is between tweedledum and tweedledee. The other measure was brought by the other Ministry and perhaps that came into force from the 1st of April. This Bill is being dealt with by the Finance Ministry. We could not get the time of the House earlier. I am not quite sure whether

this has been brought into force from the 1st April, 1960 along with the other railway fares, but it is merely a matter of calculation.

DR. RAGHUBIR SINH: It is a matter of principle, not a question of calculation. The sanction of Parliament should have been taken before this was done.

DR. B. GOPALA REDDI: As far as the railway fares are concerned, the House gave its permission already.

MR. DEPUTY CHAIRMAN: Only the mileage is being converted.

DR. B. GOPALA REDDI: There is no enhancement of the rate or anything of that sort.

DR. RAGHUBIR SINH: There has been enhancement to some extent. Those of us who travel by rail know it.

MR. DEPUTY CHAIRMAN: You are making a speech.

DR. B. GOPALA REDDI: It may be on the main railway fare. This is a different Act altogether. It was passed in 1957. The entire net proceeds—other than those relating to Union territories—from it accrue to the States. I do not know whether any enhanced railway fare is being collected by the Railway Ministry.

DR. RAGHUBIR SINH: They are actually doing it.

DR. B. GOPALA REDDI: It may be under the other Act. It has nothing to do with this Act. All that we are now concerned with is this. Instead of miles, we are now trying to convert them into kilometres, etc. Therefore, I think it is very essential that it should be done.

MR. DEPUTY CHAIRMAN: The question is:

“That the Bill to amend the Railway Passenger Fares Act, 1957, as

passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up the clause by clause consideration of the Bill.

Clause 2 was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

DR. B. GOPALA REDDI: Sir, I move:

"That the Bill be returned."

The question was proposed.

DR RAGHUBIR SINH: Sir, what I want to bring to the notice of the hon. Minister is that in the Schedule they have said 15 per cent. of fare. What happens is this. The total fare that is now being collected is on the basis of the new rates of railway fares. Obviously the tax is also being calculated on the basis of that higher rate. The hon. Minister says that he is not certain whether it is being collected. Obviously the percentage is also bound to increase, if the total sum of the fare is collected on the new rates. I know, Sir, that this is only a question of bringing things into effect. But my point is this. Whenever any new taxation has to be brought in, it should receive the prior sanction of Parliament. At least the accepted principle of democracy is that whenever a new taxation, in whatever form it may be, is imposed, it is first sanctioned by Parliament and then only brought into effect. Therefore, my point is that this Bill should have been brought in earlier because the notification was issued on the 25th November, 1959 and it was brought into effect on the 1st April, 1960. After the notification was issued on the 25th November 1959, I think in the last November-December session there was ample time to bring it in. At least there should have been proper planning at the ministerial level.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill be returned."

The motion was adopted.

THE TRIPURA EXCISE LAW (REPEAL) BILL, 1960

THE MINISTER OF REVENUE AND CIVIL EXPENDITURE (DR. B. GOPALA REDDI): Sir, I beg to move:

"That the Bill to provide for the repeal of the Tripura Excise Act, as passed by the Lok Sabha, be taken into consideration."

This is a simple non-controversial Bill. In the Union Territory of Tripura, the levy and collection of excise duties on alcoholic liquors, opium and other intoxicants is at present governed by the Tripura Excise Act of 1296 Tripura Era, which corresponds to the year 1886 A. D. This Act is very sketchy and its provisions have been found to be inadequate for enforcement of the measures necessary for the recovery of revenue and prevention of abuses.

There are several drawbacks in the Tripura Act. It provides for the leasing out of Excise mahals under the 'Ijara' system. It was recognised that this system afforded considerable scope for illicit distillation and consequently, even during the princely regime, it was replaced by the Central Distillery System. But since provisions for this purpose were not incorporated in the Act, practical difficulties are being experienced when irregularities are detected and the forfeiture of earnest money is called for. Other defects in the Tripura Act are that the terms used have not been defined, the conditions for the issue of licences have not been specified, there is no explicit provision for the issue of licences to canteens and for sale and possession of rectified spirit and methylated spirit or for warehousing