

mass scale the members of the minority community and seizing their properties."

"As a result there is a great apprehension in the minds of the members of the minority community that they would not be in a position to live in that country."

Now, Sir, I am not vouching for anything because I have not verified it. But I have no reason to doubt the source from which I got the information. Mr. Vajpayee, kindly enquire. As I said earlier and I repeat it now, you have got a mission there and you can find out whether this is a recent Ordinance. The elections have come and all kinds of Ordinances may be issued. You have done it. You know how quickly Mr. Charan Singh did things. You know it very well. Others also have done it in the past at the time of elections or for election purposes. You can And out from them and take action. Now, I thought it was my duty in the national interest and in the interest of the friendship and co-operation between the two countries that I should bring it to the notice of the Government for necessary action. This is all I would like to say.

SHRI N. G. RANGA (Andhra Pradesh) : Sir, this is a serious matter. We would like the Government to make a statement before the Session adjourns.

MR. CHAIRMAN: They are not bound to make statements on Special Mentions. He wanted the Minister to explain and he has explained.

SHRI ATAL BIHARI VAJPAYEE: Sir, I am prepared to make a statement. But from what Mr. Bhupesh Gupta has read out, it appears that he is referring to the Ordinance which was issued in 1974. We have taken up this matter with the Bangladesh Government.

REFERENCE TO MISHAP TO BOMBA1-AHMEDABAD-DELHI BOE- ING FLIGHT ON 28TH APRIL, 1978

SHRI N. K. P. SALVE (Maharashtra): Sir, this matter relates to nearly 110 passengers who might have been roasted and who might have lost their lives in a major air disaster due to the gravely disconcerting decline in the safety standards of the Indian Airlines. On the 28th April, the Bom-bay-Ahmedabad-Delhi Boeing flight providentially and narrowly averted a great disaster.

It appears to be a case of criminal negligence on the part of the concerned officials, specially in-charge of maintenance of the Aircraft. As soon as the engines of the Boeing to take off for Delhi via Ahmedabad on 28th April, 1978, at about 7.00 a.m. were switched on instantaneously acrid, acidic brown fumes started coming into the passengers cabin on the rear part of the plane through the panel. The passengers sitting in the rear part of the passenger cabin shouted and as a result, an Air Hostess rushed to the cock-pit and the engines were put off. The whole process might have taken less than a minute or two but in the meanwhile the passengers who were affected started getting extremely uncomfortable on account of the fumes. It was only after another 15 minutes the passengers were evacuated from the plane.

The entire incident was so sudden that the passengers were shocked and could not understand what precisely could have happened.

The shocked passengers were subjected to an extremely rough and discourteous treatment for nearly 2J hours by the staff of Indian Airlines who would not even inform as to whether the flight would take off or not. Excepting for a lady employee of Indian Airlines, who tried to pacify the shocked passengers, the other concerned officials were extremely rough and indifferent to the woes of the passengers. A complaint was lodged in the complaint book which was looked

upon with contempt and ridicule by the staff. A certain gentleman appeared on the scene who was described as the safety expert, he informed the passengers that the fumes could be attributed to melting of insulating material in the plane which could lead to the explosion of the plane. The negligence of the technical staff of the Indian Airlines, who must have inspected the plane before it was brought for the passengers to board shows negligence. Further, unpardonable discourtesy of the staff after the passengers were evacuated require a thorough probe by the Ministry.

I was travelling by the same plane and stood in front of the enquiry counter alongwith all the passengers without disclosing my identity. After 1\ hours someone from the staff recognised me and offered to give me V.I.P. treatment by offering solace for the inconvenience and offering a chair to sit. I was anxious only to cancel my ticket which took me another one hour to get cancellation. The whole affair is a sordid commentary on the declining standards of work of Indian Airlines.

MR. CHAIRMAN: Further discussion on the Finance Bill. I think Shri J.P. Mathur had not concluded his speech.

SHRI BHUPESH GUPTA (West Bengal): Sir, the Prime Minister is here. He may tell us whether it is the policy of the Government to ban hunger strike of the Government employees. I have already brought it to the notice of the the U.P.S.C. through a circular letter.

THE FINANCE BILL 1978—contd.

श्री जगदीश प्रसाद माथुर (उत्तर प्रदेश) :

श्रीमान्, कल मैं आधा मिनट ही बोल सका था। अभी मुझे मंत्री जी ने आकर सूचित किया है कि मेरा समय काट दिया गया है इसलिए मैं पूरा भाषण न करके केवल मुद्दों के रूप में अपनी बात रखना चाहूंगा। कठिनाई जरूर है समय की। कुछ कहा नहीं जाता; बिना कहे भी रखा नहीं जाता।

मैं इस विधेयक का समर्थन करने के लिये खड़ा हुआ हूँ। विरोधी पक्ष के मान्य सदस्यों ने एक हद्द खड़ी की कि डेफिसिट फाइनेंसिंग के कारण शायद विस्फोट हो जाएगा। वित्त मंत्री महोदय ने जब बजट रखा था तो उन्होंने अपने भाषण में यह बात कही थी कि जब जनता सरकार सत्ता में आई तो उस समय हमारी आर्थिक व्यवस्था विस्फोट के कगार पर खड़ी थी। मैं इससे सहमत हूँ। मैं वित्त मंत्री महोदय को बधाई देना चाहता हूँ कि उनके प्रयासों से कीमतें घटी हैं और विकासशील अर्थव्यवस्था की दृष्टि से जो कीमतों में स्थिरता आ सकती थी, वह आई है। इसलिए यह सरकार बधाई की पात्र है। सरकार ने देश को एक नई दिशा दी है। कृषि विकास को प्राथमिकता दी गई है और सिंचाई का क्षेत्र बढ़ाया गया है। लगभग 2.23 मिलियन एकड़ सरकार ने बढ़ाने का निश्चय किया है। इसी प्रकार से इंडस्ट्रियल पालिसी के अन्दर एक नया मोड़ आया है। सरकार ने अलग अलग क्षेत्र छोटे, बड़े और मध्यम श्रेणियों में बांटे हैं, इसके लिए भी सरकार बधाई की पात्र है। आज जी०एन०बी० बढ़ा है, 5 परसेन्ट वृद्धि की आशा है। फिर भी कुछ बातों की ओर मैं इंगित अवश्य करना चाहता हूँ।

फाइनेंस बिल में विज्ञापनों के ऊपर जो छूट था, वह वापस ले ली गई थी। मैं धन्यवाद देता हूँ इस बात का कि वित्त मंत्री महोदय ने उस छूट को कुछ बढ़ा कर 40 हजार रुपये किया है। मैंने और 38 अन्य सदस्यों ने उनको एक जापन दिया था। मैं उसको धन्यवाद देता हूँ कि उन्होंने 40 हजार की मंजूरी कर दी। परन्तु फिर भी मैं यह निवेदन करना चाहता हूँ कि अभी भी यह मात्रा बहुत कम है। मंत्री महोदय ने सदन में यह भी आश्वासन दिया कि बहुत से मुद्दों पर उन्होंने टैक्स में अतिरिक्त छूट दी है। दूसरी बात मंत्री महोदय ने यह कही थी कि डाइरेक्ट टैक्सेज का जब सवाल आयेगा, तो जिन चीजों पर

टैक्स से छूट दी गई है, उन मुद्दों को सूची में और वृद्धि कर दी जायगी। मैं अपेक्षा करता हूँ वह तो करेंगे ही लेकिन अगर वर्ष का जो बजट जो कि अभी महीने, दो महीने के बाद तैयार होना शुरू हो जायेगा।

वित्त मंत्री महोदय स्पष्ट रूप से कहेंगे कि यह छूट हमने वापिस ले ली है और विज्ञापनों पर कोई भी अब टैक्स नहीं लगेगा। विज्ञापन कोई चीज बेचने का साधन मात्र नहीं है वह कला और विज्ञान को आम आदमी तक पहुंचाने का माध्यम भी है। वह तो बाजार में मांग पैदा करता है जिससे उत्पादन में वृद्धि होगी। मैं कह सकता हूँ कि इस छूट को वापिस लेने के पश्चात बड़े पत्रों में 20.3%, मध्यम में 25.9% और छोटे पत्रों में 37.50 प्रतिशत की विज्ञापन व्यय में कमी आयी है। मैं अपेक्षा करता हूँ कि अगले साल के बजट में पूरी छूट इसको दे दी जाएगी।

एक और चीज की ओर मैं आपका ध्यान आकृष्ट करना चाहता हूँ। विधेयक में 40-41 पेज पर विरोध नहीं है, विरोधाभास अवश्य है। एक जगह 8000 पर, दूसरी जगह 10,000 पर इनकम टैक्स की छूट दी गई है। जनता पार्टी के घोषणा-पत्र में साफ कहा गया था कि 10,000 की छूट होनी चाहिए। मैं यह पूछना चाहता हूँ कि आप सीधे सीधे 10,000 की बात क्यों नहीं कहते। पिछले दिनों जब हमारे राज्य मंत्री महोदय श्री जुल्फिकारउल्ला साहब भाषण कर रहे थे उन्होंने कहा था कि 1020 करोड़ रुपये के आयकर एरियर बाकी हैं। मैं पूछना चाहता हूँ यह बकाया क्यों है। इतने बड़े एरियर कभी भी नहीं रहे। मेरा सुझाव है कि उनकी साफ-साफ खोज की जानी चाहिए और बताया जाना चाहिए कि वास्तव में ऐसे एरियर कितने हैं जो वसूल हो सकते हैं और ऐसे कितने हैं जो वसूल नहीं हो सकते। उन्होंने यह भी फरमाया था कि बहुत से कलेज बाकी हैं जो हाई कोर्ट से स्टे मिलने के कारण या दूसरे अदालतों के अन्दर पड़े हुए हैं। मैं इस संबंध में दो-तीन सुझाव देना

चाहता हूँ। कानून में परिवर्तन किया जाए कि स्पेशल टैक्स वेंचेज देने जिनका काम केवल ऐसे जो एरियर के केसेज करना हो जो हाई कोर्ट में फंसे रहते हैं यदि यह सम्भव न हो कम से कम सुप्रीम कोर्ट या हाई कोर्ट से बात कर कुछ स्पेशल वेंचेज दो-तीन महीनों के लिए बनाए जाएं जो कि इन मामलों को साफ कर दें जिससे एरियर न देने रहें।

दूसरी चीज मैं यह कहना चाहता हूँ कि कानून में संशोधन किया जाए। जिस समय इनकम टैक्स की डिमांड तैयार हो जाए उस समय के बाद असैस्सी अपनी सम्पत्ति इधर उधर न कर सकें। किसी प्रकार सम्पत्ति खुद बूढ़ करने का अधिकार न रहे। यह बन्धन लगाया जाए तो एरियर बाकी नहीं रहेंगे।

मैं एक और बात यह कहना चाहता हूँ कि अधिकारियों में बहुत असंतोष है। दो प्रकार के मामले हैं। एक जो प्रोमोटीज क्लास के हैं और दूसरे डायरेक्ट रिट्यूड्स के हैं। उनके बीच में झगड़ा पिछले 20 वर्षों से चला आ रहा है। मैं निवेदन करना चाहता हूँ कि वित्त मंत्री महोदय स्वयं भी अफसर रहे हैं वह उनके असंतोष को दूर करें और इस मामले को निपटाया जाए। जब अफसरों को इनकम टैक्स के निपटाने के लिए मामले दिए जाते हैं तो निदेश दिया जाता है कि वह 50 करेगा, दूसरा 100 मामलों का निपटान करेगा, आदि। उसमें मेरा आग्रह यह है कि जो नये केसेज हैं उसके साथ पुराने केसेज को निपटाने के लिए भी कोई न कोई एक संख्या निश्चित की जानी चाहिए।

आपने बजट में इलेक्ट्रीसिटी पर एक्साइज इयूटी लगाई है, इसका मैं स्वागत करता हूँ। क्योंकि हमें नये स्रोत चाहिए। एक बात की ओर मैं आपका ध्यान दिलाना चाहता हूँ। मैं उत्तर प्रदेश से आया हूँ। उत्तर प्रदेश में बिजली की कमी है। वहां पर बिजली के हरदुआगंज के कारखाने को तोड़ा भी गया है। वहां पर बिजली तैयार करने के लिए यू० पी० इलेक्ट्रीसिटी बोर्ड है। सरकार को

[श्री जगदीश प्रसाद माथुर]

उसे सब से बड़ा कर्ज देना पड़ता है। वह कर्ज वापिस नहीं हो पाता। आज भी मुझे याद थायद नहीं सोलह सौ ब्यासी करोड़ रुपये का कर्ज है। मैं केन्द्र सरकार के वित्त मंत्री महोदय से यह निवेदन करना चाहता हूँ कि जो कर्ज बोर्ड को उत्तर प्रदेश सरकार की तरफ से दिया गया है, उसका कुछ भाग केन्द्र सरकार भी वहन करे और उसके ऊपर मोरेटोरियम लगाया जाए जिस समय तक बोर्ड कर्ज वापिस करने की स्थिति में न आए उस समय तक कर्ज वापिस न मांगा जाए। मुझे पता लगा है कि केन्द्र की ओर से पहाड़ों में एक बिजली का कारखाना बनाये जाने की योजना है। मैं इसका स्वागत करता हूँ। इससे न केवल उत्तर प्रदेश की बल्कि आस पास के प्रदेशों को भी बिजली मिलेगी। मैं निवेदन करना चाहता हूँ यह जल्दी तैयार किया जाना चाहिए जिससे प्रदेश की समस्याएं दूर हो सकती हैं। मैं उत्तर प्रदेश का प्रतिनिधि हूँ। मुझे दुख है उत्तर प्रदेश पिछड़ा हुआ प्रदेश होने के पश्चात भी उतना अनुदान केन्द्र से प्राप्त नहीं कर सका जितना उसे करना चाहिए था।

मेरे सामने 76-77 तक के आंकड़े हैं। 1975-76 में 20.75 पर केपिटल दिया गया था परन्तु 1976-77 में वह घटकर 15.80 हो गया। मुझे दुख है मैं जिस प्रदेश से आया हूँ उस से सम्बन्धित भूतपूर्व प्रधान मंत्री ने जो कुछ किया वह लज्जा की बात है। परन्तु मैं कहना चाहता हूँ कि उनके कर्म की वजह से उत्तर प्रदेश की जनता को दंडित न किया जाय। हमारे अनुदान बढ़ाये जाने चाहिए। मैं अनुदान के कुछ सिद्धांत सामने रखूंगा। संविधान के अनुच्छेद 275 के अंतर्गत राज्यों की आवश्यकताओं को देखते हुए विभिन्न दरों पर उन्हें सहायता दी जानी चाहिए। मैं उत्तर प्रदेश की ओर विशेषतया ध्यान दिलाना चाहता हूँ और यह कहना चाहता हूँ कि जिस समय अनुदान दिया जाय उस समय इस प्रदेश की आवादी को

भी ध्यान में रखना चाहिए। हमारे बजट के अंदर उत्तर प्रदेश की जो रेवेन्यू है और जो एक्सपेंडीचर आता है उसके बीच का जो गैप है उस गैप को पूरा करने की जिम्मेदारी थोड़ी बहुत केन्द्र सरकार भी ले। यह मेरा एक सविनय अनुरोध है।

दूसरे वहाँ की प्रशासनिक और सामाजिक आवश्यकताओं के स्तर को देखकर भी अनुदान दिया जाना चाहिए। इसी संदर्भ में मैं जकारिया कमेटी का उल्लेख करना चाहूंगा। जकारिया कमेटी आज से 10-15 साल पहले बनी थी उसमें लोकल बाडीज कूरल और अरबन दोनों के लिए सुझाव दिये गये थे। परन्तु वे सुझाव आज तक कार्यान्वित नहीं किये गये हैं। मैं उत्तर प्रदेश के परिप्रेक्ष्य में सविनय निवेदन करना चाहता हूँ कि वहाँ की जितनी लोकल बाडीज हैं वह सब आज पहले ने ज्यादा पिछड़ी और दुर्बल हैं। इसलिए जो अनुदान दिया जाय तो उसको देते समय मेरा अनुरोध यह है कि जकारिया कमेटी की सिफारिशों पर भी ध्यान दिया जाय। अध्यक्ष महोदय, ने मुझे समय दिया इस के लिए मैं उनका धन्यवाद करता हूँ। मैंने पहले ही कहा था कि मैं भाषण नहीं करूंगा केवल मद की बात ही कहूंगा। मैंने अध्यक्ष महोदय आप के आदेश का पालन किया है इसलिए इतना ही कहकर समाप्त करता हूँ।

SHRI YOGENDRA MAKWANA (Gujarat): Mr. Chairman, Sir, I rise to oppose the Finance Bill, 1978 presented by the hon'ble Finance Minister.

[Mr. Deputy Chairman in the Chair]

The Financial Proposals of the Central Government for the financial year 1978-79 propose taxes on the poor people. It is nothing but pro-capitalist. The Finance Minister has badly let down the common man by offering nothing to them. The concessions given by the Finance Minister were directed to help the industrialists and the capitalists. The proposals to raise

the postal rates would hit hard the common man and small traders. The uncovered gap of Rs. 1,395 crores left by the Finance Minister would naturally set in motion inflationary process. It would hit the common man hard. With these preliminary remarks about the Financial Proposals of the hon'ble Finance Minister I would like to discuss it in detail.

Sir, the hon'ble Finance Minister proposes to meet the deficit of Rs. 1,395 crores by three measures. In the first instance, he wants to meet the gap by drawing from the foreign reserves. Last year also he drew Rs. 800 crores from foreign reserves. Sir, the Janata Government is reaping the fruits of our labour. But once these fruits are exhausted they will realise their folly but it will then be too late. But what about the people of this country? They will be the real sufferers....

Sir, the second measure the Finance Minister proposes to take is to meet the gap by sale of gold. The reason for selling gold given by him is for stopping smuggling. Sir, selling of gold in the open market at international price will not bring down smuggling as there is no sufficient gold with the Government to sell to the people as required by the common people of this country. But, Sir, he will not be successful in this, as I have told you that there is no sufficient quantity of gold with the Government. On the other side, Sir, by bringing the gold price down, he is doing nothing but subsidising the rich people.

His third measure is extremely crude. This he wants to do by putting greater reliance on regressive tax, that is, indirect tax, which is considered to be a bad tax. Sir, in his speech the Finance Minister has said that he has laid down some principles. He said that "Taxes should be easy to collect and it should be easy for the taxpayer to know what he has to pay. There is urgent need for the

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simplification and rationalisation of the tax administration." Also he has said that "Taxation policy must simultaneously aim at redistributive justice and must take into consideration the capacity to pay."

Now, Sir, whatever he has said in his speech is contradicted by his proposals and by himself. Sir, the Janata Party has given a promise for the removal of sales tax and octroi duty. This assurance was given by the Janta Party to win the sympathy of the people but, at the same time, they had no intention to implement the same. In fact, Sir, they never dreamt that they will be in power and, therefore, they gave these false promises to the people of this country. Under the Constitution of India sales tax and octroi fall within the State List and the Central Government has no power to enact any legislation on these subjects. As an irresponsible party they gave tall promises without taking their effect into consideration. I do not know, Sir, how they will remove sales tax and octroi duty. The Finance Minister himself has said: —

"The total revenue from sales tax is of the order of Rs. 2500 crores, and it is growing steadily. It constitutes the main source of revenue of the States. The Chief Ministers of the States have generally showed a lack of enthusiasm for the abolition of the sales tax. In view of the attitude of the States and since sales tax is a State subject, the task of persuading the States to give up sales tax calls for persistence and patience. It certainly cannot be regarded as something which can be accomplished in the immediate future."

About octroi duty which is of the order of Rs. 250 crores, the Finance Minister has said:—

"I, therefore, propose to request the State Governments to introduce suitable legislation for the removal

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of octroi. The octroi revenues are at present going to the local authorities. Quite understandably they will seek from the State Governments a reimbursement for the loss of revenue and in turn the State Governments will no doubt claim a measure of compensation from the Centre. We shall hold discussions with the State Government for finding a satisfactory solution."

Now, Sir, how will the State show the abolition of sales-tax which is the main source of revenue of the States, as admitted by the Finance Minister himself? Sir, to meet the deficit of the Postal Department to the tune of Rs. 23 crores in the current year, the Finance Minister has proposed the upward revision of the postal tariff which will bring in an additional revenue of Rs. 13.73 crores per annum. The Finance Minister has argued that it is proposed to touch only those services which do not affect the common man particularly in the rural areas. Sir, I would like to invite your attention to the revised tariff of the Postal Department. The letter which for the first posting costed 25 paise up to 15 grams will now cost 40 paise up to 15 grams. Also the charges for registered letter etc. are proposed to be increased. AH these items of postal services touch the common man in the rural areas. Does the common man in a small village not write a letter? Does he not send his letter under registered post or with an acknowledgment? The cost of the certificate of posting previously was 10 paise for three articles. Now it will be 20 paise for three articles, and so on. Sir, all these items affect the common man. The Finance Minister has really not cared for the common man. Day in and day out shouting of the development and increasing the prosperity of the rural areas, the Finance Minister has heavily taxed the poor man and the common man of the village.

Sir, the Finance Minister has also increased the Excise duty on NOS, i.e. Not Otherwise Specified, from one per cent to two per cent, and from two per cent he has now switched over to 5 per cent. Sir, this is nothing but an increase in indirect taxes. He has also increased the duty on bidis from Rs. 1 per thousand to Rs. 2 per thousand. He has taxed the advertisement expenses also. Sir, yesterday, Mr. Madhavan read out an article from a Tamil daily. I do not want to waste my time in reading another article. But it is pointed out by this Tamil daily and other papers also that it will hit the small papers, especially those which rely on advertisement because the expense of the newspaper is more than its selling price and they make good their loss by advertisement. Now, by the introduction of this clause in the Finance Bill, the advertisement will be less and the small newspapers have to suffer. Sir, the Finance Minister has imposed a duty on coal and electricity also. Every Member of this House has opposed this duty. I do not know the mind of the Finance Minister in this regard, but I would definitely like to request him to drop these proposals of Excise duty on the articles of common use.

Sir, now. I want to bring one very important thing to the notice of the hon. Finance Minister, and- to the notice of this House also. Sir, during the Bombay election, that is during the Maharashtra Assembly election, in order to collect a huge amount the Janata Party has obliged some business houses. Sir, they have gone to the extent of manipulating, and they have taken a lot of amount from the Parleys and their bottlers, Messrs Delhi Bottling Company. Sir, I can say from the evidence with me that the party has filed a declaration under section 4 of the Central Excises and Salt Act 1944. Sir, section 4 of the Central Excises and Salt Act is for the fixation of price when it is a case of ad valorem duty. Now, Sir, on this soft drink there is a duty at ad valorem rate. So, the party has to file a de-

claration, and the party has filed a declaration. The photostat copies of the declaration and the Form—I are with me, which I would like to put on the Table of the House.

Sir, they have obviously given a declaration to the Excise authorities that it does not contain cola nut extract, to avail of the concessional rate of excise duty under Notification No. II/77-CE, dated 4-7-1977. According to this notification, the excise duty is at the rate of 55 per cent plus 5 per cent of the basic duty, that is, total of 57.75 per cent on the soft drinks containing cola nut extract and 25 per cent plus 5 per cent of the basic duty, that is, total of 26.25 per cent for other products, for the first clearance of 50 lakh bottles, that is 2.08 lakh cases approximately in a year per plant. The Thums Up, a Parley's product is a cola product as advertised by them. Sir, I have got an advertisement here. It advertises, "Thums Up, the refreshing cola." It is advertising that it is a cola product, it is a product of cola nut extracts. Sir, if Thums Up is a cola product as advertised by them, they are guilty of evasion of excise duty. Their declared value on which duty is leviable is Rs. 13.01 per crate of 24 bottles. The excise duty at 57.75 per cent comes to Rs. 7.51. But they are paying Rs. 3.42 at the rate of 25 per cent, thereby evading excise duty of Rs. 4.09 per crate. If we take into consideration the total number of bottling plants they have in India for bottling Thums Up, that is 30 plants, the total evasion is likely to work out to the tune of more than Rs. 2,55,00,000 per year. Sir, this is a very serious matter. It is explicitly clear from the advertisement given by the party. It is shown on the TV, and it is advertised on the cinemas and in the newspapers also that it contains cola. Now they have filed a false declaration, and the Janata Party has shut its eyes to this because it has extracted a lot of money from this party during the Maharashtra Assembly election. Sir, I would like to ask the Hon. Finance Minister whether he is prepared to

go into the details of this case, and to examine it thoroughly through some independent officers, to bring the accused to the bar and to impose duties and penalties whichever are admissible under the excise law. Sir, this has been going on only because the Minister and the Government, especially the Janata Party bosses, are after money, because they know that after five years, they have no future in this country. Sir, I may remind them about the Maha Gujarat Janata Parishad in my own State. (Time-bell rings) One minute, Sir. During the Maha Gujarat movement in Gujarat, "there was a party formed by the conglomeration of so many parties, like the Janata Party, called the Janata Parishad. And that Janata Parishad swept the poll in the Assembly, Parliament and local municipal corporation elections. But, Sir, what was its fate after five years? After five years, the Janata Parishad disappeared from the scene and today nobody remembers whether there was a Janata Parishad in Gujarat at one time or not. That will be the fate of this party. So before it happens, I want to warn this Government that they should take precautions and they should see that this evasion of excise duty and other taxes is checked. If it is not done, the Government which will come after them, whether it will be the Congress Government or any Government, will examine their actions as they are doing at present. So, before it happens, I will request the hon. Finance Minister to go into this case in detail and examine it. Sir, I am thankful to you for giving me time to put forward my points before the Finance Minister and before this august House. Thank you.

SHRI BIPINPAL DAS (Assam): Mr. Deputy Chairman, sir, I do not know who is really attending to this debate from the Government side now. The House is as empty as the Government itself is today.

Sir, when I think of the Janata Party and look at their performance

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I am reminded of one story of a young man, a young romantic lover. He was trying to win the heart of his beloved. He fell in love with the girl; the girl did not respond; and he was all the time striving all his energies, fighting, struggling, playing all tricks, applying all methods, just to win the heart of his beloved. But ultimately when the beloved responded and said "yes", the poor fellow failed; he could not perform. He just did not know what to do about it. The young girl felt frustrated and started looking for somebody else. This is exactly what is happening to the Janata Party. All these 30 years, they struggled, they fought, they tried to capture power, they sought the hand of power, the beautiful damsel that is power. All these 30 years they made all kinds of promises—even in the last election—"we will do this, we will do that". But, ultimately, when power came into their hands, they just did not know what to do about it. They have failed completely. There is no performance. Therefore perhaps that beautiful damsel, that is power, is looking for somebody else now. So, this is the fate of the Janata Party. The performance is absolutely nil; nay it is minus.

Now, Sir, a Finance Bill does not aim at only mobilisation of resources. That is not the only aim. The Finance Bill or the fiscal policy is an instrument—which can be a very strong and powerful instrument—to be used not only for generating or mobilising resources but also for generating and stimulating production and productive forces, for distribution of income, for giving incentives to continuous increase in savings and investment. I do not see in the present Finance Bill or in the last Finance Bill any attempt by the Government being made in this direction.

As I said earlier, the Finance Bill, the fiscal policy can be used as a very powerful instrument for the removal of economic disparities between

individuals, between classes and between regions. They have not done it. The tragedy is, if you take the 'Economic Survey' published by the Government or if you take the Budget Speech of the hon. Finance Minister, there is no mention at all in them about the removal of economic disparities whether it is between individuals or between classes or between regions. What are they doing?

They talk of 30 years of Congress misrule. They do not realise that they are making themselves the laughing stock before the people. Out of these 30 years of Congress rule, was Mr. Morarji Desai not a Minister for 22 years, the Home Minister for 20 years, the Defence Minister for 30 years, Mr. Bahuguna, Mr. Biju Pat-naik and many others for a number of years? If the Congress really misruled this country, they were also a part and parcel of it. If there is credit, they can share, and if there is discredit, they must also share it. Why talk all this? What did you get, what did you inherit when you took over the power? Is it not a fact that you inherited a buffer stock of 20 millions of foodgrains? Is it not a fact that you inherited Rs. 3,500 crores of foreign exchange reserves? Is it not a fact that you inherited a very strong foundation of industrial base for industrial development? Is it not a fact that when you took over, the rate of industrial growth was 10.4 per cent? Is it also not a fact that you inherited a large reserve of trained manpower in this country which is the third largest in the world today? With all these elements and instruments in your hand, if you cannot perform, why do you unnecessarily go about saying 30 years of Congress misrule?

What are they doing? Take their performance. They have failed to perform. They failed to collect the taxes as estimated in the last year's Budget. There is a shortfall of more than Rs. 36 crores in the corporate tax. And there is a shortfall of more than Rs. 100 crores in excise duty.

Sir, the public debt is mounting up. I know, even during the Congress -rule, the public debt went on increasing. But public debt increased to the extent of about Rs. 22,000 crores during the 30 years of Congress rule. What is happening under the Janata rule? Last year and if you take the coming year, within these two years of the Janata rule, the public debt will increase by another Rs. 7,000 crores. In two years, it is about Rs. 7,000 crores. And this is their performance.

Now, Sir, take the deficits. What are your deficits? I need not go into the years long back. Take the year 1973-74, a very bad year economically. The deficit in that year was Rs. 650 crores. In 1974-75, it was Rs. 625 crores; in 1975-76, it was Rs. 490 crores. And in 1976-77, it was brought down to Rs. 425 crores. Then it went up. In the year 1977-78, it went up to Rs. 975 crores. They said that the deficit would be only Rs. 84 crores •which ultimately came to Rs. 975 crores. And this time, they have stated that the deficit would be Rs. 1,050 crores. And God alone knows whether it would not go up to Rs. 2,000 crores. If you add to this, the •deficit of the States which also becomes a burden on the Centre, the total deficit will be about Rs. 3,000 -crores.

Sir, after the Janata took over, the exports have gone down from 27 per cent to 9 per cent. They have introduced an extra-liberal import policy. This is the beginning of a laissez-faire policy. This is as good as saying goodbye to the principles of self-reliance. This is as good as saying good-bye to the policy of import substitution. And this is the beginning of transfer of resources from a developing country like India to developed countries. This so-called liberal import policy would ultimately result in the transfer of resources to developed countries. This is directly against the policy enunciated by the non-aligned group as a whole.

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And agriculture. You say you are going to do much for agriculture. The policy you are pursuing in the field of agriculture will lead to the transfer of resources from the poor cultivators to the affluent cultivators.

What about rural banks? In the case of rural banks> the Finance Minister through his policies is moving the capital from the rural areas to the urban areas. No real rural development or removal of rural poverty or rural unemployment is possible without restructuring the rural economy by implementing land reforms and other agricultural reforms. Without that no use talking of rural development and agricultural development.

Black-marketing. They have stopped by a Government order all searches, seizures and arrests of smugglers. They have completely stopped these by a Government order.

They are importing gold for utilisation of foreign exchange. Again, you see they just do not know how to make use of things they have with them and so they are importing gold for utilisation of foreign exchange.

They are unloading gold reserves which we built up in thirty years.

These two simple instances betray the complete bankruptcy of the financial policies adopted by the Janata Government.

They have reduced interest rates on savings and fixed deposits. As a result, what is happening? Credit has become cheaper, but savings have become costlier.

Coming to industry, I need not go into details. Large houses and multi-nationals are being openly encouraged and public sector is weakened. The rate of growth in the public sector in 1976-77, when we left, was 11 per cent. And as soon as the Janata Government took over in 1977-78 the

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public sector rate of growth came down to 4 per cent.

What about employment? They go on talking of employment. The employment exchange registers show that in October 1976 when the Congress was in power, the total number was 9.6 millions. And in October 1977 when the Janata Government was in power, the figure rose to 10.8 millions—a rise of 12.5 per cent. This is how they are solving unemployment?

Small-scale sector. They talk of small-scale sector and say that it has to be encouraged as if they have introduced a new philosophy. In the Second Plan, which was condemned by these people as being pro-heavy industry and so on and so forth, what was the investment in small-scale sector? In the Second Plan itself the investment in this sector was 3.8 per cent. In the Third Plan the investment was 2.8 per cent. Now, what do they propose to invest in their Sixth Plan? Only 2 per cent investment in small-scale sector. That is how they encourage small-scale sector.

MR. DEPUTY CHAIRMAN: Will the hon. Member take some more time?

SHRI BIPINPAL DAS: I will take a little more time.

MR. DEPUTY CHAIRMAN: Then We will adjourn the House till 2 P.M.

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

The House re-assembled after lunch at seven minutes past two of the clock. Mr. Deputy Chairman in the Chair.

SHRI BIPINPAL DAS: Let me now come to the question of prices. It is true that there was a rise of prices in 1976-77 compared to 1975-76.

But what happened in 1977-78? In 1977-78 the wholesale price index rose by 5 per cent compared to the proceeding year 1976-77. This is only the wholesale price index. What about consumer price? 'The Economic Survey says that the all-India industrial workers' consumer price index rose by 9 per cent during April-December 1977, while the wholesale index rose by 6.6 per cent only during that period. This only means that the wholesale price index is not the real index, showing how the people are suffering. The people pay the consumer price. There is a wide gap between the two* Therefore, the people are suffering. If there is a wide gap between the wholesale price index and consumer price index, that means that the only class which is going to benefit is the traders' class. Unfortunately, the Janata Party is a party of the traders.

Now, how much subsidy is wheat getting? Twenty-three rupees. How much for rice? Four paise. Why is this step-motherly treatment to rice?" Is this Government, is this party, one-of wheat salesmanship?

Now, I come to tax. There is not a single item of tax in this Finance Bill which will not hit the common man. The Government is unusually kind to luxury items like air-conditioners, so on and so forth. But so far as other proposals made in the Finance Bill are concerned, everybody would be hit by them. The ratio of indirect tax to the total tax today, according to the Jha Committee itself is 79.3 per cent or more, Central and State taxes taken together. It was about 53 per cent a few years back. This has been continuously rising. The Janata Government is also adding to it. It was rising during the Congress regime. But the Janata Government is also further adding to it. There is a general excise duty rise from 2 paise to 5 paise. The residuary clause covers everything. It goes

up from 2 per cent to 5 per cent. There is a special excise duty which means that after the Finance Bill is passed, nobody will pay the pre-budget price for any commodity in this country.

Sir, the Federation of Indian Chambers of Commerce and Industry have submitted a proposal to the Prime Minister and the Government. It is a 12-point proposal. Out of 12 points, 10 points relate to only reduction of various duties and taxes. This is what they demand. But in spite of the various concessions already made in the last Budget by the Finance Minister, there was no picking up of investment. The Finance Minister has confessed publicly that he did not know why it had happened. In spite of so many concessions made to the private sector, the investment did not pick up and the Finance Minister is bewildered. He is dismayed. Therefore, I warn the Government that no further concession to the private sector is going to help the economy of this country. No further concession to the private sector is going to help in raising up the industrial growth. As a matter of fact, the industrial growth has fallen from 10.4 per cent of 1976-77 to 4.2 per cent in 1977-78.

What has happened to the Jha Committee's recommendations? The most important recommendation of the Jha Committee is about rationalisation of taxes, particularly indirect taxes. Have they done it? The Jha Committee recommended rationalisation of indirect taxes. There should be no selective taxation anywhere only after rationalisation. First rationalise and then have no selective taxation. This was the main recommendation of the Jha Committee. I do not know what they have done about it. The Jha Committee has said very clearly that there must be elimination of distortions in indirect taxation relief to low income groups and encouragement to small producers. I do not know what the Government is doing about all these things. The Jha Com-

mittee has also recommended selective scaling down of import duties, lower tax on cheaper cloth, levy to be shifted from raw materials to more processed articles and no octroi duty. Once you rationalise, there should be no more selective taxation. These are the main recommendations. I do not know what the Government is doing about all this.

Then I come to resource mobilisation. Quite rightly, the Government has to find ways and means to mobilise resources and this Finance Bill is one such attempt. I agree to it. But how to mobilise resources? Is it by taxing the poor? Is it by taxing the common man? Is it by causing more deprivation to the already deprived people? Sir, may I, in all humility, make some suggestions to the Government and the Finance Minister as to how to mobilise resources in a progressive society and in a society whose objective is socialism? Public sector must improve and produce surplus. It is a major source of resources. Public financial institutions must expand. They have done nothing about it. There must be ceiling on income and expenditure. There must be curb on conspicuous consumption. Monopoly capital and foreign capital must be nationalised. There is no other go and there is no other way. There should be no further expansion in the production of luxury goods. And you should ban import of luxury items. These are the few suggestions I am making to augment resource mobilisation. And in all these things, as I have said in the beginning, the Janata Government has completely failed. That is why I compared the Janata Government with that young romantic lover who struggled for long years to win heart of the beloved, that is power, and after getting power they have failed to do anything. There is absolutely no performance.

Now, I come to a very important matter which is agitating the minds of the people of this country. It has

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become a subject of debate throughout the country. It is Centre-State relations. The Centre-State relations have got many aspects, the legislatives, the executive, the political and so on and so forth. I am not going to deal with them because that debate will continue in the House the day after tomorrow. I want to refer only to the financial aspects. Honestly speaking, the motive behind this question raised by some people is basically economic and financial. The demand that the States should have more autonomy and that the Centre's relations in the States should be revised, has come out of financial and economic motivation. The demand for autonomy is there. But if you accept the autonomy as some people have demanded, what will happen? The existing regional imbalances will become wider. And only the advanced States will benefit and not the backward States. Therefore, we must be on our guard. We cannot support the demand for autonomy made by some advanced States. In that case, the advanced States will go forward and the backward States will become still more backward. Therefore, the question has to be examined from two angles, from the point of view of providing more avenues and opportunities to the States for resource mobilisation and at the same time we must examine from the point of view of moving towards reduction of regional disparities. On the one hand, we should certainly create more opportunities for the States to mobilise resources and on the other we must see that there is a gradual reduction in the regional disparities. These are the two objectives that have to be kept in mind when we discuss the question of regional autonomy. On the question of Centre-State relations, in the existing pattern, Sir, the Centre is the dominant partner in financial distribution. I agree, the Centre must be strong. But I also say that the States also must be strong. The Centre cannot be strong at the cost of the States nor the States at the cost of

the Centre. Both must be strong. What is to be done? Because ultimately, whatever you plan, whatever you draft, whatever proposals you make, the ultimate implementation falls on the States at the grass-root level.

Sir, the Seventh Schedule should be revised in order to provide more avenues and opportunities to the States for resource mobilisation. Article 268 J and article 269 of the Constitution refer to taxes and duties which accrue to the States. But why two different articles and why not one article based on the principle of equitable distribution among the States with the objective of reducing regional disparities? Sir, article 270 refers to income-tax only but not to corporate tax. But in my view, corporate tax is also income-tax and, therefore, why should not corporate tax be brought under the divisible pool as income-tax has been brought? Article 271 talks about surcharges excluded from the divisible pool. Why should they be excluded from the divisible pool? I don't understand, stand this. They must also be brought under the divisible pool. Sir, article 272 talks of excise duties to be shared ! between the centre and the states. The sharing is permissible and not compulsory. Why is it a permissible sharing and why is it not a compulsory sharing like the income-tax? Sir, article 275 refers to grants-in-aid to the States out of the Consolidated Fund of the Union. Article 280 talks of a Finance Commission to decide about sharing of the two taxes and the principles of grants-in-aid. Article 282 refers to grants from the Union to the States for any public purpose.. And article 292 refers to loans from the Centre to the States.

Now, Sir, the actual position is very revealing. Sir, I am trying to summarise and I am not giving the details. There are statutory transfers of resources from the Union to the States and there are non-statutory transfers of resources from the Union to the States. What is the ratio? Roughly speaking, the ratio is 32 and 68. Statutory transfer of resources is

32 per cent and the non-statutory transfer is 68 per cent. The statutory transfer is all right. But so far as nonstatutory transfer of resources is concerned, it depends entirely upon the bureaucrats, the bureaucrats at the Centre. And why should they depend on the whims and caprices of the bureaucrats at the Centre?

This is the vital point and this covers revenue receipts and capital receipts, all together. In order not to waste time I am not giving the details of the revenue receipts and the capital receipts, but the point is that approximately two-third part of these resources, that are transferred from the Centre to the States, are decided by the whims and caprices of the bureaucracy at the Centre; and only 32 per cent or one-third, is statutory.

These facts show the fiscal inadequacy of the State Governments to meet their own constitutional obligations to the people. These facts also show the extent of States' dependence on the Centre for meeting their financial needs on revenue and capital account. They also show not a healthy state of affairs for efficiency, responsibility and self-reliance of the State Governments. These provisions create an air of patronage leading to a subtle bureaucratic interference from the Centre into the working of the State administrations. They cause irritation to the States and reduce their sense of responsibility and self-reliance.

Now, Sir, I come to the Finance Commission. What is a Finance Commission? The Finance Commission is appointed by the Central Government. Its Member-Secretary is an officer of the Central Government. Its terms of reference are prepared and framed by the Central Government. Its recommendations may or may not be wholly accepted by the Central Government. The terms of reference excludes the Plan expenditure of the States except the committed ones of previous plans, although the Constitution makes no such difference between Plan and non-Plan expenses and bet-

ween capital and revenue expenses. The guidelines to the Finance Commission refer to the scope of economy matching with efficiency in administrative expenditure only with regard to the States. The guidelines do not refer to economy matching with the administrative efficiency of the Centre. Therefore, Sir, the Finance Commission, in my humble submission, is not neutral under the present arrangement. And(so, I conclude by making three or four suggestions. The question is how to improve the relations between the Centre and the States so far as financial matters are concerned and how to bring about a healthy relationship between the Centre and the States on the one hand, and, among the States, on the other?

Sir, the floating of loans should be common between the States and the Centre and the distribution must be according to a well-formulated and mutually agreed criteria by an independent agency, legally constituted, and manned by its own staff. That is number one. My second suggestion is that the Constitution should be amended so that the Central Excise Duties can be brought under the compulsory distribution system between the States and the Centre on the basis of a 50 per cent share. My third suggestion is that the Finance Commission should be truly independent. Its terms of reference should be laid down in the constitution itself. And, all expenditures, Plan as well as non-Plan, capital and revenue, in fact everything must be taken into consideration when the Finance Commission gives its judgment. They must be covered in the terms of reference. Now grants-in-aid under article 275 should aimed strictly at reducing the inter-State disparities in standards of administration as well as social services and that also must be referred to the Finance Commission. Sir this is the most important suggestion that I am making to the Government, namely, that grants-in-aid under article 275 should aim strictly at reducing the inter-State disparities in standards of administration as well as social

[Shri Bipinpal Das]

services and that also must be referred to the Finance Commission. The principles or the criteria for distribution of transferable resources should be formulated by an expert body after thorough investigation and then agreed upon by the National Development Council and included in the terms of reference of the Finance Commission. So, my whole objective is to reduce inter-State disparities so that regional imbalances may be removed and ultimately a healthy relationship comes into existence not only between the Centre and the States but also among the states. Thank you very much.

SHRI INDRADEEP SINHA (Bihar): Mr. Deputy Chairman, Sir, I will refer to an ugly aspect of the functioning of the Janata Party Government and the Janata Party itself. We have been listening to divergent speeches including divergent policy statements being made by different Ministers. We have recently witnessed faction fights in various States inside the Janata Legislative Party. We also witnessed physical fights inside the Uttar Pradesh Assembly between the members of the Janata Party. But this is not the worst part of it. One section in Bihar, is leading, what are called the anti-reservationists and the other section is leading pro-reservationists and both are burning buses? throwing bombs on schools and colleges. All the colleges and the universities are closed and the administration has come to a standstill. We have also witnessed a mounting wave of atrocities against Harijans. So far, these atrocities were perpetrated by the rural landlords and money-lenders.

I happened to go to Agra and in Agra something has happened which had never happened in this country in the past, that is, the police force of the State, the magistracy and a section of the Janata Party led by the Jana Sangh and the R.S.S., all combined and carried out a joint operation against the Harijans of Agra city. All the Harijan bastis were surrounded by

the P.A.C. and the R.S.S., the R.S.S. people carrying private guns, pistols, lathis. The Harijans were fired upon, tear-gassed and lathi-charged. Their houses were raided. Their belongings were looted and their women were carried away. All this I have seen with my own eyes. Sir, there is tear-gassing when there is a crowd on the road; but in Agra, there was tear-gassing in the houses. I have brought a tear-gas shell recovered from a Hari-jan's house located far in the interior, not on the main road. This shell was not fired on any crowd or on any unruly mob. It was fired into the house so that the inmates may come out and when they come out, they can be assaulted. This is what happened.

The other day, the State Minister for Home Affairs made a statement in this House that police opened fire only in two localities in Agra. I visited Agra District Hospital. There were only 8 bullet injury cases. I asked them where from did they receive the bullet injury. They gave me the names of five different localities. In addition to these five localities, I saw bullet marks on the houses of three different localities. I have also brought some fired bullets and I shall send them, through you, Sir, to the Government for their satisfaction. Here are the bullets picked up by me from three different localities which contradict the statement of the Home Minister here in this House.

Now, Sir, who were the people killed? A youngman who was sick had gone to a doctor to buy medicine. He was sitting with his brother on the roadside. He was hit by a bullet in the leg. He was not dead. He was crying for water. Then the policemen came and lifted him up. They threw him up in the truck and bayoneted him to death and when his brother tried to save him, he was also shot at and injured in the arm. . .

SHRI BHUPESH GUPTA (West Bengal): Sir, I can understand the worries of the Janata Ministers. I can

understand that they are overwhelmed by their problems. But the Ministers are not listening....

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND LABOUR (DR. RAM KRIPAL SINHA): The Minister is sitting here and listening.

SHRI BHUPESH GUPTA: I do not blame Mr. H. M. Patel. He is completely indifferent to everything that happens to the Janata Party.

Nowt the others, all of them, are sitting. One of them, I noticed was listening to what is being said. I think my friend here, the Minister of State of Finance, was looking at him. But he is a very helpless person. But not one of them, these Ministers and the General Secretaries, were listening. It is rather strange. Our friend, Shrimati Mohinder Kaur, was listening. She is sitting throughout and she is listening as far as I could gather. What is the use of that lady listening?

**श्री रबी राय (उड़ीसा) : भूपेश गुप्त
जी बोलेंगे तो मैं जरूर सुनूंगा ।**

SHRI BHUPESH GUPTA: Kindly listen because that man the shooter, the killer, Mr. R. N. Yadav, is not listening to anything, not even to what is said in this House.

SHRI INDRADEEP SINHA: I would request my friend Shri R'abi Ray. He was once a socialist.

SHRI RABI RAY: I am still a socialist. All the Janata Party members are socialists.

SHRI INDRADEEP SINHA: Please visit Agra—I am prepared to accompany you—and see for yourself all the Harijan bustees that have been systematically damaged and how the inmates were lathi-charged> their houses % set on fire, their properties looted and the women carried away. I will not give stories here. But this is something which never happened during the whole of the post-Independence

period. This is an indication of what is going to happen in future. People bei'ongng to the upper castes in Agra,

who are traders and small mill-owners, with their organised gangs joined hands with the police to suppress the Hari-jans who are all workers and shoemakers. They are called Jatavs there. What was the issue? Why were they suppressed? They wanted to take out a procession on the 14th April on the occasion of Dr. Ambedkar's birthday. The Minister of State in the Ministry of Home Affairs made a statement in this House that there is no restriction on any citizen to move in any part of the country. But there is restrictions in Agra. The Harijan procession was not allowed to be taken out through an upper caste locality called R'awat-para. Last year, it was taken out. There was no objection. But this year, it was obstructed. Stones were thrown. Lathi blows fell on them. Then, the Harijans decided to take out a silent procession without shouting any slogans just to assert their civil rights. That was on the 23rd April. When they did that, the police intervened. The procession was teargassed and lathi-charged and the police chased them in all directions for more than a mile. Our Party has counted on the 23rd April 2,362 Harijans who were beaten up with lathis by the police as well as the RSS. What happened on the 1st and 2nd May is much worse. If peace has been restored, it is not due either to the U.P. Government or to the U.P. Armed Constabulary or to the RSS. Peace was restored when the Army moved in. The Army did not abuse the Harijans. What did the PAC say? They said 'You bloody chamars; you dare take out a procession in our locality'. This is how the officers talked. This is how the RSS talked. This is how the Jan Sangh people talked. They belong to the Janata Party. Mr. Daya Krishna Jarari, who is a leader of the Harijans and also belongs to the Janata Party, was attacked. He was beaten up unconcious and in that unconcious condition he was taken to jail. He is still in jail. In your own Party, you cannot tolerate the Harijans. Your Party joined hands

[Shri Indndup Sinha]

with the police and the goondas to beat up the Harijan leader belonging to your own Party. This is what has happened in Agra. The U.P. Chief Minister says that he will not have a judicial enquiry Now, Sir, I have raised this question here because, I am afraid if this tendency is not checked, we will some day have fascism here. This is something which the Hitlerites and fascists used to enact against the Jews in Germany and some day we will be having these thing in our country, enacting against the Harijans, Muslims, Christians and other minorities. I still remember in 1968 the Jana Sangh held a conference in Patna and adopted a resolution that "they will "Indianise" all those who are "aliens"; and who are the "aliens"? They are the Harijans, Muslims, Christians and others. So, in Agra the first attempt at "Indianisation" Of the Harijans has been made. This is a very serious matter. The Prime Minister at least claims that he is a Gandhian. If he is a Gandhian, I will request him, let him go and see Agra what has happened there. I will request other leaders of the Janata Party also to visit Agra, see what has happened and find out some remedial measures so that these ugly incidents are not repeated. This communal poison has now spread "to other parts of western U.P. Harijan houses are being burnt. They have been burnt in Mathura, they have been burnt in certain other villages. A certain tension has developed in Aligarh. The entire area is becoming infected. So, it is not a question of which party will rule, it is a question whether the unity and integrity of this country will be maintained and if the Janata Party is not able to maintain even the unity and integrity of this country, they have no business to be there.

श्री सदाशिव बागाईतकर : (महाराष्ट्र) : उपसभापति जी, फाइनेन्स बिल जो इस सदन के सामने पेश है उसका समर्थन करने के लिये मैं खड़ा हुआ हूँ। यह मानी हुई बात है कि फाइनेन्स बिल एक ऐसा ओजार

सरकार के हाथ में है जिसकी माफत देश की पूरी अर्थ-व्यवस्था पर निगरानी रखी जा सकती है और आगे की जो दिशा होती है उसके भी संकेत मिलते हैं। इस बिल पर जो बहस हुई मैं उसे गौर से सुन रहा था और जो नुकताचीनी मेरे मित्रों ने की उसमें सबसे अहम मुद्दा उठाया गया था मुद्रास्फीति का। मुद्रास्फीति का संकट और उससे उत्पन्न होने वाली स्थिति कोई नई बात नहीं है। लेकिन यह भी सही नहीं है कि मुद्रास्फीति हर हालत में संकट ही पैदा करती है। ऐसे भी अवसर आते हैं जब मुद्रास्फीति वर्दाशत करना संभव होता है। जब आर्थिक स्थिति में सुधार होता है तो आर्थिक विकास से आम लोगों की परचेजिंग पावर, क्रयशक्ति ऊपर उठाई जाती है, बेरोजगारी का सवाल कुछ हद तक हल होता है। और ऐसे कार्यक्रमों के द्वारा यह संकट भी हटाया जा सकता है, टाला जा सकता है। लेकिन मैं मानता हूँ कि जो बहस चली उस बहस में जिन मित्रों ने हिस्सा लिया उनके मन में इन सवालों के अलावा कोई और शह थी। इस बहस में जो कुछ मुद्दे उठाये गये हैं मैं यह जरूर कहना चाहूँगा कि इस फाइनेन्स बिल के अन्दर जो जनता पार्टी की आर्थिक नीति का पहलू है, जो आर्थिक कार्यक्रम का पहलू है उसके लिये और ज्यादा समयबद्ध अपनाने का तरीका अगर हम लोग स्वीकार करते, मंजूर करते तो परिणाम अधिक अच्छे होते, देश की आर्थिक परिस्थिति में ठोस परिणाम ज्यादा सामने आते। हमारे जो आर्थिक कार्यक्रम हैं उन आर्थिक कार्यक्रमों को समयबद्ध अमल करते तो ज्यादा असर सामने आते।

जहाँ तक देश के पूँजीपतियों के बढ़ने की बात है और उनके मुनाफे में बढ़ोत्तरी होने की बात है, मेरे पास समय कम है लेकिन फिर भी मैं आपके सामने रखना चाहता हूँ कि जो आंकड़े और तथ्य उपलब्ध हैं उससे स्थिति बिल्कुल स्पष्ट है। पिछले कई वर्षों के अन्दर हमारे देश के पूँजीपतियों के हाथों में

जो सम्पत्ति जमा हुई उसमें लगातार वृद्धि होती गई है। मैं समझता हूँ कि अगर 1972 से 1975 तक के ही वर्षों को देखा जाए तो पता चलेगा कि इन तीन वर्षों में सबसे ज्यादा धनराशि इन उद्योगपतियों के पास आई। सन् 1975 के वर्ष में जो सबसे ज्यादा प्रगति का वर्ष माना जाता है, उस वर्ष में पूँजीपतियों के हाथ में सबसे ज्यादा धन-सम्पत्ति जमा हुई। इसके विपरीत हमारे देश में जो गरीब तबका था वह और भी गरीब होता चला गया। अब ये सारे तथ्य उपलब्ध हो गये हैं। मुझे यह सुनकर आश्चर्य हुआ जब हमारे कुछ मित्रों ने बहुत जोशीले शब्दों में इस फाइनेन्स बिल पर हमला किया। अगर ये लोग इसी प्रकार के जोशीले शब्दों में उस वक्त आवाज उठाते जिस वक्त मुल्क के अन्दर तबाही मची हुई थी तो बात कुछ समझ में आती। जिस वक्त हमारे देश का पूरा का पूरा अर्थतंत्र पूँजीपतियों के चुंगल में फंसा था उस वक्त ये लोग कुछ आवाज उठाते तो बात समझ में आती और उससे हमारे देश को कुछ फायदा भी होता। जो सवाल इस वक्त हमारे सामने हैं उनमें सबसे ज्यादा मुद्रास्फीति का सवाल उठाया जाता है। कुछ माननीय सदस्यों ने टैक्सों का भी जिक्र किया है। मैं सबसे पहले आपका ध्यान एडवर्टाइजमेंट टैक्स की ओर दिलाना चाहता हूँ। एक चीज बिल्कुल स्पष्ट है कि एक तरफ तो आवश्यकता इस बात की है कि जो हमारे देश में कांसपिकुअस कंजम्पशन है या जो लोग चैन और आराम की जिन्दगी बिता रहे हैं उन पर अंकुश लगाया जायें। इस प्रकार से जो ऐशो-आराम की जिन्दगी बिताने वाले लोग हैं और जो उनके तौर तरीके हैं उन पर रोक लगाने की जरूरत है। मैं यह मानता हूँ कि हम लोगों की यह याद रखना पड़ेगी कि सन् 1968 में पेरिस के अन्दर जो विद्यार्थियों का विद्रोह हुआ था उसमें ऐसी मानसिक भूख समाज में पैदा करने का सवाल था और उसी के खिलाफ विद्रोह था। आप जानते हैं कि कुछ लोगों के द्वारा देश के अन्दर ऐसा माहौल तैयार किया जाता है कि समाज

के अन्दर एक किस्म की अशांति पैदा करके सब के लिए कठिनाई पैदा हो जाती है। इसलिए मैं समझता हूँ कि हमें एडवर्टाइजमेंट की पालिसी की तरफ भी ध्यान देना चाहिए। बार-बार सदस्यों की तरफ से एडवर्टाइजमेंट टैक्स की बात कही जाती है। मैं समझता हूँ कि जिन विज्ञापनों से कोई फायदा होने वाला नहीं होता है उनकी तरफ विशेष रूप से ध्यान देने की जरूरत है। इस किस्म के एडवर्टाइजमेंट्स हम रोज अखबारों में देखते हैं। हमारे देश में उत्पादन की जो प्रक्रिया है और जिसका सम्बन्ध एडवर्टाइजमेंट्स से है उसकी तरफ भी ध्यान देने की जरूरत है। इस बारे में मैं एक उदाहरण देना चाहूँगा। बोम्बे डाइंग एक फर्म है जिसके एडवर्टाइजमेंट रोज ही अखबारों के अन्दर आते रहते हैं। ये लोग रोज ही नये फैशन और नये डिजाइन तैयार करते रहते हैं। हमें इस बात पर विचार करना चाहिए कि किस प्रकार के उत्पादन का अधिकार हम लोगों के लिए फायदेमन्द रहेगा। एक तरफ तो हमको अपना जीवन स्तर ऊँचा उठाना है और दूसरी तरफ अपने उत्पादन की प्रक्रिया में सुधार लाना है। जो उत्पादन की प्रक्रियाएं हमारे देश की जनता के लिए फायदेमन्द नहीं हैं उन पर हमें रोक लगानी होगी। जो कम्पनियाँ नये नये डिजाइन और फैशन तैयार करती हैं उनकी तरफ विशेष रूप से ध्यान देने की जरूरत है। हमारे देश में ऐसे भी तबके हैं जो 60 या 68 परसेन्ट से भी नीचे गरीबी की लाइन में रहते हैं। आज आवश्यकता इस बात की है कि उनकी तरफ सबसे पहले ध्यान दिया जाय। सिर्फ उनकी चर्चा करने मात्र से कोई फायदा नहीं होगा। इसलिए मेरे कहने का मतलब यह है कि इस फाइनेन्स बिल से हमें जो दिशा मिलती है उसके सम्बन्ध में एक ठोस और समयबद्ध कार्यक्रम बनाना पड़ेगा। हम यह उम्मीद करते हैं कि अगले साल के वित्त विधेयक में इस कार्यक्रम का जिक्र होगा और उसको ख्याल में रखकर कुछ ठोस कार्यक्रम हम लोगों के सामने आयेंगे।

[श्री सदाशिव वागाई तकर]

जहाँ तक फाइनेन्स बिल की नुक्ताचीनी करने का सवाल है, उसके सम्बन्ध में विरोधी दलों की तरफ से कई बातें कही गई हैं। मैं केवल मात्र दो चार मुद्दों का ही जवाब देना चाहूंगा। श्रीमन्, मैं समझता हूँ कि हमारे देश के सामने इस वस्तु संकट फासिज्म का नहीं है। हमारे मित्र इस बात को जानते हैं कि फासिज्म से पहले इस देश में पैरोइज्म था और मैं समझता हूँ कि फासिज्म आने से पहले पैरोइज्म आने का खतरा बना हुआ है। इसलिए मैं चाहूंगा कि इस बात की तरफ ध्यान रखा जाय कि फासिज्म आने से पहले इस देश में पैरोइज्म आने का खतरा अभी भी बना हुआ है। जो खतरा है वह यह है कि एक परोनिक टाइप डिस्टेंटरशिप देश में कायम करने की कोशिश हो रही है। उसकी तरफ मैं इन मित्रों का ध्यान खींचना चाहूंगा और उन्होंने गत काल में ऐसे काम में जो हाथ बंटाया तो उससे उत्पन्न स्थिति पर भी मैं समझता हूँ कि हमारे ये मित्र गंभीरता से सोचेंगे और मुझे आशा है कि मुल्क पर इस किस्म का संकट न आवे, इसके लिए जो प्रयत्न करने आवश्यक हैं, उसमें भी ये लोग अपना हाथ बंटावेंगे।

हम जिस आर्थिक स्थिति में आज हैं, जो इन्फ्लेशन और टैक्स स्ट्रक्चर और अन्य सारी बातों की जो हम चर्चा कर रहे हैं उसमें हम लोगों के पूर्वाग्रह बने हुए हैं। अध्यक्ष महोदय आपके द्वारा 'एशियन ड्रामा' जिसके लेखक सुप्रसिद्ध मि० गुनार मिर्दाल हैं, की तरफ मैं आपका ध्यान खींचना चाहता हूँ उसमें उन्होंने अर्थशास्त्रियों का ध्यान आकर्षित करते हुए यह कहा है कि: (पहला बोल्यूम 19 पृष्ठ पर)

Gunnar Myrdal in his book 'Asian Drama' says:

"Marx's assumption, so widely adopted by Western economists, that the effects of industrialization and, indeed, of investment generally—in

the final instance Marx's changes in the "modes of production"—spread quickly to other sectors of the economy and to institutions and attitudes, may be fairly realistic for Western countries, both now and when they started their rapid economic development. But as these "spread effects" are a function of the level of living and of the general culture, the assumption is not valid for most underdeveloped countries, particularly when the sectors of change are small in comparison with the total community. This should be obvious after many decades of colonial history during which the modern enterprises remained enclaves in a largely stagnating economy, but it is seldom given the recognition it deserves, either in economic analysis or in planning for development."

इसलिए मैं चाहूंगा कि यह जो हम लोगों का पूर्वाग्रह बना हुआ है, यह पूर्वाग्रह हम लोगों की स्थिति में कहां तक उचित है, इस पर ध्यान दिया जाय। बिल्कुल स्पष्ट है कि इन पूर्वाग्रहों को रख कर हम देश की स्थिति का सही जायजा नहीं ले सकते और इन पूर्वाग्रहों को लेकर ही हम लोगों के कुछ दुराग्रह बन गए हैं। जो आज तक हुआ पांचवीं प्लान के अन्दर तक हमने यह माना था कि इंडस्ट्रियलाइजेशन के सिलसिले में हम हैवी इंडस्ट्रीज की तरफ ज्यादा ध्यान दें और उससे यह होगा कि उसके परिणाम दूसरे सेक्टर में धीरे-धीरे उतर आयेंगे। आज हम यह देखते हैं कि 30 सालों से हिन्दुस्तान में जिस किसी किस्म का नियोजन हुआ है, उस नियोजन का वह परिणाम बिल्कुल नहीं निकला जो हम चाहते थे। जो इंडस्ट्रियल स्ट्रक्चर हम लोगों ने खड़ा किया था उसका परिणाम दूर के गांवों, देहातों के लोगों तक नहीं पहुंचा। किसी सामाजिक परिवर्तन के लिए वह अपनाये गए ऐसी कोई बात सामने नहीं आई। इसलिए अगर हम लोगों को सही जायजा आज की आर्थिक स्थिति का लेना है तो

किसी एक नमून को हमारे देश के अर्थ-तंत्र पर लादना या उसी दृष्टि से उसका भाग्य करना हमारे निर्वे फायदेमन्द नहीं है। इसलिए उपसमापति महोदय, मैं यह चाहूंगा कि जब हम अपने देश की आर्थिक स्थिति की चर्चा करते हैं, टेक्सेज से लेकर इंडस्ट्रियल स्ट्रक्चर तक की बातों पर विचार करते हैं कि क्या रहना चाहिए और अच्छा क्या है, तो उस समय इन पूर्वाग्रहों से बहुत कुछ नुकसान हमें हो रहा है। इसलिए मेरा यह निवेदन है कि आज जिस दिशा में जाने का प्रयास जनता पार्टी कर रही है, उसमें शायद कुछ गलतियां हो सकती हैं चूंकि हम ऐसे रास्ते को अख्तियार कर रहे हैं जिस रास्ते से शायद दुनिया के और लोग नहीं गए हैं। हमारी जो आर्थिक स्थिति है, उस स्थिति में नई चीज का प्रयोग करना बहुत सही है क्या, यह भी देखने की जरूरत है। लेकिन इसी दृष्टि से देख कर कि गलत ही होगा और यह मान कर और डर कर चुप बैठे रहें कि यह हो नहीं सकता, यह किसी भी देश के लिए ठीक नहीं। उस से जो अनुभव हम लोगों को होगा, उसको सामने रख कर हम लोग आगे बढ़ेंगे। इसलिए 'मोडियम टेक्नालाजी' पर सोचने का जो तरीका है, वह ठीक है।

दूसरी बात मैं यह कहना चाहता हूं कि विकेंद्रीकरण की अर्थ-नीति जो है, केन्द्र और राज्यों के सम्बन्ध में चर्चा अलग से इस सदन में शुरू है। मैं यह कहना चाहूंगा मेरे पिता विजयपाल दास ने भी इस सवाल को उठाया। मामला सिर्फ स्टेट-सेक्टर रिलेशन का नहीं है, स्टेट के अन्दर की नीचे की इकाइयां हैं, लोअर यूनिट्स हैं उनके लिए हम कितना अधिकार देना चाहते हैं वह डिसेंट्रलाइजेशन हम कहां तक मानते हैं। यह भी सवाल हम लोगों के सामने है। इसलिए मैं यह चाहूंगा कि जनता पार्टी ने,

जनता सरकार ने जो आर्थिक नीति, दिशा को कबूल किया है स्वीकार किया है, उसके ऊपर नुक्ताचीनी करते हैं, मैं उनसे नम्र निवेदन करूंगा कि वे नुक्ताचीनी जरूर करें, खामियां बताएं लेकिन यह खामियां बताते वक्त मेहरबानी कर के जो पूर्वाग्रह हैं उनको ले कर ऐसी कोई योजना थोपने की कोशिश न करें जिससे कि जो गलतियां तीस साल से लगातार करते आ रहे हैं उन्हीं गलतियों को चलाने का काम हम लोग करते रहें तो ऐसे नहीं चलेगा। इसलिए मैं अंत में अपनी बात खत्म करने के पूर्व एक मशहूर अर्थशास्त्री जिनका नाम आज कल अखबारों में बहुत चर्चित हो गया है—शुमाखर ने अपनी पुस्तक स्माल इज ब्यूटीफुल में इस बारे में लिखा है, वह पढ़ कर सुनाना चाहता हूं। शुमाखर ने यह कहा है कि :—

"The existence of inordinately rich people in any society today is a very great evil. Some inequalities of wealth and income are no doubt 'natural' and functionally justifiable. Excessive wealth like power tends to corrupt. Even if the rich are not idle rich, even when they work harder than anyone else, they work differently, apply different standards and are set apart from common humanity. They corrupt themselves by practising greed and they corrupt the rest of society by provoking envy."

असल में यही सारा मामला है। मैं यह मानता हूं कि हमको जिस दिशा में जाना आवश्यक है वह यह है कि सदियों से जो तबका सर्वहारा रहा हम को समाज में उसके लिए ज्यादा से ज्यादा कोशिश करने के लिए नये उपायों और नए रास्तों को ढूंढना पड़ेगा। इन उपायों और रास्तों को ढूंढते वक्त पूर्वाग्रह से पुराने जमाने में वापिस जा रहे हैं, बुलक-कार्ट की ऐज में जा रहे हैं, अगर इस तरह की भावना और इस तरह के विचारों को रखा जाता है तो यह भी एक

[श्री सदाशिव बागाईतकर]

किस्म का कंजवरवेटिज्म है, दाक्यानूसीपन है। जो किसी देश के लिए पश्चिमी देशों के लिए फायदेमंद रहा, उसी को स्वीकारेंगे, उसी को चलाएंगे तब हम प्रोग्रेसिव रहेंगे। उसको अगर नहीं करते तो हम प्रोग्रेसिव नहीं रहते हैं। इस किस्म की बात रहेगी तो मैं मानता हूँ कि इससे हम लोगों का ज्यादा नुकसान होने वाला है। जो हमारे गरीबों के प्रति वचनबद्धता है, गरीबों के साथ निभाने में हम लोगों को बहुत मुश्किल होगी। इसलिए मैं यह चाहूँगा कि जब हम ऐसे औजारों का विचार करते हैं तो उसका परिणाम समाज में क्या होगा, उसको भी आंकते हैं। तब हम को यह देखना होगा कि जो सारे उपाय हम करने जा रहे हैं, उन उपायों से यह जो गरीब तबके के लोग हैं उनको उठाने में कहां तक सहायता मिली। दूसरी चीज, हमें यह खतरा है कि हम लोगों की जो वैचारिक निष्ठा है उसको अमल करने वालो नौकरशाही और ब्यूरोक्रेसी है उनमें कहां तक यह उतरी है वरन् हम लोगों की निष्ठा, हमारी दिशा का उन लोगों के काम करने के तरीकों में कोई मेल नहीं रहेगा। यही आज तक होता रहा है। इतना कह कर मैं समाप्त करता हूँ।

श्री टी० अंजया (आन्ध्र प्रदेश) :

उपसभापति महोदय, मैं फायनेंस बिल जो पेश किया है उसकी मुखालफत करता हूँ। आप जानते हैं देश में हालत बिगड़ रही है। इन हालात में जैसा कि आप जानते हैं कि श्रीमती इंदिरा गांधी के बीस प्वाइंट प्रोग्राम जो कि गरीबी के लिए बहुत उचित था, जनता पार्टी की सरकार नहीं मानती है; बल्कि जहां तक ला एण्ड आर्डर का सवाल है मैंने कल आगरा में देखा, शायद हिन्दुस्तान की किसी तारीख में या दुनिया की किसी तारीख में इतना जुल्म मुझे नजर नहीं आया। मैं भीयं साहब तथा और दूसरे लोग जो गए

ये ऐसा मालूम नहीं होता था कि भारतवर्ष में इतना जुल्म हो सकता है? जिस ढंग से गोली चली, जिस ढंग से घरों में घुस कर जाटवों और गरीब हरिजनों को गुंडों से मारा गया, औरतों की बेइज्जती की गयी। इनको देखने से ऐसा मालूम होता है कि यह सरकार ला एण्ड आर्डर मेंटेन नहीं कर सकती है, हालांकि यह पार्टी सरकार किसी तरह से चला सकती है।

हम देखते हैं कि हमारी गवर्नमेंट की जो पालिसी है, हमेशा हमारे इंडस्ट्री मिनिस्टर साहब कहते हैं कि हमारी एक नयी इंडस्ट्रियल पालिसी है, परन्तु उस इंडस्ट्रियल पालिसी के अंतर्गत हम देखते हैं कि दिन ब दिन कारखाने बंद हो रहे हैं। एक जमाने में जो कारखाने जैसे ट्रैक्सटाइल मिल आदि जो एक मिल के नाम पर ले कर गवर्नमेंट चला सकती थी, मगर आज उन मिलों को जिनके मालिक मनमाने ढंग से कारखाने बंद कर रहे हैं, को चलाने के लिए इस गवर्नमेंट के पास कोई पालिसी नहीं है।

बार बार जनता पार्टी कहती है कि हमने आजादी दी है, फ्रीडम आफ स्पीच दिया है, फ्रीडम आफ एक्सप्रेशन दिया है। यह हो सकता है, वह बार-बार इस बात को कहते हैं मैं भी मानता हूँ। अगर इस फ्रीडम का नाजायज फायदा कौन उठा रहा है। इसका जो फायदा उठा रहे हैं क्या वे पिछड़ी हुई जातियों के लोग हैं या वह उठा रहे हैं जो गुंडागर्दी कर सकते हैं। मेरा कहना यह है कि इस चीज को भी आपको देखना है।

आप जानते हैं कि हरिजनों पर अत्याचार का जो मसला ठहरा हुआ है, यह क्यों ठहरा हुआ है, क्यों हरिजनों पर अत्याचार होते हैं? इसकी वजह यह है कि उनकी जो मजदूरी होती है, एग्रीकल्चरल लेबर को जो

तनखाह दी जाती है वह बहुत कम दी जाती है अथवा यह भी वजह है कि उनसे बांडेड लेबर की तरह मुफ्त काम लेने की कोशिश की जाती है। उनके रहने के लिए झोपड़ी रहती है मगर वह झोपड़ी भी उनसे छीनने की कोशिश की जाती है अथवा यह वजह है कि उनके पीने के पानी का कोई इंतजाम नहीं होता है। इस प्रकार उनके झगड़े होते हैं। इन बातों को समझने की जरूरत है। आज जो झगड़े होते हैं वह किस लिए होते हैं? हरिजनों पर अत्याचार किस लिए होते हैं? इसकी वजह यही है कि इन लोगों से मुफ्त में काम लेने की जो आदत डाली गयी, इस बांडेड लेबर सिस्टम को एवालिश करना चाहिए। क्या अगर हम इस सिस्टम को वापस लायें तभी ये झगड़े खत्म हो सकते हैं।

जहां तक वेजेज का सवाल है आज फाइनेंस मिनिस्टर साहब बता रहे थे कि एक भूतलिंगम कमेटी बिठायी गयी है वेजेज के बारे में। मगर कौन से वेजेज के बारे में बिठायी गयी है क्या मिनिमम वेजेज के बारे में। मगर कौन से वेजेज के बारे में या फेयर वेजेज के बारे में अथवा वूमन के संबंध में इक्वल वेजेज के बारे में? इसके अंदर इस बात की क्लैरिटी नहीं है। इससे मुझे मालूम होता है कि इनकी वेजेज की पालिसी कुछ भी नहीं है बल्कि इससे नुकसान यह है कि जो वेजेज बढ़ने चाहिए वे बढ़ नहीं सकते। आज हम देखते हैं कि इंडस्ट्रियल फील्ड में जो हो सकता है जिसके लिए लेबर मिनिस्टर साहब की हमदर्दी है, मैं उनकी इज्जत करता हूँ क्योंकि लेबर मिनिस्टर होने के नाते से हम उनका कोआपरेशन लेते हैं। आज इंडस्ट्रीज में जो झगड़े होते हैं वे क्यों होते हैं? वर्कर्स में जो झगड़े होते हैं, वर्कर्स की लीडरशिप में मिल मालिक जो फायदा उठाते हैं उसकी वजह यही है कि मजदूरों के अंदर जो सैक्रेट वॉलेट

होना चाहिए वह नहीं होता है। अब तो मैं सुन रहा हूँ कि इंडस्ट्रियल रिलेशन का बिल आने वाला है। मजदूरों के जो नेता होने चाहिए उनका फंसला सीक्रेट वॉलेट से होना चाहिए परन्तु होता क्या है कि मिल मालिक पार्टी या यूनियन के जो लीडर होते हैं अथवा सरमायेदारों के एजेंट होते हैं उनसे नेगोशियेशन करते हैं उनसे उनकी बातचीत होती है और इस प्रकार झगड़े खड़े होते हैं। इसलिए मैं जब आंध्र प्रदेश में लेबर मिनिस्टर था तो मैंने इस सिस्टम को इंट्रोड्यूस किया था। मैंने आंध्र प्रदेश के अंदर इस सिस्टम को पूरी तरह लाने की कोशिश की थी ताकि किसी कारखाने में कोई झगड़ा न हो। आज हम देखते हैं कि मजदूर हड़ताल करते हैं, कारखाने बंद होते हैं, कालेज बंद होते हैं पुलिस मनमाने तौर पर घरों में घुस जाती है। यह आजादी नहीं है, इस प्रकार की आजादी को कर्व करना चाहिए। मैंने एक दिन प्रधान मंत्री से मिल कर कहा था कि क्यों नहीं तमाम लीडर को बुलाकर आप बातचीत करते हैं क्योंकि जो वायोलेंस होता है उसको कर्व करने की जरूरत है। जरूरत इस बात

की है कि चाहे मोरारजी देसाई साहब हों, श्री मति इन्दिरा गांधी से या कोई भी 3 P.M. हमारे प्राइम मिनिस्टर हों, चाहे हमारे दूसरे और लीडर्स हों, जो अपोजिशन में बड़े श्रीमती इन्दिरा गांधी हों या कोई भी लीडर्स हों, उन को एक साथ बैठ कर सोचना चाहिए कि हिन्दुस्तान के अंदर वायोलेंस को किस तरह से रोका जा सकता है। उन्होंने चंद रोज पहले बयान दिया था कि वे अपोजिशन लीडर्स को बुला कर बातचीत करने वाले हैं। यह बातचीत होनी चाहिए क्योंकि जब तक देश के अंदर स्ट्राइक्स नहीं रोक सकती हैं तब तक उन्नति नहीं हो सकती। इसका कारण खोजना चाहिए कि क्या स्ट्राइक स्ट्राइक कर रहे हैं, क्यों वर्कर्स स्ट्राइक कर रहे हैं। क्यों क्लर्क लोग ज्यादाती कर रहे हैं, क्यों हरिजनों पर अत्याचार हो रहे हैं

[श्री टी० अंजैया]

क्योंकि अगर इस तरह से प्रापर्टी और ह्यूमन लैबोर होते रहे और रोज फायरिंग होती रहे, वह देश के लिए कोई अच्छी बात नहीं है, आखिर हम दुनिया के सामने क्या कहेंगे ? हमने आजादी दी तो आजादी का मतलब यह तो नहीं होना चाहिए कि गुण्डागर्दी करने वाले या चंद पुलिस वाले उसका फायदा उठाएं । तो ऐसी आजादी देने की जरूरत नहीं है । मैं नहीं कहता कि हम बार बार इमरजेंसी की बात करें, और इमरजेंसी ब्रैकने के पक्ष में मैं नहीं हूँ लेकिन गुडों को जिस तरह से चाहें आजादी मिले, पुलिस वालों को जिस तरह से चाहें लोगों के घरों में घुसे, ऐसी आजादी नहीं होनी चाहिए । मैं जानता हूँ, आज जनता पार्टी के सामने जो वह बार बार कहते हैं एक मासिबह पालिसी है कि छोटी छोटी इंडस्ट्रीज होनी चाहिए और उनका कहना है कि बड़ी इंडस्ट्रीज में उद्योग तो बढ़ता है लेकिन इम्प्लायमेंट कम मिलता है और हम जानते हैं भारत देश एक ऐसा मुल्क है जिसमें बहुत रिसोर्सिज हैं । फिर ऐसी हालत में क्या जरूरत है कि हम सीमेंट बाहर से मंगाते हैं । चाहे आन्ध्र प्रदेश हों, चाहे मध्य प्रदेश हों, या और कोई जगह हो, हमारे पास जहाँ कहीं भी रिसोर्सिज हैं वहाँ हम कई तरह की इंडस्ट्रीज खोल सकते हैं और हिन्दुस्तान के अंदर बेरोजगारी नहीं रह सकती है । आज हमारे बच्चों को इम्प्लायमेंट के लिए क्यों बाहर जाना पड़ता है जब कि हमारा मुल्क ऐसा मुल्क है जो दूसरों को भी नौकरी दे सकता है, जहाँ इतने सारे नैचुरल रिसोर्सिज हैं । सीमेंट इंडस्ट्री खोल सकते हैं, शुगर मिल्स हम ज्यादा से ज्यादा खोल सकते हैं । आज हम देखते हैं हमारा आइरन और बाहर चला जाता है । मैं जनता पार्टी की सरकार से पूछता हूँ कि क्या जो री मैटीरियल बाहर जाता है वह फिर पैदा हो सकता है ऐसा कोई मुल्क नहीं है जहाँ हमारा मैटीरियल वहीं जाता है । री मैटीरियल

बाहर जाने से हमें कोई फायदा नहीं है इसलिए चेदता सरकार को चाहिए कि आइरन और के बारे में जापान से जो अग्रीमेंट है उसको तोड़े । मैंने कुछ दिन पहले अखबारों में देखा था कि वह आइरन और बाहर भेजा जा रहा है लोगों का इम्प्लायमेंट रुका हुआ है । आप जानते हैं इम्प्लायमेंट एक बड़ी समस्या है और श्री मोरारजी देसाई ने और उनकी पार्टी ने कहा था कि हम 10 साल में बेरोजगारी खत्म कर देंगे । मैं जानता हूँ यह कोई जादू की छड़ी तो नहीं है जो 10 साल में खत्म करना चाहते हैं । मैं पूछना चाहता हूँ ऐसे लोग जिनका 28 साल तक इम्प्लायमेंट एक्सचेंज के जरिए नौकरी नहीं मिल सकी है उनके वास्ते क्या किया जा रहा है ? कुछ राज्य सरकारें कहती हैं कि हम अन्-इम्प्लायमेंट भत्ता नहीं दे सकते हैं मैं इस बात के हक में नहीं हूँ कि बेरोजगारी भत्ता दिया जाए क्योंकि उसमें करोड़ों ₹० खर्च होंगे लेकिन गवर्नमेंट की यह जिम्मेदारी है कि वह इम्प्लायमेंट के लिए नए नए उद्योग शुरू करे । आप जानते हैं इमरजेंसी के जमाने में एक एप्रेंटिस ट्रेनिंग स्कीम रही थी, उस के अंतर्गत ट्रेनिंग लेने के बाद उन को बाहर जाने का भी मौका मिलता था अगर आज उस एप्रेंटिस स्कीम को बंद किया गया । तो मैं यह कहूंगा कि हो सकता है पिछली सरकार ने बहुत से अच्छे काम भी किए हैं और इमरजेंसी के दौरान हुई कुछ बातों को आप छोड़ दीजिए जैसे गिरफ्तारियां हैं, प्रेस के ऊपर पाबन्दी है या कुछ लोगों को रिटायर किया, फिर भी 20-सूत्री कार्यक्रम में जो अच्छे काम किए हैं उनको आप क्यों नहीं करना चाहते हैं ? वह समझते हैं कि यह काम हम करेंगे तो कांग्रेस और इन्दिरा गांधी का नाम हो सकता है । लेकिन किसी का नाम होने का सवाल नहीं है; सवाल यह है कि गरीबों के लिए आप क्या करना चाहते हैं, अग्रिकलचर लेबर और इंडस्ट्रियल लेबर के लिए आप क्या करना चाहते हैं ? आप जानते हैं, गरीबों

को बैंकों से लोन देने की स्कीम थी, लेकिन अब उस पर पाबन्दी लगायी गयी है और अब उनको लोन्स नहीं मिलते हैं। आप कहते हैं कि ऐसा कोई इंस्ट्रक्शन नहीं दिया है लेकिन किसान जानते हैं, मजदूर जानते हैं, यह आप भी जानते हैं कि लोन्स के ऊपर पाबन्दी लगाई गई। बैंक्स खामोश हैं, उनको विश्वास नहीं है क्योंकि वे जानते हैं कि कितने सरमायादार लोग इंडस्ट्रीज में हैं जो गवर्नमेंट से पैसा लोन लेकर दबा दिए हैं। उनके ऊपर आपने क्या एक्शन लिया। गरीब लोगों को कर्जा देते हैं तो वे पैसा वापस कर देते हैं, मगर इसके बावजूद सरकार ने उनके ऊपर पाबन्दी लगायी है। आज यह कहते हैं कि हमने इंडस्ट्रियलिस्ट्स पर पाबन्दी रखी है। क्या पाबन्दी रखी है। आपने एक्सपोर्ट इंपोर्ट की पालिसी में जो तब्दीली की है उसकी वजह से माल के एक्सपोर्ट में और माल को इंपोर्ट करने में तमाम दिक्कतें आ रही हैं। तो सरकार को इन सारी बातों पर सोचने की जरूरत है। हम यह नहीं चाहते कि जनता सरकार से हम झगड़ा करें। डेमोक्रेसी में हम मानते हैं कि जो स्ट्रांग पोलिटिकल पार्टी हो उसका देश में शासन होना चाहिए। आज देश में जनता पार्टी की सरकार है, लेकिन आज उसमें एक विचारधारा नहीं है। हरिजनों पर आज देश भर में जुल्म होते हैं। आज देश के कुछ लोग कहते हैं कि उन पर जुल्म हो रहे हैं और उसके साथ ही कुछ लोग उस के बारे में खामोश रहते हैं। तो इन बातों पर सोचने की जरूरत है। सरकार अगर कुछ अच्छा काम कर रही है तो उसको हम रोकना नहीं चाहते। अनावश्यक ही हम सरकार को गिराना नहीं चाहते, लेकिन सरकार अगर यह समझ बैठे कि सुबह से शाम तक इन्दिरा गांधी और शाहू कमीशन की बात हाउस को करनी है और आल इंडिया रेडियो और टेलीविजन में सरकार द्वारा यही सब बातें हीती रहीं तो वह हम सुनने को तैयार नहीं हैं। एक साल का मीका हमने आपको दिया। यह मैं मानता हूं कि एक

साल का वक्त बहुत ज्यादा वक्त नहीं है, एक साल में कोई भी बहुत ज्यादा काम नहीं कर सकता है, लेकिन एक साल में आप देश में ला एण्ड आर्डर तो मेन्टेन कर ही सकते हैं, एक साल में आप गरीबों के लिये लोन्स का इन्तजाम तो कर ही सकते हैं और इसकी सरकार की जिम्मेदारी है। सरकार को इसको करना चाहिए।

इसके अलावा आंध्र प्रदेश में चन्द रोज पहले कुछ दंगे फसाद हुए। उनके अन्दर किन लोगों का हाथ था। पहले तो आपकी कुछ पोलिटिकल पार्टियों ने उन दंगे फसादों को सपोर्ट किया लेकिन बाद में जब प्राइम मिनिस्टर ने और होम मिनिस्टर ने कहा कि यह गलत कर रहे हो तो उन लोगों ने अपने को रोका। तो दंगे फसाद करना डेमोक्रेसी में किसी की मोनोपोली नहीं है। हर पार्टी यह करा सकती है। लेकिन अगर ऐसा हो तो हमारी डेमोक्रेसी कहां जायगी। ऐसा होने पर हमारी आजादी कैसे रहेगी इस पर सोचने की जरूरत है। चन्द रोज पहले बाजपेयी जी ने कहा कि उन दंगों में तो कांग्रेस आई का हाथ है। बाजपेयी साहब वैसे तो अच्छे आदमी हैं लेकिन उनकी बातें सुने तो लगता है कि वह बैठे बैठे एक बमसेल छोड़ देते हैं। उनका कहना था कि उनमें कांग्रेस आई का हाथ था। उसके बाद वहां जो अरेस्ट हुई हैं उनमें आप देखें कि कौन लोग अरेस्ट हुए हैं। किन लोगों को पुलिस ने गिरफ्तार किया है। क्या वह कांग्रेस आई के लोग हैं। या वे उनकी पार्टी के लोग हैं। जो स्टेटमेंट्स होते हैं उनको ट्रिब्यूनल करके रंग दिया जाता है। हर काम में कांग्रेस आई का हाथ वह बताते हैं। तो इस तरह की बातों का सियासत से दूर करना चाहिए और सरकार को कंस्ट्रक्टिव काम करना चाहिए। कंस्ट्रक्टिव काम इस तरह से नहीं हो सकता है कि सुबह से शाम तक हम एक दूसरे पर कीचड़ उछालें

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और एक दूसरे को गाली देते रहें। ऐसा करने से मुल्क की तरक्की नहीं हो सकती। मुल्क की तरक्की के लिये हमको आपस में बैठ कर डिस्कस करना चाहिए। यह कोई मोनोपोली नहीं है किसी की। किसी एक ही पार्टी का राज चलेगा देश में ऐसी कोई बात भी नहीं है। लेकिन वह लोग समझते हैं कि जो कुछ भी इस तरह की बात होती है वह सब कांग्रेस आई करती है और इन्दिराजी करती हैं। इन सब बातों में न कांग्रेस आई का हाथ है और न इन्दिरा जी का ही और यह सोचना गलत है। इन बातों पर आपको गम्भीरता से सोचना चाहिए। आज भी हम चाहते हैं कि इन बातों पर गम्भीर सोच-विचार हो।

जैसा बिल फाइनेंस मिनिस्टर साहब ने पेश किया है उसमें कोई नयी चीज नहीं है। वही टैक्स लग रहे हैं। प्राइसेज बढ़ रही हैं। क्या प्राइस कंट्रोल नहीं किया जा सकता है। आज दिल्ली में दूध की कीमत 65 पैसे से 1 रुपये तक बढ़ाई जाती है तो क्यों बढ़ाई जाती है। दिल्ली के लोग क्या समझते हैं। आज आप प्राहिबिशन की बात करते हैं। आप चाहते हैं कि शराब पर पाबन्दी लगनी चाहिए, मगर हम जानते हैं कि लोग तो गड़म्भा पीते हैं। बहुत गलत चीज पीते हैं और पीकर बीमार होते हैं। सरकार को प्रेविकल बात सोचनी चाहिए। प्रेविकल बात सोचने के बजाय सरकार एक जिद की बात को ले कर आज चल रही है और इस की वजह से कोई फायदा होने वाला नहीं है। मैं जानता हूँ कि शराब पर कोई भी पाबन्दी लगाना कानून के द्वारा संभव नहीं है। उस से वह रुक नहीं सकती। इस के लिये तो प्रचार होना चाहिए। आप जानते हैं कि प्रचार से ही उस को रोका जा सकता है और इस लिये इस के अन्दर जो लोग हैं उन के खिलाफ प्रचार होना चाहिए। पाबन्दी लगाने से क्या होता है। आसाम में आप देखें कि वहाँ क्या होता है। किन किन दुकानों

में क्या क्या बिकता है और किस तरह की शराब वहाँ लोग पीते हैं और उस से कितनी तरह की बीमारियाँ उन को होती हैं। इस सब पर सोचने की जरूरत है (समय की घंटी) मैं ज्यादा टाइम नहीं लेना चाहता हूँ। आखिर मैं मैं कहना चाहता हूँ कि हम देख रहे हैं कि आज देश में हालात बिगड़ रहे हैं। इन बिगड़ते हुए हालात को कैसे रोका जाय और कैसे सुधार किया जाय इस पर सरकार विचार करे। आज प्राइस कंट्रोल करना सरकार के लिये बहुत जरूरी है और जो मिलें और फैक्ट्रियां बन्द पड़ी हैं उन को गवर्नमेंट को चलवाने की जरूरत है। अगर यह काम सरकार नहीं करेगी तो देश में बेरोजगारी बढ़ेगी और उस से मुल्क के हालात और बिगड़ते जायेंगे। आप ने मुझे जो बोलने का मौका दिया उस के लिये मैं आप का शुक्रिया अदा करता हूँ।

SHRI K. V. RAGHUNATHA REDDY (Andhra Pradesh): Mr. Deputy Chairman, every Finance Minister, consistent with the long traditions of the Finance Ministry, indulges in an exercise of self-deception, and with the Finance Bill as well as the Budget which they introduce—sometimes the Budget not having any relevance to the Finance Bill which they introduce—they try to impress upon the House that inequalities are going to be eradicated, resource mobilisation, is going to be augmented and investment is going to take place. And some of us who cannot disclaim from being in the company of or in the galaxy of sinners, we said, "garibi hatao—abolish poverty" and our good friends of the Janata Party have followed suit but without the cosmetics which we had used, and they have said that they are going to abolish unemployment. While I wish them good luck, it must be realised that it is the existing system, and the way in which the economic development is taking place which is responsible for this slate of affairs. Neither God nor man would be able to solve the problem of unemployment within the existing capitalistic system which is in a state of crisis. Every

.Finance Minister used to say that he was going to reduce the concentration of economic power; but on the contrary, notwithstanding the good intentions or the bad intentions, concentration of economic power has only increased. I do not blame only Shri H. M. Patel who is now the Finance Minister; we also equally share the guilt. When the assets of most of the big business houses have increased by nearly 400 to 500 per cent, we say we are going to reduce concentration of economic power through Finance Bills. This is also another exercise in self-deception. And the Finance Ministers have got a habit of pleading that most of the big business houses are unable to make profit and therefore interest concessions will have to be made for them. I think the Minister of Company Affairs some time back had given an account of how the various big business houses made profits ranging between 60 and 70 per cent. I only give one illustration. When the textile industry was supposed to be in a great crisis, in 1973-74 the textile industry made 324 per cent profit, and the next year it made 174 per cent profit over and above the 324 per cent profit which it had made the previous year, that is, 498 per cent. And the textile industry was supposed to be in a state of crisis. Many well-intentioned voices were raised for the purpose of giving financial support to the textile industry which was in such a poor state of health. The same was the case with the jute industry. The jute industry was also supposed to be in a state of bad health notwithstanding the fact that according to the figures supplied by them—the industry made 48 per cent profit, and according to the latest figures which the Ministry of Company Affairs supplied, the profit made by the jute industry was even 60 to 70 per cent. This is how concentration of economic power is taking place. I do not blame any Finance Minister, because it is the system that is responsible. Whoever might be the Finance Minister, he will not be able to deal with this system as such. Now, the Finance Minister and the

Janata Government recently announced demonetisation of currency, and we thought that it was going to be an earthshaking proposition as far as the Janata Government was concerned. But no Finance Minister or no Finance Ministry would ever be able to succeed in unearthing black money by the process of demonetisation unless the entire banking system or the financial institutions are completely brought under the control of the Government itself. Otherwise it would be impossible to control black money and no demonetisation will ever succeed. This is an elementary lesson which the Finance Minister must have learnt by now. Unfortunately in India there are still five or six banks—I cannot give their exact number—which have more than Rs. 200 crores in the form of deposits each, like Andhra Bank, Vijaya Bank, etc. We have today about Rs. 1,000 to Rs. 1,200 crores in the private sector banks. The Finance Minister must know that with Rs. 1,000 to Rs. 1,200 crores with private sector banks it is not at all difficult for anybody to cash the demonetised currency notes. Therefore, this exercise of demonetisation done by the Finance Minister and his Janata Government and which they claim as a great job done by them could not unearth a single naya paisa of black money which is considered black. He could not, because black money is associated with black politics. The policy of demonetisation, however good—I welcome it myself—will not have any effect at all either on black money or black politics because this is connected with economic system in India.

The Finance Minister has done some exercise in relation to interest rates which is perhaps reflected in some of the provisions of the Finance Bill. He and his friends in the Government think that the poor boys who belong to the big business houses have to pay higher rates of interest and, therefore, they need all their sympathies and support, I may not be revealing any secret if I say without

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fear of contradiction that on most of the money that is being borrowed from the banks by the big business houses, they do not pay any interest in practice, whether it is 16 per cent or 18 per cent or 20 per cent or whatever it is. They do not pay any interest because the entire interest is deductible as expense under the Income Tax Act and it is ultimately the Income Tax Department which pays the interest on the money which the big business houses borrow from the banks. I think Shri Salve will be able to enlighten us on this subject because he has been practising in this field for quite a long time.

Then about bank advances. Here, again I do not blame Shri H. M. Patel. He is following the same practice which we had been following ourselves. The only difference is that he is doing it in a cruder fashion than we had done. This is the only difference, I think. He is not used to sophisticated methods of lending money to others. According to their own figures, 76 per cent of the total credit has gone to big business houses and only 24 per cent has gone to small-scale industries or some petty traders and for the implementation of the so-called Twenty Point Economic Programme to which we were also parties.

This is the situation in which the economic assets structure is taking place and being distributed and concentration of economic power is taking place in this country. If this is the case, what is happening on the industrial side? Notwithstanding the fact that 76 per cent of the money has been taken from the banks for the purposes of growth, no investment is taking place, no production is growing and no employment potential is built up in the private sector. In other words, whereas the private sector has reached in terms of credit the highest level with regard to economic growth, no economic growth is taking place in the private sector at all. It has reach-

ed almost a dead end. The production, is not going up, notwithstanding all your assurances. In fact the situation on the employment front in the private sector is such that it finds it difficult to keep the present employees employed rather than creating further potential for employment. This is what is happening in the private sector, whether the Finance Minister agrees with me or not. If he has got any other views, if he has got different views, then it is better that he revises his views as far as this subject is concerned. The facts must be clear and correct. He is not going to create more jobs when jobs are not available and even if he imagines that some jobs are being created, it cannot happen in actual life. In other words, Sir, what I wish to impress upon you is this: The mixed economy which was followed, the concept of mixed economy which was enunciated at one point of time was to be a transitory phenomenon only. Mr. Nehru himself had said on more than one occasion that the concept of mixed economy was only a transitory one and the private sector should be merged with the public sector. He said that mixed economy was only a transitory phase and it could not be continued for long and that stage has now been reached.

DR. V. P. DUTT (Nominated): Sir, for whom is he speaking? The Finance Minister is sleeping.

SHRI K. V. RAGHUNATHA REDDY: Sir, I do not mind interruptions because the Janata Government claims to have restored democracy and I do not want democracy to sleep on the treasury benches. I hope the Finance Minister would be able to wake up.

SHRI MAQSOOD ALI KHAN (Karnataka): They sleep over the issues.

SHRI K. V. RAGHUNATHA REDDY: Sir, I would very categorically state that mixed economy is a transitory phase as far as India's economic development is concerned. Now we have reached a stage when the mixed

economy that we have had almost reached a dead end and no production can take place now and no economic growth can take place. I am told that the Planning Commission is expecting about 4.7 per cent of growth. It can be somewhat marginal in some sectors. But it cannot be there uniformly in all aspects of economic development in this country. Now, Sir, I have got some sympathy for the Janata Government and I am not criticising them simply for the sake of criticism. They claim to be the champions of the farmers and the peasants in this country. Now, as far as the farmers and the peasantry in this country are concerned, notwithstanding the fact that a chapter has been devoted to them and to rural development in the Sixth Five Year Plan, they are not able to sell their products which they produce, whether it is paddy or tobacco or other foodgrains. Now, Sir, it is amazing that in this country, where the poverty line—has line—has shifted from 34 per cent to 65 per cent of the population and where they claim that they have twenty million tonnes of foodgrains which are available in their stocks, the poor people are starving and there is no place for keeping the foodgrains and those who have produced the foodgrains are not able to sell their produce except as a distress sale. Therefore, the total economy in this country is controlled by the monopoly trader, the rice miller, the jute industry, the cotton industry and the sugarcane industry. The cotton grower cannot get a proper price for his produce, the sugarcane grower cannot get a proper price and the tobacco grower is almost in tears. And, Sir, as far as the paddy grower is concerned, he feels sorry that he has contributed his mite for the purpose of making his country self-reliant and self-sufficient in foodgrains and still he is to suffer the consequences of his own action. Whether he is suffering from his own action or not, he is definitely suffering from the consequences of the inaction on the part of the Government and the economic system of which he is a part. This is the worst thing and this is the

most unfortunate thing to which the Government should address itself. This has to be done. Otherwise, what will happen is this: The farmer thinks that the agricultural labourer is responsible for his trouble and the agricultural labourer thinks that the farmer is responsible for his troubles. But the farmer and the agricultural labourer do not realise that it is the monopoly trader, it is the jute industry, it is the cotton industry, it is the tobacco industry, it is all these people who are responsible for the ills of the farmer and for the misery of the farmer and, consequently, for the misery of the agricultural labourer. Therefore, the monopolist, the monopolist class, is the real enemy of both the farmer and the agricultural labourer and his aspect is not realised properly. I think the Sixth Five Year Plan document can have one additional chapter devoted to finding out who the enemy of the country is or who the exploiting class is so far as the ordinary poor people and the poor peasantry of this country are concerned. Now, Sir, there is another aspect of the matter which I would like to present before the House and it is this: Our economic system is a part of the international economic system, that is, the international capitalist economic order and the entire international economic order, in terms of the capitalist economy, excepting the socialist countries, is in a state of crisis, maybe of varying degrees. The whole international economic order in terms of the capitalist economy is in a state of total crisis. When the crisis would burst, we do not know. Even banks are controlled by multi-national corporations. Banks also are coming under the control of multi-nationals. I do not know what is the rationale behind it. When the Finance Ministry or the Ministry perhaps had come forward with the very golden idea of selling gold to the people in order to stop smuggling. This is one of the most amazing things one can imagine, because for the purpose of strengthening and maintaining the purchasing capacity of the dollar and its capacity in world market, the Americans we

[Shri K. V. Raghunath Reddy] trying to hoard gold. On the other hand, what we are doing is that we are squandering away whatever little amount of gold we have got. You may reach a stage when your currency starts getting into doldrums. I do not know whether you are doing this on the advice of the World Bank or the International Monetary Fund or on the advice of the American experts who are very generous in offering them advice.

SHRI BHUPESH GUPTA: On the advice of Raj Narain _____ (Interruptions)

SHRI K. V. RAGHUNATHA REDDY: This is a matter which deserves serious attention of the House as well as the Government, because, I am afraid, they are doing many things partly because of ignorance and partly because they are being advised by some others. If it is ignorance, it is dangerous. If it is advice by some others, it is disastrous, and....

AN HON. MEMBER: Disaster, in my case.

SHRI K. V. RAGHUNATHA REDDY: This is what I wanted to mention, Sir. Now, Sir, as far as we are concerned, we are reaching a stage in our country, whatever might be the good wishes and whatever the prayers we can offer in all the temples, including Laxminarain Temple, this economy may not improve. We may be very proud of the steel we produce in the public sector. According to a conservative analysis made, as a result of the steel sold from public sector plants like Bhilai or Bokaro or some others like Rourkela, the private sector had made so far about Rs. 840 crores profit. Whether we contributed to this or they are also accomplices, the tragic part of it is that Rs. 840 crores profit had been made as a result of steel sold from the public sector to the private sector. No Finance Bill, however brilliant

may be as an instrument of taxation, as a mobiliser of resources, would ever be able to help economic development in this country unless the economic surpluses produced in the public sector are invested in the industry itself, otherwise no Finance Minister would be able to help us with the economic development and no instrument of taxation would be able to help us in the economic growth in this country. Therefore, Sir, here the character of the State becomes very important. Who controls the State? For whose benefit is the State controlled? Is it in the interests of the community or is it in the interests of only a small section of the people in this country? This question has been raised by Pt. Nehru himself in 'Glimpses of World History' in a Chapter called 'Failure of Parliamentary Democracy'. He raised this question specifically as to who is in command of the State, in whose interests the State works? That becomes a relevant question in relation to the character of the Janata Party and the Janata Government, in relation to Parliament, in relation to the various political parties. In all humility, I must say that the planetary position of the Janata Party is very unfortunate and the planetary position of the people seems to be very unfortunate, unless a popular left, democratic front, which believes not only in democracy and socialism but also in the socialist part of development takes over power as an instrument of State; and unless the character of the State itself changes I am afraid, notwithstanding all the prayers and notwithstanding all the brilliance that you may produce, no amount of economic development can take place in this country and no solution can be found for the problems of India. And to that end, the Members of Parliament and the people of India should address themselves and a broad democratic front should emerge. That should become a part of the State power and the character of the State itself, should change. Unless that is done, would submit,

in all humility, that no gerrymandering, either of political character or of economic character, is going to help up and God only can save this country. Finally, if this is the policy and if the character of the States does not change, we are neither wanted by God, nor by Satan. That is the situation we are facing now: Sir.

MR. DEPUTY CHAIRMAN: The time allotted to the various parties has almost been exhausted. After a short speech by Mr. Mallick, the Finance Minister will reply.

SHRI HAREKRUSHNA MALLICK (Orissa): Sir, I rise to support the Finance Bill presented by the Finance Minister. Thirty years back, after achieving our political freedom, Bapuji envisaged a multi-faceted freedom for this vast nation on the basis of equality, freedom from fear, freedom from landlessness, freedom from hunger, freedom from disease, freedom from illiteracy, freedom from indebtedness and freedom from all other grievances. In other words, in sum fatal, he meant poverty. This country was helpless from time immemorial because of the administrative patterns that existed in this country for centuries. Soon after achieving our freedom, during the last 30 years, although we achieved many things in different parts of the country, the cruel legacy haunted us in the form of unemployment. Unemployment particularly among the uneducated was alarming. It was more so in the vulnerable sector, that is the rural people, who remain calm and quiet without a voice because they get no leadership. So far as labour laws and other schemes for labour are concerned, they are more or less limited to the people who are in the factories and who are organised. Sir, the multitude of our people are still without food, work and clothes in the vast villages of our country which make the very framework of the nation. More so, during this period, we have suffered a colossal brain drain, that is, people who have been born,

brought up and educated in this country are functioning in other countries. It is said amongst the students of schools and colleges that Buddhism though born in India flourished abroad. Similarly, Gandhism though born in India flourished abroad. His persistent call for swadeshi and rural upliftment still remains only academic. This is due to political tussle in our country. Also, we had to suffer a spell of misrule in India. It was almost a foreign rule, because it was a rule almost of fear and darkness and disaster. It is really unparalleled in our history that, people of the same country should take away the liberty of that very country. After an era of rubber stamp, a spell of darkness and a chapter of mistakes, we stand rededicated today on the strength of the massive mandate and look anew to our plans and programmes. This vast nation is fervently looking forward to this Government of our Janata Party which is really a government of the people, for the people and by the people. With this background we stand today, and very rightly our Finance Minister has elaborated our financial resources and has processed the fiscal policy and it will be the very sustaining force for our proposed Sixth Plan. Sir, it may be mentioned that we are now at advent of our proposed Plan. We are also eagerly waiting for a very important report of an important committee, the Asoka Mehta Committee. After all these years, we are going to look at the villages, neglected so far. Our Finance Commission is at work. So also the Planning Commission and all the Planning Boards in the periphery of the country. I am sorry, Sir, our hon. friends on the other side have been completely oblivious to these aspects by which we actually stand today and which will really make this nation stand. And this 'nation' also means and includes our fellowmen on the other side and their supporters whether in great numbers or in small numbers. But their purpose has been to oppose for the sake of opposition.

[Shri Harekrushna Mallick]

well, that has been the practice all these 30 years and we have been playing politics on the miseries of men, that means on ourselves, which again is a suicidal policy. And a suicide for a country like this with a population of nearly 60 crores, will mean an onslaught on democracy, the greatest democracy in the world.

Sir, when I stand to support, I support the Finance Bill with sincere feelings. Sir, I place On record that while achieving our ends, the learned and hon. Finance Minister along with his Cabinet colleagues should be a little more vigilant as regards the resources that we collect and the way they are spent. Because, Sir, unless we seal the loopholes, unless we avoid the extravagance and indulgence by the people who handle money, unless we economise unless we co-relate Department and Department to avoid the overlapping of expenditure on the same head, and unless we actually seal the pilferages, this may also end in the same way as in the past. It may also leave behind legacies and our proposed Plan also may be affected. Therefore, Sir, while supporting this Bill, I alert Our hon. Finance Minister and also the Cabinet in general that these things may be seriously looked into. And while doing so, I caution that it should be a two-way approach. I am comparing our nation with a tree. Unless the stem and branches are strong, the tree cannot be strong. Similarly, with a strong framework, if a tree stands without any leaves, flowers or fruits, that tree is not tree at all. So, the Centre's approach should be really to see that our national programmes are executed in the periphery efficiently. That means, the very fabric of our administration must be toned up or else, the same indulgence with money will be going on and the entire money that

we collect from home or abroad will be lost in the wilderness.

Then, Sir, the most essential thing is that we should take advantage of science and technology in right earnest. And in this connection, I place on record that Once for all and right now we should release the technocracy of our vast country, a country which is full and very rich in technocracy, from the yokes of bureaucracy because, Sir, it is a paradox that our country is probably the biggest country that is suffering from brain-drain and our technocrats of the order of Dr. Khorana, a Nobel laureate had no place in this country and Dr. Joseph had to commit suicide. The science and technological councils are being over-ridden by bueraucrats. They create bottlenecks to throttle the doctorates and post doctorates of this counry. This aspect should be looked into. There also, money is the criteria and money makes mischief everywhere. Sir, I just quote Chanakya: "Danda, mula, Kosh". That means the very strength of the administration lies in the exchequer. Sir, then there are certain other important things which need to be looked into. The real and sustaining force of this country is the source and resources of our foodgrains. Sardar Patel once said: "I know only one culture and that is agriculture." Agriculture actually is the fundamental culture of this land and it is the richest of all cultures. Our first and foremost duty is to pay attention to our agriculture. And agriculture largely depends upon irrigation. Therefore, apart from making use of research and technology for the development of agriculture. I place on record that our attention should be paid to the linking of the Jamuna-Ganges complex in the north with the rivers in the south so that the wilderness of the arid central regions may become a green patch up for all times to come. By doing so it will not only help our country but probably We shall be able to extend

our helping hand to other countries. If we do this, we will not have the need to run to other countries with a begging bowl, rather, we shall be helping and nurturing other countries in this regard. In this context I want to say that we should make use of our own science and technology and research activities. I emphatically place on record that we should very quickly and efficiently go into this problem because that will solve so many other problems. The moment we solve the problem of food of our country, we will have a healthy nation and healthy workers, which will, in turn, improve each and every aspect of the national fabric.

Then, Sir, while we are looking up to big projects for the generation of electricity to meet our requirements of power, we should not ignore to use our scientific acumen for the harnessing of solar energy for many purposes.

So far as the Centre-State relations and inter-State relations are concerned, we should once for all find a solution and do away with the legacy of the past and give up maintaining a vast territory of our country as a Centrally administered territory. Except Delhi, no other territory should be maintained as a Central territory just to over-burden the Centre, which is already busy from so many points of view. Therefore the Centre need not be burdened with this additional responsibility. The present Centrally administered territories may be either tagged on to the adjoining States or may be given statehood as the case may be. In this connection, I may say that Goa, Daman and Diu and the Andaman and Nicobar Islands can be given statehood and smaller units can be merged with the adjoining States.

I am glad that our hon. Finance Minister has been able to collect resources from different levels.

Sir, here I would like to say that we should lay special emphasis on

education because once we settle the educational policy of our country in a proper way—that will be almost our kamadhenu—, once people are educated properly, every category of people will come up in a proper way and we shall be able to run this country in a proper way. Unless our people are educated, we cannot really know what democracy is. Because our people are uneducated and poor, that is why they suffered the spell of darkness that came upon us during the period of emergency and the whole country stood numb and paralysed before one voice that wanted to equate the country with herself.

(Time bell rings)

Sir, I will just take one or two minutes more. Sir, let us pay some attention to most of the burning problems that have been facing our country for all these decades. During these five years, let us dedicate ourselves to the removal of diseases, particularly the eradication of leprosy. Secondly, beggary must be wiped off, not by shooting down the beggars as the former Prime Minister did in case of BBC because the BBC were projecting the picture of beggars in India. We should not hide this fact from the BBC or the television people. We should solve this problem once and for all. About two crores of rupees are given away to one crore beggars, on the average, everyday and that way we find so many beggars. They are the poor unemployed people, the very unfortunate ones. We can remove this beggary, as I said, not by shooting them down but by providing them some means of livelihood. These beggars can be put in some beggars, asylum where they can be asked to work, as Gandhiji showed us the real path in this regard. The moment there is a college—there comes an industry—the cottage industry.

Another thing is our helplessness which takes a big toll of life. Once the heat wave takes a toll. Then

(Shri Harekrushna Mallick]

comes the cold wave or the flood wave. Again there will be a tornado which may take a still bigger toll of life. And yet there may be another wave, that is, the political wave, which also claim a toll, as we saw in Agra or in Pantnagar and in many other places. This political wave claiming a big tolls of life and liberty is creating further misery and the people should think as to how best we can avoid all that. This very helplessness must be removed once and for all. So, while utilising our resources, we should also keep these things in mind.

We have also to pay our attention to education, particularly the primary education centres. Our education centres and agricultural centres should be directed towards more and more of training and also production so that they can be termed as primary employment centres, where we not only educate the people but also we produce something for the nation. Just spending money for show purposes is not going to be of any help to us.

We have certain officers responsible for the rural development and we call them BDOs, or the Block Development Officers. But they are not the officers who come to help in the development of the blocks; they are the persons who actually block the development and that is why should be called officers blocking the development. In this regard, our IAS brothers have gone beyond their range. None of them has stood the test of time during emergency. We should do away with the services of such officers who block the development of the nation—in the centre or/and the periphery. Our technocrats, our doctors, engineers and other technicians should be given a free hand to demonstrate their skill productivity and to prove that these primary centres in villages can really function as primary employment centres. While looking into the primary health

centres, there are certain aspects which need our immediate attention. The first is the sanitary disposal of human dung or human waste. That will bring in not only green revolution, it will also bring in the element of health education and more than half of the exchequer on Health expenditure can be saved. By utilising only the human waste and also the cow-dung. For this purpose, we need take to specialised methods for utilisation of this material. It is time that we start thinking on the lines as to how cow-dung and other such waste can be made use of. We can set up gobar gas plants where this material can be utilised. We can trigger a new revolution by utilizing the cow-dung or and other dungs that can give us gas for fuel and gas for light. If we do this, in every house, the latrine will not only serve our health problem, but also it will be a source of gas and light. This will indeed trigger off a revolution in the country. From this angle, I welcome and support the Finance Bill. In this regard, I would also like to welcome the undertaking of district plans and other programme for rural uplift. When we do all these things, I hope we will be able to fulfil the promises which we have made to the people—I am sure we will do this—and we shall be able to prove to the world that we are a great democracy in the true sense of the term and that we are running a Government which is of the people, for the people and by the people unlike the previous Government which was never of the people, but it was off the people. They have never been for the people. They have always been for themselves. They have always been fooling the people. That has been their policy. I would not like to go into the names of those individuals.

The last point I would like to mention is that there should be no discrimination on the basis of caste, colour or creed. For example when I am from the North, I should not say that I am from North India but that

I am from North India. That should be our attitude and approach.

MR. DEPUTY CHAIRMAN: That will do. You have taken a lot of time.

SHRI HAREKRUSHNA MALLICK: Sir, I am just concluding. Now, we have been doing many things for the Scheduled Castes, the Scheduled Tribes and the Backward Classes. But I would like to say that there should be no divide and rule policy in this regard. I would like to appeal to my fellowmen, the hon. Members here, that they should have some patience and then they will be able to see the fruits of development from the tree that we have planted. Thank you, Sir.

THE MINISTER OF FINANCE (SHRI H. M. PATEL): Sir, I am grateful to the hon. Members who have participated in the debate on the Finance Bill. The discussion has been of a wideranging character and has not been confined to the proposals of the fiscal measures indicated in the Finance Bill. But I am afraid, I shall have to confine myself to the observations really and strictly relevant to the Finance Bill. In a sense, I welcome this discussion with a broad sweep covering the various facets of the economic policy because it gives me yet another opportunity to clear the misgivings and clarify the doubts and does assist the House in viewing the Finance Bill in a wider context. Shri Salve who fired the first salvo has sought, in his speech, to frighten the House with the grim consequences of a large budgetary deficit. In order to lend force and a touch of drama to his arguments, he pointed out that the budgetary deficit for 1977-78 turned out to be eleven times as grave as and as large as the original deficit and he went on to say how grave the consequences to the economy would be if the current year's projected deficit of Rs. 1,050 crores also turns out to be correspondingly larger. May I point out that the manner in which Shri Salve has sought to juxtapose the original and the revised figures of

the budgetary deficit for 1977-78, is highly misleading; so misleading, in fact, that I might legitimately accuse him of indulging in *suggestio falsi*. It is true that the deficit as presented in the Budget of June 1977 was only Rs. 84 crores. But I made it clear in my Budget speech then that this figure had been arrived at after taking credit, a contingent credit, of Rs. 800 crores of special borrowing from the Reserve Bank. This credit was contingent on our being able to draw down our foreign exchange reserves to an equivalent extent. But this expectation did not materialise. I did not borrow that sum, the sum of Rs. 800 crores, from the Reserve Bank as initially envisaged. In any fair evaluation, the original budgetary deficit for purposes of comparison with the revised deficit should be Rs. 884 crores and not Rs. 84 crores. When so viewed, the gap between the original and the revised budgetary estimates will turn out to be far narrower than in many of the years when his party was at the helm of affairs. As the House is aware, we had to go to the rescue of some of the States which had squandered away their resources on the eve of the last year's elections.

SHRI N. G. RANGA (Andhra Pradesh) : This is a repetition. Last year also you said the same thing.

SHRI H. M. PATEL: We had also to extend financial assistance to the States which were affected by natural calamities. On the whole, we had to provide additional Central assistance to the States of the order of Rs. 414 crores. When allowance is made for the increase on this account, the hon. Members will notice that Government had managed finances with circumspection and care and at the same time without impairing the impulses of growth of the economy. The results of our sound fiscal management are there for all unprejudiced observers to see. The price situation which prevailed in 1977-78 bears eloquent testimony to the basic soundness of our economic

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policies. The wholesale price index in March, 1978 was about half per cent lower than in March, 1977 when we assumed office. It would be wrong to ascribe this happy state of affairs only to the relatively good monsoon we had in the year.

Government's imaginative policies in regard to demand management, liberal imports of essential wage goods, careful regulation of exports and improvements in public distribution system, all contributed cumulatively to our success in achieving relative price stability. We take genuine pride in the fact of having achieved success in containing the price level. Ours is perhaps among the few countries in the world where prices have remained stable during this year. There is, in fact, no need to take an alarmist view of the deficit of Rs. 1050 crores in 1978-79 which I have left uncovered. The deficit financing could have serious consequences only if the economy is already strained to the utmost. This is far from being the case today. The rate of investment in our economy remains low and we are faced with the curious phenomenon of savings exceeding investment. A large increase in public sector investment, is, therefore, clearly called for to restore the balance.

The present size of our exchange reserves and food stocks provide us the unique opportunity for stepping up the rate of investment and imparting a significant momentum to the rate of our economic growth. Now is the time to go in for a big programme for expansion of capacity, for generation of power expansion of irrigation facilities, initiation of rural employment programmes and encouragement in a big way of small-scale and village industries, somewhat on the lines indicated by my hon. friend on this side, Shri Ghanshyam Oza. This 4 P.M. is precisely what we are attempting to do through 17 per cent increase in Plan outlay. Deficit financ-

ing will enable us to utilise the real resources which would otherwise have remained dormant and thus give a push to economic growth. The validity of my thesis will be evident from the behaviour of prices in the post-Budget period. I would like the hon. Members to appreciate that despite the uncovered deficit of Rs. 1050 crores, the prices have remained more or less stable during the 8 weeks since the presentation of the Budget. In these 8 weeks, the price increase works out to a nominal 0.1 per cent. I would like the hon. Members of the Opposition to compare this with what used to happen when they were in power when during the days and weeks immediately following the Budgets, price escalation used to be a very common feature. The price situation is well under control. But let me hasten to add that we are far from being complacent. I would like to assure the hon. Members that we shall keep a careful watch on the price situation and take whatever measures are appropriate from time to time to keep the prices under control. We have today the foreign exchange reserves which can be deployed to maintain the desired balance between demand and SUPPLY of essential goods through adequate and timely imports. The public distribution system is also being progressively streamlined and extended.

Shri K. L. N. Prasad referred to the growing burden of subsidies in the Budget. Government are equally concerned about the heavy draft on our limited resources made by subsidies for subserving various socio-economic purposes. These subsidies have lost their rationale in many cases. Government have made a review of some of the more important subsidies now figuring in the Budget and have initiated action in some cases to eliminate or to reduce the element of subsidy. Hon'ble Members may rest assured that we shall keep the burden cast on the Budget under constant review and ensure that the provisions for subsidies are minimised to the extent possible.

I share the concern voiced by Shri Morarka about the finances of State Governments and the autonomous bodies under their control. The quality of fiscal management in some of the States is, perhaps, not too satisfactory. Unsound fiscal policies and lack of proper control over expenditure have manifested themselves in a number of States in the form of frequent or sustained overdrafts with the Reserve Bank of India. The Seventh Finance Commission is certain to review the standards of fiscal management in different States and take this into account in proposing suitable devolution of resources. In assessing the gaps in resources of States for purposes of grants-in-aid, the Finance Commissions do set off certain minimum returns on investments made by the State Governments in Electricity Boards, Irrigation Projects and public enterprises. There are, therefore, some deterrents in our system against the States which indulge in unsound fiscal policies, though I must admit that these have not proved wholly effective. I also agree with Shri Morarka on the need for greater precision in Budget Estimates. We are trying to evolve efficient management information systems in different Ministries and this should progressively contribute to a greater accuracy in forecasting of receipts and expenditure.

Shri Bhupesh Gupta made one of his characteristic speeches which we have come to expect of him. He described the Budget as anti-democratic and asserted that it will hit the common man. I fail to understand how a budget which seeks to step up Plan outlay by 17 per cent and canalise 80 per cent of the outlay for new programmes for agricultural and rural development will hit the common man adversely. No objective analyst of a budget which seeks to ensure an additional irrigation potential of 3 million hectares and an addition of 3,500 MW power—only to give two instances—will characterise it as an anti-growth budget, as Shri Bhupesh Gupta has done.

I shall now deal with some of the more important points made by the hon'ble Member in regard to specific measures for mobilisation of resources as set out in the Finance Bill.

Taking indirect taxes first, Shri Salve "was highly critical of the excise levy on coal and power. He pointed out that the levy on coal would push up the cost generation of power and would have a pervasive effect on cost and price. I have already explained in the Budget Speech the circumstances in which we had to have recourse to this levy. Since nationalisation we have already invested about Rs. 750 crores in the core sector and we are poised to invest Rs. 1,650 crores more in the next five years. Surely, when massive investments are being made in any particular sector which occupies a strategic position in our national economy it is legitimate to expect that the beneficiaries of such investments will contribute in some small measure to the resources needed for financing. This is precisely what we have sought to do.

Excise levy on coal will, on the average, result in about 8 per cent increase in the price of coal. Shri Salve who bemoans this increase should remember that when a leader to whom he owes allegiance was in power the price of coal was increased by nearly 37 per cent, in July, 1975. The peace of the grave which prevailed during the emergency was taken advantage of to push through unprecedented increase in the price of coal by one stroke. The price of coal was increased from an average of Rs. 47.2 per ton at the pithead to Rs. 64.92 per ton with effect from 1st July, 1975. What was Shri Salve's comment when that increase was given effect to? Shri Salve was unaware that the coal industry has today to be subsidised heavily. Where does this subsidy come from?

Some hon'ble Members have also been critical of excise levy on power. The constitutional position is very clear. While the States have the right

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to levy tax on sale of consumption of power, the Centre has equal right to levy excise duty on generation of power. In our Constitution there are many areas in which the fiscal powers given to the Centre and the States do impinge on the same sector or commodity. While it is reasonable to argue that the combined impact of the Centre and the States on different commodities should be kept under constant review, it is not reasonable to contend that the Centre should not at all tax a commodity or service because it can also be taxed in a different form by the States.

We have excise duty on motor vehicles. The State Governments also levy their own motor vehicle tax apart from sales tax on motor spirits and diesel. While we levy excise duty on sugar the State taxes the same sector by way of purchase tax on the same commodity. There is, therefore, no substance in the argument that in levying excise duty on power we have encroached on the sphere of taxation which is the exclusive preserve of the States. I have taken note of the representations made by the State Governments and have tried to meet their point of view to the extent possible.

We have allowed a 10 per cent discount on the quantity of electricity produced to take care of losses in transmission. We have also exempted captive consumption on current used by the agricultural sector. I have already promised to examine separately the cases of projects of power-intensive industries with a view to considering the grant of relief wherever and whenever it is needed as in the case of coal which is a large investment. We are proposing to make large investments in the central sector for generation of power that provides the justification for the excise duty on power.

A new era in power generation in India is being ushered in with large super thermal stations recently sanctioned, and excise duty on power is

a modest attempt at mobilisation of a small part of the resources needed for setting up these stations.

Shrimati Noorjehan Razack of AIADMK posed the question whether the Centre has the moral right to impose this levy even if legal technicalities permit such a levy. I would submit that Centre's involvement on a large scale in the development of power generation gives it the moral right to raise resources from this sector.

Some hon. Members have been critical of the increase in duty under item 68 from 2 per cent to 5 per cent ad valorem. Shri Charanjit Chanana and Shri M. Anandam have also assailed the levy of 5 per cent special excise duty. In deciding on an increase in the levy under item 68 and imposing a special duty at 5 per cent of the effective basic excise duties, I have proceeded on the assumption that given the compelling necessity to raise additional resources, a small but widely spread increase in excise duties will have a far wider impact on prices than a steep increase on a few selected commodities. May I point out to the hon. Members that developments in the post-Budget period have so far proved our assumption to be right? As I have already pointed out the wholesale price index has remained relatively stable.

I shall now deal with the points made by the hon. Members about my proposal in regard to direct taxes. I am astonished that of all persons, Shri Salve who, as far as I know, did not enjoy even within his own party the reputation, at any time, of being radical, should accuse us of being soft towards the corporate sector without any shred of justice. He contends that the corporate sector is our extremely favoured sector because we have not increased the rate of income tax of companies. Shri Salve appears to suffer from amnesia. May I remind him that it was the previous Government which made a provision in the

Finance Act of 1976 giving companies the concession to make deposits with the Industrial Development Bank of India in lieu of payment of surcharge on income tax? It was the present Government which withdrew this concession in last year's Finance Act and, in the process, raised an additional revenue of Rs. 56 crores from the corporate sector. It is equally astonishing to find that Shri Salve should criticise the increase in compulsory deposit which is payable only by income tax assessee above a fairly high income limit. I am surprised that the spokesman of a party which misses no opportunity in advertising its commitment to socialism should have been critical of the compulsory deposit scheme applicable to income tax assessee. When the need of the hour is to step up savings and investments, is it so very unreasonable if we demand some sacrifice from those who are, relatively speaking better placed in life? Shri Salve goes to the length of accusing me of perpetrating a fraud in mobilising resources in the form of compulsory deposits. It would seem that in his simulated distress at the agony of the relatively affluent people to save more through legislation, he has momentarily forgotten the meaning of the word "fraud". May I again remind Shri Salve that the compulsory deposit scheme was initiated by the previous Government and it was so devised that, in fact, it came down far more heavily on the people with much lower incomes?

My proposal for reduction in the computation of taxable income of the amounts invested by the tax-payers in equity shares of new companies has also come in for criticism. The charge was made that a concession has been given to all industries without any consideration of priorities. Had the provisions in this regard in the Bill been studied more carefully, my hon. critic friends would have discovered that shares issued by the companies engaged in the manufacture of articles specified in the Eleventh Schedule to the Income-tax Act will not be eligi-

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ble for this concession. The list is fairly large and covers luxury goods or goods which are of relatively low priority. Shri Salve has also criticised this concession on the ground that this is not going to work in favour of the companies which are newly floated. I am unable to appreciate the point of this criticism. The concession is intended to provide an incentive to the flow of funds to new ventures. It is good of Shri Salve to warn me that the provisions in the Bill which require those who wish to derive the benefit of capital gains tax concession to refrain from taking any loan or advance for a period of three years on security of fixed deposits with the banks are liable to be circumvented because there is nothing in the Bill which would prevent the wife or the son or other relatives of the tax-payer from obtaining loans on the security of such deposits. But would not such a transaction be a benami transaction? While it may not be easy to establish the benami character of some of these transactions, we will take, I can assure Shri Salve, suitable steps to ensure that the transactions of the kind mentioned by him are not allowed to be put through. I thought that the Congress (I), as the self-appointed champion of social justice, would have welcomed the cuts, the curbs, which we have placed on expenditure incurred on advertisement, publicity and sales promotion. Instead, I am surprised that, while criticising my proposals, the representative spokesmen should have spoken in the style of 19th century Uiiiszez faire philosophy. Shri Salve asks rhetorically. Who is the Finance Minister or the Prime Minister to determine what ought to be an expenditure for business as long as it is expenditure genuinely being incorporated for the purposes of business? I am surprised that an argument of this nature should be put forward in the year of Grace 1978, when the Government's right to intervene and regulate private decisions on expenditure in public interest has been conceded—and, to my mind, rightly conceded—all over the world.

[Shri H. M. Patel] Though the hon. Member has sought to describe this provision as an innovation in fiscal legislation, it is not so—let me assure him. Shri Salve, as a distinguished member of the profession of chartered accountants, cannot be unaware of the fact that provisions for disallowances of business expenditure in the computation of taxable profits are not a new phenomenon in Indian income-tax legislation. To illustrate, a provision for the disallowance of entertainment expenditure in excess of a specified limit has been in operation for quite some time. I have travelled only a little further along that path.

The criticism that the proposed measure will muzzle the press and its right to free expression is clearly, absurdly far-fetched. I find it not a little amusing that those who had supported the censorship of the press practised it with rigour not noticed even during the high noon of the British rule, should now have emerged as eloquent exponents of the concept of the freedom of the press.

(Interruptions)

Reference has been made to the likely adverse impact on the economics of newspapers on account of the limitation of expenditure on advertisement. I would like to assure the House that there is no justification for the apprehension that the amendments now proposed will upset the economics of newspapers. But why speculate? I would certainly be ready to review this provision if I find that the apprehension of my hon. friends is well founded. Shri Anandam has urged that the additional revenues accruing from the disallowance of expenditure on advertisement should be assigned to the States. I would like to clarify that the Finance Bill does not seek to levy a tax on advertisement. (Interruptions) It merely provides for the disallowance of a specified percentage of the expenditure incurred on advertisement, publicity and sales promotion

in the computation of taxable profits. I would, however, like to add that, while the revenue attributable to the proposed disallowance in the case of companies will form part of corporation tax, the revenue arising from disallowance in the case of non-corporate taxpayers will be a tax on income and will, therefore, "become distributable among the States.

Some hon. Members have referred to the problem of income-tax arrears. As the House is aware, we are going to have Half-An-Hour discussion on this subject separately. I shall, therefore, contend myself here with assuring this House and the Hon. Members that far from being complacent about tax arrears, we have already initiated efforts to bring down the arrears as rapidly as possible to the reduceable minimum. The downward trend has now begun, and the action plan of the Income-Tax Department envisages for the current year a reduction of 25 per cent in the arrears.

In the course of the debate on the Finance Bill, Shri Bipinpal Das said— he made several points but the one which is really relevant and somewhat important is—that the Finance Commission was appointed by the Central Government, that it reported to the Central Government and that it was therefore not a neutral body but was partial to the Centre. He also suggested that the terms of reference of the Finance Commission should be incorporated in the Constitution. As the Hon. Members are aware, the Finance Commission is appointed by the President. The Finance Commission (Miscellaneous) Provisions Act lays down the qualifications which the persons to be appointed as Chairman and Members of the Commission should possess. The Chairman and the Members are selected from among persons who have had experience in public affairs and are men of integrity. The Commission decides its own procedures of work and function? as an independent statutory body. The recommendations of the Finance Commission have, as a matter of convention,

been treated as being in the nature of awards. This is because Mr. Bipinpal Das suggested that it was open to the Government to reject it. In the circumstances, it is most unfair to say that the Commission is biased in favour of the Central Government.

As for the terms of reference of the Finance Commission, article 280 of the Constitution specifies certain items on which it is the duty of the Commission to make recommendations. The President may, in addition to these, refer any other matter to the Finance Commission in the interest of sound financing. I am afraid, the Finance Commission is one of the very good organisations to help maintain a certain measure of reasonable relationship between the Centre and the States.

Sir, in the course of the debate on the Finance Bill, naturally it is the proposals for the mobilisation of the resources that receive close scrutiny. We must not, at the same time, lose sight of the over-all objectives of the Budget of which the Finance Bill is only a part. The central objective of the current year's Budget has been to take advantage of certain specially favourable circumstances in the national economy, to impart an irreversible upward momentum to economic growth. We are not only trying to step up the rate of economic growth but have taken certain major steps to canalise the resources in a larger measure towards agricultural and rural development. We are determined to get to grips with and to check the age-old problems of illiteracy, ill-health and generally low standards of living. For this purpose, we shall, of course, identify and remove various organisational weaknesses, and we hope that we shall also succeed in enlisting the energies and enthusiasm of all sections of our people in the implementation of the various programmes for their welfare. Thank you.

SHRI BHUPESH GUPTA: What about my question? I asked him a simple question regarding certain documents connected with the spending of foreign exchange by the Goenkas without the sanction of the Reserve Bank. When I raised this matter last year, the Hon. Minister stated in this House that the Government was not in possession of any such paper. Then, yesterday I told him that I had an additional information that a note, certain papers, were sent by the Additional Secretary, I think of the Ministry of Information and Broadcasting, to his equivalent in the Enforcement Branch. I even gave the name of the officer— Mr. Varma, well, subject to correction. Now, sir, this should be available with the Government.

The hon. Minister made the statement evidently without trying to find out the facts. Now, since I brought this thing to his notice, did he make any enquiry yesterday or this morning to find out whether there is any such paper with the Ministry of Information and Broadcasting involving Goenka?

The second point that I brought to his notice was about the problem of export of iron ore. I contested Mr. Biju Patnaik's statement. I referred to the contract which we had entered into with the Japanese in 1971, I think on April 3—I gave the date—according to which we are supposed to supply them certain quantities of iron ore. Seven years have passed. It was a 10-year contract. Now, it does appear that we had not fulfilled this obligation. Well, either the Japanese had not implemented it or we had not supplied them. In either case there was no retrenchment of workers, casual workers or contract labour, as it happened in Bailadilla. Mr. Biju Patnaik wanted to make out a case that the Japanese had not taken this year, or are not going to take, the contracted quantity of iron ore and so workers had to be retrenched. I contested it. Facts have been brought

[Shri Bhupesh Gupta]

to light. The hon. Minister should tell us something. I am not asking him to say very much on the political subject because he is completely out side it. Now, these two gentlemen, Mr. Advani and Mr. Shanti Bhushan, are talking. I am sure they are talking about the Janata crisis, about which Mr. Patel does not know anything. (Time bell rings). I am sure about it; I can bet. You get up and deny on oath that you were discussing about the Janata crisis? (Interruptions) You will never deny that.

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI SHANTI BHUSHAN): We were trying to understand your speech. I was asking for a clarification from him,

SHRI BHUPESH GUPTA: I am sure you are asking for a clarification in the nature of whether Mr. Charan Singh will really withdraw his resignation or not. Like that, you must have been asking. (Interruptions) They are supporting here Mr. Morarji Desai and Mr. Devi Lal there. You must be asking for clarification about that. I have no doubt about that—the clarification part of it.

Now, these are the points that I raised. These are not exactly taxation things, but they involve the Finance Minister, his Ministry, and public finances. Now, where is Mr. Biju Patnaik? (Time bell rings) On a point of order. The normal practice is that when these issues are raised in the course of the debate on the Finance Bill, the Ministers concerned come, intervene in the debate and give the answer. Every answer cannot obviously be given by the Finance Minister when the questions relate to other Ministries. Where are these Ministers? Where have they gone? Why are they not here?

SHRI PILOO MODY (Gujarat): They are working.

SHRI BHUPESH GUPTA: You think they are working. Yes, they are working to finish the country. I know that I know today they are in profound grief after what has happened at Azamgarh. I can understand that. But yesterday Azamgarh results had not come. They should have been here yesterday. They are not replying. Now, our friend, Mr. H. M. Patel, I must say, is one person, I have found, who never gets provoked. He never gets provoked. Whatever we may say, he smilingly replies. Whether the reply makes any sense or not is a different matter. But he does reply . smilingly But he also reads out. See, how many typed scripts he has read out in the course of his reply. It is good in a way perhaps. Therefore, this type of debate goes on. But what about the other Ministers? Where is Mr. Biju Patnaik? Mr. Morarji Desai was here. I said that Mr. Goenka was spreading stories about Mr. Morarji Desai and his son that on their instruction he had to remove one Mr. Vasudev Mehta, Editor of Jan Satta in Gujarat. Mr. Morarji Desai should have said that either Mr. Goenka was telling the truth or Mr. Goenka was not telling the truth, he was telling a wrong thing. Why is he silent? I have brought it to the notice of the House on very reliable information. I wanted Mr. Morarji Desai to tell us about it. I am not attributing it to Mr. Morarji Desai. But I know it for a fact that Mr. Goenka, who is their patron No. 1 today, whose men are being brought on to boards of directors of banks—nowadays industrialists are coming—has been spreading among the journalists here that he has taken another man in his place. I have got the letter which Mr. Goenka wrote to Mr. Vasudev Mehta asking him as to when he would like to be relieved. Of course, he did not mention Mr. Morarji Desai's name. (Interruption) When that is so, when I brought it to the notice of the House, may I ask Mr. Pilo Mody: would you not advise them to come and either admit it or disown it?

SHRI PILOO MODY: I am a professional. I only advise against payment. I am a professional man.

SHRI BHUPESH GUPTA: He advises against payment; advises for payment also, I think. This is the trouble with this Government. Everyday we bring to the notice of the Government many things, but they do not reply to them. You may not be able to say it right now, but I do want a statement by you with regard to the Goenka paper. I gave the name of his daughter-in-law and somebody else. Money was spent abroad without the Reserve Bank's sanction. I am trying to get some paper from Switzerland; up to now I have not succeeded, because it is difficult to get that; but short of that, all information is with me, including the fact that from the Ministry of Information and Broadcasting in the old days certain papers in that connection had been sent to the Enforcement Directorate. It does appear all cases against the Goenkas are being closed. Why? Why? Goenka is to the Janata Party what Morgans were to the British at the time of the First World War. It may be, but kindly tell us about this thing at least. Mr. H. M. Patel, I beg of you, open up on this subject. You are intelligent enough. You can say this thing.

SHRI H. M. PATEL: Sir...

SHRI K. K. MADHAVAN (Kerala): On a point of order. Is it proper for the Finance Minister to give such a reply to a very extensive debate, to a very extensive discussion, in this House, to escape, to bypass the issues instead of facing the issues? He tried to escape under the shelter of Emergency. I was elected long after Emergency was declared. I challenge him; he did not mention my name. I do not take it a privilege to be mentioned by him. But he did mention so many other names. He did not say anything about my points. My point is this: Is the Minister entitled to exercise his official position, to exercise

his own discretion, in making use of certain Members and escape from the real issues, instead of facing facts?

MR. DEPUTY CHAIRMAN: Please resume your seat.

SHRI K. K. MADHAVAN: He did not give a reply to my points. I made a very extensive speech for 20 minutes. And yet, he did not give reply to a single point even. He did not care to reply. I am entitled to a reply. I spoke about Clause 8.

MR. DEPUTY CHAIRMAN: The Finance Minister.

SHRI PILOO MODY: You have to give a ruling on the point of order.

SURI K. K. MADHAVAN: Yes, I rose on a point of order and you should give a ruling.

MR. DEPUTY CHAIRMAN: The Finance Minister.

SURI H. M. PATEL: I think really there is nothing for me to answer. The honourable Shri Bhupesh Gupta referred to certain points which do not pertain to the Finance Bill.

If he wants the information, I shall certainly try and collect it and let him have it

So far as Shri Madhavan is concerned, I am sorry if I did not mention his name. Beyond that I do not think there is anything because I have dealt with all the points.

SHRI YOGENDRA MAKWANA: What about wrong declaration under section 4?

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1978-79, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause by clause consideration of the Bill.

Clauses 2 to 7 were added to the Bill.

Clause 8 (Amendment of section 37).

MR. DEPUTY CHAIRMAN: Mr. Salve, your amendment is a negative one. However, you can speak on the clause.

श्री पीलू मोदी : अब तो शर्म करा ।
इतनी बेइज्जती हो चुकी है ।

श्री नरेन्द्र कुमार पसद राव सल्वे
(महाराष्ट्र) : बेशर्मी का ठेका माननीय सदस्य
ने ले रखा है ।

The reply which the hon. Finance Minister gave relating to advertisement is circumvention of the point I have made. I said it is an innovation which is unknown to the fiscal legislation and he said that the right to make allowances in respect of expenses in computation of total income is a modality which is well known in the direct taxation. I was not against the right of the Government or of the ruling party to tinker with the rights of the assessee and disallow expenses. What I said was that never before in the history of fiscal legislation of this country or any other country that I know of, where there is no accusation that a particular expenditure being incurred in the name of advertising expenses is being spent for the purposes of entertainment, this was done. The restriction was brought purely because when it was expenditure on entertainment or on guest house, but in reality it was found that the expenditure was incurred in all sorts of lavish and luxurious expenses by the directors of the company over which an effective check could not be brought about. Therefore, my attack was this. Has there ever been tinkering with expenses which are legitimate and valid and wholly and exclusively for the purposes of business

in terms of provision contained in section 37 of the Income Tax Act, 1961, without the slightest mention that these expenses are being incurred to abuse the authority, power or right given to the assessee? This sort of tinkering by the Finance Minister is something unknown. To this he has not replied. Regarding the curbs, he said that it does not lie in the mouth of those who impose all sorts of curbs on the newspapers. For whatever we did or did not do to the press, we did not take false shelter under the Finance Bill. Even that we never did under the cover of Finance Bill. It was all under a different law. Whether that was right or wrong is not the question. The question is whether or not in the garb of legislating fiscal or financial provisions, you are muzzling the press. For that there is no reply. To say that it does not lie in our mouth is no answer. The last question is whether it is not utterly inflexible, rigid and wooden-headed and unrelated to the business. Even if the turnover is Rs. 1 lakh or if it is Rs. 100 crores, the amount to be allowed is Rs. 40,000/—. If it is Rs. 40,001/- then you get into the disallowance clause. Has business any relationship with the disallowance you provide?

If you think that it is really socially wasteful, then you must demarcate the areas where it is socially wasteful. It cannot be socially wasteful everywhere. Now, there is the beedi manufacturing industry in my State and it is a cottage industry and these people have got to incur an expenditure of lakhs of rupees by way of small incentives and they have to put something on the small packets and all these people will be ruined tomorrow and yet the Finance Minister says that it is socially wasteful, that it is a socially wasteful expenditure. What constitutes a socially wasteful expenditure? If they are going to put curbs on liquor, I have nothing to say on that. They can do that merrily and

they are doing that through the curtailment of the entertainment expense account. But, Sir, unless they declare clearly and demarcate the areas in the trade field or in the industrial field that expenses incurred on advertisement in this area is socially wasteful, there is no point in saying that this is a socially wasteful expenditure. And, Sir, to say that any expenditure beyond a limit is socially wasteful and it must come in for disallowance is, I submit, something which needs a very careful thought and he should give a careful consideration to this. This is what I have to say in respect of this clause. Therefore, I oppose this lock, stock and barrel and I would like to submit that even his own party members have not spoken for it. Has he really found any support for this? Sir, I was very carefully listening to the speech of Mr. Morarka who knows a bit about finance. He did not support it. He is the one man who could have said something for it. But I did not hear a single word and I did not hear anything in support of it from anybody who knows something about it and the consequences of this. Does he and does the Prime Minister think that they are the only wise men amongst the countrymen and the rest of the country is full of only duds and donkeys and nincompoops and idiots? Whatever they may say, this is something which they have no business to say. Therefore, my request to him is this: Kindly consider this very objectively and dispassionately and don't go by your whims and your fancies and your private humour.

SHRI M. ANANDAM (Andhra Pradesh): Sir, I move:

"That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha namely:

'That at page 8, lines 10 to 42 be deleted.' "

(The amendment also stood in the name of Shri Bipinpal Das)

Sir, I would like to add just a few words to what Mr. Salve has already said. One thing is that this provision is very irrational in the sense that there are three categories mentioned here. One is that where it does not exceed 10 per cent, it is 10 per cent of disallowance; the second is that where it is 10 per cent, but does not exceed 12 per cent of the turnover, it is 12 per cent; and the third thing is that where it exceeds 12 per cent of the turnover, it is 15 per cent. I would like to know whether he has ever considered the fact that there are marginal cases. If it does not touch 12 per cent, still he has got to pay 12 per cent. I would like to illustrate it like this: We have a turnover of 5 crores of rupees. 10 per cent of that is five lakhs of rupees and half a per cent is ten lakhs of rupees. If it is just five lakhs and one thousand rupees, the poor man has to pay more because he comes under the mischief of this provision of 12 per cent of disallowance which is Rs. 4,500 for having just exceeded it very marginally and he has got to pay this much and this is really very irrational. Mr. Salve has very eminently placed the entire thing before the House. But there is this particular fact of the marginal cases where the advertisement suffers on this account which has not been covered. The Income-Tax law itself recognises the slab system and not the flat system here. In this case, this is not there and this is my first objection.

The second thing that I would like to point out is that the Minister has forgotten that ours is a developing country and it is not so highly industrialised and marketing has become a very big problem and if we want to organise this properly, then there is need for proper advertisement and publicity. So, to say that publicity is a socially wasteful item is something anachronistic and I do not know

[Shri M. Anandam]

whether we should agree to it. What I would suggest is this: As Mr. Salve has pointed out, section 37 of the Income-Tax is already there wherein the Income-Tax Department is given full discretion to disallow any expenditure which is not justified under this particular law. If it is wholly and exclusively incurred for the purpose of business, he has a right to allow it and if it is not so, he has a right to disallow it. That provision is always there and that can take care of this type of wasteful expenditure and there is no need for this particular clause.

The other thing that I want to say is this: He has tried to put it in a very tactful manner saying that the tax that is assessed is corporate tax and he knows that the corporate tax is not divisible and it does not come under the divisible pool. It is only this; Income-Tax proceeds which come under the divisible pool between the Centre and the States. But the corporate tax is not so and it does not come under this. I have seen some analysis and almost all the advertisers in the corporate sector resort to advertisement and they are limited companies, whether they are public limited or private limited companies and the corporate tax does not constitute the divisible pool which is for distribution amongst the various States or between the Centre and the States. Therefore, it is something like subterfuge where the Finance Minister wants to get the entire tax for the Central Government but does not want to share it with the States. This, I submit, sir, is a very malicious way of dealing with things and, therefore, I oppose this particular clause.

The Question was proposed.

SHRI H. M. PATEL: I am sorry, the amendments are not acceptable. I would only say this. First of all, the point that they seem to forget in

this criticism is that the tax relates to advertisements, publicity and sales promotion—three items. I have, therefore, to say that socially it is wasteful. Our intention is to curb socially wasteful expenditure, and therefore I do not think any great harm is going to occur. I am rather surprised also at their concept of a developing country. If there is a small industry, for the first Rs. 40,000, there is no tax at all and for the rest the tax is very small. You forget it. Again, as I have said before, we shall be watching the situation and if really any of the consequences that they apprehend look like occurring, we shall certainly go into the matter and take appropriate steps. I have nothing more to add.

MR. DEPUTY CHAIRMAN: The question is:

2. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

"That at page 8, lines H) to 42 be deleted."

SOME HON. MEMBERS: We want Division.

SHRI BHUPESH GUPTA: Have you asked for Division?

SOME HON. MEMBERS: Yes, yes. Why not?

SHRI BHUPESH GUPTA: It is not a good thing. They will make capital out of it. Do not divide on this. There are good things coming. Let us divide on them. Who is going to understand disallowance? Nobody in the country will understand it. People will think that we are helping capitalists. So, no division. I would appeal to them to reconsider it. Let us concentrate on things which are clear to the people..

(Interruptions)

SHRI G. LAKSHMANAN (Tamil Nadu): Division has been demanded . . . (Interruptions') ,

SHRI BHUPESH GUPTA: Don't do it.

MR. DEPUTY CHAIRMAN: Now, I will put the question again. The question is:

2. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

"That at page 8, lines 10 to 42 be deleted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That clause 8 stand part of the Bill."

The motion was adopted. Clause 8 was added to the Bill.

Clauses 9 to 12 were added to the Bill.

Clause 13 (Amendment of section 54E)

MR. DEPUTY CHAIRMAN: Now, we take up clause 13. There are two amendments.

SHRI M. ANANDAM: Sir, I beg to move:

3. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

"That at page 14, lines 3 to 20 be deleted."

4. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

"That at page 14, after line 15, the following be inserted namely:

"(4) after clause (vi), the following clause shall be inserted, namely:

(vii) investments made in small scale industries set up in rural areas." "

(Amendment Nos. 3 and 4 also stood in the Name of Shri Bipinpal Das).

Sir, last year, the hon. Finance Minister introduced section 54E to encourage mobility of capital to new and more profitable fields of investment by exempting from income-tax capital gains arising out of sales of assets if they are invested in certain specified assets. One of the specified assets is the purchase of shares which are quoted in stock exchange and which are for public sale. This year, he has dropped that particular section. In fact, clause 2 envisages eligibility of capital and the definition of eligibility of capital is so complicated that I am afraid that nobody would take advantage of that particular investment. The second thing is that the Janata Government has been giving a boost to investment in the rural sector and small scale sector. I do not see any reason why in this particular case where there is transferred sale of an asset of the capital gains arising therefrom and it is invested in a small scale sector or a rural sector, he should not grant an exemption. My amendment is to this effect. One amendment is to restore the definition of eligibility of capital to the original one which has been kept in the original Act and the second amendment is to exempt the investment in small scale sector and the rural sector. These are the two amendments that I want to move in Clause 13. I request the hon. Minister to accept these amendments.

The question were proposed.

SHRI H. M. PATEL: The amendments are not acceptable to us because they go against the whole scheme of things. In the last budget, last year, we had given considerable concessions to the small scale industry set up in rural areas. The concessions were to the extent of investment allowance of 20 per cent. I do not think any further concession is necessary.

MR. DEPUTY CHAIRMAN: The question is:

3. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely;

'That at page 14, lines 3 to 20 be deleted.' "

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

4. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

'That at page 14, after line 15, the following be inserted, namely:

"(4) after clause (vi), the following clause shall be inserted, namely:

(vii) investments made in small scale industries set up in rural areas.'"

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That Clause 13 stand part of the Bill."

The motion was adopted.

Clause 13 was added to the Bill.

Clauses 14 to 16 were added to the Bill.

Clause 17 (Insertion of new section 80CC)

MR. DEPUTY CHAIRMAN: Now we take up Clause 17. There are four amendments—5, 7 and 8 by Shri Anandam and 6 by Shri Surjeet and Shri Viswanaiha Menon.

SHRI M. ANANDAM: Sir, I beg to move;

5. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

'That at page 18, line 16, the words "Mty per cent 0f" be deleted.' "

7. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

'That at page 18, for lines 32 to 49, the following be substituted, namely:

"(a) the shares in any Indian Company which are issued to the public or are listed in a recognised Stock Exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and any rules made thereunder provided that such Company was formed with the main object of carrying on the business of construction, manufacture or production of any article or thing not being an article or a thing specified in the list in the Eleventh Schedule;

(b) in the case of a Private Company) the issue is made by the Company for the first time

8. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in

the Finance Bill, 1978, as passed by the Lok Sabha, namely:

"That at pages 18-19, lines 50 and 1 to 15, respectively, be deleted.' "

(Amendment Nos. 5, 7 and 8 also stood in the name of Shri Bipinpal Das)

SHRI VISWANATHA MENON: (Kerala); Sir I beg to move:

6. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

"That at page 18, line 16 for the words "fifty per cent." the words "ten per cent." be substituted.' "

(The amendment also stood in the name of Shri Harkishan Singh Surjeet.)

The questions were proposed.

SHRI M. ANANDAM: Sir, my amendment is very simple. Clause 17 deals with deduction in respect of investment in certain new shares. The hon. Minister of Finance says that if anybody invests Rs. 10,000 in shares in eligible capital, 50 per cent of it would be available for exemption. My first submission is that the quantum of Rs. 10,000 is very small. Even then, only 50 per cent is eligible for deduction. That is why I have moved this amendment. I suggest that the entire sum of Rs. 10,000 should be allowed as deductible expenditure instead of restricting it to 50 per cent. That is the purpose of my amendment. My second amendment is with regard to eligibility of shares. I want that even an investment in a private company should also form part of eligibility of capital so that anybody investing in a private company should also get the exemption. These are the two purposes for which I have moved my amendments.

SHRI VISWANATHA MENON: Sir, my amendment seeks that instead

of 50 per cent, it should be 10 per cent.

SHRI H. M. PATEL: Sir, as usual, my friend, Mr. Anandam, says that his is a simple amendment. But what he wants is that investment in new companies should be made by Government and not by anybody else. I 'am afraid, that is not something which is acceptable.

MR. DEPUTY CHAIRMAN: The question is:

5. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

"That at page 18, line 16, the words "fifty per cent of" be deleted.' "

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

7. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

"That at page 18, for lines 32 to 49, the following be substituted, namely;

"(a) the shares in any Indian Company which are issued to the public or are listed in a recognised Stock Exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and any rules made thereunder provided that such Company was formed with the main object of carrying on the business of construction, manufacture or production of any article or thing not being an article or a thing specified in the list in the Eleventh Schedule;

(b) in the case of a Private Company, the issue is made by the Company for the first time.

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

8. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

'That at pages 18-19, lines 50' and 1 to 15, respectively, be deleted.' "

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

6. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

'That at page 18, line 16 for the words "fifty per cent." the words "ten per cent." be substituted.' "

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That clause 17 stand part of the Bill."

The motion was adopted.

Clause 17 was added to the Bill.

Clauses 18 to 30 were added to the Bill.

Clause 31 (Amendment of section 273)

MR. DEPUTY CHAIRMAN: Clause 31— There is one amendment by Shri "Viswanatha Menon.

SHRI VISWANATHA MENON: Sir, I am not moving the amendment.

Clause 31 was added to the Bill.

Clauses 32 to 35 were added to the Bill.

Clause 36 (Amendment of Act 1 of 1944.)

MR. DEPUTY CHAIRMAN: Clause 36. There are four amendments.

SHRI N. K. P. SALVE: Sir, I beg to move:

10. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

'That at page 31, lines 1 to 6 be deleted.' "

13. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

'That at page 32, lines 3 and 4 be deleted.' "

(Amendment Nos. 10 and 13 also stood in the names of Shri M. Anan-dam and Shri Bipinpal Das.)

SHRI VISWANATHA MENON: Sir, I beg to move:

11. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

'That at page 31, line 6 be deleted.' "

(The amendment also stood in the name of Shri Harkishan Sinbh Sur-jeet.)

श्री शिव चन्द्र शा (दिहार) : श्रीमन्,
मैं अपने संशोधन को मूव नहीं करता हूँ,
लेकिन थर्ड रीडिंग पर बोलूंगा ।

MR. DEPUTY CHAIRMAN: Shri Shiva Chandra Jha is not moving his amendment No. 12.

The questions were proposed.

SHRI N. K. P. SALVE: Sir, my amendment No. 10 seeks to delete Item No. 11D in the First Schedule of the Central Excises and Salt Act, 1944. This item 11D, as I understand, seeks to levy an excise duty of ten rupees per metric tonne of coal and two paise per kilowatt-hour of electricity. So far as the justification for this levy on coal is concerned, after hearing the reasons from the Finance Minister, never did I think I was more justified in moving this amendment. The reason he gave for this levy was that there was a massive investment made for production of coal. Coal is in the public sector. It can be taken, Sir, that coal can never be left in the private sector. It is a vital asset of the State and the manner in which it was being exploited, it was necessary to be taken into public sector. And it was taken in the public sector. Rationalisation was sought to be brought about in the mining. Some time ago, in the midst of inflation, when the prices were less, the Finance Minister was so critical about it. Now he wants to raise by ten rupees per metric tonne. But he does not want to rise the price because it is a public sector. May I know, Sir, what the difference is between the two? Either you rise it by way of Rs. 10' per metric tonne or you rise the price. And what difference is it going to make? If you are so critical about the raising of the price by the previous Government, as at any rate you must raise the price, then do raise the price. But you will have to face the consequences of raising the price, justifying the raise of the price. The whole thing is that if your large investments have to be properly returned, it is not by raising the price or through levies but it is only by efficient management and better profits. If better profits were accruing, this would not have been necessary. You do not manage the mines properly. It is gross mismanagement in the public sector, very much so in the management of the seven coalmines.

SHRI PILOO MODY: Hear, hear.

SHRI N. K. P. SALVE: There is the champion advocate of the public sector. I ask what is the rationale behind the justification of the Finance Minister that because we are investing so much, we expect certain returns also. Do you expect returns by way of excess levy? That is the most unfair approach, most unfair attitude. Through better management you can have better profits and not through this levy.

So far as the electricity is concerned, the hon. Lady Member of the Anna D.M.K., Shrimati Noorjehan Razack, raised a very valid point. Leaving aside his reference to the Constitutional provisions, you have been able to devise some loopholes and you say that you have got the authority and the right to levy it. I ask have you any moral authority or right to do so? When, in fact, it is the prerogative of the States, you are morally encroaching upon the authority of the States. Have not all the State Ministers protested against this levy? If you are going to browbeat them with your steamroller majority, do as you wish. -Whatever you think is proper due to your own caprice, you are entitled to do it but you have not been able to answer the questions raised by the hon. Lady Member and, therefore, we are going to oppose it.

SHRI VISWANATHA MENON: On the question of electricity, Sir, I also agree with the contentions raised by Mr. Salve and Mrs. Noorjehan Razack. Sir, it is really against the interests of the States and all the State Governments have protested against this kind of a levy, which should not be accepted. I request that on this question we should vote and defeat the Government.

SHRI BHUPESH GUPTA: Sir, I fully support these two things and I do hope that there will be a division, a proper division. Let the Government be defeated morally and Constitutionally.

SHRI M. ANANDAM: Sir, the hon. Minister wanted to explain away that it is a tax on production and therefore the Centre has every right to levy it. But, Sir, it is not so. It is a tax on the States. If you want to earn the goodwill of the States at a time when there is a lot of tension on the question of autonomy and other things, this is the particular moment when you can make a move by dropping this levy and earning their goodwill. It will be in the interests of good relations between the Centre and the States if you do not press for this levy.

SHRI G. LAKSHMANAN: sir, this levy on coal will affect the people of south very much. We require coal from North India for all our thermal stations and the coal that we got from North India is already very costly. And, then, what has the Finance Minister done? He has levied some cess on electricity also and he says the production of electricity will increase. Do you know that there is already an agitation in South India and there was firing and all that? It is only for the purpose of reduction in electricity charges. Therefore, at this moment, the Central Government should not stand on prestige. I request the hon. Finance Minister on behalf of the entire people of South India to withdraw this levy and I hope and trust that he shall withdraw it.

PROF. D. P. CHATTOPADHYAYA (West Bengal): This will make irrigation also very costly.

SHRI G. LAKSHMANAN: This levy will make electricity very costly in South India and, therefore, I make this personal appeal. Without going into the question of a division and all that, I say that he has given some concessions in the Lok Sabha and I make a personal appeal to him and ask why does he not give this concession in the Rajya Sabha?

PROF. D. P. CHATTOPADHYAYA: That will be a fine gesture.

SHRI G. LAKSHMANAN: I want that the Finance Minister should withdraw this levy.

SHRI BHUPESH GUPTA: Sir, before the Finance Minister replies, we are prepared to give him three minutes time. He can withdraw this thing; otherwise, they are faced with sure defeat. You are faced with sure defeat. This will be your discretion and the discretion is better part of valour. So, I would advise you, even at this late hour, that you get up, Mr. H. M. Patel, and gracefully declare that you are listening to the Elders and you will recommend to the other House to withdraw it. I think that is the best course open to you as we have suggested.

SHRI H. M. PATEL,: I would like to point out what Mr. Salve said that the best and the most proper thing today is for the coal industry to be managed better. I agree with him that it should be managed better. Why has it not been managed better so far? It was not only this year that this difficulty has arisen.. (Interruptions) I am sorry to say so. Mr. Salve was most eloquent about it and that is why I am compelled to make this point which I have refrained from making before. But if you make this point about efficiency and action, I would like to explain to you as to what are the things that are standing in the way of its efficient functioning. When this thing was taken up, I remember sitting in the opposition and listening to the speech of Mr. M. K. Maramangalam when he said that one of the reasons for nationalising coalmines was the fact that the private owners were asking for increase in the price of coal and as soon as nationalisation was done, as I pointed out, with one stroke 37 per cent increase in the price was given. There are reasons and justifications for various things. But at least this argument need not have been used by Mr. Salve . . . (Interruptions)

SHRI G. LAKSHMANAN: Now also you must oppose it. Now you are justifying the increase.

SHRI VISWANATHA MENON: They did something wrong. Why should you follow them?

SHRI G. LAKSHMANAN: As a matter of fact, you must reduce the price increased by the Congress Government.

SHRI H. M. PATEL: I would also like to point out. . .

(Interruptions).

SHRI BHUPESH GUPTA: Why should you bring out all the time what was done in the past?

SHRI H. M. PATEL: It is not only your privilege to speak again and again the same thing. I am also trying to follow you in some respects.

SHRI BHUPESH GUPTA: Every sinner has a future, Mr. Patel.

SHRI H. M. PATEL: Quite right. What can be a greater flattery than the fact that I am trying to follow you, but not all the time, sometimes and in some respects.

Sir, the hon. Member also said here that the entire South will suffer. Where is the question of the north and the south in this electricity? There are hydel power stations; there are other power stations. Certainly, it is mentioned in my Budget speech that it will have certain consequences. But there are reasons for it, and the major reason is the mobilisation of additional resources that we need.

Mr. Salve shed crocodile tears on this deficit of Rs. 1050 crores. Did he want me to come here with the deficit of Rs. 1500 crores and then he would have welcomed it? I do not want to be as illogical as he is. I would rather come with this correct position. Let there be no question of the north or the south. If you consider that it is not a good thing by all means you have a right to oppose it. But let us not indulge in this kind of thing. I would request the hon. Members to

consider it carefully and not press this point.

MR. DEPUTY CHAIRMAN: The question is:

10. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978 as passed by the the Lok Sabha, namely:

"That at page 31, lines 1 to 6 be deleted'."

The House divided.

MR. DEPUTY CHAIRMAN: Ayes

AYES 80

NOES .. 49

Adivarekar, Shrimati Sushila Shankar

Amarjit Kaur, Shrimati

Amla, Shri Tirath Ram

Anandam, Shri M.

Anjiah, Shri T.

Antulay, Shri A. R.

Balram Das, Shri

Banerjee, Shri Jaharlal

Basavaraj, Shri H. R.

Basheer, Shri T.

Bhola Prasad, Shri

Bose, Shrimati Pratima

Chandrasekhar, Shrimati Maragatham

Chattopadhyaya, Prof. D. P.

Das, Shri Bipinpal

Deb Burman, Shri Bir Chandra

Deshmukh, Shri Bapuraoji Marotraoji

Dhabe, Shri S. W.

Dinesh Chandra, Shri Swami

Dutt, Dr. V. P.

Dwivedi, Shri Devendra Nath

Gill, Shri Raghbir Singh

Goswami, Shri Dinesh

Gupta, Shri Bhupesh

Gupta, Shri Gurudev

Habibullah, Shrimati Hamida

Hansda, Shri Phanindra Nath

Joshi, Shrimati Kumudben Mani-shanker Kadershah, Shri M. Kalaniya, Shri Ibrahim Kamble, Prof. N. M. Kesri, Shri Sitaram Khan, Shri F. M. Khan, Shri Khurshed Alam Khan, Shrimati Ushi Khaparde, Shrimati Saroj Krishnan, Shri U. R. Kumaran, Shri S. Kureel, Shri Piare Lall urf Piare
 Lall Talib Lakshmanan, Shri G. Lokesh Chandra, Dr. Madhavan, Shri K. K. Mahapatro, Shri Lakshmana Mahida, Shri Harisinh Bhagubava Makwana, Shri Yogendra Malik, Shri Syed Abdul Maurya, Shri Buddha Priya Mehrotra, Shri Prakash Menon, Shrimati Leela Damodara Menon, Shri Viswanatha Mishra, Shri Mahendra Mohan Mondal, Shri Ahmand Hossain Mukherjee, Shri Pranab Mulla, Shri Suresh Narain Munusamy, Shri V. P. Naik, Shri L. R. Nanda, Shri Narasingha Prasad Pande, Shri Bishambhar Nath Pathak, Shri Ananda Patil, Shri Deorao Ranga, Shri N. G. Rao, Shri V. C. Kesava Razack, Shrimati Noorjehan Reddy, Shri K. V. Raghunatha Reddy, Shri Mulka Govinda Roshan Lal, Shri Sahu, Shri Santosh Kumar Salve, Shri N. K. P. Sharma, Shri Anant Prasad

Shastri, Shri Bhola Paswan Sheikh, Shri Ghouse Mohiuddin Singh, Shrimati Pratibha Sinha, Shri Indradeep Soni, Shrimati Ambika Sultan Singh, Shri Swaminathan, Shri V. V. Totu, Shri Gian Chand Venigalla Satyanarayana, Shri Venkatrao, Shri Chadalavada Yadav, Shri Ramanand

NOES—49

Advani, Shri Lal K. Asthana, Shri K. B. Bagaitkar, Shri Sadasiv, Baleshwar Dayal, Shri Bhagat, Shri Ganapat Hiralal Bhandari, Shri Sunder Singh Bhanu Pratap Singh, Shri Bhattacharya, Shri G C. Chatterjee, Shri Pranab Dinesh Singh, Shri — Gowda, Shri K. S. Malle Hegde, Shri Ramakrishna Jagbir Singh, Shri Jamuna Devi, Shrimati Jha, Shri Shiva Chandra Joshi, Shri Jagannathrao Kakati, Shri Robin Khan, Shri Ghayoor Ali Lakhan Singh, Shri Mahavir, Dr Bhai Mallick, Shri Harekrushna Mathur, Shri-Jagdish Prasad Mishra, Shri Kalraj Mody, Shri Piloo Mohanty, Shri SurenvJra Mohinder Kaur, Shrimati Morarka, Shri R- R. Naidu, Shri N. P. Chengalraya Nathi Singh, Shri Oza, Shri Ghanshyambhai Prabhu Singh, Shri

Parikh, Prof. Ramlal
 Patel, Shri Manubhai Motilal
 Poddar, Shri R. K.
 Rajinder Kaur, Shrimati
 Rameshwar Singh, Shri
 Reddy, Shri B. Satyanarayan
 Samad, Shri Golandaz Mohammed-
 husian A. Saring, Shri Leonard
 Soloman Sharma, Shri Ajit Kumar Shahi,
 Shri Nageshwar Prasad Shanti Bhushan,
 Shri Sheikh, Shri Abdul Rehman Siddhu,
 Dr. M. M. S. Singh, Shri J. K. P. N.
 Singh, Shri Ng. Tompok Sinha, Dr.
 Ramkripal Surendra Mohan, Shri Varma,
 Shri Mahadeo Prasad

The motion was adopted.

SHRI BHUPESH GUPTA: It is significant in two ways, it has shown a big majority on this side and taken you down to 49.

SHRI MANUBHAI MOTILAL PATEL (Gujarat): It shows you are blocking the path of progress and socialism.

MR. DEPUTY CHAIRMAN: Now Amendment No. 11 is not necessary...

SHRI SUNDER SINGH BHANDARI (Uttar Pradesh): That is barred, Sir.

MR. DEPUTY CHAIRMAN: because Amendment No. 10 says: "That at page 31, lines 1 to 6 be deleted", and Amendment No. 11 says: "That at page 31, line 6 be deleted". So it is all covered.

SHRI PILOO MODY: You get deleted in the process.

MR. DEPUTY CHAIRMAN: We take up Amendment No. 13. Are you insisting on this, Mr. Salve?

421 RS— 9

SHRI N. K. P. SALVE: Yes, Sir.

MR. DEPUTY CHAIRMAN: The question is:

13. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely: —

"That at page 32, lines 3 and 4 be deleted.' "

The motion is negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That Clause 36, as amended, stand part of the Bill."

The motion was adopted.

Clause 36 as amended. was added to the Bill.

Clause 37 (Special duties of excise)

MR. DEPUTY CHAIRMAN: There are three amendments—Nos 14 ffi and 16.

SHRI N. K. P. SALVE- Sir I move:

14. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely: —

"That at page 32, clause 37 be deleted.' "

SHRI VISWANATHA MENON- Sir I move:

"15. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:

"That at page 32, line 5, after the word 'goods' the words 'except those items which are essential commodities of life' be inserted.' "

(The amendment also stood in the name of Shri Harkishan Singh Sur-jeet).

SHRI M. ANANDAM: Sir, I move:

16. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely: —

"That at page 32, line 9, for the words "five per cent." the words "one per cent." be substituted."

(The amendment also stood in the name of Shri Bipinpal Das).

The questions were proposed.

SHRI N. K. P. SALVE: Sir, there are two Amendments—No. 13 and No. 14. What about my Amendment No. 13?

MR. DEPUTY CHAIRMAN: Amendment No. 13 is lost.

SHRI N. K. P. SALVE: Sir, I stood up, I moved Amendment No. 13.

MR. DEPUTY CHAIRMAN: It was moved. It was lost. You moved Amendment No. 10 as well as Amendment No. 13. Now it is too late. We have decided otherwise. The decision of the House is there. Now we are on Clause 37.

SHRI N. K. P. SALVE: I will speak with reference to Clause 37. Sir, in all humility, I submit to the Finance Minister not to consider that the voting which has taken place on Clauses regarding coal and electricity is any manifestation of political gimmickry. After a very serious and mature consideration, all of us came to this conclusion that this levy on electricity and coal was extremely thoughtless and it is because of that reason that we have voted it out here. I hope that the Finance Minister will not take it as a matter of prestige. This House having so unequivocally expressed its views, I

hope that when it goes back to the Lok Sabha, he will give it due consideration.

Now, Clause 37 is an outright levy of special excise duty of 5 per cent. My submission is that this sort of special levy which is sought to be introduced by Clause 37, it is 5 per cent to day, it will be 10 per cent tomorrow and it will be 15 per cent the day after tomorrow. We object to this sort of levy in principle. You create a deficit Budget—I do not want to go into the mechanics of it—and to be able to make this up, you do not explore the possibility of direct taxation. That has been my accusation, to which the hon. Finance Minister has not replied. I suggested that you could have raised money by taxing the corporate sector. By way of indirect taxation, which you are going to levy through this, are you riot taxing the common man? And at what stage will you stop? If your management of the economy is inefficient, if your Government is incompetent, every time there is going to be the problem of a deficit and more deficit. And under the name of finding more investment you will go on increasing the deficit. Is it the best way to find resources? If you go on adopting this principle ad infinitum ad nauseam and go on making this sort of levy to burden the common man, we are against this principle and that is why we are opposing this lock, stock and barrel.

SHRI VISHWANATH A MENON: Sir, I have sought to insert the following amendment as passed by the Lok Sabha, namely: —

15. "That at page 32, line 5, after the word 'goods' the words 'except those items which are essential commodities of life' be inserted.' "

On principle I support the amendment of Mr. Salve because he wants the entire thing to go. My main

contention is that the essential commodities of the people should not be taxed; they should be exempted. That is the main point. I support his amendment.

SHRI BHUPESH GUPTA: Sir, I rise to support both these amendments. Mi'. Salve's amendment covers his amendment. If some item is included in the other it may not be objectionable. In principle we are opposed to it—sir—this sort of "general rise in excise duty we have never experienced in previous Budgets. Item-wise things have been selected and brought under additional levy. But here this Government, for the first time, set an example of overall rise in all commodities which may come under excise duties. This is a strange way of Budget making. "Why have they done so? They have done so because they refuse to tax the rich. And since they have refused to tax the rich they have resorted to deficit financing on a large scale making it more by a thousand rupees. They are selling gold in order to meet certain Budgetary difficulties. They are bringing down the foreign exchange reserve of the country with a view to somehow or the other artificially balancing the Budget. And, of course, they are going in for public borrowing. Therefore, all these things are clearly inflationary measures. They are intended to hit the people. Yet, Sir, we find that the capitalist class, monopolists in particular, have accumulated enormous wealth. Only recently we have seen in a statement issued in this very House that the Tatas and the Birlas have now assets of nearly Rs. 1,700 crores when only ten years ago they had almost half that amount. This is what is happening and they are not taxing them.

Direct tax has not been touched. You have no right to hit the people in this manner all over in this country. I know many Janata Members have opposed it. Still the Government is acting against what has been said by the public, all sections of the

public with regard to these tax proposals. This is the adamant attitude of the Government as such. They insist on having these taxes. Therefore, I say we oppose it in principle. These are regressive taxes. These are their traits of Budget making, utter callousness and disdain towards public opinion and the people. And only a Government which is wedded to serving the monopolist class at the cost of the common man can ever contemplate taxes of this kind.

People need relief today. People need improvement in their living conditions. People need lowering of the prices. These taxes go exactly in the opposite direction. And hence they have to be strongly opposed. And, Sir, I am very sorry that though some friends opposite do not like supporting this thing, they would be voting for it. Though they are with us they would be voting against us. All I say is, the Government should take away these taxes because these are inspired by abject surrender to the exploiting classes.

MR. DEPUTY CHAIRMAN: Shri Anandam. Amendment No. 16, please.

SHRI M. ANANDAM: Mr. Deputy Chairman, Sir, the Jha Committee has already given its Report and they have proposed a number of measures for rationalising the indirect tax structure. When that is there under contemplation, a duty of five per cent now across the board is really unjust and unfair. This is what all I wanted to say. So, what I suggested was that instead of five per cent, at least they could reduce it to one per cent. That is my amendment here and I would request the hon. Finance Minister to accept this amendment.

SHRI H. M. PATEL: Sir, in my general reply I dealt with these subjects very fully and thoroughly and explained why it is necessary that these taxes should be made. Therefore, the way in which it is done _____

SHRI N. G. RANGA (Andhra Pradesh): Sir, I wanted, to say something and you called the Finance Minister.

MR. DEPUTY CHAIRMAN: The hon. Member was not in his seat.

SHRI N. G. RANGA: I could have returned to my seat.

MR. DEPUTY CHAIRMAN: You were not on your seat. Anyway, let him...

SHRI N. G. RANGA: Sir, on principle I support this amendment and in view of the debate in this House I hope he would reconcile himself to the propositions brought forward. In one breath he assures us that prices are not going to be raised and that they are trying their best to hold the price line. They have also succeeded, he says, which I do not accept because facts of the retail trade seem to contradict what they are saying. In another breath he is simply putting an overall, blanket surcharge of five per cent. How does he justify it? As one of our friends has said, today he has introduced a new principle here of simply putting a blanket surcharge. Now it is five per cent. Tomorrow, another gentleman, either more capable or less capable than himself, more inventive, or less inventive, may make it 20 per cent or 30 per cent. It is for the first time and it is a new practice. I very much dislike it and I oppose it vehemently. It is not fair to the poor people. It does not make any distinction between the poor and the rich. Direct taxes one could have understood—they are expected to fall on the rich. Now, so far as the direct taxes are concerned, the enhancements that are made are not too high, and, anyhow, at every stage they have got enough people, on every side in both the Houses, to speak for them, to plead for them and then contest at every step, every new move that may be made by a Finance Minister—the present One, the future one and the past one also. But when it comes to excise duties, there are

no such vigilant lobbies. So many excise duties have already been imposed. As if those things are not enough, my hon. friend has put this now and he started an extraordinary argument, "I have yet to And all this money, when I have made this Budget". But I find this deficit and I want this deficit also to be covered says "I find it impossible to cover it except by raising these taxes". I take objection to that also. In this circuitous manner he goes on arguing. Sir, he is welcome to his arguments, but how does he justify this thing? There are the poor people. That is why my hon. friend, Shri Viswanatha Menon, has wisely put amendment here: "...except those items which are essential commodities of life". Now it is for the Finance Ministry and the Finance Minister afterwards to define what they mean by "essential commodities of life" and, therefore, they will have plenty of scope for manipulation, for manoeuvre also. But to put a blanket surcharge is not at all fair if they are true to their professions of standing up for and serving the common folk of our country. Therefore, I would like my hon. friend to give some thought to our objection and if he cannot accept our amendment here and now, let him at least give some thought to it when it goes back to the other House so that at least, to this extent, some response might be made to the cry of the people who really are suffering from this kind of continuous process of inflation that is going on, including the burdens that are being imposed now.

SHRI H. M. PATEL: Sir, as I said before, I have explained my reasons for the imposition of these levies and they are, to my mind, fully worked out in a most equitable manner. Certainly it imposes an additional burden which is, unfortunately, unavoidable when so much additional resource has to be raised. I have nothing more to say except that for this reason I would request the Members not to press this point.

MR. DEPUTY CHAIRMAN: I am putting Amendment No. 15 to vote.

SHRI NARASINGHA PRASAD NANDA (Orissa): Sir, are we considering the one that was moved by Mr. Salve or the one moved by Mr. Vishwanatha Menon?

MR. DEPUTY CHAIRMAN: Amendment No. 14 cannot be put to vote because it is a negative amendment. Therefore, Amendment No. 15 is being voted upon.

The question is:

15. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely: —

"That at page 32, line 5, after the word "goods" the words "except those items which are essential commodities of life" be inserted."

The House divided.

Ayes ... 43

Noes ... 51

AYES—43

Anandam, Shri M.
Anjiah, Shri T.
Banerjee, Shri Jaharlal
Basavaraj, Shri H. R.
Basheer, Shri T.
Bcse, Shrimati Pratima
Chandrasekhar Shrimati Maragathanr
Dutt, Dr. V. P.
Gupta, Shri Bhupesh
Hpnsda, Shri Phanindra Nath
Kalaniya, Shri Ibrahim
Kamble, Prof. N. M.
Khan, Shri F. M.

Khan, Shrimati Ushl Khaparde,
Shrimati Saroj Kumaran, Shri S.
Lakshmanan, Shri G. Lokesh Chandra,
Dr. Mahapatro, Shri Lakshmana
Mahida) Shri Harisinh Bhagubava
Makwana, Shri Yogendra Malik, Shri
Syed Abdul Maurya, Shri Buddha Priya
Menon, Shrimati Leela Damodara
Menon, Shri Viswanatha Mishra, Shri
Mahendra Mohan Mondal, Shri
Ahmed Hossain Mukherjee, Shri
Pranab Naik, Shri L. R. Nanda, Shri
Narasingha Prasad Pande, Shri
Bishambhar Nath Patil, Shri Deorao
Rsga, Shri N. G. Reddy. Shri K. V.
Raghunatha Reddy Shri Mulka
Govinda Sahu, Shri Santosh Kumar
Salve, Shri N. K. P. Sharma, Shri
Anant Prasad. Shastri, Shri Bhola
Paswan Sheikh, Snri Ghouse Mohiuddin
Sullan Singh, Shri Totu, Shri Gian
Chand Venkatrao, Shri Chahdalavada

NOES—51

Advani, Shri Lai K. Asthana. Shri K.
B. Bagaitkar, Shri Sadasiv
Baleshwar Dayal, Shri Bhagat, Shri
Ganapat Hiralal Bhandari, Shri
Sunder < Singh Bhanu Pratap Singh,
Shri Bhattacharya Shri G. C.
Chatterjee, Shri Pranab. Dinesh Singh,
Shri Gowda, Shri K. S. Malle

Gupta, Shri Ram Lakhan Prasad
 Hegde, Shri Ramakrishna
 Jagbir Singh, Shri
 Jamuna Devi, Shrimati
 Jha, Shri Shiva Chandra
 Joshi, Shri Jagannathrao
 Kakati, Shri Robin
 Khan, Shri Ghaynoor Ah
 Krishan, Shri U. K.
 Lakhan Singh, Shri
 Mahavir, Dr. Bhai
 Mathur, Shri Jagdish Prasad
 Mishra, Shri Kalraj
 Mody, Shri piloo
 Mohanty, Shri Surendra
 Mohinder Kaur, Shrimati
 Moi-Brka, Shri R. R.
 Naidu, Shri N. P. Chengalraya
 Nathi Singh, Shri
 Oza, Shri Ghanshyambhai
 Parbhu Singh, Shri
 Parikh, Prof. Ramlal
 Patel, Shri Manubhai Motilal
 Poddar, Shri R. K.
 Rameshwar Singh, Shri
 Ray, Shri Rabi
 Reddy, Shri B. Satyanarayan
 Samed, Shri Golandaz Mohammed-
 husain A. Saring, Shri Leonard
 Solomon Sharma, Shri Ajit Kumar Shah,
 Shri Viren J. Shahi, Shri Nageshwar
 Prasad Shanti Bhushan, Shri Sheikh:
 Shri Abdul Rehman Siddhu, Dr. M. M.
 S. Singh, Shri J. K. P. N. Singh, Shri
 Ng. Tompok Sinha, Dr. Ramkripal
 Surendra Mohan, Shri Varma, Shri
 Mahadeo Prasad

The motion was negatived.

MR. DEPUTY CHAIRMAN: Now amendment No. If).

SHRI BHUPESH GUPTA; Sir, we would like the Hon. Leader of the House to make a statement on the resignation of Mr. Charan Singh.

MR. DEPUTY CHAIRMAN: Order please. The question is:

16. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely: —

"That at page 32 line 9, for the words "five per cent." the words "one per cent." be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That Clause 37 Stands part of the Bill."

The motion was adopted-Clause 37 was added to the Bill.

Clauses 38 and 39 were added to the Bill.

Clause 40 (Amendment of Act 38 of 1974)

SHRI M. ANANDAM; Sir, I move:

17. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:—

"That at page 34, after line 52, the following be inserted, namely:

"(d) where the amount of compulsory deposit calculated in accordance with the foregoing provisions is more than the deductions allowed under section 80C of the Income Tax Act, 1961, the taxpayer concerned shall pay only such excess under the provisions

of this Act, and where the amount so calculated is less than the deductions under section 80C of the Income Tax Act, 1961, the taxpayer concerned shall not pay any compulsory deposit under the provisions of this Act." "

(The amendment also stood in the name of Shri Bipinpal Das)

Sir., this is a very reasonable amendment. The Finance Minister has enhanced the rates of compulsory deposit. You are very well aware that the same Finance Minister under clause 16 of the Bill has given a better percentage of savings for deduction from the income. He has increased the total limit of section 80C from Rs. 20,000 to Rs. 30,000. That is he has given a boost for voluntary savings in this Finance Bill. And voluntary savings, as you are very well aware is a long-term process. Where a tax-payer has already planned for long-term savings, it is not possible for him again to invest in compulsory deposits. So my amendment is that as far as compulsory deposit is concerned—after all it is only for the purpose of having savings—where a person has already made a saving under the provisions of the Act, he should not again be asked to pay the compulsory deposit. To the extent he has made savings, to that extent please give deduction from the compulsory deposit which he has to pay. That is the purpose of the amendment. I am sure the hon. Finance Minister will accept it.

The question was proposed.

SHRI H. M. PATEL: Sir, this is not acceptable to me. I am afraid the hon. Member wants everything that is desirable but at the same time wants to make no sacrifice whatsoever. Here this is a levy only on people with relatively higher incomes and I see no reason whatsoever to accept it.

MR. DEPUTY CHAIRMAN: The question is:

17. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely: —

"That at page 34, after line 52, the following be inserted namely:

"(d) where the amount of compulsory deposit calculated in accordance with the foregoing provisions is more than the deductions allowed under section 80C of the Income Tax Act, 1961, the taxpayer concerned shall pay only such excess under the provisions of this Act, and where the amount so calculated is less than the deductions under section 80C of the Income Tax Act, 1961, the taxpayer concerned shall not pay any compulsory deposit under the provisions of this Act.

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That clause 40 stand part of the Bill."

The motion was adopted.

Clause 40 was added to the Bill.

The Schedule

SHRI VISWANATHA MENON: Sir, I move:

21. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978 as passed by the Lok Sabha, namely: —

That at page 39,—

(i) line 26 for figure and words "50 per cent." the figure and words "70 per cent." be substituted; and

(ii) line 30, for the figure and words "70 per cent." the figure and words "80 per cent." be substituted."

[Shri Viswanatha Menon]

(The amendment also stood in the name of Shri Harkishan Singh Sur-jeet)

Sir, this amendment is for getting more money for Mr. Patel. We were opposing him in many respects. But in this respect, we want, to increase in the case of a company other than a domestic company, the surcharge on income-tax. I have suggested 70 per cent instead of 50 per cent and 80 per cent instead of 70 per cent. I wanted to give him some money. I am sure he will agree to it. At least this amendment can be accepted.

The question was proposed.

SHRI BHUPESH GUPTA: I support this amendment. It is a reasonable one. You wanted more money. Get it.

SHRI H. M. PATEL: This particular way is not the way in which I would like to have more money.

SHRI BHUPESH GUPTA: Which way? Honest way?

MR. DEPUTY CHAIRMAN: The question is:

21. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1978, as passed by the Lok Sabha, namely:—

'That at page 39,—

(i) line 26 for the figure and words "50 per cent." the figure and words "70 per cent." be substituted; and

(ii) line 30, for the figure and words "70 per cent." the figure and words "80 per cent." be substituted.'

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That the Schedule stand part of the Bill."

The motion was adopted.

The Schedule was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI H. M. PATEL: Sir I move:

"That the Bill, as amended, be returned."

The question was proposed.

श्री शिव चन्द्र झा : उपसभापति महोदय, यह बात ठीक है कि मंत्री महोदय ने बहुत प्रयास किया हम लोगों को समझाने के लिये कि कोयले और बिजली पर जो ड्यूटी बढ़ाई गई है वह उचित है। लेकिन क्या यह बात सही नहीं कि उसमें जन साधारण पर इसका असर पड़ेगा ? खास करके बिजली पर जो ड्यूटी बढ़ाई गई है, उससे क्या एग्रीकल्चर पर बुरा असर नहीं पड़ेगा ? इस बजट में एग्रीकल्चर पर ध्यान दिया जा रहा है, यह बात ठीक है, लेकिन मुझे लगता है कि एग्रीकल्चर को इससे धक्का लगेगा। तीसरी बात यह है कि अग्न्येनिक आइटेम्स पर जो यह 5 प्रतिशत बढ़ा रहे हैं, महोदय मैं यह कहना चाहता हूँ कि इससे प्राइस लेबल को धक्का लगेगा और नीतियों को मिलाकर मुझे लगता है कि जनरल प्राइस लेबल जो है वह 3 प्रतिशत और 4 प्रतिशत ज्यादा हो जायेगा। बावजूद कोशिशों के भी इन चीजों की सभावना से इन्कार नहीं किया जा सकता है। आपकी जो एक्साइज ड्यूटी है, इससे भी प्राइस लेबल बढ़ेगा। इसका मंत्री महोदय कैसे कंट्रोल करेंगे, क्या इस बारे में थोड़ी सफाई देने की कृपा करेंगे ?

चौथी बात डेफिसिट फायनेंसिंग के बारे में कहना चाहता हूँ। इसके बारे में बहुत सी बातें चलनी रहीं हैं और इस फायनेंस बिल में तो 1050 करोड़ का डेफिसिट आ जाता है। इसका कंट्रोल मॉना बेच कर और फारेन एक्सचेंज रेगुलेशन को मोडिफाई करने के कदम उठा कर किया जाना है। यह बात ठीक है लेकिन बावजूद इसके इतना बड़ा डेफिसिट फायनेंसिंग जो 1050 करोड़ का है इससे मनी सप्लाई

मुझे लगता है कि 20 प्रतिशत हो जाएगी जो मोटे तौर पर बुनियादी बात है। इनफ्लेशनरी ट्रेंड के लिए पिछले साल 12 प्रतिशत थी। सम्भावना है कि अगर इसको ठीक से काबू में नहीं किया गया तो मनी सप्लाई ज्यादा हो जाएगी और इसलिए इसके बारे में भी हमें आप बताएं। फायनेंस बिल में और बजट में नये आन्दोलन देहाती एरियाज से नये उद्योग स्थापित किए जाएं, नये नौजवान उद्योगों में लगे, इसके लिए कदम उठाए गए हैं जिनका मैं स्वागत करता हूँ लेकिन एक बात जो साफ नहीं हो सकी—फायनेंस मिनिस्टर के जवाब से कि ऐसे लोग जो देहाती इलाकों में उद्योग स्थापित करना चाहते हैं जिनके पास सिक्युरिटी के लिए जमीन नहीं है, कोई भी मूवेबल प्रापर्टी नहीं है और उनकी इच्छा है, बिलपावर है, ऐसे नौजवानों के लिए उद्योगों की व्यवस्था करेंगे कि ताकि कर्ज मिले और वे उद्योग स्थापित कर सकें। यह सवाल मैंने पहले भी किया और बार बार करता रहूँगा क्योंकि इस बात की सफाई ठीक से नहीं हो रही है। रूल एरियाज में उद्योग जाएं और इनवेस्टमेंट बढ़े जिससे औद्योगीकरण ज्यादा से ज्यादा देहाती इलाकों में हो, इसका मैं स्वागत करता हूँ। आखिरी बात टैक्सेशन के बारे में कहना चाहता हूँ। इनडायरेक्ट टैक्सेशन ज्यादा है और आपने कहा कि रेशनलाइजेशन आफ टैक्सेशन की मांग रही है। झा कमेटी इनडायरेक्ट टैक्सेशन के लिए बनी है और चौकसी कमेटी डायरेक्ट टैक्सेशन के लिए है। इन दोनों से जो भी रिकमेंडेशन आएंगे इसमें क्या होगा यह कहना तो मुश्किल है लेकिन टैक्सेशन की जो नीति है उसकी सफाई खास तौर पर होनी चाहिए। उपसमापति महोदय, टैक्सेशन के बारे में एक बात और कहना चाहता हूँ। चर्चिल जब नौजवान था, 19-20 वर्ष का था, मानचेस्टर में बोल रहे थे। वे लिबरल थे तो उन्होंने कहा—

"The principle of taxation should not be how much you got but how you got."

टैक्सेशन का प्रिंसिपल यह नहीं कि कितना है बल्कि कैसे है। इसका यह मतलब होता है कि गलत धन्धे से, गलत तरीके से अगर कोई पैसा इकट्ठा करता है तो समाज को अधिकार हो जाता है कि वह तमाम टैक्सेशन की बदौलत उससे ले ले। इसीलिए इस दृष्टिकोण में, इस राशनी में आपको सारे टैक्स स्ट्रक्चर में एक बड़ा परिवर्तन करना जरूरी है। इन शब्दों के साथ मैं इस फायनेंस बिल का स्वागत करता हूँ। इसमें और भी बड़े क्वालीटेटिव परिवर्तन हों। उधर से बहुत बातें कहीं गई हैं। वही बजट है जैसे कि पहले आया था, उसी रूप का है, उसी रंग का है। मैं बहुत हद तक कह सकता हूँ लेकिन मैं आपसे पूछना चाहता हूँ कि साल्ट ड्यूटी, नमक पर जो ड्यूटी लगती है उसको खत्म किया गया है, क्या पहले ऐसा हुआ था। नमक ड्यूटी की बात कितनी ग्रहम है। हमारे राष्ट्रीय आन्दोलन में देश की अजादी की लड़ाई में सब जानते हैं इसका कितना महत्व है। और भी इसी तरह से दूसरे कदम हैं जिससे कि फर्क लगता है। मैं मानता हूँ कि बड़ा फर्क नहीं हो सकता लेकिन यह बड़ा काम फायनेंस बिल और बजट में किया गया है ताकि हकीकत में जनता का बजट आने वाले दिनों में लावें। इन शब्दों के साथ मैं चाहूँगा कि जो प्वाइंट्स मैंने उठाए हैं मंत्री महोदय उनका जवाब दें। मैं पुनः फायनेंस बिल का समर्थन करता हूँ।

SHRI BHUPESH GUPTA: Sir, we are now coming to the end of the Budget Session as far as this Budget is concerned. Therefore, we are having the last word on the subject in so far as the Budget for the current year is concerned.

This is the Jaryata Government's second Budget, I do not know what kind of Government we will have next year which will be presenting the Budget to this House. I do not know. I am sure, the Janatc members including those sitting in the front line of the Treasury Benches

LShri Bhupesh Gupta] cannot say for sure whether the same constellation of Ministers, stars and their stellites, will be shining in the horizon to present the Budget for the year 1979-80. A big question mark has come. This question mark looms larger and larger as we get along under the Janata Raj.

Sir, I asked the hon. Minister to take this House into confidence and tell us before we adjourn as to whether it is true that Shri Charan Singh, the Home Minister, has resigned. Well, it is for them. This has an implication. Politics cannot be separated from economics or vice versa. It is quite clear. Politics in a way is the quintessence of economics, as everybody knows it. Projection of one is in the other. Therefore, I asked this question. I do not know what kind of things will develop if Shri Charan Singh has resigned, in the course of the next few days, whether we shall see the same combination in the same benches sitting exactly in the same way. We do not know whether we will see here the same spectacle as had happened in the U.P. Assembly. We do not know when we will have that exhibition of some of them getting at the throat of others and the Marshal having come to the picture to lift somebody, at the request of others of the same party, bodily from the House and put in the Lobby. We do not know.

Shri H. M. Patel is in a happy position because politics is not in his line. Everybody knows it. He is an administrator by training and by temperament and in every respect. He has been put here because of that and therefore you see he is unruffled by what is happening in the Janata Party. He is in the most advantageous position. He can talk with ease without getting disturbed about it when the other Ministers are shaking in their shoes...

SHRI LAKSHMANA MAHAPATRO (Orissa): Some of them are air-dashing to see J. P.

SHRI BHUPESH GUPTA: I do not know how they will be running after

each other. I do not know. That is to be seen.

Here my friend Shri Hegde has been maligned by his own party men. He has been called as illegal manipulator, unconstitutional and what not. But he has the courage and steel of animals which we all know. He can stand all that. Sir, here Mr. H. M. Patel has brought this Budget and his financial proposals. All I can say is that these are very very retrograde and reactionary proposals and their reflection will be there in the Draft Sixth Five Year Plan which, we hope, would be defeated in this House when it comes to voting.

Sir, all I say is that we protest against this Budget and the Finance Bill, in particular, his taxation proposals. Sir, the Congress Government, Shrimati Indira Gandhi's Government took eleven years to meet its Waterloo. But this Government has not taken even eleven months (Time bell-rings) to advance towards its doom. You see how quickly it is advancing, how fast it is advancing. Almost a mad rush is there towards self-destruction. Why? Because of the policies, economic and other policies, that are being spelt out here by the honourable Finance Minister, Mr. H. M. Patel. Well, I do not blame you, Mr. Patel, because you are only a part of it. But you are very much a part of it. So, I blame the political leadership of the Janata Party. Sir, all along the line there is a mad rush, a mad run towards doom and towards self-destruction and towards escalating the crisis by failing to fulfil their own election pledges. The Budget proposals, the financial proposals. Sir, are the most disgraceful and nauseating testimony to the monumental betrayal of the solemn pledges given during the elections by the Janata Party.

Sir, all that I say is that their crisis today is the crisis of bankruptcy. The more they see that the people are getting alienated from them, leaving them on an unprecedented scale, the more bankrupt they are becoming and this

blame must go to their budgetary and other proposals. Therefore, I would ask Mr. H. M. Patel to do only this thing; it is time for him to retire, retire from the unholy alliances, not from his political life, not even from this House. Mr. Patel, I am not asking you to resign from the Government. I ask you only to resign from this alliance. I say this because the Budget that you have presented will be haunting you and your party. This kind of Budgets will bring not one Azamgarh; this type of Budgets will bring, this type of policies will create, many many more Azamgarh's for you. I would not like my friends sitting on this side to take advantage of it and come back. Sir, I will finish again by saying that this is the situation today. They are sitting there because of Shrimati Indira Gandhi and her emergency. Otherwise they would not have been sitting there. But must you be so grateful to her that by your economic and other policies you will leave even before two years so that she can come back to her place and occupy that place?, Sir, Shrimati Indira Gandhi is being repaid by our friends there with compound interest and ungrudgingly too and bankruptcy has reached such a level that they are not even aware of it.

SHRI MANUBHAI MOTILAL PATEL: You supported her Government and you supported her.

SHRI BHUPESH GUPTA: Then don't support us and don't help us. You never help us. I would only say, Sir, that we protest against this and I do not know what to do now. We have no power in this House. If we had the power, we would have defeated these Budget proposals. This Budget is a shame on the Janata Government and it is an everlasting shame.

SHRI H. M. PATEL; Sir, I do not know what satisfaction Mr. Bhupesh Gupta has derived from the tirade that he has just now delivered. But let me assure him that in spite of all his desire, the Janata Party and the Janata Government will continue and will muddle through. He might have heard

this expression in those days. Despite many such things, 'the British 'muddled through'. So will the Janata Government muddle through. These Budgets are Budgets which...

SHRI BHUPESH GUPTA: I am very glad, you have admitted that you are a Government of muddlers.

SHRI H. M. PATEL: Quite all right. I prefer a Government of muddlers rather than a Government of only those who just shout and support those who are unprincipled; I would rather not belong to that category. ..(Interruptions) I believe in principle. I would only like to make one point for the hon. Member who made certain observations. I would like to assure him that those who go in for industry in rural areas—young men who want to put up new industries—will get all financial assistance. There are various schemes for them and the banks, nationalised banks, have specific directives about the manner in which they should go to their assistance. I have nothing more to add.

SHRI BHUPESH GUPTA: What about the other point, Mr. Charan Singh's point?

SHRI H. M. PATEL; The hon. Member is really obsessed with Mr. Charan Singh. Sir, the Janata Party is composed of a number of elements. Mr. Charan Singh is a very important part of that element and he will be there; he need not worry.

SHRI BHUPESH GUPTA: I have nothing to worry... (Interruptions)

SHRI H. M. PATEL: Sir, so many weeks have elapsed since this Finance Bill was introduced, and you have seen that the effects on the economy have been such that the economy continues to be even more stable and firm than it was when the Budget was presented.

MR. DEPUTY CHAIRMAN; The question is;

"That the Bill, as amended, be returned."

The motion was adopted.