

(vii) Demands for increasing rebate days from 30 to 60 for handloom sales in a year

SHRI P. KOLANDAIVELU (Gobichettipalayam) : Mr. Deputy-Speaker, Sir, previously rebate was given for 60 days for Handlooms sales retail as well as wholesale and rebate amount was shared between Government of India and State Governments on 50 : 50 basis. But now the rebate days have been reduced to 30 in a year. Handloom production and sales is badly hit by this new policy resulting in unemployment and under-employment of Handloom weavers. Government of India also refused to share the rate on 50 : 50 basis with States regarding wholesale. Government of India is willing to share only 25%. This is also not fair. Major share in sales is only from wholesales of primary Handloom weavers Cooperative Societies. Co optex is not doing whole-sale business for the past two years.

Most sales of Handloom are during rebate days. Consumers even bride and bridegroom parties wait for rebate days to purchase wedding clothes. Generally in our country, consumers are not only accustomed to but also they are attracted by consumer goods merchants by announcement of rebate even by Textile Mills. In addition, there is cost handicap due to wage increase.

Sale of Cooptex for 1985-86, that is upto 3.6.1986 is Rs. 191 crores. For ensuing Deepavali, it expects sale for Rs. 60 crores. According to the present limited rebate days, only eight days could be allotted to Puja and Deepavali holidays and it would be impossible to achieve the sale target at the rate of Rs. 4 crores per day. Primary societies in Tamil Nadu cannot participate in Handloom Expos. Hence, it is prayed that the rebate days have to be revived to 60 days.

12.23 hrs.

RESEARCH AND DEVELOPMENT
CESS BILL—Contd.

[English]

MR. DEPUTY-SPEAKER : Now, we will take up item No. 11 ; Further clause-by-clause consideration of the Bill-Clause 2. Shri Mool Chand Daga—not present.

Do you want to reply, to the amendment moved by Shrimati Geeta Mukherjee ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE (SHRI B.K. GADHVI) : Most of the points I have already covered in my speech. We cannot accede to her proposed amendment, nor to that of Shri Madhav Reddi.

MR. DEPUTY-SPEAKER : If the House agrees, I shall put all the amendments moved to clauses 2 together to the vote of the House.

Amendments Nos 1,6,7 and 17 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

“That clause 2 stand part of the Bill”.
The motion was adopted.

Clause 2 was added to the Bill

Clause 3 Levy and Collection of cess on payments made towards import of technology

MR. DEPUTY-SPEAKER : Shrimati Geeta Mukherjee—not present.

SHRI C. MADHAV REDDI (Adilabad) : I beg to move :

Page 2, line 22,—

for “five per cent.”

substitute “fifteen per cent.” (8)

Page 2, line 23,—

after “technology” insert—

“and plant and equipment” (9)

Page 2, line 26,—

after “technology” insert—

“and plant and equipment” (10)

Page 2,—

after line 28, insert—

“(3) The cess shall be payable on all payments by way of

recurring royalties for the technology already imported by an industrial concern.

- (4) The cess shall be payable on all payments of remaining instalments of the cost of plant and equipments imported on instalment basis by an industrial concern." (11)

SHRI D.B. PATIL (Kolaba) : I beg to move :

Page 2,—

"after line 24, insert—

"Provided that import of technology shall be allowed on the condition that—

(a) it will not result in retrenchment of the employees, employed at the time of import of technology with the industrial concern ; and

(b) additional employment potential shall be created." (22)

SHRI C. MADHAV REDDI : Sir, this amendment relates to the quantum of cess to be imposed. My amendment is regarding raising the cess from 5% to 15% on all payments made towards the import of technology.

I think this is the minimum that we should collect.

SHRI D.B. PATIL : My intention in moving that amendment is that the import of technology should be allowed only under the condition that there should be no retrenchment as well as some additional employment potential would be created. I move this amendment only because our country has got more human resources and for the present we are not in a position to use all those resources and in view of the fact that the import of technology is likely to result in unemployment. So, I moved.

SHRI B.K. GADHVI : That apprehension is not well-based that there would be unemployment and, therefore, we cannot accept the amendment.

So far as the amendment of Shri C. Madhav Reddi is concerned, the cess initially has been kept at 5%. I have already said that after three years, we will review the whole scheme. At that time, it can be considered if found proper. I cannot accede to the amendments.

MR. DEPUTY SPEAKER : I shall now put all the amendments to Clause 3 to the vote of the House.

Amendments No. 8 to 11 and 22 were put and negatived.

MR. DEPUTY SPEAKER : The question is :

"That Clause 3 stand part of the Bill. :
The motion was adopted.

Clause 3 was added to the Bill.

Clause 4 crediting proceeds of cess to consolidated Fund of India

SHRI C. MADHAV REDDI : I beg to move :

Page 2, lines 32 to 34—

Omit "from out of such proceeds (after deducting the cost of collection), such sums of money as it may think fit."

(12)

SHRI MOOL CHAND DAGA (Pali) : I beg to move :

Page 2, lines 30 to 32—

for "the Consolidated Fund of India, and the Central Government may, if Parliament by appropriation made by law in this behalf so provides."

Substitute—

"the public account and the Central Government may" (18)

SHRI C. MADHAV REDDI : While replying to the debate, the hon. Minister promised that the entire cess collected will be utilised only for the purpose for which it has been collected. But while the intention of the Government is very clear in his speech, that is not reflected in the Clause itself. I do not think there is any objection in amending the Clause in such a

Shri C. Madhav Reddi]

say that the entire proceeds collected are transferred to the venture capital fund.

SHRI MOOL CHAND DAGA : What have suggested is that the proceeds of the cess are not attached. The cess should be utilised for the purpose for which it is collected. It is not necessary that it should be deposited in the Consolidated Fund of India and then again it should be brought before the Parliament and the Bill when it is passed, then it can be spent. This will consume time. The proceeds of the cess levied and collected under Section 3 shall first be credited to the Consolidated Fund of India and the Central Government may, if Parliament by appropriation made by law in this behalf so provides, pay to the Development Bank. I said it is not necessary that the cess should be collected and it should be spent for that purpose. It should not be brought before the House. If he agrees all right. Otherwise, he has made up his mind not to accept it. Once the Bill is prepared by the bureaucrats, then hardly the Minister changes his mind. If he changes; it is well and good.

SHRI B.K. GADHVI : That is not the correct position. I have already said in my speech also, that after deducting the expenditure over the collection of the cess, the cess itself is meant for the purpose for which it is created and so far as Mr. Daga's amendment is concerned, IDBI cannot put the cess. Government can put the amendment. Government collects cess. It first goes to the Consolidated Fund of India and thereafter only, it can be transferred by appropriation and, therefore, with a view to having financial regularity, it is only put to Consolidated Fund of India. But certainly whatever collection is made after a deduction, will go to IDBI for venture capital fund.

MR. DEPUTY SPEAKER : I shall now put all the amendments to Clause 4 to the vote of the House.

Amendments Nos. 12 and 18 were put and negatived.

MR. DEPUTY SPEAKER : The question is :

"That clause 4 stand part of the Bill."

*The motion was adopted.
clause 4 was added to the Bill.*

Clause 5 was added to the Bill.

Clause 6 (Application of Fund)

SHRI C. MADHAV REDDI : I beg to move :

Page 3, line 5, —

*after "industrial concerns" insert —
"or research units developing any
technology" (13)*

SHRI MOOL CHAND DAGA ; I beg to move :

Page 3, line 3, —

*for "Development Bank" substitute—
"Central Government" (20)*

Page 3, line 7, —

add at the end—

*"and the fund shall be audited by
the Comptroller and Auditor
General of India." (21)*

SHRI C. MADHAV REDDI : Here again the hon. Minister has said that the cess collected will be utilised only for the development of the technology by an industrial concern and the cess proceeds are not intended to be used for the development of research even though the Bill makes it clear that the cess is intended for developing research and development in the country. Here a distinction is being made between utilisation of the cess for development of research and the utilisation of the cess for development of industries and for application of the technology by an industrial concern. My amendment seeks to make it clear that the fund should also go to research units which want to put up a pilot plant to test the technology which they develop. It so happens that sometimes the technology is not fully developed and no industrial concern will come forward and take the technology and because the research unit does not have funds, it cannot test the technology on a pilot scale. My amendment creates the scope for such units also to utilise the fund for developing the technology on a pilot scale.

SHRI MOOL CHAND DAGA : I have moved two amendments to this clause. I say why 'in the opinion of the Development Bank'. Why not the Central Government because after all the Central Government can guide or issue instructions. The Bank is to after all carry out the instructions of the Central Government. They have said Development Bank. Now instead of the Development Bank, 'to meet the expenditure incurred in connection with the measure and facilities which, in the opinion of the Development Bank', I say why not 'in the opinion of the Central Government'? Why do you depend on the Development Bank. If the Central Government gives a guidance, if the hon. Minister gives a guidance and says that the money should be spent for that purpose or the money should be utilised for that technology or for imported the technology, then he can give guidance or he can give instructions. That is one thing.

Second thing which I say that the whole thing should be audited by the Comptroller & Auditor General. That is very necessary. Sometimes the accounts are audited by Chartered Accountants I say that it is better that it should be audited by the Auditor General.

SHRI B.K. GADHVI : So far as auditing and other things are concerned, there is a well laid down machinery and it will be doing along with the other cess and expenditure of the IDBI.

So far as Mr. Madhav Reddi's question is concerned, I appreciate the spirit behind the amendment. It would be seen that 'industrial concern' as defined in the IDBI Act is shown and so far as the IDBI Act is concerned, it has also got included, any concern engaged in research or development of any process or product. Therefore, in that clause if you read it is stated that 'industrial concerns attempting commercial applications of indigenous technology or adapting imported technology to wider domestic applications.' So there is an inherent research aspect also involved in this. So there is no question of specifically mentioning it separately. Therefore, I cannot accept the amendment.

MR. DEPUTY SPEAKER : Now I will put all the amendments to clause 6 to the vote of the House.

Amendments Nos 13, 20 and 21 were put and negatived

MR. DEPUTY SPEAKER : The question is :

"That Clause 6 stand parts of the Bill.

The motion was adopted,

Clause 6 was added to the Bill.

Clause-7—Power of Central Government to Exempt)

SHRI C. MADHAV REDDI : I beg to move :

Page 3, lines 11 and 12, —

for "exempt any industrial concern from the payment of the cess payable"

Substitute—

"reduce the cess payable by an industrial concern" (14)

The total exemption is not desirable. Through my amendment, I want that there should be scope for reduction but not complete exemption.

SHRI B.K. GADHVI : I have already stated in my speech that this is only a last thing that would be resorted to by the Government and that too in select cases. I also give some illustrations about what type of cases should be considered. But exemption would not be available to the profit making concerns, but concerns which have got a viable financial position. So, there is no question of reducing from 5 per cent to 2 per cent. If you make it, it does not make any sense. I am sorry that I cannot accept the amendment.

MR. DEPUTY SPEAKER : I shall now put the amendment moved by Shri Madhav Reddi to the vote of the House.

Amendment No. 14 was put and negatived.

MR. DEPUTY SPEAKER : The question is :

"That Clause 7 stand part of the Bill".

The motion was adopted.

Clause 7 was added to the Bill.

MR. DEPUTY SPEAKER : The question is :

"That Clause 8 stand part of the Bill".

The motion was adopted

Clause 8 was added to the Bill.

Clause-9—(Penalty for non-Payment of Cess)

SHRI D.B. PATIL : I beg to move :

Page 3, line 23, —

omit "not exceeding" (16)

SHRI B.K. GADHVI : I beg to move :

Page 3, —line 23, —

for "five" substitute "ten" (23)

SHRI D.B. PATIL : Sir, It has been provided in the Bill that the penalty for non-payment of cess would be up to 5 times. The general consensus of the House was, penalty is very lenient. I would suggest that instead of "up to 5 times", it should be 5 times. It should be the consensus of the House. I hope the amendment will be accepted.

SHRI B.K. GADHVI : I have already placed my amendments for enhancement of penalty. Therefore I cannot accept.

MR. DEPUTY SPEAKER : I shall now put the amendment moved by Shri D.B. Patil to the vote of the House.

Amendment No. 16 was put and negatived.

MR. DEPUTY SPEAKER : The question is :

"Page 3, — line 23, —

for "five substitute "ten" (23)

The motion was adopted.

MR. DEPUTY SPEAKER : The question is :

Clause 9, as amended, stand Part of the Bill.

The motion was adopted

Clause 9, as amended was added to the Bill.

MR. DEPUTY SPEAKER : The question is :

"That Clause 10 stand part of the Bill".

The motion was adopted.

Clause 10 was added to the Bill.

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

MR. DEPUTY SPEAKER : Mr. Madhav Raddi, are you moving your amendment ?

SHRI C. MADHAV REDDI : It is only a consequential amendment.

Since my main amendment has not been accepted, there is no point in my moving this to the title.

PROF. MADHU DANDAVATE (Rajapur) : Titles have been abolished long back, Sir. How can you have Long Title ?

MR. DEPUTY SPEAKER : It is some other title.

The question is :

"That the Title stand part of the Bill".

The motion was adopted.

The Title was added to the Bill.

SHRI B.K. GADHVI : I bag to move :

"That the Bill, as amended, be passed"

MR. DEPUTY SPEAKER : The question is :

"That the Bill, as amended, be passed".

The motion was adopted.

SHRIMATI GEETA MUKHERJEE (Panskura) : Let me thank the Minister for having accepted my amendment.