

MR. SPEAKER : The question is :

"That in pursuance of sub-section (1) of section 12 of the National Cadet Corps Act, 1948, as amended by the National Cadet Corps (Amendment) Act, 1952, the members of Lok Sabha do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Central Advisory Committee for the National Cadet Corps for the next term commencing from the 17th June, 1968 subject to the other provisions of the said Act and the Rules made thereunder."

The motion was adopted.

— — —

12.56 hrs

FINANCE BILL, 1968—*contd.*

MR. SPEAKER : Four hours remain—3 hours for clauses and 1 hour for third reading. From 2 to 5 P.M. clause-by-clause consideration may go on and from 5 to 6 P.M. third reading. By this evening, we must be able to finish this.

SHRI BAL RAJ MADHOK (South Delhi) : There is a half-hour discussion at 6.30. Till then this can go on.

MR. SPEAKER : We shall now adjourn for lunch.

12.57 hrs.

The Lok Sabha adjourned for lunch till Fourteen of the Clock.

— — —

The Lok Sabha re-assembled after lunch at five minutes past fourteen of the Clock.

[Mr. Deputy-Speaker in the Chair]

FINANCE BILL, 1968—*contd.*

MR. DEPUTY-SPEAKER : We will now take up clause by clause consideration of the Finance Bill. I find that there are no amendments to clauses 2 to 4. So, I

will first put them to the vote. The question is :

"That clauses 2 to 4 stand part of the Bill."

The motion was adopted.

Clause 2 to 4 were added to the Bill.

Clause 5—(Insertion of new sections 35B and 35C)

SHRI S. S. KOTHARI (Mandsaur) : I beg to move* :

Page 5, line 11,—

after "Where any company" insert—

"is engaged in the manufacture or processing of fertilisers, seeds, concentrated for cattle and poultry feed, pesticides, machineries, tools or implements for use in agriculture, animal husbandry or dairy or poultry farming or," (29)

Page 5,—

after line 29, insert—

"(ia) concentrates for cattle and poultry feed;" (30)

Page 5,—

for lines 30 to 32, substitute—

"(ii) dissemination of information on or demonstration of modern techniques of agriculture, animal husbandry, dairy or poultry farming or advice on such techniques;" (31)

Page 5,—

omit lines 33 and 34. (32)

SHRI N. DANDEKER (Jamnagar) : I beg to move* :

Page 4, line 20,—

for "outside India in respect" substitute—

"for the promotion of the sale outside India" (98)

Page 4,—after line 41, insert—

"(viii) entertainment for the promotion of the sale outside India of such goods, services or facilities" (99)

*Amendments moved with the recommendation of the President.

[Shri N. Dandeker]

Page 5, line 11,—for “company” substitute—

“person is engaged in the manufacture or processing of fertilisers, seeds, concentrates for cattle and poultry feed, pesticides, machineries, tools or implements for use in agriculture, animal husbandry or dairy or poultry farming or” (100)

Page 5, line 22,—

for “company” substitute “person” (101)

Page 4, line 9,—

omit “domestic” (158)

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : I beg to move :

Page 5, for lines 28 to 34, substitute—

“(i) fertilisers, seeds, pesticides, concentrates for cattle and poultry feed, tools or implements for use by such cultivator, grower or producer;

(ii) dissemination of information on, or demonstration of, modern techniques or methods of agriculture, animal husbandry, or dairy or poultry farming, or advice on such techniques or methods ;”

Page 5, line 35,—

for “(iv)” substitute “(iii)”.

SHRI BENI SHANKER SHARMA : I beg to move* :

Page 5, line 11,—

after “any Company” insert—

“,individual, firm or Hindu undivided family.”

Page 5, line 23,—

for “one and one-fifth” substitute—
“one and one-third”

SHRI D. N. PATODIA (Jalore) : With regard to amendment Nos. 98, 99 and 158 relating to clause 35B and amendment Nos. 100 and 101 relating to clause 35C I have the following observations to make. Section 35B seeks to introduce certain export market development allowances and it

provides for deduction of a sum equivalent to 1-1/3 of the expenditure incurred.

I wish to suggest that this particular clause should be made more comprehensive so that it may help in the real sense in every aspect promotion of exports from our country. My amendment No. 98 seeks to provide that advertisement and publicity expenses incurred should not be restricted to expenses incurred outside India but a provision should be made that all advertisements and publicity expenses incurred for the purpose of export promotion should be included. As an illustration, there are certain magazines and so many things in India, which are circulated all over the world, to which we send our publicity material which serves a real purpose for export promotion. Therefore, I would urge upon the Finance Minister to accept my amendment No. 98.

Regarding amendment No. 99, I wish to suggest that entertainment expenses incurred for the purpose of export promotion should be included as one of the items of expenditure for the purpose of deduction. There is no provision made so far for the deduction of entertainment expenses.

Regarding amendment No. 158, I find that the Finance Minister has expressly limited the application of this clause to domestic companies. I disagree here with the Finance Minister because the main purpose is to create necessary incentives for export and whether it is a foreign company or an Indian company, so long as it is able to fulfil the basic objective of giving sufficient incentive for exports, it should be applicable to it. I, therefore, suggest that the word ‘domestic’ should be removed and it should be applicable to all companies whether domestic or foreign.

Coming to new section 35C and amendment No. 100, I have to submit that here certain agriculture development allowance have been provided by the Finance Minister. According to the wording of the clause, these allowances are applicable only in respect of companies. I think, it is a drafting mistake and the Finance Minister would not have that objective ;

* Amendments moved with the recommendation of the President.

Whether it is a company or a firm or an individual, so long as the purpose is served and so long as they satisfy all the criteria provided for in this particular clause, it should be applicable both to companies and to individuals. Therefore my amendment seeks to replace the word "company" by "person".

Secondly, I want to make it more comprehensive. The allowances provided for by this particular clause are applicable only to such manufacturers as use as raw material any agricultural products, or animal husbandry, dairy or poultry farming product. My amendment seeks to suggest that it should be applicable to a wider sector involved in agriculture to make it more useful. In my amendment I have suggested that this allowance should be extended to the manufacture of fertilisers, seeds, concentrates for cattle and poultry feed, pesticides, machineries, tools or implements for use in agriculture, animal husbandry, dairy or poultry farming. Only by accepting these amendments we shall be able to make it more comprehensive and shall be able to cover both inputs and outputs relating to agriculture. I, therefore, suggest that both these amendments be accepted by the hon. Finance Minister.

SHRI MORARJI DESAI : I have already accepted about concentrates for Cattle and poultry feed and I have moved those amendments. There is nothing more to be accepted there. The Government amendments cover those things.

As regards extending the deductible expenditure to expenditure incurred inside the country, it is a move to get more advantage. It is a legitimate move : I will not say that it is not a legitimate move but it is not legitimate for me to grant more and more expansion for this kind of expenditure. It is not going to be new, if they give advertisements. They give advertisements to magazines even now. What more is to be given in future ?

Therefore, I do not want to extend it there. I cannot accept that.

As regards extending the advantage of the weighted deduction to all persons and not limiting it to companies, it is clear which persons are going to provide these things. It is largely companies which pro-

vide these things. It is only given where they assist farmers. This is to be provided to agriculturists. Where they do it free-of-charge, that part will qualify for the weighted deduction.

SHRI M. R. MASANI : (Rajkot) Partnership firms.

SHRI MORARJI DESAI : I do not see any case. We will see it afterwards. Just now I cannot accept.

SHRI D. N. PATODIA : The amendment moved by the Government does not include manufacture of machine tools and implements for the use of agriculture, etc.

SHRI MORARJI DESAI : They are not. I do not want to include them.

Mr. DEPUTY-SPEAKER : I shall now put Amendments Nos. 221 and 222 of Government. The question is :

Page 5,—

for lines 28 to 34, substitute—

"(i) fertilisers, seeds, pesticides, concentrates for cattle and poultry feed, tools or implements, for use by such cultivator, grower or producer ;

(ii) dissemination of information on, or demonstration of modern techniques or methods of agriculture, animal husbandry, or dairy or poultry farming, or advice on such techniques or methods ;" (221)

"Page 5 line 35,—

for "(iv)" substitute "(iii)" (222)

The motion was adopted.

MR. DEPUTY-SPEAKER : Now, I shall put all the other Amendments to vote. :

Amendments Nos 29, 30, 32, 98 to 100, 158, 239 and 240 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

"That clause 5, as amended, stand part of the Bill"

The motion was adopted.

Clause 5, as amended was added to the Bill.

[Mr. Deputy-Speaker]

Clause 6 (Amendment of section 37)

SHRI S. S. KOTHARI : I move* :

Page 6, line 5,—

for "Explanation" substitute— "further Proviso." (33)

Page 6,—

for lines 6 to 10 substitute—

"Provided further that nothing contained in this sub-section shall apply to expenditure on entertainment referred to in sub-clause (ix) of clause (b) of sub-section (1) of Section 35B". (34)

Page 6,—

Omit lines 11 to 15 (35)

SHRI N. DANDEKER : I move* :

Page 6, line 5,—

after "following" insert—"further Proviso and" (104)

Page 6,—

after line 5, insert—

"Provided further that nothing contained in this sub-section shall apply to expenditure on entertainment referred to in sub-clause (viii) of clause (b) of sub-section (1) of section 35B." (105)

Page 6,—

Omit lines 8 to 10. (106)

Page 6, line 14,—

after "incurred" insert—

"after the 29th day of February, 1968." (107)

S. S. KOTHARI : Sir, I would only submit to the Finance Minister that entertainment expenditure on promotion of exports should not be covered by the limit provided in Section 37 (2 A) of the Income-Tax Act. I appreciate that there should be a general limit to entertainment expenses so that excessive disbursement is not made to the detriment of revenue. But then expenditure which is made for promotion of exports, I believe, falls in a different category altogether and that should be excluded from this limit. The hon. Minister may kindly consider.

SHRI N. DANDEKER : As regards my Amendments Nos. 104 and 105, they are

consequential upon an earlier amendment in relation to the allowance of entertainment expenditure for promotion of sale outside of India of such goods and services and I do support what Mr. Kothari has just said that, surely, in this drag-net of trying to disallow entertainment expenditure of all kinds the entertainment expenditure incurred in connection with the promotion of exports and so on ought not be disallowed.

As regards my Amendment No. 106, it is concerned with deleting the proposed item (i) in the proposed Explanation which says that entertainment expenditure shall include the amount of any allowance in the nature of entertainment allowance granted by the assessee to any employee. Surely, this is only a form of payment to the employees. These are part of the terms and conditions of service whether described as entertainment allowance or house rent allowance or any other allowance. These are aggregates of various types of allowances which form part of the condition of service for employees. To bring that in by some kind of presumption, that such expenditure as is paid as an allowance to the employee for entertainment should be included under entertainment expenditure of the employee for the purpose of limiting the expenditure is, I think, totally wrong because it is not really, in any sense, entertainment expenditure incurred by the employer. It is part of the terms of contract of service for the employees that he is allowed to undertake a certain amount of entertainment on the general presumption that it is beneficial—which it is—to the interests of the company.

A regards my Amendment No. 107, it is merely a small one but an important one, concerned with the exclusion of entertainment expenditure (or rather inclusion under entertainment expenditure) of the amount of any such expenditure as is not expenditure incurred out of an allowance granted to an employee or other person.

I agree that this is entertainment expenditure of the employer. But I suggest that the limitation should be prospective as I have suggested, namely, that which is incurred after 29th day of February, 1968.

*Amendments moved with the recommendation of the President.

SHRI MORARJI DESAI : I would accept 9 and 10.

MR. DUPUTY-SPEAKER : Amendment 9 was not moved. Amendment 10 is covered.

SHRI MORARJI DESAI : Amendment 9 was not moved. Otherwise, I would have accepted it with that change in one word in line 9, namely, substitution of the word 'granted' by 'paid'. I would certainly accept Amendmend No. 10.

SHRI M. R. MASANI : I will move it.

SHRI MORARJI DESAI : It may be moved as amended.

MR DEPUTY-SPEAKER : The best thing would be to move it as amended.

Please give the full text for reporting purposes. Otherwise, this will create confusion.

SHRI MORARJI DESAI : Amendments 10 and 107 are the same.

I will accept Amendment No. 9, subject to the modification that in line 9, for the word 'granted' the word 'paid' shall be substituted. I will accept Amendment No. 9 subject to this modification.

I accept 107 because that is equal to Amendment 10.

SHRI M. R. MASANI : I beg to move* : page 6, lines 9 and 10, —

for "granted by the assessee to any employee or other person" substitute—

"paid by the assessee to any employee or other person after the 29th day of February 1968." (9A)

SHRI N. DANDEKER : In other words, I understand that the Finance Minister is opposing my amendment, No. 106, which was to delete the other thing altogether, but he is accepting 107 which is for the insertion of a date in regard to the second item...

SHRI MORARJI DESAI : I am accepting 107 and 9 with that modification. (Interruptions)

SHRI D. N. PATODIA : About 104 and 105, I would like to make a submission. The limit of entertainment expenditure provided would be extremely inadequate if you take into account the export promotion efforts. We have been saying that, to promote exports, it is necessary to incur a large amount as entertainment expenditure. Even government companies like the STC and the others are not an exception. If you really want to encourage exports, it is necessary that the entertainment expenditure incurred for export promotion should not be covered by the limit for entertainment expenditure.

SHRI N. K. SOMANI (Nagaur) : In the interest of export development, we will have to treat our customers as well as potential clients on an appropriate scale ; appropriate red carpet and other facilities have to be provided to them, not only when foreign customers or potential costumers come to this country but also when some of us go abroad soliciting business ; both ways, this expenditure is necessary. Therefore, unless we appropriately increase the entertainment allowance, in view of the prices obtaining in India, in almost every city, if one wants to entertain his clients, certainly the limits provided are too meagre. I would, therefore, appeal to the Deputy Prime Minister to accept these realities in view of the experience obtaining now.

SHRI MORARJI DESAI : I say, Sir, that this Bill is not meant to increase the present limits which have been imposed. Regarding entertainment outside, God knows what entertainment will be given and this red carpet business is not understood by me. If everything is going to be used and everything will go into it, the whole company will spend it. I cannot accept it. There will be a limit to it. Therefore, I have kept this limit of Rs. 30,000. I have no reason to extend this limit of Rs. 30,000.

SHRI N. DANDEKER : There is already the exchange control.

SHRI MORARJI DESAI : Immediately there will be a pressure for increasing that expenditure.

*Amendments moved with the recommendation of the President.

SHRI N. DANDEKER : You have in fact legitimately allowed a certain amount of foreign exchange to be spent when a person goes abroad, for export promotion. If out of that he has spent something on entertainment,—there is already an overall limit you will have provided by the limit of foreign exchange sanction you may have given and he cannot spend more,—even that will be disallowed. I suggest that it ought to be allowed as expenditure incurred outside India within the limits of foreign exchange allowance for the purposes of entertainment in connection with export promotion. What I mean is that limitations of the kind I have mentioned already exist.

SHRI MORARJI DESAI : If the limitation is for entertainment expenditure, that does include that. If it falls within that, it will be allowed ; if it falls beyond Rs. 30,000, it will not be allowed.

MR. DEPUTY SPEAKER : The question is :

Page 6, lines 9 and 10,—

for 'granted by the assessee to any employee or other person' substitute—
'paid by the assessee to any employee or other person after the 29th day of February, 1968.' (9A)

The motion was adopted.

Page 6, line 14,—

after 'incurred' insert—'after the 29th day of February, 1968'. (107)

The motion was adopted.

MR. DEPUTY-SPEAKER : Now I will put all the other amendments to this clause to vote.

Amendments Nos. 33, 34, 35, 104, 105 & 106 were put and negatived.

MR. DEPUTY SPEAKER : The question is :

"That Clause 6, as amended, stand part of the Bill."

The motion was adopted.

Clause 6, as amended, was added to the Bill.

Clause 7—(Insertion of new section 40A)

MR. DEPUTY-SPEAKER : Now we come to Clause 7. Amendments 36, 108, 159, 195 and 196 have been moved.

SHRI S. S. KOTHARI : I beg to move* :

Page 7,—

after line 36 insert—

"Provided that no disallowance under this sub-section shall be made without the previous approval of the Inspecting Assistant Commissioner."

SHRI N. DANDEKER : I beg to move* :

Pages 6 and 7,—

Omit lines 22 to 45 and 1 to 36, respectively. (108)

SHRI N. K. SOMANI : I beg to move* :

Page 6,—

after line 35, insert —

"Provided further that no disallowance shall be made under this section without the previous approval of the Inspecting Assistant Commissioner." (159)

SHRI SHIVAJI RAO S. DESHMUKH (Parbhani) : I beg to move* :

Page 6,—

after line 35, insert—

"Provided further that it would be deemed to be a payment for the legitimate needs of the business or the profession of the assessee if the liability of the business expenditure of assessee would have been the same or more but for such payment under the circumstances of the business or profession of the assessee." (195)

SHRI HIMATSINGKA (Godda) : I beg to move* :

Pages 7 and 8,—

Omit lines 37 to 43 and 1 to 24, respectively. (196)

*Amendments moved with the recommendation of the President.

SHRI S. S. KOTHARI : I have just to say that the ITO is being allowed powers to disallow so much of the expenditure as is considered by him as excessive or unreasonable and that shall not be allowed as a deduction. This means that the ITO is being given blanket powers in this regard. In my opinion; there should be a certain limit, say, Rs. 5,000 upto which the ITO may be permitted to disallow ; and beyond that it should be made obligatory for him to obtain the permission of the Inspecting Assistant Commissioner. After all, some check should be necessary on the powers of the ITO also, taking into account all the factors, in which I need not go. Where such disallowances are made, blanket powers should not be given to the ITO and it should be obligatory for him to go to the senior officer and take his sanction and then disallow.

SHRI M. R. MASANI : I would like to oppose this whole clause. Already, Sir, under the law the Income Tax Officer is entitled to disallow expenditure which is not wholly and necessarily for the purpose of the business. In other words, anything irrelevant or frivolous can already be disallowed. This clause now seeks to give the Income Tax Officer an entirely unfettered discretionary power—that it is his opinion—as to whether certain payments made to people who are related to people or connected with the Directors of Companies are in excess of what they deserve. It is true that already there is enough power and even that power is sometimes exercised in a way that is harsh towards the assessee. There is another reason why the hon. Finance Minister should realise that what he is doing here is cutting across the provisions of the Company Law. The Finance Minister knows that under the Companies Act Government have to sanction the remuneration of the directors and managers over certain limits. Suppose the Company Law Administration under the companies Act says that certain remuneration is reasonable to a director and it sanctions that amount to either the director or the relative employed. This is sanctioned. Once that is done by the CLA, is there any earthly reason why the ITO should apply another discretion to the same quantum and say 'No, because this

man is related to somebody I cannot allow; I disallow it.'? The effect is this.

There will be two arms of the Government working at cross purposes. The Company Law Administration says that this a fair remuneration, you may go ahead and pay it, but the Income-tax officer says that he does not agree. He will say this is too much and that he would allow something else. Does the Finance Minister want that two limbs of the Government should be given arbitrary discretion to do the same job? In such a case they would, sooner or later, find themselves at loggerheads. Government today possess enough powers to regulate the remuneration. So this clause becomes unnecessary and I would appeal to Finance Minister, in the interest of proper legislation, not to press this part of the clause and to withdraw it themselves.

Then, Sir, the second part of the clause is there which is regarding expenditure over Rs. 2,500, when it is made by cash and not by cheque. This kind of hasty legislation does not take into account the existing legislation as I understand it. I speak subject to correction and I hope the hon. Finance Minister will correct me if I am wrong. Chèques are not legal tenders. People are entitled to demand their payment in cash if they are so minded and there are people in the country who do not take cheques. In the countryside, for example, if you wish to pay by means of a cheque the villager may think that you are trying to play a confidence trick on him. He has every right to demand payment in cash.

My hon. friend Shri Piloo Mody says that even the IAC, except in the case of some privileged category like MPs., do not accept cheques from even multi-millionaires and distinguished citizens, because IAC does not believe in negotiable instruments, either. That being the case you cannot take away the legal obligation of paying in cash. Therefore I feel that this whole clause is shabbily drafted and so it should be dropped out altogether.

SHRI N. DANDEKER : May I speak, Sir, in support of my amendment?

MR. DEPUTY-SPEAKER : I will come to you, Shri Himatsingka.

SHRI HIMATSINGKA : This amendment ought to be agreed to. I will cite the case of a company. The managing director is allowed 5% commission by the company law board and it works out to Rs. 4,500 or Rs. 4,600 per month on the basis of the computation of income on the basis of 5% and the Income-tax officers says 'No, the amount of work that you have put in for the company should not entitle him to get Rs. 4,600 ; I will allow only Rs. 3,500'. Suppose such a position is taken up by the ITO. It is unfair. It is unfair that the Income-tax officer should sit in judgment over the sanction that has been given by the Company Law Board after taking into consideration all the facts and circumstances allowing it to fix the remuneration.

Similarly, as regards the other portion of the clause, as has been mentioned by Shri M. R. Masani, it will work very much against the present law also. Legal tenders can only be made in cash. Supposing there is a dispute on the commission payable to a person and he wants Rs. 5,000, and the man who has to pay says that it is only Rs. 4,000, and then the amount is tendered, it has to be tendered in cash. That will not be taken into account by the ITO. The funny part of it is that even if the ITO feels that the amount has been paid, he has no right to say that such expenditure shall not be allowed as reduction. Even if he is satisfied that the amount has actually been paid and the man who has been paid the amount accepts the payment, he will have to disallow it. This is a position which I think should be considered by the Finance Minister. He can easily imagine the difficulties that will be created if the law is allowed to stand in this fashion.

SHRI TENNETI VISWANATHAM (Visakhapatnam) : My hon. friend has gone on to another point. But I would like to say something on the first point raised by Shri M. R. Masani. I agree with him on the first point, namely with regard to the conflict between the Income-tax Department and the Company Law Board. The Company Law Board takes all the surrounding circumstances into consideration.....

SHRI MORARJI DESAI : May I explain the point so that this need not be

laboured? This does not apply to that all. There is no question of the ITO disallowing whatever is sanctioned by the Company Law Administration. That relates to the remuneration and the commission. The company law does not provide for other expenditure, for commission for purchases and things like that. It is only those things which are covered by this and not the remuneration. Therefore, there is no conflict between the two. If any ITO disallows it, he will be dismissed.

SHRI M. R. MASANI : The words 'or services' are there in the clause. So, my hon. friend Shri Tenneti Viswanatham is right when he says that it does apply.

SHRI MORARJI DESAI : These services are not those.

SHRI TENNETI VISWANATHAM : I am very happy at what the Finance Minister has said. But a number of cases came to my notice after the Company Law Advisory Commission recommended something and Government passed orders in the same Finance Ministry. There were cases where the remuneration was disallowed by the ITO as being excessive. I am happy to know that if they come to the hon. Minister's notice he will take action against the ITO concerned.

SHRI MORARJI DESAI : I shall take action against the ITO if he does that. He has no business to do that.

SHRI N. DANDEKER : I want to cross the t's and dot the i's of the arguments that have already been advanced.

In the first place, let me enumerate in fact the number of persons, payments to whom, whether in respect of goods, services or facilities, will have to be questioned by the ITO, not necessarily disallowed but questioned, because he has got to examine all this. The law is there and he has got to apply it.

I shall just give two examples. In the case of a company, payments for goods, services or facilities made to any director of the company, any relative of any director of the company, any concerns in which any of such director or his relatives has a substantial interest, any companies in which the director of the company or his

relatives has substantial interest, all persons who have a substantial interest in that company and their relatives and associates and so on will have to be gone into by the ITO. I can go on further in regard to the meaning of the word 'associates'. These are the various payees in respect of whom in every business assessment, the ITO will have to take a look at the payments made in respect of goods or services and payment of salaries is a payment for services, notwithstanding the Finance Minister's belief to the contrary—or facilities. What has the ITO to do in relation to these? He has got to examine them from three angles. And those three angles are: the fair market value of the goods or services or facilities for which payment is made the legitimate needs—it may be a fair market value that is paid but the legitimate needs of the business or profession of the assessee would also be gone into; in other words, the value may be fair, but the ITO can still say 'I do not think you need all this', and that means that he has got to look into it—and thirdly, the benefit derived by or accruing to the assessee from such payment. The ITO may well say; 'Yes, you are purchasing this at fair market price', and he may also say 'Yes, you need it; it is legitimately needed for your business', but he may nevertheless come to the conclusion that the benefit derived by the concern whose affairs he is examining was not commensurate with the amount of the payment made. And he has got to make this examination in every business assessment, and possibly in most other assessments.

Now, I have taken occasion to discuss this from a practical point of view with a number of friends I have still got in the income tax department and they have all told me over and over again that this is going to be practically impossible. But if an ITO nevertheless wants honestly to do his job, he has got to do and he is going to get cluttered up in the assessment process. And notwithstanding the two-year limitation, either the assessments will all be rushed through at the end of two years or they will not be done at all or—the third alternative—there would be a substantial increase in bribery and corruption.

I turn now to the clause about payment by cheque instead of by legal tender

In principle, I have a good deal of sympathy with this. One of the important techniques of tax evasion lies in fact of payments in cash. You get a receipt and then the fellow who is supposed to have received the money is not traceable. It is a pretty hard job for the ITO to do anything about that kind of thing. So this clause starts in considerable favour with me; but I am also impressed by the argument about legal tender. Suppose I have to lay a legitimate commission of Rs. 5,000 or something or there is a simple payment for services rendered of Rs. 5,000 or even for goods purchased, and the seller says 'I want cash'. I say 'Sorry, if I paid you cash, I shall get it in the neck, even if you admit you have received it'.

I am not importing into this the difficulties of the agriculturist or former who does not know about banking. I am talking about the payer and the payee in, say, the city of Bombay. If I do not pay him cash and if he refuses to take a cheque, do you know he is entitled to put in an application for insolvency against me on the ground that I am not prepared to meet my debts in legal tender? That I am refusing to pay my debts in legal tender is a good excuse, a good reason, for an insolvency petition against me. It really is. It is perfectly so.

So there is not only this question of legal tender and of any other tender being refused; but there is also this, that if I refuse to pay my debt in terms of the only way in which lawfully I can pay, the persons to whom such payment is due can go to the Court with an application to declare me insolvent on the ground that I am not paying my debts. Therefore, something has got to be done about this.

SHRI R. D. BHANDARE (Bombay Central): Does it in fact happen?

SHRI N. DANDEKER: It will happen when this comes in, because at present there is no provision in law that any payment you may have to make you may lawfully make by cheque. Suppose I am required to make a payment which is legitimate in business, which it is legitimately my desire to pay; I say, 'Mr. Snooks, take a cheque'. He says 'It is a cheque? I

[Shri N. Dandekar]

want cash. I have got to incur expenditure immediately. I cannot wait two three days till it is cashed etc., Indeed, he need not give any reason at all. He can say 'I want legal tender', and if I refuse to pay him in legal tender,—he is not concerned with the ITO's views,—he can go and, as I said, file an involuntary petition against me because I am not paying my debt.

SHRI N. K. SOMANI : I agree that there have been certain malpractices in this country in respect of the allowances and remuneration paid to some relatives. But I do not think this calls for such extraordinary powers in the hands of the ITO who, I think, is not expected—and it will also not be possible for him—to judge what is judicious what is reasonable, because business conditions vary so violently from place to place, business to business and from time to time that it is impossible for anyone to come to a sound judgement on this. Therefore, I think this will be a grossly unfair regulation in respect of the rest of them who want to live honestly and to pay to certain people—they may be relatives or they may not be.

I am also very deeply concerned about the other clause concerning cheque payment over Rs. 2,500. Take the case of my own constituency where India's second largest cattle fair (in Nagaur) takes place every year. Transactions worth crores of rupees take place in terms of the sale of bullocks and camels and things like that. It is on cash basis; nobody is prepared to accept a cheque there. Think of thousands of mandies that we have in this country where the farmers bring cartloads of grains. They will accept cash payment only. There are forest contractors who live in the forest area and cut teak wood or bamboo or those who conduct minning operations in areas where there is no human habitation or the branch of any bank. Most of the time the person who is given this contract sends cash to these people for weekly wages for payment. Those who operate on the islands, and those who do mining operations and bring sandstone and other things—in all such cases it will be im-

possible for payments to be made by cheques. From the point of view of both the rural operations and the natural difficulties, I suggest that this clause should be suitably amended.

SHRI BENI SHANKAR SHARMA (Banka) : I endorse what Mr. Dandekar has said but I appreciate the anxiety of the hon. Minister to plug the loopholes and bring in as many assesseees as possible. I also know that sometimes when people pay or receive cash, they are not entered in books. I have a way out. Yesterday also I have stated that there should be provision for registration of income-tax assesseees. In sales tax we have got a registration number. Let the businessmen who have got to deal with others and who have got to receive payments of amounts over Rs. 2,500 be first registered with the income-tax department. In many Government departments, when you give a contract or make payment, you ask for a clearance certificate from the receiver to be granted by the income-tax officer. You may introduce a new section by which persons who are to receive payments are registered with the department so that many of the difficulties might be avoided. According to me, this clause is quite illegal and involves so many difficulties. I know that in Bengal when people go to buy jute in mofussil areas worth Rs. 10,000 or even 50,000, they take only cash because there are no banking facilities. The hon. Minister has said that he would try to remove these difficulties by amending the rules suitably or making new rules. But that will not solve the problem. Therefore, I suggest that instead of making the payment by cheques compulsory, if we adopt the method of registration in income-tax so that people would deal with such persons only who were registered with the income-tax department, the anxiety of the hon. Minister will disappear and we shall be able to rope in more assesseees.

SHRI SHIVAJIRAO S. DESHMUKH : On second thoughts and after the arguments, I beg leave of the House to withdraw my amendment.

SHRI MORARJI DESAI : If as much trouble to argue against the provision is

taken to understand the purpose for which it had been brought forward, I am sure that all this time would have been usefully spent, useful to me and to them too. What happens in a cattle fair? So many transactions are made but they are not between companies but between farmers. Does this apply to a farmer?

I cannot understand this sort of imagination running riot. Therefore, it does not apply to this. I hear very convenient arguments about widows, farmers, rural areas, and so on, and when it comes conveniently for evasion it is very easily argued; I cannot be taken in by those arguments.

I quite understand the argument about the legal tender. But we can make a provision that for these purposes, this will be legal tender, and I propose to take that action if it is necessary.

SHRI SHANTILAL SHAH (Bombay—North-West): Only in the case of bank guaranteed cheques.

SHRI MORARJI DESAI: Yes; only for bank guaranteed cheques it could be done. This can be done; not that it cannot be done. All that will be taken care of. We will try to see ultimately...

SHRI PILOO MODY (Godhra): He did not take care of it for the last two years.

SHRI MORARJI DESAI: I will try to take progressive care of my hon. friend. I think by the time his turn comes he will be a wiser man; I am quite sure. In this particular matter, it is granted that there are illegal practices going on. Now, how are they to be got at? My hon. friend there suggested that a clause could be put in which I think would make it more cumbersome. He says registration could be done. What happens to the payment and how long will it take? And one has to wait for registration also. So, it becomes more difficult. What is wrong with this? When he pays above Rs. 2,500 in cheque, this will apply to all transactions from now on afterwards; not now. Therefore, when they make a contract with a party to pay that, they can make contracts that they will pay in cheque. Nobody can go against that, and that can be paid. I do not know

if anybody can object to it. As a matter of fact, I have been worried about these matters—this black money as it is called, or unaccounted for money, if it can be called in proper language. That has got to be stopped. How is that to be done? If this will apply only to all payments which are made by cheque above a certain limit, throughout, everywhere, between all people then that is a very long process and then it has many snags. Even in this limited payment, there are so many snags. Therefore, I am experimenting with this business. This is a limited purpose, where the company wants to get an allowance in expenditure on account of this payment. This is the condition which will have to be satisfied; if not they will have to pay income-tax on it. That is all. There is nothing else done in this. I do not understand all these arguments which are easily made with such vehemence, but it is difficult for me to do this.

My hon. friend there says that this applies to services also, and he is opposed to all these things. Naturally, he is opposed to all these things. As a lawyer he says it is shabbily worded. I do not know how long he has practised the law. I am advised by people who have practised law for a long time. I am not a lawyer and therefore I am not pitting myself against him. But to say that this is shabbily done is not fair. One may differ and there can be difference of opinion in matters of law. I readily grant it, and his opinion may be even more correct than this, and their opinion may be more correct than his. I can say that this has not been done hastily at all. This has been done after very careful consideration. I have already said that the services which are sanctioned by the Company Law Board cannot be doubted by the Income-tax officer.

SHRI N. DANDEKER: But there is nothing here.

SHRI MORARJI DESAI: It means only for payment for services.

SHRI N. DANDEKER: The Income-tax Officer has to do his duty.

SHRI MORARJI DESAI: This will be done by rules and the rules will be publish-

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ed. It is not that the rules will be kept in a hole somewhere as in the hole-and-corner method. I have proposed to invite objections to it, because it is necessary to do so. Even in the matter of sums above Rs. 2,500 to be paid by cheques, I want to prescribe certain categories where this will not apply, but that has to be done after very careful consideration. I want to see that these things are adequately and properly done. I have been seriously charged with not doing this or that, or not being able to do this. I understand the feeling of all those who have stated this. Naturally they have got to express their feelings. I have got to execute it. I say that it is an evil; I agree; but that evil has got to be stopped by Government and not by my hon. friends.

If I try to find remedies for it, a negative attitude is taken that "this will not do; make it broader, so that more things can happen", I am afraid I cannot accept it.

MR. DEPUTY-SPEAKER : Does Mr. Deshmukh have the leave of the House to withdraw his amendment ?

HON. MEMBERS : Yes.

Amendment No. 195 was, by leave, withdrawn.

MR. DEPUTY-SPEAKER : I will now put all the other amendments.

Amendment Nos. 36, 108, 159 and 196 were 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.

Clauses 8 to 10 were added to the Bill.

Clause 11 —(Insertion of new section 141A)

MR. DEPUTY-SPEAKER : There are a number of amendments. No. 12—Mr.

Sudarsanam and Mr. Ram Avtar Sharma are absent.

SHRI S. S. KOTHARI : I move amendment No. 37.

MR. DEPUTY-SPEAKER : Mr. Patodia's amendment No. 74 is already covered by No. 37.

SHRI N. DANDEKER : I move amendments Nos. 160 and 161.

SHRI SHIVAJI RAO S. DESHMUKH : I am not moving my amendment.

MR. DEPUTY-SPEAKER : Mr. B. S. Sharma's amendment No. 241 is covered by No. 37. He can move No. 242.

SHRI BENI SHANKER SHARMA : Yes; I move No. 242.

SHRI S. S. KOTHARI : I beg to move* :

Page 9, lines 8 and 9,—

omit "if he is of opinion that the regular assessment of the assessee is likely to be delayed," (37)

SHRI N. DANDEKER : I beg to move* :

Page 9, line 8,—

for "may" *substitute*—

"shall" (160)

Page 9, line 9,—

after "delayed" *insert*—

"Beyond four months from the date on which the return was furnished" (161)

SHRI BENI SHANKER SHARMA : I beg to move* :

Page 9, line 11,—

add at the end—

"within one month from the date of filing the return" (242)

SHRI S. S. KOTHARI : The Finance Minister has introduced a very commend-

*Amendments moved with the recommendation of the President.

able clause that the ITO shall make a provisional assessment; if *prima facie* a refund is due. But the choice has been given to the ITO. The words are "if he is of the opinion that the regular assessment of the assessee is likely to be delayed". In practice, what would happen is, taking advantage of this proviso, the ITO would never give that refund and he would wait till the final assessment is completed which may take 3 or 4 years or whatever is the applicable limitation period. If you give him the choice, he will not do it. Perhaps the Finance Minister may not know his own department about refunds. Therefore, I would request him to kindly provide that the ITO shall make a provisional assessment and give the refund. He may therefore kindly accept my amendment.

SHRI N. DANDEKER : My amendment also is more or less to the same effect. Instead of saying that "the ITO may", I suggest "the ITO shall". If the ITO is of the opinion that the regular assessment of the assessee is likely to be delayed beyond four months from the date on which the return was furnished, he shall make a provisional assessment. On the one hand, I agree that to some extent it has got to depend upon the view the ITO takes as to whether there is going to be some delay in the assessment. But he cannot have this latitude that he can go on saying, "I will finish it in two months" again and again. He should make up his mind when the return is furnished and if it is likely to be delayed beyond four months, he must make a provisional assessment.

SHRI BENI SHANKER SHARMA : My amendments 241 and 242 practically cover the same point. I thank the minister for being alive to the needs of the assesseees whose assessments result in refunds. Of late, the I. T. Department has been quite alert in allowing refunds in the same manner as they collect taxes. While making provisional assessment, which results in a demand, the time-limit allowed is one month. Similarly here also when the assessment results in a refund the time-limit should be made one month.

No discretion should be given to the ITO. My suggestion is that the words "if he is of the opinion that the regular

assessment of the assessee is likely to be delayed" should be omitted and the words "within one month from the date of filing the return" should be added so that he shall make the assessment within one month from the date of filing the return as in the case of a provisional assessment.

15 hrs.

SHRI D. N. PATODIA : Sir, my experience is that whenever there is a case of refund the assessments are invariably delayed and postponed. Therefore, it is necessary that we accept the amendment and make it mandatory on the ITO that whenever there is a case of refund it has got to be assessed within a specific period say, as suggested by Shri Dandekar, within four months.

SHRI MORARJI DESAI : I do realise that there have been lapses in the matter of refunds and I am trying to straighten it out. In the matter of making refunds sooner I think some progress has been made and it will have to be admitted by my hon. friends there that the position is getting better than before.

AN HON. MEMBER : Yes.

SHRI MORARJI DESAI : In the matter of these assessments also I am trying to see that no assessment are delayed. I have made a change now and reduced the time from four years to two years. I want to reduce it even to less than one year. I do not want any assessment to be kept pending beyond six months. If it is possible that is what I want to achieve. But some time will have to be given before I can carry it out. Today there are arrears of 23 lakhs of assessments. I have to finish that. Every year there are 25 lakhs of assessments newly coming in. Therefore, all this has got to be coped up with. I am, therefore, changing the whole system and trying to see that all assesseees are not thoroughly scrutinised. It is not necessary to do so. I want to accept the returns and let them have the assessments. Then go into a thorough check for a certain percentage at random of these assesseees and wherever faults are found go down on them with very heavy punishments. That is why heavy punishments have been provided. This is the system which will do away with this kind

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of necessity even of provisional assessments. I have also given instructions that where refund is due on the return by itself no application should be necessary. They must not wait for it and they must give refund immediately. They should not go asking for it.

SHRI KANWAR LAL GUPTA (Delhi Sadar) : But your instructions are never carried out.

SHRI MORARJI DESAI : These are all new. Have some patience. If you let me know where this is not done I will certainly take action. If you do not let me know what can I do ?

SHRI S. S. KOTHARI : It is not proper to complain to you against the department. It is your own department. Besides how can we do it every time ?

SHRI MORARJI DESAI : I am inviting this. I am thanking you if you do it. If you do not do it how is this department to be straightened out ? It requires a thorough scrutiny into defaults so that defaults are dealt with on both sides, on the side of the assessee and also on the side of the Income-tax officers. Unless prompt punishments are given for defaults I am afraid this evil cannot be cured or at least reduced to the minimum. Therefore I am asking for help. If you do not want to give that help I cannot demand that help. I will certainly request. If you do not give me even then, I am proceeding to find out the defaults in my own way and deal with them. But it takes time. I cannot do it immediately. I cannot give them any loopholes. Therefore, I am going to draft the rules in this matter. Within six months at any rate the provisional assessment must be made. I do not want to have it there in the law itself which becomes rigid. I am going to publish these rules.

I am going to publish them so that any member of the public would know what they are. Why should they not know it ? Therefore, on both sides I am dealing with it. Where the assessee has concealed something, he is to be punished heavily. Where the Income-tax officer takes from the assessee wrongly, something deliberately he is

to be punished very severely. My instructions to the Income-tax officers have also been these, that if the assessee through want of knowledge of the law is entitled to something and he is not asking for it, it is the duty of the Income-tax officer to give it to him and not to wait for his claim. This is what I am trying to achieve. All these things are being attempted. But it takes time. When a whole jungle has got to be cleared, it requires some time. I would only plead with them to have patience and understanding and give me help. If help is given, it is good. But I cannot ask for it as a right.

MR. DEPUTY-SPEAKER : I will now put all amendments to the vote.

Amendments Nos. 37, 160, 161, and, 242 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

"That clause 11 stand part of the Bill"

The motion was adopted.

Clause 11 was added to the Bill.

MR. DEPUTY-SPEAKER : Before taking up clause 12, I would like to point out one thing. At 5 O' Clock I am going to apply guillotine. Then we will have one hour for third reading. So, I suppose hon. Members have got to be selective in moving amendments.

SHRI M. R. MASANI : On the Finance Bill you cannot have a guillotine like this.

MR. DEPUTY-SPEAKER : Otherwise, where is the time for third reading ? This was decided in the Business Advisory Committee. It is not possible to extend the time.

SHRI N. DANDEKER : With great respect, it was not so decided in the Business Advisory Committee. It was merely suggested and we said that we will consider it.

MR. DEPUTY-SPEAKER : Looking at the speed at which we are proceeding,

I have to make this comment. We have so far finished only 11 clauses out of 44 clauses and the Schedules. I will have to apply guillotine at some time. So, be more selective. As you all know the mind of the Finance Minister, be selective and argue only such points which are fundamental and important.

SHRI N. DANDEKER : Just as the Finance Minister has to discharge his duties, we have also to discharge our duties.

Clause 12.—(Amendment of section 153)

SHRI S. S. KOTHARI : I beg to move* :

Page 10, line 13,—

after "Income-tax Act," insert—

"(i)". (38)

Page 10,—

after line 23, insert—

'(ii) for sub-section (3) the following sub-section shall be substituted, namely :—

"(3) No order of assessment, reassessment or recomputation shall be made after the expiry of two years from the date of an order :—

- (i) in consequence of which a fresh assessment is made under section 146 ;
- (ii) under sections 250, 254, 260, 262, 263 or 264 or an order of any court in a proceeding otherwise than by way of appeal or reference under this Act, in consequence of which or to give effect to any finding or direction contained in the said order, the assessment or re-assessment or recomputation is made ;
- (iii) of assessment made on the firm under section 147 in consequence of which an assessment is made on a partner of the firm." (39)

SHRI MORARJI DESAI : I beg to move* :

Page 10.—

for line 19, substitute—

"day of April, 1967 ;

- (ii) three years from the end of the assessment year in which the income was first assessable, where such assessment year is the assessment year commencing on the 1st day of April, 1968 ;" (223)

Page 10, line 20,—

for "(ii)", substitute "(iii)". (224)

SHRI S. S. KOTHARI : I will just briefly point out that the provision with regard to limitation of time within which the assessments must be completed is a very commendable provision indeed. But, then, there is a loophole. As some people have pointed out to me, the ITO may complete the assessment within the period of limitation, but the next day he may re-open the assessment and when an assessment is re-opened there is no time limit whatsoever. Therefore, I would submit to the hon. Finance Minister that in cases where assessments are re-opened, or set aside, or where appellate decisions are there pending implementation in all these matters some time limit may kindly be indicated, and that would be in line with his thinking.

SHRI MORARJI DESAI : If it is re-opened, it will automatically be two years. There is no question of indefinite time.

SHRI BENI SHANKAR SHARMA : It will not apply to set aside cases.

SHRI MORARJI DESAI : It will apply. Why should it not apply ?

MR. DEPUTY-SPEAKER : I will now first put the Government amendments to the vote of the House. The question is :

"Page 10,—

for line 19, substitute—

"day of April, 1967 ;

- (ii) three years from the end of the assessment year in which the

*Amendments moved with the recommendation of the President.

income was first assessable, where such assessment year is the assessment year commencing on the 1st day of April, 1968 ;” (223)

Page 10, line 20,—

for “(ii)”, substitute “(iii)”. (224)

The motion was adopted.

MR. DEPUTY-SPEAKER : I will now put Amendment Nos. 38 and 39 to the vote of the House.

Amendments Nos. 38 and 39 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

“That clause 12, as amended, stand part of the Bill”.

The motion was adopted.

Clause 12, as amended, was added to the Bill.

Clause 13 was added to the Bill.

Clause 14 was added to the Bill.

Clauses 15 to 17 were added to the Bill.

Clause 18 — (*Amendment of section 239.*)

Amendments made :*

Page 12, line 29,—

for “1968”, substitute “1967”. (225)

Page 12,—

after line 30, insert—

“(b) where the claim is in respect of income which is assessable for the assessment year commencing on the 1st day of April, 1968, three years from the last day of the assessment year ;” (226)

Page 12, line 31,—

for “(b)”, substitute “(c)”. (227)

(*Shri Morarji Desai*)

MR. DEPUTY-SPEAKER : The question is :

“That clause 18, as amended, stand part of the Bill.”

The motion was adopted.

Clause 18, as amended, was added to the Bill.

Clause 18A (New)

MR. DEPUTY-SPEAKER : There are two amendments, Nos. 111 and 198, seeking to insert clause 18A (New). Both are beyond the scope of this Bill and so they are ruled out.

Clause 19 — (*Amendment of section 271.*)

SHRI N. DANDEKER : Sir, I move* :—

Page 12, line 37,—

after “than” insert—

“fifty per cent. of,” (114)

Pages 12 and 13, lines 38 and 1 and 2, respectively,...

for “income in respect of which the particulars have been concealed or inaccurate particulars have been furnished.”

substitute—

“tax, if any, which would have been avoided if the income returned by such person had been accepted as his correct income.” (116)

SHRI KANWAR LAL GUPTA : Sir, I move* :—

Page 12, line 37,—

omit “which shall not be less than, but” (124)

Page 13, line 1,—

after “been” insert “deliberately” (125)

SHRI SHIVAJI RAO S. DESHMUKH: Sir, I move* :—

Pages 12 and 13,—

for clause 19,—

substitute—

‘19. In section 271 of the Income-tax Act, in sub-section (1), for clause (iii), and the Explanation, the following clause shall be substituted, namely :—

“(iii) in the cases referred to in clause (c),—

(a) if, while concealing the particulars of the income or while furnishing inaccurate particulars of such in-

*Amendments made/moved with the recommendation of the President.

come, an assessee has made a statement in any verification under this Act or under any Rule made thereunder or delivers an account or statement which is false and which either he knows or believes to be false or does not believe to be true, he shall be punishable with rigorous imprisonment for a term which may extend to two years and a penalty equal to a sum which shall not be less than but which shall not exceed twice the amount of the income in respect of which particulars have been concealed or inaccurate particulars furnished ;

Or

(b) where total income returned by any person is less than 75 per cent of the total income as assessed under section 143 or section 144 or section 147 (reduced by the expenditure incurred *bona fide* by him for the purpose of making or earning any income included in the total income but which has been disallowed as a deduction) such person shall unless he proves that the failure to return such total income did not arise from any fraud or any gross or wilful neglect on his part be deemed to have concealed the particulars of his income or furnished inaccurate particulars of such income for the purposes of clause (c) of this sub-section and shall in addition to any tax payable by such person further be liable to pay a sum which shall not exceed 20 per cent of the income in respect of which particulars have been concealed or inaccurate particulars have been furnished". (199)

SHRI BENI SHANKER SHARMA :
Sir, I move* :—

Page 12, line 38,—

for "income" substitute "income tax"
(247)

Page 13, line 2,—

add "Provided that the penalty proceedings, though initiated shall not be completed before the final disposal of the appeal filed against the quantum upto the Tribunal stage". (248)

SHRI N. DANDEKER : The object of the clause, before I come to the object

of my amendment, is plainly to enhance penalties for concealment of income or particulars of income in this way, namely, the penalties will no longer be related to the tax which would have been avoided but to the amount of income concealed or particulars relating to which were concealed. The proposal in the clause, as it is, is that the penalty shall, as a minimum, be equal to the amount of income concealed and, as a maximum, be equal to twice the amount of income concealed.

The object of the amendments, which I have moved, is, on the one hand, to agree that the penalties ought to be severe but, on the other, to insist that they must be related to the amount of tax either sought to be avoided or which in effect would have been avoided had the income returned or the particulars of the income returned been accepted.

AN HON. MEMBER : This is a must.

SHRI N. DANDEKER : The attempt to link up penalty with income concealed or particulars of which were concealed has, in the first place, no rationale whatever but, secondly and more importantly, the proposition that the lower you happen to be in an income group the more severe the penalty you suffer is totally contradictory to the system of progressive taxation where the idea is that the larger your income the more proportionately of that income you ought to pay by way of tax.

Suppose, a person in the lower income bracket has, shall we say, committed this offence—I will not argue about the circumstances which amount to the commission of the offence—and concealed particulars of income of the amount of Rs. 1,000. If he were in an average rate of tax bracket of 5 per cent, the tax which would have been avoided, had his return been accepted, would have been Rs. 50 ; but he can under this clause be penalised to the extent of Rs. 1,000 as a minimum and Rs. 2,000 as a maximum.

The same offence committed by a gentleman whose income may be Rs. 5 lakhs and who may, therefore, be in the

[Shri N. Dandekar]

new 75 per cent bracket or the present 65 per cent bracket, a thousand rupees of under-statement, would involve an attempt to avoid tax of Rs. 650, but he will also be penalised exactly Rs. 1000 as a minimum or Rs. 2000 as a maximum. I do suggest to the Finance Minister that this kind of regressive mode of imposing penalties, totally unconnected with the tax sought to be avoided, should really not be there. That is totally irrational.

My proposal, if these two amendments are accepted, would be that the penalty would be a minimum of 50 per cent of the tax, if any, which would have been avoided if the income returned by such person had been accepted as his correct income or a maximum of twice the amount of the tax which would have been avoided. That means you get a wide range of penalty, quite a considerable range, depending upon the gravity of the offence, and the penalty would be related to the amount of tax involved.

The second point is about its wording because it is geared to the amount of income concealed and involves even a person who has submitted the return and is not, in fact, taxable because he happens to be below the lower limit. If he happens to be regarded as having concealed Rs. 1000 of income and yet remaining within the non-taxable limit, he too must be penalised.

SHRI MORARJI DESAI : How ?

SHRI N. DANDEKER : When he is to pay no tax at all, he could still be penalised for Rs. 2000 if your proposal is taken as it is. I will read it. It refers to cases referred to in clause (c). I will read clause (c) that is sought to be amended and to which the penalties relate. It is this, "...has concealed the particulars of income or furnished inaccurate particulars of income". If the proposal contained in clause 19 of the Bill is accepted, the result will be this. It says, "In the cases referred to in clause (c) in addition to any tax payable by him—'any' includes 'zero' tax—a sum which shall not be less than, but which shall not exceed twice, the amount of the income in respect of which the particulars have been concealed or inaccurate particulars

have been furnished". It really does range from the extreme of a penalty at an "infinite rate" related to the amount of tax sought to be avoided to a penalty which, as I said, in the case of a gentleman who may be in the 65 per cent tax bracket, would be something between $1\frac{1}{2}$ times the tax avoided to 3 times the tax avoided. This, I submit to the Finance Minister is not rational. Penalty ought to be related, however severely, to the tax which would have been avoided had the return been accepted as correct and if the existing rates of penalty in relation to the tax sought to be avoided are low—I am prepared to agree that they are low—nevertheless, whatever the severity of punishment he wishes to impose it should be related to the amount of tax that would have been avoided.

श्री कंवर लाल गुप्त : जिस विचार से यह नई एमेंडमेंट रखी गई है उसका मैं स्वागत करता हूँ। मन्त्री महोदय ने जो लोग टैक्स इवेड करते हैं, उन पर मैक्सिमम पैनलटी लगाने के बारे में विचार किया है। जहाँ तक टैक्स इवेडज का सम्बन्ध है उनके साथ किसी की हमदर्दी नहीं हो सकती और उनके साथ सख्ती से डील किया जाना चाहिये। इस में कोई दो रायें नहीं हो सकती हैं। लेकिन मैं उनकी सेवा में यह अर्ज करना चाहता हूँ कि वह सोचें कि इस में किस तरह की बातें आयेंगी, किस तरह के किस आयेंगे ? क्या केवल उन्हीं टैक्स इवेडज पर पैनलटी लगेगी या कुछ ऐसे भी केसिस आएंगे जो टैक्स इवेडज तो नहीं हैं लेकिन फिर भी उन पर पैनलटी लगेगी ? 1922 का जो कानून है और उसका जो संकशन 28 (1) (सी) है, वह पैनलटी के बारे में है। उम में केवल उन केसिस में पैनलटी लगाने की व्यवस्था है जिन में डेलीब्रेट कंसीलमेंट या डेलीब्रेट इवेशन हो। जो नया एक्ट है उसके संकशन 271 (सी) में इसको आपने बदल दिया और इस में से डेलीब्रेट शब्द को निकाल दिया। अब आप देखिये कि इसका परिणाम क्या होता है। मान लीजिये कि एक कांटेक्टोर है और कांटेक्ट के बेसिस पर

उसका कोई एकाउंट नहीं है, उसने एकाउंट मेंटेन नहीं किया है। अब एक आई० टी० ओ० तो दस परसेंट लगाता है, दूसरा पांच परसेंट लगाता है और तीसरा पंद्रह परसेंट लगाता है। मान लीजिए, अगर कोई ऐसेसी अपना नेट रेट आफ़ प्राफ़िट 10 परसेंट दिखाता है, लेकिन आई० टी० ओ० ने उस को 15 परसेंट कर दिया, तो उस के हिसाब से उस ऐसेसी का प्राफ़िट डेढ़ गुना हो जायेगा और डिपार्टमेंट उस पर पिनेल्टी लगायेगा कि उस ने अपनी इनकम कम दिखाई। इसी तरह मान लीजिए, किसी ने मकान बनाया एक लाख रुपये का। इनकम टैक्स आफ़िसर उस मकान को देखने नहीं जाता है। वह दफ़्तर में बैठे हुए ही उस की लागत डेढ़ लाख रुपये ऐसेस कर देता है और कहता है कि पचास हजार रुपये का कनसीलमेंट किया गया है, वह अनडिसक्लोज़्ड इनकम है। इस पर डिपार्टमेंट की तरफ से उस आदमी पर पिनेल्टी लगा दी जायेगी।

पिछले पंद्रह साल का मेरा अनुभव है और मैं ऐसे दर्जनों केसिज़ उप-प्रधान मंत्री को भेज सकता हूँ कि एक ही आई० टी० ओ० ने कंट्रोलर के एक ही नेचर के केसिज़ में से किसी में 8 परसेंट, किसी में 12 परसेंट और किसी में 15 परसेंट रेट लगाया और फिर पिनेल्टी लगा दी। एक ही तरह के मकानों की कंस्ट्रक्शन की गई, लेकिन उन में से किसी का दस रुपया पर-स्क्वेयर-फुट लगाया और किसी का पंद्रह रुपया पर-स्क्वेयर-फुट लगाया। मेरा निवेदन यह है कि यह डीलिबरेटली कनसीलमेंट नहीं है। जिस केस में डीलिबरेटली कनसीलमेंट की गई हो, वहां पर पिनेल्टी लगाई जाये। मुझे उस से कोई हमदर्दी नहीं है। लेकिन जो छोटे-छोटे लोग हैं, जिन का आडिट नहीं होता है, जो एकाउंटेंट नहीं रख सकते हैं, उनके केसिज़ के बारे में उप-प्रधान मंत्री विचार करें।

मैंने अपनी एमेंडमेंट्स के द्वारा ये बातें कही हैं : (1) मिनिमम लिमिट नहीं रहनी

चाहिए—मैक्सिमम लिमिट को मैंने टच नहीं किया है और दूसरे, इस में वर्ड "डीलिबरेटली" जोड़ देना चाहिए। उस से डिपार्टमेंट पर इस बात का अनस होगा कि वह साबित करे कि इनकम टैक्स को जान-बूझ कर, इन्टेन्शनली, ईवेड किया गया है।

अगर हुंडी रैकट के सिलसिले में यह मालूम हो गया कि किसी व्यक्ति ने भूठ बोला है, तो उस पर दो सौ परसेंट पिनेल्टी लगाई जाये। मुझे उससे कोई हमदर्दी नहीं है। लेकिन जहां आनस्ट जजमेंट से रेट वगैरह के बारे में डिफरेंस है, अगर उस केस में पिनेल्टी लगाई जाती है, तो उस का मतलब यह है कि सरकार कनसीलमेंट पर पिनेल्टी नहीं लगाती है, बल्कि जो इनकम टैक्स आफ़िसर समझता है, उम पर पिनेल्टी लगाती है। अगर आप तीन इनकम टैक्स आफ़िसरों को तीन कमरों में बिठा दें और उन को जेनरल मरचेंडाइज़ का कोई केस दे दें, तो वे सब अलग-अलग रेट लगायेंगे। ऐसे केसिज़ में पिनेल्टी नहीं लगाई जानी चाहिए। जैसा कि मैंने कहा है, जब तक डिपार्टमेंट यह न साबित कर दे कि डीलिबरेटली कनसीलमेंट हुआ है, तब तक पिनेल्टी नहीं लगनी चाहिए।

SHRI N. K. SOMANI : While one cannot disagree with the desirability that in such cases where people designedly and consistently evade taxes more stringent measures are necessary, I would like to support the plea and the presentation made by Mr. Dandekar on the ground that from times immemorial there has been a correlation between crime and punishment. You have always asked for an eye in return for an eye, a hand in return for a hand and a life in return for a life. Here, I think, the Deputy Prime Minister is going to ask for the life in return for a hand or an eye which, I think, is totally uncalled for.

श्री गुलाम मुहम्मद बख्शी (श्रीनगर) : जनाबे वाला, मैं इस सिलसिले में कुछ ज्यादा नहीं कहना चाहता हूँ। श्री कंवर लाल गुप्त ने जो पार्यट उठाया है, मैं उस के बारे में आनरेबल फिनांस मिनिस्टर से एक क्लैरिफिकेशन

[श्री गुलाम मुहम्मद बख्तौ]

चाहता हूँ। चाहे वैल्य टैक्स की बात हो और चाहे इनकम टैक्स की, दरअसल सवाल कनसीलमेंट का है। श्री गुप्त ने एक स्पेसिफिक केस बताया है। एक शस्स मकान बनाता है और कहता है कि उस पर डेढ़ लाख रुपया लगा है। दो साल के बाद वैल्य टैक्स आफिसर कहता है कि उस मकान की लागत चार लाख रुपये है। वह शस्स उस डेढ़ लाख रुपये के बारे में सब हिसाबत और वाउचर वगैरह पेश करता है, लेकिन आफिसर कहता है कि मैं नहीं मानता हूँ, इस की कीमत चार लाख रुपये है और वह चार लाख रुपये पर टैक्स लगता है। ढाई लाख रुपये की कनसीलमेंट मानी जाती है। मकान की कीमत तो डेढ़ लाख रुपये है, लेकिन जुर्माना और टैक्स वगैरह मिला कर वह आखिर में पांच लाख रुपये तक पहुँच जाती है और उस शस्स को लेने के देने पड़ जाते हैं।

मैं चाहता हूँ कि फिनांस मिनिस्टर साहब इस हाउस की, मुल्क की और अपने डिपार्टमेंट की आगाही के लिए तशरीह करें कि इस बारे में क्या तरीका अख्तियार किया जायेगा। कई तरीके हो सकते हैं, आफिशल इवेलुअर्ज हों, या अपील हो। मैं यह क्लैरिफिकेशन चाहता हूँ कि आया इसको कनसीलमेंट करार दिया जायेगा या नहीं।

[श्री ग़لام मुहम्मद (श्रीबिग) : جناب والا میں اس سلسلے میں کچھ زیادہ نہیں کہنا چاہتا ہوں۔ شری کنور لال گپتا نے جو بیان کیا، اٹھا یا ہے میں اس کے بارے میں آنریبل فنانس منسٹر سے ایک کلیریفیکیشن چاہتا ہوں۔ چاہے وہ ویلٹ ٹیکس کی بات ہو اور چاہے انکم ٹیکس کی۔ دراصل سوال کنسیلیٹ کا ہے شری گپتا نے ایک ہیسٹیک کس بتایا ہے۔ ایک شخص مکان بنا تا ہے اور کہتا ہے کہ اس پر ڈیڑھ لاکھ روپیہ لگا ہے۔ دو سال کے بعد ویلٹ ٹیکس آفیسر کہتا ہے کہ اس مکان کی لاگت چار لاکھ روپیہ ہے۔ وہ شخص اس ڈیڑھ لاکھ روپیہ کے بارے میں سب حسابات اور واؤچرز وغیرہ پیش کرتا ہے۔ لیکن آفیسر کہتا ہے کہ نہیں مانتا ہوں۔ اس کی قیمت چار لاکھ روپیہ ہے اور وہ چار لاکھ روپیہ پر ٹیکس لگاتا ہے۔ ڈھائی لاکھ روپیہ کی کنسیلیٹ مانی جاتی ہے۔ مکان کی قیمت تو ڈیڑھ لاکھ روپیہ ہے۔ لیکن جرمانہ اور ٹیکس وغیرہ ملا کر وہ آخر میں پانچ لاکھ روپیہ تک پہنچ جاتی ہے اور اس شخص کو لینے کے دینے پڑ جاتے ہیں۔

میں چاہتا ہوں کہ فنانس منسٹر صاحب اس بارے میں اس کی اور اپنے ڈیپارٹمنٹ کی آگاہی کے لئے تشریح کریں کہ اس بارے میں کیا طریقہ اختیار کیا جائیگا۔ کئی طریقے ہو سکتے ہیں۔ فیشنل اور پورٹرز ہوں یا ایبل ہو سکتے ہیں۔ کلیریفیکیشن چاہتا ہوں کہ آیا اس کو کنسیلیٹ قرار دیا جائے گا یا نہیں۔

SHRI BENI SHANKER SHARMA :
So far as amendments Nos. 246 and 247 are concerned, I have nothing to add to what Mr. Dandekar has said. About my amendment No. 248 I want to say one thing. I want to add a proviso to clause 19 that :

"Provided that the penalty proceedings, though initiated shall not be completed before the final disposal of the appeal filed against the quantum upto the Tribunal stage."

The fact is that at present the penalty proceedings have got to be completed within 2 years from the date of starting and there are occasions and there are cases when the appeals against the quantum are not finalised. In the mean time the penalty is imposed and after the penalty is imposed, the appeal against the quantum is finalised and there is a reduction. Automatically there is a reduction in the penalty as well. That unnecessarily takes time and all the process is duplicated. So I would request the hon. Minister to see that the penalty proceedings though started are completed only after the assessment against the quantum has been finalised.

SHRI SHIVAJIRAO S. DESHMUKH :
I wish to say a few words on my amendment. This amendment deals with the important proviso as to what should be the penalty for tax evasion. So far as our country is concerned, tax evasion has paid handsome returns to the assessee and there has been no penalty levied nor any imprisonment prescribed for tax evasion. Time and again it has been urged on the floor of this House that the income-tax machinery in India is something which is mocked at by the trading community in the country while the income-tax machinery in the United State is a terror and we have been pleading to provide some teeth to the income-tax machinery so that no assessee in India dare evade or steals tax with impunity. With this object in view, I have suggested an amendment which I have

split, for the sake of convenience, into parts : one is that the deliberate concealment which has got all the elements of *mens rea* in it should not only not go without the penalty but should be punished with rigorous imprisonment.

In this respect I have suggested that there should be 2 years rigorous imprisonment. It is true that there are some concealments which are in the interest of individuals. There are some concealments which are even in the interest of society. But tax concealment is one which is only for the interest of the person who conceals, and if a person who conceals, gets a benefit on it, it is not enough that there should be taxes with penalty for having concealed.

श्री मधु लिमये (मुं गेर) : अरे, जिनको सजा हुई है, उनको छोड़ रहे हैं। वित्त मन्त्री के सामने कल ही "फेडको" का मामला आया था।

श्री शिवाजी राव देशमुख : आप इन्वॉयरी डिमाण्ड कीजिये।

श्री मधु लिमये : वित्त मन्त्री महोदय, कुछ जवाब ही नहीं दे रहे हैं। तो जांच कहां से हो।

श्री शिवाजी राव देशमुख : हम इन्वॉयरी से डरते नहीं हैं। आप इन्वॉयरी कराइये...
... (व्यवधान) ...

श्री मधु लिमये : फेडको को लेकर महाराष्ट्र के मुख्य मन्त्री को दो साल की आर० प्राई० दे दो।

SHRI SHIVAJIRH S. DESHMUKH : I plead with the hon. Finance Minister, who has great patience, that he should enforce some discipline in the assessee and tax-evaders in the country where tax amounts run into several crores of rupees. The only way to make them disciplined is to show them the bars. I think the hon. Finance Minister should be kind enough to accept this amendment which provides for two years rigorous imprisonment allowing the penalties at the scale envisaged in the Finance Bill.

SHRI MORARJI DESAI : May I say that on the Finance Bill, my hon. friend Shri Madhu Limaye has referred to the subject of Fedco which is irrelevant? Why should he get so much agitated on this thing?

श्री मधु लिमये : क्या आपको तकलीफ नहीं है।

श्री मोरारजी देसाई : मुझ को तकलीफ जरूर है।

श्री मधु लिमये : नये पनिशमेंट की बात करते हैं, लेकिन इन को छोड़ देते हैं।

श्री मोरारजी देसाई : हर बार इसको कहने से क्या करेंगे?

My hon. friend Shri Dandekar is very ingenious, when he says that when a person who conceals an income of Rs. 1,000 and when he is paying tax on Rs. 5,000 the punishment would be Rs. 1,000 or 2,000 for a concealment of a tax which would be about 25,30,40 or 50 or 60 rupees. But when a man pays on 2.50 lakhs income if he conceals Rs. 1,000 his punishment also will be Rs. 1,000 or Rs. 2,000. How is this adequate? I think this is what he wanted, if I understood it rightly. Why does he not realise as a man of the world, that a man whose income is Rs. 250 lakhs will never conceal 1,000 or 2,000 rupees but he will conceal one or two lakhs? Therefore the punishment will be 2 lakhs or 4 lakhs, not less than that. Therefore, there is adequate provision for this. But I cannot understand the other argument which has been raised that a person who does not have to pay any income-tax will have to send a return. He has not to send any return.

SHRI N. DANDEKER : No. He has to send a return and the ITO will say, nil assessment, N.A.

SHRI MORARJI DESAI : I don't think any Income-tax officer will be so mad as to levy tax on such a person. If any such case is brought to me I am prepared to withdraw...

SHRI KANWAR LAL GUPTA : I am prepared to send dozens of cases.

SHRI MORARJI DESAI : You have not sent even one. Without substantiating the points if my hon. friend wants to argue and throw the doors of the gutter open I cannot do it. It is not possible for me to do that. There is concealment at every stage.

At the lower stage, at the middle stage and at the higher stage, everywhere there is concealment, except in the cases of those who are receiving salaries only, and those salaries being salaries paid by persons or companies that have got to deduct the income-tax from the very beginning. There are cases where people receive salaries and where they are not bound to deduct the income-tax ; they are also evading them...

SHRI INDRAJIT GUPTA (Alipore) : Like the poor M.P.'s.

SHRI MORARJI DESAI : I cannot say that all of them are poor M.P.'s.

SHRI KANWAR LAL GUPTA : Like Ministers.

SHRI MORARJI DESAI : Ministers also cannot be excused ; I am not trying to excuse anybody. Therefore, why this anxiety ? Supposing a Minister is wrong, will my hon. friend say that he has set an example and he will do the same thing ? What is the use of saying this ? Why are Ministers on his brains all the while ? I do not understand this. Only Congress M.P.'s will be on the brains of all of them. This kind of thing should not happen. We cannot go on transacting business in this manner. If this is the evil which I am being reminded about everyday, if I take steps about this matter in order to prevent this loophole, then I am being charged with inconsistency or being very hard on some cases. On which cases am I going to be hard ?

When I was replying to the arguments advanced at the consideration stage, I had explained that it was necessary to inflict a punishment of a lakh of rupees on a man who was evading Rs. 5,000 tax. Only if that is done, he will not avoid that tax.

As regards valuation, I have said that valuers will be approved by Government and panels will be notified. Government also want to set up a department of valuation. If there help is taken to value, that will not be challenged...

SHRI N. DANDEKER : On payment of fees ?

SHRI MORARJI DESAI : Yes, fees will have to be paid.

SHRI N. DANDEKER : By whom ?

SHRI MORARJI DESAI : By the assessee ? By whom else ? He can assess himself if he wants...

SHRI N. DANDEKER : So, another x.

SHRI MORARJI DESAI : I am not asking them or telling them to go to those valuers ; they can do the valuation themselves honestly and pay Rs. 5,000 more. Why do they want to pay Rs. 5,000 less ? I cannot understand this. Why this anxiety of doing less and not more ? If a little more is paid, what harm is there ? After all, they are they paying to the public exchequer and not to any private person. But if the anxiety is to save and save and save in a wrong manner, then what are Government to do ? When the evil has grown to this extent, then the remedy also has got to be strong.

The amendment proposed by my hon. friend Shri Shivaji Rao S. Deshmukh has been worded in such a way that it will not be effective at all. Though he supposes that a man will be sent for two years, yet, his amendment says that he should have deliberately done it and so on. Who is going to prove that it was deliberate ? It is very difficult to prove that things are done deliberately in these matters. My hon. friend is also a lawyer and he knows how difficult it is, and he will himself perhaps be briefed in some cases, and I have no doubt about it.

Therefore, this is not a matter where we can take a remedy of this nature. Therefore, I cannot accept these amendments.

MR. DEPUTY-SPEAKER : Now, I shall put the amendments to vote...

श्री कंबर लाल गुप्त : जो चीज बिलग्रर नहीं हुई है, उस को हमें समझने दीजिये, इस तरह से नहीं चलना चाहिये। जो आफिसर्ज रेट्स बढ़ा देने हैं.....

MR. DEPUTY-SPEAKER : I am not permitting any more arguments now. I may point out that one great philosopher has said that in sex matters as well as in money matters, the last word is not the law.

I shall now put all the amendments together to vote.

SHRI SHIVAJI RAO S. DESHMUKH: I want that my amendment may be put to vote separately...

MR. DEPUTY-SPEAKER : Does he want a division ?

SHRI MORARJI DESAI : What does the hon. Member gain by a division ? It will be defeated. What else will happen ?

MR. DEPUTY-SPEAKER : I may warn hon. Members that if they want division in this manner, important clauses will be guillotined. I do not want to say anything more on this...

SHRI SHIVAJI RAO S. DESHMUKH: My amendment may be put to vote separately at least.

MR. DEPUTY-SPEAKER : I shall now put Shri S. S. Deshmukh's amendment No. 199 to the vote of the House.

SHRI SHIVAJI RAO S. DESHMUKH: Please read it.

MR. DEPUTY-SPEAKER : No.
Amendment No. 199 was put and negatived.

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

Amendments Nos 114, 116, 124, 125, 247 and 248 were put and negatived

MR. DEPUTY-SPEAKER : The question is :

"That clause 19 stand part of the Bill".

The motion was adopted.

Clause 19 was added to the Bill.

Clause 20 was added to the Bill.

Clause 21—(Insertion of new section 276B)

SHRI SRINIBAS MISRA (Cuttack) : I beg to move* :

Page 13, lines 11 and 12,—*omit* "be punishable with rigorous imprisonment for a term which may extend to six months, and shall also" (76)

SHRI KANWAR LAL GUPTA : I beg to move* :

Page 13, line 8,—*for* "person" *substitute* "company" (126)

Page 13, line 11,—*for* "he" *substitute* "the managing director of the company" (127)

SHRI N. DANDEKER : I beg to move* :

Page 13, lines 12 and 13,—*for* "and shall also be liable to fine which shall be not less than" *substitute*—"or with fine which may extend to" (162)

Page 13, line 16,—*after* "paid" *insert*—"or with both" (163)

Page 13,—*after* line 16, *insert*—"Provided that no person shall be prosecuted under this section without the prior sanction of the Commissioner of Income-tax" (164)

SHRI BENI SHANKER SHARMA : I beg to move* :

Page 13, line 11,—*after* "he shall" *insert*—"one conviction before a competent court" (249)

*Amendments moved with the recommendation of the President.

MR. DEPUTY-SPEAKER : The clause and these amendments are before the House. The other amendment is barred.

SHRI SRINIBAS MISRA : I am not fond of people who pay income-tax. But what appears to me is that even people with incomes of Rs. 4,000 or Rs. 5,000 will be most affected by this provision because assessment to income-tax, as has already been pointed out, will depend upon so many imponderables and also the state of mind for the time being of the assessing officer conditioned by his domestic circumstances and so on at the time he assesses. Whether he accepts the evidence adduced by the assessee or not will depend upon so many things.

Also there are two things. One is fine, another imprisonment. It is good that some of them go to jail. But coming from a Finance Minister, it appears surprising because he is concerned with getting money, not in spending it.

15.43 hrs.

[Shrimati Tarkeshwari Sinha in the Chair]

Whatever be the business, whoever be the person involved, whether he is a big gun or a small man earning only Rs. 4000 or Rs. 5000, still sending him to jail, instead of saving money, will lead to spending it. I do not know why the Finance Minister is spending good money after bad which is not being realised. In his speech, he has stated that first of all, how much money has been concealed and how much tax has not been deducted will be ascertained. If that is done, there is enough power under the I. T. Act to have access to that money and realise it. So why does the question of sending him to jail and making it a criminal offence be raised? If he is to be sent to jail, there will be a criminal proceeding. He will go to jail and then there will be the question of expenses, spending good money which the Finance Minister will collect after bad money which is not being collected. If there is good money somewhere to be collected, let us reach it, let us collect it, and not send him to jail and create more criminals. Therefore, I move that this clause in the clause be removed.

श्री कंबर लाल गुप्त : सभापति जी, मेरे दो अमेन्डमेन्ट्स हैं। जिस विचार से यह संशोधन रखे गये हैं उससे मैं सहमत हूँ। मुझे मालूम है कि काफी कम्पनीज ऐसी हैं जो पैसा डिडक्ट कर लेती हैं, लाखों रुपया जमा हो जाता है लेकिन इनकम टैक्स डिपार्टमेंट में जमा नहीं कराती है बल्कि अपने बिजनेस के काम में उस पैसे को इस्तेमाल करती हैं, तो उनसे मेरी कोई सहानुभूति नहीं है। मैंने इसमें एक अमेन्डमेंट की है, पर्सन की जगह पर कम्पनी किया है, इससे एक फायदा होगा क्योंकि इस तरह के अधिकांश कैसेज, 99 परसेंट, कम्पनियों के ही मामले होते हैं और अगर कम्पनी छोड़कर इन्डिविजुअल्स के कैसेज में करेंगे तो कुछ छोटे छोटे कैसेज भी होते हैं जैसे मान लीजिये, एक नौकर काम करता है, दस रुपये, 50 रुपये या सौ रुपये रह गये तो उसको भी जेल हो, मैं समझता हूँ उप-प्रधान मन्त्री जी का यह इरादा नहीं हो सकता है—उनका इरादा उन्हीं लोगों के लिए है जो लाखों रुपया इकट्ठा करके मिसयूज करते हैं—इसलिए अगर कम्पनीज के कैसेज में करेंगे तो अच्छा होगा।

SHRI D. N. PATODIA : Clause 21 reads. "If a person, without reasonable cause or excuse, fails to deduct or after deducting fails to pay the tax....." There is a clear difference between the two instances. One is that the amount is deducted and not paid; the other is that the amount is not even deducted and so not paid. It should be understood that the process of deduction is not very easy. It is complicated, particularly for smaller group of people. On account of several complications many times it happens that the small companies are unable to deduct. Even where a company or firm is unable to deduct or does not deduct and, therefore, does not pay, it is subject to penalty. We have moved certain amendments in the clause suggested by the Finance Minister. It has been made mandatory that the defaulter will not only be imprisoned but also be fined. There is no justification for making a clause like this particularly when it applies to those persons also who have not deducted and so not paid. Therefore our

amendment says : either fine or imprisonment or both. The other amendment wants a proviso that no person shall be prosecuted without the prior sanction of the Commissioner of Income-tax. If these amendments are accepted, they will meet the ends of justice. Wherever there is a *prima facie* case, they could act.

SHRI BENI SHANKER SHARMA : By my amendment I want the words 'conviction by a competent court' to be added. Because, when rigorous imprisonment is to be given to a defaulting assessee, it has got to be done after conviction by a competent court.

SHRI K. NARAYAN RAO (Bobbili) : Mr. Gupta has raised a valid point about the criminal liability of the firms and companies. It is extremely difficult to convict a corporate personality like a company and generally they designate a particular person and call him a director or shareholder and he will be designated and it will be indicated that he has assumed criminal responsibility for commissions or commissions under a particular Act. I should like to know from the hon. Minister whether any person here has been so designated under this Bill or whether they have any other provision. It is difficult for us now to find out. I request the hon. Minister to find out if a company would also be included under this particular penal clause.

SHRI MORARJI DESAI : Company is included.

SHRI K. NARAYANA RAO : How ? I want it to be made clear.

SHRI MORARJI DESAI : A company is included in 'person'. There need not be any doubt at all. I do not know how my hon. friend who is so very well versed in law misses this point. He is perhaps anxious that both should be included and is over enthusiastic in this. Doubts make for confusion. This provision was made as a result of complaints in both the Houses that there had been evasions in the matter of payment to Government of taxes which should have been deducted by companies or persons. Questions had been put and Government had been charged with neglect and favouritism in this matter.

All these arguments have come in. Then, we should seriously consider what should be done. We are not putting a new obligation on anybody of paying taxes to Government. This obligation is already laid on companies and on persons ; on corporate bodies and non-corporate bodies. That provision exists in law as it is. Nobody has objected to it. But to argue that it will be difficult for some people, smaller or bigger, to deduct it and then pay it to Government would mean that we must change the original law. Nobody is asking for that. That law is maintained. If that is so, those who do not pay to Government within the prescribed time, is it not clear that they are not paying it deliberately ? What else can be the reason ? How can there be any laxity in this matter ? They themselves had deducted and why do they not pay immediately ? Why do they deduct and not pay ? I cannot understand this argument at all. This punishment of six months plus penalty, I think, is very essential. If at all it is better to raise the penalty, but not to decrease it. I oppose the amendments.

SHRI D. N. PATODIA : When it is not deducted and not paid ?

SHRI MORARJI DESAI : That will be charged.

SHRI D. N. PATODIA : When it is of a different nature, that will be too harsh.

SHRI MORARJI DESAI : It is not of a different nature.

SHRI K. NARAYANA RAO : There is one doubt. I agree with the Finance Minister. But I want to know, if the omission has taken place in the case of a company or a firm, who is to be punished ? Who is to be put in jail ? Are you going to put all the shareholders, all the directors in jail ? I would like to know that much only.

SHRI MORARJI DESAI : It is the principal officer who will come in, the managing director or whoever he is ; not the shareholders in any case.

MR. CHAIRMAN : I now put all the amendments to the vote.

Amendment Nos. 76, 126, 127, 162, 163, & 164 were put and negatived.

MR. CHAIRMAN : The question is :
"That clause 21 stand part of the Bill".

The motion was adopted.

Clause 21 was added to the Bill.

Clauses 22 to 29 were added to the Bill.

Clause 30—(Certain amendments in the Income-tax Act to take effect from 1st April, 1969).

SHRI MORARJI DESAI : I beg to move :*

Page 15,—

for lines 20 and 21, substitute—

["Certain additional amendments to the Income-tax Act.]

30. The amendments directed in the Third Schedule shall be made in the Income-tax Act with effect from the 1st day of April, 1969, except the amendments in items 3 and 23 of the said Schedule relating respectively, to sections 16 and 139 of the said Act, which shall be deemed to have come into effect on the 1st day of April, 1968". (228)

SHRI N. DANDEKER : I want to know whether the amendments in relation to the Third Schedule should be moved here or should they be moved when we come to the Third Schedule. I may suggest that only when we come to the Third Schedule should we move the amendments to the Third Schedule, so that the mere passing of this clause does not imply that the Third Schedule is also passed.

SHRI MORARJI DESAI : I agree.

MR. CHAIRMAN : The question is :
Page 15,—

for lines 20 and 21, substitute—

["Certain additional amendments to the Income-tax Act"]

30. The amendments directed in the Third Schedule shall be made in the Income-tax Act with effect from the 1st day of April, 1969, except the amendments in items 3 and 23 of the said Schedule relating, respectively, to sections 16 and 139 of the said Act, which shall be deemed to have come into effect on the 1st day of April, 1968". (228)

The motion was adopted.

MR. CHAIRMAN : The question is ;

"That clause 30, as amended stand part of the Bill".

The motion was adopted.

Clause 30, as amended, was added to the Bill.

Clause 31 was added to the Bill.

Clause 32—(Amendment of Act 27 of 1957).

MR. CHAIRMAN : Mr. Sudarsanam and Mr. Ram Avtar Sharma are absent.

SHRI S. S. KOTHARI : I move amendment No. 18.

MR. CHAIRMAN : Mr. Saaghi is absent.

SHRI N. DANDEKER : I move amendments 117, 118, 120 and 122.

SHRI KANWAR LAL GUPTA : I move amendments Nos. 128, 129 and 130.

MR. CHAIRMAN : Mr. Salve and Mr. Somani are absent.

SHRI MORARJI DESAI : I move the Government amendments Nos. 229 to 234.

SHRI BENI SHANKER SHARMA : I am not moving amendment No. 252. I am moving only No. 251.

SHRI S. S. KOTHARI : I beg to move* :

Page 16,—

after line 29, insert—

"Provided that on an application made by an assessee prior to filling in

*Amendment moved with the recommendation of the President.

his return, a standing panel of valuers, to be set up by the Central Government shall provisionally determine the fair value of an asset, and that value shall be filled in by the assessee in his return, subject to the rights of the assessee and the Wealth Tax Officer to appeal to the Wealth Tax Tribunal against the decision of the panel of valuers." (18)

SHRI N. DANDEKER : I beg to move* :

Page 16, line 25, —

after "than" insert—

"fifty per cent of," (117)

Page 16, —

for lines 26 to 29, substitute—

"the amount of the tax, if any, which would have been avoided if the value of the assets or of the debts, as the case may be, as returned by such person had been accepted as the correct value;" (118)

Page 16, —

omit lines 33 to 39. (120)

SHRI N. DANDEKER : I beg to move* :

Page 17 and 18, —

omit lines 13 to 42 and 1 to 12, respectively. (122)

SHRI KANWAR LAL GUPTA : I beg to move* :

Page 16, lines 24 and 25, —

omit "which shall not be less than, but" (128)

Page 16, line 27, —

after "been" insert "deliberately" (129)

Pages 16 and 17, —

omit lines 30 to 42 and 1 to 12, respectively (130)

SHRI MORARJI DESAI : I beg to move* :

Page 16, —

for line 11, substitute —

"(a) in section 5, —

(i) in sub-section (1), —" (229)

Page 16, —

after line 11, insert—

"(1) after clause (xiv), the following clause shall be inserted with effect from the 1st day of April, 1969, namely :—

"(xv) fixed deposits under any scheme framed by the Central Government and notified by it in this behalf in the Official Gazette, to the extent to which the amounts of such deposits do not exceed the maximum amount permitted to be deposited therein ;" (230)

Page 16, line 12, —

for "(i)" substitute "(2)" (231)

Page 16, line 14, —

for "(ii)" substitute "(3)" (232)

Page 16, —

after line 19, insert—

"(ii) in sub-section (2), after the words "not specified in", the words, brackets and figures "clause (xv) or" shall be inserted with effect from the 1st day of April, 1969 ;" (233)

Page 16, —

for lines 30 to 40, substitute—

"(ii) for the existing Explanation, the following 'Explanations' shall be substituted, namely :—

"Explanation 1.—Where, —

(i) the value of any asset returned by any person is less than seventy-five per cent of the value of such asset as determined in an assessment under section 16 or section 17 (the value so assessed being referred to hereafter in this Explanation as the correct value of the asset), or

(ii) the value of any debt returned by any person exceeds the value of such debt as determined in an assessment under section 16 or section 17 by more than twenty-five per cent, of the value so assessed (the value so assessed being referred to here-

* Amendments moved with the recommendation of the President.

[Shri Morarji Desai]

after in this *Explanation* as the correct value of the debt), or

- (iii) the net wealth returned by any person is less than seventy-five per cent of the net wealth as assessed under section 16 or section 17 (the net wealth so assessed being referred to hereafter in this *Explanation* as the correct net wealth),

then, such person shall, unless he proves that the failure to return the correct value of the asset or, as the case may be, the correct value of the debt or the correct net wealth did not arise from any fraud or any gross or wilful neglect on his part, be deemed to have concealed the particulars of assets or furnished inaccurate particulars of assets or debts for the purposes of clause (c) of this sub-section.

Explanation 2—For the purposes of clause (iii)—“(234)

SHRI BENI SHANKER SHARMA : I beg to move* :

Page 16, lines 37 and 38,—

for “if he has understated the value of the asset”

substitute “if he has left out or omitted the asset altogether knowingly or deliberately” (251)

SHRI S. S. KOTHARI : This is one of the most controversial clauses in the Bill where the basis of penalty is being changed from tax to wealth itself. I hold no brief for tax evaders. But the honest assessee should be given a fair chance and he should not be roped in by the law. Differences of opinion may exist about the value of any property or jewellery. As an Accountant, I may say that difference of opinion may exist even between Accountants with regard to the valuation of shares in, say, private limited companies. So, would it not be inequitable that just because this difference of opinion may exceed 25 per cent of the value of the property, the assessee should be deemed to be an evader and the penalty should go to the extent of 200 per cent of the amount of the difference? My amendment is eminently reasonable. The Finance Minister almost

accepted it in spirit, yesterday and today. My amendment says that on an application being made by the assessee prior to filing his return, the assessee would have a right to approach the department and say, “Please evaluate my property correctly”, so that he may put that value in the return. What is an honest assessee to do if he is uncertain about the value? The Finance Minister has agreed that a standing panel of valuers will be there. Let the assessee be allowed to go to that panel, get the correct value from them and enter it in his return. If the assessee does not agree or if the wealth-tax officer does not agree with that value, let them have the right to go to an appellate tribunal in appeal. I think my amendment is an eminently reasonable one and the Finance Minister should accept it, so that the honest assessee does not suffer.

SHRI N. DANDEKER : My amendments are in three groups. Nos. 117 and 118 are concerned with the quantum of penalty to be imposed. I do not want to say much more than what I said the day before yesterday on this except to point out that here again what I am trying to do is to relate the penalty to the tax magnitude of the offence. Where the offence involves the loss of tax of a certain amount X, regardless of whether it is in the lower wealth bracket or upper wealth bracket, I suggest the penalty should be related to that particular offence, viz., the attempt to evade that amount of tax. Therefore, in substitution of the mode of penalty proposed here, I would suggest that the minimum penalty should be equal to 50 per cent of the tax sought to be evaded, and the maximum penalty should be twice the amount of tax sought to be avoided. That I conceive to be rigorous enough compared with the situation which prevails today. I appreciate the Finance Minister's anxiety to step up the penalties. Today, for instance, the minimum penalty is equal to 20 per cent of the tax sought to be avoided and the maximum $1\frac{1}{2}$ times the tax sought to be avoided. What I am suggesting is that the minimum should be at least 50 per cent of the tax sought to be avoided and the maximum twice the amount of tax sought to be avoided. I suggest

*Amendments moved with the recommendation of the President.

that only then, and then alone, in relation to the various categories of assesseees in various brackets of wealth the thing would be just and fair and also severe.

16 00 hrs.

The second amendment that I have moved, amendment No. 120, is frankly concerned with a most preposterous proposition which it has been sought to introduce into the Wealth Tax Act, namely, that the mere difference in valuation, if it exists shall be deemed to amount to the commission of an offence of deliberate concealment of particulars of wealth or of the wealth itself. I would like to re-emphasise the argument I urged the other day, namely, that the valuation for the purpose of wealth tax is in any event a matter of opinion. Section 7 of the Wealth Tax Act reads as follows :

"Value of assets how to be determined : Subject to any rules made in this behalf the value of any assets, other than cash, for purposes of this Act, shall be estimated to be the price which in the opinion of the Wealth Tax Officer it would fetch if sold in the open market."

When I submit a return I attempt to show therein the value of a house property I may own. I have to try and show there the value which in the opinion, not my opinion, but in the opinion of the Wealth Tax Officer it would fetch if sold in the open market. If my estimate of that value differs from the estimate of the value made by the Wealth Tax Officer, I would now be deemed to have committed an offence. It seems to me a preposterous proposition that a mere difference of opinion can be made the subject matter of deeming a very serious kind of offence to have been committed. I would repeat what I said the other day. I am prepared to challenge here and now to give particulars of any property of which I know something to the Finance Minister, and to the gentlemen from the Central Board of Revenue who are sitting over there and to any other person sitting there, and it will be extremely surprising if there estimates of the value tallied anywhere near ten per cent of each other. I do seriously suggest that there can be no question about this. I would even go so far as to say that the

introduction of a proposition of this kind by way of an "explanation" is probably totally unconstitutional and *ultra vires*. But I would not raise that point here today because it is natural that this is not a matter upon which the Chair can give ruling. But I would suggest, whether or not it is *ultra vires*, it is totally preposterous.

I know an attempt has been made in the amendment that has been moved by the Finance Minister amendment No. 234, to try and narrow down the preposterous nature of this proposition by suggesting that this sort of thing shall be deemed to be an offence only if the valuation differs by not less than 25 per cent. But what on earth are we trying to play at? Is this not a matter of opinion? If my opinion differs from the opinion of ITO by just 24 per cent then it is an honest difference of opinion, but if it differs by 26 per cent it is a dishonest difference of opinion. I suggest this is totally intolerable and preposterous.

The third part of my amendments is concerned with sub-clause (c) of clause 32 where an attempt has been made to step up the rates of wealth tax.

Here, of course, the argument has really nothing to do with the Wealth Tax as such. It is an argument which I urged the other day to the effect that for abolishing what should never have existed, namely, the discriminatory surcharge on unearned income from investment, instead of abolishing what was in any event not justifiable an attempt is being made to step up the rates of wealth tax. I think the argument is altogether *non sequitur* and should not have been brought up. Therefore, this particular amendment I have moved is merely cut out sub-clause (c) altogether, concerned with raising the rate of wealth-tax.

श्री कंबर लाल गुप्त : सभापति महोदय, मैं समझता हूँ कि हर एक स्टेट में वेल्थ टैक्स और इनकम टैक्स के लिये पेनेलिटी क्लॉज हैं, लेकिन मैं उप-प्रधान मन्त्री जी से पूछना चाहता हूँ कि जो इतने सारे पेनेलिटी क्लॉजेज लिखे हुए हैं, उन में से कितने पेनेलिटी क्लॉजेज बह इस्तेमाल में लाये हैं। इतने प्रोसिक््यूशन क्लॉजेज

[श्री कंवर लाल गुप्त]

भी हैं, लेकिन कितने केसेज में उन्होंने किसी को प्रोसिक्यूट किया है ? मैं समझता हूँ कि शायद ही किसी केस में कोई प्रोसिक्यूट किया गया हो। मन्त्री महोदय, पावर लेते जाते हैं और कोशिश यह करते हैं कि इवेंजन रुक जाय। लेकिन जितनी भी पावर वह ले लें, किसी तरह से इवेंजन रुकने वाला नहीं है। सरकार की अप्रोच गलत है।

अगर मेरी उन से डिफरेंस आफ प्रोपी-नियन है तो यह कि वह जनरल बात करते हैं। फिर पेनेलिटी कितनी है ? सजा दी जायेगी या जितनी प्रापर्टी होगी वह सारी की सारी उससे छीन ली जायेगी, खत्म कर दी जायेगी। मैं समझता हूँ कि यह एक्स्ट्रीमली हेवी है। दुनिया में कहीं भी इस तरह से पेनल क्वाजेज नहीं है।

मैं आप को एक उदाहरण देना चाहता हूँ। प्राइम मिनिस्टर के भ्रानन्द भवन के बारे में मैंने सवाल उठाया था। उसका एस्टिमेट किया गया है दो या ढाई लाख रुपये का इलाहाबाद में। मैं गारन्टी के साथ कहता हूँ कि अगर किन्हीं भी तीन आदमियों को एस्टिमेट करने का काम दे दिया जाय तो उसका असेसमेंट 4 लाख ६० से कम का नहीं होगा। मैंने स्वयं आर्किटेक्स से राय ली है। उन्होंने उस को 4 लाख ६० का असेस किया है। क्या उप-प्रधान मंत्री महोदय उन को प्रोसिक्यूट करेंगे ? क्या भ्रानन्द भवन को जब्त करेंगे ? इस लिए जो आप की अप्रोच है वह गलत है। अगर आप को इवेंजन रोकना है तो उसका यह तरीका नहीं है जिस ढंग से आप उसको रोकना चाहते हैं। इस तरह से आप के डिपार्टमेंट में डिस-आनेस्टी और करप्शन बढ़ेगी और जो आपके वॉल्यूएटर्स हैं उनको रिस्वर्ते दी जायेगी। आप की अप्रोच गलत है और इस पर आपको सोचना चाहिये और सोचने के बाद इवेंजन को रोकने के लिये उचित कदम उठाना चाहिये।

SHRI BENI SHANKAR SHARMA :
Sir, I have no quarrel with the hon. Finance Minister about the penalty he is seeking to impose. Let them be severe, severer or even severest, but I would say that the penalty should be for some offence for concealment, not for difference of opinion. I have tried to resolve this difficulty by substituting for "if he has understated the value of the asset by" the words "if he has left out or omitted the asset altogether knowingly or deliberately". If I have a property and I do not include it in the return, it is concealment. But if I have a property and I have shown it in my return I should not be penalised simply because the I. T. O. has valued it higher. Suppose I have constructed a house in my village by spending Rs. 10,000 long ago. Now I do not know whether that house property will fetch me Rs. 20,000 or 30,000. But I honestly value it at Rs. 20,000. However the officer who may be living in Bombay, Calcutta or Delhi may say that it is a big building which would cost not less than Rs. 50,000 and value it at Rs. 50,000. If I quietly pay the difference in tax, how am I guilty of any offence. Of course you can make any law you want; you can call an ass an elephant and an elephant an ass. But it will not be a good law. If an assessee is guilty of not showing his property or asset in his return, he should be penalised and his property should be forfeited. But if he has shown the property in his return and if he has honestly given his valuation, why should he be penalised ? I would go so far as to say that let no valuation be fixed by the assessee, let the department value according to its own method, according to its own discretion. If the assessee is dissatisfied he may file an appeal before the higher authority.

Just to give an example, if a man has got house property worth Rs. 2,50,000 and it is valued at Rs. 3 lakhs, the difference is Rs. 50,000 and the tax evaded will come to only Rs 250. But the penalty sought to be proposed might be a maximum of Rs. 1 lakh and a minimum of Rs. 50,000. I do not understand by what standard of jurisprudence you can impose such a high penalty which is not commensurate with the guilt..... (Interruption)

SHRI PILOO MODY : What sort of logic is it ?

SHRI BENI SHANKER SHARMA :
..... Even the *Manu Smriti*, the *Sharia* or the *Bible* pale into insignificance when compared to the present provision. We have got the old laws : a tooth for a tooth and an eye for an eye. But Rs. 1 lakh for Rs. 250 is a punishment, I cannot understand. I can understand the Finance Minister's observation that the man who tries to conceal Rs. 250 must pay Rs. 1 lakh by way of a deterrent. But he should be guilty of concealment, and not of difference of opinion. I would, therefore, most humbly request him at least to accept my amendment that if an assessee has included the subject matter of the asset or property in his return he should not be penalised for the difference of opinion that might be there between him and the department.

श्री मधु लिमये : वित्त मंत्री हथियारों को इकट्ठा करने का काम बड़ी तेजी से कर रहे हैं। उनके पास हथियारों की पहले भी कमी नहीं थी। उन्होंने जो नए हथियार प्राप्त करने की कोशिश की है, इसका मैं विरोध नहीं कर रहा हूँ। लेकिन इन हथियारों का वे इस्तेमाल कैसे करेंगे, इसके बारे में सदन जरूर जानकारी हासिल करने की कोशिश करेगा। इसीलिए कल भी मैंने जिन तीन बड़े व्यक्तियों के मामले उठाये थे उनके द्वारा किया गया कंसिलमेंट या अंडेर-वैल्युएशन बिल्कुल साबित हो चुका है और वह जानबूझकर किया गया है, तो क्या मंत्री महोदय हम को आश्वासन देंगे कि इन हथियारों का इस्तेमाल उनके खिलाफ किया जाएगा ?

साथ-साथ कंवर लाल जी गुप्त ने हमारे प्रधान मंत्री के एक मामले की ओर इशारा किया है। इसी सदन में उनके पिता जी जब प्रधान मंत्री थे और उन्होंने सरकार के प्रधान मंत्री के नाते जो भाषण दिये, लेख लिखे उनका संग्रह सरकारी खर्च से प्रकाशित हुआ था, किताब छपी गई थी। उसकी रायल्टी उनकी पुत्री को मिलनी चाहिए या नहीं, उस के बारे में मेरे मित्र डा० लोहिया ने बहस

उठाई थी। मान लीजिये उस में अनैतिकता नहीं है। लेकिन यहां पर ला मिनिस्टर ने यह हिदायत दी है कि उसके ऊपर कोई टैक्स नहीं लगेगा, वैल्यू टैक्स या दूसरा टैक्स नहीं लगेगा.....

श्री कंवर लाल गुप्त : अजीब लीगल इंटरप्रेटेशन है।

श्री मधु लिमये : मैं वित्त मंत्री जी से जानना चाहता हूँ कि इसमें जो पीनल प्राविजंज हैं इनकम टैक्स एक्ट की 19 और 32 क्लॉजिज में हैं क्या उनका इस्तेमाल मैंने जो तीन व्यक्तियों के नाम दिये हैं, उनके खिलाफ किया जाएगा ? किलाचन्द देवचन्द का कंसिलमेंट साबित हो चुका है। इसे सरकार ने कबूल किया है। दूसरा अमीचन्द प्यारेलाल का मामला है। तीसरा राधाकृष्ण रड्या का मामला आया। इन को कभी-कभी गुस्सा आता है। लेकिन मैं निवेदन करना चाहता हूँ कि इनकी वह जांच करें। जब इनका पुत्र न्यू इंडिया में इस्पेक्टर था तब उन्होंने राधाकृष्ण रड्या का भी इनश्योरेंस का काम किया था। ग्राज यही व्यक्ति मिलग्रोनज एसोसिएशन के प्रेजिडेंट के नाम से काम करता है और इस तरह से टैक्स की चोरी होती है।

एक मामला मैंने प्रधान मंत्री का भी उठाया है। कंवर लाल गुप्त जी ने भी एक रखा है। हम आपको कसौटी पर कसना चाहते हैं। अगर आपने इनके खिलाफ सख्ती से कार्रवाई की तो हमारे मन में यकीन और विश्वास उत्पन्न हो जाएगा कि आप कानून का ठीक इस्तेमाल करने वाले हैं। वरना इस प्रकार के कठोर हथियारों को हाथ में आप ले भी लें तो भी कोई नतीजा निकलने वाला नहीं है।

श्री कंवर लाल गुप्त : आनन्द भवन का वैल्युएशन पिछले सात साल से वही है।

SHRI MORARJI DESAI : I have explained the rationale behind this punish.

[Shri Morarji Desai]

ment several times, not once only. I do not know whether it is fruitful to explain it further because I will have to say the same things. But just now my hon. friend, Shri Madhu Limaye, has said certain things. I do not understand why he should have again brought my son in saying that he had an insurance perhaps from Radhakrishna Ruia. I personally do not know.

श्री मधु लिमये : आपकी बुराई इस में मैं नहीं कर रहा हूँ। मैं यही कह रहा हूँ कि राधाकृष्ण रुइया का मामला मैंने उठाया है, इसके खिलाफ आप कारवाई करें। मैं बिल्कुल आपको दोष नहीं दूंगा।

श्री मोरारजी देसाई : किसी दिन मेरे लड़के ने उनकी इनयोरेंश.....

श्री मधु लिमये : आप वित्त मंत्री नहीं थे। आप अपने ऊपर सारी बात क्यों लेते हैं। आप क्यों गुस्सा होते हैं। सार्वजनिक जीवन में जो बड़े लोग हैं, उनके रिश्तेदारों के जरिये लोग फायदा उठाते हैं। आपकी नियत पर मैं शक नहीं करता। आप क्यों बुरा मानते हैं? मैं कहां गुस्से होता हूँ।

SHRI MORARJI DESAI : I do not know why that was brought in, what relevance it had.

श्री मधु लिमये : मैं आपके खिलाफ नहीं बोल रहा हूँ।

SHRI MORARJI DESAI : I object to this kind of a statement. Why was it referred to I do not know. What was the relevance of it I want to know unless there is a diseased mind. That is what I can say. What is the use of saying these kind of things? It was not relevant at all here. Let me tell him that whoever he may be, whoever conceals he will be dealt with equally under the law.

The case of the late Prime Minister was referred to by Shri Kanwar Lal Gupta. He quoted half the letter. He has not quoted it fully. It so happened that the property of the late Prime Minister had a

valuation in the municipality of Allahabad. That was not made by him. It was a rental value and, according to that rental value, the valuation had been made and it amounted to only Rs. 40,000 or Rs. 45,000. When it came to the notice of the late Prime Minister, he said, "This would not be correct. It must be put at Rs. 1,75,000." Was this *bona fide* or was this *mala fide*? Yes, my hon. friend says, today it is different. But he went to this length, from Rs. 45,000 to Rs. 1,75,000...

SHRI KANWAR LAL GUPTA : It was much more.

SHRI MORARJI DESAI : If today the valuation goes more, it will have to be put more and, if it is not put more, then certainly it will be liable to the same penalty as is prescribed here. Nobody will be freed from this. But this cannot be applied retrospectively. I cannot apply it retrospectively for the past defaults. My hon. friend may desire; I may desire, and yet I cannot do it. I have said, in the matter of wealth tax also, the prosecution is being considered in some of these cases. But I have got to be satisfied by the lawyers whether the prosecution will stand. This is all I can say. If my hon. friend is clear on the point that such people should be punished, I am even clearer. I do want them to be punished. But I cannot go on doing that merely because he tells me or somebody else tells me. I must have facts. It must be proved in a court of law. There, I am prepared to be helped by him. He goes on arguing that what he says must be true.

In another case, he said, "This gold will be smuggled gold" and, therefore, I take it as smuggled. How can I do it? He may infer; his inference may be right. I will not say it is all wrong. But on that inference, I cannot prosecute a man. I cannot act on that. Why such an intelligent man is not able to realise this unless it be the enthusiasm to condemn us, that leads him to utilise his intelligence in this manner. This is only the inference I make. There is nothing else.

श्री मधु लिमये यह नहीं है। आप के डिपार्टमेंट में सबोटाज होता है।

SHRI MORARJI DESAI : If there is a sabotage, that sabotage has also got to be remedied. Is this helping me to remedy it? That is what I plead with him. I am not at all offended by what he says. But have I not to point to him the facts? He gets angry and he tells me, I am getting angry. I am not angry I tell him the facts. Who raises the voice? Who does this? I do it. Please have patience in this matter and have some respect for others. Don't argue that you are the only honest man in the world. Then, you will not be an honest man at all.

SHRI PILOO MODY : You said that you had explained the rational of it. I cannot understand at what time you did it. You made three attempts to explain. But I see no rationale in saying the same thing over and over again, by saying, "I want to punish these people". Nobody disagrees with that. We all want to punish these people. But there must be a rational way in which you punish them — by making the punishment fit the crime.

MR. CHAIRMAN : The hon. Member cannot make another speech now.

SHRI S. S. KOTHARI : Let him explain it.

MR. CHAIRMAN : I am sorry. The Finance Minister has already explained that he wanted to explain. You cannot now go on arguing on that.

SHRI MORARJI DESAI : He explains the point by saying that if an assessee leaves to Government to assess, why not Government take this liability? How can Government take this liability? If the assessee is prepared to abide by the opinion of the Income-tax Officer who assesses it and not go in for appeal, I am prepared to take it. How can I do it? Then, it cannot be done. I have said the next best thing. Government is going to have panels and valuers will be notified. If you take their valuation, it will not be challenged. Beyond that what am I to say?

MR. CHAIRMAN : I shall now put the Government Amendments, namely, 229, 230, 231, 232, 233 and 234, to the vote of the House.

The question is :

Page 16,—

for line 11, substitute,—

“(a) in section 5,—

(i) in sub-section (1),—” (229)

Page 16,—

after line 11, insert—

“(1) after clause (xiv), the following clause shall be inserted with effect from the 1st day of April, 1969, namely :—

“(xv) fixed deposits under any scheme framed by the Central Government and notified by it in this behalf in the Official Gazette, to the extent to which the amounts of such deposits do not exceed the maximum amount permitted to be deposited therein ;” (230)

Page 16, line 12,—

for “(i)” substitute “2” (231)

Page 16, line 14,—

for “(ii)” substitute “(3)” (232)

Page 16,—after line 19, insert—

“(ii) in sub-section (2), after the words “not specified in”, the words, brackets and figures “clause (xv) or” shall be inserted with effect from the 1st day of April, 1969 ; (233)

Page 16,—for lines 30 to 40, substitute—

“(ii) for the existing *Explanation*, the following *Explanations*’ shall be substituted, namely :—

“*Explanation 1*,—Where,—

(i) the value of any asset returned by any person is less than seventy-five per cent of the value of such asset as determined in an assessment under section 16 or sec. 17 (the value so assessed being referred to hereafter in this *Explanation* as the correct value of the asset), or

(ii) the value of any debt returned by any person exceeds the value of such debt is determined in an assessment under section 16 or section 17 by more than twenty-five per cent, of the value so assessed (the value so assessed being referred to hereafter in this *Explanation* as the correct value of the debt), or

[Mr. Chairman]

(iii) the net wealth returned by any person is less than seventy-five per cent, of the net wealth as assessed under section 16 or section 17 (the net wealth so assessed being referred to hereafter in this *Explanation* as the correct net wealth),

then, such person shall, unless he proves that the failure to return the correct value of the asset or, as the case may be, the correct value of the debt or the correct net wealth did not arise from any fraud or any gross or wilful neglect on his part, be deemed to have concealed the particulars of assets or furnished inaccurate particulars of assets or debts for the purposes of clause (c) of this sub-section.

Explanation 2—for the purposes of clause (iii)—“(234)

The motion was adopted.

MR. CHAIRMAN : Now I shall put the other amendments to the vote of the House.

The other amendments Nos. 18, 117, 118, 120, 122, 128, 129, 130 and 251 were put and negatived.

MR. CHAIRMAN : I shall now put the Clause 32, as amended, to the vote of the House.

The question is :

“That Clause 32, as amended, stand part of the Bill.”

The motion was adopted.

Clause 32, as amended, was added to the Bill.

Clause 33—(Amendment of Act 7 of 1964.)

MR. CHAIRMAN : Mr. Kothari... He is moving it.

Mr. Ram Avtar Sharma's is out of order, Mr. Panigrahi... He is not here. Mr. Dandeker's and Mr. Patodia's, out of order...

SHRI D. N. PATODIA : Why ?

MR. CHAIRMAN : It is beyond the scope of the Clause.

Mr. Indrajit Gupta... He is moving. Mr. Beni Shankar Sharma's is beyond the scope and so, it is ruled out of order. Dr. Ranen Sen is the same as Mr. Indrajit Gupta's

SHRI S. S. KOTHARI : I beg to move* :

Page 18, line 18,—

for “25 per cent substitute—

“nil for the assessment year 1969-70”
(21)

SHRI INDRAJIT GUPTA : I beg to move* :

Page 18,—

omit lines 17 to 19. (204)

SHRI S. S. KOTHARI : With regard to surtax on company profits, I would submit that, when this measure was introduced, it was a time of inflation ; there may have been some windfall of profits and the surtax was intended probably to mop up the windfall to a certain extent. But now the situation has entirely changed. In the recessionary situation that we have today, there is no justification for surtax. Recognising this to a certain extent, the Finance Minister has very commendably reduced the rate from 35 to 25 per cent. An expert body like that of Bhoothalingam Committee has also recommended that this tax should be taken off. I would, therefore, request the Finance Minister to consider taking off this tax either this year or next year as he deems fit, because it is actually a tax on efficiency. We want that in society, the resources should be utilised in the best possible manner. Therefore, a tax which works against efficiency has, I think, no place in the tax structure. The Finance Minister may kindly consider taking this off either this year or next year as he deems fit.

SHRI D. N. PATODIA : The Finance Minister was kind enough to reduce the surtax from 35 to 25 per cent. But what is this surtax ? This is a tax imposed on the efficiency of the company. For example, out of two companies employing the same capital, if one company makes larger profits, it has to pay more surtax. This is

most unreasonable ; it is irrational and it goes beyond the scope of justice. Therefore, as suggested by Shri Bhoothalingam in his recommendations, it is high time that the Finance Minister takes note of it and completely withdraws this surtax which has been imposed on the companies in a most unjustifiable manner.

DR. RANEN SEN (Barasat) : My amendment seeks to amend the already amended section moved by the Finance Minister. In fact, the arguments are quite opposite to what Mr. Kothari and Mr. Patodia have said. Here, I do not understand why there should be this reduction of surtax. In this book supplied to us, it is simply stated that the rate of surtax on the net chargeable profit of the company is proposed to be reduced with effect from the assessment year 1969-70 by 10 per cent, from 35 to 25 per cent. Now there are some detailed explanations to all those recommendations. Here I do not find any reason given by the Finance Minister.

SHRI S. S. KOTHARI : No reason can be given.

DR. RANEN SEN : That is true, no reason can be given. I do not say 'No'. You have spoken on behalf of the Finance Minister. But I want to state here that though there is no compulsion, no obligation, on the Finance Minister to give an explanation as to why this particular recommendation is made, it seems to me that there is no justification for the reduction of this surtax. Now it is stated that previously because of particular condition, namely, inflation and other things, the surtax was needed, but to-day, Mr. Kothari says and does the Finance Minister also say that that state of inflation does not exist in the country? Can we say to-day that the situation has improved to such an extent that this surtax is not needed at all?

Therefore, what appears to me is this. It is completely unwarranted. If the Finance Minister wants to really earn revenue for the State, he should not be unnecessarily lenient to, should not cherish soft-corners, for the big business who even to-day during recession are making enough profits.

With these words I move my amendment. I think the Finance Minister will

accept my amendment which only means that the *status quo* may remain. There is no reason why this *status quo* should be changed in favour of big business.

SHRI N. K. SOMANI (Nagaur) : May I make a suggestion to the Deputy Prime Minister as far as the surtax is concerned that it may be removed as far as public limited companies are concerned so that all other private limited companies, if they want to enjoy this facility, let them have a larger spread of shareholding and the avowed objective of opposition to concentration of economic power can also be achieved and this will help them in speedier development as a result of this proposal.

SHRI K. NARAYANA RAO (Bobbili) : In a growing economy the Finance Minister has been trying to find every scope to raise the revenues of the country so that the Government can meet the growing demands of the State. In such a situation, if the already existing tax structure and also the sources of income have to be cut short volutarily by the Government of India, there must be very extremely compelling circumstances. So far as the profit tax is concerned, I cannot find any compelling reason for reducing the amount which we have already fixed earlier. I hope and trust the hon. Finance Minister will carefully look into this matter.

SHRI MORARJI DESAI : There are two opposite demands in this matter.

SHRI S. KANDAPPAN (Mettur) : You are very happy about it?

SHRI MORARJI DESAI : I am not happy about differences of opinion anywhere. I would wish all these differences resolved and opinions synthesised. There would be differences, but I do not want to widen them. That is not my intention. I would like to have more integration and not division. In this matter or in any other matter we would certainly have a rational look at every thing and try to come to some conclusion. That is what I would wish. In this particular matter or in the matter of taxes, it is obvious there are bound to be differences in the Opposition and even amongst some of my own Party men, as can be seen. These are

[Shri Morarji Desai]

matters where there are bound to be differences of opinion.

In the first place the surtax was levied on account of emergency and now there is recession. In order to fight the recession we have taken several steps of giving some incentives. This is one such incentive to companies which work efficiently and which earn profits. But when it is argued that this is a punishment on efficient companies, I am afraid that argument is not very valid. After all who will pay to Government? Only those who are efficient. Those who are inefficient and who cannot earn won't pay. How are they going to pay? Of course we will try to make them efficient. That is what we are doing trying to do. But who is going to pay us? Who is going to serve more? Only the efficient will serve more, not the inefficient ones. So they should be happy that they pay more. Why should they think they should not pay more? That argument at any rate does not hold good.

To say that there is no reason to reduce it I think, is also not a justifiable reason. I had given reasons in the budget speech why I had reduced it. Beyond that if it does not appeal to somebody, it does not appeal. That is all. I cannot help. About such argument by my hon. friend I can equally say with the same force that it does not appeal to me.

DR. RANEN SEN : Last year also there was recession and you said you cannot reduce it.

MR. CHAIRMAN : I will now put the amendments to the vote of the House. Amendment No. 21 by Shri S. S. Kothari.

The question is :

Page 18, line 18,—

for "25 per cent." substitute—

"nil for the assessment year 1969-70 (21)

The motion was negatived

MR. CHAIRMAN : Shri Panigrabi is not here. Shri Indrajit Gupta has got an amendment, Amendment No. 204.

The question is :

Page 18,—

omit lines 17 to 19 (204)

The motion was negatived

MR. CHAIRMAN : Now, the question is :

"That clause 33 stand part of the Bill".

The motion was adopted

Clause 33 was added to the Bill.

MR. CHAIRMAN : We will now take up clauses 34 to 37. There are no amendments.

The question is :

"That clauses 34 to 37 stand part of the Bill".

The motion was adopted

Clauses 34 to 37 were added to the Bill

Clause 38. (Amendment of Act 1 of 1944).

MR. CHAIRMAN : We will now take up Clause 38. There are some amendments.

SHRI S. S. KOTHARI : I beg to move :*

Page 21, after line 16, insert—

'(iii) the following proviso shall be added at the end, under the third column, namely :—

"Provided that no duty shall be payable on unmanufactured tobacco and *bidi* for the year 1968-69". (22)

SHRI SRINIBAS MISRA : I am not moving amendment No. 80. I move* amendment No. 81.

Page 21,—

after line 16, insert—

'(iii) after sub-item (8), the following proviso shall be added namely :—

"Provided that no duty shall be payable on *bidis*, or unmanufactured tobacco used in any form, whatsoever for smoking or chewing ;". (81)

*Amendments moved with the recommendation of the President.

SHRI INDRAJIT GUPTA : I move* amendment No. 206.

Pages 20 and 21,—

omit lines 35 to 47 and 1 to 5, respectively. (205)

Page 22, —

omit lines 24 to 35. (206)

SHRI M. R. MASANI : I move* amendment No. 258.

Page 22,—

omit lines 1 to 16. (258)

SHRI N. DANDEKER : I beg to move.*

Page 21, line 9,—

omit "(3), (4), (5), (6) and (8)," (255)

Page 21,—

for lines 11 to 16 substitute—

"and fifty paise." shall respectively, be substituted". (256)

Page 22, line 24,—

for "Twenty per cent". substitute—

"Ten per cent". (259)

Page 22.—

after line 35, insert —

"Provided that no such duty shall be leviable in respect of steel furniture supplied to hospitals, nursing homes, dispensaries and educational institutions". (260)

Mr. CHAIRMAN : Mr. Ranen Sen, you cannot move the other one. It is the same.

SHRI S. S. KOTHARI : Madam Chairman, at this stage I wish to touch only a very few broad points. I wish to say something regarding the excise duties in general. Excise duties involve commodities in a big way from 15 to 60 per cent and they impinge upon the common man, particularly excise duties on items of mass consumption. This is very important. If the price level is to be brought down, if the burden on the common man is to be eased, it is necessary that excise duties on items of mass consumption must be reduc-

ed. It is seen that the Finance Minister has increased excise duty on manufactured tobacco and beedies. These are things which are consumed by poorer sections of the society. It gives them a little pleasure, I would say. If that is taxed, it is a retrograde step, and it should be withdrawn. I have moved an amendment that no duty should be there on unmanufactured tobacco and beedies. I request him to consider this.

There is another suggestion I would like to make. This is with regard to cold storage. If airconditioners are taxed, I would say they fall upon the richer sections of society. Taxing them a little more would not be objected to. But when the tax falls on cold storages which are used for industrial purposes, for the purpose of preservation of seeds, medicines foodstuffs and vegetables, I would submit to the Finance Minister to reconsider whether some relief could be given to these cold storages. In defining the term 'industrial company'; we have got mining and all other industrial operations and processing also.

But processing does not include preservation. Preservation of seeds has assumed great importance in the context of stimulating agricultural production. Keeping in view all these factors and the fact that this excise duty on these air conditioning parts would also impinge on cold storages, may I request him to kindly have this matter examined now or later and see that some relief is given to cold storages which are used for those particular industrial purposes like preservation, I repeat, of seeds, medicines, foodstuffs and vegetables?

SHRI M. R. MASANI : I would like to speak in support of my amendment, namely amendment No. 258, which seeks to delete lines 1 to 16 at page 22 of the Bill. These lines cover two topics. One of them is the one referred to by the hon. Member who has just spoken, namely refrigeration and air-conditioning. The Finance Minister in his speech seemed to suggest that what he was concerned with was room air-conditioners. Even there, he was not on firm ground, because air-conditioning is no longer a luxury. Are we enjoying

*Amendments moved with the recommendation of the President.

[Shri M. R. Masani]

any particular luxury here because we have air conditioning here today? Were it not for air-conditioning, would we have been able to carry on this discussion with the coolness and light and good humour which we are displaying? That is what I would like to ask the Finance Minister.

But the important thing is that the bulk of these new duties do not fall on domestic air-conditioning, but on industrial refrigeration. Out of 105,000 H. P. of air-conditioning produced last year, only 25,000 H. P. was used for room air-conditioning and refrigeration, and over 75 per cent was used for industrial purposes. These industrial purposes are extremely important. Things like food preservation, dairy farming, things that we say are in the national interest, fertilisers, ammunition and explosive manufacture, photo-films, precision tools, blood plasma, which saves the lives of people and without which people would die and which has therefore to be kept in refrigerators, eye banks, and the export of sea-food and fish and all the things that we send abroad such as frog's legs which we make money out of sea-food exports give Rs. 5 crores of revenue in terms of foreign exchange to this country every year—There are all basic, and refrigeration serves them.

This is a new industry which employs as many as 35,000 employees and with a capital of Rs. 50 crores employed; it is a new industry or infant industry which is just finding its feet. So far, the recession has not hit it badly, although even there now is the threat of engineers and technicians being laid off because of the slack or the slump in the market. Now, the impact of these duties is fierce.

I would give two examples to the Finance Minister and I would like him to check them up. For a standard 120-tonne refrigeration chilled water plant used in the pharmaceutical and chemical, and fertiliser and rubber industries, the selling price without taxation is Rs. 90,000, and the total taxation is Rs. 72,000, making a total price to the consumer of Rs. 1,62,000. In other words, the ratio of tax to price is Rs. 72,000 to Rs. 90,000. At the other end of the scale, for a room air-conditioner of a normal size, the selling price without taxation is Rs. 2,600, and the total tax is

Rs. 1,700, and the total price for the consumer is Rs. 4,300. This is a savage impact on an industry that deserves well by the country. I would like to suggest that this is a very retrogressive step which is being taken. Even now, I would suggest that the Finance Minister would do well to reconsider his step.

Otherwise, he will be doing great damage to the economic interests of the country, both in agriculture and in industry.

The other item is of electronic components that go into receiver sets, things like valves and tubes, parts that go into a radio set. Here also, there is a fantastic burden of taxation. For an electronic valve or tube there is a tax suggested of Rs. 5 on each against a price of Rs. 2.50 to Rs. 3.20. On that part which costs Rs. 2.50, the tax will be Rs. 5. We have all along been talking of taking the cheap radio set to the countryside, which could be used for education, for family planning, for production, for agricultural advancement, and so on.

Here is a new industry producing in the country transistor sets for Rs. 75 to Rs. 100; for the first time, prices have gone down from three to two figures. As a result, sets are available at between Rs. 75 and Rs. 100. Smuggling of Japanese components which was furiously going on till two years ago, has been brought under control for the first time now a legitimate industry producing these parts and paying tax on it, excise duty and sales tax, is being hit. I would warn the Finance Minister that if he goes ahead with this wretched imposition, it is going to mean that again Japanese goods will be smuggled into this country clandestine radio sets will be produced as was the case two or three years ago before this new industry came up. I hope he will realise that a tax of this kind is going to hurt this infant industry, which is an important part of the electronic communications which are essential to our national life. Both these are very bad taxes which we strongly oppose and I would even now ask the Finance Minister to reconsider them.

MR. CHAIRMAN: We have a number of clauses yet to go through and then

very long schedules. We have also to conclude by 5 or 5.30. So I would ask hon. Members to be very brief and to the point; otherwise, there will be less time available for the third reading stage.

SHRI INDRAJIT GUPTA : I welcome the small limited reliefs which the hon. Minister has announced with respect to these proposed excise duties on confectionery, chocolates and steel furniture. Nevertheless, I feel that these do not go far enough for the simple reason that it is really the small scale units of these two industries which are not going to benefit by the reliefs announced. I am not concerned with the big units. There are a few big units, but I am not concerned with them. But my concern is for the small units.

Firstly, as regards confectionery, I hope it is not part of his philosophy of austerity that children should be given less sweets, because he knows that it is a processed food of extremely high nutritional value.

AN HON. MEMBER : Good for him also.

SHRI INDRAJIT GUPTA : For children and for troops in the field also.

MR. CHAIRMAN : Various categories of children also.

SHRI INDRAJIT GUPTA : It is concentrated food.

SHRI PILOO MODY : A chocolate bar should be given to every Minister every morning to improve his performance in Parliament.

SHRI D. N. TIWARY (Gopalganj) : It should be given to every Member.

SHRI INDRAJIT GUPTA : These proposed imposts constitute a completely new set of duties. I hope he realises that it will be putting a premium on all sorts of sub-standard unhygienic sweets being produced by other people and sold in the market. Also the prices of these will go up. I am told the industry is already working to half its installed capacity. With a capacity of 52,000 tonnes, last year the output was only 23,000 tonnes.

16.44 hrs.

[Mr. Deputy-Speaker in the Chair.]

One of the main reasons is the price of sugar. Formerly, allocation of sugar was at the controlled rate of Rs. 145 a quintal now they have to pay Rs. 375 per quintal in the open market. I do not know what exactly the meaning of these 20 tonnes and 40 tonnes produced is, which is the margin he has announced. I do not know what it would mean but the fact remains that compared to the amount of revenue he has expected from this—from the original proposal to net Rs. 2 crores from this he will lose now a good amount after the relief—I think it is hardly worthwhile rubbing up the people the wrong way and putting another set of difficulties.

Therefore, Madam— I am sorry, Sir, excuse me...

MR. DEPUTY-SPEAKER : That only shows that you are not addressing the Chair; you are addressing the Finance Minister. Therefore, there has been this slip.

SHRI INDRAJIT GUPTA : I appeal to him—he is a fair man—not to stand on some sense of prestige and think that just because it has been announced the whole thing should not be removed.

I believe the hon. Minister has said in his opening remarks that steel furniture is something which is mainly used by big companies and so on. In my parts, I see a large number of small scale units whose total capital investment is in no case more than a lakh of rupees. Secondly, it is unjust for middle-class people who cannot afford wooden furniture of good quality and therefore they increasingly use steel chairs and tables in their homes as also small almirahs. After the recession since 1965-66, the sales in this industry have fallen by fifty per cent because one of the main items of raw material, viz., sheets, needed for this industry are not available at the rates announced by the joint steel plant committee; they have to be bought at Rs. 1700 per ton in the open market. The cost of production has gone up. It is estimated that a steel almirah which costs Rs. 230 now will, after this duty, cost Rs. 90 more. I do not see any point in imposing this

[Shri Indrajit Gupta]

duty suddenly on this new industry in the first instance. The first Rs. 50,000 worth of production which he is now willing to exempt is quite a high figure. for a unit whose total capital investment is one lakh. There are very small units and co-operative units also producing steel furniture near about Calcutta. Therefore, I appeal to him that in both these cases, confectionery and steel furniture, where the estimated revenue is comparatively negligible, he should give up the idea and withdraw both these proposals.

SHRI N. DANDEKER : I do not want to say anything more about tobacco than what my friend Kothari has said. I also find myself,—an agreeable surprise—in the company of my friend Mr. Indrajit Gupta on the subject of sweets. I must say that I am unable to look my nephews and nieces in the eye if I do not oppose the levy on sweets.

I should like to add one point to what the previous speaker had said about steel furniture. I think the proposed levy really ought to go out of the window. But if there is going to be any tax at all, it should be a nominal,—say ten per cent. In any event my amendment No. 260 says : "Provided that no such duty shall be leviable in respect of steel furniture supplied to hospitals, nursing homes, dispensaries and educational institutions." I think they ought to be exempt. The prices of these things are high and the schools and other institutions could not afford to pay for them and it would not also be hygienic for hospitals to have wooden furniture.

SHRI D. N. PATODIA : There are today in the world about 130 countries which compete against each other in the export of sea food and if we want to add the cost of refrigeration to the price of sea food, we would be careful about the result it will have. I should also like to reiterate the arguments that the addition of excise duty on steel furniture will have a bad effect on the supply position of furniture to hospitals, schools, colleges and research laboratories. There is a great scarcity of these institutions which are providing good service to the country.

श्री शिव नारायण (बस्ती): उपाध्यक्ष महोदय, मैंने कोठारी साहब को सुना और पब्लिक एकाउंट्स कमेटी के चेयरमैन साहब को सुना लेकिन वह जो उन्होंने टैक्सेशन घटाने की बात कही तो मेरा कहना है कि वह चीजें लक्जूरियस चीजें हैं और इसलिए अगर टैक्स उन पर लगाया है तो वह अनुचित नहीं कहा जा सकता है।

तम्बाकू पर जो फ़ाइनैस मिनिस्टर ने टैक्स लगाया है वह ठीक ही लगाया है। अब यह बीड़ी वगैरह लोगों के स्वास्थ्य के लिए नुकसान-देह हैं और उन पर यदि वित्त मंत्री महोदय ने टैक्स लगाया है तो वह कोई अनुचित बात नहीं हुई है।

खाना, कपड़ा और रहने के लिए मकान, यह तीन बुनियादी आवश्यकताएं हर एक व्यक्ति की हैं। अब यह एयर कंडीशनर, कूलर्स या रेफ्रीजरेटर वगैरह बड़े बिजनेसमैन इस्तेमाल करते हैं जिनकी कि बड़ी इनकम होती है और ऐसे धनी और सम्पन्न लोगों से यदि हमारे वित्त मंत्री जी 5 परसेंट टैक्स मांगते हैं तो क्या गुनाह करते हैं ? मैं इन संशोधनों का विरोध करता हूँ।

SHRI SRINIBAS MISRA : Mr. Deputy Speaker, Sir, the hon. Member, Shri Sheo Narain, has touched one part of the argument. He has not referred to the other aspect of it—My amendment proposes to cover beedi, unmanufactured tobacco and such other things. Why ? It is now being said by the so-called persons who want to reform society that these things should not be used. But then, they have not given food to the people; they have not been able to supply food, and therefore, the poor try to fill the stomach by beguiling their time with these things. The common man, the worker, the farmers, the poorest of the poor, beguile their time with these things. You call it luxury or beverage or intoxicant or even poison. But that exists; they beguile their time with them. How can the Finance Minister tax these things ? Of course he has said, he has promised, that

he is keeping his mind open. But how can he tax these unmanufactured tobacco, bidi khaini and gundi and other such substances that would be taxing the poorest of the poor in the country. This is taxing the poorest of the poor. Even if you tax them they will still go and purchase them. They cannot give up these things. So, you must provide them more food, more employment and more education, and then gradually this habit of theirs will lessen. But until then, you cannot tax them further.

SHRI K. NARAYANA RAO : About the concession given to the confectioneries, I have to say this; I just wonder whether they will have the desired effect at all. Here, it is a part of the commodities which are exempted from this particular excise duty. But does it necessarily mean that correspondingly in the market, the price ratio will also vary in accordance with that? For instance, up to Rs. 20,000 has been exempted from this excise duty, but once they go to the consumer's market, there cannot be any distinction between the confectioneries which pay excise duty and those varieties which do not pay excise duty. Both will have the same price level, and there will be a chain reaction. Even if the product of the smaller factories are exempted, they also generally trail behind the price level that is prevailing. They may also emulate the other factories, with the result that my apprehension is that these concessions are not going to afford any relief to the consumers as such, but we are giving perhaps an unwanted benefit to certain producers.

SHRI S. S. KOTHARI : Sir, there is a distinction between Cadbury chocolate and similar chocolates which are consumed by the children of the rich, and the Morton and other toffees costing just half an anna or one anna which consumed by the poorer children. If a poor boy manages to steal an anna or two, he would go in for these toffees; even a boot-polisher, if he gets an anna, would buy these toffees. Therefore, the toffee should be distinguished from Cadbury and other expensive chocolates, and it should be exempted from duty; you may increase the tax on Cadbury chocolates.

SHRI INDRAJIT GUPTA : I just

wanted to exempt the small manufacturers of steel furniture, not Godrej & Boyce.

SHRI MORARJI DESAI : I have already given concession for the small-scale manufacturers and that ought to cover them. Therefore, it is not a question of not covering them at all. They have been exempted up to Rs. 50,000 production. Even if it is up to Rs. 2 lakhs, then, up to Rs. 50,000 it will be exempted. It means that they will be paying much less for the total amount.

In the matter of confectionaries also, up to 20 tons they are completely exempted if they produce up to 40 tons, 20 tons are still exempted. Therefore, they have been exempted for one half of it. Therefore, that will reduce the burden on these people. I do not agree that all the sweets are good for the children or for anybody.

SHRI INDRAJIT GUPTA : The Finance Minister is not a nutritional expert.

SHRI MORARJI DESAI : I am a better nutritional expert than my hon. friend, because I have studied the subject for 50 years.

SHRI INDRAJIT GUPTA : How does he know that I have not studied it?

SHRI MORARJI DESAI : I have at any rate more years than him. Therefore, I have studied it for longer. I have not said that I am wiser than him. I have studied it and I know the nutritional value of this is zero. Except chocolates, all these drops and other things have no nutritional value. It has only some carbon value. It is all right for children who run about; it does give them some energy, but that is not the vitality part of it. But that is not the ground on which this tax is levied. The point is this is being consumed by the richer portion of the society. Which poor people are using these drops and toffees? My hon. friend says, even a shoe polisher takes it. I do not know which polisher he has seen using it. I do not think he is connected with any shoe polisher.

SHRI S. S. KOTHARI : I am a democrat. I do not mind being connected with a shoe polisher.

SHRI MORARJI DESAI : I wish you were connected. If you were connected it would be an honour, not dishonour. I am not saying it from that point of view. He does not know them. It is not they who are using it. People like us are using it. People who are here cannot call themselves poor at all, because nobody here gets less than Rs. 1000 per month. They cannot be called the poorer section. 90 per cent of the people do not use any chocolates or any of those things. Why say that those people are going to be covered ?

SHRI INDRAJIT GUPTA : Have you travelled in suburban trains nowadays ? You will see every day the poorest people are buying them, one sweet at a time.

SHRI MORARJI DESAI : On the one hand he says that the conditions have gone much worse than before. On the other, he says now that even the poorest people are using all those things. How does he explain these two things ? That means poverty has certainly receded to some extent. Why does he not grant that ? Therefore, in the matter of confectionaries, I see no reason to make any concession.

Let me assure my hon. friend that I am not bothered about prestige in any matter. Prestige which depends on untruth is no prestige at all. If I am convinced that it is right to do so, I will certainly do so at any time, not now but later on.

The same thing applies to refrigerators also. If there are any inconveniences caused or heavy burdens put on any particular areas, we will certainly see that some relief is given. It is within the right of the Finance Minister to exempt some areas if it is necessary. I have been constantly giving some relief to some sections wherever necessary. This will be done.

About bidis, it is only the whole leaf tobacco which is claiming duty at a lesser rate, because it is not used in bidis, that will now have to pay a higher duty if that is used in bidis, not otherwise. They were always misused in bidis. That is how they were escaping tax charging more profits. It is only the manufacturers who were earning more. I do not think the bidi smoker is going to pay more. It is to prevent misuse of this that this has been

raised. There is no other purpose behind it.

I oppose all the amendments.

SHRI M. R. MASANI : What about electronic components and receiver sets ?

SHRI MORARJI DESAI : If I find it leads to any more smuggling, we will certainly take reasonable steps.

MR. DEPUTY-SPEAKER : I will now put all the amendments to the vote of the House.

Amendments Nos. 22, 81, 205, 206, 255, 256, 258, 259 and 260 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

"That clause 38 stand part of the Bill."

The motion was adopted

Clause 38 was added to the Bill.

MR. DEPUTY-SPEAKER : There are no amendments to clauses 39 to 43. I will put them together.

SHRI M. R. MASANI : I want to oppose clause 41.

17.00 hrs.

MR. DEPUTY-SPEAKER : Then I shall put clauses 39 and 40.

SHRIMATI TARKESHWARI SINHA (Barh) : Sir, I want to say a few words on clause 39. It concerns taxation on embroidery. I do not mind if the profit is more and tax is levied on it. But here the small units are in a very very [difficult position because generally they have to pay the tax on the cloth that they purchase. If they purchase some superfine cloth at Rs. 3 a metre nearly Re. 1 they have to pay as excise duty on cloth. Over and above that they have to pay the latest taxation that has been proposed. Therefore the small units which have one or two machines will be very much hard pressed. I would like to draw the attention of the hon. Deputy Prime Minister to this fact that a very big embroidery industry has been established by the Indian personnel in Nepal called the Nepal Mills. The

people in Nepal do not pay a single paisa as tax but the whole cloth is allowed free into India with the result that our own units are having very adverse competition from the units of Nepal. Something should be done about this matter because otherwise our Indian units will be very much adversely affected in relation to Nepal Mills. I would like to suggest that the Deputy Prime Minister may limit his consideration to small units. He may limit his consideration to units with one or two machines and give them certain reasonable concessions. I am glad the Deputy Prime Minister even before I spoke said that this matter is being rationalised. I appeal to him to look into this matter.

SHRI MORARJI DESAI : Certainly I shall look into the matter.

MR. DEPUTY-SPEAKER : The Question is :

"That clauses 39 and 40 stand part of the Bill."

The motion was adopted

Clause 39 and 40 were added to the Bill.

MR. DEPUTY-SPEAKER : Then we come to Clause 41.

SHRI M. R. MASANI : Sir, I would like to briefly oppose this clause. It seeks to raise the duty on motor spirit and diesel oil. This is a hardy annual every year. The Finance Minister lays his predatory hands on these two commodities. It is not funny, because diesel oil and petrol are the life-blood of our transportation system. Already today road transport is taxed in the most cruel manner. For every tonne mile of goods carried, the taxation on roads equals the entire cost of transportation by rail. I will repeat it. The cost per tonne mile of goods on Railways the total cost, is equalled by the taxation on road transport per tonne mile. This shows the inequity of it. Yet we come again and again to raising this tax. The logic in the Explanatory Memorandum on page 27 defeats me. This is the reason that it gives :

"The existing ceiling rates have been found to be inadequate as the over-recoveries in the hands of the oil companies which have to be appropriated

to the Consolidated Fund of India through additional excise duties require a higher rate of levy than at present."

What does this mean? Instead of reducing the price, making petrol and diesel available cheaper to the consumer and helping the transportation service in this country to improve, the Government takes away the economy that might have been possible for the consumer. In other words prices are never allowed to come down, even when oil companies do a good job they must not be allowed to take profits, the consumer must not get the benefit but Government takes away the money. This is a very retrograde and anti-consumer point of view. I do not know what the motives are, apart from grabbing money, which is obvious.

17.04 hrs.

[*Mr. Speaker in the Chair*]

Perhaps it is to protect the Indian Oil Company in its attempt to establish a monopoly because the Indian Oil Company probably cannot compete if prices are brought down so the prices are kept high and the profits are taken away by the Government. May be it is to protect the Railway Board and the Railways to run their inefficient services because they also cannot compete if road transport is allowed to go ahead. Whether this is the motive or not, probably the Finance Minister's only motive at the moment is to put his hands on some money which he badly requires. But I would suggest to him that if there is a margin like this as he says, the right thing to do is to lower prices, let the consumers have cheaper petrol and cheaper diesel so that transportation in this country can be developed.

SHRI N. DANDEKER : I would like to add one word to what Shri Masani has said. The same story holds good as regards trying to rake off these profits on furnace oil. Furnance oil is increasingly becoming the fuel in industry and today it has in fact an advantage over coal, and, in particular, long distance movement of coal is not so economic in the matter of fuel cost as furnace oil. This business, again, of raking off wherever additional profits the oil companies are making, merely to put

[Shri N. Dandeker]

them on even keel presumably with the Indian Oil Company, rather than ask the Indian Oil Company to keep down the prices so that the industry in general can take the benefit of this ; a taxation scheme of this kind I find impossible to sympathise with.

SHRI MORARJI DESAI : We are not taking away anything from the consumers. It is only from the companies we are taking.

SHRI M. R. MASANI : Give it to the company so that it can reduce the prices.

SHRI MORARJI DESAI : Why did they not bring down the price ? Therefore, I have to do this. If they reduce the rate, one can understand that. But I do not see that at all. If I take it from the company, it is objected. If I take it from the persons, then also it is objected. Then from whom am I to take it ?

MR. SPEAKER : Since there is no amendment to this clause, I will put it to the vote. The question is :

"That clause 41 stand part of the Bill".

The motion was adopted.

Clause 41 was added to the Bill.

Clauses 42 and 43 were added to the Bill.

Clause 44—(Amendment of Act 6 of 1898)

SHRI N. DANDEKER : I beg to move* :

Pages 25 and 26,—

omit lines 35 to 41 and 1 to 18, respectively. (263)

SHRI KANWAR LAL GUPTA : I beg to move* :

Page 25,—

for lines 36 and 37, substitute—

"Single 6 paise

Reply 12 paise" (131)

SHRI BENI SHANKER SHARMA : I beg to move* :

Page 25, line 34,—

for "15 paise" substitute "10 paise" (261)

SHRI SRINIBAS MISRA : I beg to move* :

Page 25, line 30,—

for "20 paise" substitute "15 paise" (82)

Page 25, line 32,—

for "15 paise" substitute "10 paise". (83)

Page 25, line 34,—

for "15 paise" substitute "12 paise" (84)

Page 25, line 36,—

for "10 paise" substitute "5 paise" (85)

Page 25, line 37,—

for "20 paise" substitute "10 paise" (86)

SHRI INDRAJIT GUPTA : I beg to move* :

Page 25, line 36,—

for "10 paise" substitute "6 paise" (210)

Page 25, line 37,—

for "20 paise" substitute "12 paise" (211)

SHRI N. DANDEKER : I am suggesting that the enhanced rates that are proposed on postcards and on book, pattern and sample packets and on registered newspapers have to go, because I do not think there is any justification. However much we try to cover up inefficiencies in the postal department by raising the rates of service charges, there would be no justification for doing that, in any event as regards post-cards, book, pattern and sample packets and registered newspapers.

श्री कंवर लाल गुप्त : अध्यक्ष महोदय, मैंने इस में एक ही अमेंडमेंट सुझाया है कि पोस्टकार्ड की कीमत जो 5 पैसे से 10 पैसे की गई है उसकी जगह पर 6 पैसे कर दी जाय और अन्तर्देशीय पत्रों की कीमत जो 10 पैसे

*Amendments moved with the recommendation of the President.

की जगह 15 पैसे की गई , उस की जगह 12 पैसे की जाय ।

मेरा कहना यह है कि शायद यह पहला मौका है जब कि एक दम से पोस्टकार्ड की कीमत सरकार ने दुगुनी कर दी है । अगर इस की पहले की हिस्ट्री को देखा जाय तो अगर कभी इस की कीमत आधा पैसा बढ़ाई जाती थी तो सारे देश में चिल्लाहट होती थी । मुझे याद है कि अंग्रेजों के समय में जब यहाँ पर सेंट्रल असेम्बली थी तब श्री सत्यमूर्ति और दूसरे लोगों ने जब पोस्टकार्ड का दाम आधा पैसा बढ़ाया गया था तो उस को ऐन्टी पीपल्स ऐक्ट कहा था । मैं भी इस को ऐन्टी पीपल्स ऐक्ट कहता हूँ । मैं समझता हूँ कि यह गरीब लोगों पर बहुत बड़ी चोट है और उप-प्रधान मन्त्री को इस पर सोचना चाहिये ।

SHRI D. N. PATODIA : I have only a small observation to make. These enhanced rates are not only an excessive burden on the society but I feel that whatever revenue that the Government expects by increasing the rates can very well be obtained by increasing the efficiency in the postal department. Nowadays, in the course of the last more than two years, inefficiency has grown to such an extent that most of the postal articles are under-stamped. The under-stamping is not being checked and the articles are being delivered without charging the difference. I have my own personal experience in the matter. In the month of March or April I requested a friend of mine to address four letters from Rajasthan to Calcutta. In spite of the fact that all those four letters were under-stamped they were delivered in Calcutta without recovering the difference. This is the efficiency of the Postal Department. I have with me evidence to show that ; I have these envelopes which show that all the underdues have not been charged and the articles have been delivered in March and April. So, I suggest that instead of charging more from the society, the efficiency should go up and they should collect proper dues.

SHRI BENI SHANKER SHARMA : I want to retain the old prices of postcards

envelopes and inland letters. So far we have been pleading only for .5 per cent of our population who were paying income-tax, but so far as postcards are concerned, this affects the whole population and, I think, the hon. Finance Minister who was adamant so far as the income-tax assesses were concerned, will be a bit lenient when he comes to the ordinary people.

श्री मधु लिमये : अध्यक्ष महोदय, वैसे ही हमारे देश में साक्षरता का अनुपात बहुत कम है और लोग चिट्ठी बगैरह कम लिखा करते हैं । अगर इनके नए रेट्स अमल में आ जाएंगे तो मेरा खयाल है कि अधिकतर लोग चिट्ठी नहीं लिख पाएंगे । मैं प्रार्थना करना चाहता हूँ कि अगर पत्रों को वह न भी हटाना चाहें तो न हटाएँ लेकिन लैटर कार्ड और पोस्टकार्ड का तो कम से कम पुराना रेट चलने दें, यानी लैटर कार्ड का दस पैसा और पोस्ट कार्ड का छः पैसे ।

SHRI SRINIBAS MISRA : It appears that this matter has been discussed in this House at the time of the Demands for the Ministry of Communications and also here. Although the Finance Minister says that his mind is open, I find that both his mind and the mind of the Minister of Communications are closed, blocked and sealed so far as this is concerned. So, in protest, although I moved my amendments, I am not going to say anything.

SHRI SHIVAJIRAO S. DESHMUKH : It is true that the postal services have been regarded as essential services and under the law there are special provisions to see that even in cases of emergencies and illegal strikes, the postal services are not only not allowed to continue but are enabled to continue. In regard to such essential services, if we are going to raise the rates of postal tariff every year or once in two years, we will reduce the postal service to a commercial service and that too a very badly managed commercial service because mostly the losses in the Postal Department are there because of mismanagement and lack of management. There are a large number of postal employees who are unnecessary. This results

[Shri Shivajirao S. Deshmukh]

in two sorts of injustices. Postal employees at the lower rungs of the ladder are ill paid and those at the highest ladder are surplus and are very liberally paid. The consumer, the poorest of the poor, who cannot go without postcards and letters, is consequently charged. Therefore I will earnestly plead, with the Finance Minister to reduce the rate at least on postcards. I have no doubt that his mind is really open and, therefore, I again plead with him that even now it is not too late to reduce postal tariff at least in the case of postcards.

DR. RANEN SEN : I do not want to make any speech on my amendments. I only make an appeal that with regard to the rates for postcards, letter cards and envelopes, with regard to these three items, the Finance Minister again thinks because the common people will be the worst affected due to this rise in prices. It is high time that he thinks over again and reduces the rates to the level of the old rates. The *status quo* should be restored.

SOME HON. MEMBERS *rose*—

MR. SPEAKER : The whole House wants to speak on this !

SOME HON. MEMBERS : It is very important.

SHRI V. KRISHNAMOORTHY (Cuddalore) : The entire nation expects from the Finance Minister that on this proposal he will retrace the steps which he has already taken. He has done something for children and I want that he should do something for the poor also. We are opposing this proposal on behalf of our party.

SHRI SONAVANE *rose*—

MR. SPEAKER : Which is your amendment ?

SHRI SONAVANE (Pandharpur) : I want to say something on this.

MR. SPEAKER : The Minister will say. There is no amendment in your

name. If you want to oppose it, all right, do that.

श्री मधु लिमये : इस पर खुला वोट होना चाहिये। कोई सचेतक विप न दें।

SHRI SONAVANE : Sir, I submit that when the Finance Minister put forth his proposals, particularly, when he raised the price of a single post-card and double post-card from 6 p. to 10 p., I thought he had kept a margin for the reduction subsequently on the demand of the people as a whole. I find the hon. Finance Minister is adamant on this. I submit that the wishes of the people and the demand of the people as a whole should be considered because it affects the poorest of the poor. The Finance Minister's contention is that these post-cards are actually misused. I think that should not be the contention and this should not come in his way. It is not what is being misused but what mode of communication is being used by the poorest of the poor. This should weigh with him and I hope he will consider it.

SHRI MORARJI DESAI : May I say this is one matter where I was hard put to it when I considered it in the first instance ? I discussed it with the Minister of Parliamentary Affairs who is also the Minister in-charge of this Department. We weighed the pros and cons of everything and we knew also that it is not likely to be looked upon with favour by many people. And yet the duty of the Finance Minister has got to be performed. I cannot see that this Department can always work in deficit and in losses which go upto Rs. 25 crores. We want to extend the postal facilities and other facilities to the country. How are we going to do it if we are going to run like this and have these kind of losses ? We are not so prosperous in this country. We cannot afford to make losses in all these services. Therefore, it is not possible and the Minister of Communications had also given full reasons when the Demands of that Department were discussed. I am very sorry I cannot accept the amendments which have been moved. I have got to oppose them.

MR. SPEAKER : Now I put all the Amendments to the vote of the House.

SHRI KANWAR LAL GUPTA : My Amendment No. 131 may be put separately.

MR. SPEAKER : All right. I put all Amendments, except Amendment No. 131, to the vote of the House.

Amendments Nos. 82, 83 to 86, 210, 211, 261 and 263 were put and negatived.

MR. SPEAKER : Now, I put Amendment No. 131 to the vote of the House.

The question is :

Page 25,—

for lines 36 and 37, substitute—

“Single 6 paise
Reply 12 paise” (131)

The Lok Sabha divided

17.23 hrs.

DIVISION NO. 16

Ahmed, Shri J.
Badrudduja, Shri
Basu, Shri Jyotirmoy
Dandeker, Shri N.
Devgun, Shri Hardayal
Dhandapani, Shri
Ghosh, Shri Ganesh
Gupta, Shri Indrajit
Gupta, Shri Kanwar Lal
Kamalanathan, Shri
Kandappan, Shri S.
Khan, Shri H. Ajmal
Khan, Shri Ghayoor Ali
Khan, Shri Latafat Ali
Kisku, Shri A. K.
Kripalani, Shri J. B.
Krishnamoorthi, Shri V.
Limaye, Shri Madhu
Madhok, Shri Bal Raj
Maiti, Shri S. N.
Mangalathumadom, Shri
Maran, Shri Murasoli
Meena, Shri Meetha Lal
Meghachandra, Shri M.

AYES

Misra, Shri Srinibas
Mody, Shri Piloo
Mohamed Imam, Shri J.
Molahu Prasad, Shri
Muhammad Ismail, Shri M.
Muthusami, Shri C.
Naik, Shri R. V.
Patodia, Shri D. N.
Puri, Dr. Surya Prakash
Ramji Ram, Shri
Rao, Shri V. Narasimha
Saboo, Shri Shri Gopal
Samanta, Shri S. C.
Satya Narain Singh, Shri
Sen, Shri Deven
Sen, Dr. Ranen
Sequeira, Shri Erasmode
Sharma, Shri Beni Shanker
Sharma, Shri N. S.
Shashtri, Shri Raghuvir Singh
Shivappa, Shri N.
Somani, Shri N. K.
Viswambharan, Shri P.

NOES

Ahirwar, Shri Nathu Ram
Asghar Husain, Shri
Awadesh Chandra Singh, Shri
Babunath Singh, Shri
Bajpai, Shri Shashibhushan
Barua, Shri Bedabrata
Barua, Shri R.
Bhagat, Shri B. R.
Bhandare, Shri R. D.
Bhargava, Shri B. N.
Bhola Nath, Shri
Bohra, Shri Onkarlal
Brahm Prakash, Shri
Chanda, Shri Anil K.
Chanda, Shrimati Jyotsna
Chandrika Prasad, Shri
Chaturvedi, Shri R. L.

Chaudhary, Shri Nitiraj Singh
Chavan, Shri D. R.
Chavan, Shri Y. B.
Damani, Shri S. R.
Das, Shri N. T.
Dasappa, Shri Tulsidas
Dass, Shri C.
Desai, Shri Morarji
Deshmukh, Shri B. D.
Deshmukh, Shri Shivajirao S.
Dhillon, Shri G. S.
Dhuleshwar Meena, Shri
Dixit, Shri G. C.
Ganesh, Shri K. R.
Ganga Devi, Shrimati
Gavit, Shri Tukaram

Ghosh, Shri Bimalkanti
 Ghosh, Shri Parimal
 Girja Kumari, Shrimati
 Govind Das, Dr.
 Hazarika, Shri J. N.
 Hem Raj, Shri
 Himatsingka, Shri
 Jadhav, Shri Tulshidas
 Kamble, Shri
 Kasture, Shri A. S.
 Katham, Shri B. N.
 Khan, Shri M. A.
 Kinder Lal, Shri
 Kripalani, Shrimati Sucheta
 Krishnan, Shri G. Y.
 Kureel, Shri B. N.
 Kushok Bakula, Shri
 LakshmiKanthamma, Shrimati
 Lalit Sen, Shri
 Laskar, Shri N. R.
 Laxmi Bai, Shrimati
 Maharaj Singh, Shri
 Mandal, Dr. P.
 Mehta, Shri Asoka
 Mehta, Shri P. M.
 Mrityunjay Prasad, Shri
 Mukerjee, Shrimati Shrdra
 Naghnoor, Shri M. N.
 Nahata, Shri Amrit
 Oraon, Shri Kartik
 Pahadia, Shri Jagannath
 Parthasarathy, Shri
 Patil, Shri Anantrao
 Patil, Shri Deorao
 Patil, Shri S. D.
 Patil, Shri T. A.
 Radhabai, Shrimati B.
 Raghu Ramalah, Shri
 Raj Deo Singh, Shri

Rajasekharan, Shri
 Raju, Dr. D. S.
 Ram Dhan, Shri
 Ram Dhani Das, Shri
 Ram Swarup, Shri
 Rana, Shri M. B.
 Randhir Singh, Shri
 Rao, Shri K. Narayana
 Rao, Shri Thirumala
 Rao, Dr. V. K. R. V.
 Rohatgi, Shrimati Sushila
 Roy, Shrimati Uma
 Saigal, Shri A. S.
 Sambasivam, Shri
 Sant Bux Singh, Shri
 Sapre, Shrimati Tara
 Sayyad Ali, Shri
 Sen, Shri Dwaipayan
 Sen, Shri P. G.
 Sethuramae, Shri N.
 Shah, Shrimati Jayaben
 Shah, Shri Shantilal
 Shambhu Nath, Shri
 Shankaranand, Shri B.
 Sheo Narain, Shri
 Sheth, Shri T. M.
 Shukla, Shri Vidya Charan
 Siddheshwar Prasad, Shri
 Singh, Shri D. V.
 Sinha, Shri Mudrika
 Sinha, Shrimati Tarkeshwari
 Snatak, Shri Nar Deo
 Sunder Lal, Shri
 Supakar, Shri Sradhakar
 Swaran Singh, Shri
 Tiwary, Shri D. N.
 Uikay, Shri M. G.
 Venkatasubbaiah, Shri P.

MR. SPEAKER : The result* of the
 Division is :

Ayes 47

Noes 110

The motion was negatived.

MR. SPEAKER : Now I shall put

Clause 44 to the vote of the House.

The question is :

“That Clause 44 stand part of the
 Bill.”

The motion was adopted.

Clause 44 was added to the Bill.

THE FIRST SCHEDULE

*The following Members also wanted to record their Votes :—

AYES : Sarvashri Bhogendra Jha, J. M. Biswas and S. S. Kothari.

NOES : Shri Sonavane, Shri Ramanand Shastri and Shri Vidyadhar Bajpai.

SHRI S. S. KOTHARI : I beg to move* :

Page 40, lines 35,—
for "Rs. 4,000" substitute—

"Rs. 6,000" (23)

Page 43,—
omit lines 1 to 5 (24)

Page 44,—
omit lines 15 to 35. (25)

SHRI RAM AVTAR SHARMA (Patna): I beg to move* :

Page 41,—
omit lines 16 to 22. (47)

Page 42,—
omit lines 9 to 15. (48)

Page 45,—
for lines 29 to 36, substitute—

"I. In the Case of a domestic company—45 per cent of the total income ;" (54)

Page 46,—
omit lines 1 to 28. (55)

SHRI SRINIBAS MISRA : I beg to move* :

Page 27,—
omit lines 6 and 7 (87)

Page 28, line 5,—
for "Rs. 4,000" substitute—
"Rs. 5,000" (88)

Page 31,—
omit lines 11 and 12. (89)

Page 39,—
omit lines 26 and 27. (90)

Page 40, line 35,—
for "Rs. 4,000" substitute—
"Rs. 5,000" (91)

Page 43,—
omit lines 9 and 10. (92)

Page 43, line 28,—
for Rs. 4,000", substitute—
"Rs. 5,000". (93)

Page 43, line 31,—
for "Rs. 4,000" substitute—
"Rs. 5,000". (94)

SHRI N. DANDEKER : I beg to move*,—

Page 27, line 36,—
for "Rs. 7,000" substitute—
"Rs. 10,000". (132)

Page 28, line 5,—
for "Rs. 4,000" substitute—
"Rs. 6,000". (133)

Page 29,—
omit line 32 to 41. (134)

Page 30,—
omit lines 1 to 40. (135)

Page 31,—
omit lines 1 to 7. (136)

Page 32,—
omit lines 1 to 15. (137)

Page 32, line 20,—
for "Rs. 25,000" substitute—
Rs. 1,00,000". (138)

Page 32,—
omit lines 21 to 26. (139)

Page 32, line 27,—
for "Rs. 5,500 plus 12 per cent",
substitute—
"10 per cent". (140)

Page 32,—
omit lines 30 to 35. (141)

Page 33,—
omit lines 1 to 14. (142)

Page 34, line 13,—
after "company—" insert—
"45 per cent. of the total income".
(143)

Page 34,—
omit lines 14 to 41. (144)

Page 35,—
omit lines 1 to 44. (145)

*Amendments moved with the recommendation of the President.

[Shri N. Dandeker]

Page 36,—

omit lines 1 to 21 (146)

Page 36, line 41,

for "70 per cent." substitute—

"60 per cent." (147)

Page 38, line 15,—

for "14 per cent." substitute—

"10 per cent." (148)

Page 38, line 20,—

for "24.5 per cent." substitute—

"20 per cent." (149)

Page 38, line 42 —

for "44 per cent." substitute—

"30 per cent." (150)

Page 38, line 43,—

for "70 per cent." substitute—

"60 per cent." (151)

SHRI KANWAR LAL GUPTA : I beg to move* :

Page 40, line 23,—

for "Rs. 7,000" substitute—

"Rs. 8,000" (152)

SHRI N. DANDEKER : I beg to move* :

Page 40, line 23,—

for "Rs. 7,000." substitute—

"Rs. 10,000" (169)

Page 43,—

omit lines 32 to 36. (172)

Page 44, line 5,—

for "Rs. 25,000" substitute—

"Rs. "1,00,000" (173)

Page 44,—

omit lines 6 to 11 (174)

Page 44, line 12,—

for "Rs. 7,500 plus 20 per cent." substitute—

"10 per cent." (175)

Page 45,—

omit lines 5 to 8. (177)

- (1) in a case where the total income does not exceed Rs. 25,000
- (2) in a case where the total income exceeds Rs. 25,000 but is below Rs. 50,000
- (3) in a case where the total income exceeds Rs. 50,000

Page 45, line 29,—

after "Company" insert—

"45 per cent of the total income".

(178)

Page 45,—

omit lines 30 to 36. (179)

Page 47, line 15,—

for "70 per cent." substitute—

"60 per cent." (181)

Page 40,—

(i) line 11,—

omit "but does not exceed".

(ii) line 12,—

omit "Rs. 1,00,000". (193)

Page 40,—

omit lines 13 to 18. (194)

SHRI BENI SHANKER SHARMA : I beg to move* :

Page 27, line 36,—

for "Rs. 7,000 substitute—"Rs. 12,000" (271)

Page 28, line 5,—

for "Rs. 4,000" substitute "Rs. 7,500" (272)

Page 40, line 35,—

for "Rs. 4,000" substitute "Rs. 7,500". (282)

Page 44, line 6,—

for "6 per cent." substitute "3 per cent." (292)

Page 44, line 9,—

for "12 per cent." substitute "6 per cent." (293)

Page 44, line 12,—

for "20 per cent." substitute— "15 per cent". (294)

Pages 45 and 46,—

for lines 29 to 36 and 1 to 3 respectively, substitute—

"1. In the case of a domestic company—

25 per cent of the total income.

50 per cent of the total income.

60 per cent of the total income." (295)

* Amendments moved with the recommendation of the President.

SHRI S. S. KOTHARI : With regard to the amendments that I am moving, first I would refer to raising the minimum tax exemption limit from Rs. 4,000 to Rs. 6,000; the limit has to be increased to Rs. 6,000 because you will kindly appreciate that the value of the money has considerably gone down during the past few years and as a consequence, it is difficult for the middle classes to balance their budget—I mean, the common man, in particular. An expert body like that of Bhoothalingam Committee has recommended that the limit should be raised to Rs. 7,500. I would say that, if the Finance Minister cannot afford to take it to Rs. 7,500, he should at least increase the limit to Rs. 6,000.

With regard to the other amendments, I would submit that the obnoxious Annuity Deposit Scheme has been commendably taken off by the Finance Minister, and that is a tax good thing. But on account of that the tax liability has gone up. Here I will be very brief. I would submit that the middle class should be given some relief; they are the dynamic section of society: by 'middle class' I would say those people having an income between Rs. 10,000 and Rs. 50,000 or Rs. 60,000. They are also the saving and investing classes.

Therefore, the 10% surcharge which was imposed by Mr. Sachin Choudary, probably, I would say, in a light manner, is impinging very heavily upon the people. I would suggest that the surcharge should be taken off by the Finance Minister. If he can do it this year, it is good or he can take it off next year or as he thinks fit. But I personally feel that it has become necessary that persons in these income brackets should be given some relief. The income brackets have not been revised in the last 20 years and in view of the depreciation in the value of money, these brackets should also be revised and that would give some relief to the middle class people.

श्री कंवर लाल गुप्त : मेरी एमेंडमेंट यह है कि मिनिमम लिमिट को इंडिभिजुअल के केस में चार हजार के बजाये पांच हजार रुपये कर दिया जाये और हिन्दू अनडिवाइडिड फैमिली के केस में सात हजार के बजाये आठ हजार रुपये कर दिया जाये।

सारे देश में कुल मिला कर 27,01,733 ऐसे ही हैं, जिन में से करीब 20 परसेंट ऐसे ही ऐसे हैं, जिन की आमदनी पांच हजार रुपये या उस से नीचे है। अगर फिनांस मिनिस्टर साहब पांच हजार रुपये की लिमिट कर दें, तो करीब चार या पांच लाख ऐसे ही लोगों को फायदा होगा और वे लिस्ट से निकल जायेंगे। इन लोगों में जो रेवेन्यू इकट ठा होता है, वह टोटल रिसीट्स का केवल 4 परसेंट होता है। इन लोगों से कोई खास रेवेन्यू इकट ठा नहीं होता है और कलेक्शन चार्जिज भी बहुत हैं। इन चार या पांच लाख लोगों को वकीलों की फीस देनी पड़ती है, दफ्तर में आना-जाना पड़ता है, उन का हेरास-मेंट होता है। अगर इनकम टैक्स आफिसर्स बड़े बड़े केसिज में कन्सेन्ट्रेट करेंगे, तो ज्यादा रेवेन्यू इकट ठा हो सकेगा। इस लिए मैं मांग करता हूँ कि मिनिमम लिमिट को चार हजार के बजाये पांच हजार रुपये कर दिया जाये।

SHRI SRINIBAS MISRA : My amendment will have the same effect, that is, raising the minimum to Rs. 5,000. But I will add only one thing to what has already been said. From 1966 this Rs. 4,000 limit has been established. Now, according to the Finance Minister's answer in this House, the price rise has been of the order of 20%. So after real calculation, taking that price rise into consideration and after deduction of tax at source, a person who gets an income of Rs. 4,000 per annum is left with Rs. 265 per month. That is in the shape of real wages in terms of 1966 prices. Not only that, with this low base calculation, large number of people will come of this that—Rs. 4,000-Rs. 5,000 and actually when the base is being reduced, more officers should be necessary to calculate this tax because the prices are rising and more people will come within that limit, but it will bring less income to Government and more expenditure. People will be troubled more and their real wages are falling. So far as neutralisation of rise in prices is concerned, how far this is neutralised? For this income group, 45% of the rise is being neutralised by the DA increase. I think the Finance Minister should concede that the limit should be raised.

SHRI N. DANDEKER : I shall not deal with the points that have already been dealt with. My amendments are concerned firstly with the removal of all surcharges. Secondly, they are concerned with the reduction of the rates of taxation on registered firms. And thirdly I seek to fix the standard of rate of company tax in respect of domestic companies at 45% and the standard rate of tax in respect of non-domestic companies at 60%. Then Part II of Schedule is concerned with the deduction of tax at source, and there is nothing more to say there. For Part III of the Schedule I have got a series of amendments which correspond to the amendments which relate to Part I of the first Schedule.

SHRI MORARJI DESAI : I oppose the amendments.

MR. SPEAKER : I will now put all the amendments to the First Schedule to vote.

All the amendments were put and negatived.

MR. SPEAKER : The question is :

"That the First Schedule stand part of the Bill."

The motion was adopted.

The First Schedule was added to the Bill.

MR. SPEAKER : There are no amendments to the Second Schedule. The question is :

"That the Second Schedule stand part of the Bill."

The motion was adopted.

The Second Schedule was added to the Bill.

SHRI S. S. KOTHARI : I beg to move* :

Page 51, *after* line 38,—
add—

"Notwithstanding anything contained in any other sub-section, sixty-five per cent, of the contribution to such provident fund set up by the Central Government shall be deducted from

total income and be exempted from tax." (26)

Page 55,—

after line 23, *insert —*

"(29) Plastics." (27)

SHRI D. N. PATODIA : I beg to move* :

Page 49,—

omit line 33. (95)

Page 52, line 29 —

for "five hundred" *substitute —*

"one thousand". (96)

Page 52, line 30,—

for "five hundred" *substitute —*

"one thousand" (97)

SHRI N. DANDEKER : I beg to move* :

Page 48,—

omit lines 17 and 18. (154)

Page 50,—

omit lines 1 to 42. (156)

Page 51,—

omit lines 1 to 12. (157)

Page 49,—

after line 25, *insert—*

"Provided that if the Income-tax Officer is satisfied that the expenditure actually incurred in respect of the conveyance is more than the amount specified herein, such higher amount shall be allowed." (182)

SHRI N. K. SOMANI : I beg to move* :

Page 50, line 8 to 10,—

omit "or any expenditure or allowance in respect of any assets of the assessee used by such employee either wholly or partly for his own purposes or benefit." (183)

Page 50, line 11,—

for "one-fifth"

substitute "one-third". (184)

Page 50,—

for lines 12 to 15,—

*Amendments moved with the recommendation of the President.

substitute "of the amount of salary payable to the employee for the period of his employment during the previous year". (185)

SHRI N. DANDEKER : I beg to move :

Page 51,—

omit lines 30 to 32. (186)

Page 53,—

omit lines 30 and 31. (189)

Page 54,—

omit lines 1 to 32. (190)

Page 55,—

omit lines 1 to 23. (191)

SHRI MORARJI DESAI : I beg to move* :

Page 53,—

after lines 22, *insert*—

'23, Section 139.—*For* sub-section (4), *substitute*—

"(4) (a) Any person who has not furnished a return within the time allowed to him under sub-section (1) or sub-section (2) may before the assessment is made, furnish the return for any previous year at any time before the end of the period specified in clause (b), and the provisions of clause (iii) of the proviso to sub-section (1) shall apply in every such case.

(b) The period referred to in clause (a) shall be

- (i) where the return relates to a previous year relevant to any assessment year commencing on or before the 1st day of April, 1967, four years from the end of such assessment year ;
- (ii) where the return relates to a previous year relevant to the assessment year commencing on the 1st day of April, 1968, three years from the end of the assessment year ;
- (iii) where the return relates to a previous year relevant to any other assessment year, two

years from the end of such assessment year." (235)

Page 53, line 23,—

for "23", *substitute* "24". (236)

Page 53, line 29,—

for "24", *substitute* "25". (237)

Page 54, line 1,—

for "25", *substitute* "26". (238)

MR. SPEAKER : I will now put all the amendments to the Third Schedule, except Government amendments (235, 236, 237 and 238) the vote of the House.

Amendments Nos. 26, 27, 95 to 97, 154 to 157, 182 to 186 and 189 to 191 were put and negatived

MR. SPEAKER : The question is :—

Page 53,—

after line 22, *insert*—

'23' Section 139 *for* sub-section (4), *substitute*—

"(4) (a) Any person who has not furnished a return within the time allowed to him under sub-section (1) or sub-section (2) may before the assessment is made, furnish the return for any previous year at any time before the end of the period specified in clause (b), and the provisions of clause (iii) of the proviso to sub-section (1) shall apply in every such case.

(b) The period referred to in clause (a) shall be—

- (i) where the return relates to a previous year relevant to any assessment year commencing on or before the 1st day of April, 1967, four years from the end of such assessment year ;
- (ii) where the return relates to a previous year relevant to the assessment year commencing on the 1st day of April, 1968, three years from the end of the assessment year ;
- (iii) where the return relates to a previous year relevant to any

*Amendments moved with the recommendation of the President.

other assessment year, two years from the end of such assessment year". (235)

Page 53, line 23,—

for "23", substitute "24". (236)

Page 53, line 29,—

for "24", substitute "25". (237)

Page 54, line 1,—

for "25", substitute "26". (238)

The motion was adopted

MR. SPEAKER : The question is :

"That the Third Schedule as amended, stand part of the Bill".

The motion was adopted

The Third Schedule, as amended, was added to the Bill.

Fourth Schedule

MR. SPEAKER : There are no amendments to the Fourth Schedule. I will now put the Fourth Schedule to the vote of the House.

The question is :

"That the Fourth Schedule stand part of the Bill".

The motion was adopted

The Fourth Schedule was added to the Bill.

MR. SPEAKER : Now, the question is :

"That Clause 1, the Enacting Formula and the title stand part of the Bill".

The motion was adopted

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

SHRI MORARJI DESAI : Sir, I beg to move :

"That the Bill as amended be passed".

MR. SPEAKER : Motion moved :

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

SHRI KANWAR LAL GUPTA :
rose—

MR. SPEAKER : In the Third reading there will be only general points.

श्री कंवर लाल गुप्त : अध्यक्ष जी, मुझे दो-तीन बातों के बारे में कहना है। पहली बात तो यह है कि माननीय वित्त मंत्री जी ने रिफण्ड वाउचर्स के बारे में कहा है। मैं उन की सूचना के लिये बता देना चाहता हूँ कि पिछले एक साल से उनकी इन्स्ट्रक्शन्ज और कोशिशों के बावजूद भी रिफण्ड वाउचर्स लोगों को समय पर नहीं मिलते हैं। हालत पहले से भी ज्यादा खराब हो गई है। मैं चाहूंगा कि माननीय मंत्री महोदय अपने दफतर से आंकड़ें मंगवायें कि किन-किन केसेज में दो-दो, तीन-तीन और चार-चार साल से लोगों को रिफण्ड वाउचर्स नहीं मिले हैं।

श्री मोरारजी देसाई : ऐसी कोई एक्ज़ाम्पल भेजिये।

श्री कंवर लाल गुप्त : मेरा अपना पर्सनल केस है। मैंने खुद चिट्ठी लिखी है और खुद वहां जा कर बताया है, लेकिन अभी तक मेरा स्वयं का रिफण्ड वाउचर नहीं मिला है। मेरे पास एक केस नहीं आनेकों केस हैं। अगर आप यहां किसी लायर से या बार एसोशियेशन के लोगों से पूछेंगे तो वे आपको बतायेंगे कि रिफण्ड वाउचर्स प्राप्त करने में कितनी कठिनाइयां होती हैं।

दूसरी चीज यह कहा जाता है कि रिफण्ड अगर देरी में दिया जायगा, तो डिपाटमेंट भी इन्टरेस्ट देगा। मैं वित्त मन्त्री से पूछना चाहूंगा कि अभी तक कितना इन्टरेस्ट सरकार ने दिया है। आप के आंकड़ों के मुताबिक अभी तक कुल 251 करोड़ सारे हिन्दुस्तान में इन्टरेस्ट का सरकार ने दिया है—यह कितना फंनटेस्टिक है। यह भी किस को दिया गया होगा जो इन्कम-टैक्स के कर्मचारी हैं, या जिन का दबाव होगा, उन को दिया गया होगा। 99 परसेन्ट केसेज में इन्टरेस्ट नहीं दिया गया है। मैं आपके ध्यान में यह चीज लाना चाहता हूँ कि आप कोई ऐसी व्यवस्था बनायें कि जहां पर देरी होती है, वहां पर उन को कोई सजा दी जायगी। जब तक उन को सजा नहीं दी जायगी,

तब तक यह चीज नहीं होगी। वहाँ पर करप्शन है। इन्कम टैक्स आफिसर के कहने के बाद भी स्विफ्ट वाउचर ईशू नहीं किये जाते हैं—जब तक वहाँ पर चढ़ावा नहीं चढ़ाया जाता।

दूसरी बात मैं केसेज के एरियज के बारे में कहना चाहता हूँ। अभी माननीय मंत्री जी ने कहा कि कोशिश करने के बावजूद भी एरियज अभी उतने ही हैं। इस के लिये आप को योजना बनानी चाहिये ताकि आहिस्ता आहिस्ता एरियज की संख्या कम हो। बीच में कुछ कोशिश की गई थी और उस से कुछ संख्या कम भी हुई थी, लेकिन फिर तीन-चार सालों में वह संख्या उतनी ही हो गई। इस लिये कोई ऐसी योजना बनानी चाहिये जिससे ये एरियज कम हों।

तीसरी चीज जो अमेरिकन सिस्टम या फंक्शनल सिस्टम आपने इंट्रोड्यूस किया था, मेरे ख्याल से वह बिल्कुल फेल्योर साबित हुआ है, उस का कोई लाभ नहीं हुआ है। छोटे छोटे केसेज के लिये जैसा कहा गया था कि उन को आप बिना बुलाये देख लीजिये, ताकि असेसमेन्ट जल्दी हो जाय मैं मंत्री महोदय से कहूंगा कि वह चर्रा अपने डिपार्टमेंट से आंकड़े इकट्ठे करें कि कितने केसेज में असेसी को बगैर बुलाये असेसमेन्ट पूरा किया गया है। मैं समझता हूँ कि इन छोटे केसेज में शायद पांच परसेन्ट केसेज भी इस तरह से नहीं हुए हैं। जो चीज पहले चल रही थी, आज भी उसी तरह से चल रही है, बल्कि उस में और ज्यादा कम्पलीकेशन आ गई है और कंट्रोल की कमी हो गई है, जिसकी वजह से काफी गड़बड़ है।

आखिर में, मैं यह कहूंगा कि छोटे छोटे केसेज के ऊपर ज्यादा देर ध्यान न देकर, उन को एक्सेप्ट किया जाना चाहिये। और बड़े-बड़े केसेज पर कन्सेन्ट्रेट करना चाहिये ताकि जो बड़े-बड़े लोग हैं, जो नये नये तरीकों से टैक्स को इवैड करते हैं, उन को पकड़ा जाना चाहिये, उन पर पैनल्टी लगानी चाहिये।

श्री डा० ना० तिवारी (गोपालगंज) : अध्यक्ष जी, मैं न बजट पर बोला हूँ और न फाइनेंस बिल पर बोला हूँ। इस लिए मैं आपसे श्रमुरोध करता हूँ कि थोड़ा अधिक समय मुझे दें।

MR. SPEAKER He cannot accumulate for three days and then speak all that now. If a man has fasted for three days he cannot take all that food in one day.

श्री डा० ना० तिवारी : अध्यक्ष जी, समाज में कुछ कमजोर अंग होते हैं जिनको ऊपर उठाने के लिए स्पेशल एफर्ट्स किये जाते हैं, वैसे ही देश के कुछ ही अंग हैं, कुछ ऐसे हिस्से हैं, जिनकी आबादी कम नहीं है, अधिक आबादी है, उन को ऊपर उठाने के लिए न फाइनेंस बिल में और न बजट में कोई प्रपोजल है उनके लिए कोई खास प्रयत्न नहीं किया गया है। प्लानिंग में भी यह देखा जाता है कि जो अंग कमजोर हो, उस को मजबूत करने के लिये क्या उपाय किये जाय—लेकिन जो हिस्सा आज देश का गिरा हुआ है, पिछड़ा हुआ है, उस को ऊपर उठाने के लिये इस फाइनेंस बिल में कोई प्रपोजल नहीं दी गई है। मैं चाहूंगा कि एक ऐसा कमीशन एक्वाइन्ट करें जिसका दायरा जिले की इकानामिक कन्डीशन देखने का हो—किस-किस जिले की इकानामिक कन्डीशन कितनी खराब है या कितनी अच्छी है, उसको आगे बढ़ाने के लिये हमको क्या-क्या स्टेप लेना होगा—यह तखमीना लगाया जाय। उसके बाद जब रिपोर्ट आ जाय तो उन को आगे बढ़ाने के लिये कोई उपाय या स्पेशल एफर्ट्स की जाय।

17.37 hrs.

[Mr. Deputy Speaker in the Chair]

मैं नार्थ बिहार की एकजांमपल देना चाहता हूँ। आज सारे देश में जो पर-कैपिटा इन्कम है, उसकी आधी भी पर-कैपिटा इन्कम वहाँ की नहीं है। उन लोगों को ऊपर उठाने के लिये,

[श्री द्वा० ना० तिवारी]

उनको राहत देने के लिये फाइनेन्स मिनिस्टर साहब कोई प्रपोजल इस बजट में नहीं लाये हैं। अगर यही स्थिति रही तो देश के दूसरे अंग आगे बढ़ने जायेंगे और वह अंग पीछे हटता जायगा। इस लिये मेरा अनुरोध है कि इस तरफ स्पेशल तवज्जह देनी चाहिये।

दूसरी बात - एग्रीकल्चर के इम्प्लीमेन्ट्स के सम्बन्ध में है। हमारे एग्रीकल्चर मिनिस्टर साहब इस समय यहां पर बैठे हुए हैं। देश में दिन-ब-दिन ज़मीन का बटवारा होता जा रहा है तथा पर-फैमिली ज़मीन कम होती जा रही है। आज इंडिविजुअल ग्रहस्थ, कुछ लोगों को छोड़ कर जिनके पास अधिक ज़मीन है, इस स्थिति में नहीं है कि मार्डन इम्प्लीमेन्ट्स खरीद सकें और ट्रेक्टर ले सकें। मैं चाहूंगा कि सरकार की तरफ से ऐसा इन्तजाम होना चाहिये कि एग्रीकल्चर को बढ़ाने के लिए कुछ गांवों को एक प्लाउइंग यूनिट मान कर हर ब्लॉक में आठ या दस ट्रेक्टर दें, जिससे डीप खुदाई हो सके तथा दूसरे इम्प्लीमेन्ट्स भी वहां पर रख दें। इन इम्प्लीमेन्ट्स के इस्तेमाल का भाड़ा लें, इस से सरकार का जो इन्वेस्टमेंट उन पर होगा, वह भाड़े से आ जायेगा। लेकिन वहां के छोटे छोटे ग्रहस्थों को यह सुविधा देने के लिये ऐसी व्यवस्था करना जरूरी है। इस के बिना डीप प्लाइंग नहीं हो सकता है और वे परिवार इम्प्लीमेन्ट्स के अभाव में अपनी खेती से अधिक अन्न पैदा नहीं कर सकते हैं। मुझे विश्वास है कि यदि फर्टिलाइजर न भी मिले, केवल दो इन्तजाम हो जाय - सिंचाई और डीप - प्लाइंग - तो 10-15 परसेन्ट ईल्ड वैसे ही बढ़ जायगी, बिना फर्टिलाइजर के भी मैं उम्मीद करता हूँ कि फाइनेन्स मिनिस्टर इन-कन्सलटेशन-विद एग्रीकल्चर मिनिस्टर ऐसी व्यवस्था करेंगे।

साहब तथा कृषि मंत्री (श्री जगजीवनराम) : यह स्कीम चलेगी।

श्री द्वा० ना० तिवारी : बहुत धन्यवाद।

मैं और लोगों की आवाज सुनते-सुनते थक गया हूँ। मैं चाहता हूँ मेरी आवाज भी इस हाउस में लोग सुनें।

एक बात मुझे और कहनी है और वह है पोलिटिकल। आज देश में क्या ट्रेन्ड चल रहा है, यह भी फाइनेन्स मिनिस्टर को देखना चाहिए। आज देश में प्रादेशिक सरकारें गिरती जा रही हैं, एक के बाद दूसरी, चाहे वह कांग्रेसी हों या गैर-कांग्रेसी। इससे यह साबित हो चुका है कि जो प्रादेशिक सरकारें हैं वह गुड्स डैलिवर नहीं कर रहीं हैं। इसके अलावा आज सभी ओर से मांग है कि सेन्टर को अधिक मजबूत होना चाहिये। हाउस की बहस से और सवालियों से यह मालूम होता है कि सेन्टर के पास अधिक पावर्स होनी चाहिए। आज एग्री-कल्चर, ला एण्ड आर्डर, हेल्थ, ये सारे सब्जेक्ट्स स्टेट सब्जेक्ट हैं। लेकिन अगर आप मेम्बर्स के सवालालात को देखें या उनकी भावना को देखें तो मालूम होगा कि सभी लोग चाहते हैं कि यहां से ही जवाब मिले और यहां से ही उनको डील किया जाये। तो इस ट्रेण्ड को भी फाइनेन्स मिनिस्टर को देखना चाहिये कि हमारे संविधान में कोई तब्दीली हो या क्या किया जाये जिस से यहां पर यूनिटरी फार्म आफ गवर्नमेंट आ जाये जिससे सारे देश का शासन चला सकें। इसके लिए आपको उपाय सोचना होगा। आप चाहे सारे ग्रुप्स, पोलिटिकल पार्टीज और पोलिटिशियन्स को इकट्ठा करें लेकिन आज जो यह ट्रेन्ड देश में चल रहा है उस को किस तरह से अन्जाम दिया जाये - कांस्टीट्यूशन को अमेन्ड करके या किसी और तरह से इसको आप देखें।

MR. DEPUTY-SPEAKER : Shri Piloo Mody. Very very brief.

SHRI PILOO MODY (Godhra) : I have never been anything but brief. We have just been treated to another one of these usual *tamashas* that go on every year. A great many of us spend a consi-

derable amount of time trying to study not only what legislation is being brought forward in the House, but also trying to go behind it and see what is in the minds of the Ministers proposing these pieces of legislation. But instead of giving the suggestions made over here the proper weightage and the proper degree of understanding, many of them are summarily brushed aside.

You have just seen what has happened to tobacco; you have also seen what has happened to chocolates and children. So far nobody has been able to convince the Finance Minister that air-conditioning is a necessity, although I am sure he uses it himself.

We have also tried to point out to him the savagery of money of the punitive measures that he intends to take. I am sure that as far as a great many people are concerned, punitive measures may be necessary but legislation cannot be based on trying to bring to book only the crooked. Legislation must be framed to provide good government and to protect the honest man. Unfortunately, the complicated and twisted minds of our legislators.....

SHRI MORARJI DESAI : Including himself.

SHRI PILOO MODY :.....invariably bring forward legislation in which they assume that everybody is dishonest. I find that there is practically no legislation in this country to protect the honest. I also make the charge that where a man is honest and has every intention of being so, it is difficult for him say with any degree of certainty, 'I am honest'.

This is the type of legislation that has been going on in this country. Take the tax laws. There are all manner of overlapping provisions—legislations which overlap one another like the Wealth Tax Act, the Estate Duty and a whole lot of other taxes.

I would recommend to the Finance Minister that in a moment of dispassionate calm he should apply his mind with a real purpose of simplifying, which he says he wants to do, and provide a uniform procedure by way of a taxation procedure code which takes into account the entire gamut of tax legislation and puts it in a simplified procedure.

श्री कुशोक बाकुला (लद्दाख) : उपाध्यक्ष महोदय, मैं आज लद्दाख के बारे में कुछ कहना चाहता हूँ। मैंने यहां पर कई मर्तवा सवाल पूछे लेकिन एक सवाल का भी संतोषजनक उत्तर नहीं मिला, मुझे इस बात का बड़ा अफसोस है। मुझे बड़े वेद के साथ कहना पड़ता है कि लद्दाख के बारे में कोई भी तवज्जह नहीं दी जा रही है। मैंने एक सवाल पूछा जिसका जवाब माननीय मंत्री, श्री अशोक मेहता जी ने दिया लेकिन वह उत्तर संतोषजनक नहीं है। मैंने उस पर अलग से चर्चा की मांग भी की है।

उपाध्यक्ष महोदय, लद्दाख में पन-बिजली और पानी की खास जरूरत है। मैंने इसके सम्बन्ध में जो सवाल पूछा उसके जवाब में कहा गया कि पन-बिजली के बारे में राज्य सरकार ने कुछ योजना भेजी थी लेकिन आपने उसको मंजूर नहीं किया है। रम्बीपुर कैनल और कुरवाथांग कैनल पहली पंचवर्षीय योजना में शुरू की गई लेकिन वे विफल रहीं। इस के बारे में मैंने पूछा तो जवाब दिया गया--रम्बीपुर कैनल के बारे में कि यह विफल नहीं हुई है बल्कि उसके बारे में जांच हो रही है। लेकिन पता नहीं, उसकी कौन जांच कर रहा है? क्या कोई कमेटी बनाई गई है या किस प्रकार से जांच हो रही है, इसके बारे में न तो मैंने कुछ सुना है और न कोई जवाब ही दिया गया है।

जो कारगिल तहसील है वहां पर मुसलमान ज्यादा रहते हैं, वहां पर कुरवाथांग कैनल है। उसके बारे में भी आप कहते हैं कि पंचवर्षीय योजना में शामिल की जा रही है लेकिन आप ने स्पष्ट रूप से नहीं कहा है कि शामिल की है या नहीं की है। दूसरे, जो कुरवाथन कैनल है वह मिलिट्री ऐरिया में है। मैं कहना चाहता हूँ कि कहीं ऐसी बात न हो कि बाद में यह कह दिया जाय कि यह भी नहीं हो सकती है। बू कि यह मिलिट्री ऐरिया में है, इसलिए कहीं बाद में यह न कह दिया जाये कि इसमें

[श्री कुशोक बाकुला]

कोई सिंचाई नहीं हो सकती है। इसमें कोई बोले की बात नहीं होनी चाहिये।

उपाध्यक्ष महोदय, कारगिल तहसील में बिजली बहुत पैदा की जा सकती है क्योंकि वहां पर पानी के बहुत जरिये हैं लेकिन लेह में दरिया सिंध से बिजली पैदा करनी होगी इस लिए उसमें थोड़ी कठिनाई आयेगी। लेह और कारगिल में सिर्फ 16 किलोवाट बिजली लगी है। लेकिन जब यहां से कुछ माननीय सदस्य लेह गये थे तो उस समय वह 16 किलोवाट बिजली भी बन्द थी। उसके बाद हमारी जनता ने नेफा पेटन की मांग की, काफी शोर उठा तब 90 किलोवाट के दो डीजल इंजन लगाये जाने की बात हुई लेकिन अभी तक केवल एक ही लेह में लगा है, कारगिल में नहीं लगा है। कारगिल पाकिस्तान की सीमा पर है, कभी-कभी वहां के लोगों पर पाकिस्तानी जासूस होने के इत्जाम तो लगाये जाते हैं लेकिन वहां की जनता के फायदे के लिए कोई तवज्जह नहीं दी जाती है। वहां पर पानी और बिजली इन दो बातों पर ज्यादा तवज्जह देने की जरूरत है।

उपाध्यक्ष महोदय, लद्दाख के लिये पैसे भी बहुत कम कर दिये गये हैं। सन 66-67 में करीब 85 लाख रुपया मिला था लेकिन 67-68 में करीब 44 लाख ही दिया गया है। लद्दाख का बहुत बड़ा एरिया है, जम्मू कश्मीर से भी बड़ा एरिया है, वहां पर इतने पैसे से क्या काम हो सकता है? कल मन्त्री महोदय ने कहा कि लद्दाख के लिए कुछ अलग से पैसा दे रहे हैं और योजना बना रहे हैं लेकिन मैं पूछना चाहता हूँ कि आपने वहां पर क्या किया है, किस जमीन पर आपने पानी का इंतजाम कर दिया है या कहां पर बिजली का इंतजाम कर दिया है? लेह और कारगिल छोटे-छोटे टाउन हैं उनको आप खूबसूरत बना सकते थे लेकिन उन के लिए भी आपने कुछ नहीं किया है। ये दोनों टाउन जिस प्रकार पहले थे, उसी प्रकार से आज

भी हैं। इसलिए मेरा कहना है कि केवल कहने से ही काम नहीं हो जाता है, उसके लिये आप को कुछ करना भी चाहिए।

श्री मधु लिम्बे : उपाध्यक्ष महोदय, कल जो चर्चा हुई उस में कुछ मुद्दों पर मैं बोलना चाहता था लेकिन समय के अभाव के कारण मैं बोल नहीं पाया। उस में से दो मुद्दे ऐसे हैं जिनका कि सम्बन्ध हमारी अर्थ व्यवस्था से और देश के मंतुलित विकास से है।

एक अर्थ से इस बात के बारे में मैं प्रश्न भी पूछ रहा हूँ और बोल भी रहा हूँ कि हमारे देश में इस वक्त की आमदनी पीछे जो आमदनी है उसमें इतना अंतर हो गया है कि कुछ सूबों में जो फ्री व्यक्ति पीछे आमदनी है वह और सूबों की आमदनी से दुगनी ज्यादा है और उस का सामाजिक, आर्थिक और राजनीतिक बहुत ही खराब नतीजा निकल रहा है। इसलिए मैंने प्लानिंग कमिशन के उपाध्यक्ष को भी चिट्ठी लिखी थी और उन्होंने मुझे कहा है :

"The problem of the disparity in levels of *per capita* income between States to which you draw attention has been considered by the Planning Commission in the past. We shall be including some measures for the correction of the inequality in the draft of the four Five Year plan. One question which has some bearing on this problem, namely, the principles of the allocation of Central assistance to States to be determined, is being placed for consideration before the forth coming meeting of the National Development Council.

मैं चाहता हूँ कि वित्त मंत्री जी इस समस्या पर भी कूछ रोशनी डालें।

मेरा दूसरा सवाल यह है कि जब मैं महाराष्ट्र के दौरे पर जाता हूँ हर 6 महीने या साल के बाद जाता हूँ। उसमें मुझे एक बात से बड़ी परेशानी हो रही है और जो महाराष्ट्र की बात है वही दूसरे सूबों की बात है। जो सिंचित

इलाका है वहां के काश्तकारों की आमदनी और अधिकतर महाराष्ट्र और मंसूर वगैरह में जो असिचित इलाके हैं वहां के काश्तकारों की आमदनी में जमीन आस्मान का फर्क है। अब की बार जबकि मैं दक्षिण महाराष्ट्र में गया था तो मुझे जानकार लोगों ने बताया कि इस साल गन्ने की खेती सिंचित इलाके में करने वाले काश्तकारों को एक एकड़ में 6-7 हजार रुपये की आमदनी हुई है मगर यह बात भी सही है कि जब मैं दूसरे इलाकों में जाता हूँ तो पाता हूँ कि दिन प्रतिदिन वहां की हालत खराब होती जा रही है। यह मैं नहीं मानता हूँ कि सभी इलाकों में स्थिति खराब होती जा रही है लेकिन जो असिचित क्षेत्र हैं वह दिन प्रतिदिन खराब होता जा रही है। इसलिए मैं वित्त मंत्री जी और पूरी सरकार से निवेदन करूंगा कि वह जल्दी इस बारे में सोच लें। राज्य सरकारें खेती की आमदनी पर टैक्स बिठाने के बारे में कोई कदम नहीं उठा रही है तो शायद संविधान में इस के लिये परिवर्तन करना पड़ेगा। उस बारे में मैं दो सुझाव देना चाहता हूँ।

एक तो आज खेती की पैदावार बढ़ाने की आवश्यकता है। इसलिए शहरी आमदनी पर जो भी आप मर्यादा लगायेंगे उससे खेती की आमदनी पर ज़रा ऊंची मर्यादा लगायें। इसमें 1000 रुपये या उससे ज्यादा का फर्क जरूर रखना चाहिए। दरअसल 2 हजार रुपये का फर्क रखना चाहिए। अगर शहरी आमदनी के लिये 5000 पर हो तो खेती के लिये 7000 रुपये की मर्यादा रखिये ताकि खेती की पैदावार को प्रोत्साहन मिले। साथ-साथ कानून या संविधान में परिवर्तन किया जाय ताकि खेती की पैदावार और आमदनी पर जो इनकम टैक्स लगेगा उससे जो आमदनी होगी वह सिंचाई के लिये सुरक्षित रखी जाय ताकि जो असिचित इलाका है उसमें भी पैदावार बढ़ सके। मैं चाहूंगा कि उससे जो आमदनी प्राप्त हो वह असिचित इलाके में सिंचाई का इंतजाम करने के लिये ही खर्च हो।

उपाध्यक्ष महोदय, तीसरा मामला मैं एक इनकम टैक्स विभाग में जो सीधे रिक्रूट किये गये अफसर हैं और जिन को बढ़ोतरी नीचे से क्लास 2 से मिली है इनका एक मामला सुप्रीम कोर्ट में गया था और मेरी समझ में सुप्रीम कोर्ट का जो फैसला है उसे हुए करीब-करीब 15-17 महीने हो गये हैं। इस बारे में पिछले सत्र में मैंने कुछ सवाल भी दिये थे और वित्त मंत्री जी से निवेदन किया था कि वह इस बारे में कुछ कहें और उस वक्त उन्होंने यह जवाब दिया था :

I do not consider that the matter is of such importance as to justify a *suo motu* statement by me on the floor of the House.

उपाध्यक्ष महोदय, उसके बाद फिर सवाल पूछा और उसका जवाब आया कि हम विचार कर रहे हैं। फिर 14 महीने के बाद मैंने यह सवाल पूछा तो यह कह रहे हैं कि इस पर विचार चल रहा है अब सुप्रीम कोर्ट ने यह आर्डर दिया है। अब इनके डिपार्टमेंट में अगर इस तरीके से काम किया जायेगा तो मंत्री महोदय की जो अपेक्षा है कि कार्य क्षमता बढ़े और उन में ईमानदारी बढ़े तो वह नहीं हो पायेगा। मैं सुप्रीम कोर्ट के उस आर्डर का अंतिम वाक्य पढ़ रहा हूँ :

"For the reasons given in that case, we hold that this petition should be allowed and a writ in the nature of *mandamus* under article 32 of the Constitution should be granted commanding the respondents 1 to 3 to adjust the seniority of the petitioner and other officers similarly placed like him and prepare a fresh seniority list in accordance with the law, after adjusting the recruitment over the period 1951 to 1958 and onwards in accordance with the quota rule prescribed in letter F. 242..." etc.

अदालत के द्वारा आदर्श दिये जाने के बाद 14-15 महीने हो जाते हैं अभी तक यह लोग लिस्ट तैयार नहीं करते हैं। मेरी समझ में नहीं आता है कि यह काल हरण क्यों? क्या इसी

[श्री मधु लिमये]

गति से सारा काम होने वाला है ? अगर इस गति से सारे काम होंगे तो देश की अर्थ व्यवस्था और टैक्स वसूली की व्यवस्था के बारे में बहुत ही गंभीर हालात उत्पन्न हो जायेगी।

डा० गोविन्द दास (जबलपुर) : उपाध्यक्ष महोदय, मैं प्रायः सदन में व्यापक विषयों पर बोलता रहा हूँ परन्तु आज मैं एक अत्यन्त संकुचित बात अपने वित्त मन्त्री जी से कहना चाहता हूँ और वह जबलपुर के सम्बन्ध में है। जबलपुर मध्य प्रदेश का एक बड़ा विकसित नगर है और जिस समय प्रान्तों का पुनर्गठन हुआ उस समय उस आयोग ने जबलपुर को मध्य प्रदेश की राजधानी के लिए उपयुक्त स्थान बताया था। राजधानी वह नहीं बनी। वहाँ के लोगों को काफ़ी दुःख हुआ इस से। लेकिन अब उन की एक बहुत छोटी सी मांग है और वह बड़ी न्यायपूर्ण मांग है कि जबलपुर को बी० श्रेणी का नगर घोषित किया जाय। हम इस सम्बन्ध में सरकार के पास उन सारी वज्रहात को भेज चुके हैं जिनके कि आधार पर जबलपुर अवश्य बी श्रेणी का नगर घोषित होना चाहिए। वहाँ सभी दलों के लोगों की मांग है। यह प्रश्न बार-बार सरकार के सामने लाया गया है। हमें इस बात का बड़ा खेद है कि जो नगर मध्यप्रदेश की राजधानी बनने वाला था उस नगर के सम्बन्ध में एक इतनी छोटी सी मांग भी स्वीकृत नहीं होती है। मैं समझता हूँ कि यह जबलपुर के प्रति बहुत बड़ा अन्याय है। हमारे वित्त मन्त्री जी स्वयं जबलपुर अनेक बार पधार चुके हैं। वे जबलपुर की स्थिति से पूर्ण रूप से परिचित हैं। इसलिए मैंने जैसे अभी निवेदन किया मैं यहाँ पर व्यापक विषयों पर ही बोलता रहा हूँ लेकिन आज एक बड़े संकुचित विषय को मैं वित्त मन्त्री जी के सामने लाना चाहता हूँ और मैं कहना चाहता हूँ कि वे इस बात की पूरी जांच कर लें कि उन के स्वयं के नियमों के अनुसार जबलपुर

बी श्रेणी का नगर होता है या नहीं और अगर वह होता है तो फिर उसको तुरन्त बी० श्रेणी का नगर घोषित कर दिया जाय।

18.00 hrs.

श्री गुलाम मोहम्मद बख़शी (श्रीनगर) : जनाब वाला, मैं महज थोड़े से वक़्त में आन-रेबल डिप्टी प्राइम मिनिस्टर और ऐवान की तवज्जह बिलाना चाहता हूँ कि आज फाइनेन्स बिल आखिरी तौर पर पास हो रहा और उस में पार्लियामेंट को वजारतों के अख़राजात के सेशन देने हैं। इसी कंसोलिडेटेड फंड में से सेंटर भी खर्च करता है और स्टेट भी खर्च करती है। इस के अलावा और कोई दूसरा फंड नहीं है सारे इंडिया में जिस में से अलग तरीके से अलग अलग काम पर और अलग अलग जगह पर खर्च किया जाये। जहाँ तक काश्मीर का ताल्लुक है, उसको भी इसी फंड में से रुपया मिलता है। लोन मिलता है और ग्रान्ट्स मिलती है, प्लैन ग्रांट्स प्लैन फंड्स और प्लैन लोन्स। मैं ऐवान की आगाही के लिये बतलाना चाहता हूँ कि 1947 से ले कर up to end of March 1964. Rs. 72 crores as loans and grants were given to Kashmir. As against that from April 1964 to end of March 1968 Rs. 90 crores were given. That is only for a period of 4 years and Rs. 72 crores were given for a period of 16 years. Never more than 15,000 tonnes of foodgrains were got from the Centre. But from March 1964 onwards according to the reply of the hon. Food Minister within these four years 5,80,000 tonnes of foodgrains were sent to Kashmir. In the 1947-48 conflict with Pakistan we spent Rs. 6 crores to Rs. 7 crores on the refugee problem where lakhs and lakhs were involved. The whole State was then ransacked by Pakistan. But in the 1965 conflict which was just limited to Chamb, Jaurian and part of Poonch where about 60,000 to 80,000 people were involved a grant of Rs. 11 crores was given. Yet the problem is there. The hon. Fina-

nec Minister was in Jammu only a few days back. He said that Kashmir is as good a part of India as any other part. I agree with him. He is right and that is our considered opinion. But I would request him one thing.

जहाँ तक पब्लिक अकाउंट्स कमेटी और एस्टिमेट्स कमेटी का ताल्लुक है, इसमें उन्हें कोई ऐतराज नहीं होना चाहिये कि यह काश्मीर पर भी लागू किया जाये। 370 की तहत भी यह बात आती है। मैंने 370 को काफी गौर से पढ़ा है। उस से इस में कोई फर्क नहीं पड़ता जिस की वजह से इस में कोई खास दिक्कत हो। लिहाजा यह कहने का कोई मतलब नहीं है कि वहाँ पर अकाउंटेंट जनरल है। वह कहते हैं कि 2 और 2, 4 हुए, मामला खतम हो गया, वह कहते हैं कि 3 और 3 6, हुए, मामला खतम हो गया। मैं पूछना चाहता हूँ कि जब तमाम हिन्दुस्तान में पब्लिक अकाउंट्स कमेटी और एस्टिमेट्स कमेटी फंक्शन करती है तो काश्मीर में क्यों फंक्शन नहीं करती उस को काश्मीर में भी फंक्शन करना चाहिये।

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[श्री जयन्ती غلام محمد (सरنگ) : جناب والا میں محض تنویر سے واقعہ میں آئرینل ڈپٹی پرائمر منسٹر اور ایوان کی توجہ دلانا چاہتا ہوں کہ آج فائینس بل آئرینل طور پر پاس ہو رہا ہے اور اس میں پارلیمینٹ کو وزارتوں کے اخراجات کے سینکڑوں ڈیڑھے ہیں۔ اس نفاذ میں فیڈریشن سے سینٹر بھی خرچ کرتا ہے اور اسٹیٹ بھی خرچ کرتی ہے۔ اس کے علاوہ اور کوئی دوسرا فنڈ نہیں ہے سارے انڈیا میں جس میں ایک طریقہ سے ایک کام پر اور ایک ایک جگہ پر خرچ کیا جائے۔ جہاں تک کا کشمیر کا تعلق ہے اس کو بھی اس فنڈ میں سے روپیہ ملتا ہے۔ کون ملتا ہے اور گرانٹس ملتی ہیں۔ بلین گرانٹس۔ بلین فنڈ ساور بلین لوٹس میں ایوان کی آگاہی کے لئے بتلانا چاہتا ہوں کہ اس فنڈ سے لے کر

श्री शिव नारायण (बस्ती) : उपाध्यक्ष महोदय, मैं ला एंड आर्डर के बारे में फाइनेंस मिनिस्टर से दरखास्त करता हूँ और उन को बर्धाई देना चाहता हूँ कि उन्होंने कल बहुत बोलने से हर बात का जवाब दिया। मैं उस के लिये उन को धन्यवाद देता हूँ। साथ ही जो बजट उन्होंने पेश किया मैं उस का समर्थन करता हूँ। लेकिन मैं फाइनेंस मिनिस्टर साहब से दरखास्त करता हूँ कि जैसा एक्स फाइनेंस मिनिस्टर श्री टी० टी० कृष्णामाचारी ने वादा किया था, पटेल कमिशन ने उत्तर प्रदेश के दो पूर्वी जिलों के लिये जो कुछ कहा था उस पर सरकार गौर करे और उन की मदद करे।

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जहाँ तक ला एंड आर्डर का सवाल है मैं कहना चाहता हूँ कि कम्प्यूलिज्म तो है ही, हिन्दू मुसलमानों के भगड़े चल रहे हैं, लेकिन हरिजन भी आज कल मारे जा रहे हैं। मैं आप की इजाजत से एक उदाहरण देना चाहता हूँ...

उपाध्यक्ष महोदय : उत्तर प्रदेश का बजट तो आने वाला है ।

श्री शिव नारायण : यह उत्तर प्रदेश का ही मामला नहीं है, बिहार का मामला भी है । बिहार में 4 दिसम्बर को कल्ल हुआ, लेकिन आज तक उस की जांच नहीं हुई । बिहार के माननीय सदस्य यहां बैठे हुए हैं । वह मुझ को कंट्रैडिक्ट कर दें कि मैं गलत कहता हूँ । मैं फाइनेन्स मिनिस्टर से दख्खास्त करता हूँ कि सारा कुछ होम मिनिस्ट्री के ऊपर है । अगर वह चाहे तो ला एंड आर्डर रह सकता है और हमारा देश ठीक से चल सकता है । इस लिये यह सारा पैसा दिया जाये क्योंकि यहां पर शिक्षकों का मामला है, मजदूरों को मामला है ।

‘गरीबों को मिले रोटी तो मेरी जान हाजिर है’

मैं गवर्नमेंट से बहुत एम्फैटिकली कहना चाहता हूँ कि गरीबों पर पैसा खर्च किया जाय और जो बड़े बड़े पूंजीपति हैं जिन के पास 100 करोड़ रुपया हमारा बाकी है, वह उन से वसूल किया जाये ।

श्री नाथूराम अहिरवार (टीकमगढ़) : उपाध्यक्ष महोदय, मैं वित्त मंत्री महोदय का ध्यान अपने चुनाव क्षेत्र टीकमगढ़-छतरपुर की तरफ आकर्षित करना चाहता हूँ जो कि एक बहुत पिछड़ा हुआ इलाका है । मेरे चुनाव क्षेत्र में सिंचाई की व्यवस्था बहुत कम है । रनमुवा बांध बन चुका है लेकिन यहां से छतरपुर के लोड़ी क्षेत्र के लिये सिंचाई के लिये नहर नहीं निकाली गई है । यह योजना केन्द्रीय सरकार के विचाराधीन है । मैं चाहता हूँ कि इस के लिये जल्दी की जायें ।

माताटीला बांध पहली पंचवर्षीय योजना में बन चुका था । इस के लिये मध्य प्रदेश और उत्तर प्रदेश की सरकारों के बीच में यह समझौता हुआ था कि एक तिहाई बिजली मध्य प्रदेश को मिलेगी और दो तिहाई उत्तर प्रदेश को । वहां पर बिजली की लाइन बना दी गई है,

लेकिन मध्य प्रदेश को बिजली अभी तक नहीं दी गई है ।

उस के बाद दूसरा समझौता यह किया गया था कि उत्तर प्रदेश के जो गांव मध्य प्रदेश की बिजली लाइन के पास पड़ते हैं उन को मध्य प्रदेश से बिजली दी जायेगी और जो मध्य प्रदेश के गांव उत्तर प्रदेश की बिजली लाइन के पास पड़ते हैं उन को माताटीला से बिजली दी जायेगी । टीकमगढ़ जिले के निवाड़ी तहसील में वर्ष 1965 में बिजली की लाइन लगा दी गई है, लेकिन अभी तक बिजली नहीं दी गई है । यहां विद्युत मंत्री भी बैठे हुए हैं । मैं वित्त मंत्री महोदय से निवेदन करना चाहता हूँ कि उत्तर प्रदेश सरकार से तय कर टीकमगढ़ जिले की सिंचाई योजना तथा ग्रामीण विद्युत योजना को तुरन्त चालू किया जाये जिस से बिजली के द्वारा सिंचाई बढ़ सके ।

श्री बै० ना० कुरील (रामसनेहीघाट) : उपाध्यक्ष महोदय, जैसा अभी श्री तिवारी ने कहा देश का जो विकास हुआ है उस में कुछ ऐसी गलतियां हुई हैं जिन से जो प्रदेश गरीब था वह धनी हो गया और जो प्रदेश धनी था वह अधिक गरीब होता चला गया । मैं उत्तर प्रदेश की ओर आपका ध्यान आकर्षित करना चाहता हूँ । 1950-51 में वहां की पर कॅपिटा इनकम 259 62 थी जब कि सारे हिन्दुस्तान की 247 5 थी । फिर 1960-61 में 245.88 हो गई जब कि सारे हिन्दुस्तान की पर कॅपिटा इनकम 310 थी, और 1966-67 में वह 227.6 हो गई जब कि सारे हिन्दुस्तान की पर कॅपिटा इनकम 313 थी । यानी उत्तर प्रदेश पर कॅपिटा इनकम 259 से 227 हो गई । इसकी ओर विशेष ध्यान देना होगा । शायद यह बात इस लिये है कि यू० पी० के लोग यहां ज्यादा शोर नहीं करते, ओवर-ड्राफ्ट नहीं लेते और उनको भुगताना पड़ता है । वित्त मंत्री महोदय को यह देखना पड़ेगा कि जो लोग शोर नहीं मचाते, ओवर-ड्राफ्ट नहीं लेते, उन के साथ न्याय हो । उनका नुकसान न हो ।

फैमली प्लानिंग जो हो रही है उस में भी आप को देखना पड़ेगा कि जो लोग इस के लिये ठोस कार्यवाही कर सकते हैं, सफलता प्राप्त करते हैं, उन का नुकसान होता है। यू० पी० वे इस और ठीक से ध्यान दिया और उस को एक पार्लियामेंट की सीट और 5 असेम्बली की सीटें खोनी पड़ीं। इस की और भी आप को ध्यान देना होगा।

SHRI SHIVAJIRAO S. DESHMUKH :

Mr. Deputy-Speaker, Sir, I hope, you will readily agree that the Finance Bill at the third reading stage of the Budget gives effect to the financial proposals of the Government. The financial proposals which acquire the right to levy taxes on the people with their consent as expressed through their chosen representatives is one of the crucial rights of democracy. Particularly in a country which is given to planned development, the right to levy taxes through the Budget proposals is most important particularly when it was a part of the process of levelling up and levelling down through the process of taxation. If these taxation proposals are to be tested on the crux of this touchstone, whether it helps the poorest of the poor and taxes the persons who can afford to pay taxes, I think our proposals very miserably fail. Particularly in an agricultural country, where 50 percent of the national income comes from agriculture, when 50 per cent of our total exports come from agriculture and where 80 per cent of the people live, these Budget proposals have nothing to give. It is a known fact that Indian agriculture suffers from this basic infirmity that we cannot give irrigation to more than 30 per cent of our land, that we do not have all our agricultural land with contour bunding, that we do not preserve them. So, to provide water, to provide fertiliser and to conserve land it requires tremendous funds. On the top of this we withdraw concessions which were due to the agriculturists. So, we have taxed agriculture not only directly but indirectly also by withdrawing concessions that are due to agriculturists. And when we deny them due prices we strike at the most vulnerable part of agriculture. Therefore, I plead with the Finance Minister to look into this and come out, if not in these proposals at least in the next proposals, to reflect the econo-

mic policies of the party for which he stands.

श्रीमती सश्री कान्तम्मा (खम्मम) : मैं एक प्रश्न पूछना चाहती हूँ। केवल एक प्रश्न।

MR. DEPUTY-SPEAKER : The hon. lady Member should resume her seat. If I permit one question, I will have to permit several. There is no time now. I will not permit any question.

डा० सूर्य प्रकाश पुरी (नवादा) : हमेशा विरोधी दल के सदस्य को बुलाने के बाद आप मंत्री महोदय को बुलाते हैं। इस बार कांग्रेस का सदस्य बोल रहा था और आपने मंत्री महोदय को बुला दिया है। इधर एक सदस्य को दो मिनट समय दे दें, फिर वित्त मंत्री बोलें।

MR. DEPUTY-SPEAKER : I have accommodated as many as I could. I extended the time.

SHRI SRINIBAS MISRA : The practice has been that after an Opposition Member has spoken the Minister replies.

MR. DEPUTY-SPEAKER : I know. I have accommodated as many Members as possible. Do you want to have a reply from the Finance Minister or not? He will be too happy if I allow other Members (Interruption)

श्री मोरारजी देसाई : मुझे जितना समय मिलेगा उतना समय ही मैं बोलूंगा। दो मिनट मिलेंगे तो दो मिनट बोलूंगा। जिस तरह से माननीय सदस्य समय के बाहर चले जाते हैं उस तरह मैं नहीं जा सकता हूँ। मैं तो आपका हुकम मानूंगा।

फाइनेंस बिल आखिरी दौर में से गुजर रहा है। जो दलीलें दी गई हैं इस वक्त उनको मैंने बहुत ही गौर से सुना है। मैं नहीं कह सकता हूँ कि जितनी दलीलें दी गई हैं कुछ रद्दोबदल करने के बारे में वे सारी दलीलें सही नहीं थीं या उन में कुछ तथ्य नहीं था। ऐसा

[श्री मोरारजी देसाई]

मैं कभी नहीं कह सकता हूँ। जिन बातों को मैं स्वीकार कर सकता उनको मैं जरूर स्वीकार करता। लेकिन जिन हालात में मुझे काम करना पड़ रहा है, जिन परिस्थितियों में से देश गुजर रहा है और जिन मुसीबतों का हमें सामना करना पड़ रहा है और जो जिम्मेदारियाँ मेरे ऊपर हैं उन सब को देखते हुए मुझे जो कदम उठाने पड़े हैं, मैं मानता हूँ कि उनको उठा कर मैं सब को संतोष नहीं दे सका हूँ, और मुझे इसका दुख भी है। लेकिन आखिर को इस दुख को मुझे बरदाश्त करना ही पड़ेगा और इसी आशा में करना पड़ेगा कि मेरी मजबूरियाँ मेरे साथ हैं। कुछ भी आप दलीलें दें लेकिन फिर भी मैं चाहता हूँ कि मेरी जो हालत है उसको आप समझें। मैं चाहता हूँ कि जो मैं कहता हूँ उस में उनकी श्रद्धा और विश्वास हो। मेरी गलती हो सकती है। लेकिन मैं विश्वास दिलाना चाहता हूँ कि जो कुछ भी मैं कहता हूँ संजीदगी से कहता हूँ और अपनी समझ के मुताबिक कहता हूँ। इतना ही मैं वादा कर सकता हूँ। मैं यह वादा नहीं कर सकता कि हर एक बात जो मैं कहता हूँ, सही है या उस में कोई गलती नहीं हो सकती है। मैं यह भी नहीं कहता हूँ कि जो कुछ मैं कहता हूँ वही दुरुस्त है।

माननीय सदस्य श्री पीलु मोडी ने बहुत गम्भीरता से कहा जो अमूमन वह नहीं कहा करते हैं, और इसी से मैं समझ सकता हूँ कि उनको इससे कितनी चिन्ता है। चिन्ता सब को होती है। हमें भी होती है। मुझे यह चिन्ता जरूर है कि इस देश में जिस तरीके से तन्त्र पहले से चला आया है इस में अविश्वास की सब बातें बनी हुई हैं और इसी वजह से जो कुछ भी होता है, जो कुछ सही बात भी की जाती है, उसका भी दुरुपयोग हो जाता है। जो सही करना चाहते हैं उनको भी कुछ न कुछ सहन करना पड़ता है, और जो चोरी कर जाते हैं वे चोरी करके निकल जाते हैं। इससे चोरी करने वालों को ज्यादा प्रोत्साहन मिलता

है, और ऐसी भी हवा पैदा होती है, इससे मैं इन्कार नहीं कर सकता हूँ। इसीलिए मैं चाहता हूँ कि गवर्नमेंट की ओर से जितना बन सके इतना किया जाए और जो सम्बन्ध हमारे कर्मचारियों का समाज के साथ रहे वह विश्वास का रहे। विश्वास गवर्नमेंट को पैदा करना चाहिये। इसको भी मैं मानता हूँ। पहले कदम उनको उठाना चाहिये, इसको भी मैं मानता हूँ। लेकिन साथ-साथ मैं यह भी निवेदन करना चाहता हूँ कि जब तक जनता भी उसके साथ सहकार नहीं करेगी तब तक वे कुछ भी करें, उनके लिए मुसीबत भी पैदा हो जाएगी और उनके ऊपर आरोप लगाये जा सकते हैं। उन आरोपों में कई आरोप सही भी हो सकते हैं, कई गलत भी हो सकते हैं। इन सब बातों को हमें सोचना होगा और सोच कर इसका हल निकालना होगा।

बात ठीक है कि जो सजायें यहां बनाई हैं और जित के लिए यह व्यवस्था की है वह सजा सख्त हैं। लेकिन सख्त सजा किये वगैर इसको दुरुस्ते नहीं हम कर सकते हैं, इस नतीजे पर मैं पहुँचा हूँ। इसका प्रयोग करना मैंने चाहा और इसीलिए मैं यहां आया इस काम को लेकर। मैं आशा करता हूँ कि इस में से जो आशा मैं रखता हूँ वह आशा सफलित होगी। मेरे कहने का मतलब यह है कि इसका उपयोग हमें ज्यादा न करना पड़े। अगर जनता की ओर से भी सहकार मिलता रहेगा तो मुझे पूरा यकीन है कि जो आशंकायें माननीय सदस्यों के ध्यान में है कि इसका दुरुपयोग होगा, वैसे न हो इस प्रकार की व्यवस्था हम कर सकेंगे, ऐसी मैं आशा करता हूँ।

मधु लिमये जी ने दो तीन बातें कही हैं। बात कुछ ठीक भी है। उन्होंने कहा है कि जो सिचाई का क्षेत्र है वहाँ लोगों की हालत काफी सुधरी है और जो सूखे भाग हैं, उनमें और सिचाई के क्षेत्रों में काफी अन्तर है। लेकिन

यह बात सही नहीं है कि सूखे भाग जो हैं वे खराब होते गए हैं। सूखा भाग भी सुधरा है लेकिन उसके मुकाबले में बहुत कम हद तक, इतना जरूर मैं स्वीकार कर सकता हूँ। इसलिए सिंचाई का लाभ हर एक जगह मिलता रहे, इसके लिए हम कोशिश कर रहे हैं। जब तक पचास प्रतिशत ज़मीन सिंचाई के नीचे नहीं आएगी तब तक खेती का हल जैसा होना चाहिये, उससे आमदनी जितनी होनी चाहिये, नहीं होगी, यह भी मुझे लगता है।

जिन को ज्यादा इस में आमदनी होती है उन के ऊपर कर लगाने की बात भी होती है। यहां पर आ कर सदस्यों में मतभेद है। वह होगा भी। लेकिन एक बात में साफ करना चाहता हूँ कि यह प्रादेशिक राज्यों का हक है, केन्द्रीय सरकार का हक नहीं है। इसको बदलने के लिए संविधान को बदला जाए, यह भी आसान नहीं है। कारण यह है कि प्रादेशिक राज्य इस में सहमति नहीं प्रकट करेंगे।

श्री मधु लिमये : मैंने यह नहीं कहा कि राज्यों से केन्द्र के पास यह अधिकार और आमदनी आ जाए। मैं चाहता हूँ कि एग्रिकलचरल इनकम टैक्स जो लगे उसकी आमदनी का राज्य इस्तेमाल करें।

श्री मोरारजी देसाई : वह भी नहीं हो सकता है जब तक कि राज्य सरकारें सहमत न हों। उनकी इसके लिए सहमति चाहिये। अभी हाल ही में प्लानिंग कमिशन के डिप्टी चेयरमैन ने उसकी बात की थी। काफी लोगों ने उसका यहां भी विरोध किया है, यह आपको मालूम ही है। कुछ लोग करते हैं और कुछ नहीं भी करते हैं। बाहर भी होता है इसका विरोध, इसको भी आप जानते ही हैं। फिर लोकतंत्र में एक बात तो रहती ही है। जहाँ ज्यादा मतों का अधिकार है उसका असर तो सब पर पड़ता है। और यह बात साफ है कि जो किसान हैं उनके मत ज्यादा है इसीलिए उनका असर ज्यादा पड़ता है...

श्री मधु लिमये : मैंने तो सीधी सी बात कही है। घनी किसान गरीब किसानों की मदद करें। मैं कहां चाहता हूँ कि वहां से आमदनी प्राप्त करके शहरों पर खर्च की जाए। घनी किसान गरीब किसानों की मदद करें, यह मैं चाहता हूँ।

श्री मोरारजी देसाई : अगर ऐसी हालत हो जाये, तब तो हिन्दुस्तान में हमें कुछ करना ही नहीं पड़ेगा। हर एक जगह जिस के पास साधन और शक्ति हैं, अगर वह उन की मदद करे, जिन के पास नहीं हैं, तो मेरी मुसीबत बिल्कुल हल्की हो जाये, रहे ही नहीं। मगर वह हालत भी हमें पैदा करनी है। सबाल यह है कि वह एक-दम हम कैसे पैदा करेंगे। हम सब की कार्य-क्षमता जितनी होनी चाहिए, उतनी नहीं है। सारे देश की यह हालत है, सिर्फ एक या दो की नहीं। मगर मैं मानता हूँ कि वह कार्य-क्षमता बढ़ती जा रही है, कम नहीं हो रही है। हमारे मसले भी बढ़ते जाते हैं और काम की मर्यादा भी बढ़ती जाती है, कम नहीं होती जाती है। इस लिए भी कार्य-क्षमता बढ़ने में कुछ रुकावट होती है। मगर हम सब इस बारे में हमदर्दी से एक दूसरे से बात करें और सोचें। कहना हो, तो कहें, सस्ती से कहें, मगर दिल में हमदर्दी रखें। अगर हम यह करें, तो मुझे विश्वास है कि हम में इतनी बुद्धि, शक्ति और अकल जरूर है कि हम सारी हकीकतों के बावजूद इस देश को जल्दी ही काफ़ी आगे ले जा सकते हैं। मगर वह तभी हो सकता है, जब हम, भले ही हमारे मतों में विरोध हो, लेकिन साथ मिल कर काम करने और एक दूसरे की मदद करने के बारे में ज्यादा सोचें। उस स्थिति में हम सब का उपयोग इस काम में आ सकता है।

एक बात इनकम टैक्स आफिसर्स के बारे में श्री मधु लिमये ने कही। एक आफिसर कानटेन्ट आफ कोर्ट के लिए सुप्रीम कोर्ट में केस ले गया था, क्योंकि इस में इतनी ढील हुई। मैंने अभी सुना है कि सुप्रीम कोर्ट ने कहा है कि

[श्री मोरारजी देसाई]

वैकेशन के बाद जुलाई में सुप्रीम कोर्ट के मिलने से पहले ही उसका फैसला हो जाना चाहिए। मैं विश्वास करता हूँ कि जुलाई से पहले नहीं, जून के अन्त से पहले, उस का आखिरी फैसला हो जायेगा और इसके लिए मैंने कह भी दिया है। लेकिन कुल 900 आफिसर्ज इस में सम्बन्धित हैं इन सब के लिए अलग-अलग बातें हैं। सुप्रीम कोर्ट ने जो फैसला दिया है, वह सब को लागू होता है। हर एक का अलग-अलग केम होता है। सब को देखना पड़ता है, ताकि इस में से फिर से कोई केस न हो जाये। इसी लिए टाइम लगा है। मगर यह जल्दी हो सकता है। मैं नहीं चाहता कि जल्दी नहीं हो सकता था। जितनी कार्य-क्षमता चाहिए, अगर वह होती, तो जरूर जल्दी होता, मगर वह नहीं है। वह लाने के लिए कोशिश हो रही है। मैं मानना हूँ कि वह कार्य-क्षमता भी आती जाती है और अब वह काफी ज्यादा बढ़ेगी। गुरुआत में इतनी तरक्की नहीं होती है। मगर जैसे-जैसे आगे बढ़ते जाते हैं, वैसे-वैसे तरक्की भी बढ़ती जायेगी। इसका भी फैसला जल्दी हो जायेगा, ऐसा मेरा विश्वास है और इसके लिए मेरा पूरा प्रयत्न रहेगा।

श्री कुशोक बाकुला ने लद्दाख के बारे में बड़े दिल के दर्द से यहां बातें कहीं। उन के साथ मेरी बहुत सहानुभूति है, हमदर्दी है। मैं उन की तड़प भी जानता हूँ। मगर वह कहते हैं कि लद्दाख में कुछ भी नहीं हुआ। यह बात सही नहीं है, यह मुझे बहुत ही नज़रता के साथ उन को कहना है। वह अपना दुख पेश करें, जरूर करें, मगर यह भी हकीकत है कि बाकी की वादी में पर-कैपिटल जितना पैसा खर्च किया गया, लद्दाख में उससे ज्यादा किया गया है। मगर लद्दाख की हालत इतनी कठिन है कि चाहे कितना भी पैसा खर्च करें, तो भी मैदान में जैसी हालत हो सकती है, वैसी लद्दाख में एक-दम नहीं हो सकती है। यह ठीक है कि उस को सुधारने के लिए ज्यादा कोशिश करनी चाहिए।

श्री कुशोक बाकुला : मैंने यह नहीं कहा है कि कुछ भी नहीं हुआ है। लेकिन अगर यह कहा जाता है कि वहां पर बहुत कुछ किया गया है, तो मुझे बताया जाये कि लद्दाख में कहां सिचाई का इन्तजाम किया गया और कहां बिजली लाई गई।

श्री मोरारजी देसाई : अगर वह मुझे मिलेगा, तो मैं बताऊंगा। मेरे पास हकीकत आई है। मैं उन को यह भी बताऊंगा कि आगे चल कर हम क्या कर सकते हैं।

श्री गुलाम मुहम्मद बख्शी : पहले जुमले में उन्होंने कहा कि काफी काम हुआ है, लेकिन जो कुछ होना चाहिए था, वह नहीं हुआ है।

श्री मोरारजी देसाई : मैं बराबर गौर से उन को सुन रहा था। बाद में उन्होंने कहा कि कुछ नहीं हुआ।

हर साल फिनांस बिल और बजट के अवसर पर मेरे माथी प्रदेशों की बातें काफी किया करते हैं। इस बार नहीं हुईं, पहले तो मुझे इस का संतोष था, मगर आखिरी हिस्से में कुछ आ ही गई। ठीक है। जबलपुर का जिक्र किया गया। जो सेन्सस हुई, उस के हिसाब से वह नहीं हो सकता है। अब कहा जाता है कि आज का अन्दाजा लगा कर वह हो जाता है, इसलिए दे दो। इस तरह से तो काम नहीं हो सकता है। 1961 में जो सेन्सस हुई, उस का ही अन्दाजा लगाया जा सकता है। अभी दो साल के बाद दूसरी सेन्सस होगी। तब इस बारे में जो बदल करना है, वह करेंगे। अगर पूरा सुवृत्त मिल जाये कि हालत बदल गई है, तो हम जरूर बदल सकते हैं। मगर मैंने जो देखा है उससे वह नहीं हो सकता है, ऐसा मुझे कहना पड़ेगा।

उत्तर प्रदेश की, खासकर उसके पूर्वी हिस्से की, बात कही गई। यह बात सही है कि उत्तर प्रदेश के पूर्वी हिस्से की स्थिति बहुत ही नाजुक है।

श्री डा० ना० तिवारी : नार्थ बिहार ?

श्री मोरारजी बेसाई : नार्थ बिहार की भी ऐसी ही स्थिति है यू० पी० और बिहार, ये दोनों साथ हैं। ये दोनों जमींदारी हिस्से थे। इसीलिये वहां काम कम होता है। केन्द्र इसमें क्या करेगा ? वहां जिन को काम करना है, उन के पीछे लगने के बजाये यहां हमारे पीछे लगते हैं। वहां पर काम ज्यादा जोर से बढ़ाना चाहिये। वहां कोई कम पैसे नहीं दिये हैं। उत्तर प्रदेश को हर एक योजना में हम ज्यादा पैसे देते जाते हैं। चार छः महीने पहले मैंने वहां के मुख्य मंत्री को लिखकर बताया था कि हम क्या-क्या करते हैं। मगर वहां पर जो काम करना है, वह तो हम जा कर नहीं कर सकते हैं। वह तो वही कर सकते हैं। इसलिए माननीय सदस्य हमें कहने के बजाये वहां जा कर ज्यादा कहें, तो इसका फायदा जरूर पहुंचेगा। इस काम में मैं भी साथ देने के लिए राजी हूं। मैं कबूल करता हूं कि वह हम सब का काम है, मगर जहां से काम करना चाहिये, अगर वहां से न करें, तो वह काम नहीं होगा।

श्री डा० ना० तिवारी : जैसे उत्तर प्रदेश के चार जिलों के लिए कमीशन बना कर इन्क्वायरी हुई, वैसे ही नार्थ बिहार के लिये भी एक कमीशन बनाकर सरकार जांच करे कि वहां पर कितनी ग्रामदनी पर कैंपिटा है।

श्री मोरारजी बेसाई : कमीशन बनाने में भी जरा सोचना चाहिये। माननीय सदस्य को जरूरत हो, तो वह कमीशन बनाने के लिये जरूर करेंगे, मगर अगर कोई दूसरा कमीशन बनेगा, तो कहेंगे कि ढील में डालने के लिए कमीशन बनाया जा रहा है। मैं हमेशा ऐसी बात सुनता रहता हूं। सिर्फ कमीशन से काम नहीं होने वाला है। उत्तर प्रदेश के पूर्वी जिलों के लिए जो कमीशन बंटा था, उससे भी कुछ नहीं हुआ। मैं यह बात बार-बार सुनता हूं। कमीशन की जरूरत नहीं है।

यह बात साफ है कि जो नीचे के तबके के लोग हैं, जिन को ज्यादा परेशानी है, उनके लिए हमें कुछ न कुछ करना चाहिए, मगर वह करने के लिए वहां पर कार्यकर्ता कुछ काम उठाये, ज्यादा सहकार से कुछ काम शुरू करें, सहकारी संस्थायें बना कर उन की मार्फत काम करें, तो हम उनको भी पैसे दे सकते हैं। उनकी मार्फत वहां पर उद्योग भी लगाये जा सकते हैं। लेकिन अगर हर एक काम के बारे में कहा जाये कि सरकार ही करें, तो सरकार कहां से करेगी ? सरकार के लिए करना बिल्कुल मुमकिन नहीं है। अगर वहां पर छोटे-छोटे उद्योगों के बारे में प्रबन्ध किया जाये, तो केन्द्रीय सरकार की ओर से उसमें हम जितनी मदद कर सकते हैं, उतनी हम जरूर करेंगे।

मैं सब साथियों को उनकी हमदर्दी और मेहरबानी के लिए धन्यवाद देना चाहता हूं।

MR. DEPUTY—SPEAKER : The question is :

“That the Bill as amended be passed.

The motion was adopted.

18.29 hrs.

*SITUATION IN EASTERN FRONTIER AREAS

श्री कंवर लाल गुप्त (दिल्ली सदर) : उपाध्यक्ष महोदय, यह आष षंटे की बहस ईस्टर्न फ्रन्टियर एरियाज के बारे में है। आज सुबह भी प्रधान मंत्री महोदय ने बताया कि उन्होंने जो नीति अपना रखी है, उस से लाभ हुआ है और नागालैंड और आसाम में हालत सुधरी है। मेरा यह कहना है कि वहां हालात सुधरी नहीं है, बल्कि वहां पर हालत दिन-ब-दिन बिगड़ती जा रही है और एक एकस्प्लासिव सिटुएशन डेवेलप हो रही है। इतना ही नहीं कि नागा विद्रोहियों का चीन और पाकिस्तान