

SHRI V. GOPALSAMY: In the Statement the Government has come forward saying that the Minister was not able to visit the place because the Minister is engaged in the Parliamentary work. Whenever an accident takes place, it is the duty of the Minister—if not the senior Minister, at least the Minister of State should have gone there, because unless the Minister goes there, the rescue measures will not be speeded up. So, the Minister should have gone there. He says that he is going there on Sunday. By the time he goes, even before that, people would have suffered a lot. I would like to know from the Minister what are the actual reasons for this accident, whether it is due to faulty signalling..

MR. DEPUTY CHAIRMAN: Why do you ask question, which he cannot reply just now?

SHRI V. GOPALSAMY: Whenever accident takes place, the reasons are immediately given.

MR. DEPUTY CHAIRMAN-. What - can he say now? Shri Dipen Ghosh.

SHRI DIPEN GHOSH (West Bengal): I have gone through the statement and I have seen it in newspapers also. Now the Commissioner of Safety, Eastern Circle, has been asked to enquire into the accident which was a great disaster. Our experience in the past has been that every time the Commissioner of Railway Safety is asked to enquire the causes of such accidents and thereafter similar accidents again take place. Sometimes it is alleged that these Commissioners of Railway Safety are pressurised by the authorities at the top to give different kind of reports to different kinds of authorities. Secondly, may I know whether the Minister is going to place the inquiry report by the Commissioner of Railway Safety before this House?

SHRI C. K. JAFFAR SHARIEF. The Commissioner of Railway Safety is an independent authority. He is not

under the Railway Ministry. There is, therefore, no question of anybody pressurising him.

SHRI DIPEN GHOSH; May I know whether the Railway Minister will place the report before the House?

MR. DEPUTY CHAIRMAN; Let us now take the discussion on the General Budget.

THE BUDGET (GENERAL) 1983-84

General Discussion—(contd.)

DR. MALCOLM S. ADISESHIAH (Nominated): Sir, I rise to offer my comments on the Union Budget of 1983-84 and I begin with two preliminary considerations.

The first consideration is that the Budget that is proposed takes a large slice out of the national income of the country for 1983-84. The Budget proposed is for Rs. 34,836 crores. The last figure that we have for the Gross National Product from the Central Statistics Organisation is for 1981-82 and it was Rs. 1,30,795 crores, and that means that our Budget for 1983-84 will be taking 25.4 per cent of our Gross National Product. It is rather a large sum. To this we add the Railway Budget which is for Rs. 5,255 crores as well as the revenues raised outside the Budget to which I will come later on. That was Rs. 1,900 crores. This means that the amount taken by the Government from citizens either individually or collectively, from public and private corporate sectors comes to over 30 per cent. Therefore, when we deal with the sector of the national income which is being transferred from private hands to those of the Government for purposes of expenditure.

My second preliminary comment is that the Minister of Finance, in part B of his speech has listed, what I regard as very important, ten objectives, some of which were referred to

by Mr. Morarka. These objectives are: to raise revenue; to strengthen productive forces; to keep a tight rein on inflation; to encourage savings, to promote investments; to discourage conspicuous consumption; to create a viable payment situation and, therefore, seek to promote exports to effect economies in imports. In another place he speaks of making provision for the weaker section of the country, for backward areas and creating employment and cutting down poverty. This is in paragraph 46 of his speech. Then he goes on to speak of principles of economy in making the budget specially in relation to non-plan expenditure, which also was referred to by Mr. Morarka and to which I will come later on, and to keeping the budget deficit down. With regard to these objectives, I want to make these observations.

First of all, there is a hierarchy, there is a priority, in the ten objectives and I would follow the ten objectives in the same order of priority which the Minister has given. The first is to raise revenue. A Budget's main function is to raise revenue in order that the Government may carry on, in order that the development of the country may be financed. That is the main function of the Budget which has to be the first objective.

The second objective is also important and that is to increase production in the country, the productive forces in the country. I interpret this somewhat differently from Shri Surjeet. He referred to the agricultural workers and the industrial worker, as being the productive forces. I interpret this to mean the agricultural sector, the industrial sector and the commercial sector so on. Now, this is very important because we are leaving this year with a decelerating, a depressing, economy. According to the Economic Survey, Mr. Deputy Chairman, Sir,—let us recall what it says—we are going to finish this year with a —2.0 per cent growth in agriculture, with half the industrial growth this year compared to last year, between 4 to

4.5 per cent. We have a very small increase of 2 per cent in the overall economic growth and the per capita growth would be, as Mr. Surjeet pointed out, nil or it might be minus. If the overall growth is 2 per cent, then the population growth is 2.4 per cent. But the Minister of Health says that it is 1.9 per cent. So, it is either 0.1 or minus 0.4. So, with this sagging economy, I believe the second objective is very important and I will say how far this Budget carries this out.

The second comment that I would like to make on this is that there is some trade off between one objective and another. If you go too far in raising revenue, there will be some effect of inflation, as pointed out by Mr. Pant, and if you go too far in raising revenue or in improving the backward areas, backward sections, we may have some decrease in growth. There is this trend and some of the comments that I want to offer relate to the trade off between one objective and another which is not brought out clearly in the documents. Finally, I want to say what the well-known saying says: "It is difficult for the Finance Minister to tax and please, as it is to be in love and remain a brahmachari." You cannot do both. Now, in that background, I would like to say that the Budget has some important strengths and some important weaknesses. And, Sir, following the Finance Minister's example of talking of the unpleasant things first as he did with the direct taxes and as my friend, Shri Morarka, did in his presentation, I will also begin with the weaknesses of the Budget.

The first weakness of the Budget is, Mr. Deputy Chairman, that it does not carry out the first objective laid down by the Finance Minister which is to raise revenues. This Budget raises revenues amounting to some "Rs. 716 crores. Now, I would like to ask the Finance Minister to tell us in his reply whether he can give —U3 what the total amount of revenue is which has been raised outside the Budget. Mr.

[Dr. Malcolm S. Adiseshiah]

Morarka gives one figure; Mr. Era Sezhiyan gives one figure; Mr. Surjeet gives another figure; and Mr. Pant gives some other figure. And, Sir, in order that he may give us the correct figure, I would like to give five elements in order that the Minister may correct it.

Firstly, in November 1982, the Minister of Finance changed the duty structure on cigarette, which resulted in raising; Rs. 150 crores.

Secondly, in December 1982, the auxiliary Customs duty was changed resulting in raising Rs. 200 crores.

Thirdly, the exemption of the import duty on steel scrap was also changed resulting in a revenue of Rs. 50 crores.

Fourthly, the hikes in crude and crude products' prices in February 1983, resulting in Rs. 800 crores.

Fifthly, hike, in postal rates on the 24th February, 1983, resulting in Rs. 70 crores.

Sixthly, the net addition from Railways is Rs. 431.50 crores. Finally, I would mention the Excise on coal also. I do not have the figure. But I just put it that as a result of the Excise duty on coal announced in February 1983, I get the figure of Rs. 200 crores. This comes to Rs. 1900 crores. I have three requests. First, could you give us both the total amount raised outside the Budget? My figure is Rs. 1900 crores. Mr. Era Sezhiyan's figure is Rs. 2500 crores. What is the total amount? Could you give us the break-down? Second question I have is, is the amount raised like this included in the Demands for Grants? It is coming up in the Lok Sabha. For instance, Rs. 800 crores raised by the Ministry of Petroleum—is it in the Demands for Grants? I don't know. Of course, so far as the Railways are concerned, we will be discussing it. And that is before us. I think that the

justification given to Mr. K. C. Pant for not including in the Budget all these raises, that this will not be inflationary, is not true, because this will lead to inflation, whether you raise the resources on February 28, February 6 or February 12. The industries concerned are not fools. They will raise prices whenever you know the tax. This is my first concern about the weakness of the Budget, that it does not follow its own principle of raising the revenue in fact, something like two and a half times is raised outside the Budget compared to Rs. 716 crores raised by the Budget. This, I believe, is a bad precedent.

The second weakness of the Budget is that it does not follow its second objective, which is to promote the productive forces of economy, as far as agriculture is concerned. The Economic Survey ended the study of agriculture in 1982-83 and the previous years and pointed out; one, that over the last four and a half years or five years agriculture seems to have reached ceiling that no amount of increase in irrigation no amount of increase in fertilizers or high-yielding varieties of seeds, is able to help foodgrains pass beyond the 130 million tonnes barrier. And, therefore, the Economic Survey said that now what needs to be done is to change the pattern to cut down the production of sugar or cut down the production of cotton which is in excess of the national demand and increase cereals, both wheat and rice as well as coarse cereals. Now, the Budget does not promote this change of pattern that has been suggested.

Similarly, it is suggested that we should go in for dry farming. The Finance Minister said that in the proposals there is a provision for dry farming. I looked very carefully at the demand of Agriculture and I found only one small paragraph on dry farming, a small amount of eighty and odd lakhs of rupees provided. Therefore, Mr. Deputy Chairman, may I say that it is my second request, can the Minister use Rs. 125 crore* that

is set apart for giving incentives to States in order that they help their small farmers, marginal farmers, can he use this also to promote dry farming? Do not forget that 50 per cent of the cultivated area of India is dry farming and therefore by neglecting dry farming we are neglecting the main strategic area for agricultural production.

My third criticism is, as I stated yesterday to Mr. Pant, that the estate duty abolishing plus the absence of any reference to agricultural income-tax I regard as a negative feature, and I regard the abolition of the estate duty in relation to the fact that no attempt has been made to give incentive to the States to raise an agricultural income-tax. Now, there was, when Mr. Chavan was the Finance Minister, a proposal through the K. N. Raj Committee about raising agricultural income-tax throughout the States. But the States had raised objection to it. And this is my third request. I hope that the second Rs. 125 crores the Minister has is in order to reward the States who implement the programmes well. I hope, he can use part of it to reward those States which are willing to go in for K. N. Raj Committee proposal, because you keep on asking the poor States to "mobilise more resources. Now, you know, Mr. Minister, this means increase in indirect taxes. It means increase in sales-tax, increase in alcohol excise in the States. And, therefore, leaving the well-to-do farmers out of the wealth-tax and income-tax is something to be corrected.

Fourthly, I would go along with Mr. Morarka by saying that though the financial targets of the Plan for this year and for the Sixth Plan will be attained, I believe that as a result of 47 per cent inflation which has taken place since 1979-80—the targets in the Sixth Plan have been established on the basis of prices in 1979-80—I believe that there will be a shortfall in attaining the physical targets, by something between 15 to 20 per cent. Then, fifthly..

SHRI G. C. BHATTACHARYA
(Uttar Pradesh): Including steel?

DR. MALCOLM S. ADISESHIAH:
Including steel will come to that later.

Fifthly, Mr. Deputy Chairman, may I say that the Minister in his statement has made a very good generalisation about correcting the balance of trade, that he will not allow foreign producers who have no markets in their countries to come to this country and dump their products? This is very good. But I don't see that it is translated into customs duties because the translation requires some —12 commodities to be cut back from import list. The 12 commodities are: steel, aluminium, copper, zinc, lead, fertilizers; paper; newsprint; cement; soda ash, viscose staple and polyester fibre. These we can produce ourselves. And I would advise the Minister to use the Customs authority and he has in order to reduce or eliminate the import of these 12 commodities which will save at least Rs. 1,000 crores of our import bill. And similarly, the encouragement needed to be given—and I hope it is being given—to the industry that would lead to increase in industrial production and increase in the exports of the country so that there can be translation of the balance of payment words in the Budget document into deeds.

Now, the sixth point that I have is that the Minister's principle of economy has not found expression in the Budget proposals. Mr. Morarka mentioned four ingredients of non-Plan administrative expenses? Mr. economy possible? May I say that the only economy possible is in non-Plan administrative expenses? Mr. Morarka mentioned the fact that there can be no economy on Defence—where I disagree with him; but this is not my point—that: there can be no economy on subsidies, I want to say that Rs. 700 crores which are for export promotion subsidies are

[Dr. Malcolm S. Adiseshiah] being misused in this country. I say that this be reviewed to see what we can cut from the subsidies.

Now, Sir, the main thing which Mr. Morarka did not mention in Non-Plan expenditure is the staff, the establishment. I must say that when I was the Head of the UNESCO at Paris and when I was the Vice-Chancellor here in Madras, I did one simple thing. I said to my Organisation that once in four years no new staff would be recruited. I said, change your procedures, cut back your procedures controls and systems in order to use the existing staff. This was done in both the places. And I see no attempt to decrease our burgeoning staff.

Finally, may I say, Sir, that looking at the Budget, my arithmetic is that the Budget totally results in a net decline of direct taxes of Rs. 114.6 crores. If I am wrong, correct me. Reading through the Document, I find that there is a net minus Rs. 114.6 crores in direct taxes and there is a net increase of Rs. 727.45 crores in indirect taxes. Now, given the fact that the Minister told us that today unfortunately our direct taxes are 23 per cent of the total tax revenue, and indirect taxes are 77 per cent of the total tax revenue, this Budget is going to add to these imbalances. These are some of the weaknesses of the Budget that I call attention to. Mr. Deputy Chairman, Sir, may I now, on the other hand, refer to the points of strength of the Budget?

The main strength, the first strength of the Budget, is, I believe, as was hinted by my friend, Mr. Morarka, that the Budget really does a good job on stimulating and trying to stimulate the manufacturing industry. The Economic Survey points out that industrial growth rate has gone down to 4 per cent this year, not because of mining, which has 10.5 per cent increase, not because of power, which has 7.8 per cent increase; (we leave

that, there are other problems there), but because of manufactures, which have increased only by 2 per cent, and the areas in manufacture which have gone down, are chemicals, leather, textiles, transport equipment, fertilisers, caustic soda, soda ash, pharmaceuticals and items like steel, textiles, cloth. Now, the causes for this, Mr. Chairman, are listed as follows: Firstly, the recession and again the Government uses its gob-bledygook in the Economic Survey by speaking of recession as the question of supply-demand adjustment thus hiding the fact that there is recession. Then, there is tight credit squeeze which accounts for the decline. Then there is the export decline for tea and jute due to decline in the foreign market demand. There is lack of modernisation, particularly in textiles, jute and engineering industry; there is only 50 per cent of the capacity created in the country which has been used; and then there are disturbed industrial relations, of which the Bombay strike is a classical example.

Now, the Economic Survey points out that we are one of the highest savers in the world, we are saving 23 per cent of our national income, we are one of the highest investors in the world, we are investing 25 per cent, we are saving 23 per cent and we are investing 25 per cent, and yet our national income growth rate is 3.5 per cent, and industrial growth rate is 6 per cent, because of the inefficient use of the capital and, therefore, the plea is for the efficient use, of capital.

Now, as far as the Budget is concerned, I welcome the Budget like my friend, Mr. Morarka, because of the 12 provisions made for stimulating manufactures. Firstly, by lowering the penal interest rate from 19.5 per cent to 18 per cent and where it is 18 and 17.5 per cent to 16.5 per cent, and to do this the Government has reduced the rate under the Interest Rate Act from 7 to 3.5 per cent. Secondly, it has raised the general rate of depreciation from 10 to 15 per

cent on plant and machinery and it has increased the write off on small items from Rs. 750 crores to Rs. 5,000 crores, and as Mr. Pant pointed out the increased tax exemption on devices and systems for energy saving from 30 per cent to 100 per cent, all these will be of immense use in stimulating manufacturers.

It has also further developed the scheme for export production which it has simplified and liberalised and I hope it will be implemented in that way. It has plugged various loopholes and offered various incentives so that there may be more funds for modernisation and investment in industry. It has offered various concessions to the electronic industry which will increase production in electronics industry. It has offered a package of incentives for man-made fibres, blended yarn and fabrics, which will also increase production.

I hope that the increased public sector income which is forecast at Rs. 378 crores will not come only from the crude sector but from all sectors, and I hope that the monitoring cell that he talks of will really help to turn the sector from a general loss-making into a profit-making sector.

The incentives offered to the small sector in cosmetics, toilet preparations, refrigeration and air-conditioning equipment, the 17 specialised goods and goods under tariff item 68 should increase production in the small sector. Then, the 1982 scheme of excise relief for 34 items is to be continued and doubled, which is welcome.

There is a decision that the Government has declared 87 districts in India as no district industries which are going to be given overriding priority incentives. Now, here, Mr. Minister I want to call attention to the fact that the Tamil Nadu Government in its official presentation of the Budget to the Assembly last week has called

attention to the fact that this kind of a provision is being used to discriminate against certain States.

And it gives the figures of how many letters of intent and applications were sent last year. Only one-third of them were approved; and this year also these were sent but they are less than last year. I hope very much that this provision vould be operated without any such feeling. As we say in Tamil Nadu that we must not only not discriminate but also appear to be not to discriminate. You cannot stand under a palmyra tree and drink milk and say 'I am not drinking toddy'. That is what we say in our part of the country.

Then there is technology policy which has been announced under which we should import technology, if necessary, with really the emphasis on self-reliant technology.

Finally, the plan programme in nominal money terms has been increased centrally by over 26 per cent; Centre and State by 16 per cent, and I beheve all these 12 measures are good and I hope that they will lead to 10 to 15 per cent increase in capacity use. While we have 50 per cent use this year, next year it should be 65 per cent.

The second plus point in the Budget is that it addresses itself to the most important bottleneck that industry faces, namely, power. The Economic-Survey tried to stress the fact that power increased by 7.8 per cent in 1982-83. But this is a misleading figures; this was in relation to last year, which was a bad year. Whereas if you compare it with the target or compare it in relation to demand and supply, you will find—my study shows—that we are ending this year with a shortfall between supply and its demand of power of 10 per cent and end next year with a shortfall of 12 per cent, unless something is done. I welcome provision of Rs. 50 crores which has been made to improve the plant load factor and I

[Dr. Malcolm S. Adiseshiah] hope that this will begin to remove the bottleneck of power that industry faces.

The third plus point is the various provisions that have been made in the Budget with regard to savings, to increase savings. I have already stated that we are one of the highest savers in the world. In addition to being that, we find that on top, and to raising of interest rate of last year on 5-year bank deposits; this year the Budget raises the rate of interest on 5-year post office recurring and time deposit from 10.5 per cent to 11.5 per cent, raises interest on provident fund, interest on 6-year National Saving Certificates for nonresidents from 12 to 13 per cent; also the income ceiling of 30 per cent has been relieved in relation to LIC and provident fund and the media widened by including National Saving Certificates, extending the compulsory deposits by two more years; capital gains exemptions have been accorded to new Central Government bonds of 3-years' maturity, and 9 other special issues of UTI and HUDCO debentures. All this I believe, will increase the savings. There are some questions on the part of economists whether a poor country like ours which is already saving 23 per cent of its national income; should increase savings any further. I believe savings are coming from middle-class and upper-class and not from the poverty sector. Therefore, I for one support it strongly.

Finally, the Budget, I believe, is fiscally sound because it increases the progression in some parts of direct taxes. Like Mr. Morarka—having worked with him and several others on this problem, my calculation is that there are over 120 companies which are making huge profits, declaring high dividends and which are either not paying taxes or paying very small taxes; I go up to 120 such companies. Therefore, I welcome this provision for taxing at least 30 per cent of the net income of the companies. But I would ask the Minister

to watch carefully, because already, some friends in the companies, the chartered accountants, are working out various ways by which they can dodge this. I welcome the tax on closely-held companies. I welcome investment of trust funds in public institutions and the excise exemption given to employment-creating activities.

1 P.M.

Finally, Mr. Deputy Chairman, I think, the income-tax is made a little more progressive by increasing the tax on the top brackets which I have been advocating and decreasing the tax on the lower brackets. Therefore, taking into consideration the defects of the system which I have outlined and the strengths, I think, on the whole, the strength outweighs the weaknesses. Therefore, I support the Budget as a sound, if pedestrian, document. Thank you.

SHRI MURLIDHAR CHANDRAKANT BHANDARE (Maharashtra): Mr. Deputy Chairman, Sir, after a difficult. ..

SHRI R. R. MORARKA (Rajasthan) : What about lunch?

MR. DEPUTY CHAIRMAN: Mr. Bhandare, how much time you will take?

SHRI MURLIDHAR CHANDRAKANT BHANDARE: At least half an hour.

MR. DEPUTY CHAIRMAN: Then, you can continue after lunch.

अब सदन की कार्यवाही 2 बजे तक के लिए स्थगित की जाती है ।

The House then adjourned for lunch at one minute past one of the clock.

The House reassembled after lunch at two minutes past two of the clock,— The Vice-Chairman (Shri R. Ramakrishnan) in the Chair.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): We continue with (the Budget discussion. Shri Bhandare.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Mr. Vice-Chairman, Sir, after a difficult year of drought and comparatively low industrial growth, the Finance Minister for the second year in succession has come out with a Budget which I humbly consider as both pragmatic * and dynamic. I am aware that this Budget has been criticised by the economic pundit from my part of the country. It has become a fashion of the day for some of them to address a jamboree of elite gathering and find out the many visible and invisible faults in the Budget without having looked at what the good points of the Budget are. It is unfortunate that the Budget is judged by the reactions of the stock exchanges in the dalal street or on the Lyons range. **One** thing I may tell to the House that one has only to see what these economic pundits had said on earlier occasions or, for that matter, last year, to find out how right or wrong they have been in their attacks on the Budget and in their gloomy predictions about the Budget. For example, last year a famous economist said after the Budget that this will not generate a climate of investment in industry. And yet last year saw a climate of investment unsurpassed in the history of our country. I am quite sure that as we go by, it will be noticed that the prophecy of these prophets of doom is proved to be equally wrong. I consider this Budget as good not because I belong to the ruling party but I am going to apply some acid tests to find out whether by satisfying those tests this Budget can answer the test of being a good Budget.

Of course, it is a very comparative way of looking at things. It is the frame at which one looks that one can decipher for oneself whether the budget is good or bad. For the corporate sector, for the companies which

were paying no taxes whatsoever, this may seem to be a very bad budget because 30 per cent of the profits are now brought under the axe of taxation. But I do not want to look at it from frame A or frame B. I want to take the totality of the picture. When I do that, I am reminded of what John F. Kennedy, the late President of the United States of America, said about a budget. He said that a budget must reflect the needs of a common man. I think that is the first test which we must apply to find out whether the budget is a good budget. And if you apply that test, I can say it with confidence that nothing can be pointed out in this budget which does not make it a common man's budget. We have provided a boost to the 20-Point Programme. That is taking care of the weaker sections. We have provided for the common man, we have provided for the middle class, we have provided for the salaried class. Details of it I will come to later. Therefore, those who say that this budget is rudderless really fail to realise the direction, the thrust this budget has given for emancipation, for diminishing of inequalities in our society **and** thereby raising the living standards of the poor and down-trodden. Those critics who say that this budget has no purpose, will do well to realise that it fulfils the purpose of quickening the pace of development and bringing the people above the poverty line. In fact, while doing so if it taxes the affluent, it is really immaterial. Therefore, let me first deal very briefly with the thrust that we have given in the budget for the 20-Point Programme.

The first and foremost is the expansion of the outlay, which is Rs. 13,870 crores from Rs. 11,000 crores—i.e. 26.1 per cent in the Plan outlay. This thrust itself of 26.1 per cent shows the direction in which the Government is marching, in which the Government wants to take the country. Then over and above that, there is a provision—a very welcome

[Shri Murlidhar Chandrakant Bhandare]

and a very innovative provision—of Rs. 300 crores set apart specifically for various schemes in the next year's Central Plan. This amount will be provided as grants to the States on the basis of better performance in implementing specific proposals which are expected to benefit the weaker sections and improve functioning of State Electricity Boards. While I am on this point, I would like the hon. Finance Minister, while framing these incentive schemes, to see that targets in two areas—namely (i) removal of untouchability; and (ii) observance of family planning standards, norms and targets—are fulfilled by these areas before they become entitled to these incentives under these schemes, because apart from economic growth, it will also take care of removing the social disparities in our society and at the same time control the population because without the control of population, development has no meaning.

DR. MALCOLM S. ADISESHIAH: Are you proposing that this be over and above the two crores and one crore announced as reward for the States by the Minister of Health and Family Welfare.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: That is right. What I feel is these are two basics which will transform our society both in matters of sharing the fruits of development and ushering in an equal and just society—these are imperatives—and the Government will pay due attention to my suggestion.

Now there is a provision of Rs. 125 crores to be utilised for assisting small and marginal farmers. Then we have the outlay for the National Rural Employment Programme, the Integrated Rural Development Programme and other schemes of the Ministry of Rural Development to the tune of about Rs. 480 crores against the likely expenditure of Rs. 419 crores. Now the expectation is that the IRDP will

enable three million families in the rural areas to cross the poverty line and the NREP will create about 350 million mandays of work in the rural areas. I don't have to emphasise my point.

The next point is very important. Crash programmes for providing drinking water facilities in problem villages have also been launched. The Plan outlay for 1982-83 has an allocation of Rs. 127.5 crores by the Centre for accelerated rural water programme. This has been increased to Rs. 155 crores. A substantially higher outlay of Rs. 200 crores has been provided for the programme in 1983-84. The States, on their part, will set apart Rs. 319 crores, and considering that we have six lakhs of villages in our country, in all 48,000 more villages are expected to be covered and provided with drinking water.

There are 200 more projects for integrated child development and there is an increased provision of Rs. 176 crores for various programmes benefiting the Scheduled Castes and Scheduled Tribes.

It is surprising that the Opposition goes on mentioning that the Family Welfare Programme has been lagging behind while they have been to a large extent responsible for setting back the movement of family planning when they were in power. A sum of Rs. 330 crores is being provided for the Family Welfare Programme and it will cover 17 million persons. These, I think, are some of the salient features about development and steps in the march towards development is the first object of the budget.

Then I come to the middle class, the common man, the salaried class, cities for whom I have always been campaigning, for whom I have always been canvassing. I am glad that there has been a rise in the standard deduction from Rs. 5,000 to Rs. 6,000. Now there is a reduction of tax in the slabs between Rs. 15,000 and 20,000 from 30 per cent to 25 per cent.

though I must tell the hon. Minister of Finance that I am not happy at the increase in the tax rate from 24 per cent to 35 per cent for incomes between Rs. 25,000 and Rs. 30,000.

DR. MALCOLM S. ADISESHIAH:
Why?

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I am giving you the reason. This increase is unwarranted because the current cost of living is already high and, also, what is available under increase in standard deduction is negated by this increase in the tax rate. But I think he has done well by abolishing the CDS for these aged over 65 years. I feel that what is necessary is also some sort of deduction in Medical expenditure in the case of persons enjoying medical reimbursement facilities after their retirement at 58 or 60 years, by allowing a special kind of standard deduction.

Then there is, as I have said, enough for the housewives. There is, for example, a reduction of duty on pressure cookers, tube lights and other things which will make the morning tea for the housewife a little sweeter. But this Budget has done exceedingly well for the agriculturists because 80 per cent of our population remains in six lakhs of villages. Now, apart from doing away with the Estate Duty on agricultural land, what has been done is to reduce the cost of agricultural inputs. In case of fertilizers like Ammonium Sulphate, Calcium Ammonia Nitrate, they have been exempted from Excise duty, and full exemption for the ancillaries will continue. Pipes which are used for sprinkling purposes are exempted. Then so many other things like combustion engines have been exempted from Excise duty. All these measures, coupled with the fact that there is full exemption from tax, has provided to primary cooperatives for oilseeds, fruits and vegetables large opportunities for increasing production of these essential food articles. It is very important

because of the factors which my esteemed friend Dr. Adiseshiah mentioned, namely that it does appear that our agricultural production has*¹ reached an average of what he considered 130 million tonnes, whereas I consider it to be 140 million* tonnes. I am quite sure that" aU these measures ^{all}le directed towards an accelerated agricultural growth in our country That is why I call this Budget a dynamic Budget.

The third test which I apply to find out whether the Budget is good is to find out whether it is saving-oriented. And I find that it is really saving-oriented in a big way. I will tell you, why. First and foremost, there is an increase in the level of the investments which are free from income-tax, like in the case of bank deposits from Rs. 6,000 to Rs. 7,000. There is also raising of the limit from Rs. 9,000 to Rs. 10,000. In case of provident fund also, it has increased. I am quite sure that all these savings, since we are the largest saving country in the world, will go further to encourage savings in the year to come. I must also point out one thing, that the removal of ceiling of 30 per cent of gross total income in respect of savings of specified forms, is not likely to help the middle class because I do not believe that any middle class man can save up to one-third of 30 per cent of his income. It is really a benefit which is meant for the higher class.

The next point which I want to make is, it is a growth-oriented Budget, and I shall put before the House for their careful consideration some of the factors which have been provided in the Budget to step up growth and production. I enumerate these factors. First is the step-up of outlay on development. If our development is rapid, the pace of development is maintained, automatically growth is more. Second is to improve the balance of payments position, incentives for non-resident Indians and others. The time at my disposal is short. But I do want to say that

[Shri Murlidhar Chandrakant Bhandare.] these measures of providing a flat rate of income-tax of 20 per cent for nonresident Indians, and also the capital gains at the same rate, is going to bring in a lot of foreign exchange. I want to share my view with somebody, someone, who also stated that in this process the black money which is going out of our country, is likely to come back through this (Source and be invested as foreign exchange in our country. This is a very imaginative measure, and I congratulate the Finance Minister for it. Then there is the increase in customs, duty, thereby protecting and promoting the indigenous production and capacity. And last but not the least there are the incentives for the small scale sector, which will also go in promoting the growth.

The next important question is whether this will control inflation. Now, I have no doubt in my mind that it will. The result, of course, of some of the earlier things like the increase in the railway freight, the increase in the petroleum products, may sound as if they will have a cost-push effect, but I feel that this Budget really tries to control inflation because of two or three very healthy and efficient measures provided in this. The first is the incentives for savings coupled with the increased surcharge on non-corporate tax from 10 to 12.5 per cent. One must remember that last year we had an extremely difficult drought, and when there is scarcity there is inflation. With a little good monsoon this year, this Budget ought to control the prices. The second factor is the excise incentives for higher production and the reduction in the excise duty on a few items.

I would be failing in my duty if I do not at this stage dispel the impression which has been created by certain reports which show that there has been some increase in the cost of living. For example, the "Economic Times" reports that all commodities index of the wholesale

prices, which stood at 254.4 on the 28th of February had gone up to 256.3 by the 10th of March.

DR. MALCOLM S. ADISESHIAH:
That is for Greater Bombay.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I do not attribute this rise to the Budget at all, and the reasons for this rise are: One, the rise in the price index of cotton from 210.7 to 216.6 during the ten days period was not due to the Budget and cannot be due to the Budget. It was due to the hopes of early end of the textile strike, a sudden upsurge in exports and increase in demand from the mills which had started partial operations. Similarly the cereal prices were moving up even before the Budget due to a setback in the kharif crop. I just want to show that nothing has happened which would push up the prices because of this, and it is heartening to note that the stock exchange which appeared a little depressed immediately after the Budget, has now started rising and is showing a tendency of buoyancy.

There are a few suggestions which I would like to make before I come to some of the controversial points. My first suggestion is regarding the appointment of the Fourth Pay Commission. I welcome it. I congratulate the hon. Finance Minister for making this appointment because it was long overdue. But I shall be failing in my duty if I do not invite the attention of the House and of the country to the fact that the bureaucracy is absorbing a lot of non-developmental expenditure. A method was suggested by my esteemed friend, Dr. Adisesiah, that every fourth year there should be no recruitment. All that is happening is that notes are being prepared and files are being pushed without any results or decisions. All this paper work is not productive and only delays the development of our country.

We cannot afford to slow down the pace of our development which has been maintained and even accelerated

by this budget. I, therefore, suggest that positive steps be taken to curb the non-productive overemployment in bureaucracy. The need of the hour is efficient management with modern techniques, including the use of computers and other sophisticated equipment. Though there may be a cry that "this may reduce employment, it must be remembered that if it results in efficiency and hastening the pace of development, that itself will generate productive employment elsewhere far in excess of the employment lost in bureaucracy. The need of the hour is efficient, but well-paid, productive bureaucracy.

Now there is one more aspect of the matter which, as a lawyer, I find very heartening. I find that this budget has really systematically gone to plug the various loopholes in the taxation laws. Take the case of statutory liabilities. Recently, 10 days back, the Supreme Court was dealing with the case of post-manufacture excise duties on brass and other items and it was astonishing to find that if the companies won, they would have to pay a tax of Rs. 1,000 crores and if they lost, they would have to pay excise to the tune of Rs. 2,000 crores, putting all the shareholders in great jeopardy. Now either way the Government lost, and I am glad that the Finance Minister has plugged this loophole at one end and provided that unless there is an actual expenditure incurred, no benefit for deduction in tax will be given. I would request you to carefully go through the income-tax law and plug all those loopholes where the exchequer loses because of claims of deduction made on a mercantile basis.

This brings me to something which is nearer my heart, nearer home, and that is the second aspect which is that our tax recoveries are stayed by the courts upsetting all the budget proposals. I must confess that we have tried hard, we have shouted hoarse and the results are showing. Today the Supreme Court is in a mood, and for the last 15 days or 20 days, has

been passing orders refusing the stay of tax on furnishing of bank guarantee because, as I told the court, the judges' salaries cannot be paid merely on bank guarantees. I am glad that they are realising that. But since the hon. Law Minister is here, I would make a request to him: Instead of going in appeal right up to the Supreme Court in every tax matter, I think a better course is, and you will permit me to mention it with all humility, that when the decision of the High Court comes, wherever it is—because these provisions are challenged in all the High Courts of the country—then you sit down and find out, because by that time you will have both sides of the picture, as to what is the just and reasonable interpretation that you should give to that provision, and then fight. But if you find that there is need for change, then change the law, at that stage, not after eight or ten years, after the matter has been fully fought in the Supreme Court.

One more aspect—and that is again dear to my heart—is the question of energy. Great emphasis has been given, the right type of emphasis has been given to energy. We have done wonders in the field of crude oil production. But our performance in the field of generation of power has been dismal. The capacity is 30,000 MW, but the actual generation is less than 47 per cent. This is a very serious situation and unless, there is an improvement in this field, all our development will go back. I suggest some methods. You have given 100 per cent write-off for energy-saving devices. I suggest that you give 100 per cent write-off for captive power plants for industries like cement because then what will happen is that not only will they not be starved—your production of cement will be there. But the backward areas like Orissa where they are placed, will be robbed of their industrial capacity and production.

Then there are one or two matters to which I will refer. One is about exports. One must hope that the

[Shri Murlidhar Chandrakant Bhandare]

reduction of oil prices by the OPEC by 5 dollars, from 34 dollars per barrel to 29 dollars per barrel, will reduce the gap of balance of payment further. The second is promptly and the positives aspects are the increased investments, depreciation from 10 to 15 per cent, reduction of interest rates, various exemptions for small scale industries full exemption from tax for primary cooperatives for oil-seeds, fruits and vegetable, exemption from tax, and lastly, exporters being given a deduction of .5 per cent of their incremental turnover in computing their taxable income. There are only two more aspects. I know you have pressed the bell but I must mention these points because they are of some consequence. Two things have been very seriously challenged. If you go to Bombay and enter any drawing room, these two things are very seriously challenged. One is bringing those companies which were making huge profits and yet not paying any tax. I welcome the measure because I think those who live in the society must bear the burden of tax. It cannot be that a healthy man like me can say *I don't pay health tax because I don't need to "take medicine*. On the other hand, I will have to pay tax for the benefit of others in the society; I cannot resist. Similar is the situation here. It is a distortion to say that this is a tax on what they say an efficient management or a tax on growth. This is a step in the welcome direction. Hardly 64 companies have been affected and I am quite sure that this would not come in the way of their growth.

The second point which I would like to make is about travel expenditure. I have figures which will indicate that there is conspicuous, wasteful, •voidable, expenditure. For example, take the case of advertisement. Reliance Textiles spends nearly Rs. 4 crores on advertisement. Hindustan Lever spends Rs. 3.56 crores. ITC, Bombay Dyeing, Hindustan Motors, Gwalior Rayons and Dunlop—there are twenty other companies—spend

Rs. 2 crores each on advertisement and sales promotion. Glaxo spent Rs. 1.5 crores and Lipton spent Rs. 1.30 crores. And look at their travel expenses. Hindustan Lever Rs. 4.75 crores, Voltas Rs. 2.46 crores, ITC Rs. 2.18 crores, Glaxo Rs. 2.09 crores, and so on and so forth. So there is scope for curbing this wasteful and avoidable expenditure. But what I find is that when you come to give effect to curbing wasteful and avoidable expenditure, you have really roped in even the essential and necessary and unavoidable expenditure. Even a small trader who goes on second class from Delhi to Bombay to book orders and do sales promotion, is brought under the axe of tax and 20 per cent disallowance. It is when you hurt the small and honest for the abuses of the affluent and the rich and the prosperous, that the tax structure collapses. Moreover, there are advertisements like advertisements for jobs, advertisements for tenders, which are so essential. I think, therefore, that a very second look is required and what is essential should be allowed and what is inessential should be disallowed. I am sorry to say on the one hand we preach against this but on the other hand, we go on building five-star hotels. I want an assurance from the honourable Finance Minister that the future Budgets will not contain any provision for construction of five-star hotels in the public sector...

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): They are meant only for foreign tourists.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Let those in the private sector who want to build them, go in and build them.

There is one more assurance that I want. Our Government always speaks of conspicuous consumption, but has introduced Executive Class in the air travel. Ministers also travel by Executive Class. I travel in the Economy Class.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): The Minister has

refused to abolish that when there was a plea for its abolition by most of the Members the other day.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: This is my occasion to point out that the whole expenditure should be disallowed when somebody travels by the Executive Class.

You have been indulgent to me and bear with me for a short time. I now come to the important question of defence.

SHRI NIRMAL CHATTERJEE (West Bengal): Did you say that five-star hotels should be left to the private sector?

SHRI MURLIDHAR CHANDRAKANT BHANDARE: If there are to be any more five star hotels—there are some already—let them be under private sector and no more public money should be wasted over this. I would suggest that you hand over your public sector five-star hotels to the private sector for being run. They will give you better return and you will save your losses.

Sir, this brings me to the last question of defence. We have just concluded the most successful Seventh Non-Aligned Meet under the leadership of the leader of my Party who is by now, I am happy to say, the leader of the world. The NAM of 101 nations have reaffirmed through our leader that Independence, Development, Disarmament and peace are indivisible. It is a matter of concern and regret that tensions in our globe do not decrease. No price can be too high to preserve liberty and sovereignty of our motherland and, therefore, there is a provision for higher allotment on the defence expenditure in this budget than in the previous year. Today it stands at Rs. 5,971 crores which is Rs. 621 crores more than the revised estimate of Rs. 5,330 crores. The global expenditure on military in 1980 was 450 billions, that is, Rs. 4,50,000 crores. In

the year 1982 the world military expenditure has been 650 billion dollars—one and a quarter crore per minute. Out of this, 350 billion are shared by the two super-powers of USA and USSR. Considering that our total budget for the year is for Rs. 36,000 crores, one can easily imagine the significance of development at the cost of defence. Even a reduction of 10 per cent of this expenditure would make substantial amount available for development of our developing nations. Let us hope that these rivalries will disappear, tensions will diminish and help in bringing down the defence expenditure and increasing developmental outlay. Fortunately the developing nations have unanimously accepted Shrimati Indira Gandhi as the leader. Our Prime Minister has become the hope for the rest of the world. Millions of words cannot adequately express the feelings in the minds of millions of people all over the world for her who as a great leader of our planet. It is easy to build for war and yet so difficult to build for peace. Avoiding war through stockpiling of arms may be cowardly, but peace through development is an act of highest bravery. I am sure the House will join in wishing Shrimati Indira Gandhi that her cause for equal respect for all men and all nations, and world peace shall triumph.

SHRI GHANSHYAMBHAI OZA (Gujarat): Mr. Vice-Chairman, &* the Budget proposals are discussed almost threadbare in this House, in the other House and also in the public and many economic pundits, financial wizards and scholars like Dr. Malcolm Adiseshiah are contributing to the clarification of the various proposals contained in the Budget.

Sir, I wanted to pick up the thread from the last speaker, Mr. Bhandare, whom I heard with great attention. In the beginning he gave them bouquets; he gave bouquets to the Treasury benches of withered flowers. ..

AN HON. MEMBER: Of what?

SHRI GHANSHYAMBHAI OZA: Boquet_s of withered flowers. Then he came out correctly with very big brickbats. He said: "I am sorely disappointed at the dismal performance in the energy sector, in the generation of power." Am I right, Mr. Bhandare?

SHRI MURLIDHAR CHANDRA-KANT BHANDARE: That is one way of looking at it. I mentioned about the power generation, the maximum power generation last year.

SHRI GHANSHYAMBHAI OZA: But do you realise that energy is the fundamental sources of our development? Lenin, when he took over charge of his country, said "Give me electricity and I will give you communism and growth." So, what are you doing now. You yourself have said: "I am dismally disappointed over what is happening to the energy sector to generation and transmission of power." Anyway, leave that aside.

Sir, this Budget, as I said earlier, is being discussed in various forums. One knowledgeable politician—mind you, not from the Opposition—described this budget as a clever budget. I was very happy to know that. He did not say that it is good, growth-oriented, intelligent, meant for the poor people etc; not at all. He said that it is a very clever Budget and I agreed with him. We know which class of people are clever in the society; we know that. You see, there are so many lawyers sitting here. Mr. Bhattacharya and other lawyers are also sitting here. If I have to describe the proposals of this Budget in one sentence, then I would say that this Budget presented by the Finance Minister is nothing but *suppressio veri suggestio falsi*.

SHRI G. C. BHATTACHARYA: Exactly.

SHRI GHANSHYAMBHAI OZA: *Suppressio veri*—because it suppresses the true facts from the people, and *suggestio falsi*—because it suggests what is not correct things which are not correct. Now, Mr. Vice-Chairman, Sir, what I say is that I am fortified by the observations made by my learned friends like Mr. Morarka and Mr. Adiseshiah and other friends who have studied all the Budget proposals and they have pointed out how the figures are manipulated. It is nothing but *suppressio veri suggestio falsi*. And, Sir, they have quoted from the Government records themselves and not from their own source. They have quoted from the Economic Survey and from other records and they have shown that what the Finance Minister has spelt out in his Budget proposals is not true, that it has suppressed what is true and what is not correct has been suggested.

Sir, I am not an expert in statistics as so many of my friends are. But I know what one thinks about statistics. Statistics are like a lamp-post to a drunken man because it gives support, but not light. So, statistics are like that. And, Sir, who is drunk in this House, we all know, people who are drunk with power and they are taking support of the lamp-post, the lamppost of statistics. But they do not lift the light. Mr. Adiseshiah and others, have thrown light and have shown the correct position. I hope the honourable Finance Minister, instead of entering into this futile exercise of projecting things which are not correct, which are not genuine, will see the light.

SHRI G. C. BHATTACHARYA: But the blind man cannot see the light.

SHRI GHANSHYAMBHAI OZA:
They are blind because of their
drunkenness; they are drunk with power.

Sir, they have spelt out so many things about economic growth, about the removal of poverty and all those things. I am just a common man an average citizen of this country. May be that I am here or there. But, fundamentally, I am a middle-class citizen of this country and, to me the proof of the pudding is in the eating, if you **maj**? go on saying that you have put so much of sugar in the pudding, that you have put cream in the pudding, and you may say how tasteful you have made it. You may ask, "Why don't you taste it?". I have tasted it and I have found it to be sour and I cannot swallow this. So, why enter into this futile exercise? Budgets after budgets in this country are losing significance, all significance, to the common man. In a democracy, Sir, the common man is the person for whom we must have the utmost anxiety and democracy, in order to be successful, must educate its masters and our masters, in spite of these exercises, remain uneducated. Not only are they remaining uneducated, but they are also suffering and they are in agony. It is not necessary to go round and see this agony. You just walk on any street and you will find how the people are suffering in this country. In cities I have seen how the middle-class people have to forego one meal because of the cost living which is going up these days. They have to put up with one lunch only and it is not possible for them to have two meals. The cost of living is going up so rapidly that they cannot even purchase milk. In a city like Bombay, ask the people how much they are paying for milk. In Parliament here we are getting half-a-litre of milk for 90P. But you just go to Bombay and find out what they have to pay for half-a-litre of milk. Perhaps they have to pay four times

for the same amount of milk. How can a poor man afford so many **rupee*** for giving milk to his children which is the primary necessity for his children? The other day we were crying hoarse about child mortality. What will happen? You cannot give them nutrition, proper nutrition. Even the middle-class people cannot give proper nutrition to their children.

SHRI MANUBHAI PATEL (Gujarat)
: in Bombay they say, "You give clear liquor, not milk."

SHRI GHANSHYAMBHAI OZA: So, this exercise is going on and **one** feels absolutely frustrated about what is happening and what is being said here.

Now, take the IMP loan. They say that the IMF loan is without any strings. They say: "It is without strings and we have not accepted any pre-condition from the IMF." But we all know what the Finance Minister of Sri Lanka said **On the floor of tin-Parliament** there two years ago. He disclosed all the conditions under which we have procured this loan, and, recently, I have come to know, even the President has said something about it. They go on saying, "Because the IMF endorses some of the policies which we have already accepted it does not mean that we had bleen at their behest." I am just reminded of a hen-pecked husband. He knows what his wife wants and then he decides and then he says, "I have taken this decision myself and not because my wife has asked me to do so." So, don't take refuge like a hen-pecked husband, knowing full well what conditions have been set forth. You say, "They accept **our** economic policy." Far from it.

Sir, we have accepted planning and I so, we should have resources. We are

[Shri Ghanshyambhai Oza]

a poor country and, for historical reasons, we were a colonial economy and we are emerging now and we are the masters of our own destiny, we are the masters of our own economy and whatever we produce in the fields, factories and mines belong to this country and, therefore, in order to remove the backlog of underdevelopment, for historical reasons, we have got to have planning. Ours perhaps is the first democratic country which has taken to planning and I am extremely happy that we have rightly done so and we should do so.

Sir, planning presupposes so many things. Planning does not mean just making provisions in the Budget for capital expenditure, for economic growth here or there. I am also for public sector. Public sector in this country must have a commanding height because it is not possible for private investment to put up big steel factories and cement factories or for that matter fertilizer plants and all those things. So, we have got to have a public sector with commanding heights in our economy. I agree with that. And, therefore, when we started planning I was looking at it with great hopes that here is the method by which we will be able to remove poverty from this country. But what happened after so many years of planning? Why has this exercise gone wrong after so many years of planning? Can we take pride? Even today we know what is the percentage of population living under the poverty-line. We must be ashamed of that. The other day, while participating in the debate, while putting a question I said that so far as science and technology is concerned, we are on the top, (almost amongst the first five or seven). In spite of this knowledge of science and technology, growth of science and technology, the big tragedy in this country is that so far as poverty is concerned, we are at the bottom. Why is this anomaly? Why can't we put this question to

ourselves in right earnest? What is wrong with us? Mr. Bhandare is not here. He threw so many brickbats. He does not realise that. Just giving some flowers and bouquets was not enough. But fundamentally speaking, if you study the speech which I heard with more attention, he has given brickbats on ostentatious living. In a poor country where you have undertaken economic planning, is this ostentatious living at all spheres consistent with the planning to remove poverty in this country? It is not at all possible. Therefore, Pandit Nehru and others, when they started planning, they put emphasis not only on savings—Oh, we are going to save too much, and then our investment will also be on a very high scale; and I do not want to go into the figures and my friends have put the figures more authoritatively and I do not want to take the time of the House in technical matters—but also some essential conditions. Planning envisages some essential conditions which not only we have not been able to keep but we have also totally failed. And we have marched just in the opposite direction. You don't expect any result from planning now. I do not see any in the foreseeable future unless you change your whole style of thinking and living in this poor country. Pandit Nehru said that planning is a continuous movement towards our desired goals. Yes. It is a continuous movement. We cannot rest. We have to go on. We cannot sacrifice our future. In current consumption, we have to be more austere and simple and invest so that economic growth takes place and we can take our rightful place in the company of nations where we are far behind. The essential goals of Indian planning have been growth, removal of poverty and achievement of self-reliance. This is laid down in our planning. The Planning document itself says this. I would request the Treasury Bench to examine whether this is only lip-sympathy or whether you are genuinely sincere about what you have said in your Planning document. ^{fc}It

need hardly be emphasised." I quote from your Plan document, "that the success of the Plan depends crucially..."—on what?—"on efficiency, quality and texture of implementation." It is not merely making provisions, taking people and creating resources through direct and indirect taxes and making budgetary provisions for putting up this plant and that plant. That is not enough. Anybody can do it. Anybody can make provisions of few crores for this plant and 50 man-crores for that plant. That is not enough. That is only a fragment of the responsibility. But the real thing is that it need hardly be emphasised—this is what the document says—that the success of the Plan depends crucially on efficiency, quality and texture of implementation. Can you take pride about these three things? Have you ever cared to examine the efficiency, quality and texture of the implementation? Come with me and I will show you as my young friend, Mr. Morarka pointed out, there is corruption, inefficiency, leakage, wastage everywhere. I come on foot from North Avenue to Parliament House via Talkatora Road. Every now and then the foot paths are repaired. They are first made and after a month they are again broken and demolished. Very poor workmanship. It is a small example. I know it does not cost much. Are we sincere about efficient implementation at every level? You have spread your tentacles all over the country. There are lakhs of Karam-charis. You can neither control them nor can you inspire them and implementation is entrusted to these people at the lowest level, whom you cannot control. Leave apart the question of controlling, I do not know how you will be able to control them in future, but you are not able to inspire them. You are inspiring them in a very wrong direction. If, as I told the other day, fingers of corruption can be pointed against all of us at the top, lakhs of Karamcharis will think that

when they can make millions, let us mint hundreds and thousands, that is within our capacity. This is not the

way of planning in a poor country. Let me tell you that after all ours is not a colonial movement. Whatever we produce in this country stays here. It is bound to percolate here and there. Growth is bound to take place. We are not doing wonders. Because, after all, whatever we save, direct and indirect taxes, whatever we spend, does lead to some growth, the question is, is it commensurate with what, we invest? We are asking the present generation to girdle their loins, to tighten their belts and save so that our country can go ahead, march ahead, and take its legitimate place in the comity of nations. As I said before, can you do this? Not at all. Growth will take place. It will percolate here and there. But you cannot achieve the desired goal of removing poverty in this country as Pandit Nehru had envisaged. As the planners had envisaged you will not be able to remove poverty at all. Rich will get richer and poor will stay where they are. What is your 20-Point Programme? Come to the grassroots level? Come with me and I will show you what is happening. You talk* about these promotional activities, encouraging activities. Even in the case of flood relief, drought relief and cyclone relief measures what is happening? My friend, Mr. Manubhai Patel is here. In cyclones we provided for some help. There was a hue and cry that even cyclone funds are being siphoned off and they are diverted to some other use. These gate-keepers, who are very influential, they divert all this money to their own pockets and this does not reach the people.

Professor Dantwala in his book *Poverty From 1871 to 1970*, he has written a very nice book, has said that this is power seeking radicalism of professional politicians. These professional politicians who talk radicalism, they do not mean it, none of them means it. I know so many persons who are candidates of *laissez faire*, the Swatantra Party, they have become-radicals, they have occupied ministerial benches. Those who were fighting when we were for garibi

[Shri Ghanshyambhai Oza.]

hatao for poor people, and those who were for *laissez faire*, all these vested interests, they have become all radicals now. In my area the clock has wound back. The persons from whom we liberated our masses, the whole mass has been thrust back into the clutches of those forces and those who fought for them, their liberation, we are now reactionaries and those who were fighting against liberation and progress and all these things, liberalism and all that, they have now become radicals. So, Professor Datta-wala has rightly said that this power seeking radicalism of professional politicians is not going to take the country far and, mind you, most of the funds are diverted by these gatekeepers of socialism. Take any sector. Take the co-operative movement. What is happening to the co-operative movement? My God! You got to Gujarat. Once upon a time it was so proud of its co-operative movement. I know what is happening there now. Several Central co-operative banks are running phut. In all our co-operative movement, you find corruption and unproductive activities; we cannot take pride in it. Or take the case of Panchayati raj: One of the greatest exponents, Mr. Ratu-bhai, a great Gandhian, who worked for the success of Panchayati raj, says that this movement should be wound up because panchayat raj has been taken over by reactionary forces. This is the state of affairs in a place like Gujarat. It won't be under any complicity. These are all fundamental issues and unless you build up fundamentally, you will not be able to arrive at anything.

Before I conclude, I would like to take the time of the House on a comparatively smaller matter concerning my State. The Finance Minister while presenting the Budget proposals said 'I ask here; we are giving assistance to the States' as if States are being obliged. Once I told his predecessor that kindly stop all these charities; we do not want charities from you. The States are entitled to

certain share under the Constitution: give us our legitimate share; we don't want to live on your charities. But today, the process of over-centralisation has started. You are grudging against regional parties. What is happening now? This is a nation of nations; don't think that it is one nation. It is a nation of nations having diversities. You must respect ities and emphasise on what is common thinking, common culture, or whatever it is. But trying to wipe out diversities and over-centralisation, you are weakening the Centre; you are not strengthening the Centre. You have started a process of weakening the Centre with over-centralisation, with your powers here at Delhi. They are now talking of removing sales tax and so many things which I strongly oppose; but it is not the proper time to raise my voice. I was saying about assistance to States and the Finance Minister says: We are giving so much already to the States. May I take the case of Gujarat for example? We are producing crude oil in the fields of Gujarat. Under the Constitution, we are the proprietors of that crude oil and we are entitled to royalty under the Constitution. The property belongs to us. The Centre is only concerned with production and development of petro industries. If we are the proprietors of the crude oil and if we are under the Constitution entitled to royalty; we are the plaintiff; the Central Government is the defendant. What is the position that they have created? They have got a supreme position here and because of political developments and so many things, the defendant here is exploiting this position to its own advantage. Here the defendant says: I will pass a decree. Suppose I am entitled to one thousand rupees, here the defendant says: No, I pass a decree for Rs. 100. If you are the defendant, how can you pass the decree? I am the plaintiff here. Let a third party, a judge, or an impartial jury

pass the decree on examining the issues. But they would not do it. Sir, the crude price has gone up like anything. Government of Gujarat has been producing it. Why don't you raise the royalty and why have you not raised it for the last so many years? Sir, here I will just read a paragraph:

"Consequent on our repeated representation to the Government of India, royalty rate on crude oil was revised from Bs. 42 to Bs. 61 per tonne with effect from 1-4-1981. This increase was far too meagre compared to the demand made by the Government of Gujarat. The Government of India also did not consult the State Government before undertaking this revision. The arguments advanced by the Government of India were that under the rules.. ." Mind you, they have framed the rules.

".. royalty cannot be fixed at at more than 20 per cent of well-head price of crude oil. Since the well-head price of crude oil was artificially fixed at Rs. 305 per tonne, the maximum admissible royalty was Bs. 61. Subsequently, however, the well-head price of crude oil was raised from Bs. 305 to Bs. 1182 per tonne with effect from 11-7-1981. But this increase in price was not accompanied by any increase in royalty. A detailed memorandum was submitted to the Government of India in September, 1981. In reply to a question in the Rajya Sabha, the Union Minister of Petroleum and Chemicals has stated on 7th December, 1981, that the memorandum submitted by the State Government is under the consideration of the Government of India."

The defendant is considering the claim of the plaintiff for the last two years. And they are going on saying that this is under consideration. They go on throwing charities at us and

they say that they are giving special assistance when we are in trouble. I would say, as a proud citizen of this country, particularly, of Gujarat. Give us our dues; we do not want your charities'. But I am sure, they would not give us. The well-head price has gone up. The international price has gone up. The royalty is not commensurate with the increase in price. They are not increasing the royalty even though there is a commitment. They would not increase the royalty. Why? Because, in that case, they would have to pay hundreds of crores to us. We have been requesting. We have been crying hoarse about this thing. But it all falls on dear ears. Nobody is giving us adequate relief for this. Sir, before I conclude, I would like to refer to the condition of our cities. Look at our cities. I go to all cities in this country. They are getting utterly ruined. In Bombay, four lakh people are staying on the pavements and 40 per cent of the population in *jhuggis* and *jhonpris*. This is the position not only in Bombay. You go to Ahmedabad. You go to any place. You will find the same position. All our urban areas are simply getting ruined before our very eyes and as helpless spectators, we are talking of growth, hygiene, health and all these things. But before our very eyes, all our beautiful cities are being totally ruined and the Government of India is totally indifferent to what is happening. Instead of saying all these very big things, let them see that whatever they have inherited from the past, these good, beautiful cities, are preserved and taken care of in regard to sanitation, hygiene and other things. Thank you.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): Shri Krishna Nand Joshi. He is not here. Shrimati Saroj Khaparde.

SHRI NIRMAL CHATTERJEE: Sir, I requested you that I should be

[Shri Nirmal Chatterjee] allowed to speak because I will not be here on Monday.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): After her, you will be called. She will speak for ten-fifteen minutes. The discussion on the Assam situation will be taken up only at 4 P.M. There is plenty of time.

श्रीमती सरोज खापड़ें : (महाराष्ट्र)
उप-उपायुक्त जी, बजट पर अपने विचार व्यक्त करने के पहले मैं देश की नेता प्रधान मंत्री श्रीमती इन्दिरा गांधी को बधाई देना चाहूंगी। अभी कुछ दिन पहले ही हमारे देश की राजधानी दिल्ली शहर में नान-एलाइन्ड समिट हुई थी। इस नान-एलाइन्ड समिट के लिए जो दिल्ली शहर चुन गया था उसे हम अपने देश का सौभाग्य समझते हैं। शिखर सम्मेलन में 101 सदस्य देशों में से 99 ने भाग लिया था। इस से साबित होता है कि सम्मेलन कितना महत्वपूर्ण था। इससे साबित होता है कि भारत, जिसको इसे आयोजित करने का गौरव प्राप्त हुआ था, कितना महान है।

एक माननीय सदस्य : और खर्चा भी हुआ है।

श्रीमती सरोज खापड़ें : इस सम्मेलन के आयोजन से केवल भारत सरकार और प्रधान मंत्री श्रीमती इन्दिरा गांधी ही सम्मानित नहीं हुई हैं बल्कि सारे विश्व में भारत का नाम ऊँचा हुआ है। ऐसे महान अवसर पर, जैसा एक सदस्य ने अभी कहा, थोड़ा-सा खर्च भी अधिक हुआ है तो भी हमें स्वीकार करना चाहिए। श्रीमन्, मुझे खुशी है कि...

श्री शिव चन्द्र झा (बिहार) : इस तरह से बजट पर इर्रिलेवेंट बात बोल रही है और आप कुछ नहीं कह रहे हैं... (व्यवधान)

श्रीमती सरोज खापड़ें : आप यह कहिए कि आप को पान की तलब आई है इसलिए आप बाहर जा रहे हैं।

SHRI R. MOHANARANGAM (Tamil Nadu): Sir, is it not the convention that a Member can speak anything on the Budget?

श्रीमती सरोज खापड़ें : जब आप बोलने के लिए खड़े हुए मैंने डिस्टर्ब नहीं किया। जब मैं बोलने के लिए खड़ी हो रही हूँ...

श्री मनुभाई पटेल : उस बैठक पर खर्चा भी बहुत हो गया।

श्रीमती सरोज खापड़ें : हुआ है, ठीक है। मैं बोल रही हूँ। उसके बारे में आप बोलने दें तभी तो बोलूंगी। मनुभाई जी, अगर आप डिस्टर्ब करेंगे तो मैं भी आप को इसी तरह से डिस्टर्ब करूंगी। (Interruptions).

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): Mr Manubhai Patel, I expected you to be more chivalrous.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PATTABHI RAMA-RAO): Mr. Vice-Chairman^ Sir, think the hon. Member 'has the right to speak whatever she likes. There is no question of others trying to disturb her. They may differ that is a different matter.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN). It has been ruled several times that under the budget anything under the sun and even above the sun you can discuss because under the Energy Ministry there is a provision for solar energy. So, you can discuss anything about, the sun also.

AN HON. MEMBER; Let the hon. lady Member speak.

श्रीमती सरोज खापर्डे: श्रीमन्, मैं यह कह रही थी कि नान-एलाइन्ड कॉन्फ्रेंस में खर्च जरूर हुआ है लेकिन उस खर्च के बावजूद भी इस देश की गंगा, इस देश की महत्ता और इस का गौरव विश्व के सामने बड़ा है वह कम नहीं है और इस लिये हमें इस खर्च के बारे में इतना सोचना नहीं चाहिए।

श्रीमन्, मैं इस वर्ष के बजट के लिये अपने फाइनेंस मिनिस्टर को जरूर बधाई देना चाहूंगी। उन्होंने जनता को एक ऐसा बजट दिया है कि जिस की सराहना लगभग सभी लोगों ने देश में की है। विरोधी दलों ने जरूर, थोड़ा-सा विरोध जाहिर किया है लेकिन इतना विरोध नहीं हुआ जितना उनको करना चाहिए था क्योंकि विरोध जाहिर करने के लिये इस वक्त हमारी सरकार ने उन के लिये कोई जगह ही नहीं रखी इस लिये वे लोग विरोध व्यक्त करना चाहते हुए भी विरोध व्यक्त नहीं कर सके।

हमारे बजट के आंकड़ों को देखा जाय तो हम इस को डबलपमेंट का बजट कहेंगे। देश के विकास कार्य के लिये 57 प्रतिशत राशि इस बजट में रखी गयी है। यदि हम सुरक्षा का 17 प्रतिशत और ब्याज का 14 प्रतिशत, मतलब यह है कि 31 प्रतिशत निकाल दें जो आवश्यक है तो यह सही अर्थों में विकास का बजट माना जायगा। श्रीमन्, इस बजट में प्रधान मंत्री के बीस सूत्री कार्यक्रम की पूरी झलक दिखाई पड़ती है।

श्री हरी शंकर भाभड़ा (राजस्थान): विनाश का कार्य या विकास का?

श्रीमती सरोज खापर्डे: इस बजट में प्रधान मंत्री के बीस सूत्री प्रोग्राम की पूरी झलक हमें नजर आती है और इतना ही नहीं, ग्रामीण विकास के विभिन्न कार्यक्रमों में जो 20 सूत्री कार्यक्रम शामिल हैं उन को प्राथमिकता भी दी गयी है क्योंकि केवल ग्रामीण विकास पर ही 464 करोड़ की राशि

निर्धारित की गयी है। यदि ग्रामीण विकास संबंधी दूसरे कार्यक्रम जैसे कि लघु और कुटीर उद्योग, डेरी फार्मिंग आदि को भी शामिल किया जाय तो 1308 करोड़ रुपये गांवों के विकास में इस वर्ष खर्च होगा। यह रुपया भी केन्द्र के बजट में केवल ग्राम विकास के जो मोटे कार्यक्रम हैं जैसे रोजगार संबंधी कार्यक्रम, इंटीग्रेटेड रूरल डवलपमेंट प्रोग्राम, सूखाग्रस्त क्षेत्रों संबंधी प्रोग्राम तथा रेगिस्तान विकास संबंधी कार्यक्रम आते हैं इन कार्यक्रमों के अतिरिक्त स्वास्थ्य, शिक्षा, पानी आदि कार्यक्रमों पर जिन को हम सोशल ऐंड कम्युनिटी सर्विसेज कहते हैं उन पर 1546 करोड़ रुपये खर्च होगा। यह राशि जो बजट में केन्द्रीय योजना में निर्धारित की गयी है लेकिन यदि हम सारा रुपया और राज्य योजना का रुपया पूरी तरह खर्च करें तो देश का एक वर्ष में काफी विकास हो सकता है। इस बजट में योजना के अंतर्गत सारी राशि 12852 करोड़ होती है और मेरे विचार में इतनी बड़ी धनराशि ग्राम विकास के लिये एक साल के बजट में पहली बार रखी गयी है। इस के लिये तो हमें फाइनेंस मिनिस्टर श्री प्रणव जी को बधाई देनी ही चाहिए।

श्रीमन्, इस के साथ-साथ मुझे फाइनेंस मिनिस्टर साहब से शिकायत भी है कि उन्होंने बजट में पिछड़े हुए इलाकों के विकास के लिये कोई अलग से प्रावधान केन्द्र बजट में नहीं रखा है। क्या अगर मैं यह समझूं कि पिछड़े हुए इलाकों के विकास कार्यक्रम आप ने राज्यों के सुपुर्दे या राज्यों के हवाले कर दिया है? केन्द्रीय बजट में ग्रामीण विकास के हर पहलू के विकास के लिये काफी धनराशि रखी है। परन्तु ग्रामीण क्षेत्रों में काफी इलाके ऐसे हैं जो पिछड़े हुए हैं, उनको अलग से आइडेंटिफाई करना अत्यन्त आवश्यक

[श्रीमती सरोज खापर्डे]

है। मेरा अपना अनुभव यह है कि कुछ ग्रामीण क्षेत्र अधिक विकसित होते जा रहे हैं और कुछ ग्रामीण क्षेत्र पिछड़े हुए ही रह जाते हैं। जैसे महाराष्ट्र में विदर्भ के इलाके के बारे में आप जानते ही हैं कि मराठवाड़ा और विदर्भ के दो पिछड़े हुए इलाके हैं महाराष्ट्र के और उनके अपने-अपने ढंग हैं अपना-अपना इतिहास है। मराठवाड़ा पहले निजाम राज्य हैदराबाद में था और विदर्भ का काफी हिस्सा 1956 से पहले मध्य प्रदेश में था। ये दोनों ही इलाके महाराष्ट्र के सपन्न इलाकों से काफी पिछड़े हुए हैं। महाराष्ट्र में जो 13 जिले योजना आयोग ने पिछड़े घोषित किये हैं, वह लगभग सभी विदर्भ के जिले हैं। इन जिलों के विकास की जिम्मेदारी करीब-करीब राज्य सरकार पर छोड़ दी गई है। इसलिए मेरा फाइनेन्स मिनिस्टर और प्लानिंग मिनिस्टर से अनुरोध है कि वे विदर्भ जैसे इलाके जैसे कि मध्य प्रदेश, आंध्र प्रदेश और बिहार आदि राज्यों में मिलते हैं ऐसे सभी इलाकों को आइडेंटिफाई करके उनके लिए इंटीग्रेटेड योजना बनाई जाये ताकि उन इलाकों का चारों ओर से विकास हो सके। परन्तु श्रीमन् मुझे एक बात का खेद है कि बजट में इस ओर कोई संकेत नहीं दिया गया है हालांकि दो प्रमुख कार्यक्रम—इंटीग्रेटेड रूरल डेवलपमेंट तथा नेशनल रूरल इम्प्लायमेंट प्रोग्राम के लिए 410 करोड़ रुपये की राशि निर्धारित की गई है। इसीलिए मैं वित्त मंत्री जी से कहना चाहूंगा कि इन दोनों कार्यक्रमों में गांवों के विकास से संबंधित दूसरे कार्यक्रमों में पिछड़े इलाकों को प्राथमिकता दी जाए। उन पिछड़े हुए इलाकों को विकसित इलाकों के स्तर पर लाना होगा और राज्य में जो रीजनल इक्वेलेस है राज्य सरकार

जो पहले से विकसित इलाके हैं उनको विकसित करने में लगी रहती है तो उससे पिछड़े हुए क्षेत्रों का विकास नहीं होता है। मेरे कहने का तात्पर्य यह है कि जब पिछड़े इलाकों में बिजली, पीने का पानी सड़कों और आवश्यक स्वास्थ्य सुविधा प्राप्त न हो तब तक पिछड़े इलाकों का विकास नहीं हो सकता, तब तक आप विकसित क्षेत्रों की मौलिक योजना को हाथ में न लें। होता यह है कि विकसित क्षेत्र और शहर पनपते ही जाते हैं और पिछड़े क्षेत्र पिछड़े रह जाते हैं। इसकी जिम्मेदारी केन्द्र सरकार पर सौंपनी चाहिए। मैं तो यह भी कहना चाहूंगी और सुझाव देना चाहूंगी कि केन्द्र सरकार को एक आयोग स्थापित करना चाहिए जो देश के सारे पिछड़े इलाकों को आइडेंटिफाई कर के उसके लिए टाइम बाउंड प्रोग्राम बनाये जिसे केन्द्र सरकार अपने हाथ में ले। ऐसा करने से रीजनल इक्वेलेस दूर हो सकते हैं।

उपसभाध्यक्ष महोदय, इस संदर्भ में मैं आपको एक मिसाल देना चाहती हूँ। नागपुर विदर्भ में आता है और नागपुर केवल विदर्भ में ही नहीं आता बल्कि नागपुर महाराष्ट्र की दूसरी उप-राजधानी भी समझा जाता रहा है। मैं लगातार 12-12 साल से पांच पाखली स्थान पर रेलवे क्रॉसिंग पर पुल के लिए रेल मिनिस्ट्री, फाइनेन्स मिनिस्ट्री, प्लानिंग मिनिस्ट्री, प्लानिंग कमिशन और स्टेट गवर्नमेंट से अनुरोध कर रही हूँ कि वहां पर फ्लाई-ओवर बनाया जाए। परन्तु उस पर अभी तक कुछ नहीं हुआ हालांकि इस योजना को रेल मंत्रालय ने स्वयं स्वीकार किया है। यहां पर लगभग चार-पांच लाख की आबादी है। और इसमें अधिकतर कमजोर वर्ग और वीवर्स जिन्हें हम बुनकर कहते हैं ऐसे ही लोग ज्यादा रहते हैं। इस

फ्लाई-ओवर के न होने से वहाँ की गरीब जनता विशेषकर महिलायें, बच्चे और रोगियों को काफी कठिनाई होती है। इस फ्लाई-ओवर पर रेल मंत्रालय के अनुसार ढाई करोड़ रुपया खर्च होना है परंतु रेल मंत्रालय स्वयं सवा करोड़ रुपया खर्च करना चाहता है। और सवा करोड़ रुपया महाराष्ट्र सरकार से खर्च करवाना चाहता है। इसी कारण यह योजना इतने वर्षों से बीच में लटकी हुई है। मेरा फाइनल मिनिस्टर से अनुरोध है कि ऐसी महत्वपूर्ण योजनाएं जिनका तीन-चार लाख से अधिक आवादी पर असर हो, उन योजनाओं को केन्द्र सरकार अपने हाथों में ले। अभी रेल बजट पर बोलते हुए श्री जाफर शरोफ साहब ने कहा कि इस समय देश में 83 पुलों की मांग है। यदि रेल मंत्रालय इन पुलों का पूरा खर्चा उठाये तो 29 करोड़ रुपया और खर्च करना पड़ता है। ये 28 करोड़ को राशि बहुत बड़ी राशि नहीं है। इन पुलों के अभाव पर कितनी ही देर तक ट्रेफिक रुकता है और मानव जीवन को भी खतरा है। अभी दिल्ली में एक दुर्घटना हुई। कुछ व्यक्ति इस घटना में मारे गये। तो फ्लाई-ओवर बनाने को प्राथमिकता दी गई। दिल्ली में ऐसा हुआ क्योंकि ये शहर केन्द्र के आधीन है। ऐसी महत्वपूर्ण योजनाओं को केन्द्र को अपने आधीन लेना चाहिये।

श्रीमन् इस सारी योजनाओं के लिये धन का प्रश्न आता है। यदि हम सारे साधनों को पूरी तरह से टेप करें तो ये धन का प्रश्न भी हल हो सकता है। कृषि पर कोई आयकर नहीं है। क्योंकि यह विषय राज्यों के आधीन है। और राय सरकारें ही कृषि पर कर लगा सकती हैं। परंतु

श्रीमन् देखा गया है कि कर से बचने के लिये बड़े-बड़े उद्योग घराने अपनी आय का काफी हिस्सा कृषि आय में परिवर्तित करते हैं। इसके अतिरिक्त बड़े-बड़े फार्मर्स कर से मुक्त हैं और इनकी एक बड़ी लाबी बन गई है। जब हम छोटी नौकरी वालों से आयकर लेते हैं, दुकानदारों से विक्री कर लेते हैं, कंपनियों से दूसरे कर लेते हैं तो बड़े-बड़े अमीर कृषकों से कर क्यों नहीं लिया जाता है। संविधान में संशोधन कर के कृषि आय को केन्द्र सूची में शामिल करना चाहिए।

इसी प्रकार आयकर को कीजिए मेरे विचार में सरकारी कर्मचारी ही आयकर देते हैं। क्योंकि उनके वेतन में से कर काट लिया जाता है अधिकतर लोग किसी न किसी कारण से कर की अदायगी नहीं करते और जो कर देते भी हैं उनका एरियर में पड़ा रहता है। 1982-83 में आयकर की वसूली 1562.75 करोड़ रुपया हुई है। जबकि 1981-82 में 708.38 करोड़ रुपया परिवार में पड़ा है। इसकी वसूली क्यों नहीं हो सकी? यह हमारे कानून की कमजोरी है। यह रकम 1981-82 में 635.54 करोड़ थी। और हर वर्ष बढ़ती रहती है। मेरा सुझाव है कि कानून में संशोधन किया जाए ताकि रिक्वरी अधिक हो सके। मेरा दूसरा सुझाव है कि सरकारी कर्मचारी को अधिक से अधिक किसी न किसी रूप में आयकर की छूट देनी चाहिये।

श्रीमन् इसी प्रकार सेट्रल एक्साइज के 1500 करोड़ के कैसेज अदालतों में पड़े हैं। 250 करोड़ के कस्टम ड्यूटीज के कैसेज अदालतों में पड़े हैं। हमारा कानून इतना कमजोर है कि बड़ी धन-राशि की वसूली

[श्रीमती सरोज खापड़]

नहीं हो सकती है। इसके अतिरिक्त एक्साइज और कस्टम्स के जो केसेज नहीं होते, छूट जाते हैं, वह राशि तो इससे कहीं अधिक होगी। मेरे कहने का तात्पर्य यह है कि साधनों की कमी नहीं है। उनको जुटाने और एकत्रित करने की कमी है। उधर हम खर्च में कमी नहीं कर रहे हैं। पिछले तीन वर्षों में अनेक चीजों पर 1955 करोड़ रुपये की सबसीडी दी गई है। इस सबसीडी को कम किया जा सकता है। मेरा सुझाव यह है कि सरकारी खर्च में कमी करने के लिए हम सभी मंत्रालयों को निर्देश दें और देने भी चाहिए। हर मंत्रालय से पूछा जाय कि पिछले तीन महीनों में उन्होंने अपना कितना खर्च कम किया है और उनके खर्च में कितनी कमी आई है। ऐसा करने से मंत्रालय सतर्क रहेंगे और खर्च में भी कमी होगी।

इन शब्दों के साथ मैं फाइनेन्स मिनिस्टर साहब को फिर एक बार बधाई दूंगी और इस बजट का समर्थन करती हूँ धन्यवाद।

SHRI NIRMAL CHATTERJEE: Sir, let no eye-brows be raised if I begin by agreeing with Mr. Bhan, dare and conclude by reaching my disagreement with the learned speakers of the Opposition like Dr. Adiseshiah or Mr. Morarka. Now Mr. Bhandare characterized the Budget as a dynamic Budget. I agree, Sir, it is dynamically leading us to disaster. He has said that it is growth-oriented. Once again I agree. Growth of misery is guaranteed in the Budget. He has also referred to a very interesting aspect of the Budget by saying that a provision has been made so that black money which goes out of the country may have an interesting return journey as white through our Budgeted proposals. I agree that is one of the features of

the Budget. Now, Sir, this apart, I listened to the Finance Minister's speech quite intently and ^{m sum} may be said that he was trying to convey to us that his Budget is in response to the economic situation of the country and, secondly, in response to certain suggestions, certain criticisms which have been generated in various parliamentary committees. Thereby, Sir, hang not one but many tales of that later.

On the first point about his response to the economic situation, first let me describe what the economic situation is. I will refer to this Economic Survey. Sir, in the course of four years, since our per capita income peaked last time, will this be knowledge to the House that we have been able to add Rs. 4 only? Last when it peaked it was Rs. 715-8 and in 1981-82 the per capita income at constant prices of 1970-71 is no more than Rs. 719.4. That of course is an indicator of how much we have been able to give to individuals. On an average Rs. 4 in four years or Re. 1 per year from Rs. 716 to Rs. 720. But that is not the end. The marvel of it is that in trying to give in real terms these Rs. 4 in terms of current prices the economy had to give some Rs. 500 in terms of current prices, in order to generate these Rs. 4 in real income. I refer to the Economic Survey once again. Increase of Rs. 4 of real income necessitated a jump from Rs. 1252 something to Rs. 1749 per capita in the course of these four years. Well, Sir, that also is an indicator. The first indicator in real terms is the level of the pace of development that we are trying to achieve, and the second is the indicator of what the Finance Minister is very glad to announce, the rate of containment of the rise in the prices in the economy. Now, Sir, that is the ratio. For Rs. 4 you require Rs. 500 in monetary terms. That is the measure of inflation.

Now, Sir, talking about the prices the claim which has been made in this Survey is also quite interesting.

The Survey has two kinds of figures. One kind of figure refers to December, and another kind of figure refers to January.

AN HON. MEMBER: The Minister is not listening.

SHRI NIRMAL CHATTERJEE: I am not interested because I do not have any expectation from him.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): The officials are listening. (Interruptions).

SHRI NIRMAL CHATTERJEE: Now, Sir, if we look into the indicators, their movement from December to January, we will see that in almost all the indicators there is a further deterioration. For instance; even if the wholesale price index about which the Finance Minister stresses too much, has shown 2.5 up to December, the January figure is 4.4. I am sure that in February that will give us a figure which is higher than that. But even in terms of December and January figures it is time, Sir, that he ceased to hoodwink because even the wholesale index reflects the weights that is generated in the market. And one of the things in which we take pride is that we try to plan, and we do not depend upon market. The wholesale prices reflect the market, and, therefore, Sir, it will be seen that the commodities, the goods, which are really relevant for the purpose of development, have a higher price growth rate even in the wholesale market than those which are purely a market phenomenon which is considered from the Plan point of view as non-essential for the purpose of development. I can give you figures, but I do not think you will grant me enough time or that. But I will just refer to this, that in every single case, in case of cement, in case of the basic necessities, in case of steel, for all these items, the rise in the prices is higher than the average indicated in the wholesale price index. Sir, the

cynicism is most manifest in the statement in the Economic Survey itself, when it says in terms of the consumer price indices, it claims that it has come down. I am sorry, I am referring to the wholesale price index; the reference is to this. The mention is that most consumer items have not registered any increase in the wholesale price index, and mention has been made of soap and such other items. Now these things are called jugglery of statistics. The most important commodities among the consumption items like cereals and pulses, items which really go into the wholesale price index with heavy weight, have risen much higher than either 2.8 per cent or 4.4 per cent. Sometimes the rise in prices is 10 per cent, sometimes 9 per cent and sometime 8 per cent. Now, as you know, the hikes in the railway passenger fares and freights will not enter into the wholesale price index. The hikes in the postal rates will not enter into the wholesale price index. The hikes in the bus fares which have taken place all over the country will not enter into the wholesale price index. And even when we talk about the consumer price index, I will ask the Finance Minister; why does he sit tight on the Rath Committee Report which seriously criticised the deliberate depression of the consumer price index so that it cannot reflect the real state of the situation which can explain why, in order to have this excellent rise of four rupees in terms of real income in four years, a rise of Rs. 500 in terms of nominal income was required?

Then, Sir, if this is the situation in terms of the growth rate, we are not concerned only with the growth rate. We are also concerned with how it should have been divided, how this growth is being shared among the population. And talking about this, I challenge the Finance Minister, I challenge the Treasury Bench: let them consult the Planning Commission. The Planning Commission arrived at a mid-term appraisal which was so unpalatable that it could not

[Shri Nirmal Chatterjee]

be presented in the House, and it has estimated that the population below the poverty-line, at best, remains constant and at worst, has increased, because of the findings of the 1981 population census. Sir, if this is the extent to which national income Or gross national product has increased over these years and simultaneously if the figures of population below the poverty-line remain constant or increase, does it not mean that violating the Directive Principles of the Constitution, our economic policy has given more to the rich and deprived the poor much more than in the past? I will not elaborate on this point. I simply challenge them, if they dare, to produce whatever mid-term appraisal has been made in the Planning Commission and place it before the House and allow us and allow the public at large to judge it.

I will come to the question of resources. There was a railway disaster yesterday. We had references made in the House. We heard the Railway Minister saying that the whole railway system is collapsing. The Finance Minister, of course, belongs to a different age. He does not believe that if the railway system collapses, the economy does not stand on its legs. He has not heard of people, even a hundred years ago who have written about India, that it was the railway system which regenerated the Indian economy. That gentleman was a German named Karl Marx. But, if he is fond of even Americans, I could have told him that a friend of theirs, J. K. Galbraith by name, has stated and very validly, that in economies which are not yet advanced, the entire economy is sustained and the growth is led by the railways. Only at a maturer level his studies have shown, from railways it has been shifted to the motor car industry. Now when his friend Prof. Galbraith, has said that. But he does not believe in that. When you press railways, when you press any department, 'why are

you not doing that?', the stock answer is, there is shortage of resources. And that is both valid and not valid. It is valid, why? It is valid in the sense that the society as it is structured today in most part of the world, has based its functions on the theory of scarcity of resources, though human ability has arrived at the level when scarcity can entirely be removed. As you know, we communists believe that the stage has arrived when it is possible to eliminate scarcity and enter into the field of abundance. It is in this sense, it is in this historic sense, that so long as the bourgeois system, the exploitative system, continues and the entire bourgeois economic theory of which even the Finance Minister may not be entirely ignorant, is based on the theory, on the assumption, of scarcity of resources and abundance of desires. But it is not valid in the other sense. Dr. Adiseshiah has made a reference and I also made a mention on an earlier occasion, we are among the countries which are having the highest savings and investment rate. Even in the period of the First Five Year Plan in the Soviet Union the savings rate was only marginally higher than what we are achieving. With this savings rate, between 25 and 30 per cent, they achieved a growth rate of 19 per cent per annum. With a savings rate just short of 25 per cent we are achieving a growth rate which generates Rs. 4 in four years for each individual. The question of resources therefore is posed in order to hoodwink and the whole system is busy hoodwinking us. The question of resources can be understood only if we see how this 25 per cent savings are being utilised. We know that the Railway Minister was complaining that with another Rs. 300- Rs. 400 crores which they wanted and which has been denied, his rehabilitation programme could have been successful. Far from advancing, even his programme of rehabilitation could not fructify. He would have said

today that yesterday's railway disaster is an example of why he should

get more funds. May I remind the House that at the same time our economy, our Treasury Benches, our Government, permit mobilisation of hundreds of crores to see that a car named aruti comes out on the road. It is the same Rs. 400 crores, in order to cater to whom? In order to produce 20,000 cars in the initial year. These 20,000 cars will be given to 20,000 individuals. They will not cater even to 20,000 families, because all those who go in for these cars, have already one or more other cars. So you spend Rs. 400 crores or Rs. 300 crores, in order to satisfy some 20,000 people. You cannot provide Rs. 400 crores to the Railways to satisfy the needs of millions of our people.

(MR. DEPUTY CHAIRMAN in the Chair.)

It is also said that this 55 per cent rate of savings is not generating adequate results. Why? The simple reason is that the price rise of investment goods, which is also considered to be basic, has risen much faster than either 2.8 per cent or 4.4 per cent. It is because of the fact that the investment component price has risen so much that the desired output from the investment of 25 per cent is not available to us. Raj Committee's findings also testify to this. That also is a reflection of the price situation in the economy.

Now, I have to shift to some other point. Sir, I heard with rapt attention Mr. Pant's observation. Last year he was on this side and he said that the IMF is not calling the tune. What is the proof? The proof is subsidy. You see the budget where it is said that we propose Rs. 700 crores for food and we have spent Rs. 710 crores on food as subsidy. What a glorious disclaimer of IMF conditionalities? This ten crores only

indicate that in fact the subsidy on foodgrains has decreased. In fact because of the drought situation they have distributed much more foodgrains than in the previous year. So what is the per unit subsidy? I need not have followed this circuitous route to prove my point. We have raised the issue price much more than we have raised the purchase price of foodgrains. When you say that you want to raise it further, you are only referring to the situation in two ways. One, you will have to distribute much more than previously, and two, at a rate when the prices have risen much faster. So, in real terms the content of the subsidy will be in line with the IMF conditionalities.

You made a reference to the subsidy on fertiliser and said that it is being increased. Incidentally let me draw your attention to an interesting fact about the state of the economy in connection with fertilizer. Are you aware that in the course of two peak periods decades of production between 1978-79 and 1981-82, we have provided 14 per cent more on irrigation, we have provided 16 per cent more on high-yielding varieties and we have provided 20 per cent more on fertilizers? And we have been able to achieve a growth in foodgrains output which is much less than 1 per cent of the output. So much of input has led to only one million tonnes of additional foodgrains from 132 to 133 million tonnes. This, I believe, was what Dr. Adiseshiah was referring to. Even when you compare the immediately preceding previous peaks, when also there was addition to fertilisers, when also there was addition to irrigation, when there was addition to high-yielding varieties, they were higher than the rate of growth of food production. But the declaration is manifest when they asked 10 million tonnes instead of the present one million tonnes only. So, this is the declaration that is taking place in

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agriculture, and the Finance Minister has responded to it. The Finance Minister will claim now, "I have, therefore, increased the subsidy for the fertilizers," not acknowledging the fact, as Comrade Surjeet has pointed out, that no amount of fertilizers, no amount of irrigation, no amount of these inputs, at this stage of the economy, can increase the per-unit output of foodgrains from our land until and unless the most important condition is fulfilled, that is, the condition of giving land to the tiller. Sir, I have not yet come to the Budget proposals as such.

MR. DEPUTY CHAIRMAN: The time is over now. What can be done? You conclude quickly.

SHRI NIRMAL CHATERJEE: If you want that way, I will quickly come to the Budget proposals themselves.

Sir, here I have my differences with Mr. Morarka and Dr. Adiseshiah. You take the case of the proportion of direct taxes. Their calculations are wrong and inadequate. Why? Let me tell you. Do you know, Sir—it will surprise you if you come to know—that by way of direct taxes four thousand crores are collected and nearly twenty thousand crores by way of indirect taxes? Now, out of this figure of four thousand crores, two thousand crores are collected from companies and the rest is collected from the private individuals. May I draw your attention to the fact that out of these two thousand crores, collected from the corporations and companies, about one thousand crores of rupees come from the public sector enterprises? In other words, it is just a book transfer between the Government and the public sector enterprises. You reduce that and you will then see that the proportion of the direct taxes is much less than even the 26 per cent which Dr. Adiseshiah or Mr. Morarka was referring to. Then, Sir, not more than a hundred

crores out of the current year's additional collection would be given to the States. I say, Sir, that this is a Budget of loot. It is not merely looting the people, it is also looting the States. You are looting the people and the States also. Very recently we heard the news of a drop in the oil prices. In the meantime, what are you doing? You are increasing the prices. You are asking the State? to make surpluses and then you loot that surplus by raising the prices of petroleum products, by raising the price of cement and by raising the price of steel. (*Time bell-rings*).

Sir, I will just make another set of points and I will conclude since you have rung the bell for the second or the third time. Now, I come to the boquets. Mr. Morarka is not here. I want to make an earnest request to him to withdraw that which he was offering to the Finance Minister. Why? It is because, I say, that he feels that the Finance Minister is afraid of the fact that he has imposed wealth tax on the private companies. My humble submission is that it is not exactly so. My submission is that there is an invisible relationship between the Treasury benches and the tycoons of this country. When he makes a reference to the parliamentary committees and when he appears to listen to what they say, he is, in fact, afraid of the fact that that relationship has been seen by some people and new ways have to be found out in order to maintain that relationship and he has to discover a new cover for this. Now, let us look at the provisions. Very quickly, Sir, I will make a mention of the points. They have said that companies will have to pay wealth tax now where there was no wealth tax. Wealth tax will be imposed on them now. But, Sir, are you aware that in the same bill there is a provision that the Government will be empowered, by a simple notification to exempt these companies from paying any wealth tax?

We know, Sir, what the empowering of the Government with such notifications has meant for the last four years. They have been taken aback by the Parliamentary Committee's Reports or Parliamentary Committee's deliberations, because, Sir, I want to ask them when was it discovered that one Mr. Sarabhai, who was worth Rs. 12 lakhs in 1957, has become poor to the extent of having only Rs. 50,000 in 1977, did they come to know only after the... (*Time Bell rings*) Sir, the Parliamentary Committee or the Consultative Committee drew their attention. I submit, Sir, that their own departments. .. (*Time Bell rings*)

MR. DEPUTY CHAIRMAN: Please conclude.

SHRI NIRMAL CHATTERJEE: There is another three minutes to go.

MR. DEPUTY CHAIRMAN: No. no. One minute more.

SHRI NIRMAL CHATTERJEE: Just one more point and I will conclude. They have said that at least 30 per cent of their income has to be taxed. Do you know what it means? There is a list of 26 concessions which has been provided in the Bill. The residual after 70 per cent of these are allowed to be accumulated for future deductions, that means the Finance Bill guarantees that henceforth no company will ever pay tax on more than 30 per cent of their income. They have provided in the Bill, Sir, that only that which has been paid and which has become payable will be allowed as deduction. Now, Sir, for ten years they are not paying their provident fund dues. And what they will do in order to avoid taxes in order to transform them into zero income companies or zero dividend companies is a very simple device they will adopt. "What is that, Sir? The last 10 years' payment of provident fund dues will be

made today and they will claim complete deduction; they will not pay this year's provident fund in this year, so that for 9 years they will continue to avoid all this. This is the provision that they have made. And, therefore, Sir, I say that the relationship between the treasury benches and these tycoons of the country will continue till such time the treasury benches' present occupants are made to vacate their seats.

MR. DEPUTY CHAIRMAN: Shri Ramakrishnan.

SHRI R. RAMAKRISHNAN: Mr. Deputy Chairman, Sir, I rise to support the Budget presented by the hon. Finance Minister, Shri Pranab Mukherjee. Today, while speaking, the hon. Member from Gujarat as well as an ex-Chief Minister, Shri Ghanishyambhai Oza, said that the Budget was sour. Sir, in China they have a particular dish called sweet-sour vegetable, which is very famous. I think Mr. Pranab Mukherjee's Budget can be described as a 'sweet-sour Budget'.

Sir, there are many tilings which I would like to say about the Budget. But if you like me to continue till 4 o'clock... (*Interruptions*)

First and foremost, I have already remarked about two or three years back that I think that the whole system of the presentation of the Budget has to undergo a sea-change. Many Members here, while speaking, have described the back-door method through which the Government has raised certain levies. Personally, Sir, I do not see anything wrong in it. There is no hard and fast rule that all these levies have to be in the Budget. There is no such rule or mandate. It is up to the convenience of the Government. There might be certain traditions, but so many traditions are being given a go-bye. Therefore, personally I do not see anything wrong in that. But, Sir, I

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would personally request the Finance Minister, the Government and the ruling party to think of a change in the presentations of the Budget itself. No doubt, so many speeches are being made here about the Budget and many of them go off from the main Budget or financial proposals. Or, even as the Chair ruled anything under the sun can be discussed under Budget. But, Sir, if the financial proposals are to be effective, there is one thing I would suggest. Now, there are certain eminent jurists like Mr. Palkhiwala who are day in and day out giving several lectures about the Budget itself. They are giving their own observations. Similarly, several lawyers, several chartered accountants have 'got certain suggestions to offer, and there may be some lacunae in the entire proposals which are made in great secrecy. If the same Budget is discussed in a Committee, then that Committee can consist of several experts who can go into it just like the Parliament goes into it in great detail, both before the shaping of the Budget and even after the Budget. This can come under public scrutiny and the observations of this Committee can be placed before the Parliament. So, I would suggest that this be gone into. And the balance of my speech, Sir, I will continue on Monday.

4 P.M.

MR. DEPUTY CHAIRMAN: You can continue on the next day. The Debate will continue.

STATEMENT BY MINISTER II.

Assam Situation

MR. DEPUTY CHAIRMAN: Now the Home Minister,

SHRI VITHALBHAI MOTIRAM PATEL (Gujarat): Sir, I am on a point of order. Mr. Deputy Chairman, Sir, after entering this House, I am raising this point of order for the first time to clear my mind.

MR. DEPUTY CHAIRMAN: On this subject?

SHRI VITHALBHAI MOTIRAM PATEL: On the subject, Sir. Uptil now, I have gone through the rulings of the Chair and other House and I have covered it also. When there is a popular Government in Assam, an elected Government is already there, whether this House can debate about the Assam situation at present and whether it is right or wrong or according to the rule or according to the Constitution. To my knowledge, Sir, when a popular Government is there, when an elected Government is there, this problem should not be discussed. And in discussions, allegations and counter-allegations goes on all the time, and I have 'seen it. No concrete proposals are coming, and such things are not coming in the debate which can heal the wounds. If it is a 'positive debate, if it can help solve the Assam problem • it is all right. But, I think, this will be a repetition of political accusations and counter-accusations. And, again, Sir, according to the Constitutional provision, when the popular Government is there, when the elected Government is there, whether somebody likes it or not, this debate should not take place in the House. Tomorrow, I can raise a discussion about Andhra and Karnataka and some other States where some other parties Governments are there. So, I want your ruling whether this can be debated in the House when already an elected Government is there. (*Interruptions*)

SHRI ERA SEZHIYAN (Tamil Nadu): Sir, on the point raised just now by the hon. Member, I may inform him, through you, Sir, that we are going to discuss about the conduct of the Central Government in the affairs of Assam, in the conduct of elections in Assam... (*Interruptions*) I am submitting to the Chair that this can be done. We are going to discuss about the conduct of the Central Government in Assam (*Interruptions*)