

[Shri Bhanu Pratap Singh]

The price support operations will be undertaken by the State Government/ their agencies and Central agencies. They are being advised to make necessary arrangements in this behalf.

### *The Finance Bill, 1979*

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): Mr. Deputy Chairman, Sir, I beg to move:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1979-80, as passed by the Lok Sabha, be taken into consideration."

SHRI SANKAR GHOSE (West Bengal): Sir, I oppose this introduction on the ground that the Bill contains certain provisions which are repugnant to the Constitution, to the rights of the States and, therefore, if the Bill stands as it is, then the Bill is beyond the legislative competence of Parliament.

THE LEADER OF THE HOUSE (SHRI LAL K. ADVANI): It is a motion for consideration.

SHRI SANKAR GHOSE: I am moving under Rule 67. Rule 67 specifically provides—at this stage, where a motion is opposed:—

"Provided that where a motion is opposed on the ground that the Bill initiates legislation outside the legislative competence of the Council, the Chairman may permit a full discussion thereon."

4 P.M.

Sir, I am not raising just a point of order. I am asking for a full discussion. I will show you the precedents where a full discussion has taken place. And, Sir, the question that I am raising is very important for the Council of States because the rights that are being affected by this

Bill are the rights of the different States. The question that arises is with regard to the surcharge. With regard to the surcharge, there are certain provisions of the Finance Commission. (Interruptions) Let me formulate the point.

SHRI LAL K. ADVANI: There is no question of formulating a point. The presumption is basically wrong that he is introducing the Bill. He is not introducing the Bill.

SHRI SANKAR GHOSE: I am opposing the consideration of the Bill and I will satisfy you on that.

SHRI LAL K. ADVANI: Sir, he has cited Rule 67. May I draw your attention to Rule 67 to see whether it has any relevance to this? He can participate in the discussion.

SHRI SANKAR GHOSE: There is no question of participating in the debate. My objection is more fundamental and I will satisfy you, particularly because this is for the Council of States and this is affecting the rights of the States. Sir, you will recall that when the Finance Commission...

MR. DEPUTY CHAIRMAN: The hon. Member referred to Rule 67 which I think is very clear. It says that "if a motion for leave to introduce a Bill is opposed...", which is not the case now. You are welcome to have your views, but not at this stage.

SHRI SANKAR GHOSE: At this stage, I will satisfy you. There are provisions when these questions were raised.

MR. DEPUTY CHAIRMAN: What will the House do at this stage?

SHRI SANKAR GHOSE: At this stage, if it is a question of legislative competence, I will satisfy you.

MR. DEPUTY CHAIRMAN: I do not think at this stage...

SHRI SANKAR GHOSE: I shall satisfy you. I will give you the precedents.

SHRI LAL K. ADVANI: I oppose it because I would like the rules to be strictly followed. This is not the case.

SHRI SANKAR GHOSE: This is not merely a question of discussion. The Bill contains a provision regarding surcharge.

Sir, what has happened is that the Finance Commission...

SHRI SUNDER SINGH BHANDARI (Uttar Pradesh): It is not being introduced.

SHRI SANKAR GHOSE: It cannot be considered because there is a question of legislative competence. Unless I am allowed to formulate the point, the question does not arise.

SHRI LAL K. ADVANI: Sir, he cited Rule 67 and you have given the ruling that it is not relevant.

SHRI SANKAR GHOSE: If my hon. friend is trying to interrupt me, then I am not yielding.

MR. DEPUTY CHAIRMAN: Just take a few minutes. Make only the preliminary points.

SHRI SANKAR GHOSE: Sir, the point is that the question...

SHRI LAL K. ADVANI: Under what Rules?

SHRI SANKAR GHOSE: Why is this interruption going on? Sir, the question of surcharge...

MR. DEPUTY CHAIRMAN: Not the question of surcharge, the procedural point you can raise at this stage.

SHRI SANKAR GHOSE: Sir, I am saying that when the question of the rights of the States is concerned, there are two decisions from the Lok Sabha Debates. One is on the 25th of April, 1958. When Mr. Hukam Singh was the Speaker. He said: "It is a matter of great importance

and it involves fundamental issues also. Ours is a federal Constitution. The States have got certain rights as their Legislatures as well." The Law Minister intervened and opposed but he allowed a full discussion to take place. This was the question in the Lok Sabha. I will give you the authority. In the Lok Sabha, the question was that an Estate duty was sought to be imposed by the Central Government without the consent of the States. The Constitution provides that you must get consent of at least two States. Immediately a Member said that no further discussion could take place and he said, "I am not raising merely a point of order; there will be a full discussion whether there is legislative competence." The Law Minister opposed it but the Speaker ultimately upheld the objection of the Member and said, "The rights of the States are concerned. And without hearing the States, we cannot pass the Bill." This is on the 25th April, 1958. Then, Sir, there is another decision of the Lok Sabha. Again this question came up on the 13th April, 1963. There also, the Speaker said: "If the discussion that is to follow is only on the point whether it is within the competence of the House or not, I can hear..." Then the Speaker said, "If it is restricted only to this, namely, whether it is within the competence of the House, then hon Members might speak on that, but if they go out of it, then I shall have to interfere." This is the position. The point is that in this Finance Bill at pages 33, 34 and 35...

MR. DEPUTY CHAIRMAN: First let us decide the preliminary point whether we can discuss this at this stage or not. Have you made your suggestion?

SHRI SANKAR GHOSE: Yes. On the preliminary question, if it is beyond the Constitutional competence, then I am raising it as a general discussion on the basis of the two

[Shri Sankar Ghose]

authorities of the Lok Sabha and as a point of order because if it is completely outside the Constitutional jurisdiction, then, as a point of order I can raise it because the House cannot discuss which is illegal. There is a formal decision, a judgement of the Finance Commission given on the question of surcharge. That judgement of the Finance Commission has been given under the provisions of the Constitution. That judgement has been laid on the Table of the House. The Government has said that it has accepted that judgement. That judgement provides when surcharge can be imposed and when surcharge cannot be imposed. That judgement says that a surcharge you can impose which does not ...

MR. DEPUTY CHAIRMAN: Please. Now we are not going into the merits at this stage.

SHRI SANKAR GHOSE: I am going into the question of legality.

MR. DEPUTY CHAIRMAN: No, no. Please make a brief observation just whether we can discuss it at this stage or not. Do not go into other things.

SHRI SANKAR GHOSE: If it is illegal Constitutionally, at what stage can it be raised? It must be raised.

MR. DEPUTY CHAIRMAN: You have raised it. Let me reply the point of order.

SHRI SANKAR GHOSE: Unless the point is raised ...

MR. DEPUTY CHAIRMAN: The point has been raised.

SHRI SANKAR GHOSE: Can it be said that if it is unconstitutional, I cannot raise a point of order?

MR. DEPUTY CHAIRMAN: I am replying to the point of order. I am

taking the cognizance of the point of order.

SHRI SANKAR GHOSE: If I take the point of order that this is beyond the legislative competence because solemnly you have filed the Finance Commission's recommendation ...

MR. DEPUTY CHAIRMAN: This is not the stage when we can discuss this.

PROF. N. G. RANGA (Andhra Pradesh): We can also join you.

MR. DEPUTY CHAIRMAN: We cannot go on.

SHRIMATI PURABI MUKHOPADHYAY (West Bengal): Please give your ruling.

SHRI SANKAR GHOSE: This is a matter ...

MR. DEPUTY CHAIRMAN: It might be any matter. We are guided by the Constitution. You have quoted the rule on which I will reply.

SHRI SANKAR GHOSE: If it is that the House cannot discuss it ...

MR. DEPUTY CHAIRMAN: Under which rule you say that we cannot discuss it?

SHRI SANKAR GHOSE: If it is an illegal question ...

MR. DEPUTY CHAIRMAN: Please formulate your observation in a few minutes.

SHRI SANKAR GHOSE: The point is that the Finance Commission has given a judgement on the question whether the Central Government can impose surcharge. The substance of the Finance Commission's recommendation is that if for example there is the Bangladesh crisis or there is flood or there is havoc, for a temporary purpose you can impose surcharge which is for the purpose of the Centre and the States will not share it. But you cannot impose sur-

charge for revenue purposes and thus deprive the States. If you impose the surcharge for Rs. 48 crores in one year, in five years it comes to Rs. 230 crores, and with the normal escalation of 10 per cent, it comes to Rs. 300 crores. Then you are going to deprive the States of Rs. 300 crores. The Finance Commission says that if there is a war or if there are floods, then for temporary purposes you can do it. Then the States do not mind. The States are willing to make sacrifice. But for the revenue purposes if you want to do it, you cannot do it. Sir, the position is that this recommendation is a judgement binding on the House, binding on the Centre and the States.

Not only that, the Finance Commission said that in the past, surcharge has been imposed wrongfully. Therefore, it said, "I increase the allocation of the income-tax from 80 per cent to 85 per cent. But even then as the surcharge was imposed wrongfully, the Centre is taking more money. The Centre is still getting 22 per cent of income-tax" But the Finance Commission says that it can only be done if it is for a temporary purpose, but if it is for revenue purposes, you cannot do it. Therefore they say this. On page 82 of the Finance Commission Report, it is said:

"We feel that though Article 271 does not in express terms lay down that the Union surcharge would be for meeting the burden of the Centre arising from emergent requirements, there is an underlying assumption that a surcharge should only be levied for meeting the requirements of some unexpected event and only be for the period during which it lasts"

The Finance Commission says that otherwise the States will be deprived. Sir, as you know, under Article 269 estate duty and other duties go only to the States. Under Article 270, income-tax will be distributed between the Centre and the States

as the Finance Commission decides. And then comes Article 271. What does Article 271 mean? Does Article 271 mean that instead of increasing tax under Article 269, like estate duty which will go only to the States, or increasing any tax under article 270 which will be shared by the Centre and the States, instead of doing that you can impose a surcharge so that the States are deprived of it? What is the true meaning of Article 271? That was the adjudication which the Finance Commission had to go into. The States made their submission and the Finance Commission adjudicated that Article 271 should not be used as a fraud on the Constitution, as a fraud on the rights of the States. Therefore, the Finance Commission said 'that you should take recourse to Article 271 only for special purposes, for emergency purposes. Sir,...

MR. DEPUTY CHAIRMAN: Please don't go into it. We are not discussing the merits of the whole thing.

SHRI SANKAR GHOSE: The question is of legality. Can it be said that the House can discuss it. (*Interruption*).

MR. DEPUTY CHAIRMAN: Order, please. That will do.

SHRI SANKAR GHOSE: One minute. The Finance Minister in his Budget speech says, "I propose to raise the rate of surcharge from 15 per cent to 20 per cent." And he says, "I am aware of the views of the State Governments against recourse to surcharge for Union purposes as the revenue accruing from surcharge is not shareable with the States". Now, the Finance Commission was set up under Article 280. They have made their recommendations under Article 281. They have been laid on the Table of the House; they have become a permanent thing and they have become binding. Now, you are using Article 271 for revenue purposes, not for temporary objects, not for floods and no Bangladesh crisis is there. So the States will be

[Shri Sankar Ghose].

deprived of their share. Sir, this is a very important question. Sir, you should hear all the parties at this stage. You should hear all the parties and then give your decision.

SHRIMATI PURABI MUKHOPADHYAY: Mr. Deputy Chairman, Sir, . . .

MR. DEPUTY CHAIRMAN: No. we will not have a long discussion on this.

SHRIMATI PURABI MUKHOPADHYAY: Why?

MR. DEPUTY CHAIRMAN: Let me reply to his point. We will not have a long discussion . . .

SHRIMATI PURABI MUKHOPADHYAY: You don't have to reply now . . .

MR. DEPUTY CHAIRMAN: A point of order has been raised. I have to respond to it.

SHRIMATI PURABI MUKHOPADHYAY: Will you reply again when I have made my point?

MR. DEPUTY CHAIRMAN: No, that depends on what you say.

SHRIMATI PURABI MUKHOPADHYAY: You have to hear our views because what the Government is doing is illegal.

MR. DEPUTY CHAIRMAN: A point of order has been raised and I have to respond to it.

SHRI SANKAR GHOSE: You hear all the parties.

MR. DEPUTY CHAIRMAN: Shri Sankar Ghose has raised the point that this Bill cannot be moved for consideration at this stage and he has quoted certain rules and regulations and concerned provisions for this.

SHRI SANKAR GHOSE: And the ruling of the Speaker.

MR. DEPUTY CHAIRMAN: And the ruling of the Speaker.

SHRI SANKAR GHOSE: Point of order, the rule and the ruling of the Speaker.

MR. DEPUTY CHAIRMAN: Yes, all the three. The hon. Member quoted rule 67.

PROF. N. G. RANGA: That has been dropped now.

MR. DEPUTY CHAIRMAN: Please, would you let me speak, hon. Member? Rule 67 does not apply here because as Chapter IX of our Rules says, this concerns only Bills originating in the Council. So, to that extent rule 67 does not apply. Now, what really applies in this case would be. "Bills originating in the House and transmitted to the Council", which means rule 121 onwards. And nothing has been suggested by the hon. Member as to whether any of these rules had been contravened.

Now, as regards the point of order regarding legality, the short point before us at this stage is whether according to the Rules and the Constitution, we can proceed with the consideration of the Bill not whether it is illegal or legal. That is for the courts or other bodies to decide at the proper time. (Interruptions) Order, please. And what happened in the Lok Sabha is not relevant here because, as I said, the rules there are different.

SHRI SANKAR GHOSE: They went by general principles in the Lok Sabha.

MR. DEPUTY CHAIRMAN: You can't intervene at every point, hon. Member. So, whether it is a point of order or objection of the hon. Member, I do not think it is well taken. There is nothing in the Rules or in the Constitution that precludes us from considering this Bill, the Finance Bill, at this stage. Therefore, the Minister may kindly move it for consideration.

SHRIMATI PURABI MUKHOPADHYAY: I want to make certain observations. (*Interruptions*).

SHRI SUNDER SINGH BHANDARI: Is it another point of order?

SHRIMATI PURABI MUKHOPADHYAY: Yes, I can raise another point of order. Shri Sankar Ghose raised a very relevant point about the legality, propriety of introducing the whole Bill as the Finance Bill, at the introduction stage. The Government and the Chair ought to have realised that otherwise, we as senior Opposition Members would not have done it, if it was done under the Constitution and if it was legally tenable. The whole thing revolves on only one issue. In this Finance Bill, there are certain provisions, and I will not go into them because it will take a long time and you will not give me that much time. And Mr. Sankar Ghose has already explained those provisions. On those provisions the States have been completely ignored, they have been completely deprived. And under the Finance Commission's own award, its judgment, which derived authority from the Constitution of India, the Government cannot do it, but the Government has done it already. The Lok Sabha has passed it. Now at what stage do you think we should raise this objection? And if the Bill is passed, after that, how can any objection be raised? That is why we raise this objection at this stage, when the Government is introducing it here. The Government has no right to deprive the States. It is a question of Centre-State relationship; it is a question of Finance Commission's award; it is a question of award by the Finance Commission; and it is a question of the fundamental principles of how to impose a surcharge. How can you deprive the State Governments of their share of the revenue?

SHRI BHUPESH GUPTA (West Bengal): Sir, a point has been raised.

I am not strictly raising any hair-splitting point of order, but a submission can be easily made. What Mr. Sankar Ghose has pointed out here is on the basis of the Finance Commission's recommendation or award. Now, it is quite clear that this goes against the express recommendation or stand taken by the Finance Commission. It has an implication firstly in relation to the Finance Commission, the recommendation that has been made; secondly, the Centre-State relationship involving substantial financial allocation, and doing something which would have a longer impact than is imagined. In such situations, as far as these matters are concerned, our powers are limited. Normally, well, you can make a recommendation to the other House to consider, on the Finance Bill. But they have preponderance over this matter. Now a point has been raised. He has been himself a Minister of Finance in a State, and also a Minister here, along with you, somewhere in the Planning Commission and all that. I take it that they are conversant with that fact. I am not saying that whatever we are saying is right. But a big proposition has been raised. How do you settle it? Now, obviously after the Bill is over we can do nothing; that matter ends there. If anything is to be done, this is precisely the stage when intervention should take place. Therefore, I would request you not to go absolutely by the hairsplitting interpretation of this thing. The plain point is whether what he has read out from the Finance Commission is correct or not. If it is so, there is a patent contradiction between the position they have taken and what has been read out. Secondly, it is also obvious when the States do not have any share in it at all, their finances will be affected, they can legitimately complain that it is an anticipatory action on the part of the Government; in fact, the Government has gone beyond the settled scheme of financial relation between the two. So, I am prepared to listen to him.

[Shri Bhupesh Gupta]

But, as my friend has suggested, why not call the Attorney-General? I do not know whether they will do it. But I think it is a good thing . . .

SHRI SHANKAR GHOSE:  
Attorney-General should be called.

SHRI BHUPESH GUPTA: Yes, we can take his opinion; at least let us do that. We also thing in some way in this House on this issue. Well, Sir, this is all, nothing else. And the Government should make clear if they think they are absolutely on sound ground on this matter, on a firm ground; they can explain the position.

SHRI SATISH AGARWAL: Mr. Deputy Chairman, with due respect and regard to the honourable Members who have raised this issue, I would only like to make a humble submission . . .

SHRI K. V. RAGHUNATHA REDDY (Andhra Pradesh): Sir, I wish to make a small submission.

MR. DEPUTY CHAIRMAN:  
Honourable Minister may kindly wait for a moment. Yes, Mr. Reddy.

SHRI K. V. RAGHUNATHA REDDY: Mr. Deputy Chairman, normally I would not have liked to participate in a discussion like this. But looking at the provisions of the Constitution and the recommendations of the Finance Commission, if Mr. Sankar Ghose's contentions have any validity. I am afraid this is the stage at which this matter should be disposed of on merits. The Bill cannot be legally defective and cannot go against the provisions of the Constitution and the recommendations of the Finance Commission. When the matter is brought to your notice and to the notice of the House and the Government, it is not proper for the Government not only to go into the legal contentions raised by my hon. friends, but it will be wise for them to consult the

Attorney-General on the legality of the proposition that has been raised by Shri Sankar Ghose. It will be in the interest of the Government to satisfy themselves whether they can bring forward such a legislation or not. I can quite appreciate the argument that after all ultimately the courts will decide the legality question. But even before that, when these issues have been raised here and the legality of this procedure is in grave doubt, it is but proper that a legal authority like the Attorney-General should be consulted. Not that his opinion is always right. That can be wrong also. Still, he may be consulted especially when the Bill contravenes what the Finance Commission has stated, especially having regard to the language of articles 280 and 281 of the Constitution. These legal questions are not normally raised when the motion is moved for consideration. Still, when some of us feel that there are a number of complications involved in this matter, it deserves your serious consideration. I respectfully submit that this matter cannot be disposed of as merely a procedural matter or point of order since it goes to the root of the matter. The issue is that the Government cannot come forward with a Bill for which they have no Constitutional support as the proposal is violative of the recommendations of the Finance Commission and therefore, articles 280 and 281 of the Constitution.

SHRI SATISH AGARWAL: With all due respects and regards to the hon. Members who have raised objections to the consideration of this motion which I have moved already in the House. I am pained to see that an hon. Member like Shri Sankar Ghose described the recommendations of the Finance Commission as a judgment. It is just a recommendation of the Finance Commission and is never a judgment . . . (Interruptions).

MR. DEPUTY CHAIRMAN: Please do not interrupt. You will get a chance.

SHRI M. ANANDAM (Andhra Pradesh): It is not a judgment. He said it is binding on the Government.

SHRI SATISH AGARWAL: The hon. Member should bear with me. I have yielded to you when you raised certain points. After all we are not going to decide here and now the constitutionality of the question. It is not a judgment which is binding. It is a recommendation of the Finance Commission which the Government has accepted which slight modifications and therefore it is not a judgment. This contention is wrong. This Bill is, therefore, not unconstitutional nor illegal. The hon. Members are free to criticise the levy or increase in the surcharge. That does not mean the Bill is unconstitutional, illegal or beyond the legislative competence of the legislature. This is not the position. I submit that this Bill is Constitutional and is legal and is proper. There is nothing which can debar the consideration of this Bill by this House.

SHRIMATI PURABI MUKHOPADHYAY: Simply because he says the Bill is constitutional and legal, should we accept it to be so? All that we say is that it may be referred to the Attorney-General.

SHRI BHUPESH GUPTA: Let us not start a hair-splitting debate and say whether it is a judgment or not. Forget that word. What he said was that it is binding. The Government says that the finding has been accepted. I assume that we got a note along with the report that the Government have accepted the finding or something like that. Now, this is not exempted from the acceptance part of it. This is within the category of finding. Apart from whether you call it judgment—of course, it is not a judgment—it is a finding, and the finding has the force of acceptance. You are violating it. This is the position. He said that it has been accepted. Then, I should like to know: Have they withdrawn the

acceptance. We do not know of any notification on the part of the Government that they are not going to accept it or reject it. They can't have it both ways—blow hot and cold at the same time. On the one side, you say that you have accepted it. On the other hand, you bring forward a Bill which rejects it. This is the position. We understand that when the law is discussed, we cannot question it here and that you are not to give a ruling whether it is constitutionally valid or not. We know that. For that we will fight in the court. But we are entitled to know the legal, constitutional position. The controversy having arisen, it is better to have the opinion of the highest legal officer of the Government of India, and it has been done in some cases. Therefore, a suggestion has been made that in view of the controversy, the opinion be sought. That part you should consider seriously. We know that the Finance Commission does not deliver a judgment. But he also knows that its recommendation has a very great weight and force; we accept it generally . . . (Interruptions).

MR. DEPUTY CHAIRMAN: All the arguments that have been raised can certainly be raised in the course of the debate. There is no point whether we should proceed with the Bill or not. There is nothing in the Rules or in the Constitution preventing us from proceeding with the Bill. Therefore, we should proceed with it . . . (Interruptions).

SHRI BHUPESH GUPTA: I agree that we should proceed with the Bill and the Attorney-General should come to the House and give his opinion. Let the Attorney-General come and take part in the proceedings. Let this part be done now when it is more relevant to do so.

SHRI SANKAR GHOSE: There is only one question, Sir . . .

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR AND



PARLIAMENTARY AFFAIRS (DR. RAM KRIPAL SINHA): You have asked the Minister to proceed. You have given your ruling.

SHRI SANKAR GHOSE: We are proceeding. But... (*Interruptions*).

SHRIMATI PURABI MUKHO-PADHYAY: You will be in great difficulty if you ignore it—not we... (*Interruptions*). You can do this tomorrow.

SHRI SATISH AGARWAL: Sir, if the hon. Members want postponement of the debate just because they are not ready, with it is for the House to consider ... (*Interruptions*).

SHRI SANKAR GHOSE: There are two separate questions. After any Bill is passed, it can be taken and challenged in a court. And the court can decide whether it is *intra vires* or *ultra vires*. The Minister has not answered the basic point on the merits. On merits, the Finance Commission ...

MR. DEPUTY CHAIRMAN: You can say all this in the course of the debate.

SHRI SANKAR GHOSE: At this stage, the Minister has not told us whether this surcharge is for a temporary purpose. The Minister does not say that it is an emergency...

MR. DEPUTY-CHAIRMAN: You can raise your point in the debate and the Government can reply. Please resume your seat ... (*Interruptions*) Now, let us proceed with this.

SHRI SANKAR GHOSE: What is the answer of the Minister?

SHRI SATISH AGARWAL: The Bill based on the recommendations of the Finance Commission will be coming before the House shortly. Then also something can be said on that point. It is to give proper validity to the budget levies. I have already re-

ferred to Article 281. With your permission, I would like to read it:

"The President shall cause every recommendation made by the Finance Commission under the provisions of this Constitution together with an explanatory memorandum as to the action taken thereon to be laid before each House of Parliament."

Therefore, it is neither unconstitutional nor illegal. The propriety of increasing the surcharge is a different matter. But it is absolutely within the legal competence of the House.

SHRI G. LAKSHMANAN (Tamil Nadu): I want only one clarification.

SHRI SATISH AGARWAL: If you are not in a mood to discuss it today, that is a different matter.

SHRI G. LAKSHMANAN: During the whole of last year, the Government was contemplating to take away sales-tax from the States. Therefore, I think that this is a clandestine way. If the Government tries to take away sales-tax from the State Governments, then it will be opposed by the States. I want to know whether the Government has introduced this five per cent surcharge when there is no flood and other things just to take away the sales-tax in a clandestine manner.

SHRI SATISH AGARWAL: The suggestion is frivolous.

SHRI G. LAKSHMANAN: He says that it is frivolous. (*Interruptions*).

SHRI SATISH AGARWAL: Sir, the proposals embodied in the Finance Bill do not merely seek to mobilise additional resources but are also designed to promote certain social and economic objectives to which Government attach high priority. The objectives underlying the budget proposals, as reflected in the Finance Bill, have been adequately explained in the Budget Speech of the Deputy Prime Minister and Minister of Finance and

I would not like to weary the hon. Members by covering the same ground again. It is a little over two months since the Finance Bill was placed before this House. During this period, we have received many valuable suggestions from hon. Members of this House, the general public and professional organisations like Chambers of Commerce. The Government have tried to respond to these suggestions in as constructive manner as possible within the limitation imposed on them by the need of raising adequate resources to support developmental programmes at the desired level.

The levies in the form of excise duties on consumer goods, used mostly in urban areas provoked considerable criticism in the House and outside. As the hon. Members are aware, with a view to lighten the burden on this class of consumers, the Government have already announced in two instalments reliefs in excise and customs duties resulting in a sacrifice of revenue of Rs. 47.74 crores in a year.

Faced with a deficit of nearly Rs. 2000 crores at the pre-budget rates of taxation, for sustaining a reasonable step up in Plan outlays, the Government had no other alternative but to raise additional resources on a wide front. It is, however, our judgment that we have kept the burden on relatively poorer sections of society as light as possible. If we have not been able to accept some of the suggestions pressing for a larger measure of relief, it is because either they are in conflict with the basic social and economic objectives envisaged in the budget or because they would involve serious sacrifice of revenue.

**[The Vice-Chairman (Shri G. Lakshmanan) in the Chair]**

I can appreciate and understand the forceful criticism in this House and outside of the enhanced levy on petroleum products. The increase in levy on kerosene in particular has been adversely commented upon. We

are fully aware that these levies and in particular the levy on kerosene will cause some hardship to both the urban middle class and the rural poor. But faced with the sharp escalation in prices of crude and petroleum products in international market, we had no other alternative but to take corrective action. If we defer the adjustment in prices of petroleum products either through enhanced excise duties or revision of prices of petroleum products, we will be exposing the national economy to serious dislocation in the near future. By taking corrective action in time through the budget, we feel that we have smoothened the process of adjustment in the level and pattern of consumption of petroleum products to the new developments in the international energy scene.

The enhancement of the rates on products falling under Item No. 68 of the Central Excise Tariff has also been assailed. We have made it clear that this upward adjustment in excise duty on item 68 which comprises a wide range of products not specified elsewhere in the excise tariff, has been resorted to largely on considerations of revenue. The additional revenue from this measure is estimated at about Rs. 100 crores. Any attempt to raise the same amount from a few select commodities would have led to far greater distortions in the economy and caused greater hardship to the consumers of these products. The modifications in the scheme of exemption for small scale manufacturers under item 68 have also evoked adverse comment. I can assure the hon. Members that this Government, which is committed to the promotion of small scale sector will not do anything which would blunt the competitive advantage enjoyed by the small scale sector through the scheme of preferential excise. But I would like to submit for the information of the hon. Members that the changes now effected in the scheme of concessions for small scale manufacturers under item

[Shri Satish Agarwal]

68 will not only preserve, but in fact, enhance marginally in monetary terms the advantage which they now enjoy in the levy of excise duty. There should, therefore, be no basis for the apprehension that the competitive capacity of the small scale industry will be impaired by the changes now made.

As regards proposals relating to direct taxes, a significant change has been made in the Finance Bill as originally proposed in regard to the scheme of taxation on capital gains. Having regard to the criticism that the withdrawal of exemption from taxation on capital gains might lead to under valuation of assets transferred and thus accentuate the generation of black money and bearing in mind also the need to canalise investible funds in socially desirable directions, we have now provided that capital gains arising on transfer of capital assets made after 28th February, 1979 would qualify for exemption from income-tax subject to the investment of sale proceeds of such assets within six months in National Rural Development Bonds. These Bonds will have a maturity of 7 years and carry an interest of 7.5 per cent per annum. Other changes made in the original Finance Bill, which have also been accepted by the Lok Sabha do not seem to call for any special comments.

Both in this House and outside there has been a strong criticism of whittling down of tax concessions available in the income-tax law for contribution to provident fund, life insurance, etc. Government are conscious of the need to provide adequate incentives for savings particularly on the part of the salaried middle class who are used to making savings largely in the form of contributions to the provident fund and the life insurance policies. I would request the hon. Members to remember that contributions up to a limit of Rs. 5,000 per annum will continue to enjoy tax concession on the same scale as at present. It is clear that the vast majority of the middle class

savers will not, therefore, be in any way affected by the changes made through the Finance Bill. It is only those who save more than Rs. 5,000 per annum in these forms will suffer some reduction in terms of the tax concessions they enjoy at present. By definition, those who can save more than Rs. 5,000 per annum cannot be considered to be men of small means.

Sir, I would not like to take more of the time of the House. I would request the hon. Members to extend their support to the Finance Bill now before them.

The question was proposed.

SHRI N. K. P. SALVE (Maharashtra): Mr. Vice-Chairman, Sir, before I come to make my observations on the Bill, I must submit that it has been the tradition of this House that when this Bill is debated, it is usually the Finance Minister, the Minister of the Cabinet rank, who usually pilots the Bill. I hope, Sir, that Shri Agarwal will not take it amiss because there is no reflection on his ability because he is one of the few able Ministers in the Council of Ministers. But it is a question of propriety and that is why I am raising it. Even if he is not piloting the Bill—I understand that the Finance Minister is not well—I hope Sir, an assurance will be coming from the Government that at one stage or the other, the Finance Minister will come and intervene in the debate because the hon. Minister of State is only in charge of Excise and Customs, and most of the important matters, most of the fiscal legislation, monetary control and credit policies, are outside his domain, and policy matters are involved. And if something is to be said, then it is the Cabinet Minister who must come in due deference and respect to the high position of this House. And, I hope, Sir, the Government will make an announcement to that effect.

Sir, coming to the discussion on the Bill, the debate on the Finance Bill always affords us an opportunity

to review the overall performance and the policies of the Government particularly in the fiscal and the monetary field; the two fields which are the most important fields; the basis for the entire economic growth of the country as such and we determine the achievements and the failures of the Janata Party by collating and critically examining what their claims are and what their achievements are and determine to what extent they have been honestly and ably and sincerely able to handle the affairs of the country and what quality of leadership they have shown in this regard.

Sir, as I proceed to evaluate the performance of the Janata Party since its advent as the ruling party, many facets of its performance impinging on its achievements and failures flash across my mind kaleidoscopically and I want to look into these achievements and failures. Being in the opposition, I think it is my duty that I start with their achievements, I think the greatest achievement for which their own party is unanimous is the achievement of the restoration of what they call the individual freedom or the individual liberty. Together with it is the achievement they seem to be talking about on account of the enactment of the Fortyfourth Constitution Amendment Bill to correct certain distortions in the Constitution. However great may be these achievements, but I submit greater are the merits of dubiousity in these achievements. While restoring these individual liberties and freedoms, they have taken the entire Parliamentary system in the country to the point of making it utterly licentious and permissive. It has become a democracy today in which the rigours of discipline are completely absent, it has become a democracy in which the rigours of involvement are completely absent. In fact, such democracy becomes self-destructive democracy. If this is what you achieved by restoring individual liberty and

restoring individual freedom and you made it licentious and permissive, it is only history which will judge and determine whether you have rendered any service to the institution of parliamentary democracy. But if one were to evaluate the staggering list of the failures, of the party in power, only a few of them can be mentioned, within the short time. I should start by pointing out the grievance which is made, not only by the opposition, but by your own party people about the failure to keep the high-sounding pledges and promises you gave to the people when you were elected to power and authority in 1977. Fortunately, one of the Ministers made a statement yesterday in Poona saying that it was not due to any merits of the Janata Party as such or the merits of its individual members that they were elected. It was only an accident because the people wanted a change. It was an atmosphere of indignation when the people voted the Janata Party to power in the high expectation that a transformation will come about. The high-sounding words which were spoken during the elections, the promises given and the pledges made were believed by the gullible voters and the Janata Party people were voted to power. It is a dismal performance of broken pledges and broken promises. The failure to maintain a standard of probity in public life and purity in public life is yet another failure. Day after day allegations have been made of corruption, pecuniary corruption, and other forms of corruption. This House passed a Resolution, Sir, wanting to inquire into the very serious allegations of corruption against the son of the Prime Minister. That entire Resolution was sought to be stifled by the Government. Thereafter the Leader of this House threatened to resign because the dignity of the House and the respect of the House was involved and he thought that it was absolutely necessary to implement the mandate of the House for the formation of a committee, a committee to be constituted to inquire into the allegations of corruption by the son of the Prime

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Minister and the family members of the present Finance Minister and the erstwhile Home Minister. No less a person than the Leader of the House himself threatened to resign unless a committee was appointed. surreptitious method was evolved, an extremely dishonest method was found to hush up the matter by referring to someone who heads the judiciary in the country.

Now, I for one do not want to cast aspersions on the judiciary. We have paid a heavy price for tinkering with judiciary and we do not want to repeat all that. But what I want to say about the Chief Justice today is primarily with a view to criticising the dishonesty of this Government who have found a\*\*\* who have found a\*\*\* and who have found a\*\*\* to serve their political purpose. Did the Chief Justice not understand, Sir, that this was a matter in which the House had taken a decision? Did the Chief Justice not understand that it would be an insult to this House if he agreed to toe the line of the dishonest Government in taking upon himself or recommending other Judge to determine whether or not the charges are specific? Sir, this Government has said times out of number that it would never have anything to do with a person who supported emergency. This gentleman the present Chief Justice while he was one of the judges of the Supreme Court, eulogised the emergency; he called it "A diamond bright, a diamond hard era". And soon thereafter—because at that time no one expected the Janata Party coming to power—when the Janata Party did come to power, he lost no time in tendering a public apology saying that "instead of giving judgment in the case of Shrikant Shukla, the famous Habeas Corpus case I am sorry I could not be courageous and bold enough to resign." Thereafter, it is not a matter of pure surmise and conjecture as to what might have transpired

between this Government which has lost its credibility, this Government which is a dishonest Government, this Government which does not care for probity and integrity in public life, and a person for his appointment to be the Chief Justice, who had given such an unequalled support to emergency. He was still made the Chief Justice. There is therefore, going to be *quid pro quo*. We raised this point in the House that with the help of this Chief Justice, you are going to insult and humiliate the wishes of this House and you are going to heap insult on this House. It is a criticism of this Government, because the Government is dishonest, and anyone joining hands with the Government in this sort of sinister move, unholy move, anyone joining hands with the Government to suppress this inquiry into the allegations of corruption against the son of the Prime Minister, is equally unholy, equally dishonest and equally unworthy of any high position. Therefore, Sir, this afternoon, many things were said here. I do not know now made of this is expunged. I was keen that record of this House be put straight. It is primarily the criticism of this Government, this dishonest Government and of the dishonest people who are helping this Government in perpetrating fraud on the people and fraud on this House.

There are several other failures. The less said about them, the better. They have failed singularly to give any protection to the innocent men women and children including others involved in communal riots. People have felt that they have become victims of fanaticism. I had myself gone and seen what happened in Aligarh. It was sheer butchery of minorities who were the ones who came and voted the Janata Party with the highest of expectations. They have been paid back amply. If the present rule remains for some more time, their failure to give protection to the Harijans, to Adivasis, to weaker sections against rape against atrocities and against infliction of humiliations on them would continue unabashedly.

\*Expunged as ordered by the Chair.

About law and order, the less said the better. Every day we hear instances of children being kidnapped, children being murdered, our women folk being kidnapped or being looted. Daylight robberies have become the order of the day. One day at ten O'clock, on Mathura Road, close to my bungalow, returning from a dinner party, I found three armed men with rifles looting a white Fiat car. I asked my driver to stop the car and see what we could do. My driver suggested that it was better to go to the bungalow because that would take half a minute's time and we call the police. I rushed to my place and I telephoned 100. And I said, "I am speaking from No. 7, Purana Quila Road." The officer asked, "What is your name?" "I am Naren from No. 7, Purana Quila Road." He said, "What is your father's name?" I said, "There is a Fiat car just being robbed here. My father's name can come later on. I am a Member of Parliament. Put me on to someone who is superior to you." Immediately someone else came. I complained the matter to him, precious five minutes were wasted in asking my father's name. I do not know what happened to the unfortunate victims of the hold up. This was at about 9.30 or 10 O'clock in the night. This has become the order of the day. The womenfolk cannot move in the evening.

Large many things are there which go to show how dismal has been the performance of this Government. The worst of all is, they have not been able to take any advantage to bring about an economic growth which was possible as a result of the best possible conditions in which they took up the Government. They have, for the fourth year, a bumper crop. They have a magnificent pile of foreign exchange at their command. What is it that you need to make the best out of it? And, despite that, you have plunged this country into such misfortune, into the abyss of hardships and harassment to the unsuspecting people. I do not know what sort of an account you are wanting to settle

with the people who have entrusted you with the reins of authority.

You have failed to maintain any price stability. Amongst your failures, may I enumerate what are the figures of unemployment? You have promised that you will eradicate unemployment in ten years' time. We had nine million unemployed people when you took over. I am giving you figures from the Economic Survey of India and these are the figures taken purely from the Employment Exchange. We had nine million unemployed people in 1977. They rose to 12.33 million in 1978. They have risen to 15 million in 1979. The graph is on the increase. There is no miracle in the economic laws. They are ruthless. They are not going to yield to any amount of gimmickry and they are not going to yield to any amount of nonsense which comes out from this Government because unless the problems are tackled with a positive direction, with a positive firmness—which is completely lacking in this Government—you are not going to ever solve any problem. In fact, the real failure comes because you have not been able to rule this country with any degree of firmness and cohesive purposefulness, you have not been able to evolve any strong and worthwhile socio-economic policy because you have been lost and driven by a perpetual factional, internecine in-fighting to retain political power by hook or by crook.

Today, after the Budget, we have from the Minister of Civil Supplies a very pathetic and very apologetic response to a Calling Attention notice about the rise in prices. He said, "Well, the Government is most concerned, and give us the credit that we have not hidden anything; we admit that the prices are rising." Are you a Government worth your salt or are we some sort of pujaris, mullahs or padrees sitting here to listen to the confessions of the sins of persons in Government? What are you doing about it? Are you to effectively govern the country or are you to

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merely come here and make confessions, "Yes, kindly give us credit that we know that things are going from bad to worse. At least we are admitting that we are incompetent?" That is not enough. That is not going to solve any problem. In fact, it was pointed out by all the finance experts, by economists, by experts in industrial management, by every student of public finance and, in fact, all the sensible politicians had pointed out that this sort of a Budget which you are bringing in, in which you had contemplated at that time, a taxation of Rs. 665 crores, will bring about an inflationary spiral.

Of course, now it has been reduced by Rs. 47.75 crores. With Rs. 1355 crores deficit juxtaposed with the spurt in money supply, someone sitting here said it was the highest ever spurt in money supply which could not be absorbed by the growth in real terms. The growth in real terms could not absorb this spurt in money supply and further the inevitable result of the new massive impost and levy brought in the play of market forces resulting in inflationary spiral. You did not need a genius to tell you all that. The difficulty was that you needed to give up your obstinacy and understand what was coming up. Someone said it was 38 per cent inflationary rate going about. Someone said it is 42 per cent. It is the highest ever inflation rate in the country and still you maintain that, so far as the Budget is concerned, it is only one per cent increase in prices. What sort of a cruel joke is it on the unsuspecting people of the country? They are concerned with the price rise, they are concerned with their daily problems they are facing in getting items of common consumption. They are worried about their misfortune and their difficulty arising out of the ever-increasing rise in prices, for no fault of theirs. Their only fault being that they voted you to power, the only fault is that there is a Finance Minis-

ter who is not willing to understand that if you are going to tax irrationally, it will set in a chain reaction, it will bring about a cost push, it will bring about a chain reaction resulting in wage price spiral, with consequent inevitable inflation unleashed and hoisted upon the people of the country. You do not need to be economists to understand all these things. If you depend on the bureaucrats because they are saying that the price rise is still one per cent on account of the Budget, then it is unfortunate for Ministers will come and Ministers will go but the bureaucrats will remain where they are. They are not worried about what happens to the Minister. If there was formerly a Minister of the Swatantra Party, and he called a tune, the bureaucrats were good enough to play to his tune very well. If there was a Congress Minister, they played to his tune magnificently. Now if there is a BLD Minister, they are playing to his tune magnificently.

SHRI KALP NATH RAI (Uttar Pradesh): Who is the BLD Minister?

SHRI N. K. P. SALVE: The Minister from BLD in Janata Party. The question is you need to understand that no one is interested in knowing as to how much of this price rise is attributed to Budget and why are you diverting the people with nonsensical talks. Why don't you tackle the problem? Why don't you straightaway take steps instead of giving explanations and instead of being apologetic and boldly decide that within seven days you are going to take these steps, one, two, three, four, five, six, etc., as a result of which the prices will come down and the price index will be restored to 184 when it had risen to 194 in the meanwhile—an unprecedented rise that had ever been seen in this country. The question, therefore, is: what steps are being taken to stop the existing profiteering the existing racketeering, hoarding speculation, artificial shortages and the price manipulation which is rampant on a large scale? Do you think that these

traders take your threats seriously? Do you think the businessmen take your threats seriously? They know what your worth is. They know how ineffective you are. They know that there is nothing that you can do to them. Massive tax evasion is going on a large scale. Never before has tax evasion on such a large scale been allowed to go on with impunity as is being allowed today. They are not worried about it. I wonder if there are any laws at all in the country for economic offences and if there are any laws, they are not meant for anything else except for committing breach. Those who want to benefit by racketeering and profiteering never had it so good as they are having it under your benign rule. And you help them with this sort of Budget. Someone gave the figures about the petroleum products. What dishonesty it is to say that because the OPEC countries have raised the prices, you are also raising the prices of petroleum products? Is it not a well known fact that you get ultimately petrol refined from the refineries at less than Rs. 2 per litre? Now this is one item of which there must not be a wasteful use because we have to pay foreign exchange for it. Ration it if necessary. But, is it the way to deal with the matter that you say dishonestly that you are going to raise the prices because the OPEC countries have done so? That is not the reason. You are not able to curb your wasteful expenditure.

5 P.M. You are not able to bring about any restraint whatsoever on the heavy wasteful non-Plan expenditure which you have foisted on your head. Having done so, the best you could do was to announce the constitution of a commission to suggest ways and means to economise, but nothing is being done to control those expenses, and then you say, "We are going to raise resources more and more because unless we raise the resources, how we shall be able to meet the expenses." You are putting the cart before the horse. That is how a weak and un-

principled Government always works. Being a victim of circumstances, it demands that these are the circumstances which it has to meet to remain in power. Therefore, you can squeeze the unsuspecting people and penalise them for voting such an unprincipled Government to power. The life of the citizens has become hell.

I do not want to repeat. You are well aware what the rise in the price has been. For God's sake do one thing. Show your honest intention by bringing about a dozen profiteers and hoarders to book. You do not know, there is hoarding. The steel price has gone up from Rs. 1,300 to Rs. 3,600. Who is the beneficiary of this? The cement prices has gone up to Rs. 60/- per bag in black-market. And you are sitting merrily and saying that you are worried about the rise in price. You better be honestly worried about it. It is high time. Otherwise, what is likely to happen was indicated by hon. Shri Sinha. There is going to be such a massive stir in this country that you have never known before. Do not think that you can push the people beyond a point. The consumers have been pushed beyond the point of tolerance.

In fact, I wish to make one thing absolutely clear, while I am so critical of the entire tax proposal, of the entire philosophy which seems to have commended itself to you while evolving your tax proposals and of the utilisation of the resources. We are not, not one of us, is opposed to the concept of rural development. India consists of rural India. Development of India will only mean the development of the rural India. No one is against it. All that we are against are two things: No. 1, we cannot equate the interests of the kulaks with rural India nor can we equate the development of the kulaks with the development of the rural



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India. That is No. 1. That has to be properly understood and appreciated. And the second point is that we can never approve of a philosophy which brings about imposts and levies which are so unsparring, which are so harsh on the weaker sections whether they are in the rural area or the urban area without any direction and without any purpose. The Budget is very sadistic and vicious in approach. One could have diverted massive resources for the development of the rural areas if it was necessary. Was it at all inevitable as it seems to have been made out by the Finance Minister that he should have roped in all the items of common consumption in these large levies which were bound to unleash an inflationary spiral? He thinks that the weaker sections of the society are happier than anyone else. It is this philosophy, it is this pernicious and dangerous policy, it is this most disastrous attitude because of which the weaker sections of the society have been hit the hardest and it is this approach which we are against.

I shall come to deal with some specific provisions regarding the direct and the indirect taxes. First I will take up the continuation of the compulsory deposit scheme. Clause 46 of the Finance Bill extends by two years the compulsory deposit scheme.

Sir, may I continue?

THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN): We will continue up to 6 o'clock. But you have already taken 25 minutes. Conclude in five minutes.

SHRI N. K. P. SALVE: Give me 20 minutes or 15 minutes.

Sir, the continuation of the compulsory deposit scheme today for two years in the midst of inflation where the honest tax-payer has very

little purchasing power left after payment of taxes to meet his everyday needs, I submit, is a fraud on the honest tax-payer. This is neither a tax on income nor is it a levy for any service. The Compulsory Deposit Scheme, I submit, is nothing but extortion of money by the Government from the tax-payer as loan on almost interest-free terms. I say "interest-free terms" for two reasons. Number one, the interest which is paid to us is very concessional, and secondly by the time the monies are returned to us, their purchasing power goes down the hill. Already the purchasing power has gone down to three-fourths, if not lesser than that. What is the use of penalising the honest tax-payer? Is this the only way left? You are re-introducing section 54E. You want to leave out those people who have properties, who have monies, who are going to make large amounts of money as capital gains. On them no tax has to be imposed. But those who pay tax honestly, their monies must be extorted to give a forcible loan to the Government. There is no morality or equity. I know morality and equity are strangers to the law of taxation. But this sort of levy is both dishonest and immoral. It would be worthwhile for the hon. Minister to know what were the conditions when the Compulsory Deposit Scheme was introduced. And I would like to ask whether there is any justification on grounds of morality or on grounds of equity or on any other ground to continue the scheme, whether a Government worth its salt, which has the slightest consideration for the people, which has any qualms of conscience, would still continue it. Sir, when it was introduced, this was what was stated by the Statement of Objects and Reasons:

"In recent months ...."

This was in 1974. At that time, you will remember, Sir, that there was an explosive situation. The OPEC countries had raised the prices of

petroleum products beyond all comprehension, and a certain inflation had come about as a result of that. An extraordinary and emergent measure was taken.

"In recent months, inflation has assumed an alarming proportion. The wholesale price index and the consumer price index have been advancing rapidly. The increases in prices have been affecting seriously all sections of the community, particularly the weaker sections, apart from imposing a severe financial strain on the Central and State Governments.

In order to deal urgently and effectively with the mounting pressure of inflation, it became necessary to take a number of measures. As part of these measures, the President promulgated the Compulsory Deposit Scheme Ordinance. It requires certain classes of Income Tax payers, namely, individuals, Hindu Undivided Families, Trusts .....to deposit a portion of their income during the current financial year and the financial year 1975-76."

Now, it has been extended up to 1982. Sir, do these conditions, do these factors exist today? And if it was not a fraud on the people, may I know what is the justification for the Government to continue this Compulsory Deposit Scheme today when conditions have changed? None of these emergent conditions exist today, excepting their own folly in bringing about a Budget which has unleashed the inflationary spiral.

**SHRI U. K. LAKSHMANA GOWDA** (Karnataka): Mr. Salve, their argument is that the same conditions are prevailing even now, and that is why they are continuing the Compulsory Deposit Scheme.

**SHRI N. K. P. SALVE:** So many lakhs of rupees have been spent in bringing out brochures and papers, and they have been shouting—and their voices have become hoarse—that

they have achieved price stability. They are claiming that they have achieved price stability. For a year there has been price stability. Where has been the prevalence of these factors? Let them say that these factors exist. Let them say that such an emergency exists today. Then, however dishonest it may be, at least there will be some justification. But without saying that, you say "I extend it for two years". It will go on getting extended; it will go on *ad infinitum*. And we must become the creditor of the Government which is almost on the verge of political insolvency. We must go on bringing their creditor at concessional rates, whereas our wives and children must suffer. What is the logic?

Sir, I will come to the next point—  
increase in the rates of personal taxes.

**THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN):** Mr. Salve, in this you are the teachers of the Janata Party, because the Compulsory Deposit Scheme was introduced during your period.

**SHRI N. K. P. SALVE:** Whatever may have been the justification in 1974—even then I had opposed it—that justification does not exist now. The honourable Minister is also an expert on taxation. I am fervently appealing to him, he should understand the implication of what I have now to say. I will come to the increase in the rates of personal taxation by increasing the surcharge for the Union. Maybe, I am not in complete agreement with one point that the Members from Bengal raised. I was under the impression myself that the recommendation of the Finance Commission is final and binding. But I checked it. Article 281 does not say so in clear terms, but the spirit is absolutely clear and writ large that the recommendation of the Finance Commission cannot be taken lightly. And the Finance Commission was extremely critical of the

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way and the manner in which surcharge for the Union was being levied as a result of which the States would be left out from sharing of the monies that they collect by way of surcharge. It is not fair. Ours is, if not strictly federal, a quasi-federal polity, and therefore it is absolutely essential and necessary for the Government of India not to do anything which would create doubt about your *bona fides*. You must not raise personal taxes at all. On that I have my comments to make later. But if at all taxes had to be increased, it should not have been surcharge for the Union. You could have raised the rates of taxation on income, so that as a result of that, your *bona fides* would not have been doubted by the States. I agree with Bengal Members to the extent that this has given them a very valid justification to doubt your intentions, your *bona fides*. But what about the increase in the rates of taxation? Surcharge is increased from 15 to 20 per cent and they want to mop up as a result of that additional Rs. 37 crores. Now, I would submit for Minister's consideration, I would implore him to consider, whether or not this is a completely retrograde step. And I shall point out to him that in 1974 for the first time when the tax rates were reduced, there was an increase in the collection of taxes; there was a buoyancy to the extent of Rs. 200 crores. Is it not true that further when it was reduced in 1976 the buoyancy was to the extent of Rs. 240 crores? In 1978-79 when the reverse process started, there was a decrease, a corresponding decrease. If this be the correct position, and the Public Accounts Committee in its 123rd report dealt with this aspect of the matter, there is a diminishing point for personal taxation beyond which you can go on taxing, and it is only the honest who are crushed; the dishonest know a large many ways to get out of it and they continue to go merrily with tax avoidance. What is the rationale for in-

creasing personal taxation? My real grievance against you is you have mopped up only Rs. 28 crores from the corporate sector when corporate sector is making huge profits; they are the beneficiaries of all the concessions that you announce, they are the beneficiaries of large turnover, they are the beneficiaries of all the advantages under the tax law. They get the weighted deduction for expenses, they get the fiscal incentives; they have a large many expenses allowed to them against their gross receipts. Under such circumstances instead of taxing the companies—because the companies are allowed a very concessional rate—you are attacking the honest, non-corporate assessee mainly in the salaried class. A study conducted by the Reserve Bank of India revealed that after taking into account all these incentives, after taking into account the weighted deductions and to the concessions given to the corporate sector, the actual effective rate of taxation on commercial profits of the companies was only 37 per cent. If this is correct are we willing to make such inquiry into the taxation of the corporate sector to see how cheaply they are getting away with their taxation, and how easily you can mop up Rs. 100 crores or Rs. 200 crores by increasing taxes on the corporate sector? For God's sake, don't touch the harassed individual taxpayer, because it is the salaried class, the honest class, the honest taxpayer, which is affected. The rest of them know how to get out of the net.

Then, you have restored, by Clause 8 section 54 subject to one modification, that the net amounts so collected on capital gains shall have to be invested in case one wants to avail of the exemption, in rural development bonds which would carry 7.5 per cent interest and for 7 years. Now, this is what I did not expect of the Finance Minister who went to the extent of making a categorical statement in his Budget Speech—

this is what he said so far as this sort of a provision was concerned, when he withdrew section 54E—he said, “Since asset owners secure capital gains largely through no effort on their own part, this exemption confers an unfair advantage on asset holders as compared to income earners and thus contributes to the disparity in society.” Tell me how this disparity in society will diminish now? How can this enduring disparity in society diminish if the propertied men with Rs. 10 lakhs, Rs. 20 lakhs, Rs. 50 lakhs, Rs. 1 crore and Rs. 2 crores worth of assets and properties are allowed to make profits of another Rs. 20 lakhs, Rs. 40 lakhs, Rs. 50 lakhs and Rs. 2 crores and with no taxation on them for seven years if they deposit these amounts in these bonds. There is only one redeeming feature. The Agricultural Bonds cannot be redeemed in seven years nor can any money be borrowed against these. My respectful submission is that one thing you could do is this. If you are going to restore 54E, for the sake of honest tax-payers, return their money and discontinue the compulsory deposit scheme. This sort of attitude to give a step-motherly treatment to honest tax-payers and to give preferential treatment to propertied people is certainly deplorable. You admit that these exemptions will bring about disparity. But just because someone says that you should divert it to the rural areas, you forget the statement you made. This is unfair and this should not have been done.

I shall come next to reduction in the concessions of income-tax on long-term savings on insurance etc. Shri Agarwal, the hon. Minister, has said that on the first Rs. 5000 it is still 100 per cent, on the next Rs. 5000/- it has come down from 50 per cent to 35 per cent, and on the balance it comes down from 40 per cent to 20 per cent. If investible funds are to be diverted into channels which are socially desirable, may I know whether there is any other

opening except this for the honest tax-payers? This is the only way an honest tax-payer can save money for a future date. You call every honest tax-payer affluent and rich. What about a person who is committed to pay certain premiums? He will continue to pay those premiums whereas you are going to reduce this. This is betrayal of faith and trust. I do not know how much your Government is worried about betrayal of faith and trust.

But there is one silver-lining in an otherwise dismal and disheartening Bill and this is contained in clause 20 of the Bill. There you have contemplated a proviso to section 245D in terms of which you have provided for power of review by the Settlement Commission in the face of a veto by the Commissioner. In the absence of such a proviso to review by the Settlement Commission the entire settlement machinery was becoming a dead letter. The entire section was becoming a dead letter because the Commissioners these days—poor fellows—are too scared to take any responsibility on their heads. Every time there is a reference made to them, they will say that it need not go to the Settlement Commission and that is the end of the matter. The Government does not stand by the bureaucrats. They are often let down and run down. They are only too anxious to protect the Chief Justice who can look after himself very well but not the officials. They are not worried about the bureaucrats and people who are serving them day and night. Be that as it may, I must congratulate the Finance Minister for insertion of proviso in section 245D.

There is only one last item that I want to mention. And this is something which deals with your Ministry. This is increased levy under Central Excise Tariff under item 68. I do not have much time to dilate upon this. If there is one levy which violates all norms and canons of taxation, it is taxation under this entry. The poorest of the poor is hit by this. The

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smallest manufacturer is hit by it. The reason given by you is that it is widely spread over and your target of collection is about Rs. 100 crores from a wide section of the society. This is hardly any justification for raising it to 8 per cent. Initially it was 2 per cent and even then I had told Mr. Subramaniam that some day we will be shouting hoarse against it. God forbid, if some unprincipled, unscrupulous and weak Government comes to power, this will become a major source of revenue for them. Please let not our fears come true because Satishji you understand this. Do something about it. You will realise that this is the levy which has directly affected your political position adversely which you are facing today.

AN HON. MEMBER: From per cent they raised it to 5 per cent and from 5 per cent it has come to 8 per cent.

SHRI N. K. P. SALVE: From 8 per cent it may go even upto 12 per cent and may even become a major source of revenue in future. This is a most pernicious approach, a most dangerous approach, subversive of all the known canons of taxation. Burke said that to be in love and to be wise as to tax and to please is not given to man. Taxation by Parliament without reason or fairness is cruelty and extortion legalised. The arguments can be unlimited. Even though reason is limited and when response to reason reaches a vanishing point in making statutes, there is very little which can stand between tyranny on the taxpayer caused by capricious, unbridled, unprincipled and indisciplined politicians which I ardently hope you and your Finance Minister are not. Thank you.

SHRI M. ANANDAM: Mr. Vice-Chairman after an eloquent criticism of the entire Budget and the performance of the Janata Government during the last two and half years of its tenure by my esteemed friend, Mr.

Salve, I shudder to speak much because he, as a Chartered Accountant, has exposed the entire Budget and now it is my lot—I am also a Chartered Accountant—to elaborate on certain points that he has made out.

The first thing that struck me when I went through the Budget proposals was that this year's Budget is a disastrous Budget. When one goes through the entire Budget proposals, it is very evident that there is lack of wisdom on the part of the Deputy Prime Minister and Finance Minister to leave a gap of nearly Rs. 1,350 crores uncovered. Considering this gap, the shrinking of the foreign exchange reserves and lack of policies for promoting development and production and the possibility of economy getting stuck in the mire of stagnation portend disaster.

I would like to deal with some of the taxation proposals before I go to the actual fiscal policies of the Government. We all know that the Government is trying to raise nearly Rs. 53 crores under direct taxes and about Rs. 600 crores under indirect taxes. I might say that all these taxes are counter-productive and inflationary in their effects.

Mr Salve has very eminently placed before you, Mr. Vice-Chairman, the surreptitious way in which surcharge has been levied. Mr Sankar Ghose raised a point of order and also the constitutional validity of the levy of surcharge. We all know that income-tax goes to divisible pool of the State and surcharge does not go into that. As has been rightly pointed out, the Finance Commission said that any surcharge, if it is raised, must be used purely as an emergent measure, otherwise it should go to the States. While I do not agree with the point raised by Mr. Sankar Ghose as to whether we have a right to discuss the Finance Bill which levies surcharge or not. I would only say that surcharge being part of income-tax, it must directly and constitutionally go into the divi-

sible pool of income-tax because it is calculated as a percentage of income-tax. The calculation of the surcharge is based on the income tax and therefore it must go into the divisible pool of the income-tax. To that I must say that while the procedural difficulty has been experienced or expressed by Mr. Sankar Ghose, I do not find any reason for such a procedure being adopted. I would only say that it should necessarily go into the divisible pool and the States are completely entitled to it. The other thing is with regard to the corporate tax. It is unfortunate that the corporate tax does not get into the divisible pool. After all, the same Income-Tax Act deals both with the Income-tax law and the Corporate Tax law. It is only conversion of individual business into the corporate sector that makes the company to pay corporate tax. In other words, whether it is income-tax or corporate tax, income-tax law is the basis for collection of both. I suggest that, if necessary, constitutional amendments may also be brought forward to see that corporate tax is also included in the divisible pool. As has been pointed out by Mr. Salve, the other aspect of the law of direct taxes is the withdrawal of certain deductions on account of insurance, provident fund, etc. The Finance Minister has explained that a middle-class man is not affected because the first Rs. 5000 worth of investment in these long-term investments is fully allowed. But he seems to have forgotten that so far as insurance and provident fund are concerned, there tax-payer makes a long-term investment and this withdrawal would create disturbance in his fiscal arrangements and it would hamper his own financial condition. It will be very difficult for him to make both ends meet. Added to that, we have the Compulsory Deposit Scheme extended for two more years. I would like to know whether any honest person will be able to pay his insurance premium, provident fund and C.D.S. without borrowing from the

banks. I know of cases where for the purpose of Compulsory Deposits, the people had to borrow from the banks. As it is, there is very little that is left with the people. After paying these things and with this spiral in prices which is going up like anything, there is very little mobility that is left with the people and they find it very difficult to manage their affairs. I suggest that the Government should restore the concessions of deductions so far as insurance and provident fund are concerned to the old level. Here, I may remind the Janata Party of their commitment to the people. I quote from the manifesto:—

"Social justice is not an abstract concept indicating good intentions, but it is the basic philosophy which must be translated into action which can lead to the welfare of the masses on the principle of equality and prosperity."

I would like to know whether they have achieved any of these objectives with the tax proposals which they have made during the last two or two and a half years. There is absolutely no reduction in the disparities. Disparities continue. As a matter of fact, the indirect taxes that have been levied are so heavy that they hurt the masses to a large extent. It is due to this consideration that the concession given with regard to the fertilisers, tractors and other things do not serve the intended purpose. I am afraid to say that these concessions are only intended for the rich people. They make rich richer and keep the poor poorer. As a matter of fact, if you take into consideration the statistics of the consideration, nearly 15 per cent of the agriculturist landlords have 60 per cent of the land and the rest have the balance of the land. So, this 15 per cent of the kulaks have all those benefits that have been given by the Minister of Finance in his Budget proposals. Nearly Rs. 200 crores of concessions are given. I would very much appreciate that instead of giving these Rs. 200 crore concessions, if this is

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collected and utilised for the purpose of rural development, that would have been a better way of serving the poorer people than by giving this type of concession to the richer class of people.

Sir, I would not wish to deal with most of the indirect taxes that have been levied. Both in the Lok Sabha and also in the Rajya Sabha, there has been a very trenchant criticism on the levy of these taxes, especially on the essential commodities. And there has also been a very trenchant criticism with regard to item 68 of the excise tariff. We all know that when this was first introduced by Mr. Subramaniam in 1976, if I remember correctly, he levied a tax of one per cent. The tariff was only one per cent. Then itself, we all objected to it. He then told us that he was levying this one per cent not for the purpose of getting any revenue out of it but to collect the statistics of various industries. The only way in which we collect the statistics of the progress of the industries is to make a nominal levy, and by that the Government would be able to get the statistics from all the industries: Later, it has been raised to 2 per cent. And last year, it has been raised to 5 per cent. Now, it is 8 per cent. It is not necessary for me to say how much it affects the prices. And I have been very carefully listening to the discussion on the Calling Attention motion that was going on here in the afternoon where the Minister was vociferously saying that he was trying to contain the price spiral, and he was expressing his concern over the price spiral. And I do not know he contains it. If he wants to do it through the public distribution system, Sir, we have the experience the public distribution system. By public distribution system I know that the Government have always in their view the co-operative societies. And the co-operative societies have become the pockets of a limited number of people

who have been the politicians. And this type of public distribution system will never help either in stabilising the prices or in bringing down the prices. But apart from the public distribution system which they profess would bring down the prices, I would presently place before you, Mr. Vice-Chairman, Sir, some facts which would never bring down the prices but would increase the prices like anything. Let us take into consideration the country's unchecked expansion of money supply. During the last year, the increase in the money supply was of the order of about Rs. 2,400 crores, an increase of 12 per cent, as against Rs. 1,200 crores in the earlier year which was 8.1 per cent. If we take the three years' money supply into consideration which comes to more than Rs. 5,000 crores, it is nearly an increase of 50 per cent. Even the Economic Survey admits this, and I quote from page 60 of the Economic Survey:

"If a momentary expansion of this magnitude continues, it would be difficult to entertain the hope that it will not have an impact on prices."

Sir, this is the opinion expressed in the Economic Survey of the present Government. They still say that this public distribution system and the supply of commodities through it will be able to contain the prices. They will not contain the prices. They must first contain the money supply. Unless the money supply is controlled or limited, it is impossible for them to contain the prices. And the way in which the Government is now trying to increase the money supply, I am afraid that this type of expansion would only take the country to an extraordinary inflation. And I don't think the common man would be able to survive that inflation. He has also given the wholesale price index and said that it has gone up by one per cent only. I am glad that he has gone to the extent of saying that the wholesale price index has gone up from 183.4 to 194. The consumer price index has also been given. It

has gone up from 321 to 340 points in these two months. It is not just enough if we compare the figures of the wholesale price index or the consumer price index. What exactly is the working class cost of living index? Our country consists of nearly 80 per cent of the employed, as working class. I am not talking of people below the poverty line but those who are employed. Nearly 80 per cent of them are employed and come under working class. If you take into account the commodities consumed by the working class into consideration and the cost of living index into consideration, I am afraid that the cost of living index has gone up by at least 12 to 14 per cent in the last two months. I want that the Finance Minister should take into consideration the commodities which are consumed by the working class and then try to compare them. That would give a better satisfaction to the Members than anything else.

The next point that should be considered is the huge trade deficit. Mr. Vice-Chairman, Sir, you are aware that in the last ten months of 1978-79 there is nearly a thousand crores of rupees of trade deficit. We had a very rapid growth in 1976-77 so far as exports are concerned but unfortunately in 1978-79 it has fallen. The reasons are varying. For want of time it will not be possible for me to deal with all these things. I can only say that added to the export trade deficit you have liberalised your import policy to such an extent, and in such a way, that there will come a time when the foreign exchange resources will be completely depleted and you will just raise your hands up in distress. That is how I put it. Therefore, it is necessary that you do something about it. I know that you are getting a lot of foreign exchange. That is all not your own foreign exchange earned by you, I would say. You are getting foreign exchange not because you have supplied goods. People outside the country have been remitting moneys to our country. They are earning it and they are

sending it here. But there is always that danger that its supply may be limited or cut down. Therefore, it is necessary for you that in order to keep your foreign exchange position comfortable you must improve your export trade very well. There are a number of constraints with regard to that. I would only say that your power shortage and your coal shortage and various other factors have contributed to a recession in the industrial growth and this has contributed to the deficit in the foreign trade.

There is also the need for our commerce department to do a lot in the direction of export promotion. Lack of awareness in the foreign market is one of the constraints that is responsible for our export trade falling. The needed publicity which is necessary has not been there. Actually the entire West-Asia which is a market for us, we are completely losing it because we have not been able to do proper publicity.

Another point for consideration is the Plan performance. The Sixth Plan provides for an outlay of Rs. 69,380 crores. To meet this outlay the Planning Commission has worked out how the resources should be raised by the Centre and the States. Even after raising the resources it is found that during this period there would be a deficit of nearly Rs. 2226 crores. But, Mr. Vice-Chairman, you have seen from the revised estimates of last year and the Budget of this year, the deficit for 1978-79 is Rs. 1050 crores and if we take the revised estimates of last year also into consideration, the deficit is Rs. 1590 crores. And take this year's deficit, which is Rs. 1350 crores. These two figures added together give a total of Rs. 2945 crores. If the total deficit for all the five years of the Sixth Five Year Plan is Rs. 2226 crores, it means that in the first two years itself we have already incurred a deficit of 2945 crores of rupees, that is, Rs. 790 crores more than what you contemplated or anticipated for all the five years. I do not know how



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this Plan would be taken up in the next three years.

There is also another point. This plan performance is based on the presumption of stability of prices. I know normally a small margin for inflation is provided in the Plan estimates. But taking these present prices into consideration, I do not think, Rs. 69,000 crores would be sufficient to complete your plan targets for the Sixth Five Year Plan.

There is also another aspect about planning which I would like to mention. Ever since the Janata Government came to power, increase in the national plan expenditure has been coming down. Taking the figures for 1976-77, the increase over the previous year was 31 per cent. In 1977-78, it was 27 per cent; in 1978-79, it was 17 per cent and in 1979-80, it is 7.9 per cent. The total allocation for the plan expenditure is, thus, coming down slowly from year to year. This is the performance of the Janata Government. I do not know whether they have really understood the fiscal responsibility of the Government or not. It is for you, Mr. Vice Chairman, to judge.

Then before concluding, I would only take up one point more. What is the position of public debt in India? In the three years of the Janata rule, the public debt has gone up by about Rs. 12,000 crores. You take the figures of 1965-76 and the figures of 1976-78 into consideration. Whereas the whole public debt has gone up by only Rs. 8,000 crores in a period of 10 years, in a period of 3 years, it has gone up by Rs. 12,000 crores. And if the same position continues, I do not know, by the end of the Sixth Five Year Plan the public debt may go up even to Rs. 25,000 crores. But what is the impact of this public debt? Apart from redemption of public debt, every year you have to provide for interest for this public debt. Next to the defence expenditure that we have, the other major item of expenditure is the interest on

public debt. The taxpayer's money is unnecessarily spent on payment of interest on these debts.

Mr. Vice Chairman, a lot has been said about the public sector undertakings. With nearly Rs. 13,000 crores invested in public sector undertakings, last year there was a loss of Rs. 14 crores. Normally, if any private sector industry invests money in an industry, it expects at least ten per cent return. This amount of Rs. 13,000 crores should yield a return of Rs. 1300 crores at 10 per cent. But this resulted in a loss of Rs. 14 crores. That is one of the greatest tragedies of our country because of the way in which our mixed economy is being operated. I am in favour of public sector undertakings and nationalisation of a number of industries. But I fail to understand the inefficiency on the part of this Government not being able to manage these public sector undertakings. There are two solutions for this. I remember that a few days ago, to have read a report of the Bureau of Public Enterprises which recommended that at least some of the industries may be closed, some, they said, may be given to the private sector. This is a recommendation of despondency, I would say. I would say, don't do these two things. After all, management can be done efficiently only if you have some personal motive or personal incentive. Otherwise, nobody does it. I would suggest to the Government to make all these public sector undertakings joint ventures. We have seen in this country that private management has been organising the industry better than the public sector management. If you combine these two managements, the private and the public, then probably these public sector undertakings may improve. So my suggestion is that you make all these public sector units joint ventures. In that way, you will achieve two objectives. One is, you inculcate efficient management. The second is that the capital that has been invested could be unloaded to others and at least 50 per cent of it could be utilised for other purposes.

THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN): Mr. Anandam,

*vice versa*, the private sector shall, also manage with 50 per cent.

SHRI M. ANANDAM: As a matter of fact, Mr. Vice-Chairman, your suggestion is very good. As a chartered accountant, I have been seeing that a number of the financial institutions—LIC, the Unit Trust and other financial corporations—have been investing in this private sector and they are having their say in their management in the sense that they have been sending their directors into the boards of directors of these private sector concerns. So my suggestion is that if *vice versa* it could be done it will definitely improve the economy of the country and will also help in seeing that the performance of these industrial concerns is very much improved.

Lastly, I would say a word about the capital gains tax. Mr. Salve has read from the Finance Minister's Budget speech the laudable objective with which he wanted to withdraw the capital gains tax. Three years back when Mr. Patel introduced this concession, I raised a doubt about it. I very frankly made a point to say that this concession was going to be short-lived because I knew that at the time he was interested in some of the business tycoons, the industrialists in Ahmedabad and elsewhere to unload their shares and purchase new shares, shares of other companies. These business tycoons have been in charge of management of the textile mills in Ahmedabad for over two generations. They wanted to unload their shares and invest in new industrial undertakings so that they could have diverse range of management, but this capital gains tax was coming in their way. So a lobby worked with Mr. Patel and he introduced this concession of capital gains tax and mentioned a number of specific assets and said that by investing in these specific assets you will not be liable to the capital gains tax. Mr. Patel maintained that it is not a retrograde step. I

told him that it is an anti-socialist measure. I said: "You should not give the concession like this. At least please do one thing. If one sells one's shares and wants to invest in old shares, don't permit it. If one sells shares and wants to invest in new industrial undertakings, you may allow it because at least that gives an impetus to the new industries to come up. Please help us to make an amendment to this effect." Then he laughed at me and said, "Mr. Anandam is always apprehensive of any wise measures that we bring in here. This is a very good measure. It must be there." Then I cautioned him and said, "You are going to withdraw this measure within one year because I know that within one year all your friends must have adjusted their finances." And true to my word he has withdrawn this measure in the subsequent year. There was again a protest from the capitalists. They wanted that this measure should be continued. He said that if they deposit it in the fixed deposits, he would give the exemption. So, that was the measure last year. This year, they have withdrawn it. It is good that they have withdrawn it. But I do not know what has prompted Mr. Charan Singh who is a common man's representative to do so, I should put it like this.

SHRI LAKSHMANA MAHAPATRO (Orissa): As he claims,

SHRI M. ANANDAM: He has claimed to be at least a representative of the agriculturists. What is it that has prompted him to introduce this type of provision. It is a subterfuge way of dealing with capital gains tax. It is not good for this country. I do not know why he introduced it. But at least, I would say, the only thing he could have done was this. A number of middle class people who have been selling their properties are not in a position to keep the proceeds in fixed deposits or invest them in the national bonds or whatever it is. I suggest that (*Time bell rings*) at least the people whose net assets are worth

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less than Rs. 2 lakhs, should be generally exempt from the capital gains tax. That would be a better way of dealing with taxes than allowing a blanket exemption to all people whatever their wealth is.

Even the much professed bias for the rural sector which I think my friend has just now mentioned, is not very much present in the Budget. I have seen it. If we take the Budget. . . .

THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN): I think you will take one or two minutes: You are concluding.

SHRI U. K. LAKSHMANA GOWDA: You have not rung the bell, Sir. That is why he is continuing.

THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN): I have already done it.

SHRI M. ANANDAM: The allocation for rural development in 1978-79 was Rs. 1,754 crores, whereas for 1979-80 it is Rs. 1,811 crores; a fabulous increase of Rs. 57 crores for rural development. In this Budget we find only an increase of Rs. 57 crores under this head. Even the provision for the Drought-Prone Areas Programme has been cut down from Rs. 76 crores to Rs. 57 crores. So, this is the Budget we have and these are the proposals that they have been trying to bring, and the Finance Bill is based on the Budget proposals. I am sure, none of us here, not even those in the Janata Party, have ever appreciated any of these Budget proposals.

I would, in passing, make only one reference and then close my speech. We have two or three reports. One is the Choksi Committee report. The other is the Jha Committee Report. I do not know what has happened to these reports. They are intended to simplify the law both with regard to the direct taxes and the indirect taxes.

So far as the direct taxes are concerned, I do not know why the Finance Minister always uses his Finance Bill for bringing amendments to the existing income-tax law. Take for instance, the provision in regard to the trusts. I think the Finance Minister would agree and the Department would agree that the law relating to trusts has been the most complicated law and it has been the subject-matter of judicial pronouncements in different ways on different occasions in the Supreme Court itself. They are also not agreed on it. Now we have added one more complication to it. The complication is this. To avoid tax, some people are creating trusts. The beneficiaries of the trusts are minors. The trusts become partners in firms. The firms make profit. Because the trust is a juristic person and the indirect benefit the beneficiary gets, it must go to the father of the minor. This is the provision which is being made. I only want to ask one question. Has any study been made as to what is the extent of avoidance. . . .

THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN): You are asking the Minister through the Chair.

SHRI M. ANANDAM: Yes. Has any study been made with regard to the extent of legal avoidance? What is the total loss to the revenue? Why do you want to safeguard that revenue? I remember in one of the Select Committees on a taxation Bill, Mr. Tenneti Viswanatham asked a pertinent question. When the individual tax-payer throws his individual property to the common man, to a hotch-potch, there is a hue and cry by the bureaucrats that it has been used for avoidance of tax. Then he said, "Please give me the figures of at least four metropolitan places-Calcutta, Madras, Bombay and Delhi. How many are using this provision to throw their self-acquired property into a common hotch-potch? What is the tax avoidance?" They collected the figures and they found that the figure was negligible. But if you refer to the taxation

laws, there are at least 10 to 12 sections dealing with this particular point—whether it is wealth tax or income-tax or gift tax—and making the entire law very complicated. What I want to say is, the Choksi Committee had been appointed to simplify the law, and simplify the law in such a way that the total structure does not get disturbed and the total tax revenue does not get disturbed. It gave a comprehensive report. But I find that it has been shelved. Nobody seems to have cared for it. Similarly the Jha Committee on indirect taxes have given a beautiful report. They have also mentioned about the cascading effect in respect of the excise duty which is imposed on inputs as well as on the finished products. I think in the Estimates Committee Report which was given a few days ago, they have comprehensive dealt with this particular aspect of excise duty. I know the capacity of the Minister of State for Finance for understanding things. Why not he apply his mind to these aspects and bring very soon a Bill to simplify the tax structure covering both direct and indirect taxes? Thank you.

SHRI A. R. ANTULAY (Maharashtra): Sir,....

THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN): After the speeches are finished, I think you can wait for some time. Now, Mr. Indradeep Sinha.

श्री इन्द्रदीप सिंह (बिहार) : उपसभाध्यक्ष महोदय, मैं इस वित्त विधेयक पर बहुत संक्षेप में अपने विचार प्रकट करना चाहता हूँ और इस विधेयक की धाराओं पर आने से पहले मैं दो-चार शब्द इस के पीछे काम करने वाली आर्थिक और वित्तीय नीति और इस सरकार का जो वित्तीय और राजनैतिक दर्शन है उसके बारे में कहना चाहता हूँ ।

SHRI SATISH AGARWAL: Do we adjourn at 6-00?

THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN): No, we will continue, because he also wants to speak today.

SHRI INDRADEEP SINHA: I want to complete my speech today. I will take 15 minutes.

SHRI SATISH AGARWAL: I do not mind. You speak for twenty minutes.

SHRI RAM LAKHAN PRASAD GUPTA (Bihar): I can speak tomorrow, if you like.

THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN): All right. Mr. Sinha, you carry on.

श्री इन्द्रदीप सिंह : श्रीमन्, इस बजट के बारे में वित्त मंत्री चौधरी चरण सिंह ने खुद कहा है कि मुझे इसके लिए क्षमा मांगने की आवश्यकता नहीं है । उन्होंने यह भी कहा है कि यह बजट किसान पक्षीय है । जिन लोगों ने इस बजट का विरोध किया है उनका कहना है कि यह बजट कुलक पक्षीय है । वित्त मंत्री समझते हैं कि ऐसा कहकर उनकी सख्त आलोचना की जा रही है । यह सही नहीं है । ये कुलक क्या हैं ? आप जानते हैं कि कुलक धनी किसानों को कहा जाता है । इस दृष्टि से यदि हम विचार करें तो चाहे यह बजट धनी किसान के पक्ष में हो या साधारण किसान के पक्ष में हो है तो किसान पक्षीय ही । मेरा कहना यह है कि ये दोनों मूल्यांकन गलत हैं ।

इस बजट में रासायनिक खाद में 85 करोड़ रुपयों की सालाना छूट दी गई है । इसी प्रकार से एक छूट और दी गई है । लाइट डीजल की छूट वापस कर ली गई है । पावर टीलर पर जो छूट दी गई है उससे करीब 75 लाख रुपयों की आमदनी होती थी सरकार को इस प्रकार से कुल छूट 85-86 करोड़ रुपयों की दी गई है । ऐसी स्थिति में किसानों को इस बजट से क्या 6 P.M. मिला है ? लेकिन जो नया उत्पाद शुल्क, एक्साइज, ड्यूटी लगाई गई है, उसका बोझ किसानों पर क्या होगा ? एक पत्रकार ने अनुमान लगाया है कि नये शुल्कों से सात सौ करोड़ रुपये की जो दूरे वर्ष में आमदनी होगी, उसमें

[श्री इन्द्रीप सिंह]

से 395 करोड़ रुपया ग्रामीण क्षेत्र को देना पड़ेगा और लगभग तीन सौ करोड़ रुपया शहरी क्षेत्र को देना पड़ेगा। तो ग्रामीण क्षेत्र को इस तरह 85-86 करोड़ रुपये की छूट मिलेगी और लगभग 4 सौ करोड़ का नया टैक्स लगेगा। तो फिर यह बजट ग्रामीण पक्षीय कैसे हो गया किसान पक्षीय कैसे हो गया? बल्कि किसान की जो ग्राम जरूरत की चीजें हैं, जैसे कैरोसीन, दियासलाई, बीड़ी और चाँधरी साहब के इलाके में किसान बहुत हुक्का पीते हैं उस हुक्के वाले तम्बाकू जिस पर कभी टैक्स नहीं लगता था, ऐसी सारी चीजों पर टैक्स लगा दिया गया है। तो किस तरह से इस बजट को किसान पक्षीय कहा जा सकता है? इसे कतई किसान पक्षीय नहीं कहा जा सकता।

मेरे पास इतना समय नहीं है जो मैं उद्घरण पेश करूँ। उपसभाध्यक्ष महोदय, उत्पाद शुल्क से अमरीका में सरकार की जो आय होती है वह पूरी आय का बहुत ही कम प्रतिशत होती है। प्रधान आमदनी प्रत्यक्ष कर से, इनकम टैक्स से होती है। हमारे देश में प्रधान आमदनी अप्रत्यक्ष कर से जो कि 75 से 80 प्रतिशत है, होती है। वर्ल्ड बैंक की एक रिपोर्ट में जो कि 1978 में निकली थी, उसमें इस बात की चर्चा की गई है कि विकासशील देशों में, डेवलपिंग कंट्रीज में, विभिन्न वस्तुओं पर उत्पाद शुल्क लगाकर साधन जुटाने की जो नीति अपनाई गई है, उससे विकास रुकता है, क्योंकि उससे पूँजी निवेश में, कैपिटल इनवेस्टमेंट में बाधा पड़ती है। तो एक्सपर्ट्स की ऐसी राय रहते हुए भी सरकार इस अंधी नीति पर चल रही है और वर्तमान सरकार ने, वर्तमान वित्त मंत्री ने इसी नीति का पालन किया है।

दूसरे, जिस आधार पर कहा जाता है कि यह किसान पक्षीय या ग्रामीण पक्षीय बजट है वह है इस वर्ष के बजट में योजना राशि

का आवंटन। खेती के मद पर जो योजना का आवंटन है उसके बारे में मेरे एक मित्र ने अभी बताया कि गत वर्ष की तुलना में वह मात्र 57 करोड़ रुपये अधिक हैं। तो यह कोई बड़ी चीज नहीं है। लेकिन मैं उससे भी बड़ी खामी को और आपका ध्यान आकर्षित करना चाहता हूँ। जिन मुद्दों पर आपने कटौती की है उसके बारे में लोक सभा में शासक दल के एक सदस्य प्रो० आर०के० अमीन ने बड़ी शाबासी देते हुए वित्त मंत्री को कहा है कि यह बड़ी खुशी की बात है कि आपने इस्पात पर काटा है, कोयले पर काटा है, रासायनिक खाद पर काटा है तथा दूसरी धानुओं पर आपने काटा है और आगे चलकर चौधरी चरणसिंह जी अगले बजट में बड़ी "छलांग मारेंगे" और इन चीजों पर आवंटन और भी कम करेंगे। इस तरह से उन्होंने तारीफ की है। मगर मैं पूछना चाहता हूँ राज्य वित्त मंत्री महोदय से कि क्या कभी आप यह आशा कर सकते हैं कि खेती का विकास बिना कोयला उद्योग के विकास के, लोहा और इस्पात उद्योग के विकास के बिजली, रसायन, रासायनिक खाद, अलमू-नियम और इंजीनियरी उद्योगों के विकास के किया जा सकेगा? नीति का विकास आप किस तकनीक के आधार पर करना चाहते हैं? दो हजार साल पहले की तकनीक के आधार पर यदि करना चाहते हैं तो फिर यह नीति ठीक है। लेकिन शायद यह आप करना नहीं चाहते हैं। इसलिए अगर आधुनिक तकनीक के आधार पर अगर आप खेती का विकास करना चाहते हैं तो फिर किसान को बिजली चाहिए, पम्प चाहिए, खेती के औजार चाहिए अच्छी रासायनिक खाद चाहिए, किसान को पेस्टिसाइड चाहिए। अच्छी खेती के विकास के लिये इन उद्योगों का विकास होना जरूरी है। अन्य उद्योग धंधों की बात छोड़ दें परन्तु इन उद्योगों के आवंटन में अगर आप कटौती करते हैं तो क्या होगा? या तो खेती का विकास रुकेगा या वह सारा

सामान विदेशों से मंगाना पड़ेगा, और आप मंगा भी रहे हैं। इस साल आप इस्पात विदेशों से मंगा रहे हैं, आप सीमेंट विदेशों से मंगा रहे हैं, आप रासायनिक खाद विदेशों से मंगा रहे हैं, आप कोयला भी विदेशों से मंगा रहे हैं आप कागज विदेशों से मंगा रहे हैं। तो जब चौधरी साहब छात्रांग मारेंगे तब इन तमाम चीजों के नित्य साम्राज्यवादी देशों का आपको दास बनना पड़ेगा। इन्हीं से खेती का विकास चौपट हो जायेगा, सारे देश का विकास चौपट हो जायेगा। तो यह जो योजना की नीति इस सरकार की है जो इस बजट में परिलक्षित हुई है, वह आर्थिक व्यवस्था के विकास की नीति नहीं है। यह तो उसके ह्दय और ठहराव की नीति है। मैं आंकड़ें नहीं देना चाहता क्योंकि इसमें बहुत समय लगेगा। लेकिन जनता राज की उपलब्धियाँ यह हैं कि कोयले का उत्पादन ठप्प पड़ा है, जहाँ का तहाँ पड़ा है। लोहे का, कच्चे लोहे का, एल्युमीनियम का, अलौह धातुओं तथा सीमेंट का उत्पादन जहाँ का तहाँ पड़ा है। तमाम की कमी पड़ गई है और इन तमाम का ब्लैक मार्केट हो रहा है। और बड़े बड़े उद्योगपति और व्यापारी फायदा उठा रहे हैं।

आपने कृषि के विकास के लिए जो रुपया आवंटित किया है उसमें भी नीति और दृष्टिकोण में बहुत परिवर्तन है। हमारे देश में अरार जलराशि मौजूद है। बड़ी बड़ी नदियाँ जो ऊँचे पहाड़ों से आती हैं, उन नदियों को अगर बांधा जाए तो बाढ़ रुक सकती है, सिंचाई भी हो सकती है और सस्ते से सस्ते दाम पर बिजली भी उपलब्ध हो सकती है। रोजी के भी साधन हो सकते हैं और सिंचाई के भी साधन हो सकते हैं। लेकिन इस सरकार की नीति क्या है? वह यह है कि बड़ी बड़ी नदी घाटी योजनाओं पर कम खर्च करो और माइनर इरिगेशन पर, लघु सिंचाई पर ज्यादा खर्च करो लघु सिंचाई में क्या है? जो गांव के धनी तत्व हैं उनको बैंकों से कज

दो, उनको सरकार से सबसिडी दो, उनके मार्फत द्यबवैल बनवाओ, कुएं खुदवाओ, पम्पिंग सेट लगवाओ। इसका नतीजा क्या होगा? जमीन के साथ साथ सिंचाई के साधनों पर भी गांव के अमीरों का एकाधिकार हो जाएगा, उनकी इजारेदारी और मजबूत होगी। अगर सरकार की ओर से बड़ी और बहुमुखी योजनाएं बनाई जाती है तो उन योजनाओं का लाभ उन तमाम को होता है जिनके पास जमीन है। जाहिर है धनी लोगों के पास ज्यादा जमीन है इसलिए उनको ज्यादा फायदा होता है। लेकिन गरीब किसान को भी पानी मिलता है। लेकिन जब बैंक से कर्ज ले कर या कोओपरटिव से कर्ज ले कर और सरकार से सबसिडी ले कर सिंचाई की योजनाओं का निर्माण करना है तो फायदा किस को होगा? उसको होगा जो पैसा ले कर बना सकेगा। अगर जोश में आ कर गरीबों ने कर्ज ले कर बनाया तब क्या होगा? तब उपसभाध्यक्ष महोदय, आपके राज्य तामिलनाडु में जो हो रहा है, वही होगा। वहाँ पर ढाई सौ करोड़ रुपया बकाया है बैंक कर्ज का और बिजली के बिलों का। बहुत से कुओं में से पानी नहीं निकला, पम्प फेल हो गए। किसानों के ऊपर भारी बोझ है। इसलिए वे लड़ रहे हैं कि वह कर्ज माफ किया जाए। अगर उनको माफ न किया गया तो उन किसानों की जमीन बिक जाएगी और खेती का विकास होने के बजाय वे सारे के सारे भूमिहीन बन जाएंगे और जमीन मुट्ठी भर अमीरों के हाथों में केन्द्रित हो जाएगी। तो इस सरकार की सिंचाई की, खेती के विकास की जो नीति है उससे जो छोटे किसान हैं, मझोले किसान हैं उनका विकास नहीं होगा, उनका ह्दय होगा। उनकी जमीन उनके हाथों से निकल जाएगी और वे बड़े पमाने पर भूमिहीन हो जाएंगे।

जो इस सरकार की मूल्य नीति है वह भी इसी दिशा में किसानों को ले जा रहा है। वह नीति क्या है? उद्योग धन्धों की पैदावार

[श्री इन्द्रदीप सिंह]

की जो कीमतें हैं उनकी तुलना में खेती की पैदावार की कीमतों को घटा दो। चौधरी चरण सिंह कहते हैं हम किसानों के नेता हैं। लेकिन उनके क्षेत्र में क्या नारा है बोलो चौधरी चरण सिंह की जय, गन्ना बिका पौने छः पौने छः रुपये क्विंटल गन्ना त्रिकृता है, चौधरी चरण सिंह की जय बोलो। गत वर्षों के 13½ रुपये बजाय इस साल सरकार ने जो रेट तय किया है उसके हिसाब से किसानों को दस-साढ़े दस रुपये क्विंटल मिलेंगे। वसन्त दादा पाटिल जो महाराष्ट्र के मुख्य मन्त्री थे, उन्होंने अपने एक लेख में लिखा है, हिसाब जोड़ कर बताया है कि इस साल गन्ना बेचने वाले किसान जितना गन्ना मिलों में देंगे उस पर ढाई रुपये प्रति क्विंटल या 25 रुपये प्रति टन के हिसाब से नुकसान होगा। यह कितना होगा? करीब 800 करोड़ रुपये का गन्ना उन्होंने पिछले साल दिया था, करीब 60 मिलियन टन के आम-पास दिया था तो उस पर लगभग 150 करोड़ रुपया गन्ना बेचने वाले किसानों को नुकसान होगा। मैं विस्तृत आंकड़ों में नहीं जाना चाहता हूँ लेकिन खेती की पैदावार की कीमतें, जैसा कि श्री नायडू बोल रहे थे, घटती जा रही हैं और उद्योग धन्धों की पैदावार की कीमत बढ़ती जा रही हैं। दोनों का अन्तर बढ़ता जा रहा है। अर्थशास्त्रियों का अनुमान है कि इस साल कम से कम 24 सौ करोड़ रुपया (1978 के साल में) किसानों का नुकसान हुआ है। चौधरी साहब अगर किसान नेता हैं तो किसानों को 24 सौ करोड़ रुपया दिलाने की क्या व्यवस्था उन्होंने की है, उनके बजट में इसके लिए क्या व्यवस्था है? वे कहते हैं कि हमने 85 करोड़ रुपये दे दिये। अगर मैं किसान हूँ तो चौधरी साहब के सामने मैं कहूँगा कि वह 85 करोड़ रुपया काट लीजिए और हमको 2315 करोड़ रुपया दे दोजिए, जो हमारा अनुमान हुआ है। आपने 85 करोड़ रुपये दिये लेकिन 24 सौ करोड़ रुपये लें लिये

तथा चार सौ करोड़ का नया टैक्स लगा दिया। इसका क्या नतीजा होगा। अगर इन दोनों की असंगति बनी रही, इनपुट और आउटपुट के दामों में, खेती और उद्योग की पैदावार के दामों में, तो जितने छोटे मझोले किसान हैं उनकी जमीन बिक जायेंगी; और जो बड़े बड़े भूस्वामी हैं जो ट्रक्टरों की मदद से बड़े पैमाने पर खेती कर के खेती का खर्चा घटा सकेंगे, उनकी लाभदायकता बरकरार रहेगी। बाकी दिवालिये हो जायेंगे इनकी जमीनें बिक जायेंगी और मैं समझता हूँ कि चौधरी साहब को उसके लिये कोई अफसोस नहीं होगा। उनकी जो किताब है 'इंडियाज इक्नामिक पालिसी' उसमें उन्होंने कहा भी है कि ये जो छोटे छोटे किसान हैं उनसे खेती चलने वाली नहीं है, अतः उनको छोटे छोटे उद्योग लगाने चाहिये। अतः चौधरी साहब चाहते थे कि उनके खेत बिक जाएँ और वे भूमिहीन हो जायें। उनके छोटे उद्योगों में लगा दिया जायेगा। किस उद्योग में लगायेंगे? जनता पार्टी के मन्त्रियों की तरफ से बहुत जोरों से प्रचार किया जाता है कि महा-लानोबीज की योजना में खेती और छोटे उद्योगों की उपेक्षा की गयी थी परन्तु हम उन पर "विशेष जोर" दे रहे हैं। क्या यह सच है? मैं राज्य मन्त्री जी से कहूँगा, उनके दफ्तर में महालानोबीज का सेकेण्ड प्लान होगा, कि उसमें योजना राशि का चार प्रतिशत ग्रामीण और लघु उद्योगों के विकास पर आवंटित था परन्तु जनता राज के रोलिंग प्लान में योजना राशि का मात्र दो परसेंट लघु उद्योगों पर आवंटित है। इसलिए लघु और ग्रामीण उद्योगों की उपेक्षा कौन कर रहा है। उपेक्षा तो आप कर रहे हैं और ढोल पीट रहे हैं कि हम इन उद्योगों में बड़ी राशि लगा रहे हैं। उपसभाध्यक्ष महोदय मैंने अभी बिहार के अखबारों में पढ़ा कि जो बहुत से लोगों ने छोटे छोटे उद्योग लगाये थे उन्होंने एक सम्मेलन पटना में किया और सम्मेलन करके उन्होंने कहा कि हम पटना में

शमशान घाट पर गंगा के नारे छोटे उद्योगों का पुतला जलायेंगे क्योंकि सारे छोटे उद्योग दीवालिये हो गये हैं। फिर, उस पुतले को जलाकर राख लेकर दिल्ली में उसको यमुना में विसर्जित करने के लिए आयेंगे। उस राख का एक हिस्सा प्रधान मंत्री तथा वित्त मंत्री को भेंट करेंगे कि यह छोटे उद्योगों की चिता की राख है। छोटे उद्योगों का विकास करेंगे परन्तु इस्पात का दाम 15 सौ से 46 सौ रुपया प्रति टन कर देंगे। कैसे छोटे उद्योगों का विकास होगा? छोटे उद्योगों का जो कच्चा माल है उसे बड़े उद्योग बनाते हैं और बड़े उद्योगों की मुनाफाखोरी पर अगर आप नियंत्रण नहीं लगा सकते सस्ते दामों पर कच्चा माल नहीं मुहैया करा सकते उनके सामान की बिक्री का इन्तजाम नहीं कर सकते तो छोटे उद्योगों के विकास की बात या तो कोरी कल्पना है या हवाई प्रचार है; इसके अलावा कुछ नहीं है। मैं उपसभाध्यक्ष महोदय, अभी मूल्य स्थिति के बारे में जिक्र कर रहा था....

एक माननीय सदस्य : 6 बज गये हैं।

श्री इन्द्रदीप सिंह : मुझे समाप्त कर लेने दीजिए। मैंने अभी मूल्य स्थिति के बारे में चर्चा की थी। वित्त मंत्री महोदय ने अपने बजट भाषण में दावा किया है कि हमने मूल्यों में स्थिरता कायम की है। यह दावा गलत है। 23 दिसम्बर को जब दिल्ली में किसान रेली हुई थी, चौधरी साहब का जन्मदिन मनाया गया था, वहाँ एक घोषणापत्र स्वीकृत हुआ था जिस में कहा था कि मूल्यों की स्थिरता की बात करने वाले धोका दे रहे हैं। स्थिरता की बात कहना गलत है; खेती की पैदावार का दाम घटा है, औद्योगिक पैदावार का दाम बढ़ा है, सिर्फ अर्थ में स्थिरता है उस दिन 23 दिसम्बर को चौधरी साहब यह बात बोले। 28 फरवरी को जब बजट पर बोले तो दूसरी बात बोले। तो क्या दो तीन महीने में स्थिति बदल गई? नहीं, स्थिति नहीं बदल गई, चौधरी साहब बदल गए। मैं

जब कालेज में पढ़ता था तब मुझे एक अमरीकन लेखक का उद्धरण पढ़ने को मिला था जो मुझे याद आता है। उसने कहा था—

“There are two sides to every question because there are two sides to every office—an inside and an outside.”

23 दिसम्बर को आउटसाइड से देखा था चौधरी साहब ने कीमतों को और 28 फरवरी को इनसाइड से देखा था बाहर दूसरी थी और अब कुछ दूसरी थी।

लेकिन मुद्रा की स्थिति क्या है। पिछले 3 वर्षों में कुल राष्ट्रीय उत्पाद में 12 फी सदी की वृद्धि हुई है और मुद्रा की आपूर्ति में लगभग 50 प्रति शत की वृद्धि हुई है। देश के एक नामी अर्थ शास्त्री डाक्टर आदि शेषैय यहां बैठे हुए हैं, आप उन की राय लीजिए कि इसका परिणाम क्या होगा? मूल्य-विस्फोट होगा। आप समझते हैं कि विदेशों से सहायता लेकर, और जो हमने अपने फालतू लोगों को एक्सपोर्ट कर दिया है दूसरे देशों में रुपया कमाने के लिए, उनकी जो रेमिटेन्सेज आ रही है उनको लेकर और आप के पास जो गल्ले का स्टॉक है उस के आधार पर मूल्यों की वृद्धि को रोकेंगे तो यह गलत है। बल्कि रेमिटेन्सेज के आधार पर भी मुद्रा प्रसार हो रहा है क्योंकि बैंकों के पास जो फोरेन एक्सचेंज आता है उस के आधार पर यहां कर्ज बांटा जाता है। मैंने चर्चा की थी कि किस प्रकार राष्ट्रीयकृत बैंकों ने, शेड्यूल बैंक्स से खानगी क्षेत्र को इस साल 17 परसेन्ट ज्यादा कर्ज दिया है। इस साल पिछले साल के मुकाबले में—और रिजर्व बैंक के गवर्नर ने इस पर आपत्ति की है—बैंकों ने सरकार को भी ज्यादा कर्ज दिया है, व्यापारियों को भी ज्यादा कर्ज दिया है। मुद्रा-प्रसार में वृद्धि हुई है। इस के बाद मूल्य में विस्फोट नहीं होगा तो क्या होगा? हम लोग एक ज्वालामुखी पर बैठे हुए हैं और बहुत ही विस्फोटक परिस्थिति आने वाली है इसलिए एक चीज की मैं और चर्चा करूंगा।



[श्री इन्द्रदीप सिंह]

शुरू में, एक आरम्भिक आपत्ति उठाई गई थी, वैधानिक आपत्ति उठाई गई थी, 7वें वित्त आयोग की सिफारिशों के बारे में। मैं वैधानिक आपत्ति की ओर नहीं जाता। लेकिन उपसभाध्यक्ष महोदय, उस सरकार का जो बजट है इस में 7वें वित्त आयोग की सिफारिशों का बंटाधार कर दिया गया है। इसमें कहा गया है कि हम 1483 करोड़ ६०, 7वें वित्त आयोग की सिफारिशों के अनुसार, राज्यों को ज्यादा दे रहे हैं। 1957 करोड़ ६० दिया था पिछले साल के बजट में, रिवाव इज्ड इस्टीमेट के अनुसार 3440 करोड़ ६० इस साल दे रहे हैं। लेकिन वास्तव में, क्या उन को मिल रहा है? वास्तव में उन को कुछ नहीं मिल रहा है। उन को जो स्टेट्युटरी ग्राण्ट्स आप देते थे उसमें कटौती कर दी है, योजना के लिए जो असिस्टेंस देते थे उस में कटौती कर दी है, नान-प्लान असिस्टेंस देते थे उसमें कटौती कर दी है, और कुल कटौती करने का बाद नतीजा क्या है कि पिछले साल उन को 6532 करोड़ ६० दिया था तो इस साल 6938 करोड़ ६० मिलेगा, यानी मात्र 406 करोड़ ६० अधिक मिलेगा। लेकिन वास्तव में यह भी नहीं मिलेगा। 555 करोड़ ६० का उनका पिछले साल का ओवर-ड्राफ्ट था, जिसको केन्द्रीय सरकार ने दिया है। इस साल भी ओवरड्राफ्ट होगा। वह जो आप देंगे तो कुल मिला कर एक पैसे का भी लाभ किसी भी राज्य सरकार को नहीं होने वाला है। 7वें वित्त आयोग की सिफारिशों का सरकार ने जो ढोल पीटा, तो सबने मान लिया है राज्यों को आप नए साधन दे रहे हैं। लेकिन एक हाथ से जो आपने दिया वह दूसरे हाथ से छीन लिया। और इस बजट में इस वित्तीय तिकड़म का आप ने सहारा लिया है। तो करना क्या चाहते हैं? मैं तो फिर कहूंगा कि परिस्थिति बड़ी गम्भीर है। अगर सरकार के लोग आर्थिक स्थिति को समझते हैं तो उन्हें समझना चाहिए कि बड़ी विस्फोटक स्थिति होने जा रही है। उन

को भी गम्भीरता से विचार करना चाहिए। दोनों सदनों को, सदन को मौका देना चाहिए कि गम्भीरता से विचार कर। विशेषज्ञों की, राजनीतिक दलों के नेताओं की विशेष कमेटियों बना कर विचार करना चाहिए कि किस प्रकार से परिस्थिति को सम्भाला जाय, नहीं तो पीछे बहुत देर हो जायेगी।

अभी मैं इतना ही कहना चाहूंगा कि इस फाइनेंस बिल में आप ने आम जनता की जरूरत की चीजों पर जो उत्पाद शुल्क बढ़ाया है उसे, खास तौर से किरोसिन पर, दियासलाई पर, टुथब्रश पर, मामूली साबुन पर, हुक्के वाले तम्बाकू पर—इन सब चीजों पर से वापस लीजिए।

इधन के बारे में एक शब्द मैं कहना चाहूंगा सरकार बराबर कहती है कि पेट्रोल के दाम विदेश में बढ़ गये हैं और उसकी खपत में कमी होनी चाहिये। मैं दोहराना नहीं चाहता। मेरा यह चार्ज है कि पेट्रोल के दाम जितने नहीं बढ़े हैं उतने टैक्स लगा कर सरकार ने बढ़ाये हैं। अगर सचमुच आप चाहते हैं कि पेट्रोल की खपत को घटाया जाय तो आप उस के बारे में गौर कीजिए, ऊर्जा सम्बन्धी नीति बनाइये। एक तरफ सरकार कहती है कि पेट्रोल की खपत घटाओ, दूसरी तरफ सरकार की तमाम रेलों में स्टीम इंजनों को हटा कर डीजल इंजन लगाये जा रहे हैं। रेल मंत्री ने एक दिन हम लोगों को सूचित किया कि स्टीम इंजनों का उत्पादन हम लोगों ने बन्द कर दिया है, अब सिर्फ डीजल और इलेक्ट्रिक इंजन बना रहे हैं। इलेक्ट्रिक लाइन कम हैं, इस लिए ज्यादा डीजल इंजन आप चलायेंगे और ज्यादा डीजल चलायेंगे तो ज्यादा डीजल तेल मंगाना पड़ेगा। हमारे देश में कोयले की अपार राशि है। अपने देश में जो कोयले का भंडार है उस को इस्तेमाल कर के आप स्टोम इंजन नहीं चलाना चाहते, लेकिन विदेशों से डीजल मंगा कर आप डीजल इंजन चलाना चाहते हैं ताकि विदेशी जो बहुराष्ट्रीय कम्पनियां हैं उनको डीजल, डीजल का सामान

और डीजल इजन बेचने में आप मदद पहुँचा सकें। यह भी कोई नीति है ?

उपसभाध्यक्ष महोदय, अन्त में मैं कहना चाहता हूँ कि यह बजट देश के लिए गहरे खतरे का संकेत है और आर्थिक और वित्तीय स्थिति के बारे में गहरी आशकाओं से भरा हुआ है और सरकार को समय रहते पूरी परिस्थिति पर गम्भीरतापूर्वक विचार करना चाहिए नहीं तो परिस्थिति एक बार फिर बिगड़ सकती है।

**REFERENCE TO THE STATEMENT  
MADE BY THE MINISTER RE-  
GARDING THE REFERENCE TO  
SHRI JUSTICE C. A. VAIDIYA-  
LINGAM RETIRED JUDGE OF  
THE SUPREME COURT OF ALLE-  
GATIONS OF CORRUPTION  
AGAINST THE FAMILY MEMBERS  
OF THE PRIME MINISTER AND  
THE FORMER HOME MINISTER**  
—Contd.

SHRI A. R. ANTULAY: Sir, I have just to make a special mention. I am told that in the afternoon it was announced from the Chair that whatever was spoken against the Chief Justice will not go on record. Of course, tomorrow when the Chairman is there, I am going to raise it, and I will not embarrass your position here. But nothing has been said against the Chief Justice as Chief

Justice because the Chief Justice's duties under the Constitution and the law are defined, and if anybody likes to say anything against them, that is prohibited under the Constitution and the Constitution is supreme. And therefore, nothing needs to be deleted. And yet, not that everything was deleted, I went to the Secretary-General's office and saw that very few words here and there have been deleted. But the ruling may mislead them to think that everything is deleted. The result will be, Mr. Shanti Bhushan's words with regard to the Chief Justice's letter will go on record, and with regard to the public and the House and also the Press which also plays a very important part in the democratic set up, whatever was said in defence by way of personal explanation will not come. So, if this thing happens tomorrow, then I may have to raise a breach of privilege issue. And I am just warning and I would like the Chair to clarify this point.

THE VICE-CHAIRMAN (SHRI G. LAKSHMANAN): The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at twenty-five minutes past six of the clock till eleven of the clock on Thursday, the 3rd May, 1979.