

[Dr. G.S. Rajhans]

Parliament. But it has been admitted by everybody that 50 to 70 per cent of the patients come to major hospitals of Delhi like the All India Institute of Medical Sciences only because medical facilities do not exist in their States. If these States had ensured proper medical facilities in their important hospitals, the problem of Delhi hospitals and the overcrowding would not have arisen. The patients, their relatives and friends who come to Delhi undergo untold miseries. There is no place for them to stay.

In this connection a fact which is overlooked is that a large number of patients come from Nepal to All India Institute of Medical Sciences, Delhi, every day in the hope of getting better treatment here. They too have to suffer enormously. Government of India is doing a lot to improve its relations with Nepal. In this connection it is suggested that if a hospital on the pattern of All India Institute of Medical Sciences is set up somewhere in Mithila region on Indo-Nepal border, it would go a long way to strengthen the relations between Nepal and India. Besides the poor people of Bihar, Orissa, U.P, and West Bengal, a very large number of patients from Nepal can be treated in the proposed hospital which will have all the modern equipment and facilities. International agencies like W.H.O. may also come forward to assist such hospital.

It is, therefore, requested that the Government of India should set up one such hospital in Mithila region in collaboration with the Government.

(vii) Demand for keeping in abeyance the order of denotification of Shri Durga Cotton Spinning and Weaving Mills Ltd., Hooghly (West Bengal) and also considering its nationalisation

SHRI ANIL BASU (Arambagh) : The Sri Durga Cotton Spinning & Weaving Mills Ltd., is situated in the district of Hooghly, West Bengal employing more than 1300 workers. The Union Government had taken over the said mills in the year 1978 and the I.R.B.I (then I.R.C.I.) was the authorised controller. Pending nationalisation of the mills, the Union Government had been

extending its takeover period from time to time and the present take-over period expired on 12th July, 1986. In response to the request of the hon. Chief Minister, West Bengal, of the Members of parliament of the trade union representatives the Union Government always assured that the future disposition of the unit was under the active consideration of the Government of India which created an impression that the nationalisation of the unit was on the offing.

The workmen of the Mills have always rendered all-out co-operation to make the unit viable and in a tripartite Memorandum of Settlement dated 17-3-82, they have accepted workload and a scheme for modernisation. Suddenly the said unit-Sri Durga Cotton Spg. & Wvg. Mills Ltd, has been denotified throwing 1300 workmen out of employment.

In view of the above, I urge upon the Union Government to see that (1) the order of denotification be kept in abeyance and the take-over period be extended for the time being, (2) a study be conducted by the Ministry of Finance and the Ministry of Textiles for achieving Viability and thereby paving the way for its nationalisation which will save the industry and their workmen.

(viii) Demand for financial assistance to Bihar Government for Setting up a University in North East Bihar

SHRI SYED SHAHABUDDIN (Kishanganj) : Since Independence, the country has seen phenomenal progress in University education. Today we have nearly 150 Universities i.e. one University for every 50 million people. However, the facility for University education is not uniformly distributed throughout the country or equally accessible to all aspirants for higher education.

North East Bihar is one of the regions which have suffered long neglect in the matter of higher education. Since 1950, 8 more Universities have been established in Bihar. Today the State has Universities at Patna, Gaya, Ranchi, Bhagalpur, Darbhanga and Muzaffarpur, apart from the Agricultural Universities at Ranchi and Bhagalpur and the Sanskrit University at Darbhanga.

Yet North-East Bihar consisting of the districts of Purnea, Katihar, Saharsa and Madhepura with a total population of nearly 80 million has no university. This region presently falls under the jurisdiction of the University at Darbhanga. That Darbhanga is not within easy reach nor very close, is by itself a limiting factor. No institution of higher education within the region has any post-graduate facility nor does it have any institution for technical or profession education at University level.

The Government of Bihar have now conceded in principle the long-standing demand that this region should have a university. But given the constraint of resources, there is no progress. I appeal to the Government to extend all possible financial assistance to Bihar through the University Grants Commission for implementing this project and meeting the aspirations of the people.

11.33 hrs.

TAXATION LAWS (AMENDMENT AND MISCELLANEOUS PROVISIONS) BILL

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : Sir, I beg to move.*

“That the Bill further to amend the Income-tax Act, 1961, the Wealth-tax Act, 1957, the Gift tax Act, 1958 and to provide for exemption to a Government company from income-tax and surtax for a specified period be taken into consideration.”

The provisions of this Bill, in brief are—(1) The Long Term Fiscal Policy had indicated the Government's intention to remove weaknesses in law which hinder effective penal and other actions against tax evaders. Accordingly, it is proposed to amend the provisions dealing with Penalties and prosecutions under the direct tax laws to provide that before imposing a penalty or prosecuting a tax evader, the

intention to evade need not be proved by the Income-tax Department once tax evasion has been proved. Similarly, in the cases of defaults which attract penalty, it would be for the taxpayer to prove that there was a reasonable cause for default. Other enactments dealing with economic offences like the Central Excise, Customs, FERA already have this provision. I wish to make it clear here and now that the Income-tax Department will have to prove that an offence has been committed.

(2) In his statement made in this august House on the 5th May, 1986, Finance Minister had announced that sections 10A, 80 HHB and 80 HHC of the Income-tax Act would be amended so as to further encourage exports. The amendment to Section 80 HHB has already been carried out through the Income-tax (Amendment) Act, 1986. It is now proposed to Amend Section 80 HHC of the Income-tax Act so that deduction allowable to the exporters is increased to the extent of four per cent of the net foreign exchange realization plus fifty per cent of the remaining profits on exports. It is also proposed to amend Section 10A of the Income-tax Act to enable an assessee deriving any profits and gains from an industrial undertaking in the free trade zones to claim deduction for any five consecutive assessment years, at his option falling within the period of eight years from the years in which the industrial undertaking begins to manufacture or goes into production.

(3) In para 96 of the Budget Speech this year, it had been proposed to rationalise the rate structure in respect of depreciation and to switch over to a scheme where depreciation is allowed on a block of assets rather than on specific assets. It is proposed to amend the Income-tax Act accordingly. As a consequential measure, the concept of terminal allowance will also be done away with. Similarly, other types of depreciation such as extra shift allowance, initial depreciation etc. will be done away with. To ensure a smooth switch over to the new system, certain transitory provisions are also proposed.

*Moved with the recommendation of the President.