

[Shri B. S. Murthy]

new meaning to the term "use" as applied to an insecticide.

Apparently the sponsors of this amendment feel that, if an insecticide were used as per the directions of the manufacturer and if in spite of...

श्री देबराज पाटिल : संशोधन हमारे सामने नहीं है। वह संशोधन मूव नहीं हुआ है जिसका कि उत्तर मंत्री जी दे रहे हैं।

MR. SPEAKER : It is now too late. Let him go ahead.

SHRI B. S. MURTHY : ...and if in spite of that certain untoward effects of the insecticides were noticed, no action should be taken. You will agree that this suggestion cannot be accepted. The reasons for the harmful effects of the insecticides must be investigated and if such effects are the result of the insecticide being formulated not in accordance with the conditions of the Registration or with the conditions of the licence, action must be taken.

More than one member has suggested that an appeal against non-registration or cancellation of registration of an insecticide should lie with the Central insecticides Board those decisions should be subject to review by the Central Government. The Joint Select Committee specifically desired that the Registration Committee which has executive functions should be made independent of the Board which is a technical body to advise Government and which has altogether different functions.

Again amendments have been suggested which seek to define what should be deemed to be the formula of an insecticidal formulation. The Registration Committee must know the full particulars about processing of a formulation, including the nature of the stabilisers, solvents, emulsifiers, etc., that are employed, as all of them may have a bearing on the toxicity of the insecticide or on the containers. The information supplied would certainly be kept confidential by the Registration Committee but no amendment which aims at withholding any relevant information from the Registration Committee, you will appreciate, Sir, can be accepted.

May I, in conclusion, say that the Bill was very carefully examined by the Joint Select Committee which had consulted all the interests affected by it and that the recommendations of the Joint Select Committee represent a splendid balance of the various views put forward before it.

I would, therefore, command to the House that the Bill, as passed by the Rajya Sabha, be considered and passed.

MR. SPEAKER : The question is :

"That the Bill to regulate the import, manufacture, sale, transport, distribution and use of insecticides with a view to prevent to risk to human beings or animals and for matters connected therewith, as passed by Rajya Sabha, be taken into consideration."

*The motion was adopted.*

MR. SPEAKER : We can take up clause-by-clause consideration tomorrow.

---

16.59 hrs.

#### STATEMENT RE : LEVY OF CERTAIN EXCISE DUTIES

MR. SPEAKER : I think, the Deputy Prime Minister will now make a statement.

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : Shall I read it or shall I lay it on the Table of the House ? This is about 2½ pages.

MR. SPEAKER : He can lay it on the Table.

AN HON. MEMBER : What is it about ?

SHRI MORARJI DESAI : I have made some adjustments about embroidery taxation and some other taxation, which, I thought, I must first inform the House before giving it outside. Only yesterday it was made. I have described it there. It is some concession...

AN HON. MEMBER : On chocolates ?

SHRI MORARJI DESAI : Not on chocolates.

I beg to lay on the Table of the House a statement regarding levy of certain excise duties.

#### Statement

Sir, on the 29th of last month when I moved in this House that the Bill to give effect to the financial proposals of the Central Government for the Financial Year 1968-69 be taken into consideration I had said as follows :—

"It has been represented that the collection of tax on an *ad valorem* basis from the embroidery industry will lead to difficulties in view of the large number of varieties. To get over this difficulty the possibility of compounding the levy at a rate per machine per shift has been considered. But a sector of the industry having machines which are old and slow moving did not favour this. It is accordingly proposed to fix tariff values, which, while simplifying the assessment, will ensure uniformity of levy."

Subsequently in the course of the debate on the Finance Bill one hon'ble member had urged that relief should be given in the levy of excise duty on embroidery to units that have only one or two machines installed. I promised to consider this suggestion. Besides, following the announcement I made, representations have come from the embroidery industry urging that fixation of tariff values by itself may not simplify the assessment formalities and that it was necessary to reconsider the possibility of compounding the levy at a rate per machine per shift. It has also been suggested that such a compounding may be made optional, and if possible a suitably reduced rate of compounding per machine per shift may be fixed in respect of old machines whose output may be somewhat lower.

All these suggestions have been carefully considered. I do not find sufficient justification to give any special concession in favour of units having one or two machines installed. The capital outlay

involved in installing and running even one machine is quite substantial, and the sale value of the embroidered fabrics may be as high as Rs. 20 lakhs per annum. Such units cannot obviously be regarded as small units to justify special concession in excise duty. However, I am simplifying the method of collection and the procedural formalities by fixing tariff values, and also by providing for compounding of the levy at a rate per machine per shift at the option of the manufacturer. The tariff values and the compounded levy rates are also being suitably rounded off to afford some marginal relief in the duty burden. In the case of embroidery machines which were installed in the years prior to 1955, the rate of optional compounding of the levy per machine per shift will be fixed at a somewhat lower figure as their output compared to the machines installed in later years is lower because of their slower running speed. These changes are being given effect to by issue of suitable rules and notifications under the Central Excise Act and Rules.

In the course of the debate it was urged by some hon'ble members, that I should consider giving some relief in the excise duty leviable on refrigeration machinery and equipment intended for cold storage plants. It was urged that the present duty incidence, specially after the increase made as a part of the Budget proposals is so high that it might inhibit the setting up of cold storages which are needed so badly for storage and preservation of perishable articles of food. After careful examination, I have decided to give some relief in excise duty chargeable on components of air-conditioning machinery and plant intended for the setting up of cold storages. This relief will be given by suitable reduction of excise duty so that the total incidence of the duty on the cost of a complete cold storage plant will come down to the level existing before 1st March, 1968. Procedural details for grant of this concession are being worked out and a suitable notification giving effect to it will be issued as soon as possible.

---