

का स्वरूप से वह भ्रमल है। वह प्रावधान ऐक्ट में नहीं है। लेकिन जहाँ कहीं भी कंसिज ऐसे आत हैं कि कोई कर्मचारी समय पर ट्रेन न चलाने के लिए जिम्मेदार है तो वहाँ डिपार्टमेंटल एक्शन लिया जाता है।

श्री राम बिलास पासवान। आप आंकड़े दीजिए।

श्री मल्लिकार्जुन : आंकड़े जो पासवान जी चाहते हैं वे मेरे पास नहीं हैं।

श्री राम बिलास पासवान : इन आंकड़ों पर तो हाफ एन आवर डिस्कशन है। देर से गाड़ी चलाने पर कोई कानून है या नहीं और कितने लोगों पर इस सम्बन्ध में कार्यवाही की गयी है? यहीं तो क्वेश्चन है।

श्री मल्लिकार्जुन : यह प्रश्न कम्पन-सेशन और पकचुएलिटी का है। मैं माननीय सदस्यों को बता रहा हूँ कि जिन कर्मचारियों को सरकार ने दंडित किया है उनके आंकड़े मेरे पास नहीं हैं। इनके लिए समय चाहिए। मैं इनको बाद में बता दूँगा।

कर्मचारियों को दंड तो दिया जाता है यह मैं इस से पहले भी कह चुका हूँ। ट्रेनों को समय पर चलाने के लिए, हमारे विपक्ष के जो नेता हैं वे भी हम से सहयोग करें। ये इस बास्ते भी लेट चलती हैं कि कहीं एजीटेशन होते हैं, कहीं फिशप्लेट्स निकाल दी जाती हैं कहीं चैन पुलिंग होता है, कहीं कोई और फेक्टर होता है। जब तक इन चीजों पर हम कंट्रोल नहीं कर पायेंगे तब तक यह सोचना कि ट्रेने समय से चलें तो यह नामुमकिन हो जाएगा। लिहाजा

इस में सभी को सहयोग करना चाहिए। सरकार अपनी तरफ से ध्यान कर रही कि ट्रेने समय से चलें।

1903 hrs.

FINANCE BILL, 1981

MR. CHAIRMAN: The hon. Finance Minister.

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): Sir, I beg to move:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1981-82, be taken into consideration."

Sir, I had outlined the main features of the proposals embodied in the Bill in my Budget Speech. The Explanatory Memorandum circulated to hon. Members, along with the Budget papers, spell out in greater detail these proposals. I do not, therefore, wish to take the time of the House in covering the same ground.

It is over seven weeks since I introduced the Finance Bill in the House. During the General Debate on the Budget, hon. Members had, among other things, made several suggestions in regard to the provisions contained in the Bill.

I have also received a number of representations from members of the public, Chambers of Commerce, professional associations and economists on the proposals contained in the Bill. While there have been the usual pleas for further concessions and reliefs, I am heartened by the general welcome accorded to the Budget by all sections of the people. I am grateful to all those who have made constructive suggestions for further improvement of the Bill.

I am glad that my proposals in regard to Direct Taxes have in particular been welcomed by all sections of the society.

The raising of the exemption limit in the case of the generality of non-corporate taxpayers from Rs. 12,000 to Rs. 15,000, as also the reduction of Income-tax liability in the case of taxpayers with taxable income upto Rs. 30,000 will give considerable relief to middle classes in these difficult times. The reduction of the rate of surcharge on income-tax in the case of companies from 7.5 per cent to 2.5 per cent has been welcomed by industry. The other proposals in the Bill have also generally been appreciated. I do not, therefore, propose to make any modifications in these proposals.

I shall now briefly explain the principal changes that are proposed to be made in the provisions of the Finance Bill.

To encourage the establishment of export-oriented industries in the Free Trade Zones, the Bill contains a provision to allow complete tax holiday in respect of units set up in these zones for an initial period of five years in lieu of other concessions. As hon. Members are aware, the Income-tax Act contains several provisions for encouraging the establishment of new industries, such as investment allowance, partial tax holiday, export markets development allowance and special concessions in the case of new industries set up in backward areas. It has been represented that the new Scheme may prove to be less advantageous in the case of some capital-intensive units with long gestation period as compared to the benefits available in the case of new industrial undertakings in the rest of India. I accordingly propose to give an option to tax-payers deriving income from industrial undertakings in the Free Trade Zones to choose between the complete tax holiday proposed in the Bill and the existing tax concessions, whichever they find more attractive.

At present, resident individuals and Hindu Undivided Families incurring expenditure on medical treatment of

handicapped dependents are entitled to a deduction of a specified amount in the computation of their taxable income. The deduction specified in this behalf is Rs. 2,400 in a case where such dependent has been hospitalised for not less than 182 days during the previous year and Rs. 600 in any other case. The Finance Bill seeks to raise the monetary limits from Rs. 2,400 to Rs. 4,800 and from Rs. 600 to Rs. 1,200. The Bill does not, however, envisage any modification of the existing conditions that the quantum of deduction would be reduced by the income of the handicapped dependent in the previous year and that the deduction will be admissible only with reference to one chosen handicapped dependent in a case where the tax-payer has to maintain more than one such dependent. I propose to liberalise the provision in order to secure that the quantum of deduction for medical treatment of handicapped dependent will not be reduced by the income of such dependent and the expenditure for hospitalisation of all physically handicapped dependents will be admissible as deduction. In the Bill, I have provided for one person. If there are more than one person, they will also be entitled to deduction. Under a provision made in the Bill, the Central Government has been empowered to relax or modify the provisions of the Income-tax Act with a view to enabling the Government to make an exemption, reduction in rate or other modification in respect of income-tax in favour of certain classes of persons including those rendering technical services in connection with any business consisting of the prospecting for or extraction or production of mineral oils carried on by that Government or any person specified by that Government in this behalf by notification in the Official Gazette.

It was originally considered that the activities of the persons in connection with the business of prospecting for or extraction or production of mineral oils in the off-shore areas partake of the character of technical

services. It has now been brought to the notice of the Government that some of the services rendered by them will not fall within the well understood connotation of the expression 'Technical Services'. Since it is intended to make the provision applicable to all types of contracts entered into with the authorised persons operating in the off-shore areas, it is proposed to extend the scope of the relevant provision in the Bill so as to cover persons providing any services or facilities or supplying any ship, aircraft, machinery or plant, whether by way of sale or hire, in connection with the business consisting of prospecting for or production of mineral oils carried on by the Central Government or any person specified by that Government in this behalf by Notification in the Official Gazette. A similar amendment is also proposed to be made in the provision relating to the Companies (Profits) Surtax Act, 1964.

On many occasions hon. Members have voiced their concern about the problem of black money and its investment in immovable property. The Income Tax Act already contains provisions empowering the Central Government to acquire immovable properties in certain cases of transfer to counteract evasion of tax. These provisions are, however, applicable only in cases of transfer of immovable properties by way of sale or exchange and do not cover cases of other types of transfer. It is proposed to introduce a Bill to extend these provisions to cover transfer of flats or premises owned through the medium of co-operative societies and companies, agreements of sale followed by part performance as visualised in Section 53A of the Transfer of Property Act, 1882 and long-term leases. Sir, I understand that copies of the Bill have already been placed on the Publications Counter for circulation to the hon. Members. These provisions will curb the widespread practice of understating the value of immovable properties in case of transfer with the

purpose of avoiding proper tax liability and check the circulation of black money.

As regards Indirect Taxes, as hon. Members will recall we had not virtually proposed any significant change in the excise duty structure for raising revenue. It has been sought to mobilise resources mainly through increased levy of auxiliary duties of customs. In framing our proposals we had kept uppermost in our mind the imperative need to avoid hardship to the middle and poorer sections of society and to provide a large measure of relief to the small scale sector of our industry.

The levy of 15 per cent custom duty on newsprint has understandably attracted a good deal of comment both within the House and outside. As it has been explained in the Budget Speech, this levy is intended to promote a measure of restraint in the consumption of imported newsprint and thus help in conserving foreign exchange. In the light of the observations made by the hon. Members in the course of the General Debate on the Budget I had assured the House that I would try to work out a scheme of providing relief to small and medium newspapers about which Members had voiced their special concern. We have now worked out the modalities of a scheme for affording relief to small and medium newspapers. Under this Scheme, the State Trading Corporation would sell imported newsprint to small newspapers at a price which would not include any amount relatable to import duty. Medium newspapers will get their newsprint at a price which would include an amount relatable to import duty of 5 per cent *ad valorem*. Big newspapers would, however, pay a price which will reflect the full duty burden of 15 per cent *ad valorem*. There is a definition of small, medium and big newspapers in the Press Council. At the moment the present definition is that those which have a circulation of 15,000 or less are classified as small; those with a circulation

of more than 15,000 but less than 50,000 are classified as medium and those with a circulation of over 50,000 are called big newspapers. Therefore, the small newspapers with a circulation of 15,000 and less will not pay any customs duty; those with a circulation between 15,000 and 50,000 will pay customs duty of 5 per cent and with a circulation of over 50,000 will pay 15 per cent. Suitable financial arrangements will be worked out as between Government and the State Trading Corporation to enable the STC to give effect to these concessions. As hon. Members are aware, the categorisation of newspapers as small, medium and big in terms of circulation is already well understood in the industry and is being followed by the Ministry of Information and Broadcasting for purposes of determining initial allocation of newsprint and for setting the rates of growth of consumption of newsprint by various newspapers from year to year. The State Trading Corporation will, for purposes of the present scheme, follow the same categorisation of newspapers into small, medium and big. These arrangements will, in effect, provide a relief of about Rs. 5.86 crores to small and medium newspapers.

As part of the Budget proposals, we had sought to bring into the Excise Duty net units producing goods assessable to duty under Item 68 of the Central Excise Tariff if they did not come within the purview of the Factories Act when their production exceeded the exemption limit of

Rs. 30 lakhs per year. In response to representations made to Government against the change, Government have, with a view to avoiding any hardship to the small entrepreneur, decided to restore the position as obtaining prior to the presentation of the Budget. In other words, units producing goods of classifiable under Item 68 which do not fall within the definition of Factories under the Factories Act will not have to pay any Excise Duty.

The changes, both substantive and procedural, which we have made in the proposals outlined in the Budget, should demonstrate that Government is responsive to all reasonable demands and would be ever ready to redress genuine grievances. I request Hon. Members to lend their support to the Finance Bill with the modifications now proposed.

Sir, I move:

MR. CHAIRMAN: Motion moved:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1981-82, be taken into consideration."

19.16 hrs.

The House stands adjourned to meet tomorrow at 11 A.M.

The Lok Sabha adjourned till Eleven of the Clock on Thursday, April 23, 1981/Vaisakha 3, 1903 (Saka).