

(a) whether Government have taken any decision on the recommendations of the Gadgil Committee regarding the merger of dearness allowance with wages; if so, what is the decision; and

(b) when Government propose to implement the recommendations of the Committee?

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): (a) and (b). The Report of the Gadgil Committee is still under the consideration of Government and a decision is expected to be announced very shortly.

DR. R. B. GOUR: May I ask, in view of the fact that there is a lot of difference in the degree of neutralisation, in the cost of living by the D.A. paid by various industrial centres—in Ahmedabad it is 100 per cent., in Bombay it is 90 per cent., in Sholapur it is 60 per cent. and in Hyderabad it is only 50 per cent. at the 1949 level and at which level it has been pegged—what steps do Government propose to remove this discrepancy?

SHRI M. C. SHAH: The question was with regard to the implementation of the Gadgil Committee's recommendations. I said that the Government was considering the question and that a decision would be taken very soon. I do not understand how this question arises.

DR. R. B. GOUR: My point is that, while implementing the recommendations of the Gadgil Committee that 50 per cent. of the D.A. should be merged with the pay, if you merge 50 per cent. of the D.A. in Ahmedabad and the same 50 per cent. in Hyderabad also, the difference will be very great because in Hyderabad the D.A. is only 50 per cent. of the cost of living at the 1949 level.

MR. CHAIRMAN: All that will be taken into consideration.

DR. R. B. GOUR: Has the Government considered that point?

SHRI C. D. DESHMUKH: This question refers to the dearness allowance paid to the employees of the Railways and other Government servants. It does not refer to the dearness allowance in industrial undertakings in general.

DR. R. B. GOUR: In that case, would this apply only to the Central Government servants or also to the servants of the Hyderabad Government?

SHRI C. D. DESHMUKH: Only to the servants of the Central Government.

SHRI B. V. KAKKILAYA: May I invite the Minister's attention to the reply to a question in the other House in November that this question would be taken up very soon. May I know why there has been such a long delay in taking a decision?

SHRI C. G. K. REDDY: It is still very soon.

SHRI C. D. DESHMUKH: It is a very complicated issue, and nothing is lost by this little delay which is necessary for a full consideration, because that will not affect the date from which the decision will take effect.

SHRI B. V. KAKKILAYA: Does the Government know what loss it entails to the employees of the Government?

SHRI C. D. DESHMUKH: There will not be any loss to them, because the decision will take effect from the 15th July.

SHRI B. RATH: May I know whether "very soon" will continue even till 1956?

REVENUE FROM EXCESS PROFITS TAX

*109. SHRI GOVINDA REDDY: Will the Minister for FINANCE be pleased to state the amounts of excess profits tax collected in the current year up to the end of January 1953?

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

amount of Excess Profit Tax collected in the current financial year to the end of January 1953 was approximately Rs. 500 lakhs; but since various refunds had to be allowed amounting to Rs. 513 lakhs, the net recovery during the above period of ten months turned to be a minus figure of Rs. 13 lakhs. I may add that Excess Profits Tax was leviable on profits earned up to the 31st March 1946 and it is only in respect of some stray cases that assessment is still being made.

SHRI GOVINDA REDDY: What is the longest period that the tax has been outstanding and remains uncollected?

SHRI M. C. SHAH: I have not got all those details. I have got the figures of the collections in the different years.

SHRI GOVINDA REDDY: Is there any substantial amount outstanding?

SHRI M. C. SHAH: No substantial amount is outstanding. Of Rs. 467 crores we have already collected Rs. 430 crores, and a good amount has been kept for affording double taxation relief.

SILVER REFINERY

*110. **SHRI GOVINDA REDDY:** Will the Minister for FINANCE be pleased to state:

(a) whether Government propose to start a silver refinery at Calcutta or any other place;

(b) if so, what are the details of such proposal including the outlay involved and the site of the location of the refinery;

(c) what will be its estimated output per annum; and

(d) what will be its annual estimated profit?

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): (a) Yes, Sir; it has been decided to con-

struct a silver refinery at Calcutta, and the work is expected to be taken in hand very shortly.

(b) The projected silver refinery is primarily intended to extract silver from the Quaternary coins since replaced by the nickel coins, although in the process of refining silver it will also produce electrolytic copper to the extent of 3,600 tons per annum. The estimated capital cost of the project is Rs. 88 lakhs. The refinery, as originally planned, was to be located inside the premises of the new India Government Mint, Alipore at Calcutta, but it is now proposed to have it sited on the old Calcutta Mint area at the Strand Road.

(c) Its annual output is estimated at about 23 million ounces of fine silver besides 3,600 tons per annum of electrolytic copper as a by-product.

(d) On the basis of comparative cost of refining of the alloy by the proposed Government plant and by similar plants in the United Kingdom, etc. it is estimated that Government will save about Rs. 20 lakhs per annum.

SHRI GOVINDA REDDY: May I know for how long is this concern proposed to work? Is there any time limit?

SHRI M. C. SHAH: There is no time-limit.

SHRI GOVINDA REDDY: Do Government expect stock of silver to be supplied to this concern from year to year?

SHRI M. C. SHAH: The main purpose for having this refinery is to extract silver from 2,500 million alloy coins to repay 226 million ozs. taken under an agreement from U.S.A. and after that is over, the plant can be taken over to get electrolytic copper which is very useful and which we are importing on a big scale now.

SHRI GOVINDA REDDY: Am I to understand that the silver taken from the Quaternary coins is still in stock with the Government?