

12.04 hrs.

**Title: Further discussion on the motion for consideration of the Finance Bill, 2003 moved by Shri Jaswant Singh on 25.04.2003. (Motion adopted and Bill passed.)**

**MR. SPEAKER: I am permitting Dr. V. Saroja to lay her speech on the Table of the House.**

...(Interruptions)

**श्री सईदुज्जमा (मुजफ्फरनगर) :** अध्यक्ष महोदय, मैं फाइनेंस मिनिस्टर साहब का ध्यान एक विशेष परिस्थिति की तरफ दिलाना चाहता हूँ। (व्यवधान) इससे आपके व्यक्तित्व पर भी प्रभाव पड़ेगा। (व्यवधान) किसानों पर आज भारी संकट आ गया है। किसान आज संकट की स्थिति में हैं। वह जो बोगी इस्तेमाल करता है, उसके टायरों पर 24 प्रतिशत की ड्यूटी लगा दी गई है। (व्यवधान)

MR. SPEAKER: There is no 'zero hour' today.

...(Interruptions)

**श्री सईदुज्जमा :** सारे देश के किसान उसका इस्तेमाल करते हैं। कांग्रेस के जमाने में भी उस पर कोई टैक्स नहीं था।

MR. SPEAKER: Shrimati Renu Kumari is also permitted to lay her speech on the Table of the House.

**श्री सईदुज्जमा :** यह टैक्स लगने से वह टायर 800 रुपए का पड़ेगा। इससे किसानों को काफी परेशानी होगी। यह किसानों के लिए गम्भीर समस्या है।

**MR. SPEAKER: Mr. Finance Minister, you can start now.**

**श्री सईदुज्जमा (मुजफ्फरनगर) :** यू.पी. की सरकार ने अलग से उस पर टैक्स लगा रखा है और आपने भी अब लगा दिया है। मेरा निवेदन है कि वित्त मंत्री जी इसको वापस लें। (व्यवधान)

\* The Bill moved by Shri Jaswant Singh on the 25<sup>th</sup> April, 2003

MR. SPEAKER: He has taken note of it. Please sit down now.

...(Interruptions)

**श्री रामदास आठवले (पंढरपुर) :** एमपी लैड को बढ़ाकर पांच करोड़ रुपए किया जाना चाहिए।

MR. SPEAKER: Nothing should go on record except the Finance Minister's speech.

(Interruptions) \* (व्यवधान)

**श्री रामदास आठवले :** मेरा कहना है कि एमपी लैड को बढ़ाकर पांच करोड़ रुपए किया जाना चाहिए। (व्यवधान)

**श्री शिवाजी माने (हिंगोली) :** हम इनका समर्थन करते हैं।

**श्री रामदास आठवले :** एमपी लैड को बढ़ाकर पांच करोड़ रुपए किया जाए। वित्त मंत्री जी को इसकी घोषणा करनी चाहिए।

**अध्यक्ष महोदय :** शायद वही अनाउंसमेंट वित्त मंत्री जी करना चाहते हैं। अब आप बैठिए।

(व्यवधान)

MR. SPEAKER: Whatever he says should not go on record.

(Interruptions) \* (व्यवधान)

MR. SPEAKER: Shri Ramdas Athawale, you are speaking without my permission. Please sit down.

\* Not Recorded

\*SHRI P.R. KYNDIAH (SHILLONG) : Participating on the discussions on Finance Bill 2003 I would like to draw the attention of the Finance Minister on the North East Region Industrial Policy 1997 which was announced on Christmas Eve, 24<sup>th</sup> December 1997. The Policy was well conceived and sought to redress 5 crucial areas, which are distinctively unique for the North East Region.

1. Overall backwardness of the Region in all fields.
2. Adverse effects of the Partition of India in 1947 which was indeed a huge body blow to the socio-economic conditions of the North East Region.
3. Historical backlog. Even in the pre-independence days the region was comparatively isolated having excluded areas and semi-independent mini- states.

4. Distance from the mainland. The partition sliced off the entire Region and is connected only by a narrow land corridor.
5. Insurgency.

In brief the Policy provided tax holidays for 10 years to all industrial undertakings and activities. It includes also transport subsidy.

Therefore the Policy announcement was received enthusiastically by the people of the North East Region as a means to bring about transformation in the economic conditions of the entire region. It was indeed looked upon as a Christmas gift.

This policy was further confirmed when the Prime Minister, Shri Atal Bihari Vajpayee declared special incentive package at Shillong on the 20<sup>th</sup> of January 2000, under the banner Agenda for Social-economic Development in the North East Region and Sikkim. The declaration was welcomed by the people of the North East.

Unfortunately, the steps taken by the Finance Ministry by arbitrary modification of the Central Excise Exemption contained in the Policy statement has created a sense of insecurity in the minds of the investors and its ramifications are far reaching. Withdrawal of exemptions from time has not only diluted the contents of the Policy but negate the very noble objective of the Central Government. These steps taken by the Finance Ministry will prevent all Industries who have planned or already moved to the North East Region for investment. It is a set back to the people of the North East Region. It is equally a set back to the credibility of the Central Government.

The Finance Bill includes a clause to scrap incentives announced in 1999 for a 10-year period with retrospective effect. Perhaps nowhere in the world in a democratic setup incentives given under a declared policy of the government is withdrawn retrospectively. My own view is that this step is retrograde. I request the Finance Minister to undo what has been proposed for the interests of the people of the North East Region and good governance.

I will now say something on the priority problems facing my State, that is, Meghalaya and particularly my own constituency, 1-Shillong.

While Meghalaya was in the recent past a surplus State in power but with the pace of Industrialisation in the Byrnihat area, Khasi Hills, the State has become power deficit. There is an immediate need to procure additional power for the pending industrial connections in our industrial Complex at Byrnihat alone, which requires 100MW power. What is urgently required is the construction of 8 KM long Sarusajai-Stage IV 220 KV D/C line along with a 100 MVA 220/132 KV transformer at Sarusajai. The Meghalaya portion of this feeder line has been completed since the year 1999-2000 but the Assam portion is still remaining incomplete. As such I urge upon the Finance Minister to provide an amount of Rs. 10 crores for completions of the Assam portion of this very important feeder line.

As power is the engine of development and is a vital infrastructure I would like to refer to another area in my Constituency which is power starved and the need augmentation of power at Khliehriat area which is far flung. At the same time the power can be had by way of having the Power Grid Corporation and NEEPCO to provide transmission line for bringing power from Kopili, Assam to Khliehriat, Jaintia Hills, Meghalaya. May I request the Finance Minister to provide fund for this project.

Meghalaya is till today not appearing in the railway map of India. It has rail link nor a railway head. Which a view to achieving faster rate of growth of the economy, construction of railway line to Meghalaya is of utmost importance. The survey work for the realignment of the Railway line from Azara, Assam to Byrnihat, Meghalaya has been completed by the Railway authorities but the work could not be taken up for lack of funds. I request the Finance Minister to prevail upon the Railway Ministry to provide railway head for Meghalaya at the earliest.

The Shillong Bye-Pass is proposed Umiam at KM 61/800 of Guwahati-Shillong section of N.H. 40 and terminates at Mawryngkneng at Km 35/00 of Shillong Jowai section of N.H. 44. This Bye-Pass is a critical necessity for overcoming traffic breakdown within Shillong, which leads to daily delays in the flow of traffic from the Barak Valley Assam, Mizoram and Tripura. This project has been left pending for long years. I am given to understand that modalities for implementation of this project has been resolved by the State Government. What remains is paucity of fund. I request the Finance Minister to provide fund.

The National Highway from Jowai-Amlarem-Dawki, which seeks to connect Jowai, headquarters of Jaintia Hills District and Dawki a border and trading town adjacent to Bangladesh, is a road of strategic importance. Earmarking and allotment of funds is crucial for speedy construction of this Highway. I request the Finance Minister to extend all help on this matter.

I am sure in my mind that the Finance Minister whose close association with the North East Region is well known will extend his helping hand in solving the issue raised which in particular referring to North East Industrial Policy has been taken up by the North East MPs Forum, a body that cuts across all the party lines.

\* Speech was laid on the Table.

\*DR. V. SAROJA (RASIPURAM): Mr. Speaker, Sir, presentation of Budget, it seems, has become a formality. Budget is required to mobilise resources to Finance Plan outlays which ultimately pave the way to achieve Plan objectives.

There have been significant changes in respect of Central Excise, Customs, Central Sales Taxes, Additional Central Excise has been dropped. There have been drastic reductions in import duties and rates of excise, service tax has been raised from 5 per cent to 8 per cent with 10 more services proposed to be added. As for income tax, much expected rise on the minimum exemption limit has not been materialised. Slabs remain the same. By and large, tax proposals for direct taxes are in line with the usual tinkering of the income tax law in every Bill so that the Finance Bill 2003 is no exception with a large number of amendments.

A host of concessions on the direct tax front has left the Finance Minister with only Rs.339 crore as additional tax. There is a revenue loss of Rs.2,995 crore.

On the indirect tax front, there is a gain of Rs.3,294 crores.

In fact while the revenue receipts for the year 2003-2004 is estimated to grow by a meager 7.1 per cent the total expenditure is expected to grow at around 8.6 per cent.

The Kelkar Task Force had recommended reduction of the corporate tax rates to 30% for domestic companies and 35% for foreign companies. Against this the Finance Minister has brought down the effective tax rates to 35.8% for domestic companies and 41% for foreign companies.

The rates are still seems to be the highest in the world. In Singapore, it is 22%, in U.K. Corporate Tax rate stands at 30%, in Germany it is 26.5%, in China domestic companies are taxed at the rate of 33%, in Hong Kong only 16 per cent. So where is the level playing field for Indian companies. How can they compete with foreign companies. India is thus really a high taxed economy. Thus making it incompetent with other countries.

Removing various types of taxes on the well off when the total tax to GDP ratio in India is only a little over 10 per cent is not a prudent step. The service tax has been increased steeply from 5 to 8 per cent.

The proposed introduction of Value Added Tax is an important step. A number of lobbies and pressure groups have been pressing for either a postponement or a modification of the proposed VAT regime. The superiority of VAT stems from the fact that it prevents the cascading impact of taxation. It is transparent and reduces the scope for evasion. The imposition of a uniform 12.5% on most commodities will result in prices of some essential commodities going up; the prices of medicines is one example.

A look at the resource mobilisation through taxation recalls that direct tax revenue is a proportion of GDP, after increasing from 1.9 per cent in 1990-91 to 3.2 per cent in 1997-98, declined to 3 per cent in 2001-2002.

On the other hand, indirect taxes as a proportion of GDP declined from 7.9 per cent in 1991 to 5.9 per cent in 1997-98 and further to 5.1 per cent in 2001-02.

The total expenditure GDP ratio of the Central Government after declining from 17.3 per cent in 1990-91 to 13.9 per cent in 1996-97 started rising from 1997-98.

The macro economic position is indeed serious. During 2002-03, the GDP growth rate is down to 4.4 per cent, with agriculture being the most effected. The revised estimates for the 2002-03 reveal a high deficit of 5.9 per cent with huge short falls in tax revenue and disinvestment receipts.

Today, 48.5 per cent of the Revenue Receipts are devoted to interest payments. So, there is hardly any scope for financing various development programmes adequately.

A look at the Budget documents reveal that the Capital Expenditure for the current year is only Rs.72568 crore as against Capital Receipt of Rs.1,84,860 crores. Thus, there is a huge gap between Capital Receipts and Capital Expenditure. This reveals that funds meant for asset creation have been diverted to revenue side.

Infrastructure has been given a boost in the Budget with the Finance Minister proposing an outlay of Rs.60,000 crores spread over the next five years.

Investment in social sector especially in health, education and employment opportunities, however, are not enough. Most of the funds meant for the poor do not reach them. There is no plan to use the large food stock for a more ambitious food for work plan that can help build and improve rural infrastructure. The proposed community based health insurance scheme is a good idea if implemented properly.

The Central and State Governments have mutually agreed to introduce a debt swap scheme that will use the low interest rate regime to help states prepay expensive local loans taken from the Government and thus save an estimated Rs.81,000 crore.

A worrisome feature of the expenditure pattern of states is that the growth rate in development expenditure at 4.1 per cent in 2002-03 will be for lower than the growth of 11.7 per cent non-development expenditure.

As such both Centre and State Governments are finding it difficult to allocate adequate resources for financing infrastructure and social sector development schemes/ programmes.

The main reason for poverty in India is poor growth and poor investment. There is little in the Budget about creation of jobs. Before 1994 employment grew by 2.7 per cent a year. Since that year, employment given by just about one per cent.

Growth in employment vis-à-vis poverty alleviation depend upon growth in investment especially in social sectors. But unfortunately Budget has though spoken high regarding poverty eradication and lifetime concerns of our citizens, infrastructure development, etc. it has not spelt out any strategy of financing these areas and sources of finance. A major portion of Government's revenue is taken away by interest payments, subsidies, defence

expenditure, salaries, allowances and pension of its employees so that hardly any amount is left for financing the social sectors. In this scenario the Budget should have made an aggressive effect to mobilise resources, to curb tax evasion and to unearth black money.

Our farmers, especially the small and marginal farmer, landless labourers, unorganised workers, media and small industries, handloom and powerloom industry etc require our maximum attention. Let our tax policies do not harm these segments, let our expenditure proposals benefit these segments maximum.

The drought relief measures as requested by the Hon. Chief Minister of Tamil Nadu in terms of cash and foodgrains, i.e. 1760 crores cash and 5 lakh metric tonnes of foodgrains may be released.

Will Government of India may propose to take steps to start Cotton Trading Corporation and procure the cotton and supply to the powerloom and handloom sectors through the cooperative societies so that in the 17.5 lakh powerlooms and handlooms sectors clutches of the 2000 spinning mills in India can be removed. The present tax system, i.e. 9.2% of the excise duty of Government of India and 4% of the sales tax paid by the powerloom owners at the time of purchase of yarn may be continued to reduce the difficulties faced by the powerloom sectors in this country.

The Finance Minister at the time piloting the Finance Bill, 2003 pointed out that "from number one producer of the cotton in the world we have now slipped to number four in the global textile competition". So the Government should concentrate on the production of cotton as well as reduce the export of cotton as well as reduce the export of cotton instead the Government should encourage the export of powerloom products, i.e. clothes.

I request that CENVAT must be withdrawn.

Accountability and responsibility must be fixed to the CMDs and the entire finance sector in recovering NPA.

The inter-linking of rivers, the dream project of Hon. Prime Minister as assured on the floor of the House in Lok Sabha on 20<sup>th</sup> November, 2002 and inter-linking rivers in the Southern States may be expedited.

The Cauvery River Water Authority meeting may be called at the earliest possible to render justice to the people of Tamil Nadu.

\*Speech was laid on the Table.

**\*SHRI VINAY KUMAR SORAKE(UDUPI) :** Many of my colleagues have critically examined the Budget 2003 earlier and I would like to confine myself to a few points concerning the development of my region – Dakshina Kannada.

Small trading and business community will be adversely affected by the proposed VAT system as they are not equipped to record and render periodic accounts to the authorities. They cannot afford to engage an accountant for regular book-keeping nor an auditor to prepare annual statements. It will lead only to harassment of small trading community if VAT is enforced.

In the General Budget I observe that there are not adequate provisions to implement core projects nor schemes connected with social welfare. In order that the following schemes/projects concerning development of my constituency/region, I request the Hon'ble Minister to ensure that adequate funds and facilities are provided for:

1. Expansion of New Mangalore port to handle additional import/export cargo, upon the revival of Kudremukh Iron Ore Co and also completion of Mangalore-Hassan broad gauge rail link.
2. Expansion of Bajpe (Mangalore) airport including lengthening of runway for wide bodied aircraft's.
3. Setting up of a dedicated fishing harbour at Kulai adjoining New Mangalore Port.
4. Creation of a Tourism Circuit for Dakshin Kannada region including coastal beach resorts, pilgrim centres etc.
5. Regular market intervention schemes for plantation crops like arecanut, coconut etc in the region.
6. Acceptance and implementation of Murari Committee recommendations on providing relief to fishermen community.
7. Promotion and development of horticulture/floriculture in the region including plantation crops.
8. Linking New Mangalore port with Golden Quadrilateral including four-laning of Hassan Mangalore stretch.
9. Implementation of Special Economic Zone at Padubidri.
10. Revival of Beedi and Tile Industry which provides traditional employment to large section of population in the region.
11. Setting up of a food processing unit to utilise abundant supplies of fruits, vegetables and other agri. produce.
12. Construction of a permanent sea-erosion prevention wall and strengthening of embankments.
13. Inter-linking of regional rivers for drinking water, irrigation, power generation and flood control.
14. More coverage of rural roads under Pradhan Mantri Gram Sadak Yojana.
15. Setting up a Computer-IT corridor between Mangalore-Udupi.
16. Revival of Kudremukh Iron Ore Co Ltd for processing additional ore from Bellary-Hospet hauled thru' Hassan-Mangalore broadgauge (under completion)
17. Retention of Syndicate Bank's Corporate Headquarters at Manipal.
18. Special development package for Konkan Railway Corporation to upgrade facilities in Coastal Karnataka.
19. Provision of adequate funds for implementation of Swajaldhara schemes in coastal belt of Dakshin Kannada.

The above mentioned project/schemes are essential for the economic development of the region, which has high potential to generate employment and provide relief to farmer community and I urge the Hon'ble Minister for Finance to be generous enough to enhance allocations under different ministries implementing the projects/schemes.

\*Speech was laid on the Table.

\* SHRI K.H. MUNIYAPPA (KOLAR): Mr. Speaker, Sir, I would like to emphasise for the consideration of the Finance Minister the following points which are agitating the minds of the people of the country and require immediate solution by intervention at the highest level.

I would like to mention and emphasise that 75 per cent population of this country consists of agriculturists and agricultural labour. This sector has been neglected by this Governments and this class ignored. The farmers are producing such products like wheat, paddy, vegetables, etc. but it is irony of fate that they are not getting the remunerative price. I urge upon the Government to set up Nodal agencies at District level to procure the products at a price which is remunerative to the farmers.

Sir, the Government is aware that fifteen States in the country are facing acute drought and there is scarcity of drinking water due to scanty rainfall. Karnataka is facing the worst ever problem of potable water since the water table in the State has gone down to a depth of 600 to 700 feet in Kolar, Chitradurga and rural Bangalore and other parts of the State, such as Gulbarga and Bijapur. Whatever little water is available is full of fluoride and if it is consumed, it will lead to bone cancer and loss of teeth.

In view of the terrible situation due to water scarcity, our Party Leader, Smt. Sonia Gandhiji has welcomed the decision of linking of Rivers, which was earlier taken up Smt. Sonia Gandhiji. Mr. Suresh Prabhu, the Chairman of the Task Force Committee of the River Linking has recently mentioned in his Press statements that eight rivers, in the first phase, attention shall be given to this sector by linking Krishna, Godavari and other rivers. But I am sorry to say that he has not made any mention about Cauvery River linking. I urge upon the Government to direct the Task Force Committee to include, in the first phase, Cauvery Linking because the problem faced in this area in very acute.

Sir, the Disinvestment policy of the Government has destroyed the indigenous industry and what Pt. Jawaharlal Nehru once said that the heavy industry are the 'Modern Temples of the Country' has been put on the back seat. The entire industrial fabric has been ruined by the BJP Government and they have made lakhs and lakhs of persons unemployed. The novel method adopted by the Government forcing persons to opt for VRS is not going to solve the problem. The lump sum given to the retiring persons is not going to solve the problems of the masses. Rather this is indirectly inviting the multi-nationals to come in conveniently and promote their products in the country, when our industries are forced to close in the event of cheaper products being flooded in the country by multi-nationals. The important Hotels like Ashoka, Lakshmi Palace, Centaur, etc. which were built by the sweat and blood of the masses of the country are being sold much below their actual cost. All these acts of the Government are indirectly inviting a new East India Company in the country and this will be a step towards dependency and slavery of the country in times to come.

Sir, much was talked about Liberalisation and that as result of this policy the country will emerge as one of the strongest countries in the world scenario. But one is pained to see the plight the country in placed in. I would urge upon the Government through you, Sir, that the indigenous industry of the country should be protected and Government ensure remunerative prices of the products of Indian industry. The entire silk industry of the country is facing tough time with the import of silk from China and other countries. Lakhs of persons engaged in this industry are just on the verge of closing down. If steps are not taken to ensure remunerative prices, the entire indigenous industry will be forced to close down. In order to curb the imports and encourage local industry in the country, the Government can impose 100% or 200% import duty and thus given an incentive to the indigenous industry.

Mr. Speaker, Sir, coming to social justice and empowerment, 30% of the population belonging to SC/ST is just neglected. The budget allocation made for this class is very, very meagre. It is not even 1% of the total budget allocation for these people. To make India self-sufficient, we have to first assure to every citizen two square meals a day. The freedom will be meaningless if the Government is not able to provide food clothing and shelter to the citizens of the country. The government should evolve special programmes for the protection of the poor. Freedom will be of some meaning if the Government is able to provide food, education and better economic conditions to the masses.

I urge upon the Government to allocate more funds for economically weaker sections and backward classes so that they are absorbed in the mainstream of the country. I would urge upon the Government to start residential schools for the SC/ST in District headquarters. I propose in this regard to the Social Justice and Empowerment Ministry for the last ten years, but nothing concrete is being done in this regard. I hope the Prime Minister, Minister of Finance, Minister of Social Justice would draw out special projects and start Residential Schools on the pattern of Navodaya Schools for the SC/ST in the District Headquarters throughout the country so as to bring the masses in the mainstream.

\*Speech was laid on the Table.

**वित्त और कंपनी कार्य मंत्री (श्री जसवंत सिंह) :** सईदुज्जमा जी, आप बेताब क्यों हो रहे हैं, आपने कल ही फरमाया था, हम उसको देख लेंगे और माननीय सदस्य पांच करोड़ रुपए की रट न लगाएं तो अच्छा है, सहूलियत हो जाएगी, थोड़ा धीरज रखिए।

Sir, I have benefited greatly from the debate on the Finance Bill, 2003. As all the hon. Members know, this marks the completion of the entire budgetary debate cycle. It actually started on the 28<sup>th</sup> of February and this is the end of April that we have reached to. Ideally, it should be a shorter period from the presentation of the Budget to the completion of debate on the Finance Bill. If we could compress the time taken for this procedure, it would be better even for financial management. Anyway, that is beside the point. I have benefited greatly from the debate on the

Finance Bill. I am very grateful to all the hon. Members - numbering over 40 - that participated in the discussion spread over three days. Today is the fourth day that we have debated this issue and I have the honour to reply to this.

I must thank all the hon. Members for their comments on various aspects of the Finance Bill, as also the views expressed. They did not remain limited to the Finance Bill. Inevitably, hon. Members spoke of various issues concerning their constituency interests, concerning their State interests, and also made a variety of suggestions and general observations. I am grateful to them.

The Finance Bill is all about taxation - direct and indirect - and the broad philosophy of taxation that has guided our endeavours, and does so even today, that has been expounded on several occasions.

In customs, it is rate rationalisation along with the gradual reduction of peak rates while simultaneously protecting the indigenous, the domestic manufacturers on agriculture and its products.

As regards excise, our aim has been to moderate duty regime along with the reduction and the multiplicity of rates. That is why, we have set in place, a three-tier duty structure of 8 per cent, 16 per cent and 24 per cent. I have continued the system adopted over the past and moved towards the system with a middle rate of 16 per cent now and a higher and a lower rate for demerit goods and for items of mass consumption respectively.

As regards direct taxes, it is a philosophy of tax law simplification in moderate rate structure and easing the burden of the citizens that has guided us.

Mr. Speaker, Sir, you would appreciate, and I am sure that the hon. Members would also appreciate. As many as 40 hon. Members participated in this discussion. It would not be possible for me to address the observations by each of the hon. Members. The observations, as I said, varied from the Finance Bill to general observations, on the financial situation, on the Budget etc. Permit me, therefore, Sir to come directly to the issues that relate to taxation.

Firstly, I come to direct taxes. While presenting the Budget on February 28, the changes had been proposed in respect of direct taxes both in policy as well as in administration so as to give a fillip to the economy and provide relief to the wide section of the tax paying community, as wide section as possible. The underlying idea is to unleash the entrepreneurial character and creative genius of our citizens. I do not wish to, at this stage, repeat many initiatives that have been taken by the Government. But I now have the benefit of different viewpoints and opinions, and taking cognisance of the suggestion, I accept that some of the proposals that had been mooted earlier, required a further fine tuning. Let me briefly enumerate them. Again, here it would not be possible for me to enumerate each and every point. But I am taking the major ones.

Sir, it had been proposed that tax exemption in respect of those insurance policies, whose premium exceeded 20 per cent of the sum assured in any of the years, be withdrawn. This was done because such policies, in a sense, expose as instruments for investment and not so much for covering of the risk on life. It has been brought to my notice that by the proposed change, the income earned on policies taken before the amendment could also be taxed, as this would be unjust. I recognise that. Therefore, to remove this unintended consequence, the proposal is being amended to ensure that income earned on the policies taken before the 1st day April 2003 will continue to enjoy the tax exemption as hitherto.

Sir, at present, interest and compensation paid to accident victims under the Motor Vehicles Act is subject to tax deduction at source. There are obvious practical difficulties involved here, particularly for the poor who are sometimes the unfortunate victims of accident, also our citizens from the rural areas who are not assessed to tax. I propose, therefore, to provide that no tax would be deducted from source and at the interest awarded as compensation, if it does not exceed Rs. 50,000.

In order to promote equity culture among our citizens, it had been proposed that long-term capital gains on equity shares of the companies listed in any recognised stock exchange in India and acquired on or after March 1, 2003 but before March 1, 2004 would be exempt from tax.

Apprehensions have been expressed in some quarters that the proposed provision is likely to be misused to launder money by showing false transactions or fake transactions in thinly traded shares. This is obviously not the intention of the Government. I therefore propose to limit the exemption to the equity shares appearing in the list of BSE-500, as on March 1, 2003 and where transactions of purchase and sale is on a recognised stock exchange of India. I also propose to extend this exemption to such equity shares as are allotted through a public issue on or after March 1, 2003 and are listed in recognised stock exchanges before March 1, 2004.

Deduction equal to 100 per cent of profits and gains is available for five consecutive years to an undertaking set up in a Special Economic Zone, commonly known as SEZ.

There have been persistent demands from the industries located in SEZs for giving a re-investment allowance of 50 per cent of the profits ploughed back into business. There is a merit in this request and I have accepted it. Necessary amendment to give effect to this decision is being proposed. Restrictions imposed on carry forward of business losses and unabsorbed appreciation of the undertaking from SEZs are also being done away with. Necessary amendments are being made to grant export-status from domestic tariff area to units set up in SEZ; such sales will also enjoy tax benefits under Section 80 HHC for a period of one year.

I am also providing 100 per cent tax exemption to Offshore Banking Units, OBUs, set up in the SEZs for three years, plus 50 per cent tax exemption for the subsequent two years. This has been a request from the Commerce Ministry. We find merit in it and this has been done after consultation with the RBI. This exemption will be available for income derived from operations undertaken by the OBUs to finance SEZ developers and the units in the SEZ.

At present, income of a political party from house property, other sources and donations is exempt from tax. Income from capital gains is however taxable. That has been brought to my notice that this had led to some avoidable

difficulties. I therefore propose to end this by exempting from income tax, capital gains accruing to political parties.

Certain benefits available to tea industry have been extended to the coffee industry as well. Due to widespread demand from the rubber industry which is also a plantation-based industry – for which there is already an announcement of the Prime Minister for a Plantation Fund – I propose to extend the benefits of all this to rubber industry as well.

Under the existing provisions, a shipping company loses the tax benefits available to it, if it sells or transfers the ships acquired out of amounts credited to the Reserve Account before the expiry of eight years. This period of eight years – it has been represented – is, under the current circumstances, too long because of the rapid technological upgradation that we are witnessing all around. I accept this and I therefore propose to reduce this lock-in period from eight years to three years.

One of the hon. Members has drawn my attention to Section 50(C) of the Income Tax Act which provides for land and building valuation for computation of capital gains on the basis of value assessed for stamp duty. This provision along with the simultaneous withdrawal of pre-emptive purchase of immovable property by the Central Government has been incorporated in the last year's Finance Bill.

This measure had to be introduced to remove unnecessary litigation and *ad hocism* in the valuation of property for computation of capital gains. If the assessee does not agree with the valuation, the assessing officer can refer the matter to the valuation officer. I think this actually is an assessee-friendly measure which avoids *ad hocism* in asset valuation and therefore, I intend to let it remain

In the wake of Gujarat earthquake of 2001, Section 80G of the Income Tax Act was amended to provide a hundred per cent deduction for donation to be utilised for providing relief to earthquake victims. The funds allocated for this purpose had however to be utilised before March 31<sup>st</sup>, 2002. This date was later extended to March 31<sup>st</sup>, 2003. Requests from a number of hon. Members from both sides of the House as also from charitable institutions continue to be received for an extension of this date. I accept the validity of this request and extend the date of utilisation of donation by one more year, that is up to 31<sup>st</sup> march, 2004.

Shri Dasmunis, hon. speaker from the principal Party in the Opposition, and a number of other speakers have spoken about the need for promotion of sports. Indeed, the Prime Minister had sometime back announced the Special Sports Fund and has constantly emphasised the need for it. A suggestion was made by hon. Shri Dasmunis that income of sports persons up to the age of 30 years should be exempt from income tax. This would be impractical because who will determine, who is a sports person and who is not. Instead, what we intend to do is, income of the sports persons, in both cash and kind, by way of approved reward or award from specified institutions is already exempt from income tax.

I now propose to allow a special deduction of up to Rs.75,000 from the income received as professional fee for participating in games or sports. The appropriate modalities for making this scheme operational will be worked out in consultation with the Ministry of Sports.

I would also like to sympathetically consider the demand for additional funds for sports, particularly in light of the preparations for Olympics that we must now undertake. Having said that, I now come to— (Interruptions)

**श्री रामदास आठवले** : आपने टैक्सटाइल के बारे में कुछ नहीं बताया।

श्री जसवन्त सिंह: मैं उस विषय पर भी आ रहा हूँ। (ख़वधान)

**श्री चन्द्रकांत खैरे (औरंगाबाद, महाराष्ट्र)** : क्या यह नेशनल गेम्स के लिए भी एप्लीकेबल है?

**श्री जसवन्त सिंह**: मैंने जनरली कहा कि हम नेशनल स्पोर्ट्स और ओलम्पिक्स के लिए कंसिडर करेंगे। मैं इस बारे में पहले कह चुका हूँ। एक माननीय सदस्य ने नेशनल गेम्स के बारे में पूछा। मैं सभी माननीय सदस्यों को कहना चाहता हूँ कि प्रधान मंत्री जी इस बारे में पहले कह चुके हैं और उसके बारे में प्रधान मंत्री जी ने जो घोषणा की थी, हम उसे पूरा करेंगे चाहे वे नेशनल गेम्स हों या ओलम्पिक्स हों। हम उसकी तैयारी में धनराशि की कमी नहीं होने देंगे। माननीय सदस्यों ने सर्विस टैक्स के बारे में कहा कि कई प्रकार की ब्रांतियां खड़ी हुई हैं। Permit me, Sir, to explain the whole aspect of Service Tax. In this Budget it had been proposed to extend Service Tax to certain new services. The Parliament has yet to legislate on it because this has to be shared between the States and the Centre and we are bringing a Constitutional amendment, which I believe we are considering next week.

Let me clarify that this tax will come into effect only from a date that is yet to be notified. After the Parliament has enacted, we will also, before notifying the tax, as per the past practice put on the website of the Finance Ministry all necessary details and invite comments from the concerned sectors of citizens, trade, industry and everybody, on the proposals about the Service Tax.

In this regard, the representatives that have already been received in anticipation of service tax, especially from various sectors, I will attempt to a few like, for example, from vocational and computer training institutes against this proposed levy. I wish to assure all the hon. Members in the House that these suggestions about computer training centres, about vocational training centres, and all other suggestions will be taken fully into consideration before the new service tax levies are given effect to which in any case not before 1<sup>st</sup> of July this year.

Some hon. Members as also some trade representatives have also expressed apprehension that the withdrawal of exemption from service tax arising from payments received in convertible foreign exchange could affect our export

of services. I want to clarify that a service tax is location based. Whatever service is exported abroad whether it be through outsource computer or medical, it will, by law, be outside the proposed code of service tax. Therefore, there ought to be no apprehension or worry in this regard.

I think the hon. Shri Thomas, who is perhaps not present here, has made a representation that when premises of religious places, be the Churches or Temples or Gurudwaras or Masjids are used for holding social functions, the consideration received should not be charged to service tax. Now, though this issue does not actually relate to the Budget, I would like to assure the hon. Member that we will look into it and whatever appropriate relief I can provide in this regard, I will provide.

Sir, I will come to VAT before I go to indirect taxes. Let me begin by saying and repeating what I had said earlier that VAT is a modern, a forward looking, and a path breaking reform that the States amongst themselves actually agreed to implement. I have already submitted in the House that the VAT legislation presented for presidential assent do not conform the decisions of the Empowered Committee itself. In addition, I must clarify that there cannot be departures from the agreed list of commodities which would be subjected to 12 and a half per cent rate of Value Added Tax. The Empowered Committee in its meeting of April 29, i.e., yesterday, had considered these issues. It is very important that the legislation of the States are amended to conform to the decisions taken by the Committee itself and also to the agreed upon rates latest by 5<sup>th</sup> of May. Otherwise, it will not be possible to introduce VAT by 1<sup>st</sup> of June as suggested by the States themselves.

Now there is one additional point and I want to share this with the hon. Members that the proposed reduction in the rate of Central Sales Tax from four per cent to two per cent is contingent on the introduction of VAT by all major States and by all regions of India. I must emphasise that Central Sales Tax and Value Added Tax cannot actually live together for long. It is also not possible to have two regimes in CST or two kinds of States in the country, namely, those that are adhering to the VAT, hence the reduced CST rate and those that are not doing so. You could have a situation in which two adjacent States could have differential rates of CST from four per cent to two per cent. This is not the practical way to administer the tax regime.

We have also, therefore, to take on board the question of adequate preparations in the administrative machinery before introduction of this very important tax reform. That is why I have said and I repeat that a patch work or an ill-implemented VAT will not serve our purpose. Therefore, first, we fully complete our ground work before we set a new target date for introduction of VAT.

Sir, I will now go to some of the issues that had been raised.

**डॉ. विजय कुमार मल्होत्रा (दक्षिण दिल्ली) :** कृपया वेट के बारे में यहां स्पष्ट कर दें।

**कुंवर अखिलेश सिंह (महाराजगंज, उ.प्र.) :** अध्यक्ष महोदय, व्यापारियों ने इनका पूरा समर्थन किया था, आज यह वेट लागू करके उनका गला घोंटा रहे हैं। आज यह वेट की वकालत कर रहे हैं। भाजपा के लोग यह नहीं कह सकते कि वे कसूरवार नहीं हैं। इन्होंने किसानों का गला घोंटा है, इन्होंने व्यापारियों का गला घोंटा है। (व्यवधान)

**श्री मदन लाल खुराना (दिल्ली सदर) :** वेट के बारे में जरा स्थिति स्पष्ट कर दीजिए। (व्यवधान)

**श्री जसवंत सिंह :** माननीय सदस्य शायद मेरी बात समझ नहीं पाये। हम वेट के लागू होने का समर्थन नहीं कर सकते, जब तक पूरी तैयारी नहीं हो जाती है और वह पूरी तैयारी नहीं होगा। (व्यवधान)

**अध्यक्ष महोदय :** और आपको क्या चाहिए।

**श्री कांतिलाल मुरिया (झाबुआ) :** यह पहले कह देते कि इनकी बात नहीं हुई है। (व्यवधान)

**अध्यक्ष महोदय :** पहले नहीं कहा, लेकिन अभी तो कहा, अभी आप बैठिये। (व्यवधान)

**श्री सत्यव्रत चतुर्वेदी (खजुराहो) :** बिना पूरी तैयारी के, जब तक तैयारी पूरी नहीं हुई थी तो वेट को लागू करने का सरकार ने प्रस्ताव क्यों किया था। इसका मतलब है कि सरकार जिन योजनाओं को लागू करना चाहती है, उन्हें बिना तैयारी के लागू किया जा रहा है। (व्यवधान)

**श्री मदन लाल खुराना :** कांग्रेस के अनेक राज्यों जैसे दिल्ली, राजस्थान और मध्य प्रदेश आदि ने वेट का प्रस्ताव किया और लागू करने के लिए एम्पावर्ड कमेटी को लिखित में दिया, तभी केन्द्र ने इसे लागू करने की सहमति दी। अब वही राज्य सरकारें पीछे हट गई हैं। इसका दो केन्द्र सरकार पर क्यों डाला जा रहा है। (व्यवधान)

**अध्यक्ष महोदय :** राज बब्बर जी, आप बैठिये, हमारे सामने यहां कोई प्रश्न नहीं है।

**श्री राज बब्बर (आगरा) :** इस तैयारी का मापदंड क्या होगा, अगर आदरणीय जसवंत सिंह जी बता देंगे तो शायद दिल को राहत मिलेगी। तैयारी का मापदंड क्या होना चाहिए और क्या होगा, यह बता दें। (व्यवधान)

**श्री श्रीप्रकाश जायसवाल (कानपुर) :** क्या इसका मापदंड चुनाव होगा। (व्यवधान) क्या चुनाव मापदंड है, चुनाव के बाद करेंगे। (व्यवधान)

MR. SPEAKER: Let the hon. Minister reply. No interruptions please.

**श्री जसवंत सिंह :** अगर माननीय सदस्य इतने बेताब न हों तो शांति से सुन लें, मैं मापदंड सुना देता हूँ। अध्यक्ष जी, अगर याद करें तो जब फाइनेंस बिल पर बहस की शुरुआत की थी, तब मैंने मापदंड पढ़कर सुनाये थे। (व्यवधान) जो मापदंड हैं, वे एम्पावर्ड कमेटी द्वारा अपने आप स्वीकृत मापदंड हैं। मापदंड केन्द्र सरकार ने नहीं लगाये हैं। एम्पावर्ड कमेटी ने मापदंड लगाये थे, जिसमें ऑफिशियल्स की पूरी ट्रेनिंग है। डिस्ट्रिक्ट लेवल तक केन्द्र सरकार ने क्या किया है। This is a very useful tax system. हमने कहा कि हम डिस्ट्रिक्ट लेवल तक हम आपको केन्द्र से एक चैक लिस्ट बनाकर देने की कोशिश करेंगे। उस चैक लिस्ट को आप अपने हर राज्य में दिखायें कि उसमें से कौन-कौन से काम हो गये हैं, यह एक मापदंड का हिस्सा है। जो लेजिस्लेशन बने, उनमें हमने कहा कि मॉडर्न लेजिस्लेशन से यह दूर नहीं होना चाहिए। अभी जैसा मैंने कहा कि एम्पावर्ड कमेटी ने स्वयं वह मॉडर्न लेजिस्लेशन स्वीकार किया और वह राज्यों को भेजा गया, लेकिन स्टेट्स उससे कुछ हट गये। जो हमने कहा कि आप उस मॉडर्न लेजिस्लेशन के अनुसार रहिये, यह दूसरा मापदंड है। उसमें व्यापारियों को कई बातों पर चिंता हुई। हमने कहा कि जितने भी संगठन व्यापारियों के हैं या अन्य संगठन हैं, उद्योगपति हैं, उनकी जो चिंताएं और आशंकाएं हैं, उन पर आप बैठकर सलाह-मशविरा करें, यह राज्यों को करना है। फिर हमने उसमें साढ़े 12 प्रतिशत की बात भी की। मैं नहीं चाहता था कि इन बातों का यहां उल्लेख करूं क्योंकि इस बारे में कोई टिप्पणी नहीं करना चाहता हूँ। हमने कहा था कि रैवेन्यू न्यूट्रल रेट साढ़े 12 परसेंट हो, यह सबने स्वीकार किया। यह आज से नहीं चल रहा है, कई वॉ से चल रहा है। चूंकि माननीय सदस्यों ने पूछा और कई प्रकार की टिप्पणियां कीं, इसलिए मुझे यहां कहना पड़ा। साढ़े 12 परसेंट रैवेन्यू न्यूट्रल रेट पर स्वीकृति हुई और यह तय हुआ कि



अगर साढ़े 12 प्रतिशत रेवेन्यू न्यूट्रल रेट लगाने के बाद राज्य की रेवेन्यू रिसीट में कोई कमी आएगी, तो पहले साल केन्द्र सरकार 100 प्रतिशत उसका खमियाजा भुगतान करेगी। उसमें कुछ कमोडिटीज तय हुईं। अब एम्पावर्ड कमेटी स्वयं यह पाती है कि जो कमोडिटीज तय हुई थीं, उन पर राज्यों ने साढ़े 12 प्रतिशत से हटकर रेट लिया। मैं यह निवेदन कर रहा हूँ कि आप उसको भी दुरुस्त करिए। इस प्रकार से कई तरह के प्रिपेड्री मैजर्स हैं। जब तक वे पूरे नहीं पाएंगे, इसे लागू करना सरल नहीं होगा। **â€¦** (व्यवधान)

**SHRI S. JAIPAL REDDY (MIRYALGUDA):** All these must have been taken into consideration before the grandiose announcement. This is the mother of all roll-backs! **â€¦** (व्यवधान)

**श्री पवन कुमार बंसल (चंडीगढ़) :** अध्यक्ष महोदय, माननीय मंत्री जी यह नहीं बता रहे हैं कि इसके कारण बहुत सी छोटी-छोटी चीजों के रेट बढ़ जाएंगे, जिनका इस्तेमाल गरीब लोग करते हैं। **â€¦** (व्यवधान)

**श्री जसवन्त सिंह :** अध्यक्ष जी, जब विचार का अभाव होता है, तब भाषा का प्रेम अपने आप प्रकट होने लगता है। मैं समझ नहीं पाया हूँ कि इस टिप्पणी के बारे में मैं क्या कहूँ।

महोदय, वेट के अधिक विश्लेषण की आवश्यकता नहीं है जब तक कि ये तैयारियाँ पूरी नहीं हो जाती हैं तब तक मैं अपने आप में स्पष्ट कर देना चाहता हूँ कि इसे केन्द्र सरकार के लिए लागू करना सम्भव नहीं है। **â€¦** (व्यवधान)

**MR. SPEAKER:** I think this assurance should be sufficient. This may be sufficient; now you can go to the next subject.

**श्री प्रभुनाथ सिंह (महाराजगंज, बिहार) :** अध्यक्ष महोदय, मैं वित्त मंत्री जी से आपके माध्यम से निवेदन करना चाहता हूँ कि व्यवसायों पर टैक्स की बात आई, तो इस पक्ष और विपक्ष दोनों पक्षों के लोगों को चिन्ता हुई, लेकिन कृषि को आयकर के दायरे में लाने की जो बात चल रही है, इस बारे में वित्त मंत्री जी का क्या कहना है ?

**श्री जसवन्त सिंह :** अध्यक्ष महोदय, भ्रम पर कोई टैक्स नहीं लगता है। मुझे ऐसा प्रतीत होता है कि इस संबंध में माननीय सदस्य को भ्रम हो गया है। मैं आपसे निवेदन करना चाहता हूँ कि कृषि पर आयकर लगाने का कोई प्रश्न ही नहीं है। मैं माननीय सदस्य के मन की चिन्ता को निर्मूल करना चाहता हूँ।

अब जब कर की बात चली है, रघुवंश बाबू यहां नहीं रहे, मझे क्षमा करें, यहां उपस्थित नहीं हैं। भगवान उनकी शत-शत आयु करें, वे दीर्घायु हों।

**मानव संसाधन विकास मंत्री, विज्ञान और प्रौद्योगिकी मंत्री तथा महासागर विकास मंत्री (डॉ. मुरली मनोहर जोशी)** अध्यक्ष महोदय, वे तो पटना में लाठी भांज रहे होंगे।

**श्री जसवन्त सिंह** अध्यक्ष महोदय, रघुवंश बाबू ने मुझसे कहा कि मैं भेद खोलने वाला हूँ।

**श्री देवेन्द्र प्रसाद यादव (झंझारपुर) :** अध्यक्ष महोदय, केलकर कमेटी की जो रिपोर्ट थी, उसकी सिफारिशों से ऐसा भ्रम पैदा हुआ कि कृषि पर कर लगाया जाएगा। मैं माननीय मंत्री जी से निवेदन करना चाहता हूँ कि केलकर कमेटी की किसानों पर टैक्स लगाने संबंधी सिफारिश के बारे में मंत्री जी का क्या कहना है, वे इसे स्पष्ट कर दें ?

**श्री जसवन्त सिंह :** अध्यक्ष महोदय, माननीय सदस्य पौराणिक कथा की तरह कह रहे हैं। वे यहां बहुत पुरानी बातें ला रहे हैं। वह बात तो बीत गई।

**अध्यक्ष महोदय :** उस बात को बीते हुए तो बहुत दिन हो गए।

**श्री जसवन्त सिंह :** अध्यक्ष महोदय, रघुवंश बाबू ने चिर-प्रतीक्षित शैली में कहा कि मैं भेद खोलने वाला हूँ। उनके ऐसा कहते ही मेरे भी कान खड़े हो गए क्योंकि उन्होंने कालिदास और कौटिल्य की शैली में कहा कि कर-प्रणाली भंवरें और मधु-मक्खी जैसी होनी चाहिए, बड़ी अच्छी बात है, लेकिन वे आज यहां उपस्थित नहीं हैं, इस बात का मुझे खेद है। ऐसा प्रतीत होता है कि आज वे पटना की सड़कों पर लाठी लेकर भंवरें और मधुमक्खियां भगा रहे होंगे।

उन्होंने कृषि के बारे में कुछ बातें जरूर कहीं, मैं उनका उल्लेख कर दूँ। उन्होंने कहा कि एग्रीकल्चर मशीनरी और कृषि उपकरणों पर एक्साइज ड्यूटी एग्जम्प्ट होनी चाहिए। इसमें एक एक्सेप्शन है। मैं इसमें लगा हुआ हूँ कि ट्रैक्टर पर एक्साइज ड्यूटी कैसे कम करूँ।

**कुंवर अखिलेश सिंह :** अध्यक्ष महोदय, जिस प्रकार से मंत्री महोदय ने कार पर एक्साइज ड्यूटी कम की है, वैसे ही ट्रैक्टर पर भी करें।

**श्री जसवन्त सिंह :** माननीय सदस्य अगर ये समझें कि हल्ला करने से कम होती है, ऐसा नहीं है, विचार करने से कम होती है। **â€¦** (व्यवधान)

**श्री सत्यव्रत चतुर्वेदी :** अगर कार पर एक्साइज ड्यूटी कम हो सकती है तो ट्रैक्टर पर कम करने में क्या दिक्कत है ?

**श्री जसवन्त सिंह :** मैं वही बता रहा हूँ। माननीय सदस्य कह रहे हैं कि आपने मोटर-कार पर कम किया, **â€¦** (व्यवधान) वह 24 प्रतिशत पर आया है और यह 16 प्रतिशत है। अब ट्रैक्टर में जो इनपुट है, स्टील और अन्य चीजों का जो है, वह 16 प्रतिशत है या उससे ऊपर है। जो फाइनल प्रोडक्ट है, उसे मैं 16 प्रतिशत से नीचे लाने के लिए कटिबद्ध हूँ और मैं चाहता हूँ कि मैं उसे करूँ, लेकिन उससे पहले मुझे इनपुट को नीचे लाना होगा। यह प्रेक्टिकली रिएलिटी है। हमारे राजस्थान में एक कहावत है - कोहनी पर गुड़ चिपकाना। मैं कोहनी पर गुड़ नहीं चिपका रहा हूँ, आप उसे देख लें और चाट नहीं सकें, ऐसा नहीं है। मैं सही कह रहा हूँ। **â€¦** (व्यवधान)

**श्री पवन कुमार बंसल :** हाथ पर सरसों उगा रहे हैं, यहां गुड़ नहीं चिपका रहे हैं। **â€¦** (व्यवधान)

**SHRI JASWANT SINGH:** I wish to do it because I really want to bring it down.

रिजर्व बैंक से हमने विशेष निवेदन किया था कि आप जो नयी पालिसी एनाउंस करें, उसमें कृषि को रियायत दीजिए, उन्होंने दी है। I do not want to go into all these things. But I am committed to reducing the input cost in agriculture and I will do it. रघुवंश बाबू ने कहा कि जीरो टैलर मशीन पर आप कोई टैक्स मत लगाइए, हम इसे समझ नहीं पाए, फिर उन्होंने कहा कि बुलेट ट्रैक्टर। **â€¦** (व्यवधान) Power tiller is already exempt from excise duty. माननीय सदस्य अगर जीरो टैलर के बारे में हमें समझा दें तो हम उसे भी एक्साइज ड्यूटी से एग्जम्प्ट कर देंगे। **â€¦** (व्यवधान)

I want to say about the RIDF. During the Budget discussion, hon. Member, Shri Jaipal Reddy had asked me about the RIDF. Now, banks having a shortfall in lending to the priority sector like agriculture are required to contribute to the Fund which is created under NABARD. The size of the corpus of this Fund, in the current year, has been fixed at Rs. 5500 crore. The rates of interest payable to the banks on contribution to the RIDF have been made penal so that the banks are encouraged to lend directly to agriculture which means that if the banks fail to meet its target of credit extension to agriculture, then it will have to deposit that shortfall with RIDF, and the rate of interest there will be penal in the sense that it will be much lower then. I cannot do any more at the present moment on this to the health of the banking sector.

On hand pumps, considering the shortage and the difficulties that are being faced in regard to drinking water, I propose to fully exempt hand pumps from any excise duty.

There was a representation received in regard to nickel and metcoke. Now, as you know, we had taken certain steps in the steel industry in the revival stage. Earlier, I had unified the import duty on nickel and metcoke at ten per cent as against 5 per cent or 15 per cent depending on the end-use. Now, there are representations that this has actually increased the cost of iron and steel and ferro alloy industries. On the one hand, we are trying to do all that we can to revive a very important industry like the steel industry and this should be counter productive. In order to bring relief to the entire industry, I propose to exempt metcoke used in these industries from SAD, Special Additional Duty.

Similarly, nickel oxide sinter and unwrought nickel used in steel making are also exempt from SAD.

In this Budget exercise, we had reduced the duty on nicotine polacrilex gum from 16 to 8 per cent. Some hon. Members have pointed out that since this is used as a gum for de-addiction, particularly of tobacco, it should be treated at par with other medicines of that variety. I find merit in this argument. I propose to exempt nicotine polacrilex fully from excise duty.

Some Members have suggested that there are a number of ceramic tile units which do not use any electricity or petroleum fuel for firing the kilns and merit a lower duty. I agree with that. Therefore, I propose to reduce the excise duty from 16 to 8 per cent on tiles made by units not using electricity or petroleum fuel for firing the kilns, but are using fire wood or agro waste.

I have received a suggestion from Shri Adhi Sankar that the excise exemption for 100 per cent wood-free plain or pre-laminated particle or fibre-board, made from agro-waste, which is prone to misuse, should also be extended to 100 per cent forest wood-free board. There is already a duty of eight per cent on the agro-based industries. I will, however, look into the suggestion for extending the concessional duty for use of forest wood-free board also.

Information technology is an important industry where we have established a head start. In order to give a boost to indigenous manufacturers of information technology related goods, I propose to reduce the customs duty on specified capital equipments from 15 to 10 per cent.

On writing instruments, a number of representations were received that the indigenous writing instruments manufacturing industry has sought relief in customs on certain raw materials used in the manufacturing process of such instruments. Therefore, I propose to reduce the customs duty on decorative transfer films and dyestuffs, used in the manufacture of writing instruments from 25 to 15 per cent.

Sir, as far as tea development is concerned, excise duty of Re. 1 has been abolished and replaced by an equivalent cess for the development of tea industry. A number of Members, particularly from Assam, like Shri Sontosh Mohan Dev, had represented that this cess of Re. 1 also ought to be removed. I am very sympathetic to this demand. But I am also mindful of what is required to be done for the entire tea industry. The tea industry in the South, as you know, has different problems from the tea industry of Assam. Some measures, like the Plantation Fund, announced by the Prime Minister, and a Re. 1 cess for the benefit of modernisation of tea industry, have been announced. It is one of the oldest agro industries. We must continue to nourish it. I am committed to doing it. I do not think that removal of Re. 1 is really going to help at the moment. I would benefit if there were any other ideas.

I do hope that hon. Shri Sontosh Mohan Dev will accept that at the present moment, if I am not able to accede to it, it is not because of any lack of commitment to the tea industry but because really I feel that this charge of Re. 1 is very minimal. Let us work it out for a little while and see later.

SHRI S. BANGARAPPA (SHIMOGA): What about coffee industry?

SHRI JASWANT SINGH: Coffee is already there. I have just announced the benefits to coffee. I know about the coffee prices. There are many factors. I do not want to go into the details of it.

SHRI SONTOSH MOHAN DEV (SILCHAR): In the past also, this industry did face crisis. Dr. Manmohan Singh completely exempted it and then brought it back. I am not saying that you should exempt it for all times to come. For this period of recession, this can be exempted. That is my only request.

SHRI JASWANT SINGH: I follow that. All plantation industries are currently going through a lean period.

I would request the hon. Member to recognise that the Finance Minister's job is the most thankless job.

Everybody asks the Finance Minister for resources and nobody says that he should raise resources....(Interruptions) Please sympathise with me. I will take on board what you have said, if I can, because I do not have to wait for the Finance Bill. I will go back to the hon. Prime Minister and take his instructions on the subject. But let me address the issue first....(Interruptions)

SHRI PAWAN KUMAR BANSAL : Mr. Minister, please try to improve the tax collection system....(Interruptions)

SHRI JASWANT SINGH: I am trying to improve the tax collection system. Shri Pawan Kumar Bansal is very much agitated about the tax collection system. I will try to improve it....(Interruptions)

SHRI PAWAN KUMAR BANSAL : We are not suggesting measures for the improvement of it. That is what I said. A sum of about Rs.59,000 crore is held up in the cases. This amount is due from the defaulters.â€¦ (Interruptions)

SHRI JASWANT SINGH: I want to talk about edible oil. Hon. Members would recall that I had proposed an *ad valorem* duty of 8 per cent but specifically and only on branded refined edible oil and vanaspati packed in sealed containers for retail sale. I have studied the implementation of this measure. This is really to come into effect. I have observed that this has resulted in an unwarranted shift from branded to unbranded oil and only in order to avoid payment of duty. Of course, I am also very much concerned that this unjustified increase in prices of edible oil is there. There is obviously a need, therefore, to take such measures as will stabilise prices and eliminate any erosion of excise duty. With that objective, I now propose a specific duty rate of only rupee one per kilogram of refined

edible oil and Rs.1.25 per kilogram on *vanaspati*. This specific rate applicable at the refining outlets stage will be neutral to branded or unbranded oil. It will replace the proposed eight per cent duty. This amount of rupee one only is very nominal and should enable a correction of the anomalies that have been witnessed.

Simultaneously, I am also proposing a removal of the high duty differential between imported refined palm oil and crude palm oil by reducing the customs duty on RVD palm oil from 85 per cent to 70 per cent – a 15 percentage point duty reduction. In addition, such refined palm oil would also be exempt from SED. This is an additional reduction of a little more than four percentage points. So, in all, we will be reducing on imported palm oil by 20 per cent of the import duty....(Interruptions)

SHRI PAWAN KUMAR BANSAL : Sir, this will again hit the edible oil industry. I had pointed out to the hon. Minister the other day that there is no system of *Kutch Ghani* now. People are agitated.â€ (Interruptions) I had submitted that he should not confuse between the petroleum products refining and the mustard oil refining....(Interruptions)

SHRI JASWANT SINGH: It is only about palm oil. ...(Interruptions) It is coming down.

MR. SPEAKER: Shri Bansal, I remember you did raise this issue. Please sit down now.

श्री सत्यव्रत चतुर्वेदी : अध्यक्ष महोदय, यह सरकार किसान विरोधी है। â€ (व्यवधान) किसान आत्महत्या करने पर मजबूर है। â€ (व्यवधान) अब सरकार ड्यूटी कम कर रही है। â€ (व्यवधान)

इससे किसान मरेगा। â€ (व्यवधान)

SHRI JASWANT SINGH: It does not affect coconut. ...(Interruptions)

श्री सत्यव्रत चतुर्वेदी : यह सरकार बिल्कुल किसान विरोधी है। â€ (व्यवधान)

अध्यक्ष महोदय : राधाकृष्णन जी, आप बैठिये।

...(व्यवधान)

श्री पवन कुमार बंसल : यह सरकार गरीब विरोधी है। ...(व्यवधान)

श्री सत्यव्रत चतुर्वेदी : यह अत्याचार है। किसान पर अत्याचार है। हमारी जो लोकल इंडस्ट्रीज हैं, जो तेल का उद्योग है, उस पर अत्याचार है। â€ (व्यवधान)

MR. SPEAKER: Hon. Members, please sit down. Let the Minister reply. You can ask the question later on.

...(Interruptions)

SHRI JASWANT SINGH: It does not cover coconut. ...(Interruptions)

MR. SPEAKER: Let the Minister reply. Let me know what he has to say. You have raised a question. Now, let the Minister say about it. Please sit down.

श्री पवन कुमार बंसल : अध्यक्ष महोदय, बहुत छोटे-छोटे पेड़ हैं â€ (व्यवधान)

आठ फीट नीचे लाकर वे तेल निकालते हैं। â€ (व्यवधान)

श्री सत्यव्रत चतुर्वेदी : अध्यक्ष महोदय, विदेशों से सस्ता माल हमारे यहां आयेगा। â€ (व्यवधान) और यहां के खाद्य तेलों की कीमत कम हो जाएगी।â€ (व्यवधान)

MR. SPEAKER: Please take your seat. Let the Minister reply now.

...(Interruptions)

SHRI RAMESH CHENNITHALA (MAVELIKARA): Mr. Speaker, Sir, reducing of duty on the import of palmolein will totally affect coconut cultivators in the country because there will be more import of palmolein into the country. ...(Interruptions)

श्री श्रीप्रकाश जायसवाल : राष्ट्रीय उत्पादन बढ़ाने के लिए एक तरफ सरकार प्रोत्साहन देना चाहती है और दूसरी तरफ कस्टम ड्यूटी घटा रही है।â€ (व्यवधान)

MR. SPEAKER: I have permitted you to ask a question. Please take your seat. Let me listen what the Minister has to say.

...(Interruptions)

MR. SPEAKER: You cannot interrupt like this. If you do like this, the Minister will complete his speech and will not reply to your question.

...(Interruptions)

अध्यक्ष महोदय : मैं चाहता हूँ कि मंत्री जी उत्तर दें। आप बैठिए। आप बोलते रहेंगे तो मंत्री जी का उत्तर कैसे आएगा ? उन्हें उत्तर देने दें।

â€ (व्यवधान)

MR. SPEAKER: Mr. Minister, you can continue now.

...(Interruptions)

SHRI JASWANT SINGH: Sir, it does not cover coconut. â€ (Interruptions)

MR. SPEAKER: Nothing will go on record now except the Minister's speech.

(Interruptions) â€\*

\* Not Recorded

अध्यक्ष महोदय : मैंने आपको इजाजत दी। आपने प्रश्न पूछा। अभी प्रश्न पूछने के बाद मंत्री जी को उत्तर देने दीजिए। अभी आप बैठिए।

SHRI JASWANT SINGH: If you let me speak, I will explain. ...*(Interruptions)*

अध्यक्ष महोदय रेड्डी जी, आप बैठिए। आप इतने सीनियर मेम्बर हैं।

â€¦*(व्यवधान)*

SHRI N. JANARDHANA REDDY (NARASARAOPET): Mr. Speaker, Sir, palmolein oil farmers are already suffering in our country and if the Minister reduces the customs duty further on the import of palmolein, then he is not encouraging the local farmers. ...*(Interruptions)*

MR. SPEAKER: Shri Janardhana Reddy, you have put your question. Let the Minister reply now. Please take your seat.

...*(Interruptions)*

MR. SPEAKER: It is not that everybody will ask a question.

...*(Interruptions)*

SHRI VARKALA RADHAKRISHNAN (CHIRAYINKIL): Mr. Speaker, Sir, lakhs of coconut farmers in the country are suffering. ...*(Interruptions)*

MR. SPEAKER: Mr. Minister, you can go ahead.

SHRI JASWANT SINGH: Sir, the reduction of duty is only on palmolein. The interests of coconut farmers are fully protected. ...*(Interruptions)*

SHRI RAMESH CHENNITHALA : Sir, with the reduction in customs duty on the import of palmolein, more palmolein will be imported into the country. So, how will the coconut farmers not be affected? It is a very serious issue. ...*(Interruptions)*

SHRI K. YERRANNAIDU (SRIKAKULAM): Mr. Speaker, Sir, last year also the Chief Minister of Andhra Pradesh wrote a letter to the Prime Minister and the Finance Minister that due to import of palmolein oil with less duty, the groundnut farmers and coconut farmers are suffering in this country and so, he requested that it would be better to increase the duty on import of palmolein oil so that our farmers would get remunerative prices. Then, the hon. Minister agreed to increase the import duty. Now, with the reduction of duty on the import of palmolein, again the groundnut farmers and coconut farmers will be adversely affected. I would request him to answer to this point.

SHRI JASWANT SINGH: Sir, I will answer to the question. ...*(Interruptions)*

MR. SPEAKER: Let me listen to the reply of the Minister now.

...*(Interruptions)*

SHRI RAMESH CHENNITHALA : Sir, I would like to ask one question. All Members of Parliament from South India have time and again been asking for increase of duty on the import of palmolein so as to protect the interests of coconut farmers in the country. Now, with the reduction of duty on the import of palmolein, more palmolein will be imported into the country. Our coconut farmers and groundnut farmers have already been suffering.

**13.00 hrs.**

Every time, we are asking for a higher duty. Now, unfortunately, the Finance Minister is talking about lowering of the duty. It is highly detrimental to the interests of the coconut and groundnut farmers in the country. I would request the hon. Minister to reconsider this aspect, otherwise the entire Southern India will be suffering by this...*(Interruptions)*

MR. SPEAKER: The point that the Opposition wants to raise has been quite clear to the hon. Minister. It is for the Minister to give his replies on the questions that you have raised. But as soon as the hon. Minister starts, you interrupt him. If you start interrupting like this, you will not get a proper reply from him. Please cooperate.

I would request the hon. Minister to reply to the points raised by the hon. Members.

...*(Interruptions)*

MR. SPEAKER: Shri Radhakrishnan, please sit down. I am sorry, I cannot allow every Member to speak. Let the hon. Minister reply.

...*(Interruptions)*

MR. SPEAKER: This issue was raised last year also. I am very much aware of the issue.

SHRI JASWANT SINGH: Sir the issue relates to import of palmolein only. It does not cover groundnut, it does not cover copra, it does not cover soya...*(Interruptions)* Hon. Members are saying that if you reduce the duty on palmolein, it will affect the prices of other oils, for example, coconut indigenously.

May I share a figure with me? The crude palmolein imports account for about 97 per cent of the total imports...*(Interruptions)* Please understand me. Now, the crude import is not being changed in the duty structure. What is happening is that only about three per cent of the total palmolein import is refined and what it is doing is

that it is adding a certain degree of pressure on the consumer prices of oil in large parts of the country. All that I am doing is to remove the eight per cent of excise duty.

Shri Yerrannaidu spoke of Chief Minister of Andhra Pradesh. The hon. Chief Minister of Andhra Pradesh wrote to me and asked me to reduce the excise duty so that in the Public Distribution System of Andhra Pradesh, they are benefited. I had received requests from other Chief Ministers also, who said that oil prices edging upwards are causing a strain on the Public Distribution System of their States. What we have done is, we have tried to bring this down.

Here a suggestion is made that it is 97 per cent of the crude palmolein coming is remaining unchanged in its duty structure. Ninety-seven per cent...*(Interruptions)*

SHRI K. FRANCIS GEORGE (IDUKKI): Sir, crude oil is imported in the country and it is refined here...*(Interruptions)*

SHRI JASWANT SINGH: It is only on refined, which is three per cent of the imports...*(Interruptions)* I would request the hon. Member to be seated. Why does he trouble himself?

SHRI VARKALA RADHAKRISHNAN : Because we are starving!

SHRI JASWANT SINGH: He is not...*(Interruptions)* I will take care of this. We will certainly study the effects of this. It is not as if this duty management...*(Interruptions)*

SHRI RAMESH CHENNITHALA : Sir, I would request the hon. Minister to call a meeting of MPs from these States and discuss it with them...*(Interruptions)*

MR. SPEAKER: The Minister agrees to sit along with the MPs. Please sit down now.

...*(Interruptions)*

SHRI JASWANT SINGH: Please listen to me...*(Interruptions)*

SHRI K. FRANCIS GEORGE : Sir, it is because maybe the hon. Minister is not aware of the problem...*(Interruptions)*

MR. SPEAKER: But you can discuss this with him.

SHRI JASWANT SINGH: Sir, I will definitely look into this...*(Interruptions)* Let me complete please...*(Interruptions)* Sir, you will accept that in no system can we have a situation in which taxation duty structures are negotiated. We will certainly look into this. I will take on board the concern expressed here. This is only three per cent of the refined palmolein of which we are talking. I will watch it very carefully. In about ten day's time - I would request the Members who have voiced their concerns having watched the situation on the domestic oil price front - to see the results. These are not inscribed in stones. These duty structures are not being inscribed in stones, that they cannot be changed. It is logical that if any adverse consequence is felt, or adverse effect is felt, of course we will amend it...*(Interruptions)*

MR. SPEAKER: There should be no more discussions. Please sit down.

...*(Interruptions)*

MR. SPEAKER: Mr. Minister, you can address the Chair now.

...*(Interruptions)*

MR. SPEAKER: Except Mr. Minister's speech, nothing else will go on record.

*(Interruptions)* \*â€

SHRI JASWANT SINGH: Let me now attend to textiles.

MR. SPEAKER: The important issue of textiles. Yes.

SHRI JASWANT SINGH: This has been a matter of some considerable debate during the past few weeks. As I said at the beginning of the Debate on the Finance Bill, in textiles, which is the largest employment provider after agriculture in the country, with the multi-fibre agreement due to come to an end in 2004, a major challenge to India's competitiveness in international market is just about 18 months away. The essence therefore, of the proposals regarding textile industry was to completely safeguard the handloom. The handloom is not affected in any fashion whatsoever. Be it any of the *Benarasi* silk, be it *Kanchipuram*, be it *Chanderi*, be it all this. ...*(Interruptions)*

Also, Sir, I must say very clearly and categorically as a commitment of the Government we want to totally protect the interests of the small and the self-employed weavers and garment manufacturers. I will explain you how we will do it. To reduce the textile duty structure across the board in excise, which we have never done before. We have significantly reduced customs duty on textiles machinery and reduced it up to 5 per cent on specified machinery as given by the Textiles Ministry. We have announced at the time of presentation of the Budget itself promoting a modernisation package for power-looms. Now, we have already announced a financial and technical package for the modernisation of the entire textile industry like we have done it for the steel industry. It is done in order to complete the CENVAT chain, to eliminate deemed credit and, finally to improve the country's international ranking in the textiles industry where India, which was on top of the international ranking, is today at No.4. We are behind

\* Not Recorded

Bangladesh. We are behind Pakistan, Thailand and China. If we do not improve - it will be a matter of deep regret

to me - we might slip even behind Sri Lanka.

Now, let me just share one more fact with the hon. Members and I would request the hon. Members to please reflect on it. Sir, the total excise revenue from the textile industry in 2002-03 is Rs.3,775 crore. This is an established figure. The industry has taken an estimated amount of Rs.1,100 crore as deemed credit. Deemed credit is not money. It does not come to the Government. It will vapour. This sector has availed a duty drawback of Rs.2,300 crore, and a duty entitlement passbook (DEPB) benefit of Rs.1,300 crore.

It comes to a total of Rs. 3,600 crore. Please reflect. I do urge the hon. Members to reflect on this. We have a total textile production of Rs. 3,775 crore. Out of that, Rs. 3,600 crore, by these figures, are being exported. Is it anybody's suggestion that out of the total textile production of Rs. 3,700 plus crore, Rs. 3,600 crore are exported? This is what I am attempting to correct. This is what is employed by connecting the CENVAT chain and eliminating the deemed credit. Let me announce what are the specifics that I am now at it. I have always said that I am committed to the textile industry. How can it be, even imagine that we will not take care of the small or the self-employed? Let me announce that it is possible.

There is another worry that afflicted some of the power-loom and also the garment industry people. Let me further announce that it is possible that a number of power-loom owners who are self-employed have up-till now not filed any income-tax return. I want to say this in advance and straightaway that they may not have even proper books of account. I do not wish them to be troubled. I do not want the 'Inspector Raj' to proliferate but they may now wish, therefore, either to declare their stocks for CENVAT purposes or to join the chain. Therefore, to encourage them and new assesseees of the power-loom sector or the garments to come into the mainstream, the Income-tax Department has been instructed to encourage the power-loom owners to declare their stocks. Whatever the value of the stock that they declare and if it does not exceed Rs. 10,000 per power-loom, such declaration will not be subject to any questioning, any scrutiny or any other inquiry. Also this declaration will not have any retrospective application or consequences for income-tax purposes.

Sir, many hon. Members have suggested that there should be some dispensation ...*(Interruptions)*

**श्री विलास मुत्तेमवार (नागपुर) :** इन्सपेक्टर राज की बात कही है कि नहीं रहेगा, लेकिन यह फिर आ गया। *â€¦* (व्यवधान)

**श्री रामजीलाल सुमन (फिरोजाबाद) :** हथकरघा और रेडीमेड गार्मेंट्स पर उत्पादन शुल्क लगाया है, मंत्री जी उसको वापिस ले रहे हैं या नहीं, इस बारे में साफ सदन में बतलाना चाहिए। रेडीमेड पर पहले एक करोड़ पर उत्पादन शुल्क माफ था, लेकिन मंत्रीजी उसको वापिस लेने का काम नहीं कर रहे हैं। *â€¦* (व्यवधान)

**श्री मोहन रावले (मुम्बई दक्षिण मध्य) :** गरीब भी पावरलूम से कपड़ा लेते हैं *â€¦* (व्यवधान)

**श्री राज बब्बर :** अध्यक्ष महोदय, आपके विचार और वाकपटुता ने भली-भांति प्रूव कर दिया है कि आप टैक्सटाइल इन्डस्ट्री की बात कर रहे हैं। आगे-पीछे करके आपके विचारों को जोड़कर देखा जाए, तो टैक्सटाइल इन्डस्ट्री को कहीं-न-कहीं राहत दे रहे हैं, लेकिन हिन्दोस्तान की इन्डस्ट्रीज खत्म होती जायेगी और सरकार मल्टीनेशनल्स को दावत दे रही है। टैक्सटाइल इन्डस्ट्री की बेसिक सवाल कपड़े से है। कपड़े पर वेट लगाया और वेट की कैटेगरी में कपड़े को रख दिया *â€¦* (व्यवधान)

MR. SPEAKER: Let the Finance Minister complete his speech.

...*(Interruptions)*

**श्री राज बब्बर :** माननीय मंत्री जी जिस तरह से बातों में उलझा रहे हैं, हम इनकी बातों में उलझते जा रहे हैं। मैं कहना चाहता हूँ कि इन टैक्सेस का भार आम आदमी पर पड़ने वाला है *â€¦* (व्यवधान)

**श्री जसवंत सिंह :** आप मेरी बात सुनिए। भार नहीं पड़ेगा। *â€¦* (व्यवधान)

MR. SPEAKER: You can ask your question after his speech is over and not now. Please sit down.

*(Interruptions)*

SHRI JASWANT SINGH: I wish to announce a special dispensation for the units.

...*(Interruptions)*

**अध्यक्ष महोदय:** मंत्री जी, आप अपना भाण पूरा कर सकते हैं।

*â€¦* (व्यवधान)

**कुंवर अखिलेश सिंह :** मंत्री जी भाण खत्म कर रहे हैं लेकिन यह बताएं कि वह एक्साइज ड्यूटी खत्म कर रहे हैं या नहीं? *â€¦* (व्यवधान) इसे लेकर लोग आन्दोलन कर रहे हैं। *â€¦* (व्यवधान)

**श्री रामजीलाल सुमन :** हथकरघा पर जो उत्पाद शुल्क लगाया गया है, उसे वापस लेना चाहिए। यह बहुत गम्भीर मामला है। *â€¦* (व्यवधान)

**अध्यक्ष महोदय:** रामजीलाल सुमन जी, बैठिए। यह तरीका ठीक नहीं है। मैं मंत्री जी को भाण खत्म होने के बाद आपको प्रश्न पूछने की इजाजत दूंगा। मंत्री जी को भाण पूरा करने का अधिकार है।

*â€¦* (व्यवधान)

अध्यक्ष महोदय: रामदास जी, बैठिए।

*â€¦* (व्यवधान)

MR. SPEAKER: You go to your seats.

...*(Interruptions)*

MR. SPEAKER: I can permit you to ask a question after he completes his speech. Otherwise, I will not give you that chance also.

...(Interruptions)

MR. SPEAKER: Please sit down. Let him complete his speech. I do not want any more interruption. Let him complete his speech. Thereafter, you can put a question.

Mr. Minister, you can go ahead and complete your speech.

SHRI JASWANT SINGH: So, I must explain this also. I will first announce and then explain. I propose to fully exempt from excise duty unprocessed fabrics up to the first clearance of Rs.20 lakh provided they are woven by power-loom units having an annual turnover of Rs.25 lakh. ... (Interruptions)

MR. SPEAKER: Shri Banatwalla, if you go on interrupting, I will not allow you to ask question afterwards.

SHRI JASWANT SINGH: I am talking of the small scale and the self-employed. Let me explain what Rs.20-25 lakh margin means. It means that the power-loom owners or the operators operating some of the traditional power-looms, not the modern variety, and holding up to almost 10 power-looms, will be totally free from excise duty.

MR. SPEAKER: It is very good.

SHRI JASWANT SINGH: I only wish that the hon. Members would hear what I am saying. I am also making this very clear. I have made it very clear about the income tax that if they wish to declare their stocks, that the stock per loom will be of 10,000, no questions will be asked as to where that stock came from or about the past. It will not have any retrospective effect. Secondly, why have I said this?

SHRI KIRIT SOMAIYA : You tell us about the capital investment also.

SHRI JASWANT SINGH: I cannot go into those complications. Those details will be announced later.... (Interruptions)

**श्री राशिद अलवी (अमरोहा) :** ट्रेडिशनल पावरलूम से क्या मतलब है?

**श्री जसवन्त सिंह:** मैं आपसे अर्ज कर रहा हूँ कि एक-एक शट्टल पावरलूम है। आजकल कुछ नए ईजाद हुए हैं जो बिना शट्टल के हैं। वे ऑटोमैटिक पावरलूम हैं। उनका प्रोडक्शन बहुत हाई है और उनकी कीमत बहुत ज्यादा है। एक-एक पावरलूम की कीमत बहुत अधिक है। जो सैल्फ एम्पलायड हैं, जो अपने आप काम करते हैं, वे 60-70 लाख के पावरलूम नहीं ले सकते हैं। आपने ट्रेडिशनल पावरलूम की बात की है। यह हर राज्य में अलग-अलग हैं। मसलन यूपी में पुराने किस्म के पावरलूम चल रहे हैं। (व्यवधान)

MR. SPEAKER: You need not reply.

**श्री जसवन्त सिंह:** आप नाराज क्यों हो रहे हैं? आप मेरी बात सुनते नहीं हैं। मेरी बात सुनने के बाद नाराज हो सकते हैं। मैं यह कह रहा हूँ if they do not wish to, they need not register for CENVAT. It is as best as we can do under the circumstances to complete the CENVAT chain as also to eliminate the deemed credit about which I have just shared the arithmetic of the situation with the hon. Members.

I want to go to the readymade garments. Let me explain what do I mean by this Rs.20-25 lakh.

It is totally exempt up to Rs.20 lakh. I could be wrong and the actual estimate could be something else because every powerloom would not produce the same amount of cloth. So, why have I said, 'Rs.20 lakh to Rs.25 lakh'? It is again a protection that I am giving. माननीय सदस्यों को लगता है कि यह 20 लाख से एक रुपया हो गया है तो आपको 20 लाख रुपये पर टैक्स लगेगा। मैं यह कुशन दे रहा हूँ। 20-25 लाख पर तो आपको 5 लाख टैक्स लगेगा It is a cushion that I am providing. I have given very strict instructions that there would be no visit to these powerlooms. There would be no inspections. I have introduced a self-assessment scheme so that these powerloom owners could give their own self-assessment. यह हमारा प्रोडक्शन है। मैं आपको एश्योरेंस दे रहा हूँ कि अगर कभी किसी माननीय सदस्य को यह शिकायत भी मिल जाये कि कोई एक्साइज इंस्पेक्टर वहां जायेगा, I assure you that I would take care of that situation.

Let me deal now with garments. I also propose to fully exempt from excise duty unbranded woven and knitted readymade garments up to the first level of Rs.25 lakh provided that annual turnover does not exceed Rs.30 lakh. I am sure hon. Members would appreciate आपने कहा कि 25-30 लाख सैल्फ एम्पलायड such units would however be required to keep only one record and it is a record of the yarn or fabric that they have purchased. There is no record that I am requiring them to keep.

Beyond that, I would share with hon. Members, in the Ministry of Finance, we have what is called a tax research unit. The tax research unit has the details of all garment producers in the country. We have analysed the tax research unit's details thoroughly. I find that almost about 85 per cent of the garment manufacturers are in this Rs.20 lakh to Rs.25 lakh bracket that we are covering. Those that are above this are really major garment producers. They are not self-employed. They are all doing this work with the help of hired labour. I have also taken one more factor into consideration – what is the general annual mean income of a citizen in the country. As against that, in garments, if you are giving a total tax exemption of Rs.20 lakh to Rs.25 lakh, it is actually many multiples of the income that is available to an ordinary person. इसमें जो सैल्फ एम्पलायड हैं, जो खुद हाथ से काम करते हैं, चाहे वह अपने घर पर काम करता हो या किसी छोटी सी कोठी किराये पर लेकर काम करता हो, अगर वह खुद ब्रांड का इस्तेमाल करता है और कई लोग कहते हैं कि वह अपना लगाकर दिया, उसकी 20 लाख रुपये पर एक्साइज छूटी नहीं होगी. यह मेरा आपसे वायदा है। I want to also add that I propose to extend this exemption scheme to garments of rubberised textile fabrics, cotton belting, mosquito nets and fabrics of mono-filament. Somebody had brought up this question of exempting mosquito nets. They are fully exempt from this.

**श्री मदन लाल खुराना :** अध्यक्ष जी, मेरा मंत्री जी से निवेदन है कि यह 50 लाख करवा दीजिये। इस समय सारे लोग देश में हड़ताल पर हैं। एक करोड़ से कम करके 25 लाख करना बहुत बड़ी ज्यादाती है। मैं मंत्री जी कहना चाहता हूँ कि दिल्ली और देश की बाकी जगहों पर इंडस्ट्रीज एक महीने से बंद पड़ी हैं। इसलिये मेरा निवेदन है कि कम से कम 50 लाख रुपये करवा दीजिये।

श्री चन्द्रकांत खैरे : माननीय वित्त मंत्री जी, इसे कम से कम 50 लाख करिये।

**श्री श्रीप्रकाश जायसवाल :** अध्यक्ष जी, मैं आपके माध्यम से माननीय वित्त मंत्री जी से निवेदन करूंगा कि इसे एक करोड़ रुपये तक करिये।

यह माननीय वित्त मंत्री जी को यह मानना पड़ेगा कि एग्जैम्पशन पहले एक करोड़ रुपये था, आपने उसे घटाकर 25 लाख कर दिया।<sup>(व्यवधान)</sup> महंगाई बढ़ रही है, यह एग्जैम्पशन एक करोड़ से बढ़ाकर डेढ़ करोड़ करने की जगह पर आप इसे 25 लाख कर रहे हैं। 25 लाख आपने बहुत कम किया है, आपको इतना कम नहीं करना चाहिए। अगर आप करना चाहते हैं तो एक करोड़ की जगह पर 50 लाख कर दें।<sup>(व्यवधान)</sup>

**श्री मदन लाल खुराना :** इसे कम से कम पचास लाख कर दीजिए।

**श्री चन्द्रकांत खैरे :** सर, पचास लाख भी कम है।<sup>(व्यवधान)</sup>

**अध्यक्ष महोदय :** खैरे जी, आप बैठिये।

**श्री श्रीप्रकाश जायसवाल :** एक करोड़ रुपये से घटाकर आपने 25 लाख रुपये किया है, यह गलत है, यह अन्याय है।<sup>(व्यवधान)</sup>

**श्री रामजीलाल सुमन :** अध्यक्ष महोदय, रेडीमेड गारमैन्ट्स पर जो उत्पादन शुल्क एक करोड़ रुपये तक मुक्त था, वह पूरा का पूरा माफ होना चाहिए।<sup>(व्यवधान)</sup> कृषि के बाद इस उद्योग में सबसे अधिक लोग काम करते हैं। 25 लाख रुपये क्या होते हैं। रेडीमेड गारमैन्ट्स पर पूरा का पूरा पैसा माफ होना चाहिए। रेडीमेड गारमैन्ट्स पर जो उत्पादन शुल्क 25 से 30 लाख रुपये लगाया गया है, वह पूरा माफ होना चाहिए।

**अध्यक्ष महोदय :** मंत्री जी का भाण चल रहा है। मंत्री जी ने कहा है कि एग्जैम्पशन हम एक मर्यादा तक दे सकते हैं। आप मर्यादा बढ़ाना चाहते हैं। लेकिन इसके लिए यह कोई तरीका नहीं है कि सदन में लोग खड़े होकर बोलें, तब मंत्री जी करेंगे। लेकिन हो सकता है कि सदन की इच्छा को वह जरूर ध्यान में रखें और इस विषय में आपने अपनी भावनाएं व्यक्त की हैं। अभी आप मंत्री जी को बोलने दें। उन्हें जो कहना है वह कहेंगे। अब आप मुझे मंत्री जी को सुनने दीजिए।

...<sup>(व्यवधान)</sup>

**अध्यक्ष महोदय :** मंत्री जी आपको कितना समय और लगेगा।

**कुंवर अखिलेश सिंह :** सर, खुराना जी, बहुत वरिष्ठ सदस्य हैं, वह भी उत्पादन शुल्क बढ़ाने पर नाराज हैं और पार्टी के बहुत लोग नाराज हैं, मंत्री जी को इस मामले में बहुमत का समर्थन प्राप्त नहीं है।<sup>(व्यवधान)</sup>

**अध्यक्ष महोदय :** मंत्री जी आप कितना समय और लेंगे।

**श्री जसवंत सिंह :** मैं निवेदन करना चाहता हूँ कि यह कोई व्यक्तिगत तौर पर नहीं है।<sup>(व्यवधान)</sup>

माननीय सदस्य जैसा कह रहे हैं।<sup>(व्यवधान)</sup>

SHRI TARIT BARAN TOPDAR (BARRACKPORE): He is totally unorganised ...<sup>(Interruptions)</sup>

**श्री जसवंत सिंह :** आपको जो जंचे वह गाली जरूर दीजिए।<sup>(व्यवधान)</sup> यह मेरे लिए संभव नहीं है, क्योंकि जो कुछ भी किया गया है, यह सभी विचार करके और सारा विश्लेषण करके किया गया है। जैसा पहले मैंने निवेदन किया कि यह संभव नहीं है कि इस प्रकार से हम कुछ भी रेट्स दे दें। मैं इस पर आगे चलता हूँ। यही चीज रबराइज्ड टेक्सटाइल फैब्रिक्स, कॉटन बैल्टिंग, मॉस्कीटो नेट्स एंड फैब्रिक्स ऑफ मोनो फिलामेन्ट पर भी लागू होगी।

I propose to reduce excise duty on predominantly hand processed fabrics on which a few specified finishing processes are carried out with the aid of power or steam from ten per cent to five per cent in the case of pure cotton fabrics, and from ten per cent to eight per cent for other fabrics, giving them a needed differential over fabrics processed completely with the aid of power or steam. It is my sincere hope that, with this incentive in place, the hand-processing industry will come forward with the needed urgent steps to adhere to environment-friendly measures to reduce water pollution. I will further review the duty regime for hand processors, in the light of the steps that the industry initiates.

I also want to remove an anomaly that has been observed in the Budget's indirect tax proposals on textiles. This is as follows:

It has been brought to my notice that whereas wearable fabrics attract excise duty at ten per cent, the duty on interlining fabrics used in making garments is 16 per cent. In order to remove the anomaly, I propose to reduce the excise duty on interlining fabrics also to ten per cent.

Let me now deal with shoddy. It is a small and important industry, but it is located in different parts of the country. The major input in this is imported shoddy on which duty rate was rather high, and the objection that is being raised is that because we had certain status, the duty rate was continuing.

Having calculated the whole thing, I find that, in fact, the shoddy industry will benefit and, therefore, I now propose to reduce the import duty on the major raw material of this industry which is rags, from the existing 25 per cent to five per cent. This is a 20 per cent duty reduction. I believe that this would adequately take care of all the requirements of the shoddy industry.

I want to further bring the coarse hair and flax at par with raw wool and I propose to reduce the customs duty on coarse animal hair and flax from 15 per cent to five per cent. I had, in this year's Budget, reduced the customs duty on a large number of textile machinery and their parts from 25 per cent to five per cent in order to encourage modernization of the textile industry. I have received representations seeking extension of this very facility and benefit to certain other capital goods used for manufacture of textile fibre, yarn and downstream products. In response, I propose to expand the concessional customs duty range of five per cent to 117 more categories of textile machinery and their parts. Then, I also propose to extend the concessional customs duty of 10 per cent available for twisters and re-winding machinery used in the silk sector to all such twisters and rewinding machines irrespective of the sector of use.

Regarding the North-Eastern region, a number of hon. Members from the North-East spoke on the issue of the North-East. Let me just, on a rather autobiographical note and in hesitation, say that my love affair with the North-East and the people of the North-East also goes back really to 1958. I had been there from 1958 to 1962; in the War in 1962, and I spent a lot of years in the North-East. I am committed. The hon. Prime Minister's announcement of the Industrial Policy for the North-East is not an empty announcement. I assure you even though all my friends from Assam – Shri Bijoy Handique is not here – raised it, I am not going on that. I wish to say that as far as the developmental concessions of the North-East are concerned, we remain committed. The issue here is really of the



misuse of the development concession that was granted by the hon. Prime Minister. ...(*Interruptions*)

SHRI SONTOSH MOHAN DEV : It was only by the cigarette industry and not by others.

SHRI JASWANT SINGH : I will come to it. I understand it. I did not wish to name the industry or name the concern. But the concession granted was, most unfortunately, misused. "गेहूँ के साथ घुन पिस गया" What it has resulted is in the creation of a very complex legal economic requirement. You would also, I am sure, understand it because this is argued very passionately by a number of hon. Members from the North-East also, by Shri Sontosh Mohan Dev also, that you can keep cigarette out but take the three others that are there. There is the *pan masala* because Assam is a very high producer of *supari* and it is traditional to offer just a *pan* and *supari*. But, Sir, in this I wish to share with you that it is also not just *pan masala* but there is *tambaku* and there is also the question of *gutka*. Both these are de-merit goods. If I extend concessions, firstly remove it from cigarettes and extend it to them being de-merit, I will complicate a legal situation. You please leave it with me. I am fully seized of this issue. I will examine the complicated legal and other aspects and I assure you in this regard. It is because these people stayed back and they did not leave Assam or the North-East.

SHRI SONTOSH MOHAN DEV : Would the hon. Minister kindly yield for a minute?

SHRI JASWANT SINGH: Yes, certainly.

SHRI SONTOSH MOHAN DEV : Sir, some 1,700 engineers are appointed by various industries not only in the *pan masala* industry but other industries. SONY has gone there, GODREJ has gone there. They have also opened their units there. This package was declared by the hon. Prime Minister in Shillong. He reiterated that the gas cracker plant and Numaligarh Refinery will also get the benefit.

Considering this, even if you do not say about it just now, you reconsider the issue. I would request you not to create a situation wherein further troubles arise in the already troubled State. You must consider that peace has been brought in Assam and other areas. Considering this, as you said, you are a part and parcel of it. I told that you were very much involved in the agitation. I know that you were there. I met you in various places. You kindly consider it from humanitarian point of view and job-oriented point of view.

SHRI JASWANT SINGH: I wish to assure you that ...(*Interruptions*)

SHRI K.A. SANGTAM (NAGALAND): Sir, I associate with my colleague. ...(*Interruptions*)

**श्री श्याम बिहारी मिश्र (बिल्हौर)** : महोदय, साउडी यार्न के जो कम्बल बनते हैं, जिसकी कीमत 30 रुपए स्कवेयर मीटर से डेढ़ सौ रुपए स्कवेयर मीटर तक है, वे अभी तक एक्साइज़ ड्यूटी से कर मुक्त हैं। ये गरीबों के काम में आते हैं और इनकी कीमत 70 रुपए से डेढ़ सौ रुपए तक प्रति कम्बल होती है, उस पर एक्साइज़ लगा दिया है, इसे हमने माफ करने की मांग की है। दूसरी भेरी मांग यह है कि पावरलूम और रेडीमेड गारमेंट्स में जो 25 लाख की छूट दी है, उसे 50 लाख कर दिया जाए।

**श्री जसवंत सिंह** : इस पर बहस हो चुकी है।<sup>(व्यवधान)</sup>

SHRI K.A. SANGTAM : Sir, through you, I just wanted to make one thing straight regarding this cigarette company, which has come with finished products manufactured from outside and which took the advantage of tax holiday and excise duty exemption. That is the scene as far as this business is concerned. But those industries, which are giving jobs, labour and employment to the people and which have been already set up there and have been lured into the North-East region, should not be punished. ...(*Interruptions*)

SHRI JASWANT SINGH: Sir, I wish to answer that. No industry other than tobacco in the North-East region or Assam is affected by it. What you are now asking about tobacco is to make an exception for chewing tobacco and gutka. Leave the matter with me. I will consider it fully. I will try and find a suitable legal answer for this purpose.

MR. SPEAKER: Mr. Minister, how much more time will you take? Are you completing now? There are several amendments also.

SHRI JASWANT SINGH: Sir, I will take just two minutes. ...(*Interruptions*)

**श्री चन्द्रकांत खरे** : अभी एमपी लैड के बारे में मंत्री जी को बताना है।<sup>(व्यवधान)</sup>

**अध्यक्ष महोदय** : मंत्री जी का भाण पूरा होने के बाद आप प्रश्न पूछिए।

<sup>(व्यवधान)</sup>

MR. SPEAKER: Let the Minister complete his reply. Thereafter, you can ask clarifications. Please sit down.

...(*Interruptions*)

SHRI JASWANT SINGH: There was another suggestion here from some Members regarding electrification of Dibrugarh – Guwahati railway line. ...(*Interruptions*)

SHRI KOLUR BASAVANAGOUD (BELLARY): What about MPLAD Scheme? ...(*Interruptions*)

SHRI JASWANT SINGH: On Dibrugarh – Guwahati railway line electrification, I have a very generous offer that you will name it after me. ...(*Interruptions*) Sir, if the Railway Ministry were to make such a recommendation, we will fully support it. Rather, I will only be naming it after me, Sir. ...(*Interruptions*)

I have no more to say in this regard. With these words, I commend that the Finance Bill be passed.

SHRI K. YERRANNAIDU : Mr. Speaker, Sir, I am appreciating the hon. Finance Minister because he has given a lot of concessions to the needy sections. Even from my Party side, from the beginning, I am requesting the Prime Minister, Finance Minister and Deputy Prime Minister that you are taking cognisance of all the sections, but 17

States are facing drought. The poor farmers lost crops due to drought. We are asking for waiver of interest on *kharif* loans. Whatever *kharif* loans were extended to the farmers and those farmers who lost crop due to drought only, for them, we are asking exemption, waiver of interest.

...(Interruptions)

MR. SPEAKER: The point is that you cannot give a speech at this stage.

...(Interruptions)

SHRI K. YERRANNAIDU : Only 20 per cent concession has been given by the Finance Minister, whereas the farmers in the whole country, who lost their crops due to drought, are awaiting an answer from the Finance Minister. I have received so many letters from the farming community, and they are all waiting for an answer. I am not requesting that it should be given to all the farmers; I am only requesting that it should be given to those farmers who lost their crops due to drought.

MR. SPEAKER: Your question has been heard by the Minister, now let him reply to that.

SHRI JASWANT SINGH: I wish to answer this question. â€¦ (Interruptions)

SHRI PRAKASH PARANJPE (THANE): I am going to sit on a hunger strike in the Well of the House, if the amount under the MPLADS is not increased. I have to face 28 lakh people in my constituency. For the last six years, I am making this request. If they are not going to accept my request, I am going to sit on hunger strike in the Well of the House right now. I have decided to do that. ...(Interruptions)

MR. SPEAKER: Shri Paranjpe, please do not come to the Well of the House. You should not do anything of that sort.

13.41 hrs.

**(At this stage, Shri Prakash Paranjpe came and sat on the floor near the Table.)**

MR. SPEAKER: Please go back to your seat. Please take him back.

13.41-1/2 hrs

**(At this stage, Shri Prakash Paranjpe went back to his seat.)**

...(Interruptions)

श्री शिवाजी माने (हिंगोली) : लोग हमसे पैसा मांगते हैं, इसलिए आप सारा एम.पी.लेड. बन्द कर दो।â€¦(व्यवधान)

श्री प्रकाश परांजपे : हमारी मांग को नहीं सुनते हैं। The Ministers want our votes to sit in their chairs, but they do not want to listen to our genuine demands....(Interruptions)

अध्यक्ष महोदय : खैरे जी, एक प्रश्न पूछा गया है, उनका उत्तर आने दो। उसके बाद मैं आपको प्रश्न पूछने दूंगा, अभी आप बैठिये।

श्री शिवाजी माने : क्षेत्र में जाने के बाद लोग हमसे पैसा मांगते हैं।â€¦(व्यवधान)

अध्यक्ष महोदय : शिवाजी माने जी, आप बैठिये। मैं खड़ा हूँ, Shri Raj Babbar, please sit down. यह क्या मजाक है, आप बैठिये। यह कोई तरीका है? यह नहीं चलेगा। रामदास जी, आप भी बैठिये।

श्री चन्द्रकांत खैरे : एम.पी.लेड. तो आपको भी चाहिए, सर।

अध्यक्ष महोदय : ड्राउट इफेक्टिव एरिया के बारे में बहुत इम्पोर्टेंट प्रश्न पूछा है, उसका जवाब तो आने दो। आपको किसानों के बारे में कुछ चिन्ता है या नहीं? पहले उसका उत्तर आने दो, बाद में दूसरे प्रश्न पूछो। मैंने आपको कहा है कि बाद में प्रश्न पूछिये। आप बार-बार क्यों खड़े होते हैं। रामदास जी, आपको किसानों के बारे में कुछ प्रेम नहीं है? आप बैठिये।

SHRI JASWANT SINGH: I wish to answer the point raised by hon. K. Yerrannaidu. This is an important point.

...(Interruptions)

अध्यक्ष महोदय : पूरे देश में सूखा है, लोग सफर कर रहे हैं, उनको उत्तर देने दो।

SHRI JASWANT SINGH: This is an important point, which is drought-related. It concerns the loans taken by the farming community across 14 States of the Union. I am given to understand that the Governor of the Reserve Bank of India has already announced that this interest shall be waived. ...(Interruptions)

SHRIMATI RENUKA CHOWDHURY (KHAMMAM): Is it fully waived or is only 20 per cent waived? ...(Interruptions)

MR. SPEAKER: Please sit down.

श्री चन्द्रकांत खैरे : महाराष्ट्र में आइये।â€¦(व्यवधान)

अध्यक्ष महोदय : मंत्री जी का उत्तर पूरा नहीं हुआ है, आप सुनिये तो सही।

श्री चन्द्रकांत खैरे : महाराष्ट्र में भी सूखा पड़ा है, 14 स्टेट्स में महाराष्ट्र भी है।

SHRIMATI RENUKA CHOWDHURY : Let us listen to what he has to say. ...(Interruptions)

MR. SPEAKER: Shri Khaire, please ask your question. Mr. Minister, he is on another question.

श्री नरेश पुगलिया (चन्द्रपुर) : महाराष्ट्र, राजस्थान और मध्य प्रदेश में कांग्रेस की सरकारें हैं, वहां जान-बूझकर आप अन्याय कर रहे हैं, पैसा नहीं दे रहे हैं। जहां-जहां कांग्रेस की सरकार है, वहां ड्राउट इफेक्टिव एरियाज में राशन सप्लाई के लिए पैसा नहीं दिया जा रहा है। राज्य सरकारों के साथ मजाक किया जा रहा है। यह

सौतेले भाई का व्यवहार है। केन्द्र को सभी राज्यों के साथ समान व्यवहार करना चाहिए। आप महाराष्ट्र के बारे में कहिये, मध्य प्रदेश और राजस्थान के बारे में कहिये।

**अध्यक्ष महोदय** : मंत्री जी, मैंने खैरे जी को प्रश्न पूछने को कहा है।

**श्री चन्द्रकांत खैरे** : मेरे तीन मुद्दे हैं। (व्यवधान)

**श्री जसवन्त सिंह** : मैं सब समझा देता हूँ, उसके बाद आप कहिये। कुछ मसले माननीय सदस्यों के हैं।

(व्यवधान)

अब माननीय सदस्य कह रहे हैं कि 500 करोड़ रुपये चाहिए। (व्यवधान)

**श्री रामदास आठवले** : मंत्री जी, आप महाराष्ट्र के लिए 500 करोड़ रुपये दीजिए। (व्यवधान)

**श्री जसवंत सिंह** : अध्यक्ष महोदय, दो अलग-अलग विषय हैं। माननीय सदस्यों का एक यह कहना था कि जो ब्याज लग रहा है, उस पर छूट होनी चाहिए। इसके बारे में रिजर्व बैंक के गवर्नर साहब ने घोषणा कर दी है। मैं आपको आश्वासन देना चाहता हूँ कि यह प्रधान मंत्री जी की घोषणा है। अब हम इसे किस तरीके से यह, यह आप हम पर छोड़िये। (व्यवधान)

SHRIMATI RENUKA CHOWDHURY : How much?

SHRI JASWANT SINGH: The total interest. As to how it is done, please leave it to me. I assure you that the interest will not be charged in such States which are drought-affected. Leave the methodology to me because I have to go to the next point now.

The other point raised is that Maharashtra should also be included. ... (Interruptions) आप सुनिये। मैं कहना चाहता हूँ कि फाइनेंस मिनिस्टर को कई काम करने पड़ते हैं। अब कोई राज्य सूखाग्रस्त है या नहीं, यह घोषणा करने का अधिकार मेरा नहीं है। इसकी एक प्रक्रिया है। वह प्रक्रिया पूरी करने के बाद महाराष्ट्र सरकार (व्यवधान)

**श्री नरेश पुगलिया** : अध्यक्ष महोदय, राजस्थान, महाराष्ट्र आदि जहाँ-जहाँ कांग्रेस की सरकार है वहाँ पर केन्द्र सरकार से गयी हुई टीम ने उनके साथ ज्यादाती की है। (व्यवधान)

MR. SPEAKER: Please let the Minister speak.

**श्री चन्द्रकांत खैरे** : अध्यक्ष महोदय, मैंने अपने भाषण में यह कहा था कि महाराष्ट्र को सूखाग्रस्त क्षेत्र घोषित किया जाये। अभी मंत्री जी ने बताया कि महाराष्ट्र सरकार जो कार्रवाई करेगी, उसके ऊपर वह निर्णय करेंगे। महाराष्ट्र सरकार ने (व्यवधान)

**अध्यक्ष महोदय** : आप प्रश्न पूछिये।

...(व्यवधान)

**श्री चन्द्रकांत खैरे** : हमारी यह विनती है कि सूखाग्रस्त राज्यों में महाराष्ट्र का नाम भी आना चाहिए। दूसरा, मुम्बई इकोनॉमिकल कैपिटल है। इसके बारे में आपको मालूम है क्योंकि आप वहाँ के मेयर रह चुके हैं, मुख्यमंत्री रह चुके हैं और अब आप अध्यक्ष भी हैं। मुम्बई को 44 परसेंट रेवेन्यू देने के बाद भी वहाँ सेंट्रल गवर्नमेंट का पैसा नहीं आता। हमारी यह डिमांड है कि मुम्बई तो सुदृढ़ बनाने के लिए बाहर से जो लोग आते हैं, शिवसेना के माध्यम से हमने जो एक-एक नियम बनाया है, उसे आप डिक्लेयर करिये। इसके साथ-साथ हमारी यह भी डिमांड है कि मुम्बई को ज्यादा पैसा दिया जाये।

मेरी तीसरी मांग यह है कि एमपी लैड के बारे में हमारे एक माननीय सदस्य कह रहे थे जिसके लिए वे यहाँ अनशन करने आये थे। उन्होंने इससे पहले बजट भाषण में बोला था। अब डीलिटिमिशन तो आने वाला नहीं है। (व्यवधान) हम विनती करना चाहते हैं जैसे डिक्लेरेशन हो चुका है जिसके बारे में टी.वी. में भी आया था लेकिन आपने रोक लिया था। आपसे विनती है कि आप एमपीलैड का पैसा दो करोड़ रुपये से बढ़ाकर तीन करोड़ रुपये कर दीजिए। (व्यवधान)

**श्री जसवंत सिंह** : सबसे पहले मैं यह स्पष्ट कर दूँ जिसके बारे में कुछ माननीय सदस्यों ने काफी नाराज मुद्रा में कहा कि महाराष्ट्र को सूखाग्रस्त क्षेत्र घोषित करना चाहिए। मैं निवेदन करना चाहता हूँ कि सूखाग्रस्त क्षेत्र की घोषणा करने का अधिकार मेरा न होकर राज्य सरकार का है। अगर राज्य सरकार अपने यहाँ से इसकी घोषणा कर दें तो मैं कहां से उसको रोक सकता हूँ। यह तो सरकार सरकार के अधिकारों के तहत है। (व्यवधान) आपको कुछ कहना है तो आप जरूर कहिये। (व्यवधान)

MR. SPEAKER: I now go to the Motion for Consideration.

(Interruptions)

13.49 hrs

(At this stage, Shri Prakash Paranjpe came and sat on the floor near the Table.)

...(Interruptions)

MR. SPEAKER: The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 2003-2004, be taken into consideration."

The motion was adopted.

...(Interruptions)

**श्री चन्द्रकांत खैरे** : अध्यक्ष महोदय, मंत्री जी एमपी लैड के बारे में उत्तर देने वाले हैं। (व्यवधान)

MR. SPEAKER: Mr. Minister, would you like to reply to the question on MPLAD that has been raised by the hon. Members?

...(Interruptions)

MR. SPEAKER: I am asking the hon. Minister whether he would like to respond to the question on MPLADS

because it was raised by several Members.

...(Interruptions)

â€ (व्यवधान)

**श्री शिवराज वि.पाटील (लातूर)** : अध्यक्ष महोदय, मैं एम.पी. लैड के लिए कुछ नहीं बोलने जा रहा हूं।â€ (व्यवधान) इसे मैं सरकार और हाउस पर छोड़ देता हूं।â€ (व्यवधान)

जहां तक महाराष्ट्र में सूखे का सवाल है, मैं इतना ही कहना चाहूंगा कि महाराष्ट्र में सूखा है। वह सूखा है या नहीं है, यह डिक्लेअर करने में देरी नहीं होनी चाहिए और डिक्लेअर करते समय इस ढंग से नहीं करना चाहिए कि महाराष्ट्र में पैसा बहुत है, इसलिए उसको देने की जरूरत नहीं है। ऐसा मानकर नहीं करना चाहिए। इतना ही मेरा कहना है। इससे ज्यादा कुछ नहीं है।â€ (व्यवधान)

**श्री चन्द्रकांत खैरे** : एम.पी.लैड की बात नहीं कर रहे हैं। बाद में कभी होने वाला नहीं है।â€ (व्यवधान)

**श्री शिवाजी माने** : सरकार एम.पी. लैड को बंद कर दे। कोई जरूरत नहीं है यहां पर।â€ (व्यवधान)

SHRI TARIT BARAN TOPDAR : Mr. Speaker, Sir, would you allow me to ask a question?... (Interruptions)â€ Many things have been said about the middle-class, the rich, the industry and the firm owners. But not a single word has been uttered about the working class and the peasantry.... (Interruptions)

13.52 hrs

(At this stage, Shri Prakash Paranjpe  
went back to his seat.)

### Clause-by-Clause Consideration

MR. SPEAKER: The House shall now take up clause-by-clause consideration of the Bill.

The question is:

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

*The motion was adopted.*

*Clause 2 to 4 were added to the Bill.*

### Clause 5 Amendment of Section 9

*Amendment made:*

Page 4,--

*for lines 45 to 49 substituteâ€*

"Provided further that where such broker, general commission agent or any other agent works mainly or wholly on behalf of a non-resident (hereafter in this proviso referred to as the principal non-resident) or on behalf of such non-resident and other non-residents which are controlled by the principal non-resident or have a controlling interest in the principal non-resident or are subject to the same common control as the principal non-resident, he shall not be deemed to be a broker, general commission agent or an agent of an independent status.

*Explanation 3.*â€Where a business is carried on in India through a person referred to in clause (a) or clause (b) or clause (c) of Explanation 2, only so much of income as is attributable to the operations carried out in India shall be deemed to accrue or

MR. SPEAKER: The question is:

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

*The motion was adopted.*

*Clause 5, as amended, was added to the Bill.*

**Clause 6 Amendment of Section 10**

*Amendments made:*

Page 5, line 8,--

*for "an insurance policy in respect of which the premium paid in" substitute "an insurance policy issued on or after the 1<sup>st</sup> day of April, 2003 in respect of which the premium payable for" (16)*

Page 5,--

*after line 27, insertâ€*

*(ea) in clause (23C), in the ninth proviso, for the figures "2003", the figures "2004" shall be substituted and shall be deemed to have been substituted with effect from the 3<sup>rd</sup> day of February, 2001;'. (17)*

Page 6,--

*for lines 36 to 38, substituteâ€*

*(36) any income arising from the transfer of a long-term capital asset, being an eligible equity share in a company purchased on or after the 1<sup>st</sup> day of March, 2003 and before the 1<sup>st</sup> day of March, 2004 and held for a period of twelve months or more.*

*Explanation.â€*For the purposes of this clause, "eligible equity share" means,--

- i. any equity share in a company being a constituent of BSE-500 Index of the Stock Exchange, Mumbai as on the 1<sup>st</sup> day of March, 2003 and the transactions of purchase and sale of such equity share are entered into on a recognised stock exchange in India;
- ii. any equity share in a company allotted through a public issue on or after the 1<sup>st</sup> day of March, 2003 and listed in a recognised stock exchange in India before the 1<sup>st</sup> day of March, 2004 and the transaction of sale of such share is entered into on a recognised stock exchange in India.!

(18)

MR. SPEAKER: The question is:

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

*The motion was adopted.*

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

**Clause 7 Amendment of**

**Section 10A**

*Amendments made:*

19. Page 6, -

'(a) for sub-section (1A), the following sub-sections shall be substituted with effect from the 1<sup>st</sup> day of April, 2004, namely:-

"(1A) Notwithstanding anything contained in sub-section (1), the deduction, in computing the total income of an undertaking, which begins to manufacture or produce articles or things or computer software during the previous year relevant to any assessment year commencing on or after the 1st day of April, 2003, in any special economic zone, shall be,-

(i) hundred per cent. of profits and gains derived from the export of such articles or things or computer software for a period of five consecutive assessment years beginning with the assessment year relevant to the previous year in which the undertaking begins to manufacture or produce such articles or things or computer software, as the case may be, and thereafter, fifty per cent. of such profits and gains for further two consecutive assessment years, and thereafter;

(ii) for the next three consecutive assessment years, so much of the amount not exceeding fifty per cent. of the profits as is debited to the profit and loss account of the previous year in respect of which the deduction is to be allowed and credited to a reserve account (to be called the "Special Economic Zone Re-investment Allowance Reserve Account") to be created and utilised for the purposes of the business of the assessee in the manner laid down in sub-section (1B).

(1B) The deduction under clause (ii) of sub-section (1A) shall be allowed only if the following conditions are fulfilled, namely:-

(a) the amount credited to the Special Economic Zone Re-investment Allowance Reserve Account is to be utilised-

(i) for the purposes of acquiring new machinery or plant which is first put to use before the expiry of a period of three years next following the previous year in which the reserve was created; and

(ii) until the acquisition of new machinery or plant as aforesaid, for the purposes of the business of the undertaking other than for distribution by way of dividends or profits or for remittance outside India as profits or for the creation of any asset outside India;

a. the particulars, as may be prescribed in this behalf, have been furnished by the assessee in respect of new machinery

or plant along with the return of income for the assessment year relevant to the previous year in which such plant or machinery was first put to use.

(1C) Where any amount credited to the Special Economic Zone Re-investment Allowance Reserve Account under clause (ii) of sub-section (1A),-

(a) has been utilised for any purpose other than those referred to in sub-section (1B), the amount so utilised; or

(b) has not been utilised before the expiry of the period specified in sub-clause (i) of clause (a) of sub-section (1B), the amount not so utilised,

shall be deemed to be the profits, -

(i) in a case referred to in clause (a), in the year in which the amount was so utilised; or

(ii) in a case referred to in clause (b), in the year immediately following the period of three years specified in sub-clause (i) of clause (a) of sub-section (1B),

and shall be charged to tax accordingly.";

(ab) in sub-section (4), for the word, brackets and figure "sub-section (1)", the words, brackets, figures and letter "sub-sections (1) and (1A)" shall be substituted;'

20

Page 6, *after* line 43, insert -

'(ba) in sub-section (6),-

(A) in clause (i), after the words "relevant assessment years", the words, figures and letters "ending before the 1<sup>st</sup> day of April, 2001" shall be inserted and shall be deemed to have been inserted with effect from the 1<sup>st</sup> day of April, 2001;

(B) in clause (ii), after the words "relevant assessment years", the words, figures and letters "ending before the 1<sup>st</sup> day of April, 2001" shall be inserted and shall be deemed to have been inserted with effect from the 1<sup>st</sup> day of April, 2001'.

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That clause 7, as amended, stand part of the Bill. "

*The motion was adopted.*

*Clause 7, as amended, was added to the Bill.*

**Clause 8 Amendment of**

Amendment made:

21. Page 7, -

for line 7 to 21, substitute -

**8. In section 10B of the Income-tax Act,-**

**(a) in sub-section (6), with effect from the 1<sup>st</sup> day of April, 2001,-**

**(A) in clause (i), after the words "relevant assessment years", the words, figures and letters "ending before the 1<sup>st</sup> day of April, 2001" shall be inserted and shall be deemed to have been inserted;**

**(B) in clause (ii), after the words "relevant assessment years", the words, figures and letters "ending before the 1<sup>st</sup> day of April, 2001" shall be inserted and shall be deemed to have been inserted;**

**b. after sub-section (7), the following sub-section shall be inserted with effect from the 1<sup>st</sup> day of April, 2004, namely:-**

"(7A) Where any undertaking of an Indian company which is entitled to the deduction under this section is transferred, before the expiry of the period specified in this section, to another Indian company in a scheme of amalgamation or demerger-

(a) no deduction shall be admissible under this section to the amalgamating or the demerged company for the previous year in which the amalgamation or the demerger takes place; and

(b) the provisions of this section shall, as far as may be, apply to the amalgamated or resulting company as they would have applied to the amalgamating or the demerged company if the amalgamation or the demerger had not taken place.";

(c) sub-sections (9) and (9A) shall be omitted with effect from the 1<sup>st</sup> day of April, 2004;

(d) Explanation 1 shall be omitted with effect from the 1<sup>st</sup> day of April, 2004;

(e) after Explanation 3, the following Explanation shall be inserted at the end, with effect from the 1<sup>st</sup> day of April, 2004, namely:-

"Explanation 4.- For the purposes of this section, "manufacture or produce" shall include the cutting and polishing of precious and semi-precious stones." . '

(Shri Jaswant Singh)

MR. 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.*

*Clauses 9 and 10 were added to the Bill.*



**Motion Re: Suspension of Rule 80(1)**

SHRI JASWANT SINGH: Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha insofar as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.22 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

MR. SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha insofar as it requires that an amendment shall be within the scope of the Bill and

relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.22 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

*The motion was adopted.*

**New Clause 10A Amendment of**

**Section 12**

**Amendment made:**

Page 7, --

after line 31, insertâ€”

10A. In section 12 of the Income-Tax Act, in sub-section (3), for the figures "2003", the figures "2004", shall be substituted and shall be deemed to have been substituted with effect from the 3<sup>rd</sup> day of February, 2001. (22) 10A (New)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That New Clause 10A be added to the Bill."

*The motion was adopted.*

*New Clause 10A was added to the Bill.*

**Motion Re: Suspension of Rule 80 (i)**

SHRI JASWANT SINGH: I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha insofar as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.23 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

MR. SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha insofar as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.23 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

*The motion was adopted.*

**New Clause 10B Amendment of**

## Section 13 A

*Amendment made:*

Page 7, after line 31, -- insert --

10B. In section 13A of the Income-Tax Act, after 10B (New) the words "Income from other sources or" the words "Capital gains or" shall be inserted and shall be deemed to have been inserted with effect from the 1<sup>st</sup> day of April 1979.'. (23)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That New Clause 10B be added to the Bill."

*The motion was adopted.*

*New Clause 10B was added to the Bill.*

*Clauses 11 to 13 were added to the Bill.*

## Clause 14 Amendment of

### Section 33 AB

*Amendments made:*

Page 7 line 50,--

for "and coffee development account" substitute ", coffee

development account and rubber development account". (24)

Page 8, line 4,--

after "coffee" insert "or rubber" (25)

Page 8, line 8,--

after "the Coffee Board" insert " or the Rubber Board" (26)

Page 8, line 13,--

after "the Coffee Board", insert "or the Rubber Board" (27)

Page 8,--

for lines 16 to 24 substituteâ€”

"(d) for sub-section (4) the following sub-section shall be substituted, namely:-

(4) Notwithstanding anything contained in sub-section (3) where any amount standing to the credit of the assessee in the special account or in the Deposit Account is released during any previous year by the National Bank or withdrawn by the assessee from the Deposit Account and such amount is utilised for the purchase of". (28)

Page 8â€”

after line 42, insertâ€”

'(ab) "Rubber Board" means the Rubber Board 24 of 1947 constituted under sub-section (1) of section 4 of the Rubber Board Act, 1947;' (29)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That clause 14, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 14, as amended, was added to the Bill.*

**Motion Re: Suspension of Rule 80 (i)**

SHRI JASWANT SINGH: I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha insofar as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.30 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

MR. SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha insofar as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.30 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

*The motion was adopted.*

**New Clause 14A Amendment of**

**Section 33AC**

*Amendment made:*

Page 8,—

*after line 42 insert—*

'Amendment of section 33AC 14A. In section 33AC of the Income-Tax Act, with effect from the 1<sup>st</sup> day of April, 2004,— 14A (New)

- a. in sub-section (3), in clause (c), for the words "eight years", the words "three years" shall be substituted;
- b. after sub-section (3) and before the *Explanation*, the following sub-section shall be inserted, namely:—

"(4) Where the ship is sold or otherwise transferred (other than in any scheme of demerger) after the expiry of the period specified in clause (c) of sub-section (3) and the sale proceeds are not utilised for the purpose of acquiring a new ship within a period of one year from the end of the previous year in which such sale or transfer took place, such sale proceeds shall be deemed to be the profits of the assessment year immediately following the previous year in which the ship is sold or transferred." (30)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That New Clause 14A be added to the Bill."

*The motion was adopted.*

*New Clause 14A was added to the Bill.*

*Clause 15 was added to the Bill.*

**Clause 16 Amendment of**

**Section 40**

*Amendments made:*

Page 9, line 24,—

*for "under Chapter XVII-B", substitute "before the expiry of the time prescribed under sub-section (1) of section 200 and in accordance with other provisions of Chapter XVII-B". (31)*

Page 9, line 26,—

*for "XVII-B and paid", substitute "XVII-B or paid". (32)*

Page 9, line 27,—

*for "tax has been deducted and paid", substitute "tax has been paid". (33)*

Page 9,—

*omit lines 28 to 31. (34)*

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

*"That clause 16, as amended, stand part of the Bill."*

*The motion was adopted.*

*Clause 16, as amended, was added to the Bill.*

*Clauses 17 to 24 were added to the Bill.*

**14.00 hrs.**

**Clause 25 Insertion of New**

**Section 44 DA**

*Amendment made:*

Page 11, line 2,—

*after "the report of such audit", insert "in the prescribed form". (35)*

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

*"That clause 25, as amended, stand part of the Bill."*

*The motion was adopted.*

*Clause 25, as amended, was added to the Bill.*

*Clauses 26 to 29 were added to the Bill.*

**Clause 30 Amendment of**

**Section 72 A**

*Amendment made:*

Page 11,--

*for lines 51 and 52, substitute*

"( i ) has been engaged in the business, in which the accumulated loss occurred or depreciation remains unabsorbed, for three or more years;" (36)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

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

*The motion was adopted.*

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

*Clause 31 was added to the Bill.*

**Clause 32 Substitution of new section  
for section 80 DDB**

*Amendments made:*

Page 13, line 25,--

*for "incurred any expenditure", substitute "paid any amount". (37)*

Page 13,--

*for lines 30 to 32, substitute*

"the assessee shall be allowed a deduction of the amount actually paid or a sum of forty thousand rupees, whichever is less, in respect of that previous year in which such amount was actually paid;" (38)

Page 13, line 40,--

*for the words "expenditure incurred", substitute "amount actually paid". (39)*

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That clause 32, as amended, stand part of the Bill."

*The motion was adopted.*

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

श्री चन्द्रकांत खैरे : अध्यक्ष जी, एमपी लैड का क्या हुआ? मैं एमपी लैड के बारे में पूछना चाहता हूँ।

अध्यक्ष महोदय : मिनिस्टर साहब जवाब देना चाहें तो दे सकते हैं।

**Motion Re: Suspension of Rule 80(i)**

SHRI JASWANT SINGH: Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 40 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

MR. SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 40 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

*The motion was adopted.*

**New Clause 32A Amendment of**

**Section 80G**

*Amendment made:*

Page 14, after line 9, insertâ€”

"32A. In section 80G of the Income-tax Act, in sub-section (5C) with effect from the 3<sup>rd</sup> day of February, 2001,--

- a. In clause (iii), for the figures "2003", the figures "2004" shall be substituted and shall be deemed to have been substituted;
- b. In clause (iv), for the figures "2003", at both the places where they occur, the figures "2004" shall be substituted and shall be deemed to have been substituted;
- c. In clause (v), for the figures "2003", the figures "2004" shall be substituted and shall be deemed to have been substituted." (40)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That New Clause 32A be added to the Bill."

*The motion was adopted.*

*New Clause 32A was added to the Bill.*

**Motion Re: Suspension of Rule 80(i)**

SHRI JASWANT SINGH: Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 41 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

MR. SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 41 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

*The motion was adopted.*

**New Clause 32B Amendment of**

**Section 80 HHC**

*Amendment made:*

1. Page 14,-

after line 9, insert -

32B. In section 80HHC of the Income-tax Act, with effect from the 1<sup>st</sup> day of April, 2004,-

(a) in sub-section(4), the following proviso shall be inserted, namely:-

"Provided that in the case of an undertaking referred to in sub-section (4C), the assessee shall also furnish along with the return of income, a certificate from the undertaking in the special economic zone containing such particulars as may be prescribed, duly certified by the auditor auditing the accounts of the undertaking in the special economic zone under the

provisions of this Act or under any other law for the time being in force.";

(b) after sub-section (4B) and before the Explanation, the following sub-section shall be inserted, namely:-

"(4C) The provisions of this section shall apply to an assessee,-

- a. for an assessment year beginning after the 31<sup>st</sup> day of March, 2004 and ending before the 1<sup>st</sup> day of April, 2005;
- b. who owns any undertaking which manufactures or produces goods or merchandise anywhere in India (outside any special economic zone) and sells the same to any undertaking situated in a special economic zone which is eligible for deduction under section 10A and such sale shall be deemed to be export out of India for the purposes of this section.";

(c) in the Explanation occurring at the end, after clause (d), the following clause shall be inserted, namely:-

"(e) "special economic zone" shall have the meaning assigned to it in clause (viii) of the Explanation 2 to section 10A".:

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That New Clause 32B be added to the Bill."

*The motion was adopted.*

*New Clause 32B was added to the Bill.*

*Clause 33 was added to the Bill.*

42.	Page 14,- For lines 27 to 40, substitute -	<b>Clause 34</b>  <b>34. In section 80-IB of the Income-tax Act,-</b>  <b>(a) in sub-section (4), after the second proviso, the following proviso shall be</b>	<b>Amendment of Section 80-IB</b>

inserted with effect from the 1<sup>st</sup> day of April, 2004, namely:-

"Provided also that no deduction under this sub-section shall be allowed for the assessment year beginning on the 1<sup>st</sup> day of April, 2004 or any subsequent year to any undertaking or enterprise referred to in sub-section (2) of section 80-IC.";

(b) in sub-section (8A), in clause (iii), for the figures, letters and words "1<sup>st</sup> day of April, 2003", the figures, letters and words "1<sup>st</sup> day of April, 2004" shall be substituted with effect from the 1<sup>st</sup> day of April, 2004;

(c) in sub-section (10), with effect from the 1<sup>st</sup> day of April, 2002,-

(i) in the opening portion, for the figures, letters and words "31<sup>st</sup> day of March, 2001", the figures, letters and words "31<sup>st</sup> day of March, 2005" shall be substituted and shall be deemed to have been substituted;

(ii) in clause (a), the words, figures and letters "and completes the same

before the 31<sup>st</sup> day of March, 2003" shall be omitted and shall be deemed to have been omitted;

(d) in sub-section (11), for the figures, letters and words "31<sup>st</sup> day of March, 2003", the figures, letters and words "1<sup>st</sup> day of April, 2004" shall be substituted with effect from the 1<sup>st</sup> day of April, 2004."

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That clause 34, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 34, as amended, was added to the Bill.*

*Clauses 35 and 36 were added to the Bill.*

**Motion Re: Suspension of Rule 80(i)**

SHRI JASWANT SINGH: Sir, I beg to move:

*"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.43 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."*



MR. SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.43 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

*The motion was adopted.*

*New Clause 36A Insertion of new*

## Section 80 LA

**Amendment made:**

43	<p>Page 16, <i>after</i> line 27, <i>insert-</i></p> <p>36A. After section 80L of the Income-tax Act, the following section shall be inserted with effect from the 1<sup>st</sup> day of April, 2004, namely:-</p> <p>"80LA. (1) Where the gross total income of an assessee,-</p> <p>(i) being a scheduled bank (not being a bank incorporated by or under the laws of a country outside India);</p> <p>(ii) owning an offshore banking unit in a special economic zone, includes any income referred to in sub-section (2), there shall be allowed, in accordance with and subject to the provisions of this section, a deduction from such income, of an amount equal to-</p> <p>a. one hundred per cent. of such income for three consecutive assessment years beginning with the assessment year relevant to the previous year in which the permission, under clause (a) of sub-section (1) of section 23 of the Banking Regulation Act, 1949, was obtained , and thereafter;</p> <p>b. fifty per cent. of such income for two consecutive assessment years.</p> <p>(2) The income referred to in sub-section (1) shall be the income -</p> <p>a. from an offshore banking unit in a special economic zone;</p> <p>b. from the business, referred to in sub-section (1) of section 6 of the Banking Regulation Act, 1949 , with an undertaking located in a special economic zone or any other undertaking which develops, develops and operates or operates and maintains a special economic zone;</p> <p>c. received in convertible foreign exchange, in accordance with the regulations made under the Foreign Exchange Management Act, 1999.</p> <p>(3) No deduction under this section shall be allowed unless the assessee furnishes along with the return of income, -</p> <p>(i) in the prescribed form, the report of an accountant as defined in the <i>Explanation</i> below sub-section (2) of section 288, certifying that the deduction has been correctly claimed in accordance with the provisions of this section; and</p> <p>(ii) a copy of the permission obtained under clause (a) of sub-section (1) of section 23 of the Banking Regulation Act, 1949.</p> <p><i>Explanation.</i>-For the purposes of this section,-</p> <p>(a) "convertible foreign exchange" shall have the same meaning assigned to it in clause (a) of the Explanation below sub-section (4C) of section 80 HHC;</p> <p>(b) "Offshore Banking Unit" means a branch of a bank in</p>	<p>10 of 1949</p> <p>10 of 1949</p> <p>42 of 1999</p>
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<p>India located in the special economic zone and has obtained the permission under clause (a) of sub-section (1) of section 23 of the Banking Regulation Act, 1949;</p> <p>(c) "scheduled bank" shall have the same meaning assigned to it in clause (e) of section 2 of the Reserve Bank of India Act, 1934;</p> <p>d. "special economic zone" shall have the same meaning assigned to it in clause (viii) of the Explanation 2 to section 10A.".</p>	<p>10 of 1949</p> <p>10 of 1949</p> <p>2 of 1934</p>
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(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That new clause 36A be added to the Bill."

*The motion was adopted.*

*New Clause 36A was added to the Bill.*

*Clauses 37 to 39 were added to the Bill.*

**Clause 40 Substitution of new section**

**for Section 80 U**

**श्री राजो सिंह (बेगूसराय) :** अध्यक्ष महोदय, सदन की भावना थी कि एमपीलैड में पैसा बढ़ाया जाए, लेकिन मंत्री जी ने जवाब नहीं दिया है। मंत्री जी को इस बारे में जवाब देना चाहिए था। मैं अपना अमेंडमेंट मूव करूंगा।

मैं प्रस्ताव करता हूँ -

पृष्ठ 14, पंक्ति 38

"पचहत्तर हजार" के स्थान पर

"एक लाख" प्रतिस्थापित किया जाए। (68)

पृष्ठ 14, पंक्ति 55

"अस्सी प्रतिशत" के स्थान पर

"पचास प्रतिशत" प्रतिस्थापित किया जाए। (69)

MR. SPEAKER: I shall now put amendment Nos.68 and 69 to clause 40 moved by Shri Rajo Singh to the vote of the House.

*The amendments were put and negatived.*

MR. SPEAKER: The question is:

"That clause 40 stand part of the Bill."

*The motion was adopted.*

*Clause 40 was added to the Bill.*

*Clauses 41 and 42 were added to the Bill.*

**Clause 43 Amendment of**

**Section 90**

*Amendment made:*

for "under this Act or under the corresponding law"

substitute "under this Act and under the corresponding law". (44)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That clause 43, as amended, stand part of the Bill.

*The motion was adopted.*

*Clause 43, as amended, was added to the Bill.*

*Clauses 44 to 67 were added to the Bill.*

**Motion Re: Suspension of Rule 80(i)**

SHRI JASWANT SINGH: Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 45 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

MR. SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 45 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

*The motion was adopted.*

**New Clause 67A Amendment of  
Section 194 A**

*Amendment made:*

*Page 24, -*

*after line 27, insert -*

"67A. In section 194A of the Income-tax Act, in sub-section (3), after clause (viii) and before the Explanation, the following clause shall be inserted with effect from the 1<sup>st</sup> day of June, 2003, namely:-

"(ix) to such income credited or paid by way of interest on the compensation amount awarded by the Motor Accidents Claims Tribunal where the amount of such income or, as the case may be, the aggregate of the amounts of such income credited or paid during the financial year does not exceed fifty thousand rupees."'. (45)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That new clause 67A be added to the Bill."

*The motion was adopted.*

*New Clause 67A was added to the Bill.*

*Clauses 68 to 79 were added to the Bill.*

**Clause 80 Amendment of  
Section 206C**

*Amendment made:*

Page 26,

for lines 18 to 21, substitute –

'(b) in the Explanation below sub-section (1),-

(A) in clause (a), for sub-clauses (i) to (iii), the following sub-clauses shall be substituted, namely:-

"(i) a public sector company, or

(ii) a buyer in the retail sale of such goods obtained in pursuance of such sale;"

(B) for clause (b), the following clauses shall be substituted, namely:-

'(b) "scrap" means waste and scrap from the manufacture or mechanical working of materials which is definitely not usable as such because of breakage, cutting up, wear and other reasons;

• "seller" means the Central Government, a State Government or any local authority or corporation or authority established by or under a Central, State or Provincial Act, or any company or firm or co-operative society and also includes an individual or a Hindu undivided family whose total sales, gross receipts or turnover from the business or profession carried on by him exceed the monetary limits specified under clause (a) or clause (b) of section 44AB during the financial year immediately preceding the financial year in which the goods of the nature specified in the Table in sub-section (1) are sold.'.

(ShriJaswant Singh)

MR. SPEAKER: The question is:

"That clause 80, as amended, stand part of the Bill.

*The motion was adopted.*

*Clause 80, as amended, was added to the Bill.*

*Clauses 81 to 91 were added to the Bill.*

#### **Clause 92 Insertion of Thirteenth and**

#### **Fourteenth Schedules**

*Amendments made:*

Page 29, lines 4 to 7,--

for "under National Informatics Centre (NIC) classification", substitute "under National Industrial Classification (NIC)". (47)

Page 30, lines 2 to 5,--

for "under National Informatics Centre (NIC) classification", substitute "under National Industrial Classification (NIC)". (48)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That clause 92, as amended, stand part of the Bill. "

*The motion was adopted.*

*Clause 92, as amended, was added to the Bill.*

*Clauses 93 to 125 were added to the Bill.*

**Motion Re: Suspension of Rule 80(i)**

**SHRI JASWANT SINGH:** Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 49 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

**MR. SPEAKER:** The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 49 to the Finance Bill, 2003 and that this amendment may be allowed to be moved."

*The motion was adopted.*

*New Clause 125A Amendment of*

*First Schedule*

*Amendment made:*

49.

*Page 38, after line 40, insert-*

*'125A. In the First Schedule to the Customs Tariff Act, with effect 125 A (New)*

*from such date as the Central Government may, by notification in the Official Gazette, appoint, in Chapter 15,-*

- i. in tariff item 1516 10 00, for the entry in column (4), the entry "100 %" shall be substituted;*
- ii. in tariff item 1516 20 11, for the entry in column (4), the entry "100 %" shall be substituted;*
- iii. in tariff item 1516 20 19, for the entry in column (4), the entry "100 %" shall be substituted;*
- iv. in tariff item 1516 20 21, for the entry in column (4), the entry "100 %" shall be substituted;*
- v. in tariff item 1516 20 29, for the entry in column (4), the entry "100 %" shall be substituted;*
- vi. in tariff item 1516 20 31, for the entry in column (4), the entry "100 %" shall be substituted;*
- vii. in tariff item 1516 20 39, for the entry in column (4), the entry "100 %" shall be substituted;*
- viii. in tariff item 1516 20 91, for the entry in column (4), the entry "100 %" shall be substituted;*
- ix. in tariff item 1516 20 99, for the entry in column (4), the entry "100 %" shall be substituted;*
- x. in tariff item 1517 10 10, for the entry in column (4), the entry "100 %" shall be substituted;*
- xi. in tariff item 1517 10 21, for the entry in column (4), the entry "100 %" shall be substituted;*
- xii. in tariff item 1517 10 22, for the entry in column (4), the entry "100 %" shall be substituted;*
- xiii. in tariff item 1517 10 29, for the entry in column (4), the entry "100 %" shall be substituted;*
- xiv. in tariff item 1517 90 10, for the entry in column (4), the entry "100 %" shall be substituted;*
- xv. in tariff item 1517 90 20, for the entry in column (4), the entry "100 %" shall be substituted;*
- xvi. in tariff item 1517 90 30, for the entry in column (4), the entry "100 %" shall be substituted;*
- xvii. in tariff item 1517 90 40, for the entry in column (4), the entry "100 %" shall be substituted;*
- xviii. in tariff item 1517 90 90, for the entry in column (4), the entry "100 %" shall be substituted;*
- xix. in tariff item 1518 00 11, for the entry in column (4), the entry "100 %" shall be substituted;*
- xx. in tariff item 1518 00 19, for the entry in column (4), the entry "100 %" shall be substituted;*
- xxi. in tariff item 1518 00 21, for the entry in column (4), the entry "100 %" shall be substituted;*
- xxii. in tariff item 1518 00 29, for the entry in column (4), the entry "100 %" shall be substituted;*
- xxiii. in tariff item 1518 00 31, for the entry in column (4), the entry "100 %" shall be substituted;*
- xxiv. in tariff item 1518 00 39, for the entry in column (4), the entry "100 %" shall be substituted;*
- xxv. in tariff item 1518 00 40, for the entry in column (4), the entry "100 %" shall be substituted."*

*(Shri Jaswant Singh)*

**MR. SPEAKER:** The question is:

*"That Newclause 125A be added to the Bill."*

*The motion was adopted.*

*Newclause 125A was added to the Bill.*

*Clauses 126 to 128 were added to the Bill.*

Section 4 A

Amendment made:

Page 39,—

for lines 38 to 40, substitute—

"then, such goods shall be liable to confiscation and the retail sale price of such goods shall be ascertained in the prescribed manner and such price shall be deemed to be the retail sale price for the purposes of this section". (50)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That clause 129, as amended, stand part of the Bill."

The motion was adopted.

Clause 129, as amended, was added to the Bill.

Clauses 130 to 149 were added to the Bill.

Clause 150 Modification of Act

32 of 1994

Amendments made:

(i)Page 45, line 44,—

for "shall have and shall be deemed", substitute "shall have effect and be deemed always"; (51)

Page 45, line 57,—

for "to be a person", substitute "always to have been a person". (52)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

"That clause 150, as amended, stand part of the Bill."

The motion was adopted.

Clause 150, as amended, was added to the Bill.

Clause 151 Amendment of Act

32 of 1994

Amendments made:

Page 46, in line 32,—

for "maxicab", substitute "light motor vehicle"; (53)

Page 49,—

after line 42, insert—

"(61A) "light motor vehicle" means any motor vehicle constructed or adapted to carry more than six passengers, but not more than twelve passengers, excluding the driver,"; (54)

Page 54, in line 6, -

for "maxicab", substitute "light motor vehicle"; (55)

Page 55, in line 20, -

for "maxicab", substitute "light motor vehicle"; (56)

Page 55, in line 29, -

for "maxicab", substitute "light motor vehicle"; (57)

(Shri Jaswant Singh)

SHRI PAWAN KUMAR BANSAL (CHANDIGARH): Sir, I beg to move:

Page 48, line 5 and 6,—

for

"with or without issuance of a certificate and includes coaching or tutorial classes but does not include pre-school coaching and training centre"

substitute

"but does not include coaching or tutorial classes by an individual or a group of individuals numbering not more than three and pre-school coaching and training centre" (1)

Page 49,—

for lines 45 to 49

substitute

'(63) "maintenance or repair" means any service provided by any person under a maintenance contract or agreement in relation to maintenance or repair or servicing of any goods or equipment other than motor vehicles' (2)

Page 50,—

for lines 31 and 32

substitute

'(78) "photography studio or agency" means a commercial concern engaged in the business of rendering service relating to photography but does not include a self-employed individual photographer" (3)

Page 54,—

after line 50 insert —

"provided that a service shall not be taxable if its value does not exceed rupees two hundred and where it involves a contract or agreement for maintenance or repair, the service provider is a self-employed mason, plumber, electrician, painter, mechanic or any other casual worker" (4)

श्री राजो सिंह (बेगूसराय) : अध्यक्ष महोदय, मैं प्रस्ताव करता हूँ :-

पृष्ठ 45, पंक्ति 45,—

" आठ प्रतिशत" के स्थान पर

" पांच प्रतिशत" प्रतिस्थापित किया जाये । (70)

पृष्ठ 45, पंक्ति 49,—

" आठ प्रतिशत" के स्थान पर

" पांच प्रतिशत" प्रतिस्थापित किया जाये । (71)

MR. SPEAKER: I shall now put amendment Nos. 1, 2, 3, and 4 moved by Shri Pawan Kumar Bansal and amendment Nos. 70 and 71 moved by Shri Rajo Singh to the vote of the House.

*The amendments were put and negatived.*

MR. SPEAKER: The question is:

"That clause 151, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 151, as amended, was added to the Bill.*

*Clauses 152 to 158 were added to the Bill.*

**Clause 159 Amendment of  
Second Schedule to  
Act 21 of 1998**

SHRI PAWAN KUMAR BANSAL (CHANDIGARH): I beg to move:

Page 60, line 45, -

for "One rupee and fifty paise per litre"

substitute "One rupee and ten paise per litre" (5)

MR. SPEAKER: I shall now put the amendment No. 5 moved by Shri Pawan Kumar Bansal to the vote of the House.

*The amendment was put and negatived.*

MR. SPEAKER: The question is:

"That clause 159 stand part of the Bill."

*The motion was adopted.*

*Clause 159 was added to the Bill.*

*Clauses 160 and 161 were added to the Bill.*

The First Schedule

SHRI PAWAN KUMAR BANSAL (CHANDIGARH): I beg to move:

1. Page 61, -

For lines 9 to 28 substitute, - First

Rates of income-tax Schedule

(1) Where the total income NIL

does not exceed

Rs. 1,00,000

(2) Where the total income 20 percent of the  
exceeds Rs. 1,00,000 but amount by which the  
does not exceed total income exceeds 16

Rs. 2,00,000 Rs. 1,00,000

(3) Where the total income Rs. 20,000 plus 25 per  
exceeds Rs. 2,00,000 but cent of the amount by  
does not exceed which the total income

Rs. 5,00,000 exceeds Rs. 2,00,000

(4) Where the total income Rs. 95,000 plus 30 per  
exceeds Rs. 5,00,000 cent of the amount by  
which total income

exceeds Rs. 5,00,000

2. Page 61, -

for lines 31 to 40 substitute, - First

Rates of income-tax Schedule

(1) Where the total income NIL

does not exceed

Rs. 1,00,000

(2) Where the total income 20 percent of the  
exceeds Rs. 1,00,000 but amount by which the  
does not exceed total income exceeds 16

Rs. 2,00,000 Rs. 1,00,000



(3) Where the total income Rs. 20,000 plus 25 per cent exceeds Rs. 2,00,000 but cent of the amount by which the total income exceeds Rs. 2,00,000 does not exceed which the total income exceeds Rs. 5,00,000

(4) Where the total income Rs. 95,000 plus 30 per cent exceeds Rs. 5,00,000 cent of the amount by which total income exceeds Rs. 5,00,000

3. Page 61, line 44,- First

for "35 per cent" Schedule  
Substitute "30 per cent"

4. Page 62,- First

for lines 9 to 11 Schedule  
substitute- "There shall be no surcharge on income-tax"

10. Page 62, line 29- First for "40 per cent" Schedule

Substitute "42 per cent"

11. Pages 64 and 65- First for line 53 and lines 1 to 10 respectively Schedule

Substitute " There shall be no surcharge on Income-tax

12. Page 65,- First for line 36 to 47 Schedule

Substitute " There shall be no surcharge on Income-tax

13. Page 66,- First for line 10 to 12 Schedule

Substitute " There shall be no surcharge on Income-tax

14 Page 66,- First for line 46 to 48 Schedule

Substitute " There shall be no surcharge on Income-tax

**श्री राजो सिंह (बेगूसराय)** : अध्यक्ष महोदय, मेरा संशोधन 72 से लेकर 86 तक पहली अनुसूची में है। उन्हें एक ही बार में लेना होगा। इसमें विलम्ब नहीं होगा। हम विरोध करने के लिये कर रहे हैं।

**अध्यक्ष महोदय** : राजो सिंह जी, अमेंडमेंट पर भाषण करने की जरूरत नहीं है।

**श्री राजो सिंह** : अध्यक्ष महोदय, मैं प्रस्ताव करता हूँ :-

	इस्ताव करता हूँ :-		अनुसूची
72	<p>पृष्ठ 51 पंक्ति 9 से 24 के स्थान पर निम्नलिखित प्रतिस्थापित किया जाए -</p> <ol style="list-style-type: none"> <li>1. जहां कुल आय एक लाख रुपये से कम हो</li> <li>2. जहां कुल आय एक लाख रुपये से ज्यादा हो और तीन लाख रुपये से कम हो</li> <li>3. जहां कुल आय तीन लाख रुपये से ज्यादा हो ।</li> </ol>	<p>कुछ नहीं</p> <p>10% उस आय पर जो एक लाख रुपये से ज्यादा हो</p> <p>30% उस आय पर जो एक लाख रुपये से ज्यादा हो</p>	
73	<p>पृष्ठ 51 पंक्ति 28 से 35 के स्थान पर निम्नलिखित प्रतिस्थापित किया जाए -</p> <p>प्रत्येक सहकारी समिति के मामले में, आय-कर की दर</p> <p>(1)जहां कुल आय एक लाख रुपये से कम हो</p> <p>(2)जहां कुल आय एक लाख रुपये से ज्यादा हो और तीन लाख रुपये से कम हो</p> <p>(3)जहां कुल आय तीन लाख रुपये से ज्यादा हो ।</p> <p>पृष्ठ 51, पंक्ति 39</p> <p>'35 प्रतिशत के स्थान पर</p> <p>'30 प्रतिशत प्रतिस्थापित किया जाए</p> <p>पृष्ठ 51, पंक्ति 40 से 42 का लोप किया जाए ।</p> <p>पृष्ठ 52, पंक्ति 2</p> <p>'35 प्रतिशत के स्थान पर</p>	<p>कुछ नहीं</p> <p>10% उस आय पर जो एक लाख रुपये से ज्यादा हो</p> <p>30% उस आय पर जो एक लाख रुपये से ज्यादा हो</p>	<p>पहली अनुसूची</p>
74	<p>'30 प्रतिशत प्रतिस्थापित किया जाए</p> <p>पृष्ठ 52, पंक्ति 10</p>		<p>पहली अनुसूची</p>
75	<p>'40 प्रतिशत के स्थान पर</p>		
76	<p>'42 प्रतिशत प्रतिस्थापित किया जाए</p> <p>पृष्ठ 52, पंक्ति 11 से 13 का लोप किया जाए</p> <p>पृष्ठ 53, पंक्ति 38 से 47 का लोप किया जाए ।</p>		<p>पहली अनुसूची</p>
77	<p>पृष्ठ 54, पंक्ति 30 से 32 का लोप किया जाए ।</p>		<p>पहली अनुसूची</p>
78	<p>पृष्ठ 54, पंक्ति 37 से 39 का लोप किया जाए ।</p>		
79-80	<p>पृष्ठ 54, पंक्ति 44 से 46 का लोप किया जाए ।</p>		<p>पहली अनुसूची</p>
81	<p>पृष्ठ 55, पंक्ति 9 से 11 का लोप किया जाए ।</p>		<p>पहली अनुसूची</p>
82	<p>पृष्ठ 61, पंक्ति 45 - 46 का लोप किया जाए ।</p>		<p>पहली अनुसूची</p>
83	<p>पृष्ठ 61, पंक्ति 47 का लोप किया जाए ।</p>		<p>पहली अनुसूची</p>
84			<p>पहली अनुसूची</p>
85			<p>पहली अनुसूची</p>
86			<p>पहली अनुसूची</p>

अनुसूची  
पहली  
अनुसूची

पहली  
अनुसूची

**श्री राजो सिंह** : अध्यक्ष महोदय, संशोधन संख्या 85 और 86 पर हमारा बहुमत है। इस पर डिबीजन कराइये और घंटी बजवाइये।

**अध्यक्ष महोदय** : राजो सिंह जी, क्या आप डिबीजन मांग रहे हैं?

**श्री राजो सिंह** : नहीं।

MR. SPEAKER: I shall now put amendment Nos. 6 to 14 moved by Shri Pawan Kumar Bansal and also amendment Nos. 72 to 86 moved by Shri Rajo Singh to the vote of the House.

*The amendments were put and negatived.*

MR. SPEAKER: The question is:

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

*The motion was adopted.*

*The First Schedule was added to the Bill.*

*The Second Schedule, the Third Schedule and the Fourth Schedule were added to the Bill.*

Fifth Schedule

*Amendment made:*

for "the First Schedule", *substitute* "the said First Schedule". (58)

(Shri Jaswant Singh)

MR. SPEAKER: The question is:

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

*The motion was adopted.*

*The Fifth Schedule, as amended, was added to the Bill.*

*The Sixth Schedule, the Seventh Schedule, the Eighth Schedule and the Ninth Schedule were added to the Bill.*

### Tenth Schedule

*Amendment made:*

59. Tenth Page 80, <i>after</i> line 15, <i>insert- Schedule</i> "(2A) in Chapter 24,-  i. in sub-heading No. 2401.90, for the entry in column (4), the entry "26%" shall be substituted; ii. in sub-heading No. 2403.11, for the entry in column (4), the entry "Rs.115 per thousand" shall be substituted; iii. in sub-heading No. 2403.12, for the entry in column (4), the entry "Rs.390 per thousand" shall be substituted; iv. in sub-heading No. 2403.13, for the entry in column (4), the entry "Rs.580 per thousand" shall be substituted; v. in sub-heading No. 2403.14, for the entry in column (4), the entry "Rs.945 per thousand" shall be substituted; vi. in sub-heading No. 2403.15, for the entry in column (4), the entry "Rs.1260 per thousand" shall be substituted; vii. in sub-heading No. 2403.19, for the entry in column (4), the entry "Rs.1545 per thousand" shall be substituted; viii. in sub-heading No. 2404.10, for the entry in column (4), the entry "300%" shall be substituted; ix. in sub-heading No. 2404.31, for the entry in column (4), the entry "Rs. 6 per thousand" shall be substituted; x. in sub-heading No. 2404.39, for the entry in column (4), the entry "Rs.15 per thousand" shall be substituted; xi. in sub-heading No. 2404.41, for the entry in column (4), the entry "34%" shall be substituted; xii. in sub-heading No. 2404.49, for the entry in column (4), the entry "34%" shall be substituted; xiii. in sub-heading No. 2404.50, for the entry in column (4), the entry  "34%" shall be substituted;  xiv. in sub-heading No. 2404.99, for the entry in column (4), the entry "34%" shall be substituted;".
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(Shri Jaswant Singh)

MR. SPEAKER: The question is:

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

*The motion was adopted.*

*The Tenth Schedule, as amended, was added to the Bill.*

*The Eleventh Schedule, the Twelfth Schedule, and the Thirteenth Schedule were added to the Bill.*

*Clause 1, the Enacting Formula and the long Title were added to the Bill.*

**SHRI JASWANT SINGH:** 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.*

**14.29 hrs.**

*The Lok Sabha then adjourned for Lunch till thirty minutes  
past Fifteen of the Clock.*

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