

PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

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HOUSE OF THE PEOPLE

Thursday, 22nd April, 1954

The House met at Quarter Past Eight
of the Clock

[MR. SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

9-5 A.M.

COMMITTEE ON PETITIONS

Shri Raghuramaiah (Tenali): I beg to present the First Report of the Committee on Petitions on the two petitions on the Finance Bill, 1954.

COMMITTEE ON ABSENCE OF MEMBERS FROM THE SITTINGS OF THE HOUSE.

Mr. Speaker: The Committee in its Second Report has recommended that leave of absence be granted to Shri A. V. Thomas, Shri Karni Singhji, Shri Devi Datt Pant and Dr. Manik Chand Jatav-Vir for the periods indicated in the report.

I take it that the House agrees with the recommendations of the Committee.

Several Hon. Members: Yes.

Mr. Speaker: The Members are being informed separately.

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FINANCE BILL—Contd.

Mr. Speaker: The House will now proceed with the further consideration of the Bill to give effect to the financial proposals of the Central Government for the financial year 1954-55.

Dr. Lanka Sundaram (Visakhapatnam) rose—

Mr. Speaker: Order, order. We will now take up the Bill clause by clause.

Dr. Lanka Sundaram: Before the House proceeds with the clause by clause discussion of the Bill, I would like to make a submission.

The Finance Bill was introduced on 27th February 1954. Twice, since then, certain alterations in the taxation proposals were made. I had occasion to raise this point two days ago, and this is what the hon. Finance Minister said yesterday, and if you will permit me I will make a brief quotation. He said: "I thought that I should take the earliest opportunity of giving them relief, and the only inconvenience of that will be that when we come to the amendments, hon. Members might say that they are not able to suggest amendments, because by executive action some relief has been given. It may be that the law will remain as in the Bill which has been introduced but there are other courses open to hon. Members. They can, if they wish, give notice of amendments in the same sense. We have acted in the exercise of our executive capacity. If they are not satisfied with

[Dr. Lanka Sundaram]

that, they might go further and give notice of substantive amendments..."

My point is this. The Bill which is now being taken up has not been altered or sought to be altered by amendments on behalf of Government. But the taxation proposals have been altered twice over. The hon. Finance Minister said yesterday that if some of us are to bring in amendments in the sense in which the changes were made, we might do so. There are no official amendments before this hon. House. I feel some difficulty as to how this could be reconciled.

The Deputy Minister of Finance (Shri A. C. Guha): I am sorry that I was not present for some days when the Finance Bill was being discussed. The Finance Minister is expected to come in a.....

An Hon. Member: He has just now come.

Mr. Speaker: The Hon. Member, Dr. Lanka Sundaram, has raised a point. When the Finance Minister declared certain concessions in the taxation proposals, he said that effect will be given to these proposals for reduction by executive action. He further said that hon. Members may like to make amendments. It is understood that the Government are not going to move official amendments to bring the taxation proposals in line with the concessions which are proposed. His point is whether that would be in order.

Dr. Lanka Sundaram: I am, unable to reconcile the provisions in the Bill as introduced and the alterations made in the provisions of the taxation proposals since the Bill was introduced without any amendments on behalf of the Government.

Mr. Speaker: Do Government propose to move any amendments?

The Minister of Finance (Shri C. D. Deshmukh): We do not propose

to move the amendments. The position is the same as if the Act is passed today and after a month or two we make reductions in regard to some of these items in exercise of the executive power which is vested in us. So long as we do not increase the quantum of anything, we have the power to reduce, so that the position will be exactly the same as we have now.

Mr. Speaker: I feel a doubt and I may have to take some time to consider it. The Government will go on collecting taxes. I believe they have done so from the date the Finance Bill was introduced and taxes on a higher scale are already being recovered. They will continue to recover them till they issue their executive orders. How will the position be regularised in respect of the higher taxes levied in the interim period? Have Government any idea of re-funding those taxes? How do they propose to proceed? That seems to be a rather complicated point. I am just merely expressing my doubt and I am not suggesting any particular course of action.

Shri Raghavachari (Penukonda): May I, with your permission, say that an anomalous position is created; though the intention of the Government to reduce the taxation has already been given effect to by executive action, if the Bill as originally proposed with higher rates, is passed, the concessions which the Government have announced may be withdrawn by the Government at any time and then they might charge higher rates. If their intention is incorporated in the Bill itself, it becomes law and it will not be open to the Government to collect at enhanced rates and the desired result would follow.

Shri Bansal (Jhajjar-Rewari): May I make a submission? As far as I could see, the position would be that while certain level of taxes is being charged, we are passing a Bill

which has no relation to that level. In fact what we are doing is this: we are passing a fictitious Bill and I do not think that it will be regular at all and the only procedure I can see is for the Government to bring about amendments and pass this Bill as amended so that it could be on the same lines of taxation as they are levying at present. Otherwise, this House, I think, will not be doing its duty properly by passing this Bill as it is containing fictitious provisions.

Dr. Lanka Sundaram: The position is this. None of us will dispute the power of the Government to reduce the taxes once they are passed by the hon. House. Under the Provisional Collection of Tax Act also they have got every power. But having announced their intention to reduce the taxes mentioned in the Finance Bill, they are not bringing forward amendments and are asking us to pass the Bill as introduced on 27th February. It is highly anomalous, and if we read between the lines of the statement, he expects us to table amendments in the same sense. That is his language. That is extraordinary, if you permit me to say so.

Pandit Thakur Das Bhargava (Gurgaon): I wanted to table amendments on the basis of the amendments announced by the Finance Minister to this Bill and I asked the hon. Finance Minister to furnish me with these amendments. He was pleased to tell me that the amendments could be placed before the House on the basis of this Bill and I have done that in spite of the fact that some alterations are made by the hon. Finance Minister by virtue of these amendments in the form of executive orders.

So far as the powers of the Government to collect those taxes are concerned, they already possess these powers and they can even, after we pass this Bill, reduce the tax but they cannot certainly enhance

the tax laid according to the Act. My humble submission is this. So far as their legal powers are concerned, I am very doubtful if there is any power—as you have been pleased to point out—about the higher duties which have been collected and whether they could be refunded. Otherwise, so far as this Bill goes, we can make amendments, and the Finance Minister can collect the taxes on a reduced basis at any time he pleases according to the power he possesses.

Shri K. C. Sodhia (Sagar): May I make a submission? The power of the Government to reduce taxes is thereafter this Bill has been passed, and not during the interval since the introduction of the Bill and its passing. During this interval they cannot exercise their power of reducing any taxation, unless it has been formally passed by this House. Then only can they have the power of reducing any taxation.

Shri T. S. A. Chettiar (Tiruppur): The accepted canon of finance is that the Government take the power of taxation to the extent to which they need it. By the concessions he has made the Finance Minister has indicated that he does not need the extra taxation. And the usual course in these things is to take authority from the House to collect the taxation which they need. Admittedly, he does not need the extra amount today. In the circumstances, I think it is wrong on the part of the House to give power to the Government to collect funds which they do not need and which they are giving up. It may be that after consideration.....

Mr. Speaker: Order, order. I think the hon. Member is now arguing on the merits of the question. I am concerned with the procedure and what the effect will be with reference to the provisions of the Provisional Collection of Taxes Act on the tax recovered. Some people will be charged at the higher rate for a period of about two months if the

[Mr. Speaker]

concessions are given effect to by an executive order, though a declaration to that effect has already been made in this House, about the concessions. That is the only point on which I am rather troubled.

Shri C. D. Deshmukh: So far as refunds are concerned, I do not anticipate any difficulty. I do not now remember the exact date from which our concessions have been granted, but I do not anticipate any difficulty in making the refunds.

The only other point raised was that if the law remains as it is and if one has recourse to executive action, it might be open to Government to resile from these exemptions, so to speak, and to charge according to the Act as it stands. For that the House will have to rely on the good faith of the Government. That is to say, we undertake not to make any changes in the exemptions that have already been granted. And that is the essence of the executive power, not in this but vested in Government. So in practice all the points that hon. Members have in view have been met.

The only other point made which I have to meet is that I suggested to hon. Members that they should give notices of all the amendments. Now, that is not correct. What I said was if hon. Members wish to make any amendments in the sense of any exemption given, it was open to them to do so.

Dr. Lanka Sundaram: Do you accept them?

Pandit Thakur Das Bhargava: That we have done.

Shri C. D. Deshmukh: Dr. Lanka Sundaram said instead of my bringing forward amendments, I cavalierly suggested to hon. Members that they should bring forward all the amendments.

Dr. Lanka Sundaram: No, no.

Shri C. D. Deshmukh: That is not correct.

Shri K. K. Basu (Diamond Harbour): Is it the intention of the Finance Minister to refund the money already collected prior to the declaration as to the reduction of the tax?

Mr. Speaker: That is what he says.

Shri K. K. Basu: How? In respect of the money that has already been collected before the executive order, if we change the law, naturally it will have retrospective effect. Otherwise...

Mr. Speaker: Let us not go into that point.

Shri Raghuramaiah (Tenali): Arising out of the Finance Minister's statement I would like to know this. If it is the intention of the Government to collect only the lower rate of tax, why should this House at all be called upon to pass legislation for a higher rate? It is a very anomalous position. Government can as well move the amendments.

Mr. Speaker: We have sufficiently thrashed out this point. It is a very small point now. When the Finance Minister suggested that Members who wish may move amendments, this is what he said:

"...I should take the earliest opportunity of giving them relief and the only inconvenience of that will be that when we come to the amendments, hon. Members might say that they are not able to suggest any amendments because by executive action some relief has been given."

His interpretation is there. That does not mean...

Dr. Lanka Sundaram: Will you kindly read further, Sir?

Mr. Speaker: "It may be that the law will remain as in the Bill which has been introduced but there are

other courses open to hon. Members. They can, if they wish, give notice of amendments in the same sense."

Anyway, I understand that the amendments have been tabled.

Dr. Lanka Sundaram: But they do not cover all the proposals.

Mr. Speaker: It will be open to hon. Members even now to think of those amendments, and I shall accept those amendments, waiving the notice. And if the hon. the Finance Minister is going to accept the amendments, subject of course to the examination of the wording of the amendments, we need not enter into an academic discussion.

Shri C. D. Deshmukh: Certainly, any amendments which hon. Members wish to bring forward embodying the exemptions already given will be welcome.

Mr. Speaker: So the position is clear. The only difference is that for certain reasons of his own, which none of us here knows, he is not going to move the amendments himself. It makes no difference as to whose amendments they are, so long as they are accepted by the Finance Minister and the clauses are put to the House in the amended form.

The Minister of Agriculture (Dr. P. S. Deshmukh): He wants to give the credit to the hon. Members.

Shri S. V. Ramaswamy (Salem): Why not the Government themselves bring them? Unless there is some insurmountable difficulty they should themselves bring the amendments.

Mr. Speaker: Whosoever brings an amendment is in possession of the amendment, whether Government or a private Member. And if it is by private Members, so much the better; they can have the credit for having made reduction in the tax.

Shri C. D. Deshmukh: If the House is very keen on it, there will be no

objection to my bringing forward all the amendments.

Mr. Speaker: So that solves the question, and I do not think we should take any more time over this discussion. The hon. the Finance Minister will bring in the amendments.

We will now proceed with the clause by clause reading of the Bill. I might state that we shall take three hours for the clause by clause reading, and the Finance Minister will of course go on replying clause by clause. So there is no question of reserving any time for his reply, except perhaps for the last clause. Does he want any time at the end?

Shri C. D. Deshmukh: No, Sir.

Mr. Speaker: Then that leaves one hour for the third reading stage. What time will he require for the third reading—about fifteen minutes, or half an hour?

Shri C. D. Deshmukh: I do not anticipate that I shall need any time to speak. About ten minutes ought to be quite enough.

Mr. Speaker: We shall reserve fifteen minutes.

Clause 2.— (Income-tax and Super-tax).

Pandit Thakur Das Bhargava: I beg to move:

In page 1 after line 18 add:

"(d) in part A of Part II of the First Schedule, in the said Act, the words 'Hindu undivided family' shall be omitted."

In page 1 after line 18 add:

'(d) in part A of Part II of the First Schedule, in the said Act, in item (1) for the words "on the first Rs. 25,000 of total income" the words "in the case of a Hindu undivided family, on the first Rs. 50,000 and in the case of the others on the first Rs. 25,000" shall be substituted.'

[पंडित ठाकुर दास भार्गव]

पेस्तर इसके कि मैं इन अमेंडमेंट्स पर बहस शुरू करूँ मैं जनाब की तवज्जह एक इंसीडेंटल बात की तरफ दिलाना चाहता हूँ। अब तक जितने बिल हाउस में आते रहे हैं उनके लिए एक तरीका हमने रखा है कि जब किसी बिल के मुतालिक अमेंडमेंट पेश किया जाता है तो उस बिल का रिलेवेंट पोर्शन एक अलग कागज पर दिया जाता है। लेकिन फाइनेन्स बिल में कई दूसरे बिलों का हवाला दिया गया है और उनको समझने के वास्ते उन बिलों का रिलेवेंट एक्सट्रैक्ट इस बिल के साथ नहीं है। बाकी दीगर बिलों के साथ यह दस्तूर बन गया है कि रिलेवेंट पोर्शन दिये जाते हैं। अगर कोई इस बिल को समझना चाहे तो उसके पास और कोई चारा नहीं है सिवा इसके कि वह लाएब्रेरी में जाय और चार पांच बिल निकलवाकर उनको पढ़े। इसलिये मैं अर्ज करता हूँ कि फाइनेन्स बिल के साथ भी उसी तरह से रिलेवेंट पोर्शन्स आने चाहिये जिस तरह कि दूसरे बिलों के साथ आते हैं।

इन दो अमेंडमेंट्स के बारे में मेरी गुजारिश यह है कि हाउस को मालूम होगा कि यह दो अमेंडमेंट्स शायद हाउस के वक्त को किसी कदर जाया करने के वास्ते हैं। मैं जानता हूँ कि जो जवाब हमारे आनरेबिल फाइनेन्स मिनिस्टर साहब का होगा। लेकिन मैं यह अदब से अर्ज करना चाहता हूँ कि मेरा मतलब हाउस का वक्त जाया करने का नहीं है। मैं अपने इन अमेंडमेंट्स के बारे में निहायत जोर से अर्ज करना चाहता हूँ कि ये अमेंडमेंट हाउस को एक्सेप्ट कर लेने चाहिये। सबसे पहला अमेंडमेंट जाईंट हिन्दू फैमिली के बारे में है। मैं अर्ज करूँगा कि यह मामला अर्धे से फाइनेन्स बिल के मौके पर चला आता है और हमेशा हमारे फाइनेन्स मिनिस्टर

[MR. DEPUTY-SPEAKER in the Chair.]

साहबान ने पुरानी ब्रिटिश गवर्नमेंट के और मौजूदा गवर्नमेंट के फाइनेन्स मिनिस्टर साहबान ने इस मेरे मौरूजे पर गौर तो किया और हमदर्दी से गौर किया और हमेशा यह माना कि जाहिर है कि हिन्दू अनडिवाइडेड फैमिली के साथ टैक्सेशन के मामले में सख्त बेइन्साफी होती है और अगर हाउस इजाजत दे तो मैं कम से कम ६ फाइनेन्स मिनिस्टर साहबान के जवाबत हर एक साल के पढ़ कर सुना सकता हूँ जिसके अन्दर उन्होंने इस हिन्दू अनडिवाइडेड फैमिली के साथ हमदर्दी जाहिर की है, लेकिन जब मौका काम करने का आता है तो उस वक्त हमेशा उन्होंने कोल्ड शोल्डर ही दिखाया है। मुझे याद है कि जब इस बिल के बारे में झगड़ा हुआ तो उस वक्त के फाइनेन्स मिनिस्टर श्री चेट्टी साहब ने इस मेरी अर्ज को और सारे एतराजात को अपने जवाब में क्रबूल किया और यह माना कि अब तक जो हम करते आये हैं वह बिल्कुल गलत है और उनके साथ कतई बेइन्साफी है, उन्होंने उस पर गौर फरमाया और कहा कि हम इस मामले को इनवेस्टिगेशन ट्रिव्यूनल के सामने भेज देते हैं और उसने टैक्सेशन के बारे में कुछ तजवीजें कर दीं और जो कि हिन्दू अनडिवाइडेड फैमिली के किसी कदर फायदेमंद थीं, वह उनके साथ पूरे तौर पर इन्साफ तो नहीं करती थीं लेकिन उनकी हार्डशिप्स को दूर अवश्य करती थीं, लेकिन बावजूद इस अब्र के इसको चार वर्ष गुजर चुके हैं उन तजावीज पर आज तक अमल नहीं हुआ। खुद गवर्नमेंट का जो इन्वेस्टिगेशन ट्रिव्यूनल है और जिस पर कि सारे टैक्सेशन का एक तरह से इंसार है उसकी हिन्दू अनडिवाइडेड फैमिली के मुतालिक जो सिफारिशात थीं उनके ऊपर गवर्नमेंट सो गई और गवर्नमेंट ने कुछ पर्वाह नहीं की, इतना ही नहीं इसके बाद फिर हमेशा हर मौके पर यह कहा गया

कि हम इस के लिये एक टैक्सेशन इनक्वागी कमेटी बिठायेंगे जो इस सवाल पर गौर करेगी। आज वह टैक्सेशन इनक्वारी कमेटी हमसे यहां पर थोड़ी दूर पर बैठी है और वह इन सवालात पर गौर कर रही है और नतीजा यह है कि वह मामला अभी तक लटका हुआ है। मैं अदब से पूछना चाहता हूं कि जब गवर्नमेंट को लोगों से पैसा वसूल करने और उनको टैक्स करने की जरूरत पड़ती है तो यह सारे उसूल और सेंट्रल टैक्सेशन वगैरह बालाये ताल रख दिये जाते हैं, लेकिन जब लोगों को कुछ रिलीफ देने का सवाल आता है तब सरकार कहती है और हमारे मिनिस्टर साहब फरमाते हैं कि उसके लिये एक कमेटी बैठी हुई है, वह इस सब मसले पर गौर कर रही है और वह इस बारे में फैसला करेगी, मैं पूछना चाहता हूं कि सन् २४ से ५२ तक यह स्टेट ड्यूटी बिल क्यों नहीं पास किया गया और उसकी बड़ी वजह यह है कि अनडिवाइडेड फैमिली का नुक्स उसके पास होने के रास्ते में हायल था। हर मौके पर आप कहते रहे हैं कि चूंकि हिन्दू अनडिवाइडेड फैमिली मौजूद है, इस वजह से हम स्टेट ड्यूटी बिल पास नहीं कर सकते। मैं पूछना चाहता हूं कि सन् ५२ में क्या हो गया जो आपने इसको पेश कर दिया और सन् ५३ में यह पास हो गया, कमेटी ने अभी तक रिपोर्ट तो नहीं दी, लेकिन आपने वह स्टेट ड्यूटी बिल पास कर दिया और उन पर टैक्स लगा दिया और नतीजा यह हुआ कि आपको करोड़ों रुपये हिन्दू अनडिवाइडेड फैमिलीज से मिलेंगे और औरों के मुक़ाबले आपको इन से ज्यादा वसूल होगा। अगर किसी एक व्यक्ति के साथ सोसाइटी या आर्गनाइजेशन के साथ कहीं भी बेइन्साफी होती है तो उसके लिये आपका यह कहना कि हम इस मामले को उस वक्त तक डाले रखना चाहते हैं कि जब तक कि उस

कमेटी की रिपोर्ट हमारे सामने न आ जाय, मैं कहूंगा कि यह वाजिब और दुस्त नहीं है। मैं अर्ज करना चाहता हूं कि मैंने अपनी डिमांड को बहुत छोटा इस वजह से रक्खा है कि मैं चाहता हूं कि इस मर्त्तबा भी हमारे फाइनेंस मिनिस्टर मेरा जो क्लेम है उसकी जस्टिस को महसूस करें और उसको मानें। आखिर मेरा क्लेम क्या है? मैंने इस क्लेम में जो अमेंडमेंट नम्बर २ में है उसको इतना छोटा कर दिया है कि उनको उसे मजूर करने में किसी क्रिस्म की दिक्कत महसूस न हो। कोई कमेटी हो स्वाह वह सेंट्रल टैक्सेशन इनक्वारी कमीशन हो या कोई दूसरी कमेटी हो जो यह मानेगी कि होल इज प्रेटर दैन दी पार्ट। आखिर एक इंडिविजुअल फैमिली में दो आदमी से कम तो हो नहीं सकते, हां अगर किसी फैमिली में एक ही इंडिविजुअल है, तो वह अलग बात है और उसे आप इंडिविजुअल के तौर पर टैक्सेशन के सम्बन्ध में ट्रीट करें। यह मुनासिब नहीं है कि आप एक इंडिविजुअल और एक हिन्दू अनडिवाइडेड फैमिली को टैक्स करते वक्त एक ही सतह पर रखें। एक इंडिविजुअल के वास्ते और फैमिली के वास्ते आपने टैक्सेशन में एक ही रकम मकरंर की है। पहले सुपर टैक्स के बारे में तफरीक थी, इंडिविजुअल के वास्ते पचास हजार रुपया और हिन्दू अनडिवाइडेड फैमिली के वास्ते ७५ हजार रुपये की रकम मुकरंर थी, लेकिन ब्रिटिश गवर्नमेंट ने एक स्ट्रोक आफ दी पेन से सारी इक्यटी को बालाये ताल रख कर एक दम उस पर २५ हजार कर दिया, क्या आप भी उनके नक्शे क़दम पर चलना चाहते हैं, और क्या आप उस इनजस्टिस को परपिचुएट करना चाहते हैं! आपका यह कहना कहां तक मुनासिब है कि टैक्सेशन इनक्वायरी कमीशन के पास जाइये, उसका फैसला आने तक हम कुछ नहीं कर सकते। हिन्दू अन-

[पंडित ठाकुर दास भागव]

डिवाइडेड फैमिली जोकि एक इंडिविजुअल के मुकाबले में बड़ी होती है, क्योंकि एक फैमिली में आठ, दस मेम्बर भी हो सकते हैं, इसलिये टैक्सेबुल मिनमम जो एक इंडिविजुअल के लिये २५,००० है, हिन्दू अनडिवाइडेड फैमिली के वास्ते ५०,००० रुपये कम से कम होना चाहिये। मैं अर्ज करना चाहता हूँ कि जो उनके साथ औबवियस इनजस्टिस है, उसको आप कैसे बरकरार रख सकते हैं और उसके लिये यह कहना कि एक साल के बाद आना दो साल के बाद आना कहां तक मुनासिब और हक़ बजानिब है, इस चीज़ को आपको फौरन तरमीम कर देना चाहिये। कोई वजह नहीं है कि हिन्दू ज्वाइंट फैमिली को आप एक इंडिविजुअल की तौर पर ट्रीट करें, स्वाह आप आज करें, स्वाह उस कमेटी की रिपोर्ट आने के बाद करें। आपने जो रुपया आलरेडी उनसे बतौर टैक्स ले लिया है, वह यह तरमीम करके रिफंड तो करेंगे नहीं, यह देखा जाता है कि सरकार जो रुपया बतौर टैक्सेशन या कस्टम ले लेती है, वह फिर रिफंड तो होता नहीं क्योंकि अगर रिफंड करें तो आपको पिछले ९० साल से उनके साथ जो यह बेइन्साफी हो रही है वह सब रुपया रिफंड करना होना और अगर आप उसको रिफंड करना चाहेंगे तो गवर्नमेंट के सारे रिसोर्सेज रिफंड में चले जायेंगे। इसलिये मैं पीछे के लिये नहीं कहता लेकिन आप अब तो उसको सुधारिये और इस बेइन्साफी को खत्म कीजिये। आज मौका है, अगर आप इस समय और कुछ ज्यादा नहीं कर सकते तो उसी बेसिस पर जो इनकमटैक्स की बेसिस है, उस पर जो इंडिविजुअल की बेसिस है उसको हिन्दू अनडिवाइडेड फैमिली के वास्ते सुपरटैक्स कम से कम डबल कर दीजिये। आज सिर्फ मेरा इतना ही क्लेम है जो मैं समझता हूँ कि ऐसा नहीं है कि जिसको मंजूर करने में गवर्नमेंट को

कोई दिक्कत होनी चाहिये। मिनिस्टर साहब कई मर्त्तबा फरमा चुके हैं कि टैक्सेशन इनक्वायरी कमीशन बैठा हुआ है, वह इस मामले को निबटा देगा, लेकिन जहां तक इस औबवियस चीज़ का ताल्लुक है मैं समझता हूँ कि कोई कमेटी इसके बरखिलाफ फ़ैसला नहीं कर सकती। मैं अदब से अर्ज करना चाहता हूँ कि मैं ने जो तरमीम दी है वह निहायत माकूल और माडरेट है और मेरे ख्याल में इसे मंजूर करने में हरगिज़ ताम्मल नहीं होना चाहिये। इसके अलावा आप देखेंगे कि दुनिया के किसी भी इनकम-टैक्स ला में फैमिली एज सच टैक्स नहीं होती। मैं टैक्सेशन इनक्वायरी कमेटी की खिदमत में गया तो मैंने यह दरियाफ्त करना चाहा कि कहीं दुनिया भर में इस तरह की इनकमटैक्स लिमिट हो जैसी कि हिन्दू अनडिवाइडेड फैमिली के वास्ते रक्वी है, लेकिन मेरे इल्म में इज़ाफ़ा नहीं हो सका। सिर्फ हिन्दुस्तान में ऐसा होता है और इसकी गरज़ साफ़ है। एग्रीकलचर टैक्स और इनकमटैक्स को जायज़ तौर पर ट्रेडिंग पार्टनरशिप के तौर पर आप चाहें जितना टैक्स लगायें, लेकिन आप यह जो हिन्दू अनडिवाइडेड फैमिली करके टैक्स लगाते हैं, यह ठीक और जायज़ नहीं है। मैं अर्ज करना चाहता हूँ कि मसलन् पंजाब का केस लेलीजिये। पंजाब में कस्टम इज़ दी रूल आफ़ डिसीशन। पंजाब की कंडीशन्स जो जानते हैं उन्हें मालूम होगा कि मिताक्षर क्रिस्म की फैमिलीज़ जो किताबों में लिखी है, सारे पंजाब भर में मौजूद नहीं हैं। सन् १८८९ में पंजाब चीफ़ कोर्ट ने फ़ैसला किया और कहा कि कस्टम इज़ दी रूल आफ़ डिसीशन एन्ड नोट हिन्दू ला। मैं अदब से अर्ज करना चाहता हूँ कि फ़ाइनेंस मिनिस्टर साहब इस बात पर ग़ौर फ़रमायेंगे कि अगर हिन्दू अनडिवाइडेड फैमिली का कोई शरूब आंज अपना सेप्रेशन करना

चाहे तो उसकी रेमिडी उसके अपने हाथ में है ।

उस का महज अनइक्वीवोकल डिक्ले-रेशन ही काफी है । यहां तक कि नोटिस आफ सूट ही बहुत काफी है । सिर्फ इन्कम टैक्स आफिसर के रूबरू जा कर सिविलेन्स आफ स्टेट्स के लिये कह देने से ही काम चल सकता है । लेकिन आपने हिन्दू ला के उस उसूल, फंडामेन्टल उसूल, इन्हेरेंट उसूल, को ही तब्दील कर डाला, दफा २५ ए० को नये सिरे से एनैक्ट करके, जिस के अन्दर लिखा है कि जब तक मीट्स एंड बाउन्ड्स में बटवारा न हो ऐक्चुअल डेफिनिट पोर्शन्स में बटवारा न हो, उस वक्त तक उस को सेपरेट इन स्टेट्स नहीं माना जायेगा । मैं कहना चाहता हूँ कि अगर आप हिन्दू ला के प्रिंसिपल को मानते हैं तो उस पर कायम रहिये । जब श्री शेनमुखम चेटी साहब यहाँ पर थे तो उन के सामने भी यह दफा २५ का सवाल रक्खा गया । उन्होंने कहा कि मुझे खुद इस से तकलीफ हुई है । मेरी समझ में नहीं आता कि यह कैसा कानून है । चुनावे उन्होंने कहा कि मैं इसके लिये एक सर्कुलर इश्यू करूंगा । मैं सर्कुलर या ऐसी दूसरी कोई चीज नहीं चाहता । मैं तो सिर्फ इतना कहना चाहता हूँ कि जहां तक कानून का सवाल है, अगर आप हिन्दू ला के प्रिंसिपल पर चलना चाहें तो उस को पूरी तौर से मानिये । उस के मुताबिक हर हिन्दू को अस्त्यार हासिल है कि ज्यों ही वह सेपरेशन के लिये कह दे, उस का सेपरेशन हो जाय । अपनी बीमारी का इलाज उसके हाथ में ही है, उस को उसी के हाथ में रहने दिया जाय । अगर आप इस को मानलें तो यह रोजमर्रा का जो हार्डी ऐनअल है वह खत्म हो जाता है । लेकिन आप ने तो इस किस्म का ला बनाया है जिससे हिन्दू ज्वाइन्ट फैमिली को ही नुकसान पहुंचता है?

आप हिन्दू ज्वाइन्ट फैमिली को टैक्स करते हैं, लेकिन जो फायदा उन को मिल सकता है वह नहीं देते । यह कहां का इसाफ है ? मैं बहुत अदब से अर्ज करना चाहता हूँ कि अगर आप रिपोर्ट का इन्तज़ार करना चाहते हैं तो करें, मुझे इस में कोई एतराज़ नहीं है, लेकिन इस की तरफ गवर्नमेंट की तवज़ह होना लाज़िमी है ।

मैं अर्ज करना चाहता हूँ कि जहां तक सुपर टैक्स की बात है, मैं चाहता हूँ कि इस में भी आप इसाफ से काम लें और उसी उसूल को मद्देनजर रखें जो कि मैं इनकम टैक्स के बारे में बयान कर रहा हूँ । अगर ऐसा नहीं किया गया तो इस देश की पार्लियामेन्ट में, इस वेलफेअर स्टेट में, जहाँ हम कहते हैं कि हम सब के साथ जस्टिस करेंगे, हमारे कान्स्टिट्यूशन प्रिम्बल में लिखा है कि हम सोशल जस्टिस देंगे, उस के ऊपर घब्रा आता है । उसके ऊपर यह सवाल उठता है कि चूंकि यहां पर हिन्दू अन्डिवाइडेड फैमिली है, उस के ऊपर यह जज़िया टैक्स लगाना कहां तक दुरुस्त है । यह कतई मुनासिब नहीं है कि हिन्दू अन-डिवाइडेड फैमिली पर इस तरह से टैक्स लगे । इसलिये मैं चाहता हूँ कि आप जो भी फैसला इस बारे में करें, कम से कम उस उसूल को तो मानें जो कि खुद आप ने इन्कम टैक्स के बारे में माना है । इसीलिये मैं ने शिक्षा दी कि हिन्दू अन्डिवाइडेड फैमिली के बारे में सुपर टैक्स का जो सवाल है उसे हम कम से कम डबल कर दें क्योंकि कोई आन्तक दो आदमियों से कम का नहीं होता है । मैं इस बारे में ज्यादा वक्त नहीं खर्च चाहता क्योंकि मुझे मालूम है कि मैं इसे कहने का क्या नतीजा होगा, लेकिन मैं अपने आन-रेबल फाइनेन्स मिनिस्टर की सेन्स आफ जस्टिस से ^{the Govern-} ^{ment} ^{Industry} करता हूँ कि वह इस ^{clause} करें । मैं चाहता हूँ कि

[श्री ठाकुर दास भार्गव]

जा हिन्दू अन्रिवाइडेड फैमिली है उसके साथ साथ आप इंसाफ करें। कोई वजह मुझे, नहीं मालूम होती कि उन के साथ इंसाफ न हो। मैं कहता हूँ कि या तो वह इस को मान लें या मुझे को कन्विन्स कर दें। मैं तो उन्हीं को जज बनाना चाहता हूँ। या तो उन को मेरी बात को मान लेना चाहिये या फिर वह मुझ को समझावें, कि यह गलत है। मैं मान लूंगा। लेकिन अगर वह मुझ को न कन्विन्स कर सकें तो मैं अदब से अर्ज करूंगा कि वह मेरे ऐमेन्डमेन्ट को, जिस से बहुत ज्यादा फर्क नहीं पड़ेगा, मान लें। चूंकि उन के पास मेरी बात का कोई जवाब नहीं है, इस वास्ते मैं अर्ज करूंगा कि मेरे दोनों ऐमेन्डमेन्ट मान लिये जायें।

Mr. Deputy-Speaker: Amendments moved:

In page 1 after line 18 add:—

"(d) in part A of Part II of the First Schedule, in the said Act, the words 'Hindu undivided family' shall be omitted."

In page 1 after line 18 add:—

'(d) in part A of Part II of the First Schedule in the said Act, in item (1) for the words "on the first Rs. 25,000 of total income" the words "in the case of a Hindu undivided family, on the first Rs. 50,000 and in the case of the others on the first Rs. 25,000" shall be substituted.'

Shri C. D. Deshmukh: In spite of the fervent appeals that have been made by the hon. Member, I consider it my misfortune to oppose his amendments. His main point is that although he has represented this to the Taxation Inquiry Commission and although he is hopeful that the Taxation Inquiry Commission will concede the validity of this and other claims in regard to Hindu undivided families, this part of the item is so

unjust that the earliest opportunity must be taken of removing the grievance. My only reply to that is that there may be other matters which are equally unjust. I do not know how many matters have been represented in this or in many other connections, relating to the Indian Income-tax Act. It does seem odd that the Government should accept one solitary amendment in order to remove one solitary instance of injustice, however glaring that injustice may be. There is no admission in this statement; it may or may not be.

Pandit Thakur Das Bhargava: Was it not done in 1950 and 1951? One amendment was accepted about the taxable minimum in regard to income-tax.

Shri C. D. Deshmukh: I do not wish to go into the history of what was done in the past in regard to giving relief. The point I make has escaped the hon. Member. This is the first time now that a Taxation Inquiry Commission is sitting and a complete, comprehensive and overall view is being taken of the Income-tax Act. I do not mean to say that in the past we have refrained from giving relief even in a solitary item because it was solitary. That is not the case. What I say is that there may be dozens of other items of equally urgent nature where perhaps the injustice has to be removed. Which way it is I cannot say. What I would plead is that I expect the Taxation Inquiry Commission's report or recommendation would be in our hands before the end of the year and that by the next Budget session, it should be possible for us to meet not only this but many other grievances of not only of this hon. Member, but many other Members and many other sections of the public. Since the hon. Member seems to have left the Taxation Inquiry Commission with a great deal of hope in his heart,...

Pandit Thakur Das Bhargava: I have equal hope from you.

Shri C. D. Deshmukh:...which was reflected in his speech, I would advise him to hold his soul in patience just for a few months more. Since he has admitted that it will not be possible for the Government to make a refund of the taxes collected in this behalf for the last 90 years, I suggest that there will be no great injustice if no refund is given in relation to tax collected for 90 years and 9 months.

Mr. Deputy-Speaker: The question is :

In page 1 after line 18 add:—

“(d) in part A of Part II of the First Schedule, in the said Act, the words ‘Hindu undivided family’ shall be omitted.”

The motion was negatived.

Mr. Deputy-Speaker: The question is :

In page 1 after line 18 add:—

“(d) in part A of Part II of the First Schedule in the said Act, in item (1) for the words “on the first Rs. 25,000 of total income” the words “in the case of a Hindu undivided family, on the first Rs. 50,000 and in the case of the others on the first Rs. 25,000” shall be substituted.’

The motion was negatived.

Mr. Deputy-Speaker: The question is :

“That clause 2 stand part of the Bill.”

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3—(Amendment of Act XI of 1922).

Mr. Deputy-Speaker: I am afraid Shri K. K. Basu's amendment No. 17 is out of order.

Shri K. K. Basu: Why?

Mr. Deputy-Speaker: It increases the taxes. Building is exempted. But, he wants to restrict the exemption or limit only to such categories where the buildings are for the use of the middle-classes, technical workers, etc. This indirectly means an increase in the burden of taxation. He must get the President's sanction. Not that anything is out of order; there are some brakes and he has not crossed the hurdles. I am afraid I cannot allow it. Amendment No. 18 follows suit. Amendments numbers 17 and 18 are out of order. Amendment No. 19. What has he got to say?

Is the hon. Member not moving amendment No. 19?

Shri K. K. Basu: Why not? Amendments are meant for moving.

Mr. Deputy-Speaker: Many amendments are not moved on the floor of the House; sometimes hon. Members are not even present. I am saying generally, and not speaking of Shri K. K. Basu.

Shri K. K. Basu: Of course, the first amendment you have ruled out. I would urge upon the Government that this particular provision has been made for a specific social purpose.

Shri C. D. Deshmukh: You have not held amendment No. 19 out of order also?

Mr. Deputy-Speaker: No; I would like to hear him.

Shri C. D. Deshmukh: The effect is to restrict the exemption to a much smaller number of undertakings.

Shri K. K. Basu: No, no.

Mr. Deputy-Speaker: There is no question of “No, no.”

Shri K. K. Basu: I think the Finance Minister has completely misunderstood me. The existing rule provides that Government may exempt certain industries to which the particular clause is applicable. I put it

[Shri K. K. Basu]

the other way round and say that the Government must direct that these are the industries or these are the investments which can take advantage of this particular provision. I have put it in a positive way. Government already have the negative power to say "We do not allow these industries to be exempted." I put it positively and say that if any particular new investment wants to get the benefit of this exempting clause, it should be in a particular form of industry, in a particular manner of investment. I think it should not be out of order.

My whole intention in moving the amendment is to focus the attention of the Government that these provisions should be so utilised that we get the maximum amount of national benefit. Therefore, when our planned economy is mixed—in what proportion it is mixed, I do not want to go into—we must see that our taxation policy should be such that really such types of investment as are of the greatest benefit to the nation should get the exemption from taxation.

I have tabled the first amendment also in the same spirit, but since you have ruled it out, I cannot move it. They say that as there is shortage of building accommodation, they want to give exemption so that there may be much more construction work but as you know, if you just put that in without any qualifying clause, the danger is there may be quite a number of persons, especially the big people who may invest large sums of money in palaces. That entire sum which is exempt from taxation is completely blocked and is not utilised so far as the nation's interests are concerned. We have seen these days, because of the exemption clause, big concerns erecting big houses. Recently, you must have seen in Calcutta...

Mr. Deputy-Speaker: What is the good of arguing about a matter which I have ruled out?

Shri K. K. Basu: I am not moving it.

Mr. Deputy-Speaker: What is the good of merely arguing here?

Shri K. K. Basu: I can discuss the clause.

Mr. Deputy-Speaker: What is the clause?

Shri K. K. Basu: Clause 3.

Mr. Deputy-Speaker: Order, order. Hon. Members will kindly bear this in mind that the whole of the Income-tax Act is not here by way of amendment. Only particular sections are touched. A particular section may comprise various distinct subject matters. Now, merely because that section or a portion of that section is touched, there cannot be amendments to the rest of the section. Now, how is this relevant?

Shri K. K. Basu: May I make a submission? It is relevant because Government is moving an amendment by which the period of exemption is extended by another two years. Therefore, I feel the Government, through its executive action or in whatever manner it may like, should see that the real intention of granting this exemption should be properly carried out. That is the only point I want to emphasise.

Mr. Deputy-Speaker: Let us take section 4 of the principal Act. Clause 3 of the present Bill reads:

"With effect from the 1st day of April, 1954, the following amendments shall be made in the Indian Income-tax Act, 1922, namely:—....."

The hon. Member wants that in page 2, line 6, after "section 15C", (a) should be inserted. Then, his amendment is:

after line 7—

"(b) for the proviso to sub-section (2), the following proviso shall be substituted, namey:—

Provided that such investments are made in industries

which the Central Government may, by notification declare as eligible for such tax relief in the national interest.'"

I find the proviso as it stands in the Act reads:

"Provided that the Central Government may, by notification in the official Gazette, direct that the exemption conferred by this section shall not apply to any particular industrial undertaking."

That is, the exemption is general, and option is given to the Government to withdraw that exemption from any particular undertaking. Mr. Basu wants that in the first place the exemption should apply only to particular investments, and if necessary, the Government may extend the exemption to other cases. This is exactly the opposite of the present proviso where automatically everyone is exempted, where the Government can withdraw the exemption in particular cases. He wants no such exemption in general terms, but only to such particular categories to which the exemption is granted by the Government. It withdraws the exemption from various categories automatically unless the exemption is given by the Government, and thereby imposes an additional burden of taxation. This is out of order. The hon. Member's intention is perfectly right, but the President has to give sanction.

Shri K. K. Basu: Let me speak. As you have ruled my amendment out of order, I cannot formally move it. I hope the Finance Minister has already understood the spirit in which I have moved the amendment. As I was saying before, I feel that our taxation policy should be such as satisfies the purpose of a welfare State. Therefore, in granting exemption for building of houses, the authority of the Government should be set by notification in a manner to guide that operations should be made on particular lines.

As I was saying, you must have seen in the papers that the Imperial Chemical Industries have built a house. They are exempt. Not only that. The unfortunate part of it is, as it came out in the Press,—I do not know how far it is true—they were allowed to import from England certain fittings, furnitures and wooden panellings which could be easily supplied by indigenous firms. So long as our present industrial policy remains and these foreign concerns are allowed to work here, we should see that they support our national industries and they are not allowed to bring from outside, such articles as are available in the country and yet get the benefit of this particular section. Therefore, I also feel that Government should try to see, since they have said in moving for the exemption that their intention was to fight against the housing shortage, that the maximum number of persons should be allowed to get the benefit of this exemption. As I cannot move my amendment, I would urge upon the Government to see by a notification or any other method that investment on buildings is done in a proper manner.

I am very glad you said in your speech yesterday that there should be a limitation on dividends. Beyond the limited level if Government cannot confiscate and take it away, Government can at least see to it that industries which earn above a particular limit should, when they want to invest, invest in such particular industries as are of the maximum benefit to the nation and its development. Take the textile industry. They might have earned hundred per cent profit. The balance after allowing the limited dividend should be allowed for the building of a steel plant, borrowing the money needed, or for a manufacturing concern which manufactures essential machinery that is needed for the textile industry. I am glad only yesterday the Finance Minister said that in the next Plan we should see there is greater social benefit. So, in this planned economy, the attitude of the Government should be

[Shri K. K. Basu]

to see that the private sector functions on a particular pattern so that we get the maximum benefit, which all of us in the House, irrespective of our affiliations, want. This is the short point that I wanted to make, through my amendment. I hope Government will carry out the intention behind my amendment by exercising their power to issue notifications, to see that the exemption clause is worked in the proper manner.

Shri C. D. Deshmukh: These and many other points will fall to be considered by the Taxation Enquiry Commission. But in case they do not, then I agree that we ought to consider whether there is any validity in the arguments advanced by the hon. Member, although we are not now dealing with the amendments. Off-hand, I should say that so far as his amendment in regard to houses is concerned, I doubt whether administratively it would be easy to determine which are the houses meant for middle classes or the common man, and which are meant for the other category.

Shri K. K. Basu: Personal palaces could be determined.

Shri C. D. Deshmukh: It will be easy to define palaces, but it is the marginal cases which it may not be possible to define.

Therefore, I am not quite certain that as long as the housing shortage continues, we ought to make any attempt ourselves to initiate an amendment of this kind.

I think there is a great deal more point in the other amendment that he has suggested in regard to a positive encouragement to certain kinds of industries. I myself think that if we now for the second Five Year Plan, aim at an overall planning, it would be our duty to prevent advantages from going to enterprises which are not required for the purposes of the fulfilment of the Plan. Therefore, it may be that the Planning Commission itself will take notice

of a suggestion of this kind and would suggest that instead of giving a general encouragement to all new enterprises, or instead of keeping the general power to exclude any particular undertaking, it might be much better, as the hon. Member has said, to put it in a more positive form. The only other observation I would like to add is that so far the Ministry of Commerce and Industry have not been able to indicate any industries which could be excluded from the benefit, which in a sense reinforces the point made by Shri Basu, that as a matter of practice, the exemption is being enjoyed by all kinds of industries; and as I admit, that it may be that for the purposes of a total plan, we may require some other arrangement, I do not rule out the consideration of the suggestion that he has made.

Mr. Deputy-Speaker: The question is:

“That clause 3 stand part of the Bill.”

The motion was adopted.

Clause 3 was added to the Bill.

10 A. M.

Clause 4 (Amendment of Act XXXIV of 1953).

Shri C. D. Deshmukh: I beg to move:

In page 2, for lines 12 and 13, substitute:

“(a) after sub-section (2) of section 3, the following sub-section shall be inserted, namely:—

“(3) For the avoidance of doubt it is hereby declared that references in this Act to property passing on the death of a person shall be construed as including references to property deemed to pass on the death of such person.”

The main charging section in the Estate Duty Act is section 5, which imposes estate duty on all property passing on death. This section is followed by sections 6 to 17, which

supplement this by stating that some other property which, although it may not be strictly said to pass on death, is to be deemed to pass on death, within the meaning of section 5. Therefore, by the combined operation of these provisions, estate duty becomes leviable both on the property passing on death and the property deemed to pass on death. Doubts, however, have been expressed in some quarters that section 5 of the Estate Duty Act, 1953, confines itself to charging property actually passing on death and therefore it was ineffective to charge property which is deemed to pass by a legal fiction. Opinions differ whether such a construction is tenable or not. But since the intention has always been to charge property which is deemed to pass on death, the main charging section 5 is being amended by inserting therein the words 'or is deemed to pass'. The matter has been considered again by the Law Ministry, who are of the view that it would be better to provide for this amendment in the interpretation section 3, instead of the charging section 5. This would clarify the position as respects any other relevant sections also.

Mr. Deputy-Speaker: Amendment moved :

In page 2, for lines 12 and 13, substitute:

"(a) after sub-section (2) of section 3, the following sub-section shall be inserted, namely:—

(3) For the avoidance of doubt, it is hereby declared that references in this Act to property passing on the death of a person shall be construed as including references to property deemed to pass on the death of such person."

Shri Tek Chand (Ambala-Simla): I beg to invite the pointed attention of the hon. Finance Minister to the fact that the proposed amendment is clumsy, bad in law, inopportune and improper. The reason is that you must not violate the language. In the face of what the language says, you cannot say it means something

that is totally different. So far as the charging section of your Estate Duty Act is concerned.....

Mr. Deputy-Speaker: Does the hon. Member differ, so far as substance is concerned? Does not the hon. Member want those properties which are deemed to pass on death to be subject to tax?

Shri Tek Chand: I shall draw a sharp line of distinction between property passing, and property deemed to pass, on death. They are not *ad idem* in every matter. To some extent, these matters may overlap, and to a certain extent, they may not. Therefore, in the interests of clarity, if the object of Government is to bring in what is contained in sections 6 to 17 of the Act, the appropriate thing would be to pass a totally different section, on the lines of the English Act of 1894. I shall develop this point, and within a brief span of time, I shall endeavour to clarify my point.

The first thing I wish to submit is that I feel rather unhappy that in the case of an Act passed only the other day, when the ink has hardly dried, you start by saying 'For the avoidance of doubt...'. Surely Government are capable of using precise language, which will not admit of doubts, and therefore you confess in your statute itself, that what you have stated so far admits of ambiguity, equivocation, is doubtful and is not clear, therefore, in order to avoid doubts, this is what you do. My submission is that if the previous sections in the Bill had been retained they would not have admitted of doubts, and they would have been perhaps clearer than the second attempt at clarification. But be that as it may, my submission is that our charging section very rightly and properly borrows the precise language of section 1 of the 1894 Act of U.K.

I had just now occasion to juxtapose the two sections and I found that word for word they were the same. The charging section in England charges property passing on death and when it does so, it does not say that it also includes property

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deemed to pass on death. The charging section is independent, separate and clear, of our Act as well as of the English Act from which we have borrowed the language. But when you say that "wherever we are using the expression 'passing on death', everywhere please understand that it also includes what is deemed to pass on death", I submit it is inelegant and it is incorrect. There is a distinction brought out by the House of Lords, by the Privy Council in several cases, the important ones being *Cowley vs. the Commissioners of Inland Revenue* and also the Attorney General *vs. Dobree* that these are two different legal concepts. It is only by a legal fiction that you say that in certain specified cases—and you have specified them in sections 6 to 17 of your Act—although property does not pass on death, by a fiction of law you shall treat it as if it were to pass on death. But when you take a step further and say that wherever property passes on death, it will also include property deemed to pass on death, I submit with all humility that you are doing violence to the language. If you have borrowed the language of section...

Mr. Deputy-Speaker: What is the need to make it so general? There are a number of sections where there are some differences between property passing on death and property which is deemed to pass on death. Now we are on the Finance Bill. The object is to charge duties even on property deemed to pass on death. Is it not enough to confine it to that and introduce that amendment in clause 5? Of course, the Law Ministry seems to have suggested that it should be introduced in the interpretation clause without going into the other sections of the Estate Duty Act. We are now subscribing to this: that for all purposes property passing on death shall also include property deemed to pass on death. That is a larger issue. There might be a conflict; we do not know. Now, so far

as the scope of this Bill is concerned, it is not intended to have a general modification of the Estate Duty Act. It is a particular issue; we are now confining ourselves to the charging section. Why should not this amendment be confined to clause 5 where it may be added:

"...not including agricultural land passes on death or deemed to pass on the death of a person."

That is enough. I am afraid we are enlarging the scope of this Act if we introduce in the Finance Bill a general amendment of that nature and do it in the interpretation clause. There may be other clauses; it is a very difficult Act and it may require some consideration as to how far this general interpretation that property passing on death includes all property which is deemed to pass on death affects the various other sections, apart from the charging section. So far as the charging section is concerned, it is the intention of the hon. Finance Minister that in the Finance Bill he must include this also. That is the original intention and if there is a doubt cast upon it, this amendment will be confined to clause 5, and not introduced in the interpretation clause. If it is necessary that it should be introduced for all purposes of the Act, then the Estate Duty Act may be amended by a separate amendment where the whole Act may be gone through—various other clauses—to see how far this may affect them. There is no objection to that. We have now to confine it only to clause 5. The hon. Minister may consider this. I am inclined to feel that so far as the scope of the Bill is concerned, it is not a general modification or amendment of the Estate Duty Act. For the purpose of charging, they want to charge this property also. They may say so, but not enlarge the scope of the Finance Bill. We do not know what other reactions or what other conflicts may arise by

having a general definition of that kind.

Shri C. D. Deshmukh: I shall reply to that after the hon. Member has spoken. I shall think over what you have said.

Shri Tek Chand: I am grateful to you for your observations, because that is what I intended to mean, and which you have been pleased to express in a much clearer language. I wish to invite the attention of the hon. Finance Minister to section 2 of the Finance Act, 1894. As I have already submitted, so far as section 1 of the Finance Act, 1894, is concerned, he has embodied it word for word. I have no complaint against that. Now, section 2 reads thus:

“Property passing on the death of the deceased shall be deemed to include the property following, that is to say under clauses (a), (b), (c), (d)” and so on.

In other words the English Act, in the interests of clarity, has in a separate group detailed and listed those properties which are deemed to pass on death, though actually they do not do so. We have similarly listed them under sections 6 to 17 without saying so. Therefore, the object of the hon. Finance Minister would have been better served if he had also borrowed the first sentence of sub-section (1) of section 2 of the English Act of 1894. The confusion that is going to arise was visualized by Their Lordships of the House of Lords in these words:

“It is, therefore, important to note that it has been laid down by the House of Lords that section 2 does not apply to property which actually passes under section 1.”

But Their Lordships were pleased to declare: “You are endeavouring to avoid this by means of your new amendment.” In this case, Lord Macnaghten said at page 212:

“If the case falls within section 1, it cannot also come within 181 PSD.

section 2. The two sections are mutually exclusive. Section 1 might properly, I think, be headed: ‘With regard to the property passing on death, be it enacted as follows.’ Section 2, might with equal propriety, be headed: ‘And with regard to property passing on death, be it enacted as follows.’”

‘Their Lordships have further endeavoured.....

Mr. Deputy-Speaker: That is with regard to the Finance Act.

Shri Tek Chand: Section 1 is from the Finance Act of 1894, which is the charging section and which we have embodied in our Act as section 5, sub-section (1). Section 2 of the Finance Act of the United Kingdom, of the year 1894, relates to property deemed to pass on death, and they have headed it differently. Here, there is a divergence between the English Act and our Act, because the first sentence that is found in the English Act is not to be found in our Act. But we imply it by grouping together those clauses, where property deemed to be passing on death, under sections 6 to 17. Now, the object of this amendment which has been moved by the hon. Finance Minister i.e. amendment No. 34, is that...

Mr. Deputy-Speaker: Before 1894, it was declared by the courts in Great Britain that property passing on death does not include property deemed to pass on death for the purpose of charging the estate duty under the Act of 1894.

Shri Tek Chand: No. The conflict arose after 1894. It arose in 1899; then later on it was clarified in 1900 and right up to 1950, the same view has been expressed. They say that the two concepts in law are totally different, though, to a certain extent, they may over-lap. What is contained in section 1, the charging section, cannot be considered also to

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include what is contained in section 2 of the 1894 Act. But what we are doing is, we are going contrary to the dicta of Their Lordships of the Privy Council and also of the House of Lords. My submission in this connection is that if the object was that property passing on death should be treated to be at par with property deemed to pass, you cannot do so, because they are two different species. What you should say is that in the following cases and in those cases, only to the exclusion of every other case, property will be deemed to pass on death. But what you try to do is a contradiction in terms. That is something which was contemplated in England and clarified by the House of Lords; that is something that we have been successfully able to do under the original Act. It is not to the original Finance Bill that I am taking objection, but to this amendment No. 34, not because I differ on principle, but on the ground of clarity of language, because it will confuse the issue. Doubts are not being removed; but doubts are being created, if you bring in this.

My second submission is that the Estate Duty Bill when it was passed was a new measure. It evoked a lot of controversy and there was room for doubt. Now, if you are endeavouring to amend a major Act and I may say in a major manner through the back-door of the Finance Act, that ought not to be done. If you intend to amend the principal Act by all means bring in a proper amendment. Let hon. Members have an opportunity to examine the pros and cons in the light of parallel legislation elsewhere and let them be in a position to contribute what they can. But you are bringing in the Finance Bill income-tax, tariffs, estate duty and various other acts. The proper course to adopt would be to bring an amendment to the appropriate Act and let it be adopted by the House. That is all I wish to submit.

Mr. Deputy-Speaker: I am waiting to hear the hon. the Finance Minister; but I am inclined to feel that this amendment enlarges the scope of the present Bill. The Finance Bill is confined to the charging section. But this amendment seeks to amend the entire Act and makes this definition include the other one. Therefore, I feel at the moment—unless I hear to the contrary—that this amendment should be confined only to section 5. Otherwise, it will enlarge the scope of this Bill.

Shri C. D. Deshmukh: Mr. Deputy-Speaker, I would refer you to section 21 of the Estate Duty Act, where there are references to exemptions from the charges of the duty; so also there is section 74. Therefore, it struck us that if we merely confined this amendment to section 5, then we might not cover the cases of property passing that have been referred to in sections 21 and 74. There may be other sections as well.

Mr. Deputy-Speaker: Has the hon. Finance Minister considered whether in clause 21 the exemption portion should have applied likewise even to property which is deemed to pass on death? There may be considerations regarding properties situated outside the territory; but with respect to property passing or deemed to pass it may be different.

Is it not necessary to bring to bear all those matters also and consider them?

Shri C. D. Deshmukh: The definition of property deemed to pass is given.

Shri Tek Chand: That is only one class of property. What you give in section 6 is the species, not the entire genus of the property deemed to pass. Kindly compare your sections 6 and 7 with section 2 of the English Act and you will find the difference.

Mr. Deputy-Speaker: Section 7 is not ancillary to, but independent of,

section 6. Various categories are given.

Shri C. D. Deshmukh: That would not arise in section 21. In section 21 we are concerned only with movable and immovable property. Even if we were to keep on saying that property passing on death is equivalent to property deemed to pass on death, we could not possibly use it for the purpose of section 21.

Mr. Deputy-Speaker: What I am saying is that section 21 is only one of such sections. If it is necessary to bring in some other sections as well, there is time enough. All that I am anxious to avoid is that in a charging section we should not ignore or avoid bringing all those categories of items which have to be charged. We ought also to be equally anxious to avoid this definition conflicting with any other definition which does not immediately relate to the charging sections, but various other matters. If the hon. Minister finds that any other sections also relate to charging, we can add section 5, section 21 and any others. I shall allow him time.

Shri C. D. Deshmukh: The only other sections I can find now are sections 21 and 74. But I will be able to tell you definitely a little later. I get your point: charging will also mean exemption from charging.

Mr. Deputy-Speaker: Then I will pass over this amendment. What about the other amendment of Mr. Tek Chand?

Shri Tek Chand: That is an independent amendment: it is not in conflict with that is standing over.

I beg to move:

In page 2, lines 21 and 22, for "under both clauses (f) and (g)" substitute "either under clause (f) or (g) or under both".

I have been motivated to move this amendment because I think that the intention of the legislature and of the framers of the Bill is not being

indicated by the amendment proposed by Government. I am in agreement with the intention, with what they have stated in the notes to the clauses. That intention is not being carried out. My contention is that section 33, clauses (f) and (g) as it stood dealt with two classes of exemptions of an allied character. The object was that if a person during his lifetime saves and keeps a little amount apart with the intention of transferring that amount to meet the payment of estate duty, that amount which he is trying to save during his life-time in order to give a present to the Government on his death should not be treated as his income. That principle was substantially accepted except to this extent when the Government said: supposing the estate duty to be Rs. 3 lakhs and no doubt you have saved three lakhs to be handed over to us, we intend to give you exemption to the extent of Rs. 50,000 only. There was that principle which was controversial but this is not the occasion when one can deal with that controversy.

Assuming that your object was to exempt to the extent of Rs. 50,000 only and no more a person can build a reserve during his life-time what he is called upon to pay on his death. Your intention was that in neither (f) nor (g) the sum of Rs. 50,000 should exceed. My contention is you have not given effect to this intention of yours assuming that that has been your intention.

My reasons are that by your amendment, you have omitted the words 'occurring in both (f) and (g)'. It says "to the extent of the amount of duty payable but not exceeding Rs. 50,000." Therefore, exempt (f) and (g) in their multilated from as" they indeed are. You have added thereon a proviso which says: "Provided that the moneys in respect whereof no estate duty shall be payable under both clauses (f) and (g) shall not exceed Rs. 50,000 in the aggregate". The objectionable word to my mind is 'both' before clauses

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(f) and (g). What was in contemplation at that time was that I might take an insurance policy up to Rs. 50,000 in favour of the Government for the purpose of paying estate duty when due on my death. I may, in the alternative, purchase Rs. 50,000 worth of Government bonds. The object is the same that the amount will be handed over in payment of the death duty owed by me. But there is also a third eventuality that I may purchase in part bonds—let us say up to Rs. 25,000—and insure myself with the same object for another Rs. 25,000. Now what you say when you insert the word 'both' in the new proviso is that you are not keeping (f) and (g) apart. It will be competent for a person, with the proviso as you now want to be incorporated, to say, "this applies when clauses (f) and (g) are dealt with collectively and not dealt with separately because the limit of Rs. 50,000 that you are imposing is when a person claims reduction both under (f) and (g)." But supposing you were claiming reduction under (f) only to the exclusion of (g) or under (g) only to the exclusion of (f), there is no bar as to the limit being Rs. 50,000. Please forget that you are reading your proviso with what is provided in former (f) and former (g). Therefore, if you view it (f) by itself in its form as it is going to be, the result will be that a person may get himself insured to an amount in excess of Rs. 50,000 and may not purchase bonds under (g)...

Shri C. D. Deshmukh: He need not labour his point; I am prepared to accept his amendment.

Mr. Deputy-Speaker: That clears the ground.

Shri K. K. Basu: What is his amendment?

Mr. Deputy-Speaker: All that he says is that under clauses (f) and (g) exemption to the extent of

Rs. 50,000 in each case is allowed. As is indicated in the notes on the clauses, the hon. Finance Minister feels that it was originally not intended that Rs. 50,000 should apply in each case of (f) and (g). Now there is this difficulty as pointed out by Mr. Tek Chand that even if it should be both under the amendment moved by the hon. Finance Minister, there may be cases in some particular cases where (f) only applies in which case he will walk with the entire exemption of Rs. 50,000; in cases where (g) alone applies, he gets the full benefit of exemption...

Shri C. D. Deshmukh: What I gathered him to say is this. If we remove the word Rs. 50,000 in (f) and if only (f) was resorted to, then, in essence, there would be no limit, it may be considered that the limit operates only when (f) and (g) are resorted to together but in some sort of cases where there is no (g) at all and there is no combination of two things, if you keep the word Rs. 50,000 then it appears there will be no limit in (f).

Shri Tek Chand: If you will please allow me to elaborate my points for a minute or two more...

Mr. Deputy-Speaker: Then how does the proviso mean an unlimited extent?

Shri C. D. Deshmukh: He fears that if it is omitted as we suggest, where there is only (f) and not (f) and (g), then it will be an unlimited extent.

Mr. Deputy-Speaker: But he does not want to avoid (g).

Shri Tek Chand: May I explain? I am here endeavouring, at least in this instance, to come to the service of the Government.

Shri C. D. Deshmukh: Very refreshing.

Shri Tek Chand: I am endeavouring to expose an error which has crept in unwittingly. What I say is,

that your intention is, whether you get yourself insured or you purchase Government bonds or one to the exclusion of the other or both of them together, the sum which is exempted should not exceed Rs. 50,000, and I say, that your present proviso does not carry out your intention in two cases though it does carry out your intention in the third case. The third case is when a person insures himself, and at the same time, he also purchases Government bonds, and the two sums taken together must not exceed Rs. 50,000. That intention of yours is certainly given effect to by your proviso. But I am making out a case by taking two other illustrations. Take the case of a person who insures himself for any sum exceeding Rs. 50,000 as provided in (f) but does not wish to take the benefit of (g). In this case you do not circumscribe the amount by putting a ceiling on it. In his case you do not say it must not be beyond Rs. 50,000 because your proviso which was intending to do so contemplates cases (f) and (g) when they concur but when they do not concur and they are considered in their exclusion and (f) is alone and (g) is alone, your proviso does not restrict the amount to Rs. 50,000, because you say both (f) and (g).

Mr. Deputy-Speaker: I am not able to follow the hon. Member. So far as (f) and (g) are concerned even under the new proviso it applies to cases where a man wants to take the benefit of both (f) and (g), and it says that it ought not to be more than fifty thousand rupees. If it is only (f) let him have fifty thousand, or if it is only (g) let him get fifty thousand, but if it is under both (f) and (g) let the aggregate not exceed fifty thousand.

Shri C. D. Deshmukh: That is his intention. His point is that if you omit the words "fifty thousand rupees" in each case, then where (f) and (g) together are not adopted and only (f) is adopted, where the proviso does not come into effect, you are

left with a clause which does not prescribe any limit. If our proviso was "Provided that the money in respect whereof no estate duty shall be payable under either clause (f) or clause (g) or both clauses (f) and (g) shall not exceed rupees fifty thousand in the aggregate", it would have been different. That should have been our proviso. But he has put it in a different way.

Mr. Deputy-Speaker: The proviso will mean limiting it to fifty thousand in each case.

Shri C. D. Deshmukh: As it stands it will mean that the over-all limit of fifty thousand will operate only when there is a combination of (f) and (g), but the situation is not delimited at all in the other two types of cases where there is either (f) or (g) but not a combination of both, because you are omitting the words from the substantive clauses.

Mr. Deputy-Speaker: The difficulty arises only in case the words "fifty thousand rupees" are removed from either (f) or (g). But if there is no amendment to either of these clauses to omit "fifty thousand rupees", clause (f) will continue, clause (g) will continue, with only a proviso that the amounts under both clauses (f) and (g) shall not exceed fifty thousand rupees.

Shri C. D. Deshmukh: I should say that would also meet the case.

Mr. Deputy-Speaker: That is to say, in respect of any person getting an exemption under both the clauses the aggregate shall not exceed fifty thousand rupees. The proviso can be like that instead of omitting "fifty thousand rupees" in (f) or (g). This also is part of the same clause. Let it stand over for drafting. I understand the substance is accepted by the Finance Minister.

Clause 5—(Amendment of Act XXXII of 1934).

Mr. Deputy-Speaker: There is no amendment to this clause.

Shri N. B. Chowdhury (Ghatal): There is an amendment, No. 26. There is a Schedule with respect to Clause 5.

Mr. Deputy-Speaker: We will come to the Schedule separately. I will call upon the hon. Member then.

The question is :

"That clause 5 stand part of the Bill".

The motion was adopted.

Clause 5 was added to the Bill.

Clause 6.—(Additional duties of Customs).

Mr. Deputy-Speaker: To clause 6 there is an amendment by Mr. V. P. Nayar. I have got some doubts regarding its admissibility.

Shri V. P. Nayar (Chirayinkil): There is a contradiction in the Finance Bill itself. While the general discussion gives you the maximum scope for discussion, the amendment pins you down to the narrowest limits. I accept your point...

Mr. Deputy-Speaker: An amendment by whomsoever it is tabled will just be considered on the merits. I think the hon. Member agrees with me that it is out of order.

Shri V. P. Nayar: I do not want to take more than a minute or two. But the object in sending this amendment was this. I find from the reports of the Commerce Ministry that we are importing a very large amount of spices. You know, Sir, that spices have had a very bad crisis as regards prices, especially pepper and ginger which form the two very important items of export. The Travancore-Cochin State particularly has had its price fall. It was a very heavy fall. The pepper we export from our country—and on that pepper live hundreds or thousands of people—you find, is imported into India, and at a very negligible duty. All this pepper that is exported is ground and perhaps bottled and sent back to India. And the Government does not charge any heavy duty for

preventing its being dumped again on India. That was the object of sending this amendment.

I also find it is not very clearly indicative of all the articles we import as spices. I am subject to correction by the Finance Minister, but I understand...

Mr. Deputy-Speaker: For the edification of the House, is the hon. Member able to say the value of the import of pepper?

Shri V. P. Nayar: That I can easily say. I cannot say for pepper alone. But spices have been imported in 1952-53 for a value of Rs. 508 lakhs and the quantity is seen to be about 906,000 cwt.

The point is we export pepper, and we are not getting the prices we used to get. On the other hand, the pepper which is taken from our country at low prices is ground and made into some fine powder by chemical process and is sent back to India. And there is a very negligible duty on it. My object is to prevent the robbing of India and Indian agriculturists. That is the object with which I sent in my amendment. But as unfortunately the scope of the discussion is very narrow...

Mr. Deputy-Speaker: The hon. Member wants to increase 5 per cent. to 40 per cent. The main object is that the very article which goes out from our country and which is purchased by foreigners at a cheap rate is allowed to be dumped back into the country by merely powdering it and so on. And an enormous price is paid for it. I do not know if under the Sea Customs Act...

Shri V. P. Nayar: It is not probably confined to pepper only. There are cardamom and ginger also.

Shri C. D. Deshmukh: There are many other items that the hon. Member has given notice of: soda ash, sodium compounds, motor vehicle parts.

Shri V. P. Nayar: That is not for enhancing the duty. In regard to those items I want to focuss the attention of the House on certain points. It is not for enhancement of duty.

Shri C. D. Deshmukh: What I mean to say is if the hon. Member had given sufficient notice of this, we might have considered whether to advise the President to give his sanction to the inclusion of this.

Shri K. K. Basu: We never know.

Shri C. D. Deshmukh: But in spices I think one is always receptive! We say, for instance, that something is a spice of life.

Shri V. P. Nayar: But sometimes there is so much of pepper also!

Shri C. D. Deshmukh: At this eleventh hour I am not in a position to say anything.

Shri V. P. Nayar: I am sorry, I do not quite follow the hon. the Finance Minister. At what time do you expect us to present any amendments? It is only at the time when the Bill comes. And it was not given notice of yesterday; it was given notice of earlier.

Mr. Deputy-Speaker: All that can be done is this. Hon. Members need not talk at the Minister. The hon. Minister may not be able to find out the consequence of every item and sub-item. Therefore, whenever any Member feels that any item is of much consequence he might have represented to him.

Shri C. D. Deshmukh: If the hon. Member had applied for the recommendation of the President, then, our attention would have been drawn to this particular problem.

Shri V. P. Nayar: I know unfortunately that when we from the Opposition send anything and ask for the President's permission it is refused *per se*, or probably he is wrongly advised.

Shri C. D. Deshmukh: That does not improve the position with regard to the chances of his suggestion being considered on the floor of the House! In spite of his bitter experience in the past, he might have asked for the recommendation of the President, in which case we should have had to consider this item on the merits.

Shri V. P. Nayar: I would appeal to the hon. the Finance Minister that although it is late, as this is a matter which will save a crisis in respect of pepper and other spices and as it affects the economy of Travancore-Cochin, he should not take the plea that it is too late and that it is not possible.

Shri C. D. Deshmukh: I do not understand what the hon. Member actually wants.

Mr. Deputy-Speaker: What the hon. Member wants is that the hon. Minister must consider his amendment, write to the President and get his sanction.

Shri C. D. Deshmukh: The President is not here.

Mr. Deputy-Speaker: That solves the problem. Therefore, unfortunately, I have to refuse this. I disallow this amendment.

The question is:

"That clause 6 stand part of the Bill."

The motion was adopted.

Clause 6 was added to Bill.

Clause 7 was added to the Bill.

Clause 8. — (Amendment of Act 34 of 1935).

Shri N. B. Chowdhury: I beg to move:

In page 4, omit lines 1 to 8.

Mr. Deputy-Speaker: I understand that some matter was raised with respect to clause 8 this morning and the hon. Finance Minister said that he would bring in some amendments. If so, and if he wants to take some time to draft and do other things, I will allow this to stand over; or let the other Members who have tabled amendments proceed.

Shri N. B. Chowdhury: Sir, with respect to my amendment which I have just moved, I find that excise duty has been increased on medium and coarse cloth. In this connection you will recall that with effect from 25th October 1953, the excise duty on superfine cloth was reduced from three annas and three pies to two annas, that is, a reduction of one anna and three pies. Now, in order to show that along with this increase on excise duty on medium and coarse cloth, something will be done with regard to superfine cloth also, it has been raised by two pice. But, the net result is that the previous duty of three annas and three pies has been reduced to two annas and six pies; that is by nine pies. So, only a few months back before the Budget proposals this was done perhaps to show that not only the coarse and medium cloth used by the common man are going to be taxed, but superfine cloth is also to be taxed. Sir, I oppose this. You know that already the restriction on the production of *dhotis* has raised the price of *dhotis* very high. This is due to the fact that there are small textile units which produce these *dhotis* only in certain parts of the country. When the Bill came to regularise the Ordinance which was promulgated to restrict the production of *dhotis* there was opposition from all sides of the House. Although the plea of helping handloom industry was brought in, most of the Members failed to understand how such a measure was actually helping the handloom industry. We find that while proper

steps are not being taken to help the handloom industry, the price of ordinary cloth is rising very high, and the result is that the monopolist textile millowners who produce other varieties of cloth get advantage over the smaller units that produce *dhotis* only. They do not require to produce more than sixty per cent. That means that this gives them extra competitive power. The result is that the smaller units in places like Bengal are suffering and prices have gone very high. Therefore, I think that the plea of helping the handloom industry should not be resorted to with a view to further increase the taxes, because due to the restriction the prices have already gone very high.

Shri K. C. Sodhia (Sagar): My amendment is :

In page 4, omit lines 1 to 8."

Sir, I cannot understand why we think of helping the capitalists, these textile magnates at one stroke of the pen, by abolishing the import duty on cotton and then to impose this excise duty on cloth consumed by the millions of poor people in this country. It is simply because the Government wants to favour the capitalists and to levy tax on the poor. The usual argument is that it is now the sellers market and the mill owners will have to pay the excise duty from their own pockets. This argument is very fictitious and false because the millowners are not going to pay a single pie of the excise duty from their pockets and it will fall on the poor consumer whose number exceeds 33 crores in this country. This is a thing to which I cannot subscribe and therefore I am opposed to the levy of any excise duty on coarse and medium cloth.

Mr. Deputy-Speaker: That is not his amendment.

Shri K. C. Sodhia: Sir, my amendment is that on page 4, lines 1 to 8 may be deleted.

Mr. Deputy-Speaker: So, he is not pressing his amendment No. 9?

Shri K. C. Sodhia: No.

Mr. Deputy-Speaker: Now, let me see whether it imposes additional duty. Cotton cloth has been defined as all types of cloth but does not include superfine and fine cloth. If these two are removed, is there any duty by any other operating clause imposed upon this medium and coarse cloth? We understand the object; that there should not be any more duty imposed upon medium and coarse cloth. But, if the amendment is accepted, would it mean that by any other operating clause there would be any duty imposed? I would request the hon. Minister to clarify the question whether the object will be served.

Shri C. D. Deshmukh: They are separate categories, Sir; there will not be any duty on them.

Mr. Deputy-Speaker: Therefore, the amendment is in order. Amendments 10 and 15 are the same, and also number 37.

Shri Nambiar (Mayuram): Sir, my amendment number 37 resembles amendments numbers 10 and 15. But, I have tabled another amendment number 36 which I wish to move.

Mr. Deputy-Speaker: Yes.

Shri Nambiar: I beg to move:

In page 3, lines 41 and 42, for "One anna and six pies" substitute "Six pies".

The duty envisaged here on fine cloth is one anna and six pies per yard and I want it to be reduced to six pies only. My reason is that this fine cloth is generally used by the middle-class men. I have no objection

to the duty on superfine cloth. With regard to fine cloth, there must be excise duty but not to the extent of one anna six pies. I suggest that it may be reduced to six pies so that the lower middle-class people as well as the poor people can have the advantage by reducing this and omitting the excise duty on medium and coarse cloth. Therefore, I hope the hon. Minister will consider this—of course he was very good in considering certain points with regard to soap and other things—and extend his sympathy and good wishes. He, of course, will then have the advantage of gaining the support of a vast section of the Indian people. I once again strongly appeal to him to consider this.

Has Pandit Thakur Das Bhargava got any amendment?

Pandit Thakur Das Bhargava: I beg to move:

In page 4, line 24, after "factory" insert:—

"as defined in the Factories Act, 1948 (Act LXIII of 1948)."

In the amendment proposed by Shri C. D. Deshmukh, printed as No. 39 in the list of amendments, add the following at the end:

"and manufacturing more than 100 tons of household and laundry soaps, or 50 tons of toilet soap or soap not otherwise specified."

Mr. Deputy-Speaker: He wants greater exemption. They are in order.

Pandit Thakur Das Bhargava: They are in order. They are only variations of the concessions given by the hon. Minister.

मैं अर्ज करना चाहता हूँ कि फाइनेंस मिनिस्टर ने इस उद्देश्य को तो अब मान लिया है कि सोप और फुटबियर पर कर लगाने में छोटे कारखानेदारों को शामिल

[Pandit Thakur Das Bhargava]

नहीं करना चाहिये। इनकी मंशा यह है कि जो यंत्र टैक्स लगे वह ऐसे आदमियों पर न लगे कि जिनमें बजाय इसके कि इम्प्लायमेंट देने चले हैं, उनके अन्दर बेकारी हो जाये।

Shri Sinhasan Singh (Gorakhpur Distt.—South): The amendments to clause 8 have not yet been finished.

Mr. Deputy-Speaker: I will call the hon. Member later and give him an opportunity. I called the hon. Member who stood up first.

Pandit Thakur Das Bhargava: आनरेबल मिनिस्टर ने लाइन ४० में फुटवियर के लिये तमीज रखी है।

FOOTWEAR produced in any factory as defined in the Factories Act. आज एक पेटिशन श्री हरिश्चन्द्र का हाऊस के अन्दर सर्कुलेट किया गया है।

Mr. Deputy-Speaker: What is the amendment?

Pandit Thakur Das Bhargava: The amendment is that I want in line 24 also these words to be inserted.

Mr. Deputy-Speaker: It will be "SOAP produced in a factory as defined in the Factories Act, ordinarily using power". Is there any difference? Is not 'factory' defined in the General Clauses Act?

Shri C. D. Deshmukh: Whether they use power: that is the point.

Pandit Thakur Das Bhargava: The Factories Act requires 20 persons. Suppose there are 6 or 7 persons. This provision would apply unless you define in this way.

Shri C. D. Deshmukh: The minimum is 10 workers.

Pandit Thakur Das Bhargava: Where is that?

Shri C. D. Deshmukh: With power 10; non-power 20.

Pandit Thakur Das Bhargava: Using power is in the definition in the Factories Act. A factory is not a factory unless it is as defined in the Factories Act. It only becomes a factory if it employs more than 10 persons if it uses power and more than 20 persons otherwise.

Mr. Deputy-Speaker: The wording is 'produced in a factory' and 'using power'. The factory is there, but power may not be used. The number of persons may constitute it into a factory in a large number of cases. Only that soap which is manufactured by the use of power should be taxed. The point is, what this word 'factory' means.

Shri C. D. Deshmukh: That is a point of interpretation.

Pandit Thakur Das Bhargava: It is not a question of interpretation. You use, in the case of footwear, the words "as defined in the Factories Act". In one place you find these words; in another place, you do not use these words. Therefore, a distinction is brought about.

Mr. Deputy-Speaker: Even if there are two persons, it will become a factory.

Pandit Thakur Das Bhargava: If you use the same words, there is no objection. That is my point. He really wants to give concessions to these people. Suppose there are six persons in a factory; it would come within the mischief of this provision.

Mr. Deputy-Speaker: I would like the hon. Law Minister to be here in all these matters. What is the use of having a Law Minister, except to advise the House?

Some Hon. Members: Yes.

An Hon. Member: He is in the other House,

Mr. Deputy-Speaker: No, no. The hon. Finance Minister ought not to be left alone like this.

Shri C. D. Deshmukh: I do not know whether the hon. Member has finished. He has some other amendment too.

II A.M.

Pandit Thakur Das Bhargava: That is, amendment No. 41 which says:

In page 4, line 25, after "power" add "and manufacturing more than 100 tons of household and laundry soaps, or 50 tons of toilet soap or soap not otherwise specified".

जो रियायतें आनरेबुल फ़ाइनेंस मिनिस्टर ने दी हैं उनमें १२५ टन तो लांडरी सोप के लिये रक्खा है और २५ टन टायलेट सोप के लिये रक्खा है। यह रियायतें दी गई थीं मौजूदा हाउस में, लेकिन मुझे पता नहीं कि फ़ाइनेंस मिनिस्टर के नोटिस में यह आया है कि नहीं जो छोटी छोटी सोप फैक्टरीज़ हैं जो पावर यूज़ करती हैं, वह बहुत कम ऐसी फैक्टरीज़ हैं जो कि लांडरी सोप बनाती हैं। आमतौर पर पावर यूज़ करने वाली बड़ी फैक्टरीज़ तो हैं जो लांडरी सोप बनाती हैं पर छोटी फैक्टरीज़ बहुत कम हैं जो सौ टन के करीब बनाती हैं। बड़ी फैक्टरीयों बहुत ज्यादा चीजें बनाती हैं और टायलेट सोप में पच्चीस टन की जो रियायत दी गई है वह इतनी थोड़ी है कि छोटी फैक्टरीयों को फ़ायदा नहीं पहुंच सकता। आज हाउस के सामने पेटीशन कमेटी ने एक पेटीशन सर्कुलेंट की, उसकी तरफ़ में हाउस की तवज्जह दिलाना चाहता हूँ। उस पेटीशन में एक शर्क ने दरखास्त की है और वह रेफ़्यूजी है और उसने रिहैबलिटेशन फ़ाइनेंस कार्पोरेशन से आठ हज़ार रुपये का ऋज लिया है।

सारे पंजाब भर में गुड़गांव में एक ही फ़ैक्टरी है। उस फ़ैक्टरी में ६ या सात आदमी काम करते हैं और सब के सब रेफ़्यूजी हैं, वहां दस आदमी काम नहीं करते। वहां पर सोप बनाने में किसी प्रासेस में वह पावर का इस्तेमाल नहीं करते हैं, वहां सब काम हाथ से होता है, लेकिन एक मिलिंग प्रासेस में इलेक्ट्रिसिटी को यूज़ करते हैं। उस कारख़ाने की आउटपुट इतनी थोड़ी है कि अगर आपने यह टैक्स लगा दिया तो यह फ़ैक्टरी जो पंजाब भर में अकेली फ़ैक्टरी है वह ख़त्म हो जायगी और ज़िन्दा नहीं रह सकेगी। जनाब वाला, मुझे यह अर्ज़ करना है कि आपने जो यह एक्ज़म्पशन दिया है बड़ी बड़ी फ़ैक्टरीज़ को जैसे लीवर ब्रदर्स को कि सवा सौ टन तक उनका जो प्रोडक्शन होगा वह टैक्स से एक्सक्लूड हो जायगा, हम नहीं चाहते कि उन बड़ी बड़ी फ़ैक्टरीज़ को इस तरह का एक्ज़म्पशन दिया जाय और वे फ़ायदा उठावें और उन बड़ी बड़ी फ़ैक्टरीज़ के फ़ायदा उठाने का मतलब यह होगा कि छोटी फ़ैक्टरीयों उनके साथ कम्पीट नहीं कर सकतीं। छोटी फ़ैक्टरीयों का गला नहीं काटा जाना चाहिये, इस के जरिये बड़ी फ़ैक्टरीयों को फ़ायदा पहुंचाया गया जिनको फ़ायदा पहुंचाना मकसूद नहीं है। मैं अबद से अर्ज़ करूंगा कि मैंने दो तरफ़ों में इसी वास्ते दी है। पहली तरफ़ीम यह है कि जहां पावर यूज़ होती है और दस आदमियों से कम मजदूर वहां काम करते हैं आप उनको इस टैक्स से एक्सक्लूड कर दीजिये। मैं चाहता हूँ कि जैसे आपने फ़ुट-वियर में कहा है वही लफ़्ज इसके साथ लगा दीजिये। एक तो मेरी तरफ़ीम यह है, इससे जो छोटे कारख़ाने हैं और पावर इस्तेमाल करते हैं वह बच जायेंगे और अर्ज़ करना चाहता हूँ कि यह उसूल सिर्फ़ फ़ुटवियर के वास्ते नहीं बल्कि ऐसे छोटे छोटे कारख़ानेदारों को जहां पर दस आदमी से ज्यादा काम नहीं

[पंडित ठाकुर दास भार्गव]

करते और वे फ़ैक्टरीज ऐक्ट में नहीं आते हैं, उन को भी यह एक्ज़म्पशन दिया जाय। छोटे कारखानेदारों को भी उसी बेसिस पर ये रियायतें मिलनी चाहियें। मेरी पहली तरमीम यह है। मेरी दूसरी तरमीम का असर यह होगा कि जो बड़े बड़े कारखाने दार हैं उनको फ़ायदा नहीं पहुंचेगा लेकिन छोटे कारखाने वाले जो सौ टन लांडरी सोप बनाते हैं या पचास टन टायलेट सोप बनाते हैं उनको फ़ायदा पहुंच जायगा जि नको कि आप खुद फ़ायदा पहुंचाना चाहते हैं। इसमें उसूलों का की सवाल नहीं है। मैं भी उन्हीं अशस्वास को फ़ायदा पहुंचाना चाहता हूं जिनको आनरेबुल फाइनेंस मिनिस्टर पहुंचाना चाहते हैं, मेरे और उनके मक़सद में कोई फ़र्क नहीं। मेरा तो अर्ज करने का मशा सिर्फ यह है कि उन्हीं जो ये नई रियायतें दी हैं उनसे गरीबों को फ़ायदा नहीं पहुंचता और उसी बिना पर एक बरज़ी भी हाउस में पेश हुई है और उसमें बतलाया गया है कि छोटे कारखाने वाले दोनों तरह से मारे जाते हैं। अगर उसने बिजली यूज़ की तो वे फ़ैक्टरी ऐक्ट में नहीं आते, हालांकि कुल ६ आदमी काम करते हैं। १२५ टन की जो आपने रियायत दी है उसमें वह नहीं आते। वह लांडरी सोप बनाते ही नहीं, पचास टन के क़रीब टायलेट सोप बनाते हैं। दोनों तरह से उसमें नहीं आते। जिस दिन आप यह मौजूदा शकल में क़ानून पास करेंगे उसी दिन उस बेचारे की फ़ैक्टरी बन्द हो जायगी और आपने जो रियायत उसके साथ की है और क़र्जा दे रखा है वह उसको अदा करना भी मुश्किल हो जायगा। उसकी जिन्दगी दूसर हो जायगी। मैं अदब से अर्ज करना चाहता हूं कि आप उन छोटे छोटे कारखानेदारों को फ़ायदा तो पहुंचाना चाहते हैं लेकिन अगर आप इस क़ानून का मौजूद शकल में रखते हैं और मेरी तरमीम में नहीं

मानते हैं तो आप उनको फ़ायदा नहीं पहुंचायेंगे और मैं कहूंगा कि आप मामले की तह तक नहीं पहुंचे हैं।

मैं अदब से अर्ज करना चाहता हूं कि आप इस के ऊपर गौर फरमायें और कम से कम यह ऐमेन्डमेन्ट तो मान लें कि जहां दस आदमियों से कम हैं, जैसे कि हम ने इन्कम टैक्स ऐक्ट के अन्दर इस तरह के प्रिंसिपुल को मान कर रियायतें दी हैं, उसी बेसिस पर जैसे फुटविबर में रियायतें दी गई हैं :

“Footwear produced in any factories defined in the Factories Act.”

कम से कम यह अन्फाज ही रख दिये जायें तो भी कुछ आदमी तो बच जायेंगे। इस में आप का कोई नुकसान नहीं है और इस को आप को मानना चाहिये। मैं अर्ज करूंगा कि यह दोनों ऐमेन्डमेन्ट आप के मानने के काबिल हैं। जो रियायतें आप ने एक्साइज ड्यूटी में दी हैं, उन रियायतों में मैंने सिर्फ थोड़ा वारेशन चाहा है। फाइनेंस मिनिस्टर साहब ने १२५ टन लांड्री सोप और २५ टन ट्वायलेट सोप की छूट दी है। मैं अर्ज करना चाहता हूं कि फाइनेंस मिनिस्टर साहब की खिदमत में कि वह लोग लांड्री सोप बनाते ही नहीं हैं। वह तो सिर्फ ट्वायलेट सोप बनाते हैं। इस लिये आप ने जो २५ टन की छूट ट्वायलेट सोप में दी है उस से वह लोग महल्म रह जाते हैं। इस वास्ते मेरा जो ऐमेन्डमेन्ट है वह छोटे आदमियों के हक में है जिन को कि आप फ़ायदा नहीं पहुंचा रहे हैं। जिन को आप फ़ायदा पहुंचा रहे हैं वह तो बड़े बड़े कारखाने वाले हैं, हम उन को और फ़ायदा नहीं पहुंचाना चाहते। क्योंकि आप इस बात को देखें कि इस टैक्सेशन की वजह से उन्हीं सोप का भाव नहीं बढ़ाया है। उन के सोप का भाव वही है, उन्हींने

कन्जूमर्स से यह ड्यूटी नहीं वसूल की है क्योंकि वह लोग वैसे ही काफी मुनाफा उठा रहे हैं। लेकिन जो लोग गरीब हैं, छोटे आदमी हैं उन को ज्यादा फायदा नहीं होता है। बड़े कारखाने वाले ६, ७ ६० मन रा मैटीरियल पर फायदा ले लेते हैं। लेकिन गरीब के साथ क्या होता है? जो गुड्स हैं उस पर अगर टैक्स लगेगा तो वाजिब तौर पर फायदा लेने के लिये वह पहले एक पैसा दाम बढ़ायेगा, दो पैसा बढ़ायेगा उसकी चीज महंगी हो जायेगी। मगर जो बड़े कारखाने हैं उन पर कोई असर नहीं पड़ेगा। इसलिये मैं दुर्वास्त करूंगा कि इस बात पर गौर फरमाया जाय।

Shri Sinhasan Singh: My amendment is:

In page 3, omit line 21.

मैं अपना ऐमेन्डमेन्ट इस उद्देश्य से उपस्थित करता हूँ कि अभी जो नियम रक्खा गया है उस के मुताबिक कपड़े की परिभाषा में मिलों के वह कपड़े ड्यूटी से बरी हो जायेंगे जो कि मिल वाले अपनी मशीनरी के द्वारा पोशाक के रूप में या वस्त्र के रूप में तैयार करेंगे। वर्तमान नियम के अनुसार रेडीमेड क्लाय में सिवा घोती, साड़ी के जितनी भी चीजें हैं वह एक सिरे से क्लाय की परिभाषा से निकल जायेंगे। रेडीमेड क्लाय में चादर भी आ जायेगी, तौलिया भी आ जायेगा। केवल घोती और साड़ी को छोड़ कर सभी चीजें आ जायेंगी।

उपाध्यक्ष महोदय : कौन सा ऐमेन्डमेन्ट है ?

श्री सिंहासन सिंह: ऐमेन्डमेन्ट नम्बर २।

Shri C. D. Deshmukh: He wants ready-made cloth to be taxed which is adding something to taxation.

Mr. Deputy-Speaker: Is ready-made clothing other than *dhotis* and *saris* taxed at present?

Shri C. D. Deshmukh: No, it is not taxed.

Shri Sinhasan Singh: Not so far taxed.

Shri C. D. Deshmukh: Because it is not "cotton cloth".

Mr. Deputy-Speaker: I am not talking of the Bill. Was it taxed last year?

Shri C. D. Deshmukh: The position is the same as in the Bill.

Mr. Deputy-Speaker: This adds to the duty, and therefore, this requires the sanction of the President.

Shri Sinhasan Singh: So far as the definition goes, I think for the first time this is being exempted. Under the Cotton Cloth Movement Control Order, 1943 ready-made cloth was exempted from movement, not from taxation. Nowhere do I find that ready-made cloth was ever exempted from duty. Here a new definition of "cotton cloth" is being given.

Mr. Deputy-Speaker: I have got a doubt regarding this matter. I would like that to be explained. We will assume that under the Tariff Act or Excise Duties Act certain duties are impose. Some exemption is sought to be given in the Finance Bill of the current year. Then, is it not open to any hon. Member to say this exemption ought not to be given? Would it mean imposition of a duty which is not in existence? I am not talking of a case where, for the first time, a duty is sought to be imposed. Generally, cloth is liable to duty, and a particular variety of cloth is sought to be exempted. Now, if an hon. Member opposes it, would that also require the sanction of the President, because it is only containing the existing duty and not imposing an additional duty or a tax. I would like to have some clarification on this point.

Shri C. D. Deshmukh: There is no existing duty on this.

Mr. Deputy-Speaker: On all cloth?

Shri C. D. Deshmukh: On this exempted article. On cotton cloth there is duty. On the exempted article there is no duty.

Mr. Deputy-Speaker: Is it exempted for the first time now, or is it already exempted?

Shri C. D. Deshmukh: It has always been exempted.

Mr. Deputy-Speaker: If it has already been exempted, it will be an imposition.

Shri Sinhasan Singh: Here for the first time we find that cotton cloth is defined, and through that definition exemption is being granted to ready-made cloth.

Mr. Deputy-Speaker: Apart from this definition, if it has been said that cotton cloth shall not include ready-made cloth for this purpose, it serves the same purpose.

Shri Sinhasan Singh: By defining cotton cloth, we are proposing to give exemption to certain types of cotton cloth.

Mr. Deputy-Speaker: The same purpose could be achieved even without the definition by saying the following cotton goods shall not be liable to duty. Therefore, the existence of a definition does not make a difference. I only want to know the substance. Ready-made clothing other than dhoties and sarees have been exempted even without this Bill.

Shri Sinhasan Singh: If they are exempted already, there is no necessity for handloom cloth being exempted here. If they are exempted already, why should they come again.

Then I want to know under what Act handloom cloth has been exempted. They have been exempted, but still they are coming here. Here we find that cloth manufactured partly from cotton and partly from wool, and cloth manufactured partly from

cotton and partly from rayon are exempted. So many exemptions are being given through the definition.

Mr. Deputy-Speaker: So far as this point is concerned, I am afraid I will have to say that this amendment is out of order for this reason.

Shri S. G. Parikh (Mehsana East): I want one clarification.

Mr. Deputy-Speaker: Let me dispose of this. There are a number of amendments saying that one or other of these exemptions should be removed. Mr. Sinhasan Singh's amendment is regarding one item. Other hon. Members have tabled amendments 9, 14 and 21 that items (i) to (viii) which are exempted should be excluded from the definition of cotton cloth, i.e., they must be removed, therefore duty must be imposed on them also. The Finance Bill which imposes the duty year after year does not want to impose a duty on this particular type of cloth. But the hon. Member wants to impose a duty on this cloth.

Shri Sinhasan Singh: It is not like that. If I may be permitted to say why I want this...

Mr. Deputy-Speaker: I have heard the hon. Member sufficiently. How long am I to hear the hon. Member?

Shri Sinhasan Singh: If ready-made clothing is to be exempted from duty, the result would be that all the mills would take to making ready-made clothes, and thereby get exemption. They will thus take away the work of the tailors and the middlemen, and deprive them of their work.

Shri C. D. Deshmukh: He is now arguing on the merits of the case. I said that there was at present no duty on this. Now, that follows from the definition of cloth in the First Schedule of the Central Excises and Salt Act, 1944, and item (i) in that definition is 'ready-made clothing other than dhotis and saris'. That definition still continues. If the hon. Member is under the impression that we are introducing an exemption for the

first time by a definition, he has some sort of a point, although I do not think it is a valid point. Whatever we may do, we say the following is exempted, according to our proposals. If you wish to remove that exemption, then you are imposing taxation on that particular article, and in that case, I would appeal to you to say that that is out of order. If you do hold it in order, then, of course, I am going to oppose it on merits.

Shri Sinhasan Singh: This will lead to labour unemployment.

Mr. Deputy-Speaker: Any taxation measure, whether it is introduced by a Bill or by way of an amendment to the Bill by hon. Members, always requires the sanction of the President. My view in this case is that this amendment seeks to impose a duty on cotton cloth, whether it is exempted already or not. The Finance Bill makes some proposals for taxation, and any hon. Member could seek to reduce the tax, without the previous sanction of the President, and say that the tax should be reduced from one anna and six pies to six pies as Shri Nambiar has done, or that fine cloth or superfine cloth should altogether be exempted from taxation. In this manner, it is open to this House, without any sanction of the President, to reduce the duty. But when the Bill contemplates exemption from duty on any particular category, including it under taxation or removing it from the exemption provided will amount to imposition of duty on that particular article, and as such, it requires the previous sanction of the President.

Rule 118 of the Rules of Procedure and Conduct of Business says:

"If any member desires to move an amendment which under the Constitution cannot be moved without the previous sanction or recommendation of the President, he shall annex to the notice required by these rules such sanction or recommendation conveyed through a Minister and the notice shall not be valid until this requirement is complied with:

Provided that no previous sanction or recommendation of the President shall be required, if an amendment seeks to—

- (a) abolish or reduce the limits of the tax proposed in the Bill or an amendment, or
- (b) increase such tax up to the limits of an existing tax."

So, on both grounds, namely what the hon. Minister has stated, and this rule I am going to rule this amendment out of order. Even if the hon. Finance Minister had not advanced his point, I would have had to rule it out of order. Supposing the hon. Finance Minister wants to give exemption to a particular article under this Bill, while there is already an existing tax, then it is open to hon. Members, without the sanction of the President, to raise it to the existing level. But as it is, even without this definition, the exemption is already being granted, and by means of this amendment, the hon. Member seeks to impose a duty for the first time on that article, which would require the previous sanction of the President. So, on both these grounds, I rule this amendment out of order, as also similar amendments Nos. 9, 14 and 21.

Shri Ramji Verma (Deoria Distt.—East): I beg to move:

In page 4, line 6, for "Six pies" substitute "Three pies".

In page 4,—

- (i) omit lines 28 to 35; and
- (ii) in lines 36 and 38, for "(2)" and "(3)" substitute "(1)" and "(2)".

In page 4, line 43, omit "sandals, chappals".

अध्यक्ष जी, मैं आपके जरिये फाइनेंस मिनिस्टर साहब का ध्यान सब से पहले साबुन की तरफ दिलाना चाहता हूँ। उन्होंने साबुन पर नये सिर से टैक्स लगाया है। मेरा निवेदन यह है कि वह टाइलेट सोप पर भले ही टैक्स लगावें लेकिन हाउसहोल्ड और घोबी के साबुन

[Shri Ramaji Verma]

पर वह टैक्स न लगावें तो अच्छा हो। इसे गरीब और किसान लोग भी इस्तेमाल करते हैं और इसलिये अगर आप इस साबुन पर टैक्स लगावेंगे तो आप देश में गन्दगी बढ़ावेंगे। इसलिये मेरा आपसे 'निवेदन है कि साबुन को तो, और खास तौर से हाउसहोल्ड और धोबी के साबुन को, जरूर टैक्स से बंचित करें।

दूसरा पाइंट मेरा यह है कि आप चमड़े के माल पर, जूता, बूट, सेंडल और चप्पल पर टैक्स लगाने जा रहे हैं। बूट और दूसरे किस्म के जूतों पर आप मले ही टैक्स लगाइये लेकिन साधारण लोगों के इस्तेमाल के सेंडल और चप्पल पर आप टैक्स न लगावें और उनको टैक्स से बरी रखें। अगर इन पर टैक्स नहीं लगेगा तो यह साधारण लोगों को मिल सकेंगे।

तीसरी बात मुझे अपने २२ नम्बर के अमेंडमेंट के सम्बन्ध में यह कहनी है कि आप हर तरह के कपड़े पर यानी फाइन, सुपर फाइन मीडियम और कोर्स पर टैक्स लगा रहे हैं। मैं भी चाहता था कि अपने भाई चौधरी साहब की तरह अर्ज करता कि आप मीडियम और कोर्स क्लायथ पर बिल्कुल टैक्स न लगावें लेकिन मैं जानता हूँ कि जब आपकी तबीयत में यह बात आ गई है कि टैक्स लगायेंगे, आपकी यह सरकार ही टैक्स वाली सरकार हो रही है, तो मैं सिर्फ इतना ही कहूंगा कि अगर आप पूरा टैक्स न उड़ा सकें तो कुछ तो कम कीजिये। देहात में एक कहावत है, "भागे भूत की लंगोटी ही नफा" इसलिये मैं मजबूरी हालत में यह कहता हूँ कि आप ६ पाई की जगह पर कोर्स कपड़े पर सिर्फ ३ पाई रखें। कम से कम आधा तो कर दें। मैं अपने दूसरे भाई के विरोध में कुछ नहीं कहना चाहता था। लेकिन यह निश्चित है कि आप टैक्स लगाने जा रहे हैं और मानेंगे नहीं। इसलिये

शायद अगर मैं कुछ कम करके कहूँ तो आप मान लें। इसलिये मैंने यह निवेदन किया बस मुझे इतना ही कहना है।

Shri Jhulan Sinha (Saran North): I beg to move:

In page 4, line 40, after "defined in" insert "part (i) of clause m of section 2 of".

The position as in the Finance Bill is that footwear produced in any factory where power is employed and where the number of workers is ten or more, is liable to taxation. Similarly, footwear produced in any factory where twenty workers or more are employed, but where power is not employed, is also liable to taxation. This is the position as it obtains in this Bill. What I beg to suggest is that footwear produced in any factory where power is employed, (as defined in part (i) of clause (m) of section 2 of the Factories Act), should certainly be liable to taxation, while that produced in a factory where power is not employed, should be immune from taxation, whatever be the number of workers employed there. This is my proposal for the consideration of the Finance Minister.

Mr. Deputy-Speaker: The hon. Member wants to confine this taxation only to factories where power is used.

Shri Jhulan Sinha: Yes, that is what I want. The grounds on which I am making this submission are as follows. Firstly, the hon. Minister has given an assurance on page 30 of his Budget speech, that he would exempt the products of cottage industries completely from taxation.

The second ground is this. The total income from this source of taxation has been estimated by the hon. Finance Minister to be Rs. 80 lakhs only, as given in the Budget. Since then, he has made a number of concessions in this respect and I am sure as a result of these concessions, the amount will be lessened all the more.

So the amount involved is, according to my calculation, about Rs. 50 lakhs or so.

The third ground that I would urge is that the class of people likely to be affected by this provision of the Bill is the class of shoemakers, mostly Harijans. This class has always claimed, and received, sympathy from all sections of this House, and if this concession is extended to this class, it will be all the more grateful and will appreciate it all the more.

There is another thing. The number of workers engaged in the leather industry is about 6 lakhs. Out of them, most of them are unrecognised and there is already a movement on foot for organising these people on co-operative society lines. If this exemption is not given to this class, I am afraid the co-operative societies will have to consist of groups with less than 49 workers, a concession which the hon. Finance Minister has just announced. So in order to give a fillip to the movement for organising this class of shoe-makers on co-operative lines, the amendment that I have proposed will be very helpful.

Mr. Deputy-Speaker: I have to apportion time. I have to app'y the guillotine at 12-15.

Shri Jhulan Sinha: Only one minute more:

Mr. Deputy-Speaker: One hon. Member cannot go on taking all the time.

Shri Jhulan Sinha: No, I do not propose to.

Mr. Deputy-Speaker: Mr. Bansal.

Shri Jhulan Sinha: In the end.....

Mr. Deputy-Speaker: I am racing against time.

Shri Jhulan Sinha: I have only one more submission to make to the hon. Finance Minister. If at all he insists on realising this tax from this class of 181 PSD.

people, I hope he will bear in mind the following lines of the Sanskrit poet Kalidas:

प्रजानामेव भूत्यर्थं स ताम्यो वलिमग्रहीत
सहस्रगुणमुत्स्रष्टुमादत्ते हि रसं रविः ॥१॥

Shri Bansal (Jhajjar-Rewari): I beg to move:

In page 4—

omit lines 9 to 19.

उपाध्यक्ष महोदय, मेरा संशोधन २३वां है और इसका अर्थ यह होगा कि नकली रेशम के कपड़े पर जो कर लगाने की बात है, वह न लगाया जाय बल्कि उसके बदले में जो हम नकली रेशम का सूत बाहर से मंगाते हैं उसमें आयात कर जो करीब ३६ फी सदी आजकल पड़ता है उसको हटा कर ४५ फी सदी कर दिया जाय और अगर ऐसा कर दिया जाता है तो मेरे विचार में वह सरकार को करीब २ एक करोड़ रुपये के दे देगा और उससे जो रेशम के छोटे छोटे कारखानेदारों को तक लीफ होगी, उससे वे बच जायेंगे। कल मंत्री महोदय ने मेरे इस सुझाव के जवाब में दो एक बातें कहीं। मैं आज उनका मुस्तसिर तौर पर जवाब देना चाहता हूँ। उन्होंने यह फ़रमाया कि जो कच्चा माल बाहर से आता है, उस पर हमें कर नहीं लगाना चाहिये, क्योंकि अगर उस पर कर लगाया गया तो हमारे यहां के कारखानेदारों को और जो हमारे उद्योग यहां पर हैं, उनकी तरक्की नहीं हो पायेगी। मैं यह अर्ज करना चाहता हूँ कि हम कई एक ऐसे कच्चे माल इस देश में पैदा कर रहे हैं और यह नकली रेशम का सूत उनमें से एक है जिसकी उत्पत्ति आजकल हम यहां पर करीब करीब पचास फ़ीसदी तक कर रहे हैं और उम्मीद है कि करीब एक, दो वर्षों में ही और यह बित्त मंत्री महोदय ने भी बतलाया था कि एक आठ वर्ष में हम अपना उत्पादन ७५ फ़ीसदी कर लेंगे और इसलिये यह जो आयात

[श्री बंसल]

कर नकली रेशम के सूत पर है अगर इस को हम बढ़ा दें तो हमारे इस उद्योग को थोड़ा सा प्रोत्साहन भी मिलेगा और जो छोटे छोटे कारखानेदार हैं उनकी दिक्कत बच जायगी।

दूसरे मैं अर्ज करूँ कि आजकल जो यह राख सोडा है, अब सोडा ऐश को हिन्दी में और कैसे व्यक्त करूँ, गो कि यह बड़ भारी कच्चा माल है, मगर हम उस पर काफ़ी ऊँच आयात कर लगाते हैं, इसलिये ऐसी बात नहीं है कि हर कच्चा माल बग़ैर किसी कर के हमारे देश में आना चाहिये, यह कोई ज़रूरी बात नहीं है। यह तो सिद्धान्त उस ज़माने में बना था जब हम देश से कच्चा माल बाहर भेजा करते थे तो उस ज़माने में हमें बतलाया गया कि कच्चे माल के आयात और न उसके निर्यात पर कोई कर लगाना चाहिये, मैं इसमें कोई सैद्धान्तिक रुकावट नहीं समझता कि कच्चे सूत के धागे पर आयात कर लगा दिया जाय। दूसरे, मंत्री महोदय ने बतलाया कि उन्होंने जो यह छूट दी है कि जिनके पास पच्चीस करघे से कम करघे होंगे उन पर यह कर नहीं लगेगा। मैं यह अर्ज करना चाहता हूँ कि पहले तो शायद दस को छूट थी अब वह पच्चीस को छूट दे रहे हैं, तो इसका नतीजा यह होगा कि जिन लोगों के पास तीस या चालिस करघे होंगे वह दो हिस्सों में बाँट लेंगे। मैं आपको बताऊँ कि जब पहले दस करघे वालों को यह छूट थी तो बहुत सी जगहों पर लोगों ने एक मकान से हटा कर दूसरे मकान में करघे रख लिये थे। इसलिये मैं अर्ज करना चाहता हूँ कि हमें कोई ऐसा कानून नहीं बनाना चाहिये जिससे लोगों में बर्झमानी करने की भावना फैले और अपने को कर से बचाने के वह इस तरह के छोटे मोटे उपाय करें। मैं इसलिये चाहता हूँ कि एक सीधा सादा कर लगाया जाय जो सभी के ऊपर लागू हो।

यह बात ज़रूर है कि छोटे कारखाने वालों को शायद इससे कुछ नुकसान हो, मगर इसके लिये मेरा यह विचार है कि बड़े बड़े कारखाने रेशम का वह माल बनाते हैं जो कि आम लोग बर्तते हैं, मगर छोटे छोटे जो हाथ के करघे होते हैं वह उसी माल को बनाते हैं जैसे साड़ियाँ वगैरह और बनारस में हम देखते हैं कि बहुत अच्छे किस्म का माल बनता है और उस माल को गरीब लोग ज्यादातर नहीं बर्तते, वह ज्यादातर अमीर लोगों के बर्तने में इस्तेमाल होता है, इसलिये मैं समझता हूँ कि छोटे कारखाने वालों को मेरे इस सुझाव को मानने में कोई तकलीफ़ नहीं होगी और इसलिये मेरी इस सदन से प्रार्थना है कि मेरा जो २३वाँ संशोधन है वह स्वीकार कर ले। इसी के साथ साथ मैं अपने एक दूसरे संशोधन की तरफ़ ध्यान दिलाते हुये कहना चाहता हूँ कि पांचवें सफे पर एक से सातवीं जो लाइन है, उसको हटा देना चाहिये। मुझे पार्लियामेंट के दफ़्तर की तरफ़ से बतलाया गया कि वह मेरा संशोधन चूँकि एक सारी धारा के खिलाफ़ हो जाता है इसलिये वह नहीं माना जायगा, मगर मैं समझता हूँ कि यदि आप मेरा यह २३वाँ संशोधन मान लेंगे तो ९वीं धारा जो है वह नहीं रह सकती। ९वीं धारा ८ वीं धारा से पैदा होती है। इसलिये मेरी अर्ज है कि यह जो ९वीं धारा है वह निकाल दी जाय और २३वाँ और २७वाँ जो मेरे संशोधन हैं उनको सदन स्वीकार कर ले।

Shri S. G. Parikh: I just want to have a clarification. I find that in the definition 'coarse cloth' is defined as below 26S. But according to the Cloth Control order, above 18S is considered 'medium'. Now, the export duty is levied on coarse cloth at 10 per cent. Is it the intention of the Government to levy the tax on cloth below 26S exported? This is likely to lead to several difficulties. He himself has adopted the definition of 18S

and above for export of cloth. So I request for clarification from the hon. Finance Minister. It ought to be 18 and not 26.

Shri C. D. Deshmukh: It is 17S. It is a printing mistake.

Shri S. G. Parikh: Thank you.

Regarding rayon, I have already stated that the duty is levied at the wrong end. My friend, Mr. Bansal, just pointed out that the import duty ought to have been increased. I do not agree with that. On the contrary; there are certain factories in India whose profits are staggering. They would have made enormous profits in the last one year or two. As the Government has a policy of excise duty, let those yarn producers pay the excise duty. You will be surprised to learn that one of the factories made a crore of rupees in one year, and if they have to pay some excise duty on yarn, at least the consumers as well as the ordinary weavers will not have to suffer. I had already pointed out this matter in my speech during the voting of Demands for Grants under the Finance Ministry. I would earnestly request the hon. Finance Minister to look into the matter.

Shri Sinhasan Singh rose—

Mr. Deputy-Speaker: I have already heard Shri Sinhasan Singh.

Shri Sinhasan Singh: There is another amendment.

Mr. Deputy-Speaker: I gave him an opportunity once and for all. Before I call upon the Finance Minister to move his amendments, I shall place before the House the amendments so far moved:

In page 3, lines 41 and 42,—

for "One anna and six pies" substitute "Six pies".

In page 4, omit lines 1 to 8.

In page 4, line 6 for "six pies" substitute "Three pies".

In page 4 omit lines 9 to 19.

In page 4, line 24, after "factory" insert—

"as defined in the Factories Act, 1948 (Act LXIII of 1948)."

In the amendment proposed by Shri C. D. Deshmukh printed as No. 39 in the list of amendments, add the following at the end:

"and manufacturing more than 100 tons of household and laundry soaps, or 50 tons of toilet soap or soap not otherwise specified"

In page 4,—

(i) omit lines 28 to 35; and

(ii) in lines 36 and 38—for "(2)" and "(3)" substitute "(1)" and "(2)".

In page 4, line 40 after "defined in" insert "part (i) of clause m of section 2 of."

In page 4, line 43 omit "sandals, chappals,".

Mr. Deputy-Speaker: Now, the Finance Minister.

Shri C. D. Deshmukh: I beg to move:

In page 4, for lines 10 to 19, substitute—

"Rayon or Artificial Silk Fabri include all varieties of fabrics manufactured either wholly or partly from the product commercially known as rayon or artificial silk but do not include any fabric—

(i) containing any staple fibre;

(ii) containing less than 60 per cent of rayon or artificial silk by weight, if mixed with cotton;

(iii) containing less than 40 per cent of rayon or artificial silk by weight, if mixed with any yarn other than cotton;

Six pies per square yard.

[Shri C. D. Deshmukh]

(iv) produced or manufactured on a handloom;

(v) produced or manufactured in one or more factories by or on behalf of the same person in which less than twenty-five power looms in all are installed."

This gives effect to the reliefs that I have announced already.

I beg to move:

In page 4, for line 28, substitute—

"(1) Soap, household and laundry, in excess of the first one hundred and twenty five tons removed for home consumption on or after the first day of April in each financial year—"

In page 4, line 36, for "(2) Soap, toilet" substitute:

"(2) Soap, toilet, in excess of the first twenty-five tons removed for home consumption on or after the first day of April in each financial year."

In page 4, for lines 40 and 41, substitute—

"17. FOOTWEAR, produced in any factory, including the precincts thereof whereon fifty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power or is ordinarily so carried on, the total equivalent of such power not exceeding two horsepower."

As I said, the first two amendments concern the reliefs that I have already given and announced. In regard to the footwear

Mr. Deputy-Speaker: Is it 'exceeding' or 'not exceeding'? It is said in the amendment: ". . . the total equivalent of such power not exceeding two horsepower."

Shri C. D. Deshmukh: 'Not exceeding.'

Mr. Deputy-Speaker: So, a factory will a small horsepower will also be taxed. Is that the idea? "Footwear produced in any factory, including the precincts thereof whereon fifty or more workers are working, or were working on any day of the preceding twelve months, and in any part of it a manufacturing process is being carried on with the aid of power or is ordinarily so carried on, the total equivalent of such power not exceeding two horsepower." Is it 'not exceeding' or 'exceeding'?

Shri C. D. Deshmukh: 'Exceeding' two horsepower. That is to say, if it is two horsepower or below, then, no tax will be levied.

Mr. Deputy-Speaker: Therefore, 'not' is to be omitted.

Shri C. D. Deshmukh: Yes. 'Not' must be omitted. It is a typing mistake.

Now, there is also another amendment—amendment No. 39, in my name. I beg to move:

In page 4, for lines 24 and 25, substitute—

"16. SOAP, manufactured with the aid of power in any form including steam, whether in a factory ordinarily using such power or in any other factory where any process incidental or ancillary to the manufacture of soap in that factory is being carried on elsewhere with the aid of such power".

That amplifies the existing definition.

Mr. Deputy-Speaker: Does this give exemption even to big factories?

Shri C. D. Deshmukh: To every factory. I will have to meet this point which hon. Members have made.

Pandit Thakur Das Bhargava: Does this amendment include 'steam?' This

is in respect of factories for which originally, in the Finance Act, no mention has been made for the use of steam also.

Mr. Deputy-Speaker: Does the hon. Member want big factories to be exempted?

Pandit Thakur Das Bhargava: So far as the Bill is concerned, the word is 'power.' Now, the hon. Finance Minister wants to amplify it by including the word 'steam' also.

Shri C. D. Deshmukh: It is clarifying it. 'Steam' is certainly power as much as anything else.

Mr. Deputy-Speaker: That is only a clarification. What he has already intended, he has clarified.

Shri Sinhasan Singh: What does he mean by 'factory'? Does he mean the 'factory' as defined by the Factories Act? In the amendment moved by the hon. Finance Minister in respect of footwear, the word 'factory' is different.

Mr. Deputy-Speaker: He will answer the whole thing now. Should I ask him to answer this first? Or, shall I ask him to answer the points in due course?

Shri C. D. Deshmukh: Since the hon. Member has raised this point, I might take it first. The word 'factory' is defined in two different ways. One is 'factory' as defined in the Factories Act. That is: "Factory means any premises including the precincts thereon where ten or more workers are working or were working on any day of the preceding twelve months," etc. It is given in section 2(m) of the Factories Act. Then there is another definition of the 'factory' in the Central Excise Act. That means, "any concern manufacturing any article of excisable duty is deemed to be a factory." That is the second definition of factory. When we use the word 'factory' with the accompanying words like "employing more than 50 people" and so on, as in one of the amendments

which I have moved. it is our intention not to use the definition in the Factories Act. Because we are dealing with the Excise Act, 'factory' here means factory as defined in the Excise Act.

Mr. Deputy-Speaker: The Excise Act is not a General Clauses Act. So, you might put it: "As defined in the Excise Act."

Shri C. D. Deshmukh: It has always been understood like that.

Mr. Deputy-Speaker: Those Hon. Members who are lawyers have raised that doubt.

Pandit Thakur Das Bhargava: Supposing only six persons work in a factory which has power—a factory which manufactures footwear with power. The amendment says, 'fifty or more workers.' Then, will this come under the Factories Act?

Mr. Deputy-Speaker: The point is the Excise Act contemplates a lesser number of persons, constituting a factory. Is it the intention of the Government to apply this even to such factories?

Shri C. D. Deshmukh: Only in regard to soap.

Mr. Deputy-Speaker: Then, let it be said so. The only point is: whether it is necessary to say 'soap' as defined in such and such an Act, or to leave it as it is.

Shri C. D. Deshmukh: Such a difficulty has not arisen before. Since we are now dealing only with excise duties, I think one would argue that unless it is specified to the contrary, 'factory' means factory as defined in the Excise Act.

Now, I shall deal with the general issue, that is to say, whether certain duties ought to be levied or not, like duties on cloth medium and coarse, because it is used by the poor. That is really repeating what was said in the discussion on the consideration of the Bill. The duty on cotton cloth

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especially is a sort of duty that extends almost to every citizen. It is almost as universal as the salt duty which for various reasons we are not imposing. Therefore, in a sense one might say that for purposes of revenue, apart from the fact that some part of the duty is intended to replace the removal of the import duty on imported cotton, this excise duty is intended to be paid by everyone. Therefore, the argument that the poor should be exempted is no argument at all.

Shri Nambiar: But they have not got the money to pay.

Shri C. D. Deshmukh: I had given figures relating to this yesterday, and I do not wish to repeat them.

Mr. Deputy-speaker: Is it intended to give a fillip to the handloom cloth also?

Shri C. D. Deshmukh: That is three pies separately. The major portion of the duty has no such intention and it existed even before. We have a special duty of three pies; that applies to this, and it has the intention which you mentioned. Now I would like to say that the estimated revenue for 1953-54 inclusive of the cess is Rs. 16.6 crores. What hon. Members say is: "Please forego this amount; because poor people have to pay."

Mr. Deputy-Speaker: From these two kinds of cloth only. Hon. Members have tabled amendments restricting it to medium and coarse cloth.

Shri C. D. Deshmukh: But a larger portion of the cloth produced is coarse and medium. Much of the fine variety is exported, on which a refund of duty is made. Therefore, I am sorry that I am not able to accept the general suggestion that there ought to be no duty, or that the duty should be reduced very considerably. Then, as I pointed out the other day, on the 23rd March 1954, coarse cloth is not cloth that is used by the poor.

The categories that I mentioned then were tapestry cloth, bed-sheets, furnishing fabrics, drills, master-cloth, towels, canvas and so on and so forth. It is only when we start with the medium, that we come to *dhotis* and *saris*. The total production is about 4,000 million yards in this country and three-fourths of this production fall under the category medium. If I am asked to remove the duty from medium, then the bulk of the duty would have to be foregone. That is why I am not able to accept any of the amendments made in this behalf.

Shri Sinhasan Singh: Coarse cloth is being produced out of warp. The *dhotis* which the poor people wear or *khaddar dhotis* are never more than 15 or 16 counts.

Mr. Deputy-Speaker: But, *Khaddar* is not taxed.

Shri Sinhasan Singh: The tapestry cloth which he mentioned is made of 26 counts.

Mr. Deputy-Speaker: The hon. Member cannot speak again.

Shri Sinhasan Singh: I am only appealing to him.

Shri C. D. Deshmukh: I gave figures relating to this the other day. I forget it at the moment.

I was going to deal with one point which the hon. Member made. Although you had ruled it out of order, I was going to mention it. So far as ready-made cloth is concerned, in view of the observations made by the hon. Member we are prepared to examine the position. At the moment there is nothing that we can do. Neither he nor I can do anything, unless the President's recommendation is there.

The problem that he has drawn attention to is this. If exemption is given to ready-made cloth, then many mills may organise a trade in ready-made cloth and drive out many

households who make this cloth and tailors of their trade. I am only saying that is a fresh problem that has arisen. In view of what the hon. Member has said, I say that it deserves consideration. What we shall be able to do is another matter.

Shri Gadgil (Poona Central): That was what exactly happened when import of ready-made cloth was allowed on a scale larger than what was justified, with the result that many tailors went out of commission in Calcutta.

Shr. C. D. Deshmukh: That only lends force to the contention that this problem ought to be examined.

Mr. Deputy-Speaker: What about the reduction of duty?

Shr. C. D. Deshmukh: I am afraid I am not prepared to accept any of the amendments in regard to reduction.

Then there is a small printing mistake on page 4 of the Bill. In the definition of medium cloth instead of 27S it should be 17S; in the definition of coarse cloth instead of 26S it should be 16S.

Then in the amendment which I have submitted regarding the definition of Rayon or Artificial Silk Fabrics in item (i) for the words "any" I would like to substitute the words "containing wholly".

I may take artificial silk again. I can only repeat the two arguments I had against the imposition of an import duty. The analogy that since soda ash is considered as a raw material art silk yarn should also be regarded as a raw material is misleading. In any case my main arguments are two. According to my information, if we were to impose an import duty or increase the import duty on art silk yarn, then the smaller factories which we have exempted would have to pay more. A fresh problem would be created for them. The other one is from the revenue point of view. I know that a factory is likely to be opened at Nagda. Their programme of pro-

duction is such that within a year or two the country will be producing perhaps all the artificial silk yarn that it needs and perhaps more, so that we will gain nothing by putting an import duty. *Ex hypothesi* there will be no imports and no revenue. That is my reason for not being able to accept the amendment moved by Shri Bansal.

Now I come to footwear. In the case of footwear I know there exist large establishments which produce quality footwear without the aid of power. They can hardly be regarded as cottage industries and therefore we have made a distinction between footwear and soap. The two industries are different. I myself feel that I have gone to the farthest extent possible in meeting the difficulties of cottage industries engaged in the manufacture of footwear. Of course, the danger of splitting factories and establishments and so on will exist whatever limit one prescribes. But, on the whole, I have not received any complaints in regard to footwear except the complaint which I am now meeting by giving exemption to factories and small cottage industries where the number is below the number we have suggested and where though the power is used, that power is less than 2 h.p. Having done that, I feel that I have done all that I could in giving relief to this particular industry and therefore, I am not able to accept any amendments contrary to the scheme that I have accepted.

Now, that leaves soap. That is a difficult case. As I said, we do not bother very much about the word 'factory' because we had exempted the quantities and therefore, we thought whatever factory it was, that relief would reach these factories. Pandit Thakur Das Bhargava has suggested that, in many of these factories, production of laundry soap does not extend up to 125 tons—in small factories which the hon. Member had in mind—but perhaps the toilet soap that they do produce is

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more than 25 tons. I have not been able, within this short notice, to find out what precisely the financial consequences of changing this scheme will be, but I assume that the hon. Member knows the problem perhaps much more than I do. The trouble with all these new excises is that, before the tax is actually thought of or imposed, many open enquiries cannot be made, and that is my excuse in not being *au fait* with the burden on each of these industries and that explains why I have had to make changes. If it is an old excise, then one is in possession of a large number of figures. Therefore, believing that the hon. Member knows more about it than the information at my disposal, I am prepared to accept that amendment of his—that is to say, 100 for the laundry soap and 50 for the toilet soap. As I said, I do not know what the financial effect will be, but I must face it; and if that is done, I do not think it is necessary to change the definition of a factory...

Pandit Thakur Das Bhargava: Even then you should change the definition of factory; such factories are run by very ordinary people who can hardly make both their ends meet.

Shri C. D. Deshmukh: My point is that if these small factories which produce less than 100 tons of laundry soap and less than 50 tons of toilet soap, they are not touched. Therefore, in these factories, even though three or four people work but they produce 500 tons of soap, I see no reason why they should be exempted. The hon. Member ought to be contented with the quantitative limit on the total quantity of soap which is produced by these factories.

Pandit Thakur Das Bhargava: This is quite satisfactory

Shri C. D. Deshmukh: I think I have dealt with all the amendments moved by hon. Members either directly or indirectly, and therefore, I move my own amendments and oppose the others excepting the one that I have accepted.

Shri Tek Chand rose—

Mr. Deputy-Speaker: Order, order. That clause stands over. We are now dealing with Clause No. 8. Let me put the amendments moved by the hon. Minister to the vote of the House and then I will come to the other amendments.

The question is:

In page 4, for lines 10 to 19 substitute—

“Rayon or Artificial Silk Fabric include all varieties of fabrics manufactured either Six pies per wholly or partly from square yard the product commercially known as rayon or artificial silk, but do not include any fabric—

- (i) containing wholly staple fibre;
- (ii) containing less than sixty per cent. of rayon or artificial silk by weight, if mixed with cotton;
- (iii) containing less than forty per cent. of rayon or artificial silk by weight, if mixed with any yarn other than cotton;
- (iv) produced or manufactured on a handloom;
- (v) produced or manufactured in one or more factories by or on behalf of the same person in which less than twenty-five power looms in all are installed.”

The motion was adopted.

12 Noon

Mr. Deputy-Speaker The question is:

In page 4, for line 28, substitute—

“(1) Soap, household and laundry, in excess of the first one hundred and twenty five tons removed for home consumption on or after the first day of April in each financial year—”.

The motion was adopted.

Mr. Deputy-Speaker: The question is:

In page 4, line 36, for "(2) Soap, toilet" substitute—

"(2) Soap, toilet, in excess of the first twenty-five tons removed for home consumption on or after the first day of April in each financial year."

The motion was adopted.

Mr. Deputy-Speaker: The question is:

In page 4, for lines 40 and 41 substitute—

"17. FOOTWEAR, produced in any factory, including the precincts thereof whereon fifty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power or is ordinarily so carried on, the total equivalent of such power exceeding two horsepower."

The motion was adopted.

Mr. Deputy-Speaker: All the above four amendments to clause 8 are carried. Now we come to amendment No. 39 moved by the hon. Minister. The question is:

In page 4, for lines 24 and 25, substitute—

"16. SOAP, manufactured with the aid of power in any form including steam, whether in a factory ordinarily using such power or in any other factory where any process incidental or ancillary to the manufacture of soap in that factory is being carried on elsewhere with the aid of such power."

The motion was adopted.

Mr. Deputy-Speaker: Now we shall take up other amendments. There are two formal corrections. Hon. Members may kindly follow. At page

4, in line 3 of sub-clause (3) under 'Medium cloth' for the word "27S", the word "17S" may be inserted and then under 'Coarse cloth' on the same page, sub-clause (4), the word "16S" be inserted in place of "26S". These two corrections relating to the counts are carried.

Shri Nambiar: Amendment Nos. 15, 24 and 36 be put together.

Mr. Deputy-Speaker: They pertain to what? The House must have an idea. By amendment No. 15, he wants that medium and coarse cloth should not be taxed. Amendment No. 24 relates to soap and amendment No. 36 seeks to reduce the duty on fine cloth from one anna and six pies to six pies. The question is:

In page 4, omit lines 1 to 8.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

In page 4,—

(i) omit lines 28 to 35; and

(ii) in line 36 and 38, for "(2)" and "(3)" substitute "(1)" and "(2)".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

In page 3, lines 41 and 42 for "One anna and six pies" substitute "Six pies."

Some Hon. Members: The 'Ayes' have it.

Mr. Deputy-Speaker: Hon. Members who say 'Aye' will kindly rise in their seats.

The number is 37.

Those against will kindly rise in their seats. By an overwhelming majority the motion is negatived.

The motion was negatived.

Mr. Deputy-Speaker: I shall now put the other amendments.

Pandit Thakur Das Bhargava: I have got a specific amendment which has been accepted by Government—No. 41.

Mr. Deputy-Speaker: I shall put it separately. First, I shall put the rest of the amendments.

The question is:

In page 4, line 24, after "factory" insert—

"As defined in the Factories Act, 1948 (Act LXIII of 1948)."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

In page 4, line 43 omit "sandals, chappals,".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

In page 4 omit lines 9 to 19.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

In page 4, line 6 for "Six pies" substitute "Three pies".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

In page 4, line 40 after "defined in" insert "part (i) of clause m of section 2 of."

The motion was negatived.

Mr. Deputy-Speaker: Is Pandit Thakur Das Bhargava's amendment in conflict with any other amendment passed already?

Pandit Thakur Das Bhargava: No.

Mr. Deputy-Speaker: The question is:

In the amendment proposed by Shri C. D. Deshmukh, printed as No. 39 in the list of amendments, add the following at the end:

"and manufacturing more than 100 tons of household and laundry soaps, or 50 tons of toilet

soap or soap not otherwise specified".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

That clause 8, as amended, stand part of the Bill.

The motion was adopted.

Clause 8, as amended, was added to the Bill.

Clause 9 and 10 were added to the Bill.

Clause 4.—(Amendment of Act, 34 of 1953)—Contd.

Mr. Deputy-Speaker: Is the hon. Minister ready with clause 4?

Shri C. D. Deshmukh: I am accepting Shri Tek Chand's amendment (No. 35), except that the word 'clause' has to be repeated before '(g)'. It should read 'clause (f) or clause (g)'.

Mr. Deputy-Speaker: What about his own amendment? Has he redrafted it?

Shri C. D. Deshmukh: We have great difficulties in redrafting it. A large number of sections have to be mentioned there. Therefore, at the moment I would ask the House to accept my amendment as it stands.

Mr. Deputy-Speaker: Very well. If any inconveniences are felt in practice the Minister will come to the House. I shall put both these amendments to the vote of the House. I shall first put the hon. Minister's amendment.

The question is:

In page 2, for lines 12 and 13, substitute—

"(a) after sub-section (2) of section 3, the following sub-section shall be inserted, namely:—

'(3) For the avoidance of doubt, it is hereby declared that references in this Act to property

passing on the death of a person shall be construed as including references to property deemed to pass on the death of such person.'"

The motion was adopted.

Mr. Deputy-Speaker: Now I shall put Mr. Tek Chand's amendment which has been accepted by the Finance Minister, with the addition.

The question is:

In page 2, lines 21 and 22, for "under both clauses (f) and (g)" substitute "either under clause (f) or clause (g) or under both".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 4, as amended, stand part of the Bill."

The motion was adopted.

Clause 4, as amended was added to the Bill.

Clause 11.—(Certain duties of excise to apply to existing stocks also.)

Shri K. K. Basu: I would suggest that the time may be extended.

Mr. Deputy-Speaker: We will finish the clauses and whatever time remains will be devoted to the third reading.

Is Shri Sivamurthi Swami moving his amendment?

Shri Sivamurthi Swami (Kushtagi): No, I am not moving.

Pandit Thakur Das Bhargava: I beg to move:

In page 5, line 15, after "lying" insert "undisposed of".

This amendment is a very short one. My point is that, when we are going to see that stocks lying in the mills are subjected to these duties, if the stocks belong to the factory. I am at one with the Finance Minister in seeing that they are taxed. But, supposing some of these have already been sold and property passed on to other persons, then the stocks in

possession of other persons are not to be taxed. Therefore, the stocks that have already been disposed of before passing this Bill should not be taxed. It is not our purpose. We only want that the property belonging to the factory should be taxed. Otherwise, if you levy duty on the property of persons lying in the mills and do not levy any tax on the stocks lying at their houses, then that would be discriminatory. I, therefore, submit that this amendment may be accepted.

Shri C. D. Deshmukh: I am not able to accept it because obviously the Mover is under the impression that the manufacturers and not the purchasers are to pay the excise duty. That is not correct, under Section 64-A of the Indian Sale of Goods Act. Also it will not be easily possible for us to make a distinction between stocks disposed of and stocks not disposed of. Therefore, I oppose this amendment.

Mr. Deputy-Speaker: Shall I put it to the vote of the House?

Pandit Thakur Das Bhargava: Yes.

Mr. Deputy-Speaker: The question is:

In page 5, line 15, after "lying" insert "undisposed of".

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 11 stand part of the Bill."

The motion was adopted.

Clauses 11 and 12 were added to the Bill.

First Schedule

Shri N. B. Chowdhury (Ghatal): I beg to move:

In page 5, line 38 for "Re. 1-12-3 per lb." and "Re. 1 per lb." substitute "Re. 0-7-6 per lb." and "Re. 0-7-6 per lb.".

By this amendment I want that the import duty on betelnut should not be increased beyond the rate which was prevailing in 1952. Last year it

[Shri N. B. Chowdhury]

was raised by two annas, and we must note that even before that, the prevailing price of this commodity was very high. This is a thing which is used by an overwhelming majority of the people in our country and the middlemen were reaping a lot of profit from this commodity. This year the duty has been increased by as much as six annas and six pies per pound and this brings it to more than Rs. 2 per seer. This is a duty which is about three hundred per cent. of the cost price in other countries. Last year when the duty was increased it was stated by the Finance Minister that it was intended to give a remunerative price to the grower also. Regarding the help to the growers I would like to quote a remark made by the Arecanut Committee itself, where they say that the advantage of high price is not being obtained by the growers and the growers are not getting as high a price as they ought to get whereas the middlemen, the stockists and other persons who advance money to the growers are making huge profits. The Committee says:

“Owing to lack of adequate credit facilities for cultural and marketing operations the growers are generally compelled to dispose of their produce to the itinerant merchants even before curing them. There are a number of intermediaries, between the growers and the consumers and a substantial price paid by the latter therefore represents the cost of handling and the margin of profits earned by the intermediaries.”

We know that while increasing this duty, at the same time, the Government is liberalising imports also. Last year, for the period from January to June, the import lifted was 33-1/3 per cent of half of last year's import. During the second half it was increased to fifty per cent. and for the first six months of the current year it has been increased to sixty per cent. How can the growers be helped in

this way? If you want to give an incentive to the production of this commodity, then these committees could help the growers in a different way; they should provide credit facilities and there should be arrangements for extensive cultivation. But, the Government and the committee which is functioning for the last six or seven years are not doing this. I have gone through five or six reports of the committee and they make the same sort of reading; same kind of reports. The committee generally meets only once in a year and I think most of the money that is spent on it goes on establishment charges. Except for opening certain nurseries and certain research centres, it is practically doing nothing and although it has been stated with regard to the object of this committee that they would consider the question of fixing maximum and minimum prices nothing has been done. As regards the control on imports, the committee itself shows that they apprehend that there would be a loss of revenue to the Exchequer and only for that reason they would not recommend any such thing. It is very easy to understand the position and this year it has been made very clear that the Finance Minister is more interested in having revenues than really helping the growers. Of course, it is true that if the price is very high, a portion of it will be shared by the growers, but here it has reached such a stage that the consumption is likely to fall. It has been stated in one of the reports of the Arecanut Committee itself that due to heavy fall in the purchasing power of the people, already the traders are facing a slump. Last year we saw that in Calcutta, even some time before the Budget proposals were published, the price went high by as much as Rs. 40 to Rs. 50. It was rather a mystery as to how these people came to know that there would be an extra duty so that they could make huge profits. Although last

year's increase amounted to about Rs. 10 a maund, the price went high even earlier by as much as Rs. 50 and later on it did not come down sufficiently. So we find that the traders are making a lot of money. In 1952 although the landed cost of this commodity was about Rs. 37 it was selling at more than Rs. 90 and that was the wholesale price.

Mr. Deputy-Speaker: This has been argued at some length. There are other clauses also to be taken up.

Shri N. B. Chowdhury: So, I oppose any further increase of import duty on this commodity because the price is already so very high. I find that in villages people are using so many other nuts along with this commodity and that sometimes leads to epidemic diseases.

Mr. Deputy-Speaker: Amendment moved:

In page 5, line 38 for "Re. 1-1-3 per lb." and "Re. 1 per lb." substitute "Re. 0-7-6 per lb." and "Re. 0-7-6 per lb.".

Shri C. D. Deshmukh: I have dealt with this question generally in my previous observations. The hon. Member, of course, belongs to a district where arecanut is grown and claims that no advantage will go to the growers of arecanut. It is too early to say whether any advantage will go to them or not, but I never said that the exclusive intention of imposing this duty was to benefit the grower; that was one of the objects and last year, certainly, that was predominant. This year the raising of revenue is also an object and I have made a reference to the prices that existed before. I said that last year although the prices went up to a certain level, I think Rs. 150, they came down to Rs. 95.

Shri Punnoose (Alleppey): May I ask a question, Sir? Last year, there was a representation from the agriculturists that the price is low. May I know whether this time there were representations from the arecanut growers that the price is low?

Shri C. D. Deshmukh: We have received no representations in regard to arecanuts at all. The only representation I have received is in Sanskrit from Shri Surya Narayan Vyas who is the editor in 'Vikram' Karyalay, Ujjain.

Some Hon. Members: What is that?

Shri C. D. Deshmukh: If you have a little patience.....

Mr. Deputy-Speaker: The whole question relates to *pan supari*.

Shri C. D. Deshmukh: Prices went up last year and came down to Rs. 95. This time, as I pointed out, out of Rs. 35, we have tapped the profits of middlemen to about/Rs. 20 and the prices have risen by about Rs. 15. It is too early to judge whether the prices will follow the course that they followed last year. On the whole, I do not think there is any case for reducing this except in accordance with one amendment which I propose to accept. I do not know if the hon. Member is here. It is amendment No. 6 which says, for Re. 1-1-3, substitute Re. 1-0-6. I am accepting that Amendment because we think that.....

Mr. Deputy-Speaker: That amendment stands in the name of Shri R. D. Mishra. Is he here?

Shri R. D. Mishra (Bulandshahr Distt.): Yes.

Shri C. D. Deshmukh: We are unwittingly going against some understanding in regard to the margin of preference. That is the only reason why I am accepting this. Otherwise, I oppose the amendments.

I propose to quote what this gentleman has said.

श्रीमतां दुर्बलानां च
क्षणसन्तोषदायकम् ।
मध्यवित्तजनानां च
स्वागतार्थं सहायकम् ॥
निर्धनानां च नारीणाम्,
एक एवाश्रयो महान्,

[Shri C. D. Deshmukh]

पूगीफलं न चैवान्यत्
फलं जगति विद्यते ॥

Mr. Deputy-Speaker: In the face of this the hon. Finance Minister persists in continuing this.

Shri C. D. Deshmukh: There is no purchasing power; *janajivanam* is as hard as the nut itself.

नाधुनाक्रयशक्तिश्च
कठि नंजनजी वनम् ।
पूगीफलं प्रसादोऽपि
महर्षौ दुर्लभोऽभवत् ॥

Then he says

कृपया करुणं कृत्वः
मुक्तं पूगीफलं कुरु ।
वित्ताधिप महाभाग,
इति संप्रार्थयाम्यहं ॥

In reply this is what I said:

अम्यर्थना या भवता व्याघायि
पूगीफलायातकरप्रसंगे ।
न हन्त तां पूरयितुं क्षमोऽस्मि
क्षमस्व मोघानुनयोऽपि मूरे ॥
यथावकाशं द्रविणेश्वरेभ्यो,
विकासकार्याय करामिलाषः ।
दरिद्रनारायण तोऽपि देशे,
करावलम्बोऽपरिहार्यकल्पः ॥

Mr. Deputy-Speaker: Beautiful. This must go into record. I shall first put amendment No. 26 for vote.

The question is:

In page 5, line 38 for "Re. 1-1-3 per lb." and "Re. 1 per lb.", substitute "Re. 0-7-6 per lb." and "Re. 0-7-6 per lb."

The motion was negatived.

Amendment made:

In page 5, line 38, for "Re. 1-1-3" substitute "Re. 1-0-6".

—[Shri R. D. Misra]

Mr. Deputy-Speaker: Shri Bansal's amendment is out of order.

Some Hon. Members: He is also not in the House.

Shri A. C. Guha: Amendments shown in my name are only formal verbal amendments. The Ministry of Law has suggested that these amendments should be formally moved so that we may keep the structure of the Tariff Schedule uniform. Certain typographical mistakes entered into the proposals.

Further amendment made:

In page 5, line 41,—

after "No. 28(12)," insert "in the third column the word, 'revenue' shall be inserted, and".

—[Shri A. C. Guha]

Further amendment made:

In page 9, line 13, in the column "Nature of Duty"—

for "Preferential" substitute "Preferential revenue".

—[Shri A. C. Guha]

Mr. Deputy-Speaker: The question is:

"That the First Schedule, as amended, stand part of the Bill"

The motion was adopted.

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

The Second Schedule was added to the Bill.

Third Schedule

Mr. Deputy-Speaker: The Third Schedule. I find all the amendments to be out of order.

Shri A. C. Guha: There is one amendment by me.

Shri K. K. Basu: Is the Deputy Minister's amendment also out of order?

Mr. Deputy-Speaker: I say, all the amendments of Shri V. P. Nayar. I

do not have notice of the hon. Minister's amendment.

Shri V. P. Nayar: What are the amendments that have been ruled out of order?

Mr. Deputy-Speaker: Amendments 28, 29, 30 and 31.

Shri V. P. Nayar: Why?

Mr. Deputy-Speaker: They require President's sanction.

Shri V. P. Nayar: I want to speak on them.

Mr. Deputy-Speaker: Let me first dispose of the other amendments.

Shri A. C. Guha: My amendment is:

In page 9, line 13,...

Mr. Deputy-Speaker: That is in the First Schedule. That is passed. I do not find any other amendment. Shri V. P. Nayar's amendments require the President's sanction. However, he wants to speak on the Schedule.

Shri V. P. Nayar: My amendment is not to raise the duty, in which case, I submit, the President's sanction will be necessary. My amendment takes away certain items on which there is excess duty as provided for in the Schedule.

Mr. Deputy-Speaker: Let me see. He wants to exempt these items from additional duty.

Shri V. P. Nayar: The object of my amendment is not to exempt as such. If we ask for an enhancement of duty, it becomes absolutely necessary that we should get the President's sanction which is a very remote contingency. My object in moving these amendments is to focus the attention of the House on certain matters in regard to the import of certain articles about which Shri C. D. Deshmukh himself made reference in his reply the other day. I refer to three articles among them. They are soda ash, blanc fixe and sodium sulphide.

Mr. Deputy-Speaker: Let me first dispose of these amendments. These are out of order unless I am otherwise advised by the hon. Member. These amendments want to delete certain items included in the Third schedule. The items are subject to an additional duty of 5 per cent. The effect of deleting the items would be not to include them in para (d) of clause 6 of the Bill which means that the additional duty will be 25 per cent. Now, instead of 5 per cent. the additional duty will be 25 per cent. As this enhances the duty, this requires the President's recommendation for moving. Therefore, the amendments are out of order.

Shri V. P. Nayar: I can, however, speak on that?

Mr. Deputy-Speaker: Yes, certainly.

Shri V. P. Nayar: In answer to a question recently—I am speaking about the import of soda ash which the hon. Finance Minister said is a very vital requirement for India's industry...

Mr. Deputy-Speaker: Is it included in the Schedule?

Shri V. P. Nayar: Yes, Sir.

Mr. Deputy-Speaker: What is the item?

Shri V. P. Nayar: I am unable to lay my hands specifically on the items, but I think it is included.

Mr. Deputy-Speaker: What is the good then? So many things are in the Tariff Schedule.

Shri V. P. Nayar: I do not think Mr. Deshmukh will deny its being in the Tariff Schedule.

Shri C. D. Deshmukh: Soda ash is 28(4).

Shri V. P. Nayar: Thank you for the timely help.

In answer to a question I find that although there are about 70 licence-holders—import licences have been given to 70 persons—this year as a

[Shri V. P. Nayar]

very special case import licences have been given on what is called an *ad hoc* basis to two firms. I know that the additional duty will affect these two firms also, but what I wanted to point out to the House was that the hon. Minister for Commerce and Industry has revealed in answer to a question on the 12th April that we are importing this soda ash for a total of about Rs. 20.74 lakhs of which about Rs. 14.5 lakhs worth are allowed to be imported by that international combine, the Imperial Chemical Industries. We are having a list of 70 names, but this year there was another process, and *ad hoc* process, by which you find two very peculiar licences having been given. The total worth, I may again remind the House, is only Rs. 20 lakhs, but the first name.....

Mr. Deputy-Speaker: How are we going into all that matter? We are not concerned with export and import. We are concerned only with the duty. The hon. Member may say this duty ought not to be levied, therefore reduce it.

Shri S. S. More (Sholapur): Will that *mantram* be enough?

Mr. Deputy-Speaker: I do not know. That is my ruling so far as this matter is concerned. It is not the same *mantram* for everything.

Shri V. P. Nayar: Although you may say the additional five per cent is levied on all articles, although you might cover all the imports by that rule, there are given these licences. I wanted to focus attention only on those specific matters. The first licence happens to be one for Rs. 99,000—about Rs. 1 lakh—which happens to be in the name of Messrs. T. T. Krishnamachari & Sons, Ferozshah Mehta Road, Bombay. I leave it there for the inference of the House. The other day, the hon. Commerce and Industry Minister said unfortunately that if I was not satisfied with the reply given to me, I might seek remedy by writing a letter to Pandit

Jawaharlal Nehru, Prime Minister, and whatever reply he may give we might be satisfied with. That is why I want to bring this matter before the attention of the House.

Mr. Deputy-Speaker: I know what has happened. So far as this matter is concerned, I must judge the relevancy as to whether licence ought to have been given to X, Y or Z. We are not concerned with that. We are concerned whether a particular article requires this duty or not.

Shri V. P. Nayar: Why I said this was if you give import licences to the known established importers and then change the duty it is different, but if you allow new-comers to come in and then you charge only 5 per cent. on them, that is a policy which goes against the interests of the State. That is my object in pointing out this instance.

Mr. Deputy-Speaker: Whether this is necessary, whether it is one of the essential raw materials or otherwise—these are the considerations at this stage. Therefore, there is no need again and again to refer to this, however relevant it might be. This is not the context in which we should refer to X, Y or Z. We are not concerned with them.

Shri V. P. Nayar: My point was that in giving licences on the *ad hoc* basis, instead of having them in the general category of being liable for 5 per cent. extra duty, Government should have, on the other hand, imposed some more duty which they have not done, because the additional import quota is granted, as the Prime Minister himself wrote to comrade A. K. Gopalan, to break the monopoly of certain firms. I quite appreciate that stand, but do you think that the monopoly for breaking a monopoly is the monopoly of a Minister's son? That is the point which I wanted to emphasize.

Mr. Deputy-Speaker: Somehow the hon. Member has got a way of bringing in things which are not quite

germane to the issue. I am afraid the hon. Member has nothing more to say.

Shri V. P. Nayar: I want to draw your attention to two other issues relating to blanc fixe and sodium sulphide. Sodium sulphide is also a very vital requirement for India's industry, about which also the answer is only one *ad hoc* licence has been issued. But here the difference is this. There is what is called the imperial preference, but here these articles are allowed to be imported from West Germany with of course a different set of duty. This too again happens to be in the name of Messrs. T. T. Krishnamachari and Sons. This is a point which I wanted to bring to the attention of the House and also the hon. Finance Minister. Let him not advice us to seek our remedy as his colleague did from the Prime Minister.

Mr. Deputy-Speaker: Has the hon. Minister anything to say?

Shri C. D. Deshmukh: I can have nothing to say on these things. As you said, these matters have nothing to do with the subjects which we are discussing today, whether, as you pointed out, the surcharge should be 5 per cent. or it should be 25 per cent, whatever happens, to whomsoever any licence is issued. The proper occasion for bringing these matters was when the Demands were considered. and I believe the hon. Member did refer to them.

Shri V. P. Nayar: No, I did not.

Mr. Deputy-Speaker: Then, he missed the bus.

Shri C. D. Deshmukh: Then he must take another opportunity in the future.

Mr. Deputy-Speaker: The question is:

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

The motion was adopted.

The Third Schedule was added to the Bill.

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Clause I was added to the Bill.

The Title and the Enacting Formula were added to the Bill.

Mr. Deputy-Speaker: The hon. Minister.

Pandit Thakur Das Bhargava: Before you allow the motion of the hon. Minister, may I very respectfully submit that in moving my amendment, I made one mistake, and that was that the words "in any financial year" have not been included in the amendment.

Mr. Deputy-Speaker: He may move it in the third reading if it is only a formal and verbal amendment.

Shri C. D. Deshmukh: I beg to move:

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

Mr. Deputy-Speaker: Motion moved:

"That the Bill, as amended, be passed"

Pandit Bhargava may move his amendment now.

Shri C. D. Deshmukh: The hon. Member's intention was merely to change the figures, not to change the period. Inadvertantly that period was left out. All he now wants is to introduce the period.

Amendment made:

In the amendment proposed by Shri C. D. Deshmukh, (printed as No. 39 in List of amendments) add the following at the end in substitution of amendment No. 41:

"when the soap so manufactured in any financial year, in the case of household and laundry soap, is in excess of one hundred tons, and in the case of soap of any other kind, is in excess of fifty tons in the aggregate".

—[*Pandit Thakur Das Bhargava*]

Mr. Deputy-Speaker: The amendment that has been now adopted is in substitution of amendment No. 41 already carried to clause 8.

Each hon. Member will have five minutes.

Shri Gadgil (Poona Central): To intervene in the third reading is to expect hope to triumph over experience. Fortunately, the Finance Minister has been a little more responsive that encourages the hope that next time he will be still more responsive and reasonable. Fortunately the Bill now is a sort of middle of the road philosophy. I can well appreciate the Finance Minister's anxiety not to prejudice or prejudge the findings of the Taxation Inquiry Commission. At the same time, one has to see what is the general atmosphere or economic climate that is being gradually developed. One has to say very regretfully that since independence, the richer classes are getting a better deal, while the poorer classes are getting what may be described a raw deal. Year after year, since 1947-48, tax after tax on the rich people and business community has either been reduced or abolished, as for instance, the excess profits tax, the capital appreciation tax, the dividend limitation etc., apart from the income-tax relief, and the several concessions given in the matter of depreciation, etc. In a poor country like ours, where poverty is abject and absolute, to encourage private industry without restraint or to allow private enterprise to produce without restraint is to invite worse consequences of a capitalist economy. This would have been all right, if we were following a policy of complete *laissez-faire*, but we have now a policy in which we hope to add a few inches to the *langoti* or the loin-cloth of the poor man, a few more morsels to his insignificant menu, and a few more square feet for his accommodation. We further desire that a few more moments may be added to his leisure, to enable him to add to him knowledge to improve his mind, and to add an inch or two to his moral stature and personality. How is that to be made possible? It is no doubt true that he must stand on his own legs, and I appreciate the Finance Minis-

ter, when he says that the poor man must pay. But at the same time, I want that there should be a balance between the poor man paying indirect taxes, and the rich man paying direct taxes; let there be equality of sacrifice. Let the poor man have a complete picture of the society to be. We desire, according to our Constitution, that there will be no inequalities of wealth, and therefore, we must take the major decision of writing off the richer people as a class. You cannot expect to do this by a weak-kneed policy of taxation, or by following the pattern of economy which you are following today. You cannot expect to harvest grapes by sowing grams. I say that a bold approach is necessary. A classless society has to be brought about by people who are very much conscious of their own class, but I believe that sense of duty will triumph over self-interest, and considerations of progress over preservation. Your credit, namely that of the country, of Government, and the party that backs Government, will stand or fall by how much the Plan has succeeded or how much it has failed.

Shri S. S. More: It is already failing.

Shri Gadgil: Therefore, it is necessary to mobilise the financial resources of this country, and I am suggesting that anything over and above what is reasonable provision for the rainy day, must be secured by Government, either by way of loans, or by way of straight annexation. Any economic surplus must not be left in the hands of private persons, for that means encouragement of economic inequality. Therefore, it must be mopped up, and mobilised by Government, in the interests of the community as a whole.

I think everyone of us has an obligation to contribute morally and materially to the welfare of the nation, and I consider this to be a continuing obligation. There must be co-operation between the people and Government. In fact, the two bulls must pull together, so that eventually

what they sow will be a systematic pattern, and a crop of happiness in the shape of supplies of goods and services will be available to everyone.

But this is not possible, unless the instrument of implementation of this policy, namely the administration, is adequate for the purposes in view. I see in the present administration, apart from other defects, an unbalance in terms of territory and language. I want to illustrate this. In the All India Radio, what Dr. Keskar has been doing is very little. There is not adequate representation for the Hindi territory and the Hindi language, the Gujerati territory and the Gujerati language, and the Marathi territory and the Marathi language; the vested interests that have come since fifteen years ago still continue, but when Dr. Keskar is trying to do something, we are raising a howl about it.

There are certain defects in the Plan, but as I once said, with all its faults, I love it, still because that is the only way to progress to the state of affairs which we have in mind. If we have a well-thought out Plan, adequate finances, an efficient administration, and people actuated by high moral purpose, I think our future will be good. Indeed, if these things are there, the next year will unfold....

Mr. Deputy-Speaker: The other parties also would like to say something.

Shri S. S. More: He is trying to be very progressive on everything.

Mr. Deputy-Speaker: The hon. Member is making a first reading speech during the third reading.

Shri Gadgil:... a better future based on current achievements, a greater discipline in the administration, a greater desire on the part of the people to sacrifice, and a firm determination all round to bring into concrete shape what has been conceived in mind.

Shri K. K. Basu: Within the short compass of time at my disposal, I do not think I will be in a position to do justice to the subject. In the course of his reply yesterday, the hon. Minister stated that the poor man will have to shoulder the responsibility of building up the nation. But he has forgotten to say what capacity is left in the poor man to shoulder that responsibility. Just as Shri Gadgil said a little earlier, since independence, the richer classes have been given a number of tax concessions. I would not like to enumerate all of them, as my time is short. But I would add that in 1949, the Government brought forward a legislation to amend the Income-tax Act, to stop evasion of taxation, but unfortunately that bill was allowed to lapse on the ground that there was no time. I think, last year, Shri Tyagi, when he was Minister of Revenue and Expenditure, stated here that even the foreign concerns here were trying to evade income-tax, and that there should be some legislation to deal with them, but nothing has been done so far. On the other hand, we find that during this year, the entire tax burden has been thrown upon the poor man, or the middle class man. There is tax on betel-nuts, footwear, soaps and even cloth, which are articles consumed by the ordinary common man in the country. Thus, the poor man is being asked to shoulder the tax burden in its entirety. I recall the statement of the Finance Minister that even the poor man will have to shoulder the burden, but the hon. Minister must also see what energy is left in the poor man to pay these taxes, and what concessions he has given to him in the four budgets that he has piloted in this House.

Apart from the working of the Plan, about which he himself was diffident, I would like to say a word on how far we have been able to realise our targets in regard to the amenities for the poor man. We have been told that there has been a shortfall of Rs. 45 crores or so, whereof

[Shri K. K. Basu]

4 crores fall short in the Rehabilitation Ministry. The poor refugees do not have enough houses to live in, and they are suffering for lack of accommodation, but yet we find that several crores of rupees are remaining unspent. I do not want to go into the technicalities of the administration, which is responsible for this. Similarly, we have unspent balances in the Education Ministry, in the G.M.F. Campaign, in the Food and Agriculture Ministry etc.; even in the meagre provision that our Government have made for the housing of the labourers, there has been a shortfall of more than Rs. 2 crores, not to speak of the Coal Mines Welfare Fund, from which Rs. 50 lakhs could not be spent, even though a huge amount has been amassed for the last several years.

Therefore, Sir, when the Government ask us to put our stamp of approval on the taxation policy, we have to see to what extent the burden imposed on the common man is reduced, to what extent his welfare is promoted. We have to see to what extent this policy is being followed.

Before I conclude, I will refer to one more example—a very recent example—of how Government spends. The other day it was given out in the Press that Rs. 1,75,000 or nearly Rs. 2 lakhs had been given for the Olympic team that was going to Manila. Unfortunately, you must have noticed that within this limited fund they have to send a team of athletes headed by persons known as officials—personally, I am myself interested in sports for a long time—many of whom have very little knowledge of sports. I suppose one of them is an Intelligence Officer—I do not want to mention his name. His wife, I am told has been put in charge of the women's section of the team that is going. Another man, I am told, has been selected from a publicity department...

Mr. Deputy-Speaker: Are we to go into matters like this at the third reading stage? These questions do not arise now. This is not a general discussion and how is the hon. Minister to reply to all these charges? Therefore, I will ask hon. Members to confine themselves to what is relevant now.

I am only saying that this is the kind of attitude of the Government. We could have sent from our country a team of first-class weight lifters who could easily win laurels for themselves and it would be a matter of pride for us. If this is the manner in which Government are going to spend money, they cannot ask the poor man to shoulder the responsibility.

Yesterday, the Finance Minister said that the new Plan that is envisaged, would be more comprehensive. If we want to create a psychological upsurge in the country, if we want to enthuse the common man, you have to think in terms of pounds, shillings and pence; mere lectures will not be enough. Our people have sacrificed their everything during the last 50 years for the national movement. They have a right to demand from the Government measures for their benefit. What have the Government done for the last seven years apart from their promises?

Therefore, I feel that the Government must take these things into consideration when they frame the taxation policy. This year the entire burden is shifted on to the shoulders of the poor man. They have left out the rich, with the result that the burden on the poor man is enhanced. What have the rich done? Even with this, they have not played fair. The rate of investment has gone down. The Government must take all these things into consideration and see that as laid down in the Directive Principles the inequalities of wealth are reduced. The people must be made to feel that

they are a part and parcel of our national Government and they should enjoy equal rights and suffer equally for building up the future of our country.

Shrimati Maydeo (Poona South): I thank you for the opportunity you have given me for which I was waiting so long. Today we have to vote the proposals made in the Finance Bill. But before doing that, I feel that I must bring to the notice of the House that some money, instead of being utilised for the public interests, is wasted. I want to refer to the Health Ministry's grants. We hear about the BCG campaign in newsreels and a lot of propaganda is made about it. There are so many photographers, so many inauguration ceremonies about that and we see that even children of six months are caught hold of that and BCG vaccinated. I did not want to speak anything about it until I had collected some information about it, but today I can place before the House certain facts about, what this BCG campaign is. The protagonists of this campaign do not claim absolute immunity. They do not claim immunity, but a sort of...

Mr. Deputy-Speaker: I am really surprised that when the Finance Bill is discussed, hon. Ministers or their Deputy Ministers do not care to be here. What is the good of referring to the Education Ministry or the Health Ministry if the Ministers are not here. The whole burden cannot be put on the hon. the Finance Minister.

Pandit K. C. Sharma (Meerut Distt):—South): The Deputy Minister of Health is here.

An Hon. Member: She has changed seat.

1 P.M.

Mr. Deputy-Speaker: I am glad the Deputy Minister of Health is here. But what about the other Ministers?

Sardar A. S. Saigal (Bilaspur): They will all come in their turn.

Mr. Deputy-Speaker: This does not encourage the Finance Minister—as if he has the sole responsibility. Other Ministers should be here, otherwise, what is the use of this Parliament here?

Pandit Thakur Das Bhargava: You have been saying this year after year, but the Ministers don't attend.

Shri A. M. Thomas (Ernakulam): Day after day.

Shri S. V. Ramaswamy (Salem): The hon. Finance Minister's shoulders are broad enough to carry all these.

Shrimati Maydeo: Sir, the immunity which is claimed is only for four years and the so-called champions only say that some groups only should be inoculated—those medical students or nurses who come in actual contact continuously with T. B. Patients. But instead of that, our propaganda is being carried on from 1948 and it is being intensified with the help of the WHO, and a crore of rupees has been spent. It is said that 25 millions of people were tasted and 8 millions of them were inoculated. In the next two or three years or in the course of a few years, the remaining States also will be taken under this campaign. But this BGG inoculation is not fruitful just control tuberculosis. Mayers who made experiments in one of the States of the United Nations has proved...

Mr. Deputy-Speaker: I can only suggest to hon. Members that the third reading stage is not the occasion to go into details of particular policies. They must wind up with bouquets.

Shrimati Maydeo: All right. We contract this tuberculosis from domestic cattle, that is from the milk of buffaloes or cows. Mayers has proved that this inoculation is not even fruitful in the case of cattle, and he asks the pertinent question: 'Why should we recommend this as fit for human beings when it is unfit for cattle?' That is why, Sir, I say that this money is being wasted. This experiment is carried on in our country when people do not want these inoculations: they are compulsorily inoculated. So this should be discontinued and the money can be

[Shrimati Maydeo]

spent on leprosy or such other useful purposes.

Regarding leprosy also, how is this question dealt with? In 1941, there was a committee appointed by the Central Government. In 1941, they made some recommendation that the patients should be segregated and an intensive propoganda should be carried on to fight leprosy.

But nothing has been done in that regard. Only experiments are being carried on for the last 13 years. This money could well be utilised for leprosy eradication.

Then again, what is our Government doing for Homoeopathy or Ayurveda? Only the other day there was an article in the Press which said that if 1/10ths of the money was spent for Ayurveda...

I will only take two minutes. I will finish this point and then I will finish the other two points in a few minutes. We are told that Rs. 5 lakhs are allotted for the Jamnagar Institute. During the last three years, there is no progress at all. Only there are buildings and a library, and nothing is being done. Only we are misled that Rs. 5 lakhs have been given to the Jamnagar Institute.

Then again about Homoeopathy, the Ad hoc Committee appointed by the Central Government has unanimously recommended that there should be a post-graduate course in Homoeopathy. It does not matter. Let there be a post-graduate course. There is only one college in Bombay, and what is the state of affairs of this college? The building was...

Mr. Deputy-Speaker: We cannot go into all these details at the third reading stage, however much I am inclined to give an opportunity to the hon. Member.

Shrimati Maydeo: The Ministry of Health was not discussed last year.

Mr. Deputy-Speaker: What can be done?

Shrimati Maydeo: Only two hours were given for Health this year. Health is the most important subject for the country.

An Hon. Member: Four hours should have been allotted.

Shrimati Maydeo: At least next time, they should allot a full day for discussion. Then we will be satisfied. We cannot leave out this subject which is very important. The hon. Member, Shri Tandon, also made a passing reference to the importance of Ayurveda and Homoeopathy. What I want to suggest is, if our Health Minister is surrounded by a very strong circle of allopathic experts, then, here we are to help her. We will help her in the cause of Ayurveda and Homoeopathy which, if she trusts, she will find very useful. Even one-tenth of the money that is now spent will be sufficient for this.

Shri S. V. Ramaswamy: May I suggest that we extend the time till 2'0 P.M.

Some Hon. Members: No, no.

An Hon. Member: What is the time-table?

Mr. Deputy-Speaker: The House will rise at 1.15 P.M.

Shri S. V. Ramaswamy: We can sit till 2.0 P.M.

Mr. Deputy-Speaker: The time is not in my hands. If the Government makes representations and if the House agrees, I have no objection to extend the time.

Dr. Suresh Chandra (Aurangabad): It seems to me that the opinion of the House is that the House should sit longer.

Some Hon. Members: No, no.

Mr. Deputy-Speaker: Shrimati Kamlendu Mati Shah.

श्रीमती कपलेंदुमति शाह (जिला गढ़वाल—पश्चिमी व जिला टिहरी गढ़वाल व जिला बिजनौर—उत्तर) : उपाध्यक्ष महोदय, मुझे अफसोस है कि इस से पहले मुझे समय नहीं मिला। यह पहला समय है जब कि मैं इस बिल पर बोल रही हूँ, और मैं हमेशा अपने भाषणों में ८ या ९ मिनट से ज्यादा नहीं लेती। फिर भी इतना कम समय आपने दिया, इसके लिये मैं आप को धन्यवाद देती हूँ।

मैं इस वर्ष के बजट की बाबत बहुत सी बातें बतलाना चाहती थी, और समय भी ज्यादा नहीं लेना चाहती थी। इसलिये जहाँ तक हो सकेगा मैं अपनी बातें कहूंगी।

यद्यपि मंत्री महोदय ने आश्वासन दिया है कि करों का बोझ जनता पर नहीं पड़ेगा, फिर भी अप्रत्यक्ष करों का क्या परिणाम होगा, इस की आलोचना आवश्यक हो जाती है। खाद्य की घटी को कम करने के लिये जो अप्रत्यक्ष कर लगाये गये हैं, उन का बोझ सदा जनता पर ही पड़ता है, और प्रत्यक्ष करों द्वारा लाभ अधिकतर मोटी आय वालों को ही होता है।

यद्यपि माननीय मंत्री ने दावा किया है कि वे आय कर नहीं बढ़ा रहे हैं, और कुछ वस्तुओं के उत्पादन कर में वृद्धि करने के बाद उन वस्तुओं के कर में रियायत करने की उन्होंने जो घोषणा की है उससे सन्तोष तो होता है, परन्तु वह सन्तोष क्षणिक होता है। यदि माननीय मंत्री विचार करें तो इन छूटों का लाभ साधारण जनता को न पहुँच कर, व्यवसायियों को ही पहुँचेगा, क्योंकि बाजार के साधारण नियमों के अनुसार कर से छूट पाया हुआ माल भी बाजार में उसी दाम पर बिकेगा जिस दर पर कर लगा हुआ माल। इस का अनिवार्य परिणाम उस जनता के निर्वाह व्यय बढ़ जाने के रूप में होगा जिसकी श्रम शक्ति पहले ही निर्बल है। इसलिये आशा

है माननीय मंत्री इस पर अवश्य ही विचार करेंगे। जब कहा जाता है कि व्यापार और कृषि की अवस्था सुधर रही है, तो फिर घाटे का बजट बनाने में डर किस बात का है?

निम्न तथा उच्च कर्मचारियों के वेतनों में अत्याधिक भेद भाव, कर्मचारियों की संख्या में बढ़ोतरी, अध्यापकों के साथ असहानु-भूतिपूर्ण व्यवहार इत्यादि बातों से न तो जनता में संतोष रह सकता है न आर्थिक स्थिति ही सुधर सकती है।

बड़ी योजनाओं में लगभग १० अर्ब धन लगा कर भी हम अपनी आय और श्रम शक्ति को न बढ़ा सके, न बेकारी को ही घटा सके। अपनी सामर्थ्य से बाहर और बड़े बड़े कार्यकर्ताओं की कल्पनाओं तथा निर्णय पर निर्धारित, बड़ी योजनाएँ बना कर, कर का बोझ बढ़ाये चले जाना, हमारे लिये हित कर सिद्ध न होगा। हमें तो जनता की परीक्षा की हुई छोटी छोटी योजनाएँ ही बनानी चाहियें। तभी जनता को लाभ पहुँचेगा, और जनता का लाभ ही हमारी सबसे बड़ी सफलता है। करोड़ों रुपये के घाटे का बजट न बना कर यदि हम चीन जापान की तरह करोड़ों हाथों से काम लिये जाने की योजनाएँ बनायें तो बहुत थोड़े समय में हमारे मुनहले स्वप्न सत्य सिद्ध हो सकते हैं।

उपाध्यक्ष महोदय, यह देखकर खेद होता है कि इधर तो कहीं वर्ष भर में ढाई करोड़ तक की मदें लैप्स हो जाती हैं, और उधर मेरे क्षेत्र में हम लोगों को मार्ग निर्माण जैसे अति आवश्यक कार्य के लिये १५, २० लाख रुपये भी नहीं मिल सकते।

श्रीमान्, आज यदि मेरे क्षेत्र में मार्ग निर्माण के लिये आर्थिक सहायता मिल सके तो मेरा जिला उत्तर प्रदेश के अन्य सब जिलों से आय में दस गुना बढ़ जाय। यह बात

[श्रीमती कमलेंद्रुमति शाह]

विलीनीकरण से पहले प्रमाणित हो चुकी है कि इस क्षेत्र में सोना, चांदी, तांबा, लोहा, अबरक आदि धातुयें तथा नीलम की खाने हैं, विविध जड़ी बटियों से यह स्थान भरा है, जंगलों की करोड़ों रुपये की सम्पत्ति है, और भांति भांति के फल तथा भेवे के वृक्ष लग सकते हैं, नमक की खानों के कारण यह क्षेत्र आत्मनिर्भर हो सकता है, परन्तु इन सब बातों के लिये मार्ग निर्माण का सब से पहला प्रश्न है। मार्ग निर्माण पर एक बार व्यय कर के ही क्षेत्र सदैव के लिये आत्मनिर्भर हो कर आय का साधन बन जायेगा। जो आज डेफिसिट कहलाता है। इस की सहायता के लिये केन्द्रीय सरकार के अतिरिक्त अन्य किस से मैं आशा करूँ। प्रान्तीय सरकार तो मेरे अति पिछड़े हुए क्षेत्र की जो अवहेलना करती है, इस को बताये बिना मैं नहीं रह सकती। पिछले वर्ष की बात है कि अल्मोड़े में एक हायेस्ट टेन्शन का हाइड्रोलिक पम्प जो एशिया भर में सब से पहला है, और ६०० फीट नीचे से पानी खींचता है, १२ लाख व्यय करके बनाया गया है। साथ ही एक टेहरी गढ़वाल का इलाका है जिस की उन्नति के लिये केवल आश्वासन मिलता है द्रव्य नहीं।

वर्तमान १९५४-५५ के बजट में नैनीताल को ५७ लाख, अल्मोड़ा को १५ लाख और पिछड़े हुए टेहरी गढ़वाल को केवल ११ लाख रुपये विविध मदों के लिये दिये गये हैं। अब सरकार ही बता सकती है कि मैं किस के पास फरियाद करूँ कि यह बात न्यायोचित नहीं है ?

Shri Gidwani (Thana): In the budget of this year, a sum of Rs. 467.09 crores has been put down as the estimated expenditure during this financial year. I want the hon. Finance Minister and our Government to utilize all this money in the best

interests of the people. That can be done only when we feel ourselves as trustees of this nation and of the money that has been given to us. The time has come, I repeat, for self-introspection, as Gandhiji put it, in the resolution which was passed in 1947 before his death, in the All-India Congress Committee. The time has come for a searching of our hearts, and find out whether the money that we have been spending for all these years has been done in the best interests of the people.

I begin with one aspect only. You are aware that before partition, when our country was one whole and united, there were only six Executive Councillors in the Central Government. Then, in 1947, after partition, when the Congress and the Muslim League formed a Ministry called the interim Ministry there were nine Ministers. Then, in the first year after that period, we had 16 Ministers, and today the total number comprising Ministers of the Cabinet, Ministers with cabinet rank but not Members of the Cabinet, Deputy Ministers and Parliamentary Secretaries, comes to 43. Not only this. The number of Ministers goes on increasing. Each Minister tries to be a petty lord or a nawab. we have abolished 651 Rajas and Maharajas, but yet, we are creating an army of Rajas and Maharajas in the shape of Ministers, etc. I may refer to Bengal in this connection. You are aware that is now only one-third of what it was before partition. There were only eight or nine Ministers then in the Bengal Cabinet. Today, there are 32 Ministers, all told, and all this when the territory has become one-third of what it was before.

Mr. Deputy-Speaker: We have no jurisdiction over that matter.

Shri Gidwani: Yes, Sir, I only wanted to show how many Ministers are being appointed. Similarly, the number of Secretaries and Joint Secretaries has been going on increasing. I had once a discussion with the Prime Minister regarding the

rehabilitation of refugees. He told me, 'What am I to do? Where is the money to come from?' Before the war, there were 7,000 *chaprasis* in the Government of India. Their number is now about 21,000. Again, how many Secretaries, Joint Secretaries, Deputy Secretaries, under Secretaries, P. As. and Assistant P. As. and Private Secretaries are there? I think if a public meeting were held in Delhi and a stone was thrown in it, I am sure it will fall on the head of some one of them! There is an army of these officers with varying designations.

Shri T. N. Singh (Banaras Distt.—East): From about 140, we have become 500 now. From about Rs. 50 crores, we have come to a revenue of about Rs. 400 crores now.

Shri Gidwani: That is true. Mr. T. N. Singh is a Member of the Estimates Committee or of the Public Accounts Committee and he knows that. But because we are 500 Members, should there be 500 Ministers? Then, let each one of us become a Minister, and that will solve the problem.

An. Hon. Member: Will it solve the unemployment problem?

Shri Gidwani: Again, there is the cry for linguistic provinces, and for that very reason, so many Members have been agitating.

Mr. Deputy-Speaker: Order, order. The hon. Member will kindly finish.

Shri Gidwani: I will finish. I was saying that time has come for a strong searching of the heart. The time has come for self-introspection. The time has come for the Congress which has been in power, for seven years uninterruptedly, with no party to oppose them for practical purposes as they can carry on things as they like,—to see whether they are really serving the nation and spending the money for the good of the people..

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Shri C. D. Deshmukh: It is only right that when hon. Members are being asked finally to agree to a scheme of taxation, especially a scheme of indirect taxation, they should feel the weight of their responsibility to the people. It is only right that thoughts on proper utilization of money, of avoidance of waste and attainment of economy should be uppermost in their minds.

I myself have no objection to what they have said and indeed I am at one with them, although one may disagree with them in regard to the particular instances that they have quoted. But those instances are only instances. And, if we have been doing anything at all during the last three or four weeks, we have been considering how the revenue that has been raised, or is being raised, is going to be spent and whether, as I said before, we are getting value for that money. That involves the question of formulating a proper plan and executing it with proper administrative organisation.

In regard to the number of Ministers, I should like to say however that the scope of governmental work has increased very considerably, especially since the formulation of the Plan. I can only speak of my own personal experience and personal observation. I was calculating only this morning how many hours I had to put in myself and it was about nine or ten hours per day. Now hon. Members may feel that this is not enough and that when one is wanting to develop the country, one ought to work harder. But one is limited by one's own physical capacity.

Shri S. S. More: And age.

Shri C. D. Deshmukh: And age, if hon. Member wishes to mention it. I have also noticed that officers at the higher level in the Secretariat, most of them, have to work very hard indeed. I cannot say the same as we go down the rung of the official ladder, for the simple reason that I

[Shri C. D. Deshmukh]

have had no opportunities of personal observation, and it may be that in some sector or the other we have a large personnel than we could do with. Those are problems which certainly hon. Members should draw attention to, and Government should be considering all the time. But I do not think that, if one were to define the attitude of Government, it is very much different from what it is of hon. Members. The only difference that arises is in actual execution. Sometimes there is difference in judgments, sometimes there are errors and I think this would be the last Government to claim what it is infallible.

Now, so far as the new taxation is concerned, I feel the weight of responsibility very considerably. It does not give me any pleasure to ask the House to agree to new taxation. One hon. Member, Shri Gadgil, has drawn attention to the fact that at least at this particular stage we do appear to be imposing the burden more on the poorer sections of the population and have nothing to show so far as reducing the wealth of the richer sections of the community is concerned. I can only repeat the excuses or the explanation that I have given before, namely that shortly we are going to be advised by the Taxation Enquiry Commission in regard to the level of taxation.

Now the point I wish to make is that it is not because we wish to spare the rich that we are holding back. It is because we feel that at our present stage of development, if we were to over-reach ourselves, shall we say, in our egalitarian measures they may recoil on us in that we might not be able to handle our affairs, the affairs of our country and therefore damage might ensue to the poorer sections of the community itself which we wish to help. For instance, if factories were to be closed,— I do not say they will be closed—...

Shri S. S. More: Are you helping the poor by taxing them?

Shri C. D. Deshmukh: If we do believe in the existence of anything called private incentive, then if one goes beyond what is the appropriate level, it may be that we might destroy that incentive and the result of that might be the closure of an enterprise or concern which Government with its limited resources may not be able to undertake. And if Government wish to undertake, then hon. Members would get up in their seats and object to an increase in the number of Ministers and Secretaries. Now you cannot have it both ways.

Now what I am therefore saying is that this is part of the same process. What we are trying to do is we are trying to find our feet so to say. It is only seven or eight years since we became independent and in the first three or four years we were grappling with problems of another kind and it is only during the last three or four years that we have been able to deal pointedly with the problems of the economic development of our country and as I said we are trying and finding our feet. It may be that as we develop and find that we are able to take up more and more and socialise or nationalise the enterprises then we shall do so but till then we must utilise such assistance as is available to us; indeed the Taxation Enquiry Commission might consider all these and come to the conclusion that even from a long term point of view there is a place for private enterprise and incentive. What they should do and how it should put limitations are all matters to which, I have no doubt, they are giving very serious consideration.

Sir, as you have indirectly observed, the lot of the Finance Minister is not a very enviable one and he has to bear the brunts of all these criticism and so on and all that I wish to say is that while I do not wish to

escape from any part of my own responsibility or to be little it, sometime I feel that I should say to hon. Members:—

अोरों की तरफ फेंके हैं गुल बल्कि समर भी
ऐ खानाबर खन्दाज चमन कुछ तो इधर भी

Mr. Deputy-Speaker: The question is:

“That the Bill, as amended, be passed.”

The motion was adopted.

Now, the House will stand adjourned to meet again at 8.15 A.M. tomorrow.

The House adjourned till a Quarter Past Eight of the Clock on Friday the 23rd April 1954.

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