

17.25 hrs.

FINANCE (NO 2) BILL—contd.

MR. SPEAKER: Now I shall put the motion for consideration of the Finance (No. 2) Bill to the vote of the House. The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1980-81, be taken into consideration."

The motion was adopted.

MR. SPEAKER: Now I shall take up clause-by-clause consideration of the Bill. There are no amendments to clauses 2 and 3. So, I shall put them to the vote of the House. The question is:

"That clauses 2 and 3 stand part of the Bill."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 4—(Amendment of Section 10)

MR. SPEAKER: Mr. Satish Agarwal has an amendment for clause 4. Do you want to move it?

SHRI SATISH AGARWAL: I beg to move*:

Page 7, lines 2 and 3,—

omit "and shall be deemed always to have been inserted". (2)

In Clause 4, the Finance Minister has sought to insert a clause 23(a)(a) with the observation that in Section 10 of the Income Tax Act, after clause 23(a) the following clause shall be inserted: "And shall be deemed always to have been inserted." My amendment is that the words "and shall be deemed always to have been inserted" should be deleted. The reason pure and simple is that I am basically opposed to the amendments which have a retrospective effect and that too

from 1962, because in the explanation which is being given to the clauses, it has been mentioned that this amendment shall take effect from first of April, 1962, 18 years back. What is the necessity for it? I am not opposed to the very idea of accepting the persons who receive some benefit or income from regimental fund or non-public fund established by the Armed Forces union for the welfare of the past and present members of such forces and their dependents. I am not basically opposed to the grant of exemption to these trusts or funds. But the question is what is the necessity of giving a retrospective operation from 1962? Has this fund or these persons not been assessed to income tax since 1962? If that is the position, then it is a different thing; then it has to be prospective. If they have already been assessed to income tax after 1962, is the government going to refund that tax to those bodies or not? Will the Finance Minister clarify the position whether this fund has been assessed to income tax after 1962 at all or not; if not, then there is no need for a retrospective operation? If they have been, then is the government going to refund it; if so, how much amount? That is why I am seeking to delete these words: "and shall be deemed always to have been inserted."

SHRI R. VENKATARAMAN: I am glad to give this information that no tax has been levied on that nor does the government propose to levy any tax. It is only by way of confirming that no objection should be raised that a tax due has not been collected that this is made retrospective.

MR. SPEAKER: Will you withdraw it?

SHRI SATISH AGARWAL: If no assessment has been made so far, then you make it prospective. (*Interruptions*). How can it be after 18 years? The time is over. After 18 years, nobody can be... Otherwise, it was a lapse on the part of the department,

*Amendment moved with the recommendation of the President.

if they were liable to pay tax: then the amendment should have been made long back. I mean it looks very ridiculous that there has been no assessment of income tax. Why make it retrospective? Make it prospective? I have no objection to that.

SHRI R. VENKATARAMAN: I will explain it. No tax has been levied on them and it is not proposed to be levied. Therefore, if in the Act, you say that a tax is leviable, then somebody may ask why tax has not been levied. Therefore, we said, retrospectively that it is not levied; it is not leviable. That is all.

MR. SPEAKER: The question does not arise.

SHRI SATISH AGARWAL: Anyway, the reasoning is not convincing at all. I press my amendment. I do not disagree in principle. (*Interruptions*). But they have not been liable to tax so far.

MR. SPEAKER: I shall now put Amendment No 2 to Clause 4 moved by Shri Satish Agarwal to the vote of the House.

Amendment No. 2 was put and negatived.

MR. SPEAKER: The question is:

"That Clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

Clause 5—(Amendment of Section 16)

SHRI SATISH AGARWAL: I beg to move*:

Page 7, line 9,—

for "1981" substitute 1980 (3)
In this particular clause the Finance Minister is going to give certain benefits to the pensioners also with regard to standard deductions.

I have moved an amendment that in the starting words of Section 16 of the Income Tax Act, "with effect from 1st April 1981", I say let it be w.e.f. 1980—you are going to give benefits to the pensioners from 1981 onwards. I say, substitute the word 1980 instead of 1981. If you want to give benefit, why not from 1st April, 1980? You will say that it will be applicable from the Year 1981 for the Assessment Year 1981-82. I say that it may be made applicable from 1980-81. In this particular Finance Bill I find that in all clauses either the provisions are retrospective from 1962, 1968, 1972 or they are prospective from 1981 onwards. You are either talking of the past or the future but not of the present. I say it is a beneficial provision and you have given some concessions to these pensioners for standard deductions, why not give from 1st of April, 1980? Why has it been postponed for 1st April, 1981? You will appreciate that a situation may arise when the Budget is presented in February 1981, another Finance Minister and says 'no', there is no need. This particular provision is then deleted and then they are deprived of this benefit. What is the guarantee that this provision will remain there? Once a provision is made part of the statute, at least right from this year, there is no guarantee that this will remain on the statute book from April 1981 because the Budget is presented in February 1981? I wish he continues and he will continue. I have given wishes for him but the inherent apprehension is there. Whatever good you are going to do to the people, let them have the fruits of it right now—this year. Let them enjoy it. Why postpone this enjoyment and merry-making for one year more? That is my amendment. If he accepts, it is all right.

SHRI R. VENKATARAMAN: I am surprised that a very experienced former Minister who was dealing with this on this side of the House last year should have raised this point. The

*Amendment moved with the re. commendation of the President.

[Shri R. Venkataraman]

hon. Member knows that for 1980-81 tax is collected in advance. Therefore, for this year not only from the pensioners but also from all the tax would have been collected in advance without this concession. If he says—make it applicable, I will have to refund during the current year, I do not want to refund.

SHRI SATISH AGARWAL: That is true. I do not dispute. That is the position. As he has announced and he had applause of the House that he is giving standard deductions for pensioners, let them enjoy the benefit this year. If he has any difficulty, I have been in the Revenue Department, I do not want the Government to refund the amount. I do not press my amendment.

MR. SPEAKER: Is it the pleasure of the House that the amendment moved by Shri Satish Agarwal be withdrawn?

SEVERAL HON. MEMBERS: Yes.

Amendment No. 3 was, by leave, withdrawn.

MR. SPEAKER: The question is:

"That Clause 5 stand part of the Bill".

The motion was adopted.

Clause 5 was added to the Bill.

MR. SPEAKER: Shri Mool Chand Daga. The hon. Member is not in the House

SHRI SATISH AGARWAL: I beg to move:*

Page 7, line 25,—

for "1985" substitute "1983" (5)

Page 7, line 26,—

for "one-half" substitute "one-fourth" (6)

Clause 6—Amendment of section 32

SHRIMATI GEETA MUKHERJEE:
I beg to move:

Page 7, line 26,—

for "one-half" substitute "one-third". (106)

SHRI R. VENKATARAMAN: I beg to move:

Page 7, for line 31, substitute—

"plant is installed or, if the machinery or plant is first put to use in the immediate succeeding previous year, then, in respect of that previous year." (149)

SHRI SATISH AGARWAL: Sir, my amendment Nos. 5 and 6 are very simple. Government is intending to give additional depreciation allowance right up to 1985 and the amount of reduction is 50 per cent of what is presently available under the depreciation clause. I have moved two amendments. The first is, instead of the year 1985, it should be 1983. I feel up to 1985 is a very long period. Let it be on an experimental basis till 1983. Secondly, the depreciation allowance which the Government is allowing is 50 per cent. I want to reduce it to 25 per cent.

SHRIMATI GEETA MUKHERJEE: My amendment is very simple. I want the depreciation allowance allowed for new machinery to be less. Instead of one-half, I have said, let it be reduced to one-third. This is very simple. I do not want that much concession to be given.

SHRI R. VENKATARAMAN: Sir, Mr. Agarwal's first amendment seeks to restrict the period. The purpose of giving this additional depreciation allowance for the next plan period, i.e., 1980—85, is to encourage new investment. Three years is too short a period to encourage such investment. Therefore, Government consider that five years should be the period.

*Amendment moved with the recommendations of the President.

His second amendment and Shrimati Geeta Mukherjee's amendment is that the extra depreciation allowance should be reduced to 25 per cent. Percentages look somewhat illusory. It is 50 per cent of the depreciation allowance. Normally on the working of one shift, the depreciation allowed is 10 per cent of the value of the machinery. This will mean it will become 15 per cent. It is not for every year, but only for the first year of its installation. Therefore, this is not a very liberal concession, though it is certainly an incentive. I would like hon. Members, therefore, to withdraw their objections.

The amendment which I have moved is this. Under this clause, depreciation allowance can be claimed only in the year of installation. Under the existing law, the depreciation allowance can be claimed only in the year in which the machinery is used. It is possible that the machinery is installed in the previous year and used in the next year. In that case, next year he will not claim depreciation. In order to make it clear that it can be claimed either in the year in which it is installed or in the year in which it is used, I have moved this amendment.

MR. SPEAKER: The question is:

"Page 7, for line 31, substitute—

"plant is installed or, if the machinery or plant is first put to use in the immediately succeeding previous year, then, in respect of that previous year." (149)

The motion was adopted.

MR. SPEAKER: Is the hon. Member pressing his amendments?

SHRI SATISH AGARWAL: No, Sir. I want to withdraw them.

MR. SPEAKER: Has the hon. Member leave of the House to withdraw Amendments Nos. 5 and 6?

SOME HON. MEMBERS: Yes.

Amendments Nos. 5 and 6 were, by leave, withdrawn.

MR. SPEAKER: Now, I shall put Amendment No. 106 of Shrimati Geeta Mukherjee to vote.

Amendment No. 106 was put and negatived.

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 35)

SHRI SATISH AGARWAL: I beg to move:*

"Page 8,—

omit lines 18 to 20." (7)

SHRI MOOL CHAND DAGA: I beg to move:*

"Page 8, line 20,—

for "and shall be deemed always to have been substituted" (8)

substitute "with effect from the first day of April 1981".

SHRI G. M. BANATWALLA: I beg to move:

"Page 9,—

omit lines 6 to 16." (102)

SHRI R. VENKATARAMAN: I beg to move:

"Page 8, line 23, for "(i)", substitute—

"(i) in the opening paragraph," (150)

SHRI SATISH AGARWAL: As I stated earlier, it is very surprising

*Amendments moved with the recommendation of the President.

[Shri Satish Agarwal]

that this provision will take retrospective effect. If the hon. Finance Minister looks to the explanation, he will find that the amendment to sub-section (a) (i) will be effective from 1st of April, 1981 but sub-section (a) (ii) will have retrospective effect, from the commencement of the Income-tax Act, i.e., 1962. I am basically opposed to the approach of this Government making amendments in the Finance Bill retrospectively from 1962. From this it appears that the Government was sleeping all these 18 years. I have moved this amendment because I am opposed to retrospective effect being given in the Finance Bill for the last 18 years

You will remember and the Finance Minister will remember that in this very House the previous Finance Minister of the Congress Government gave a solemn assurance that amendments in the Finance Bill should not be retrospective and that they should be prospective unless very serious urgency is there in regard to certain serious cases where certain refunds have to be made.

SHRI MOOL CHAND DAGA: While introducing the Finance (No. 2) Bill, 1967 in the Parliament, the then Deputy Prime Minister and the Minister of Finance, Shri Morarji Desai, stated:

"The Annual Finance Acts not only prescribe rates of tax but often provide incentives or disincentives in various directions. Such incentives or disincentives can obviously be meaningful only if they are applied prospectively. Apart from this consideration, it stands to reason that the tax-payer should know before hand his tax liability for any given income year."

तो यह जो बसिक प्रिंसिपल है कि अगर कोई सरकार पहले घोषणा करती है कि इस प्रकार के इनसेंटिव दिये जाएंगे और उन को देने के बाद सरकार कहे कि जो हमने इनसेंटिव दिये हैं, उन इनसेंटिव को हम वापस लेना चाहते हैं तो मैं समझता हूँ कि सरकार पर किसी को विश्वास नहीं रहेगा। कोई भी सरकार जो अगर वह इनसेंटिव देती है और उन को ध्यान में

रख कर लोग अपना पैसा इन्वेस्ट कर देते हैं, कपीटल इन्वेस्टमेंट कर देते हैं, मकान बना लेते हैं, मशीनरी खरीद लेते हैं तो उस के 8, 10 साल के बाद सरकार कहती है कि हम इन इनसेंटिव को बिदबा करते हैं तो यह मेरा समझ में नहीं है। यह ऐसी कलाज है, जिस पर हम डिस्कशन नहीं कर सकते क्योंकि यह मनी बिल है और इस को बहुत जल्दी पास करना होगा। इसलिए मैं यह समझता हूँ कि इस प्रकार का जो एमेंडमेंट है इस पर हम को विचार करना चाहिए और मेरा कहना यह है कि इस को रिट्रोस्पेक्टिवली हम को लागू नहीं करना चाहिए। रिट्रोस्पेक्टिव इफेक्ट देना मेरे ख्याल में नहीं है। हम के बारे में मुझ इतना ही कहना है।

SHRI G. M. BANATWALLA: Mr. Speaker, clause 7 provides for deduction in respect of expenditure on scientific research. A programme has to be drawn up, a scheme has to be drawn up and then the scheme has to be approved by the prescribed authority "having regard to the social, economic and industrial needs" of our country. These words "having regard to the social, economic and industries needs" are very vague in character and leave ample scope for arbitrary action. It is a very objectionable feature, because of which I have moved my amendment, that even if the scheme is approved by the prescribed authority, even then no depreciation of plant and machinery will be allowed if other deduction is claimed under this particular section. Therefore, this is rather harsh that even where the scheme is approved by the prescribed authority and the deduction is claimed under that particular section, no depreciation of plant and machinery can be claimed with respect to the earlier section of the Act. I should not be told that this is provided because there should not be any double deductions obtained on plant and machinery. The very purpose is to give an impetus to scientific research. Therefore, I plead with this Government that really no benefit is available by having such a provision. My amendment seeks to remove the provision that deduction on account of depreciation on plant and machinery will not be available. I have to say that the benefits for scientific research should be real in character and not merely apparent.

SHRI R. VENKATARAMAN: If I explain the position, all the hon. Members will agree with me that under section 35 of the Income-tax Act money spent on scientific research is deductible 100 per cent from income. Therefore, suppose a person spends a lakh of rupees, then the whole of that lakh of rupees is deducted from his revenue expenditure and he does not pay tax on that. But what takes place is that out of that one lakh of rupees he buys equipment and machinery and, later on, he claims depreciation on that one lakh of rupees of machinery which he has used. Therefore, what happens is he claims double deduction, once 100 per cent deduction on what he has spent and, again, deduction by way of depreciation on machinery and equipment which he has used.

On this there are several decisions of the tribunals, which have taken different views. Some say it should be allowed while some others say that it should not be allowed. There is no decision of the High Court or Supreme Court on this. The law is so confused. So, we have made it clear that the object of the Government is to give 100 per cent deduction and not 200 per cent deduction. That 100 per cent comes when the whole of the expenditure is deducted under section 35. Further depreciation allowance will not be allowed to be deducted on the machinery and plant. That is why we have provided like this. There are several Benches. Therefore, you see, the question is not when it came. Once a line of decision is taken, then it would be possible. If there are several Benches and no High Court has taken a decision, and if you want me to wait, the position will become more confused till any Bench of the High Court or the Supreme Court takes a decision. It will not be helping the assessee if you allow the law to be in a nebulous state.

As regards my amendment, it is formal, it is just of a clarificatory nature.

MR. SPEAKER: The question is:

"Page 8, line 23, for "(i)", substitute—

"(i) in the opening paragraph," (150)

The motion was adopted.

MR. SPEAKER: Now, we come to amendment No. 7 by Mr. Satish Agarwal. Mr. Agarwal, would you like to press it?

SHRI SATISH AGARWAL: I will press my amendment only with regard to clause 7(a)(ii), which makes it retrospective.

MR. SPEAKER: Is it only with regard to amendment 7?

SHRI SATISH AGARWAL: Yes, Sir, I press it.

MR. SPEAKER: I shall now put amendment No. 7 to vote.

Amendment No. 7 was put and negatived.

MR. SPEAKER: Now, amendment No. 8 by Mr. Mool Chand Daga.

SHRI MOOL CHAND DAGA: I am not pressing my amendment.

MR. SPEAKER: Has the hon. Member the leave of the House to withdraw his amendment?

SHRI A. K. ROY: No. We have a right to claim division. Once it is moved, it has now become the property of the House.

MR. SPEAKER: Then, I will have to put this amendment to vote.

The question is:

"Page 8, line 20,—

for "and shall be deemed always to have been substituted"

substitute—

"with effect from the first day of April, 1981." (8)

The Lok Sabha divided.

Division No. 8]

[17.57 hrs.

AYES

Agarwal, Shri Satish
 Banatwalla, Shri G. M.
 *Gouzagin, Shri N.
 Mandal, Shri Dhanik Lal
 Mandal, Shri Sanat Kumar
 Mehta, Prof. Ajit Kumar
 Multan Singh, Chaudhary
 Parulekar Shri Bapusaheb
 Paswan, Shri Ram Vilas
 Rajda, Shri Ratansinh
 Roy, Shri A. K.
 Saran, Shri Daulat Ram
 Tirlak Chand, Shri
 Unnikrishnan, Shri K. P.
 Verma, Shri Raghunath Singh
 Yadav, Shri K. P.

NOES

Alluri, Shri Subhash Chandra Bose
 Anuragi, Shri Godil Prasad
 Arakal, Shri Xavier
 Bairwa, Shri Banwari Lal
 Bajpai, Dr. Rajendra Kumari
 Bansi Lal, Shri
 Barway, Shri J. C.
 Behera, Shri Rasabehari
 Bhagat, Shri H. K. L.
 Bhagwan Dev, Shri Acharya
 Bhardwaj, Shri Parasram
 Bheekhabhai, Shri
 Bhoi, Dr. Krupasindhu
 Birbal, Shri
 Birender Singh Rao, Shri
 Brar, Shrimati Gurbinder Kaur
 Brijendra Pal Singh, Shri
 Chakradhari Singh, Shri
 Chandrashekarappa, Shri T. V.
 Charanjit Singh, Shri
 Chaturvedi, Shrimati Vidyawati
 Chaudhary, Shri Manphool Singh
 Chavan, Shri S. B.

Chennupati, Shrimati Vidya
 Dalbir Singh, Shri
 Dandavate, Prof. Madhu
 Dennis, Shri N.
 Devarajan, Shri B.
 Dhandapani, Shri C. T.
 Doongar Singh, Shri
 Era Mohan, Shri
 Faleiro, Shri Eduardo
 Fernandes, Shri Oscar
 Gadgil Shri V. N.
 Gandhi, Shrimati Indira
 Gehlot, Shri Ashok
 Gireraj Singh, Shri
 Gomango, Shri Giridhar
 Gowda, Shri H. N. Nanje
 Gulsher Ahmed, Shri
 Hembrom, Shri Seth
 Jaffer Sharief, Shri C. K.
 Jain, Shri Bhiku Ram
 Jain, Shri Virdhi Chander
 Jena, Shri Chintamani
 Kahandole, Shri Z. M.
 Kalanidihi, Dr. A.
 Kamla Kumari, Kumari
 Khan, Shri Arif Mohammad
 Krishan Dutt, Shri
 Krishna Pratap Singh, Shri
 Krishnan, Shri G. Y.
 Lakkappa, Shri K.
 Lakshmanan, Shri G.
 Madhuri Singh, Shrimati
 Mahajan, Shri Vikram
 Mahala, Shri R. P.
 Mahendra Prasad, Shri
 Mallick, Shri Lakshman
 Mallu, Shri A. R.
 Mishra, Shri Ram Nagina
 Mohsin, Shri F. H.
 Motilal Singh, Shri
 Mukhopadhyay, Shri Ananda Gopal

*He voted by mistake from a wrong seat and later informed the Speaker accordingly.

Mundackal, Shri George Joseph
 Murthy, Shri M. V. Chandrashekara
 Naidu, Shri P. Rajagopal
 Nair, Shri B. K.
 Namgyal, Shri P.
 Narayana, Shri K. S.
 Panday, Shri Kedar
 Pandey, Shri Krishna Chandra
 Panigrahi, Shri Chintamani
 Panika, Shri Ram Pyare
 Parashar, Prof. Narain Chand
 Pardhi, Shri Kesharao
 Patel, Shri C. D.
 Patel, Shri Uttambhai H.
 Patil, Shri A.T.
 Patil, Shri Chandrabhan Athare
 Patil, Shri Shivraj V.
 Pattabhi Rama Rao, Shri S. B. P.
 Phulwariya, Shri Virda Ram
 Pradhani, Shri K.
 Pullaiah, Shri Darur
 Quadri, Shri S. T.
 Rahim, Shri A. A.
 Rajamallu, Shri K.
 Ranga, Prof. N. G.
 Rao, Shrimati B. Radhabai Ananda
 Rao, Shri M. Nageswara
 Rao, Shri M. Satyanarayan
 Rao, Shri P. V. Narasimha
 Rawat, Shri Harish Chandra Singh
 Reddy, Shri M. Ram Gopal
 Reddy, Shri P. Venkata
 Saminuddin, Shri
 Sayeed, Shri P. M.
 Sethi, Shri Arjun
 Shaktawat, Prof. Nirmala Kumari

Shakyawar, Shri Nathuram
 Sharma, Shri Chiranjilal
 Sharma, Shri Kali Charan
 Sharma, Shri Mundar
 Sharma, Shri Nand Kishore
 Shiv Shankar, Shri P.
 Singh, Dr. B. N.
 Singh Deo, Shri K. P.
 Soren, Shri Hari Har
 Sparrow, Shri R. S.
 Stephen, Shri C. M.
 Sukhadia, Shri Mohan Lal
 Sunder Singh, Shri
 Tayyab Hussain, Shri
 Tewary, Prof. K. K.
 Tiwari, Shri Narayan Datt
 Vairale, Shri Madhusudan
 Varma, Shri Jai Ram
 Venkataraman, Shri R.
 Venkatasubbaiah, Shri P.
 Vir Bhadra Singh, Shri
 Vyas, Shri Girdhari Lal
 Yazdani Dr. Golam
 Zai Singh, Shri
 Zainul Basher, Shri

MR. SPEAKER: Subject to correction, the result* of the division is:

AYES: 16

NOES: 125

The motion was negatived

MR. SPEAKER: I now put amendment No. 102 to the vote of the House. Amendment No. 102 was put and negatived

*The following Members also recorded their votes:

AYES: Shrimati Pramila Dandavate.

NOES: Shri K. Vijaya Bhaskara Reddy, Shrimati Sanyogita Rane, Sarvashree Shiv Kumar Singh, Brajmohan Mohanty, G. Narasimha Reddy, Shantaram Potdukhe, D. M. Putte Gowda, Prof. Satya Deo Singh, Sarvashree Narsinh Makwana, Sajjan Kumar, Hakam Singh, R. N. Tripathi, Ram Singh Yadav, G. S. Nihalwingwala, K. T. Kosalram

18.00 hrs.

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 Section 35B.)

SHRI SATISH AGARWAL: I beg to move.*

"Page 9, line 27,—

for "1981" substitute "1982" (9)

"Page 9, line 29,—

add at the end,—

'add the following proviso shall be added, namely:—

'Provided that deductions under this section shall continue to be allowed in respect of—

(i) a small-scale exporter

(ii) holder of an export house certificate and

(iii) assessee engaged in the business of provision of technical know-how, or the rendering of services in connection with the provision of technical know-how, to persons outside India.'"

SHRI G. M. BANATWALLA: Sir I beg to move:

"Page 9,—

omit lines 28 and 29." (53)

SHRI SATISH AGARWAL: Sir, this is a very important clause and I would humbly request the Finance Minister to consider the amendments in the light of the submissions that I would like to make hereafter. In this particular Clause 8 (a) the Finance Minister has tried to plug the loopholes which were there in the allow-

ance for export development. I fully appreciate and agree with him in this respect that if there are any loopholes in the export development allowance they should be plugged. Through the amendments that I have moved I wish to revive the position which was there in 1978. That position which was obtaining in 1978 was undone in 1979 and thereunder the provisions were misused. I fully appreciate that. The mischief should be undone. So, 1978 position has to be restored and under that provision there is no mischief. So, I have moved the amendments saying that the provisions which are to take effect from 1981 should take effect from 1982 and hence the figures 1981 be substituted by 1982. This is amendment number one.

My second amendment is a major one. It has been stated that:—

"Sub-clause (a) seeks to omit sub-clauses (ii), (iii), (v), (vi) and (viii) in clause (b) of sub-section (1) of section 35B. Under the proposed amendment, any expenditure incurred on obtaining information regarding markets outside India for the goods, services, or facilities which the assessee deals in or provides in the course of his business or on distribution, supply or provision outside India of such goods, services or facilities or on preparation and submission of tenders for the supply or provision outside India of such goods, etc., or on furnishing to persons outside India samples or technical information or on performance of services outside India in connection with, or incidental to, the execution of any contract for the supply outside India of such goods, services or facilities will not qualify for the weighted deduction."

Sir, my submission is that in this clause you are going to delete it. I agree. You may do so but I wish to add the proviso....

*Amendment moved with the recommendation of the President.

MR. SPEAKER: Mr. Satish, Agarwal, it is already 6 O'clock, You may continue tomorrow. The House will now take up Half-an-Hour discussion.

18.04 hrs.

HALF-AN-HOUR DISCUSSION

CREATION OF EXCESS POWER GENERATION CAPACITY

SHRI NIREN GHOSH (Dum Dum): Mr. Speaker, Sir, in regard to the power position the Government is saying that they will generate excess power...

PROF. MADHU DANDAVATE:
Excess political power.

SHRI NIREN GHOSH: I think Prof. Dandavate is right when he says political power. I agree.

Now, let me first deal with the situation as it exists today.

First of all I will take the hon. Minister, Shri A. B. A. Ghani Khan Chaudhuri. Where is he? He is not here. I want him. He was the Minister in charge. In 1947 the eastern region had more of installed capacity than any other region of the country. Now it is just at the bottom of the rung. Please remember that during 1972 to 1977 he was the Power Minister in the biggest State of the eastern region next to Bihar. And the second thing which I would say is this. In 1960-61, the per capita consumption in West Bengal was 84 Kwh. In Maharashtra it was 73 Kw.h. From 1973 to 1978-79, it has increased to 210 Kw.h. in Maharashtra. In the eastern region the figure shows 4755 m.w. This is the latest position. In the Western region, which was far down below, the present figure is 7389 m.w. In the North, which had no electricity proper, it is now 7700 m.w. In the South it is 6497 m.w. Regarding growth rate, you find this: Eastern region 5 per cent; West 19.5

per cent; North 16.8 per cent; South 6.5 per cent. So, in order to provide the infra-structure in the country, throughout India, the Government ought to have seen to it that there is even rate of growth of electric power in all the regions of the country. Since there is acute power shortage, it also testifies to the bankruptcy of their policy.

18.50 hrs...

[MR. DEPUTY-SPEAKER in the Chair.]

This hon. Minister, during the five years, when he was Power Minister in the State, inducted 10,000 to 12,000 persons into the State Electricity Board with no jobs at all. And it is they who are now sabotaging power production there. When he talks of Excess Generation Committee, I would say, I have not seen a more incompetent Minister than him in my life. He should resign. (*Interruption*)

MR. DEPUTY-SPEAKER: He is talking about West Bengal.

SHRI K. LAKKAPPA (Tumkur): If West Bengal Government is incompetent we cannot help it, but he cannot say, the Minister is incompetent and so on.

THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI VIKRAM MAHAJAN): This particular word has to be withdrawn.

THE MINISTER OF STATE IN THE
MINISTRY OF HOME AFFAIRS AND
DEPARTMENT OF PARLIAMEN-
TARY AFFAIRS (SHRI P. VEN-
KATASUBBAIAH): Sir, we have to
see whether the word 'incompetent' is
parliamentary or unparliamentary. If
it is unparliamentary it has to be ex-
punged...

SHRI K. LAKKAPPA: It should be expunged ...

MR. DEPUTY-SPEAKER: I would not say that it is unparliamentary. But all the same I would say that Mr. Niren Ghosh does not use such