

SHRI GOVINDA REDDY: That won't be reopening.

SHRI B. GUPTA: May I know what has happened to Shri Mahavir Tyagi's appeal to income-tax dodgers to reveal their secret incomes?

SHRI M. C. SHAH: That scheme ended possibly by November 1951 or so. The scheme is not in existence.

SHRI B. GUPTA: What kind of a mouse did it produce?

SHRI M. C. SHAH: I think possibly more than Rs. 70 crores came to light and possibly the income-tax was more than Rs. 10 crores.

SHRI B. GUPTA: Is it not a fact, Sir, that those people who divulged their secret incomes would have been in any case arrested because their game was up and the police came to know of it?

SHRI M. C. SHAH: I do not know.

**BANK ADVANCES TO TEA INDUSTRY UNDER THE SCHEME OF GOVERNMENT GUARANTEES**

\*74. SHRI V. M. SURENDRA RAM: Will the Minister for FINANCE be pleased to state:

(a) the number of cases in which Government provided guarantees to enable the banks to give loans to the tea industry in 1953-54; and

(b) the extent of loans asked for by the industry?

THE DEPUTY MINISTER FOR FINANCE (SHRI A. C. GUHA): (a) One schedule bank availed itself of the Government's guarantee in respect of one tea garden.

(b) A credit limit of Rs. 360·87 lakhs was applied for by tea concerns.

**BENGAL INCOME-TAX ASSOCIATION**

\*75. SHRI S. N. MAZUMDAR: Will the Minister for FINANCE be pleased to state:

(a) whether it is a fact that the recognition of the Bengal Income-

tax Association has been withdrawn by Government recently;

(b) if so, what are the reasons for which it has been withdrawn; and

(c) whether Government have received any representation in the matter?

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): (a) Yes, Sir. The recognition accorded to the Bengal Income-tax Association was withdrawn in June 1954.

(b) The Association would not amend its constitution in conformity with the general conditions prescribed for recognition of service associations.

(c) Yes, Sir. A representation has been received from the Bengal Income-tax Association urging Government to cancel their order of withdrawal of recognition.

SHRI S. N. MAZUMDAR: May I know, Sir, what were the conditions imposed on them for recognition as service association?

SHRI M. C. SHAH: All other conditions have been agreed to. There are two conditions—

(1) That office-bearers and members of the executive committee of the Association must be elected from amongst the members of the Association in active service; and

(2) That all the correspondence and representations by the Association shall be addressed to the Secretary, Central Board of Revenue through the Head of the Department concerned. No representation, appeal or memorandum shall be presented to or through any outside authority

SHRI S. N. MAZUMDAR: May I know, Sir, why this condition that the office-bearers will have to be elected from among those in active service was insisted upon now? So long that Association was having an outsider as its President for a large number of

years. Why only recently was this condition sought to be imposed upon them?

SHRI M. C. SHAH: Government feel that the members in active service are well-equipped to look after their interests, and outsiders may have certain prejudices and certain other outlooks, and they may not be knowing all the rules and regulations of the service. Therefore, it is always advisable to have the members in active service to be the members of the executive committee or the office-bearers. And that is a sound principle of public policy also.

SHRI S. N. MAZUMDAR: Is it not a fact, Sir, that those, who are in active service and take an important part in trade union activities, always stand in danger of being victimized under the National Security Rules. etc.?

SHRI M. C. SHAH: No, Sir. They do not stand in danger. No injustice is done.

SHRI B. GUPTA: Is the hon. Minister aware that it is an established principle that office-bearers of an executive committee may be taken from outside the employees?

SHRI M. C. SHAH: Yes. But there is a difference between the trade union and the service association. The two are different.

SHRI S. N. MAZUMDAR: May I know, Sir, why Government are so much afraid of outsiders being in the executive, when Government have sufficient powers to deal with any dispute?

SHRI B. K. MUKERJEE: May I know if the hon. Minister is aware that there is an Act known as the Indian Trade Unions Act?

SHRI M. C. SHAH: I know there is that Act.

SHRI B. K. MUKERJEE: Am I to understand that the hon. Minister is aware of the provisions laid down therein?

SHRI M. C. SHAH: Yes, I am aware of the provisions laid down therein.

SHRI B. K. MUKERJEE: Does that Act prevent any outsiders being the office-bearers of any trade union?

SHRI M. C. SHAH: As I said, Sir, there is a difference between trade unions and service associations. In service associations we have to maintain certain discipline. And this is a very healthy principle—to exclude the outsiders from being office-bearers or members of the executive committee.

SHRI B. K. MUKERJEE: May I know, Sir, whether the Trade Unions Act.....

MR. CHAIRMAN: He is making out that a trade union is different from a service association.

SHRI B. GUPTA: We contest it.

MR. CHAIRMAN: You may contest it, but that is his contention.

SHRI S. N. MAZUMDAR: My question is: When Government have got sufficient powers to deal with the disputes under the Industrial Disputes Act as well as under the National Security Rules, why are they so much afraid of outsiders being there in the executive committee, outsiders who have trade union experience and who can represent the demands of the employees far more efficiently?

SHRI M. C. SHAH: I have already replied to that, Sir. Those in active service, we feel, can take care of their interests better than outsiders.

SHRI S. N. MAZUMDAR: There was another condition imposed on that Association that all representations must be made to the Secretary of the Central Board of Revenue. I want to know, Sir, what objection there is in allowing the Association to make suggestions about income-tax laws or certain other matters direct to the Government?

SHRI M. C. SHAH: The members of the Central Board of Revenue are *ex-officio* Joint Secretaries of the Gov-

ernment. So representations made through the Heads of the Departments to the Secretary, Central Board of Revenue, mean representations to the Government.

SHRI S. N. MAZUMDAR: Is my friend aware that representations through the Heads of the Departments very often have the tendency to lose their way into the waste-paper baskets and files?

SHRI M. C. SHAH: No, Sir, it is not so.

SHRI B. GUPTA: May I know, Sir, if this procedure is not also meant for intimidating the employees?

SHRI M. C. SHAH: No, Sir.

SHRI V. K. DHAGE: Can the hon. Minister say if he had any instance in mind which prompted him to change these rules?

SHRI M. C. SHAH: The Home Ministry considered all these questions, taking into consideration all the factors. The Home Ministry prescribed certain conditions, and those conditions are to be enforced so far as income-tax associations are concerned.

#### DISCONTINUANCE OF COMPENSATORY ALLOWANCE

\*76. SHRI S. N. MAZUMDAR: Will the Minister for NATURAL RESOURCES AND SCIENTIFIC RESEARCH be pleased to refer to my Starred Question No. 248 answered in the Council on 9th March 1954 and state whether any decision has since been taken in the matter of reviving the compensatory allowance that was being paid to the employees of the Fuel Research Institute at Digwadih?

THE DEPUTY MINISTER FOR NATURAL RESOURCES AND SCIENTIFIC RESEARCH (SHRI K. D. MALAVIYA): The Council of Scientific and Industrial Research have not sanctioned the grant of any compensatory allowance to the staff of the Fuel Research Institute because the Central Government staff stationed at Sindri

and at Jealgora and Pathardih where the conditions of living are said to be the same as those at Sindri, are not allowed any compensatory allowance.

SHRI S. N. MAZUMDAR: Is it not a fact, Sir, that the employees stationed at the Digwadih Fuel Research Institute in certain matters such as communications or market facilities, are in a different position from the employees at Sindri?

SHRI K. D. MALAVIYA: A representation from the staff of the Institute was received in September 1953 for the revival of the allowance. The Council considered the matter and took the advice of the Finance Ministry, as we are, in such matters, governed by the rules of the Services. We decided that because the Sindri and other Government Institutes had stopped the compensatory allowance, we should also not continue it.

SHRI S. N. MAZUMDAR: Is it not a fact, Sir, that the compensatory allowance which the employees at Sindri used to receive was stopped, but later, they were allowed some sort of allowance under another name, though it was a bit reduced in quantity?

SHRI K. D. MALAVIYA: The compensatory allowance was stopped. But I am not aware of any other form in which it was given to them.

SHRI S. N. MAZUMDAR: Will the hon. Minister kindly make an enquiry in the matter?

SHRI K. D. MALAVIYA: I shall do it.

#### FULBRIGHT SCHEME

\*77. SHRI D. NARAYAN: Will the Minister for EDUCATION be pleased to state:

(a) the number of Indians who have so far been granted scholarships under the "Fulbright Scheme" since its inception;

(b) the number of Americans who have come to India under the scheme during the same period; and