

SHRI P. C. BHANJ DEO: May I know, Sir, the rate of interest on investment in Indian concerns and how the Government proposes to pay back the capital withdrawn?

SHRI M. C. SHAH: I have not followed the question. Will the hon. Member repeat the question? Rate of interest to be paid to whom and by whom?

SHRI P. C. BHANJ DEO: I mean the rate of interest to be paid to the Indian concerns who are going to invest in this Corporation.

SHRI M. C. SHAH: It would be a private corporation and the shares will be held to the extent of Rs. 3½ crores by Indians, Rs. 1 crore by the U.K. investors and Rs. 50 lakhs by the United States. If there is any profit then the profit will be distributed among the shareholders. There is no question of interest to these investors.

SHRI B. GUPTA: From the accounts he has given it appears that only Rs. 1½ crores would come from the foreign sources, namely, the U.K. and the U.S.A. May I know, Sir, if this amount could not be found in India instead of inviting the foreign capitalists to come into the business field here in our country?

SHRI M. C. SHAH: It is not a question as to whether Rs. 1½ crores cannot be found in India. It can be found, but the idea is to have more and more foreign capital in this Corporation in order to encourage industrial development here. It will be a private corporation. They will get possibly a loan of Rs. 5 crores from the World Bank and later on they will get more and so on and so forth.

SHRI B. GUPTA: Is the hon. Minister aware that it is the policy of both the British and the United States Governments at present to find ways of fresh investment in underdeveloped countries through such joint private concerns or private corporations? Is the hon. Minister aware that this

method had been tried by the United Kingdom long before these negotiations had started?

SHRI M. C. SHAH: How this question arises I do not follow.

SHRI B. GUPTA: Of course, the Finance Minister cannot follow

SHRI M. C. SHAH: I cannot follow your question. It may have been tried in the United Kingdom, but what your objection is I do not know. If there is any objection raised, I can reply that I have just said these are the factors in this Industrial Investment Corporation.

MR. CHAIRMAN: What he says is: If you can develop the country from out of your own resources, why invite foreign investment, etc.? That is a question of policy; we have nothing to do with it.

*112. [Postponed to later date.]

DISCLOSURE OF THE NAMES OF INCOME-TAX EVADERS

*113. SHRI M. VALIULLA: Will the Minister for FINANCE be pleased to state:

(a) whether the Income-Tax Investigation Commission had recommended that the names of income-tax evaders should be disclosed; and

(b) if so, what action Government have taken on this recommendation?

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): (a) Yes, Sir.

(b) Under the existing law no such disclosure is permissible. The question whether the law should be suitably amended or not, has not yet been finally decided.

SHRI M. VALIULLA: Is it not a fact, Sir, that soon after the Commission gave its recommendations the Government came to the conclusion that they should disclose the names in 1951?

SHRI M. C. SHAH: We had introduced an amending Bill in 1951. There we had tried to introduce some sort of a provision just to give out some names and so on.

SHRI M. VALIULLA: The Government came to the conclusion that it should be disclosed and therefore they brought the Bill. Is it not so?

SHRI M. C. SHAH: The Government decided on a certain policy and that was reflected in the Bill then, but the Bill lapsed. Now the question is that the Taxation Enquiry Commission has been already appointed and the report of the Commission will be in the hands of the Government. Probably this question might have been taken up by the Taxation Enquiry Commission and after their report had been taken into consideration, an amending Bill of the Income-tax Act might be necessary and at that time we will consider whether the names should be disclosed. But the 1951 Bill has lapsed.

SHRI M. VALIULLA: The Bill was introduced and now it lapsed, I was told now. After that an Income-tax Amendment Bill was introduced. Why was it not introduced the second time?

SHRI M. C. SHAH: The second time we did not want to bring in controversial matters. We wanted to have non-controversial matters to be introduced in that Bill and besides the Taxation Enquiry Commission had been appointed by that time and therefore it was not thought necessary to have any controversial issues then.

SHRI B. C. GHOSE: The Taxation Enquiry Commission has got nothing to do with this matter whether the names should be published because the Taxation Enquiry Commission is charged with something different and in view of the fact that in the publication of names there is no controversial matter involved except probably in the case of the persons concerned that their names might be divulged, the question is quite relevant as to why the Government did not accept the

recommendation of the Income-tax Investigation Commission and bring in a suitable amendment of the law.

SHRI M. C. SHAH: I have already pointed out, Sir, that the 1951 amending Bill in which we had introduced that matter lapsed. Thereafter we have not brought a comprehensive Bill to amend the Income-Tax Act. We propose to do so. We brought in 1952 only one or two non-controversial matters. Whether they were controversial or non-controversial is a matter of opinion.

SHRI B. C. GHOSE: In view of the fact that the recommendation was made in 1951 and in view of the fact that the hon. Minister stated that the Government had considered this matter, do I understand that the Government is still considering the matter, and if they considered this matter, did they come to any decision?

SHRI M. C. SHAH: The Government had to consider so many matters regarding the Income-tax amending Bill. (*Interruptions.*)

MR. CHAIRMAN: What he says is that the Taxation Enquiry Committee's Report will soon be in their hands and when they examine that they will consider this and then bring in comprehensive legislation about all these matters.

SHRI B. GUPTA: May I know if any representation from any quarter has been made to the Government to the effect that the names should not be published—the names of those against whom cases are pending?

MR. CHAIRMAN: Yes, yes. What he wants to know is—has any representation been made to the Government that the names should not be divulged?

SHRI M. C. SHAH: How can there be a representation when there is already section 54 of the Indian Income-Tax Act? The question can arise only when that section is abolished altogether or is amended as was proposed to be amended in the year 1951

to give that information to certain legislative and local bodies in order to disqualify those persons whose names were there. Therefore, the question of representation does not come in at all. (*Interruptions.*)

SHRI B. GUPTA: Since no representation has been made, how does he consider that to be a controversial matter? (*Interruptions.*)

MR. CHAIRMAN: Order, order.

PROF. G. RANGA: The only point is, how is it a controversial matter?

MR. CHAIRMAN: It is a matter of opinion.

(*Interruptions.*)

MR. CHAIRMAN: Order, order.

DR. SHRIMATI SEETA PARNAND: May I ask the hon. Minister whether in view of the fact that this particular recommendation to publish the names will remove so much of the trouble in the way of the Government by deterring these people from indulging in such corrupt practices and will also make the work of the Income-tax Officers easier, the Government will not consider the need and urgency of the question and bring forward limited legislation separately only for this purpose as the Government has been doing on various other subjects?

SHRI M. C. SHAH: The Government has already considered that. If the Government had not considered, there would not have been that amending Bill of 1951.

**INDIAN STUDENTS SENT TO BRITAIN
FOR TRAINING UNDER THE TECHNICAL
CO-OPERATION SCHEME**

*114. **SHRI S. N. DWIVEDY:** Will the Minister for FINANCE be pleased to state:

(a) the number of Indian students sent to Britain so far under the Technical Co-operation Scheme of the Colombo Plan;

(b) the number of students who have come back after finishing the courses;

(c) whether all these students have since been provided with employment; and

(d) what is the duration of their courses?

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): (a) 219.

(b) This information is being collected and will be laid on the Table.

(c) As a rule, under the Technical Co-operation Scheme of the Colombo Plan, only those persons who are already in employment are sent for training.

(d) The duration of the courses varies according to requirements—from a few months to two or three years.

SHRI S. N. DWIVEDY: May I know what is the total number of seats allotted to this country?

SHRI M. C. SHAH: There is no question of any allotment of seats. Whenever there are proposals that in certain fields some people are to be sent, we always circularise to the State Governments and to the Central Ministries and then just find out the names and we propose those names.

SHRI S. N. DWIVEDY: Have the Government enquired whether the value of the scholarships offered to these people is sufficient to meet their expenses for staying there?

SHRI M. C. SHAH: They are paid according to the conditions of living. In the U.K. they are given £400 a year and in other countries also they are paid according to the standards of living. Again, passage from and back to India is also given.

SHRI B. GUPTA: May I know, Sir, if there is any machinery for selecting persons to be sent for training abroad under the Colombo Plan scheme?