

[Shri Lokanath Misra]

te is not able to realise them. Has this thing gone to a court of law? What is the delay due to?

उपसभाध्यक्ष (श्री जगदीश प्रसाद माथुर):
अब सदन की कार्यवाही 2.00 बजे तक के लिए स्थगित की जाती है।

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

The House reassembled after lunch at three minutes past two of the clock, THE VICE-CHAIRMAN (SHRI JAGDISH PRASAD MATHUR) in the Chair.

THE FINANCE BILL, 1975—Contd.

THE VICE-CHAIRMAN (SHRI JAGDISH PRASAD MATHUR): Sar-dar Amjad Ali.

SHRI SARDAR AMJAD ALI (West Bengal): Sir, I rise to support the Finance Bill presented by the hon. Finance Minister in this House. The Finance Minister has stepped in, at a time when the economy of the country was thoroughly and utterly in a mess. There were four important features of the country's economy. First of all, there was growing and intolerable price rise. Secondly, there was a shortage of essential goods and industrial raw material. Thirdly, there was growing unemployment and lastly, there was the low key of production. These were the four important features of our country's economy when the Finance Minister had to step into this portfolio. The nation looked at the measures which the Finance Minister proposed to present to the country in order to come out of this random economic wrangle, and to stabilise the economy of this country. Certain measures were adopted. At the present moment, we cannot say that the measures adopted by the Finance Ministry including financial and fiscal exercises and discipline and the results achieved thereby were remarkable. But, surely it has significant implications so far as the difficulties the country was facing in the field

of economy. Sir, tax realization has gone up because of the fiscal discipline and the financial exercises that have been done by the Finance Ministry. Not only the tax realization has gone up but the tax arrears also have remarkably been brought down. Then we find that at least there is a stabilization in the price line though it is not remarkable. There is a significant improvement as far as the availability of essential goods and raw materials are concerned. Now, these are the things which have brought some concrete views in the country with regard to the activities undertaken by the Finance Ministry. Certain propositions have been made in the Finance Bill and certain incentives have been given. Those are definitely welcome propositions and I believe that will give a good boost-up in the management of the income-tax and wealth tax laws.

Mr. Vice-Chairman, Sir, I would like to concentrate on a very few points which I believe would gain the attention of the hon. Finance Minister. And in that, my first point is about the policy of the Reserve Bank of India with regard to giving approval to the non-banking companies. I do not know whether there is any policy as to which companies will be accorded the sanction or approval by the Reserve Bank to act as a non-banking company. If this is the policy of the Reserve Bank that any and sundry company will be given this sort of an approval, then I believe that it will not be healthy sign as far as the resources mobilization from the public in the name of companies are concerned nor in achieving a better result or at least in having a good effect upon the health of the national economy. In this connection, I would like to point out that in our experience, we found that certain companies have been given this permission to act as non-banking companies. And by virtue of such sanction or approval by the Reserve Bank, companies like the J. K. Industries have acted as non-banking companies. They have mobilized quite a good deal of money from the public. In our experience, we found that a particular company mobilized this public money by borrowings, deposits, etc.

and after four or five or seven years, it was found that that particular industry to which this accord was given or the sanction was given had been kept under closure and they had gone on for certain other industries. Take, for instance, the case of the J. K. Aluminium. The Singhanias were accorded the sanction to operate as a non-banking company. This Aluminium Company mobilized about Rs. 8 crores from the public. After a few years, all of a sudden, on one fine morning, the whole industry was locked out, and the people working there, about 5,000 in number, were thrown apart without knowing whether this factory will be opened or not. When we, some MPs, took the initiative to place the matter before the Ministry. We were told that all the machinery was found to be junk. This is one side of the picture. But now, everyday I believe you too must have noticed, Mr. Vice-Chairman— in almost all the leading newspapers of this country, this JK industry is coming up again to operate as a non-banking company in the field of tyre and tube industry. On one side they mobilise public finance and on the other after a few months they close it down. Then they enter another field, get the sanction, go on mobilising public finance. I do not know whether there is any assurance that this new venture in the field of tyres and tubes will come up to exist permanently or whether it will also meet the same fate as it happened in the field of aluminium. Therefore, I would urge upon the hon. Finance Minister to be selective about the applications and companies and approve of them or otherwise only after knowing the full details. Because, whatever financial or fiscal exercises you want to adopt for the welfare of the country are meant for the people at large and not for a few industrial houses. Therefore, my first submission to you is to come out with an open policy that those companies which have explored the possibility of mobilising public finance as non-banking companies but have utterly failed in that field will not be allowed the same sort of opportunity in another field.

Mr. Vice-Chairman, I would like to make certain observations about credit squeeze. Credit squeeze is very much needed in order to control the inflationary trend in the country. But, if it is a blanket credit squeeze, in my opinion it will not be helpful to the growth of production for which the country is struggling so much today. Sir, last year there was a blanket credit squeeze and the victims of that credit squeeze, in most cases, were the small and medium industries and the small and marginal farmers. Growth of production does not apply only to big industry or big farmers. It equally applies to the small and medium industries and small and medium farmers and only they can add, to the maximum extent, to the production which is very much needed for the nation. But the pity of the whole thing is that the small and medium industries in the industrial sector and the small and marginal farmers in the agricultural sector hardly get any credit assistance; they hardly get any institutional finance. That is the plight of these people. This time, of course, you have given certain priorities, earmarked certain priorities, but here I would like to bring to the notice of the hon. Finance Minister that you have given priority only to certain categories of industries and certain categories under agriculture. May I know from the hon. Minister whether he has put a ban on the diversification of funds given to a particular industry so that those funds are utilised only for that industry and not diverted to any other field? This diversification of funds has happened very often. A particular group of industries or a particular manufacturer takes a loan in the name of a particular industry or for the production of a particular item, but having so many interlinked industries, they had taken the opportunity of utilising the funds by diverting it for other purposes. But the small and poor people who get the minimum assistance from the banks cannot do it. What happens in Nation-al Rubber and Incheck Tyres, for example? National Rubber gets financial assistance from banks and utilises it in Incheck Tyres, because they are associated companies. Similarly, when In-check Tyres gets financial assistance from

Shri Sardar Amjad Ali]

banks or financial institutions, those funds are diversified for utilisation in National Rubber. But that fund is diversified for utilisation in National Rubber. So, this sort of thing is there. As such diversification of fund otherwise than for which it is granted in a particular industry cannot be allowed, I believe there is need for having a close watch with regard to this sort of resource utilisation.

The other thing is, although priority has been given to the agricultural sector, I would submit to the hon. Finance Minister, for his information, that the poor and marginal" farmers, agriculturists, cannot obtain this sort of assistance from banks. The procedure is too cumbersome. Poor people have to undergo so many formalities—mortgage and all other things. Now for people, those who live in the countryside and the rural side, I do not think it is possible for them to explore all the avenues to satisfy the bank officials or the Government officials and obtain whatever assistance the Government wants to give them. Therefore, my suggestion should be, you have to simplify the procedure. Now, of course, the poor farmers can get some assistance from banks if they mortgage their properties, if they hand over the deeds and documents to the bank and there are so many certificates to be produced but that is not possible for them to do. As a humble worker coming from the rural side, I know it; it is simply not possible for them to go through all these formalities and the procedure. I would urge upon the hon. Finance Minister to explore the possibility and see that the procedures are simplified so that the poor innocent people of this country, the agriculturists, I mean the marginal and small farmers and not the big agriculturists, on whom depends much of the agricultural production of this country, are able to get the required assistance. I strongly believe that it is out of their own concerted effort the country can get the maximum and optimum production.

Then, of course, there is need for re-orientation in the Budget. Certain proposals have been made in the Finance Bill. Some emphasis has been given on agricultural sector, and what is the total layout? The total layout is Rs. 263 crores. Mr. Vice-Chairman, I would like to ask the Finance Minister that the production trend in the field of agriculture has shown that you have to depend mostly on nature and if that is so, how do you think an amount of Rs. 263 crores is too sufficient or at least sufficient in order to boost up the agricultural production in the country? I think it is too minimum an amount. Of course, having an eye upon our total resources, this is the best that we could do but I would urge upon the hon. Finance Minister to see that certain exercises are made in this regard.

Now I would like to make a few observations about certain follow-up procedures on the taxation laws. Some two years back we passed a law here in this House, I mean in Parliament, known as the Taxation Laws (Amendment) Act. In that Act it was said that undervalued properties in the urban areas will be looked into. There are certain government machineries. They will go into the details of the whole thing and if it is found that the property is undervalued than its present market value then it will be hauled up and that it will vest with the Government. Mr. Vice-Chairman, that law we passed about three years back. What have you done so far? I have raised this issue here in this House. How many properties have you been able to identify so long? Only 69 properties. These are seemed to have been undervalued, and these properties, therefore, come within the purview of that law. Then my next question was, did you take over any of the property, has any single unit been vested with the Government? The reply is 'no'. I do not know what is happening. Who these people are in whom you have vested these powers to go into the whole details and take concrete measures so that the objective of the Act is fulfilled? And I believe that this followup measure in this particular Act has not been taken. I would request the honourable Finance Minister

to look into this matter and at least see that whatever Act the Parliament passes with a certain genuine and sincere desire, the Government fulfils the objectives of the Act. There were some declarations here by the Finance Minister that it is not only the smugglers and big foreign exchange racketeers that will be hauled up but there are other people also like the lawyers and medical practitioners. I raised this issue. What did you do about them? Is there any raid into the houses of big lawyers and medical practitioners? The reply is in the negative. There is no such attempt. Although I belong to the guild of lawyers, Mr. Vice-Chairman, I will simply say to you and through you to the honourable Finance Minister that there are sections of people, these lawyers and medical practitioners, who are no less at fault than the smugglers and foreign exchange racketeers. So you must take certain effective steps against them and you must see that whatever statement you have made is an honest and sincere statement and you should do something concrete. I can give you so many horrified stories about how the legal practitioners and medical practitioners move about in the corridors of so many Ministries and have a very good and close rapport with Ministers. That I know and I can give it but in spite of that, I would say...

AN HONOURABLE MEMBER: Give some stories.

SHRI SARDAR AMJAD ALI: Of course, I am not bringing you.

THE VICE-CHAIRMAN (SHRI JAGDISH PRASAD MATHUR): He is also in this profession.

SHRI SARDAR AMIAD ALI: So my submission to the, honourable Finance Minister will be that at least in this field you cast your eyes so that you can find out so many Bakhias and Patels also there.

Now I believe my last but not the least submission is about the MISA and COFE POSAA. What happened to Bakhia's case? The High Court turned it over. We wanted very much from this side of the House with certain re-

servations from the opposite side and actually gave the Government the power that in the interest of the country and in the interest of the national economy, those who are engaged in smuggling activities, should not be even allowed the opportunity of natural justice, and instead of producing them before the court, they should be hauled up under MISA and COFE POSAA. But it appears that in the High Court of Delhi, that great Bakhia has been released. The bonafides of the grounds have also been challenged; the bonafides of the provisions of the law have also been challenged. I do not know whether the judges in the Supreme Court found any utility as to whether this Bakhia, Yusuf Patel and this Mastan should be kept behind the prison bars in the interest of the country. But even without saying anything against the High Court, it is their business to interpret the law, is it not the business of the Government to see that there is no loophole in the Act? This is one part. And the second part I would like to ask the honourable Finance Minister is, in the name of MISA and in the name of COFE POSAA and D.I.R. are we not giving extensive powers to the executive? Yes, sometimes we have to give that. I understand it; I am not disputing that. But Mr. Vice-Chairman, I ask the honourable Finance Minister-have you ever thought that by giving this sort of extensive power to the executive and to the administrative officers, one part of the administration that is the police was being inspired in thoroughly neglecting certain other procedures, the procedure of investigation? Well, they do not want to take that side and go into the details of a particular case and to arrive at a conclusion as to whether there is a criminal proceeding or that there should be application of MISA and COFE POSAA. Mr. Vice-Chairman. I believe, this sort of thing, this side of the whole aspect, has not been gone into. I would like the honourable Finance Minister to study this side also. My apprehension is this that at present the police do not take all the stress and strain to study a case in all its minor details because they find an easy access through MISA or COFE POSAA or DIR. This is very

[Shri Sardar Amjad Ali]

dangerous. So far my knowledge goes into the field of judiciary, as a legal practitioner for a few years, I know there is a section of officers in the administrative side who do not want to take that trouble. To go into the details as to whether a man's liberty will be judged from all points of view. They are taking shelter under this law. I do not say that this sort of law is not necessary for the country. I say it is necessary because there are people who have to be taken into custody and dealt with seriously. At the same time, you cannot allow your administration to be idle. By giving certain Acts you cannot allow your administration to be utterly careless, utterly reckless about the liberty and freedom of the citizen that has been granted by the Constitution. (Time bell rings). This is another aspect.

Then, I believe, another aspect of this Act has also to be gone into. What is that? That is about the provision of bail. That time when we passed the law, it did not strike the mind of anyone. I do not know whether it has struck the mind of the Law Ministry. We have said that a particular individual taken into custody under these preventive Acts need not be produced before a court, but Mr. Vice-Chairman, do you know there is a provision in section 498 in the Code of Criminal Procedure? In the 1973 amendment which this House and the other House adopted, in section 498 there is a provision for anticipatory bail. If there is a likelihood of a man being taken into custody, he can immediately go to court and ask for an anticipatory bail. We have High Courts and Courts in the country which have exercised their jurisdiction. Then, what is the utility of this sort of Act in the context of the provision in the Criminal Procedure Code? Without curtailing the application of this provision, MISA and COFE POSAA are of no use. I believe whatever provisions we have made through these Acts are meaningless. It is not going to serve the objectives.

Then, Mr. Vice-Chairman, with these observations I shall again ask the hon. Finance Minister to see that you are neglecting thoroughly and utterly the rural side.

THE VICE-CHAIRMAN (SHRI JAGDISH PRASAD MATHUR): You have already dealt with it.

SHRI SARDAR AMJAD ALI:

About 64 per cent of the total resources mobilisation is from the rural side, but how much do you spend for their up-liftment and how much for their development? It is perhaps 3 or 4 per cent or it may be less. What are you going to do with it? If the rural part of the country dies out, do you think that the urban side will develop? Every now and then we hear the story that people are flocking to Calcutta city, Bombay city, Madras city and other cities. Why? It is because those people do not find any opportunity to eke out their living. Far to speak of the amenities of modern life, it is just for the sake of living in this vast country of ours, in this vast world of ours, they do not find that sort of amenities. Therefore, while you speak about fiscal controls and fiscal discipline, I believe your discipline should touch the 64 per cent of the people who live in the rural areas.

Not wishing to be parochial. I should like to come to my own State.

THE VICE-CHAIRMAN (SHRI JAGDISH PRASAD MATHUR) : You have taken more than your time.

SHRI SARDAR AMJAD ALI:

There is a proposal for a small industries service institute at Siliguri. It is pending for a long time. If you want new entrepreneurs to come forward with new enterprises, they must get avenues and there must be a place where their problems can be sorted out. West Bengal has got only two centres. One is at Durgapur, which you have approved, and the other one you have not approved. Siliguri is a backward area. The whole of North Bengal region is backward. So, I would urge upon the Minister to give immediate approval to the setting up of the small industries service institute at Siliguri.

With these observations, I thank you.

DR. K. NAGAPPA ALVA (Karna-taka): Mr. Vice-Chairman, Sir, I speak on the Finance Bill, 1975. The Indian economy is based on agriculture. I am happy that the Finance Minister himself has stated that agriculture holds the key to our entire economy. I am particularly happy that the Finance Minister had the courage to give agriculture, irrigation and power the priority and importance that were due to them. At this juncture, it is very necessary to understand the living conditions, the living standards and the life of the people of rural India and also to compare them with those of the people in the cities and towns, particularly the 5 per cent of the population who live a luxurious life. I must say that it is disgraceful to the culture and to the noble traditions of India. And the rural people are exploited in every respect, politically, economically and socially. In the year 1968, a sample survey had been done which showed the extent of rural indebtedness; 90 per cent of the people were indebted, and more than 50 per cent of their produce went towards interest and other commitments. The plight of the small and the marginal farmers has become pitiable: they are in a position of helplessness. In fact, a number of them have become destitutes. And what is the position of employment in this country? The extent of unemployment and underemployment in the rural areas has not been estimated. The Government always give excuses and say that they are in large numbers. The idle hours that are spent are phenomenal. And what has been done. Have small-scale industries been provided for them? Has any serious attempt been made to provide them with employment? Practically nothing has been done. To what extent has poverty increased! Poverty is in all its nakedness because of the inequality between the rich and the poor. Less than 1 per cent of what is spent on housing for the whole country is spent for housing programmes for these "people". That means, 99 per cent is spent only for housing in towns and cities. This is a fact which we must remember. At the same time, by whom are the multi-storeyed buildings and the five-star hotels occupied? How

much money is being spent on them and is being wasted on these things? Then, we can understand the gravity of the situation. It is necessary that this country should compare itself with Japan, West Germany, Yugoslavia and Sweden. They are developed agriculturally and industrially and all sorts of help, incentives and subsidies are being given to the agriculturists to sustain themselves.

Sir, in all humility I must say that planning has been a Himalayan blunder after the Third Plan. I am happy that after the bungling and blunder particularly in the Fourth Plan, a man of Mr. Subramaniam's calibre has become the Finance Minister. It was he, while he was Agriculture Minister, that brought agriculture to international standards. Again, while he became the Planning Minister it was again he who did a good job of it giving the importance that was due to agriculture.

Sir, I am very happy that there are very few occasions where we have to congratulate our Prime Minister and I can congratulate her for giving Mr. Subramaniam the Finance portfolio because Mr. Subramaniam has got the courage of conviction to call a spade a spade and to the world that our economy is a socialist economy, no doubt, but it is suited to the soil and cultural intelligence of this country. I must say again that things have gone so wrong in certain respects. But I find one mistake in the Prime Minister in not having raised our Deputy Minister Shrimati Sushila Rohatgi to the position of at least a State Minister. Whatever it is it is not for me to argue on this point,

SHRI C. SUBRAMANIAM: Thank you.

DR. K. MATHEW KURIAN: It is going to happen after the Finance Bill

DR. K. NAGAPPA ALVA: In this International Year for Women should ought to have been raised to the status of a Cabinet Minister. Certain fact we must bear in mind to understand the realities of the situation. I am say

[Dr. E. Nagappa Alva]

ing this with a purpose because it is Mr. Subramaniam who has understood the realities of the situation and has started making things clear and clear as to how our economic policy should be there, how political decisions should not be taken on economic matters and how things should go in the right way. The policy should be right and the implementation should be also correct.

The present availability of foodgrains is just 160 KG per capita where as it was 175 KG per capita in 1963. But what about the population increase? Who is responsible for this? Should the wrong policies of the Government go on? What importance family planning has been given in this country? 22 million children are born in this country every year. But now there is 50 per cent, cut in family planning in the budget of 1974-75 though family planning is supposed to be the kingpin programme.

Sir, 49 per cent, of the gross national product comes from agricultural operation and 80 per cent, of the population are in the rural areas. There should be a sincere massive assault on inflation, stagnation, poverty and unemployment. Here during the last four years the number of unemployed has risen by over 10 million and the per capita income has fallen by 3 per cent. The rupee has lost 43 per cent, of its purchasing power. All this the Government have themselves admitted. It looks as if the Budget deficit of Rs. 225 crores in 1975-76 will turn out to be over Rs. 500 crores and as it happened in 1974-75 this Rs. 126 crores has gone up to Rs. 625 crores. Yesterday I read a P.T.T. report saying that it has further gone up by Rs. 73 crores. These are due to the ideological obsessions and the wrong policies of the Government. India has the highest inflation least per capita income and highest poverty and a shameful inequality. What is wanted, I repeat once again, is a massive assault on inflation, stagnation, poverty and unemployment.

Sir, it is necessary that we must realise that when we talk of imbalances,

disparities and inequalities, very little has been done in this regard.

Literacy in our country in over 150 districts is less than 20 per cent, and if we consider the literacy among women, it is still less. Unless literacy increases, particularly among women, the future of this country is gloomy. We want only an economy of plenty and not an economy of scarcity. We find scarcity, shortages and price rise on one side, and inflation on the other. Even the basic needs of the people, about which we have been talking for years together, are not being met, and essential commodities are not being made available. Three years ago, 40 per cent of the people were living below the poverty-line. To-day it is estimated that the figure has gone up to 67 per cent. There was a sample survey the other day in Bengal and other places and it was found that it has gone up to 82 per cent. You can understand the magnitude of the problem when the vulnerable sections of the society, the children of this country, the lactating mothers and expectant mothers, 60 per cent of them, are suffering from malnutrition, under-nutrition, anaemia and protein deficiency. What will be the future of this country? It is for you to imagine. Again 20 per cent of these 67 per cent are living under miserable conditions.

I would like to say something about the hill tribes, about the people living in the hill areas, and the backward sections of the people. What has the Government done in this regard? (Time bell rings) I give a note of warning to the Government that if they neglect this area, particularly the newly carved hill States, as they are called, there is danger to the freedom of this country itself.

Sir, the current wave of political unrest in this country is certainly because of the prolonged economic stagnation, shortages, price rise, inflation, growing unemployment and such other things. The reason again is, the promises are there but in performance, the Government has failed.

Sir, about administrative expenditure I and wasteful expenditure, it is high time that a serious note of this was taken. To-day, if you see, it is a top-heavy administration. In what way it should be brought down deserves serious consideration.

I want to say one or two sentences about motor vehicles and motor car economy. It is foolish to think that cars are being used for luxury. It is out of necessity. If you see the price of petrol to-day, it is only 95 paise per litre; the other 2½ times is tax. This tax structure is destroying the values of life in our society and in a way dishonesty is being encouraged by this tax structure. There must be radical changes. Sir, about health I would like to say only this much that in this sacred land of ours, the quality of human life has been neglected completely. I make a special appeal to you to include this in the core sector. Now, with all our Health and Medical care programmes, 50 per cent of the people in the rural and difficult areas have not been covered. Human resources of quality and standard must be built up.

Sir, the Minister has said something about the smugglers and smuggling. I would also like to say that we should see how to put down these smugglers and how to stop smuggling and how to find out their assets and how to tackle these people and take action against them. We have also to see as to how we should deal with the smuggled goods. These are all matters for serious consideration.

Then, Sir I would like to say something about the man-days lost. The other day I read somewhere in a statement that the man-days lost were about ten million or so. But I think that it must be more; it must be definitely more and it is not less than 15 to 20 million. We must understand the impact of this on the national economy, on production and progress. The Prime Minister has made an appeal recently that there should not be any strikes and it has also been said that workers' interests also should be safeguarded. The

other day, Sir, the President of India suggested that there should be a moratorium on strikes for at least ten years. But, Sir, I would suggest that there should be a moratorium on strikes for five years and this is a must if we have to survive as a nation. But, at the same time, we must also safeguard the interests of the workers.

Then, Sir, I would like to mention something about my State, Karnataka. The resources of this State have gone up from Rs. 19 crores to Rs. 59 crores during the last three years. But the Center's grant to the State has remained static and it is stagnant at Rs. 34 crores. Sir, this State has always maintained financial discipline and the needs and requirements of this State, the long-felt needs, must be met. Therefore, I would like the honourable Minister to do something in this regard and I would also request him to see that the regional imbalances that are there are removed, that the irrigation projects are taken up and the Kudremukh project, the Hassan-Mangalore railway line project, the harbour project and the fertilizer project are all taken up and implemented properly.

Finally, Sir, I would like to say something about the Dearness Allowance. You must somehow make arrangements to pay the DA which is due to the Central Government employees because nothing has been done to increase the purchasing power of the people and it becomes very difficult for the employees to cope with the rising prices. Just as the Central Government employees are entitled to get increased DA, the State Government employees also have a right to get this.

Sir, there is an ancient saying in our country: "Yatha raja tatha praja". Unless our leaders set an example of pure life and character, nobility of leadership, the future of the country would be dark and gloomy. What we see everywhere today is politics, the politics of opportunism, the politics of adventurism, the politics of survival, and, Sir,

[Dr. K. Nagappa Alva]

today, politics is polluted and adulterated and every attempt is made to collect money, to contest elections and then to continue in power for ever.

Sir, I remember an article written by the Minister, Shri C. Subramaniam about six months ago to the "Gandhi Marg" journal wherein he has said that in spite of all the difficulties we must go ahead and build up the economy of the country and work for the progress of the country on Gandhian ideals.

Sir, with prayers to Swami Viveka-nanda and Mahatma Gandhi, let me conclude by saying:

"Let us arise, awake and march with strength and divinity towards the goal of achieving real freedom and independence and preserving democracy with all its noble values."

Thank you, Sir.

SHRI N. R. CHOUDHURY (Assam) : Sir, while introducing the Bill, the Minister announced certain tax relief. Sir, any relief is always welcome and, therefore, I also welcome such announcements regarding relief by the Minister. But I would have been happier if the Minister could announce certain reliefs in respect of the excise duty on tea.

Sir, this time in the Budget only 10 paise relief has been allowed to tea industry of Darjeeling district of West Bengal. Sir, while doing that they have enhanced the excise duty on tea of Cachar district of Assam and Tripura. Sir, by increasing 15 paise in that very backward region they have given relief of 10 paise to Darjeeling district of West Bengal.

Sir, the proposals envisage an upward revision of excise duty for zone one by 15 paise a kg. This is a zone which comprises tea estates in Cachar, Tripura, etc. The yield in this part has traditionally remained far below the all-India average of 1300 kg per hectare although production costs have soared all these years. Precisely for this reason perhaps,

zone one was spared from the hike in excise duty given effect to from March 1, 1970. The then prevailing rate of 25 paise a kg was continued. Even conceding the gain flowing from last year's appreciation of unit value, a situation coming in the industry's way after a decade's near-stagnation on the price front, the hike of 15 paise a kg will rob the zone one estates of an opportunity to look to the future with confidence. The Finance Ministry seems to have been too quick to cash in on the industry's year-old good fortunes.

As for zone three, which consists of Darjeeling hill gardens, the industry has been urging for relief ever since the excise rate was marked up 200 per cent from 50 paise to Rs. 1.50 per kg from March 1970. Sir, the production costs in hills are higher than that for plains and still the gardens have to contend with lower than the all-India average per hectare yield. The condition of Darjeeling gardens has continued to be much worse than that of any other area.

Sir, 10 paise relief given to Darjeeling district has been no relief. You know this from the facts I have placed before you. On the contrary, the enhancement of excise duty by 15 paise for Cachar and Tripura tea estates will rather hinder the development of the tea industry in that area. In the north-eastern region we have one industry known outside. Excepting Oil, we have no other industry known outside. Sir, today when you were sitting in the Chair, you have heard the Minister in charge of Civil Supplies and Industry. While replying he could not name one industry for which licence has been issued to the entire north-eastern region ...

DR. K. MATHEW KURIAN: They do not want.

SHRI N. R. CHOUDHURY: Our position is that we have only one industry, that is, the tea industry, and every time we are shouting here in this House. The other day, while discussing the working of the Ministry of Com-

DR. K. MATHEW KURIAN : Second industry. . . (Interruptions).

SHRI N. R. CHOUDHURY: Kindly don't disturb, Dr. Kurian. We are every time demanding take-over of the sick and closed tea industries.

But the Commerce Ministry does not pay any heed to that. The tea magnates in Calcutta, the I.T.A. people, have got a lot of connections in Delhi and they are bungling the whole thing. Therefore, the Government cannot take over the sick industry. Darjeeling is getting no relief from the present imposition of excise duty. In Cachar and Tripura, We are allowing some more industries to fall sick and close in order to allow people to start shouting "Take over the sick industries". My humble submission is that the Finance Minister should take note of it. He should review his proposal and consider whether some relief can be given to Zone I and Zone III tea estates.

Sir, many things have been said and our Minister also claims that the anti-smuggling operation has been a grand success. Yes, Sir. Some success has been achieved. Everyone must admit that. Sir, regarding the price line, every time we are told that inflation has been checked and price line has been contained. My point is that the prices of foodgrains today when we are discussing this Finance Bill, are higher than what they were on the same date last year. Whatever may be the position of the general price level, the hardship of the people remains the same. So, We are concerned with the well being of the people. The food situation in the country remains as acute as it was last year. Sir, I had put a question in this House about the procurement of foodgrains and the arrangements for public distribution. Sir, what I learn from the reply does not satisfy me. We cannot be satisfied with such replies from the Government. The reply was given yesterday, the 7th May, in this House. The reply says :

"Supplies from the public distribution system are intended to supplement the availability in the open mar-

ket. The quantity of foodgrains required for the public distribution system during 1975 is dependent on various factors such as the demands from the State Governments, seasonal weather conditions, assessment of crops, availability of stocks in the States and the prevailing market conditions. It is, therefore, not possible to frame any precise quantitative estimate of requirements of public distribution system for 1975."

This is how we are working. This is how we are discharging our duties. Though we have taken the responsibility of feeding 550 million people, we cannot make an assessment of our requirement in order to meet the demands of the public distribution system. We I cannot make an assessment of the situa-I tion. (Time bell rings) I do not know how we are going to feed our people in the lean months if in the middle of May we cannot make an assessment of the situation.

Sir, food situation in the country is still grave. Procurement position also is not very good. So, in the rainy season, we will have to suffer, particularly the deficit areas of the South, East and also Gujarat in the West. Sir, as you are aware, in Assam we had severe floods last year and as a result of that, lakhs of people were rendered homeless. I do not know whether the Members are aware of it. Even today, the people of Goalpara district and North Kamarup of Assam and people belonging to Majuli in the Upper Assam who were rendered homeless have not yet been rehabilitated. They are still staying in camps. In that condition. Sir, the food situation this year in that part of the country will be very grave-Sir, unless we take effective measures, I am sure, there will be a repetition of the 1943 Bengal Famine in Assam. So. it will be my earnest request to the Government, through you. Sir, that they should take effective and timely measures by providing timely supply of foodgrains in ' Assam.

[Shri N. R. Chaudhuri]

Sir, there is one more point and that is very important, I must say. In the Korth Eastern Region, we must take some steps for the security of the region.

SHRI SUBRAMANIAN SWAMY: We cannot do that in this Finance Bill.

SHRI N. R. CHOUDHURY: Can I not refer to it, Sir?

THE VICE-CHAIRMAN (SHRI JAGDISH PRASAD MATHUR): Please continue your speech.

SHRI N. R. CHOUDHURY: Sir, some time back, in Mizoram, they gave some notice that non-Mizos should vacate Mizoram. and we discussed that matter in this House. We were given an assurance by the Government that appropriate security measures will be taken there. But, after that. Sir, the top police officials were killed and a Government vehicle was used for committing those murders. And the killings of policemen are going on every now and then in Mizoram. Several cases have been reported in the Press.

Sir, in Nagaland, we are having the President's rule. Now the Deputy Commissioner has issued a notice that all non-Naga residents of Dimapur Subdivision should vacate Dimapur by the 10th of this month with all their movable property. Sir, today is 8th and day after tomorrow is 10th. And, accordingly, village chiefs, sub-divisional officers and all other officials have been given instructions either to destroy or to confiscate all their movable and immovable properties. This is the case. Now, this has appeared in the press and this is not by any rebel organisation but by Deputy Commissioner; and not by the State Government but when President's rule is there in Nagaland. Therefore, Sir, through you I would draw the attention of the Government to this matter and say that if it is a fact as the press report shows, they should take appropriate measures for the security of life and property of the people in Dimapur and Nagaland. Sir, the Raibari union or

something like that is an organisation of Cachhari people, who are the original settlers of that area. They have sent a representation to Government also requesting them to ask the local administration for the withdrawal of such orders. Sir, I suppose that we will hear something from the Government side today itself because day after tomorrow is the 10th and any happenings there will not only be confined to Dimapur but spread to the entire North-Eastern Region. (Time Bell). If there is any such happening, there is the possibility of other places also being affected. Sir, this is a serious matter and I draw the attention of the Government through you to such quit notices being issued to non-Nagas in the Dimapur Sub-Division by the Deputy Commissioner. I also demand an inquiry into this matter by the Government and some statement by the Government.

With these words, Sir, I support this Bill. Thank you, Sir.

SHRI N. G. GORAY (Maharashtra): Sir, so many bouquets have been thrown at the Finance Minister by so many hon. Members that I hope that he will excuse me if I do not add mine to them.

SHRI C. SUBRAMANIAM : I et me have some brickbats also.

SHRI N. G. GORAY: Sir, I do not want to say that he has not done anything so far as the fiscal policies are concerned, but I do feel that we are still in the woods. References were made here that the price situation has improved, and we have succeeded in arresting the price spiral. Sir, I would like to say only this that while the prices were galloping almost to a crisis about three or four months back, what we have been able to achieve is this, that the prices have reached a sort of plateau and they are stagnant and they have been arrested. But, it is too early to say that we have been able to control the prices in such a manner that the common people can heave a sigh of relief. It is not so. I would like to point out that even while we are saying this.

the prices of oil, edible oil are creeping up, once again. Sugar prices are also tending to increase and that too at a time when we perhaps have an all-time record of sugar production in this country. This is a very strange phenomenon. Even in the field of edible oils, Sir, I would like to point out that we are told that so far as rape seed is concerned, this year there is a record crop and in spite of such a record crop, the oil prices are increasing. These are danger signals.

Sir, I would like to stress the fact that three key sectors, which the Finance Minister had mentioned in his Budget Speech, namely, food, energy and irrigation, should get more attention than they are getting at present.

Sir, take the food situation. After all, in spite of very favourable rabi season, what is the production? The production is not very high. We are just making some headway and so far as procurement is concerned it is too early to say whether we shall be able to reach the targets we have set for ourselves—4.5 million for kharif and 5.5 million for rabi. We are miles far away from the target set and I do not know, looking at the resistance of the peasants to sell their wheat at the price that is laid down by the Government, whether it shall be possible for us to reach the target at all. Supposing we do not reach the target, supposing the monsoon this year is not as good as it was last year, what will happen to the stability in the prices? Once again we shall be in a crisis, in a very critical position. So, I think that every care will have to be taken to see that in spite of the resistance of the peasants we shall have to procure as much food as possible and try our best to reach the targets. We shall have to persuade the States to reach the targets. They cannot have soft options so far as procurement of food-grains is concerned.

Now let us think about electricity. You will find, in the whole of Tamil Nadu there is almost hundred per cent cut or 75 per cent cut in electricity. In my state of Maharashtra there has been

nearly 55 per cent cut in electricity.

What effect does it have on our production capacity? The wage goods that we want to produce, cloth and other items, the production automatically comes down and there is scarcity in the market, so, electricity also is in short supply.

About fuel, the situation is a little better because the Bombay High has been showing some signs of hope and I have every hope that as we go on dredging it will be possible for us to reach our target in the near future. But I am afraid that what is happening in Bombay High has again made us complacent. Complacency seems to be endemic. It seems that whatever little happens it

makes us complacent and we have become complacent on the fuel front because when crude oil was in short supply, it had become very costly, we were thinking in terms of utilising coal. I do not know what has happened to those schemes, whether all our attention has been diverted to the Bombay High and we have stopped thinking about utilising our coal of which we have abundance in this country. Whether all those schemes of turning coal into fuel oil have been dropped I do not know but I think it will be a very unwise policy if we gave up this search for producing oil from coal and utilising all the material which is in abundance in this country.

Sir, looking to the countryside, many Members here have referred to the lot of the common man but I would like to concretise the whole thing, I would like to spotlight it, I would like to bring to the attention of the Finance Minister this fact that nothing less than pauperisation of the small peasant is going on. In the State of Maharashtra thousands of farmers are undergoing such conditions. They are driven away from their land. Their lands are mortgaged. They are neck deep in debts. Their properties are being attached because it is not possible for them to repay the loans that have been given to them by the cooperative societies and by other financial institutions.

[Shri N. G. Goray]

So we shall have to devote more attention to this fact because they form nearly 75 per cent of our peasant population. Either we shall have to say that all these people will be dispossessed and their lands will be brought together under collectivised farming or co-operative farming or big farmers will be given more lands because they have the means to till the land. Either this pattern will have to be followed or we shall have to see that small farmers are assisted in every manner. Sir, I am talking specially of those farmers who are tilling lands in the rainfed areas. They are going down the scale while you see those lands which are irrigated are making the farmers richer and richer. I am in no way envying those farmers but I am saying that it is creating an imbalance in the rural economy because those people who get all the irrigation facilities and other facilities are getting the best from our economy and those who have not those facilities are going under. This process will have to be stopped otherwise what will happen is that there will be lot of discontent in the rural side and the other result will be that from the rural area, people will begin to flock towards the cities. Sir, that has been a phenomenon which was mentioned here that cities like Calcutta, Delhi, Bombay, Madras, Bangalore, have been swelling. A phenomenal growth of these cities has taken place during the last 10 years and the Government does not know how to stop this flow. This is what is happening in Bombay. The slums are growing. Discontent is growing. Unless you stop this flow and unless you create an economy in which it becomes possible for the common peasant to stay where he is, this flow is going to increase and become, perhaps, a flood. This is the danger that I see and I would like the Finance Minister to devote more attention to this particular problem.

One more problem that I would like to bring to his notice is the lack of national policy so far as wages and incomes are concerned. Sir, every section is try-

ing for its own betterment. In the State of Maharashtra, a strike is going on. Lakhs of Government employees are involved and today is the twentieth day. The strike is going on unabated. And what is the demand? The demand is that their wages must be equal to the wages that the Central Government employees are getting. How can you object to this demand, because the Central Government employee is the next door neighbour to the State Government employee and the State Government employee is the next door neighbour to the employee of the Bombay Corporation or the Poona Corporation or the employee in the Zila Parishad? So far as this demand is concerned that there should be equal wages for equal work, it cannot be resisted; it cannot be condemned. But the fact is that it cannot be met also because the States have not the financial resources. What is to happen then? Sir, I will give you an instance. I talked about the rural poor. What is the per capita income of the rural poor? Per capita income is Rs. 219 per year and you will find that the city workers are striking because they want no less than Rs. 400 per month or more than that if they can get it. Now look at this. What a great chasm? What a wide gap? Now what will happen is that there will be a class stratification and there will be discontent among the classes. Only yesterday we were told here that a certain maharani had a necklace worth about two crores of rupees and, perhaps, the total amount which is in her possession will come to about Rs. 50 crores. On the one side we have got wealth like this; on the other side we have got women who are being sold in the market for prostitution because there is nothing to eat at home. I am not exaggerating, Sir, because I know that a certain police officer in Chattisgarh area said that there is not a day on which a woman is not lifted or abducted and sold in the Bombay markets. The same thing is happening in the eastern districts of U.P. This is happening when we are talking of the International Women's Year. We are talking of the great esteem in which we hold our women-folk in India. AH

these are inevitable results of poverty. I would like to ask the Finance Minister, unless we do something concretely to remove this poverty, how it will be possible for us to break through this critical situation that the country is facing today.

So many people talk here about taxes, ceiling on land and what not. I would like to mention one factor which nobody seems to have mentioned. What is happening to our morals? Somebody talked of corruption, but what does it mean really? There is so much of corruption that only to day I saw in a paper which is published from Paris in which some American opinion was expressed—it is likely to come up in this House within the next two or three days—and they have said that there are forty American companies in India which are regularly paying monthly instalments to the biggest officers in the Indian Government or in the administration. Now, this is what is happening right from the biggest officer to the peon or a Chaprasi. Only the day before yesterday when the Central Railway Consultative Committee held its sitting, one Member from Lok Sabha said in the presence of the General Manager of the Central Railway that if you want to purchase a long-distance ticket in V.T.—Victoria Terminus—you will have to give Rs. 20 per ticket in addition. This is what is happening. Even for a long distance railway ticket you have to pay Rs. 20 per ticket. Here they say they have to pay so much money to the biggest officers in the Government of India. This is the picture. This is a very sorry picture and, therefore, sometimes feel that all our calculations about our financial resources and all that are perhaps irrelevant. Perhaps it is not relevant at all. All this unaccounted money, this is, black money, nowhere comes in the picture, but it comes into the market and it plays havoc with our economy. Unless this is stopped, I do not see how prices can really be controlled. Whenever a suggestion for demonetisation was made, it was turned down and again in the Lok Sabha while speaking on the Finance Bill somebody made the suggestion. Again, the Finance Minister has

turned it down. It is all right that you do not accept this particular suggestion, but what is the alternative that you have got? You want that there should be more production in agriculture, in industry and in so many other places, but how do you increase production? How do you get the will to produce more? If your idea is to get easy money, then scarcity is a very good thing. If goods are scarce, then it is easier to get money like that. For this I suppose the Finance Minister must really appeal to all the sections in the House and outside. There is this idea of a moratorium on strikes which was first initiated by our President and some other Members have supported it. I also support it. Why are you not having a national consensus on this? We must get out of this critical situation and if we want to get out of it then everybody will have to work harder and at least more honestly. You will be surprised if I tell you that near Poona there is a military depot, the Dehu Road depot, where the officers told me that a wagon of ammunition which was unloaded within forty-five minutes during the British days, now takes three hours to unload. People do not want to work. This is the mentality everywhere. I will have no hesitation in joining hands with the Finance Minister in appealing to the people that this sort of crazy economy cannot work at all.

You do not want to put anything in, but you want to take a lot of things out. It is not possible. If there are no inputs, how can there be any output which you want to share? Once they produce more, of course, the workers will have the right to demand that their share should be larger. But when there is no work at all and when everybody is trying to divide the cake which is not growing, naturally there is going to be some sort of a conflict, some sort of a confrontation, some sort of a class war, whatever you may call it. But it will be only at the cost of national good and welfare.

So, I would say that so far as this year's financial picture is concerned, it is not one of hope, but it is not one

[Shri N. G. Goray]

of despair, also. We are moving in a sort of twilight. If we want to get out of it, bolder decisions will have to be taken; more courage will have to be shown and there ought to be a consensus so far as production is concerned-

This is all that I have to say.

SHRI C. SUBRAMANIAM : As the last speaker mentioned, there have been not only bouquets, there have been brickbats also and sometimes there have been brickbats hidden in bouquets also. Not only the Members but the whole nation is concerned with the state of the economy. And I greatly welcome the sentiments expressed by Shri Goray with regard to the various steps that have got to be taken for the purpose of getting out of the difficult situation in which we find ourselves.

Shri Sardesai who initiated the debate seemed to assume that we are happy about the situation prevailing, that we are very complacent about it. Far from it. On the other hand, we are also greatly concerned over the existing situation. We are trying to see that the future situation does not deteriorate, but that on the other hand it improves.

As far as inflation is concerned, naturally that is one of the priority areas where we have got to take action, and we have taken action; we have taken some bold decisions there. We have received protests from various quarters, may be even genuine protests. But when we are dealing with a very difficult situation, to expect that everything would be normal, that everybody would have a convenient situation and would not be confronted with difficulties is to expect the impossibility. And a package of measures has been taken in trying to have fiscal discipline, monetary discipline, imposed not only on the various Ministries of the Central Government but on the various agencies of the Central Government also. And those disciplines have to be observed by the State Governments also. It was the first part of our exercise to have a fiscal, monetary, discipline within the governmental

system. The second area was the private sector where commercial credit was restricted both for industrial purposes and for trading purposes. Naturally, in that process, some of the units might have been affected even with regard to production. But taking the situation as a whole we have to evolve, and we have evolved also, a credit policy wherein we have indicated to the monetary institutions, banks and other institutions to observe certain priorities to channelise commercial credit.

Then the third area is the illegitimate sector, that is, the black money which is now described as a parallel economy. There also we have taken some strong decisions. Not merely decisions, we have taken some action also. All this has resulted in the stabilisation of prices which has resulted in a downward trend particularly during the last six months.

SHRI SUBRAMANIAN SWAMY:

Black money is the main economy, not parallel economy.

SHRI C. SUBRAMANIAM : Mr. Subramanian Swamy mentioned about seasonal trend. I am glad he accepted the correction immediately that this was only a seasonal trend. But I had looked into the statistics. I find for the last two years, even during the season, when the prices should have been falling the prices were rapidly rising. Therefore, it was the reversal of that trend which is important, namely, at least during the season where the prices have to come down they started going down. Also the other normal pattern, from May onwards the lean season begins. During the next four or five months the prices have always started going up. What is now important is not that we can arrest the prices completely from rising during this lean season but to see that it does not go beyond a certain limit. This will have to be our endeavour. And all this has been achieved by, what I would call, a negative approach, by restraining money supply. It is just like artificially bringing down the temperature of the patient. Unless the basic malady is removed, again the-

prices would start going up. And it is there that I am in full agreement with hon"ble Members that unless we have increased production we are not going to solve the problem.

Coming to scarcity, here also we have to identify the priorities. Where are we going to get the resources for the purpose of increasing production ? Shri Goray pointed out that the Government have identified these priority areas as food and energy. Naturally, when we recognise food and energy, all those which are associated with that also, which are necessary for the purpose of food production, agricultural production and energy generation, will have to be taken into account like irrigation, fertilisers, pesticides and various other things. Therefore, it is this area which we have to recognise. In the Budget, both in the Central Budget and in the State Budgets, we have given priorities to these two areas. It is not merely the allocation of resources which would deliver the goods. On the other hand, what is more important is how they are going to use these allocated resources to the best advantage so that the implementation of the projects goes forward with greater dynamism than we have had so far. This is the attempt which we are making in all the areas. I need not go into the details of agricultural production because that itself will take quite a long time. But I can give this assurance to this House that we have tried to identify the deficiencies that had arisen during the last four or five years. We are trying to rectify those defects and deficiencies so that the agricultural production goes on increasing.

In the same way in the energy sector also we have tried to see that all the three areas of energy production, particularly I am talking about electricity—hydro-electricity, thermal electricity and also nuclear power—in all these areas we are trying to speed up the process and also undertake new projects so that the gap that has come about with regard to the need and the supply is filled up as quickly as possible. As a matter of fact, I am sure the hon. House is already aware that nearly 1,800 MW have been added during 1974-75 and another

2,500 MW will be added during this year. But all these go only to reach the Fourth Plan target, and that is the real difficulty. Therefore, we have got to be careful to see that particularly the power projects are taken up in a big way, and it is in this that we are trying to strike a new path, that is, erection of super-thermal power stations at coal pit-heads. It is one of the main projects that we have taken up. Already the project reports have been prepared for six locations and these have been presented to the World Bank. And fortunately, the World Bank has responded to this favourably. I am hoping that at least one project would be taken up during this year. The programme I have given to the World Bank is one project during this year, two projects next year and two more projects the year after that. At the same time, we are looking into the bigger hydro-electric projects also. In the nuclear area also, we are trying to improve our capability to establish more and more power plants.

SHRI SUBRAMANIAN SWAMY: How ? You are falling behind in all the targets of nuclear power. How can you say you are trying to improve ?

SHRI C. SUBRAMANIAM : I knew my friend would immediately jump in. It is mainly because unfortunately we have been dependent upon joint collaboration till now with various foreign countries because it is a completely new technology. Fortunately now we are becoming self-reliant even in that area and that is what gives us confidence. Therefore, if we have been slipping, and I do agree we have been slipping, it is mainly because we had not mastered that technology fully. But now I can say with some confidence that we have mastered it and that is why I am saying that even with regard to nuclear power, we need not fall behind our targets. This naturally depends, particularly thermal power depends, upon coal production. Apart from thermal power, coal is fuel for various other purposes also. Therefore, production of coal also has been given the highest priority. I am glad to inform the House that during 1974-75—in the other House

[Shri C. Subramaniam]

I gave the figure of coal production as 88 million tonnes, that is, it had increased from 78 million tonnes to 88 million tonnes; but the final figure has now come—coal production has gone beyond 90 million tonnes. As a matter of fact, this answers the criticism of many well-meaning friends that nationalisation will always be a disaster and there cannot be any increased production particularly when nationalisation is done. And I want to make this assertion here that but for the fact we nationalised and rationalised our coal mining, it would not have been possible to have this higher level of production from 78 million tonnes to 90 million tonnes. We have further programmed that during this year we shall increase it by another 10 million tonnes, to reach the target of 100 million tonnes. Therefore, that area is also being taken care of.

I am glad Mr. Goray mentioned about alternative sources of energy, and said we should not be content with merely what we have already. In this connection, he mentioned about the Bombay High and the hopes that it has generated. It is not merely a hope, it is now a positive fact, and we are also exploring in other areas, in the Kutch area, in the Bay of Bengal and near the Pamban region. Fortunately in these areas the prospects are quite bright. Therefore, as far as oil is concerned, perhaps we may be able not only to see that we have what we need to-day, but we may perhaps be able to meet the future requirements also from our own resources. For that assertion we will have to wait a little more, but it is quite promising. But at the same time, we do realise that we should not be content with these traditional sources of energy, but we have to go in for alternative sources of energy. And therefore we have taken up quite a few projects. I am sure hon. Members are satisfied that we have a Science and Technology Plan in which high priority has been given for the development of these alternative sources of energy.

And this includes solar energy, conversion of coal into gas and liquid. All these things are being taken up and in

these areas also we are having very fruitful co-operation, in some cases with USSR and with other countries also. Taking into account the scientific talent we have and their numbers also, I am confident, provided they are given the chance, the development of these alternative sources of energy seems to have a promising future.

SHRI N. G. GORAY : Are you sure that the scheme of getting oil from coal has not been dropped?

SHRI C. SUBRAMANIAM : It has not been dropped. This is not a new attempt we are making. This has been attempted in various other countries also. Germany depended on oil from coal to run their war. But it is the costliest form of producing oil. But I am sure that is not the end of the invention or technology. I am sure it can further be improved so that it becomes a little more cheap. We have not given it up. Gasification is much more important. It is easier to carry electricity than coal and it is easier to carry gas from one point to another point than coal. All these are kept in mind. Not only research projects are being taken up. But other explorations as to how to bring this about are also being attempted. Therefore, in this context, it is not because prices have started falling for the last few months, but it is because of the positive factors that I am saying that it may be possible for us to get out of the difficult situation. All these require devoted effort and I am glad Shri Goray underlined this aspect. You cannot work less and get more. It is an impossible situation and this is where dedicated and committed work is required by the entire nation. I hope, particularly taking into account the challenges with which we are faced, this atmosphere will be created and that atmosphere will have to be created by all the political parties and by the nation as a whole. I hope, apart from any other thing, at least for this purpose there will be unity of approach by all the political parties, leave alone other matters. This is one aspect of it.

Then, naturally, the question was put to me: What about our self-reliance and your proclamation about zero net aid by the end of the Fifth Plan?

SHRI SUBRAMANIAN SWAMY: Yes.

SHRI C. SUBRAMANIAM : I do agree we had proclaimed that. But Shri Subramanian Swamy is aware of the dramatic changes that have taken place in the world economy during the last two-three years. In 1974-75 we had to pay over one billion dollars for our import of crude. We had "to pay another one billion for import of food. For the same fertilizer we have to pay 700 million dollars extra. The net outflow is round about 2,500 million dollars. Instead of inflow of aid during the first year plan, the situation now is one of net outflow of resources from a country like ours. This has happened in the other developing countries. This way it is not a thing which we can control or which we can change. This is where global and international action is called for. ..

SHRI SUBRAMANIAN SWAMY: That means you are giving up the objective.

SHRI C. SUBRAMANIAM: I am not ashamed if it. It is not possible now to reach that goal. If the world situation has changed, there is nothing to be ashamed of.

SHRI SUBRAMANIAN SWAMY: This is something to be ashamed of because the country can attain that objective, but you are not able to realise that goal.

SHRI C. SUBRAMANIAM: I am sure he will improve. At his age I was also as impatient as he is now. Therefore, I am not surprised at this. We are particularly taking into account the international situation that has developed. I do not think that Shri Swamy by any stretch of imagination will say that Indira Gandhi has brought about this

international situation. He may talk about the national situation. Therefore, .

SHRI SUBRAMANIAN SWAMY:

I can say that Mrs. Indira Gandhi cannot cope with the situation.

SHRI C. SUBRAMANIAM : That is a different thing. I hope you at least would be able to do something sometime later.

SHRI SUBRAMANIAN SWAMY: We would be able to do much better.

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SHRI C. SUBRAMANIAM : Therefore, Sir, it is a question of the international situation and in this international situation, you know the forces that are working, the powerful forces which are working, one contradicting and conflicting with the other and it is in this difficult world that we have to function as best as possible. And, Sir, fortunately, we have a leader who can make an impression even in this world. But I feel Mr. Subramanian Swamy would not be glad. He will be glad only if he degrades our leaders; he will be glad only if he defames our leaders; otherwise, he will not be satisfied at all. He gets satisfaction only by doing these things. After all, we must know what has happened in the Commonwealth Conference. We must also know the leadership given by our Prime Minister. Of course, it is praise by others and Mr. Swamy would not, even in his dream, think of saying, 'Oh, perhaps our Prime Minister is also capable of giving leadership.'.

SHRI SUBRAMANIAN SWAMY:

T supported the stand on the nuclear test.

SHRI C. SUBRAMANIAM: All right. Leave me alone now. If you have got to say anything, you can say later.

"Therefore, I was telling that it is a question of the international situation and in this difficult international situation, you have also to bring about a situation in which the interests of the developing countries will be protected, not only the interests of India, but also

[Shri C. Sutaramaniam]

of the other developing countries. This is also one of the main concerns of ours and I am sure that in this also we are making some progress under our Prime Minister which would satisfy everybody. In the various international conferences, India is making a contribution, a valuable contribution, of which, if only you take an unprejudiced view, you can be a little proud, leaving alone the party politics. Even in this regard also, we are trying to do our best so that a situation is brought about when this burden, which has come about because of the oil crisis and, much more than that, the monetary crisis which came about even before the oil crisis, is reduced and the problem is properly solved and a new monetary system and a new exchange system come about when it would be possible, particularly for the developing countries, to have some sort of an assistance from the various forces in the world today, particularly from the developed countries and when it would be possible for India and countries like India to have, at least during the transitional stage, the help and assistance and transfer of resources from the other countries. But, apart from that, simply to be depending upon the assistance of others is not going to help us and that is why we should develop our own resources as much as possible and it is on that basis only that we are identifying our priorities and going forward as best as possible to see that we reach the targets at least in the priority sectors. This is the position.

But we have naturally to depend upon the imported raw materials and equipment to a certain extent at least for which we have got to pay. So, we expect some assistance from abroad. But that may not be adequate. Therefore, this has got to be met by our own exports and our capacity to export will have to be built up and it is in this area that we can do better, apart from the other areas, and it is here only that we have to be little more pragmatic rather than rigid in regard to our approach to industrial development and the Government has taken the decision that as far

I as the export-oriented industries are concerned, the various limitations, which we are putting on the other industries, would not be applicable and, therefore, let us hope that we take advantage of the situation to produce goods in our country which would have a market abroad and this is what we are attempting to do today. And, if we take advantage of the situation which is developing in the European countries and the situation which has developed in the Middle-East with its new riches, I have no doubt in my mind that we can have several resources for export, firstly, by way of materials, secondly, by way of human materials and resources, and thirdly, by way of expertise, particularly consultancy services and engineering services, which we can provide to these nations.

And all those areas are being explored today and I hope that our foreign exchange requirements also, however much we may cut down these requirements—a certain order of requirement will be there and it may also increase as we go on expanding our activities, and to that extent it should be possible to utilize our own resources and our own technical manpower and scientific manpower and also go on increasing our export earnings.

In that connection. I was looking into some of the figures. Mr. Subramanian Swamy, I think, as an economist should have gone into the figures before making his statement. For example, he made the statement that in 1974-75 it was only 4 per cent increase in real terms. I do not know wherefrom he got the figures. For 1974-75, from April to October, it was 6.4 per cent, and if anything it has improved during the subsequent period. and in value terms it was ... (Intemip- tions), It was a good year. But I do agree that even this is not good enough..

SHRI SUBRAMANIAN SWAMY:

Sir,...

THE VICE-CHAIRMAN (SHRI JAGDISH PRASAD MATHUR) : Let him finish.

SHRI C. SUBRAMANIAM : Are you justified in interrupting me in the middle of a sentence ? What do you want to say ? Let me hear.

SHRI SUBRAMANIAN SWAMY: I said that for the last year, 1973-74, I got the figures from the publication of your Ministry, the Economic Survey, which says that the real export volume grew by 2 per cent per year, and the 1974-75 figures are available with you only, not to anybody else.

SHRI C. SUBRAMANIAM : I was talking about the current situation; you are talking history ... (Interruptions). It is all right.

I am saying that the picture is not so bad as the hon. Member would look it to be, but it is slightly better. But I do agree that we have to improve our performance further, and that would be our endeavour. Therefore, it is not a question of complacency. On the other hand, we completely realise the responsibility of the Government and the nation for the purpose of meeting the situation.

Sir, before, I go to deal with the mud which was thrown by various hon. Members, I thought I would finish other things first.

Another point was made from my side with regard to some World Bank agreement in respect of the Rajasthan Canal. I went through the text of the speech. I found that this is compromising our sovereignty. I tried to look into it from what point of view this statement has been made. But certainly after going through the agreement, I could not find any basis for that statement. But if the hon. Member would point out the object of it, certainly I would be prepared to look into. Certainly any assistance we receive from outside should not be at the cost of our sovereignty or even of our self-respect. Therefore, this has to be kept in mind. But I have gone through it and I have not found any basis for it.

Then, another point was made by Dr. Kurian that it is not due to any extra effort which has been put in by the Department that there has been a larger yield of income-tax and other taxes, but it is the inflationary buoyancy that has brought it. The inflationary buoyancy might have contributed to some extent to this, but that is not the whole story. The Opposition may not like to give any credit to Ministers for anything, but at least the officials and the various other machineries which are working for the Government should be given credit where credit is due.

I have gone into the facts and figures with regard to collection and for the benefit of Dr. Kurian and other hon. Members also, I would like to tell the House that it is not just the traditional thing of tax deducted at source. There are various things which have given the increase. Tax deducted at sources from salaries has gone up from 158.23 crores to 160.35 crores. It is an increase of 2.12 crores. Tax deducted at source from payment's made to the contractors and sub-contractors has gone up from 18.15 crores to 18.27 crores representing an increase of only 0.12 crores. The tax deducted at source from dividends has gone down from 56.33 crores to 45.83 crores. It is minus 10.5 crores. The area in which they have put in a great effort is with regard to advance tax which has gone up from 761 crores to 988 crores. Self assessment tax has gone up from 140 crores to 179 crores. Miscellaneous collec'cions have gone down. The major increase in collection during 1974-75 is in respect of advance tax. This has been brought about by timely issue of advance tax notices and upward revision of initial advance tax payments wherever called for. Similarly, vigorous enforcement of the provision regarding self-assessment has obliged assesseees to pay self-assessment tax. In other words, though, to a large extent, large collections may be due to inflation, stricter watch over 'tax payers' compliance with the statutory obligations and enforcement by the collection machinery are the major contributory factors. I would like to give one other

[Shri C. Subramaniam]

figure with regard to assessment disposed of. The assessment disposed of in 1973-74 was 34.36 lakhs. In 1974-75, it was 38.48 lakhs. It is 12% increase. The number of new assessee added in 1973-74 is 64,126.

IMR. DEPUTY CHAIRMAN in the Chair.] We also try to find out where people are avoiding tax by the method of making surveys. During 1973-74, 64,126 new assessee were added. In 1974-75—upto February 1975—1,24,652 new assessee have been added to the list. Number of searches increased from 538 to 2024. The value of assets seized increased from 4 crores to 17 crores. Therefore, I am sure that Dr. Kurian would agree that it is not just the inflationary tendency which has brought about this greater yield in the income-tax. On the other hand, I would like to pay a tribute on this occasion to the Income-Tax Departments and also to the Excise Department for the devoted work they have done and for the hard work that they have put in for the purpose of seeing that not only do they reach the target but they over-reach the target. In every case, they have over-reached the target. Even when there were revised estimates, even the revised estimates have been exceeded in many cases. Therefore, I am sure that not only Dr. Kurian but the whole House will like to have a word of appreciation for the Department.

Now, I would like to go to the various allegations that have been made. I was really surprised when Dr. Kurian also indulged in it because even though I may differ from his point of view. I always listen to him with great attention as he always concentrates on principles, policies and programmes. I think, as far as I remember, this is the first time when he has descended to the general level of attacking individuals. If he has positive facts and if he can prove the allegations, certainly he is entitled to make them. He is not only entitled, but he can also seek redress on that basis.

DR. K. MATHEW KURIAN: Your speech is very cleverly worded. The allegations made by me yesterday were

based on concrete facts including photographs. I did not make any allegation from nowhere. Also, I did not make the allegation out of context. I was referring to

SHRI C. SUBRAMANIAM: I am not going to leave by just making general remarks. I am going into the details. After that, let me hear your explanation, if you have the explanation. [I am glad you have taken up the chair-4 P.M.

challenge. Now, Sir, let me go into what he has said. I would like to read the text of his speech. Sir, I am quoting Dr. Mathew Kurian's speech:

"But the Finance Minister, Mr. Chavan, at an inter-Ministerial meeting earlier, in a surprising manner had given the signal for arrests under MISA leaving the rest to God and to the judiciary."

It is all right, he is entitled to make that. He further says:

"Instead of taking effective precautionary measures. Government went ahead with a political motive of making political capital, by giving information to the smugglers to get away, to see that they got themselves at large."

This is the first allegation which he has made—"by giving information to the smugglers to get away, to see that they got themselves at large." And he does not leave it there. He comes to a particular person. He says :

"Prior information was given to the smugglers by Mr. Chavan before preventive action was taken."

Sir, I would like to know: On what basis, the hon. Member has made this allegation? Of course, when my colleague intervened later on, he said, "I am reading from the Blitz." I carefully went through both the issues of the Blitz to which he has referred and there is absolutely nothing with reference to Mr. Chavan, therefore I would like the hon. Member to say on what basis is he defaming a respected colleague of

mine, who has served the country so well and who has also functioned as Finance Minister for the last four years without any blemish and who has done so much service. And, Sir, to come and say on the floor of the House that 'prior information was given to the smugglers by Mr. Chavan before preventive action was taken', to say the least, he should apologise if he has no facts to substantiate it (Interruptions). Otherwise, I would not call him a gentleman.

DR. K. MATHEW KURIAN: If you read the proceedings, if you read the Blitz story, you will come to the conclusion yourself.

SHRI C. SUBRAMANIAM : Then, Sir, he says:

"They did not even take care or they did not even take preventive measures to see that people like Coolie Mastan cannot get away from the clutches so easily as they have been able to do now."

I would like to say, Sir, as a matter of fact, as soon as the Ordinance was issued, if I remember right, 20 warrants were issued from the Central Government for the purpose of arresting the kings of smugglers. Out of them, 19 were rounded up within just a few days. And one person even earlier was in Nepal. It was known to us. But we thought it should be on record and, therefore, a warrant was issued against him. Therefore, where is the question of their being informed earlier and their being asked to bolt away? If 19 top smugglers, out of 20 against whom warrants were issued, were arrested, I do not know how the hon. Member is justified in saying that Mr Chavan gave information and Coolie Mastan and others were asked to bolt away. And when the question was put, he blatantly said, "I am reading from the Blitz".

DR. K. MATHEW KURIAN: You read further and you will get the proof.

SHRI C. SUBRAMANIAM: I say every one of us can commit mistakes. But at least we should have the de-

cency to accept that we have committed a mistake . . .

SHRI A. G. KULKARNI (Maharashtra) : He is speaking a lie . . . (Interruptions).

SHRI C. SUBRAMANIAM: Let us not be unfair or harsh to him.

DR. K. MATHEW KURIAN: You see the evidence. The decision was taken when all the top officers were away in France. I have given all the evidence . . .

MR. DEPUTY CHAIRMAN: Mr. Kurian, you have already said what you wanted to say . . .

DR. K. MATHEW KURIAN: I gave a lot of evidence on the basis of which I came to the conclusion.

SHRI C. SUBRAMANIAM: Sir, may I say that this was against the Rules of Procedure of the Parliament? When he was going to mention, particularly a Minister, he should have given notice to you and to me also. But he did not have the decency. Of course, I cannot expect him to observe the parliamentary procedure.

DR. K. MATHEW KURIAN: Under which Rule, Sir?

SHRI C. SUBRAMANIAM: Ordinary decency, I expect the hon. Member to observe.

Sir, the other allegation is also on a par with the same thing. That is with regard to Mundhra that we are not taking any action with regard to Mundhra and that we are allowing it away. And, he mentioned the figure of Rs. 1,000, that we have assessed him only for Rs. 1,000. That Rs. 1,000 was a fine imposed on him in a court of law, in a criminal court, for an offence under the Income-tax Act that he has committed. It is not an assessment for Rs. 1,000. It is not an assessment.

The hon. Member was referring to a transaction in the UK. for the purchase of a certain concern, enterprise, for £ 325 thousand and he mentioned

[Shri C. Subramaniam]

that this belongs to Mundhra and that we have not followed it up. Sir, even in this case the payment was only made to the extent of £ 75 thousand and that was made by a registered company in the U.K., which is a U.K. company. Unless we find evidence to show that this money was paid by the company on behalf of Mundhra, we cannot take any action. {Interruption}. Kindly wait. Hear me. After that if you have to say anything, you can say it.

If this £ 75 thousand was paid by the company on behalf of Mundhra or any of his nominees, then, of course, we can have a cause of action. Unfortunately, we could not get particularly the evidence tendered in the case there because the U.K. rules of procedure in the courts say that any ordinary person cannot go and ask for a certified copy of a particular thing. But, in spite of that we are trying to use the diplomatic channels to get that evidence. If it is forthcoming, certainly we will have to take action against them also. And, then, Sir, to say that we are not taking action against the Mundhras, particularly the man who is being hounded out and to say that we are favouring him is, to say the least, to use any stick to beat the Government and to beat the Ministers. (Interruptions).

DR. K. MATHEW KURIAN: But, I have an affidavit. I will send a copy of the affidavit.

SHRI C. SUBRAMANIAN: Which court will accept your affidavit?

DR. K. MATHEW KURIAN: You do not need my affidavit because you are not a lawyer to get it. I can produce a copy of the affidavit produced by somebody else in the London court. Will you accept that affidavit?

SHRI C. SUBRAMANIAM: Then comes another gem of allegation, for example, that Coolie Mastan and Yusuf Patel have helped Shri K. K. Shah, former Union Minister, and Shri Rajani Patel, President of the Bombay Pradesh

Congress Committee and Shri Jagjivan Ram and that they have been given diamonds and jewellery from Zaveri Bazar, Bombay, by Coolie Mastan and Yusuf Patel. I would like to know what the basis is for this statement.

DR. K. MATHEW KURIAN: Are i you prepared for a public inquiry. (In-J tterruptions) I am prepared to name the Bank in Bombay which has been financ-I ing these operations. If there is a pub-| lie inquiry, I am prepared to face it.

SHRI C. SUBRAMANIAM: That is 1 no justification to drag in the names of ' these people that they have received , jewellery from Zaveri Bazar or from whatever source. He seems to be aware of this source much better than myself and, therefore, Sir, simply to drag in names like this and tarnish them, does it enhance the prestige of the Members of this House? What will the other people think about us, throwing mud like this on our respected national leaders? This is unfortunately the atmosphere which we are creating lot ourselves and I hope that even party politics will have to be played at a fairly decent level and should not descend to (his level).

AN HON. MEMBER: Your Government has no prestige left anyway.

SHRI C. SUBRAMANIAM: I know that is your view.

And, then, unfortunately, my good friend, Shri Mariswami has also followed it.

SHRI SUBRAMANIAN SWAMY: Or, unfortunately my friend comma.

SHRI C. SUBRAMANIAM: I have also to refer to his speech here but I will give my comments later, "By about the 12th March, 1975, the Commissioner of Income-tax got a telex message from Delhi which asked him (1) not to proceed with M. G. Ramchandran' assessment matter . . ."

SHRI S. S MARISWAMY: I did not say thaf, it is M. A. Chidambaram.

SHRI C. SUBRAMANTAM: I got it from your speech. I first thought it was M. A. Chidambaram but I was corrected to say M. G. Ramchandran. All right, "not to proceed with the assessment". But you kindly correct immediately, because the record shows, M. G. Ramchandran's assessment matter not M. A. Chidambaram. "(2) to meet—I wonder whether I should say it or not."

"No. 2 is to meet Shri C. Subra-maniam." And then he goes on to say, "the honourable Finance Minister of this Government of India which carries the motto of "Satyameva Jayate"." I wish he deserves it at least. At Raj Bhavan on 15-3-75 afternoon with all the connected papers . . . That gentleman, as per the instructions, met the Finance Minister. I have got names of the officers but I do not want to reveal them. Let the hon. Minister . . . (Interruptions) ... It appears that somebody in the conference with the Finance Minister has said to the officers "How dare you serve a show cause notice on M. M. Chidambaram?" That was the question fired at the poor officers and they could not give a reply. They were shivering in their shoes. Now the Madras Income-tax Department is in a fix. They are not in a position to act or withdraw the decisions against M. A. Chidambaram because a strong case has been made in the records. There is also a fear that the officers who are responsible for the issue of the notice and other things are likely to be transferred. And where?" And then there are so many other things.

Sir, this is a pure fabrication of a fertile imagination. The most charitable view I could take was, to say that the hon. Member also is a victim of this fabrication. And I can tell you not only before this House, before anybody, before man and God, at no time I discussed not only this case but wherever I go, I do not discuss any individual case of any officer. I can say with a certain amount of emphasis. To come and say that T called for the thing and discussed it and they came with the records and they were shivering, all this looks like a cinema to which his party is accustomed . . . (Interruptions).

SHRI S. S. MARISWAMY: On a point of order. I said it in an almost polite language. I never used all these harsh words that he is trying to use. Let him not do that. I was very polite. I said this is my information. If you say that the information is wrong, say that. Why attribute motives, as fertile imagination? Not that others also cannot use the same words; I can also give you back.

MR. DEPUTY CHAIRMAN: Mr. Mariswamy, where is the point of order?

SHRI C. SUBRAMANIAM: Again I was wondering whether any telex was issued on or about 12th March 1975. I have verified in all the offices concerned, from the Income-tax and other people here and they say no. They have put a lightning call to Madras and tried to find out whether any telex had been received by any officer and they all say no. I do not know how this thing is being said herein, this House accusing a Minister—whether he likes it or not; I happen to be the Finance Minister of India and if I am to be attacked, what will be my position when I go abroad for international conferences and they may say "Mr. Mariswamy says like this; are you like this?"

And then, of all the things he preaches to us . . .

SHRI K. A. KRISHNASWAMY: Mr. Mariswamy is a habitual bluffer.

SHRI C. SUBRAMANIAM: You know him much better than I do. And then, Sir, he is preaching to us: If they are sincere ...

SHRI S. S. MARISWAMY: On a point of order. Is it parliamentary to say that one is a habitual bluffer? Of course, his English I can understand. But is it parliamentary? (Interruptions') ... I am asking on a point of order. Is the word "habitual bluffer" parliamentary? I want a ruling from you. Or you expunge it from the records.

DR. K. MATHEW KURIAN: Sir, you give a ruling.

MR. DEPUTY CHAIRMAN: think the best thing for the member should be to amend his words.

SHRI RABI RAY: Yes, Sir, he should correct.

SHRI S. S. MARISWAMY: It must be expunged from the records.

MR. DEPUTY CHAIRMAN: No. he can amend his words.

SHRI S. S. MARISWAMY: One may say something unparliamentary. Will you give permission to amend it?

MR. DEPUTY CHAIRMAN: Mr. Krishnaswamy, you amend what you have said.

SHRI K. A. KRISHNASWAMY: What I meant was he is a usual bluff making . . .

SHRI RABI RAY: It is wrong English.

DR. K. MATHEW KURIAN: Are you satisfied with the Queen's English?

SHRI C. SUBRAMANIAM: 'Bluffing' is not unparliamentary.

MR. DEPUTY CHAIRMAN ^Bluffing' is not unparliamentary.

SHRI S. S. MARISWAMY: For the information of the hon. Minister and the House, he is an M.A.B.L.

SHRI C. SUBRAMANIAM: Before I pass on to the advice which he has given to us and to our party, I would like to inform you that the case against Mr. M. A. Chidambaram is going on without any interruption whatsoever and there is no question of anybody interfering with it. I want to give him this assurance.

SHRI S. S. MARISWAMY: Thanks for the information.

SHRI C. SUBRAMANIAM: As if you are very much concerned. You are only concerned with throwing mud on me.

SHRI MARISWAMY: I want to know real position.

SHRI C. SUBRAMANIAM: He is least concerned with the result because if he defames me he is satisfied. Then, Sir, fortunately, he has given us some advice. No. 1, if the Government is sincere in collecting the arrears, it should, first of all, dissociate itself from the company of smugglers. No. 2, they should dissociate themselves from politicians who have got a shady background. This is what we are trying to do. We are paying dearly for having associated ourselves with such politicians who have a shady background. We are trying to move away from the ones whom you say are shady politicians. It requires a big effort to get out of it.

Now, I will deal with some of the provisions in the Finance Bill and about which mention was made. Generally I am sure the House has welcomed the provision, particularly the concessions that have been made. One can always argue that the concessions are not adequate and some more concessions should be given. I wish I were in a position to do it, but I have to take care that our deficits do not increase. As a matter of fact, Dr. Kurian, the economist, has predicted that the deficit is going to be a thousand crores this year. Anyway, that is his wish . . .

DR. K. MATHEW KURIAN: Today's paper says that the Budget deficit is Rs. 700 crores and, therefore, you will end up with a deficit of Rs. 1,000 crores.

SHRI C. SUBRAMANIAM: Therefore, I should not do anything which would fulfil his expectations particularly with regard to the deficit. That is why we have to put taxes and collect them as best as possible. I want to give one assurance to the hon. House that we will try to see that we reduce the deficit as much as possible. This is one of the contributory factors for inflation and, therefore, we have got to be quite careful about it. As I have already stated in the other House, it is not as if what we have done is just the

thing which has got to be done and that there are no defects or deficiencies particularly in the taxation measures. We have to continuously review the situation. . .

SHRI S. S. MARISWAMY: May I request him, through you, Sir, to give an assurance. . .

SHRI C. SUBRAMANIAM: Let me finish it.

SHRI S. S. MARISWAMY: Would he kindly assure us, through you, that he will not come forward hereafter before the end of this financial year with any supplementary Budget?

SHRI C. SUBRAMANIAM : This is asking for the impossible, particularly from the Finance Minister. This would be disclosure of what would be done in the future. Certainly no Finance Minister discloses his hands like this. We have taken care to see that particularly essential consumption goods like food and other things are not affected by our taxation proposals and the common man is not hit. The only thing which has been argued for the common man is with regard to Bidi. Unfortunately perhaps it is a personal prejudice which I have against smoking. I consider that even if it is a common man smoking, anybody who wants to smoke, perhaps should make it a little more valuable by paying a little more price for it. That is the justification I want to give this assurance that we will be constantly reviewing the situation and wherever relief is called for and wherever the procedures have to be simplified, we will not hesitate to do it. With this assurance, I hope that the House would accept the Bill. Some hon. Members have tabled amendments. I have got the President's sanction also for that purpose. But I do not know whether they should go through the ritual of moving the amendments.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1975-76,

11—19RSS/75

as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: Let us now take up the clause by clause consideration of the Bill.

Clause 2 was added to the Bill. Clause 3 —

Amendment of section 10

SHRI SUBRAMANIAN SWAMY: Sir, I move:

1. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

"That at page 6, lines 29 and 30 be deleted."

The question was proposed. I

SHRI SUBRAMANIAN SWAMY: This is a ritual because of your group majority. But after 1976, let us see.

MR. DEPUTY CHAIRMAN: Let us go through the ritual anyway.

SHRI SUBRAMANIAN SWAMY: The Minister must understand the spirit behind this amendment. This has become necessary—and it is a means of expressing our disapproval—because the Government has failed to meet its obligations to the Central Government employees about giving them their dues in terms of dearness allowance. It was promised by the Pay Commission. The employees were made to accept the recommendations of the Pay Commission on the ground that whatever the Pay Commission had said would be implemented. But what we find now is that the Government is going back on its agreement. It is betraying the Central Government employees, and they ought to give all the instalments that are due to them.

SHRI C. SUBRAMANIAM: I really accept the spirit but I cannot accept the letter of the amendment.

MR. DEPUTY CHAIRMAN: The question is:

1. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

'That at page 6, lines 29 and 30 be deleted.'

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill. Clauses 4 to 9 were added to the Bill.

MR. DEPUTY CHAIRMAN: Clause 10. Mr. Babubhai Chinai is not here.

Clause 10 was added to the Bill.

Clause 11 — Insertion of new section 80FF.

MR. DEPUTY CHAIRMAN: Mr. Chinai is not here. Yes, Mr. Swamy.

SHRI SUBRAMANIAN SWAMY: Sir, I move:

7. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 11, line 30, for the word 'two' the word 'four' be substituted."

8. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 11, line 32, for the words 'two such dependents' the words 'four such dependents' be substituted."

The questions were proposed.

SHRI SUBRAMANIAN SWAMY: The Finance Minister's amendment in the Lok Sabha reads: —

"Provided that where the individual has, during the previous year, incurred expenditure on the education of more than two dependents as aforesaid, the deduction under subsection (1) shall be allowed only with reference to two such dependents as may be chosen by him."

I would like the number to be four. Let us be realistic. Why should the deduction be only for two children? The average family in India consists of six including four children. I think this kind of deduction for four children would really benefit the poor people in this country. Let us face it. The family planning programme of the Government is a complete failure because they have not provided for social security for the poor. I would request the Finance Minister to accept my amendments, and not to stand on ceremony and prestige.

SHRI C. SUBRAMANIAM: I am sorry that I am not able to accept his amendment.

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, 1975, as passed by the Lok Sabha, namely: —

That at page 11, line 30, for the word 'two' the word 'four' be substituted."

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, 1975, as passed by the Lok Sabha, namely: —

That at page 11, line 32, for the words 'two such dependents' the words 'four such dependents' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That clause 11 stand part of the Bill."

The motion was adopted. Clause 11 was added to the Bill.

MR. DEPUTY CHAIRMAN: Clause 12. Mr. Chinai is not here.

Clause 12 was added to the Bill.

Clause 13—Insertion of new section 80J7

SHRI SUBRAMANIAN SWAMY: Sir, I move:

10. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 14, line 36, for the words 'ten thousand rupees' the words 'eighteen thousand rupees' be substituted."

The question was proposed.

SHRI SUBRAMANIAN SWAMY: Sir, I would again urge upon the Minister to accept this. He has given a sermon on the need to increase production, especially agricultural production. Clause 13 reads—

"in a case where the amount of such profits and gains does not exceed, in the aggregate, ten thousand rupees, the whole of such amount is deductible."

This refers to profits derived from a business of live-stock breeding, or poultry or dairy farming. We have already a bad situation in the agricultural sector. I think it is absolutely necessary that the agricultural sector be given as much encouragement as possible. We need in this country a white revolution. The Minister has talked about it. We have had certainly some attempt at Green Revolution, but absolutely no attempt at White Revolution,

namely in dairy farming in India. Therefore, I suggest that we accept the amendment and raise this amount to Rs. 18,000.

SHRI C. SUBRAMANIAM: As a matter of fact, we have liberalised it in the Lok Sabha to Rs. 10,000 or one-third of the income whichever is higher. If he has another Rs. 6,000 he comes into the taxable bracket. Therefore, it is Rs. 16,000. Therefore, the first Rs. 16,000 income is not taxable at all. And if you take into account the ordinary cattle-breeder or the poultry-breeder, he will be covered by Rs. 16,000. It is only the commercial breeder who is making money out of this will be covered by this. I hope after this explanation he will not press his amendment.

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, 1975, as passed by the Lok Sabha, namely:—

That at page 14, line 36, for the words 'ten thousand rupees' the words 'eighteen thousand rupees' be substituted."

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 37 were added to the Bill.

Clause 38—Amendment of Act 74 of 1956

SHRI SUBRAMANIAN SWAMY: Sir, I move:

13. "That the Rajya Sabha recommends to the Lok Sabha that the

[Shri Subramanian Swamy]

following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 24, line 31, for the words 'four per cent.' the words 'two per cent.' be substituted."

14. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 24, line 35, for the words 'four per cent.' the words 'two per cent.' be substituted."

15. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 24, line 36 and 37 be deleted."

16. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 24, lines 42-43, for the words 'four per cent' the words 'two per cent.' be substituted."

17. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 24, line 45, for the words 'four per cent.' the words 'two per cent.' be substituted."

The questions were proposed.

DR. K. MATHEW KURIAN: Sir, I move:

48. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975 as passed by the Lok Sabha, namely: —

That at page 24, line 31, for the words 'four per cent.' the words 'two per cent.' be substituted."

49. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 24, line 35, for the words 'four per cent' the words 'two per cent.' be substituted."

50. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 24. lines 36 and 37 be deleted."

51. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 24, lines 42-43; for the words 'four per cent' the words 'two per cent.' be substituted."

52. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 24, line 45, for the words 'four per cent.' the words 'two per cent.' be substituted."

The questions were proposed.

SHRI SUBRAMANIAN SWAMY: Sir, this I had raised during my speech regarding the Finance Bill, the need to grossly simplify our sales tax system. Sir, today hardly anybody is paying sales tax because of the jungle that has been created by the Government. I know that Mr. Om Mehta is having a great deal of difficulty satisfying the sales tax people.

Sir, the question really arises why should one more tax be introduced in this way. I think if this country had single point sales tax and allowed freedom of movement from one State to another for goods, this will not only be good for production but it will also give more revenue. Therefore, in that

spirit I have sought to delete the subsection and I have also sought to reduce the sales tax for certain goods. I hope the hon'ble Finance Minister will see the reasonableness of this amendment and accept it.

SHRI C. SUBRAMANTAM: I am sure the hon'ble Member is aware that this measure is for the benefit of the States, not for the Central Government at all. The Central sales tax is collected and then appropriated by the State Governments. This is, as a matter of fact, for the purpose of facilitating the movement of goods without unnecessarily being highly taxed by each State Government. Therefore, we declare certain commodities of inter-State importance and on that only this tax can be levied; otherwise, each State Government could increase their sales tax, on the commodities which would be moving outside a State, without any limit and make other consumers in the other States pay. This is the philosophy behind it. Therefore, from 3 to 4 per cent, is quite reasonable particularly in the context of States wanting more resources.

DR. K. MATHEW KURIAN: The hon'ble Finance Minister advanced the argument that will benefit the States. This is only a one-sided argument because the State Governments are today having substantial financial difficulties because of the unequal Centre-State economic relationship and the financial regulations which are very defective. It is true that sales tax is the only source of income revenue for the State Governments which is relatively elastic. But my opposition to this arises mainly from the fact that there is no uniform policy regarding sales tax between the States. And, therefore, as a protest I would also like to say that the way in which some State Governments are increasing sales tax continuously increasing the inflationary spiral, the idea is to reduce the inflationary spiral resulting from indirect taxes which falls on the people ultimately; most of these taxes are ultimately passed on to the consumer. Therefore, I would take this

opportunity to request the hon. Minister to use his good offices to evolve a uniform sales tax policy in the various States and to see that the sales tax burden does not fall on the common people to the extent it is falling on them now, as the State Governments are left with only sales tax as the elastic source. The only way to prevent this malady is to pass on to the State Governments more and more elastic taxes which to-day the Central Government has. And even if the Central Government is collecting them, 75 per cent of the tax collection should be devolved to the States' pool out of which it could be distributed inter se between the different States. Therefore, I have moved my amendments.

MR. DEPUTY CHAIRMAN: The amendments of Mr. Swamy and Dr. Kurian are identical. I shall now put the amendments to vote. The question is:

13. and 48. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 24, line 31, for the words 'four per cent.' the words 'two per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

14. and 49. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :-

That at page 24, line 35, for the words 'four per cent.' the words 'two per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

15. and 50. "That the Rajya Sabha recommends to the Lok Sabha that

[Mr. Deputy Chairman]

the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

"That at page 24, lines 36 and 37 be deleted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

16 and 51. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 24, line 42-43, for the words 'four per cent.' the words 'two per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

17 and 52. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:

That at page 24, line 45, for the words 'four per cent.' the words 'two per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

"That clause 38 stand part of the Bill."

The motion was adopted.

Clause 38 was added to the Bill.

THE FIRST SCHEDULE

SHRI SUBRAMANIAN SWAMY: Sir. I move:

18. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 25, line 15, for '6,000', '10,000' be substituted."

19. "That the Rajya Sabha recommends to the Lok Sabha that the

following amendment be made in the finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 16, for '*12 per cent.' '8 per cent.' be substituted."

20. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 17, for '6,000' '10,000' be substituted."

21. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 25, line 18,—

(i) for '10,000' '12,000' be substituted; and

(ii) for '6,000' '10,000' be substituted."

22. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 19, for '15 per cent.' '10 per cent.' be substituted."

23. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 20, for "10,000' '12,000' be substituted."

24. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 26, line 5, for '6,000' '10,000' be substituted."

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

Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 26, line 8, for '6,000' '10,000' be substituted."

26. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha namely: —

That at page 26, line 9, for '15 per cent.' '10 per cent.' be substituted."

27. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—•

That at page 26, line 10 for '6,000' '10,000' be substituted."

28. "That the Rajya Sabha recommends to the Lok Sabha that the following amendments be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 26, line 11,—

(i) for '10,000' '12,000' be substituted; and

(ii) for '6,000' '10,000' be substituted."

29. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 26, line 12, for '20 per cent.' '15 per cent.' be substituted."

30. "That the Rajya Sabha recommends to the Lok Sabha that "the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 26, line 13, for '10,000' '12,000' be substituted."

31. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 26, line 14, for '10,000' '12,000' be substituted."

Sir, I would like the Minister to raise the exemption limit of income-tax to Rs. 10,000. He has said in the Lok Sabha, "We have just raised it to Rs. 6,000. How can we raise it to Rs. 10,000?" Well, if he has made a mistake there, it does not mean he cannot rectify it here. There is a sound reason behind raising the exemption level to Rs. 10,000. If you do raise the exemption limit to Rs. 10,000, then certainly the Government will lose some revenue. That will be only Rs. 7.5 crores or so. But over 75 per cent of the files to-day will become redundant and the income-tax officers can then concentrate on the upper income groups where they ought to concentrate. Furthermore, Rs. 10,000 per year means roughly Rs. 850 per month and this will mean a great relief for the middle classes who are already oppressed by rising prices. And the Government has refused to give them DA, thus further compounding the issue. Therefore, I think the Minister should be magnanimous enough, if that is the proper word, to concede that he has made a mistake in making it Rs. 6,000 and that he is agreeable to making it Rs. 10,000 now.

The questions were proposed.

DR. K. MATHEW KURIAN: Sirr I move:

53. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 22, for '20 per cent.' '30 per cent.' be substituted."

54. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 25 for '30 per cent.' '40 per cent.' be substituted."

[Dr. K. Mathew Kurian]

55. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 31, for '50 per cent.' '60 per cent.' be substituted."

56. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 34, for '60 per cent.' '70 per cent.' be substituted."

(0) where the total income exceeds Rs. 80,003 but does not exceed Rs. 1,00,000.

(11) where the total income exceeds Rs. 1,00,000 but does not exceed Rs. 2,00,000.

Sir, I am moving a series of amendments to the First Schedule. This is a very important point and I hope the hon. Minister will not consider it a ritual. I am raising it as a serious problem and I hope the ruling party members will not consider this to be a ritual either. In the previous year's Finance Bill, the then Finance Minister, Mr. Chavan, accepted a proposal incorporated in the Wanchoo Committee Report, namely, that tax evasion can be reduced by reducing the marginal rates of taxation at the higher slabs. Sir, this is a phoney argument, as I have very emphatically said in my speech. What the Government has really done is to walk into the trap which the large business houses and those who are really evading taxes have put through the Wanchoo Committee Report. I do not want to cast aspersions on the Wanchoo Committee as such. But the Wanchoo Committee has accepted willy-nilly the argument of big-moneyed people that tax evasion will be less if the marginal rate of taxation is reduced. This argument is based on a wrong understanding of psychology. Those

57. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 37, for '(9) where the total income exceeds Rs. 70,000',

'(9) where the total income exceeds Rs. 70,000 but does not exceed Rs. '80,000' be substituted"

58. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, after line 39, the following be inserted, namely:—

Rs. 37,000 plus 75 per cent, of the amount by which the total income exceeds Rs. 80,000.

Rs. 52,000 plus 80 per cent, of the amount by which the total income exceeds Rs. '1,00,000."

' who evade taxes, evade because they I do not want to pay. Therefore, by reducing the marginal rates of taxation at the higher level, all that you are doing is to legalise tax evasion. You are not increasing the net revenue collection. And the experience of the last two years shows very clearly that this concept is a bogus concept. This is an argument which no Finance Minister worth his mettle should ever accept, and no Finance Minister in any country for that matter, should have walked into this trap. I have, therefore, suggested that the progressivity which existed in the Income Tax Act earlier should be reintroduced. I do agree with the exemptions at the lower levels. Let the middle class people be given some relief in the income tax. I have not touched that. But for the higher slabs I have reintroduced through my amendment the element of progressivity which existed earlier. Any consequential adjustment in the grading can be done. I have moved my amendment to emphasize the point that at the higher slabs the rate of taxation should

he about 80 to 85 per cent. For the people who are within the income range of 80,000 to 1,00,000 and 1,00,000 to 2,00,000, the rate should be much higher and if proper enforcement of the law is made it will give additional revenue to the Government. Today you are losing money because of your acceptance of the Wanchoo Committee report. Therefore, in all earnestness I would request the hon. Minister to show the grace by accepting this amendment and get out of the trap in which his predecessor had fallen through the last Finance Bill.

The questions were proposed.

SHRI C. SUBRAMANIAM: I am prepared to concede that Dr. Kurian has a point. The measure was introduced only last year and it comes into effect only during this year. Let us watch how it works. If it becomes necessary, I will not hesitate to change the structure. It is too soon to think of a change. This is my plea with him.

As far as Shri Subramanian Swamy's amendment is concerned, particularly lessening of burden of work, I want to tell him that that whether it is 25,000 or even 40,000 or 50,000, it is all summary assessment and therefore there is no burden as far as this low income group is concerned. That argument, therefore, falls to the ground.

The other is that middle class should get some relief. There are, of course, some few rich people. Most of the people in our country are either poor or less poor. The less poor have to pay for the benefit of the poor. Only recently we increased the level from Rs. 5,000 to Rs. 6,000. It is too soon to consider another change.

MR. DEPUTY CHAIRMAN: The question is:

18. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 15, for '6,000' '10,000' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

19. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 16, for '12 per cent.' '8 per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

20. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 17 for '6,000' '10,000' be substituted."

The motion was negatived.

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 1975, as passed by the Lok Sabha, namely:

That at page 25, line 18,—

(i) for '10,000' '12,000' be substituted; and

(ii) for '6,000' '10,000' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

22. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill 1975, as passed by the Lok Sabha, namely: —

That at page 25, line 19, for '15 per cent.' '10 per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

23. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 25, line 20 for '10,000' '12,000' be substituted".

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

24. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 26, line 5, for '6,000' '10,000' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

25. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 26, line 8, for '6,000' '10,000' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

26. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 26, line 9, for '15 per cent.' '10 per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

27. "That the Rajya Sabha recommends to the Lok Sabha that the

following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 26, line 10, for '6,000' '10,000' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

28. "That the Rajya Sabha recommends to the Lok Sabha that the following amendments be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 26, line 11,—

(i) for '10,000', '12,000' be substituted; and

(ii) for '6,000', '10,000' be substituted."

The motion was negatived.

THE DEPUTY CHAIRMAN: The question is :

29. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 26, line 12, for '20 per cent' '15 per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

30. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 26, line 13, for '10,000' '12,000' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

31. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 26, line 14, for '10,000' '12,000' be substituted." The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

53. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 25, line 22, for '20 per cent.', '30 per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

54. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 25, line 22, for '20 per cent.', '30 per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

55. That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

'(10) where the total income exceeds Rs. 80,000 but does not exceed Rs. 1,00,000.

(11) where the total income exceeds Rs. 1,00,000 but does not exceed Rs. 2,00,000.

That at page 25, line 31, for '50 per cent.' '60 per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

56. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 25, line 34, for '60 per cent.' '70 per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

57. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 25, line 37, for '(9) where the total income exceeds Rs. 70,000'.

'(9) where the total income exceeds Rs. 70,000 but does not exceed Rs. 80,000' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

58. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 25, after line 39, the following be inserted, namely :—

Rs. 37,000 plus 75 per cent of the amount by which the total income exceeds Rs. 80,000;

Rs. 52,000 plus 80 per cent of the amount by which the total income exceeds Rs. 1,00,000."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

"That the First Schedule stand part of the Bill"

The motion was adopted.

The First Schedule was added to the Bill.

THE SECOND SCHEDULE

SHRI SUBRAMANIAN SWAMY :— Sir, I beg to move :

32. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 12, for 'Two thousand and one hundred rupees', 'One thousand and five hundred rupees' be substituted."

33. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 41, line 21. for 'Forty per cent.' 'Twenty-five per cent.' be substituted."

34. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 41, line 21, for 'Ninety paise' 'Fifty paise' be substituted."

35. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 24, for 'Ten rupees' 'One rupee' be substituted"

36. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 25, for 'Four rupees' 'Fifty paise' be substituted."

37. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 41, line 27, for "Thirty-five per cent." 'Twenty-five per cent.' be substituted."

38. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 41, line 29, for 'Thirty per cent.' 'Twenty per cent.' be substituted."

39. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 29, for 'Thirty per cent.' 'Twenty per cent.' be substituted."

40. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 41, line 33, for 'Forty per cent' 'Twenty-five per cent.' be substituted."

41. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 42, line 2, '(a) (i) and (b)' be deleted."

42. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 42, line 10, for 'Fifteen per cent.' 'Five per cent.' be substituted."

43. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 42, line 27 and 28, for 'Three rupees and eighty paise' 'Two rupees and fifty paise' be substituted."

44. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

"That at page 42, line 33 be deleted'."

45. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

'That at pages 44 and 45, lines 50 to 52 and 3 to 26, respectively, be deleted'."

This is regarding the favourite item of all Finance Ministers, namely, petrol. Out of Rs. 3.30 per litre, the cost of petrol to the Government is only 40 paise. The remainder is all in the form of taxes. Ultimately who pays for the cost of petrol? Do the rich of this country pay for petrol? They do not. They travel on expense account. When the Finance Minister goes back home this evening, he will not pay a penny out of his pocket. I know all the company executives travel on expense account. The raising of petrol price has hurt only journalists, Professors and some middle class people. Of course, raising of scooter and taxi fare hurts only poor people when they go from their houses to hospitals or when they return home from the Railway station. I would, therefore, urge the Finance Minister not to be under the impression that petrol price hurts the rich. They do not pay for it at all. It ultimately falls on the poor people. Therefore, I would request him to lower the price of petrol.

The questions were proposed.

DR. K. MATHEW KURIAN : Sir, I beg to move:

59. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 41, line 6, for 'Thirty-seven and a half per cent.', 'Thirty per cent.' be substituted."

60. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 21, for 'Ninety paise per kilogram', 'Fifty paise per kilogram' be substituted."

61. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, lines 24 and 25, for 'Ten rupees per kilogram and Four rupees per kilogram', 'One rupee per kilogram and Fifty paise per kilogram' be substituted."

62. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 42, lines 28-29, for 'Three rupees and eighty paise per thousand', 'Two rupees per thousand' be substituted."

63. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975. as passed by the Lok Sabha, namely :—

'That at page 42. line 34 be deleted'."

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

[Dr. K. Mathew Kurian]

the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 42, lines 38 and 39 be deleted."

65. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 42, lines 40 and 41 be deleted'."

My amendment regarding Second Schedule is in respect of Central excise on item No. 1, namely, sugar. There is a real case for reduction in the taxation on sugar. I have, therefore, suggested that it should be reduced from 31½% to 30%. Similarly, Sir, against item 17, namely, Paper, I have suggested that there is a real case for reducing the tax burden on these items and it refers to paper which includes strawboard and cardboard and all that. I think there is a real case here for reduction in the tax burden on this item also. Again, in respect of 18(A), which refers to yarn, etc., I have suggested a reduction from Rs. 10/- per kg. and Rs. 4/- per kg. to Re. 1/- and 0.50P per kg. respectively. This also I consider to be justified. Very important in this regard is the amendment of mine, that is, No. 62, which refers to page 42 of the Finance Bill, lines 28-29, and it is regarding bidis in the manufacture of which any process has been adopted with machines, with or without power. I feel this is a genuine case and I think the honourable Minister should at least show some sympathy and should show some small mercies in the Rajya Sabha. Sir, he has shown some mercies in the Lok Sabha. Similarly, he should show some sympathy here also. Sir, the Finance Minister appears to be a hero today by having put heavy burdens through indirect taxes on the people, having virtually killed them and massacred them. But, even then, before he goes today, he can show some small mercies and at least before we die in the Rajya Sabha, let the Minister show some small mercies in the case of the so-called luxury of

the common man, namely, bidis. Let the honourable Minister at least show some generosity in accepting my amendment in toto. I would request him to accept this without any further argument and this is a case which does not need so much of argument. I am sure he would accept my amendment. The Finance Minister has to be a cruel man to put burdens of this kind on the people.

The questions were proposed,

SHRI C. SUBRAMANIAM : Sir, I agree with Dr. Kurian that the Finance Minister has got to be a little ruthless and, therefore, I am sorry that in spite of his very eloquent pleading, I am not able to accept all his amendments.

As far as Mr. Subramanian Swamy is concerned, now that this is coming to an end, I would caution him: He seems to be developing a liking for hearing his own voice. I think he should change that.

SHRI SUBRAMANIAN SWAMY : You have not been able to answer my arguments.

MR. DEPUTY CHAIRMAN: The question is :

32. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 41, line 12, for Two thousand and one hundred rupees', 'One thousand and five hundred rupees' be substituted."

The motion was negatived,

MR. DEPUTY CHAIRMAN: The question is :

33. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely:—

That at page 41, line 17, for 'Forty per cent.', 'Twenty-five percent' be substituted." The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

34. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 21, for 'Ninety paise', 'Fifty paise' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

35. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 24, for 'Ten rupees', 'One rupee' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

36. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 25, for 'Four rupees', 'Fifty paise' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

37. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 27, for 'Thirty-five per cent.' 'Twenty-five per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

38. "That the Rajya Sabha recommends to the Lok Sabha that the

following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 29, for 'Thirty per cent.', 'Twenty per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

39. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 33, for 'Thirty per cent.', 'Twenty per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

40. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 41, line 34, for 'Forty per cent.', 'Twenty-five per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

41. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 42, line 2, '(a) (i) and (b)' be deleted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

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

[Mr. Deputy Chairman]

the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 42, line 10, for 'Fifteen per cent.', 'Five per cent.' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is :

43. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely :—

That at page 42, lines 27 and 28, for 'Three rupees and eighty paise', 'Two rupees and fifty paise' be substituted."

The House divided.

MR. DEPUTY CHAIRMAN : Ayes 13; Noes 72.

AYES—13

Advani, Shri Lal K.
Anandan, Shri T. V.
Barman, Shri B. D.
Dutt, Dr. Vidya Prakash
Mariswamy, Shri S. S.
Mathew Kurian, Dr. K.
Mathur, Shri Jagdish Prasad
Misra, Shri Lokanath
Raba, Shri Sanat Kumar
Rajnarain, Shri
Ray, Shri Rabi
Swamy, Shri Subramanian
Varma, Shri M. P.

NOES — 72

Abid, Shri Qasim Ali
Adivarekar, Shrimati Sushila Shankar
Anandam, Shri M.
Arif, Shri Mohammed Usman
Avergoankar, Shri R. D. J.
Bhagwati, Shri B. C.
Bhatt, Shri Nand Kishore

Chattopadhyaya, Prof. D. P.

Chaudhari, Shri N. P.

Chaurasia, Shri S. D. S.

Chettri, Shri K. B.

Choudhury, Shri N. R.

Chowdhary, Dr. Chandramanilal

Chundawat, Shrimati Lakshmi Kuma
Das, Shri Balram

Das, Shri Bipinpal

Dhabe, Shri S. W.

Dwivedi, Shri D. N.

Gadgil, Shri Vithal

Goswami, Shri S. P.

Gujral, Shri I. K.

Himmat Singh, Shri

Imam, Shrimati Aziza

Jain, Shri Dharamchand

Joshi, Shri Jagdish

Kalp Nath, Shri

Kamble, Prof. N. M.

Kesri, Shri Sitaram

Khan, Shri Khurshed Alam

Kulkarni, Shri A. G.

Lokesh Chandra, Dr.

Mahanti, Shri B. C.

Majhi, Shri C. P.

Malaviya, Shri Harsh Deo

Mehta, Shri Om

Mishra, Shri R. K.

Mulla, Shri A. N.

Munda, Shri B. R.

Nizam-ud-Din, Shri Syed

Nurul Hasan, Prof. S.

Panda, Shri Brahmananda

Punnaiah, Shri Kota

Raju, Shri V. B.

Reddy, Shri K. V. Raghunatha

Reddy, Shri Mulka Govinda

Reddy, Shri R. N.

Roshan Lai, Shri ||
 Saieem, Shri Mohammad Yunus
 Sardar Amjad Ali, Shri
 Savita Behen, Shrimati
 Seyid Muhammad, Dr. V. A.
 Shahi, Shri Nageshwar Prasad
 Sharma, Shri K. L.

Shastri, Shri Bhola Paswan
 Shukla, Shri Chakrapani
 Singh, Shri D. P.
 Singh Shri I. T.
 Singh, Shri Kameshwar
 Singh, Shri Mohan
 Singh, Shri Parbhu
 Singh, Shrimati Pratibha
 Singh, Shri Ranbir
 Sisodia, Shri Sawaisingh
 Thakur, Shri Gunanand
 Tilak, Shri J. S.
 Tiwary, Pt. Bhawaniprasad
 Totu, Shri G. C.

Tripathi, Shri Kamlapati
 Varma, Shrimati Narayani Devi Mnnak-lal
 Vyas, Dr. M. R.
 Wajd, Shri Sikander Ali
 Yadav, Shri Shyam Lai

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

44. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

'That at page 42, line 33 be deleted'."

45. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

12—19RSS/75

'That at pages 44 and 45, lines 50 to 52 and 3 to 26, respectively, be deleted'."

The motions were negatived.

MR. DEPUTY CHAIRMAN: The question is:

59. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 41, line 21, for 'Thirty-seven and a half per cent' 'Thirty per cent.' be substituted'."

60. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 41, line 21, for 'Ninety paise per kilogram', 'Fifty paise per kilogram' be substituted'."

61. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 41, lines 24 and 25, for 'Ten rupees per kilogram and Four rupees per Kilogram' 'One rupee per kilogram and Fifty paise per kilogram' be substituted'."

62. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 42, lines 28-29, for 'Three rupees and eighty paise per thousand', 'Two rupees per thousand' be substituted'."

63. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

That at page 42, line 34 be deleted'."

[Mr. Deputy Chairman]

64. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

"That at page 42, lines 38 and 39 be deleted'."

65. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

"That at page 42, lines 40 and 41 be deleted'."

The motion was negatived.

MR. DEPUTY CHATRMAN: The question is:

"That the Second Schedule stand part of the Bill."

The motion was Adopted.

The Second Schedule was added to the Bill.

THE THIRD SCHEDULE

SHRI SUBRAMANIAN SWAMY: Sir, I beg to move:

46. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

"That at page 46, line 15, for 'Eighty paise' 'Fifty paise' be substituted."

47. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely,

"That at page 46, lines 20 and 21 be deleted'."

DR. K. MATHEW KURTAN: Sir, I beg to move:

66. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

"That at page 46 line 15, for 'Eighty paise', 'Fifty paise' be substituted."

67. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

"That at' page 46, lines 20-21 be deleted'."

SHRI SUBRAMANIAN SWAMY : This concerns additional duties. I know that the Minister is in the habit of living in his own fool's paradise. But I would ask him to reconsider again and reduce additional duties, so that some relief is possible to the common man.

The questions were proposed.

DR. K. MATHEW KURIAN: I want to add one sentence. We have seen how the brute majority functions. Even when reasonable proposals are made from the Opposition, they are rejected without even considering. Sir, we know that Parliamentary democracy functions in such manner. But, none-the-less, we owe a duty to the people, and I would like to take this opportunity to tell the people how this brute majority on the other side is using their decision making process to amboozle the Opposition even when reasonable proposals are made by the Opposition.

The Third Schedule refers to additional duties of excise on bidis. I request that: at least here the Finance Minister should show a little mercy. He will be holding the traditions of parliamentary democracy in which when reasonable things are said by the Opposition, the Government accepts them. At least, let the Minister show his generosity by defending the traditions of parliamentary democracy and so on.

The questions were proposed.

SHRI C. SUBRAMANIAM: The hon. Member accuses me of brute majority. By doing that, he is accusing the large masses of people who have given us their support.

(Interruptions)

MR. DEPUTY CHAIRMAN: I am putting the amendments to vote. Amendments Nos. 46 and 66 and Nos. 47 and 67 are identical.

The question is:

46. and 66. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely,

That at page 46 line 15, for 'Eighty paise', 'Fifty paise' be substituted."

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

47. and 67. "That the Rajya Sabha recommends to the Lok Sabha that the following amendment be made in the Finance Bill, 1975, as passed by the Lok Sabha, namely: —

"That at page 46, lines 20 and 21 be deleted".

The motion was negatived.

MR. DEPUTY CHAIRMAN: The question is:

"That the Third Schedule stand part of the Bill."

The motion was adopted.

The Third Schedule was added to the Bill.

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

SHRI C. SUBRAMANIAM: Sir, I move :
"That the Bill be returned."

The question was proposed.

MR. DEPUTY CHAIRMAN: Those who have spoken during the first reading should not rise up. Mr. Rajnarain.

SHRI SUBRAMANIAN SWAMY :
This is the final thing about the Finance Bill. I would like to say something.

MR. DEPUTY CHAIRMAN : Mr. Rajnarain has been called.

SHRI SUBRAMANIAN SWAMY :
You have to....

MR. DEPUTY CHAIRMAN: I do not have to do things like that. Mr. Rajnarain.

(Interruptions.)

श्री राजनारायण (उत्तर प्रदेश) : श्रीमान् सर्व प्रथम मैं यह निवेदन करना चाहूंगा कि ये सब लोग कहते हैं कि हम जनतंत्र में यकीन करते हैं। जनतंत्र की सबसे पहली खूबी यह है कि हम दूसरों की बात, अगर वह अर्थात् भी हो, अहितकर भी हो तो भी ध्यान से सुनी जाय और अपनी बात भी दूसरों को सुनाई जाय। मगर मैं यह देखता हूँ कि जहाँ हम लोग खड़े होते हैं और जब यहाँ पर कोई सच्चाई की बात का उद्घाटन होता है तो सत्ताधारी दल की ओर से ही-हल्ला मचना शुरू हो जाता है। इसलिए मैं यह कहना चाहता हूँ कि सबसे बड़ी कसीटी तो यही हो जाती है कि सत्ताधारी दल के पास इस समय जनतंत्र के मूल्यों का पूर्णतः अभाव है। मैं यह भी कहना चाहता हूँ कि मैं इस नतीजे पर पहुँचा हुआ हूँ कि इस सरकार की जितनी भी नीतियाँ हैं वे सब जन-विरोधी हैं और रण-विरोधी हैं। ऐसी स्थिति में मैं इस फाइनेंस बिल को कैसे पास होने दूँ ?

सबसे पहले मैं चाहूंगा कि इस बिल विधेयक, 1975 के उपबन्धों के व्याख्यात्मक ज्ञापन के पेज नं० 37 को देखा जाय। इस 37 नं० पेज में जो टेक्सेशन के प्रपोजल्स हैं उसमें बताया गया है कि 30 रु० प्रति किलो के हिसाब से जो टेक्स लगाया गया था उसमें इस मद के अन्तर्गत नायलोन और नायलोन रेजो वाले तंतुओं को 1-1-1976 तक जिसमें कि वह दिन भी है, इतने शुल्क से छूट दी जाएगी जो कि 6 रु० प्रति किलोग्राम से अधिक है। 30 रु० से घटाकर 6 रु० किलोग्राम कर दिया गया है। मैं पूछना चाहता हूँ कि यह किस के हित में किया गया है? नायलोन घागे की मोनोपोली किस के पास है ?

[श्री राजनारायण]

नायलोन की मोनोपली जे० के० के पास है। वह कानपुर का कंपटलिस्ट और अरबपति है। 30 रुपया प्रति किलोग्राम की जगह 6 रुपया प्रति किलोग्राम सरकार ने कर दिया है और इस तरह से सरकार ने इतना रुपया उसमें घटा दिया है। जब हम उनसे कहते हैं कि गरीब आदमी जो बीड़ी पीता है, उस पर टैक्स न लगाया जाय तो हमारे मुकद्दाम हल्ला मचते हैं। वे अपने को बड़ा क्रान्तिकारी कहते हैं। आज वे मिनिस्टर बन गये हैं और इस तरह की बात जो जनता विरोधी है, कर रहे हैं। तो मैं चाहता हूँ कि इसका उत्तर सरकार जरा ईमानदारी के साथ और सच्चाई के साथ दे।

मैं एक और बात भी बतला देना चाहता हूँ और जिसकी सूची हमारे पास है कि जे० के० न करोड़ों रुपया इलेक्शन फंड में लगाया है। उसका जो पूरा हिसाब लगाया गया है वह करीब साढ़े चार करोड़ रुपया आता है। आधा रुपया तो उसने ले लिया है और आधा उसने इलेक्शन फंड में दे दिया है।

डा० चन्द्रमणि लाल चौधरी (बिहार) : इसका सबूत दीजिये और झूठी बात मत कहिये ?

श्री राजनारायण : इसका सत यही है कि 30 रुपये प्रति किलो की जगह अब 6 रुपया प्रति किलो लिया जा रहा है। तीन साल के अन्दर इसके बारे में मैं इतना ही कहना चाहता हूँ।

अब मैं शिक्षा के बारे में कहना चाहता हूँ। श्री कमलापति त्रिपाठी जी यहां से इस समय उठकर चले गये हैं। वे पंत जी की शिक्षा मानते हैं। पंत जी ने शिक्षा दे रखी है कि जब भी राजनारायण बोले तो उनके सामने न रहो क्योंकि राजनारायण जी उनके विभाग के बारे में कहना शुरू कर देंगे। इसलिए त्रिपाठी जी सदन से उठकर चले गये ज्यों ही हमने अपना भाषण शुरू किया।

श्रीमन्, यह देखिये अखबार है। बनारस हिन्दू विश्वविद्यालय में धनराजगिरि होस्टल में पहली तारीख की 9 बज रात दो लड़के अपने कमरे में सोये हुए थे। बनारस हिन्दू विश्व विद्यालय चूंकि यह केन्द्रीय विश्व विद्यालय है, इसलिए मैं इसकी चर्चा कर रहा हूँ; वहां एक कमरे में दो लड़के सोये हुए थे। तीन लड़के उस कमरे में बाहर से जाते हैं। उनके हाथों में हथकड़ा रहता है, जिसकी देशी पिस्तौल कहते हैं। एक बाहर के लड़के से कमरे के एक लड़के से लड़ाई शुरू हो जाती है और इस तरह से आपास में गुत्थमगुत्था हो जाती है, धर पकड़ हो जाती है और जिस लड़के के हाथ में पिस्तौल होती है वह गिर जाती है और उसमें से कारतूस भी गिर जाता है। इस तरह से बाहर से आय हुए उस लड़के को पकड़ लिया जाता है और दो लड़के भाग जाते हैं। इस घटना के बाद वहां पर हल्ला मचता है और फिर दो घंटे के बाद वहां पर 25-30 लड़के बाहर से आ जाते हैं तमाम हथियारों को लिये हुए। वहां पर जो एक्टिंग वाइस चान्सलर है, उनको जानकारी से वहां पर पी०ए० सी० पड़ी हुई है, तमाम लोग पड़े हुए हैं और इतने लोगों के बावजूद भी वहां पर तीन प्राध्यापकों को गहरी चोट पहुंचती है, एक और विद्यार्थी को गहरी चोट पहुंचती है तथा बहुत से लोगों को चोट आती है, लेकिन फिर भी कोई मुनने वाला नहीं है। आज वहां पर, विश्व विद्यालय में गुन्डा का राज हो रहा है। हमारे मित्र लिल्ला-येंगे कि जांच कराई जाय। अगर इस बारे में कोई जांच कराई जायेगी, तो वहां पर कम्युनिस्ट विद्यार्थी ही मिलेंगे, जो वहां पर इस तरह की हरकतें कर रहे हैं। (Interruption)

अब मैं इसके लिए देहरादून की भी बात कह देना चाहता हूँ। आज वहां पर कम्युनल टेंशन करवाया जा रहा है। वहां पर 10 तारीख को हाकी टीम का स्वागत किया गया था मगर वहां के जो यूथ कांग्रेस वाले हैं, उनको इसमें नहीं बुलाया गया और इसका यह नतीजा हुआ कि यूथ कांग्रेस वालों ने वहां पर सरदारों की दुकानों को जला दिया वहां पर यूथ कांग्रेस वालों ने जज को घेराव कर दिया कि विरोधी दल वालों की जमानत मत

करो। आज यूथ कांग्रेस के विद्यार्थी वहाँ पर इस तरह की बातें कर रहे हैं। (Interruption)

डा० चन्द्रमणि लाल चौधरी : कहां की बात है ?

श्री राजनारायण : यह देहरादून जिले की बात है जो कि यू०पी० का एक जिला है।

श्रीमन, मैं कहीं भूल न जाऊँ (Interruption)
संविधान में एक क्लॉज है.....

एक माननीय सदस्य : यह सब राजनारायण ने कराया।

श्री राजनारायण : मैं पाजी हूँ, बदमाश हूँ तो सदन की कमेटी बैठा दी जाय, जांच हो जाय। श्रीमन, संविधान के अनुच्छेद 104 में लिखा हुआ है कि अगर सदन का कोई सम्मानित सदस्य जानबूझकर, जब उसकी सदस्यता संदिग्ध है या वह सदस्य नहीं है, सदन में बैठता है तो 500 रुपये प्रतिदिन उसको जुर्माना देना होगा। दो सदस्यों के ऊपर यह आरोप लगाया गया है। एक सदस्य हैं मिस्टर इब्राहिम और दूसरे सदस्य हैं मिस्टर हवीब तनवीर। ये दोनों हमारी राज्यभाषा के सदस्य हैं। गवर्नमेंट से उनका कन्ट्रैक्ट है। हमने गुजराल साहब से बात की है। राष्ट्रपति को चिट्ठी लिखी गई है। उन्होंने इलेक्शन कमीशन को लिखा है। इलेक्शन कमीशन इसकी जांचकर रहा है। मैं आज इसलिए सदन को सूचना दे रहा हूँ ताकि आज के बाद अगर वे सदन में बैठते हैं, सदन की कार्यावाही में भाग लेते हैं, भत्ता लेते हैं तो 500 रुपये प्रतिदिन के हिसाब से उनको दंड मिले।

श्री उपसभापति : अब आप समाप्त करिए।

श्री राजनारायण : श्रीमन, मैं स्वयं बहुत जल्दी में हूँ।

श्री उपसभापति : आपको मीटिंग में जाना है।

श्री राजनारायण : मैं अपनी तरफ से कुछ नहीं कहता हूँ, मैं केवल कोट कर रहा हूँ और उसमें हमारे सदन के सम्मानित सदस्य समझें कि यह सरकार कैसी है। यह लैटर 19 सितम्बर 73 को श्री बिड़ला ने बर्गीज को लिखा था :—

"I am, therefore, surprised that Mr. Sanjay Gandhi should feel that we have been unfair to him or his project. On the contrary, he should crave forbearance in accepting his letters sent by Wing Commander Choudhury, although these were sent to us personally through a Senior Information Officer of the Prime Minister's Secretariat. This was very improper and is the kind of thing that arouses a great deal of suspicion and lends credibility to the various public charges being made about the official favour being bestowed on Maruti Ltd."

इसमें और बहुत है जिसको मैं छोड़ देता हूँ।

श्री उपसभापति : अब आप वाइन्ड-अप करिए।

श्री राजनारायण : मैं बहुत जल्दी भाग रहा हूँ। श्रीमन, 71 लैटर्स हैं, मैं सब नहीं पढ़ रहा हूँ। केवल एक मैं पढ़ देना चाहता हूँ मोदी के बारे में। के के बिड़ला, जो हिन्दुस्तान टाइम्स के मालिक है, उन्होंने बर्गीज को लिखा कि तुम मोदी की फ्लॉवर मिल्स के बारे में बहुत प्लेन करी कर रहे हो तो उसने कहा कि हमने क्या किया, पहले उनको मीसा में पकड़ा गया, जब मीसा का वारन्ट था तो मोदी साहब एक्सकांड कर रहे थे लेकिन जब दीक्षित जी कृपा से मीसा का वारन्ट एग्जिशियल कम्प्लिटिज एक्ट के तहत बदल दिया गया तब उनकी जमानत हुई। यह इस लैटर में बाका-यदा लिखा हुआ है। इसके बाद उसने सर्व-लाइट और तमाम के बारे में लिखा है।

श्री उपसभापति : फिर कभी कहिएगा।

श्री राजनारायण : उसमें उसने लिखा है—

"You have also to withstand many pressures from people in Government business, personal friends and unknown readers in this regard."

श्री उपसभापति : अब आप वाइन्ड-अप करिए ।

श्री राजनारायण : एक चीज और कह लेने दीजिए गल्ले के बारे में । हमारे देश के अन्न के साथ कैसी खिलवाड़ की जा रही है और जो अन्न जाता है उसके साथ क्या गड़बड़ है । यह राजेन्द्र पुरी की किताब है— *India's Wasted Years, 1969-1975* :—

"The Government of India imported milo from the United States. When the stock arrived, Food Corporation of India officials discovered that datura seeds which were very much poisonous were mixed with milo."

यह वहाँ के एम० एल० ए० ने कहा, पब्लिक स्टेटमेंट हुआ, असेम्बली में उठा एम० एल० ए० का नाम है बरदक । "Mr. Fakhruddin Ali Ahmed came to Delhi and issued a statement".

उन्होंने क्लीन चिट दे दी ।

श्री उपसभापति : अब आप इसको छोड़िए ।

श्री राजनारायण : ठीक है, मैं आपकी बात मान कर इसको छोड़ रहा हूँ ।

श्री उपसभापति : अब आप खत्म करिए ।

श्री राजनारायण : एक मिनट में । यह खराबी कहां से चली है ।

श्री रणधीर सिंह (हरियाणा) : तुम्हारे घर से ।

श्री राजनारायण : आज इस देश की खराबी की सारी जिम्मेदारी अमरीका की है । अमरीका को जितना दोष दिया जाय वह दिया जाना चाहिए ।

"To get back to Mrs. Gandhi's revealing remarks about Ben Bella's successor, the possibility could not be ruled out from my mind, enforced by the near hysteria with which the United States created her ascent to the Prime Minister's office that she was indeed in her own mind a pro-American at the time she became Prime Minister."

SHRI T. V. ANANDAN (Tamil) इन्दिरा गांधी अमरीका की कृपा से प्रधान मंत्री बनीं और जब एक बार बन गईं तो देश को चौपट कर रही हैं, यह बात यह किताब सिद्ध कर रही है । इसलिए इन्दिरा जी जब तक रहेंगी देश तबाह और बर्बाद होता रहेगा ।

Nadu): I am very glad, Sir the Finance Minister has very successfully steered the Finance Bill through. May I ask, [THE VICE-CHAIRMAN (SHRI V. B. RAJU) in the Chair] Sir, whether the economy of our country will pick up and there will be no poverty? I am of opinion that at least as long as the working class in this country, who are the backbone of economic growth not only in our country but all over the world, do not feel contented, no country will progress, including the Finance Minister. Therefore, Sir, may I ask him whether he is prepared to eliminate the present discriminatory wage structure from category to category and sector to sector? As long as this discriminatory wage structure is there, there will be discontentment and agitation all over the country. To avoid agitation, a national wage policy shall have to be decided immediately, if the hon. Finance Minister wants progress of our country. At the same time I should ask the Finance Minister as to why he is delaying taking action on payment of 5 instalments of Dearness Allowance although it is over 8 months now. Not only the Central Government employees, but all the employees are very much discontented. In the papers this morning I saw that the Central Government employees are going to stage a demonstration in the country to see that Government takes a decision about payment of 5 instalments of the Dearness Allowance. When are you going to take that decision?

Another point Sir, the recommendations of the Third Pay Commission provided that at the stage of 272 points, the Government has got the right to set up a revised pay-structure. Here I may say, do not go in for a Fourth Pay Commission. You call the representatives, sit with them and decide immediately the restructuring of the recommendations of the Third Pay Commission. This will be in the interest of our country.

SHRI C. SUBRAMANIAM : Mr. Anandan made a point with regard to the Dearness Allowance payable to the government servants and suggested that we should sit down with the representatives of the employees and discuss this matter. That is what is going on now and, therefore, I hope and trust, taking into account the economic situation in the country, the response from our employees also will be constructive and positive so that we do not further spoil the economic situation. We are very much concerned with the welfare of our employees. We will take all necessary steps particularly for the distribution of essential commodities through a public distribution system for which various efforts are being made and I hope and trust that the welfare of the employees will be one of our main concern. With that assurance, I hope the labour leader will be satisfied. He has discharged his responsibility as a labour leader.

With regard to Mr. Rajnarain's various remarks, unfortunately these do not fall within the scope of the third reading. Therefore if I begin to attempt answering, I will also be indulging in irrelevancies. Therefore, I will stop.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): The question is:

"That the Bill be returned."

The motion was adopted.

RE. SITTING OF THE HOUSE ON JOTH MAY, 1975

श्री लाल आडवाणी (दिल्ली) : श्रीमन्,
मुझे लगता है कि बिजिनेस जो हमारे पास है

उस हिसाब से शनिवार को हाउस का बैठना
जरूरी नहीं होगा।

श्री रबी राय (उड़ीसा) : शनिवार को
बैठक नहीं होनी चाहिए।

THE VICE-CHAIRMAN (SHRI V. B. RAJU): What is the concrete proposal?

SHRI RABI RAY: That there should be no sitting on Saturday.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): You want that there should be no sitting on Saturday. Therefore kindly finish what we sought to finish on Saturday. Let us finish that today.

THE MINISTER OF STATE IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI OM MEHTA):

I will like to say that today there is a minor Bill, that is Tobacco Cess Bill. This we will complete today. If the members agree, the Nagaland Appropriation Bill, Companies Dividend Bill and the Union Territories Bill, will be considered and passed on Monday. If the members agree to this, I have no objection. If we finish this Tobacco Cess Bill today and take up these three small Bills on Monday and agree to discuss. I have no objection to have holiday on Saturday.

DR. K. MATHEW KURIAN

(Kerala): My submission is that the debate on the working of the Ministry of Communications which was originally decided upon by the Business Advisory Committee, should be there and that should not be eliminated. We must find time for that. By not sitting on Saturday, the discussion on the Ministry of Communications should not be scuttled. That should be ensured.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): I take it that it is the opinion of the House that we finish the Tobacco Cess Bill this evening and pass the three small Bills referred to by Shri Om Mehta on Monday.