

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

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

Shri Biswas: I beg to move:

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

Mr. Speaker: The question is:

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

The motion was adopted.

[MR. DEPUTY-SPEAKER *in the Chair*]

DELIMITATION COMMISSION BILL

The Minister of Law and Minority Affairs (Shri Biswas): I beg to move*:

"That the Bill to provide for the readjustment of the representation of territorial constituencies in the House of the People and in the State Legislative Assemblies and for matters connected therewith, be taken into consideration."

As I explained, while moving the earlier Bill for amendment of the Constitution, the two Bills are connected. The present Bill has been placed before the House in accordance with the provisions of clause (3) of article 81 of the Constitution, which reads thus:

"Upon the completion of each census, the representation of the several territorial constituencies in the House of the People shall be readjusted by such authority, in such manner and with effect from such date as Parliament may by law determine:

Provided that such readjustment shall not affect representation in the House of the People until the dissolution of the then existing House."

As I explained yesterday, the delimitation of constituencies now in force will remain effective until the 26th January 1953, and we have got to take steps in order to get a fresh delimitation of constituencies ready as soon thereafter as possible. That is the object of these two Bills.

As the two Bills are linked up and as the other one is going to be circulated for eliciting public opinion, it is just as well that this Bill should also be treated in the same way. I

do not propose to make any long speech in moving for consideration, because the matter will stand over till opinions are received.

Mr. Deputy-Speaker: Motion moved:

"That the Bill to provide for the readjustment of the representation of territorial constituencies in the House of the People and in the State Legislative Assemblies and for matters connected therewith, be taken into consideration."

Shri Biswas: If the House permits me I will move the amendment to the effect that the Bill be circulated for the purpose of eliciting opinion thereon by the 15th October 1952.

Dr. P. S. Deshmukh (Amravati East): There is no need of an amendment. This will be the only motion; the motion for consideration need not be put.

Mr. Deputy-Speaker: Without the motion for consideration this motion cannot come. I am only considering whether the hon. Minister himself can move the amendment.

Shri Syamaandan Sahaya (Muzaffarpur Central): A Member who has moved a motion for consideration, and particularly the Member who is presenting the Bill, has a right to move, even after moving his consideration motion, that the Bill be circulated for eliciting opinion, or that it may be referred to a Select Committee. I think the rules provide for it.

Dr. S. P. Mookerjee (Calcutta South-East): He cannot move both.

Shri Venkataraman (Tanjore): May I invite your attention to rule 74 which says that when a Bill is introduced or on a subsequent occasion the Member in charge may make one of the following months, the last being that it be circulated for eliciting opinion thereon. Therefore, it is quite competent for the Minister to move the second motion.

Shri Biswas: I have previously moved that it be taken into consideration. Having done that, it is not open to me to move the alternative motion.

Mr. Deputy-Speaker: Anyhow, why should there be difficulty in a matter where there is agreement. Dr. Mookerjee will move the amendment.

Dr. S. P. Mookerjee: I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 15th October, 1952."

*Moved with the previous recommendation of the President.

Mr. Deputy-Speaker: The question is:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 15th October, 1952."

The motion was adopted.

INDIAN INCOME-TAX (AMENDMENT) BILL

The Minister of Finance (Shri C. D. Deshmukh): I beg to move:

"That the Bill further to amend the Indian Income-tax Act, 1922, be referred to a Select Committee consisting of Shri S. Sinha, Pandit Algu Rai Shastri, Prof. Kam Saran, Shri Ghamandi Lal Bansal, Shri C. R. Basapa, Shri Shantilal Girdharlal Parikh, Shri Hari Vinayak Pataskar, Shri Radheshyam Ramkumar Morarka, Shri P. Natesan, Pandit Chatur Narain Malviya, Shri Ahmed Mohiuddin, Pandit Thakur Das Bhargava, Shri A. K. Basu, Dr. Panjabrao S. Deshmukh, Col. B. H. Zaidi, Shri C. P. Matthen, Shri Purnendu Sekhar Naskar, Shri Sohan Lal Dhushiya, Shri P. N. Rajabhoj, Shri Kamal Kumar Basu, Shri N. C. Chatterji, Shri K. A. Damodara Menon, Shri Tulsidas Kilachand, Shri S. V. Ramaswamy, Shri Mahavir Tyagi and the Mover, with instructions to report on or before the 21st July, 1952."

The first thing I would like to point out, Sir, is that this Bill is quite different in its scope, if not in content, from the Bill of 1951, which has lapsed. The main features of the present Bill are that it contains a number of beneficial provisions which have been found necessary for facilitating the repatriation of foreign accumulated profits of Indians trading abroad and for the promotion of industries and for the construction of buildings. Besides there are a few other exemptions and one or two other administrative provisions.

The main provisions are as follows: One, exemption of foreign profits remitted to India. Now, in this behalf a concession was announced as far back as May 1950 and this is now being implemented by the proposed amendment of the Act. The object is to enable non-resident persons trading abroad, who have recently returned to India and have become residents, to bring into India their foreign profits without incurring any taxation liability. In some of the foreign countries, conditions have worsened and is

has become difficult for self-respecting Indians to pursue their avocations there. Also, we need capital. In these circumstances they may be anxious to bring their foreign profits to India for starting some industries or business here, which is of obvious advantage to us.

The next concession is regarding the remittance of foreign profits which applies to persons who are already resident in India. This concession also was announced in September last year. Its application is confined to such foreign profits as were taxable on remittance only, but not otherwise. The persons concerned can secure exemption from taxation by investing half the amount remitted to India in Government securities purchased through the Reserve Bank. The justification for this is, if this concession were not given, there is a temptation to bring foreign profits either surreptitiously or, if that cannot be done, to divert them to other countries.

In connection with the construction of buildings and the promotion of industries, the concessions are these. In the first place, to promote the construction of new buildings, we granted exemption in 1946 in respect of the rental income of properties constructed between 1st April 1946 and 31st March 1948. This period was extended by two years each time, for about three times. Now, it has been extended further by two years up to 1954. So, in all, it comes to three times. Similarly, in the case of buildings constructed for business purposes, the period has been extended up to 31st March, 1954. Buildings constructed before that date will be entitled to a higher initial depreciation of 15 per cent. in the year of construction. In the case of buildings situated in the area affected by the Assam earthquake of 1950, allowance for repairs has been increased from one-sixth to a maximum of one half of the annual letting value for the assessment year 1951-52.

As regards new industrial undertakings, the period of concession has been extended by five years in such a manner that every undertaking entitled to the concession gets it for five years. To enable the small industries to get the benefit of the exemption, the number of persons to be employed is reduced from 50 to 25. Also in the case of new buildings, machinery or plant erected or installed after 31st March 1948, which are entitled to double depreciation for five successive years, the period up to which such double depreciation is admissible